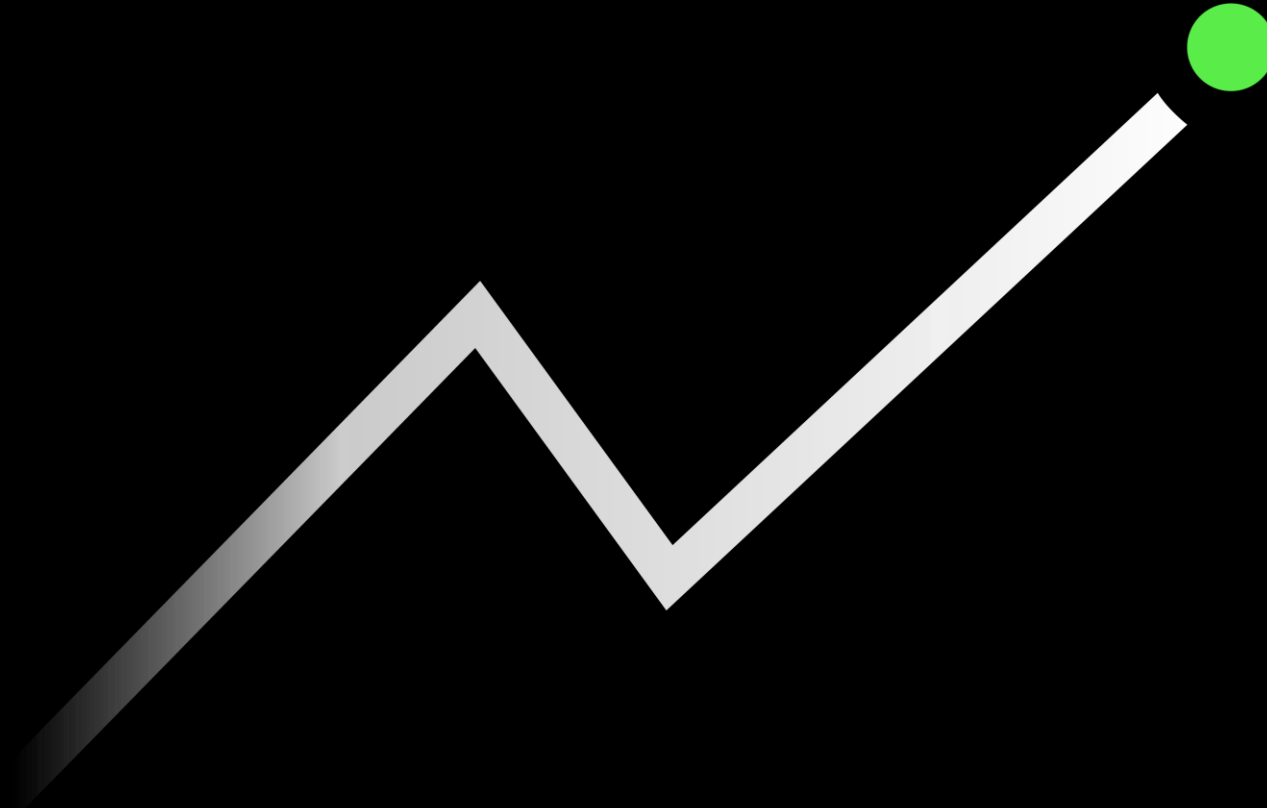


MarketWise

1Q22 Investor  
Presentation



# IMPORTANT INFORMATION

## Cautionary Statement Regarding Forward-Looking Statements

This presentation (this “Presentation”) contains forward-looking statements within the meaning of the federal securities laws, including statements regarding the financial position, business strategy, and the plans and objectives of management for future operations of MarketWise, Inc. (the “Company,” “we,” “us,” or “our”). These forward-looking statements generally are identified by the words “believe,” “project,” “expect,” “anticipate,” “estimate,” “intend,” “strategy,” “future,” “opportunity,” “plan,” “may,” “should,” “will,” “would,” “will be,” “will continue,” “will likely result,” and similar expressions, but the absence of these words does not mean that a statement is not forward-looking. 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, but not limited to: our ability to attract new subscribers and to persuade existing subscribers to renew their subscription agreements with us and to purchase additional products and services from us; our ability to adequately market our products and services, and to develop additional products and product offerings; our ability to manage our growth effectively, including through acquisitions; failure to maintain and protect our reputation for trustworthiness and independence; our ability to attract, develop, and retain capable management, editors, and other key personnel; our ability to grow market share in our existing markets or any new markets we may enter; adverse or weakened conditions in the financial sector, global financial markets, and global economy; our ability to respond to and adapt to changes in technology and consumer behavior; failure to successfully identify and integrate acquisitions, or dispose of assets and businesses; our public securities’ potential liquidity and trading; the impact of the regulatory environment and complexities with compliance related to such environment; the impact of the COVID-19 pandemic; our future capital needs; our ability to maintain an effective system of internal control over financial reporting, and to address and remediate existing material weaknesses in our internal control over financial reporting; our ability to maintain and protect our intellectual property; and other factors beyond our control.

The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties described in the “Risk Factors” section of our Quarterly Reports on Form 10-Q, Annual Reports on Form 10-K, and other documents filed by us from time to time with the U.S. Securities and Exchange Commission (“SEC”). 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. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this Presentation may not occur and actual results could differ materially and adversely from those anticipated.

Forward-looking statements speak only as of the date they are made. You are cautioned not to put undue reliance on forward-looking statements, and we assume no obligation and do not intend to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise. We do not give any assurance that we will achieve our expectations.

## Non-GAAP Financial Measures

This Presentation also includes certain financial measures not presented in accordance with generally accepted accounting principles (“GAAP”) including, but not limited to, Adjusted CFFO, Adjusted Free Cash Flow, Adjusted CFFO Conversion, and Adjusted Free Cash Flow Margin and certain ratios and other metrics derived therefrom. The Company defines Adjusted CFFO as net cash provided by operating activities plus profits distributions to Class B unitholders included in stock-based compensation, plus or minus any non-recurring items. The Company defines Adjusted Free Cash Flow as Adjusted CFFO minus capital expenditures. The Company defines Adjusted CFFO Conversion as Adjusted Free Cash Flow divided by Adjusted CFFO. The Company defines Adjusted Free Cash Flow Margin as Adjusted Free Cash Flow divided by Billings (i.e., amounts invoiced to customers). These financial measures are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing the Company’s financial results. Therefore, these measures should not be considered in isolation or as an alternative to net income, cash flows from operations or other measures of profitability, liquidity or performance under GAAP. You should be aware that the Company’s presentation of these measures may not be comparable to similarly-titled measures used by other companies.

The Company uses these non-GAAP measures, collectively, to evaluate our ongoing operations and for internal planning and forecasting purposes. The Company believes that non-GAAP financial information, when taken collectively, may be helpful to investors because it provides consistency and comparability with past financial performance, and assists in comparisons with other companies, some of which use similar non-GAAP financial information to supplement their GAAP results. This non-GAAP financial information is presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP and may be different from similarly titled non-GAAP measures used by other companies. These non-GAAP financial measures are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income are excluded or included in determining these non-GAAP financial measures. For a reconciliation of these non-GAAP figures to the nearest measure determined under GAAP, please see the appendix to this Presentation.

## Industry and Market Data

In this Presentation, the Company relies on and refers to certain information and statistics obtained from third-party sources which they believe to be reliable. The Company has not independently verified the accuracy or completeness of any such third-party information.

