

VERITONE, INC.
SUPPLEMENTAL FINANCIAL INFORMATION
(Q4 AND FULL YEAR 2022)

This document contains the following unaudited supplemental financial and business information:

Page

1. Supplemental Non-GAAP Financial Information and Reconciliation to GAAP Information for the eight quarters of fiscal years 2021 and 2022;
2. Breakdown and Reconciliation of Non-GAAP Net Income (Loss) to GAAP Net Loss for Core Operations and Corporate for the three and twelve months ended December 31, 2022 and for the three and twelve months ended December, 2021;
3. Reconciliation of Non-GAAP Net Income (Loss) to GAAP Net Loss for the years ended December 31, 2017, 2018, 2019, 2020, 2021, 2022 and for the Midpoint of the Company's Guidance for the first quarter and Full Year 2023, as provided March 2, 2023;
4. Reconciliation of Non-GAAP Net Loss to GAAP Net Loss for Q1:21, Q2:21, Q3:21, Q4:21; Q1:22; Q2:22; Q3:22; Q4:22 and for the Midpoint of the Company's Guidance for Q1:23E;
5. Supplemental Financial Information for the available periods starting Q1:21;
6. Pro Forma Income Statement (unaudited) as if PandoLogic Ltd. was owned by Veritone, Inc. since January 1, 2021;
7. Supplemental Revenue Breakdown and Comparisons (unaudited);
8. Reconciliation of Pro Forma Revenue to Revenue and Calculation of AAR; and
9. Reconciliation of Non-GAAP Gross Profit to Loss from Operations.

Explanatory Notes

The accompanying financial information excludes all financial statement disclosures and other information required by generally accepted accounting principles (GAAP) and Securities and Exchange Commission (SEC) rules and regulations. However, Veritone has previously filed, or has publicly disclosed and will file, with the SEC, financial statements for each of the above noted periods that were prepared in accordance with generally accepted accounting principles and SEC rules and regulations. The accompanying financial information is derived from the books and records of Veritone that were used to prepare those financial statements. Accordingly, the accompanying information should be read in conjunction with Veritone's consolidated financial statements and notes thereto filed with the SEC for each respective period. We believe that quarter-to-quarter comparisons of results from operations, or any other similar period-to-period comparisons, should not be construed as reliable indicators of our future performance.

The accompanying financial information includes certain non-GAAP financial measures. The items excluded from these non-GAAP financial measures and a reconciliation of such non-GAAP results and guidance with the Company's most directly comparable GAAP results and guidance are detailed on the following pages. The Company presents 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 revenue, 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 financial measures differently. These non-GAAP financial measures may not be indicative of the historical operating results of Veritone 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 as reported in accordance with GAAP.

VERITONE, INC.
SUPPLEMENTAL NON-GAAP FINANCIAL INFORMATION AND RECONCILIATION TO GAAP INFORMATION
(unaudited; in thousands, except per share data)

