



WM Technology, Inc. Q3 2023 Results

November 8, 2023



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Forward Looking Statements

This presentation includes "forward-looking statements" regarding WM's future business expectations which involve risks and uncertainties. Forward-looking statements may be identified by the use of words such as "estimate," "plan," "project," "forecast," "intend," "will," "expect," "anticipate," "believe," "seek," "target" or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements regarding estimates and forecasts of financial and performance metrics and projections of market opportunity and market share. These statements are based on various assumptions, whether or not identified in this presentation, and on the current expectations of our management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond our control. These forward-looking statements include, but are not limited to, statements regarding estimates and forecasts of financial and performance metrics and projections of market opportunity and market share. These statements are based on various assumptions, whether or not identified in this press release, and on the current expectations of the Company's management and are not predictions of actual performance. 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These forward-looking statements are subject to a number of risks and uncertainties, including the Company's financial and business performance, including key business metrics and any underlying assumptions thereunder; market opportunity and the Company's ability to acquire new clients and retain existing clients; expectations and timing related to commercial product launches; success of the Company's go-to-market strategy; ability to scale its business and expand its offerings; the Company's competitive advantages and growth strategies; the Company's future capital requirements and sources and uses of cash; the Company's ability to obtain funding for our future operations; the impact of the material weakness in our internal controls and our ability to remediate this material weakness on the timing we anticipate, or at all; the outcome of any known and unknown litigation and regulatory proceedings; changes in domestic and foreign business, market, financial, political and legal conditions; the effect of macroeconomic conditions, including but not limited to health crises like the COVID-19 pandemic, inflation, uncertain credit and global financial markets, recent and potential future disruptions in access to bank deposits or lending commitments due to bank failures and geopolitical events, including the military conflict between Russia and Ukraine or the recent state of war between Israel and Hamas and the related risk of a larger regional conflict; future global, regional or local economic and market conditions affecting the cannabis industry; the development, effects and enforcement of and changes to laws and regulations, including with respect to the cannabis industry; the Company's ability to successfully capitalize on new and existing cannabis markets, including its ability to successfully monetize its solutions in those markets; the Company's ability to manage future growth; the Company's ability to effectively anticipate and address changes in the end-user market in the cannabis industry; the Company's ability to develop new products and solutions, bring them to market in a timely manner, and make enhancements to its platform and the Company's ability to maintain and grow its two-sided marketplace, including its ability to acquire and retain paying clients; the effects of competition on the Company's future business; the Company's success in retaining or recruiting, or changes required in, officers, key employees or directors; cyber-attacks and security vulnerabilities; the possibility that we may be adversely affected by other economic, business or competitive factors; the possibility that the Company may be adversely affected by other economic, business or competitive and those factors discussed in the Company's 2022 Annual Report on Form 10-K filed with Securities and Exchange Commission (the "SEC") on March 16, 2023 and subsequent Form 10-Qs or Form 8-Ks filed with the SEC. If any of these risks materialize or these assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There may be additional risks that we do not presently know or that we currently believe are immaterial that could also cause actual results to differ from those contained in the forward looking statements. In addition, forward-looking statements reflect our expectations, plans or forecasts of future events and views as of the date of this presentation. We anticipate that subsequent events and developments will cause our assessments to change. However, while we may elect to update these forward-looking statements at some point in the future, we specifically disclaims any obligation to do so, except as required by law. These forward-looking statements should not be relied upon as representing our assessments as of any date subsequent to November 8, 2023. Accordingly, undue reliance should not be placed upon the forward-looking statements.

Distribution or reference of this deck following November 8, 2023 does not constitute the Company re-affirming guidance.

Financial Information; Non-GAAP Financial Measures

Our financial statements, including net income (loss), are prepared in accordance with principles generally accepted in the United States of America ("GAAP").

To provide investors with additional information regarding our financial results, we have disclosed EBITDA and Adjusted EBITDA, all of which are non-GAAP financial measures that we calculate as net income (loss) before interest, taxes and depreciation and amortization expense in the case of EBITDA and further adjusted to exclude stock-based compensation, change in fair value of warrant liability, transaction related bonus, legal settlements and other legal costs, discharge of holdback obligation related to prior acquisition, reduction in force, impairment of right-of-use asset and investment securities, transaction costs, change in TRA liability and other non-cash, unusual and/or infrequent costs in the case of Adjusted EBITDA. Below we have provided a reconciliation of net (loss) income (the most directly comparable GAAP financial measure) to EBITDA; from EBITDA to Adjusted EBITDA; and from GAAP OPEX to Adjusted OPEX.