# MANAGEMENT

## MarketWise



MARK  
ARNOLD

CEO &  
Chairman



Holland & Knight



DALE  
LYNCH

CFO



FARMER  AC



MARCO  
GALSIM

CIO



GARY  
ANDERSON

General  
Counsel

KIRKLAND & ELLIS



CYNTHIA  
CHERRY

CHRO



MARCO  
FERRI

Director of  
Business  
Development



# OUR VISION

TO BECOME THE DE-FACTO *FINANCIAL WELLNESS SOLUTIONS PLATFORM FOR SELF-DIRECTED INVESTORS*



Grow / Optimize  
Marketing &  
Customer Acquisition



Build/Buy  
Addt'l Content,  
Products & Brands



Invest in & Deepen  
Community  
Network



Invest in Brand  
Marketing



Invest in  
Technology, Data  
& Analytics



Expand  
Internationally



Establish  
Partnerships  
& M&A

## 1. EXPAND REACH AND DISCOVERABILITY

- Leverage existing financial education loop
- Expand and grow reach via additional channels including videos and live streaming
- Expand marketing channels

## 2. BUILD DEEP NETWORK EFFECTS

- Provide MarketWise subscribers with a greater ability to cultivate deeper social connections and connect with fellow members
- Generate multi-sided platform with flywheel effects

## 3. ADD ENGINEERING & ML EXCELLENCE

- Focus areas include machine learning, performance marketing, and SaaS product development
- Deepen breadth and depth of targeted offerings

## 4. CONSOLIDATE A FRAGMENTED MARKET

- Opportunities to accelerate and expand product offering, customer base, international
- Drive accretive M&A using cash and public currency

Founded with a mission to level the playing field for self-directed investors

Today we are a Leading Multi-Brand Subscription Services Platform serving millions of self-directed investors

A diverse portfolio of operating brands serving as a trusted source for financial research, education and actionable ideas



# MARKETWISE AT A GLANCE

## DRAMATIC SCALING SINCE 2017

- Primary customer brands grew from 5 to 12<sup>1</sup>
- Products grew from <50 to >175<sup>1</sup>
- Editorial team has grown to 98<sup>1</sup>
- Employees grew from 275 to 825<sup>1</sup>
- Significantly expanded Free-to-Paid distribution channel
- Upgraded corporate infrastructure with deployment of new systems & applications, including analytics and machine learning

~15M

Digital Platform Members<sup>2</sup> at 3/31/22

~909K

Paid Digital Subscribers at 3/31/22

\$636

Industry Leading ARPU as of 1Q22<sup>3</sup>

\$611M

1Q22 TTM Billings<sup>4</sup>

16%

1Q22 TTM Adjusted Free Cash Flow Margin<sup>5</sup>

99.8%

1Q22 TTM Adjusted CFFO Conversion<sup>6</sup> (Low Capex)

1. As of March 31, 2022

2. Includes free and paid subscribers

3. ARPU (Average Revenue Per User) is calculated as trailing four quarter net Billings / average number of trailing four quarter paid subscribers

4. Billings represents amounts invoiced to customers

5. Adjusted FCF Margin = Adjusted FCF / Billings. Adjusted FCF is calculated as Adjusted CFFO - Capital Expenditures. Adjusted CFFO is calculated as net cash provided by operating activities plus profits distributions to Class B unitholders included in stock-based compensation expense plus or minus any non-recurring items (see appendix for reconciliation to the nearest GAAP measure)

6. Adjusted CFFO Conversion = (Adjusted CFFO - Capital Expenditures) / Adjusted CFFO (see appendix for reconciliation to the nearest GAAP measure)

# KEY DRIVERS OF OUR SUCCESS



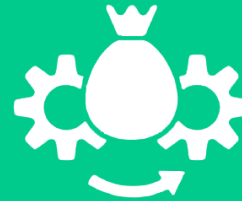
## POWERFUL CONTENT PLATFORM

- Compelling content fosters relationships between readers and editors, creates customer loyalty and brand goodwill
- Insightful and engaging content drives conversion users from free to paid subscribers
- Focus on proven formula to launch & scale new products in a low-risk capital way



## CUSTOMER FOCUS

- Customer centricity through every stage of a subscriber's journey
- Emphasis on developing long-term relationship with the subscriber
- Consistent 90%+ net revenue retention



## SCALABLE MODEL

- Industry-leading ROI on new customer acquisition
- Upsell to higher ARPU products with almost all of the upsell revenues falling to the bottom line



## DATA / TECHNOLOGY

- Real-time campaign feedback, AI and rapid scalability
- Machine learning and advanced analytics drive increased upsell yield

# INVESTMENT HIGHLIGHTS

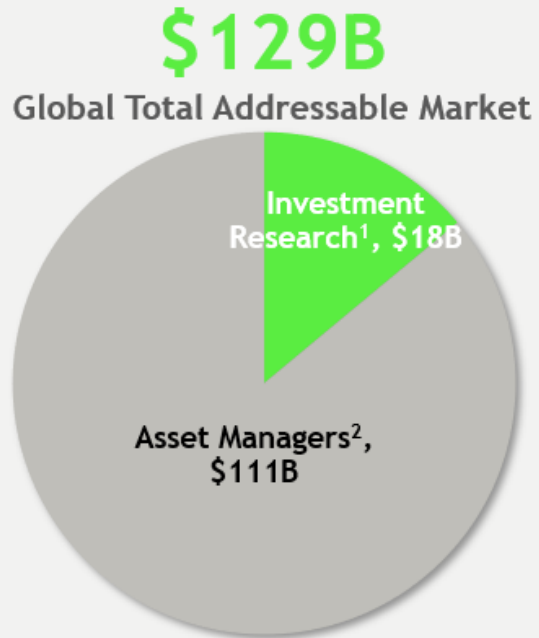
1	Significant and growing “attention economy” TAM	✓	\$129B TAM with significant tailwinds, ripe for disruption
2	Scalable, digitally delivered IP	✓	Market leading tech platform with scalable, high-value content, data & analytics
3	Large, thriving community	✓	~15M self-directed investors, growing at a 54% CAGR from 1Q20 to 1Q22
4	Diversified product suite	✓	12 primary customer facing brands offering 175+ products
5	Best in class financial profile	✓	Financial profile: Scale, Growth, Recurring Revenue, High Adjusted FCF <sup>1</sup> (Low Capex)
6	Experienced leadership team	✓	Deep, long-tenured & proven team
7	Sustained growth outlook	✓	Multiple organic & inorganic avenues to potentially drive sustained profitable growth at scale

1. Adjusted FCF is calculated as Adjusted CFFO (Cash Flow From Operations) - Capital Expenditures. Adjusted CFFO is calculated as net cash provided by operating activities plus profits distributions to Class B unitholders included in stock-based compensation expense plus or minus any non-recurring items



# FINANCIAL WELLNESS SOLUTIONS HAVE A HUGE TAM

## “Strategic Vision” TAM



## “Narrowly Defined” TAM

**75M**  
2021 US Self-directed Investors<sup>3</sup>

**\$718**  
2019 - 2021 Average MKTW ARPU<sup>4</sup>

**\$56B**  
TAM (8-10% Expected CAGR '21-'23)<sup>5</sup>

1. Represents an estimated 33.3% of the 75M U.S. self-directed investors (Celent, Self Directed Retail Investor Market Study, March 2021) x MarketWise's 3-year average ARPU (2019-2021) of \$718. The remaining 66.7% is believed to be covered in the Asset Managers market sizes

2. Reflects addressable market of asset management customers becoming self-directed investors, based off of management fees for 2019 global active core and active specialties per BCG Global Asset Management Research Report, 2020

3. Celent, Self-Directed Retail Investor Market Study, March 2021; 75M represents Celent's estimate for 2021

4. MKTW ARPU = (2019-2021 Billings) / (Avg. Annual Paid Subscribers 2019-2021)

5. Celent, Self-Directed Retail Investor Market Study, March 2021; Celent's expects a 15% CAGR in US Self-Directed Investors between 2021-2023; conservatively used a lower percentage growth

"...the markets are no longer reserved for institutional investors or HNWI. The goal of **democratizing the financial markets** is becoming a reality"

CELENT



# PERSONAL INVESTING IS **CHANGING IN FAVOR OF MARKETWISE**

## AGING POPULATION

- 17% of U.S. population is 65+<sup>1</sup>
- 10,000 Americans retiring every day, creating consistent demand velocity<sup>2</sup>

## GROWING THE PIE

- 72% of millennials identify as self-directed investors<sup>3</sup> (~\$22T of net worth)<sup>3</sup>
- Rise of younger self-directed investors provides significant future upside

## VOLUME OF ACTIVITY

- Retail investors now represent ~20% of trading on any given day, up from ~10% in 2010<sup>4</sup>

## COMPLEXITY

- Increasing number and complexity of investment instruments (e.g., ETFs, options, crypto, etc.)

## PERFORMANCE

- Individual investors have a 3-year return performance lag versus the S&P 500<sup>5</sup>

## EDUCATION

- Increased emphasis on financial literacy - knowledge & skill to effectively manage wealth

1. Statista  
2. Deutsche Bank  
3. Deloitte study  
4. Wall Street research  
5. realinvestmentadvice.com

# PREMIUM SUBSCRIPTION CONTENT, SOFTWARE AND TOOLS

## ACTIONABLE IDEAS

### Fry's Investment Report

#### The Bigger the Lie, the Better the Opportunity

"Prices are liars," one well-known hedge fund manager once said. He was right. Prices can't seem to help themselves. That's why it pays for an investor to treat distrust and skepticism.

Sometimes prices tell little white lies. Or as incredible and outlandish as any anecdote.

At the peak of a bull market, for example, the eyes and try to make you believe that market values "that accurately reflect a

But in the depths of a bear market, price type of fiction. They lead you to believe! are accurate indications of dismal growth investment potential.

Lies... All of them.

