



November 6, 2023 | Third Quarter 2023 Financial Results

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This presentation contains certain forward-looking statements within the meaning of federal securities laws. These forward-looking statements generally are identified by the words "believe," "project," "expect," "anticipate," "estimate," "intend," "strategy," "future," "forecast," "opportunity," "plan," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions (including the negative versions of such words or expressions). Forward-looking statements in this presentation generally relate to Matterport's potential and future performance, including its strategic focus, development of new services, adoption or success of new technologies and applications and anticipated results. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties. Many factors could cause actual future events to differ materially from the forward-looking statements in this presentation, including the impact of Matterport's restructuring announced in July 2023 and Matterport's ability to implement business plans, forecasts, and other expectations, and identify and realize additional opportunities in the industry in which Matterport competes. The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties described in documents filed by Matterport from time to time with the U.S. Securities and Exchange Commission. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and Matterport assumes no obligation and, except as required by law, does not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise. Matterport does not give any assurance that it will achieve its expectations.

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Matterport has provided in this presentation certain financial information that has not been prepared in accordance with generally accepted accounting principles in the United States (GAAP). We believe that the presentation of non-GAAP financial information provides important supplemental information to management and investors regarding financial and business trends relating to our financial condition and results of operations. The presentation of these non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP financial measures and should be read only in conjunction with the company's consolidated financial statements prepared in accordance with GAAP. For further information regarding these non-GAAP measures, including the reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures, please refer to the "Appendix" section of this presentation.

Recent highlights



Q3 subscription revenue reached \$22.9 million, up 20% year-over-year & above guidance range



Q3 total revenue of \$40.6 million, above the high end of guidance range



Total subscribers increased to 887,000, up 35% year-over-year



Q3 Non-GAAP Loss Per Share of \$0.04, a 56% improvement year-over-year



Spaces Under Management increased to 11.1 million, up 28% year-over-year



Announced expanded [Procore](#) integration & deepened relationship with [Autodesk](#)



Beta release of [new AI-powered insights](#) trained with Matterport's massive spatial data library

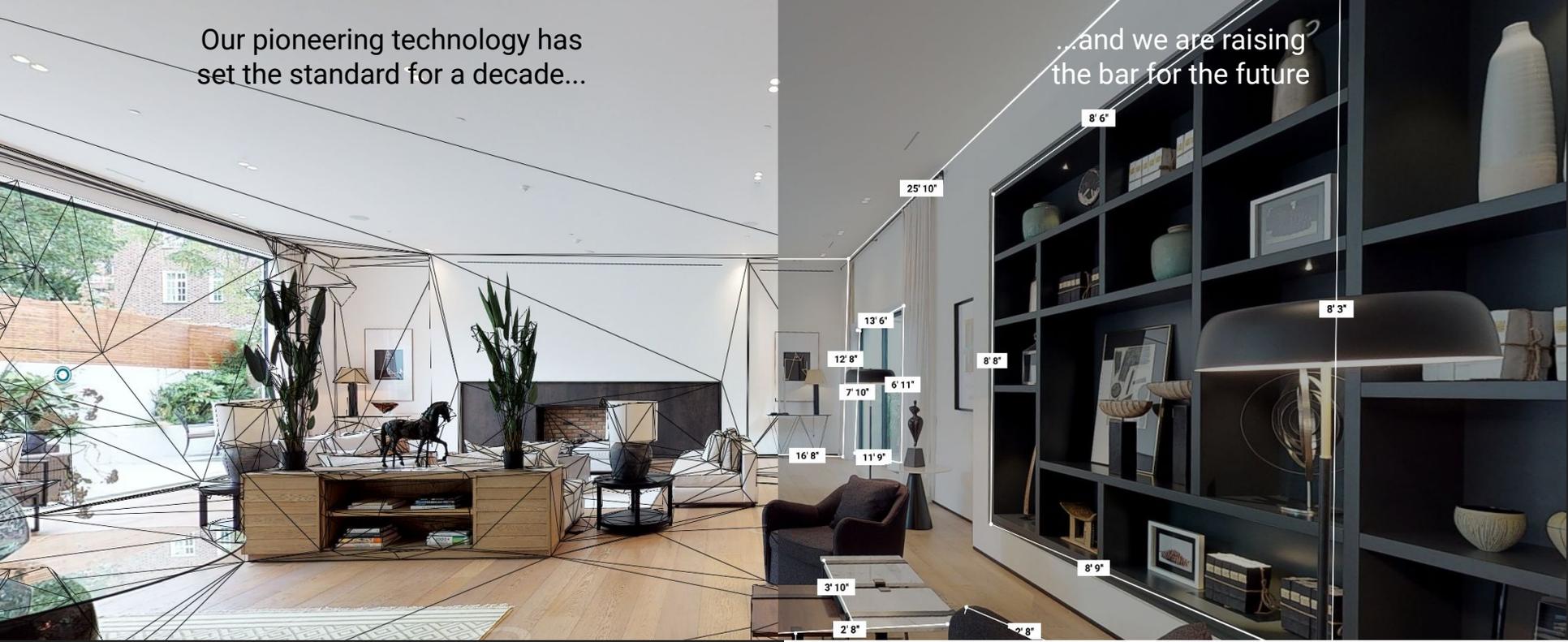
Notes:

For the definition of non-GAAP loss per share and a reconciliation to their most directly comparable financial measures prepared in accordance with GAAP, please see the appendix. Unaudited



Our pioneering technology has set the standard for a decade...

...and we are raising the bar for the future



Matterport transforms buildings into data.

Our spatial data increases the value of every building.

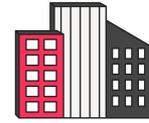
Strong growth continues in Spaces Under Management & paid subscribers



\$162M
run-rate revenue

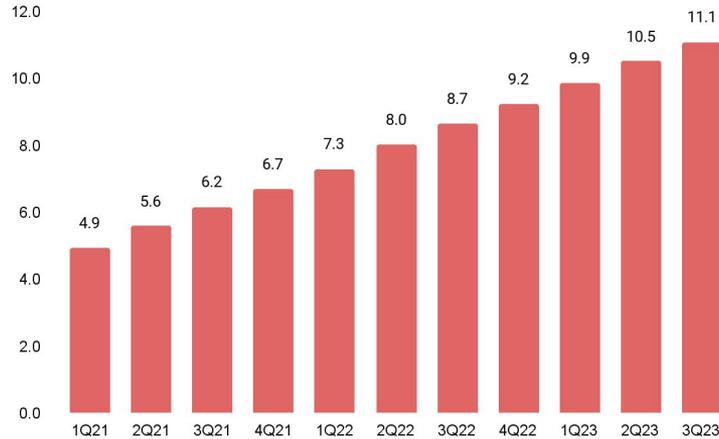


11.1M
Spaces Under Management

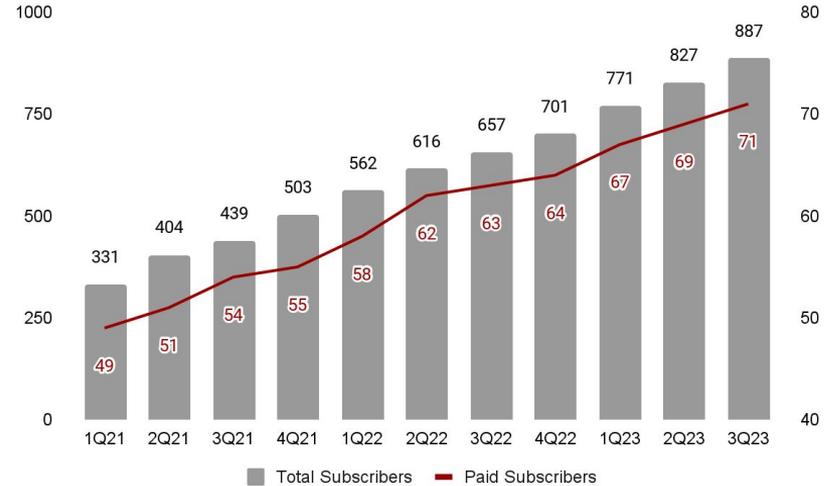


35B Sq ft
managed

Spaces Under Management
(millions)