We present EBITDA, Adjusted EBITDA, and Adjusted OPEX because these metrics are a key measure used by our management to evaluate our operating performance, generate future operating plans and make strategic decisions regarding the allocation of investment capacity. Accordingly, we believe that EBITDA, Adjusted EBITDA, and Adjusted OPEX provide useful information to investors and others in understanding and evaluating our operating results in the same manner as our management.

EBITDA and Adjusted EBITDA have limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are as follows:

- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and EBITDA and Adjusted EBITDA do not reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements;
- EBITDA and Adjusted EBITDA do not reflect changes in, or cash requirements for, our working capital needs; and
- EBITDA and Adjusted EBITDA do not reflect tax payments that may represent a reduction in cash available to us.

Because of these limitations, you should consider these non-GAAP alongside and not as a substitute for other financial performance measures, including net income (loss), our GAAP expenses, and our other GAAP results. For more information on these non-GAAP financial measures, please see the section titled "Non-GAAP Reconciliations: Reported Net Income (Loss) to Adj. EBITDA" and "Non-GAAP Reconciliations: Reported OPEX to Adj. OPEX" included at the end of this presentation and the footnotes provided for such non-GAAP measures.

- Revenue of \$47.7 million as compared to \$50.5 million in the third quarter of 2022 (“prior year period”)
- Net Loss of \$2.5 million as compared to \$10.5 million in the prior year period
- Adj. EBITDA⁽¹⁾ of \$10.7 million as compared to -\$9.6 million in the prior year period
- Avg. Monthly Paying Clients⁽²⁾ of 5,414 as compared to 5,576 in the prior year period
- Avg. Monthly Revenue per Paying Client⁽³⁾ of \$2,938 as compared to \$3,019 in the prior year period

Note: See our Q3 2023 8-K Earnings Release and Q3 FY 2023 10-Q issued on November 8, 2023, and filed with the SEC for additional information.

(1) Adjusted EBITDA is Net Income (loss) before interest, taxes and depreciation and amortization expense and further adjusted to exclude stock-based compensation, change in fair value of warrant liability, change in tax receivable agreement liability, transaction related bonuses, transaction costs, legal settlements and other legal costs, reduction in force, impairment charges, and other non-cash, unusual and/or infrequent costs. See slide 11 for a reconciliation from Reported Net loss to Adjusted EBITDA.

(2) Average monthly paying clients are defined as the average of the number of paying clients billed in a month across a particular period (and for which services were provided).

(3) Average monthly revenue per paying client is defined as the average monthly revenue for any particular period divided by the average monthly paying clients in the same respective period.

Q3 FY23 P&L Summary



(\$M)	Q3 FY23	
	P&L	Δ vs. PY
Total Revenue	\$48	(5%)
Cost of Revenue	(3)	(29%)
Adj. Sales & Marketing ⁽¹⁾	(10)	(37%)
Adj. Product Development ⁽²⁾	(7)	(37%)
Adj. G&A ⁽³⁾	(17)	(41%)
Total Adj. OPEX ⁽⁴⁾	(\$34)	(39%)
Adj. EBITDA	\$11	NM
Margin Rate	22%	
Reported Net Loss	(\$3)	NM

Note: See our Q3 FY 2023 10-Q issued on November 8, 2023, and filed with the SEC for additional information. For a reconciliation from Reported OPEX to Adjusted OPEX, see slide 12.

Note: Totals and sub-totals may not sum due to rounding.

