



February 20, 2024 | Fourth Quarter 2023 Financial Results

Disclaimers

Forward-Looking Statements

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.

Use of Projections

This presentation contains financial forecasts ("guidance") and other forecasted financial information with respect to certain financial measurements of Matterport, including but not limited to revenue, subscription revenue, and loss per share. Such information constitutes forward-looking information, and should not be relied upon as necessarily being indicative of future results. The assumptions and estimates underlying such guidance and such other financial information are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in such guidance and such other financial information. See "Forward-Looking Statements" paragraph above. Accordingly, there can be no assurance that such guidance or such other financial information are indicative of the future performance of Matterport or that actual results will not differ materially from those presented in such guidance or such other financial information. Inclusion of such guidance and such other financial information in this presentation should not be regarded as a representation by any person that the results contained in such guidance or such other financial information will be achieved.

Industry and Market Data

In this presentation, Matterport relies on and refers to information and statistics regarding the sectors in which Matterport competes and other industry data. Matterport obtained this information and statistics from third-party sources, including reports by market research firms. Although Matterport believes these sources are reliable, Matterport has not independently verified the information and does not guarantee its accuracy and completeness. Matterport has supplemented this information where necessary with information from discussions with Matterport customers and Matterport's own internal estimates, taking into account publicly available information about other industry participants and Matterport's management's best view as to information that is not publicly available.

Trademarks and Trade Names

Matterport owns or has rights to various trademarks, service marks and trade names that it uses in connection with the operation of its business. This presentation also contains trademarks, service marks and trade names of third parties, which are the property of their respective owners. The use or display of third parties' trademarks, service marks, trade names or products in this presentation is not intended in, and does not imply, a relationship with Matterport, or an endorsement or sponsorship by or of Matterport. Solely for convenience, the trademarks, service marks and trade names referred to in this presentation may appear without the ®, TM or SM symbols, but such references are not intended to indicate, in any way, that Matterport will not assert, to the fullest extent under applicable law, its rights or the right of the applicable licensor in these trademarks, service marks and trade names.

Non-GAAP Financial Measures

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



Q4 subscription revenue reached \$23.7 million, up 23% year-over-year & above guidance range



Q4 total revenue of \$39.5 million, in line with guidance range



Total subscribers increased to 938,000, up 34% year-over-year; 120+ enterprise accounts with >\$50K ARR



Q4 Non-GAAP loss per share of \$0.04, a 56% improvement year-over-year



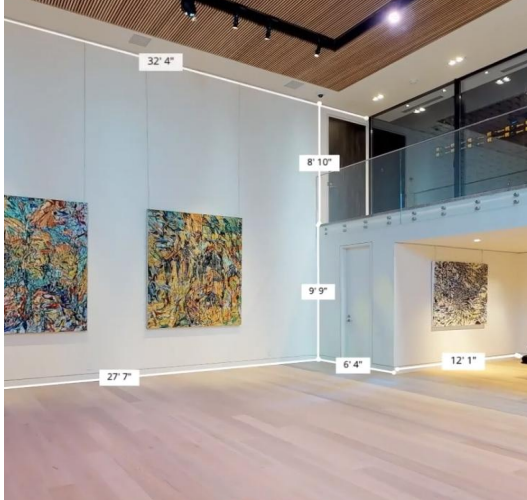
Net dollar expansion rate increased for the second consecutive quarter to 109%, and the highest level in two years



