



aiWARE™:

The Leading Enterprise AI Platform

Investor Presentation | November 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 financial 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 Commercial Enterprises and Government & Regulated Industries customers 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

\$22.7M
+44% YOY growth

Q3 2021 Revenue

+169%
YOY Revenue Growth

Q3 2021
Software Product & Services

46%
YOY Improvement

Q3 2021
Non-GAAP Net Loss

KPIs

433
+34% YOY Growth

Pro Forma Customers

\$3.3M
+61% YOY Growth

Pro Forma New Bookings

>90%
+10% YOY Growth

Pro Forma Gross Retention

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 and Battery Optimizer

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



2021 NAB Show Product of the Year Award

MARVEL.ai synthetic voice solution wins for best new AI/Machine Learning technology category

Software & Investment Thesis



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Enterprise AI Unlocks Unstructured Data



* 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

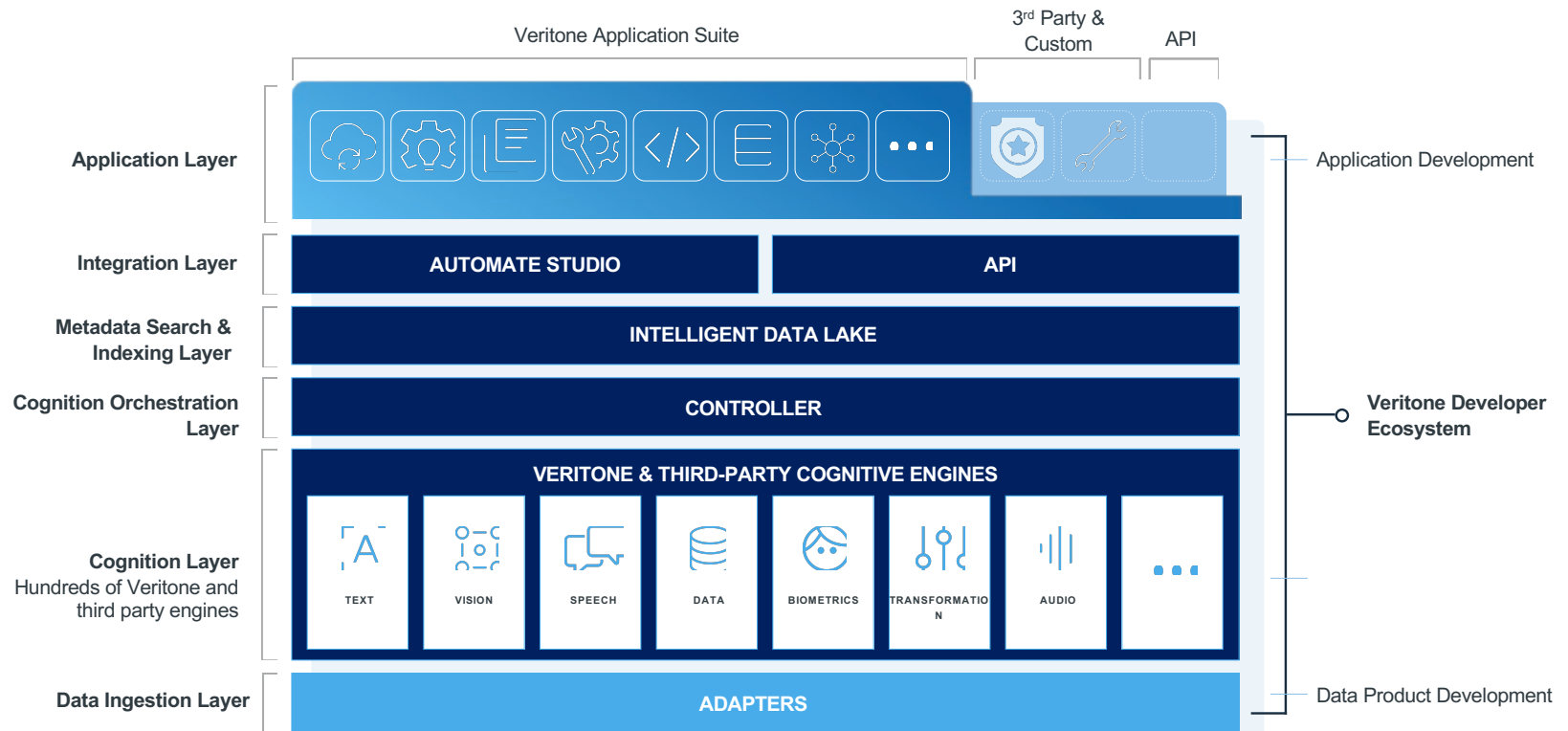
Single development interface for your apps, across AI engine vendors

