

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

SCHEDULE 14A

**Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

ONESPAN INC.

(Name of Registrant as Specified In Its Charter)

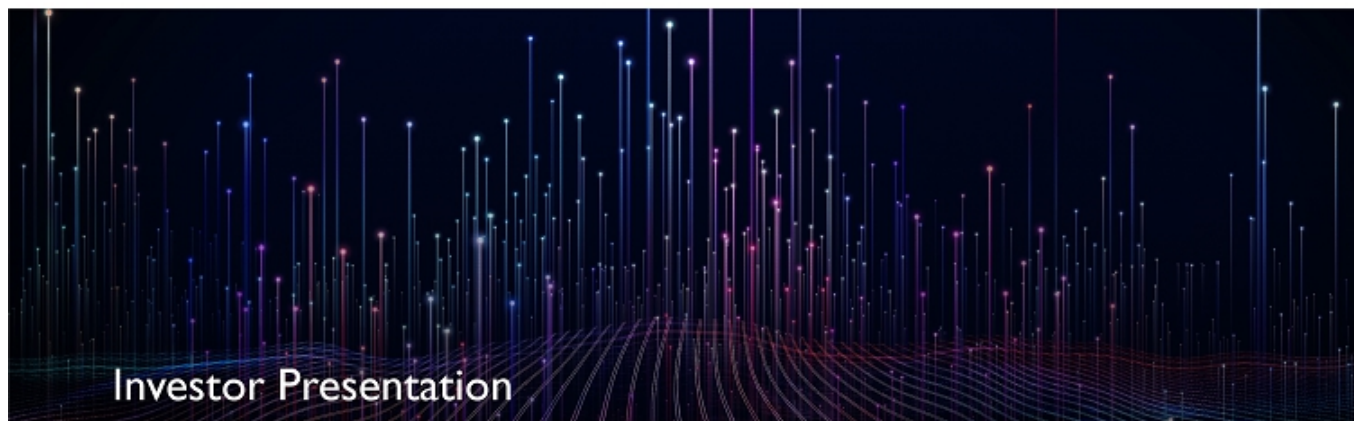
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
 - (1) Title of each class of securities to which transaction applies: _____
 - (2) Aggregate number of securities to which transaction applies: _____
 - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined): _____
 - (4) Proposed maximum aggregate value of transaction: _____
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- Fee paid previously with preliminary materials.
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
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 - (3) Filing Party: _____
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On May 19, 2021, representatives of OneSpan Inc. gave a presentation at the Needham Virtual Technology & Media Conference. A copy of the slides from the presentation can be found below.

* * * *



Investor Presentation

May 19, 2021

Forward Looking Statements

This presentation contains forward-looking statements within the meaning of applicable U.S. securities laws, including statements regarding the potential benefits, performance and functionality of our products and solutions, strategies relating to our business and the future of our business and our expectations regarding our financial 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", 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 presentation, except as required by law.

Important Additional Information and Where to Find It

OneSpan Inc. (the "**Company**") has filed a definitive proxy statement on Schedule 14A and accompanying **BLUE** proxy card and other relevant documents with the SEC in connection with the solicitation of proxies from the Company's stockholders in connection with the Company's 2021 annual meeting of stockholders (the "**2021 Annual Meeting**"). STOCKHOLDERS ARE STRONGLY ENCOURAGED TO READ THE COMPANY'S PROXY STATEMENT (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO), ACCOMPANYING **BLUE** PROXY CARD AND ALL OTHER DOCUMENTS FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE AS THEY WILL CONTAIN IMPORTANT INFORMATION. Investors and stockholders will be able to obtain a copy of the Company's definitive proxy statement and other documents filed by the Company with the SEC free of charge from the SEC's website at www.sec.gov. In addition, copies will be available at no charge at <https://www.OneSpan.com/> as soon as reasonably practicable after such materials are electronically filed with, or furnished to, the SEC.

