



aiWARE™:
The OS for AI

Investor Presentation | August 2021

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.

In addition to the Company’s GAAP financial results, this presentation also includes certain historical and forecasted financial measures presented on a non-GAAP basis, excluding (as applicable) provision for income taxes, depreciation, amortization and stock-based compensation expenses, as well as certain sales tax, lease termination, severance, acquisition, integration and financing-related costs. For a reconciliation of such non-GAAP measures to the corresponding GAAP measures, please see the supplemental information available on the Investors page of the Company’s website.

“We are driven by the belief that Artificial Intelligence is key to building a safer, more vibrant, transparent, and empowered society. We are determined to be an active contributor to shaping our future for the better.”

Veritone's Business in 2 minutes



<https://vimeo.com/548657409>

Veritone at a Glance

Overview

- Veritone's operating system for artificial intelligence, aiWARE™, orchestrates a diverse ecosystem of machine learning models to transform audio, video, text, and other unstructured data sources into actionable intelligence
- Multi-faceted aiWARE platform capable of listening, watching, analyzing, and optimizing the world's information and infrastructure 24/7/365
- Cognition behind aiWARE is being used extensively across major government and commercial initiatives today, driving down the cost, complexity and time to develop, deploy and distribute cognitively enabled applications across any cloud or on-premise infrastructure
- Industry-leading partners and customers



Key Indicators Seeing Momentum

Financials

\$19.2M
+45% YOY growth

Q2 2021 Revenue

+86%
YOY Revenue Growth

aiWARE SaaS Solutions

+32%
YOY Improvement

Q2 2021 Non-GAAP Net Loss

KPIs

1,820
+4% YOY Growth

SaaS Accounts

\$0.7M
+16% YOY Growth

Avg Gross Billings - Advertising

\$127M
+159% YOY Growth

Cash Balance

Key Updates



Strategic Acquisition



New Wins

MARVEL.ai

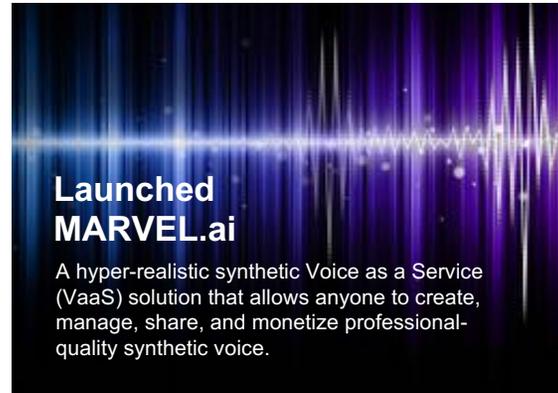
New Product Introduction

Recent Events



Veritone to Acquire PandoLogic
Expanding AI Platform for Intelligent Recruitment

The image shows a woman smiling, with the PandoLogic logo in the top right corner.



Launched MARVEL.ai
A hyper-realistic synthetic Voice as a Service (VaaS) solution that allows anyone to create, manage, share, and monetize professional-quality synthetic voice.

The image features a purple and blue audio waveform background.



Device Learning Model for SMA Sunny Central
Furthers Veritone GRID Initiative to accelerate clean energy adoption through simplified device integration

The image shows a blue background with white lines representing a network or data flow.



Deployed Forecaster / Controller
Enabling real-time predictive AI for smart grid optimization & resilience

The image depicts a blue-toned smart grid with power lines and buildings.



Awarded US Patent for Dynamic AI Model Orchestration
Deep neural network technology identifies and orchestrates the mode optimal AI models for a data set

The image shows a blue-toned circuit board or neural network diagram.



Forges New Partnership with Sports Illustrated
Partnered with Authentic Brands Group (ABG) to serve as the official video technology and licensing partner for Sports Illustrated.

The image features the Sports Illustrated logo and a person in a blue background.

