



# aiWARE: The OS for AI

Veritone Investor Presentation | March 2020

# Forward Looking Statements & Disclaimers

This presentation of Veritone Inc. (the “Company”) contains forward-looking statements that involve substantial risks and uncertainties. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “predict,” “project,” “target,” “potential,” “would,” “could,” “should,” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements we make. The forward-looking statements contained in this presentation reflect our current views with respect to future events.

Forward-looking statements represent our management’s beliefs and assumptions only as of the date of this presentation. We have included important factors in the cautionary statements included in the Annual Report on Form 10-K and other periodic reports that we have filed with the Securities and Exchange Commission (the “SEC”), particularly in the Risk Factors sections, that we believe could cause actual results or events to differ materially from the forward-looking statements that we make. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons why actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

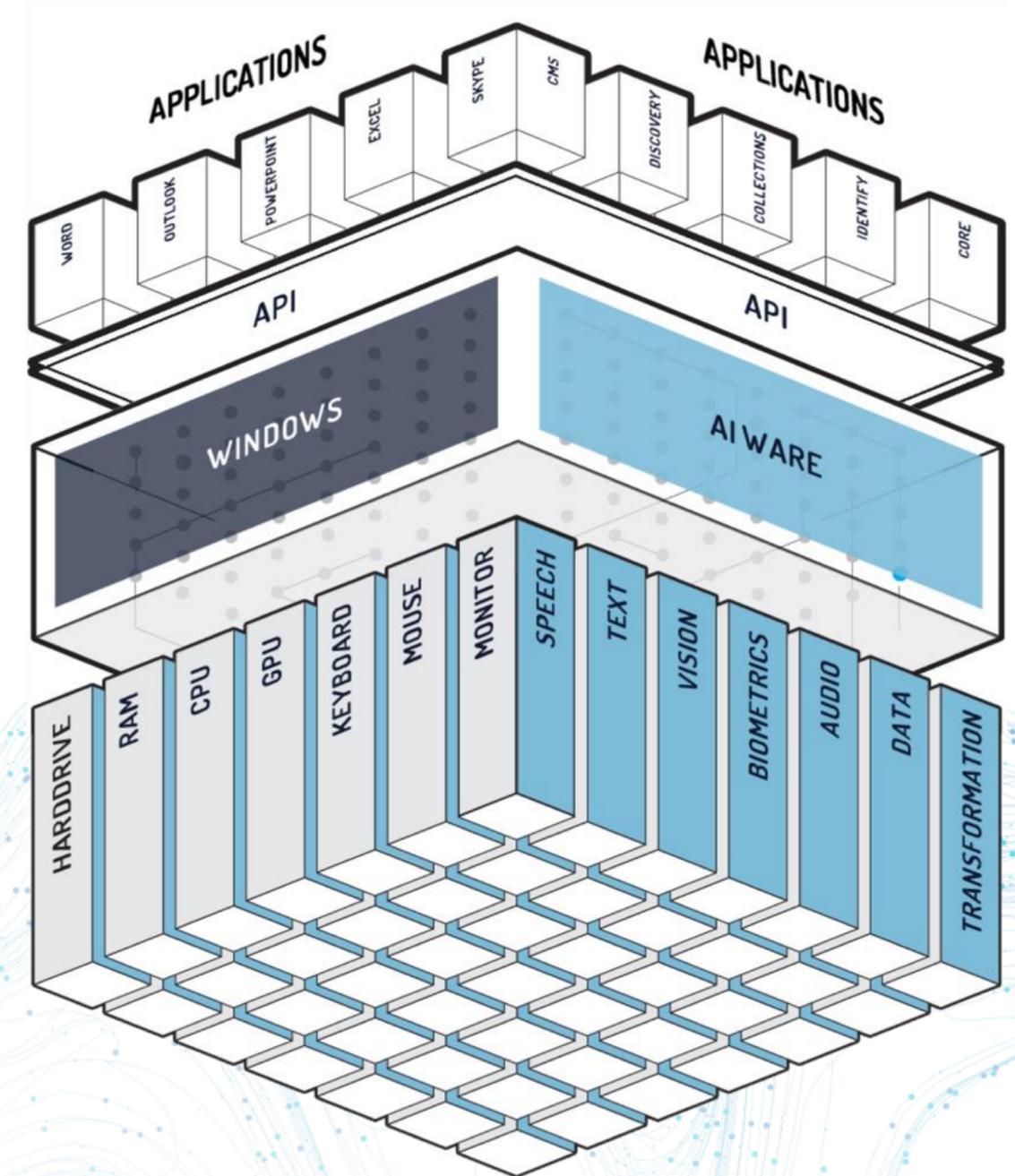
Before you invest, you should read the Company’s Annual Report on Form 10-K and the other documents the Company has filed with the SEC for more complete information about the Company. You may obtain these documents for free on the Company’s website or by visiting EDGAR on the SEC website at [www.sec.gov](http://www.sec.gov).