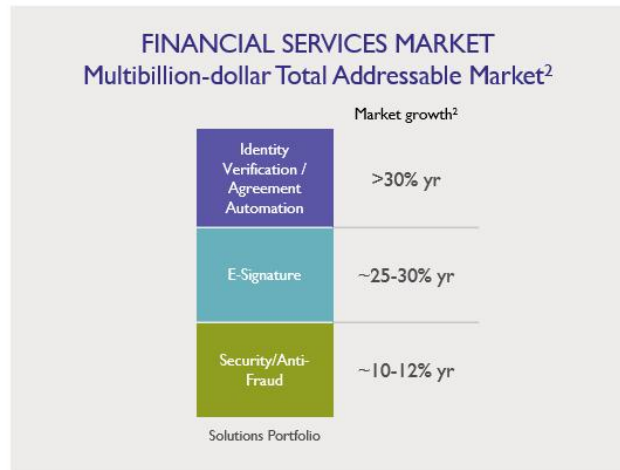
Company Overview

OneSpan is a Leader in Securing High-Value Digital Transactions

 **+60%**
of Largest 100 Global Banks¹

1,000's 
of Financial Institutions and
Other Companies

 **\$15B+**
Reduced Fraud Losses²



Q1 2021 Financial Highlights

\$108M

Annual Recurring
Revenue (ARR)¹

29%

ARR Growth

>50%

Subscription and
Term ARR growth

119%

Dollar-Based Net
Expansion (DBNE)²

47%

Subscription
revenue growth

87%

of Software and Services
revenues are recurring

OneSpan Today – Two Key Business Areas

AUTHENTICATION & DIGITAL IDENTITY

END POINTS



HOST



Risk Analysis

Adding **intelligence** to **authentication** through **real-time risk assessment** in order to match authentication needs with transaction level risk



SECURE PROCESS DIGITIZATION



Virtual Room

Enabling organizations to **safely and securely collaborate with customers** in a **live online environment** to **review and e-sign agreements**

Valued Partner of Leading Banks, Enterprises and Governments

Banking	Other Financial Services	Insurance	Government	Healthcare	Other
	<p><i>Action Financial Services, LLC</i></p>				



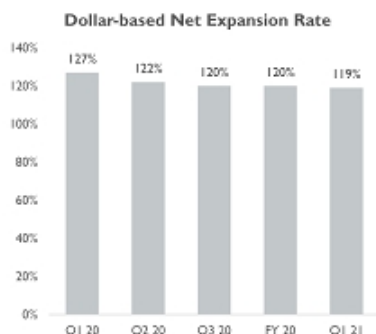
OneSpan's Strategy Evolution Beyond Authentication

PHASE	EXPLANATION
1 Launch of Trusted Identity Strategy and Re-branding as OneSpan	<ul style="list-style-type: none"> Rebranded the Company in May 2018 to reflect the significant shifts in our strategy and solutions offering Launched Trusted Identity platform to enable companies to reduce customer onboarding and transaction-related fraud
2 Recurring Revenue Transition	<ul style="list-style-type: none"> Recurring revenue increases as customers shift to predominantly term- and cloud-based solutions and new perpetual license revenue declines
3 Platform Development	<ul style="list-style-type: none"> Further enhancements to our cloud-based platforms to enable additional solutions to meet the evolving demands of our customers and additional partnership opportunities
4 Focus on Innovation	<ul style="list-style-type: none"> Investment in R&D and emerging technologies like AI together with data analytics to solve next-generation authentication challenges
5 Adjacency Expansion	<ul style="list-style-type: none"> Validating and executing on opportunities afforded by the digitization of healthcare, telehealth and government to expand and diversify our revenue base beyond our core financial services customers



Financial Results Provide Evidence of Our Successful Transformation

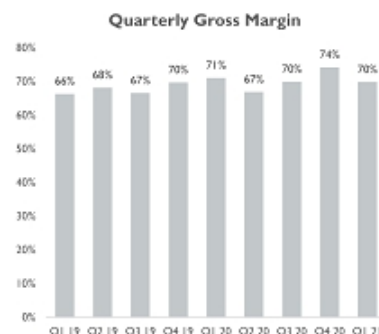
Growth from Existing Customers



Annual Recurring Revenue Growth



Robust Gross Margin



Recurring Software Solutions have Strong Demand/Interest



OneSpan Sign

- White labeled
- Visual audit trail
- Supports simple and complex processes



OneSpan Sign Virtual Room

- All-in-one digital customer engagement solution
- Guide customers through complex agreement processes
- Insurance, auto financing, bank account openings and changes



