



Investor Day
November 18, 2021
NASDAQ:VRME

Agenda



- Welcome & Introductions
- Company Overview
- Product Solutions & Technology
- Growth Strategy
- Financial Analysis
- Q&A
- Closing Remarks

FORWARD-LOOKING STATEMENTS

In addition to historical information, this presentation contains statements relating to the future business, financial performance, future catalysts and future events or developments, strategy, projected costs, prospects, plans, objectives of management and future operations, future revenue, and expected market growth of VerifyMe, Inc. ("VerifyMe," the "Company," "we," or "us") that may constitute "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. The words "believe," "may," "estimate," "continue," "anticipate," "intend," "should," "plan," "could," "target," "potential," "is likely," "will," "expect" and similar expressions, as they relate to us, are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. Important factors that could cause actual results to differ from those in the forward-looking statements include the impact of the COVID-19 pandemic, intellectual property litigation, the successful development of our sales and marketing capabilities, our ability to retain key management personnel, our ability to work with partners in selling our technologies to businesses, production difficulties, our inability to enter into contracts and arrangements with future partners, issues which may affect the reluctance of large companies to change their purchasing of products, acceptance of our technologies and the efficiency of our authenticators in the field.

More detailed information about these factors may be found in the Company's filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2020 and the Quarterly Report on Form 10-Q for the nine months ended September 30, 2021. The statements made herein speak only as of the date of this presentation. The Company's actual results, performance or achievements could differ materially from the results expressed in, or implied by, these forward-looking statements. The Company undertakes no obligation to update or revise its forward-looking statements to reflect events or circumstances after the date of this presentation, except as required by law.

Market data and industry information used herein are based on our management's knowledge of the industry and the good faith estimates of management. We also relied, to the extent available, upon managements review of independent industry surveys, forecasts and publications and other publicly available information prepared by a number of third-party sources. All of the market data and industry information used herein involves a number of assumptions and limitations which we believe to be reasonable, and you are cautioned not to give undue weight to such estimates. Although we believe that these sources are reliable, we cannot guarantee the accuracy or completeness of this information, and we have not independently verified this information. Projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate are subject to a high degree of uncertainty and risk due to a variety of factors, including those described, above. These and other factors could cause results to differ materially from those expressed in our estimates and beliefs and in the estimates prepared by independent parties.

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Welcome Remarks

Scott Greenberg
Chairman

- Introduction of Management Team
- Remarks
- Future Outlook

Company Overview

Management



Patrick White

*President, Chief Executive Officer
and Director*

- Over 25 years in the security printing and identification industry
- Founded Document Security Systems, Inc. (NYSE: DSS) in 2002 and served as its CEO and a director from Aug. 2002 to Dec. 2012
- Grew DSS from \$1 Mil to \$340 M market cap
- Member of the U.S. Secret Services, Document Security Alliance – tasked with recommending security technologies to protect the vital records of the U.S.A.
- Has made technology presentations all over the world and appeared with Liz Claman on her show “Closing Bell” on the Fox Business News
- Named inventor for 4 US Patents in Security Printing



Keith Goldstein

Acting Chief Operating Officer

- Over 25 years of experience in strategic, operational and financial management across a variety of industries
- Former CEO of ABCorp., North America, a supplier of secure payment, retail and identification cards, vital record and transaction documents, systems and services to governments and financial institutions, from 2011 until Apr. 2017
- Named inventor for 7 US Patents



Margaret Gezerlis, ACCA

Chief Financial Officer

- Over 15 years of experience in “Big 4” public accounting firms as well as private and publicly listed companies
- Holds an international accounting qualification from the Association of Chartered Certified Accountants (ACCA)
- Former employee of the CFO Squad LLC from Feb. 2018 until Nov. 2018



Sandy Fliderman

Chief Technology Officer

- Over 25 years of experience in the technology industry
- Former Chief Information Officer at VEEDIMS, LLC, an Internet of Things technology company specializing in data collection and distribution in the aerospace and marine industries
- Co-inventor on a number of patents and created the technology behind VerifyMe™



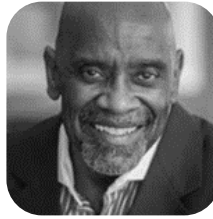
Board of Directors



Patrick White

President and CEO of VerifyMe™

Founder of Document Security Systems, Inc. (NYSE:DSS)



Chris Gardner

American entrepreneur and private equity investor, and international best-selling author and award-winning film producer of "The Pursuit of Happyness"



Marshall Geller

Former Managing Partner of Bear Sterns and founder of St. Cloud Capital, a private equity fund™



Howard Goldberg

Former CEO of Player's International and one of the top corporate lawyers in the country.



Scott Greenberg

Chairman of the Board

Former Chairman at GP Strategies Corp.