PandoLogic at a Glance

Company Overview

- Automated talent acquisition platform that empowers employers to find the right talent, at the right time, in the right place.
- Serves an enterprise customer base within a large and growing market, which is looking to automate human-led solutions
- Proprietary AI-driven solutions create the industry's only fully-automated solution, tuned by machine learning utilizing the platform's large and rapidly-growing dataset
- Recently introduced conversational AI products to create better candidate experiences
- Rapidly expanding financial model with significant Operating Profit margin
- Seasoned management team with over 60 years of experience across the HR Technology landscape

Select Clients and Verticals

ECOMMERCE | HEALTHCARE | LOGISTICS | RECRUITING | STAFFING | TELCO | OTHERS



Award Winning



Select Network Partners



Transaction Details

Definitive Agreement Signed:

- July 21, 2021
-

Closing Consideration: \$85 million

- \$50 million cash
 - \$35 million Veritone stock priced at \$20.53
-

Expected Closing Date:

- Mid-September
(subject to customary regulatory approvals)
-

Earnout Consideration: \$65 million

(based on fiscal 2021 and 2022 targets)

- \$43.3 million cash
 - \$21.7 million Veritone stock priced at \$20.53
-

Total consideration results in up to 7.8% dilution

Capitalization Table

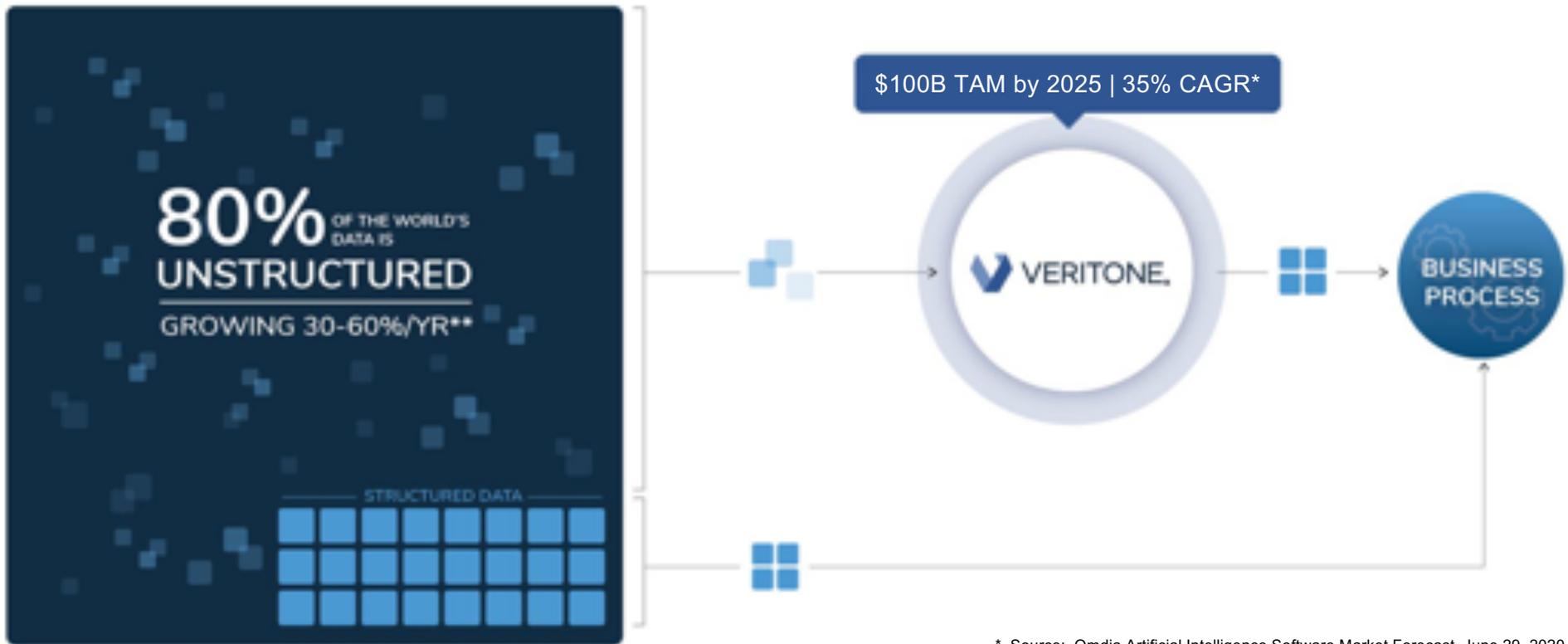
Sources		
	Amount	% of Total
Cash	\$ 50.0	33.3%
Veritone Equity	35.0	23.3%
Deferred Consideration	65.0	43.3%
Total Sources	\$ 150.0	100.0%