In addition to the Company’s GAAP financial results, this presentation also includes the Company’s earnings before interest expense, depreciation, amortization and stock-based compensation, adjusted to exclude certain acquisition, integration and financing-related expenses, or Adjusted EBITDAS, and its net loss adjusted to exclude depreciation, amortization, stock-based compensation, acquisition, integration, financing-related and severance expenses, both of which are non-GAAP financial measures. For a reconciliation of the Company’s Adjusted EBITDAS and non-GAAP net loss to its GAAP net loss, please see the Company’s periodic filings with the SEC, copies of which are available on the Company’s website.

# Veritone aiWARE, the AI Operating System

Veritone's proprietary aiWARE platform provides an extensible software infrastructure that empowers organizations to deploy turnkey and customized end-to-end, AI-enabled solutions to solve their unique industry challenges

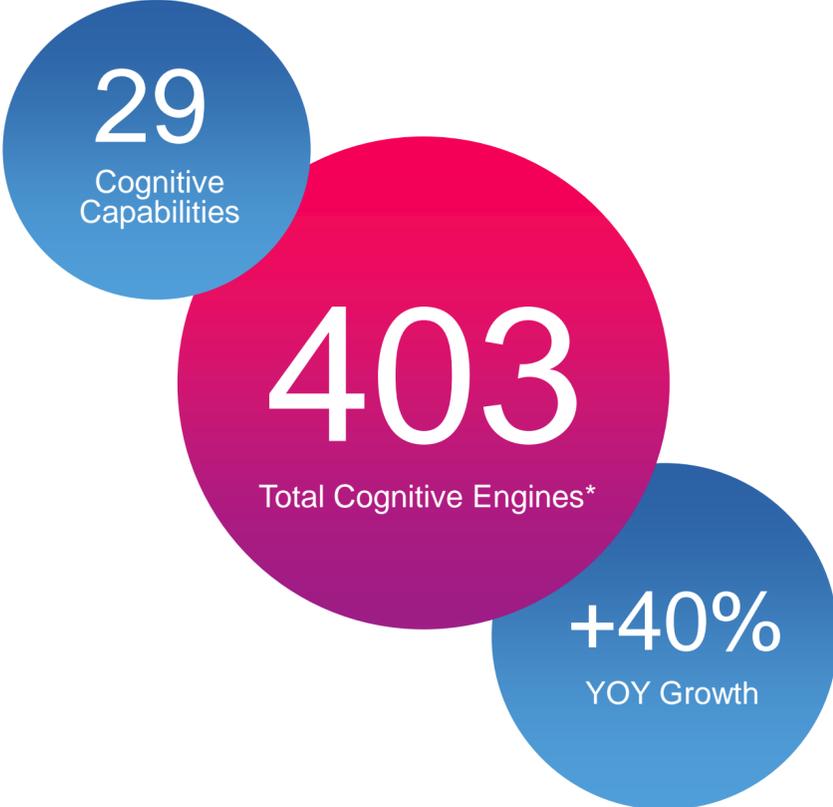
Fast-to-Market | Future-Proof | Scalable



