

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-40747



authID Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

46-2069547

(I.R.S. Employer
Identification No.)

1580 North Logan Street, Suite 660, Unit 51767,
Denver, CO 80203

(Address of principal executive offices) (zip code)

516-274-8700

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock par value \$0.0001 per share	AUID	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated filer

Non-accelerated filer

Accelerated filer

Smaller reporting company

Emerging growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

Class	Outstanding at November 11, 2025
Common Stock, par value \$0.0001	13,443,740 shares

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This report includes forward-looking statements that relate to future events or our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Words such as, but not limited to, “believe,” “expect,” “anticipate,” “estimate,” “intend,” “plan,” “targets,” “likely,” “aim,” “will,” “would,” “could,” and similar expressions or phrases identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and future events and financial trends that we believe may affect our financial condition, results of operation, business strategy and financial needs.

You should read thoroughly this report and the documents that we refer to herein with the understanding that our actual future results may be materially different from and/or worse than what we expect. We qualify all of our forward-looking statements by these cautionary statements including those made in this report, in Part I. Item 1A. Risk Factors also appear in our Annual Report on Form 10-K for the year ended December 31, 2024 and our other filings with the Securities and Exchange Commission. Some examples of risk factors which may affect our business are as follows:

- our lack of significant revenues, positive cash flow and history of losses,
- market acceptance of our products and competition;
- our ability to attract and retain customers for existing and new products;
- our ability to effectively maintain and update our technology and product and service portfolio;
- our reliance on third party software and developers;
- breaches of network or IT security and presentation attacks;
- our ability to hire and retain key personnel and additional talent;
- our ability to raise capital under acceptable terms;
- our ability to maintain listing of our common stock on the Nasdaq Capital Market;
- our ability to adequately protect our intellectual property, or the loss of some of our intellectual property rights through costly litigation or administrative proceedings;
- our ability to operate in non-US markets;
- the impact of the wars in Ukraine and the Middle East;
- stock price and market volatility and the risk of securities litigation;
- legislation and government regulation; and
- general economic conditions, inflation and access to capital.

Other sections of this report include additional factors which could adversely impact our business and financial performance. New risk factors emerge from time to time and it is not possible for our management to predict all risk factors, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Except for our ongoing obligations to disclose material information under the Federal securities laws, we undertake no obligation to release publicly any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events. These forward-looking statements speak only as of the date of this report, and you should not rely on these statements without also considering the risks and uncertainties associated with these statements and our business.

OTHER PERTINENT INFORMATION

Unless specifically set forth to the contrary, when used in this report the terms “authID” the “Company,” “we,” “our,” “us,” and similar terms refer to authID Inc., a Delaware corporation and its subsidiaries.

The information which appears on our website www.authID.ai is not part of this report.

PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

authID INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2025	December 31, 2024
	<u>(unaudited)</u>	<u></u>
ASSETS		
Current Assets:		
Cash	\$ 4,899,658	\$ 8,471,561
Accounts receivable, net of allowance for credit losses of \$49,000 and \$0 respectively	191,338	97,897
Contract assets, net of allowance for credit losses of \$0 and \$0 respectively	101,349	426,859
Deferred contract costs	230,544	617,918
Other current assets, net	984,352	460,192
Total current assets	<u>6,407,241</u>	<u>10,074,427</u>
Intangible Assets, net	138,943	213,718
Goodwill	4,183,232	4,183,232
Total assets	<u>\$ 10,729,416</u>	<u>\$ 14,471,377</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 1,275,346	\$ 1,715,410
Commission liability	9,084	459,657
Severance liability	-	325,000
Convertible debt, net	-	240,884
Deferred revenue	531,580	215,237
Total current liabilities	<u>1,816,010</u>	<u>2,956,188</u>
Total liabilities	<u>\$ 1,816,010</u>	<u>\$ 2,956,188</u>
Commitments and Contingencies (Note 8)		
Stockholders' Equity:		
Common stock, \$0.0001 par value, 150,000,000 shares authorized as of September 30, 2025 and December 31, 2024; 13,443,740 and 10,920,909 shares issued and outstanding as of September 30, 2025 and December 31, 2024	1,344	1,092
Additional paid-in capital	196,608,105	185,312,508
Accumulated deficit	(187,706,096)	(173,808,529)
Accumulated comprehensive income	10,053	10,118
Total stockholders' equity	<u>8,913,406</u>	<u>11,515,189</u>
Total liabilities and stockholders' equity	<u>\$ 10,729,416</u>	<u>\$ 14,471,377</u>

See notes to condensed consolidated financial statements.

authID INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Revenues	\$ 596,337	\$ 248,920	\$ 2,337,192	\$ 686,736
Discounts and concessions	(702,483)	-	(702,483)	-
Revenues, net	<u>(106,146)</u>	<u>248,920</u>	<u>1,634,709</u>	<u>686,736</u>
Operating Expenses:				
General and administrative	3,325,452	2,102,549	9,878,085	6,334,070
Research and development	1,785,387	1,615,970	5,762,921	4,213,041
Depreciation and amortization	16,034	43,798	76,475	131,210
Total operating expenses	<u>5,126,873</u>	<u>3,762,317</u>	<u>15,717,481</u>	<u>10,678,321</u>
Loss from continuing operations	<u>(5,233,019)</u>	<u>(3,513,397)</u>	<u>(14,082,772)</u>	<u>(9,991,585)</u>
Other Income (Expense):				
Interest income	61,657	161,308	200,047	344,185
Interest expense, net	(1,959)	(12,712)	(14,842)	(36,219)
Other income (expense), net	<u>59,698</u>	<u>148,596</u>	<u>185,205</u>	<u>307,966</u>
Loss from continuing operations before income taxes	(5,173,321)	(3,364,801)	(13,897,567)	(9,683,619)
Income tax expense	-	-	-	-
Net loss	<u>\$ (5,173,321)</u>	<u>\$ (3,364,801)</u>	<u>\$ (13,897,567)</u>	<u>\$ (9,683,619)</u>
Net Loss Per Share - Basic and Diluted	<u>\$ (0.38)</u>	<u>\$ (0.31)</u>	<u>\$ (1.11)</u>	<u>\$ (0.97)</u>
Weighted Average Shares Outstanding - Basic and Diluted:	<u>13,443,740</u>	<u>10,920,872</u>	<u>12,538,275</u>	<u>9,961,110</u>

See notes to condensed consolidated financial statements.

authID INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net Loss	\$ (5,173,321)	\$ (3,364,801)	\$ (13,897,567)	\$ (9,683,619)
Foreign currency translation gain/(loss)	21	967	(65)	(5,549)
Comprehensive loss	<u>\$ (5,173,300)</u>	<u>\$ (3,363,834)</u>	<u>\$ (13,897,632)</u>	<u>\$ (9,689,168)</u>

See notes to condensed consolidated financial statements.

authID INC. AND SUBSIDIARIES

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Unaudited)**

	Common Stock		Additional Paid-In Capital	Accumulated Deficit	Other Comprehensive Income	Total
	Shares	Amount				
Balances, June 30, 2025	13,443,740	\$ 1,344	\$ 195,515,123	\$ (182,532,775)	\$ 10,032	\$ 12,993,724
Stock-based compensation	-	-	827,315	-	-	827,315
Restricted Stock Award Vesting	-	-	265,667	-	-	265,667
Net Loss	-	-	-	(5,173,321)	-	(5,173,321)
Foreign currency translation	-	-	-	-	21	21
Balances, September 30, 2025	<u>13,443,740</u>	<u>\$ 1,344</u>	<u>\$ 196,608,105</u>	<u>\$ (187,706,096)</u>	<u>\$ 10,053</u>	<u>\$ 8,913,406</u>
Balances, June 30, 2024	10,920,851	\$ 1,092	\$ 184,164,638	\$ (165,849,353)	\$ 6,108	\$ 18,322,485
Stock-based compensation	-	-	595,536	-	-	595,536
Reclass of offering costs	-	-	40,000	-	-	40,000
Cashless stock option exercise	58	-	-	-	-	-
Net Loss	-	-	-	(3,364,801)	-	(3,364,801)
Foreign currency translation	-	-	-	-	967	967
Balances, September 30, 2024	<u>10,920,909</u>	<u>\$ 1,092</u>	<u>\$ 184,800,174</u>	<u>\$ (169,214,154)</u>	<u>\$ 7,075</u>	<u>\$ 15,594,187</u>
Balances, December 31, 2024	10,920,909	\$ 1,092	\$ 185,312,508	\$ (173,808,529)	\$ 10,118	\$ 11,515,189
Stock-based compensation	-	-	1,828,522	-	-	1,828,522
Sale of common stock for cash, net of offering costs	2,184,180	218	8,464,109	-	-	8,464,327
Issuance of Common Stock for severance	27,838	3	205,997	-	-	206,000
Restricted Stock Award Issuance	200,000	20	-	-	-	20
Restricted Stock Award Vesting	-	-	796,980	-	-	796,980
Cashless warrants exercise	110,813	11	(11)	-	-	-
Net Loss	-	-	-	(13,897,567)	-	(13,897,567)
Foreign currency translation	-	-	-	-	(65)	(65)
Balances, September 30, 2025	<u>13,443,740</u>	<u>\$ 1,344</u>	<u>\$ 196,608,105</u>	<u>\$ (187,706,096)</u>	<u>\$ 10,053</u>	<u>\$ 8,913,406</u>
Balances, December 31, 2023	9,450,220	\$ 945	\$ 172,714,712	\$ (159,530,535)	\$ 12,624	\$ 13,197,746
Stock-based compensation	-	-	2,044,210	-	-	2,044,210
Sale of common stock for cash, net of offering costs	1,464,965	146	10,041,253	-	-	10,041,399
Cashless stock options exercise	5,724	1	(1)	-	-	-
Net Loss	-	-	-	(9,683,619)	-	(9,683,619)
Foreign currency translation	-	-	-	-	(5,549)	(5,549)
Balances, September 30, 2024	<u>10,920,909</u>	<u>\$ 1,092</u>	<u>\$ 184,800,174</u>	<u>\$ (169,214,154)</u>	<u>\$ 7,075</u>	<u>\$ 15,594,187</u>

See notes to condensed consolidated financial statements.

authID INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended	
	September 30,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (13,897,567)	\$ (9,683,619)
Adjustments to reconcile net loss with cash flows from operations:		
Stock-based compensation	2,625,522	2,044,210
Non-cash severance expense	206,000	-
Depreciation and amortization expense	76,475	131,210
Provision for expected credit losses	795,900	-
Credit losses write-off	(896,620)	-
Amortization of debt discounts and issuance costs	4,116	12,345
Changes in operating assets and liabilities:		
Accounts receivable	7,279	(132,329)
Contract assets	325,510	(201,610)
Deferred contract costs	387,374	55,133
Other current assets	(524,160)	(351,312)
Accounts payable and accrued expenses	(765,064)	(424,961)
Commissions liability	(450,573)	(124,150)
Deferred revenue	316,343	197,715
Net cash flows from operating activities	<u>(11,789,465)</u>	<u>(8,477,368)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of intangible assets	(1,700)	(17,582)
Net cash flows from investing activities	<u>(1,700)</u>	<u>(17,582)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from sale of common stock, net of offering costs	8,464,327	10,041,399
Repayment of convertible notes	(245,000)	-
Net cash flows from financing activities	<u>8,219,327</u>	<u>10,041,399</u>
Effect of Foreign Currencies	(65)	(5,156)
Net Change in Cash	(3,571,903)	1,541,293
Cash, Beginning of the Period	8,471,561	10,177,099
Cash, End of the Period	<u>\$ 4,899,658</u>	<u>\$ 11,718,392</u>
Supplemental Disclosure of Cash Flow Information		
Cash paid for interest	<u>\$ 10,370</u>	<u>\$ 23,873</u>
Warrants issued as offering costs	<u>\$ 864,165</u>	<u>877,392</u>
Cashless option and warrant exercises	<u>\$ 438,000</u>	<u>\$ 79,556</u>

See notes to condensed consolidated financial statements.

authID INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – BASIS OF PRESENTATION

In the opinion of Management, the accompanying condensed consolidated financial statements are prepared in accordance with instructions for Form 10-Q, include all adjustments (consisting only of normal recurring accruals) which we considered as necessary for a fair presentation of the results for the periods presented. Certain information and footnote disclosures normally included in the consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted. It is suggested that these condensed consolidated financial statements be read in conjunction with the Company's Annual Report on Form 10-K for the year ended December 31, 2024. The results of operations for the nine months ended September 30, 2025 are not necessarily indicative of the results to be expected for future periods or the full year.

