

Weave Overview

Q4
2023



This presentation has been prepared by Weave Communications, Inc. (“Weave”, “we”, “us”, or “our”) for informational purposes only and not for any other purpose.

This presentation contains “forward-looking statements” within the Private Securities Litigation Reform Act of 1995 that are based on our management’s current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives and financial needs and on information currently available to management. Forward-looking statements include all statements other than statements of historical fact contained in this presentation, including statements regarding information or predictions concerning our future financial performance, strategies, business plans and objectives, long-term target model, potential market and growth opportunities, competitive position, technological or market trends and industry environment. In some cases, you can identify forward-looking statements by terminology such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “objective,” “ongoing,” “plan,” “predict,” “project,” “potential,” “should,” “will,” “would” or the negative of these terms or other comparable terminology.

Forward-looking statements are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause actual results or outcomes to be materially different from any future results or outcomes expressed or implied by the forward-looking statements including, but not limited to, those related to our business and financial performance, our ability to attract and retain talent, leadership changes, our ability to attract and retain customers, our focus on serving small businesses, our ability to develop new products and enhance our platform and products, our ability to respond rapidly to emerging technology trends, our ability to execute on our business strategy, our ability to compete effectively and our ability to manage growth. Moreover, we operate in a very competitive and rapidly changing environment in which new risks may emerge from time to time. It is not possible for us to predict all risks nor can we assess the impact of all factors on our business or the extent to which any factor, or the combination of factors, may cause our actual results or performance to differ materially from those contained in any forward-looking statements we may make.

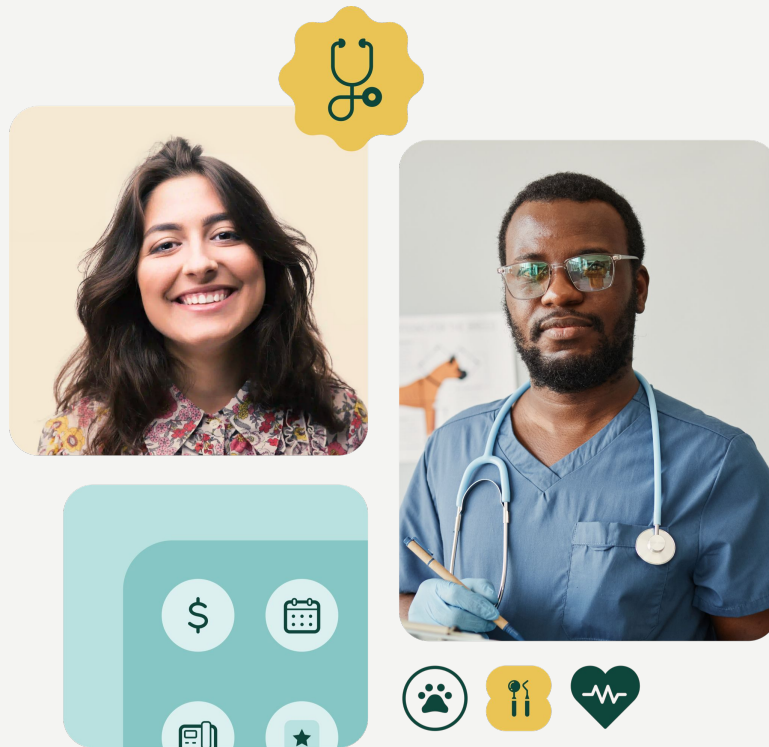
These factors, together with those described in greater detail in our Annual Report on Form 10-K that we filed with the Securities and Exchange Commission (“SEC”) on March 16, 2023, may cause our actual results, performance or achievements to differ materially and adversely from those anticipated or implied by our forward-looking statements. All forward-looking statements herein reflect our opinions only as of the date of this presentation, and we undertake no obligation, and expressly disclaim any obligation, to update forward-looking statements herein in light of new information or future events, except to the extent required by law.

This presentation contains statistical data, estimates and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. Although we believe such information is accurate and that the sources from which it has been obtained are reliable, we have not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information. Accordingly, we make no representations as to the accuracy or completeness of that data nor do we undertake to update such data after the date of this presentation.

This presentation includes non-GAAP financial measures, including free cash flow and adjusted loss from operations. These non-GAAP financial measures are in addition to, and not as a substitute for or superior to measures of financial performance prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures. For example, other companies may calculate similarly-titled non-GAAP financial measures differently. Refer to the Appendix for a reconciliation of these Non-GAAP financial measures to the most directly comparable GAAP measures.

