



# aiWARE™: The OS for AI

Investor Presentation | March 2021

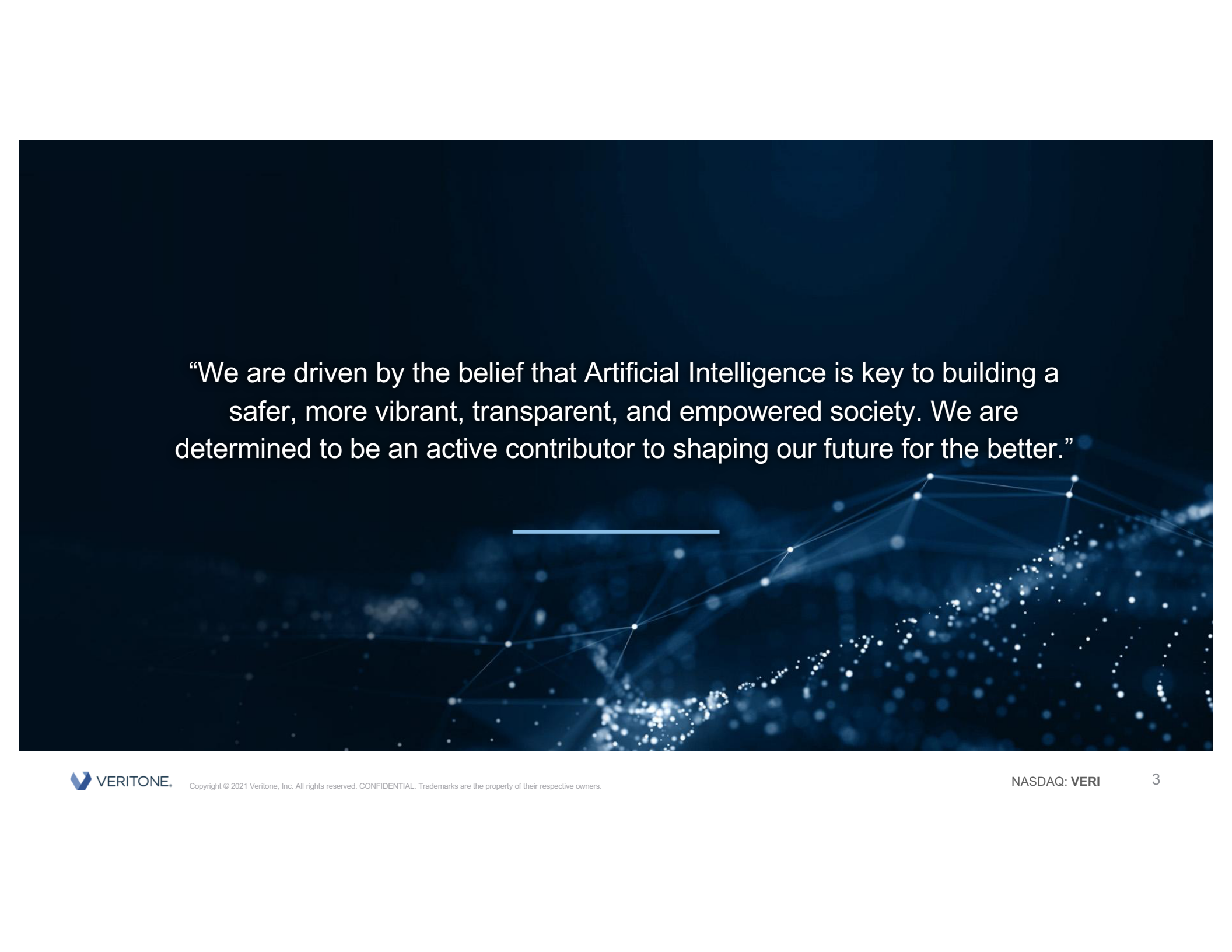
# Forward Looking Statements & Disclaimers

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](http://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 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

