



WM Technology, Inc. Q3 FY22 Quarterly Results

November 7, 2022



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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, Adjusted EBITDA, Adjusted EBITDA before Provision for Doubtful Accounts, and Adjusted OPEX, 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 bonuses, transaction costs, legal settlements and other non-cash, unusual and/or infrequent costs in the case of Adjusted EBITDA. Adjusted EBITDA is further adjusted to exclude provision for doubtful accounts for the case of Adjusted EBITDA before Provision for Doubtful Accounts. Adjusted OPEX is adjusted to exclude stock-based compensation, transaction related bonuses, transaction costs, legal settlements and other non-cash, unusual and/or infrequent costs. Below we have provided a reconciliation of net (loss) income (the most directly comparable GAAP financial measure) to EBITDA; from EBITDA to Adjusted EBITDA; from Adjusted EBITDA to Adjusted EBITDA before Provision for Doubtful Accounts; from GAAP OPEX to Adjusted OPEX.

We present EBITDA, Adjusted EBITDA, Adjusted EBITDA before Provision for Doubtful Accounts, 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, Adjusted EBITDA before Provision for Doubtful Accounts, 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, Adjusted EBITDA and Adjusted EBITDA before Provision for Doubtful Accounts 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, Adjusted EBITDA and Adjusted EBITDA before Provision for Doubtful Accounts do not reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements;
- EBITDA, Adjusted EBITDA and Adjusted EBITDA before Provision for Doubtful Accounts do not reflect changes in, or cash requirements for, our working capital needs; and
- EBITDA, Adjusted EBITDA, and Adjusted EBITDA before Provision for Doubtful Accounts 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.

- **Q3 FY22 Revenue of \$51 million (-1% year-over-year decline)**

- Key Operating and Financial Metrics
 - Avg. Monthly Paying Clients: 5,576, +25% y-o-y
 - Avg. Monthly Revenue per Paying Client: \$3,019, -21% y-o-y

- **Q3 FY22 Gross Profit of \$46 million**

- 92% implied Gross Margin rate

- **Q3 FY22 Adj. EBITDA of (\$10) million**

- Negatively impacted by \$10M in provision for doubtful accounts, reflecting reserves against certain aged accounts receivable
- Adjusted EBITDA excludes stock-based compensation, transaction related bonuses, impairment costs, and costs related to reduction in force, and other legal costs. See page 12 for a reconciliation from Reported Net Income to Adjusted EBITDA

Q3 2022 P&L Summary



(\$M)	Q3 FY22		YTD FY22	
	P&L	Δ vs. PY	P&L	Δ vs. PY
Total Revenue	\$51	(1%)	\$166	+20%
Gross Profit	46	(5%)	154	+16%
Margin Rate	92%		93%	
Adj. Sales & Marketing ⁽¹⁾	(16)	+33%	(54)	+66%
Adj. Product Development ⁽²⁾	(11)	+81%	(34)	+52%
Adj. G&A ⁽³⁾	(29)	+44%	(77)	+54%
Total Adj. OPEX ⁽⁴⁾	(\$56)	+46%	(\$164)	+57%
Adj. EBITDA	(\$10)	(192%)	(\$11)	(140%)
Margin Rate	NM		NM	
Provision for Doubtful Accounts	10	NM	15	NM
Adj. EBITDA before Provision for Doubtful Accounts	\$1	(96%)	\$4	(88%)
Margin Rate	1%		2%	
Reported Net Income	(\$10)	(121%)	(\$22)	(130%)

Note: See our Q3 2022 8-K Earnings Release issued on Nov 7, 2022, and filed with the SEC for additional information and/or certain adjustments. For a reconciliation from Reported OPEX to Adjusted OPEX, see page 13