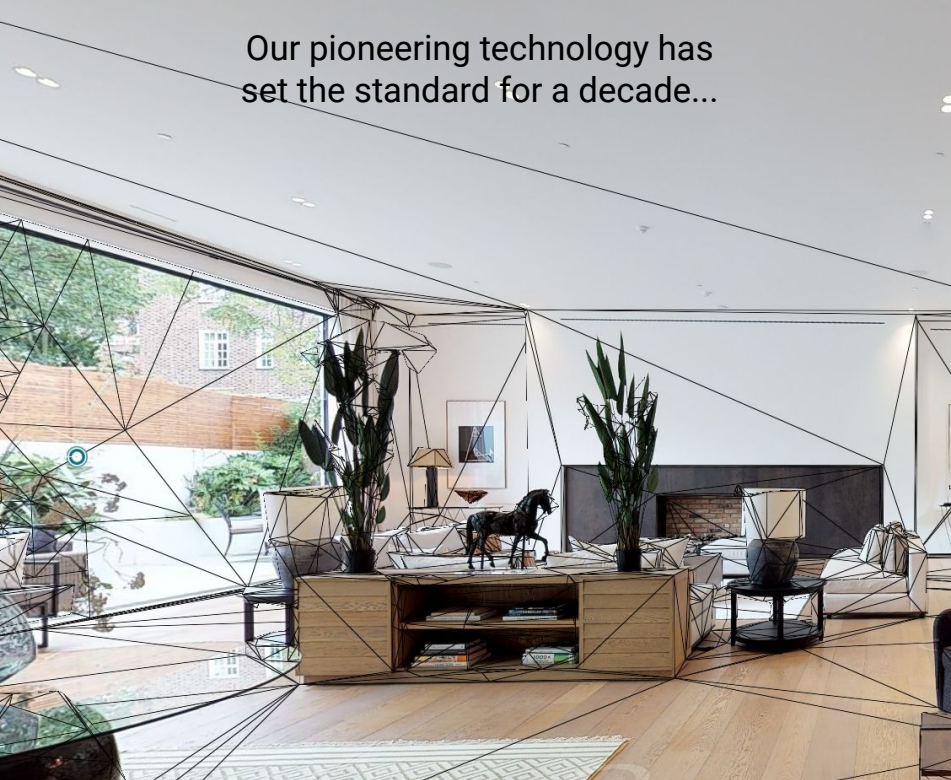
Spaces under management increased to 11.7 million, up 27% year-over-year



Announced **Property Intelligence** is now available, providing automated measurements, layouts, editing, and reporting capabilities



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



Matterport transforms buildings into data.

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



Our spatial data increases the value of every building.

Net dollar expansion rate hits highest level in two years; continued subscriber growth



\$158M
run-rate revenue

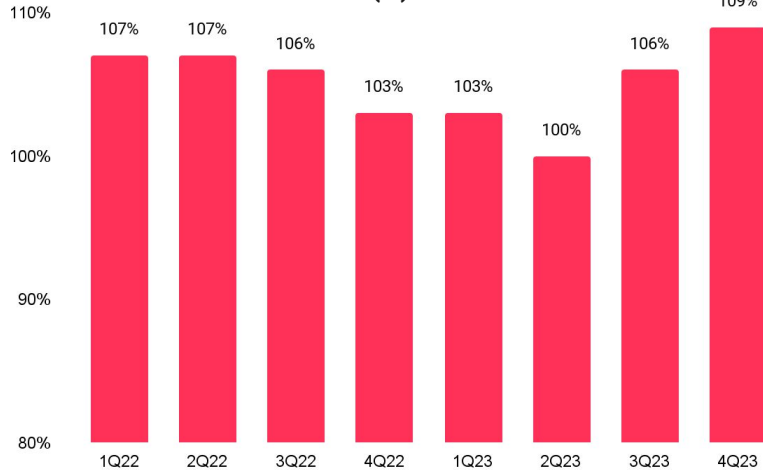


11.7M
Spaces Under
Management

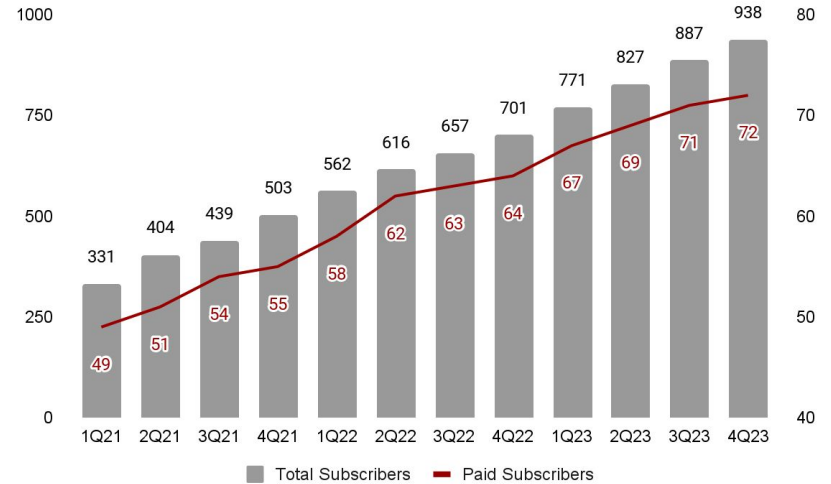


38B Sq ft
managed

Net Dollar Expansion Rate
(%)