# aiWARE Cognitive Capabilities



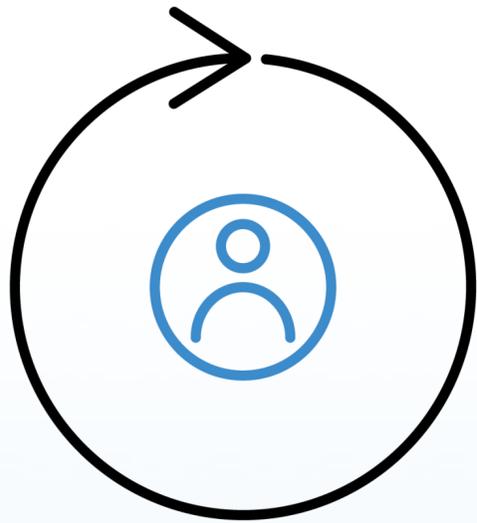
Translation	Sentiment	Transcription	Speaker Separation	Object Recognition	OCR	Scene Detection	Visual Moderation	Face Detection	Face Recognition	Geolocation	Audio Fingerprinting	Text to Speech	Metadata Extraction	Transcoding	Orchestration	Text Analytics
IBM, Microsoft, Amazon, Pangeanic	Indico, Machine Box, Microsoft, Amazon, Pangeanic	Microsoft, Nuance, IBM, VoiceBase, HPE Haven OnDemand, Speechmatics, Vocapia Research, Mod9 Technologies, CAPIO, Transcription Hub, Speechpad, Google, Veritone, CodeII	Speechmatics, Clarifai, Voxel51, IBM, HPE Haven OnDemand, Microsoft, CloudSight, Amazon, HPE Haven OnDemand, Logograb, Veritone, Machine Box, Valossa, Orpix, Blippar	Clarifai, Amazon, Google, Veritone, HPE Haven OnDemand, Microsoft, CloudSight, Amazon, HPE Haven OnDemand, Logograb, Veritone, Machine Box, Valossa, Orpix, Blippar	Amazon, Google, Veritone, HPE Haven OnDemand, Microsoft, CloudSight, Amazon, HPE Haven OnDemand, Logograb, Veritone, Machine Box, Valossa, Orpix, Blippar	Google, Moderate Content, Machine Box, Amazon, Veritone, HPE Haven OnDemand, Microsoft, CloudSight, Amazon, HPE Haven OnDemand, Logograb, Veritone, Machine Box, Valossa, Orpix, Blippar	Moderate Content, Machine Box, Amazon, Veritone, HPE Haven OnDemand, Microsoft, CloudSight, Amazon, HPE Haven OnDemand, Logograb, Veritone, Machine Box, Valossa, Orpix, Blippar	Machine Box, Amazon, Veritone, HPE Haven OnDemand, Microsoft, CloudSight, Amazon, HPE Haven OnDemand, Logograb, Veritone, Machine Box, Valossa, Orpix, Blippar	Kairos, Clarifai, Amazon, Veritone, HPE Haven OnDemand, Microsoft, CloudSight, Amazon, HPE Haven OnDemand, Logograb, Veritone, Machine Box, Valossa, Orpix, Blippar	Veritone, Amazon, Veritone, HPE Haven OnDemand, Microsoft, CloudSight, Amazon, HPE Haven OnDemand, Logograb, Veritone, Machine Box, Valossa, Orpix, Blippar	Veritone, Amazon, Veritone, HPE Haven OnDemand, Microsoft, CloudSight, Amazon, HPE Haven OnDemand, Logograb, Veritone, Machine Box, Valossa, Orpix, Blippar	Amazon, Veritone, HPE Haven OnDemand, Microsoft, CloudSight, Amazon, HPE Haven OnDemand, Logograb, Veritone, Machine Box, Valossa, Orpix, Blippar	Veritone, Amazon, Veritone, HPE Haven OnDemand, Microsoft, CloudSight, Amazon, HPE Haven OnDemand, Logograb, Veritone, Machine Box, Valossa, Orpix, Blippar	Veritone, Amazon, Veritone, HPE Haven OnDemand, Microsoft, CloudSight, Amazon, HPE Haven OnDemand, Logograb, Veritone, Machine Box, Valossa, Orpix, Blippar	Veritone, Amazon, Veritone, HPE Haven OnDemand, Microsoft, CloudSight, Amazon, HPE Haven OnDemand, Logograb, Veritone, Machine Box, Valossa, Orpix, Blippar	Pangeanic, CAPIO, Zetta Cloud



