



August 8, 2023 | Second Quarter 2023 Financial Results

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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



Q2 total revenue of \$39.6 million, up 39% year-over-year, at high end of guidance



Q2 subscription revenue reached \$20.9 million, a new record



Total subscribers increased to 827,000, up 34% year-over-year



Spaces Under Management increased to 10.5 million, up 31% year-over-year



Announced **Genesis**, a new initiative to deliver generative AI across the Company's digital twin platform



Q2 Non-GAAP Loss Per Share of \$0.07, at high end of guidance



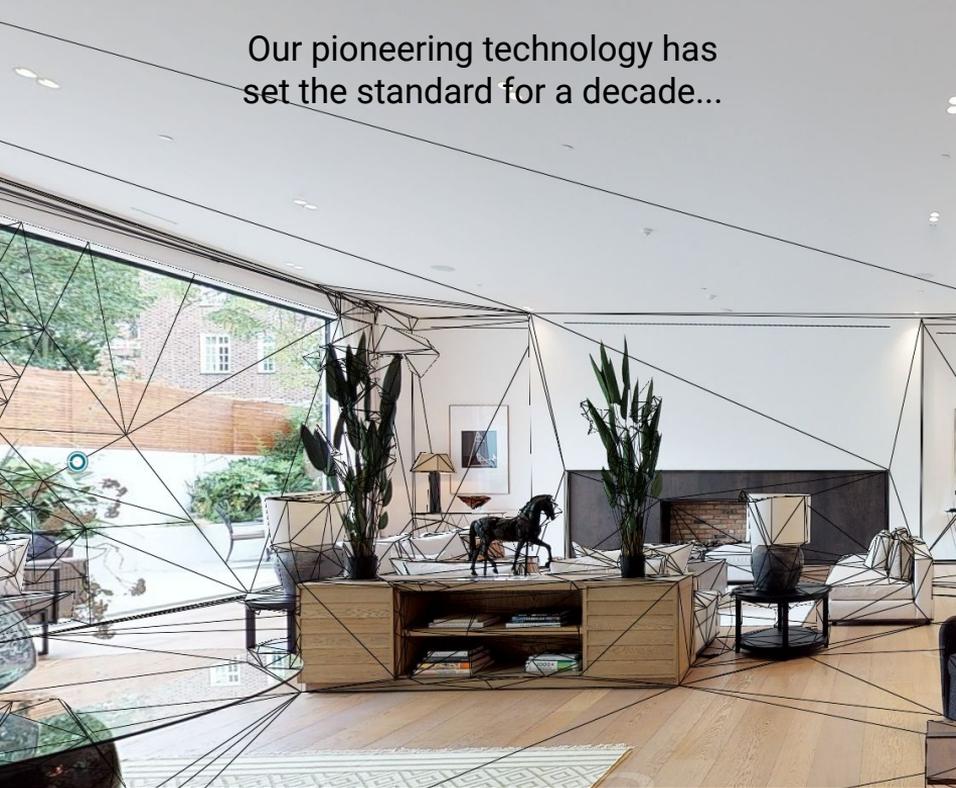
Reorganized to streamline business operations & achieve cash flow profitability in 2024



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...



Today, Matterport transforms buildings into data.

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



Tomorrow, our data will increase the value of every building.