**\$16.8M**

+35% YOY growth

Q4 2020 Revenue

**+53%**

YOY Revenue Growth

aiWARE SaaS Solutions

**+43%**

YOY Improvement

2020 Non-GAAP Net Loss

### KPIs

**1,896**

+77% YOY Growth

SaaS Accounts

**\$0.6M**

+24% YOY Growth

Avg Gross Billings - Advertising

**\$115M**

+161% YOY Growth

Cash Balance

### Key Updates



New Industry Expansion



New Wins



Strategic Partnerships



# Recent Events



## **Raised Net Proceeds of \$59.7 Million in Upsized Offering**

Upon issuing 3.45M shares, including full execution of over-allotment option



## **Announced Support of NVIDIA CUDA & EGX Platform**

For GPU-based AI and Machine Learning



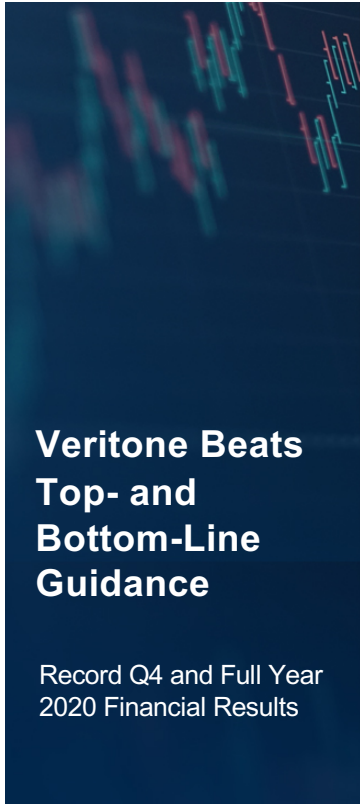
## **Awarded 3 Additional Patents**

For Renewable Energy Optimization



## **Announced Strategic Relationship with Alteryx**

Provides Alteryx customers with insight into unstructured data sources



## **Veritone Beats Top- and Bottom-Line Guidance**

Record Q4 and Full Year 2020 Financial Results

# 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**

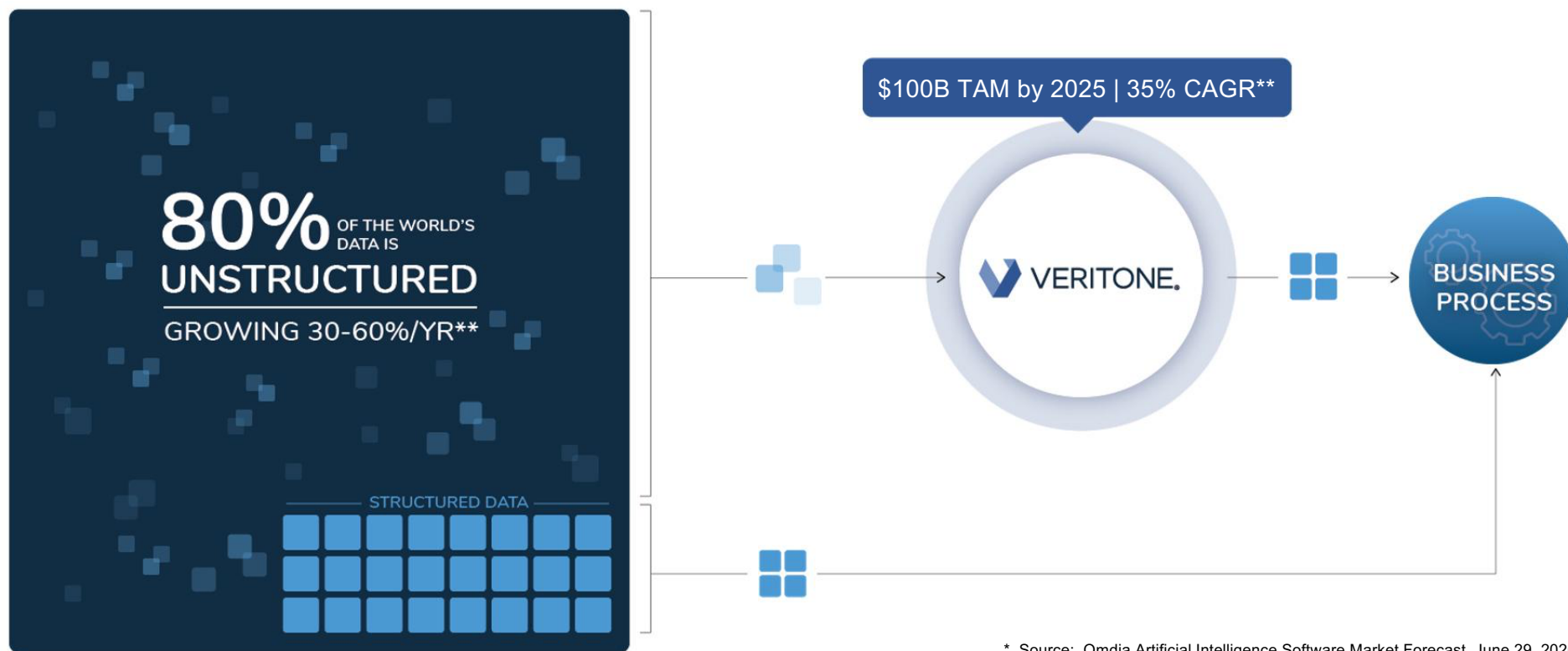


