Conversational AI That's *More Human*™

SoundHound AI Investor Presentation

November 2023

SoundHound.com

SoundHound

Disclaimer and Other Important Information

Forward Looking Statements

This presentation contains forward-looking statements, which are not historical facts, within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In some cases, you can identify forward-looking statements by the use of words such as "may," "could," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "predict," "potential," "continue," "likely," "will," "would" and variations of these terms and similar expressions, or the negative of these terms or similar expressions. These forward-looking statements include, but are not limited to, statements concerning our expected financial performance, our ability to implement our business strategy and anticipated business and operations, including our ability to improve our Generative AI Foundation Model, expand our White Castle partnership and roll out our AI drive thru service, roll out our Dynamic Interaction, Chat AI for Automotive, and expand the number of platforms on which our voice AI technology will be available, the potential utility of and market for our products and services, our ability to achieve revenue from our bookings backlog, guidance for financial results for fourth quarter 2023. Such forward-looking statements are necessarily based upon estimates and assumptions that, while considered reasonable by us and our management, are inherently uncertain. As a result, readers are cautioned not to place undue reliance on these forward-looking statements. Our actual results may differ materially from those expressed or implied by these forward-looking statements as a result of risks and uncertainties impacting SoundHound's business including, our ability to successfully launch and commercialize new products and services and derive significant revenue, our ability to develop the bespoke products and services required under the contracts included in our bookings backlog, including, but not limited to, our ability to convert customer adoption of Smart Ordering into realized revenue, our ability to predict or measure supply chain disruptions at our customers, our market opportunity and our ability to acquire new customers and retain existing customers, the timing and impact of our growth initiatives, level of product service failures that could lead our customers to use competitors' services, our ability to predict direct and indirect customer demand for our existing and future products, our ability to hire, retain and motivate employees, the effects of competition, including price competition within our industry segment. technological, regulatory and legal developments that uniquely or disproportionately impact our industry segment, developments in the economy and financial markets and those other factors described in our risk factors set forth in our filings with the Securities and Exchange Commission from time to time, including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. We do not intend to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

Use of Projections

The financial projections, such as cumulative bookings backlog, presented in this presentation, with respect to SoundHound represent SoundHound management's current estimates of future performance based on various assumptions, which may or may not prove to be correct. SoundHound's independent registered public accounting firms have not audited, reviewed, compiled or performed any procedures with respect to the projections and, accordingly, they did not express an opinion or provide any other form of assurance with respect thereto. These projections constitute forward-looking information, are presented for illustrative purposes only and should not be relied upon as being necessarily indicative of future results. The assumptions and estimates underlying these projections are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risk that could cause actual results to differ materially from those contained in these projections. Accordingly, there can be no assurance that these projections will be realized. Further, industry experts and others may disagree with these assumptions and with SoundHound management's view of the market and the prospects for SoundHound. Our ability to recognize our cumulative booking backlog and to service the total addressable market is subject to various risks and uncertainties, including our ability to obtain additional capital, including equity or debt financing, to continue operations.

Use of Data

This presentation also contains statistical data, estimates and forecasts made by independent parties and by us relating to market size and growth, as well as other data about our industry and business. These data involve a number of assumption and limitations, and we have not independently verified the accuracy or completeness of these data. Neither we nor any other person makes any representation as to the accuracy or completeness of such data or undertakes any obligation to update such data after the date of this presentation. In addition, projections, assumptions and estimates of our future performance of the markets we operate are necessarily subject to a high degree of uncertainty and risk.

SoundHound AI Highlights

Best-in-class voice AI technology surpassing competitors in speed, accuracy, and complex language understanding with a deep patent portfolio and generative AI

Strategically positioned as the leading independent voice AI platform with fully integrated, proprietary solutions in 25 languages on both cloud-enabled and hardware-embedded devices

Massive $160B+ total addressable market with large barriers to entry creating deep competitive moat

In production at scale with prominent global brands across industries with $342M cumulative bookings backlog

Strong financial momentum, demonstrating healthy growth and steady progress in driving efficiencies and improving cash flow

The Company is driving towards adjusted EBITDA positive

# SoundHound AI – *The Choice of the World's Leading Brands*

Our platform powers the voice experience in millions of products around the world

April 2022
SoundHound goes public
(Nasdaq: SOUN)

HOUNDIFY
SoundHound's Developer Platform

SoundHound AI Products Launched
- Smart Answering
- SoundHound Chat AI
- Smart Ordering
- Dynamic Interaction

>2.9 Bn Queries[1]

SoundHound Inc.
Company Founded

DODGE HONDA STELLANTIS

KIA Jeep ALFA ROMEO HYUNDAI Square toast

FIAT CHRYSLER GENESIS LG ORACLE Food and Beverage White Castle

PEUGEOT VAUXHALL OPEL CITROËN Qualcomm HARMAN A SAMSUNG COMPANY olo Jersey Mike's SUBS

Viral Demo:
"This Is Insane"

ddl Snap Inc. VIZIO pandora DPCA RAM ABARTH Togg Krispy Kreme DOUGHNUTS

Stealth Voice
AI Innovation

2005   2015   2016   2017 - 2021   2022   2023+

25 Languages:

1. Annual query run rate based on >240 million queries per month as of September 30, 2023

SoundHound

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4

"This is Insane!"