Subscribers
(thousands)



Notes:

Run-rate revenue is the annualized value of total revenue for the three months ended September 30, 2023. Spaces Under Management, square feet managed are as of September 30, 2023. Unaudited

Growing global customer base with low customer concentration

100+

Enterprise accounts with >\$50K
ARR across diverse verticals

170+

Countries

25%+

of Fortune 1000

<10%

of subscription
revenue from
top 10 customers

Real Estate

REDFIN

CENTURY 21

ENGEL & VÖLKERS

RE/MAX 

 **JLL**  **kw**

AEC

 **BURNS
McDONNELL**

Gilbane

Hines

Travel & Hospitality

 **agoda**

 **vacasa**

 **HYATT**

 **airbnb**

Repair & Insurance

 **BELFOR** 

 **Nationwide**

 **ServiceMaster**

Industrial & Facilities

SIEMENS

 **DANONE**
ONE PLANET. ONE HEALTH

 **INVISTA**

H&M

 **GP**
Georgia-Pacific

SIEMENS

A global manufacturing and technology powerhouse

[Tour the Siemens Facility](#)

Challenges

- Enable internal stakeholders and customers to perform thorough review of production and assembly line setups for as long as necessary, without disrupting operations
- Conducting meetings during a production without noise, physical safety, and accessibility issues

Results

- Eliminated time, noise, and space constraints of in-person group meetings on the production floor
- Enabled key stakeholders to perform comprehensive review and visual analyses of assembly line design setup and process optimization remotely, improving manufacturing flexibility while fostering collaboration and communication
- Remotely monitor plant operations through visualized display and context of critical data from real-time IoT systems



DANONE
ONE PLANET. ONE HEALTH

A global food and beverage company

[Case Study Link](#)

Challenges

- Strict safety and quality protocols mean that all visitors who wish to enter the production facilities must undergo safety and quality awareness training and wear protective clothing
- Distributed, global employee base
- In-person site visits were time consuming & expensive

Results

- Reduced travel and the company's carbon footprint with 50% decrease in in-person site visits by company personnel
- Hundreds of employee hours saved annually
- Improved understanding of manufacturing plant conditions and requirements in meetings
- Weeks of time savings for equipment installations
- Enhanced training with high-quality virtual factory tours



The next generation of digital twins is here.

Automated measurements and layouts now available for digital twins.

[Launch Video](#)