**Track record of delivering sustained YoY growth together with attractive financial model with high gross margins**



**Entrepreneurial management team with extensive experience in building successful businesses**

# Unstructured Data is Inaccessible Without AI



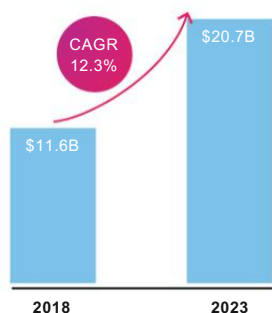
\* Source: Omdia Artificial Intelligence Software Market Forecast, June 29, 2020

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

# aiWARE Targets Massive Market Opportunities

## Intelligent Process Automation

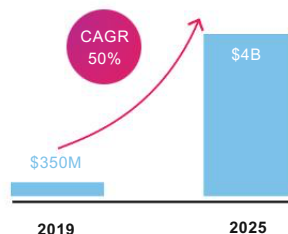
aiWARE brings AI into an overall IPA system that contains BPA, RPA, BI, and document capture.



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

## Machine Learning Operations

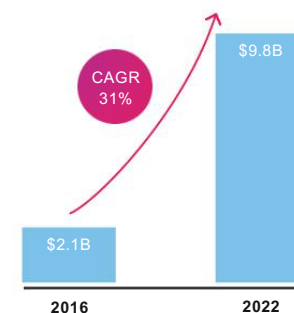
aiWARE helps organizations effectively deploy, integrate and monitor AI.



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.



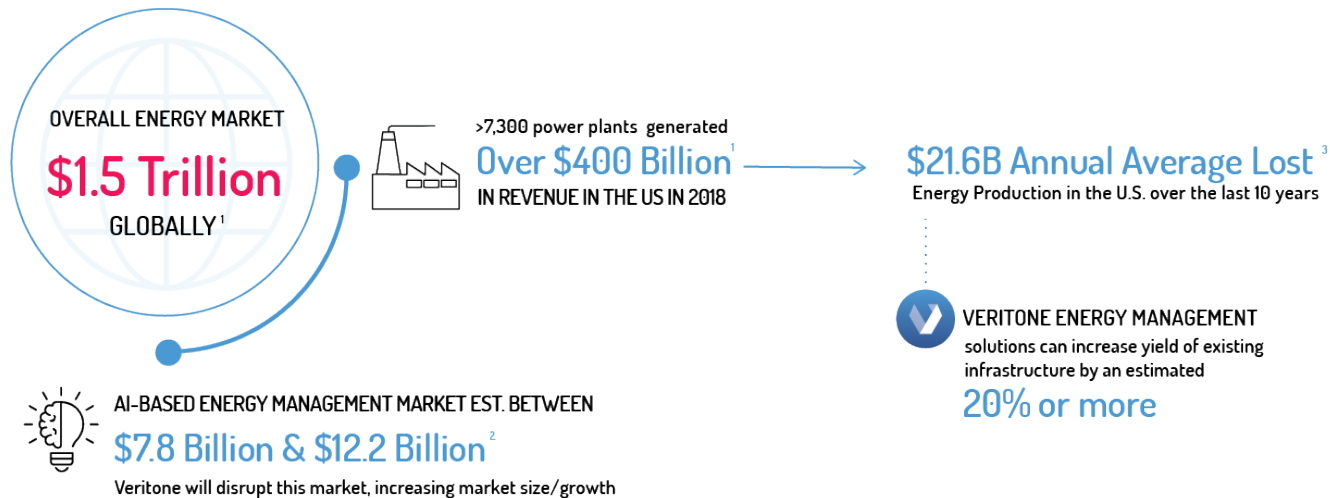
The AI platform market size is expected to grow to \$9.8B by 2022 per [Markets and Markets](#).