Number 1 post on Reddit with 2+ million views in one day
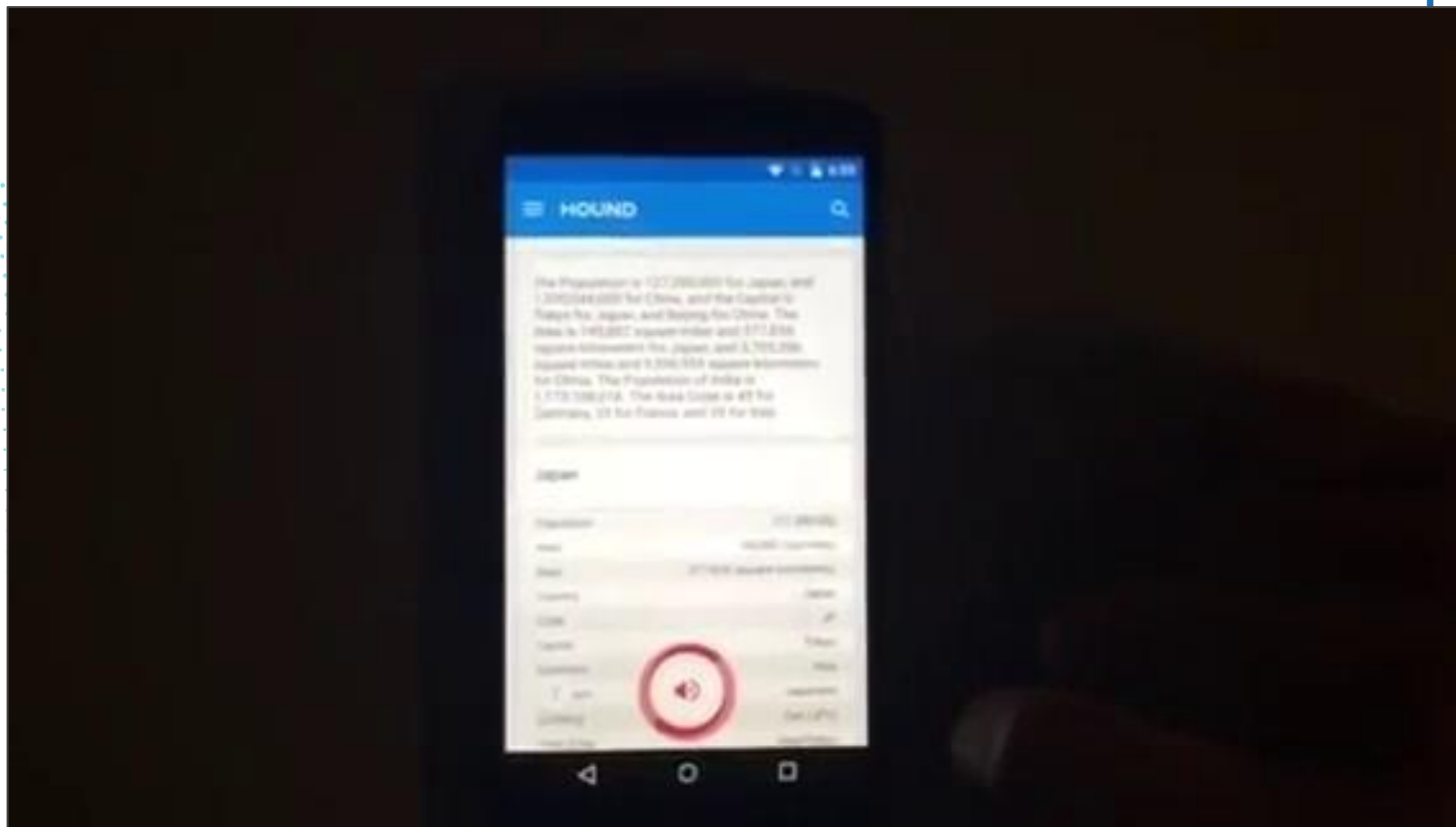
Our Mission

Our Vision

Voice-enable the world with conversational intelligence.

Create a conversational AI platform that:

exceeds human capabilities

delivers **value and delight** to end users

creates an **ecosystem** with **billions of products**

enables **innovation and monetization opportunities** for product creators

SoundHound's Disruptive Voice AI Products

Portfolio of advanced products deliver conversational AI that's *more human*™

smart answering

a custom AI-powered voice assistant and answering service.

dynamic interaction

a category-level breakthrough in conversational AI that raises the bar for human-computer interaction by not only recognizing and understanding speech, but also responding and acting in real-time.

smart ordering

Easy-to-understand voice assistant that takes phone orders and automatically processes them.

SoundHound Chat AI

The fastest, smartest, most up-to-date Voice Assistant with large language model integration.

SoundHound

SoundHound's Disruptive Voice AI <u>Technology</u>

Portfolio of advanced technologies deliver conversational AI that's *more human™*

Speech-to-Meaning®

Breakthrough technology that understands speech like humans.

Generative AI

Large language model integration extends the capabilities and depth of domains, delivering a superior, natural conversational experience.

Deep Meaning Understanding®

Enabling natural and complex conversations

Collective AI®

AI with a collective of domains & knowledge that is bigger than the sum of its parts.

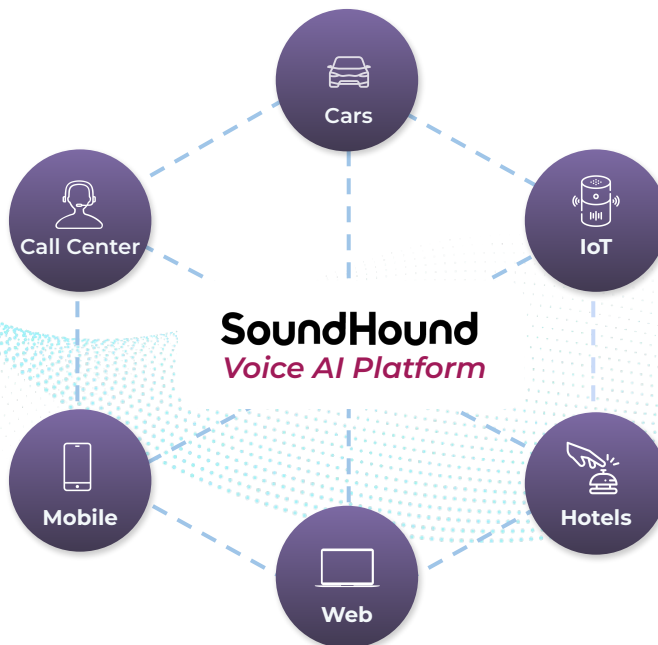SoundHound

We Believe Every Company Needs Voice AI

Voice AI delivers business value, unifies customer service, and increases safety

Voice AI Business Value	**Multichannel Integration**	**SoundHound Advantages**

Voice AI Business Value

Lowers costs
Solves staffing challenges

Increases revenues
Smart upsell

Increases retention
Customer personalization and loyalty

Enables new use cases
Unleashing the full potential of IoT

Increases safety
Reduced driver distraction and touchless interfaces for a pandemic-impacted world

Multichannel Integration

Cars

Call Center

IoT

SoundHound
Voice AI Platform

Mobile

Hotels

Web

SoundHound Advantages

Breakthrough voice AI technology developed over two decades

Independent platform giving businesses full data privacy controls and ability to garner insights from data

White-labeled solution that offers ability to have brand-owned voice experiences that build loyalty

An ecosystem that drives monetization opportunities by connecting users with services on SoundHound's platform

Holistic solution with cloud and edge connectivity options, a wide range of domains, and ability to customize