	March 31, 2021	June 30, 2021	September 30, 2021	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022
Revenue	\$ 18,295	\$ 19,206	\$ 22,655	\$ 55,149	\$ 34,407	\$ 34,235	\$ 37,196	\$ 43,890
Cost of revenue	4,823	5,231	5,808	6,267	6,923	6,705	7,097	6,707
Non-GAAP gross profit	13,472	13,975	16,847	48,882	27,484	27,530	30,099	37,183
GAAP cost of revenue	4,823	5,231	5,808	6,267	6,923	6,705	7,097	6,707
Stock-based compensation expense	—	—	—	(116)	(20)	(24)	(46)	(26)
Non-GAAP cost of revenue	4,823	5,231	5,808	6,151	6,903	6,681	7,051	6,681
GAAP sales and marketing expenses	6,427	5,253	5,906	11,349	11,069	12,576	13,920	13,780
Stock-based compensation expense	(898)	(234)	(226)	(1,716)	(463)	(727)	(538)	(535)
Lease exit charges	—	—	—	—	—	—	—	—
Business realignment and officer severance costs	(236)	—	—	—	—	—	(86)	—
Non-GAAP sales and marketing expenses	5,293	5,019	5,680	9,633	10,606	11,849	13,296	13,245
GAAP research and development expenses	4,960	4,646	5,254	10,215	9,883	11,068	11,784	10,854
Stock-based compensation expense	(1,019)	(566)	(431)	(3,217)	(1,004)	(1,247)	(1,532)	(1,273)
Business realignment and officer severance costs	(14)	—	—	—	—	—	(198)	—
Non-GAAP research and development expenses	3,927	4,080	4,823	6,998	8,879	9,821	10,054	9,581
GAAP general and administrative expenses	31,543	15,644	15,084	30,455	22,321	2,304	2,502	17,050
Depreciation	(175)	(78)	(95)	(189)	(198)	(245)	(320)	(549)
Stock-based compensation expense	(19,693)	(5,809)	(4,615)	(1,523)	(3,329)	(2,663)	(2,986)	(2,702)
Change in fair value of contingent consideration	—	—	(303)	(12,830)	(5,045)	13,830	14,291	(355)
State sales tax reserve	(138)	(146)	(22)	—	—	—	—	—
Lease exit charges	(3,367)	—	—	—	—	—	—	—
Acquisition and due diligence costs	—	(735)	(1,426)	(537)	(561)	(207)	(839)	(1,080)
Business realignment and officer severance costs	(7)	(92)	—	—	—	—	(81)	(175)
Non-GAAP general and administrative expenses	8,163	8,784	8,623	15,376	13,188	13,019	12,567	12,189
GAAP amortization	(1,078)	(1,079)	(1,683)	(5,032)	(5,016)	(5,211)	(5,504)	(5,450)
GAAP loss from operations	(30,536)	(12,647)	(11,080)	(8,169)	(20,805)	(3,629)	(3,611)	(9,951)
Total non-GAAP adjustments ⁽¹⁾	26,625	8,739	8,801	25,160	15,636	(3,506)	(2,161)	12,145
Non-GAAP net income (loss) from operations	(3,911)	(3,908)	(2,279)	16,991	(5,169)	(7,135)	(5,772)	2,194
GAAP other income (expense), net	(9)	(13)	(15)	(563)	(1,186)	(1,231)	(1,249)	18,413
Gain on debt extinguishment	—	—	—	—	—	—	—	(19,097)
Interest expense, net	—	—	—	538	1,182	1,183	1,305	680
Non-GAAP other income (expense), net	(9)	(13)	(15)	(25)	(4)	(48)	56	(4)
GAAP loss before income taxes	(30,545)	(12,660)	(11,095)	(8,732)	(21,991)	(4,860)	(4,860)	8,462
Total non-GAAP adjustments ⁽¹⁾	26,625	8,739	8,801	25,698	16,818	(2,323)	(856)	(6,272)
Non-GAAP net income (loss) before income taxes	(3,920)	(3,921)	(2,294)	16,966	(5,173)	(7,183)	(5,716)	2,190
GAAP net loss	(30,567)	(12,715)	(11,491)	(10,958)	(22,129)	(3,253)	(4,886)	5,032
Income tax provision	22	55	396	2,226	138	(1,607)	26	3,430
Other non-GAAP adjustments	26,625	8,739	8,801	25,698	16,818	(2,323)	(856)	(6,272)
Non-GAAP net income (loss)	\$ (3,920)	\$ (3,921)	\$ (2,294)	\$ 16,966	\$ (5,173)	\$ (7,183)	\$ (5,716)	\$ 2,190
Shares used in computing non-GAAP basic net gain (loss) per share	32,172	32,741	33,333	34,917	35,477	36,084	36,202	36,360
Shares used in computing non-GAAP diluted net gain (loss) per share ⁽²⁾	32,172	32,741	33,333	45,621	35,477	36,084	36,202	42,487
Non-GAAP basic net gain (loss) per share	\$ (0.12)	\$ (0.12)	\$ (0.07)	\$ 0.49	\$ (0.15)	\$ (0.20)	\$ (0.16)	\$ 0.06
Non-GAAP diluted net gain (loss) per share	\$ (0.12)	\$ (0.12)	\$ (0.07)	\$ 0.37	\$ (0.15)	\$ (0.20)	\$ (0.16)	\$ 0.05

⁽¹⁾ Adjustments are comprised of the adjustments to GAAP cost of revenue, sales and marketing expenses, research and development expenses and general and administrative expenses and other (expense) income, net (where applicable) listed above.