Dr. Arthur Laffer

Founder and Chairman of Laffer Associates, director of NexPoint Residential Trust Inc. (NYSE:NXRT) and NexPoint Real Estate Finance Inc. (NYSE:NREF), and recipient of Presidential Medal of Freedom

VerifyMe Story

- 1999
 - ✓ Laserlock Technologies formed Nov 1999
 - ✓ Laser Pen Product Authentication
- 2015
 - ✓ Name change to VerifyMe, Inc, - Biometric focus
- 2017
 - ✓ Patrick White becomes CEO
 - ✓ Signs Contract with HP Indigo to create Ink Taggants for Secure Labels and Packaging on the HP Indigo 6000 series Digital Press
 - ✓ Signs a Software Development Company Partnership for Serialization/Track and Trace Technology
- 2018
 - ✓ Signed first revenue generating contract with a multi-billion \$ Label Printer – Top 10 Consumer Products company becomes their first client
 - ✓ Signs Strategic Partnership with S-One Corp for world-wide infrastructure
- 2019
 - ✓ Developed Smart Phone Visible/Invisible code technology
 - ✓ Signed additional PSP Licenses
 - ✓ First Serialization Client -Multi-level Marketing
- 2020
 - ✓ 2 Capital Raises
 - ✓ Listed to NASDAQ in June 2020
 - ✓ First Consumer Engagement Technology Client
 - ✓ First Secure Label Printing Client
- 2021
 - ✓ Website Re-design
 - ✓ Re-Branded as Brand Protection Consumer Engagement Solutions Provider
 - ✓ Co-Sponsor of SPAC GGGV
 - ✓ Added to Russell Index
 - ✓ Received first orders from new cannabis Industry Client – 40 mil estimated annual units

Product Solutions and Technology

Overview

We are brand protection and customer engagement experts.

Brand Protection

Address highly sophisticated counterfeiting and diversion challenges.

Consumer Engagement

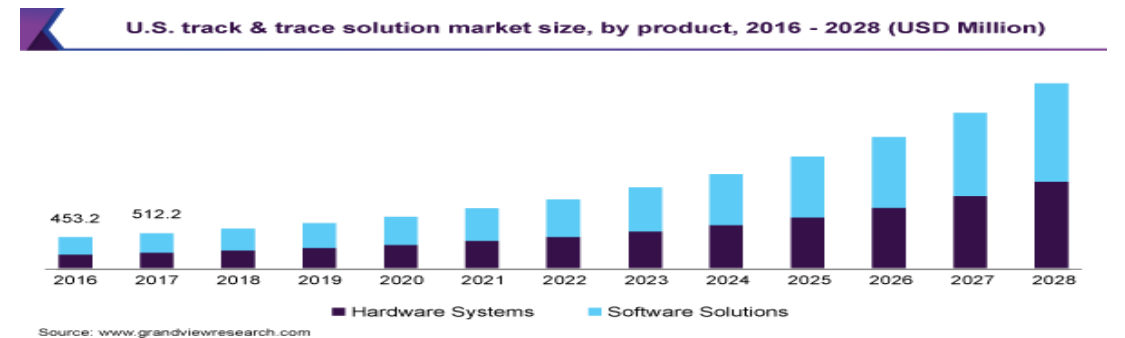
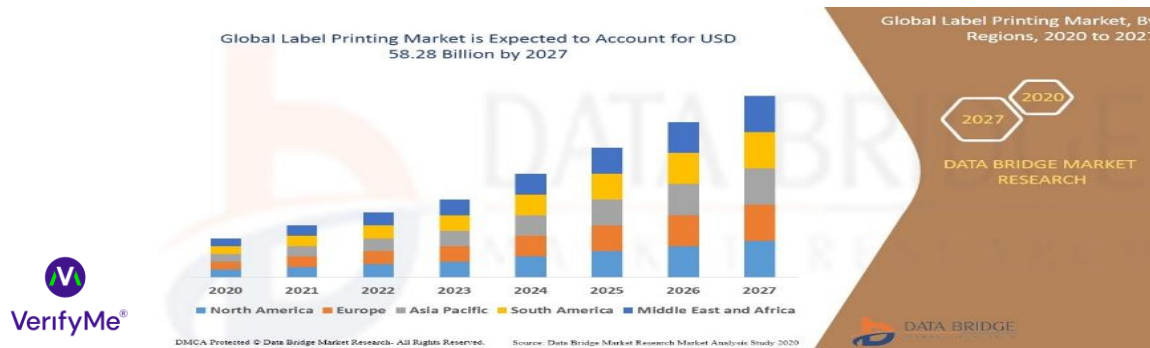
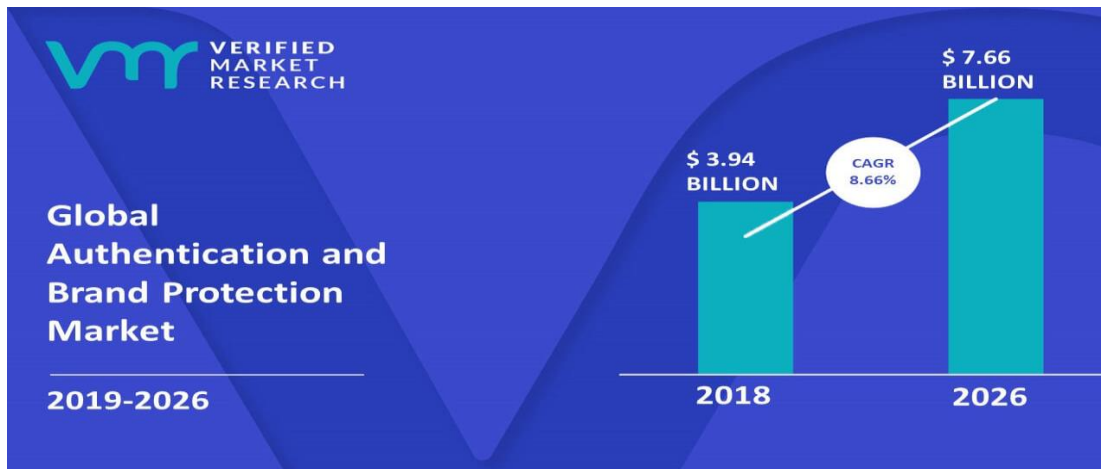
Achieve new levels of engagement to extend customer relationships.