We Continue to Revolutionize Human-Computer Interaction for Commercial Use Cases
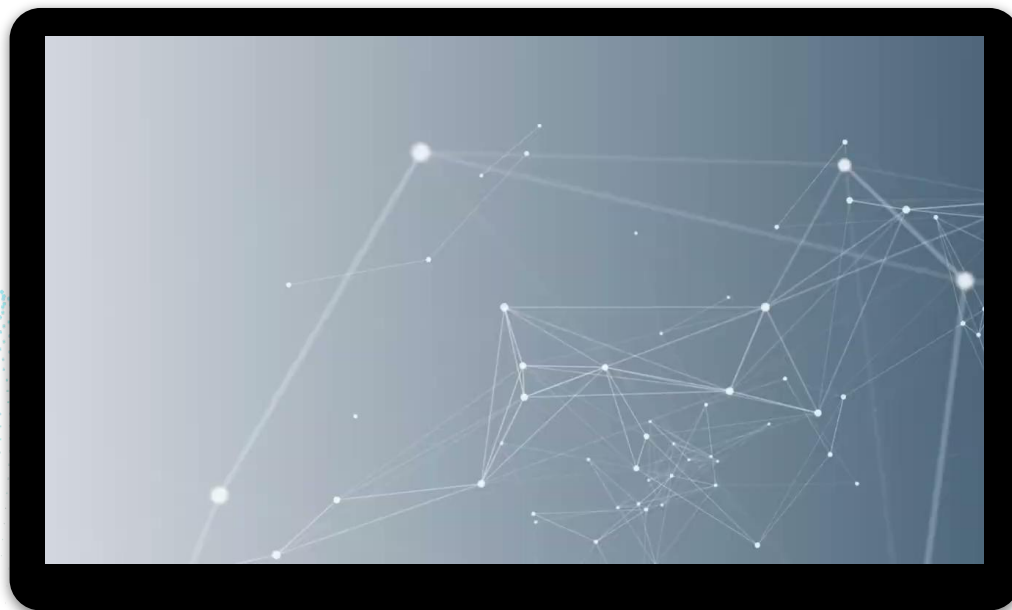
Dynamic Interaction is a groundbreaking real-time, multimodal, full-duplex interface poised to revolutionize human-computer interaction
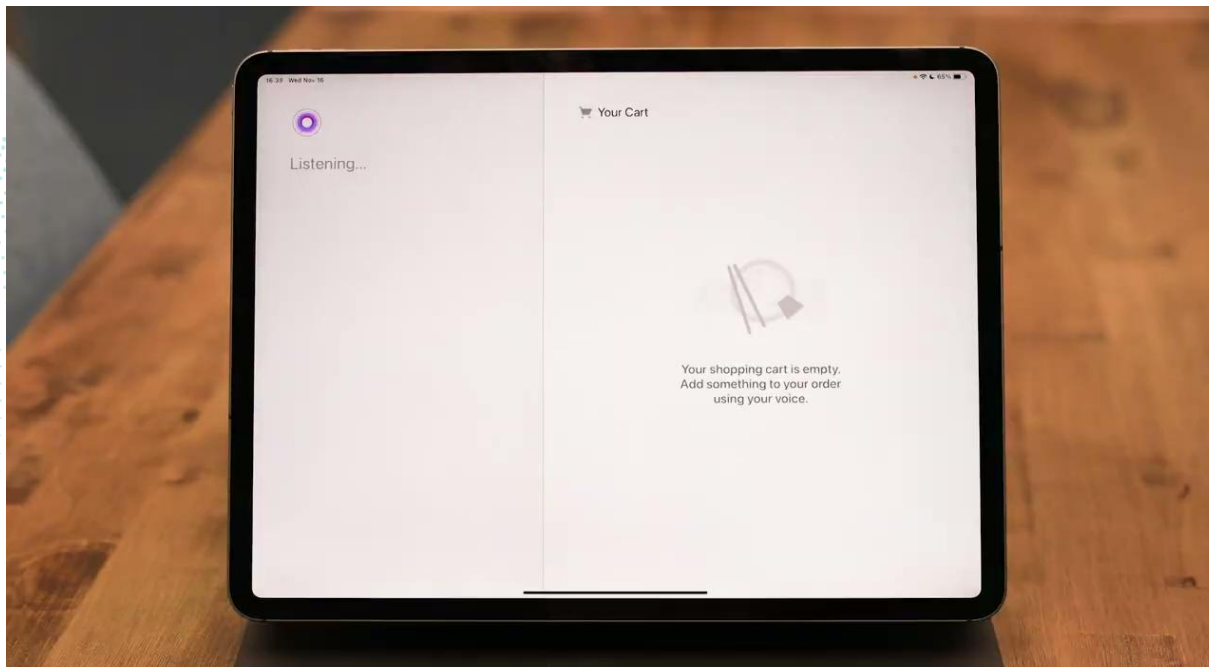
SoundHound Chat AI

Voice-Enabled Platform that Combines real-time Information Domains and Generative AI Models like ChatGPT
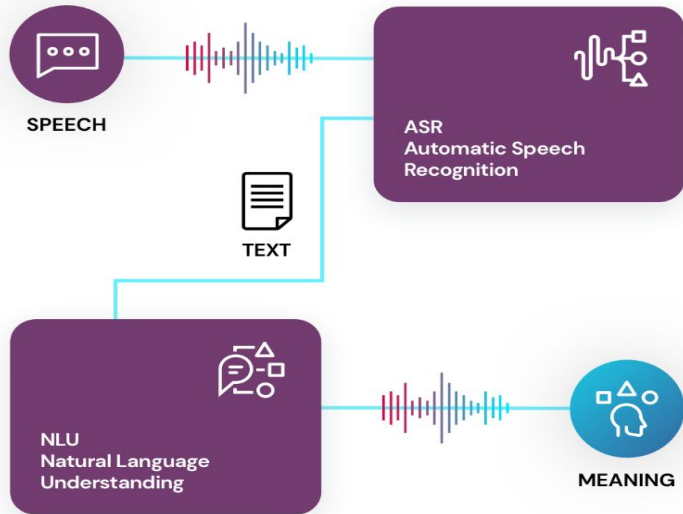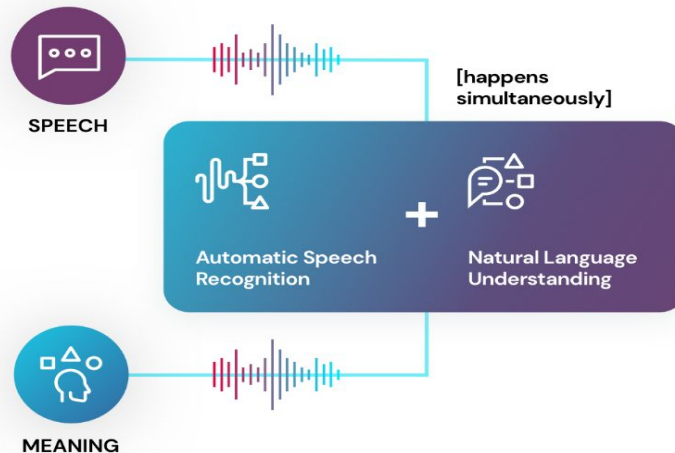
SoundHound's Breakthrough Voice AI Platform

SoundHound's proprietary Speech-to-Meaning® technology combines ASR and NLU to understand speech in real-time

Typical voice AI technologies
involve two steps,

SPEECH

ASR
Automatic Speech
Recognition

TEXT

NLU
Natural Language
Understanding

MEANING

SoundHound
gets it done in one.

