



# Investor Presentation

April 2024

# Forward Looking Statements & Disclaimers

This presentation of Veritone, Inc. (the “Company”) contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve substantial risks and uncertainties. Without limiting the generality of the foregoing, words such as “anticipates,” “believes,” “could,” “estimates,” “expects,” “intends,” “continue,” “can,” “may,” “plans,” “potential,” “projects,” “seeks,” “should,” “will,” “would,” or similar expressions and the negatives of those expressions may 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 our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, and other periodic reports that we have filed and may in the future file 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. Those factors include, but are not limited to: our ability to expand our aiWARE SaaS business; declines or limited growth in the market for AI-based software applications and concerns over the use of AI that may hinder the adoption of AI technologies; our requirements for additional capital and liquidity to support our operations, our business growth, service our debt obligations and refinance maturing debt obligations, and the availability of such capital on acceptable terms, if at all; our reliance upon a limited number of key customers for a significant portion of our revenue; declines in customers’ usage of our products and other offerings; our ability to realize the intended benefits of our acquisitions and divestitures, including our ability to successfully integrate our recent acquisition of Broadbean; our identification of existing material weaknesses in our internal control over financial reporting; fluctuations in our results over time; the impact of seasonality on our business; our ability to manage our growth, including through acquisitions and our expansion into international markets; our ability to enhance our existing products and introduce new products that achieve market acceptance and keep pace with technological developments; actions by our competitors, partners and others that may block us from using the technology in our aiWARE platform, offering it for free to the public or making it cost prohibitive to continue to incorporate technologies into our platform; interruptions, performance problems or security issues with our technology and infrastructure, or that of our third party service providers; the impact of the continuing economic disruption caused by macroeconomic and geopolitical factors, including the COVID-19 pandemic, the Russia-Ukraine conflict, the war in Israel, financial instability, inflation rates and the responses by central banking authorities to control inflation, monetary supply shifts and the threat of recession in the United States and around the world on our business operations and those of our existing and potential customers. Except as required by law, we assume no obligation to update these forward-looking statements, 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 for the fiscal year ended December 31, 2023, Quarterly Reports on Form 10-Q and the other documents the Company has filed and may in the future file 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 financial results presented in accordance with generally accepted accounting principles in the United States (“GAAP”), 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 financial measures with the most directly comparable GAAP financial measures are included in the Appendix.

The Company has provided these non-GAAP financial 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.

This presentation also contains information using industry publications that generally state that the information contained therein has been obtained from sources believed to be reliable, but such information may not be accurate or complete. While we are not aware of any misstatements regarding the information from these industry publications, we have not independently verified any of the data from third-party sources nor have we ascertained the underlying economic assumptions relied on therein.



# The Enterprise AI Company That Makes Humans Even Better

Veritone is a leading enterprise AI software, applications and services provider with one mission – to *advance* the capabilities of AI to *empower* people to do more than they ever thought possible.

Founded in  
**2014**

NASDAQ:  
**VERI**

Employees:  
**650+\***

Customers:  
**3,460\***

\*Employees and customer count as of March 25, 2024.

# Earnings Results Snapshot

## KEY INDICATORS IN 4Q23 & FY23

### FINANCIALS

**\$34M**

4Q23  
Total Revenue

**\$20M**

4Q23  
Software Revenue

**\$79M**

Cash & Cash  
Equivalents as of  
12/31/2023

**\$128M**

FY23  
Total Revenue

**\$83M**

FY23  
Pro-Forma Software  
Revenue<sup>(1)</sup>

### KPIs

**3,460**

4Q23 Total Software  
Products & Service  
Customers<sup>(2)</sup>

**\$82M**

4Q23 Annual  
Recurring Revenue

**>90%**

4Q23 Gross Revenue  
Retention<sup>(2)</sup>

(1) Calculated on a Pro Forma basis; for definitions and more information, see the Supplemental Financial Information and applicable reconciliations slides in the Appendix.

(2) As of December 31, 2023.

# Recent Business Highlights

NOV  
28

## Veritone Joins the Generative AI Center of Excellence for AWS Partners

Veritone will serve as a contributing company to the newly launched Generative AI Center of Excellence for Amazon Web Services Partners (“AWS”) in the AWS Partner Network. Veritone will contribute its expertise to support the growing landscape of generative AI tools, applications and use cases.

DEC  
14

## Airspeeder, Veritone and base Revolutionise eVTOL Racing Series With Digital Media Hub Partnership

Airspeeder, the world’s first racing series for crewed electric flying cars, has partnered with Veritone to use our Digital Media Hub (“DMH”) as the foundation for current and future media platform activities. In a multi-year deal that will enhance the growth of the new sport, Airspeeder digital media, broadcast content and data is being managed in DMH and leveraged for distribution, monetisation, AI-assisted editing, packaging for press publications and remote production enhancement.

FEB  
21

## Veritone Announces Restructuring Initiatives

Announced restructuring of organization in Q1 2024, resulting in forecasted annualized savings of 15% of operating expenses, accelerating projected near-term cash flow profitability to as early as 4Q24. These initiatives, which began in January 2024, include a workforce reduction, with the majority of these workforce actions being completed by the end of the 1Q24. Veritone expects to incur up to \$2.0 million in costs and expenses as a result of these reductions.

MAR  
06

## Dalet and Veritone reach agreement to distribute, transact and monetize media archives

Announced a technology partnership with Dalet, a leading technology and service provider for media-rich organizations, enabling a seamless workflow from content creation through production, creation, packaging and distribution, empowering media, sports and entertainment customers to monetize their digital media archives.

MAR  
12

## Veritone Launches AI-Powered iDEMS for Public Safety and Judicial Agencies

Veritone launched its new Intelligent Digital Evidence Management Systems (“iDEMS”), one of the industry’s first cloud-based digital evidence management solutions that integrates AI to help public safety and judicial agencies accelerate investigations. iDEMS combines Veritone’s market-leading solutions for state and local law enforcement agencies – including Investigate, which is now available in the AWS marketplace – to form a centralized repository with AI-enabled applications that automate workflows and extract valuable data and insights, significantly improving upon legacy evidentiary software.