Subscribers
(thousands)



Notes:

Run-rate revenue is the annualized value of total revenue for the three months ended December 31, 2023. Spaces Under Management, square feet managed are as of December 31, 2023. Unaudited

Growing global customer base with low customer concentration

120+

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** 

AEC

 **BURNS
MCDONNELL**

Gilbane

Hines

Perkins & Will

CORGAN 

Travel & Hospitality

**VISITING
W/MEDIA**

 **airbnb**

agoda



vacasa

Repair & Insurance

BELFOR 



Nationwide*

 **ServiceMaster**

 **ATI**

Industrial & Facilities

 **DANONE**
ONE PLANET. ONE HEALTH

 **INVISTA**

 **BAYER**

SIEMENS

Case Study:

Bayer Digitizes a Legacy Design Process with Matterport Digital Twins to Reduce Project Planning Cost by 75%

Results



~\$80,000 per year in cost savings driven by fewer sight visits, reduced travel expenses, and lower third party costs to support design plans.



Enabled faster and more cost-effective delivery of Revit design files.



Secured a reduced project bid by providing a supplier with the digital twin, enabling them to correct the previously overbid estimate.



Improved the value chain from design to construction by eliminating manual site plans, designs and sketches.

[Read the customer story](#)



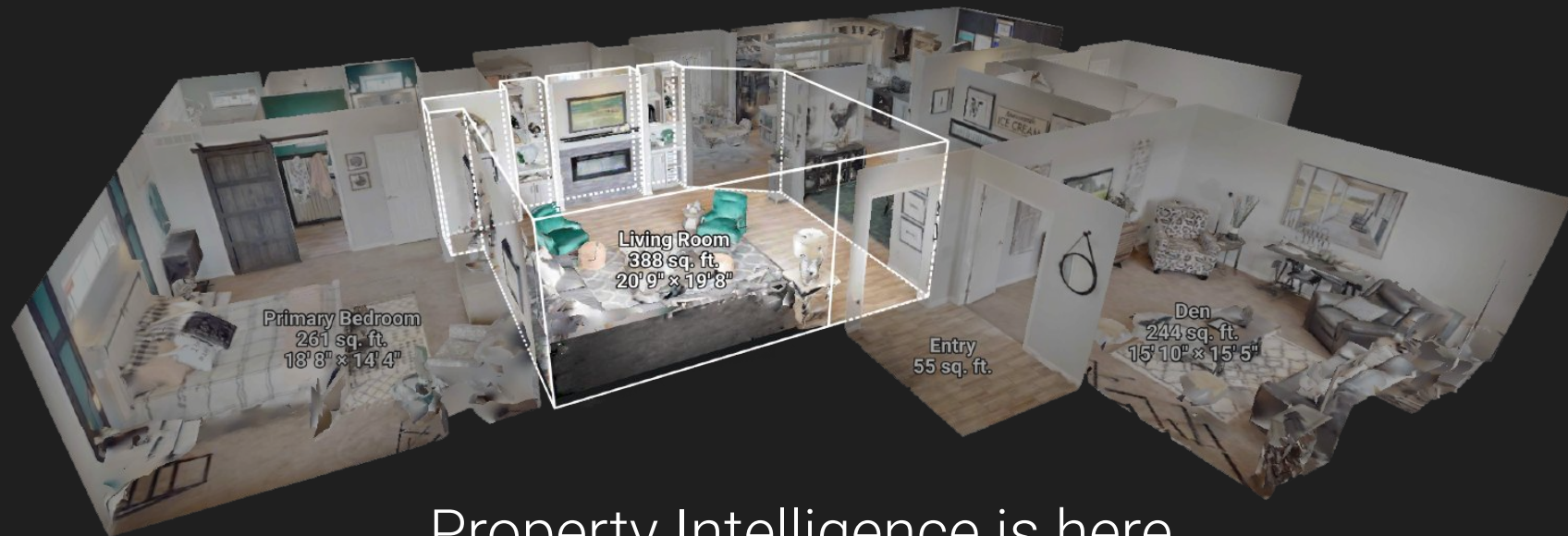
“The traditional way would have been to have a physical team present on a specific site with flights, hotel costs, and the [person]-hour cost of the team. We’re cutting down on that cost and really making sure that a [Matterport Digital Twin] gives you the highest amount of quality and multiple reuse opportunities. It’s absolutely valuable. For us, that easily translates into a saving of around \$80,000 per year.”