Our Mission

Elevate the patient experience through a unified platform that improves business operations so healthcare professionals can focus on patient care and realize their dreams.



Investor Highlights

All-in-one Customer Experience Software Platform

Texting, scheduling, payments, reviews, VOIP, and more—brought together to help dental, optometry, veterinary and medical practices create better experiences for their patients and clients.



Near-Term Path to Profitability

Record of operational efficiency and margin expansion. Growing payments solution.



Resilient Customer Base

SMB healthcare practices are ready to modernize and the verticals we serve have proven resilient despite recent economic uncertainty.



Strong Balance Sheet

\$108.8 million of cash and short-term investments as of December 31, 2023.



Our Customer

1

A large TAM— with plenty of room to grow.

TAM

All US healthcare SMBs and service oriented SMBs such as Attorneys, Tax Preparers, Salons, Automotive Maintenance, etc.

Weave TAM

\$12.5B^{1,4}

Opportunity to Increase SAM

Significant opportunity to expand SAM within specialty medical verticals like Family and General Practice, Medical Aesthetics and Plastic Surgery.

Dental, Opto, Vet
+ Medical

\$5.0B^{1,2}

Opportunity in Current SAM

Historical focus has been Dental, Optometry, and Veterinary. Significant opportunity remains to grow within our current SAM.

Dental,
Opto, Vet

\$1.9B²

\$0.17B³

Weave Trailing 12 Months
Revenue

1. Source: Company estimates based on U.S. Census Bureau 2020 Statistics of U.S. Businesses. Does not include estimated payments TAM

2. Dental TAM estimates based on American Dental Association data, Optometry TAM estimates based on data from Jobson Optical Research, and American Optometric Association (AOA), Veterinary TAM estimates based on data from IBIS World 2022 estimates

3. Trailing twelve months of revenue, Q1'23 through Q4'23

4. Estimated addressable location are 1.7 million, multiplied by top quartile ARR per location



We serve those who serve others.

Our customers are healthcare practitioners in Dental, Optometry, and Veterinary Practices. We are expanding our integrations to support specialized medical practices including Family and General Practice, Medical Aesthetics and Plastic Surgery.



Our customers are experts in their fields of care—we help them run their business more effectively and efficiently.



Attract new patients.



Create amazing patient experiences.



Improve staff efficiency, happiness, and retention.



“

Weave, helps me just get back to the basics of being a physical therapist and provide clients with an experience that is second to none.

David Butler Business Owner & Weave User

Our Product



SMBs are forced to deploy a patchwork of point solutions.



Multiple systems are harder to learn and manage.



Lack of automation slows things down.



Point solutions end up costing more out-of-pocket.



Lack of integration between systems leaves room for error and poor communication.

Email



Phones

8x8

RingCentral

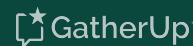
Spectrum

COMCAST
BUSINESS

Messaging



Reviews



Payments



Forms



Scheduling





Weave solves these challenges—with just one software platform.

- ✓ All-in-one software platform.
- ✓ Modernizes offices, boosting efficiency.
- ✓ Allows practitioners to better utilize limited staff and resources.
- ✓ One bill to pay.
- ✓ Offices get paid faster.
- ✓ Schedules stay full.
- ✓ More new patients.
- ✓ More enjoyable experiences for staff and patients.



**Weave provides
everything healthcare
SMBs need to deliver
amazing experiences.**

Weave provides everything healthcare SMBs need to deliver amazing experiences.

C

Communicate: Weave helps practices communicate more effectively.



Two Way Texting



Missed Call Text



Text Connect



Desktop Phones



Softphones

Weave Pop/
Customer Insights

A

Attract: Weave helps practices attract more customers.



Reviews



Missed Call Text



Two Way Texting



Online Scheduling

R

Retain: Weave helps increase customer retention.



Recall Reminders

Appointment
Reminders

Online Scheduling

E

Engage: Weave keeps customers engaged.



Email Marketing



Online Scheduling



Reviews

S

Staff: Weave helps staff be efficient and happier.



Team Chat

Insurance
Verification

AI Assist

Digital
Forms

Payments



eFax

Our platform makes a real impact on our customers' most important goals.



Weave offices schedule an average of
9 additional patients
a week after joining.



Weave's texting feature alone
saves offices an average of
2 hours & 50 min
per day.