ACCESSIBLE

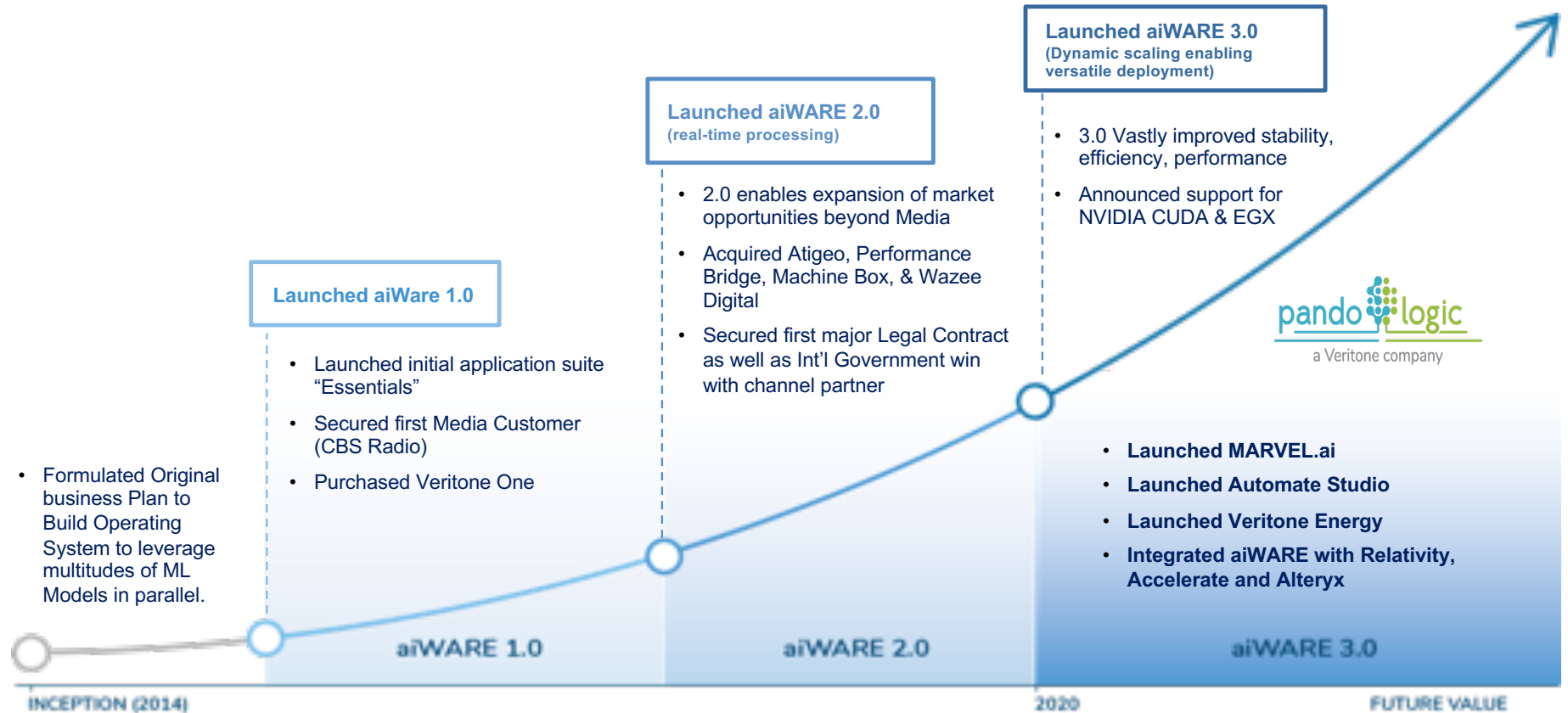
Low-code workflows for BAs and Citizen Developers

SCALABLE

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



Veritone Timeline



Enterprise Customer Focused Alignment

ENTERPRISE AI

\$100B TAM by 2025 | 35% CAGR*

COMMERCIAL ENTERPRISE			GOVERNMENT & REGULATED INDUSTRIES			
Pandologic	SOLUTIONS	SERVICES	ENERGY		GOVERNMENT, LEGAL & COMPLIANCE	
	Broadcast Tracking & Performance	Veritone One	Solutions	Services	Solutions	Services
	Data Insight	Veritone Licensing	Real-Time Forecasting		Data Insight	
	Content Management & Monetization		Solar Smoothing		Biometric Identification	
	Recruitment		Distributed Energy Resources		Redaction	
			Frequency & VAR Support		Transcription & Translation	
					Recruitment	