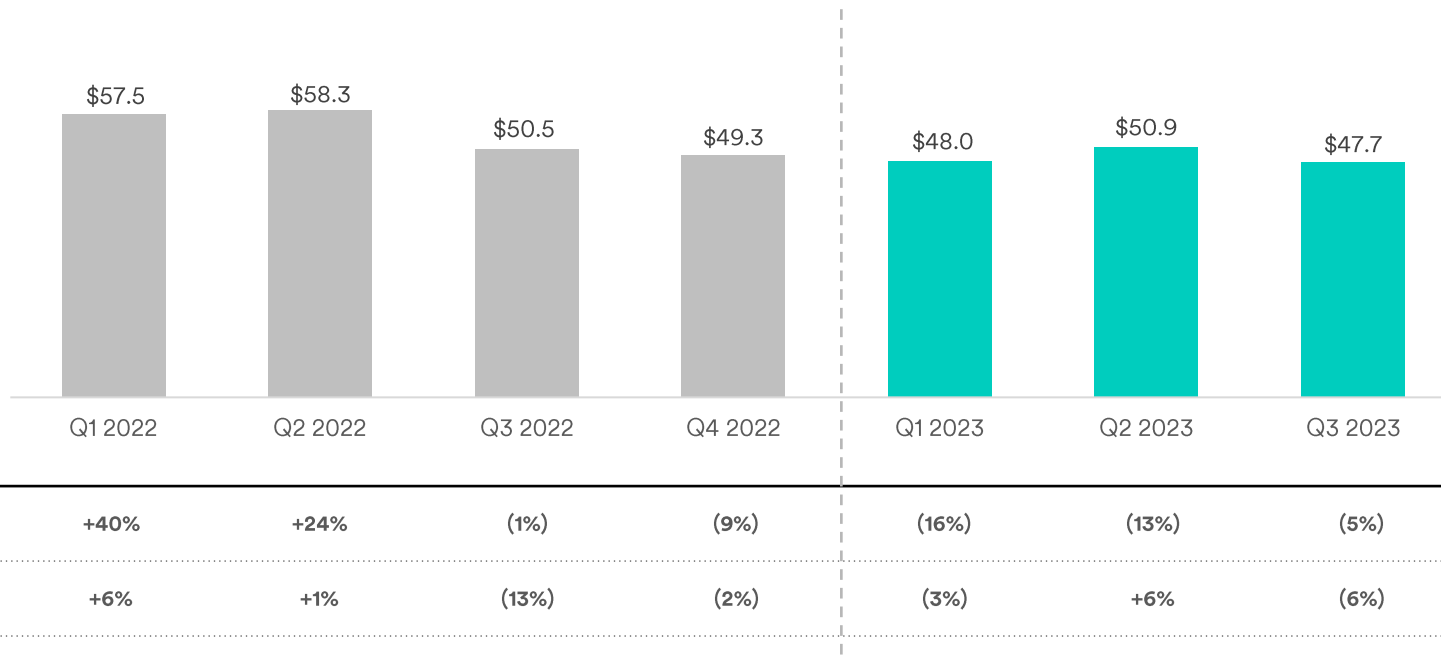
(1) Adjusted Sales & Marketing (Non-GAAP) is GAAP Sales & Marketing less stock-based compensation expense of \$0.6M and transaction related bonus expense of \$0.8M in Q3 FY23.

(2) Adjusted Product Development (Non-GAAP) is GAAP Product Development less stock-based compensation expense of \$0.9M in Q3 FY23.

(3) Adjusted General & Administrative (Non-GAAP) is GAAP General & Administrative less stock-based compensation expense of \$0.8M and legal settlements of \$1.5M in Q3 FY23.

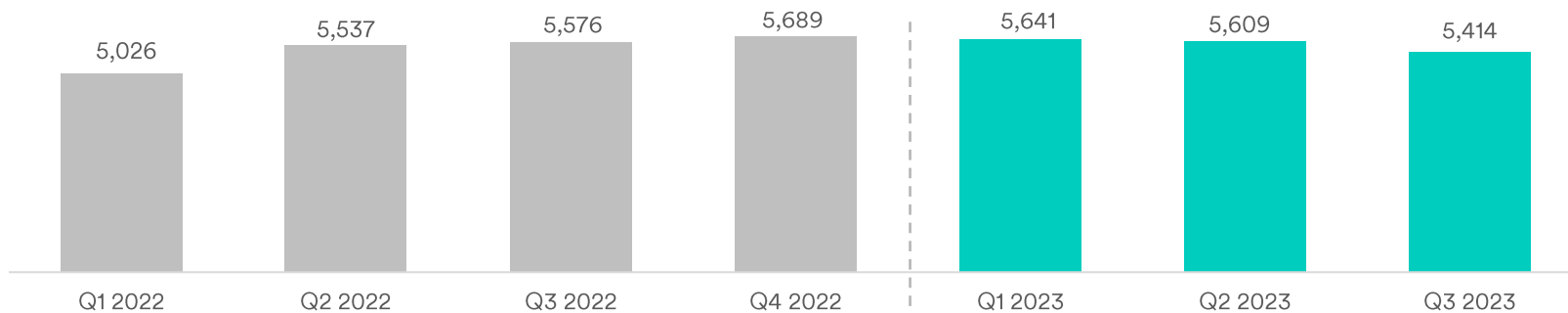
(4) Total Adjusted OPEX excludes Depreciation & Amortization expense of \$12M in Q3 FY23.