# Veritone's Growth Drivers



## DOUBLE DOWN ON CORE VERTICALS

- Deepen exposure to industries we serve
- Leverage track record of AI partner model success to increase market share
- Grow our diverse customer and revenue base



## UNLOCK THE POTENTIAL OF EXISTING CUSTOMERS

- Showcase expanding market applications of solutions across core verticals to existing customers
- Upsell additional volume to current customers
- Cross-sell expanding use cases
- Convert trial customers, particularly in government and regulated industries, to long-term customers



## CAPITALIZE ON DATA & INTEGRATION CAPABILITIES

- Deliver best-in-class ecosystem to drive operational efficiencies, accelerate decision making and increase profitability
- Market ability to integrate and orchestrate disparate data and workflows



## HARNESS EXPANDING MARKET OPPORTUNITY

- Expand our offerings to meet the demands of increasing spend and use cases of AI within enterprises
- Global AI market expected to grow at 19% CAGR and reach ~\$900B by 2026<sup>(1)</sup>

(1) International Data Corporation (IDC)



# An Ever-Expanding Partner & Customer Ecosystem



# Investment Highlights



Large & Growing  
Enterprise AI Market



A Leading Operating System and  
applications for Artificial Intelligence (AI)  
Driving Enterprise AI Transformation



Focused Growth and Pathway  
Towards Profitability Through Strategic  
and Organic Opportunities



Critical Enterprise Solutions  
with Growing, and Attractive,  
Blue Chip Customer Base



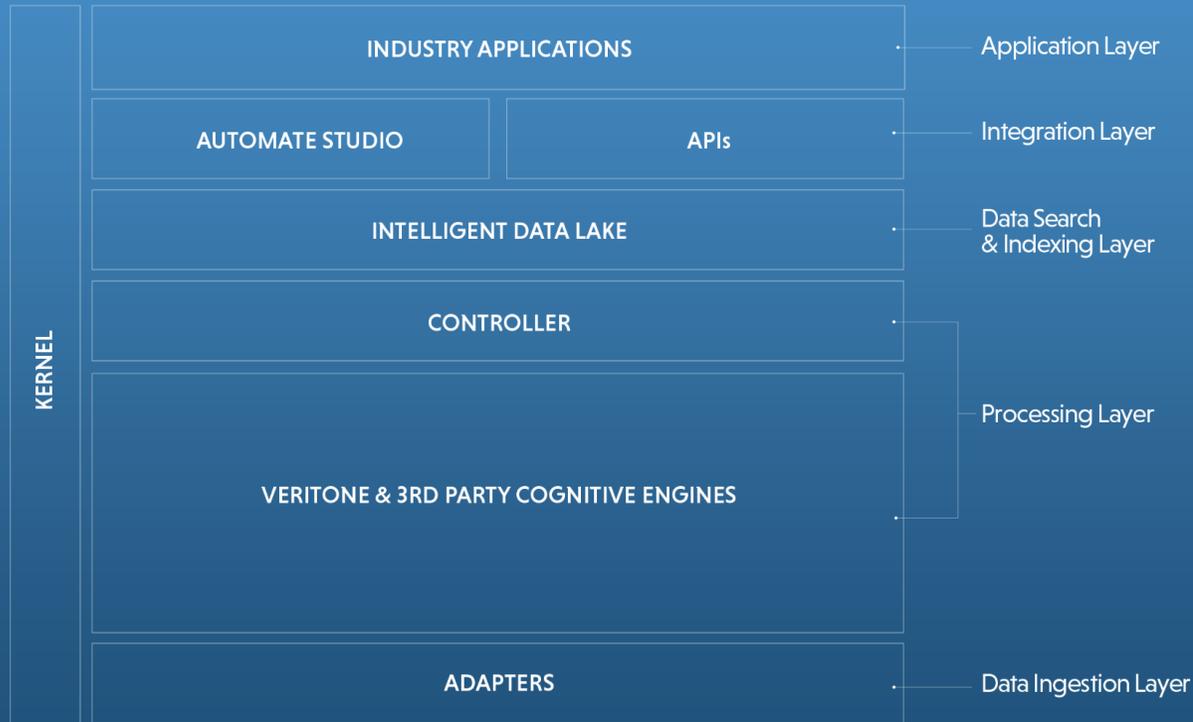
Founder-Led Entrepreneurial Management  
Team with Extensive Experience in Building  
“Data-Centric” Businesses



Attractive Financial Model and  
High Gross Margins

# Extensible AI Platform Accelerating Digital Transformation

## ENTERPRISE AI PLATFORM



Veritone's proven Enterprise AI platform, aiWARE™, is the foundation upon which Veritone has helped customers and partners:



### **BUILD**

AI-powered solutions and applications faster and cost-effectively



### **ACCELERATE**

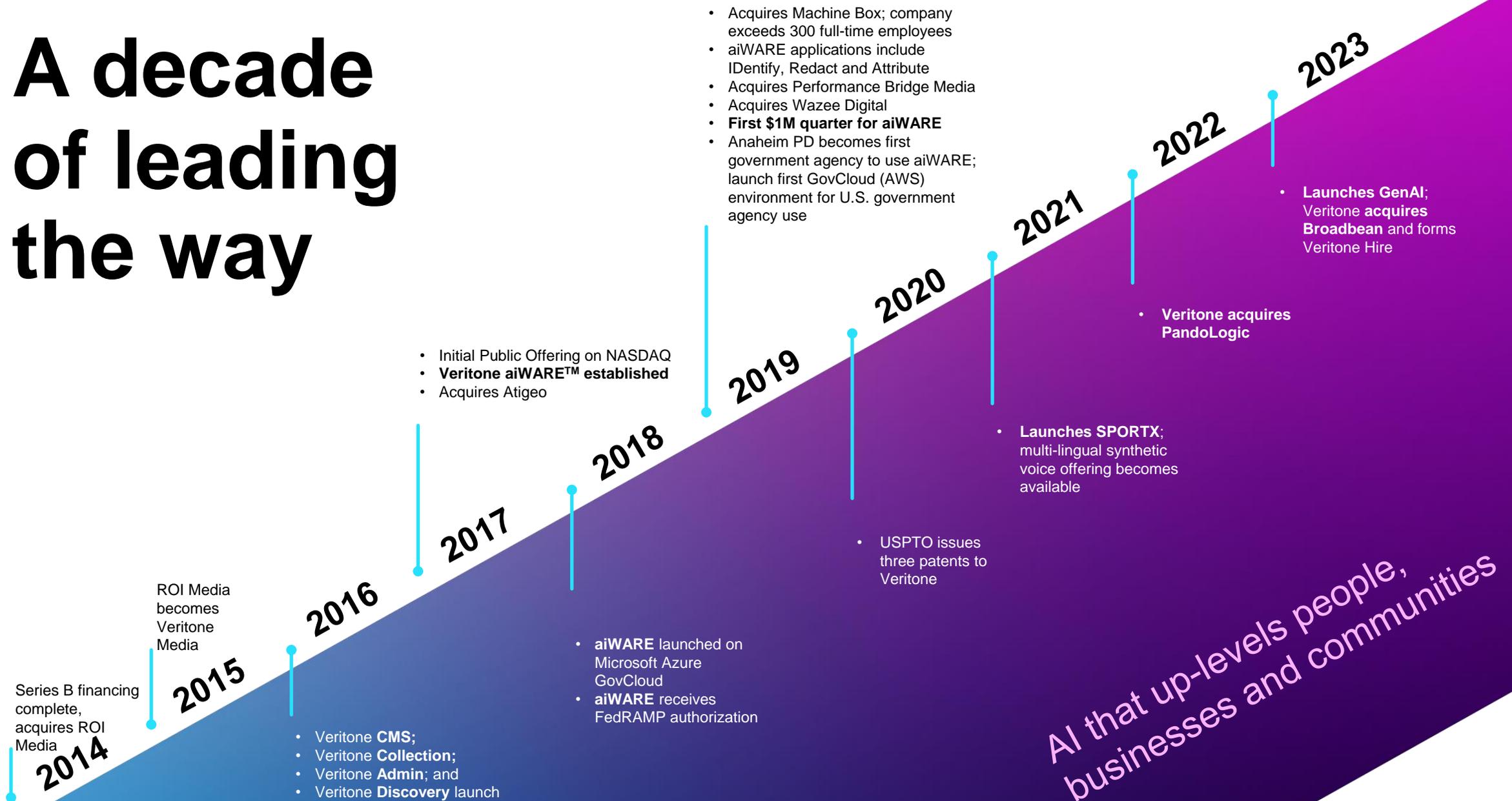
AI enterprise implementation and adoption, increasing operational efficiency