Business Intelligence

Gain high-definition business intelligence throughout the supply chain, to online and in-store purchases, and beyond.

Global Market Size of VERIFYME Products

VerifyMe Product Year	PRODUCT	MARKET	CAGR
1999-2018	#1 Product Authentication =	\$ 7.7 Bil (2026)	+8.7%
2019	#2 Serialization/Track and Trace =	\$ 9.7 Bil (2028)	+19%
2020	#3 Consumer Engagement =	\$29.5 Bil (2024)	+12.6%
2021	#4 Global Label Printing =	<u>\$58.3 Bil (2027)</u>	<u>+9.3%</u>
	TOTAL ADDRESSABLE Market =	\$105.2 Billion	+11.1%



Comprehensive Approach

VerifyMe offers a broad portfolio of brand protection and engagement solutions.

We bring together world-class physical, digital and online technologies to create comprehensive, customized product authentication, and engagement solutions to help protect your brand.

Product Authentication	Product Supply Chain Control	Consumer Engagement	Online Brand Monitoring
VerifyMe Authenticate™	VerifyMe Track & Trace™	VerifyMe Engage™	VerifyMe Online™

Brand Protection | Simple 3 Level Approach

Level 1 - Dynamic visible codes & NFC for consumers and supply chain T&T

- Printed Digitally
 - Traditional QR codes – open source, any smart phone scan
 - Proprietary 2D codes – use branded App to scan, high levels of security, very hard to copy or link to fake websites
- NFC/RFID chips, no line of sight required

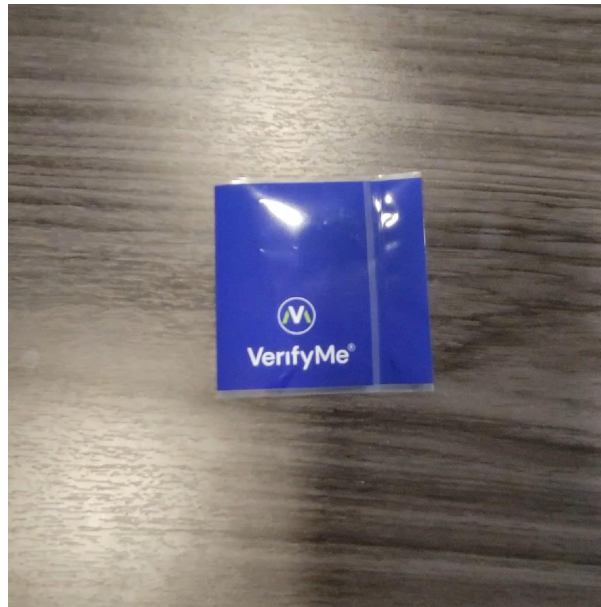


Brand Protection | Simple 3 Phase Approach

Level 2 - Static invisible & tagged spot colors for brand inspectors



Aluminum Bottle Caps



Shrink Sleeves Packaging



Fabric / Apparel

- VerifyInk™ Printed on any conventional printing press, gravure, flexo, offset, silkscreen
- Printed on virtually any material, metal, PET shrink sleeves, plastics, paper, fabrics, etc.
- Authenticated off-line and on-line