Simply stated, deceptions are rife in the here's the good news: The greatest, most compelling investment opportunities.

Consider a couple of recent examples. One telling us that the prospects for most people were lackluster, at best.

They were priced for a world of perpetual silver prices -- many of them trading in

#### In This Issue

■ **Buckle Up for the Commodity Supercycle** ..... 3  
A new commodity supercycle is underway... and it has the power to produce sizable investment gains over the next few years.

#### CRYPTO CAPITAL Update

### Here's What You Need to Know About Blockchain Decentralization

Dear reader,

Welcome to our new subscription early.

If you haven't already, I'll look at our special report learning more about rept

This week, I'm covering announcements. And I'm

This week, I'm also explaining specifically the seeming looking for one easy way that in mind, I'm also located faster and cheaper to

Finally, I'm following up

#### MONTHLY BRIEFING |

## UNVEILING THE 2021 PORTFOLIOS

This is it!

If you just joined Stansberry Portfolio Solutions over the past couple weeks, welcome aboard! We're delighted to have you with us.

If you've already been with us for years, welcome back. Our model portfolios once again produced excellent returns in 2020. We hope you profited from our recommendations.

To the many subscribers who have written in reporting outstanding personal results... thank you. Nothing is more rewarding in our professional lives than knowing we've helped people build and secure their finances.

Now it's time to do it again...

In today's letter, we'll unveil our full 2021 portfolios... with all the details about what to buy and how much of each name to hold. But first, we want to review a few points on how to use this product so you can generate the best possible outcomes and fulfill your investment goals.

For returning subscribers, some of this information may feel like a review. But I still encourage you to read through it to make sure we're all on equal, sturdy footing as we embark on the path to profitable investing in the year ahead.

#### THE MONTHLY BRIEFING, EXPLAINED

#### Portfolio Solutions

#### 1. Portfolio Manager Investment Commentary

Each month, I'll open our Briefing with a short and hopefully helpful investment note. In general, I look to provide thoughts on at least one of the three following topics...

1. What's moving the markets right now and how that may impact our longer-term investment outlook.
2. Specific investment rationale for a particular company, asset, or sector we're recommending in Portfolio Solutions. (Understanding *why* you own what you own is key to any successful investment.)
3. Broader investing lessons and guidelines meant to inform not just your investments in Portfolio Solutions but, ideally, your entire investment plan.

At the end of this Investment Commentary, you'll see performance figures for how we're doing so far that year. Behind the scenes, we remain focused on the longer-term performance of these portfolios. But we know you want to see what we've done for you lately, so we always show you how the strategies are performing monthly and on a year-to-date basis from the start of our "fiscal year." (This year, that's based on closing prices as of February 4, 2021.)

For newer subscribers, I encourage you to read the following opening commentaries to help familiarize

## SOFTWARE & TOOLS

### TRADESMITH™



### THE ALTIMETER



### CHAIKIN™ ANALYTICS



# PROVEN, AGILE PLATFORM FOR LAUNCHING NEW PRODUCTS QUICKLY WITH LOW RISK

## DETECT

Detect new demand and investment trends in the financial marketplace through observation, research and analysis

## ANALYZE

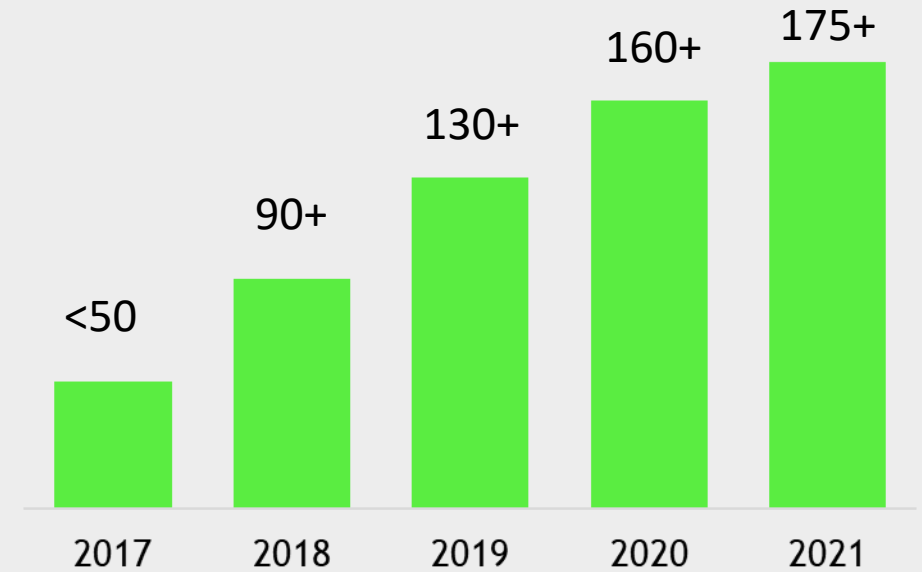
Identify a financial expert that has a personal passion for a specific area of growing customer interest and can provide unique insights

## LAUNCH

Launch new products within weeks. Target offers based on customer behavior and use AI to track and improve results

## SCALE

Grow content team in product area and cross-sell and upsell to build customer lifetime relationship



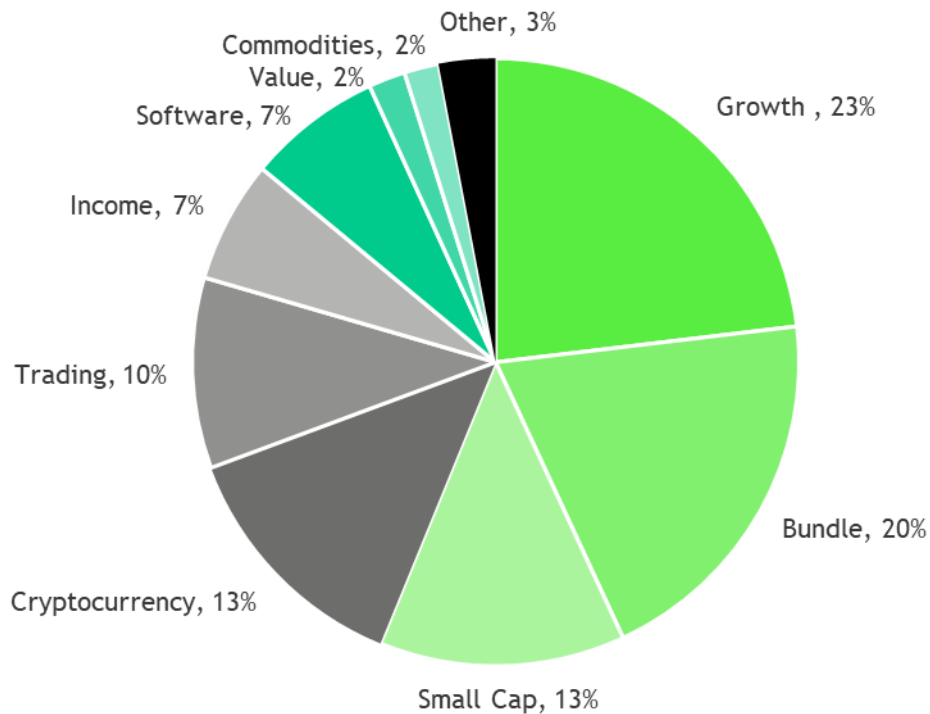
PRODUCTS OFFERED

125+ New Products in 4 Years

Helped drive >\$480M of Billings

# DIVERSE RESEARCH PORTFOLIO ACROSS DIFFERENT ASSET CLASSES

**DIVERSE RESEARCH PRODUCTS  
(% OF BILLINGS - 2Q19 - 1Q21)**



	# OF SUBSCRIBERS <sup>1</sup>	CUMULATIVE LIFETIME SPEND <sup>1</sup>	SELECTED EXAMPLES
<b>Free</b> General market commentary, current events - Insightful and educational	14.5M		<ul style="list-style-type: none"> <li>• Newswire</li> <li>• Investor Hour</li> <li>• The Weekly Pulse</li> <li>• The Daily Cut</li> </ul>
<b>Paid</b> Mega Cap equities and basic investment strategies	535K <sup>2</sup>	<\$600	<ul style="list-style-type: none"> <li>• Fry's Investment Report - \$249</li> <li>• Empire Stock Investor - \$199</li> </ul>
<b>High Value</b> More advanced investing strategies - Value Investing, Microcaps, Real Estate, Options, Trading, Cryptocurrencies	241K <sup>2</sup>	\$600-\$5,000	<ul style="list-style-type: none"> <li>• Empire Elite Growth - \$5,000</li> <li>• Palm Beach Venture - \$5,000</li> </ul>
<b>Ultra High Value</b> Product bundles	133K <sup>2</sup>	>\$5,000	<ul style="list-style-type: none"> <li>• Alliance - \$34,000 + \$499 annually</li> <li>• Total Portfolio - \$15,000 + \$499 annually</li> </ul>