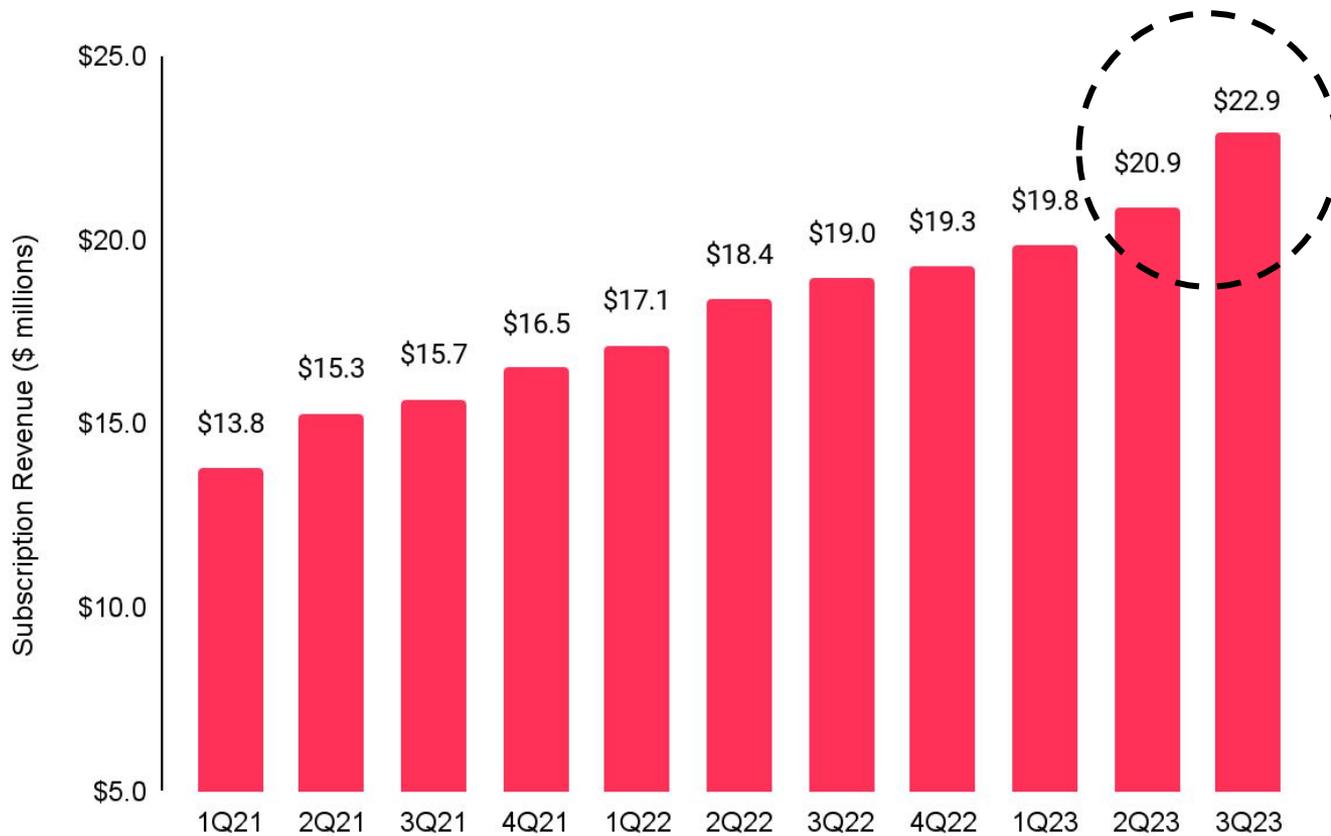
Introducing the next generation of intelligent digital twins with new AI-powered capabilities that bring even more information and insights to our customers:

- **Automated Measurements:** Now when you create a Matterport digital twin, room dimensions - and soon to include ceiling height - are labeled automatically.
- **Instant Layouts:** Instantly see the layout of your property. With one click, you can easily transition between 2D and 3D layouts of your space, including labeled room names, wall segments and more.
- **Customization:** Every room in Layouts is fully editable with a simple, point-and-click tool to adjust walls, openings, and room names.
- **Automated Property Reports:** Detailed and downloadable property reporting that includes a summary of your space and a room-by-room breakdown of area and dimensions, including Multiple Listing Service (MLS) data.