Uses		
	Amount	% of Total
Acquisition of Pando Logic	\$ 150.0	100.0%
Total Uses	\$ 150.0	100.0%

Capitalization Table		Pro Forma 9/30/2021
Cash	\$	+70.0
Debt		-
Total Cash over Debt	\$	+70.0

2021 Pro Forma Financial Metrics				
	Total Revs	SaaS Revs	Gross Margin %	Non-GAAP Net Income
Consensus	\$80.6	\$23.0	73.8%	(\$15.5)
Pando	+\$50.0	+\$50.0	+90%	+\$25.0
Total	+\$130.6	+\$73.0	+80%	>\$9.5
% SaaS Rev vs Total Revenue		+50%		

Unstructured Data is Inaccessible Without AI



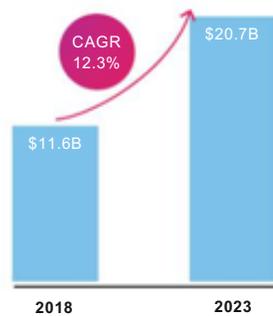
* Source: Omdia Artificial Intelligence Software Market Forecast, June 29, 2020

** Source: Gartner 2020 Strategic Roadmap for Storage, July 1, 2020

aiWARE Targets Massive Market Opportunities

Intelligent Process Automation

aiWARE brings AI into an overall IPA system that contains BPA, RPA, BI, and document capture.



The Intelligent Process Automation market size is expected to grow to \$20.7B by 2023 per [IDC](#)

Machine Learning Operations

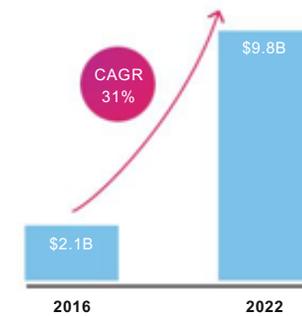
aiWARE helps organizations effectively deploy, integrate and monitor AI.



MLOps Solutions market size is expected to grow to \$4B by 2025 per [Cognilytica](#)

AI Platform & Developer Tools

Addressing the deploy, integrate, and monitor functions of the full AI stack.



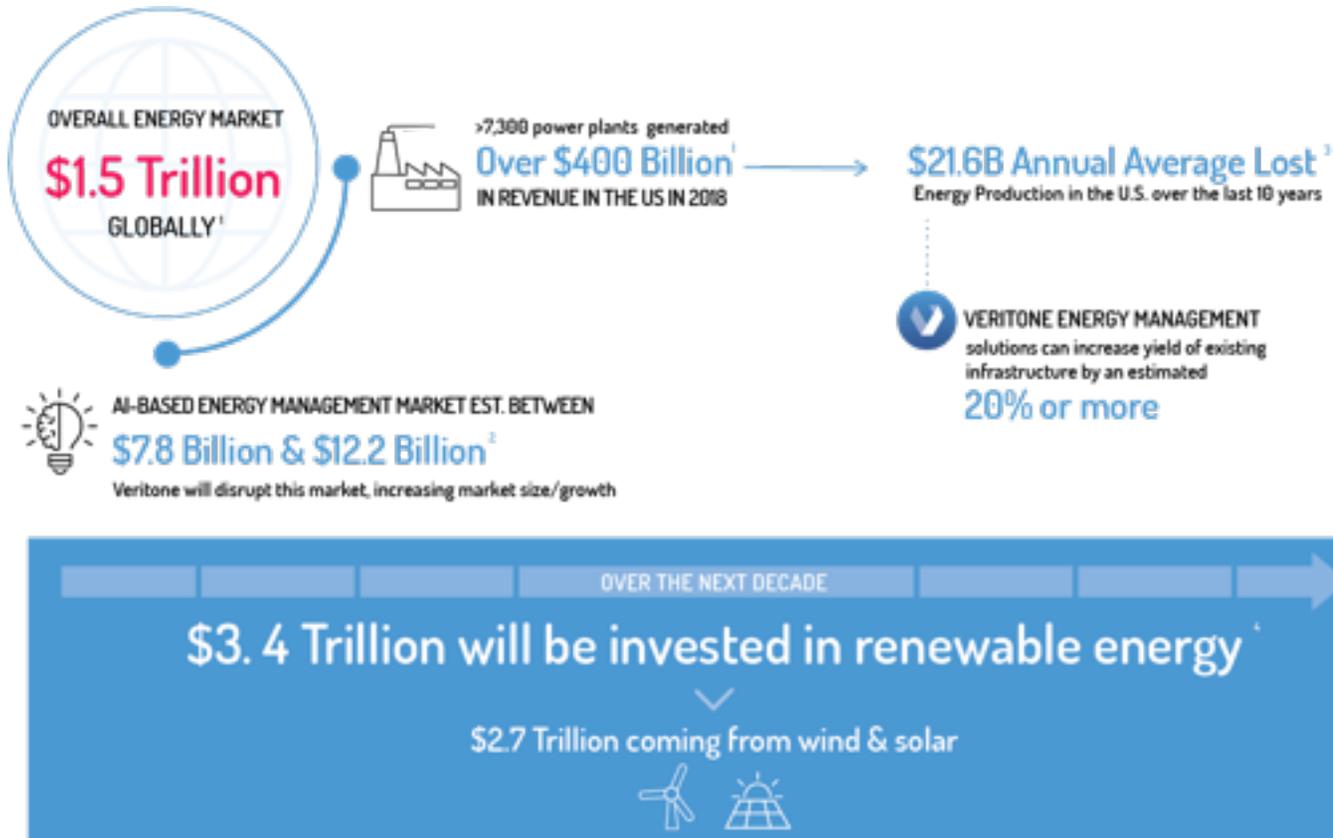
The AI platform market size is expected to grow to \$9.8B by 2022 per [Markets and Markets](#)