Commercial Enterprise Solutions

Built to Solve Your Business Challenges

Veritone is helping some of the world's most recognizable brands accelerate the gap between traditional enterprise software and cognitive insights enabled by AI solutions and bespoke applications, empowering greater efficiencies, accelerating decision making and driving revenue growth



Data Insight

Gain value from your video, audio, images, text, and data through metadata extraction, search, and visualization, enhancing customer support and system integrations



Content Management & Monetization

Unlock the full potential of your content efforts with AI-powered DAM and synthetic voice creation

MARVEL.ai



Talent Acquisition

Increase the number of qualified applicants, decrease the time to find and hire the best candidates, while removing inefficient HR processes



Media Intelligence

Provide proof-of-performance metrics for broadcast-to-web attribution while tracking all of your content to make it easier to reuse, provide airchecks and validate sponsorships

SELECTED CUSTOMERS



U B E R



VERITONE MANAGED SERVICES

VERITONE ONE

Full-service performance advertising agency utilizing aiWARE™ actionable intelligence and leader in the digital influencer



Veritone Licensing

Team of experts and proprietary AI help find footage, rights and clearances for content buyers and rightsholders

Government Solutions

Government

Veritone works with some of the largest federal, state, and local agencies, solving problems of transparency, compliance, and efficiency with AI solutions and bespoke applications.



Data Insight

Gain value from your video, audio, images, text, and data through metadata extraction, search, and visualization, enhancing customer support and system integrations.



Biometric Identification

Authenticate users, identify callers and suspects by recognizing voices and faces in videos, images, and calls.



Recruitment

Increase the number of qualified applicants, decrease the time to find and hire the best candidates, while removing inefficient HR processes.



Redaction

Save time and costs while freeing up valuable resources by using Veritone AI to automate the redaction of sensitive information within audio, video and image-based evidence.



Transcription & Translation

Legal and contact center teams, automate manual work with near-real-time transcription and translation of any data source.

CUSTOMERS



Regulated Industry Solutions

Energy

Veritone is empowering energy companies with the technology to prepare for changing business models and help the world obtain more efficient energy systems and infrastructure.



Real-time Forecasting

AI-powered Forecaster generates highly accurate energy demand, supply and price forecasts using historical and real time data modeling of predicted weather, power demand and DER device data.



Distributed Energy Resources

Distributed AI agents ensure optimal economic dispatch of energy between multiple Distributed Energy Resources (DERs) allowing for autonomous, continuous operation when portions of the grid fail.



Solar Smoothing

The AI-driven Optimizer leverages battery storage for solar smoothing to confidently supplement the gaps in solar power, while minimizing maintenance costs and increasing reliability of solar generation.



Voltage & VAR Optimization

Controls the flow of power on the distribution system to increase efficiency and reliability, reduce distribution energy losses, and accommodate new power flows, such as those originating from distributed generation