### **LEVERAGE**

A vast ecosystem of proprietary and third-party AI models with minimal integration costs

# A decade of leading the way



# Target Market Verticals

GOVERNMENT & REGULATED INDUSTRIES (GRI)

COMMERCIAL

## Media & Entertainment

### CREATE

Automated content creation, interactive storytelling and real-time content to scale reach

### MANAGE

Save resources with AI-powered digital asset management and metadata tagging

### MONETIZE

Unlock revenue generation and business opportunities from content through licensing marketplace and world-class services team

## Hire

### ATTRACT

Automate and optimize the job advertising process with AI-enabled talent acquisition technology to reach candidates at scale and maximize recruitment ROI

### ENGAGE

Streamline your screening process with conversational AI and applicant ranking

### COMPLY

Source diverse talent at scale and meet OFCCP requirements with end-to-end compliance recruitment management

## Public Sector

### DEPLOY

Suite of AI-enabled solutions enables fast and systematic evidence discovery and helps identify regulatory compliance risks

### AUTOMATE

Remove the manual processing of text, audio and video content to enable analysis and accelerate redaction processes

### EXTRACT

Surface actionable intelligence to drive greater efficiencies, minimize expense and deliver superior outcomes

**Demonstrated differentiation and product market fit combined with a robust partner ecosystem enables ongoing disruption and expansive market opportunities.**

# Veritone Media & Entertainment

## FROM CLIPS & CONTENT TO REAL VALUE AND REVENUE

Veritone Media & Entertainment empowers leaders in media, entertainment, sports and broadcast to unlock human potential through AI solutions, services and technologies. Creators, advertisers, podcasters, producers, broadcasters, managers, editors, sports and entertainment rights holders use Veritone's industry-leading AI to reach more eyes, ears, minds and hearts and share great content with the world.



### DATA INSIGHT

Gain value from 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



### 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



### AGENCY SERVICES

Leverage a team of experts using AI technology to maximize the performance of audio advertising and influencer marketing campaigns



### LICENSING SERVICES

Our team of experts use proprietary AI technology to help find footage and navigate rights and clearances for content buyers and rights holders



### HIRING SOLUTIONS

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

## SELECTED CUSTOMERS



Bloomberg



UBER



## SELECTED PARTNERS



# Veritone Hire

## AI THAT HELPS PEOPLE FIND MORE GREAT PEOPLE

Veritone Hire is redefining recruiting and talent acquisition by combining global job distribution tools with programmatic advertising AI technology to optimize customers' recruiting strategies, reduce their costs, improve efficiency and positively impact the most important asset in an organization — its people.



### JOB POSTING DISTRIBUTION

Automatically post job ads to job boards, search engines and social media channels all in one place, with seamless integrations into over 100 ATS partners



### CANDIDATE ENGAGEMENT & SCREENING

Streamline your screening process by leveraging conversational AI to engage and screen candidates post-apply, all within your ATS



### PROGRAMMATIC JOB ADVERTISING

Optimize individual ads or full campaigns with AI to help you maximize your ROI by increasing candidate volume while reducing wasted ad spend



### DIVERSITY & COMPLIANCE

Source diverse talent at scale using programmatic technology to place and optimize your job ads on a network of diversity job sites, offering guaranteed reach

## SELECTED CUSTOMERS



## SELECTED PARTNERS



# Veritone GRI

**LESS TASKWORK. MORE TIME TO SERVE.**

Veritone's Intelligent Digital Evidence Systems ("iDEMS"), is one of the industry's first cloud-based digital evidence management solutions that integrates AI to help public safety and judicial agencies accelerate investigations. iDEMS combines Veritone's market-leading public sector solutions so the people at work in law enforcement, government and public safety can streamline manual identification and redaction efforts and accelerate audio and video processing with intelligent automation. Less time on repetitive tasks allows departments more time to focus on what matters – leading and protecting the communities they serve.