\*As of December 2019

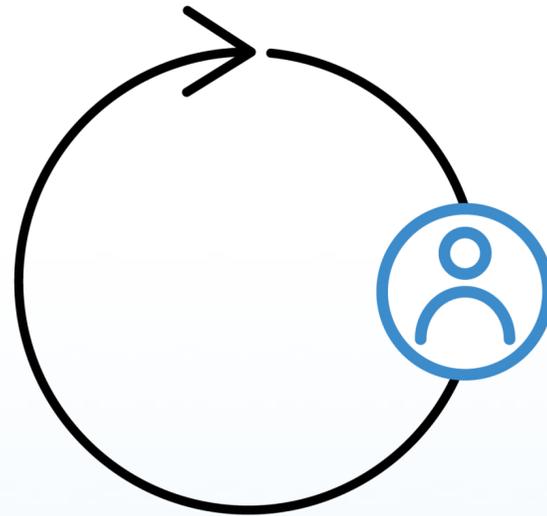
# Humans and the Loop: Stages of AI

**A Loop is a system or process by which invaluable data is generated, managed and leveraged throughout an organization. There are many loops that AI will radically transform over the next 5 years**



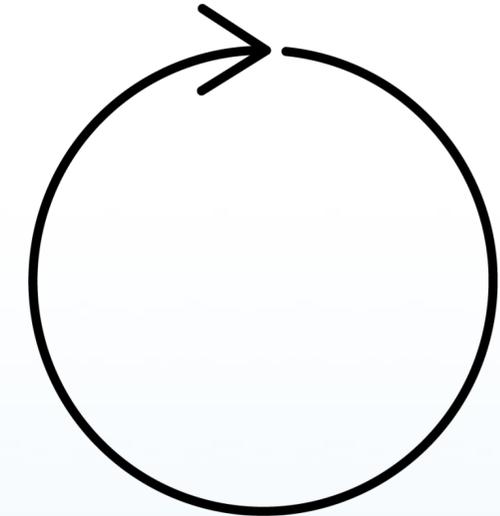
## IN THE LOOP

Human involvement is **required** for the process to occur



## ON THE LOOP

Machines do the bulk of the work. Human involvement becomes **a check**, to ensure processes are running normally and to verify accuracy



## OUT OF THE LOOP

Human involvement is **not required**. Machines have become accurate and self sufficient enough to continue operation independently

# Core Elements for AI-Powered Solutions

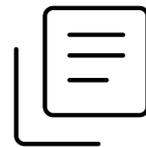
## Veritone Essentials

Applications for intelligent content ingestion, management, search, and distribution of data packaged within aiWARE deployments in vertical-specific applications.