2025 AI Software Market

Current Serviceable Market \$34.5B+

Total Addressable Market \$100B (35% CAGR)

The Energy Opportunity is One of the Largest



In the energy market, according to Frost and Sullivan (Growth Opportunities from Decarbonization in the Global Power Market, 2019-2030), it is estimated that \$3.4 trillion will be invested in renewable energy over the next 10 years. We believe that the applicability of our AI solutions will extend beyond utilities and across the global \$1.5 trillion electric energy market (<https://www.inspirecleanenergy.com>). Understanding the Energy Market, March 2017), including improved optimization to reduce energy production lost, which we have estimated to be over \$21 billion in the U.S. annually over the last 10 years based on data published by the U.S. Energy Information Administration (Frequently Asked Questions, <https://www.eia.gov/tools/faqs/index.php>).

¹ [inspirecleanenergy.com](https://www.inspirecleanenergy.com)

² [BIS Research](#) and [PS Market Research](#)

³ **Company Estimates;**
<https://www.eia.gov/tools/faqs/faq.php?id=105&t=3>

⁴ [Frost and Sullivan "Growth Opportunities from Decarbonization in the Global Power Market, 2019-2030"](#)

Investment Highlights



Unique operating system for Artificial Intelligence (AI) and driving Enterprise AI transformation



Flexible platform that is extensible to many systems and applications in the large and growing market for AI software, which is projected to grow to over \$100B by 2025



Blue-chip customer base and industry-leading partners



Track record of delivering sustained YoY growth together with attractive financial model with high gross margins



Entrepreneurial management team with extensive experience in building successful businesses

The Veritone aiWARE Platform

Transform audio, video, text, and other data sources into actionable intelligence