Identity Verification

- Open accounts or engage in transactions remotely
- Includes e-signature



Mobile Security Suite

- Pre-built, automated authentication workflows including biometrics, push notification, and out-of-band
- App security best practices



OneSpan Cloud Authentication

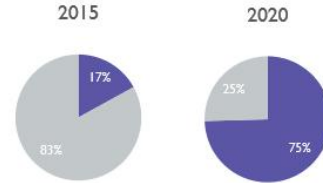
- Extensive authentication options
- Improves the user experience
- Simple mobile provisioning



Recurring Revenue (\$M)

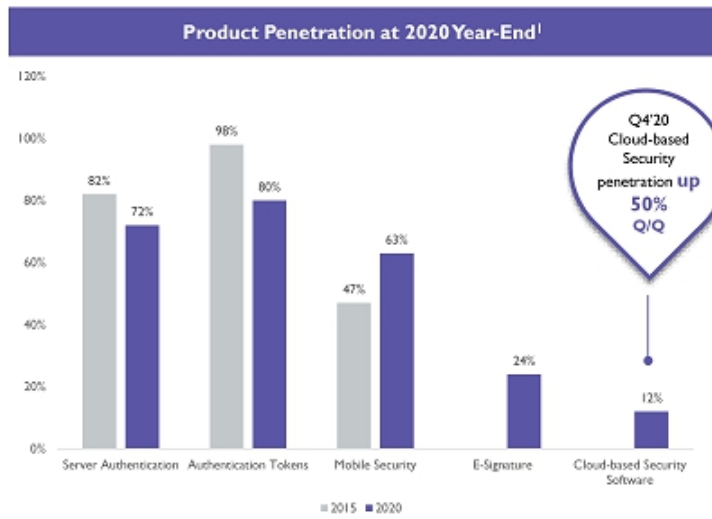


Mobile Security Licenses and Hardware Devices Sold



¹OneSpan guidance

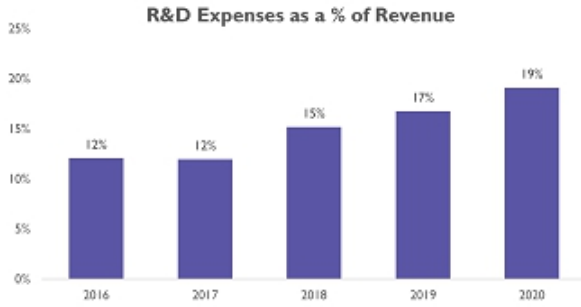
Significant Growth Opportunity in Existing Customer Base



We Strategically Reallocated Our Resources to Drive Growth

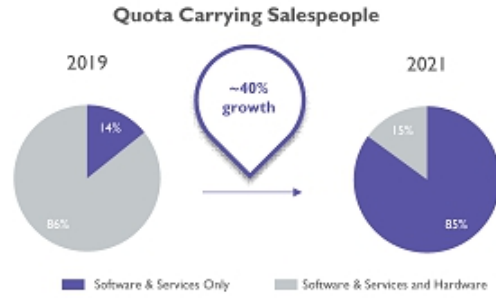
Increased R&D Investment to Develop New Solutions

- Our focus is on emerging identity security technologies around the sovereign identity model, AI and machine learning, quantum computing and other innovations
- We set up a network of university partnerships in France, Canada, Israel and Belgium to develop and enhance technologies
- We have doubled the headcount of our internal R&D team in the last two years

