



OneSpan to Provide Strategic Transformation Update

May 17, 2022

Plans to Accelerate Growth at Investor Day

CHICAGO--(BUSINESS WIRE)-- OneSpan Inc. (NASDAQ: OSPN), a global leader in digital identity verification and e-signatures, will provide an update on its strategic plan to transform the Company and accelerate growth during its Investor Day today, which begins at 9:00 a.m. ET. During presentations to investors and analysts, OneSpan CEO, Matt Moynahan, and other members of the executive team will discuss the Company's growth plans and present its three-year financial targets. In addition, OneSpan affirms its full year 2022 revenue guidance which is expected to meet or exceed its full year 2021 revenue. OneSpan plans to increase its investments in the second half of 2022 to help accelerate revenue growth beginning in 2023. Adjusted EBITDA for the full year 2022 is expected to be in the range of \$(5) million to \$(7) million. For the full year 2022, OneSpan expects ARR growth to be in the range of 16% to 18%.

The live webcast of OneSpan's investor day will be available on the Company's website at: investors.onespan.com. A replay, as well as a copy of the presentation materials used will be available following the event.

OneSpan helps protect the world from digital fraud by establishing trust in people's identities, the devices they use, and the transactions they execute. OneSpan's security solutions significantly reduce digital transaction fraud and enable regulatory compliance for more than half of the top 100 global banks and thousands of financial institutions around the world. Whether automating agreements with identity verification and e-signatures, reducing fraud using advanced analytics, or transparently securing financial transactions, OneSpan helps lower costs and accelerate customer acquisition while improving the user experience. Learn more at [OneSpan.com](https://onespan.com).

Forward Looking Statements

This press release contains forward-looking statements within the meaning of applicable U.S. securities laws, including statements regarding our growth initiatives and market expectations, the potential benefits, performance and functionality of our products and solutions, the strategies relating to our business and the future of our business and our expectations regarding our financial and operational performance in the future. Forward-looking statements may be identified by words such as "seek", "believe", "plan", "estimate", "anticipate", "expect", "intend", "continue", "outlook", "confident", "may", "will", "should", "could", or "might", "forecast", "targeted" and other similar expressions. These forward-looking statements involve risks and uncertainties, as well as assumptions that, if they do not fully materialize or prove incorrect, could cause our results to differ materially from those expressed or implied by such forward-looking statements. Factors that could materially affect our business and financial results include, but are not limited to: market acceptance of our products and solutions and competitors' offerings; the potential effects of technological changes; the impact of the COVID-19 pandemic and actions taken to contain it; our ability to effectively manage acquisitions, divestitures, alliances, joint ventures and other portfolio actions; the execution of our transformative strategy on a global scale; the increasing frequency and sophistication of hacking attacks; claims that we have infringed the intellectual property rights of others; changes in customer requirements; price competitive bidding; changing laws, government regulations or policies; pressures on price levels; investments in new products or businesses that may not achieve expected returns; impairment of goodwill or amortizable intangible assets causing a significant charge to earnings; actions of activist stockholders; and exposure to increased economic and operational uncertainties from operating a global business, as well as those factors set forth in our the "Risk Factors" section of our most recently filed Annual Report on Form 10-K. Our filings with the Securities and Exchange Commission (the "SEC") and other important information can be found in the Investor Relations section of our website at investors.onespan.com. We do not have any intent, and disclaim any obligation, to update the forward-looking information to reflect events that occur, circumstances that exist or changes in our expectations after the date of this press release, except as required by law.

Unless otherwise noted, references in this press release to "OneSpan", "Company", "we", "our", and "us" refer to OneSpan Inc. and its subsidiaries.

Non-GAAP Financial Measures

We report financial results in accordance with GAAP. We also evaluate our performance using certain non-GAAP operating metrics, namely Adjusted EBITDA, non-GAAP Net Income and non-GAAP diluted EPS. Our management believes that these measures provide useful supplemental information regarding the performance of our business and facilitates in comparison to our historical operating results.

These non-GAAP financial measures are not measures of performance under GAAP and should not be considered in isolation or as alternatives or substitutes for the most directly comparable financial measures calculated in accordance with GAAP. While we believe that these non-GAAP financial measures are useful within the context described below, they are in fact incomplete and are not measures that should be used to evaluate our full performance or our prospects. Such an evaluation needs to consider all of the complexities associated with our business including, but not limited to how past actions are affecting current results and how they may affect future results, how we have chosen to finance the business, and how taxes affect the final amounts that are or will be available to stockholders as a return on their investment.

We define Adjusted EBITDA as net income before interest, taxes, depreciation, amortization, long-term incentive compensation, and certain non-recurring items, including acquisition related costs, lease exit costs, rebranding costs, and non-routine shareholder matters. We use Adjusted EBITDA as a simplified measure of performance for use in communicating our performance to investors and analysts and for our comparisons to other companies within our industry. As a performance measure, we believe that Adjusted EBITDA presents a view of our operating results that is most closely related to serving our customers. By excluding interest, taxes, depreciation, amortization, long-term incentive compensation, and certain non-recurring items, we are able to evaluate performance without considering decisions that, in most cases, are not directly related to meeting our customers' requirements and were either made in prior periods (e.g., depreciation, amortization, long-term incentive compensation, non-routine shareholder matters), deal with the structure or financing of the business (e.g., interest, one-time strategic action costs) or reflect the application of regulations that are outside of the control of our management team (e.g., taxes). Similarly, we find that our comparison of our results to those of our competitors is facilitated when we do not consider the impact of these items.

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