FAST TO MARKET

“OS for AI” ecosystem of hundreds of best-of-breed, ready-to-deploy AI engines

FUTURE PROOF

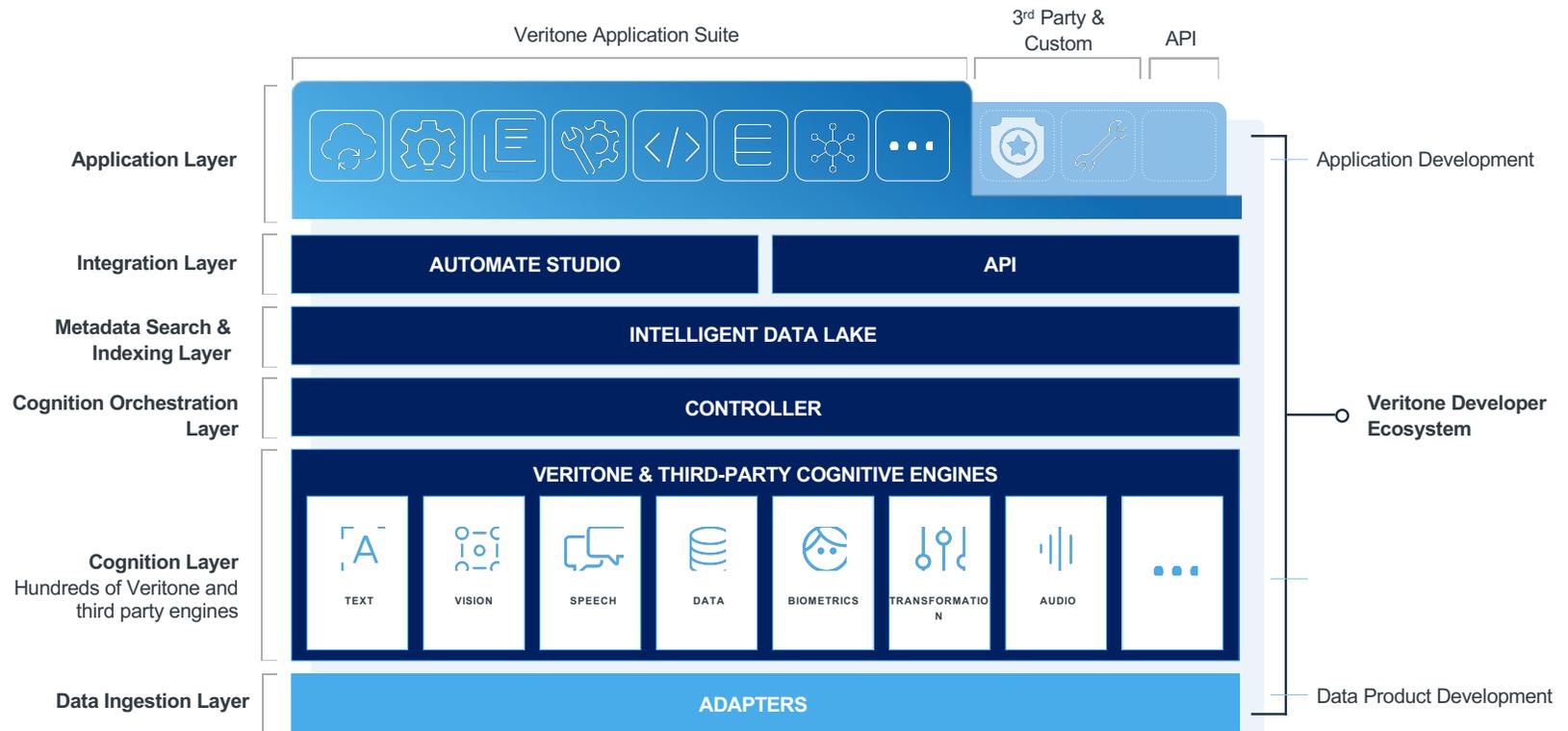
Single development interface for your apps, across AI engine vendors