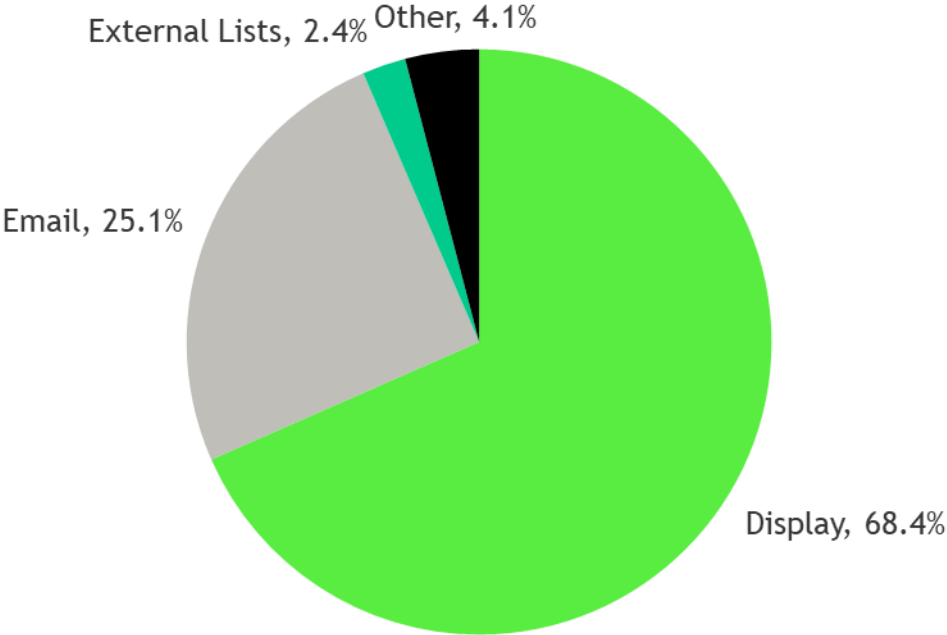
1. As of March 31, 2022

2. Number of subscribers indicated correspond with the cumulative lifetime spend to the right (e.g., 535K of the 909K total paid subscribers have less than \$600 of cumulative lifetime spend)

# EXTERNAL MARKETING - CUSTOMER ACQUISITION

## MULTI-CHANNEL MARKETING APPROACH

1Q22 EXTERNAL ORDERS GENERATED



## MARKETING CHANNEL MIX (1Q22)

**62%** Direct to Paid vs. **38%** Free to Paid

## SELECT DIRECT TO PAID DISPLAY CHANNELS

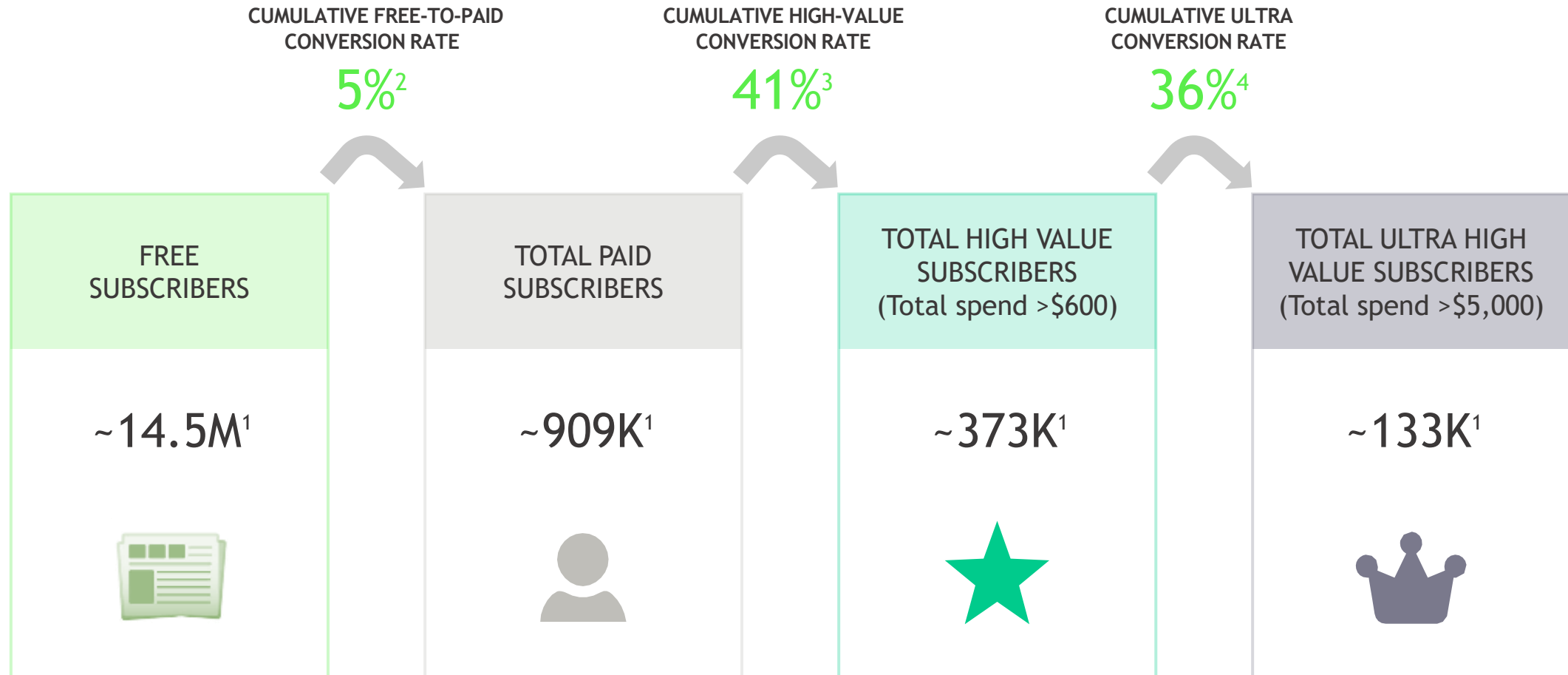


## CONVERSION STATS (1Q22)

**14.2%** Order Form Click-through Rate<sup>1</sup> vs. **5.3%** Order Form Conversion Rate<sup>2</sup>

1. Order form click-through rate for paid subscription campaigns is derived from total order form visits / total landing page visits  
2. Order form conversion rate for paid subscription campaigns is derived from main & upsell orders / total order form visits

# BEST-IN-CLASS BUSINESS MODEL TAILORED FOR HIGH VALUE SUBSCRIBERS



1. Subscriber figures shown as of March 31, 2022

2. Represents cumulative free-to-paid conversion rate for the period April 1, 2019 to March 31, 2022. Calculated as (number of free subscribers who purchased a subscription during the period) / (average number of free subscribers during the period)

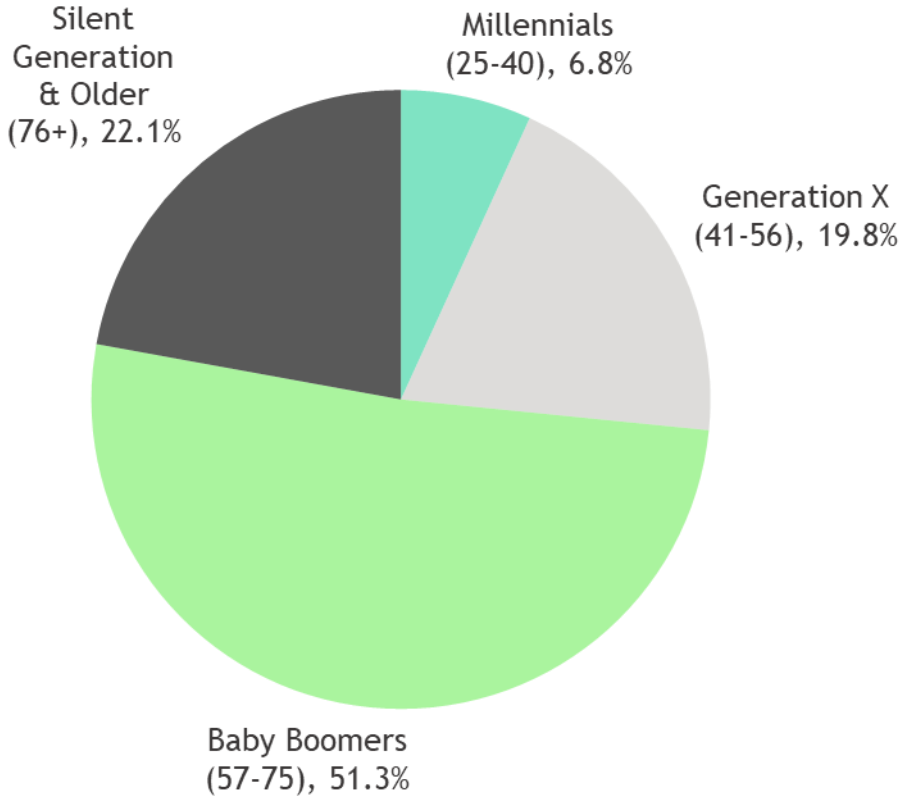
3. Represents cumulative high-value conversion rate as of March 31, 2022. Calculated as (number of paid subscribers who have purchased >\$600 in aggregate over their lifetime as of March 31, 2022) / (number of paid subscribers as of March 31, 2022)