SPEECH

[happens simultaneously]

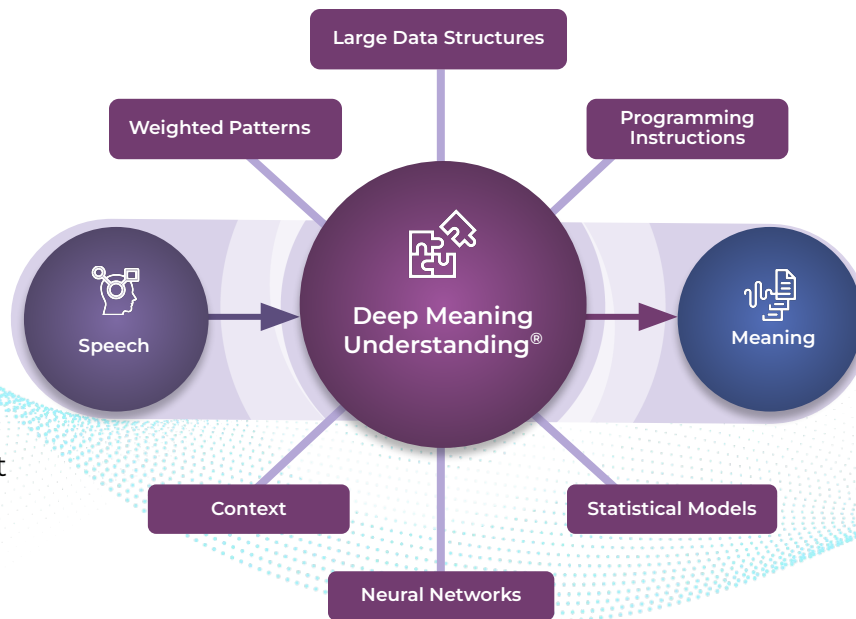Automatic Speech Recognition **+** Natural Language Understanding

MEANING

Faster, more efficient, and with greater accuracy

Deep Meaning Understanding®

Enabling natural and complex conversations

- ✓ Understands complex conversations
- ✓ Understands context
- ✓ Automatically creates a searchable space and allows dynamic changes
- ✓ Lightning-fast searches that avoid early classifications
- ✓ Real time speech or text input
- ✓ Executes code in real time
- ✓ Scalable

Large Data Structures

Weighted Patterns

Programming Instructions

Speech

Deep Meaning Understanding®

Meaning

Context

Statistical Models

Neural Networks

Show me hotels in San Francisco that are less than $600 but not less than $300, are pet friendly, have a gym and a pool, with at least 3 stars, staying for 2 nights, and don't include anything that doesn't have wi-fi.

Here are several hotels matching your criteria.

Sort by lowest price.

OK! Here are several results sorted by lowest price

What if I check in tonight and stay for 2 nights?

Showing 1 result for September 10, staying for 2 nights

Collective AI® Vision

A global AI that knows the answer to any question and can perform any task

Extensible collective AI platform for developer collaboration to create a global AI that is always learning and is larger than the sum of its parts:

- Interconnected domains and knowledge graphs

- Crowdsourced to domain experts

- Intelligence increases exponentially based on linear contribution

- Full flexibility for contributors and product creators
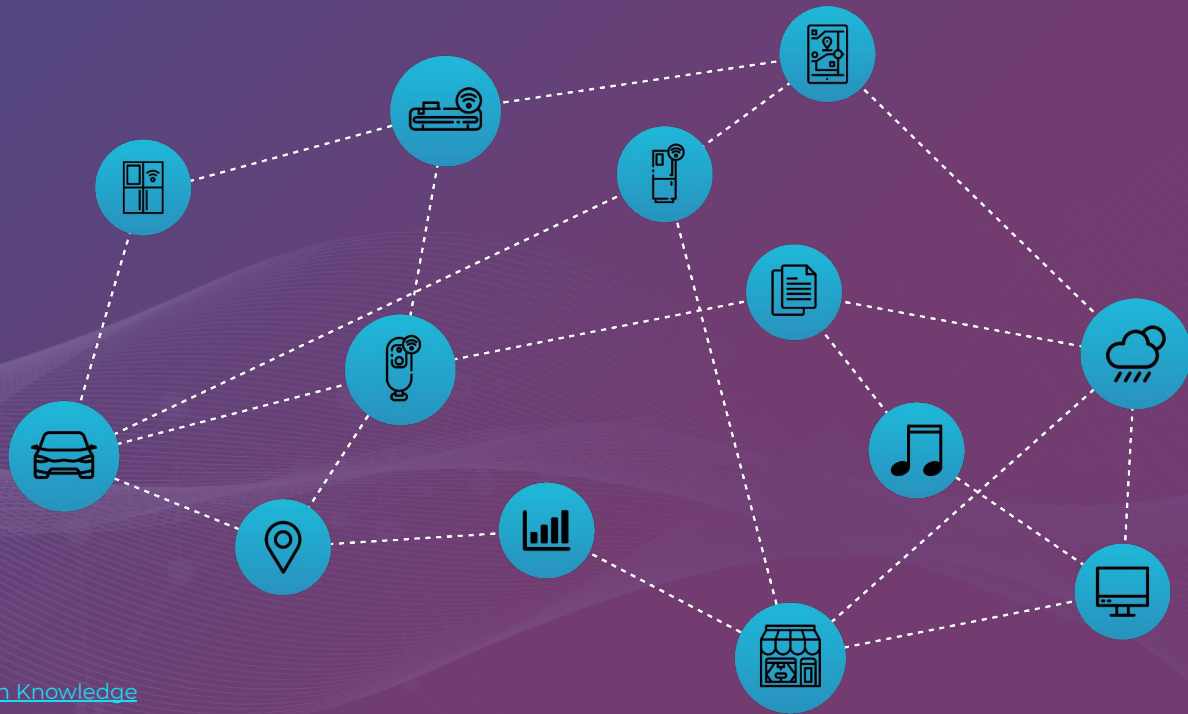
Collective AI - Crowdsourced, Always-Learning Domain Knowledge