### VERITONE CMS

Smart Content Management and Indexing System



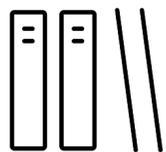
### VERITONE COLLECTIONS

Curation and Distribution for Cognitively-enriched Content



### VERITONE DISCOVERY

Cognitive Media Search Engine for One-time and Automated Alerting



### VERITONE LIBRARY

Reference Library for Cognitive Engines of Known Identifiers for People, Places, and Things



### VERITONE ADMINISTRATOR

Configuration, Preferences, and User-management Console for aiWARE

# Current Vertical-Specific Applications

## Media & Entertainment

Empowering the world's leading media companies, studios, networks and sports organizations to unlock hidden revenue streams from video and audio content as well as gain operational efficiencies



### VERITONE ATTRIBUTE

Intelligent, Real-Time Media Attribution for Broadcasters and their customers

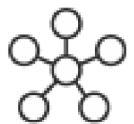


### VERITONE COMMERCE

Commerce and Content Licensing for Rights Holders and Creatives



### VERITONE CORE and DIGITAL MEDIA HUB



Complete Digital Asset Management and Monetization and Customer Branded Digital Asset Manager

## Government, Legal, & Compliance

### Government:

Enabling agencies to safeguard citizens by rapidly extracting actionable intelligence from evidence — accelerating investigations and the public disclosure process

### Legal & Compliance

Enabling legal & supervisory teams to analyze large quantities of structured and unstructured data for eDiscovery and regulatory compliance by rapidly processing audio, video, text files and documents — making the review and disclosure process faster and more efficient



### VERITONE IDENTIFY

Intelligent, Rapid Suspect Identification for Law Enforcement



### VERITONE ILLUMINATE

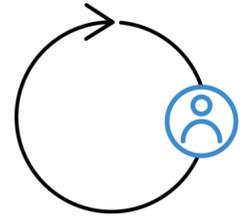
Intelligent, Rapid eDiscovery and Compliance Risk Alerting for Corporations



### VERITONE REDACT

Intelligent Video Evidence Redaction for Law Enforcement and Justice

# Veritone Redact

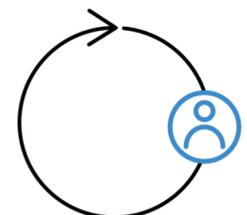


**Time savings of up to 90%** compared with limited manual processes



aiWARE processes the video and audio evidence with face detection and transcription engines, finding unique individuals and keywords for the user to select for redaction. The user can also select sensitive images such as license plates for redaction.

# Veritone Illuminate

 What used to take thousands of man-hours **now takes a fraction of the time**



Audio, Video & Document ESI



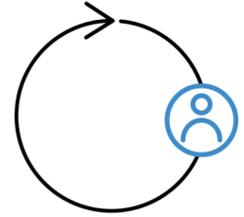
**Transcript**  
...Let's see here. OK, yes, I'm going to send you the software **codebase**.



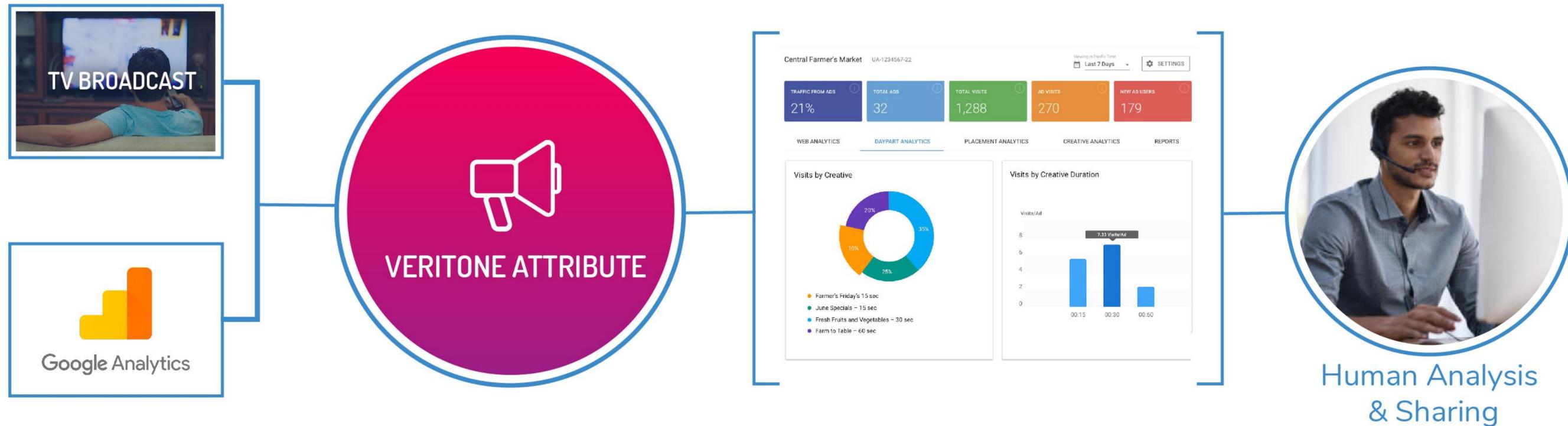
Culled-down data for human review & redaction