Sustained growth in Spaces Under Management & paid subscribers



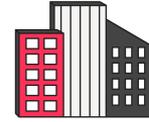
\$158M

run-rate revenue



10.5M

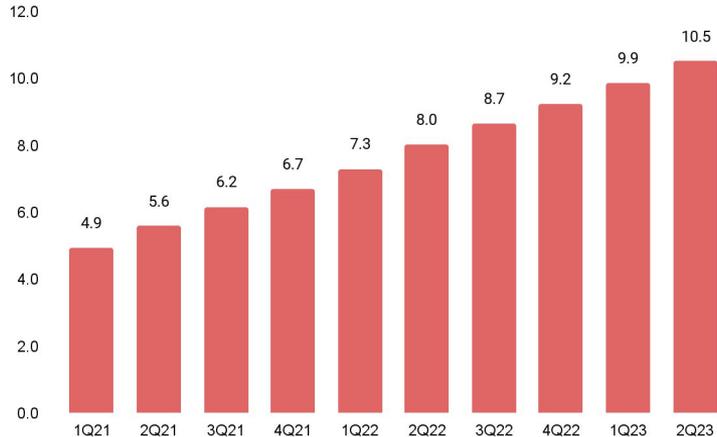
Spaces Under Management



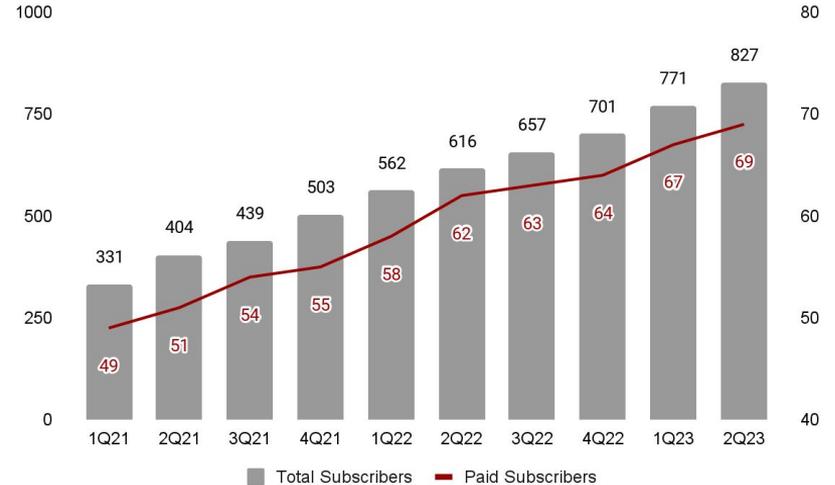
33B Sq ft

managed

Spaces Under Management
(millions)



Subscribers
(thousands)



Notes:

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

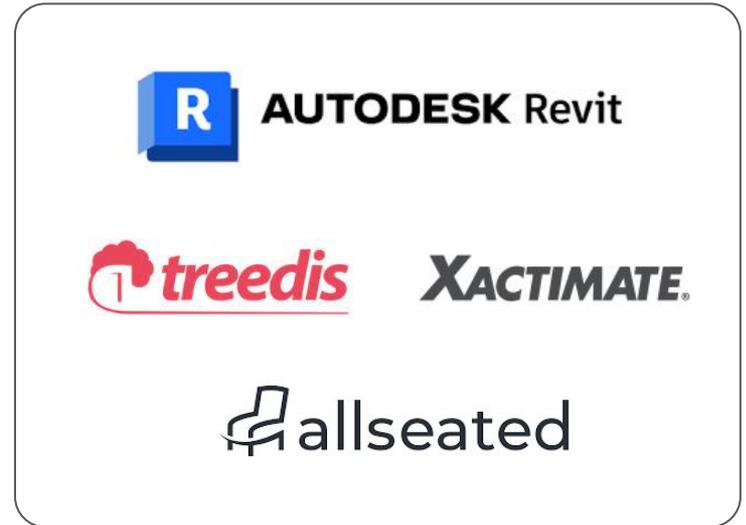
Growing our network of partners & integrations to fuel subscription revenue growth



Select Partners



Select Integrations



Genesis preview: delivering generative AI across our digital twin platform

How many people could I fit on this floor with an open floor plan?  [Generate](#)