SoundHound

Strong Patent Protection

260+ Patents: 120+ granted, 140+ pending

Speech Recognition
ASR accuracy, SLMs, AM training, pronunciations, phrase spotting, EOU detection, speech attribute detection

Natural Language
Domains, grammars & phrasings, parsing & interpretation, slot values, disambiguation & modal dialog, query API access, response information, transcriptions

Machine Learning
Neural networks & training, statistical modeling, embeddings & dimensionality reduction, crowdsourcing, recommendation, database management, prediction, privacy

Human Interfaces
Microphone, displays, device states, engagement, TTS voices, query cut-offs, personalization, conversations, searching, filtering

Platform and Tools
Platforms, SDKs, developer interfaces, content/data providers

Advertising
Ads, profiling, thoughts & concepts, monitoring, bidding, buying/purchasing, payments

Consumer Electronics
Portable devices, wearable devices, automobiles, appliances, offline capabilities

Audio and Music
Fingerprinting & music recognition, broadcast & source identification, lyrics synchronization, sing/hum recognition

SoundHound

Why We Win: SoundHound's Undeniable Criteria for Adoption

We believe our custom Voice AI innovation delivers the greatest value for third-party integration

Technology

Legacy Tech	Big Tech	SoundHound
Outdated	Current	**Disruptive**

Breakthrough tech with integrated Generative AI domains. We believe we have a meaningful lead on the competition and 15+ years of voice AI data accumulation

Brand / Data Control

Big Tech	Legacy Tech	SoundHound
Loss brand / data		**Independent / White Label**

Full control over brand, users, and data. Full privacy control establishes trust with customers

Financial

Legacy Tech	Big Tech	SoundHound
Incur costs	Free with repercussions	**Generates revenue**

Privacy Control

Big Tech	Legacy Tech	SoundHound
Low privacy		**Control privacy**

Ecosystem

Legacy Tech	Big Tech	SoundHound
Limited domains	Self-serving	**Collective AI**

Edge Hybrid

Big Tech	Legacy Tech	SoundHound
Cloud only		**Cloud and Edge**

Conflict of Interest

Big Tech	Legacy Tech	SoundHound
Conflict	Neutral vendor	**Fully-aligned partner**

Differentiation and Innovation

Legacy Tech	Big Tech	SoundHound
Low	Self-Serving	**Custom Innovation**

Competitive Advantage*	"Big Tech" 1	"Big Tech" 2	"Big Tech" 3	Legacy Vendors	"Big Tech" 4	SoundHound
Speech-to-Meaning® (Real-Time ASR-NLU)						✔
Basic NLU	✔	✔	✔	✔	✔	✔
Deep Meaning Understanding® (Complex Conversational Support)						✔
NLU Platform	✔				✔	✔
Collective AI® (Extensible Platform)						✔
Dual Hybrid Technology				✔		✔
Embedded Offline Recognition				✔		✔
Hundreds of Content Domains	✔				✔	✔
Monetization Revenue						✔
Custom Wake Word / Multiple Wake Words				✔		✔
Own Your Brand Experience				✔		✔
Complete Cross-Industry Offering						✔
Independent and Platform Agnostic				✔		✔
Custom Solutions and Support				✔		✔

Massive Market Opportunity for Voice AI

Voice AI Delivers Real Value to Consumers and Businesses of All Sizes Across Many Industries

Estimated Total Addressable Market

$160B+

TAM (2026E)[1]

Industries with SoundHound Products in Market or in Development

Auto/Mobility
- Voice assistant
- Maintenance
- Autonomous vehicles

Rest./Cust. Service
- Food ordering
- Reservation booking
- Appointments

IoT
- Voice assistant
- Smart appliances
- Smart devices

Entertainment
- Search and discovery
- Ticket booking
- Purchases

Industries Representing Future Opportunities for SoundHound

Financial
- Account information
- Transfers / payments
- FAQ automation

Retail
- eCommerce
- In-store kiosks
- CRM

Enterprise
- HR/IT support
- Inventory management
- Workflow automation

Healthcare
- Appointment scheduling
- Prescription refills
- Symptom checker

Contact Center
- Customer service automation
- Agent assist

1. Juniper: Voice Assistant Market (April 2020)

Growth in Connected Devices is a World of Untapped Opportunity

2015
15.4B
connected global devices

2025
75.4B
connected global devices

✓ Limited or no interface
✓ Voice AI unleashes the power of the Internet to users
✓ Voice AI brings products to life
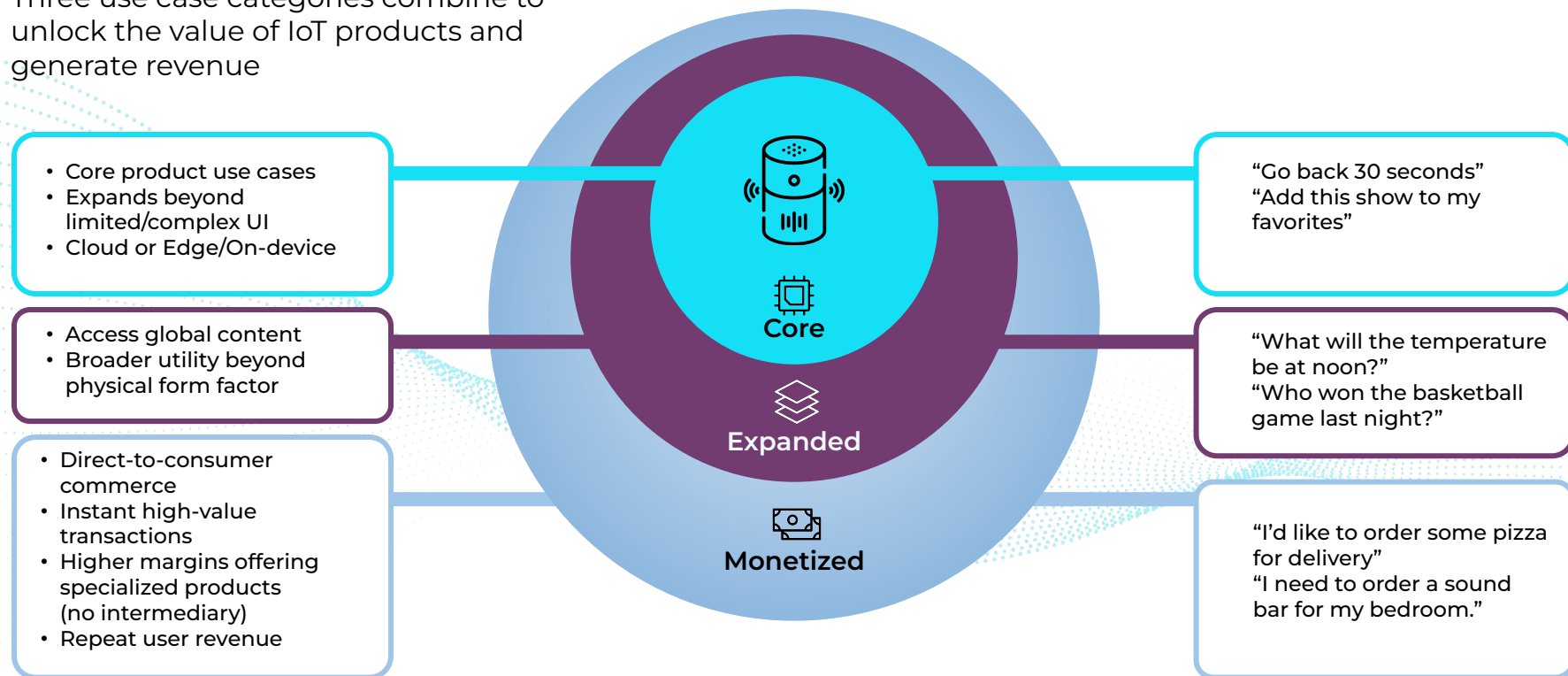✓ Voice AI converts IoT to AIoT