The consolidated financial statements include the accounts of authID Inc. and its wholly-owned subsidiaries MultiPay S.A.S. (dissolved as of August 2, 2024), ID Solutions, Inc., FIN Holdings Inc., Ipsidy Enterprises Limited, and authID Gaming Inc. (collectively the "Company"). All significant intercompany balances and transactions have been eliminated in consolidation.

Going Concern

As of September 30, 2025, the Company had an accumulated deficit of approximately \$187.7 million. For the nine months ended September 30, 2025, the Company earned net revenue of approximately \$1.6 million, used approximately \$11.8 million to fund its operations, and incurred a net loss of approximately \$13.9 million.

The continuation of the Company as a going concern is dependent upon financial support from the Company's stockholders, the ability of the Company to obtain additional debt or equity financing to continue operations, the Company's ability to generate sufficient cash flows from operations, successfully locating and negotiating with other business entities for potential acquisition and acquiring new clients to generate revenues and cash flows. In April and May 2025, the Company raised a total of approximately \$8.5 million after expenses from existing and new stockholders through the sale of Common Stock pursuant to registered direct offerings. Going forward, the Company plans to raise additional funds to support its operations and investments as it seeks to create a sustainable organization. Our growth-oriented business plan to offer products to our customers will require continued capital investment and there is no guarantee that such financing will be available, or available on acceptable terms.

There is no assurance that the Company will ever be profitable. These condensed consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result should the Company be unable to continue as a going concern. As there can be no assurance that the Company will be able to achieve positive cash flows (become cash flow positive) and raise sufficient capital to maintain operations, there is substantial doubt about the Company's ability to continue as a going concern.

Net Loss per Common Share

The Company computes net loss per share in accordance with FASB ASC 260, "Earnings per Share". ASC 260 requires presentation of both basic and diluted earnings per share ("EPS") on the face of the statement of operations. Basic EPS is computed by dividing net loss available to common shareholders by the weighted average number of common shares outstanding during the period. Diluted EPS gives effect to all dilutive potential common shares outstanding during the period including stock options, using the treasury stock method, and convertible notes and stock warrants, using the if-converted method. In computing diluted EPS, the average stock price for the period is used in determining the number of shares assumed to be purchased from the exercise of stock options, warrants and conversion of convertible notes. Diluted EPS excludes all potential dilutive common shares if their effect is anti-dilutive. The following potentially dilutive securities were excluded from the calculation of diluted loss per share for the three and nine months ended September 30, 2025 and 2024 because their effect was antidilutive:

Security	2025	2024
Convertible notes payable	-	8,277
Warrants	719,965	697,446
Stock options	2,463,480	1,991,048
	<u>3,183,445</u>	<u>2,696,771</u>

Revenue Recognition

Revenues, net is defined as gross revenues, less discounts and sales concessions.

Software License – The Company recognizes revenue based on the identified performance obligations over the performance period for fixed consideration and / or variable fees generated. Variable fees are typically earned over time based on monthly users, transaction volumes or a monthly flat fee rate. We allocate the selling price in a contract which has multiple performance obligations based on the contract selling price that we believe represents a fair market price for the service rendered based on estimated standalone selling price. Transaction fees are billed monthly and are constrained to transactions incurred within the month.

For contracts with minimum annual fees, the Company generally recognizes the amount of revenue ratably over the contract year and records contract assets for the amount in excess of monthly contract billings relating to variable contract consideration. For certain contracts, the Company enters into an agreement which stipulates a minimum annual fee which is generally due at the end of the contract year, in excess of the amount of monthly billings. The Company may also require milestone payments of the minimum annual fee. The amount of any billed fees in excess of revenue recognized is recorded as deferred revenue. The Company accounts for price concessions as reductions to the transaction price under ASC 606. Price concessions represent implied or estimated future reductions in consideration that the Company expects to grant, based on known facts and circumstances, including customer usage patterns and strategic considerations. These concessions are treated as variable consideration and are included in the transaction price only to the extent that it is probable that a significant reversal of cumulative revenue will not occur when the uncertainty is resolved. During the three and nine months ended September 30, 2025, the Company granted approximately \$0.7 million and \$0.7 million in concessions, respectively.

Any usage-based fees in excess of the minimum contract amount are charged to the customer and allocated to the annual period in which they are earned under the contract. At the beginning of each annual period in the contract, the Company estimates the variable amounts for the annual period subject to the constrained variable consideration (usage-based fees) and recognizes that amount on a time-elapsed basis over the annual period. At each reporting date within an annual period, the Company reassesses its estimate of the excess variable amounts for the annual period and updates the amount recognized on a time-elapsed basis over the remainder of the annual period.

The Company had deferred revenue contract liabilities of approximately \$0.01 million and \$0.46 million as of September 30, 2025 and December 31, 2024, respectively, for certain revenue that will be earned in future periods.

Remaining Performance Obligations

As of September 30, 2025, the Company's Remaining Performance Obligation (RPO) was \$3.6 million, of which \$0.5 million is held as deferred revenue and \$3.1 million is related to other non-cancellable contracted amounts. This reflects a reduction in RPO of approximately \$8.1 million from a customer contract under which partial payment was made during the three months ended September 30, 2025 but the customer requested amended terms before making further payments. The Company believes it is in its best interest to renegotiate terms with this customer, with whom we are continuing to work, and the parties are in discussions on renegotiating the contract. The Company expects approximately 48% of the RPO to be recognized as revenue over the next twelve months ending September 30, 2026 based on contractual commitments and expected usage patterns. However, the amount and timing of revenue recognition are generally dependent upon customers' future consumption, which is inherently variable at customers' discretion. Furthermore, the Company does not have sufficient historical information to estimate the timing of recognition of revenue due to its current operations and has approximated such amount based on discussions with the contracted parties.

Accounts Receivable and Contract Assets

All customers are granted credit on a short-term basis. Accounts receivable, net is stated net of the allowance for credit losses.

The Company maintains an allowance for its doubtful accounts receivable for estimated credit losses. This allowance is based upon historical loss patterns, the number of days that billings are past due, and evaluation of the potential risk of loss associated with delinquent accounts, current market conditions and reasonable and supportable forecasts of future billable product usage compared with contracted minimums. The Company records the allowance against bad debt expense through the condensed consolidated statement of operations, included in general and administrative expense, up to the amount of revenue recognized to date. Any incremental allowance is recorded as an offset to unearned revenue on the condensed consolidated balance sheet. Receivables are written off and charged against recorded allowance when the Company has exhausted collection efforts without success.

The Company evaluates its accounts receivable and contract assets balances using the Current Expected Credit Loss (“CECL”) model in accordance with ASC 326. The Company routinely reviews its accounts receivables and contract assets and uses a risk-based probability-weighted approach to record provisions. However, those provisions are estimates and actual results could differ from those estimates, and those differences may be material.

Changes in the allowance for credit losses are as follows:

	September 30, 2025
Balance at December 31, 2024	149,720
Provision for expected credit loss	795,900
Credit loss write-offs	(896,620)
Balance at September 30, 2025	<u>\$ 49,000</u>

Concentration of Risks

The Company’s financial instruments that are exposed to concentration of credit risks consist primarily of cash and accounts receivable. The Company’s cash at times may exceed the Federal Depository Insurance coverage of \$250,000.

As of September 30, 2025, two customers accounted for 75% of the Company’s gross accounts receivable. As of December 31, 2024, three customers accounted for 49% of the Company’s accounts receivable.

The Company’s revenue is also exposed to concentration risk:

For the nine months ended September 30, 2025, one customer represented 48% of gross revenue.

For the three months ended September 30, 2025, two customers represented 47% of gross revenue.

For the nine months ended September 30, 2024, two customers represented 64% of gross revenue.

For the three months ended September 30, 2024, two customers represented 74% of gross revenue.

As of September 30, 2025, three customers accounted for 85% of the Company’s Remaining Performance Obligation.

As of December 31, 2024, one customer accounted for 70% of the Company’s Remaining Performance Obligation.

Deferred Contract Costs

We defer the portion of sales commission that is considered a cost of obtaining a new contract with a customer and amortize these deferred costs over the period of benefit. We expense the remaining sales commissions as incurred. Reversals recorded in the nine months ended September 30, 2025 reflect commission claw-backs for certain bookings that were adjusted in the quarter, per our corporate policy. The following table summarizes deferred contract cost activity for the nine months ended September 30, 2025:

	Deferred Contract Costs
Carrying Value at December 31, 2024	\$ 617,918
Additions	125,540
Reductions	(455,072)
Amortization	(57,842)
Carrying Value at September 30, 2025	<u>\$ 230,544</u>

NOTE 2 – OTHER CURRENT ASSETS

Other current assets consisted of the following at September 30, 2025 and December 31, 2024:

	September 30, 2025	December 31, 2024
Prepaid third-party and related party services	\$ 263,739	\$ 141,002
Prepaid insurance	369,221	319,190
Recoverable incentive compensation	230,000	-
Commissions advances	121,392	-
	<u>\$ 984,352</u>	<u>\$ 460,192</u>

Recoverable incentive compensation relates to recovery of approximately \$230,000 in incentive payments made in prior periods that have subsequently been reduced based on adjustments to internal performance metrics. The recovery is expected to be made by December 2025 and the receivable is recorded as an asset.

NOTE 3 – INTANGIBLE ASSETS, NET (OTHER THAN GOODWILL)

The Company's intangible assets primarily consist of acquired and developed software that is being amortized over their estimated useful lives as indicated below. The following is a summary of activity related to intangible assets for the nine months ended September 30, 2025:

	Acquired and Developed Software	Patents	Total
Useful Lives	5 Years	10 Years	
Carrying Value at December 31, 2024	\$ 99,819	\$ 113,899	\$ 213,718
Additions	-	1,700	1,700
Amortization	(62,713)	(13,762)	(76,475)
Carrying Value at September 30, 2025	<u>\$ 37,106</u>	<u>\$ 101,837</u>	<u>\$ 138,943</u>

The following is a summary of intangible assets as of September 30, 2025:

	Acquired and Developed Software	Patents	Total
Cost	\$ 1,782,872	\$ 185,596	\$ 1,968,468
Accumulated amortization	(1,745,766)	(83,759)	(1,829,525)
Carrying Value at September 30, 2025	<u>\$ 37,106</u>	<u>\$ 101,837</u>	<u>\$ 138,943</u>

Amortization expense totaled approximately \$76,000 and \$131,000 for the nine months ended September 30, 2025, and 2024, respectively.

Future expected amortization of intangible assets is as follows:

2025 (Remainder of the Year)	\$ 10,824
2026	37,226
2027	30,442
2028	18,389
2029	18,389
Thereafter	23,673
	<u>\$ 138,943</u>

There were no impairment indicators noted with respect to Company's long-lived assets, including intangible assets, as of September 30, 2025.