ACCESSIBLE

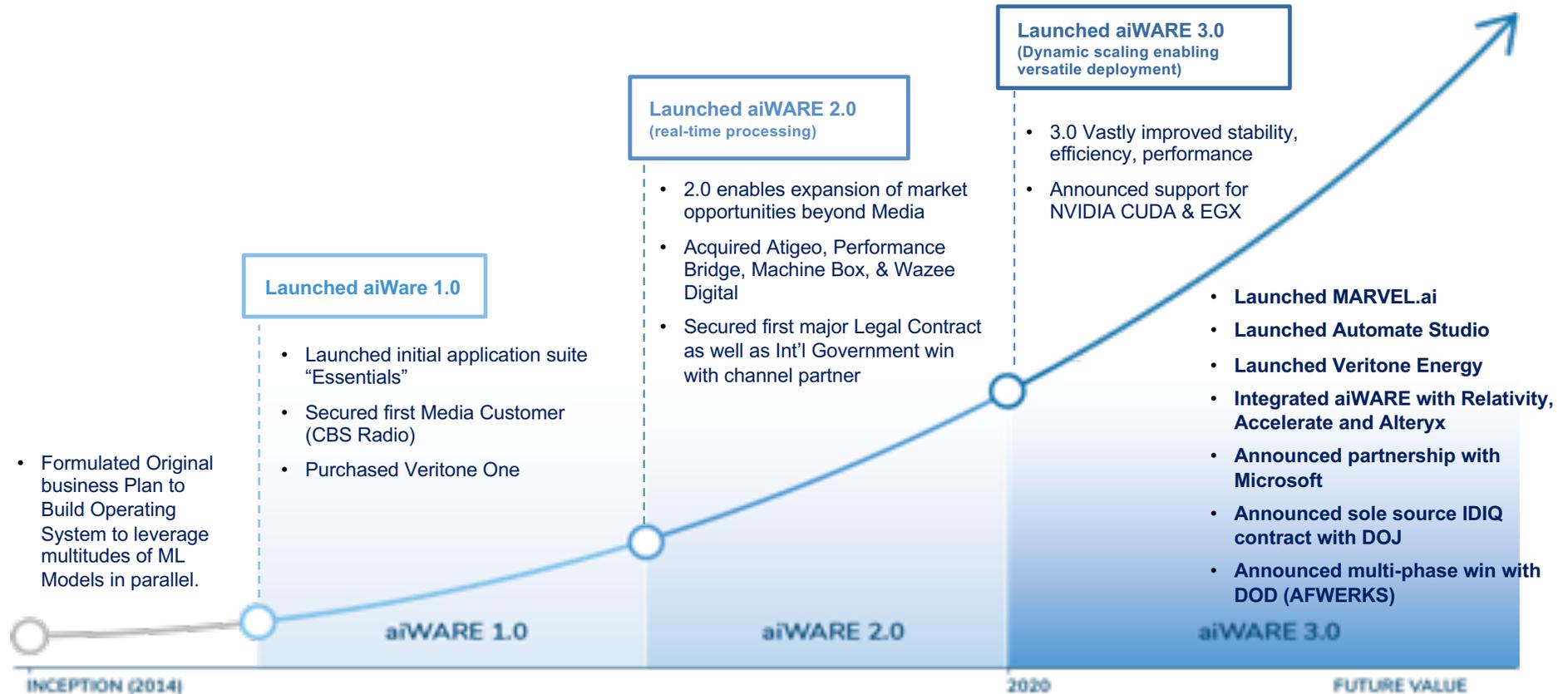
Low-code workflows for BAs and Citizen Developers

SCALABLE

Scalable to handle massive amounts of video, audio, data in near real time



Veritone Timeline



Industry Solutions

GLC SaaS

VERITONE IDENTIFY

Intelligent, Rapid Suspect Identification for Law Enforcement

VERITONE REDACT

Intelligent Video Evidence Redaction for Law Enforcement and Justice

VERITONE ILLUMINATE

Intelligent, Rapid Evidence Identification & Culling for Law Enforcement and Justice

VERITONE PROTECT

Intelligent Video Surveillance and Analytics for Law Enforcement

ENERGY SaaS

VERITONE FORECASTER

Accurately predict energy supply, demand and price

VERITONE CONTROLLER

Intelligent, predictive, synchronized device controllers

VERITONE OPTIMIZER

Optimizing devices, grids and pricing to maximize reliability and reduce costs.

VERITONE ARBITRAGE

Near real-time energy buy, sell, and dispatch

VERITONE SIMULATOR

Model forecasting, optimization and device control before deploying

M&E SaaS SOLUTIONS

VERITONE ATTRIBUTE

Intelligent, Real-Time Media Attribution for Broadcasters

VERITONE CORE

Complete Digital Asset Management and Monetization

VERITONE DIGITAL MEDIA HUB

Customer Branded Digital Asset Manager

VERITONE COMMERCE

Commerce and Content Licensing for Rights Holders and Creatives

VERITONE MARVEL.ai

A hyper-realistic synthetic Voice as a Service (VaaS) solution

CONTENT MONETIZATION

VERITONE ONE

The world's largest performance audio agency

VERITONE VERIADS

Providing broadcasters, podcast and social media influencers with a range of innovative new revenue solutions

VERITONE LICENSING

Access and license footage from leading sports, news, and entertainment libraries



Deloitte.



