



aiWARE™:

The Leading Enterprise AI Platform

Investor Presentation | October 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 non-GAAP financial measures. Tables detailing the items excluded from these non-GAAP financial measures and reconciling such non-GAAP measures with the most directly comparable GAAP measures are included in the Appendix.

The Company has provided these non-GAAP measures because management believes such information to be important supplemental measures of performance that are commonly used by securities analysts, investors and other interested parties in the evaluation of companies in its industry. Management also uses this information internally for forecasting and budgeting.

These non-GAAP measures should not be considered as an alternative to net income (loss), operating income (loss) or any other financial measures so calculated and presented, nor as an alternative to cash flow from operating activities as a measure of liquidity. Other companies (including the Company’s competitors) may define these non-GAAP measures differently. These non-GAAP measures may not be indicative of the historical operating results of the Company or predictive of potential future results. Investors should not consider these non-GAAP financial measures in isolation or as a substitute for analysis of the Company’s results reported in accordance with GAAP.



Veritone is a leading enterprise AI software and services provider that activates the digital transformation of organizations. Our mission is to simply create a better world. One that is safe, dynamic, transparent, and innovative. The proven AI platform, aiWARE, the first proprietary operating system (OS) for AI, was designed to achieve this mission. By acting as the foundation for companies across multiple sectors, aiWARE enables the creation of enterprise-scale AI solutions and bespoke applications for customers and partners across industries.”

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

pandologic
a Veritone company

Strategic Acquisition

Sports Illustrated
BIG

New Wins

MARVEL.ai

New Product Introduction

Recent Events



Veritone Closes Acquisition of PandoLogic

Expanding AI Platform for Intelligent Recruitment



Mythical Entertainment to Develop Synthetic Voices with MARVEL.ai

Veritone MARVEL.ai will create and manage voice models for Mythical Entertainment, whose shows reach 75 million YouTube subscribers



Agreement with Recur to create NFTs using Pac-12 Networks Content

Three-year agreement will simplify a multi-rights environment and make it possible for fans to own collegiate sports digital products and collectables



New Exclusive International Licensing Agreement with CBS News

Three-year agreement will enhance search and discoverability of content and provide additional licensing opportunities

Deployed Forecaster / Controller

Enabling real-time predictive AI for smart grid optimization & resilience

Law Enforcement Transparency & Trust Report

Shining Light on Police and Community Relationships and How Technology Can Help

Multi-Cloud FedRAMP Authorization To Operate Across Entire DOJ

Expands from EOUSA to all 59 DOJ Agencies Now Supports Microsoft Azure Government Cloud

Acquisition of PandoLogic



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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
-

Closing Date:

- September 14, 2021
-

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%		

* Pre acquisition of PandoLogic

aiWARE & Investment Thesis

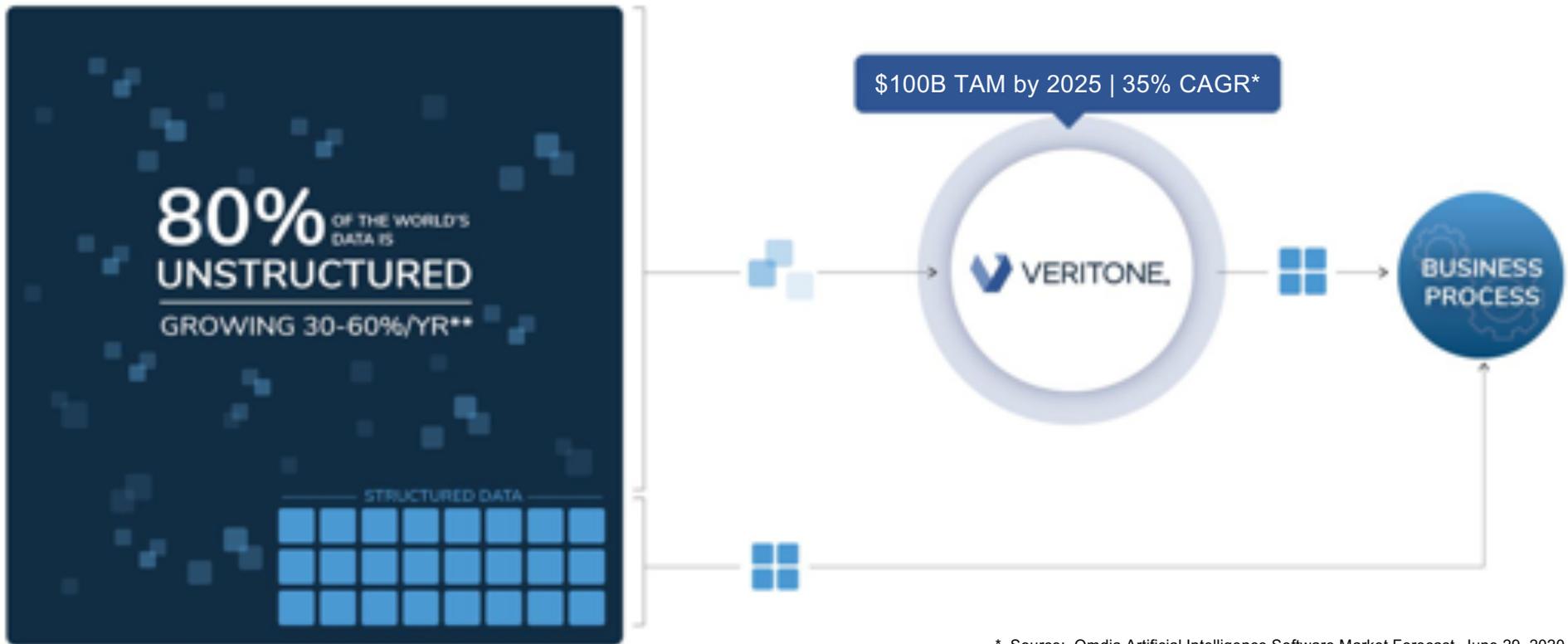


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Unstructured Data is Inaccessible Without AI



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

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

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 Enterprise AI software market, 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

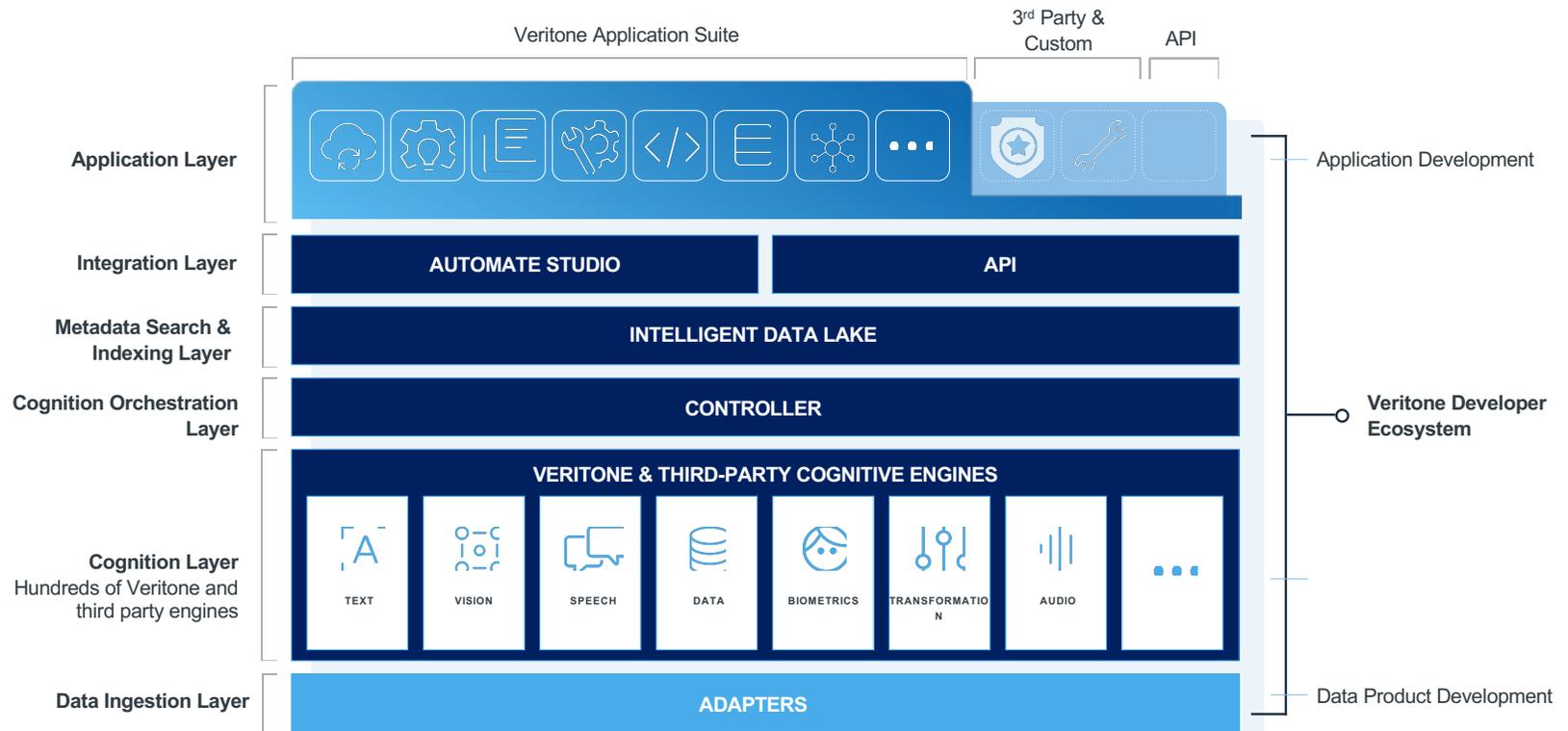
Single development interface for your apps, across AI engine vendors