⁽²⁾ In Q4 2021 and Q4 2022, the shares used in computing non-GAAP diluted net earnings (loss) per share include the dilutive effects of common stock options, RSUs, and warrants as well as the common stock issuable in connection with the convertible notes, which for the purposes of diluted net earnings per share will be presented as if the convertible senior notes were converted to common shares as of January 1, 2021.

VERITONE, INC.

Breakdown and Reconciliation of Non-GAAP Net Income (Loss) to GAAP Net Loss for Core Operations and Corporate

(in thousands)

	Three Months Ended December 31,					
	2022			2021		
	Core Operations ⁽¹⁾	Corporate ⁽²⁾	Total	Core Operations ⁽¹⁾	Corporate ⁽²⁾	Total
Net loss	\$ 3,466	\$ 1,566	\$ 5,032	\$ 12,231	\$ (22,130)	\$ (9,899)
Provision for income taxes	2,310	1,120	3,430	2,268	4	2,272
Depreciation and amortization	5,882	117	5,999	5,119	102	5,221
Stock-based compensation expense	2,526	2,010	4,536	1,986	4,586	6,572
Change in fair value of warrant liability	—	—	—	—	—	—
Change in fair value of Contingent consideration	—	355	355	—	11,771	11,771
State sales tax reserve	—	—	—	—	—	—
Lease exit charges	—	—	—	—	—	—
Interest expense, net	—	680	680	—	493	493
Gain on debt extinguishment	—	(19,097)	(19,097)	—	—	—
Acquisition and due diligence costs	—	1,080	1,080	—	537	537
Severance and executive search costs	175	—	175	—	—	—
Non-GAAP Net Income (Loss)	\$ 14,359	\$ (12,169)	\$ 2,190	\$ 21,604	\$ (4,637)	\$ 16,967

	Year Ended December 31,					
	2022			2021		
	Core Operations ⁽¹⁾	Corporate ⁽²⁾	Total	Core Operations ⁽¹⁾	Corporate ⁽²⁾	Total
Net loss	\$ (18,706)	\$ (6,530)	\$ (25,236)	\$ 8,298	\$ (72,970)	\$ (64,672)
(Benefit from) provision for income taxes	1,484	504	1,988	2,658	86	2,744
Depreciation and amortization	21,936	557	22,493	8,984	426	9,410
Stock-based compensation expense	10,138	8,977	19,115	6,575	33,488	40,063
Change in fair value of warrant liability	—	—	—	—	—	—
Change in fair value of Contingent consideration	—	(22,721)	(22,721)	—	12,074	12,074
State sales tax reserve	—	—	—	—	306	306
Lease exit charges	—	—	—	—	3,367	3,367
Interest expense, net	—	4,350	4,350	—	493	493
Gain on debt extinguishment	—	(19,097)	(19,097)	—	—	—
Acquisition and due diligence costs	—	2,688	2,688	—	2,698	2,698
Severance and executive search costs	512	28	540	—	349	349
Non-GAAP Net Income (Loss)	\$ 15,364	\$ (31,244)	\$ (15,880)	\$ 26,515	\$ (19,683)	\$ 6,832

⁽¹⁾Core Operations consists of our aiWARE operating platform of software, SaaS and related services; content, licensing and advertising agency services; and their supporting operations, including direct costs of sales as well as operating expenses for sales, marketing and product development and certain general and administrative costs dedicated to these operations.

⁽²⁾Corporate consists of general and administrative functions such as executive, finance, legal, people operations, fixed overhead expenses (including facilities and information technology expenses), other income (expenses) and taxes, and other expenses that support the entire company, including public company driven costs.