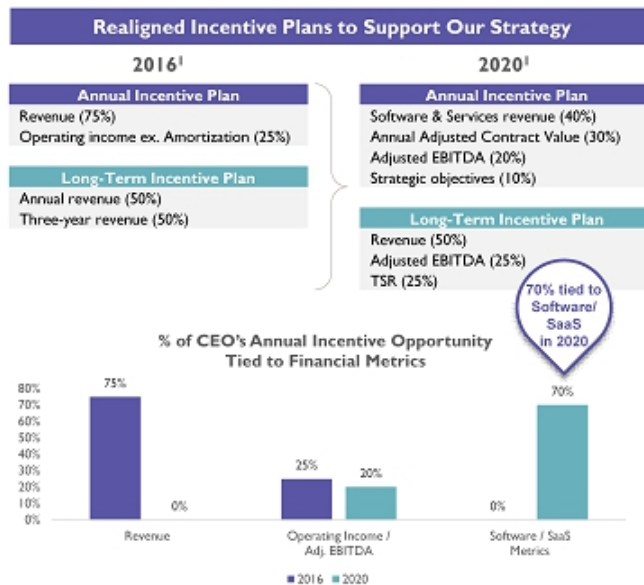


Realigned Our Salesforce to Support New Solutions

- As our business has evolved, we have had to adapt our salesforce to learn how to sell complex solutions that incorporate a number of technologies
- We have increased the size of our quota carrying salespeople by approximately 40% since 2019
- Our focus is on recruiting high-caliber talent with SaaS and cloud experience



Incentive Compensation Aligns with Strategy




¹2016 represents the last full fiscal year prior to Mr. Clements' tenure as CEO. "Software / SaaS Metrics" includes Software & Services revenue and Annual Adjusted Contract Value.

Active Board Refresh to Reflect Strategic Evolution


Since 2016, our Board has evolved significantly and deliberately:

- ✓ Enhanced gender and ethnic diversity
- ✓ Critical new skill sets (SaaS, cybersecurity, capital allocation)
- ✓ Independent leadership
- ✓ Reduced tenure
- ✓ Reduced age
- ✓ Expanded size to allow for more perspectives


JUNE 2016 NOMINEES




Ken Hunt




Michael Cullinane



John Fox



Jean Holley



Matthew Moog

JUNE 2021 NOMINEES



Marc Boroditsky
2019



Garry Capors
NEW 2021



Scott Clemens
2017



John Fox
2005



Jean Holley
2006



Marianne Johnson
NEW 2020



Matthew Moog
2012



Alfred Nietzel
NEW 2020



Marc Zenner
2019

# of Directors	5
Average Age	63 Years
Average Tenure	>12 Years
Independent Chair	No
# of Female & Diverse Directors	1

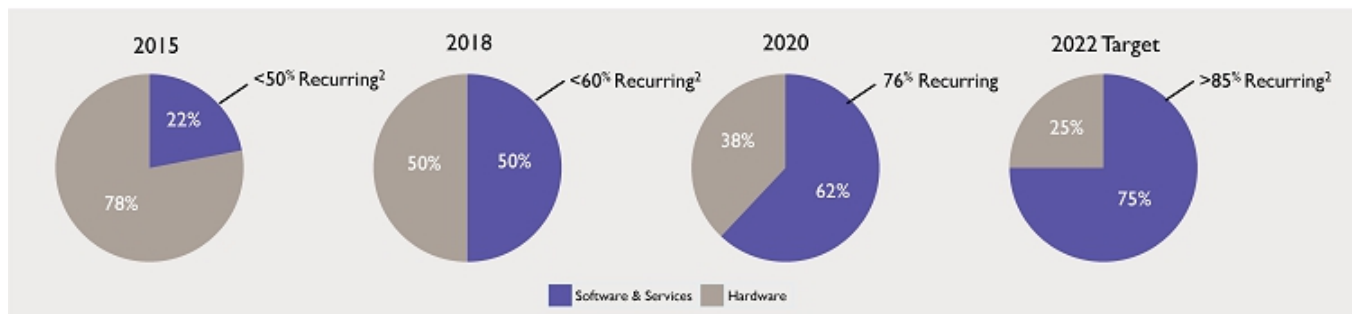
# of Directors	9
Average Age	58 Years
Average Tenure	<6 Years
Independent Chair	Yes
# of Female & Diverse Directors	3

Newer Services are Rapidly Changing Our Revenue Mix

Strong Double-Digit ARR
Growth¹

~120% Dollar-Based Net
Expansion Rate¹

Target >85% of S&S
Revenue Recurring by 2022



FY 2021 Outlook¹

GUIDANCE METRICS	FY21 GUIDANCE	COMMENTS
Total Revenue	\$215M – \$225M	2H 2021 > 1H 2021
Recurring Revenue	\$120M – \$125M	18% – 23% growth
ARR Growth	22% - 26%	Strong growth in Subscription and Term
Adjusted EBITDA	Approximately break-even	Gross margin impacted by transition to recurring; Investing for growth



¹OneSpan guidance and expected performance. An explanation of the use of non-GAAP financial measures is included in the Appendix. We are not providing a reconciliation to GAAP net income as the most directly comparable GAAP measure because we are unable to predict certain items contained in the GAAP measure without unreasonable efforts.