Source: IHS

SoundHound

The SoundHound Ecosystem Extends Product and Brand Value

Three use case categories combine to unlock the value of IoT products and generate revenue

- Core product use cases
- Expands beyond limited/complex UI
- Cloud or Edge/On-device

Core

"Go back 30 seconds"
"Add this show to my favorites"

- Access global content
- Broader utility beyond physical form factor

Expanded

"What will the temperature be at noon?"
"Who won the basketball game last night?"

- Direct-to-consumer commerce
- Instant high-value transactions
- Higher margins offering specialized products (no intermediary)
- Repeat user revenue

Monetized

"I'd like to order some pizza for delivery"
"I need to order a sound bar for my bedroom."

Three Revenue Generation Pillars

Established royalty and subscription revenues creating an ecosystem of voice advertising and commerce

Products

Voice-enabled products across automotive and consumer electronics (IoT)

1. Royalties

- Based on volume, usage, and life
- Revenue per device / user
- Revenue per device / unit of time

Pillar I

Services

Customer service, food ordering, content, appointments, and purchasing opportunities.

2. Subscription

- Revenue from usage-based monthly fees
- Revenue per query
- Revenue per month / location

Pillar II

Ads & Commerce

Revenue from users of Products (Pillar I) accessing Services (Pillar II)

3. Monetization

- Commissions on ordering
- Intent-based sponsorship
- High value focused targeting
- Revenue share with customers
- Replace cost with future revenue

Pillar III

SoundHound

Flywheel Effect of Three Revenue "Pillars" Generates Compounded Growth

Leads

1. PRODUCTS
Product adoption increases revenue share and offers more services

2. SERVICES
Services through SoundHound AI platform increase revenue as product usage scales

3. ADS/COMMERCE
Voice Commerce and Ads increase as user queries grow and users transact more frequently

Shared Revenue

Impressions

The Flywheel Effect: **Customer adoption of SoundHound's Product and Services generate demand for ads and commerce. As usage increases new revenue opportunities are created expanding the Total Addressable Market**

Pillar I Select Market Opportunity: Automotive

Immediate Opportunity
Increase penetration with existing customers

SoundHound is at the inflection point of building scale with existing customers

Next Opportunity
Increase penetration by ~15x while more than doubling customer base

SoundHound has significant future opportunities to grow share with new and existing customers, including new EV entrants

2021 TAM

~55% Units are voice AI enabled

Global Light Vehicle (GLV) Auto Market[1]
~80M Units

# of units produced by existing customers

Existing Auto Customers
~20M Units

1% - 2% Current customer auto unit penetration

Auto Unit Penetration

2026 TAM

~70% Units are voice AI enabled

Global Light Vehicle (GLV) Auto Market[1]
~94M Units

Auto Customers (New and Existing)[1]
~46M Units

30-35% Auto Unit Penetration new and existing

SoundHound AI

Leading Automotive Brands Currently Powered by SoundHound Technology

1. Global light vehicle unit sales (IHS Markit). New and existing, company estimate.

DODGE · DPCA · FIAT · Jeep · HYUNDAI · CHRYSLER · KIA · GENESIS · Togg

CITROËN · PEUGEOT · RAM · HONDA · VAUXHALL · OPEL · DS AUTOMOBILES · ALFA ROMEO · LANCIA · MOPAR · ABARTH

Pillar II Select Market Opportunity: Restaurants

Immediate Opportunity
Massive expansion opportunity within restaurants. Can scale much faster with short sales cycle

SoundHound has a more than a $1Bn revenue opportunity globally.[1] With a particular focus on the industries fastest growing sector: off premise restaurants (Delivery, Takeout & Drive Thru), SoundHound is poised to grow rapidly as restaurants turn to Tech.

	2021	2026
Global Restaurant TAM[2]	**~$2.5T** ➡	**~$3.7T**
Restaurants in the United States[3]	**~1M** ➡	**~1.6M**

SoundHound AI
Growing Partnerships with Payment Services, Delivery Apps and Restaurants

Bozzelli's FAMILY OWNED PIZZA SHOP · NOI THAI CUISINE · Square · toast · olo · ORACLE Food and Beverage · Jersey Mike's SUBS · Krispy Kreme DOUGHNUTS · Nat's HALAL FOOD · HOT TABLE · White Castle · BEEF 'O' BRADY'S GOOD FOOD, GOOD SPORTS · KNEADERS BAKERY & CAFE · TONYBURGERS PREMIUM BURGERS · Sam & Louie's · CORELIFE EATERY · Bubbakoo's Burritos

1.As per Juniper: Voice Assistant Market (April 2020); 2.Statista, May 2022, Expected 4.43T with 9.9% CAGR through 2028; 2026 estimated; 3.National Restaurant Association; 2026 estimated based on global market 9.9% CAGR

Pillar III Market Opportunity: Monetization

Next Opportunity:
Voice AI monetization provides brands new revenue opportunities to monetize their products and services through ecommerce, services and digital advertising

Implied Revenue Per User: SoundHound's projected revenue per device is conservative relative to Facebook and Google's historical figures