Floor Transformations

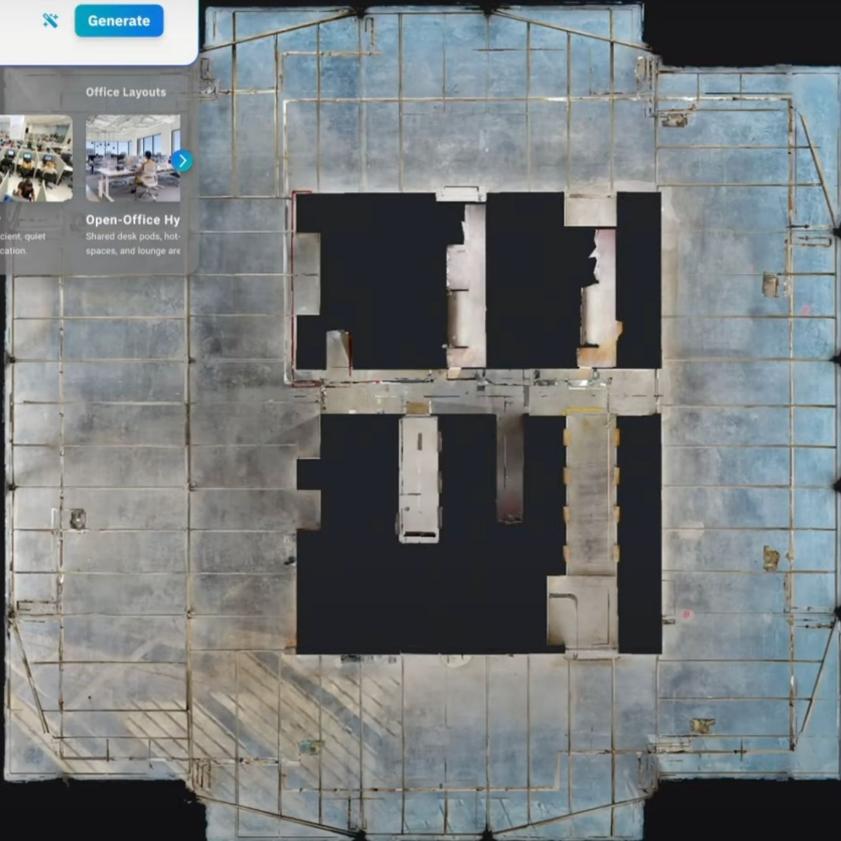
Commercial Gym
Optimize the space for the most effect variable workouts.

Design Studio
Optimize for multi-material projects and collaboration.

Call Center
Optimize for efficient, quiet phone communication.

Office Layouts

Open-Office Hy
Shared desk pods, hot-spaces, and lounge are



Global, blue chip customers spanning diverse end markets

Our vertical markets

Construction, Engineering • Facilities & Manufacturing • Travel & Hospitality • Retail • Repair & Insurance • Real Estate