## 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>).

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

<sup>2</sup> [BIS Research](#) and [PS Market Research](#)

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

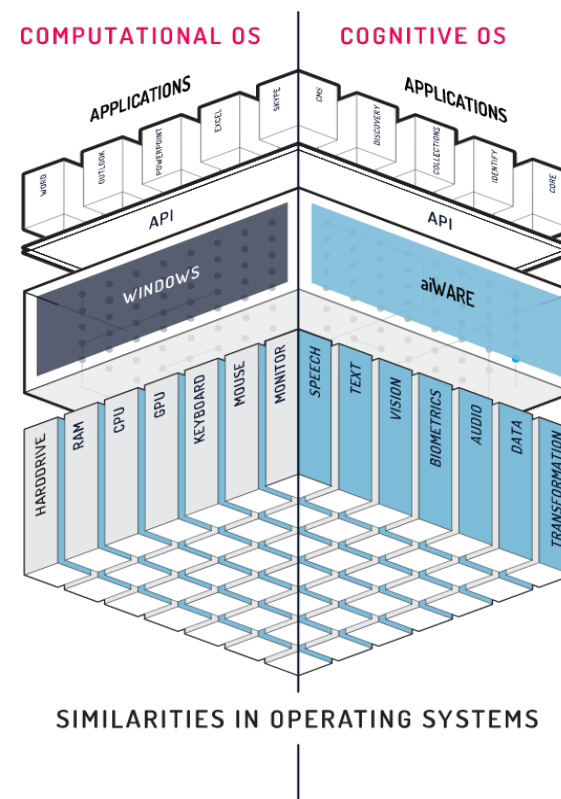
<sup>4</sup> [Frost and Sullivan "Growth Opportunities from Decarbonization in the Global Power Market, 2019-2030"](#)



# The Solution: Veritone aiWARE

- ✓ **FAST TO MARKET**  
“OS for AI” ecosystem of hundreds of best-of-breed AI engines
- ✓ **FUTURE PROOF**  
Single development interface for apps, across AI engine vendors

- ✓ **ACCESSIBLE**  
Low-code workflows for Business Analysts and Citizen Developers
- ✓ **SCALABLE**  
Scalable to handle massive amounts of video, audio, data in near real-time



# Our Industry Solutions



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# National & Local Government Solutions

## Intelligence to rapidly extract actionable insight from evidence

Enabling public safety agencies to safeguard citizens by rapidly extracting actionable intelligence from evidence -- accelerating investigations, surveillance, and the judicial process

[Learn more here >](#)



### 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

## CUSTOMERS



## PARTNERS

carahsoft.

Microsoft

GovQA

Deloitte.



STORExCEL

ORACLE

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# Legal & Compliance Solutions

## Intelligence to rapidly locate case-critical evidence and compliance risks

Enabling legal teams to quickly cull down data for eDiscovery and regulatory compliance by rapidly identifying audio, video, and text files containing keywords of interest — accelerating the review process

[Learn more here >](#)



### VERITONE ILLUMINATE

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



### VERITONE TRANSLATE

Self-service Web Application for Text-to-Text and Native Document Translation



### VERITONE AIWARE FOR RELATIVITY

Make unstructured audio and video searchable from directly within Relativity



### VERITONE AIWARE FOR AXCELERATE

Translate documents from directly within OpenText Axcelerate

## PARTNERS



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# Media & Entertainment Solutions