## DATA INSIGHT

Gain value from 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



## HIRING SOLUTIONS

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



## PERSON-OF-INTEREST TRACKING

Track persons of interest across video files regardless of source without using personal identifiable information (PII)

## SELECTED CUSTOMERS



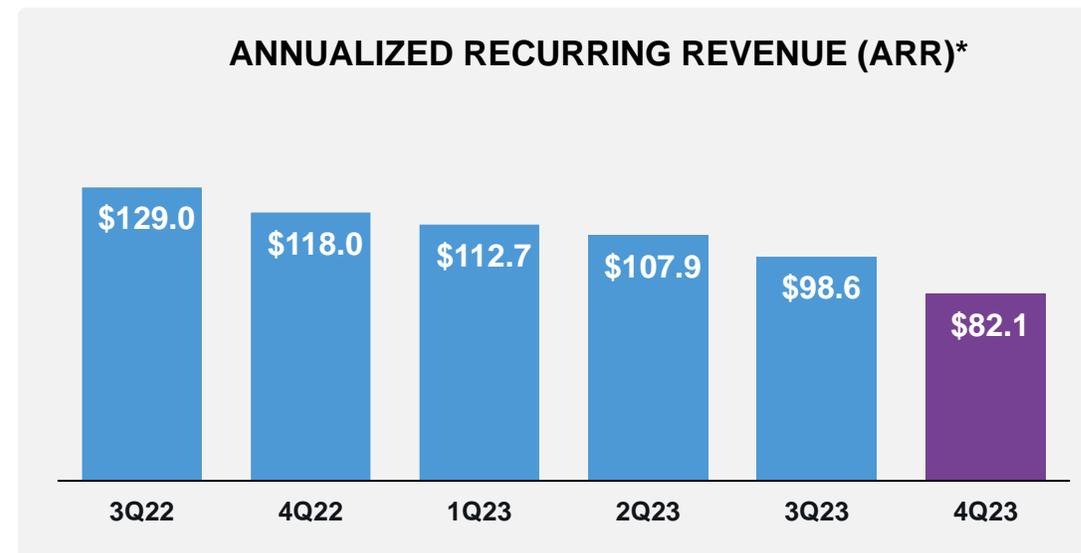
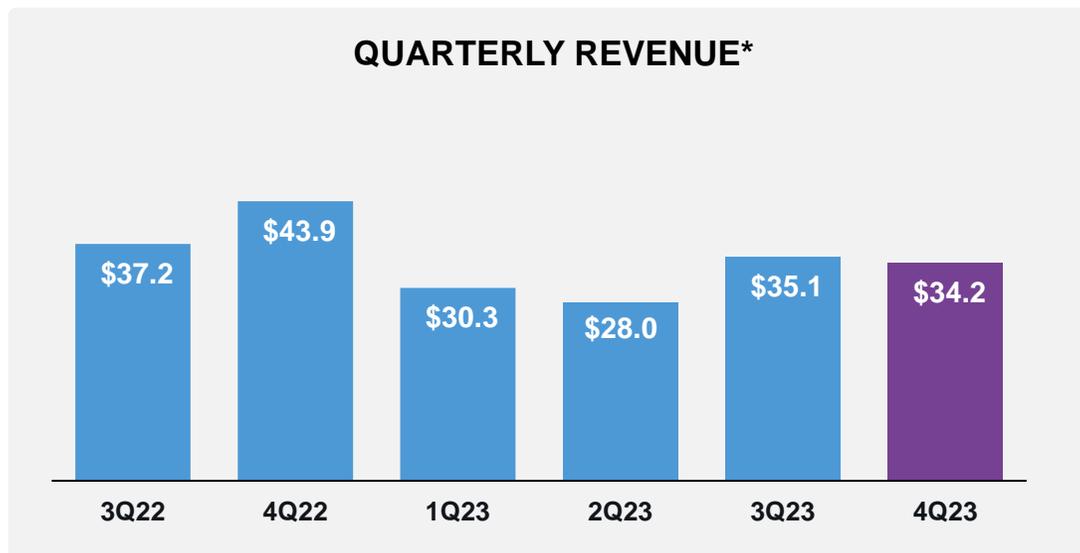
## SELECTED PARTNERS



# Financial Update

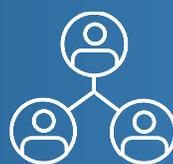
# 4Q23 Financial Highlights

\$ in Million



Gross Revenue Retention<sup>(1)</sup>

**>90%**



Total Software Products & Services Customers

**3,460**



Revenue CAGR (2017-2024E)<sup>(2)</sup>

**+38%**

\* All periods except 3Q and 4Q 2023 calculated on a Pro Forma basis; for definitions and more information, see the Supplemental Financial Information and applicable reconciliations slides in the Appendix.

(1) As of December 31, 2023.

(2) Financial results for the period ending 12/31/2023 include contribution from PandoLogic starting in 9/14/2021 and contribution from Broadbean starting in 6/13/2023. Revenue estimates represent the midpoint of Management's Guidance Range provided March 12, 2024.

Copyright © 2024 Veritone, Inc. All rights reserved. Trademarks are the property of their respective owners.

# Quarterly Key Performance Indicators

<i>\$ in Thousands</i>	Three Months Ended December 31, 2023	Three Months Ended December 31, 2022	Percent Change
Revenue	\$34,197	\$43,890	(22)%
Loss from Operations	\$(17,505)	\$(9,951)	76%
Net Loss	\$12,175	\$5,032	NM
Non-GAAP Gross Profit	\$27,702	\$37,183	(25)%
Non-GAAP Net Income (Loss)	\$(6,808)	\$2,190	NM

\* Calculated on a Pro Forma basis; for definitions and more information, see the Supplemental Financial Information and applicable reconciliation slides in the Appendix.

# Yearly Key Performance Indicators\*

<i>\$ in Thousands</i>	Year Ended December 31, 2023	Year Ended December 31, 2022	Percent Change
Revenue	\$127,560	\$149,728	(15)%
Annual Recurring Revenue*	\$82,128	\$118,002	(30)%
Loss from Operations	\$(92,336)	\$(37,995)	NM
Net Income	\$(58,625)	\$(25,557)	NM
Non-GAAP Gross Profit	\$99,304	\$122,296	19%
Non-GAAP Net Loss	\$(37,331)	\$(15,880)	NM
Total New Bookings*	\$17,457	\$26,342	(34)%

\* Calculated on a Pro Forma basis; for definitions and more information, see the Supplemental Financial Information and applicable reconciliations slides in the Appendix.