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

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023 E</u>
GAAP net loss	\$ (59,601)	\$ (61,104)	\$ (62,078)	\$ (47,876)	\$ (65,728)	\$ (25,236)	\$ (54,000)
Interest expense, net	496	-	-	9	538	4,350	4,000
Provision for (benefit from) income taxes	6	22	(1,452)	76	2,699	1,988	2,000
Depreciation and amortization	253	3,701	5,947	6,407	9,410	22,493	24,000
Stock-based compensation expense	16,089	14,383	19,402	19,539	40,063	19,115	20,000
Business realignment, severance and executive search costs ⁽¹⁾	-	-	279	145	349	540	-
Gain on debt extinguishment	-	-	-	-	-	(19,097)	-
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	-	-	-
Lease exit charges ⁽²⁾	-	-	-	16	3,367	-	-
Change in fair value of Contingent consideration	-	-	-	-	13,130	(22,721)	-
Costs associated with unsolicited acquisition proposal	-	116	-	-	-	-	-
Performance Bridge earn-out fair value adjustment	-	-	139	-	-	-	-
Machine Box contingent payments	-	1,386	1,600	-	-	-	-
Acquisition, due diligence, and integration-related costs	-	2,427	-	-	2,698	2,688	-
Non-GAAP net income (loss)	<u>\$ (30,209)</u>	<u>\$ (39,046)</u>	<u>\$ (36,179)</u>	<u>\$ (20,593)</u>	<u>\$ 6,832</u>	<u>\$ (15,880)</u>	<u>\$ (4,000)</u>

⁽¹⁾ Business realignment, severance and executive search costs consists of 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.

Note: GAAP net loss and non-GAAP net income (loss) figures FY 2023 reflect the midpoint of the Company's financial guidance provided March 2, 2023.

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

	(Unaudited, in thousands)								
	<u>Q1:2021</u>	<u>Q2:2021</u>	<u>Q3:2021</u>	<u>Q4:2021</u>	<u>Q1:2022</u>	<u>Q2:2022</u>	<u>Q3:2022</u>	<u>Q4:2022</u>	<u>Q1:2023 E</u>
GAAP net loss	\$ (30,567)	\$ (12,715)	\$ (11,401)	\$ (10,958)	\$ (22,129)	\$ (3,253)	\$ (4,886)	\$ 5,032	\$ (21,500)
Interest expense, net	-	-	-	538	1,182	1,183	1,305	680	1,000
Provision for (benefit from) income taxes	22	55	396	2,226	138	(1,607)	26	3,430	500
Depreciation and amortization	1,253	1,157	1,779	5,221	5,214	5,456	5,824	5,999	6,000
Stock-based compensation expense	21,610	6,609	5,271	6,573	4,816	4,661	5,102	4,536	5,000
Business realignment, severance and executive search costs ⁽¹⁾	257	92	-	-	-	-	365	175	-
Gain on debt extinguishment	-	-	-	-	-	-	-	(19,097)	-
Warrant expense	-	-	-	-	-	-	-	-	-
Write-off of debt discounts and debt issuance costs at IPO	-	-	-	-	-	-	-	-	-
Change in fair value of warrant liability	-	-	-	-	-	-	-	-	-
Change in fair value of contingent consideration	-	-	213	12,830	5,045	(13,830)	(14,291)	355	-
Gain on sale of asset	-	-	-	-	-	-	-	-	-
State sales tax reserve	138	146	22	-	-	-	-	-	-
Stock offering costs	-	-	-	-	-	-	-	-	-
Lease exit charges ⁽²⁾	3,367	-	-	-	-	-	-	-	-
Acquisition, due diligence, and integration-related costs	-	735	1,426	537	561	207	839	1,080	-
Non-GAAP net loss	<u>\$ (3,920)</u>	<u>\$ (3,921)</u>	<u>\$ (2,294)</u>	<u>\$ 16,967</u>	<u>\$ (5,173)</u>	<u>\$ (7,183)</u>	<u>\$ (5,716)</u>	<u>\$ 2,190</u>	<u>\$ (9,000)</u>

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

⁽²⁾ 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 2023 reflect the midpoint of the Company's financial guidance provided March 2, 2023.