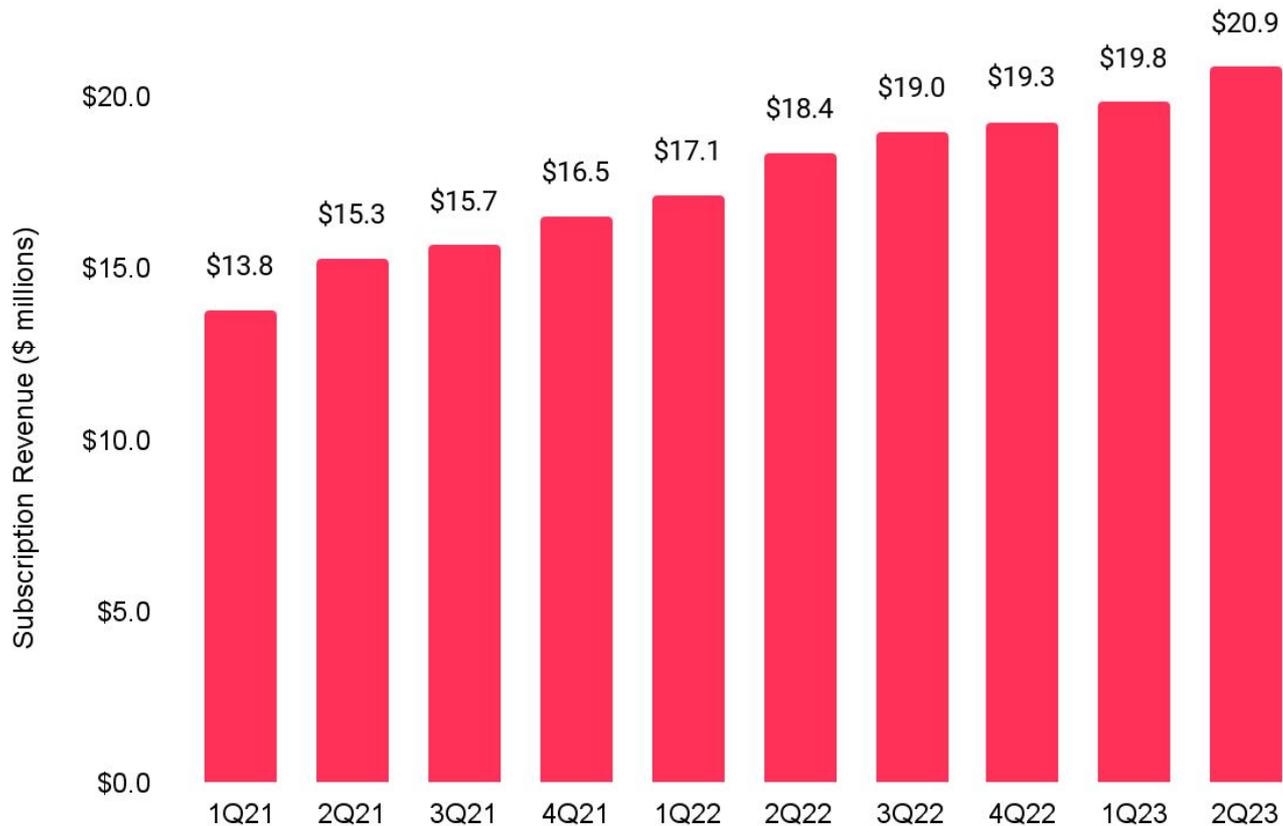
Select customer wins



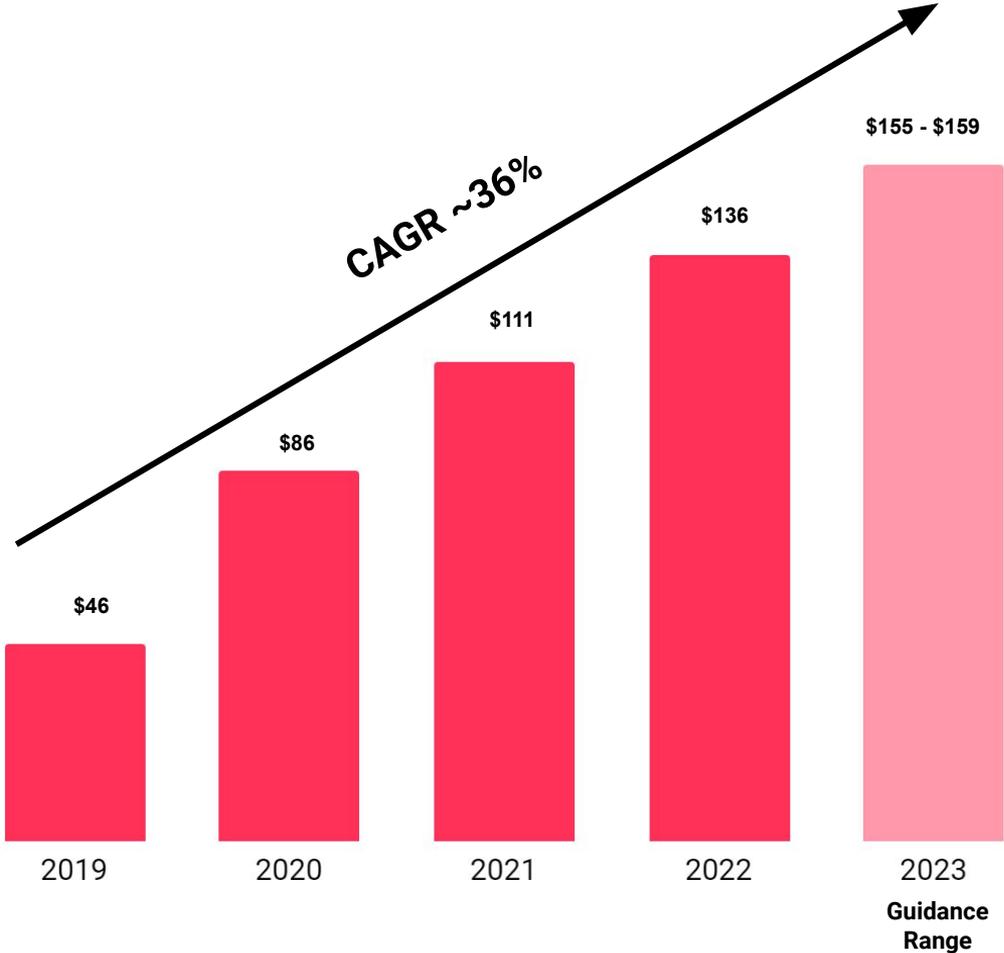
Financial Overview

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.