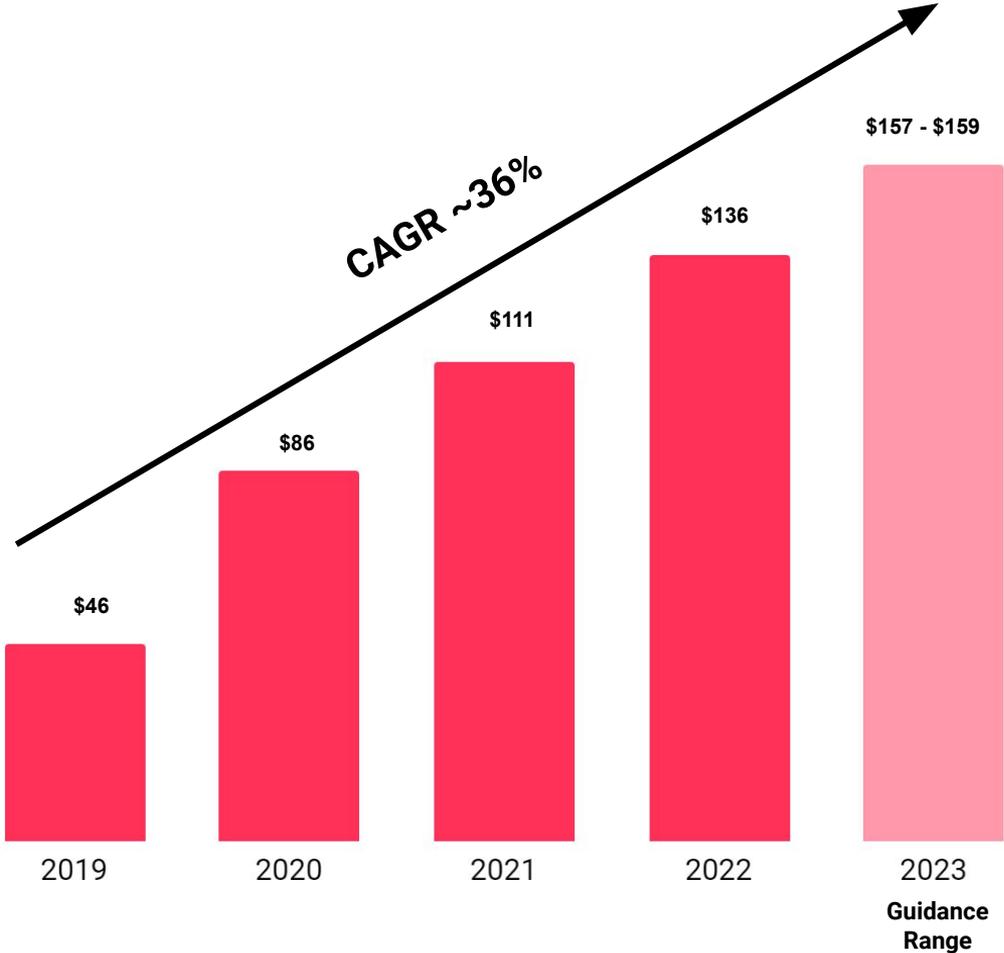
Financial Overview

A 3D wireframe landscape with a blue sky and a red sun, overlaid with a white grid pattern. The landscape features a central circular depression and various structures and trees. The grid pattern is composed of white lines forming a complex, interconnected network.

Largest sequential increase in subscription revenue growth in the last 2 years in 3Q23