aiWARE processes discoverable ESI, providing cognitively-indexed data enriched with text analytics, enabling automated identification of keywords/objects relevant to the case – this significantly accelerates case preparation for legal proceedings compared with manual review processes

# Veritone Attribute



What used to not be possible, **now takes minutes** to validate the effectiveness of over the top (OTT) advertising, benefitting both broadcasters and advertisers



aiWARE processes radio and TV broadcasts in real-time and automatically searches for pre-set ad campaign criteria, correlating customer web analytics against verified ads displayed in a single dashboard - empowering ad sales with one-click offline ad efficacy reports for the first time

Leverages Veritone's market position and proprietary technology to provide broadcasters, podcast and social media influencers with a range of innovative new revenue solutions.

## Influencer Bridge

Podcast • Social

### On-Demand CPA Avails

Gives podcast and social media influencers unprecedented access to advertisers and enables them to monetize their content through sponsored ad placements.

## MicroMentions®

Radio

### On-Demand Live Read Avails

Provides radio broadcasters a new way to incrementally generate revenue through on-demand, live-read ad units without the burden of managing clearances or verifications.

## Spot Network

Radio • TV

### On-Demand Slot Avails

Manages the liquidation and fulfillment of run-of-schedule and dayparted ad units for media partners. This program is currently available to radio and television broadcasters, enabling them to begin generating revenue immediately.

# Operational & Financial Update

# Recent Highlights

## Recent Business Highlights

- Recorded initial aiWARE SaaS revenues from the U.S. Department of Justice in Q4 2019, enabled by the Company's FedRAMP authorization for its aiWARE Government platform.
- Posted record aiWARE SaaS bookings in Q4 of 2019.
- Received approved 2020 media plans from Advertising clients that would represent the highest annual level of ad spending in the Company's history.
- Signed a SaaS license agreement with Bell Media, covering the use of aiWARE by over 35 of their radio and television stations in Canada.
- Accelerated engagement with Government, Legal & Compliance customers for the Company's Identify, Redact and Illuminate applications, with over 50 active customers today.

## Q4 2019 Financial Highlights

- Net revenues grew 14% year over year to \$12.4 million.
- aiWARE SaaS net revenues increased 22% sequentially to a record \$2.9 million.
- Advertising net revenues reached a record \$6.5 million, compared with \$6.3 million in Q3 2019 and \$6.0 million in Q4 2018.
- Adjusted EBITDAS Loss decreased \$1.6 million sequentially.
- Cash and cash equivalents totaled \$44.1 million at December 31, 2019.