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

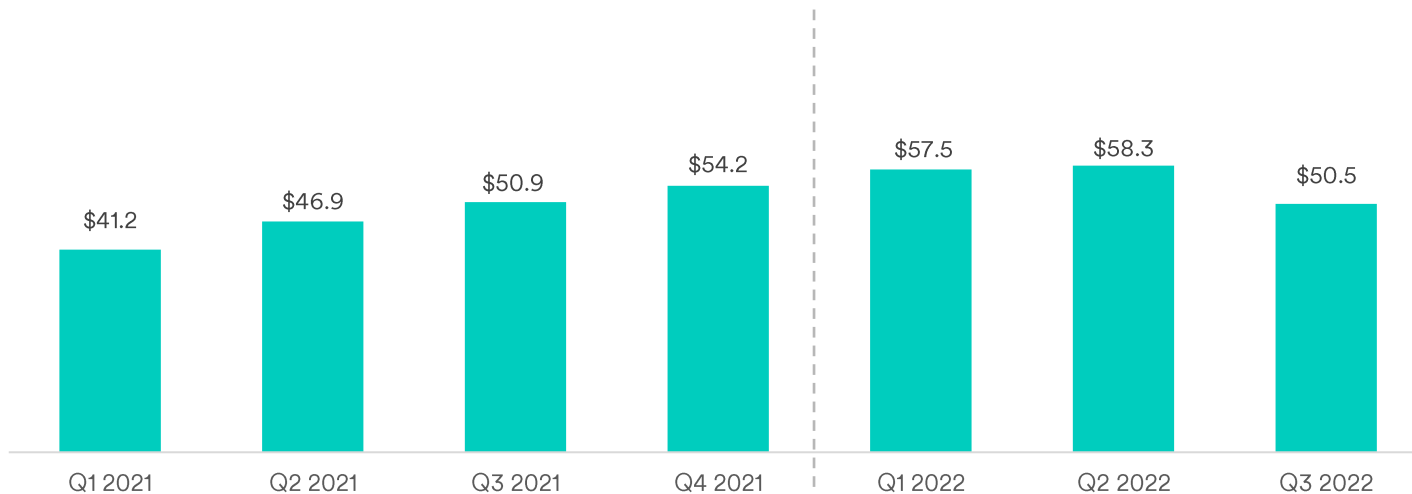
1) Adjusted Sales & Marketing (Non-GAAP) excludes stock-based compensation expense of \$1M in Q3 and \$5M in YTD FY22 and transaction related bonuses of \$1M in Q3 and \$3M in YTD FY22

2) Adjusted Product Development (Non-GAAP) excludes stock-based compensation expense of \$1M in Q3 and \$4M in YTD FY22 and transaction related bonuses of \$0.2M in Q3 and \$0.9M in YTD FY22

3) Adjusted General & Administrative (Non-GAAP) excludes stock-based compensation income of \$0.4M in Q3 and \$8M in YTD FY22 and transaction related bonuses and costs, reduction in force, impairment and legal settlements and other legal costs of \$5M in Q3 and \$7M in YTD FY22

4) Total Adjusted OPEX (Non-GAAP) excludes Depreciation & Amortization expense of \$3M in Q3 and \$9M in YTD FY22

Quarterly Revenue (\$M)



YoY Growth ⁽¹⁾

+58%

+55%

+46%

+39%

+40%

+24%

(1%)

QoQ Growth ⁽¹⁾

+5%

+14%

+8%

+6%

+6%

+1%

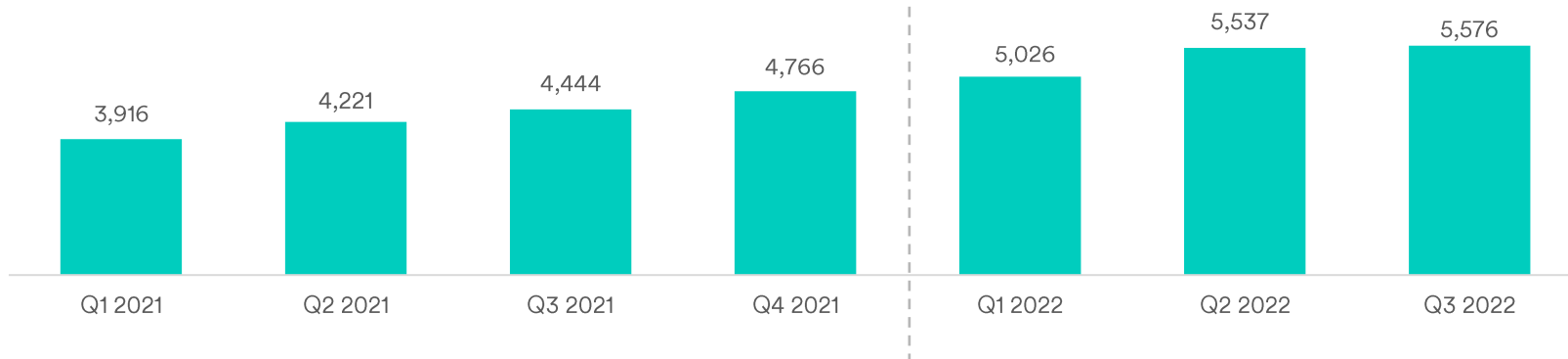
(13%)