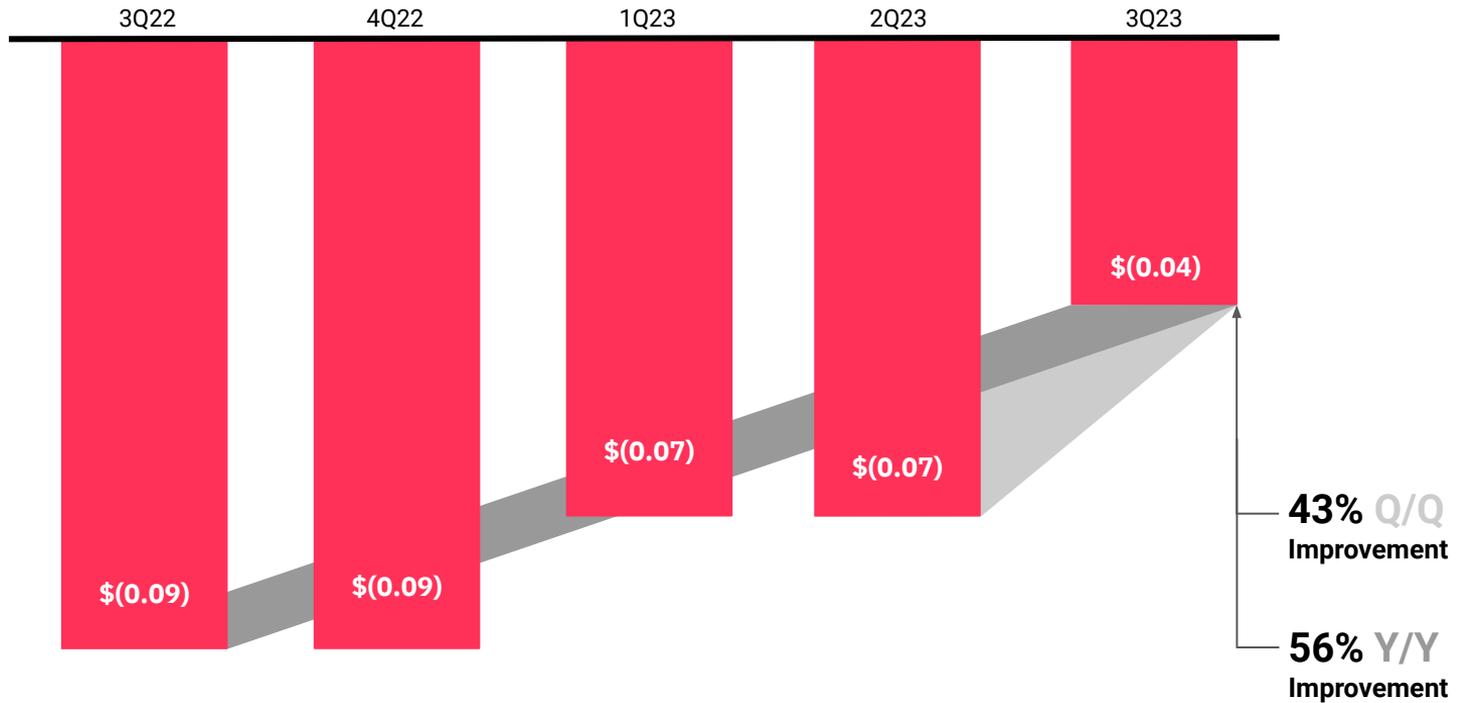


Strong growth in total revenue over the long term



Notes:
Revenue in millions
2023 guidance as of November 6, 2023
Unaudited

Step function improvement in Non-GAAP loss per share reflecting commitment to profitability



Notes:
Non-GAAP Loss per share
Unaudited

Subscription revenue grew 20% year-over-year

(\$000s)	Three Months Ended September 30,	
	2023	2022
Revenue:		
Subscription	22,850	18,981
License	28	21
Services	9,936	10,015
Product	7,828	8,976
Total revenue	40,642	37,993
Non-GAAP Gross Margin		
Subscription	77%	72%
License	100%	100%
Services	35%	35%
Product	23%	13%
Total non-GAAP GM%	56%	48%
Total non-GAAP operating expenses	38,982	46,028
Non-GAAP loss from operations	(16,088)	(27,650)
Non GAAP net loss	(11,956)	(26,923)

Notes:

Unaudited

For the definition of non-GAAP gross margin, loss from operations and net loss and a reconciliation to their most directly comparable financial measures prepared in accordance with GAAP, please see the appendix

- ARR of >\$91M
- 800 bps improvement in Non-GAAP Gross Margin, driven by meaningfully enhanced subscription & product margins
- Non-GAAP Net loss improved by 56%

Cash used in operations improved 62% YoY on strong revenue growth and improved operating leverage

(\$000s)

Consolidated Balance Sheet Data:

	September 30, 2023	December 31, 2022
Cash and cash equivalents	80,142	117,128
Short-term and long-term investment	349,563	359,774
Working capital ⁽¹⁾	400,199	468,954
Property and equipment, net	32,821	30,559
Total assets	589,206	640,395
Total liabilities ⁽²⁾	48,911	55,681
Warrants liability	239	803
Total stockholders' equity	540,056	583,911

Notes:

Unaudited

(1) Working capital is defined as current assets less current liabilities

(2) Total liabilities do not include warrants liability that are presented at period-end fair market value and listed separately in the table

- Cash used in operations was \$15.5 million in Q3, 62% improvement YoY, including one time restructuring payment of \$2.9M
- Strong balance sheet with \$430 million in cash and investments
- No debt