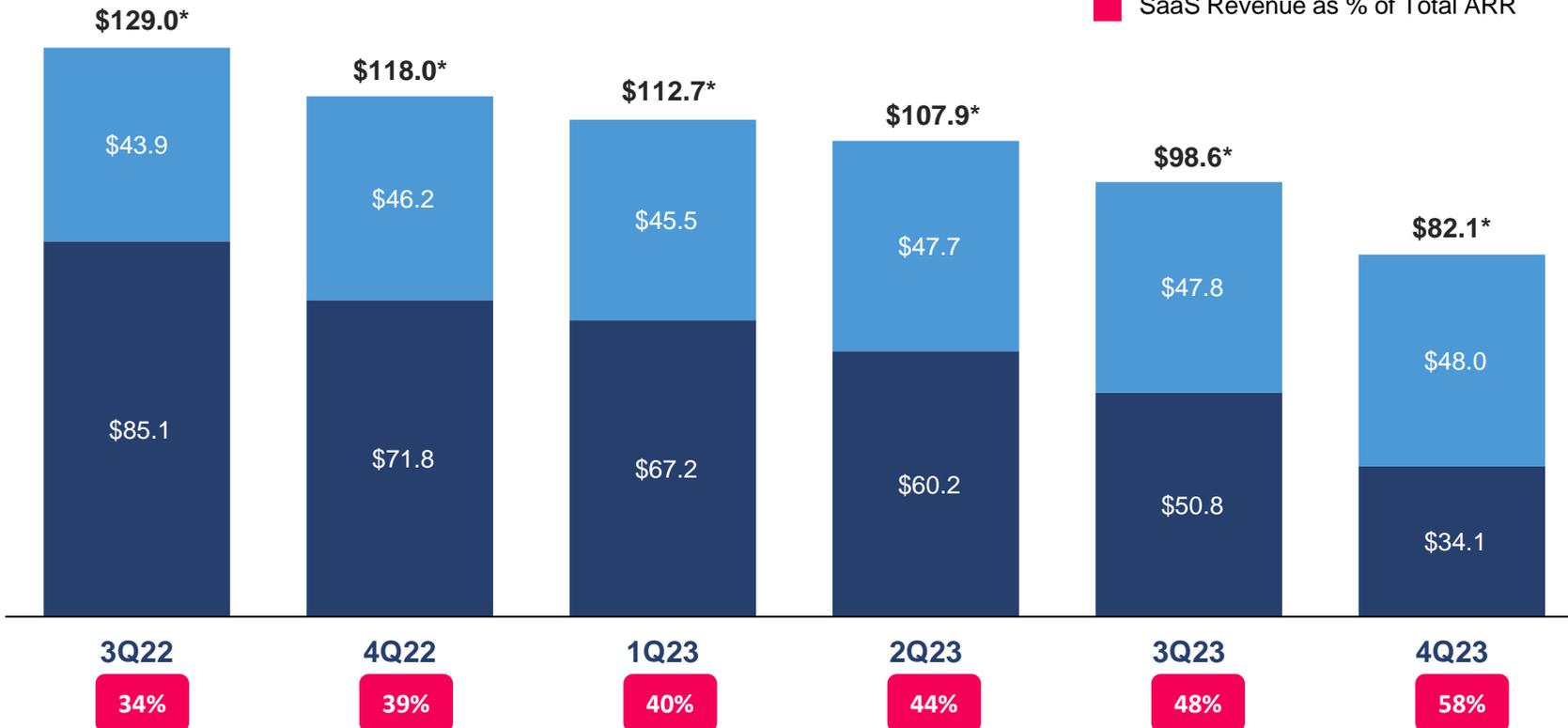
Copyright © 2024 Veritone, Inc. All rights reserved. Trademarks are the property of their respective owners.

# Diverse Revenue Mix

SaaS and consumption-based sales model provides earnings stability and flexibility to contract with companies of various sizes and preferences across industries.

\$ in Millions

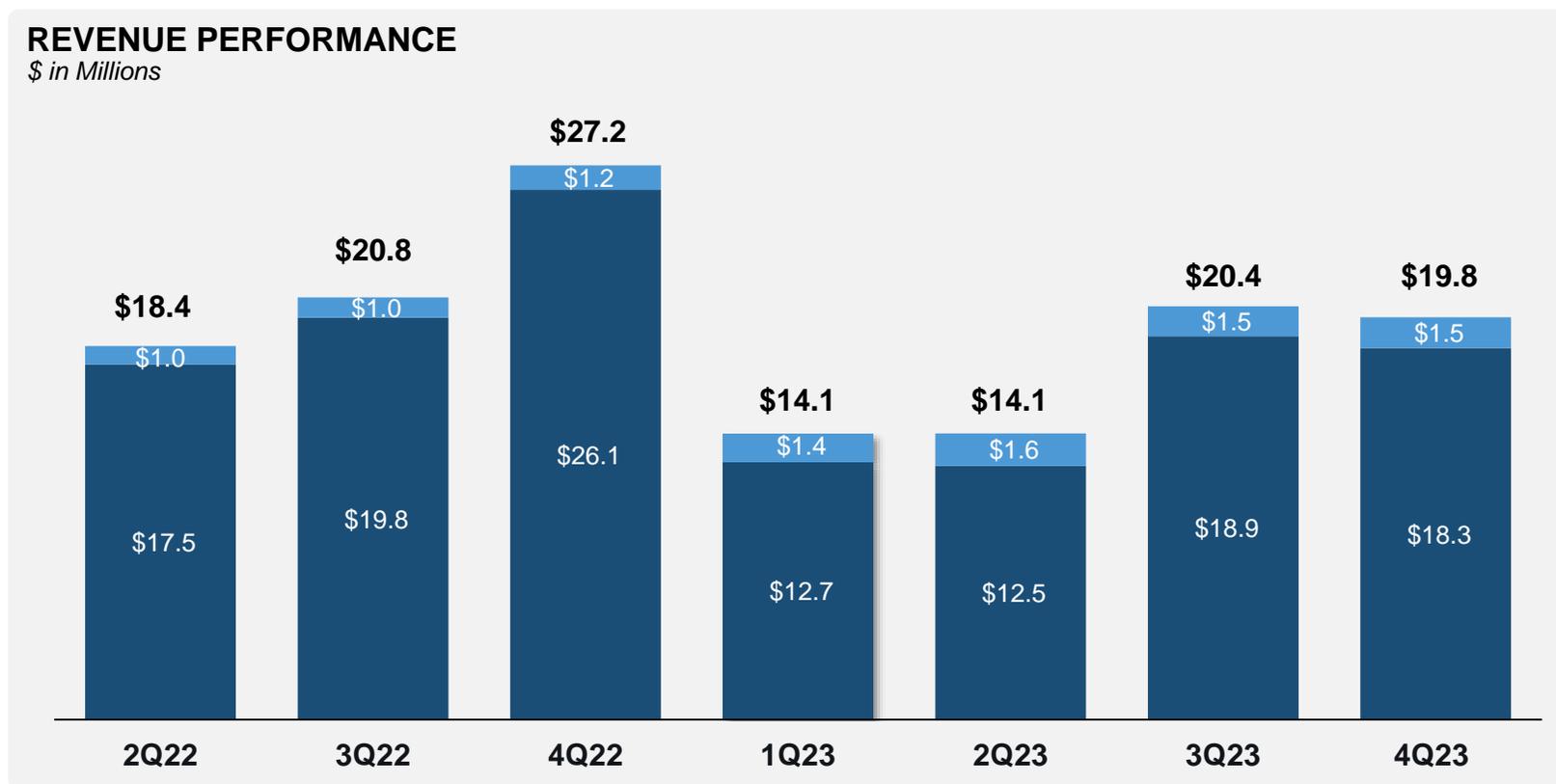
- Annual Recurring Revenue (SaaS)\*
- Annual Recurring Revenue (Consumption)\*
- SaaS Revenue as % of Total ARR



**4%**  
YoY Increase  
Annual Recurring Revenue (SaaS)\*

\* All periods except 3Q and 4Q 2023 calculated on a Pro Forma basis; for definitions and more information, see the Supplemental Financial Information and applicable reconciliations slides in the Appendix.