## Intelligence to analyze, manage, and monetize media assets

Empowering the world's leading media companies, studios, networks and sports organizations to unlock hidden revenue streams as well as gain operational efficiencies

[Learn more here >](#)



### 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

#### CUSTOMERS



#### PARTNERS



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# AI-Enabled Content Monetization

## Leveraging AI to maximize advertising efficacy and content monetization

Enabling brands and content owners to hyper target key audiences, driving business growth

[Learn more here >](#)



### 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

#### ADVERTISING TRADING PARTNERS



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#### LICENSING CONTENT PARTNERS



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# Clean Energy Solutions

## AI Solutions for Clean Energy

Accelerating the world's transition to more sustainable, reliable, and affordable energy

[Learn more here >](#)



### 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

**Veritone Has More than 25 Issued and Pending Patents Covering Our Energy Solutions**

# 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

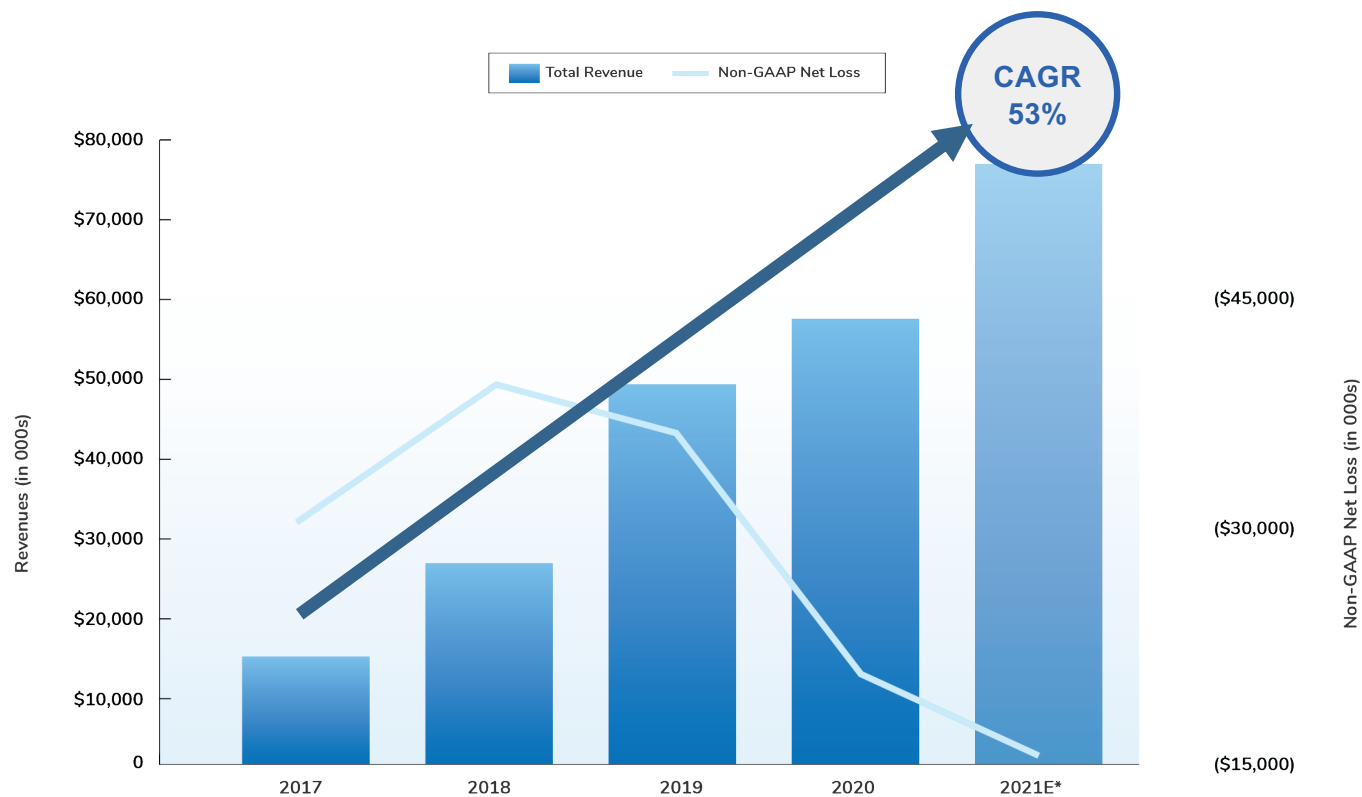


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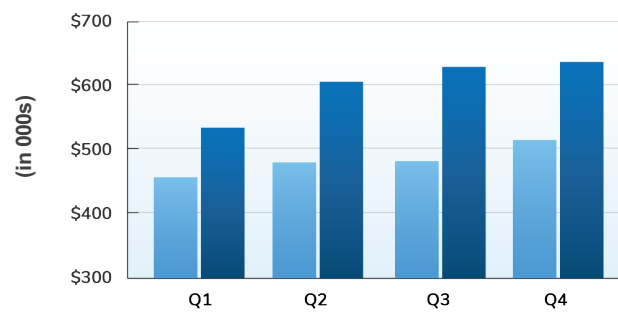