Quarterly Revenue (\$M)

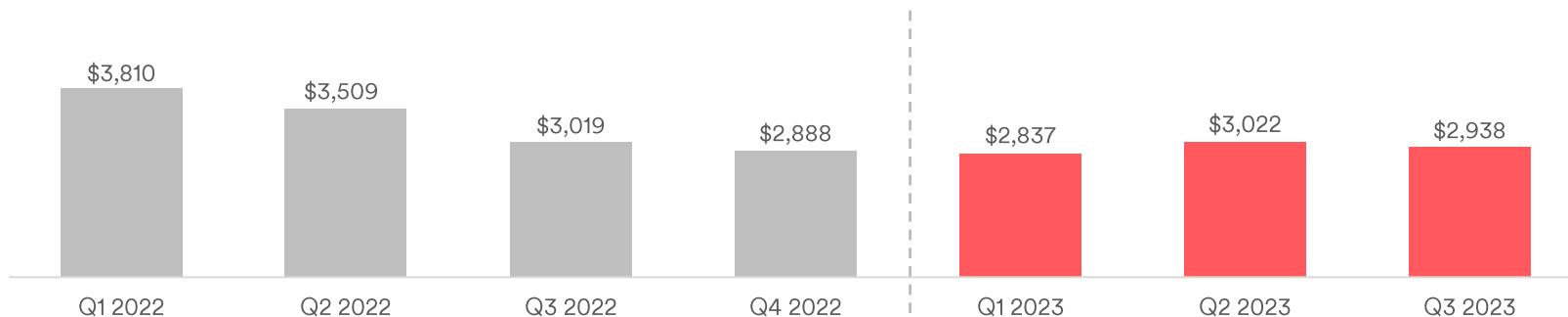


Note: See our Q3 FY 2023 10-Q issued on November 8, 2023, and filed with the SEC for additional information.

Average Monthly Paying Clients



Average Monthly Revenue per Paying Client



(\$M)	Q3 FY23		YTD Q3 FY23	
	P&L	Δ vs. PY	P&L	Δ vs. PY
Weedmaps for Business and other SaaS solutions ⁽¹⁾	\$11	(12%)	\$34	(11%)
Featured and deal listings ⁽²⁾	33	(5%)	102	(13%)
Subtotal	\$44	(7%)	\$136	(12%)
Other WM Ad solutions ⁽³⁾	4	12%	11	(5%)
Total Revenues	\$48	(5%)	\$147	(12%)

Note: See our Q3 FY 2023 10-Q issued on November 8, 2023, and filed with the SEC for additional information.

(1) Includes Standard Listings, Brand Standard Listings, WM CRM, WM Dispatch, WM Screens.

(2) Includes Premium Listings, Nearby Positions, Featured Brand Listings, Standard Deals, and Premium Deals.

(3) Includes WM AdSuite and all other revenue.

Balance Sheet

(\$M)	31-Dec-22	30-Sep-23
Cash & Cash Equivalents	\$29	\$28
Other Current Assets	26	19
Total Current Assets	\$55	\$47
Property & Equipment, Net	\$25	\$25
Goodwill & Intangibles	79	71
Other Assets and Right-of-Use Assets	40	36
Total Other Assets	\$119	\$107
Total Assets	\$199	\$179
Total Current Liabilities	\$46	\$31
LT Operating Lease Liabilities	33	28
Tax Receivable Agreement	1	1
Warrant Liability	2	3
Other LT Liabilities	2	1
Total Liabilities	\$84	\$64
Total Equity	\$115	\$115
Total Liabilities & Equity	\$199	\$179

Cash Flows

(\$M)	9 months ended 30-Sep-23
CASH FLOWS FROM OPERATING ACTIVITIES	
Net Loss	(\$4)
Depreciation & Amortization	18
FV of Warrant Liability	1
Change in Tax Receivable Agreement Liability	1
Stock-based Compensation	10
Deferred Tax Asset	–
Discharge of Acquisition Holdback	(4)
Provision for Doubtful Accounts	5
Change in Op. Assets & Liabilities	(14)
Net Cash provided by Operating Activities	\$12
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of PP&E	(9)
Net Cash used in Investing Activities	(\$9)
CASH FLOWS FROM FINANCING ACTIVITIES	
Distribution to Members	(3)
Proceeds from Loan Receivable	0.3
Repayment of Insurance Premium Financing	(1)
Net Cash used in Financing Activities	(\$4)
Net Change in Cash	(\$1)
Cash at Beginning of Period	\$29
Cash at End of Period	\$28

Note: See our Q3 FY 2023 10-Q issued on November 8, 2023, and filed with the SEC for additional information.
 Note: Totals and sub-totals may not sum due to rounding.