Raising Revenue & Non-GAAP loss per share guidance for Q4 and full year 2023 driven by continued strong demand for digital twins, combined with robust gross margins and continued operating discipline

	Q4 2023 Guidance	FY 2023 Guidance
Total revenue (in millions)	\$39 – \$41	\$157 – \$159
Subscription revenue (in millions)	\$23.0 – \$23.3	\$86.5 – \$86.8
<i>Year-over-year growth</i>	19% - 21%	17% - 18%
Non-GAAP loss per share	\$(0.05) - \$(0.03)	\$(0.23) - \$(0.21)
Weighted average fully diluted shares outstanding (in millions)	308	300

Notes:

Matterport is not able to provide a reconciliation of non-GAAP loss per share to GAAP loss per share because Matterport does not provide specific guidance for the various exclusions adjusted from net loss. These items have not yet occurred, are out of Matterport's control and/or cannot be reasonably predicted. As a result, reconciliation of the non-GAAP guidance measures to GAAP is not available without unreasonable effort, and Matterport is unable to address the probable significance of the unavailable information

Business highlights



35B square feet managed, **11.1M** digital twins, **100X** Rest of Market in digital twins



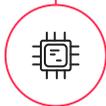
887,000 subscribers with **25%** of **Fortune 1000** companies as customers



20% subscription revenue growth
Non-GAAP Gross Margin up 800 bps
56% improvement in Non-GAAP loss per share



Cloud platform serving Enterprise & SMB across diverse vertical markets - **real estate, AEC, facilities management, travel & hospitality, and insurance**



Leveraging AI across **Cortex, Property Intelligence, and Genesis** technologies to drive increased revenue per account

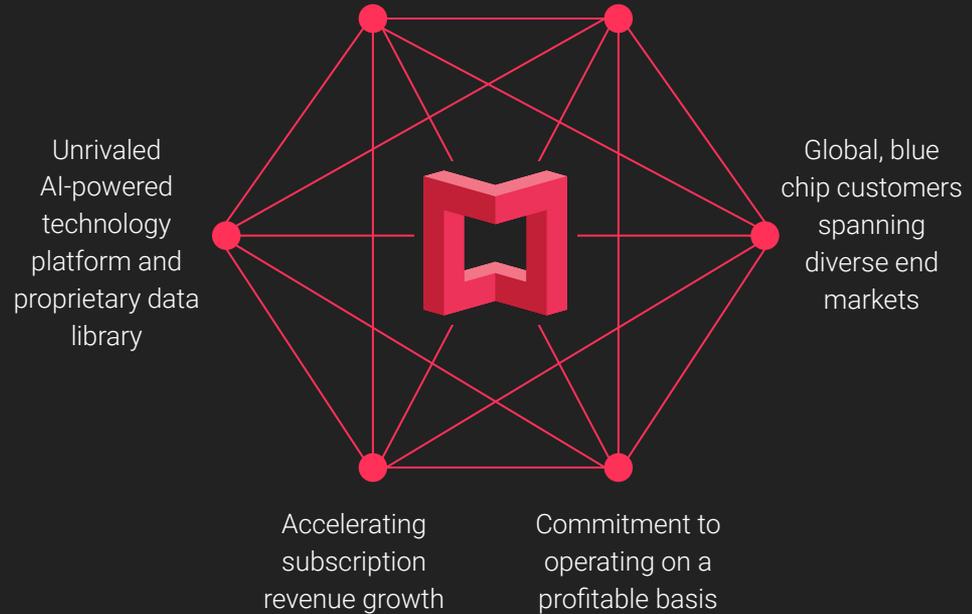


Accelerating path to profitability with **cash flow from operations breakeven expected in 2024**



Massive,
unpenetrated
TAM

Market leader digitally
transforming the built
world



Notes:

As of September 30, 2023

TAM estimate from Savills World Research and the Company

The Seinfeld Apartment

View Space



The Seinfeld Apartment

129 West 81st Street, 5A, New York City NY 10024

Explore more spaces at:
<https://matterport.com/discover>

Appendix

GAAP to Non-GAAP reconciliation - Net Loss and Loss per Share

(in thousands, except per share amounts)