Customers added
38 new Google
Reviews
on average after signing up
for Weave Reviews.



Weave helps
increase revenue
by \$3,708/mo
on average by reducing no-show rates
and last-minute cancellations.

The results are game-changing.



More efficient
offices.



Happier staff.



Rapid growth
for SMBs.



Better patient
experiences.

“

Weave has
been an absolute
game-changer
for our practice.

Valarie Caulfield
Office Manager & Weave User

“

I cherish my teammates, and want to provide them with any advancement that helps them do their work more efficiently and effectively. We estimate Weave saves them at least an hour each day, freeing them to concentrate on helping our team thrive.



Mark E Hyman DDS MAGD



Better integrations. More customer value.



With over 75 integration partners, including the industry's biggest names, we can work with almost any customer's preferred Patient Management System.

DENTRIX

AVImark

athenahealth

Crystal
Practice Management

eaglesoft
a Finestone Technology

IMPROMED

ModMed
MODERNIZING MEDICINE

OfficeMate

Opendental
software

intravet

AdvancedMD

DaySmart

Weave makes it easier for healthcare SMBs to get paid faster.

40%

of practice revenue must be paid by patients post-visit, not by insurance—and tracking down payments takes hours for staff. ¹

Patient responsibility is **40% for Opto** and over **85% for Vet**.

18%

The average dental office has 18% accounts receivable over 90 days past due, and past due accounts lose 7% of their value after 90 days. ²

85%

of consumers say they prefer an electronic payment method for their medical bills. ³

71%

of consumers say multiple billing and payment options increase their satisfaction. ⁴

1.
2.
3.
4.

IBISWorld, 2021 U.S. Industry Reports for Dentists, Optometrists, and Veterinarians

<https://www.2740consulting.com/dental-collections-statistics/>

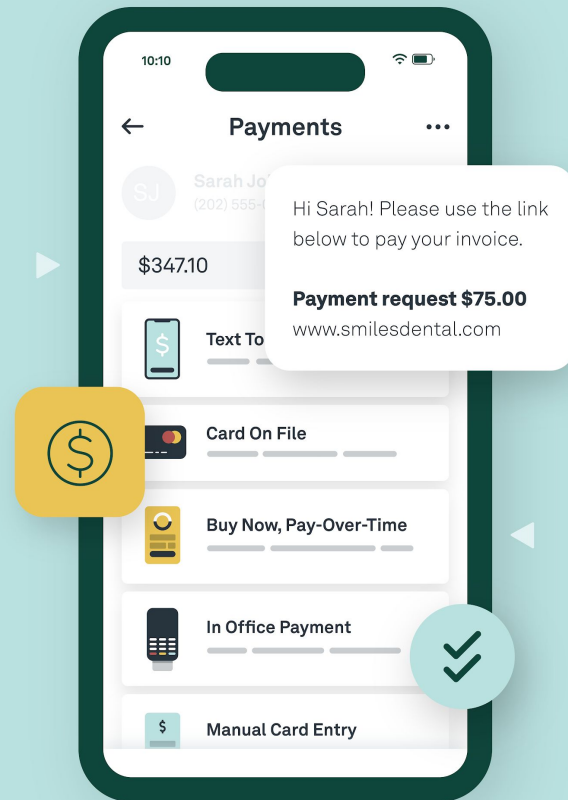
<https://www.insiderintelligence.com/content/us-bank-survey-consumers-want-digitized-healthcare-payments>

https://www.fiserv.com/content/dam/fiserv-com/resources/BillerSolutions_EighthAnnualBillingHouseholdStudy_ThoughtLeadership_0316.pdf

Weave Payments:

A product rich with growth opportunity.

- ✓ Disrupts traditional payment processors by handling all SMB/patient interactions
- ✓ Compelling margin opportunity
- ✓ **More ways to pay:** Mobile Tap to Pay, Online Bill Pay, Text to Pay, Scan to Pay, Digital Invoices, Card on File, Apple Pay, Terminals, ACH, and Buy Now, Pay-Over-Time



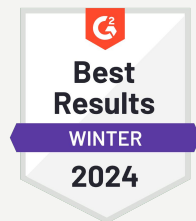
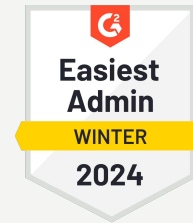
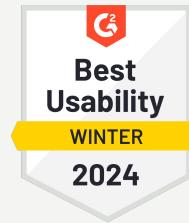
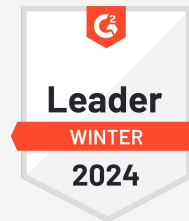
“

North Ridgeville Family Dentistry has reduced a billing process that took 3.5 hours down to five seconds. They simply select the patient, customize their message, and send a payment request by text.