Steady subscription revenue growth over time

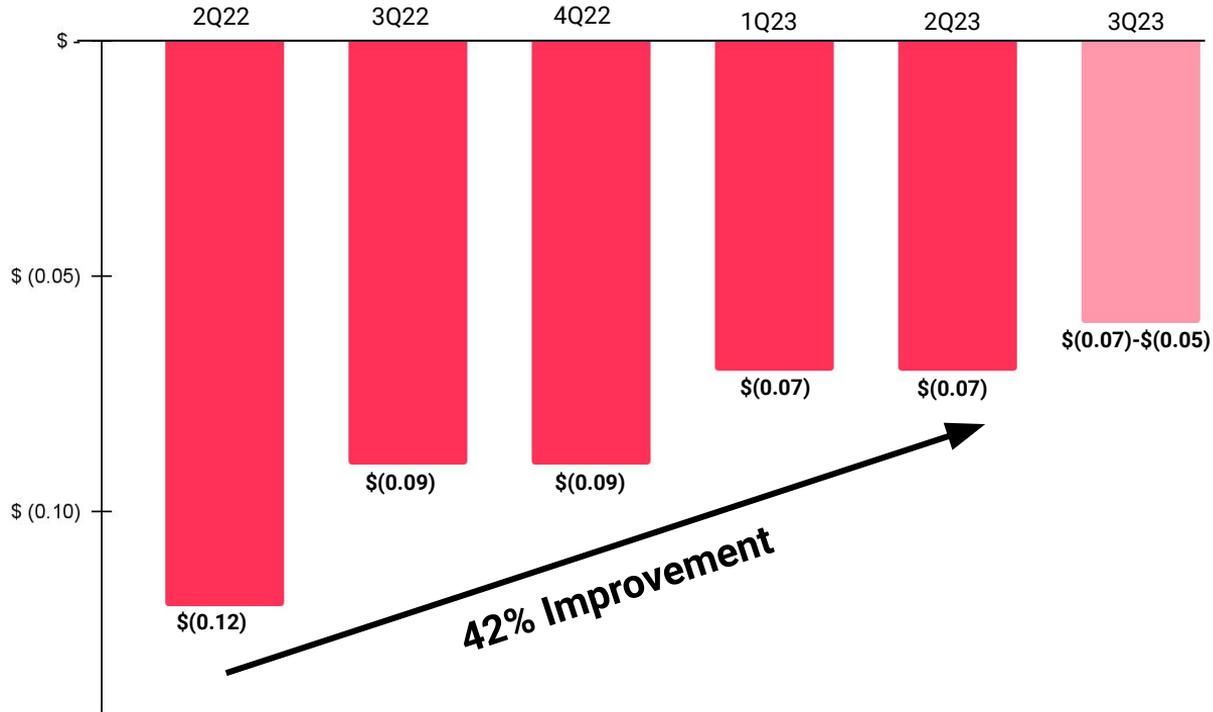


Strong growth in total revenue over the long term



Notes:
Revenue in millions
2023 guidance as of August 8, 2023
Unaudited

Improving Non-GAAP loss per share reflecting commitment to profitability



Notes:

Non-GAAP Loss per share

3Q23 estimates based on the mid point of guidance ranges as of August 8, 2023

Unaudited

Total revenue grew 39% year-over-year

(\$000s)	Three Months Ended June 30,	
	2023	2022
Revenue:		
Subscription	20,868	18,386
License	27	26
Services	10,684	5,013
Product	7,988	5,056
Total revenue	39,567	28,481
Non-GAAP Gross Margin		
Subscription	75%	72%
License	100%	100%
Services	26%	44%
Product	2%	-37%
Total non-GAAP GM%	47%	48%
Total non-GAAP operating expenses	42,533	48,796
Non-GAAP loss from operations	(24,014)	(35,136)
Non GAAP net loss	(21,473)	(35,294)