ORACLE



OCBS NEWS



Sony Interactive Entertainment



alteryx



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NASDAQ: VERI

Leadership Team



CHAD STEELBERG
Co-founder, Chief Executive
Officer & Chairman of the Board



RYAN STEELBERG
Co-founder, President



MIKE ZEMETRA
Executive Vice President & Chief
Financial Officer

Operational & Financial Update



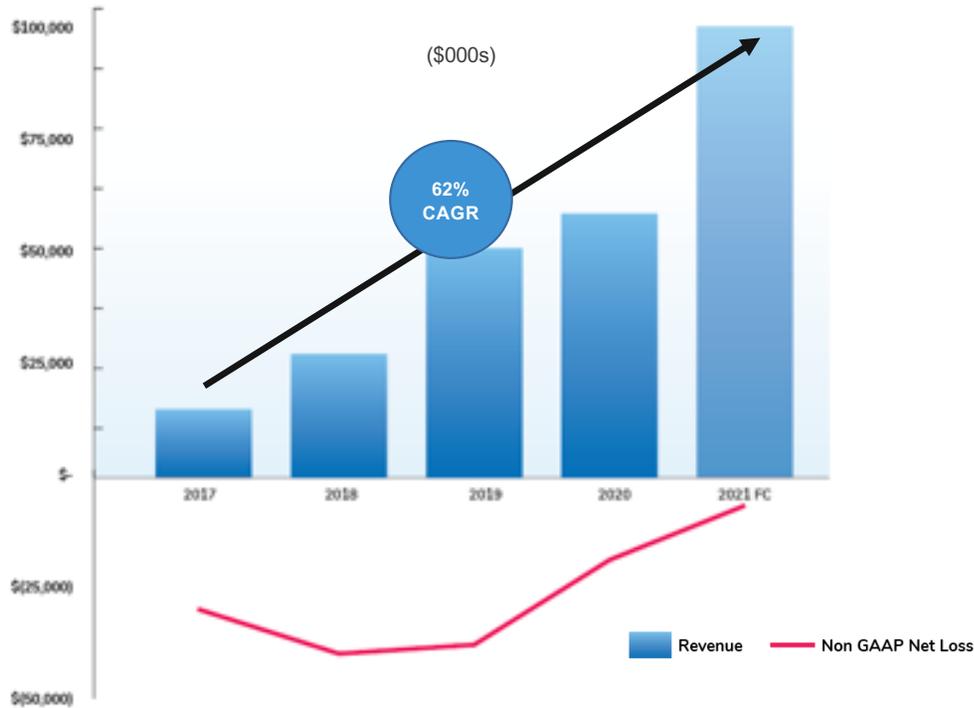
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NASDAQ: VERI

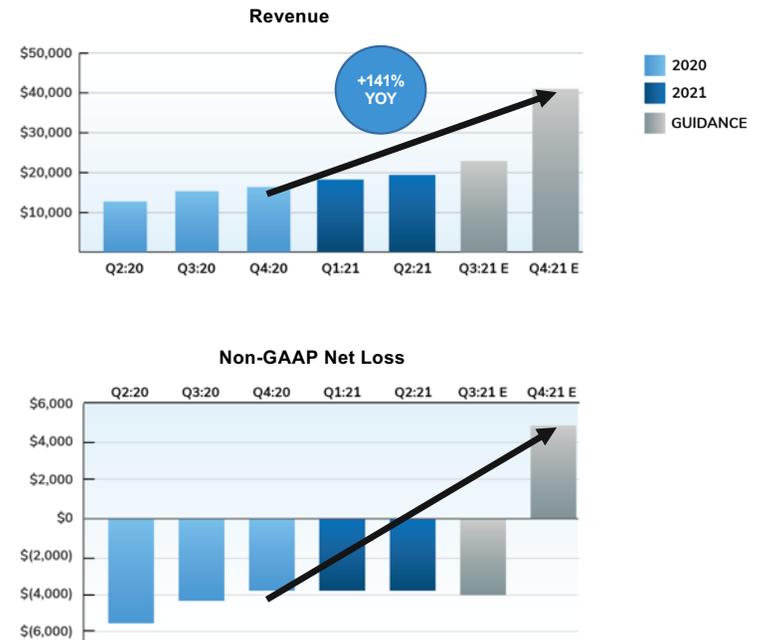
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Business and Financial Momentum

5 Year Financial Performance



Trailing 5 Quarters Financial Performance



Note: Forecasted and estimated figures are based on guidance provided August 3, 2021 that assumes a late Q3 2021 close for the acquisition of PandoLogic.