Basic and Fully Diluted Share Count



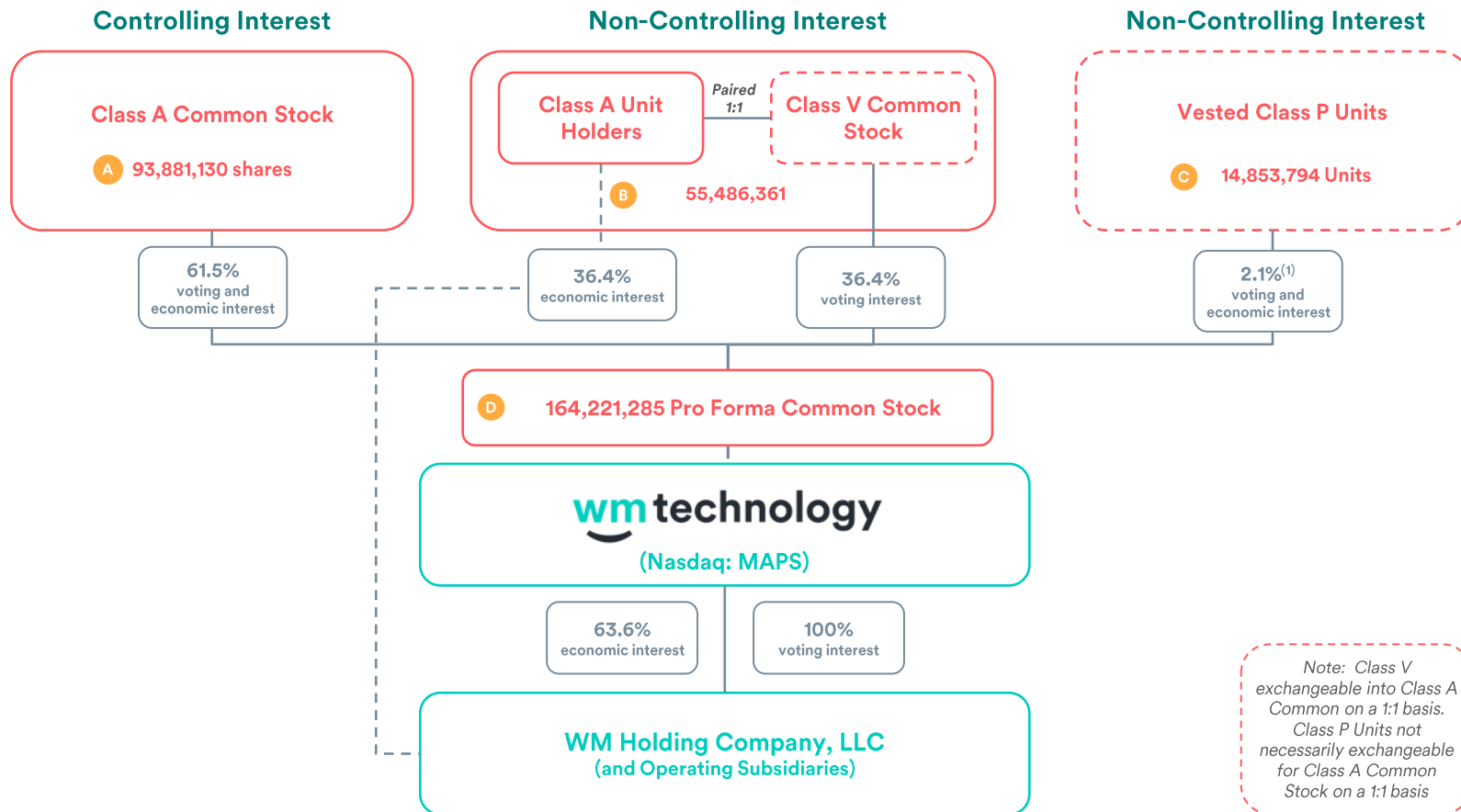
Ownership	Calculation	Percentage	10-Q Reference
Non-controlling interests ownership as of September 30, 2023		38.5%	Note 10
Controlling interests ownership as of September 30, 2023		61.5%	
Common Shares as of September 30, 2023		Shares	10-Q Reference
Common Stock Class A (voting publicly traded)	A	93,881,130	Statement of Equity
Class V Common Stock ⁽¹⁾ (not publicly trade but has a voting right and exchangeable into shares of Class A common stock on a 1:1 basis)	+ B	55,486,361	Statement of Equity
Total Common Voting Shares		149,367,491	
Other Securities		Units	10-Q Reference
Class P units ⁽²⁾ (vested)	+ C	14,853,794	Note 11
Pro Forma Share Count		Shares	
Pro Forma Common Stock – basic (assuming vested P units covert at 1:1)	= D	164,221,285	
Pro Forma Common Stock – basic + 19.5M public & private placement warrants ⁽³⁾		183,721,258	
Warrants		Shares	10-Q Reference
Public warrants		12,499,973	Note 9
Private placement warrants		7,000,000	Note 9