NOTE 4 – ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consisted of the following as of September 30, 2025 and December 31, 2024:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Trade payables	\$ 452,809	\$ 317,030
Accrued payroll and related obligations	468,510	984,536
Other accrued expenses	354,027	413,844
	<u>\$ 1,275,346</u>	<u>\$ 1,715,410</u>

NOTE 5 – CONVERTIBLE NOTES PAYABLE

On March 21, 2022, the Company entered into a Securities Purchase Agreement (“SPA”) with certain accredited investors, which included certain Company directors or their affiliates (the “Note Investors”). Under the SPA, the Company issued Senior Secured Convertible Notes (the “Convertible Notes”) to the Note Investors, with a total initial principal amount of approximately \$9.2 million and a conversion price of \$3.70 per share.

The Convertible Notes carried an aggregate cash origination fee of approximately \$200,000, and the Company also issued approximately 3,562 shares of common stock to the Note Investors as an additional origination fee. These Convertible Notes matured on March 31, 2025 and accrued interest at an annual rate of 9.75%, was payable on a quarterly basis.

The following is a summary of convertible notes outstanding as of December 31, 2024:

	<u>December 31, 2024</u>
9.75% convertible notes due March 31, 2025	\$ 245,000
Less	
Unamortized debt discount expense	(652)
Unamortized debt issuance expense	(3,464)
	<u>\$ 240,884</u>

The Company paid the outstanding Convertible Notes and accrued interest in full on March 31, 2025.

NOTE 6 – RELATED PARTY TRANSACTIONS

Commercial Agreements

On June 6, 2023, the Company entered into a services agreement with The Pipeline Group, Inc. (“TPG”). Ken Jisser, a director of the Company, is the founder and CEO of TPG, and Kunal Mehta, a director of the Company subsequently became an officer of TPG, a technology-enabled services company that aims to deliver business results for companies looking to build a predictable and profitable pipeline. The agreement provides that TPG will assist in providing outsourced sales including business development resources for outbound calling, provide support for automated dialing technology, classify customer data and other sales related services for an initial term of one year. On October 25, 2023, on December 19, 2023 and on August 26, 2024, the Company entered into amendments to the above services agreement, pursuant to which TPG will provide certain additional services to the Company. In consideration of the services, the Company paid TPG \$70,000 per month. As of September 30, 2025, the Company held a balance of approximately \$70,000 in prepaid expenses related to this service agreement. On September 26, 2025, the Company signed another amendment with TPG to reduce the monthly fees to \$42,000. The amendment is effective October 1, 2025. Total expense incurred under this contract during the three and nine months ended September 30, 2025 was approximately \$210,000 and \$630,000, respectively. Total expense incurred under this contract during the three and nine months ended September 30, 2024 was approximately \$210,000 and \$752,000, respectively.

On September 30, 2025, the Company entered into a services agreement with TPG. The agreement provides that the Company will provide biometric authentication services to TPG for an initial term of two years, with an annual license fee of \$2,500 and monthly minimum fees ramping to \$1,000 per month.

Employment Agreement

Since June 2023, the Company has employed Dale Daguro, the brother of our CEO, Rhon Daguro as a VP Sales. Dale Daguro’s employment is at will and may be terminated at any time, with or without cause. Dale’s compensation is commensurate with other executives employed by the Company at a similar level of seniority and experience. During the three and nine months ended September 30, 2025, Dale Daguro earned approximately \$77,000 and \$227,000 in base salary and sales commission.

NOTE 7 – STOCKHOLDERS’ EQUITY

Common Stock

During the nine months ended September 30, 2025, shares of common stock were issued to recipients as a result of the following transactions:

- On April 1, 2025, pursuant to Securities Purchase Agreements in a registered direct offering, the Company issued 1,811,120 shares of common stock and pre-funded warrants for cash gross proceeds of approximately \$8.2 million (or approximately \$6.8 million, net of offering costs).
- On April 16, 2025, the Company issued 200,000 shares of common stock under restricted stock awards (“RSAs”) to non-employee advisors pursuant to advisory agreements.
- On May 7, 2025, pursuant to Securities Purchase Agreements in a registered direct offering, the Company issued 373,060 shares of common stock and pre-funded warrants for cash gross proceeds of approximately \$2.1 million (or approximately \$1.6 million, net of offering costs).
- The Company issued 27,838 shares in lieu of a cash severance payment at a price of \$7.40 per share for a total value of \$206,000.
- The Company issued 110,813 shares of common stock, upon the cashless exercise of warrants.

During the nine months ended September 30, 2024, shares of common stock were issued as a result of the following transactions:

- On June 27, 2024, pursuant to Securities Purchase Agreements in a registered direct offering, the Company issued 1,464,965 shares of common stock for cash gross proceeds of approximately \$11.0 million (or approximately \$10.0 million, net of offering costs).
- During the nine months ended September 30, 2024 the Company issued 5,724 shares of common stock, upon the cashless exercise of stock options.

Warrants

During the nine months ended September 30, 2025, warrants were issued as a result of the following transactions:

- On April 1, 2025, in connection with their placement agent services, the Company issued 91,556 common stock warrants to Dominari Securities, LLC, with a term of 5 years and an exercise price of \$4.50 per share
- On April 1, 2025, in connection with their placement agent services, the Company issued 80,999 common stock warrants to Madison Global Partners, LLC, with a term of 5 years and an exercise price of \$4.50 per share
- On May 7, 2025, in connection with their placement agent services, the Company issued 22,702 common stock warrants to Dominari Securities, LLC, with a term of 5 years and an exercise price of \$5.60 per share
- On May 7, 2025, in connection with their placement agent services, the Company issued 14,762 common stock warrants to Madison Global Partners, LLC, with a term of 5 years and an exercise price of \$5.60 per share

On April 22, 2025, Madison III, LLC exercised 187,500 warrants in a cashless exercise. The warrants were previously expensed at their fair value of \$438,000.

On June 27, 2024, in connection with their placement agent services, the Company issued 102,547 common stock warrants to Madison Global Partners, LLC, with a term of 5 years and an exercise price of \$7.50 per share.

The following is a summary of the Company's warrant activity for the nine months ended September 30, 2025:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Remaining Life
Outstanding, December 31, 2024	697,446	\$ 11.20	3.2 Years
Granted	210,019	\$ 4.70	4.5 Years
Exercised/Cancelled	(187,500)	\$ 3.16	-
Outstanding, September 30, 2025	<u>719,965</u>	<u>\$ 11.40</u>	3.0 Years

Restricted Stock Awards

On April 16, 2025, the Company granted 200,000 restricted stock awards (RSAs) at par value to non-employee advisors under advisory agreements. The awards were issued on the grant date and vest in four equal tranches of 50,000 shares each: (i) immediately upon execution of the advisory agreements on March 30, 2025, (ii) six months later, (iii) twelve months later, and (iv) eighteen months later. The Company has the option to repurchase all or a portion of unvested shares in the event that the advisors voluntarily cease to serve as an advisor of the Company. The fair value per share on the grant date was \$7.97, resulting in a total grant-date fair value of \$1,594,000. As of September 30, 2025, \$797,000 of fair value was recognized as expense, with \$797,000 of unrecognized compensation expense to be recognized through October 2026.

The following is a summary of the Company's RSA activity for the nine months ended September 30, 2025:

	Number of Restricted Stock Awards	Weighted Average Grant Date Fair Value Price
Outstanding, December 31, 2024	-	\$ -
Granted	200,000	\$ 7.97
Vested	(100,000)	\$ 7.97
Outstanding, September 30, 2025	<u>200,000</u>	<u>\$ 7.97</u>

Stock Options

During the nine months ended September 30, 2025,

- The Company granted directors a total of 357,361 options at an exercise price of \$3.90 per share.
- The Company also granted a total of 416,600 options to certain new and existing employees at exercise prices ranging from \$5.35 to \$5.89 per share.
- During the nine months ended September 30, 2025, the Company granted a former employee 5,205 options at an exercise price of \$7.40 in lieu of cash severance payment.

The Company determined the grant date fair value of options granted for the nine months ended September 30, 2025, using the Black Scholes Method, as applicable, with the following assumptions:

Expected volatility	110 – 123%
Expected term	2.5 – 5 years
Risk free rate	3.65% – 4.59%
Dividend rate	0.00%

Activity related to stock options for the nine months ended September 30, 2025, is summarized as follows:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Contractual Term (Yrs.)	Aggregate Intrinsic Value
Outstanding at December 31, 2024	2,147,402	\$ 20.89	6.3	\$ 1,146,540
Granted	779,166	\$ 5.41	10.0	\$ -
Exercised	-	\$ -	-	\$ -
Forfeited/cancelled	(463,088)	\$ 42.68	2.3	\$ -
Outstanding as of September 30, 2025	<u>2,463,480</u>	<u>\$ 18.25</u>	1.9	<u>\$ 3,375</u>
Exercisable as of September 30, 2025	<u>939,183</u>	<u>\$ 16.47</u>	6.2	<u>\$ 1,344</u>

The following table summarizes stock option information as of September 30, 2025:

Exercise Price	Outstanding	Weighted Average Contractual Term (Yrs.)	Exercisable
\$2.64 – \$5.00	701,736	8.7	293,389
\$5.01 – \$10.00	1,332,790	8.6	301,006
\$10.01 – \$15.00	42,578	1.1	42,578
\$15.01 – \$20.00	43,749	1.9	43,750
\$20.01 – \$121.28	342,627	4.1	258,460
	<u>2,463,480</u>	7.8	<u>939,183</u>

As of September 30, 2025, there was approximately \$3.6 million of unrecognized compensation costs related to stock options outstanding that will be expensed through 2027.

On May 24, 2024, the Board of Directors adopted the 2024 Equity Incentive Plan (the “2024 Plan”). On June 26, 2024, the stockholders approved and ratified the 2024 Plan and the allocation of 395,000 shares of Common Stock to the 2024 Plan, in addition to the remaining shares not allocated to awards under the 2021 Equity Incentive Plan and any shares, which become available as a result of the forfeiture, or cancellation of any previous awards. On June 26, 2025, the stockholders approved and ratified an increase of 295,000 shares allocated to the 2024 Incentive Plan. As of September 30, 2025, there were 115,716 shares allocated to and available for issuance of awards under the 2024 Plan.

NOTE 8 – COMMITMENTS AND CONTINGENCIES

Legal Matters

From time to time the Company is a party to various legal or administrative proceedings arising in the ordinary course of our business. While any litigation contains an element of uncertainty, we have no reason to believe that the outcome of such proceedings will have a material adverse effect on the financial condition or results of operations of the Company.

NOTE 9 – SEGMENT INFORMATION

Operating segments are defined as components of an enterprise for which separate financial information is available and which is evaluated regularly by the chief operating decision maker (“CODM”) in deciding how to allocate resources and in assessing performance. The Company’s chief operating decision maker (“CODM”) is the Chief Executive Officer. The CODM is the highest level of management responsible for assessing the Company’s overall performance, and making operational decisions such as resource allocations related to operations, product prioritization and delegations of authority. The CODM has determined that the Company operates in a single operating and reportable segment and manages segment profit (loss) based upon consolidated net income (loss). The measure of segment assets is reported on the consolidated balance sheet as total consolidated assets.

NOTE 10 – SUBSEQUENT EVENTS

None.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The discussion and analysis of our financial condition and results of operations are based on our financial statements, which we have prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported revenues and expenses during the reporting periods. On an ongoing basis, we evaluate estimates and judgments, including those described in greater detail below. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

As used in this “Management’s Discussion and Analysis of Financial Condition and Results of Operation,” except where the context otherwise requires, the term “we,” “us,” “our,” “authID” or “the Company,” refers to the business of authID Inc. and its subsidiaries.

Overview

authID ensures enterprises “Know Who’s Behind the Device”TM for every customer or employee login and transaction, through its easy-to-integrate, patented, biometric identity platform. authID powers biometric identity proofing in 700ms, biometric authentication in 25ms, and account recovery with a fast, accurate, user-friendly experience. With our PrivacyKeyTM solution, authID provides a 1-to-1-billion false match rate, while storing no biometric data. authID stops fraud at onboarding, blocks deepfakes, prevents account takeover, and eliminates password risks and costs, through the faster, frictionless, and most accurate user identity experience demanded by today’s digital ecosystem.