4. Represents cumulative ultra-value conversion rate as of March 31, 2022. Calculated as (number of paid subscribers who have purchased >\$5,000 in aggregate over their lifetime as of March 31, 2022) / (number of high value subscribers as of March 31, 2022)

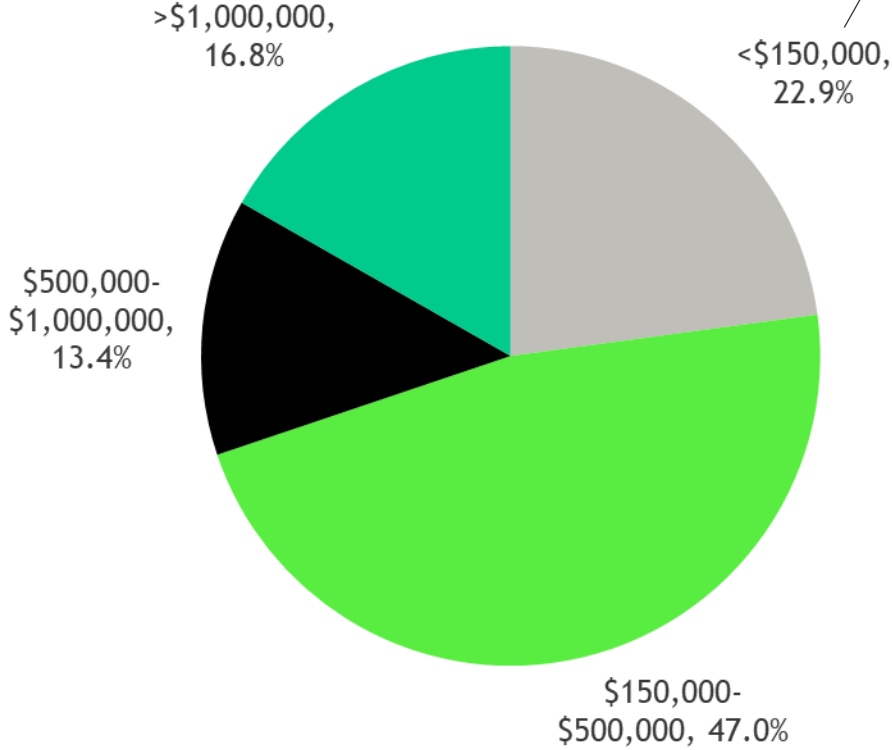


# SUBSCRIBER DEMOGRAPHICS

PAID SUBSCRIBERS BY GENERATION (AGE 25+)<sup>1</sup>



PAID SUBSCRIBERS BY NET ASSETS<sup>1</sup>











*Net assets < \$150K segment decreased by 370 bps vs. 4Q21*

1. Source: Experian data as of March 31, 2022



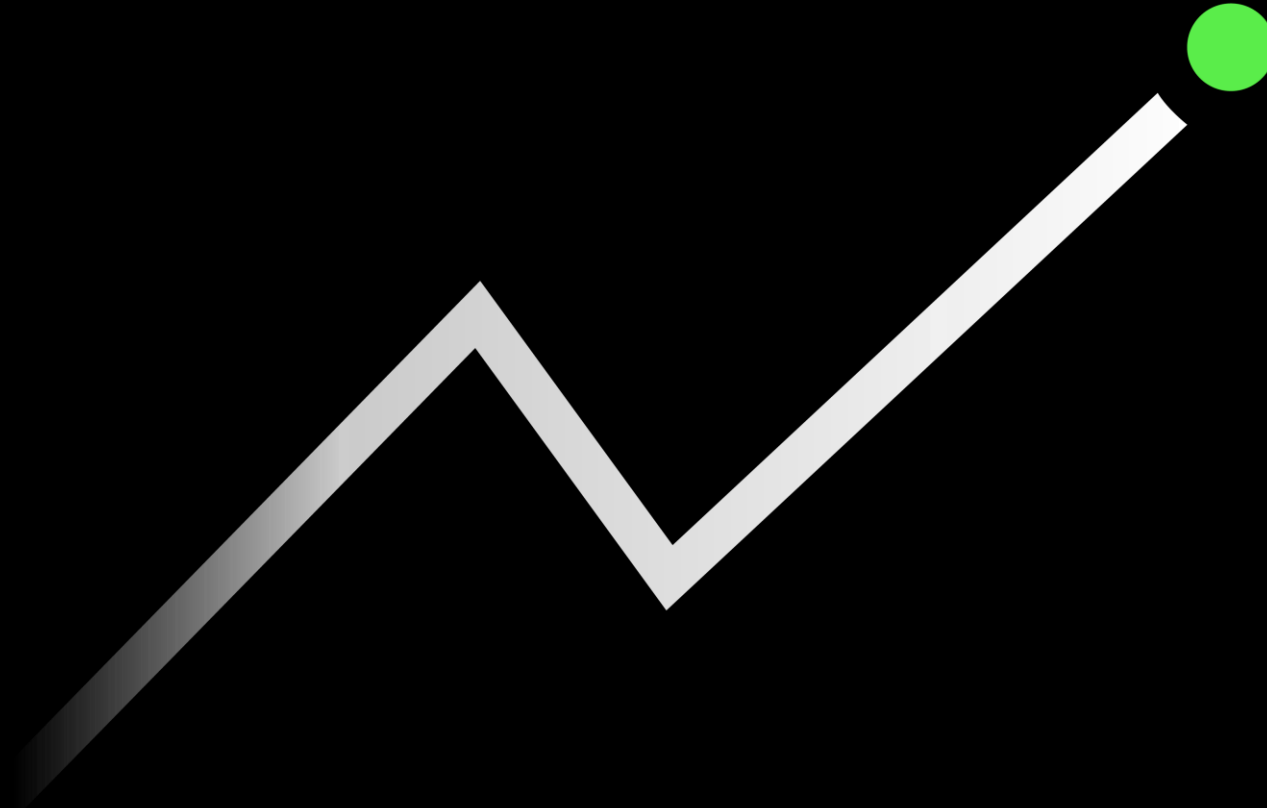
# WE HAVE A TRACK RECORD OF EFFICIENT AND **HIGHLY ACCRETIVE CAPITAL ALLOCATION**

	YEAR	FOCUS AREA	BUILD OR BUY	ORIGINAL BILLINGS (\$ MILLIONS)	2020 - 2021 BILLINGS (\$ MILLIONS)
 PALM BEACH RESEARCH GROUP	2010	Macro	Build	--	\$291
 TRADESMITH	2013	Risk Allocation	Buy	\$1	\$97
 BONNER & PARTNERS	2014	Macro	Buy	\$5	\$259
 CASEY RESEARCH <small>Personal Freedom Through Financial Freedom</small>	2015	Commodities	Buy	\$12	\$49
<b>Omnia Research</b>	2016	Trading	Build	--	\$49
 INVESTORPLACE	2017	Growth	Buy	\$28	\$160
 EMPIRE FINANCIAL RESEARCH	2019	Growth / SPACs	Build	--	\$60
 Altimetry <small>POWERED BY VALENS RESEARCH</small>	2019	Software	Build	--	\$13
 CHAIKIN <sup>1</sup> ANALYTICS	2021	Software	Buy	\$3	\$27
<b>Total</b>				<b>\$49</b>	<b>\$1,005</b>