# Fourth Quarter 2019 Results - Summary

(\$ in Thousands)				4Q:19 CHANGE		
	4Q:18	3Q:19	4Q:19	Q/Q	Y/Y	YTD
<b>Advertising</b>	\$5,986	\$6,291	\$6,517	4%	9%	42%
-Excluding Acquisitions	\$4,680	\$4,473	N/A	N/A	N/A	14%
<b>aiWARE SaaS</b>	\$2,426	\$2,350	\$2,872	22%	18%	79%
-Excluding Acquisitions	\$1,482	\$1,427	N/A	N/A	N/A	45%
<b>aiWARE Content Licensing and Services</b>	\$2,534	\$4,164	\$3,059	(27%)	21%	N/A
-Excluding Acquisitions	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total Sales</b>	\$10,946	\$12,805	\$12,448	(3%)	14%	84%
-Excluding Acquisitions	\$6,162	\$5,900	N/A	N/A	N/A	21%

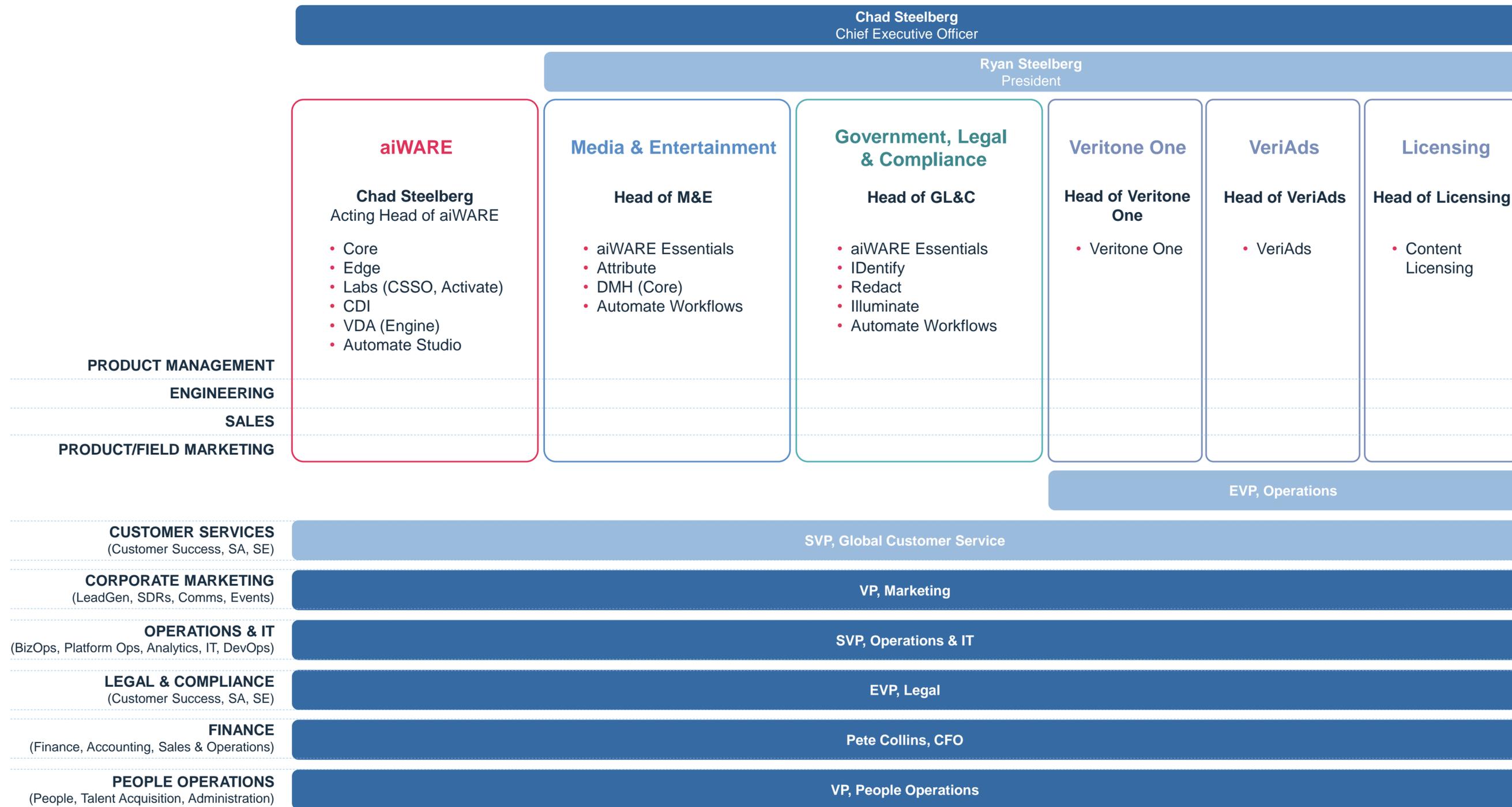
# Fourth Quarter 2019 Results

(\$ in Thousands)	<b>FY:18A*</b>	<b>1Q19A</b>	<b>2Q19A</b>	<b>3Q19A</b>	<b>4Q19A</b>
<b>Advertising (Net)</b>	\$17,145	\$5,714	\$5,842	\$6,291	\$6,517
<b>aiWARE SaaS</b>	\$5,961	\$2,754	\$2,677	\$2,350	\$2,872
<b>aiWARE Content &amp; Licensing</b>	\$3,943	\$3,657	\$3,751	\$4,164	\$3,059
<b>Total Net Revenue</b>	\$27,049	\$12,125	\$12,269	\$12,805	\$12,448
<b>GM%</b>	76.0%	68.1%	62.8%	62.9%	67.1%
<b>Adjusted EBITDAS / Non-GAAP Net Loss</b>	(\$38,766)	(\$9,292)	(\$9,207)	(\$9,630)	(\$8,053)
<b>Adjusted EBITDAS Rate</b>	(143%)	(76%)	(75%)	(75%)	(65%)
<b>Cash and Equivalents</b>	\$51,104	\$50,923	\$45,273	\$49,188	\$44,065

*\*Includes acquisitions made during 3Q:18*

# Thank You

# Veritone Realigned Organization Structure



# Fourth Quarter 2019 Results - KPI

(\$ in 000's)	4Q18	1Q19	2Q19	3Q19	4Q19
<b>Advertising</b>					
Net new advertising clients added during quarter	14	14	21	11	15
Clients with active advertising campaigns during quarter	115	107	108	111	108