ACCESSIBLE

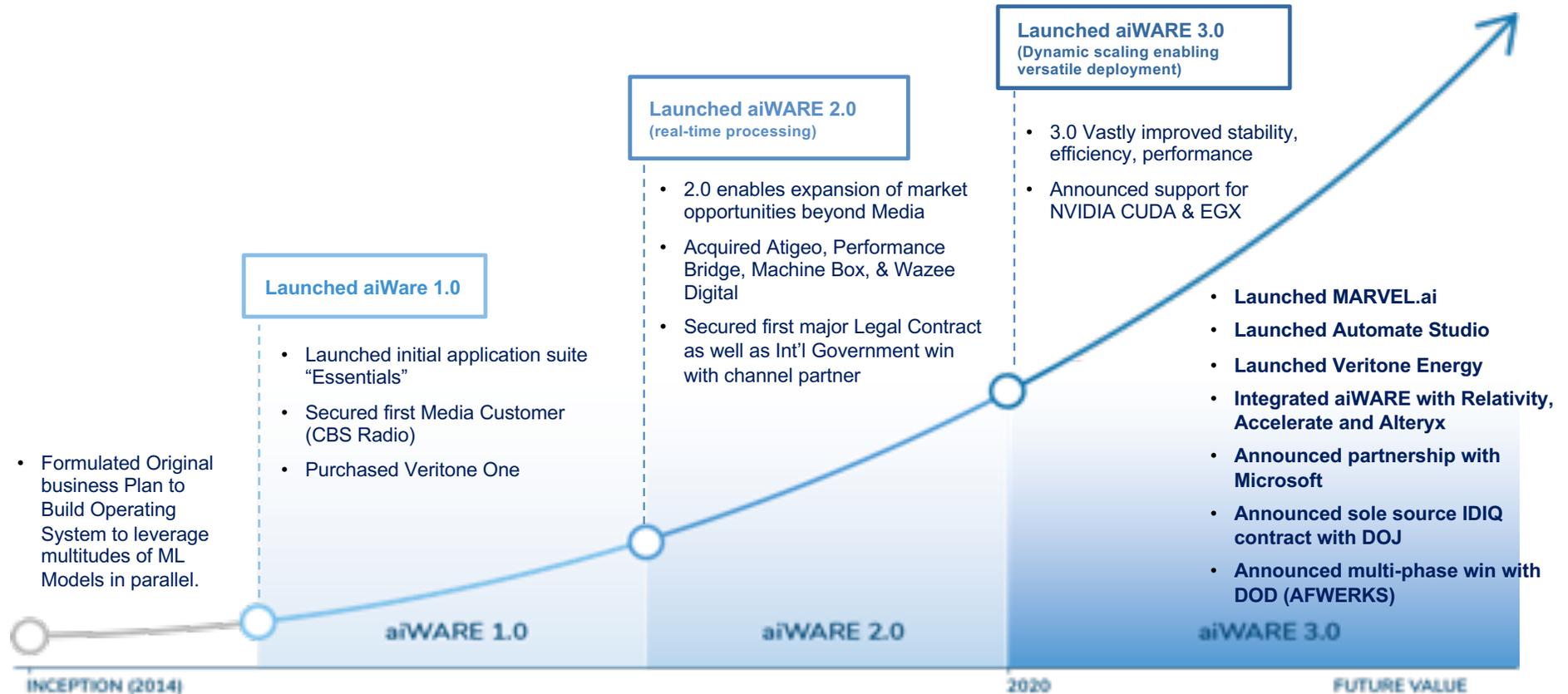
Low-code workflows for BAs and Citizen Developers