Dr. Ankur Gupta North Ridgeville Family Dentistry

Our revolutionary software has been recognized with industry awards and accolades.



Financial Results

3

Track Record of Operational Efficiency

Operating Margin Improvement

8

Consecutive Quarters
of Improving Non-GAAP
Operating Margin

740 bps improvement Q4'23
compared to Q4'22

Gross Margin Improvement

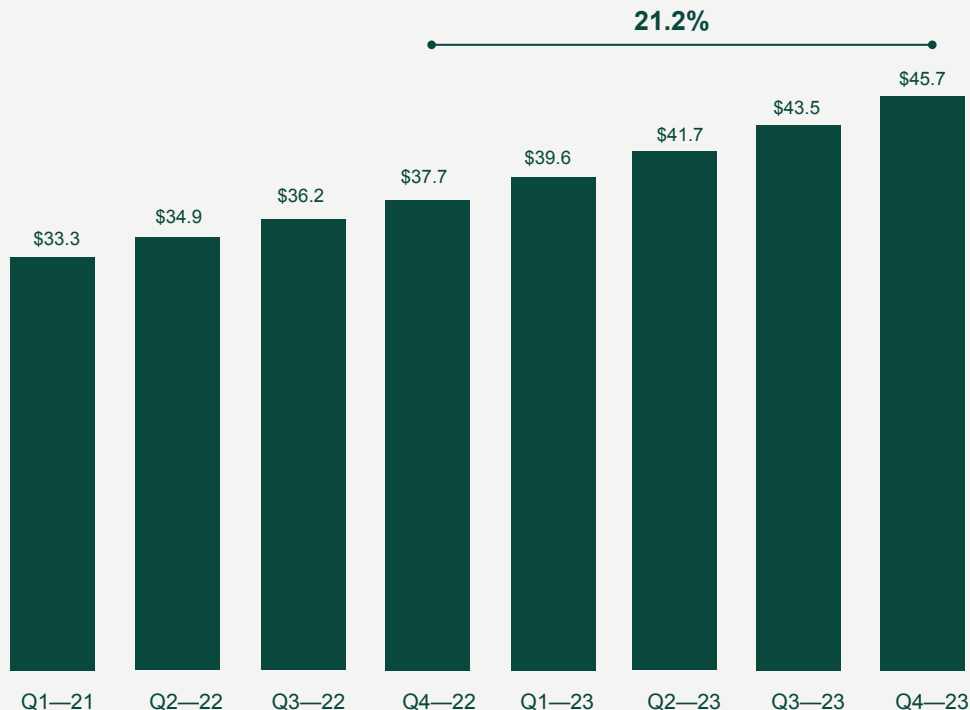
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Consecutive Quarters of
Improving Non-GAAP
Gross Margin

300 bps improvement Q4'23
compared to Q4'22

Our ability
to leverage
our specialty
healthcare
verticals is
compelling.

Topline Revenue Growth at Scale (\$M)