Our Platform

Our cloud-based platform was developed with internally developed software as well as acquired and licensed technology and provides the following core services:

- Biometric Identity Verification
- Biometric Identity Authentication
- Account / Access Recovery
- Identity Exchange (IDX) Platform

Biometric Identity Verification - ProofTM

Biometric identity verification establishes the trusted identity of a user based on a variety of ground truth sources, including government-issued identity documents such as national IDs, driver’s licenses and passports or electronic machine-readable travel documents (or eMRTDs). Our VerifiedTM platform detects presentation attack and spoofing threats, evaluates the authenticity of security features present on a government-issued identity document, and biometrically matches the reference picture of the document with a live user’s selfie (a photograph that the user has taken of themselves). Usually occurring at account opening or onboarding, identity verification ensures that the enterprise knows that the person interacting with the enterprise is who they say they are, in real time. authID’s ProofTM identity verification product eliminates the need for costly and less accurate face-to-face, in-person ID checks and instead provides a verified identity in seconds. In a digital, online world of increasing fraud and security threats, Proof speeds up onboarding and offers our customers confidence in the identities of consumers, employees or third-party vendors.

Biometric Identity Authentication - VerifiedTM

Biometric identity authentication provides any organization with a secure, convenient solution to validate that an individual is the verified account owner for various purposes including passwordless login and performing specific transactions, or functions. The authID Verified product allows users to confirm their identity with their facial biometric by simply taking a selfie on a mobile phone or device of their choosing (as opposed to dedicated hardware). The solution includes a patented audit trail created for each transaction, containing the digitally signed transaction details, with proof of identity authentication and consent.

PrivacyKey Privacy Preserving Biometrics

authID's PrivacyKey solution provides biometric authentication without the requirement to store any biometric or derivative of biometric data. The technology transforms biometric verification into Public/Private Key cryptography whereby the facial image of the person is converted into an elliptical public/private key pair where only the public key is stored and the private key only exists during authentication and is deleted immediately after. The solution is compliant to the ISO30136 Privacy Biometric standard and provides a False Match Rate accuracy of 1:1 Billion at a False Rejection Rate of 0.3%, as confirmed by independent tests conducted by The Commonwealth Scientific and Industrial Research Organization ("CSRIO").

Account Access and Recovery

authID's Verified biometric identity authentication solution allows users to recover, via a facial biometric, account access that is lost or blocked due to expired credentials, lockouts, lost or stolen devices, or compromised accounts. Because the account owner's root of trust is established in the cloud, recovery is independent of any device or hardware. In this way, account recovery is instant, portable, and does not require the presence of or access to a previously provisioned device in order to secure access from a different device.

Identity Exchange (IDXTM) Platform

authID's Identity Exchange (IDX) is a next-generation platform purpose-built to allow authorized personnel to create or claim a central credential that can be leveraged across multiple subsidiaries of a large enterprise, simplifying and securing the management of workforce identities. IDX modernizes identity management with biometric-bound, passwordless, interoperable and reusable credentials that stop phishing attacks, ensuring only verified users can access sensitive systems and data. IDX is the first enterprise platform built on the Accountable Digital Identity Association (ADI Association) specification, ensuring it is aligned with global interoperability and data sovereignty standards.

Key Customer Benefits

Our solution allows our enterprise customers to:

- *Verify and Authenticate users.* Customers can use the authID platform not only to verify the identity of new users, but also to authenticate those users seamlessly on an ongoing basis to enable quick, secure logins and transaction authentications.
- *Benefit from high-speed processing.* Our solution returns a very low-latency response, key to enabling high-volume use cases (such as logins and high-value transactions) and providing a frictionless user experience.
- *Precisely and accurately identify their consumers and employees, giving the enterprise complete confidence in who is accessing their digital assets*
- *Provide a seamless user experience in terms of speed and self-guided flow, so that even users who are not tech-savvy are easily able to complete the identity verification and authentication processes*
- *Support a wide variety of devices.* Our cloud-based service is device agnostic and may be used to verify or authenticate users on any device with a camera, including shared devices, digital kiosks, etc.
- *Integrate quickly and easily.* We offer pre-integrated OIDC connections as well as integrations with several leading Identity and Access Management solutions.
- *Offer broad identity document coverage.* We can verify identities using a wide spectrum of government-issued documents from around the world.
- *Perform secure biometric verification & authentication without the need to store biometric data.* Our PrivacyKey technology removes the need to store any biometric data in order to perform verification or authentication transactions. PrivacyKey verification and authentication is seamlessly delivered thru either a web or mobile applications with a response time of less than 700ms.

Key Trends

We believe that our financial results will be impacted by several market trends in the identity verification and authentication markets, as well as expanding digital transformation efforts across a wide range of market segments. These trends include:

- growing concerns over identity theft, fraud and account takeover, resulting from the acceleration of digital transformation, for example online shopping and remote working and the growth in AI assisted fraud;
- the growth in the sharing economy; and
- the increase in electronic payments and alternative money transfer solutions provided by both bank and non-bank entities. The key drivers for these alternative payment methods are consumer demands for safe, convenient payment transactions, with less friction.

Our results are also impacted by the changes in levels of spending on identity verification, management and security methods, and thus, negative trends in the global economy and other factors which negatively impact such spending may negatively impact the growth in our revenue from those products. The global economy has been undergoing a period of political and economic uncertainty and stock markets are experiencing high levels of volatility, and it is difficult to predict how long this uncertainty and volatility will continue.

We plan to grow our business by increasing the use of our services by our existing customers, by adding new customers through our direct salesforce, channel partners and by expanding into new markets and innovation. If we are successful in these efforts, we would expect our revenue to continue to grow.

The Company was incorporated in the State of Delaware on September 21, 2011, and changed our name from Ipsidy Inc. to authID Inc. on July 18, 2022. Our corporate headquarters is located at 1580 North Logan Street, Suite 660, Unit 51767, Denver, CO 80203 and our main phone number is (516) 274-8700. Our website address is www.authid.ai. The information contained on, or that can be accessed through, our website is not incorporated by reference into this Form 10-Q and you should not consider information on our website to be part of this Form 10-Q.

Going Concern

The Company's condensed consolidated financial statements included in this Quarterly Report have been prepared in accordance with United States GAAP assuming the Company will continue on a going concern basis, which implies the Company will continue to meet its obligations and continue its operations for the next year following the issuance date of these financial statements.

As of September 30, 2025, the Company had an accumulated deficit of approximately \$187.7 million. For the nine months ended September 30, 2025, the Company earned net revenue of approximately \$1.6 million, used approximately \$11.8 million to fund its operations, and incurred a net loss of approximately \$13.9 million.

The continuation of the Company as a going concern is dependent upon financial support from the Company's stockholders, the ability of the Company to obtain additional debt or equity financing to continue operations, the Company's ability to generate sufficient cash flows from operations, successfully locating and negotiating with other business entities for potential acquisition and acquiring new clients to generate revenues and cash flows. In April and May 2025, the Company raised a total of approximately \$8.5 million after expenses from existing and new stockholders through the sale of Common Stock pursuant to registered direct offerings. Going forward, the Company plans to raise additional funds to support its operations and investments as it seeks to create a sustainable organization. Our growth-oriented business plan to offer products to our customers will require continued capital investment and there is no guarantee that such financing will be available, or available on acceptable terms.

There is no assurance that the Company will ever be profitable. These condensed consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result should the Company be unable to continue as a going concern. As there can be no assurance that the Company will be able to achieve positive cash flows (become cash flow positive) and raise sufficient capital to maintain operations, there is substantial doubt about the Company's ability to continue as a going concern.

Adjusted EBITDA

This discussion includes information about Adjusted EBITDA that is not prepared in accordance with GAAP. Adjusted EBITDA is not based on any standardized methodology prescribed by GAAP and is not necessarily comparable to similar measures presented by other companies. A reconciliation of this non-GAAP measure is included below. Adjusted EBITDA is a non-GAAP financial measure that represents GAAP net income (loss) adjusted to exclude (1) interest expense and debt discount and debt issuance costs amortization expense, (2) interest income, (3) provision for income taxes, (4) depreciation and amortization, (5) stock-based compensation expense and certain other items management believes affect the comparability of operating results. Management believes that Adjusted EBITDA, when viewed with our results under GAAP and the accompanying reconciliations, provides useful information about our period-over-period results. Adjusted EBITDA is presented because management believes it provides additional information with respect to the performance of our fundamental business activities and is also frequently used by securities analysts, investors and other interested parties in the evaluation of comparable companies. We also rely on Adjusted EBITDA as a primary measure to review and assess the operating performance of our company and our management, and it will be a focus as we invest in and grow the business. Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for, analysis of our results as reported under GAAP. Some of these limitations are:

- Adjusted EBITDA does not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;
- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements for such replacements;
- Adjusted EBITDA does not include the impact of certain charges or gains resulting from matters we consider not to be indicative of our ongoing operations.

Because of these limitations, Adjusted EBITDA should not be considered as a measure of discretionary cash available to us to invest in the growth of our business. We compensate for these limitations by relying primarily on our GAAP results and using Adjusted EBITDA only as a supplement to our GAAP results.

Reconciliation of Loss from Continuing Operations to Adjusted EBITDA Continuing Operations:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Loss from continuing operations	\$ (5,173,321)	\$ (3,364,801)	\$ (13,897,567)	\$ (9,683,619)
Addback:				
Interest expense, net	1,959	12,712	14,842	36,219
Interest income	(61,657)	(161,308)	(200,047)	(344,185)
Severance cost	-	-	-	14,251
Depreciation and amortization	16,034	43,798	76,475	131,210
Stock compensation	1,092,982	595,536	2,625,502	2,044,210
Adjusted EBITDA continuing operations (Non-GAAP)	<u>\$ (4,124,003)</u>	<u>(2,874,063)</u>	<u>(11,380,795)</u>	<u>(7,801,914)</u>

Three and Nine Months Ended September 30, 2025 and September 30, 2024

Revenues, net

During the three and nine months ended September 30, 2025, the Company's revenues, net of discounts and concessions, were approximately a negative \$0.1 million and positive \$1.6 million, respectively, compared to approximately \$0.2 million and \$0.7 million, respectively, in the three and nine months ended September 30, 2024. The decline in net revenue over the three months ended September 30, 2025 is principally driven by the following two customer contracts:

- During the quarter ended September 2025, a contracted customer who was delayed in their usage ramp and overdue on their invoices made a partial payment with the understanding that they would require an amendment to the contract to make further payments. Management believes that it is in the best interest of the Company to negotiate an amendment with the customer, however no terms have been agreed upon as of the date of this filing. Accordingly, until the negotiations have concluded, the Company has ceased revenue recognition for this contract and adjusted contract balances related thereto such that the Remaining Performance Obligation reflects only the amounts paid to the Company by the customer to date.
- During the three months ended September 30, 2025, the Company made a total of \$0.7 million in estimated concessions, primarily related to one customer contract with an annual usage minimum fee payable on December 31, 2025. The customer's usage declined unexpectedly and remained significantly below the minimum commitment by September 30, 2025, despite consistent communication from the customer that they projected their usage to ramp. Given the customer's strategic importance to the Company, as well as management's belief in their anticipated growth in usage and ongoing new business development opportunities, the Company expects to make a concession on the annual minimum fee, in order to maintain the relationship moving forward. Revenue has been adjusted in the three months ended September 30, 2025 to account for the estimated concession.

General and administrative expenses

During the three and nine months ended September 30, 2025 compared to the three and nine months ended September 30, 2024, general and administrative expense increased by approximately \$1.2 million and \$3.5 million, respectively. The increase was driven by increases in employee related expenses, shares issued to management advisors, as well as credit loss expense related to certain customer contracts of approximately \$0.0 million and \$0.8 million, respectively.