Jaco van der Westhuizen
Capital Project Expansions
Bayer Africa



2024 WINTER RELEASE

Automating the future of property marketing, design & construction, and facilities management



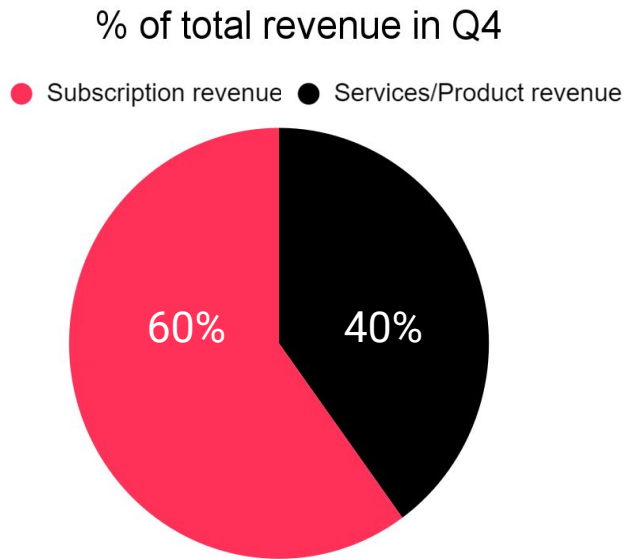
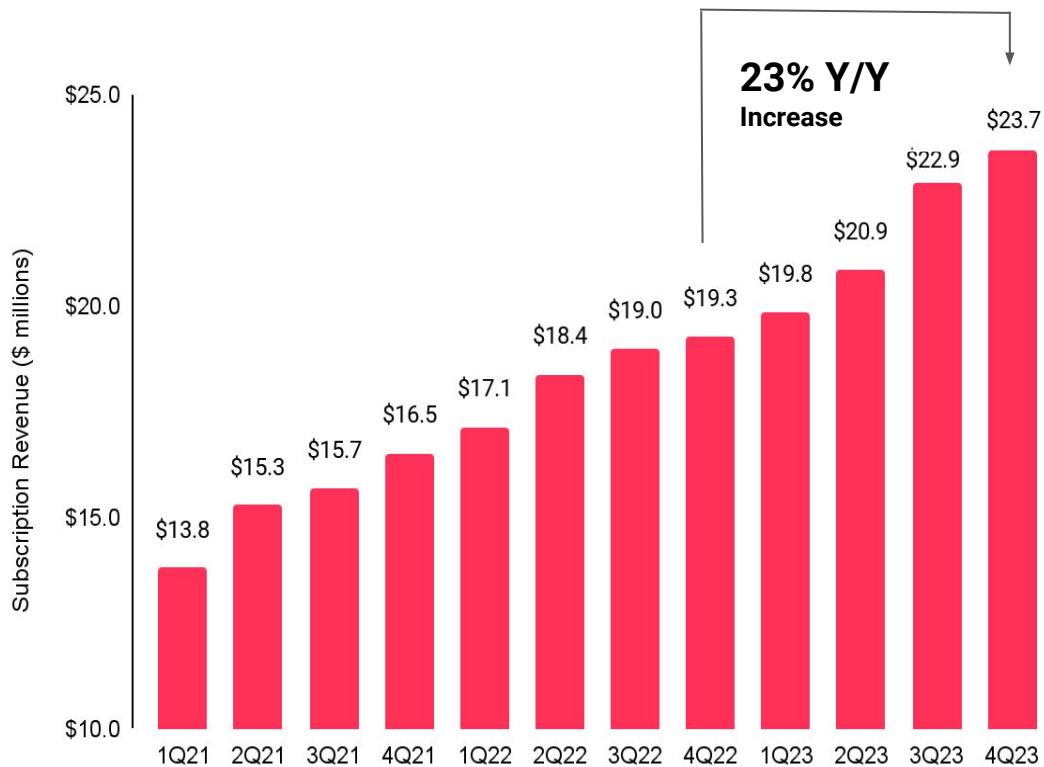
Property Intelligence is here

[Click here to learn more](#)