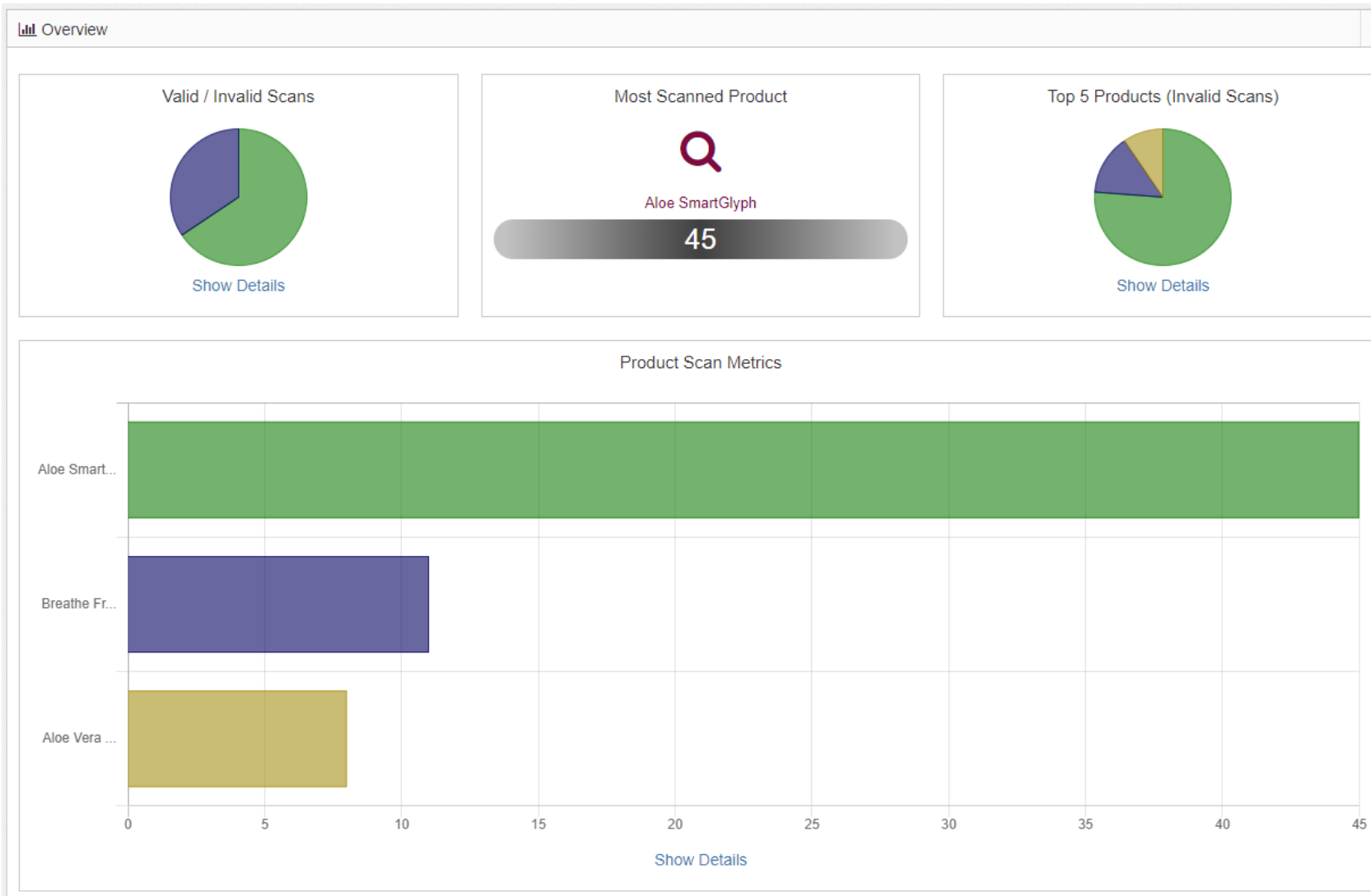
www.VerifyMe.com

Confidential Property of VerifyMe



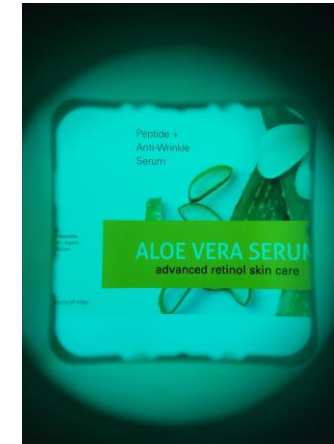
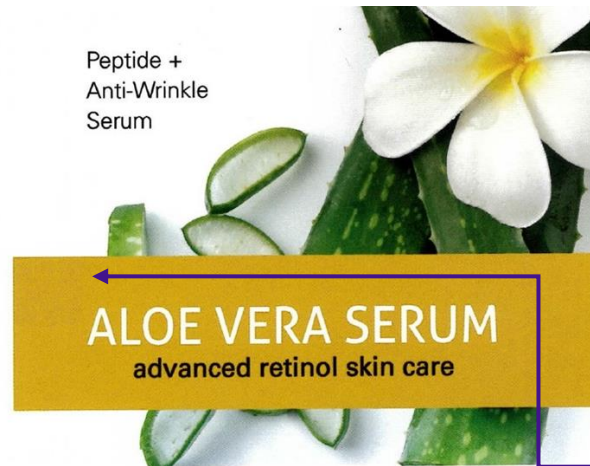
Brand Protection | Simple 3 Phase Approach

Level 2 - Every "Beep" and Scan Checked & Tracked on a Global Dashboard



Brand Protection | Simple 3 Level Approach

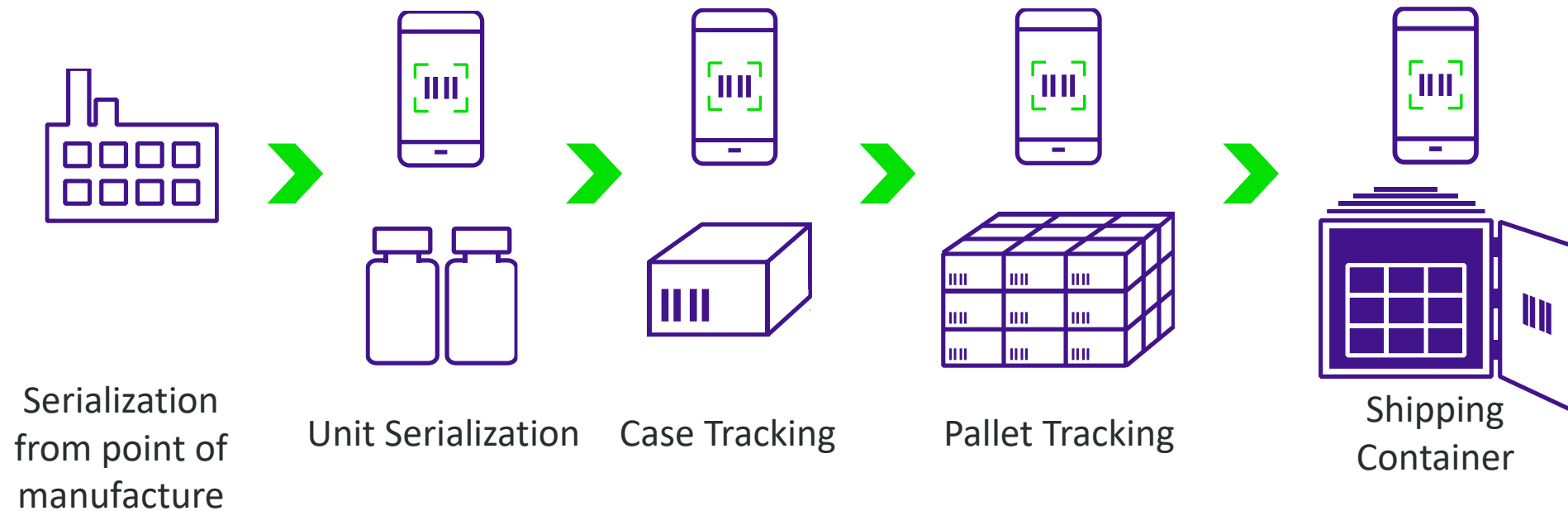
Level 3 - Variable, unique invisible serialization on digital printing press