Research and development expenses

During the three and nine months ended September 30, 2025 compared to the three and nine months ended September 30, 2024, research and development expenses increased by approximately \$0.2 million and \$1.5 million, respectively. The increase was due to continued investment in employees and contractors to deliver required product capabilities and performance for existing customers and sales prospects.

Depreciation and amortization expense

Depreciation and amortization expenses remained flat during the three and nine months ended September 30, 2025 compared to September 30, 2024.

Interest expense, net

Interest expense includes interest expense, debt issuance and discount amortization expense. Interest expense remained flat during the three and nine months ended September 30, 2025 compared to September 30, 2024.

Interest income

Interest income includes bank interest earned on the Company's cash balances. Interest income was flat during the three months ended September 30, 2025 compared to the three ended September 30, 2024. During the nine months ended September 30, 2025, interest income increased \$0.1 million compared to the nine months ended September 30, 2024.

Liquidity and Capital Resources

The Company has approximately \$4.9 million of cash on hand and approximately \$4.6 million of working capital as of September 30, 2025.

Cash used in operating activities was approximately \$11.8 million and \$8.5 million in the nine months ended September 30, 2025 and 2024, respectively.

Cash used in investing activities for the nine months ended September 30, 2025 was approximately \$2,000, compared with \$18,000 for nine months ended September 30, 2024, for the payment of patent costs and purchases of intangible assets.

Cash provided by financing activities in the nine months ended September 30, 2025 consisted of approximately \$8.2 million in proceeds from the sale of common stock, net of offering costs.

Cash provided by financing activities in the nine months ended September 30, 2024 consisted of approximately \$10.0 million in proceeds from the sale of common stock, net of offering costs.

The Company will need to raise additional funds to support its operations and investments as it seeks to create a sustainable organization. Our growth-oriented business plan to offer products to our customers will require continued capital investment and there is no guarantee that such financing will be available, or available on acceptable terms.

There is no guarantee that our current business plan will not change, and as a result of such change, we will need additional capital to implement such business plan. Further, assuming we achieve our expected growth plan, of which there is no guarantee, we will need additional capital to implement growth beyond our current business plan.

Macro-Economic Conditions

The global economy has been undergoing a period of political and economic uncertainty and stock markets are experiencing high levels of volatility, and it is difficult to predict how long this uncertainty and volatility will continue. The current increase in international tariffs and uncertainty over international trading conditions, continuing wars in Ukraine and the Middle East, inflationary pressures, rising energy prices and increases in interest rates have impacted the United States and other major economies and have created uncertainty regarding a possible recession. As a result, many businesses, especially in the technology sector, have made significant cut-backs in expenditure, including reductions in force and investment freezes. Our sales and results are also impacted by the changes in levels of spending on identity verification, management and security methods, and thus, negative trends in the global economy and other factors which negatively impact such spending may negatively impact the growth of our revenue from those products. All or any of these risks separately, or in combination could have a material adverse effect on our business, financial condition, results of operations, and cash flows.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements that are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is deemed by our management to be material to investors.

Recent Accounting Policies

The recent material accounting policies that may be the most critical to understanding of the financial results and conditions are discussed in Note 1 of the financial statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

As a smaller reporting company, we are not required to include disclosure under this item.

ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this Quarterly Report, our Chief Executive Officer and Chief Financial Officer performed an evaluation of the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act. Based on the evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of September 30, 2025, the Company's disclosure controls and procedures are effective to ensure that the information required to be disclosed by the Company in the report that it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as that term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the nine months ended September 30, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II

ITEM 1. LEGAL PROCEEDINGS

From time to time, the Company is a party to various legal or administrative proceedings arising in the ordinary course of business. While any litigation contains an element of uncertainty, we have no reason to believe the outcome of such proceedings will have a material adverse effect on the financial condition or results of operations of the Company.

ITEM 1A. RISK FACTORS

Risk factors describing the major risks to our business can be found under Item 1A, "Risk Factors", in our Annual Report on Form 10-K for the year ended December 31, 2024. There has been no material change in our risk factors from those previously discussed in the Annual Report on Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

During the nine months ended September 30, 2025, the Company granted 30,000 options to a new employee at an exercise price of \$5.89 per share.

The issuance of the above securities is exempt from the registration requirements under Rule 4(a)(2) of the Securities Act of 1933, as amended, and/or Rule 506 as promulgated under Regulation D

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable to our operations.

ITEM 5. OTHER INFORMATION

During the nine months ended September 30, 2025, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

On August 18, 2025, Michael C. Thompson resigned as a director of the Company and as a member of the Audit Committee, the Governance Committee and the Compensation Committee, effective immediately. Mr. Thompson's resignation was for personal reasons and not the result of any disagreement with the Company on any matter relating to the Company's operations, policies or practices. The Board of Directors appointed Shrikrishna Venkataraman to fill the vacancy on the Audit Committee.

ITEM 6. EXHIBITS

Exhibit Number	Description
3.1 (1)	Amended & Restated Certificate of Incorporation
3.2 (6)	Amended & Restated Bylaws as of July 18, 2022
3.3 (2)	Certificate of Amendment dated June 14, 2021
3.4 (6)	Certificate of Amendment to Amended and Restated Certificate of Incorporation as of July 18, 2022
3.5 (7)	Certificate of Amendment to Amended and Restated Certificate of Incorporation as of September 20, 2022
3.6 (13)	Certificate of Amendment to the Amended and Restated Certificate of Incorporation dated June 26, 2023
3.7 (22)	Certificate of Amendment to the Certificate of Incorporation
4.1 (2)	Form of Stock Option
4.2 *	Description of the Registrant's Securities
10.1 (2)	Form of Director Agreement
10.2 (2)	Form of Indemnification Agreement
10.3 (3)	2017 Incentive Stock Plan
10.4 (2)	Executive Retention Agreement entered between the Company and Thomas L. Thimot dated June 14, 2021
10.5 (2)	Executive Retention Agreement entered between the Company and Cecil N. Smith III dated June 14, 2021
10.6 (4)	AuthID Inc. 2021 Equity Incentive Plan
10.7 (5)	Letter Agreement between Annie Pham and AuthID Inc. dated April 25, 2022
10.8 (8)	Amended and Restated Faculty Agreement between the Company and Stephen J. Garchik dated March 8, 2023.
10.9 (8)	Promissory Note between the Company and Stephen J. Garchik dated March 9, 2023.
10.10 (8)	Guaranty Agreement by FIN Holdings Inc., Innovation in Motion, Inc. and ID Solutions, Inc. in favor of Stephen J. Garchik dated March 9, 2023.
10.11 (8)	Release Agreement between the Company and Stephen J. Garchik dated March 9, 2023.
10.12 (9)	Letter Agreement between Rhoniel Daguro and AuthID Inc. dated March 23, 2023
10.13 (9)	Executive Retention Agreement between Rhoniel Daguro and AuthID Inc. dated March 23, 2023
10.14 (9)	Confidential Separation Agreement and General Release between Thomas Thimot and authID Inc. Dated March 23, 2023
10.15 (10)	Letter Agreement between Thomas Szoke and AuthID Inc. dated April 12, 2023
10.16 (10)	Executive Retention Agreement between Thomas Szoke and AuthID Inc. dated April 12, 2023
10.17 (11)	Executive Retention Agreement between Annie Pham and AuthID Inc. dated May 11, 2023
10.18 (12)**	Form of Securities Purchase Agreement dated as of May 23, 2023 between the Company and accredited investors
10.19 (12)	Engagement Agreement dated as of April 20, 2023 between the Company and Madison Global Partners LLC
10.20 (12)	Stock Purchase Warrant dated May 26, 2023 issued to Madison Global Partners LLC
10.21 (12)**	Form of Exchange Agreement dated as of May 23, 2023 between the Company and certain Holders
10.22 (14)	Letter Agreement between Edward Sellitto and authID Inc. dated July 31, 2023
10.23 (15)	Agreement dated October 25, 2023 between The Pipeline Group, Inc. and authID Inc.
10.24 (17)	Form of Securities Purchase Agreement dated as of November 20, 2023 between the Company and accredited investor
10.25 (17)	Engagement Agreement dated as of November 2, 2023 between the Company and Madison Global Partners, LLC
10.26 (17)	Stock Purchase Warrant dated November 22, 2023 issued to Madison Global Partners, LLC

10.27 (18)**	Agreement dated December 19, 2023 between The Pipeline Group, Inc and authID Inc.
10.28 (19)	Letter Agreement between Kunal Mehta and authID Inc.
10.29 (21)**	Form of Securities Purchase Agreement dated as of June 24, 2024 between the Company and accredited investors
10.30 (21)	Engagement Agreement, dated as of June 24, 2024 between the Company and Madison Global Partners, LLC
10.31 (21)	Stock Purchase Warrant issued to Madison Global Partners LLC dated June 27, 2024
10.32 (23)**	Agreement dated August 26, 2024 between The Pipeline Group, Inc. and authID Inc.
10.33 (22)	Letter Agreement between Erick Soto and authID Inc. dated September 10, 2024
10.34 (22)	Executive Retention Agreement between Erick Soto and AuthID Inc. dated September 10, 2024
10.35 (24)**	Form of Securities Purchase Agreement dated as of March 31, 2025 between the Company and accredited investors
10.36 (24)	Form of Pre-Funded Warrant dated April 1, 2025
10.37 (24)	Engagement Agreement dated as of March 12, 2025 between the Company and Madison Global Partners LLC
10.38 (24)	Amendment to the Engagement Agreement dated as of March 26, 2025 between the Company and Madison Global Partners LLC
10.39 (24)	Placement Agency Agreement between the Company and Dominari Securities LLC dated March 31, 2025
10.40 (24)	Stock Purchase Warrant issued to Madison Global Partners LLC dated April 1, 2025
10.41 (24)	Stock Purchase Warrant issued to Dominari Securities LLC dated April 1, 2025
10.42 (25)	Form of Securities Purchase Agreement, dated as of May 6, 2025, between the Company and accredited investors
10.43 (25)	Placement Agency Agreement between the Company and Dominari Securities LLC dated May 6, 2025
10.44 (25)	Stock Purchase Warrant issued to Madison Global Partners, LLC dated May 7, 2025
10.45 (25)	Stock Purchase Warrant issued to Dominari Securities LLC dated May 7, 2025
10.46 (26)	Form of Director Appointment Letter
10.47**	Agreement dated September 26, 2025 between The Pipeline Group, Inc. and authID Inc.
14.1 (16)	Code of Ethics
19 (23)	Insider Trading Policy
21.1 (23)	List of Subsidiaries
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a) of the Securities Exchange Act
32.1*	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
97.1 (16)	Policy for the Recovery of Erroneously Awarded Compensation adopted October 6, 2023
99.1 (20)	Policy on Granting Equity Awards
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith

** Certain confidential portions of this exhibit were omitted by means of marking such portions with asterisks because the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed. A copy of any omitted portions will be furnished to the SEC upon request.

(1) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on March 23, 2021.