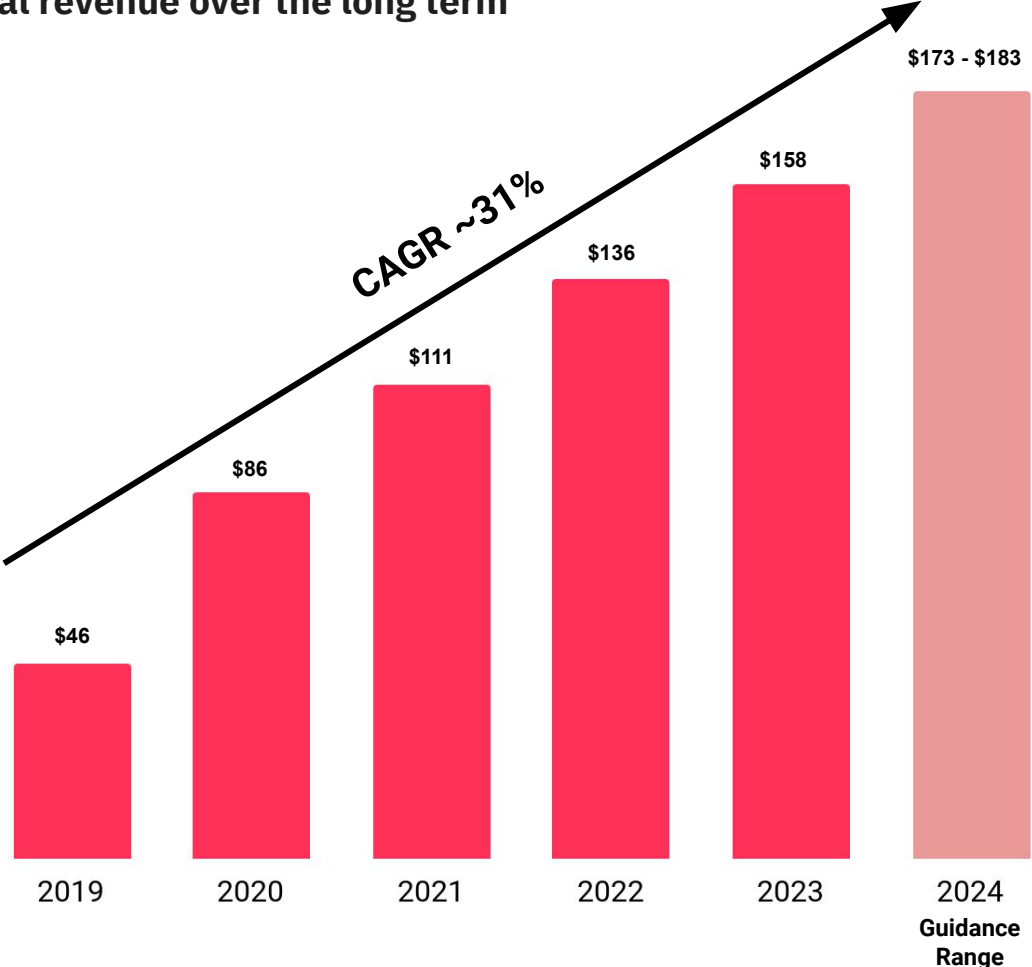
Financial Overview

A 3D wireframe landscape with a blue sky and a white sun, overlaid with a semi-transparent blue grid. The landscape features a central circular depression and various structures and trees. The grid is composed of a series of blue lines forming a pattern of squares and rectangles, with some lines being thicker than others.

Subscription revenue growth accelerates to 23% Y/Y; represented 60% of total revenue