PARTNERS

NVIDIA



Azure



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



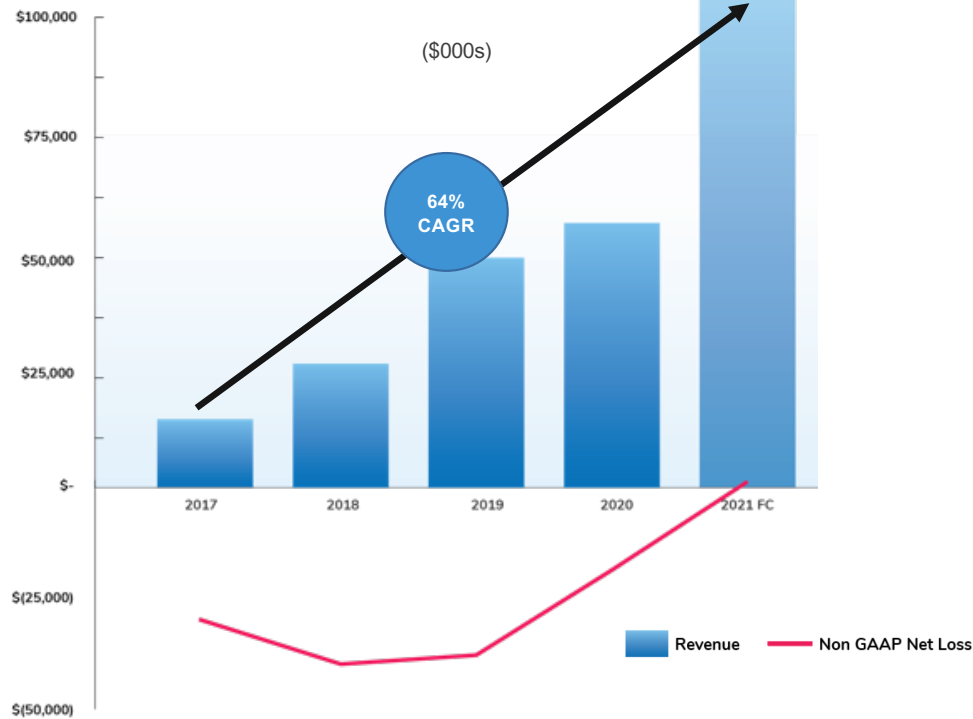
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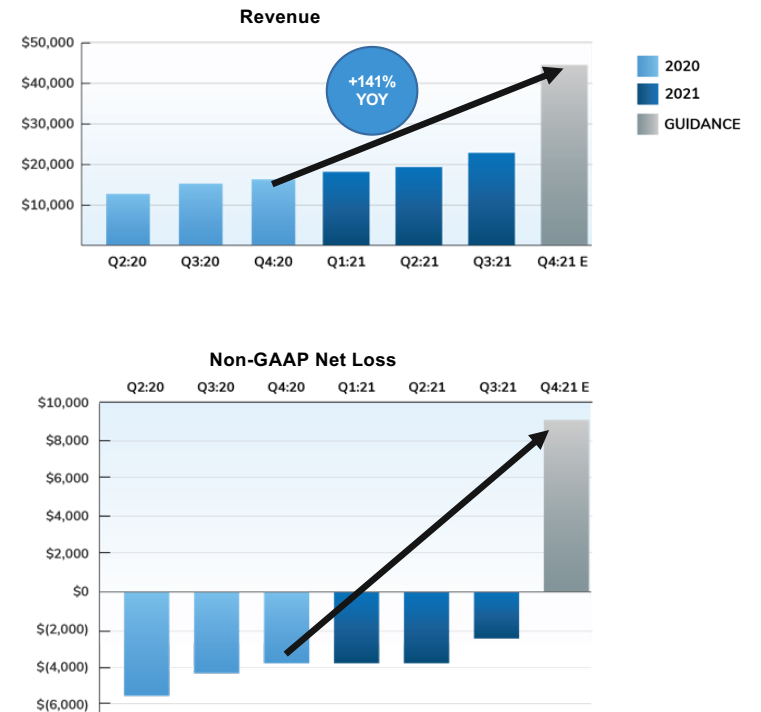
Business and Financial Momentum

5 Year Financial Performance



Note: Forecasted and estimated figures are based on guidance provided November 9, 2021

Trailing 6 Quarters Financial Performance



Third Quarter 2021 Results – Summary

(\$ in Thousands)	3Q:20	2Q:21	3Q:21	3Q:21 CHANGE	
				Q/Q	Y/Y
Commercial Enterprise					
Software Products & Services	\$2,462	5,131	\$8,069	57%	227%
Managed Services	\$12,367	\$13,626	\$13,627	0%	10%
Subtotal	\$14,829	\$18,757	\$21,697	16%	46%
Government & Regulated Industries					
Software Products & Services	\$889	\$448	\$958	114%	8%
Managed Services	-	-	-		
Subtotal	\$889	\$448	\$958	114%	8%
Total Sales	\$15,718	19,206	\$22,654	18%	44%

Balance Sheet Summary

(in Thousands)	<u>September 30, 2021</u>
Cash and Cash Equivalents	\$72,645
Current Assets	\$166,487
Total Assets	\$291,197
Current Liabilities	\$181,648
Total Liabilities	\$183,532
Stockholders' Equity	\$107,666
Common Shares Outstanding (excluding options, RSUs and warrants)	34,857

Appendix



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Pro Forma Historical Financials*

VERITONE, INC.
PRO FORMA INCOME STATEMENT (UNAUDITED)*
(in thousands)