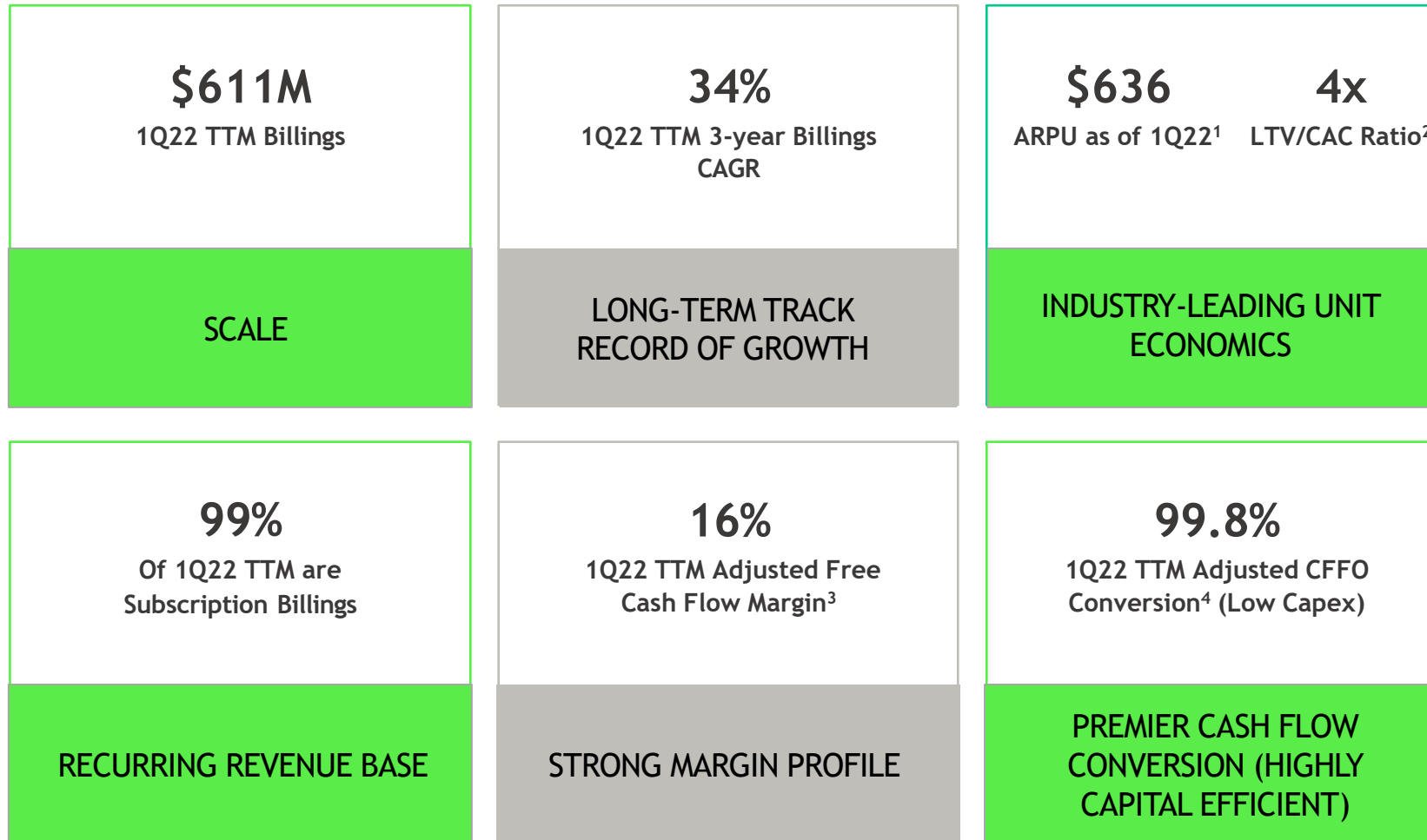
1. Acquisition completed on January 21, 2021; Original Billings represents billings in 2020

MarketWise

# Financial Overview



# FINANCIAL HIGHLIGHTS



1. Average Revenue Per User (“ARPU”) = trailing four quarter net billings / average number of trailing four quarter paid subscribers

2. Based on average lifetime customer contribution margin divided by customer acquisition costs. Customer acquisition costs include direct marketing spend, external revenue share expense, retention and renewal expenses, copywriting and marketing salaries, tele-sales salaries and commissions and customer service commissions. Result shown is for the last completed financial year (2021).

3. Adjusted FCF Margin = Adjusted FCF / Billings. Adjusted FCF is calculated as Adjusted CFFO - Capital Expenditures. Adjusted CFFO is calculated as net cash provided by operating activities plus profits distributions to Class B unitholders included in stock-based compensation expense plus or minus any non-recurring items (see appendix for a reconciliation to the nearest GAAP measure)

4. Adjusted CFFO Conversion = (Adjusted CFFO - Capital Expenditures) / Adjusted CFFO (see appendix for a reconciliation to the nearest GAAP measure)

# SUPERIOR UNIT ECONOMICS - 2021

*“...with an LTV/CAC ratio of 3 or higher, investing an incremental dollar in acquiring new customers has a greater expected return than retaining that dollar as profit...”*



Avg. Customer Lifetime Billings      \$2,600

High Variable Margin

LTV/CAC<sup>1</sup> Ratio      4x

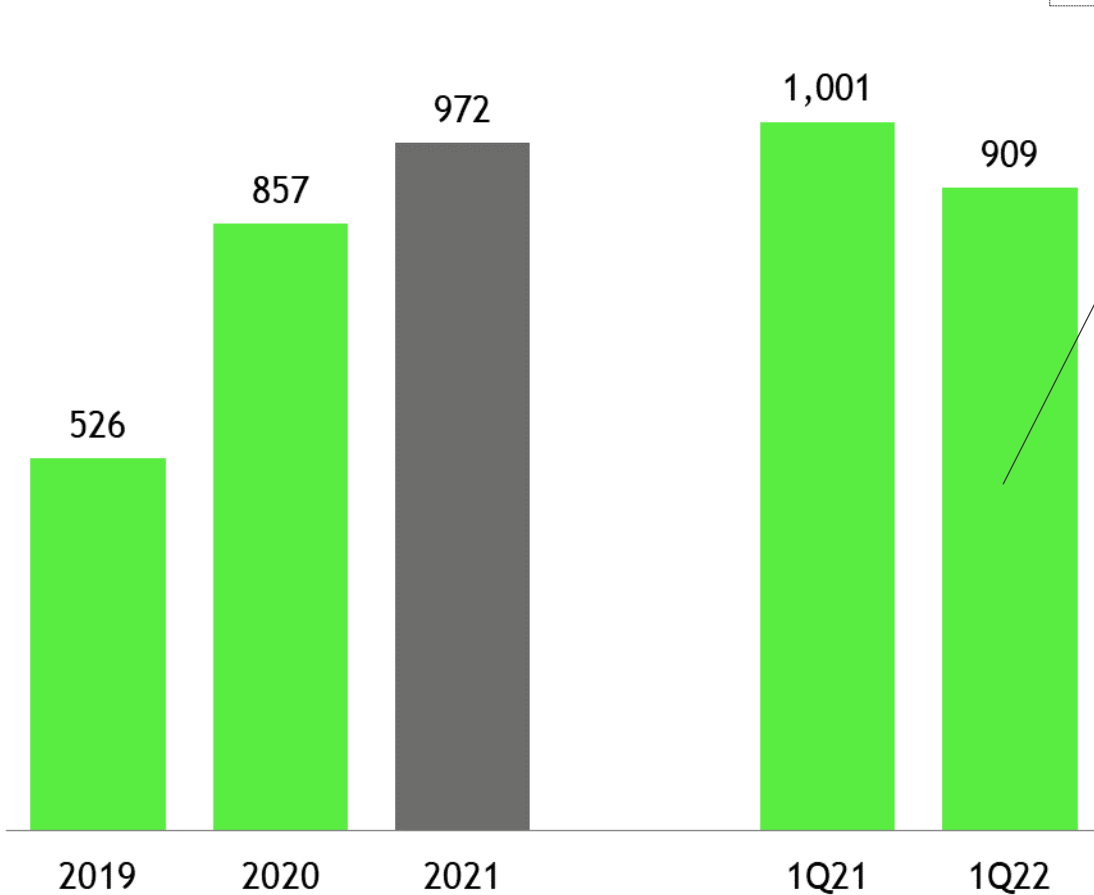
**90 Days**  
CPA<sup>2</sup> Breakeven

**0.6-0.9 Years**  
CAC<sup>1</sup> Breakeven

1. Customer Acquisition Cost includes direct marketing spend, external revenue share expense, retention and renewal expenses, copywriting and marketing salaries, tele-sales salaries and commissions and customer service commissions  
2. CPA - Cost per acquisition includes direct marketing spend only