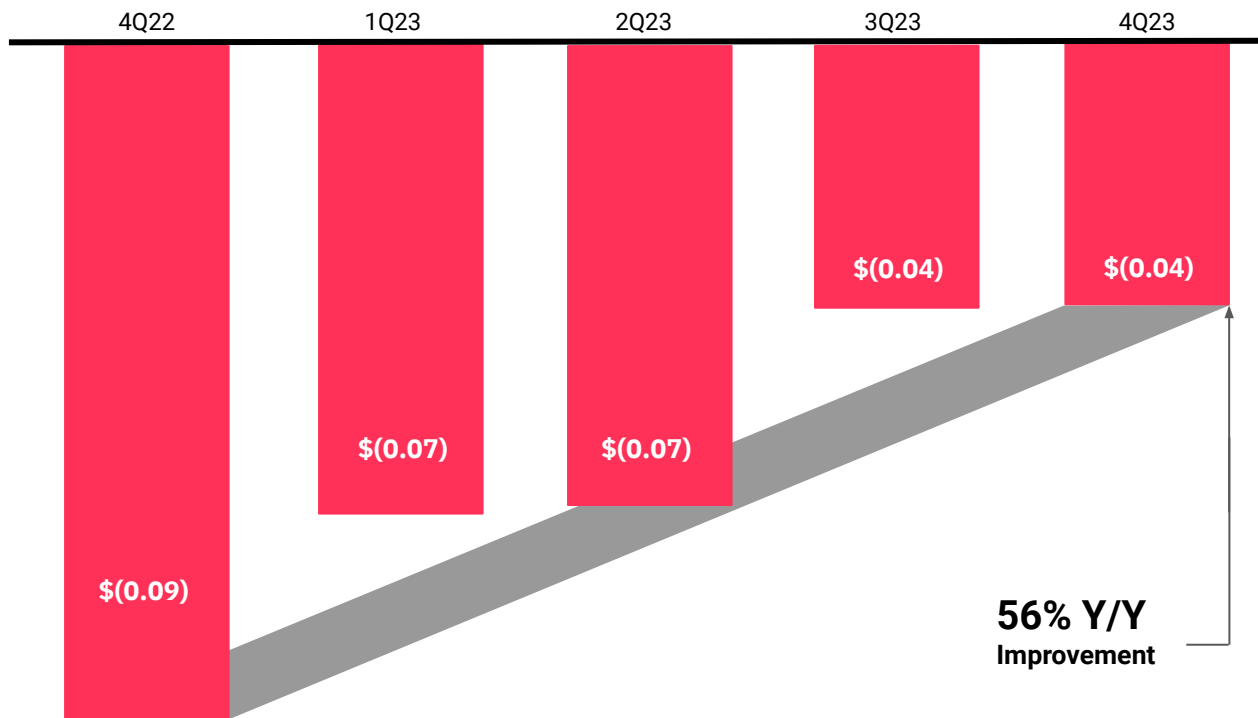


Strong growth in total revenue over the long term



Notes:
Revenue in millions
2024 guidance as of February 20, 2024
Unaudited

Step function Y/Y improvement in Non-GAAP loss per share reflects commitment to profitability



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

Subscription growth, gross margin expansion, and reduced opex drives net loss improvement

(\$000s)	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Revenue:				
Subscription	23,673	19,281	87,238	73,789
License	28	27	110	97
Services	8,297	8,267	37,621	27,268
Product	7,547	13,566	32,779	34,971
Total revenue	39,545	41,141	157,748	136,125
Non-GAAP Gross Margin				
Subscription	78%	75%	76%	74%
License	100%	100%	100%	100%
Services	33%	26%	31%	34%
Product	-2%	-14%	11%	-7%
Total non-GAAP GM%	53%	36%	52%	45%
Total non-GAAP operating expenses	38,230	43,493	161,747	179,993
Non-GAAP loss from operations	(17,074)	(28,784)	(80,416)	(118,828)
Non GAAP net loss	(11,828)	(26,562)	(65,767)	(116,667)

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 \$94.7M, up 23% Y/Y
- 1700 bps improvement in Non-GAAP gross margin in Q4, across subscription, services and product lines and mix shift to more subscription revenue
- Non-GAAP net loss improved by 55% in Q4

Cash used in operations improved 46% Y/Y on strong revenue growth and improved operating leverage

(\$000s) Consolidated Balance Sheet Data:	December 31, 2023	December 31, 2022
Cash and cash equivalents	82,902	117,128
Short-term and long-term investment	340,098	359,774
Working capital ⁽¹⁾	378,607	468,954
Property and equipment, net	32,471	30,559
Total assets	577,155	640,395
Total liabilities ⁽²⁾	47,581	55,681
Warrants liability	290	803
Total stockholders' equity	529,284	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 \$10.4 million in Q4, 46% improvement Y/Y
- Lowest quarterly cash burn since becoming a public company
- Strong balance sheet with \$423 million in cash and investments
- No debt

Strong demand for digital twins along with operating discipline yields higher subscription revenue and improved Non-GAAP loss per share guidance in 2024

	Q1 2024 Guidance	FY 2024 Guidance
Total revenue (in millions)	\$39 - \$41	\$173 - \$183
Subscription revenue (in millions)	\$24.0 - \$24.2	\$104 - \$106
Year-over-year growth	21% - 22%	19% - 22%
Non-GAAP loss per share	\$(0.04) - \$(0.02)	\$(0.11) - \$(0.07)
Weighted average fully diluted shares outstanding (in millions)	315	322