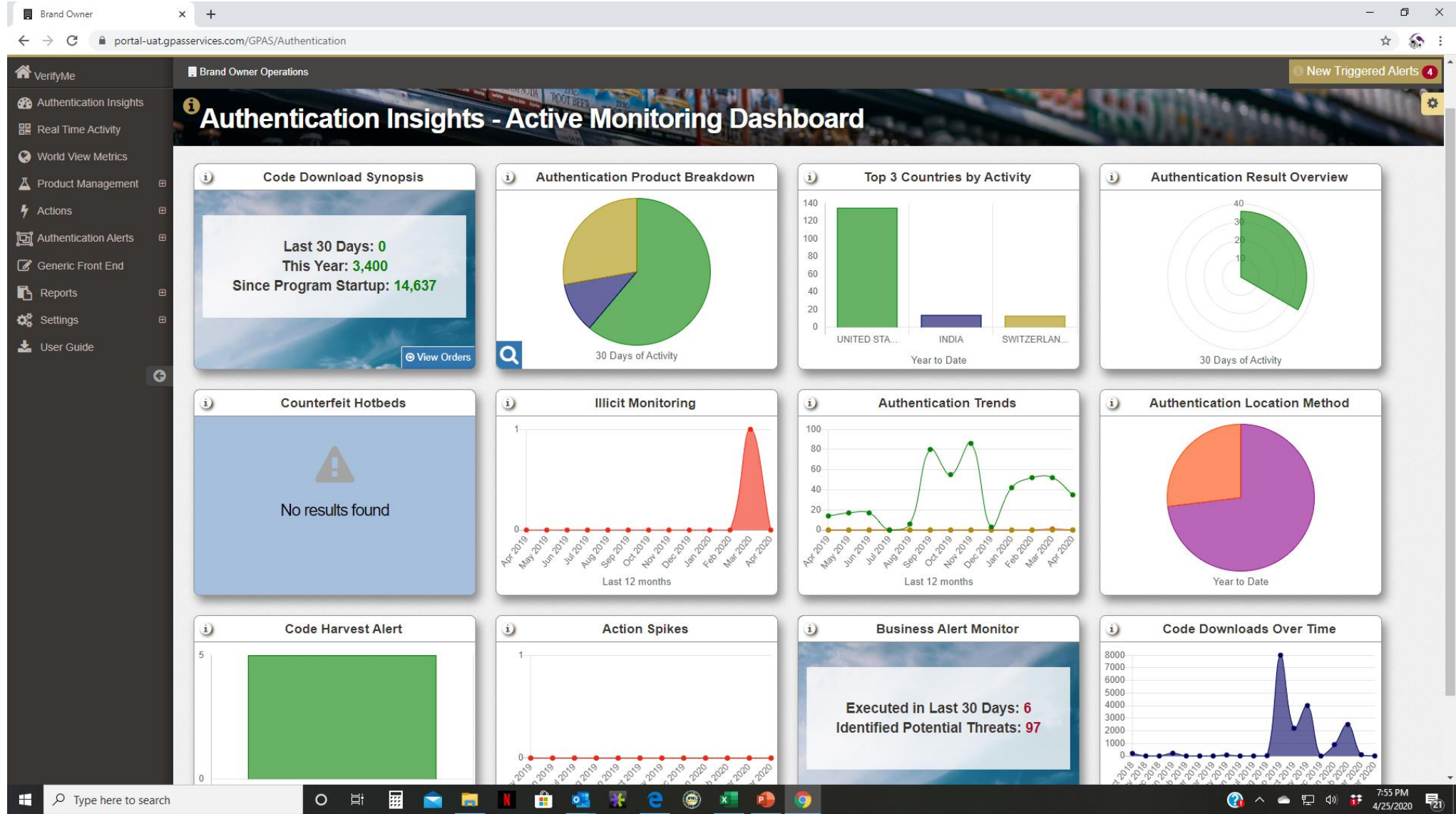
VerifyMe Track & Trace™

Track events across the supply chain, from manufacture to point of use.

VerifyMe provides visibility of events across the supply chain by deploying non-invasive methods to integrate, collect, and store actionable data—providing invaluable information to brands and customers alike.



Brand Owner Monitoring Dashboard



The Consumer Engagement Opportunity

Smartphone and cloud technologies have fundamentally changed the market.

VerifyMe combines cloud-based authentication software with mobile web experiences to help brand owners connect with consumers at point of sale and point of use to extend their engagement.