Second Quarter 2021 Results – Summary

- aiWARE SaaS delivered exceptional Q/Q and Y/Y growth, driven by strength in the GLC and M&E verticals
- Advertising again benefitted from strength in digital and social platform advertising due to our focus in those markets.
- Content Licensing grew double digits, but still continues to be negatively impacted by COVID-19.

(\$ in Thousands)				2Q:21 CHANGE	
	2Q:20	1Q:21	2Q:21	Q/Q	Y/Y
Advertising	\$7,038	\$10,327	\$9,969	-3%	42%
aiWARE SaaS	\$3,002	\$4,685	\$5,580	19%	86%
aiWARE Content Licensing	\$3,228	\$3,283	\$3,657	11%	13%
Total Sales	\$13,268	\$18,295	\$19,206	5%	45%

PandoLogic Transaction Details

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Balance Sheet Summary

(in Thousands)	<u>June 30, 2020</u>
Cash and Cash Equivalents	\$120,627
Current Assets	\$168,872
Total Assets	\$186,927
Current Liabilities	\$104,711
Total Liabilities	\$106,700
Stockholders' Equity	\$80,277
Common Shares Outstanding (excluding options, RSUs and warrants)	32,874

Appendix

Second Quarter 2021 Results Detail and Guidance

(\$ in Thousands)						Guidance as of Aug 4, 2021	
	2Q:20A	3Q:20A	4Q:20A	1Q:21A	2Q:21A	3Q:21E	FY 2021E
Advertising (Net)	\$7,038	\$8,764	\$9,747	\$10,327	\$9,969		
aiWARE SaaS	\$3,002	\$3,351	\$4,402	\$4,685	\$5,580		
aiWARE Content & Licensing	\$3,228	\$3,603	\$2,669	\$3,283	\$3,657		
Total Net Revenue	\$13,268	\$15,718	\$16,818	\$18,295	\$19,206	\$21.5 - \$22.5	\$96.5 - \$103.5
Gross Profit	\$9,505	\$11,165	\$12,721	\$13,472	\$13,975		
<i>GM%</i>	<i>71.6%</i>	<i>71.0%</i>	<i>75.6%</i>	<i>73.6%</i>	<i>72.8%</i>		
Non-GAAP Op. Expenses	\$15,226	\$15,417	\$16,626	\$17,383	\$17,883		
Non-GAAP Net Loss	(\$5,745)	(\$4,256)	(\$3,913)	(\$3,920)	(\$3,921)	(\$4.5) - (\$3.5)	(\$8.5) - (\$5.5)
Cash and Equivalents	\$50,081	\$54,315	\$114,817	\$127,459	\$120,627		

Second Quarter 2021 Results - KPIs

	2Q:20	3Q:20	4Q:20	1Q:21	2Q:21
Advertising					
Average gross billing per active client (in 000s) ⁽¹⁾	\$614	\$625	\$632	\$713	\$715
Net revenues during quarter (in 000s)	\$6,140	\$7,372	\$8,138	\$8,317	\$7,881
aiWARE SaaS Solutions					
Total accounts on platform at quarter end	1,753	1,791	1,896	1,777	1,820
New bookings received during quarter (in 000s) ⁽²⁾	\$2,319	\$2,083	\$1,437	\$1,864	3,579
Total contract value of new bookings received during quarter (in 000s) ⁽³⁾	\$2,502	\$2,469	\$2,431	\$4,068	4,069
Net revenues during quarter (in 000s)	\$3,002	\$3,351	\$4,402	\$4,685	5,580

1 For each quarter, reflects the average gross quarterly billings per agency client over the twelve-month period through the end of such quarter for agency clients that are active during such quarter.

2 Represents the contractually committed fees payable during the first 12 months of the contract term, or the non-cancellable portion of the contract term (if shorter), for new contracts received in the quarter, excluding any variable fees under the contract (i.e., fees for cognitive processing, storage, professional services and other variable services).

3 Represents the total fees payable during the full contract term for new contracts received in the quarter (including fees payable during any cancellable portion and an estimate of license fees that may fluctuate over the term), excluding any variable fees under the contract (i.e., fees for cognitive processing, storage, professional services and other variable services).