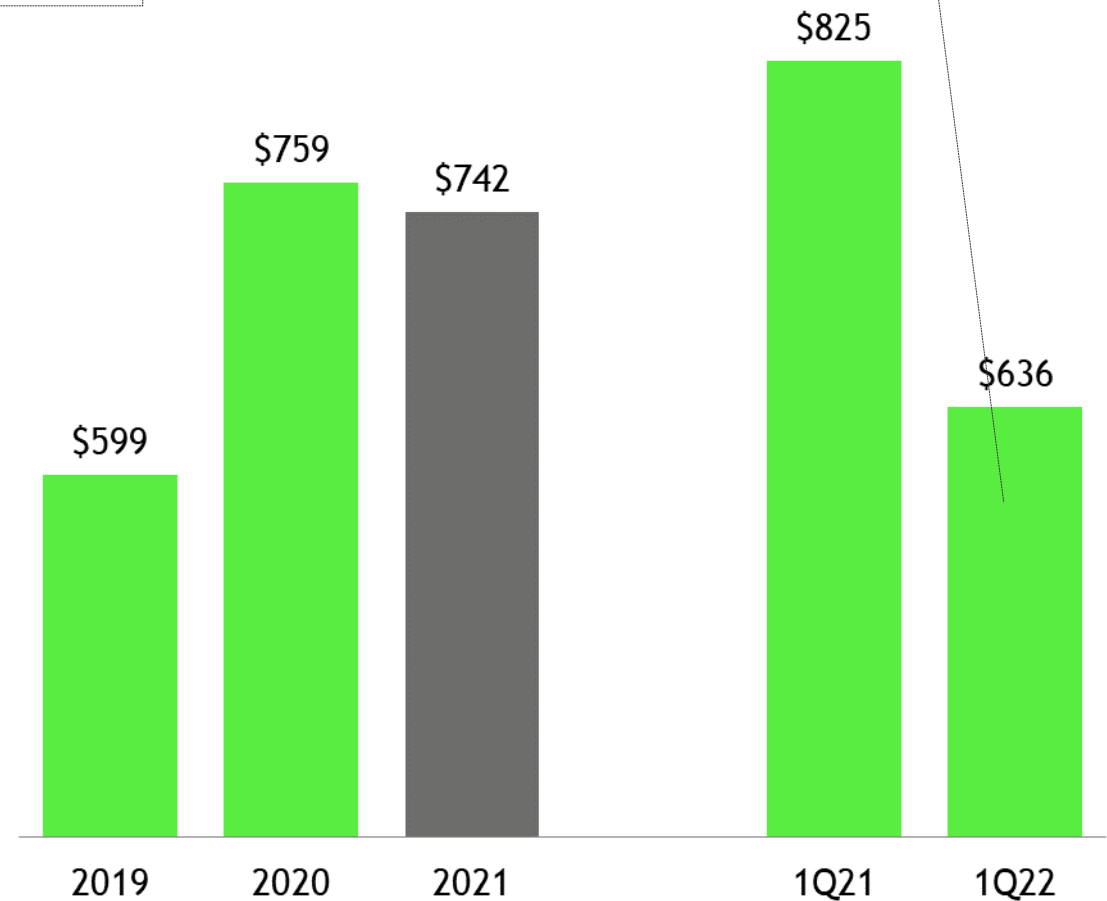
# KEY PERFORMANCE INDICATORS

## PAID SUBSCRIBERS (IN THOUSANDS)



Paid subscriber decrease due to decreased consumer engagement post-COVID, excess churn of 60k from outsized 1Q21 new subscriber cohort and challenging economic environment in 1Q22

## ARPU<sup>1</sup>

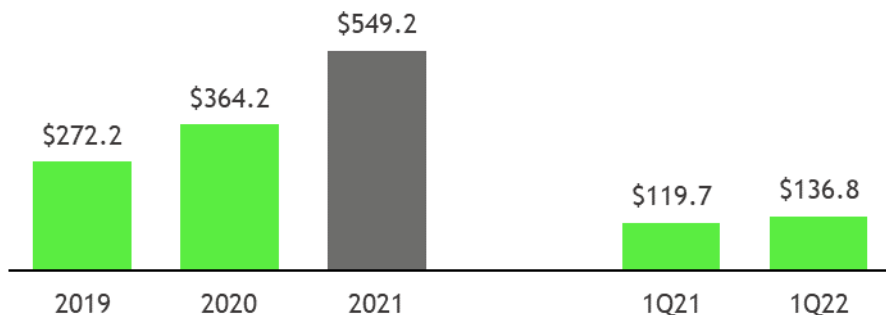


ARPU has decreased due to a 15% increase in trailing 4Q subscribers combined with a 11% decrease in trailing 4Q billings

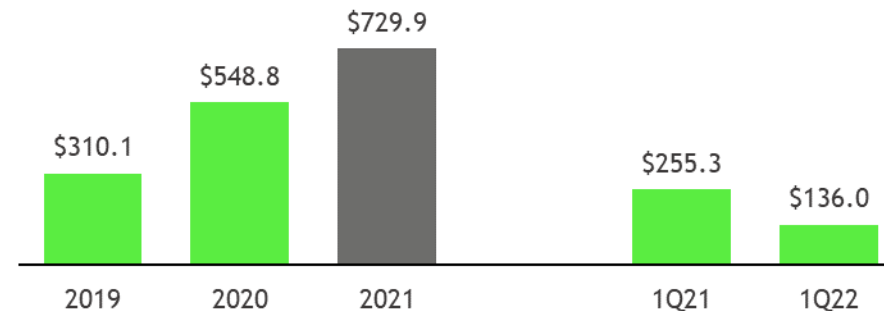
1. Average Revenue Per User ("ARPU") = trailing four quarter net Billings / average number of trailing four quarter paid subscribers

# HIGHLY ATTRACTIVE LONG-TERM GROWTH AT SCALE

REVENUE (\$ IN MILLIONS)

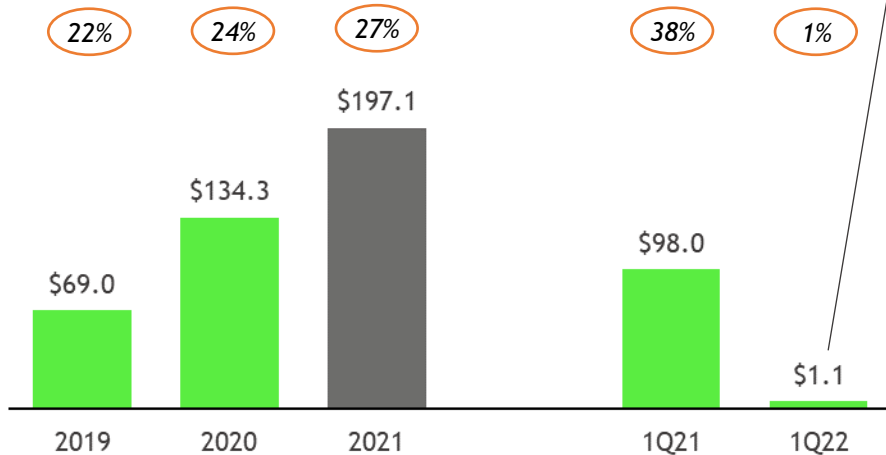


BILLINGS (\$ IN MILLIONS)<sup>1</sup>



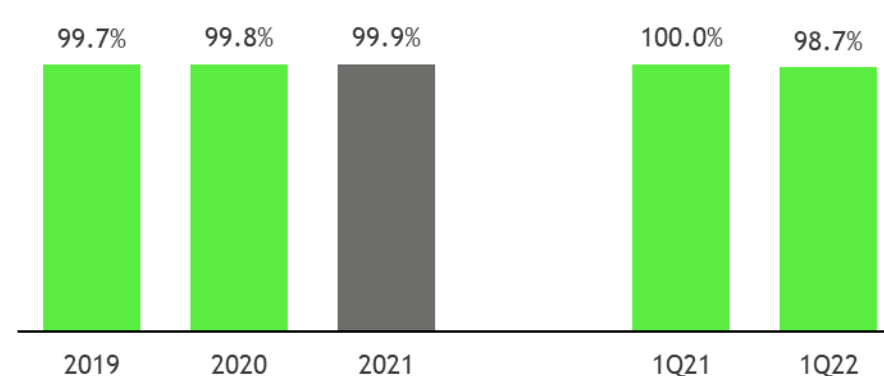
ADJUSTED CFFO (\$ IN MILLIONS)<sup>2</sup>

Margin



Adjusted CFFO this quarter was impacted letting marketing spend run a bit longer, and by net changes in working capital which reduced cash by \$18.1 million, but this represents only timing differences in the receipt of cash.