# Software Products & Services



**4Q23 YoY Change**

Public Sector (GRI)	30%
Commercial Enterprise	(30%)

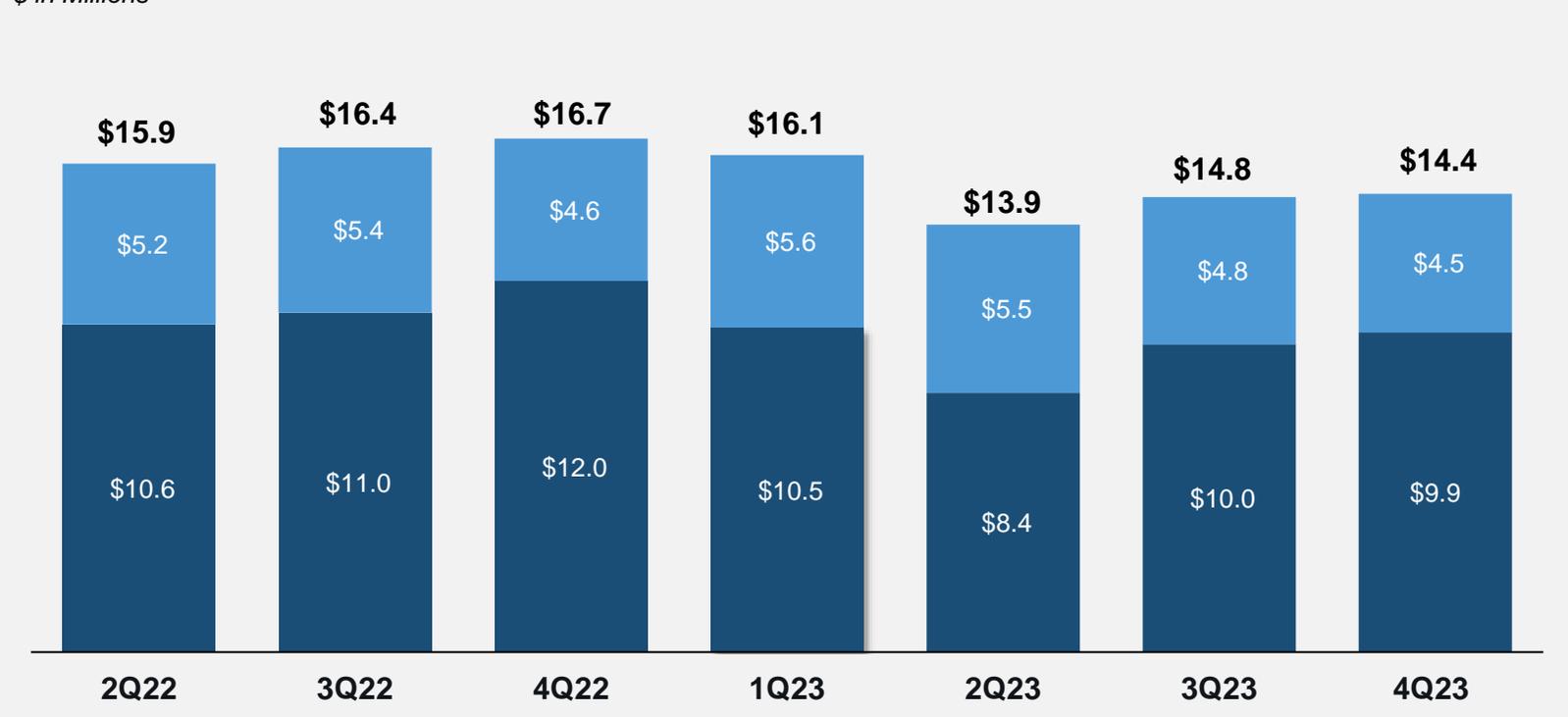
## 4Q HIGHLIGHTS

- **Revenue of \$19.8 million**, largely due a decline of \$5.5 million in certain one-time non-recurring revenue in 4Q22 as compared 4Q23, coupled with the net decline of \$1.9 million in Veritone Hire, offset by a 30% YoY improvement in GRI.
- **New bookings of \$17.5 million**, down year-over-year largely due to Amazon's reduced spend.
- **\$48 million subscription-based ARR**, up 4% YoY.
- **3,460 Total Software Products & Services Customers**, down slightly YoY due to ongoing run-off of legacy Career Builder customers transitioning off of Broadbean's platform.

# Managed Services

## REVENUE PERFORMANCE

\$ in Millions



### 4Q23 YoY Change

Licensing	(2%)
Advertising	(18%)

## 4Q HIGHLIGHTS

- Revenue of \$14.4 million, declined 14% YoY driven by lower advertising spend.
- Advertising gross billings per active client<sup>(1)</sup> of \$647,000, down 21% from 4Q22.
- Managed Services benefits from advertising revenue with non-GAAP margins in excess of 90%.

(1) Avg billings per active Managed Services customer for each quarter reflects the average quarterly billings per active Managed Services customer over the twelve-month period through the end of such quarter for Managed Services clients that are active during such quarter.

# Balance Sheet Summary

<i>\$ in Thousands</i>	As of December 31, 2023	As of December 31, 2022
Cash and Cash Equivalents	\$79,439	\$184,423
Current Assets	\$182,770	\$278,005
Total Assets	\$375,814	\$424,752
Current Liabilities	\$188,825	\$193,323
Total Liabilities	\$337,667	\$344,901
Stockholders' Equity	\$38,147	\$79,851
Common Shares Outstanding <sup>(1)</sup>	37,186,348	36,321,222

(1) Excluding options, RSUs and warrants as of December 31, 2023, and December 31, 2022, as applicable.