6.0B

There are 6.0 billion smartphone users in the world *



\$3.9T

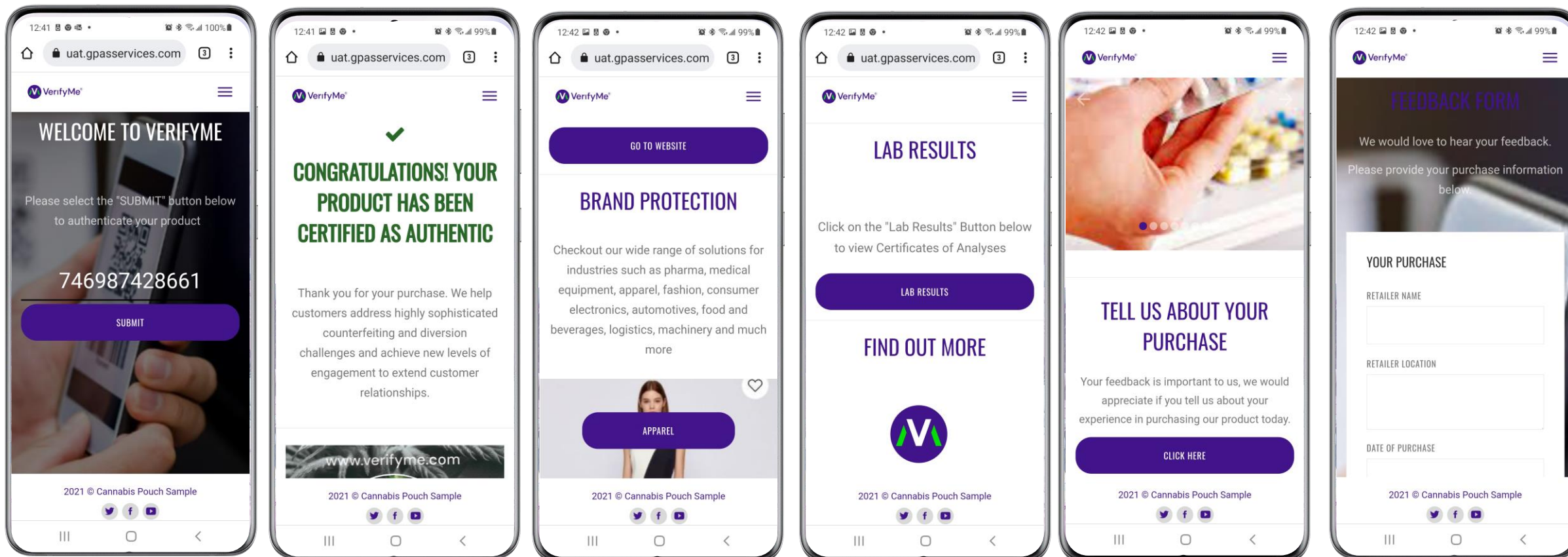
With CAGR of 34.9%, mobile commerce is expected to reach \$3.9T by 2026**