Note: See our Q3 2022 8-K Earnings Release issued on Nov 7, 2022, and filed with the SEC for additional information and/or certain adjustments

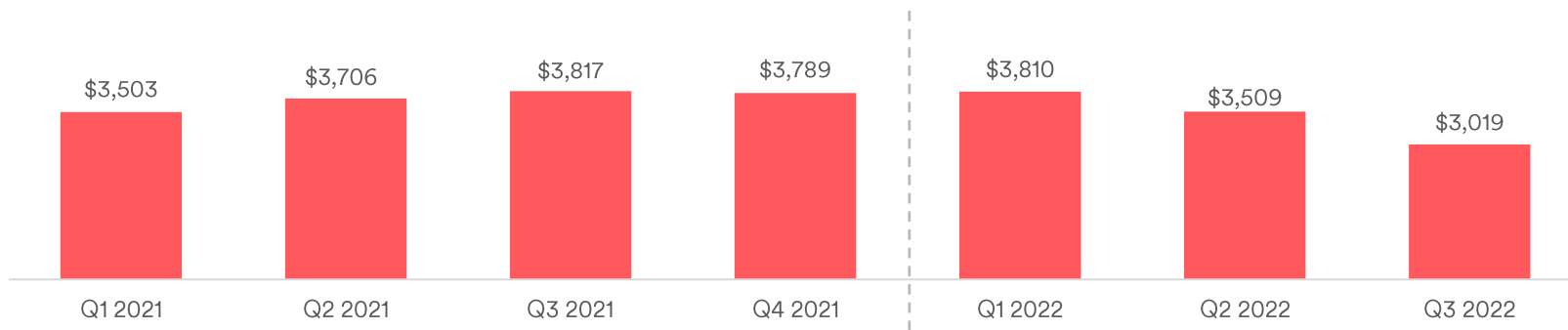
Note: Revenue as % of FY may not sum due to rounding

¹⁾ 2021 growth rates represents U.S. Revenues only

Average Monthly Paying Clients



Average Monthly Revenue per Paying Client



Revenue Breakdown



(\$M)	Q3 FY22		YTD FY22	
	P&L	Δ vs. PY	P&L	Δ vs. PY
Weedmaps for Business and other SaaS subscriptions ⁽¹⁾	\$12	+12%	\$38	+26%
Featured and deal listings ⁽²⁾	35	(5%)	117	+17%
Subtotal	\$47	(1%)	\$155	+19%
Other ad solutions ⁽³⁾	3	(1%)	11	+26%
Total Revenues	\$51	(1%)	\$166	+20%

Note: See our Q3 2022 8-K Earnings Release issued on Nov 7, 2022, and filed with the SEC for additional information and/or certain adjustments

Note: Revenue as % of FY may not sum due to rounding

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 WMAdSuite and all other revenue

Summary Balance Sheet and Cash Flow



Balance Sheet

(\$M)	31-Dec-21	30-Sep-22
Cash & Cash Equivalents	\$68	\$34
Other Current Assets	31	28
Total Current Assets	\$99	\$62
Property & Equipment, Net	\$13	\$23
Goodwill & Intangibles	54	78
Deferred Tax Assets	152	186
Other Assets	47	45
Total Other Assets	\$253	\$309
Total Assets	\$365	\$394
Total Current Liabilities	\$38	\$37
LT Operating Lease Liabilities	39	35
Tax Receivable Agreement	129	143
Warrant Liability	27	7
Other LT Liabilities	–	3
Total Liabilities	\$233	\$225
Total Equity	\$132	\$169
Total Liabilities & Equity	\$365	\$394