Foundations for Sustained Long-Term Growth

Leader In Secure Digital Banking & E-Signature Solutions		Solid Business Fundamentals	
High-Value Global Customer Base	Trusted Identity Cloud-Based Platform	Strong Balance Sheet	
		Recurring Revenue Growth	 Increasing Gross Margin
Unique Value Propositions	Mobile Security Leadership	Strong Dollar-Based Net Expansion Rate	
Strong Competitive Position – Unique Solution Portfolio		25% - 30% ARR Growth ¹	



Appendix

Revenue

Revenue by major products and services (in millions, unaudited)	Three months ended,								
	March 31 2019	June 30 2019	Sept. 30 2019	Dec. 31 2019	March 31 2020	June 30 2020	Sept. 30 2020	Dec. 31 2020	March 31 2021
Subscription	\$5.3	\$5.3	\$5.6	\$6.1	\$5.7	\$6.1	\$7.4	\$8.5	\$8.4
Term-based software licenses	0.6	2.0	7.1	6.4	9.2	5.0	2.3	8.1	8.0
Maintenance, support, and other	9.7	9.9	10.6	12.0	11.0	12.1	12.4	13.7	12.5
Total recurring revenue	\$15.5	\$17.2	\$23.2	\$24.5	\$25.9	\$23.2	\$22.1	\$30.4	\$28.9
Perpetual software licenses	6.5	9.0	12.1	12.6	9.3	6.2	6.3	4.7	2.8
Professional services	0.8	0.8	2.3	1.8	1.4	1.3	1.4	1.6	1.4
Total software and service revenue	\$22.8	\$27.1	\$37.7	\$38.9	\$36.6	\$30.8	\$29.8	\$36.7	\$33.1
Hardware products	24.3	29.0	42.0	31.6	19.7	24.2	21.7	16.2	17.7
Total revenue¹	\$47.1	\$56.2	\$79.7	\$70.5	\$56.4	\$55.0	\$51.4	\$52.9	\$50.8
<i>Recurring % of software and services revenue</i>	68%	64%	62%	63%	71%	76%	74%	83%	87%
<i>Recurring % of total revenue</i>	33%	31%	29%	35%	46%	42%	43%	57%	57%

¹Quarterly revenue from March 31, 2019, through March 31, 2020, has been revised to correct for certain immaterial misstatements.

Definitions

1 · **ARR** is calculated as the annualized value of our customer recurring contracts with a term of at least one-year, as of the measuring date. These include subscription, term-based license, and maintenance contracts and exclude one-time fees. To the extent that we are negotiating a renewal with a customer after the expiration of a recurring contract, we continue to include that revenue in ARR if we are actively in discussion with the customer for a new recurring contract or renewal, or until such customer notifies us that it is not renewing its recurring contract.

2 · **DBNE** is defined as the year-over-year growth in ARR from the same set of customers at the end of the prior year period.

Non-GAAP Financial Measures

We report financial results in accordance with GAAP. We also evaluate our performance using certain non-GAAP financial measures, namely Adjusted EBITDA. Our management believes that this measure provides useful supplemental information regarding the performance of our business and facilitates comparisons to our historical operating results. 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 above, 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. Reconciliations of Adjusted EBITDA to the most directly comparable GAAP financial measure are found above.

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, non-routine stockholder matters and accruals for legal contingencies. We use Adjusted EBITDA as a simplified measure of performance for use in communicating our performance to investors and analysts and for 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, lease exit costs, non-routine stockholder matters, reversal of a prior period legal contingency accrual), deal with the structure or financing of the business (e.g., interest, acquisition related costs, rebranding costs) or reflect the application of regulations that are outside of the control of our management team (e.g., taxes). Similarly, we find that the 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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