January 31, 2023

Veritone Advances Strategic Actions with Cost Reduction Initiatives

Continuing Focus on Growth and Innovation Centered on Scaling Next Generation AI Applications with Pathway Toward Profitability

DENVER--(BUSINESS WIRE)-- Veritone, Inc. (NASDAQ: VERI), creator of aiWARE and leading enterprise AI software and solutions provider, today announced a number of actions reflecting the strategic focus of newly appointed CEO, Ryan Steelberg. Among these actions, certain organizational changes were implemented, driving increased prioritization and investments in next-generation AI applications and features focused on new and existing customer growth. In addition to realigning its organizational structure, Veritone will be reducing certain operational costs, after which the Company expects to realize a net $12 - $15 million in annualized savings over the course of fiscal 2023 as compared to fiscal 2022.

Ryan Steelberg, Veritone CEO, stated, “I am excited about 2023, the passionate focus on AI, and Veritone’s leadership position in the market. Today, we are giving you insight into some of our strategic initiatives. As part of our actions, we are executing on three key areas of focus: (i) improving our balance sheet, which includes an increased focus on improving the profitability of our business, and our recent Q4 2022 debt repurchase, where we repurchased $60.0 million of our debt at 65% of par for a total cost of $39.0 million, (ii) reducing our cost structure to continue our mission and investment in our leading AI platform and applications, and (iii) deeper focus on near term product and solution initiatives and customer growth, continuing to expand and diversify our client base. I look forward to providing more details on these and other strategic actions during our next earnings call update in March 2023.”

Contributing to the annualized $12-$15 million in cost savings are the following actions:

- Divesting our Energy group in Q1 2023
- Reductions and consolidation of certain software, outside services, and cloud-based processing expenses throughout 2023
- Measured reduction in headcount through mid Q1 2023

Ryan Steelberg added, “AI has never been more top of mind, and Veritone has established a market-leading position in providing AI software and solutions to our customers, validated by our consistently strong retention rates and customer growth. These cost savings and prioritization efforts will enable us to optimize our workforce and continue to operate and support our customers at a very high level while maintaining strong business and operational fundamentals focused on profitability.”

About Veritone

Veritone (NASDAQ: VERI) is a leader in enterprise artificial intelligence (AI) solutions.

Serving organizations in both commercial and regulated sectors, Veritone's software, services, and industry applications simplify data management, empowering the largest and most recognizable brands in the world to run more efficiently, accelerate decision making and increase profitability. Veritone's hyper-expensive enterprise AI platform, aiWARE™, orchestrates an ever-growing ecosystem of machine learning models to transform audio, video and other data sources into actionable intelligence. Through its robust partner ecosystem and professional and managed services, Veritone develops and builds AI solutions that solve the problems of today and tomorrow.

Safe Harbor Statement

This news release contains forward-looking statements. Without limiting the generality of the foregoing, words such as "may," "will," "expect," "believe," "anticipate," "intend," "could," "estimate" or "continue" or the negative or other variations thereof or comparable terminology are intended to identify forward-looking statements. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements. Assumptions relating to the foregoing involve judgments and risks with respect to various matters which are difficult or impossible to predict accurately and many of which are beyond the control of Veritone. Certain of such judgments and risks are discussed in Veritone's SEC filings. Although Veritone believes that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate and, therefore, there can be no assurance that the results contemplated in forward-looking statements will be realized. In light of the significant uncertainties inherent in the forward-looking information included herein, the inclusion of such information should not be regarded as a representation by Veritone or any other person that their objectives or plans will be achieved. Veritone undertakes no obligation to revise the forward-looking statements contained herein to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

View source version on businesswire.com:
https://www.businesswire.com/news/home/20230130005742/en/

Company:
Brian Alger, CFA
SVP, Investor Relations and Capital Markets
Veritone, Inc.
415-203-8265
investors@veritone.com

IR Agency:
Stefan Norbom
Prosek Partners
203-644-5475
snorbom@prosek.com

Source: Veritone, Inc.