Cash Flows

(\$M)	YTD Sep-22
CASH FLOWS FROM OPERATING ACTIVITIES	
Net Loss	(22)
Depreciation & Amortization	9
FV of Warrant Liability	(21)
Stock-based Compensation	17
Deferred Income Taxes	(6)
Impairment	1
Provision for Doubtful Accounts	15
Change in Op. Assets & Liabilities	(5)
Net Cash from Operating Activities	(\$10)
CASH FLOWS FROM INVESTING ACTIVITIES	
Cash Paid for Acquisitions & Investments	(2)
Purchases of PP&E	(13)
Net Cash from Investing Activities	(\$15)
CASH FLOWS FROM FINANCING ACTIVITIES	
Distribution to Members	(2)
Repayment of Insurance Premium Financing	(6)
Net Cash from Financing Activities	(\$8)
Net Change in Cash	(\$34)
Cash at Beginning of Period	\$68
Cash at End of Period	\$34

Note: See our Q3 2022 8-K Earnings Release issued on Nov 7, 2022, and filed with the SEC for additional information and/or certain adjustments

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

Based on current business trends and conditions, the outlook for Q4 and FY22 is as follows:

■ **Revenue**

- Second Half Revenue will decline closer to the wide-end of our guidance range for the Second Half, or down in the mid-single digit percentage area

■ **Adjusted EBITDA**

- Q4 Adj. EBITDA will be further impacted by provision for doubtful accounts, which will remain elevated in Q4 though significantly lower than Q3

Basic and Fully Diluted Share Count



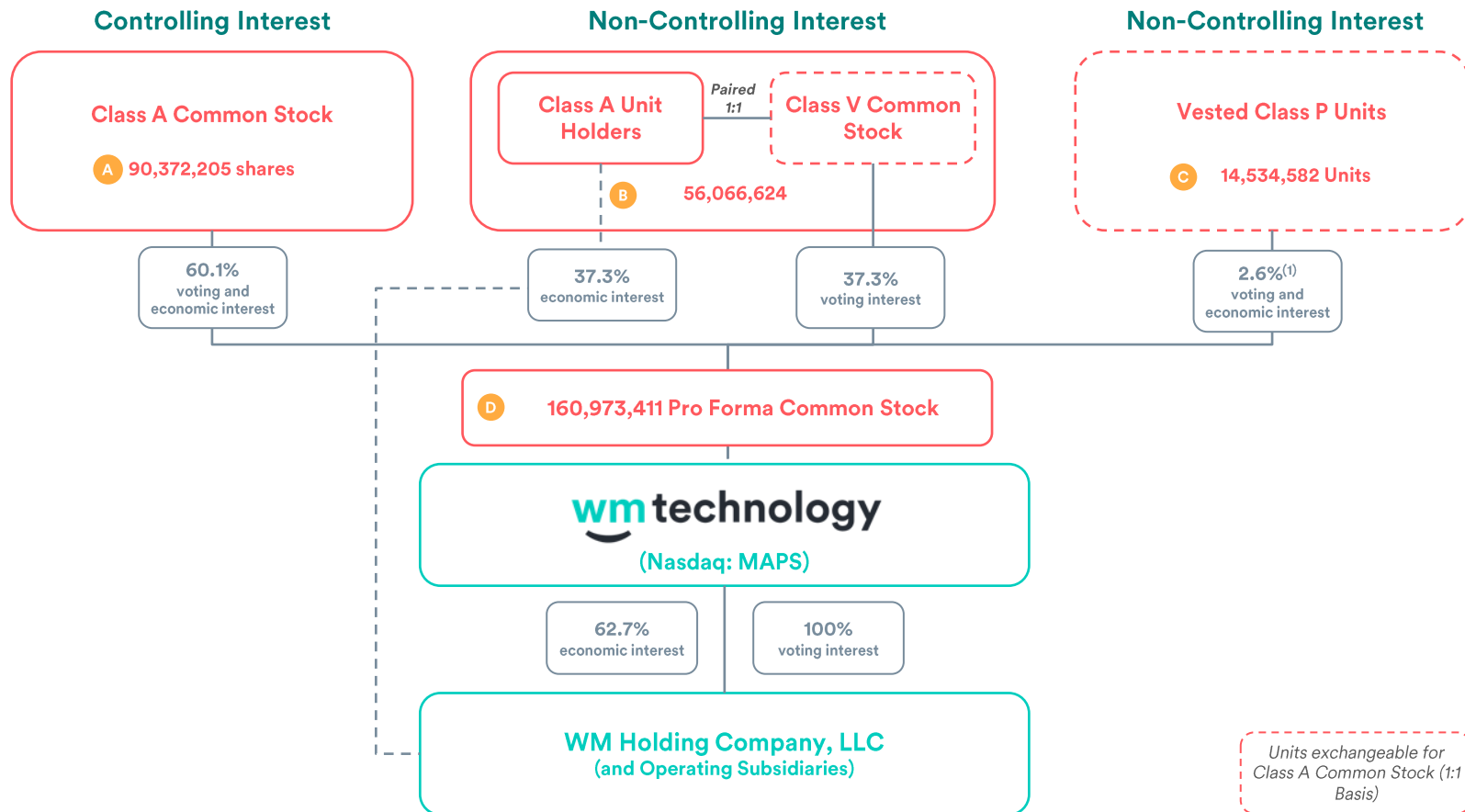
Ownership	Calculation	Percentage	10-Q Reference
Non-controlling interests ownership as of September 30, 2022		39.9%	Note 11
Controlling interests ownership as of September 30, 2022		60.1%	
Common Shares as of September 30, 2022		Shares	10-Q Reference
Common Stock Class A (voting publicly traded)	A	90,372,205	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	56,066,624	Statement of Equity
Total Common Voting Shares		146,438,829	
Other Securities		Units	10-Q Reference
Class P units ⁽²⁾ (vested)	+ C	14,534,582	Note 12
Pro Forma Share Count		Shares	
Pro Forma Common Stock – basic	= D	160,973,411	
Pro Forma Common Stock – basic + 19.5M public & private placement warrants ⁽³⁾		180,473,384	
Warrants		Shares	10-Q Reference
Public warrants		12,499,973	Note 10
Private placement warrants		7,000,000	Note 10