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

Corporate Intelligence

pandolQ

AI-enabled recruitment platform to intelligently automate and optimize job advertising spend..

Wade & Wendy

Creates a personalized application experience and automates task-driven recruiting processes with proprietary conversational AI technology.

PandoEXCHANGE

Optimizes job ad distribution through PandoLogic's proprietary network TheJobNetwork.com via AI enabled real-time bidding and targeting to drive increased candidate flow and maximum ROI on job ad spend.



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



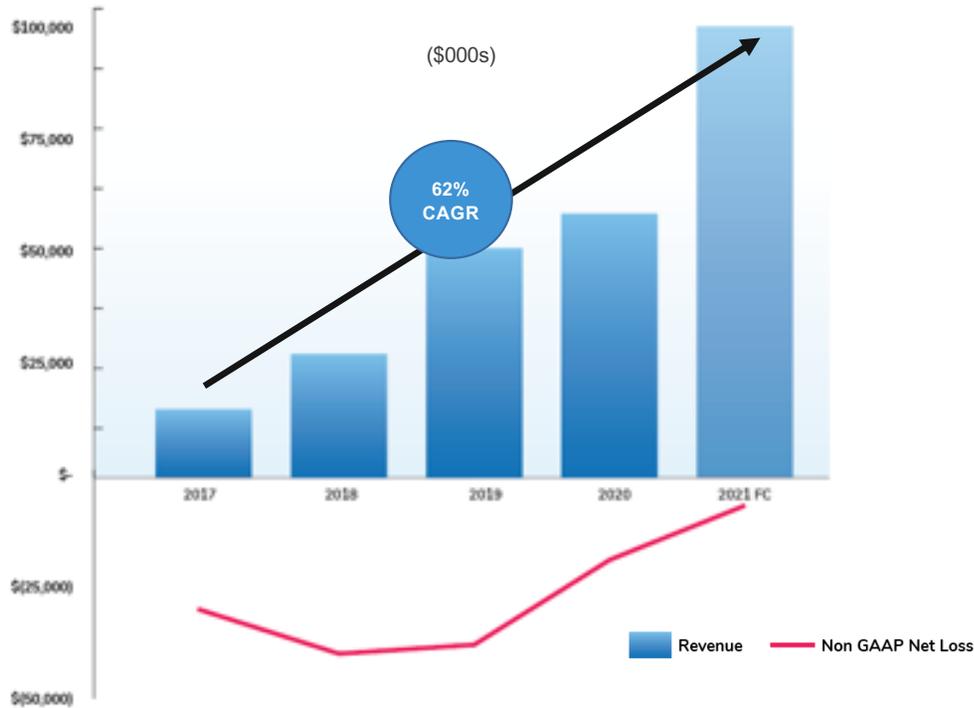
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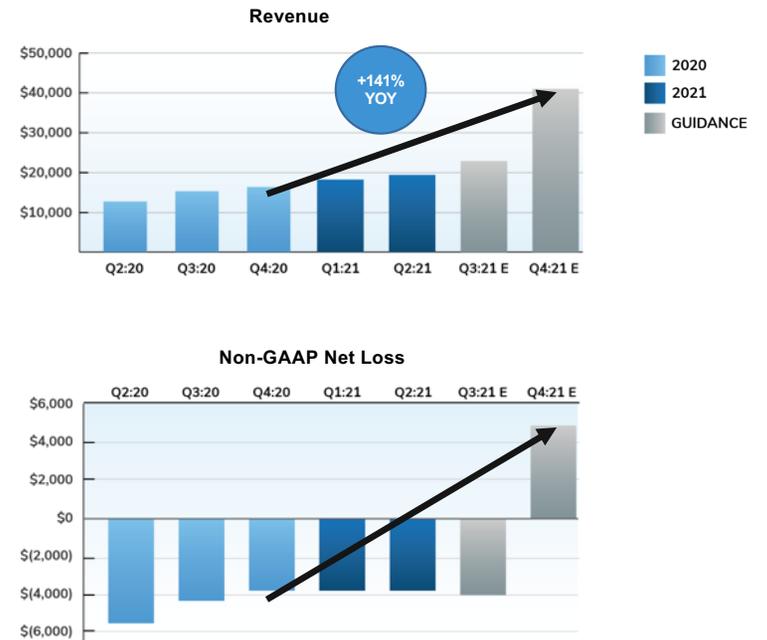
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Business and Financial Momentum