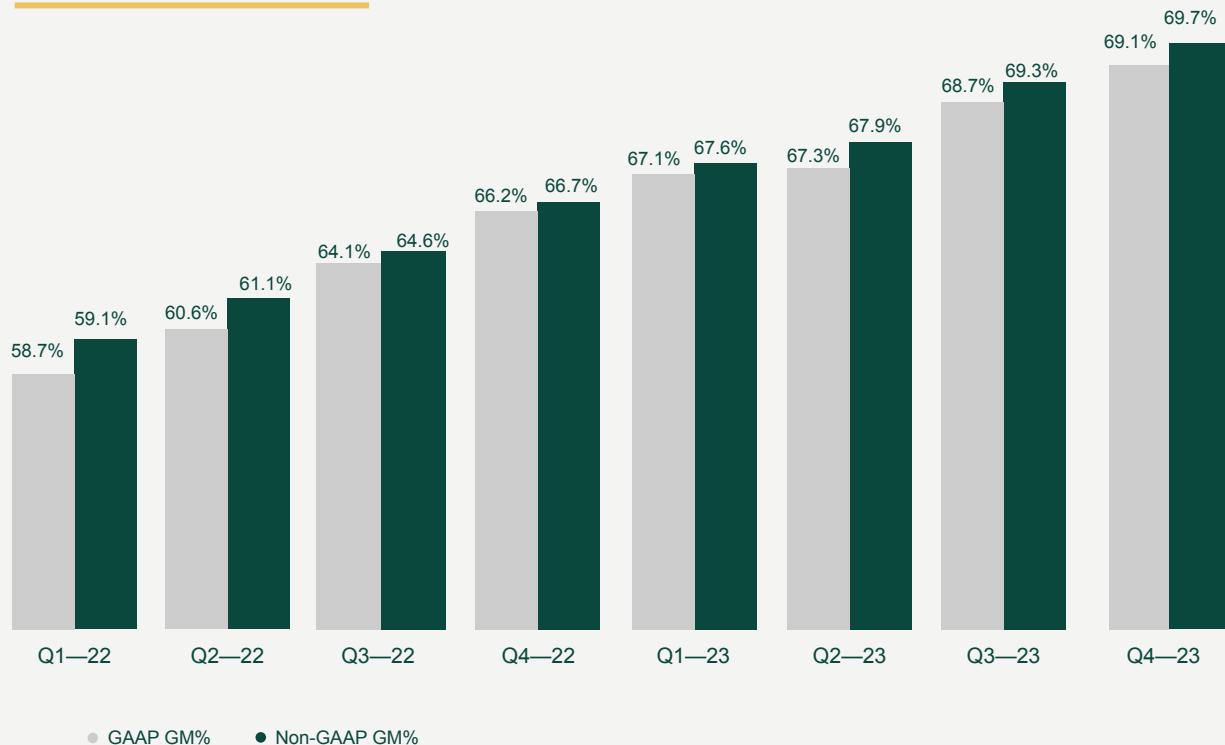
Q4—2023

21.2%

YoY Revenue Growth

Fourth consecutive quarter of sequential revenue growth rate increase

Expanding Gross Margin



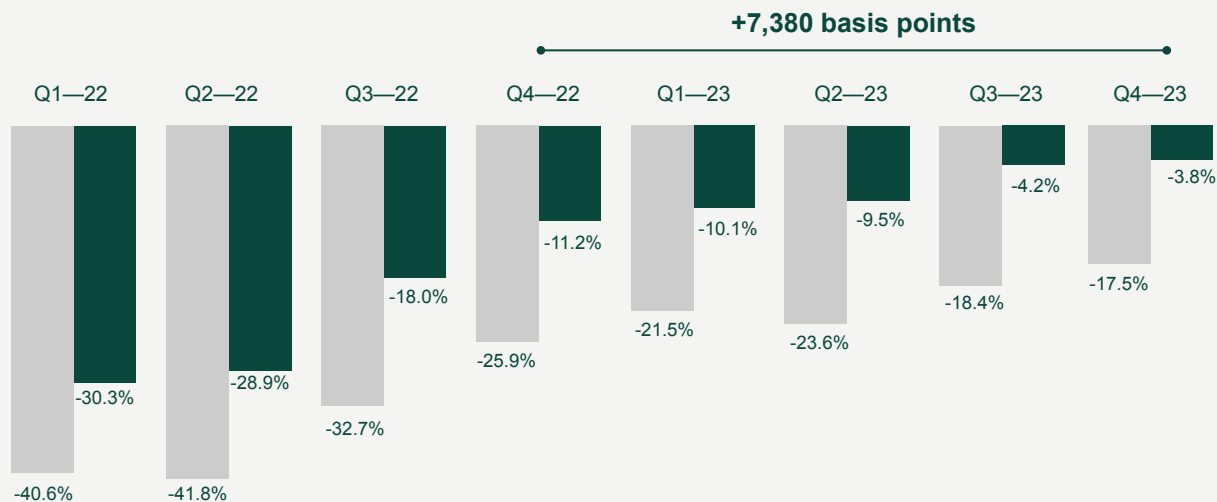
Q4—2023

8th

Consecutive Quarter of
Improving Gross Margins

Showing significant improvement
in operating leverage

Progress towards profitability—Operating margin



● GAAP Op Margin % ● Non-GAAP Op Margin %

