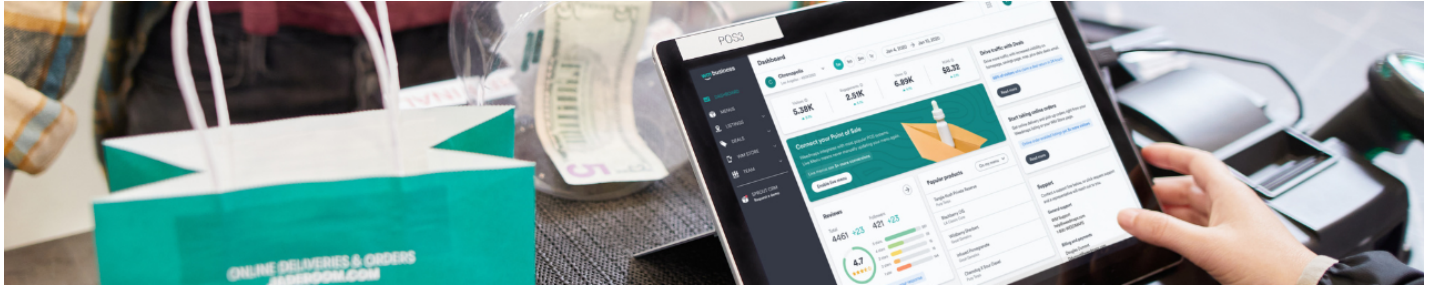


WM Technology 101

August 15, 2022



By Timothy O'Shea, Director of Investor Relations

As Director of Investor Relations at WM Technology, part of my job is to answer detailed questions about our company from shareholders, many of whom own a large number of shares in the company, and are very up-to-date on everything happening inside and outside the company.

I also spend a lot of time talking with investors who might have never heard of WM Technology before, and who are unfamiliar with the cannabis sector.

We are trying to make it easy for all types of investors to learn about our company and our stock, whether you are an institutional investor, or if you trade your own account. Everybody has to start somewhere.

The first thing I tell people to do is download the Weedmaps app, or go to Weedmaps.com and use the marketplace

I'm a big believer that investors should use the products of the companies they invest in. Even if you don't live in a state that permits adult or medical use, you can still download the app to learn how everything works.

After using the app, it will become apparent why users choose Weedmaps, why cannabis operators choose Weedmaps, and how the business model works.

The Weedmaps app is available for free download on iOS or Android.

WM Technology 101: we are best known as the operator of Weedmaps, the leading online marketplace for cannabis

We were founded in 2008 in Irvine, California. We went public in June 2021 (Nasdaq: MAPS), and our shares are included in the Russell 2000 index.

Before we get started, it's important to note that WM Technology is a technology company.

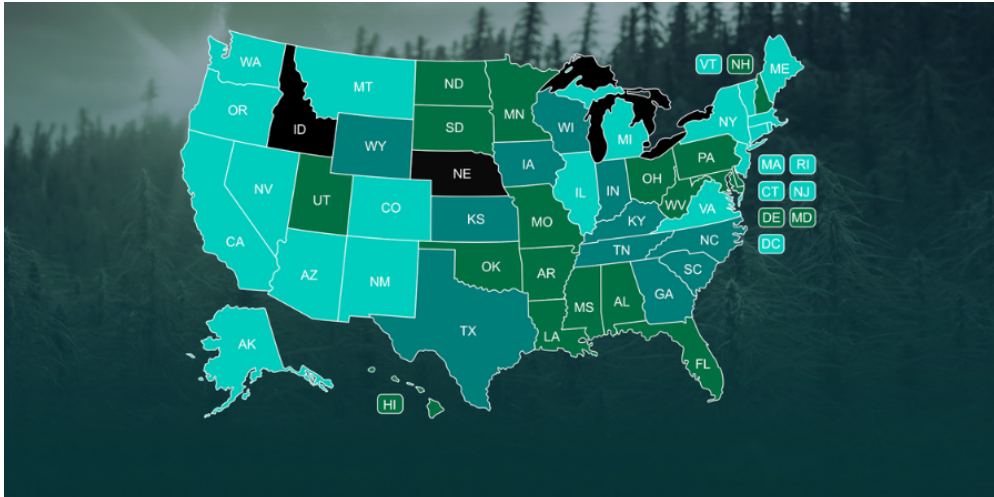
As a non-plant touching business, we do not sell, grow, distribute, or deliver cannabis.

Similar to other online marketplaces like DoorDash, Etsy, or Priceline, we connect buyers (demand) with sellers (supply). When you order a pizza from your phone, or book a hotel room online, those marketplaces don't own the restaurant or the hotel. It works similarly with Weedmaps.

Our clients are cannabis operators like dispensaries, delivery services, brands, or multi-state operators (MSOs). They list items for sale on Weedmaps, which attracts an audience of shoppers.