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

- Subscription revenue up 13%
- Services revenue up 113%
- Product revenue up 58%
- Non-GAAP Net loss improved by 39%

Cash used in operations improved 62% Y/Y on strong revenue growth and cost containment

(\$000s)

Consolidated Balance Sheet Data:

	June 30, 2023	December 31, 2022
Cash and cash equivalents	82,316	117,128
Short-term and long-term investment	363,295	359,774
Working capital ⁽¹⁾	433,859	468,954
Property and equipment, net	32,684	30,559
Total assets	604,728	640,395
Total liabilities ⁽²⁾	52,474	55,681
Warrants liability	752	803
Total stockholders' equity	551,502	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

- Strong balance sheet with \$446 million in cash and investments
- No debt
- Cash used in operations was \$12.4 million in Q2

Raising Non-GAAP loss per share guidance for Q3 and full year 2023 driven by increasing focus on profitability & continuing revenue growth

	Q3 2023 Guidance	FY 2023 Guidance
Total revenue (in millions)	\$38 – \$40	\$155 – \$159
<i>Year-over-year growth</i>	0% - 5%	14% - 17%
Subscription revenue (in millions)	\$21.8 – \$22.0	\$85 – \$86
<i>Year-over-year growth</i>	15% - 16%	15% - 17%
Non-GAAP loss per share	\$(0.07) - \$(0.05)	\$(0.28) - \$(0.24)
Weighted average fully diluted shares outstanding (in millions)	303	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



33B square feet managed, **10.5M** digital twins, **100X** Rest of Market in digital twins



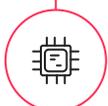
827,000 subscribers with **25%** of **Fortune 1000** companies as customers



39% total revenue growth Y/Y in Q2
113% services revenue growth Y/Y in Q2



Cloud platform serving Enterprise & SMB across vertical markets with **~50%** exposure to markets outside of real estate in Q2



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

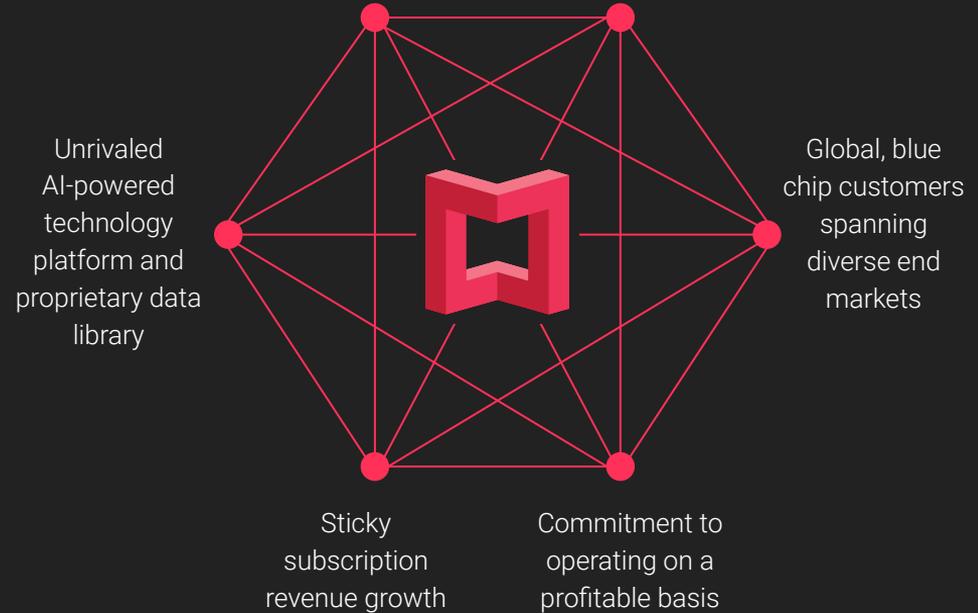


Accelerating path to profitability with **cash flow from operations breakeven expected in 2024**