Copyright © 2024 Veritone, Inc. All rights reserved. Trademarks are the property of their respective owners.

# Appendix

# Quarterly GAAP to Non-GAAP Reconciliation (Unaudited)

<i>\$ in Thousands</i>	3Q22	4Q23	1Q23	2Q23	3Q23	4Q23	1Q25 E
GAAP net loss	\$ (4,886)	\$ 4,711	\$ (22,963)	\$ (23,296)	\$ (24,541)	\$ 12,175	\$ (19,300)
Interest expense, net	1,305	680	805	720	218	704	1,600
Provision for (benefit from) income taxes	26	3,751	(271)	(1,374)	(977)	(426)	(600)
Depreciation and amortization	5,824	5,999	5,907	6,389	7,857	5,948	6,200
Stock-based compensation expense	5,102	4,536	3,917	2,697	2,032	2,180	2,300
Severance and executive transition costs(1)	365	175	1,444	689	785	727	1,500
Gain on debt extinguishment	-	(19,097)	-	-	-	(30,023)	-
Change in fair value of contingent consideration	(14,291)	355	651	-	816	817	500
Gain on sale of energy group	-	-	-	(2,572)	-	-	-
Foreign currency impact	-	-	(1,161)	(1,659)	2,294	393	-
Contribution of business held for sale(2)	-	-	917	872	-	(98)	-
Variable consultant performance bonus expense	-	-	394	237	397	(77)	300
Stock offering costs	-	-	-	-	-	-	-
Lease exit charges(3)	-	-	-	-	-	-	-
Acquisition and due diligence-related costs	839	1,080	805	4,271	3,177	872	-
<b>Non-GAAP net loss</b>	<b>\$ (4,886)</b>	<b>\$ 2,190</b>	<b>\$ (9,555)</b>	<b>\$ (13,026)</b>	<b>\$ (7,942)</b>	<b>\$ (6,808)</b>	<b>\$ (7,500)</b>

(1) Business realignment, severance and executive transition costs consists of severance and executive transition costs in 2023, severance and executive search costs in 2022 and 2021 and business realignment and officer severance costs in 2020 and 2019.

(2) Contribution of business held for sale relates to the net loss for the periods presented for our energy group that we divested during Q2 2023. We have not recast Non-GAAP Net Loss for periods ended prior to March 31, 2023 because the change in business strategy to divest the business occurred Q1 2023 and the prior period contributions were costs to operate the continuing business when incurred in the prior periods. The historical amounts would not have a major effect on prior period results.

(3) Lease exit charges consists of charges related to a sublease in 2021 and lease termination charges in 2020.

Note: GAAP net loss and non-GAAP net income (loss) figures for Q1 2024 reflect the midpoint of the Company's financial guidance provided March 12, 2024.

# Annual GAAP to Non-GAAP Reconciliation (Unaudited)

\$ in Thousands	FY19	FY20	FY21	FY22	FY23	FY24E
GAAP net loss	\$ (62,078)	\$ (47,876)	\$ (64,672)	\$ (25,557)	\$ (58,625)	\$ (55,150)
Interest expense, net	-	9	538	4,350	2,448	6,500
Provision for (benefit from) income taxes	(1,452)	76	2,699	2,309	(3,048)	(3,000)
Depreciation and amortization	5,947	6,407	9,410	22,493	26,101	24,600
Stock-based compensation expense	19,402	19,539	40,063	19,115	10,826	9,800
Severance and executive transition costs <sup>(1)</sup>	279	145	349	540	3,644	2,000
Gain on debt extinguishment	-	-	-	(19,097)	(30,023)	-
Warrant expense	-	102	-	-	-	-
Change in fair value of warrant liability	(16)	200	-	-	-	-
Gain on sale of asset	-	(56)	-	-	-	-
State sales tax reserve	-	818	306	-	-	-
Stock offering costs	-	27	-	-	-	-
Lease exit charges <sup>(2)</sup>	-	16	3,367	-	-	-
Change in fair value of contingent consideration	-	-	12,074	(22,721)	2,284	1,000
Gain on sale of energy group	-	-	-	-	(2,572)	-
Foreign currency impact	-	-	-	-	(133)	-
Contribution of business held for sale <sup>(3)</sup>	-	-	-	-	1,691	-
Variable consultant performance bonus expense	-	-	-	-	951	1,300
Performance Bridge earn-out fair value adjustment	139	-	-	-	-	-
Machine Box contingent payments	1,600	-	-	-	-	-
Acquisition and integration-related costs	-	-	2,698	2,688	9,125	-
<b>Non-GAAP net income (loss)</b>	<b>\$ (36,179)</b>	<b>\$ (20,593)</b>	<b>\$ 6,832</b>	<b>\$ (15,880)</b>	<b>\$ (37,331)</b>	<b>\$ (12,950)</b>

(1) Business realignment, severance and executive transition costs consists of severance and executive transition costs in 2023, severance and executive search costs in 2022 and 2021 and business realignment and officer severance costs in 2020 and 2019.

(2) Lease exit charges consists of charges related to a sublease in 2021 and lease termination charges in 2020.

(3) Contribution of business held for sale relates to the net loss for the periods presented for our energy group that we divested during Q2 2023. We have not recast Non-GAAP Net Loss for periods ended prior to March 31, 2023 because the change in business strategy to divest the business occurred Q1 2023 and the prior period contributions were costs to operate the continuing business when incurred in the prior periods. The historical amounts would not have a major effect on prior period results.

Note: GAAP net loss and non-GAAP net income (loss) figures for Q1 2024 reflect the midpoint of the Company's financial guidance provided March 12, 2024.

Copyright © 2024 Veritone, Inc. All rights reserved. Trademarks are the property of their respective owners.

# Revenue to Non-GAAP Reconciliation (Unaudited)

<i>\$ in Thousands</i>	<b>FY24 E</b>
Revenue	\$ 138,000
Cost of Revenue	(30,400)
Non-GAAP Gross Profit	\$ 107,600
Non-GAAP Gross Margin	78%

<i>\$ in Thousands</i>	<b>FY24 E</b>
Revenue	\$ 138,000
Non-GAAP Net Loss <sup>(1)</sup>	(12,950)
Non-GAAP Net Loss Margin	(9.4)%

(1) See page 25 for reconciliation.

Note: GAAP net loss and non-GAAP net income (loss) figures FY 2023 reflect the midpoint of the Company's financial guidance provided March 12, 2024.