VERITONE, INC.
Supplemental Financial Information

	<u>Mar 31,</u> <u>2021</u>	<u>Jun 30,</u> <u>2021</u>	<u>Sept 30,</u> <u>2021</u>	<u>Dec 31,</u> <u>2021</u>	<u>Mar 31,</u> <u>2022</u>	<u>Jun 30,</u> <u>2022</u>	<u>Sept 30,</u> <u>2022</u>	<u>Dec 31,</u> <u>2022</u>
Software Products & Services Supplemental Financial Information								
Software Revenue - Pro Forma (in 000's) ⁽¹⁾	\$ 10,183	\$ 20,072	\$ 21,860	\$ 40,223	\$ 18,167	\$ 18,379	\$ 20,812	\$ 27,220
Ending Software Customers ⁽²⁾	385	419	433	529	559	594	618	642
Average Annual Revenue ("AAR") (in 000's) ⁽³⁾	\$ 199	\$ 203	\$ 208	\$ 209	\$ 207	\$ 187	\$ 170	\$ 140
Total New Bookings (in 000's) ⁽⁴⁾	\$ 2,442	\$ 4,896	\$ 3,356	\$ 8,317	\$ 9,574	\$ 14,658	\$ 16,548	\$ 20,047
Gross Revenue Retention ⁽⁵⁾	>90%	>90%	>90%	>90%	>90%	>90%	>90%	>90%
	<u>Mar 31,</u> <u>2021</u>	<u>Jun 30,</u> <u>2021</u>	<u>Sept 30,</u> <u>2021</u>	<u>Dec 31,</u> <u>2021</u>	<u>Mar 31,</u> <u>2022</u>	<u>Jun 30,</u> <u>2022</u>	<u>Sept 30,</u> <u>2022</u>	<u>Sept 30,</u> <u>2022</u>
Managed Services Supplemental Financial Information								
Avg billings per active managed service client (in 000's) ⁽⁶⁾⁽⁷⁾	\$ 582	\$ 622	\$ 615	\$ 625	\$ 684	\$ 736	\$ 747	\$ 823
Revenue during quarter (in 000's) ⁽⁷⁾	\$ 10,327	\$ 9,968	\$ 9,647	\$ 10,857	\$ 10,735	\$ 9,625	\$ 10,035	\$ 11,074

(1) "Software Revenue - Pro Forma" includes historical Software Products & Services revenue from the past eight (8) fiscal quarters of each of Veritone, Inc. and PandoLogic Ltd. (unaudited) and presents such revenue on a combined pro forma basis treating PandoLogic Ltd. as owned by Veritone, Inc. since January 1, 2021.

(2) "Ending Software Customers" includes Software Products & Services customers as of the end of each respective quarter set forth above 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.

(3) "Average Annual Revenue (AAR)" is calculated as the aggregate of trailing twelve-month Software Products & Services revenue divided by the average number of Ending Software Customers over the same period for both Veritone, Inc. and PandoLogic Ltd.

(4) "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).

(5) "Gross Revenue Retention" is calculated by dividing the total customer retained revenue for Software Products & Services at the end of the specified quarter by the total customer revenue for Software Products & Services at the beginning of such quarter. This measures quarterly revenue lost from customer base, which we believe is our best indicator of customer retention.

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

(7) Managed Services revenue and metrics exclude content licensing & media services.

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

	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22
Software Products & Services	\$ 10,183	\$ 20,072	\$ 21,860	\$ 40,223	\$ 18,167	\$ 18,379	\$ 20,812	\$ 27,220
Managed Services	13,610	13,626	13,627	14,926	16,240	15,856	16,384	16,670
Total Revenue	\$ 23,793	\$ 33,698	\$ 35,487	\$ 55,149	\$ 34,407	\$ 34,235	\$ 37,196	\$ 43,890
Cost of Revenue	5,270	5,726	6,301	6,267	6,923	6,705	7,097	6,707
Gross Profit	\$ 18,523	\$ 27,972	\$ 29,186	\$ 48,883	\$ 27,484	\$ 27,530	\$ 30,099	\$ 37,183
<i>Gross Margin</i>	<i>78%</i>	<i>83%</i>	<i>82%</i>	<i>89%</i>	<i>80%</i>	<i>80%</i>	<i>81%</i>	<i>85%</i>
Total Operating Expenses	49,482	33,070	33,596	57,006	48,287	31,103	33,710	47,150
Operating Income (Loss)	(30,959)	(5,098)	(4,410)	(8,123)	(20,803)	(3,573)	(3,611)	(9,967)
Other (Income) / Expense	167	1,741	19,537	2,835	1,186	(1,231)	(1,249)	18,413
Add Back:	26,721	8,849	27,855	27,924	16,818	(4,841)	(3,354)	30,570
Non-GAAP Net Income (Loss)	\$ (4,406)	\$ 2,009	\$ 3,908	\$ 16,966	\$ (5,171)	\$ (7,183)	\$ (5,716)	\$ 2,190