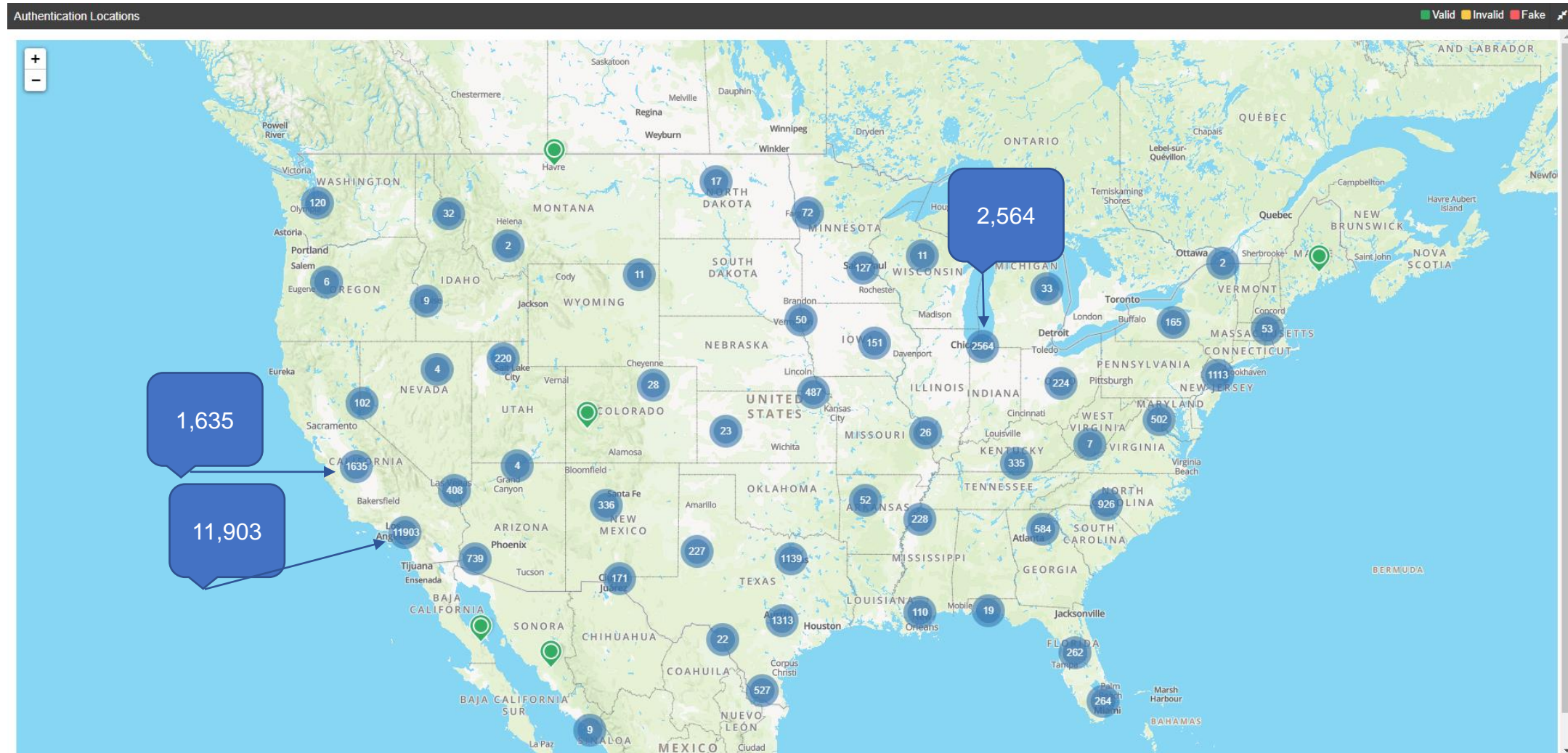
QR code

QR codes and NFC make it possible to connect products and consumers instantly

Consumer Engagement

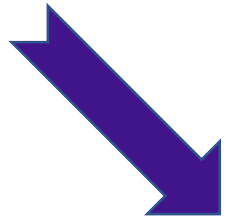


Data Rich Purchase Information



Growth Strategy

Key Market Drivers



- ✓ Growing Counterfeit Problem
- ✓ Growing Product Diversion
- ✓ Health Issues
- ✓ Supply Chain Problems
- ✓ COVID Impact on Brick and Mortar Sales
- ✓ Brand Owners want Data – Business Intelligence
- ✓ Brand Owner want to engage and know their customers



Major Market Verticals

To fight counterfeiting, diversion and engage with consumers



APPAREL



CONSUMER
PRODUCTS



COSMETICS



FOOD &
BEVERAGE



WINE & SPIRITS



ELECTRONICS



PHARMACEUTICALS



PPE



CANNABIS



AUTOMOTIVE



INDUSTRIAL

Major Revenue Categories

VerifyMe Sells 4 Major Products to Brand Owners:

Invisible
Taggants

Serialization
Software

Consumer
Engagement
Software

Printed Secure
Labels and
Packaging



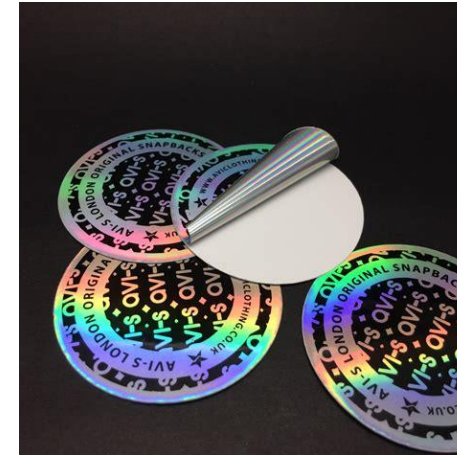
Sales and Marketing Strategy

- ✓ Hire seasoned security sales professionals
- ✓ Utilize HP Indigo & INX International world-wide sales force
- ✓ Opened an office in Europe
- ✓ Developed new website
- ✓ Presenting at and attending key trade shows around the world
- ✓ Implemented social media marketing and advertising campaign
- ✓ Use outside security sales contractors in certain countries
 - India
 - China
 - Japan
 - Indonesia/Malaysia
 - Mexico
 - Brazil
 - UAE
 - Europe



Competitive Landscape

- Product Competition
 - DNA – Plant Based
 - Digital Watermarks
 - Inks
 - Ultraviolet Inks
 - Color Changing
 - Holograms
 - NFC Chips
- Large Older Security Printers
 - Currency
 - Government Credentials
- New Start Ups
 - NFC chips



Industry Observations



- Fragmented Industry
- Big Brands in Acquisition Mode?
- Broad Range of Technologies
 - 80% Holograms/UV Ink
 - Digital Watermarks
 - RFID/NFC
 - DNA

VerifyMe Differentiators

- VerifyMe Strategic Partners
 - HP Indigo
 - INX International
 - Software Development
- Comprehensive offering for Brand protection and Consumer Engagement
- Patented Technology
- Instant Authentication
- Web Portal – Cloud Based
- Customer Engagement
- Cost
- "Silver Bullet" Answer – Patented Dual Code Tech

Future Catalysts

Expectations for the next 12 months:

SALES

- Significant NEW Brand Owner Clients
- Conversion of double-digit mature prospects to customers
- Sales growth exceeding 100%

MERGERS AND ACQUISITIONS

- Complementary acquisition(s)
- Label / Pkg Printer
- Blockchain – Software Developers

TECHNOLOGY

- Migration to Block Chain Platform
- New Apparel Technology
- Continued New Product Development