Note: See our Q3 2022 8-K Earnings Release issued on Nov 7, 2022, 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) 15,419,821 outstanding as of September 30, 2022. 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 2022 8-K Earnings Release issued on Nov 7, 2022, and filed with the SEC for additional information and/or certain adjustments

Note: Totals may not sum due to rounding

1) Assumes conversion of 3,906,921 Class P Units to Class A Common Stock based on 9/30/22 share price of \$1.61

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



\$M	Q3 FY22	YTD FY22	Commentary
Reported Net Income	(\$10.5)	(\$21.8)	
EBITDA Adjustments:			
– Change in FV of Warrant Liability	(6.6)	(20.6)	FASB guidance requires fair value accounting on warrant liabilities. This represents the mark-to-market adjustments
+ Stock-Based Compensation	1.6	17.3	Represents SBC related to RSUs, PSUs, and Class P Units
+ M&A Transaction Costs	–	0.3	Legal expenses related to M&A acquisitions
+ Transaction Related Bonuses	1.0	4.1	Expense amortization related to future bonus payouts in connection with prior acquisitions
+ Legal Settlements and Other Legal Costs	2.1	3.2	Legal settlements and non-recurring legal fees
+ Impairment Loss	0.8	1.3	Impairment of right of use assets related to an office lease
+ Reduction In Force	2.0	2.0	Severance related to August reduction in force
+ Depreciation and Amortization Expenses	2.5	8.9	Primarily due to amortization of capitalized software development assets and depreciation of computer equipment
– Benefit from (provision for) Income Taxes	(2.6)	(5.7)	
Adj. EBITDA	(\$9.6)	(\$11.2)	
+ Provision for Doubtful Accounts	10.2	14.9	
Adj. EBITDA before Provision for Doubtful Accounts	\$0.5	\$3.7	

Non-GAAP Reconciliations: Reported OPEX to Adj. OPEX



(\$M)	Sales & Marketing		Product Development		General & Administrative	
	Q3 FY22	YTD FY22	Q3 FY22	YTD FY22	Q3 FY22	YTD FY22
GAAP	\$18	\$62	\$12	\$38	\$33	\$92
Stock-Based Compensation	(1)	(5)	(1)	(4)	0.4	(8.4)
M&A Transaction Costs	-	-	-	-	-	(0.3)
Transaction Related Bonus	(1)	(3)	(0.2)	(1)	(0.1)	(0.4)
Legal Settlements and Other Legal Costs	-	-	-	-	(2)	(3)
Reduction in Force	-	-	-	-	(2)	(2)
Impairment Loss	-	-	-	-	(1)	(1)
Non-GAAP	\$16	\$54	\$11	\$34	\$29	\$77

Note: See our Q3 2022 8-K Earnings Release issued on Nov 7, 2022, and filed with the SEC for additional information and/or certain adjustments
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