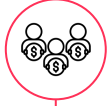
Notes:

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



38B square feet managed, **11.7M** digital twins, **100X** rest of market in digital twins



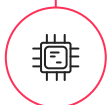
938,000 subscribers with **25%** of **Fortune 1000** companies as customers



23% subscription revenue growth
Non-GAAP gross margin up 1700 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**



2024 Winter Release highlights powerful AI-driven insights to drive increased revenue per account

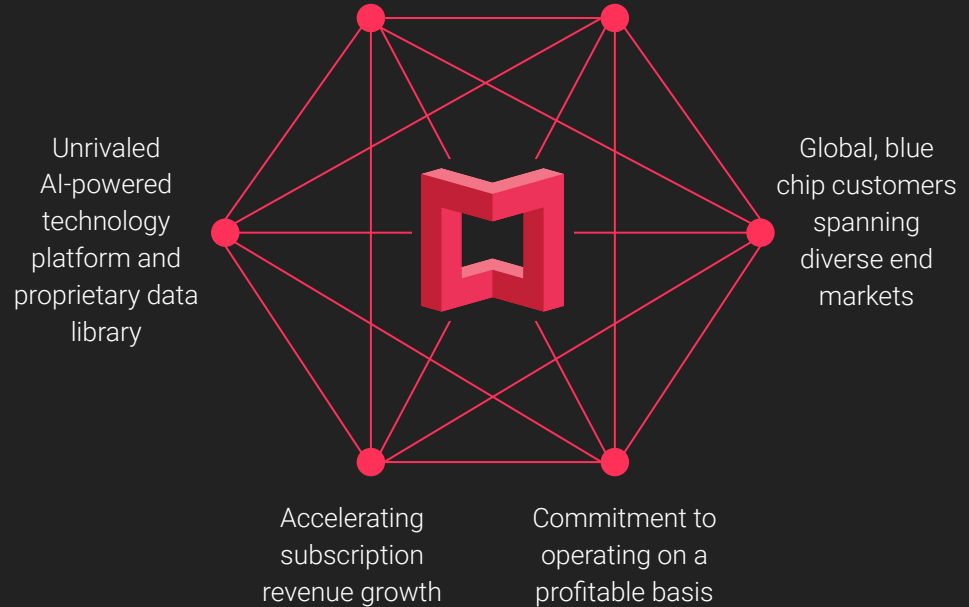


Accelerating path to profitability with **quarterly cash flow from operations breakeven expected in 2H 2024**



Massive,
unpenetrated
TAM

Market leader digitally
transforming the built
world



Shine Club

Explore Shine Club, one of Krakow's hottest night clubs

Explore more spaces at: [Matterport Discover](#)



SHINE CLUB

Starowińska 16, 33-332 Kraków, Poland

Captured with: [Matterport Pro2](#)



Appendix

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

(in thousands, except per share amounts)

	Three Months Ended December 31,		Fiscal year ended, December 31,	
	2023	2022	2023	2022
GAAP net loss	\$ (43,945)	\$ (60,350)	(199,077)	(111,339)
Stock based compensation-related charges (1)	30,474	33,140	127,755	152,788
Restructuring charges (2)	1,149	-	4,296	-
Acquisition-related costs (3)	-	-	-	1,294
Amortization expense of acquired intangible assets	443	443	1,772	1,411
Change in fair value of warrants liability (4)	51	(888)	(513)	(27,035)
Change in fair value of contingent earn-out liability (5)	-	-	-	(136,043)
Impairment of investment	-	1,093	-	1,093
Payroll tax related to contingent earn-out share issuance (6)	-	-	-	1,164
Non-GAAP net loss	<u>\$ (11,828)</u>	<u>\$ (26,562)</u>	<u>\$ (65,767)</u>	<u>\$ (116,667)</u>
GAAP net loss per share attributable to common stockholders:				
Basic	\$ (0.14)	\$ (0.21)	\$ (0.66)	\$ (0.39)
Diluted	\$ (0.14)	\$ (0.21)	\$ (0.66)	\$ (0.39)
Non-GAAP net loss per share attributable to common stockholders, basic and diluted	<u>\$ (0.04)</u>	<u>\$ (0.09)</u>	<u>(0.22)</u>	<u>(0.41)</u>
Weighted-average shares used to compute net loss per share, basic and diluted	308,030	289,164	300,697	283,585

Notes:

(1) Consists primarily of non-cash share-based compensation expenses related to our stock incentive plans and earn-out arrangement, and the employer payroll taxes related to our stock 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 public and private warrants.