Financials

Financial and Equity Snapshot

Exchange/Ticker: NASDAQ: **VRME**

Stock Price (11/10/21): **\$3.66**

Shares Outstanding (11/10/21): **7.3 Million**

Fully Diluted: **11.3 million**

Market Cap: **\$27 million**

Cash Balance: **\$10.6 million as of September 30, 2021**

Equity Investment: **\$10.8 million as of September 30, 2021**

Debt: **\$0 as of September 30, 2021**

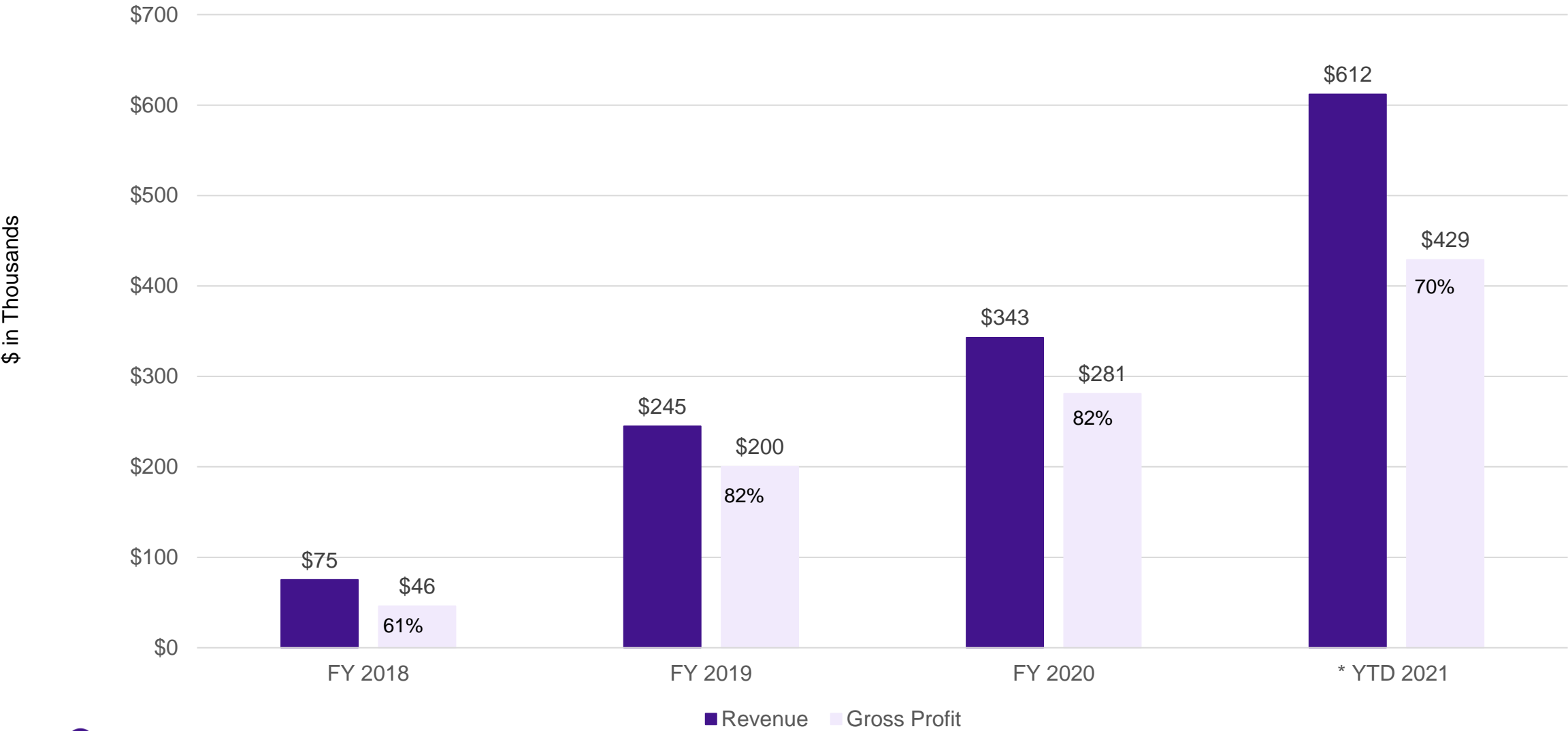
Revenues (TTM as of 9/30/21):
\$686,000; 86% growth year-over-year

Insider Ownership: **9%**

Share Repurchase Program: **Approximately \$1 million remaining under the plan**



Revenue and Gross Profit



Balance Sheet

Key Highlights

- Cash of \$10.6M as of September 30, 2021
- \$10.8M Equity Investment in SPAC –G3 VRM Acquisition Corp of which we beneficially own approximately 9.42%
- Debt-Free as of September 30, 2021

(\$ in thousands)	September 30, 2021 (unaudited)	December 31, 2020
Assets		
Cash and cash equivalents	\$10,630	\$7,939
Equity Investment	10,806	-
Other assets	1,164	835
Total Assets	\$22,600	\$8,774
Current Liabilities		
Accounts payable and accrued	\$434	\$383
Non-Current Liabilities		
Other Long-Term Liabilities	9	72
Total Liabilities	\$443	\$455
Total Stockholders' Equity	\$22,157	\$8,319
Total Liabilities and Stockholders'	\$22,600	\$8,774

Investment Highlights

1. Solving Global Counterfeiting Problem

FBI: "Crime of the 21st Century" *

FE: "\$1.9-2.8 Trillion by 2022" **

WHO: "10s of Thousands Dying" ***

2. Technology

Safe, Practical, Highly Effective, Instant,
Affordable and Easily Implemented

12 US and European Patents

Scalable – Revenue Potential - Prospects

3. Execution

Experienced Management

Fortune 500 Board Of Directors

Significant cash reserves to support
growth

4. Strategic Partners

Hewlett-Packard (NYSE:HPQ)

INX International Ink Co.

5. Fragmented Industry

Consolidation





Q & A



Protect your brand. Grow your business.

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