# Revenue Growth and Reduced Net Losses



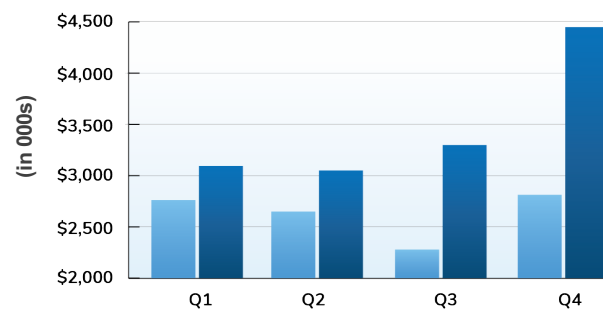
\* Based on mid-point of guidance ranges provided 3/04/2021

# Key Performance Indicators (KPIs) - Third Quarter 2020

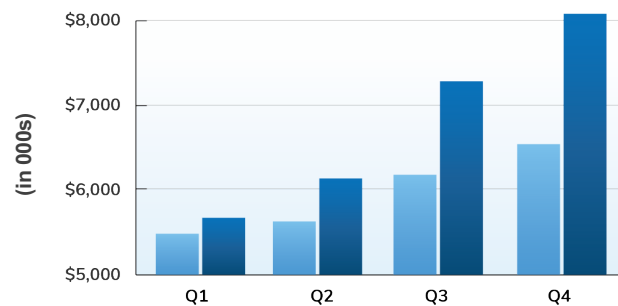
## Average Gross Billings per Active Client



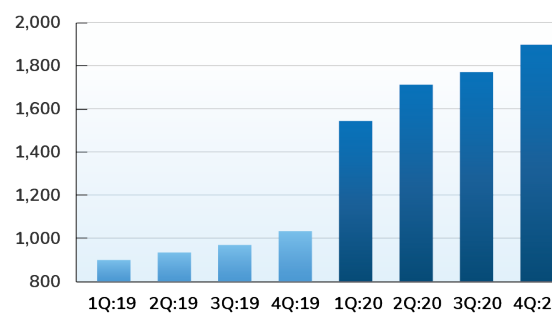
## aiWARE SaaS Solutions Net Revenues



## Advertising Net Revenues



## Total Accounts on Platform at Quarter End





# Balance Sheet Summary

<b>(in Thousands)</b>	<b><u>December 31, 2020</u></b>
<b>Cash and Cash Equivalents</b>	<b>\$114,817</b>
<b>Current Assets</b>	<b>\$156,567</b>
<b>Total Assets</b>	<b>\$177,654</b>
<b>Current Liabilities</b>	<b>\$88,248</b>
<b>Total Liabilities</b>	<b>\$89,444</b>
<b>Stockholders' Equity</b>	<b>\$88,210</b>
<b>Common Shares Outstanding</b> (excluding options, RSUs and warrants)	<b>31,799</b>

# Additional Materials



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## Fourth Quarter 2020 Results – Summary

- aiWARE SaaS delivered exceptional Q/Q and Y/Y growth, again driven by strength in the GLC market and emerging Energy market.
- Advertising again benefitted from strength in digital and social platform advertising due to our focus in those markets, which more than offset macro headwinds.
- Content Licensing continued to be negatively impacted by COVID-19.