VERITONE, INC.
Supplemental Revenue Breakdown and Comparisons
(Unaudited, Dollars in Thousands)

Revenue by Business	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Commercial Enterprise								
Software Products & Services	3,395	5,131	8,069	38,888	17,386	17,508	19,800	26,055
Managed Services	13,610	13,626	13,627	14,927	16,240	15,856	16,384	16,670
Sub-total	17,005	18,757	21,697	53,815	33,626	33,364	36,184	42,725
Government & Regulated Industries								
Software Products & Services	1,290	448	958	1,335	781	871	1,012	1,165
Managed Services	-	-	-	-	-	-	-	-
Sub-total	1,290	448	958	1,335	781	871	1,012	1,165
Total revenue	\$ 18,295	\$ 19,205	\$ 22,655	\$ 55,149	\$ 34,407	\$ 34,235	\$ 37,196	\$ 43,890

VERITONE, INC.
RECONCILIATION OF PRO FORMA REVENUE TO REVENUE AND CALCULATION OF AAR
(in thousands)

	Quarter Ended							
	Mar 31, 2021	Jun 30, 2021	Sept 30, 2021	Dec 31, 2021	Mar 31, 2022	Jun 30, 2022	Sept 30, 2022	Dec 31, 2022
Software Products & Services Revenue	\$ 4,685	\$ 5,580	\$ 9,027	\$ 40,223	\$ 18,167	\$ 18,379	\$ 20,812	\$ 27,220
PandoLogic Revenue	5,498	14,492	12,833	—	—	—	—	—
Software Revenue - Pro Forma	\$ 10,183	\$ 20,072	\$ 21,860	\$ 40,223	\$ 18,167	\$ 18,379	\$ 20,812	\$ 27,220
Managed Services Revenue	13,610	13,626	13,628	14,926	16,240	15,856	16,384	16,670
Total Pro Forma Revenue	<u>\$ 23,793</u>	<u>\$ 33,698</u>	<u>\$ 35,488</u>	<u>\$ 55,149</u>	<u>\$ 34,407</u>	<u>\$ 34,235</u>	<u>\$ 37,196</u>	<u>\$ 43,890</u>
	Trailing Twelve Months Ended							
	Mar 31, 2021	Jun 30, 2021	Sept 30, 2021	Dec 31, 2021	Mar 31, 2022	Jun 30, 2022	Sept 30, 2022	Dec 31, 2022
Software Products & Services Revenue	\$ 15,439	\$ 18,017	\$ 23,693	\$ 59,515	\$ 72,997	\$ 85,796	\$ 97,581	\$ 84,578
PandoLogic Revenue	50,283	57,262	59,292	32,824	27,325	12,833	—	—
Software Revenue - Pro Forma	\$ 65,722	\$ 75,279	\$ 82,985	\$ 92,339	\$ 100,322	\$ 98,629	\$ 97,581	\$ 84,578
Managed Services Revenue	43,845	52,019	53,279	55,789	58,419	60,546	63,406	65,150
Total Pro Forma Revenue	<u>\$ 109,567</u>	<u>\$ 127,298</u>	<u>\$ 136,264</u>	<u>\$ 148,128</u>	<u>\$ 158,741</u>	<u>\$ 159,175</u>	<u>\$ 160,987</u>	<u>\$ 149,728</u>
Average Number of Software Customers - Pro Forma	330	372	399	442	485	529	575	603
Average Annual Revenue (AAR)	\$ 199	\$ 203	\$ 208	\$ 209	\$ 207	\$ 187	\$ 170	\$ 140

VERITONE, INC.
RECONCILIATION OF NON-GAAP GROSS PROFIT TO LOSS FROM OPERATIONS

(in thousands)

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2022	2021	2022	2021
Loss from operations	\$ (9,951)	\$ (7,109)	\$ (37,995)	\$ (61,373)
Sales and marketing	13,780	11,349	51,345	28,935
Research and development	10,854	10,215	43,589	25,075
General and administrative	17,050	29,395	44,177	91,667
Amortization	5,450	5,032	21,180	8,872
Non-GAAP gross profit	<u>\$ 37,183</u>	<u>\$ 48,882</u>	<u>\$ 122,296</u>	<u>\$ 93,176</u>