	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21
Software Products & Services	\$ 5,710	\$10,516	\$ 14,154	\$ 30,870	\$ 10,183	\$ 20,072	\$ 21,860
Managed Services	8,796	10,266	12,367	12,416	13,610	13,626	13,627
Total Revenue	\$14,506	\$20,782	\$ 26,521	\$ 43,286	\$ 23,793	\$ 33,698	\$ 35,487
Cost of Revenue	3,486	4,033	4,878	4,506	5,270	5,726	6,301
Gross Profit	\$11,019	\$16,749	\$ 21,643	\$ 38,780	\$ 18,523	\$ 27,972	\$ 29,186
<i>Gross Margin</i>	<i>76%</i>	<i>81%</i>	<i>82%</i>	<i>90%</i>	<i>78%</i>	<i>83%</i>	<i>82%</i>
Total Operating Expenses	23,669	23,280	24,904	31,134	49,482	33,070	33,553
Operating Income	(12,650)	(6,531)	(3,261)	7,646	(30,959)	(5,098)	(4,367)
Other (Income) / Expense	(479)	279	310	552	167	1,741	19,580
Add Back:	6,005	6,048	6,757	8,473	26,721	8,849	27,855
Non-GAAP Net Income / (Loss)	\$ (6,166)	\$ (762)	\$ 3,186	\$ 15,567	\$ (4,406)	\$ 2,009	\$ 3,908

* Pro Forma Income Statement (unaudited) includes historical income statements of each of Veritone, Inc. and PandoLogic Ltd. for the prior seven (7) fiscal quarters and presents such information on a combined pro forma basis treating PandoLogic Ltd. as acquired and owned by Veritone, Inc. since January 1, 2020.

Annual GAAP to non-GAAP Reconciliation

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

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021 E</u>
GAAP net loss	\$ (59,601)	\$ (61,104)	\$ (62,078)	\$ (47,876)	\$ (57,713)
Interest expense	496	-	-	9	-
Provision for (benefit from) income taxes	6	22	(1,452)	76	900
Depreciation and amortization	253	3,701	5,947	6,407	8,680
Stock-based compensation expense	16,089	14,383	19,402	19,539	39,600
Business realignment and officer severance costs	-	-	279	145	349
Amortization of debt discounts and issuance costs	3,740	-	-	-	-
Warrant expense	5,790	207	-	102	-
Write-off of debt discounts and debt issuance costs at IPO	10,132	-	-	-	-
Change in fair value of warrant liability	(7,114)	(184)	(16)	200	-
Gain on sale of asset	-	-	-	(56)	-
State sales tax reserve	-	-	-	818	306
Stock offering costs	-	-	-	27	-
Charges related to sublease	-	-	-	16	3,367
Change in fair value of Contingent consideration	-	-	-	-	1,600
Costs associated with unsolicited acquisition proposal	-	116	-	-	-
Performance Bridge earn-out fair value adjustment	-	-	139	-	-
Machine Box contingent payments	-	1,386	1,600	-	-
Acquisition and integration-related costs	-	2,427	-	-	2,161
Non-GAAP net loss	<u>\$ (30,209)</u>	<u>\$ (39,046)</u>	<u>\$ (36,179)</u>	<u>\$ (20,593)</u>	<u>\$ (750)</u>

Annual GAAP to non-GAAP Reconciliation

VERITONE, INC. RECONCILIATION OF NON-GAAP NET LOSS TO GAAP NET LOSS

(Unaudited, in thousands)

	<u>Q1:2020</u>	<u>Q2:2020</u>	<u>Q3:2020</u>	<u>Q4:2020</u>	<u>Q1:2021</u>	<u>Q2:2021</u>	<u>Q3:2021</u>	<u>Q4:2021 E</u>
GAAP net loss	\$ (12,684)	\$ (11,793)	\$ (11,013)	\$ (12,386)	\$ (30,567)	\$ (12,715)	\$ (11,447)	\$ (3,122)
Interest expense	-	9	-	-	-	-	-	-
Provision for (benefit from) income taxes	3	2	36	35	22	55	396	\$ 427
Depreciation and amortization	1,604	1,602	1,610	1,591	1,253	1,157	1,779	4,491
Stock-based compensation expense	4,456	4,131	5,111	5,841	21,610	6,609	5,271	6,110
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	(2)	202	-	-	-	-	-	-
Change in fair value of Contingent consideration	-	-	-	-	-	-	256	1,344
Gain on sale of asset	(56)	-	-	-	-	-	-	-
State sales tax reserve	-	-	-	818	138	146	22	-
Stock offering costs	-	-	-	27	-	-	-	-
Charges related to sublease	-	-	-	16	3,367	-	-	-
Acquisition and integration-related costs	-	-	-	-	-	735	1,426	-
Non-GAAP net loss	<u>\$ (6,679)</u>	<u>\$ (5,745)</u>	<u>\$ (4,256)</u>	<u>\$ (3,913)</u>	<u>\$ (3,920)</u>	<u>\$ (3,921)</u>	<u>\$ (2,297)</u>	<u>\$ 9,250</u>