- (2) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on June 15, 2021.
- (3) Incorporated by reference to the Form 10-Q Quarterly Report filed with the Securities Exchange Commission on May 4, 2018.
- (4) Incorporated by reference to the Form S-8 Registration Statement filed with the Securities Exchange Commission on February 1, 2022.
- (5) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on April 27, 2022.
- (6) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on July 19, 2022.
- (7) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on September 21, 2022.
- (8) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on March 10, 2023.
- (9) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on March 28, 2023.
- (10) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on April 18, 2023.
- (11) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on May 16, 2023.
- (12) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on May 26, 2023.
- (13) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on June 27, 2023.
- (14) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on August 3, 2023.
- (15) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on October 26, 2023.
- (16) Incorporated by reference to the Form 10-Q Quarterly Report filed with the Securities Exchange Commission on November 8, 2023.
- (17) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on November 27, 2023.
- (18) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on December 21, 2023.
- (19) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on March 26, 2024.
- (20) Incorporated by reference to the Form 10-Q Quarterly Report filed with the Securities Exchange Commission on May 15, 2024.
- (21) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on June 27, 2024.
- (22) Incorporated by reference to the Form 10-Q Quarterly Report filed with the Securities Exchange Commission on November 7, 2024.
- (23) Incorporated by reference to the Form 10-K Annual Report filed with the Securities Exchange Commission on March 13, 2025.
- (24) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on April 2, 2025.
- (25) Incorporated by reference to the Form 8-K Current Report filed with the Securities Exchange Commission on May 7, 2025.
- (26) Incorporated by reference to the Form 10-Q Quarterly Report filed with the Securities Exchange Commission on August 14, 2025.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

authID Inc.

By: /s/ Rhoniel Daguro
Rhoniel A. Daguro
Chief Executive Officer
(Principal Executive Officer)

By: /s/ Ed Sellitto
Ed Sellitto
Chief Financial Officer,
(Principal Financial and Accounting Officer)

Dated: November 12, 2025

**DESCRIPTION OF THE REGISTRANT'S SECURITIES
REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES
EXCHANGE ACT OF 1934, AS AMENDED**

As of December 31, 2024, authID Inc. (“we,” “our,” “us” or the “Company”) had one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”): its common stock with a par value of \$0.0001 per share (“Common Stock”).

Our authorized capital stock consists of 170,000,000 shares, all with a par value of \$0.0001 per share, of which 150,000,000 shares are designated as Common Stock and 20,000,000 shares are designated as preferred stock. The following descriptions of our capital stock and certain provisions of our certificate of incorporation and bylaws are summaries and are qualified by reference to the amended and restated certificate of incorporation and amended and restated bylaws

Common Stock

Dividend Rights

Subject to preferences that may be applicable to any then outstanding preferred stock, holders of our Common Stock are entitled to receive dividends, if any, as may be declared from time to time by our board of directors out of legally available funds.

Voting Rights

Except as required by law or matters relating solely to the terms of preferred stock, each outstanding share of Common Stock is entitled to one vote on all matters submitted to a vote of stockholders. Holders of shares of our Common Stock shall have no cumulative voting rights. Except in respect of matters relating to the election and removal of directors on our board of directors and as otherwise provided in our amended and restated certificate of incorporation or required by law, all matters to be voted on by our stockholders must be approved by a majority of the shares present in person or by proxy at the meeting and entitled to vote on the subject matter. In the case of election of directors, the affirmative vote of a plurality of the shares present in person or by proxy at the meeting and entitled to vote on the election of directors is required, and the nominees receiving the largest number of votes will be elected as directors.

Liquidation

In the event of the liquidation, dissolution or winding up of our company, holders of our Common Stock are entitled to share ratably in the net assets legally available for distribution to stockholders after the payment of all of our debts and other liabilities and the satisfaction of any liquidation preference granted to the holders of any then outstanding shares of preferred stock.

Rights and Preferences

Holders of our Common Stock have no preemptive, conversion, subscription or other rights, and there are no redemption or sinking fund provisions applicable to our Common Stock. The rights, preferences and privileges of the holders of our Common Stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of our preferred stock that we may designate in the future.

Preferred Stock

No shares of our preferred stock are outstanding. Pursuant to the certificate of incorporation, we are authorized to issue up to 20,000,000 shares of preferred stock. Our certificate of incorporation authorizes our board, without any further stockholder action or approval, to issue these shares in one or more classes or series, to establish from time to time the number of shares to be included in each class or series and to fix the rights, preferences and privileges of the shares of each wholly unissued class or series and any of its qualifications, limitations or restrictions. Our board may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of our Common Stock. Additionally, the issuance of preferred stock may decrease the market price of our Common Stock. We currently have no plans to issue any shares of preferred stock.

Authorized but Unissued Capital Stock

We have authorized but unissued shares of preferred stock and Common Stock, and our board of directors may authorize the issuance of one or more series of preferred stock without stockholder approval. These shares could be used by our board of directors to make it more difficult or to discourage an attempt to obtain control of us through a merger, tender offer, proxy contest or otherwise.

Limitation on Liability and Indemnification Matters

Our certificate of incorporation contains provisions that limit the liability of our directors for monetary damages to the fullest extent permitted by Delaware law. Consequently, our directors will not be personally liable to us or our stockholders for monetary damages for any breach of fiduciary duties as directors, except liability for:

- any breach of the director's duty of loyalty to us or our stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law; or
- any transaction from which the director derived an improper personal benefit.

Our certificate of incorporation bylaws provide that we are required to indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law. Our bylaws also will provide that we are obligated to advance expenses incurred by a director or officer in advance of the final disposition of any action or proceeding, and permit us to secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in that capacity regardless of whether we would otherwise be permitted to indemnify him or her under the provisions of Delaware law. We have entered and expect to continue to enter into agreements to indemnify our directors, executive officers and other employees as determined by our board of directors. With specified exceptions, these agreements provide for indemnification for related expenses including, among other things, attorneys' fees, judgments, fines and settlement amounts incurred by any of these individuals in any action or proceeding. We believe that these bylaw provisions and indemnification agreements are necessary to attract and retain qualified persons as directors and officers. We also maintain directors' and officers' liability insurance.

The limitation of liability and indemnification provisions in our certificate of incorporation and bylaws may discourage stockholders from bringing a lawsuit against our directors and officers for breach of their fiduciary duty. They may also reduce the likelihood of derivative litigation against our directors and officers, even though an action, if successful, might benefit us and other stockholders. Further, a stockholder's investment may be adversely affected to the extent that we pay the costs of settlement and damage awards against directors and officers as required by these indemnification provisions. Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be permitted to our directors, officers and controlling persons pursuant to the foregoing provisions, or otherwise, we have been advised that, in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Securities Act of 1933, as amended, and is, therefore, unenforceable. At present, there is no pending litigation or proceeding involving any of our directors, officers or employees for which indemnification is sought, and we are not aware of any threatened litigation that may result in claims for indemnification.

Transfer Agent and Registrar

The stock transfer agent for our securities is Computershare N.A. 150 Royall Street, Canton, MA 02021, and its telephone number is 877-373-6374.

Listing

Our Common Stock is listed on The Nasdaq Capital Market under the symbol "AUID." Our Common Stock began trading on Nasdaq on August 24, 2021. Our Common Stock was previously traded on the OTC Markets, OTCQB, under the symbol "AUID."



Ken Jisser, CEO The Pipeline Group, Inc
1625 The Alameda, Suite 402
San Jose, CA 95126
Phone: [**]
Email: [**]

Rhon Daguro, CEO
Ed Sellitto, CFO
Graham Arad, General Counsel
authID Inc.
1580 N. Logan St., Ste 660, Unit 51767
Denver, Colorado 80203-1994

BANK DETAILS:
[**]



TPG Order Form
More effective engagement. **More pipeline.**

Launchpad xDR as a Service

1. Fully Managed Business Development Representatives (xDRs)

- [**] Full-Time Equivalent xDRs: Pipeline creation and efficient new business generation.
- Outbound calls, emails, social outreach, attend discovery calls, send calendar invites, and/or can make hot transfers.
 - Certified in client messaging, TPG technology, and TPG best practices.
- Maintain anticipated activity metrics for the appropriate xDR Type and Total Addressable Marketing (TAM).

2. xDR Support

- Full-time support for xDRs during breaks, PTO, and sick days.
 - Zero ramp time for future FTE needs. Backup for performance and unanticipated issues.
-

xDR Management & Training Deliverables

3. xDR Manager

- Weekly reviews of reports and dashboards.
- Identify areas for soft skill improvements.

4. Cold Calling Optimization Training

- Role-play sessions with updated conversation guides.
- Objection-handling techniques. Call blitz campaigns to boost team performance.

5. xDR Advisory Services & Benchmarking

- Semi-Quarterly executive reviews comparing xDR activities with industry benchmarks.
- Continuous updates on trends, tactics, and tools.

6. Meeting Hand-off Training

- Align systems and ensure smooth handoffs from xDRs to sales teams.
- All xDRs are trained on TPG guided selling best practices to ensure the pipeline progresses.

TPG Technologies™ Support & Configuration

7. TPG Technologies Configuration & Support

- First-line support for automated dialing technology, with email and social integration.
- Ongoing system maintenance and escalation as needed.

Ideal Customer Profile (ICP) Services

8. ICP Data Classification

- Categorize Salesforce data by industry, employee size, and revenue.
- Define ICP criteria and create a detailed ICP document.

9. Outbound List Building

- Segment Salesforce data and 3rd-party leads for outbound calls.
- Build high-propensity account lists based on ICP.

Conversation Guide Content Curation

10. Content Review

- Audit sales, marketing, and product content (e.g., personas, objections, use-cases).
- Develop an initial Conversation Guide (CG).

11. Conversation Guide Updates

- Create checklists and integrate feedback from sales teams.
- Maintain and refine the guide throughout the project.

12. Conversation Guide Administration

- Weekly updates with best practices for personas, objections, and qualification criteria.
- Train sales teams on new guide content.

Email & Social Content Curation

13. Custom Email & Social Messages

- Create and optimize email/social templates for prospecting and follow-ups.
- TPG AI Content Co-Pilot creates high-value first-draft emails that can be personalized and authentic.

Data Services

14. Data Enrichment & Custom List Building

- Enrich and append data from marketing activities (e.g., webinars, trade shows).
- Custom list building to find new ICP-matched data - up to 1,000 records per xDR per month.

Sales Development Support

15. Network Operations Center

- Real-time monitoring of activity metrics and results.
- Issue identification, resolution, and support for xDR messaging and call lists.

xDR Team Control Books and Predictable Pipeline Reporting

16. Predictive Pipeline Development (PPD) Reporting

- Maintain PPD reporting in CRM with weekly data reviews.
- Ensure process compliance and deliver executive-level reporting.

[**]

Technology Package

TPG Technologies™ The world's most advanced parallel dialing technology, offers four hybrid modes: Manual, Click-to-Call, AI, and Agent-Assisted Dialing. Enable xDRs to send timely, personalized messages across text, email, and social platforms.

TPG Task & Activity Outcome Package automates lead status updates based on activity outcomes, streamlining a closed-loop calling process.

TPG Exception Reporting ensures all leads are resolved by identifying gaps in follow-up activities.

TPG Meeting Influence Tracking monitors meetings via TPG Fuel Lines, linking xDR activities to marketing channels and campaigns.

TPG Account Matcher connects leads to accounts using email or domain data while suppressing customers, open opportunities, partners, and competitors.

TPG Control Book & Predictable Pipeline Reporting tracks key waterfall metrics, pipeline growth, and automated proactive KPI Alerting.

TPG LinkedIn Sales Navigator empowers xDRs to research and engage prospects, fostering meaningful relationships.

TPG AI Content Co-Pilot provides tailored prompts to craft high-value emails and messages for executives and target personas.

Project Assumptions

Customer Responsibilities

Provide timely access to sales and marketing content and collateral.

Grant TPG access to customer systems like CRM and marketing automation platforms to align activities log results, as well as track pipeline values and pipeline progression (e.g., meetings, opportunities, next steps, and amounts).

Provide xDR with timely access to company email and to the sales team calendar.

Included Services

TPG Technology Package.

CRM license fees for xDRs using The Pipeline Group Salesforce.com system.

Access to 28+ data sources and up to 1,000 human-verified records per xDR per month (e.g., a team of four xDRs receives up to 4,000 records monthly).

Excluded Costs

Travel expenses.

CRM License for Customer Org.

Custom or CRM code development.

xDR Types & Regions

- [**] xDR Strategic US.