Massive, unpenetrated \$240B+ TAM

Market leader fueling digital transformation of the built world



Notes:

As of June 30, 2023

TAM estimate from Savills World Research and the Company

Banc of California Stadium

View Space

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



Appendix

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

	Three Months Ended June 30,	
	2023	2022
GAAP net loss	(56,536)	(64,634)
Stock based compensation-related charges ⁽¹⁾	34,449	32,889
Acquisition-related costs ⁽²⁾	-	900
Amortization expense of acquired intangible assets	443	265
Change in fair value of warrants liability ⁽³⁾	171	(4,714)
Non-GAAP net loss	<u>(21,473)</u>	<u>(35,294)</u>
GAAP net loss per share attributable to common stockholders:		
Basic	(0.19)	(0.23)
Diluted	(0.19)	(0.23)
Non-GAAP net loss per share attributable to common stockholders, basic and diluted	<u>(0.07)</u>	<u>(0.12)</u>
Weighted-average shares used to compute GAAP net loss per share, basic	298,096	283,405
Weighted-average effect of potentially dilutive securities ⁽⁴⁾	-	-
Weighted-average shares used to compute GAAP net loss per share, diluted	298,096	283,405
Excluded anti-dilutive weighted-average potential shares of common stock in calculating non-GAAP loss per share	-	-
Weighted-average shares used to compute non-GAAP net loss per share, basic and diluted	<u>298,096</u>	<u>283,405</u>

(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 acquisition transaction costs.

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

(4) Consists of the potentially dilutive effect of employee equity incentive plan awards.

Notes:
Unaudited

GAAP to Non-GAAP reconciliation - Gross Margin

Non-GAAP gross profit and gross margin: (\$000s)	Three months ended			
	6/30/2023		6/30/2022	
	\$	GP%	\$	GP%
GAAP gross profit and gross margin:				
Subscription	13,633	65%	12,277	67%
License	27	100%	26	100%
Services	2,675	25%	1,844	37%
Product	(372)	-5%	(2,434)	-48%
Total GAAP gross profit and gross margin	15,963	40%	11,713	41%
Add: Stock based compensation-related charges				
Subscription	1,915		1,019	
License	-		-	
Services	95		383	
Product	546		545	
Total	2,556	6%	1,947	7%
Non-GAAP Gross profit and gross margin:				
Subscription	15,548	75%	13,296	72%
License	27	100%	26	100%
Services	2,770	26%	2,227	44%
Product	174	2%	(1,889)	-37%
Total non-GAAP gross profit and gross margin	18,519	47%	13,660	48%

Notes:
Unaudited

GAAP to Non-GAAP reconciliation - Loss from Operations

Non-GAAP Reconciliation - Loss from Operations (\$000s)	Three months ended	
	6/30/2023	6/30/2022
GAAP gross profit and gross margin:	15,963	11,713
Add: Stock based compensation-related charges	2,556	1,947
Total non-GAAP gross profit and gross margin	<u>18,519</u>	<u>13,660</u>
GAAP research and development expenses	18,861	21,518
Less: Stock based compensation-related charges	7,998	8,025
Less: Amortization expense of acquired intangible assets	270	265
Less: Tax impact related to contingent earn-out share issuance	-	-
Non-GAAP research and development expenses	<u>10,593</u>	<u>13,228</u>
GAAP selling, general and administrative expenses	56,008	59,385
Less: Stock based compensation-related charges	23,895	22,917
Less: Acquisition-related costs	-	900
Less: Amortization expense of acquired intangible assets	173	-
Less: Tax impact related to contingent earn-out share issuance	-	-
Non-GAAP selling, general and administrative expenses	<u>31,940</u>	<u>35,568</u>
GAAP loss from operations	(58,906)	(69,190)
Add: Stock based compensation-related charges	34,449	32,889
Add: Acquisition-related costs	-	900
Add: Amortization expense of acquired intangible assets	443	265
Add: Tax impact related to contingent earn-out share issuance	-	-
Non-GAAP loss from operations	<u>(24,014)</u>	<u>(35,136)</u>

Notes:
Unaudited