	Three Months Ended September 30,	
	2023	2022
GAAP net loss	\$ (44,754)	\$ (58,259)
Stock based compensation-related charges ⁽¹⁾	29,721	30,671
Restructuring charges ⁽²⁾	3,147	-
Acquisition-related costs ⁽³⁾	-	222
Amortization expense of acquired intangible assets	443	443
Change in fair value of warrants liability ⁽⁴⁾	(513)	-
Non-GAAP net loss	<u>\$ (11,956)</u>	<u>\$ (26,923)</u>
GAAP net loss per share attributable to common stockholders:		
Basic	\$ (0.15)	\$ (0.20)
Diluted	\$ (0.15)	\$ (0.20)
Non-GAAP net loss per share attributable to common stockholders, basic and diluted	<u>\$ (0.04)</u>	<u>\$ (0.09)</u>
Weighted-average shares used to compute GAAP net loss per share, basic	303,432	286,458

(1) Consists primarily of non-cash share-based compensation expense related to our stock incentive plans and earn-out arrangement, and the employer payroll taxes related to stock our options and restricted stock units.

(2) Consists of severance and other employee separation costs, and cease use charges for operating lease right-of-use assets due to reduction of leased office spaces.

(3) Consists of acquisition transaction costs.

(4) Consists of the non-cash fair value measurement change for private warrants.

Notes: Unaudited

GAAP to Non-GAAP reconciliation - Gross Margin

Non-GAAP gross profit and gross margin: (\$000s)	Three months ended			
	9/30/2023		9/30/2022	
	\$	GP%	\$	GP%
GAAP gross profit and gross margin:				
Subscription	15,471	68%	12,389	65%
License	28	100%	21	100%
Services	3,211	32%	3,462	35%
Product	1,187	15%	519	6%
Total GAAP gross profit and gross margin	19,897	49%	16,391	43%
Add: Stock based compensation-related charges				
Subscription	2,106		1,285	
License	-		-	
Services	82		33	
Product	501		669	
Add: Restructuring Charges				
Subscription	5		-	
License	-		-	
Services	152		-	
Product	151		-	
Total	2,997	7%	1,987	5%
Non-GAAP Gross profit and gross margin:				
Subscription	17,582	77%	13,674	72%
License	28	100%	21	100%
Services	3,445	35%	3,495	35%
Product	1,839	23%	1,188	13%
Total non-GAAP gross profit and gross margin	22,894	56%	18,378	48%

Notes: Unaudited

GAAP to Non-GAAP reconciliation - Loss from Operations

Non-GAAP Reconciliation - Loss from Operations (\$000s)	Three months ended	
	9/30/2023	9/30/2022
GAAP gross profit and gross margin:	19,897	16,391
Add: Stock based compensation-related charges	2,689	1,987
Add: Restructuring charges	308	-
Total non-GAAP gross profit and gross margin	<u>22,894</u>	<u>18,378</u>
GAAP research and development expenses	15,577	19,084
Less: Stock based compensation-related charges	5,919	6,453
Less: Restructuring charges	600	-
Less: Amortization expense of acquired intangible assets	270	270
Non-GAAP research and development expenses	<u>8,788</u>	<u>12,361</u>
GAAP selling, general and administrative expenses	53,719	56,293
Less: Stock based compensation-related charges	21,113	22,231
Less: Restructuring charges	2,239	-
Less: Acquisition-related costs	-	222
Less: Amortization expense of acquired intangible assets	173	173
Non-GAAP selling, general and administrative expenses	<u>30,194</u>	<u>33,667</u>
GAAP loss from operations	(49,399)	(58,986)
Add: Stock based compensation-related charges	29,721	30,671
Add: Restructuring charges	3,147	-
Add: Acquisition-related costs	-	222
Add: Amortization expense of acquired intangible assets	443	443
Non-GAAP loss from operations	<u>(16,088)</u>	<u>(27,650)</u>

Notes: Unaudited