SoundHound Projection
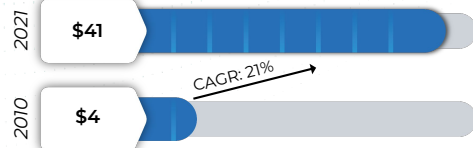
Aggregate Monetization per Device / Year

- **2026E** >$3
- **2022** <$0.3

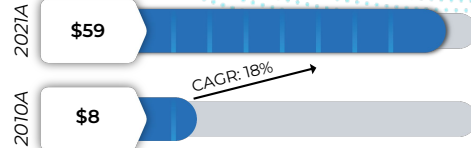CAGR: ~75%
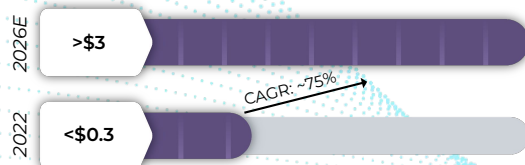
Voice AI Transactions
Select examples

- ✓ Restaurant Ordering
- ✓ Grocery Shopping
- ✓ Entertainment
- ✓ Retail and E-Commerce
- ✓ Auto Services, Gas and Parking
- ✓ IoT Products
- ✓ Digital Advertising
- ✓ Other Services

Historical Industry KPIs

Facebook (Global) ARPU
Facebook (US) ARPU: $164

- **2021** $41
- **2010** $4

CAGR: 21%

Google (Global) ARPU
Google (US) ARPU: $281

- **2021A** $59
- **2010A** $8

CAGR: 18%

Global and U.S. TAMs

	2021	2026
E-Commerce Market		
Global	$4.9TN	**$7.4TN**
U.S.	$870BN	**$1.3TN**
Digital Advertising Market		
Global	$521BN	**$820BN**
U.S.	$189BN	**$315BN**

*Voice ads are **10x** more effective than traditional digital ad channels [1]*

Source: Management estimates, Company materials, Wall Street research, and online sources.
(1) SXM media survey (January 2021)
Note: SoundHound assumes average of 1 user per device during the forecast period. Google user count estimated to grow with world population.

Third Quarter 2023 Financial Results

	Cumulative Bookings Backlog*	Reported Revenue	Gross Margin	EPS	Adj. EBITDA
3Q23	$342M	$13.3M	73%	($0.09)	($7.3M)
Change (YoY)	↑ +$40M (+13%)	↑ +$2.1M (+19%)	↑ -4PP	↑ +$0.06	↑ +$9.6M (+57%)
3Q22	$302M	$11.2M	77%	($0.15)	($16.9M)

*As of September 30, 2022 and 2023

SoundHound

First Nine Months 2023 Financial Results
Fourth Quarter 2023 Outlook

$342 Million
Cumulative Bookings Backlog As of September 30

Revenue to $28.7 Million
Nine Months Reported Revenue

Gross Margin of 74%
Nine Months Gross Margin Improved 600 Basis Points YoY

Adjusted EBITDA Improves 41% YoY
Nine Months Adjusted EBITDA Improved $22 Million YoY

Total Cash of $110 Million
$96 Million of Unrestricted Cash

Cash Flow Improves 26% YoY
Nine Months Net Cash Used in Operating Activities

Rapid Innovation for Voice AI Offerings
Smart Ordering, Smart Answering, Dynamic Interaction,
SoundHound Chat AI, Vehicle Intelligence

Q4 2023 Revenue Outlook
$16M to $20M

SoundHound

Focus on Efficiently and Scaling the Business With Strong Growth

Condensed Historical Financials   YTD Financials

(thousands)	2020	2021	2022	YTD 2023
Revenue	$ 13,017	$ 21,197	$ 31,129	$ 28,726
Cost of revenue	$ 5,863	$ 6,585	$ 9,599	$ 7,396
Sales & marketing	$ 4,739	$ 4,240	$ 20,367	$ 14,424
Research & development	$ 54,279	$ 59,178	$ 76,392	$ 38,726
General & administrative	$ 14,140	$ 16,521	$ 30,443	$ 20,644
Operating expenses	$ 79,021	$ 86,524	$ 136,937	$ 84,941*
Operating loss	$ (66,004)	$ (65,327)	$ (105,672)	$ (56,215)
Net loss	$ (74,407)	$ (79,540)	$ (116,713)	$ (70,934)
Gross margin	55%	69%	69%	74%
Adjusted EBITDA**	$ (54,070)	$ (53,503)	$ (72,578)	$ (32,009)
Operating cash flow	$ (46,304)	$ (66,177)	$ (94,019)	$ (54,395)

Rapid Innovation-Strategic GTM-Efficient Operations

Product Development
- Rapidly innovating to scale new products and enhance existing capabilities

Sales and Marketing
- Global sales and marketing team with strategic focus on customer acquisition, scale and recurring revenue streams

Operations
- Building efficiency with finance, legal and operating professionals to support rapid growth

Mid-Term Financial Targets

✔ **Continued strong revenue growth ('20 - '22 CAGR: +55%)**

✔ **Sustained annual gross margin of 70%+**

✔ **Driving towards adjusted EBITDA positive**

*Includes $3,751 of Restructuring expenses
**Refer to 'Reconciliation of GAAP Net Loss to Non-GAAP Adjusted EBITDA' table for more details

SoundHound

SoundHound AI
Conversational AI That's *More Human*™

SoundHound.com

APPENDIX

Technology Leaders Disrupted Markets and Expanded Upon Them

Microsoft

- Disrupted desktop computing
- Operating system
- Business value for *Product Creators*

Apple

- Disrupted mobile
- Monetization platform
- Business value for *Developers*

Google

- Disrupted Internet search
- Keyword bidding
- Business value *for Advertisers*

amazon

- Disrupted commerce
- E-commerce optimized for *Customers*
- Business value for *Merchants*

SoundHound

Positioned to be the leader in Human-Computer interaction and the next generation of search monetization

Disrupting Human-Computer Interfaces

- ✓ Billions of products with voice AI Conversational interactions
- ✓ Reactive and proactive engagement
- ✓ 260+ patents with 40+ patents in conversational monetization
- ✓ Business value for *Product Creators, Advertisers, Developers, and Merchants*
- ✓ Proven adoption with 2.8 billion annual query traffic

Growing Void and Demand for an Independent Voice AI Platform

The Success of Independent Disruptors

- Focused resources
- Fueled by AI democratization of computing platforms
- Beating the legacy giants

twilio   zoom

stripe   Square

airbnb   shopify

Uber   slack

Voice AI from Big Tech

- Conflict of interest
- Hidden agenda
- Learn and compete
- Product takeover
- Loss of brand autonomy and data