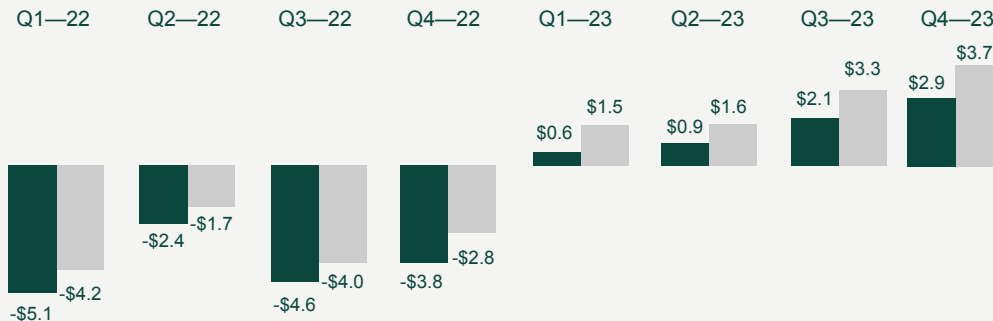
Q4—2023

8th

Consecutive Quarter of
Improving Operating Margins

Showing significant improvement
in operating leverage

Positive Cash from Operations and Free Cash Flow (\$M)



FY—2023

\$10.2m

FY'23 Cash from
Operations

\$6.5m

FY'23 Free Cash Flow

Our Company

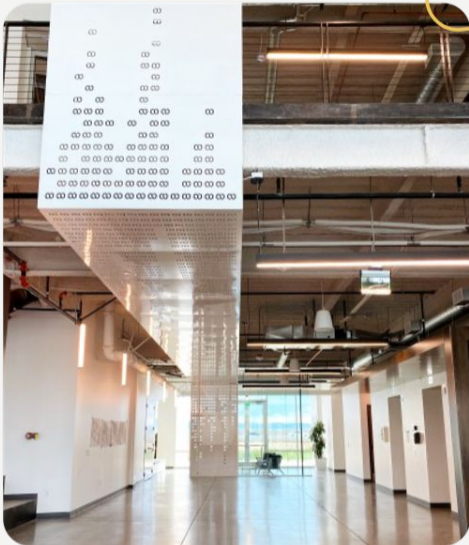
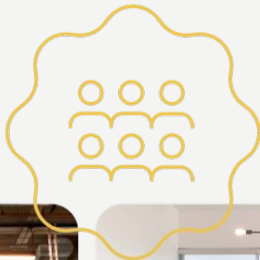