We are a classic online marketplace, servicing the cannabis industry.

Quantifying the addressable market



19 Adult-Use States + DC **37** Medical States **31** Decriminalized States **11** CBD Only/ Low THC States **2** Restrictive States

Today, the legal U.S. cannabis market generates an estimated \$24B in retail sales each year. Including the illicit market, the number jumps to \$70B per year. Many Wall Street forecasts assume the cannabis market (legal and illicit) will approach \$100B in the U.S. by 2030.

Federal legalization has the potential for step-function change in terms of our addressable market, but it could take years for this to materialize. For now, growth of the legal cannabis market is driven by new states legalizing adult use, and by existing states issuing more licenses to operators.

The illicit market thrives in regions with too few licenses. As more licenses are issued, purchasing cannabis legally becomes more convenient for many. Looking at the US and Canadian markets with medical and / or adult-use regulations in place, there is an effective retail density of approximately one retail license for over 22,000 residents across these markets in aggregate as of December 31, 2021. Based on our internal research, we believe the minimum level of acceptable retail density to have a healthy and functioning licensed market is a minimum of one licensed retailer per 10,000 residents. Many states where we operate today are still under-penetrated with low levels of licensed retail density.

Weedmaps is a classic two-sided online marketplace...and it all starts with our users

We connect our users (demand) to licensed cannabis operators (supply); typically dispensaries, multi-state operators (MSOs), cannabis brands, or doctor's offices.

It all starts with our users. We operate in all state-legal jurisdictions, and have an audience of over 15 million users. It's not just a large audience, it's the right audience. In our 2020 internal survey, over 70% of responding users reported consuming cannabis daily. Weedmaps has the power shoppers.

We want to empower our users to make informed purchase decisions. We let them know what's in stock, how much it costs, and let them choose a convenient time for pickup or delivery. We also let users read product reviews before placing an order.

Understanding WM Business and how cannabis operators leverage our "business in a box" subscription software offering

But while we are a classic online marketplace, we don't monetize like an online marketplace.

While most online marketplaces generate most of their revenue by applying a 'take rate' against 'GMV' (gross merch value), federal regulation currently prohibits WM Technology from processing payments related to cannabis purchases. As a consequence our business model looks different than traditional online marketplaces like food delivery apps or travel booking platforms.

Rather, we have three primary sources of revenue: the WM Business subscription software bundle, featured listings, and deal listings.

All of these revenue streams are generated from licensed US cannabis operators.

The majority of licensed US cannabis operators, over 5,000 of them, are on Weedmaps. These are dispensaries, delivery services, medical offices, brands and multi-state-operators. Our millions of users have a gravitational pull that attracts licensed cannabis operators, who aspire to sell products to that audience.

A base subscription to WM Business includes a full suite of software tools in addition to the listing on Weedmaps. Leveraging popular features like Live Menus and Orders, dispensaries can integrate live inventory, pricing and order functionality directly onto Weedmaps.

As clients monitor how much our audience spends, they can decide to purchase Featured Listings or Deal Listings. These ad products are designed to entice our users to spend heavily at a featured store, or on a specific deal. For our clients, these are ROI-positive customer acquisition and retention tools.

We also have a smaller percentage of revenue coming from other areas like performance based advertising products and revenue from acquired companies.

Due to our Software-as-a-Service revenue model, and the way we price Featured and Deal Listing products, the vast majority of our revenue is subscription-like in nature.

A history of profitable growth, with a focused capital allocation strategy

We grew US revenue by 48% to \$193 million in 2021, and unlike many of our peers, we have historically been profitable. We believe this is a competitive advantage, allowing us to strategically invest against attractive opportunities ahead of us.

Currently, we are focused on "Winning the Big East" states of NY, NJ and CT, we are developing tools designed to strengthen our marketplace, and we are leveraging our first-party data across our products and services.

Unlike other consumer goods where there are decades of data on how consumers shop, in legal cannabis there is less than a decade of good data. We have 14 years of first-party user data, observing how users shop for, and consume cannabis. This data will be key to unlocking more personalized experiences that will strengthen our marketplace going forward.

We have acquired four businesses in the past year in three transactions. All of these transactions have followed a similar playbook.

To date, our mergers and acquisitions (M&A) playbook has been to acquire technology that is complementary to our existing product suite. To date, our acquisitions have been modest deals, acquiring talented teams with exceptional technology but sub-scale revenue. We acquired integrations tool-set CannCurrent, delivery logistics solution CannVeya, CRM company Sprout, and in-store ad and kiosk company Enlighten.

Ways to stay informed about our stock

The investor relations team at WM Technology aspires to make it easy for investors to cover our stock. Here are some new ways to stay informed:

- [Subscribe](#) to the \$MAPS Monthly newsletter
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- [WM Technology Investor Relations](#) on LinkedIn
- [WM Tech Blog](#)
- Email us: investors@weedmaps.com