(\$ in Thousands)				4Q:20 CHANGE	
	4Q:19	3Q:20	4Q:20	Q/Q	Y/Y
<b>Advertising</b>	\$6,517	\$8,764	\$9,747	11%	50%
<b>aiWARE SaaS</b>	\$2,872	\$3,351	\$4,402	31%	53%
<b>aiWARE Content Licensing</b>	\$3,059	\$3,603	\$2,669	(26%)	(13%)
<b>Total Sales</b>	<b>\$12,448</b>	<b>\$15,718</b>	<b>\$16,818</b>	<b>7%</b>	<b>35%</b>

# Third Quarter 2020 Results - KPIs

	1Q:19	2Q:19	3Q:19	4Q:19	1Q:20	2Q:20	3Q:20	4Q:20
<b>Advertising</b>								
Average gross billing per active client (in 000s) <sup>(1)</sup>	\$469	\$488	\$490	\$511	\$533	\$614	\$625	\$632
Net revenues during quarter (in 000s)	\$5,714	\$5,842	\$6,197	\$6,517	\$5,881	\$6,140	\$7,372	\$8,138
<b>aiWARE SaaS Solutions</b>								
Total accounts on platform at quarter end	911	941	980	1,069	1,587	1,753	1,791	1,896
New bookings received during quarter (in 000s) <sup>(2)</sup>	\$1,316	\$1,351	\$1,384	\$2,522	\$1,397	\$2,319	\$2,083	\$1,437
Total contract value of new bookings received during quarter (in 000s) <sup>(3)</sup>	\$2,092	\$1,351	\$1,724	\$12,872	\$2,312	\$2,502	\$2,469	\$2,431
Net revenues during quarter (in 000s)	\$2,754	\$2,677	\$2,350	\$2,872	\$3,108	\$3,002	\$3,351	\$4,402

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).

# Fourth Quarter 2020 Results and Guidance

(As of 3/04/2021)

(\$ in Thousands)	4Q:19A	1Q:20A	2Q:20A	3Q:20A	4Q:20A	Guidance	
						1Q:21	FY:21
Advertising (Net)	\$6,517	\$6,001	\$7,038	\$8,764	\$9,747		
aiWARE SaaS	\$2,872	\$3,108	\$3,002	\$3,351	\$4,402		
aiWARE Content & Licensing	\$3,059	\$2,795	\$3,228	\$3,603	\$2,669		
<b>Total Net Revenue</b>	<b>\$12,448</b>	<b>\$11,904</b>	<b>\$13,268</b>	<b>\$15,718</b>	<b>\$16,818</b>	<b>\$17.0M - \$17.5M</b>	<b>\$76.0M - \$81.0M</b>
<b>Gross Profit</b>	<b>\$8,912</b>	<b>\$8,654</b>	<b>\$9,505</b>	<b>\$11,165</b>	<b>\$12,721</b>		
<i>GM%</i>	<i>71.6%</i>	<i>72.7%</i>	<i>71.6%</i>	<i>71.0%</i>	<i>75.6%</i>		
<b>Non-GAAP Op. Expenses</b>	<b>\$17,051</b>	<b>\$15,406</b>	<b>\$15,226</b>	<b>\$15,417</b>	<b>\$16,626</b>		
<b>Non-GAAP Net Loss</b>	<b>(\$8,053)</b>	<b>(\$6,679)</b>	<b>(\$5,745)</b>	<b>(\$4,256)</b>	<b>(\$3,913)</b>	<b>(\$4.4M) - (\$3.9M)</b>	<b>(\$18.0M) - (\$14.0M)</b>
<b>Cash and Equivalents</b>	<b>\$44,065</b>	<b>\$49,165</b>	<b>\$50,081</b>	<b>\$54,315</b>	<b>\$114,817</b>		

# aiWARE Technology Stack Overview

**Proprietary data, one portable AI platform, and low-code tools to create intelligent applications**