Note: See our Q3 FY 2023 10-Q issued on November 8, 2023, and filed with the SEC for additional information and/or certain adjustments.

(1) The Company issued shares of Class V Common Stock to Class A Unit holders, representing the same number of Class A Units retained by the Legacy WMH equity holders. Each holder of the shares of Class V Common Stock is entitled to one vote for each share of Class V Common Stock held of record by such holder on all matters on which stockholders generally are entitled to vote.

(2) 14,966,127 outstanding as of September 30, 2023. Conversion ratio from P units to Common Stock Class A based on MAPS share price and not necessarily 1:1. See filings for additional detail.

(3) In this situation, MAPS to receive cash proceeds of \$224M (19.5M warrants * \$11.50 exercise price), subject to adjustments.



Note: See our Q3 FY 2023 10-Q issued on November 8, 2023, and filed with the SEC for additional information and/or certain adjustments.

Note: Totals may not sum due to rounding.

(1) Assumes conversion of 3,256,672 Class P Units to Class A Common Stock based on 9/30/23 share price of \$1.32.

Non-GAAP Reconciliations: Reported Net Income (Loss) to Adj. EBITDA



\$M	Q3 2023	Commentary
Reported Net Loss	(\$2.5)	
+ Depreciation and Amortization Expenses	11.8	Includes \$8.4M related to impairment of intangible assets and PP&E associated with the sunset of certain products
- Interest Income	(0.01)	Interest income related to Loan Receivable
EBITDA	\$9.3	
+ Stock-Based Compensation	2.3	Represents SBC related to RSUs, PSUs, and Class P Units
+ Change in FV of Warrant Liability	0.5	FASB guidance requires fair value accounting on warrant liabilities. This represents the mark-to-market adjustments
+ Transaction Related Bonuses	0.8	Accrued expense amortization related to bonus payouts in connection with prior acquisitions
- Gain from Discharge of Holdback Obligation	(3.7)	Non-cash gain related to discharge of holdback obligation from prior acquisition
+ Legal Costs and Other Non-Recurring	1.5	Legal and other non-recurring costs
+ Change in Tax Receivable Agreement Liability	0.1	Related to the remeasurement of the tax receivable agreement liability
Adj. EBITDA	\$10.7	

Note: See our Q3 FY 2023 10-Q issued on November 8, 2023, and filed with the SEC for additional information and/or certain adjustments.

Note: Totals and sub-totals may not sum due to rounding.

Non-GAAP Reconciliations: Reported OPEX to Adj. OPEX



(\$M)	Sales & Marketing	Product Development	General & Administrative	Total OPEX
	Q3 FY23	Q3 FY23	Q3 FY23	Q3 FY23
GAAP OPEX (excluding Cost of revenues and D&A)	\$11.5	\$7.7	\$19.2	\$38.5
Stock-Based Compensation	(0.6)	(0.9)	(0.8)	(2.3)
M&A Transaction Costs	-	-	-	-
Transaction Related Bonus	(0.8)	-	-	(0.8)
Legal Settlements and Other Legal Costs	-	-	(1.5)	(1.5)
Reduction in Force	-	-	-	-
Impairment Loss	-	-	-	-
Non-GAAP Adjusted OPEX	\$10.1	\$6.8	\$17.0	\$33.9

Note: See our Q3 FY 2023 8-K issued on November 8, 2023, and filed with the SEC for additional information and/or certain adjustments.
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