Presumed ACV/ASP Value

- Strategic ACV/ASP \$[**]

Anticipated Results (Per xDR)

- **Month 1:** [**].
- **Month 2:** [**].
- **Month 3:** [**].

Sustain: [**].

Results may be lower in November and December due to the holiday season.

Definitions

The “**Handoff**”/SAL/SQL/**Opportunity**: A next step agreed upon by the prospect and salesperson, scheduled within 30–45 days (e.g., discovery calls, demos, or pricing discussions).

TAM Constraints

The customer will provide a sufficient Total Addressable Market (TAM), including accounts and contacts, to enable xDRs to achieve their objectives.

If the TAM is limited, success criteria may be mutually adjusted to ensure objectives and results remain attainable.

Terms and Conditions

<u>Start Date</u>	<u>End Date</u>	<u>Terms</u>	<u>Price</u>
10/1/2025	9/30/2026	<p>Term. Twelve (12) months according to the start date end date of this agreement, payment terms below, and Terms of Use attached hereto (Exhibit B)</p> <p>This Order Form supersedes all previous agreements</p> <p>Term Extension. Each year on September 30, the Term will automatically renew for one (1) additional year unless either party provides written notice to the other by July 31 (“Extension Date”) that the Term will not be extended. If such notice is given on or before the Extension Date, this agreement will terminate on September 30 of that same calendar year. Written notice of intent to not extend must be sent to optout@thepipelinegroup.io.</p> <p>TPG Data & Technology. TPG data and products included in the agreement during Term until termination or opt-out is exercised.</p> <p>Hiring During Term/Recruiting Fee. If Customer wishes to hire an assigned TPG xDR resource in a full-time capacity, Customer shall deliver to TPG written notice thereof at least sixty (60) days before the intended hiring date. The final thirty (30) days of the notice period shall serve as a professional transition period during which the xDR will continue to work with TPG. Upon formal acceptance of a job offer by the xDR resource, Customer shall immediately pay TPG a recruiting fee of \$[**].</p> <p>Hiring TPG XDR After Term/Placement Fee. If any existing or former TPG xDR is hired by Customer, in any capacity, within two (2) years following termination of this agreement or opt-out exercise, upon formal acceptance of a job offer by the xDR, Customer shall immediately pay TPG a non-refundable placement fee of \$[**] per xDR hired.</p> <p>Hiring TPG Manager After Term/Placement Fee. If any existing or former TPG manager, member of the management team, executive or comparable role is hired by Customer within two (2) years following termination of this agreement or opt-out exercise, upon formal acceptance of a job offer by the individual, Customer shall immediately pay TPG a non-refundable placement fee of \$[**] per individual hired.</p> <p>Payment of any recruiting or placement fee, as described above, is not a penalty, but rather TPG’s and Customer’s reasonable estimate of the costs incurred by TPG if required to replace personnel hired by Customer, such as interviews, training and lost revenue during the time period it takes to replace the TPG personnel hired by Customer.</p> <p>Late Payments. If failure to make any payment to The Pipeline Group within ten (10) days after it is due, interest shall accrue on the overdue amount, from the date overdue until the date paid, at the overdue rate of 1.5% per month. The defaulting party shall be responsible for all costs and attorney’s fees incurred in enforcing this Agreement.</p>	<p>The Pipeline Group Main Products and Services 1- 16.</p> <p>PE/VC Partner Price: \$[**]xDR / Data Services / Automated Dialing Technology Mo.</p> <p>See Payment Schedule attached as Exhibit A</p>

Payments

Project Scope: Main Tasks 1-16

Option to add additional xDR as a Service with thirty (30) days notice.

Monthly payments are due on the 1st day of every month.

Please make all checks or wire transfers payable to The Pipeline Group, Inc.

Terms

\$42,000

Payment Amount

First Payment Due Date:
10/1/2026

Signatories

authID Inc.

Signed /s/ Ed Sellitto

Name Ed Sellitto

Title CEO

Date 9/26/25

The Pipeline Group, Inc., a California corporation

Signed /s/ Ken Jisser

Name Ken Jisser

Title CEO

Date 9/26/25

The information contained in this order form/agreement is confidential information.

Exhibit A
Payment Schedule

Subscription Period	October 1, 2025 - September 30, 2026
Term Length	12 months
Monthly Per xDR Price (List)	\$[**]
Monthly Per xDR Price (Discount)	\$[**]
Monthly Price	\$42,000

Service Periods

October 1, 2025 - October 31, 2025	\$0 ([**])
November 1, 2025 - November 30, 2025	\$42,000
December 1, 2025 - December 31, 2025	\$42,000
January 1, 2026 - January 31, 2026	\$42,000
February 1, 2026 - February 28, 2026	\$42,000
March 1, 2026 - March 31, 2026	\$42,000
April 1, 2026 - April 30, 2026	\$42,000
May 1, 2026 - May 31, 2026	\$42,000
June 1, 2026 - June 30, 2026	\$42,000
July 1, 2026 - July 31, 2026	\$42,000 (Extension Date)
August 1, 2026 - August 31, 2026	\$42,000
September 1, 2026 - September 30, 2026	\$42,000*

* *Final payment if opt-out option is exercised.*

Exhibit B

Terms of Use

The following terms and conditions (the “Agreement”) govern all use of The Pipeline Group Technology & Services (the “Services”), as set forth in the attached order form entered into with authID Inc. (“authID.ai” or “Customer”) (the “Order Form”). The Service is owned and operated by The Pipeline Group, Inc., (“TPG”). The Service is offered subject to all terms and conditions contained herein. BY USING OR ACCESSING ANY PART OF THE SERVICE, YOU AGREE TO ALL OF THE TERMS AND CONDITIONS CONTAINED HEREIN; IF YOU DO NOT AGREE, DO NOT USE OR ACCESS THE SERVICE.

1. DEFINITIONS

“Browser Extension(s)” means any software plug-in or application that TPG develops that extends the functionality of a web browser in order to support the delivery of the Services.

“Content” means information produced by TPG, or obtained by TPG from publicly available sources or third party content providers, and made available to Customer pursuant to the Services. Content includes, but is not limited to, Data, Conversation Guides, Ideal Customer Profile Reports, Email Templates.

“Data” means any data provided during the Term including but not limited to contact information, information regarding which specific technology products are in use by specific companies, company firmographic attributes, industry spending estimates and estimated contract renewal dates.

“Order Form” means an online order or ordering document referencing this Agreement specifying the Services or Content that TPG will provide to Customer, including any addenda and supplements.

“Service” means the services purchased by Customer online through a link, or through an Order Form, or provided to Customer free of charge, or through a free trial, and made available to Customer via any Delivery Method, in order to access the Content. Service includes, but is not limited to, Data, Content, and Technology.

“Technology” means the technology provided by TPG as part of the Service including but not limited to Lead Assignment, Account Matcher, Predictable Pipeline, TPG Data Automation, TPG Referrals, TPG Conversation Guide, LAMP Task Activity Outcome by The Pipeline Group, Contact Role Validations, & LaunchQ.

“Term” means the period during which Customer has agreed to subscribe to the Services and Content, as specified in the applicable Order Form. If no period is specified, the Term shall be one (1) year.

“Customer(s)” means an individual accepting this Agreement on his or her behalf or on behalf of a company or other legal entity, an individual authorized by Customer to use the Services, for whom Customer has provisioned the Services. Customers may include Customer’s employees, consultants, contractors, agents, and third parties acting on Customer’s behalf and that have access to the Services.

“Website(s)” means any website available online that is owned or controlled by TPG, including but not limited to the website located at <https://hginsights.com>, and any of its web pages, as well as any successor websites.

2. ACCESS.

Subject to the terms and conditions of this Agreement, the Service is solely for authID's use in its business.

TPG may change, suspend or discontinue the Services at any time upon not less than six months' notice to authID.ai, including the availability of any feature, database, or content. TPG may also impose limits on certain features and services or restrict Customer's access to parts or all of the Services upon not less than six months' notice to authID.ai. If any such changes, suspensions, limits or restrictions materially impact authID.ai's use of the Services or TPG's deliverables pursuant to the Order Form, authID.ai shall be entitled to a

commensurate reduction and credit for all fees charged after such changes, suspension, limits or restrictions are imposed or take effect. Any such changes suspensions, limits or restrictions which occur without due notice shall be grounds for termination by authID.ai

Customer also certifies that it is legally permitted to use the Service, and takes full responsibility for the selection and use of the Service. This Agreement is void where prohibited by law, and the right to access the Service is revoked in such jurisdictions.

Customer shall be responsible for obtaining and maintaining any equipment or ancillary services needed to connect to, access the Service, including, without limitation, modems, hardware, software, and long distance or local telephone service. Customer shall be responsible for ensuring that such equipment or ancillary services are compatible with the Service.

The Service, Content, Technology and Data are the exclusive property of TPG. All rights, title and interest (including patent, copyright, trade secret rights, trademarks, logos and all other intellectual property rights with respect to the Content) are and will always be and remain the property of TPG, including any future Services, Content, Technology and Data developed as a result of any Customer feedback or suggestions.

The Service, Content, Technology, and Data are available as subscriptions and may be used during the Term only.

3. RESTRICTIONS.

The Service and Content may only be used by Customer for its internal use during the Term. Customer may not sell, resell, license, sublicense, rent, publish, distribute, or make the Services or Content available to any third party.

Customer shall not, nor permit anyone else to, directly or indirectly: (i) reverse engineer, disassemble, decompile or otherwise attempt to discover the source code or underlying algorithms of all or any part of the Service (except that this restriction shall not apply to the limited extent restrictions on reverse engineering are prohibited by applicable local law); (ii) modify or create derivatives of any part of the Service; (iii) rent, lease, or use the Service for timesharing or service bureau purposes; or (iv) remove or obscure any proprietary notices on the Service. As between the parties, TPG shall own all title, ownership rights, and intellectual property rights in and to the Service, and any copies or portions thereof.

Customer may not use the Content to enable the creation of any audience segment in a third-party application including, but not limited to, data management platforms (DMPs) or demand-side platforms (DSPs) or social media platforms for the purpose of delivering targeted programmatic display or social advertising campaigns.

Customer may not duplicate, or generate modified versions of, the Technology or Content for the purpose of retaining the Technology or Content beyond the Term.

Customer shall not use any “deep-link”, “page-scrape”, “robot”, “spider” or other automatic device, program, algorithm or methodology, or any similar or equivalent manual process, to access, acquire, copy or monitor any portion of the Service or any Content, or in any way reproduce or circumvent the navigational structure or presentation of the Service or any Content, to obtain or attempt to obtain any materials, documents or information through any means not purposely made available through the Service. TPG reserves the right to bar any such activity.

Customer shall not attempt to gain unauthorized access to any portion or feature of the Service, or any other systems or networks connected to the Service or to any TPG server, or to any of the services offered on or through the Service, by hacking, password “mining”, or any other illegitimate means.

Customer shall not probe, scan or test the vulnerability of the Service or any network connected to the Service, other than Customer’s own network and related systems, nor breach the security or authentication measures on the Service or any network connected to the Service.

Customer shall not take any action that imposes an unreasonable or disproportionately large load on the infrastructure of the Service or TPG’s systems or networks, or any systems or networks connected to the Service or to TPG.

Customer shall not use any device, software or routine to interfere or attempt to interfere with the proper working of the Service or any transaction being conducted on the Service, or with any other person’s use of the Service.

Customer shall not use the Service or any Content for any purpose that is unlawful or prohibited by this Agreement.

4. FEES.

Customer will be responsible for, and will pay, all such fees as described in the Order Form that identifies The Pipeline Group’s products and services ordered by Customer which is accepted by The Pipeline Group, which is incorporated by this reference and shall take precedence over this Agreement in the event of a conflict.