Average advertising spend per active client during quarter	\$478	\$486	\$497	\$505	\$567
<b>Net revenue during quarter</b>	<b>\$5,986</b>	<b>\$5,714</b>	<b>\$5,842</b>	<b>\$6,291</b>	<b>\$6,517</b>
<b>aiWARE SaaS Solutions</b>					
Total customers at quarter end	123	129	136	153	172
Total accounts on platform at quarter end	840	911	941	980	1,069
Active cognitive engines at quarter end	287	343	357	401	403
Hours of data processed during quarter (000s)	3,566	4,061	4,015	3,606	3,773
Total contract value of new bookings received during quarter	\$1,196	\$1,316	\$1,362	\$1,384	\$2,522
Monthly recurring revenue under agreements in effect at quarter end	\$544	\$494	\$545	\$547	\$568
<b>Net revenue during quarter</b>	<b>\$2,426</b>	<b>\$2,754</b>	<b>\$2,677</b>	<b>\$2,350</b>	<b>\$2,872</b>

*Includes acquisitions made during 3Q:18*

# Veritone aiWARE - Leveraging the Power of AI to Dramatically Improve Operational Efficiency and Effectiveness

## Powerful

- Future proof applications that improve as the underlying cognitive engines compete and evolve
- Structured and unstructured data processing capabilities
- Ability to invoke the best cognitive engine for a particular task
- Proprietary technology that improves transcription accuracy by combining multiple engine results
- Reduces operating and development costs

## Adaptable

- aiWARE Flow application provides non-engineers with the power to harness AI
- Real-time cognition via an event driven architecture
- Cloud, hybrid, and soon to be on-premise deployment models
- Ability to leverage cognitive capabilities across multiple classes via API access
- Containerized, horizontally scalable micro-services