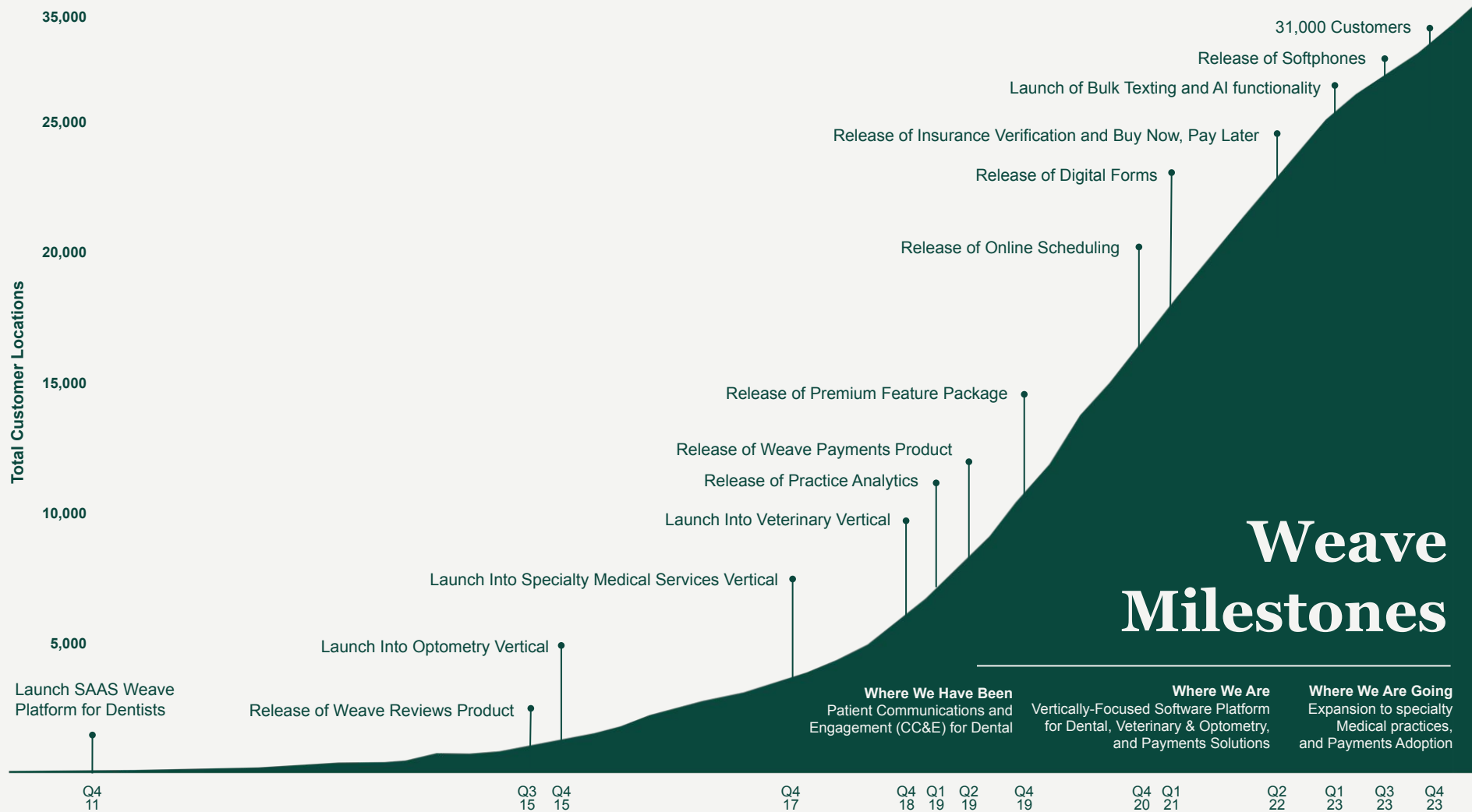
Est.
2008

31k+
Customers



People First. Always.





Leadership Team

Brett White
Chief Executive Officer



Alan Taylor
Chief Financial Officer



Erin Goodsell
Chief Legal Officer



David McNeil
Chief Revenue Officer



Marcus Bertilson
Chief Strategy & Services Officer



Chris Baird
Chief Marketing Officer



Brooke Shreeve
Chief People Officer



Branden Neish
Chief Product & Technology Officer



Thank you.

Appendix

Revenue and Operating Loss Guidance

	Q1-24 Guidance	
	Low	High
Revenue	\$45.2M	\$46.2M
Non-GAAP Loss from Operations	\$(2.5M)	\$(1.5M)
Weighted Average Share Count	70.5	

	FY' 24 Guidance	
	Low	High
Revenue	\$194.0M	\$198.0M
Non-GAAP Loss from Operations	\$(6.0M)	\$(2.0M)
Weighted Average Share Count	71.7	

Gross Margin Reconciliation (Non-GAAP)

	Q4-21	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23
GAAP Gross Profit	\$ 18,161	\$ 19,519	\$ 21,181	\$ 23,207	\$ 24,934	\$ 26,534	\$ 28,041	\$ 29,935	\$ 31,581
Stock-Based Compensation Add Back	108	148	176	190	209	213	251	258	249
Non-GAAP Gross Profit	\$ 18,269	\$ 19,667	\$ 21,357	\$ 23,397	\$ 25,143	\$ 26,747	\$ 28,292	\$ 30,193	\$ 31,830
Non-GAAP Gross Margin	57.4%	59.1%	61.1%	64.6%	66.7%	67.6%	67.9%	69.3%	69.7%

Operating Loss Reconciliation (Non-GAAP)

	Q4-21	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23
GAAP Net Loss	\$ (14,068)	\$ (13,838)	\$ (14,815)	\$ (11,818)	\$ (9,266)	\$ (7,859)	\$ (8,988)	\$ (7,145)	\$ (7,039)
Interest Expense	308	293	332	380	436	472	501	512	438
Provision for Income Taxes	48	32	19	31	22	20	49	79	112
Interest Income	-	(8)	(130)	(468)	(549)	(436)	(527)	(594)	(639)
Other Income/Expense	65	12	3	17	(388)	(715)	(868)	(874)	(865)
GAAP Loss from Operations	\$ (13,647)	\$ (13,509)	\$ (14,591)	\$ (11,858)	\$ (9,745)	\$ (8,518)	\$ (9,833)	\$ (8,022)	\$ (7,993)
Stock-Based Compensation	3,044	3,425	4,480	5,322	5,525	4,513	5,876	6,187	6,247
Non-GAAP Loss from Operations	\$ (10,603)	\$ (10,084)	\$ (10,111)	\$ (6,536)	\$ (4,220)	\$ (4,005)	\$ (3,957)	\$ (1,835)	\$ (1,746)