Voice Licensing Legacy Players

- Dated technology
- Outdated expensive business model
- Rigid contracts
- Low attachment to product success
- 4/12/2021: Microsoft acquisition of Nuance for $19.7B

SoundHound Opportunity

- ✓ Disruptive technology
- ✓ Custom voice assistants
- ✓ Proprietary domains and services
- ✓ Control of customer data
- ✓ Defined privacy policies
- ✓ No conflict of interest
- ✓ Innovation and monetization opportunities

SoundHound

Extensive Selection of Voice AI Content and Services

Available as white label with full redistribution rights

Select Content Domain Partners

Uber
FLIGHTSTATS
TinBu®

iHeart MEDIA
audiobooks.com
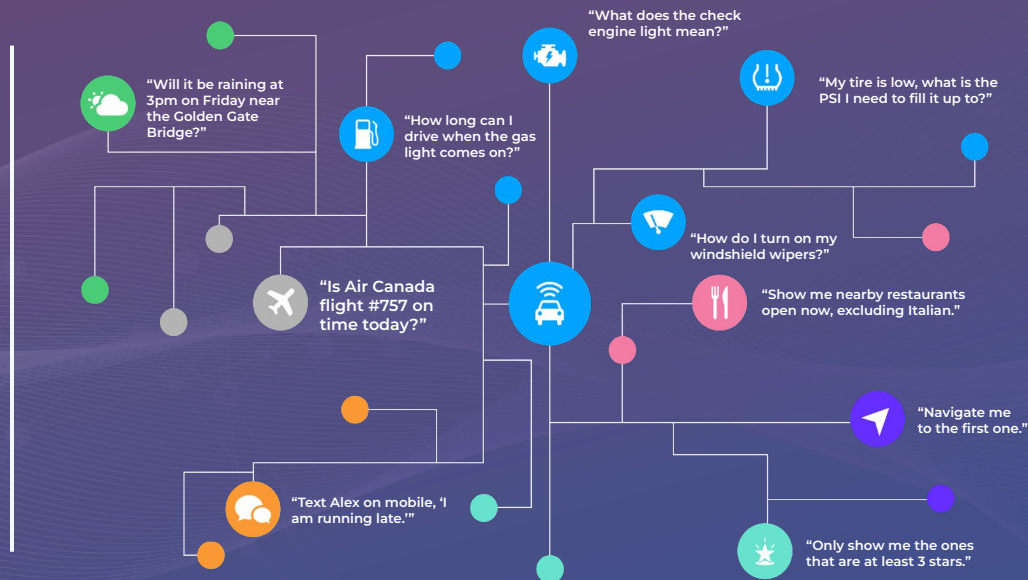BigOven.

expedia group™
here
yelp

sportradar
Parkopedia
eventseeker

CustomWeather®
AccuWeather
xignite

SoundHound Responds With the Best Content Domain

"Will it be raining at 3pm on Friday near the Golden Gate Bridge?"

"What does the check engine light mean?"

"My tire is low, what is the PSI I need to fill it up to?"

"How long can I drive when the gas light comes on?"

"Is Air Canada flight #757 on time today?"

"How do I turn on my windshield wipers?"

"Show me nearby restaurants open now, excluding Italian."

"Navigate me to the first one."

"Text Alex on mobile, 'I am running late.'"

"Only show me the ones that are at least 3 stars."

A Range of Connectivity Options for Your Needs

Our *Edge+Cloud*™ **Connectivity Solutions** allow brands to optimize their voice-enabled products and devices with options ranging from fully-embedded to exclusively cloud-connected.

> Roll up the windows and navigate to the nearest gas station

> All windows are up. There is a Best Gas in one mile. Do you want to go to that one?

Edge+Cloud

The capabilities of *Edge* with the flexibility of cloud connectivity. Deliver the level of cloud connectivity that best matches your product and users.

Cloud-Only

Equip your voice assistant with real-time data and information from the cloud, deliver the most relevant responses to user queries with no restrictions of your device CPU and memory capabilities, and retain ownership of your customer relationships and access to data and analytics.

Edge

Fully-embedded voice AI solution with as much **Natural Language Understand (NLU)** capabilities as necessary for your purposes and to meet customer desires for hands-free convenience. Includes full accessibility to custom commands and the ability to create custom domains for proprietary on-device functionality.

EdgeLite+Cloud

The capabilities of *EdgeLite* with the flexibility to use the cloud to retrieve information or push product updates.

EdgeLite

Process data locally without the privacy or connectivity concerns of the Internet with our fully-embedded voice solution. Developers have access to natural language commands with less CPU impact, a bundled wake word, and the ability to instantly update commands.

SoundHound

In-car sentence accuracy

In different conditions. Test performed by Houndify automotive customer

(%)	0 km/h	60 km/h	105 km/h	120 km/h
Large Tech Company	89%	81%	58%	33%
SoundHound	**95%**	**90%**	**78%**	**66%**

Reconciliation of GAAP Net Loss to Non-GAAP Adjusted EBITDA

To supplement our financial statements, which are presented on the basis of U.S. generally accepted accounting principles (GAAP), the following non-GAAP measure of financial performance is included in this release: adjusted EBITDA. We define Adjusted EBITDA as our GAAP net loss excluding (i) interest and other expense, net, (ii) depreciation and amortization expense, (iii) income taxes, (iv) stock-based compensation, and (v) restructuring expense.

A reconciliation of GAAP to this adjusted non-GAAP financial measure is included below. When analyzing the Company's operating results, investors should not consider non-GAAP measures as substitutes for the comparable financial measures prepared in accordance with GAAP.

Adjusted EBITDA

(thousands)	2020	2021	2022	Q3 2022	Q3 2023	YTD 2023
Net loss	$ (74,407)	$ (79,540)	$ (116,713)	$ (30,061)	$ (20,197)	$ (70,934)
OI&E and other*	$ 7,665	$ 13,757	$ 8,417	$ 2.189	$ 4,106	$ 12,623
Income taxes	$ 738	$ 456	$ 2,889	$ 864	$ 1,561	$ 2,307
Depreciation and amortization	$ 6,037	$ 5,502	$ 4,037	$ 928	$ 530	$ 1,941
Stock-based compensation	$ 5,897	$ 6,322	$ 28,792	$ 9,173	$ 6,692	$ 18,303
Restructuring expense	$ -	$ -	$ -	$ -	$ -	$ 3,751
Adjusted EBITDA (non-GAAP)	$ (54,070)	$ (53,503)	$ (72,578)	$ (16,907)	$ (7,308)	$ (32,009)

*Includes General and Administrative expenses of $64 in Q3 2022, $265 in 2022, $211 in YTD 2023

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