Copyright © 2024 Veritone, Inc. All rights reserved. Trademarks are the property of their respective owners.

# Fourth Quarter 2023 Revenue Summary

\$ in Thousands	4Q22	3Q23	4Q23	4Q23 CHANGE	
				Q/Q	Y/Y
<b>Commercial Enterprise</b>					
Software Products & Services	\$26,055	\$18,885	\$18,301	(3)%	(30)%
Managed Services	\$16,670	\$14,772	\$14,376	(3)%	(14)%
<b>Subtotal</b>	<b>\$42,725</b>	<b>\$33,657</b>	<b>\$32,677</b>	<b>(3)%</b>	<b>(24)%</b>
<b>Government &amp; Regulated Industries</b>					
Software Products & Services	\$1,165	\$1,476	\$1,520	3%	30%
Managed Services	-	-	-	-	-
<b>Subtotal</b>	<b>\$1,165</b>	<b>\$1,476</b>	<b>\$1,520</b>	<b>3%</b>	<b>30%</b>
<b>Total Sales</b>	<b>\$43,890</b>	<b>\$35,133</b>	<b>\$34,197</b>	<b>(3)%</b>	<b>(22)%</b>

# Supplemental Financial Information

Our customer composition is diverse and includes various segments across our verticals, each with different purchasing trends and pricing models. In order to provide enhanced visibility into our growth composition and broad customer base, we have added ARR as a key metric and defined our customer count methodology.

## DEFINITIONS

**“Total Software Products & Services Customers”** includes Software Products & Services customers as of the end of each respective quarter set forth above with net revenues in excess of \$10 and also excludes any customers categorized by us as trial or pilot status. In prior periods, we provided “Ending Software Customers,” which represented Software Products & Services customers as of the end of each fiscal quarter with trailing twelve-month revenues in excess of \$2,400 for both Veritone, Inc. and PandoLogic Ltd. and/or deemed by the Company to be under an active contract for the applicable periods. Total Software Products & Services Customers is not comparable to Ending Software Customers. Total Software Products & Services Customers includes customers based on revenues in the last month of the quarter rather than on a trailing twelve-month basis. Total Software Products & Services Customers includes customers based on revenues in the last month of the quarter rather than on a trailing twelve-month basis and excludes any customers that are on trial or pilot status with us rather than including customers with active contracts. Management uses Total Software Products & Services Customers and we believe Total Software Products & Services Customers are useful to investors because it more accurately reflects our total customers for our Software Products & Services customers inclusive of Broadbean.

**“Annual Recurring Revenue (SaaS)”** represents an annualized calculation of monthly recurring revenue during the last month of the applicable quarter for all Total Software Products & Services customers, in each case on a Pro Forma basis. In prior periods, we provided “Average Annual Revenue,” which was calculated as the aggregate of trailing twelve-month Software Products & Services revenue divided by the average number of customers over the same period for both Veritone, Inc. and PandoLogic Ltd. Annual Recurring Revenue is not comparable to Average Annual Revenue (SaaS). Annual Recurring Revenue (SaaS) includes only subscription-based SaaS revenue, is not averaged among active customers and uses a calculation of recurring revenue as described above instead of annual revenue. Management uses “Annual Recurring Revenue (SaaS)” and we believe Annual Recurring Revenue (SaaS) is useful to investors because Broadbean significantly increases our mix of subscription-based SaaS revenues as compared to Consumption revenues and the split between the two allows the reader to delineate between predictable recurring SaaS revenues and more volatile Consumption revenues.

**“Annual Recurring Revenue (Consumption)”** represents the trailing twelve months of all non-recurring and/or consumption-based revenue for all active Total Software Products & Services customers, in each case, on a Pro Forma basis. In prior periods, we provided “Average Annual Revenue,” which was calculated as the aggregate of trailing twelve-month Software Products & Services revenue divided by the average number of customers over the same period for both Veritone, Inc. and PandoLogic Ltd. Annual Recurring Revenue (Consumption) is not comparable to Average Annual Revenue. Annual Recurring Revenue (Consumption) includes only non-recurring and/or consumption-based revenue, is not averaged among active customers and uses a calculation of recurring revenue as described above instead of annual revenue. Management uses “Annual Recurring Revenue (Consumption)” and we believe Annual Recurring Revenue (Consumption) is useful to investors because Broadbean significantly increases our mix of subscription-based SaaS revenues as compared to Consumption revenues and the split between the two allows the reader to delineate between predictable recurring SaaS revenues and more volatile Consumption revenues.

**“Total New Bookings”** 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 (e.g., fees for cognitive processing, storage, professional services and other variable services), in each case on a Pro Forma basis.

**“Gross Revenue Retention”** represents calculate our dollar-based gross revenue retention rate as of the period end by starting with the revenue from Software Products & Services Customers as of the three months in the prior year quarter to such period, or Prior Year Quarter Revenue. We then deduct from the Prior Year Quarter Revenue any revenue from Software Products & Services Customers who are no longer customers as of the current period end, or Current Period Ending Software Customer Revenue. We then divide the total Current Period Ending Software Customer Revenue by the total Prior Year Quarter Revenue to arrive at our dollar-based gross retention rate, which is the percentage of revenue from all Software Products & Services Customers from our Software Products & Services as of the year prior that is not lost to customer churn. All numbers used to determine Gross Revenue Retention are calculated on a Pro Forma basis.

**“Software Revenue - Pro Forma”** is a non-GAAP measure that represents Software Products & Services revenue on a Pro Forma basis.

**“Non-GAAP Gross Margin”** is defined as Non-GAAP gross profit divided by revenue.

### **Note Regarding Pro Forma Information**

“Pro Forma” information provided in this press release represents the historical information of Veritone combined with the historical information of Broadbean (as defined below) for the applicable period on a pro forma basis as if Veritone had acquired Broadbean on January 1, 2022. Veritone completed its acquisition of (i) all of the issued and outstanding share capital of (a) Broadbean Technology Pty Ltd ACN 116 011 959 / ABN 79 116 011 959, a limited company incorporated under the laws of Australia, (b) Broadbean Technology Limited, a limited company incorporated under the laws of England and Wales, (c) Broadbean, Inc., a Delaware corporation and (d) CareerBuilder France S.A.R.L., a limited liability company organized (société à responsabilité limitée) under the laws of France, and (ii) certain assets and liabilities related thereto (the foregoing clauses (i) and (ii) together, “Broadbean”) on June 13, 2023.

# Thank you