Free Cash Flow Reconciliation (Non-GAAP)

	Q4-21	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23
Net Cash Provided by (Used in) Operating Activities	\$ (10,405)	\$ (4,171)	\$ (1,731)	\$ (4,023)	\$ (2,841)	\$ 1,541	\$ 1,604	\$ 3,334	\$ 3,742
Less: Purchase of Property and Equipment	(1,331)	(541)	(380)	(270)	(704)	(620)	(218)	(675)	(178)
Less: Capitalized Internal-use Software	(461)	(367)	(311)	(325)	(229)	(334)	(457)	(579)	(629)
Free Cash Flow	\$ (12,197)	\$ (5,079)	\$ (2,422)	\$ (4,618)	\$ (3,774)	\$ 587	\$ 929	\$ 2,080	\$ 2,935

Disaggregated Revenue and Cost of Revenue (GAAP)

	Q4-21	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23
Subscription and Payment Processing:									
Revenue	\$ 30,332	\$ 31,950	\$ 33,538	\$ 34,943	\$ 36,163	\$ 37,692	\$ 39,696	\$ 41,601	\$ 43,726
Cost of Revenue	(8,398)	(8,821)	(9,009)	(8,544)	(8,633)	(8,978)	(9,509)	(9,486)	(10,221)
Gross Profit	\$ 21,934	\$ 23,129	\$ 24,529	\$ 26,399	\$ 27,530	\$ 28,714	\$ 30,187	\$ 32,115	\$ 33,505
Gross Margin	72.3%	72.4%	73.1%	75.5%	76.1%	76.2%	76.0%	77.2%	76.6%
Onboarding:									
Revenue	\$ 599	\$ 262	\$ 319	\$ 278	\$ 428	\$ 784	\$ 867	\$ 757	\$ 824
Cost of Revenue	(2,895)	(2,586)	(2,502)	(2,431)	(2,093)	(2,125)	(2,268)	(2,295)	(2,022)
Gross Profit	\$ (2,296)	\$ (2,324)	\$ (2,183)	\$ (2,153)	\$ (1,665)	\$ (1,341)	\$ (1,401)	\$ (1,538)	\$ (1,198)
Gross Margin	-383.3%	-887.0%	-684.3%	-774.5%	-389.0%	-171.0%	-161.6%	-203.2%	-145.4%
Hardware:									
Revenue	\$ 909	\$ 1,060	\$ 1,073	\$ 1,009	\$ 1,094	\$ 1,089	\$ 1,104	\$ 1,186	\$ 1,142
Cost of Revenue	(2,386)	(2,346)	(2,238)	(2,048)	(2,025)	(1,928)	(1,849)	(1,828)	(1,868)
Gross Profit	\$ (1,477)	\$ (1,286)	\$ (1,165)	\$ (1,039)	\$ (931)	\$ (839)	\$ (745)	\$ (642)	\$ (726)
Gross Margin	-162.5%	-121.3%	-108.6%	-103.0%	-85.1%	-77.0%	-67.5%	-54.1%	-63.6%

Adjusted EBITDA (Non-GAAP)

	Q4-21	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23
GAAP Net loss	\$ (14,068)	\$ (13,838)	\$ (14,815)	\$ (11,818)	\$ (9,266)	\$ (7,859)	\$ (8,988)	\$ (7,145)	\$ (7,039)
Interest Expense	308	293	332	380	436	472	501	512	438
Provision for Income Taxes	48	32	19	31	22	20	49	79	112
Interest Income	-	(8)	(130)	(468)	(549)	(436)	(527)	(594)	(639)
Other Income/Expense	65	12	3	17	(388)	(715)	(868)	(874)	(865)
Depreciation	686	685	673	645	606	592	605	619	625
Amortization	302	280	286	285	289	299	320	305	332
Stock-Based Compensation	3,044	3,425	4,480	5,322	5,525	4,513	5,876	6,187	6,247
Adjusted EBITDA	\$ (9,615)	\$ (9,119)	\$ (9,152)	\$ (5,606)	\$ (3,325)	\$ (3,114)	\$ (3,032)	\$ (911)	\$ (789)