(5) Represents the non-cash fair-value measurement change related to our earn-out liability.

(6) Represents the payroll tax related to earn-out shares issuance and release in 2022.

Unaudited

GAAP to Non-GAAP reconciliation - Gross Margin

Non-GAAP gross profit and gross margin: (\$000s)	Three months ended				Fiscal Year Ended			
	12/31/2023		12/31/2022		12/31/2023		12/31/2022	
GAAP gross profit and gross margin:								
Subscription	16,242	69%	12,985	67%	58,231	67%	49,530	67%
License	28	100%	27	100%	110	100%	97	100%
Services	2,632	32%	1,980	24%	10,978	29%	8,276	30%
Product	(684)	-9%	(3,159)	-23%	1,171	4%	(6,057)	-17%
Total GAAP gross profit and gross margin	18,218	46%	11,833	29%	70,490	45%	51,846	38%
Add: Stock based compensation-related charges								
Subscription	2,309		1,494		8,035		4,820	
License	-		-		-		-	
Services	68		137		339		907	
Product	514		1,245		2,112		3,592	
Add: Restructuring Charges								
Subscription	-		-		5		-	
License	-		-		-		-	
Services	15		-		167		-	
Product	32		-		183		-	
Total	2,938	7%	2,876	7%	10,841	7%	9,319	7%
Non-GAAP Gross profit and gross margin:								
Subscription	18,551	78%	14,479	75%	66,271	76%	54,350	74%
License	28	100%	27	100%	110	100%	97	100%
Services	2,715	33%	2,117	26%	11,484	31%	9,183	34%
Product	(138)	-2%	(1,914)	-14%	3,466	11%	(2,465)	-7%
Total non-GAAP gross profit and gross margin	21,156	53%	14,709	36%	81,331	52%	61,165	45%

Notes: Unaudited

GAAP to Non-GAAP reconciliation - Loss from Operations

Non-GAAP Reconciliation - Loss from Operations (\$000s)	Three months ended		Fiscal Year Ended	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
GAAP gross profit and gross margin:	18,218	11,833	70,490	51,846
Add: Stock based compensation-related charges	2,891	2,876	10,486	9,319
Add: Restructuring charges	47	-	355	-
Total non-GAAP gross profit and gross margin	<u>21,156</u>	<u>14,709</u>	<u>81,331</u>	<u>61,165</u>
GAAP research and development expenses	14,594	18,421	67,305	85,025
Less: Stock based compensation-related charges	6,103	7,833	27,899	35,365
Less: Restructuring charges	343	-	943	-
Less: Amortization expense of acquired intangible assets	270	270	1,080	1,065
Less: Tax impact related to contingent earn-out share issuance	-	-	-	505
Non-GAAP research and development expenses	<u>7,878</u>	<u>10,318</u>	<u>37,383</u>	<u>48,090</u>
GAAP selling, general and administrative expenses	52,764	55,779	217,424	242,306
Less: Stock based compensation-related charges	21,480	22,431	89,370	108,104
Less: Restructuring charges	759	-	2,998	-
Less: Acquisition-related costs	-	-	-	1,294
Less: Amortization expense of acquired intangible assets	173	173	692	346
Less: Tax impact related to contingent earn-out share issuance	-	-	-	659
Non-GAAP selling, general and administrative expenses	<u>30,352</u>	<u>33,175</u>	<u>124,364</u>	<u>131,903</u>
GAAP loss from operations	(49,140)	(62,367)	(214,239)	(275,485)
Add: Stock based compensation-related charges	30,474	33,140	127,755	152,788
Add: Restructuring charges	1,149	-	4,296	-
Add: Acquisition-related costs	-	-	-	1,294
Add: Amortization expense of acquired intangible assets	443	443	1,772	1,411
Add: Tax impact related to contingent earn-out share issuance	-	-	-	1,164
Non-GAAP loss from operations	<u>(17,074)</u>	<u>(28,784)</u>	<u>(80,416)</u>	<u>(118,828)</u>

Notes: Unaudited