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%

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



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Annual GAAP to non-GAAP Reconciliation

VERITONE, INC.
RECONCILIATION OF ANNUAL NON-GAAP NET LOSS TO GAAP NET LOSS
(Unaudited, in thousands)

	2017	2018	2019	2020	2021 E
GAAP net loss	\$ (79,601)	\$ (61,164)	\$ (62,078)	\$ (47,876)	\$ (53,400)
Interest expense	496	-	-	9	-
Provision for (benefit from) income taxes	4	22	(1,432)	76	77
Depreciation and amortization	213	3,761	5,947	6,407	4,600
Stock-based compensation expense	16,089	14,383	19,462	19,539	39,000
Business realignment and office severance costs	-	-	279	143	349
Amortization of debt discounts and issuance costs	3,740	-	-	-	-
Warrant expense	5,790	207	-	162	-
Write-off of debt discounts and debt issuance costs at IPO	19,132	-	-	-	-
Change in fair value of warrant liability	(7,114)	(184)	(34)	206	-
Gain on sale of asset	-	-	-	(54)	-
State sales tax reserve	-	-	-	818	294
Stock offering costs	-	-	-	27	-
Charges related to software	-	-	-	16	3,367
Costs associated with unsolicited acquisition proposal	-	136	-	-	-
Performance Bridge net-out fair value adjustment	-	-	139	-	-
Machine Box contingent payments	-	1,386	1,600	-	-
Acquisition and integration-related costs	-	2,417	-	-	733
Non-GAAP net loss	\$ (30,209)	\$ (29,046)	\$ (36,179)	\$ (20,581)	\$ (6,983)

Annual GAAP to non-GAAP Reconciliation

VERITONE, INC.
RECONCILIATION OF QUARTERLY NON-GAAP NET LOSS TO GAAP NET LOSS
(Unaudited, in thousands)

	<u>Q1-2020</u>	<u>Q1-2020</u>	<u>Q1-2020</u>	<u>Q4-2020</u>	<u>Q1-2021</u>	<u>Q1-2021</u>	<u>Q1-2021 E</u>	<u>Q4-2021 E</u>
GAAP net loss	\$ (2,684)	\$ (11,793)	\$ (11,013)	\$ (3,386)	\$ (30,567)	\$ (12,717)	\$ (10,400)	\$ (1,718)
Interest expense	-	9	-	-	-	-	-	-
Provision for (benefit from) income taxes	3	2	38	35	22	35	-	-
Depreciation and amortization	1,604	1,602	1,610	1,591	1,253	1,157	1,100	1,090
Stock-based compensation expense	4,456	4,131	5,111	5,841	21,610	6,609	5,300	5,481
Business realignment and officer severance costs	-	-	-	145	257	92	-	-
Warrant expense	-	102	-	-	-	-	-	-
Write-off of debt discounts and debt issuance costs at IPO	-	-	-	-	-	-	-	-
Change in fair value of warrant liability	(7)	202	-	-	-	-	-	-
Gain on sale of asset	(56)	-	-	-	-	-	-	-
State sales tax reserve	-	-	-	828	138	146	-	-
Stock offering costs	-	-	-	27	-	-	-	-
Charges related to sublease	-	-	-	16	3,367	-	-	-
Acquisition and integration-related costs	-	-	-	-	-	715	-	-
Non-GAAP net loss	\$ (6,679)	\$ (5,741)	\$ (4,250)	\$ (3,913)	\$ (3,920)	\$ (3,921)	\$ (4,000)	\$ 4,853