5. CONTENT.

Customer agrees that all content and materials (collectively, “Content”) delivered via the Service or otherwise made available by TPG at the Website are protected by copyrights, trademarks, service marks, patents, trade secrets or other proprietary rights and laws. Except as expressly authorized by TPG in writing, Customer agrees not to sell, license, rent, modify, distribute, copy, reproduce, transmit, publicly display, publicly perform, publish, adapt, edit or create derivative works from such materials or content. However, Customer may print or download a reasonable number of copies of the materials or content at this Website for Customer’s own informational purposes; provided, that Customer retain all copyright and other proprietary notices contained therein. Reproducing, copying or distributing any content, materials or design elements on the Website for any other purpose is strictly prohibited without the express prior written permission of TPG.

6. INDEMNIFICATION.

(a) Customer is responsible for all of its activity in connection with the Service. Customer shall defend, indemnify, and hold harmless TPG, its affiliates and each of its, and its affiliates employees, contractors, directors, suppliers and representatives from all liabilities, claims, and expenses, including reasonable attorneys' fees, that arise from (i) Customer’s use or misuse of the Service; (ii) Customer’s access to any part of the Service, (iv) and content, information or materials used by Customer in connection with the Service, or (iv) Customer’s violation of this Agreement.

(b) TPG shall defend, indemnify, and hold harmless Customer, its affiliates and each of its, and its affiliates employees, contractors, directors, suppliers and representatives from all liabilities, claims, and expenses, including reasonable attorneys' fees, that arise from (i) TPG’s breach of the warranties set forth herein, or (ii) TPG’s violation of this Agreement. TPG’s indemnity obligations in this Section 6 do not apply to the extent that a Claim results from TPG’s compliance with written instructions provided by Customer in connection with the Services.

7. WARRANTIES.

Customer Warranties to TPG. Customer represents and warrants that: (i) with respect to all information it provides to TPG, Customer has the full right and authority to make such provision and to allow TPG to use such information to provide the Service (including, without limitation, for TPG to provide such information to its data providers), (ii) none of the content (e.g. emails) transmitted, uploaded or otherwise distributed by it (or its partners or any third party) through use of the Service will infringe or otherwise conflict with the rights of any third party, and (iii) it will use the Service only in compliance with all applicable regulations and laws.

TPG Warranties to Customer. TPG represents and warrants that: (i) with respect to all information it provides to Customer, TPG has the full right and authority to make such provision and to allow Customer to use such information to make use of the Service, (ii) none of the Service will infringe or otherwise conflict with the rights of any third party, (iii) it will provide the Service only in compliance with all applicable regulations and laws (iv) TPG will provide the Services in a good and workmanlike manner in accordance with the professional standards normally exercised by professional firms providing services of a similar nature; and (v) will not, directly or indirectly, transmit to nor introduce into any of authID.ai's servers, any Unauthorized Code. "Unauthorized Code" means any virus, software program or segment of code, or other programming design, instruction, or routine that permits unauthorized access to any authID.ai server, and is intended to damage, detrimentally interfere with, surreptitiously intercept, or expropriate any of the foregoing or any system, data, or personal information.

8. WARRANTY DISCLAIMER.

EXCEPT AS EXPRESSLY SET FORTH IN SECTION 6, THE SERVICE IS PROVIDED ON AN "AS IS" BASIS, WITHOUT WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, IMPLIED WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. TPG MAKES NO WARRANTY THAT THE RESULTS OF USING THE SERVICE WILL MEET Customer'S REQUIREMENTS.

9. LIMITATION OF LIABILITY.

IN NO EVENT SHALL TPG, ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, VENDORS OR SUPPLIERS BE LIABLE UNDER CONTRACT, TORT, STRICT LIABILITY, NEGLIGENCE OR ANY OTHER LEGAL THEORY WITH RESPECT TO THE SERVICE: (I) FOR ANY LOST PROFITS OR SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES OF ANY KIND WHATSOEVER, EVEN IF FORESEEABLE, (II) FOR ANY BUGS, VIRUSES, TROJAN HORSES, OR THE LIKE (REGARDLESS OF THE SOURCE OF ORIGIN), OR (III) FOR ANY DIRECT DAMAGES IN EXCESS OF (U.S.) (PROVIDED THAT, IF Customer HAS PAID FEES TO TPG, SUCH AMOUNT WILL BE EQUAL TO THE FEES PAID BY Customer TO TPG DURING THE SIX (6) MONTH PERIOD IMMEDIATELY PRIOR TO THE DATE THE CAUSE OF ACTIONS ACCRUES).

In addition, TPG shall not be liable for any loss or liability resulting, directly or indirectly, from Customer's inability to access or otherwise use the Services including, without limitation, any delays or interruptions due to electronic or mechanical equipment failures, denial of service attacks, data processing failures, telecommunications or Internet problems or utility failures. THE FOREGOING LIMITATIONS SHALL NOT APPLY TO THE EXTENT PROHIBITED BY APPLICABLE LAW.

10. TERMINATION.

Notwithstanding the above, either party may terminate this Agreement at any time, with cause as a result of a material breach of the terms of this Agreement, by providing the other party with fourteen (14) days' written notice and if the relevant breach is not remedied to the reasonable satisfaction of the party serving notice by the end of such notice period, this Agreement shall terminate upon the expiration of such notice period.

11. EXPORT & TRADE CONTROLS.

Customer agrees not to import, export, re-export, or transfer, directly or indirectly, any part of the Service or any information provided on or pursuant to the Service except in full compliance with all United States, foreign and other applicable laws and regulations.

12. PRIVACY & CONFIDENTIALITY

TPG's current privacy policy is available at <https://thepipelinegroup.io/> (the "Privacy Policy"), which is incorporated by this reference. TPG strongly recommends that you review the Privacy Policy closely. (a) Confidential Information. Each Party acknowledges that it has received and may receive information of a confidential nature relating to one or more of the other Party's customers, assets, liabilities, revenues, trade secrets, technology, know how, other intellectual property, business processes or other business and financial affairs or plans, which may be disclosed in any manner or medium in connection with this Agreement (collectively, "Confidential Information"). The Parties shall use Confidential Information only for the purpose of undertaking their respective obligations in accordance with this Agreement. Except as otherwise provided in

this Agreement, a Party shall have no authority to use another Party's Confidential Information for any other purpose or in any other manner.

(b) Duty to Maintain Confidentiality. The Party disclosing Confidential Information shall at all times retain title to the Confidential Information, except to the extent that the same constitutes Work Product belonging to the Client hereunder. The receiving Parties shall preserve and protect the confidentiality of the disclosing Party's Confidential Information using precautions at least as restrictive as those it takes to protect their own confidential, proprietary and trade secret information (but in no event less than a reasonable degree of care). Except as expressly authorized by this Agreement, the receiving Parties shall not allow others to use, display, copy, disclose, transmit, reverse engineer, disassemble, decompile, or translate all or any part of such Confidential Information without the disclosing Party's prior written consent. The receiving Parties shall limit access to the disclosing Party's Confidential Information to its and its affiliates' directors, officers, managers, employees and contractors who: (i) have a need to know such Confidential Information to enable that Person to perform its, his or her obligations under this Agreement and (ii) are obligated to protect the confidentiality of such Confidential Information under substantially similar terms as those set forth in this Section. The receiving Parties shall be fully and directly responsible and liable to the disclosing Party for any breach of this Section by any Persons receiving access to the disclosing Party's Confidential Information through or on behalf of such receiving Party. The disclosing Party shall be entitled to injunctive relief for any breach or threatened breach of this Section.

(c) Exclusions. Excluded from the obligations of this Section 11 is any information that: (i) is known to the receiving Party prior to disclosure by the disclosing Party as demonstrated by documentary evidence; or

(ii) after disclosure to the receiving Party, is published or otherwise becomes publicly available through no fault of the receiving Party; or

(iii) is developed by the receiving Party independently of knowledge of Confidential Information; or (iv) has been rightfully acquired by the receiving Party from a third Person without restriction and provided that the third Person had the right to disclose the information without restriction; or

(v) consists of general know how, processes and techniques, which, although similar in purpose and effect to protected Confidential Information, were not developed using and were not derived from Confidential Information.

(d) Exceptions for Legal Process. Further, the receiving Party may disclose Confidential Information to the extent required by law, including applicable securities laws and the requirements or rules of any securities market or exchange, or pursuant to any subpoena, civil investigative demand or similar demand or request of any court, regulatory authority, arbitrator or tribunal. However, in that case the receiving Party shall first give the disclosing Party prompt notice of any order or demand requiring such disclosure (unless prevented from doing such by its terms) and if required by the disclosing Party shall, at the disclosing Party's cost, make a reasonable effort to obtain a protective order or otherwise protect the confidentiality of such Confidential Information.

(e) Employees. Each of Consultant and Client shall independently ensure that it and their respective employees, subsidiaries, affiliates, agents and sub-contractors shall observe the provisions of applicable privacy laws and are aware of and comply with the provisions of this Section 11.

(f) Term of Confidentiality. The obligations under this section 11 shall survive termination of this Agreement for any reason and shall continue for a period of 5 years from the date of such termination.

13. COPYRIGHT.

All content included with the Services and on the Website, such as text, graphics, logos, button icons, images, audio clips, digital downloads, data compilations, and software, is the property of TPG or its content suppliers and protected by United States and international copyright laws. The compilation of all content on the Website is the exclusive property of TPG and protected by U.S. and international copyright laws. All software used on (or provided through) the Website and the Services is the property of TPG or its software suppliers and protected by United States and international copyright laws.

14. MISCELLANEOUS.

The failure of either party to exercise in any respect any right provided for herein shall not be deemed a waiver of any further rights hereunder. TPG shall not be liable for any failure to perform its obligations hereunder where such failure results from any cause beyond TPG's reasonable control, including, without limitation, mechanical, electronic or communications failure or degradation (including "line-noise" interference). If any provision of this Agreement is found to be unenforceable or invalid, that provision shall be limited or eliminated to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect and enforceable. This Agreement is not assignable, transferable or sublicensable by Customer except with TPG's prior written consent. TPG may transfer, assign or delegate this Agreement and its rights and obligations without consent. This Agreement shall be governed by and construed in accordance with the laws of the State of California, as if made within California between two residents thereof, and the parties submit to the exclusive jurisdiction and venue of the state and Federal courts located in Santa Clara, California. Both parties agree that this Agreement constitutes the complete and exclusive statement of the mutual understanding of the parties and supersedes and cancels all previous written and oral agreements, communications and other understandings relating to the subject matter of this Agreement, and that all modifications must be in a writing signed by both parties, except as otherwise provided herein. No agency, partnership, joint venture, or employment is created as a result of this Agreement and Customer does not have any authority of any kind to bind TPG in any respect whatsoever.

TPG Technology:

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**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002**

I, Rhoniel A. Daguro, Chief Executive Officer certify that:

1. I have reviewed this quarterly report on Form 10-Q of authID Inc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant) and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal controls over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: November 12, 2025

/s/ Rhoniel A. Daguro
Rhoniel A. Daguro
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL FINANCIAL AND ACCOUNTING OFFICER
PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002**

I, Edward Sellitto, Chief Financial Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of authID Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant) and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal controls over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: November 12, 2025

/s/ Ed Sellitto

Ed Sellitto

Chief Financial Officer (Principal Financial and Accounting Officer)

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of authID Inc. (the "Company") on Form 10-Q for the quarter ended September 30, 2025 as filed with the Securities and Exchange Commission (the "Report"), We, Rhoniel A. Daguro, Chief Executive Officer of the Company, and, Edward Sellitto, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. SS. 1350, as adopted pursuant to SS. 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

November 12, 2025

/s/ Rhoniel A. Daguro

Rhoniel A. Daguro
Chief Executive Officer
(Principal Executive Officer)

November 12, 2025

/s/ Ed Sellitto

Ed Sellitto,
Chief Financial Officer
(Principal Financial and Accounting Officer)