ADJUSTED CFFO CONVERSION<sup>3</sup> (LOW CAPEX)



1. Billings represents amounts invoiced to customers

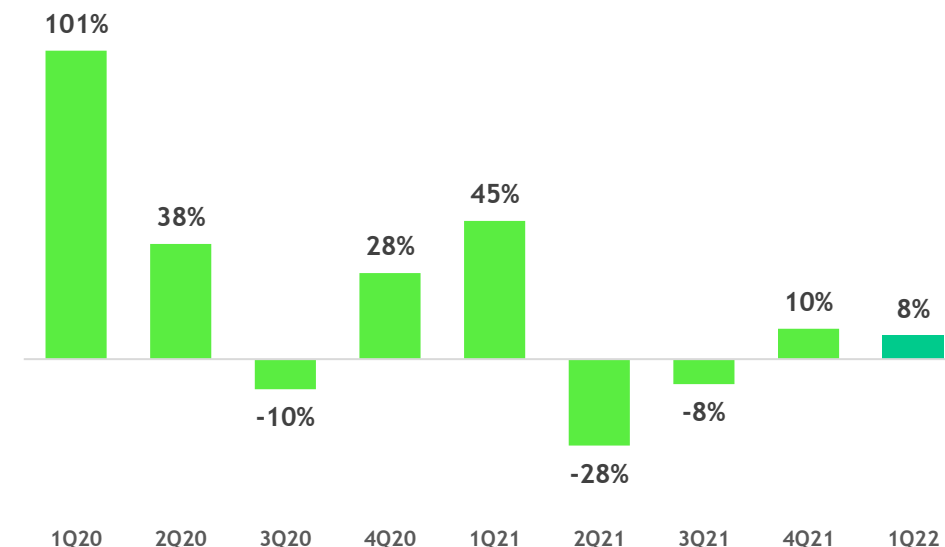
2. Adjusted CFFO = net cash provided by operating activities plus profits distributions to Class B unitholders included in stock-based compensation expense plus or minus any non-recurring items. Adjusted CFFO Margin = Adjusted CFFO / Billings (see appendix for a reconciliation to the nearest GAAP measure)

3. Adjusted CFFO Conversion = (Adjusted CFFO - Capital Expenditures) / Adjusted CFFO (see appendix for a reconciliation to the nearest GAAP measure)

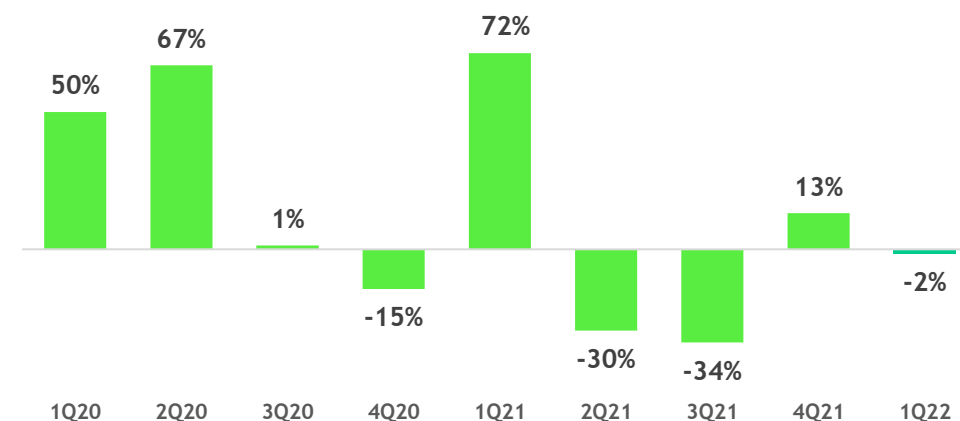
# MARKET OBSERVATIONS **FIRST QUARTER 2022**

- During 2022, markets have been difficult, driven by Russia’s invasion of Ukraine, an increasingly aggressive Fed stance, and inflation spiking to 40-year highs
- MarketWise has not been immune to these events, and has experienced volatility and generally lower engagement levels, which has had an impact on overall direct-to-paid conversion rates, driven by low ARPU subs, not our high value subs
  - Engagement as measured by landing page visits was largely stable between 4Q 21 and 1Q22, but down ~18% to the quarterly average of the last two years
  - Conversion rates for our subscribers transitioning to high and ultra-high value status remain in line with the prior three quarters, excluding the 1Q21 outsized cohort
  - The market volatility caused uncertainty for subscribers and potential subscribers, which delayed purchases; we noted a 16bp decline in our total landing page-to-purchase conversion rates from 4Q21 to 1Q22, driven by low ARPU customers
- Paid subscriber counts were impacted from increased churn from the outsized 1Q21 cohort (estimated at 60K additional churned subscribers) - excluding this impact, churn was in-line with historical periods
- During times of high market volatility, our teams develop new marketing and investment ideas to help our subscribers navigate uncertain times. We tested these ideas in 1Q22 by allowing marketing to run longer to see what resonates with subscribers; while compressing our margins, we believe this provides good information for future campaigns

## SEQUENTIAL CHANGE IN SCHWAB DAILY AVERAGE TRADES<sup>1</sup>

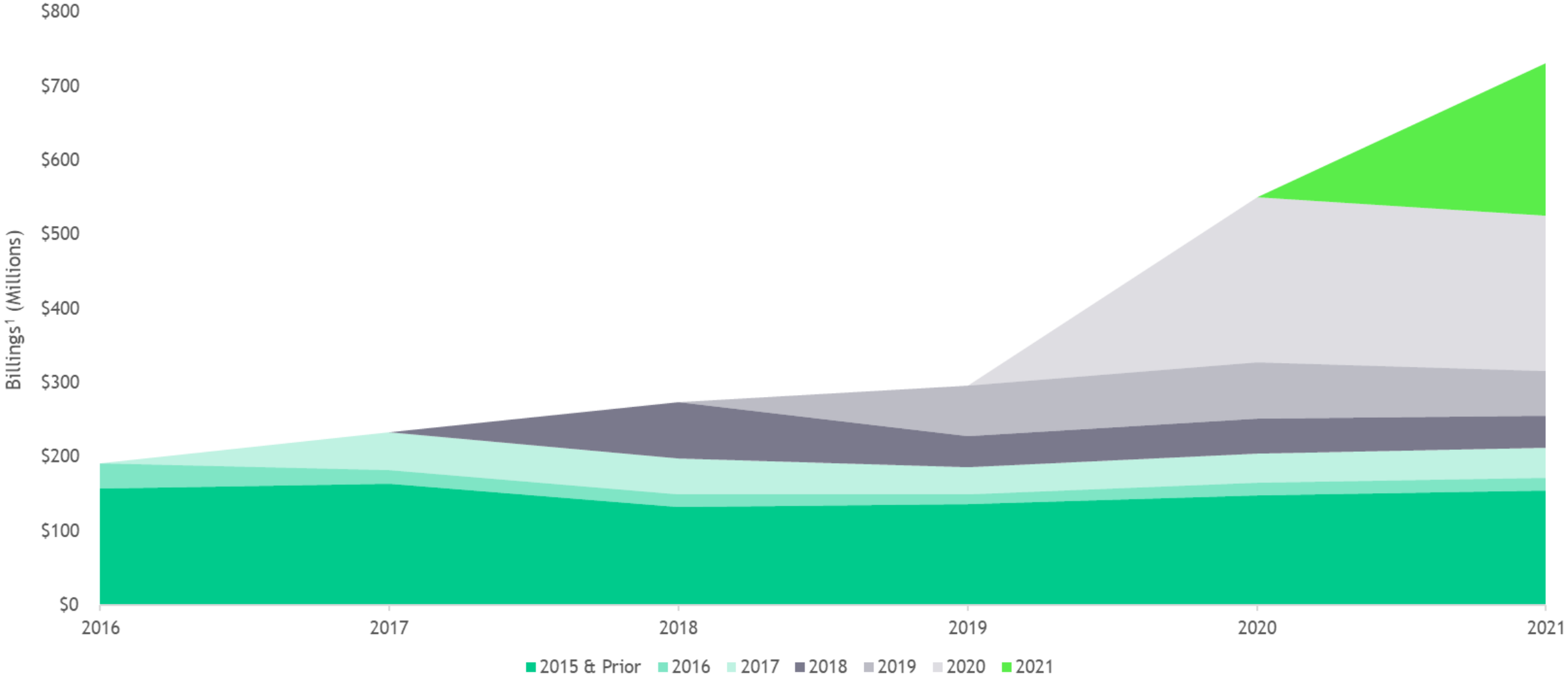


## SEQUENTIAL CHANGE IN MKTW LANDING PAGE VISITS



1. Source: Schwab Investor Relations website

# REVENUE RETENTION OF EXISTING CUSTOMER COHORTS (ANNUAL)



1. Billings represents amounts invoiced to customers



# LONG-TERM FINANCIAL OBJECTIVES

## BALANCE LONG-TERM GROWTH WITH PROFITABILITY



### KEY GROWTH DRIVERS

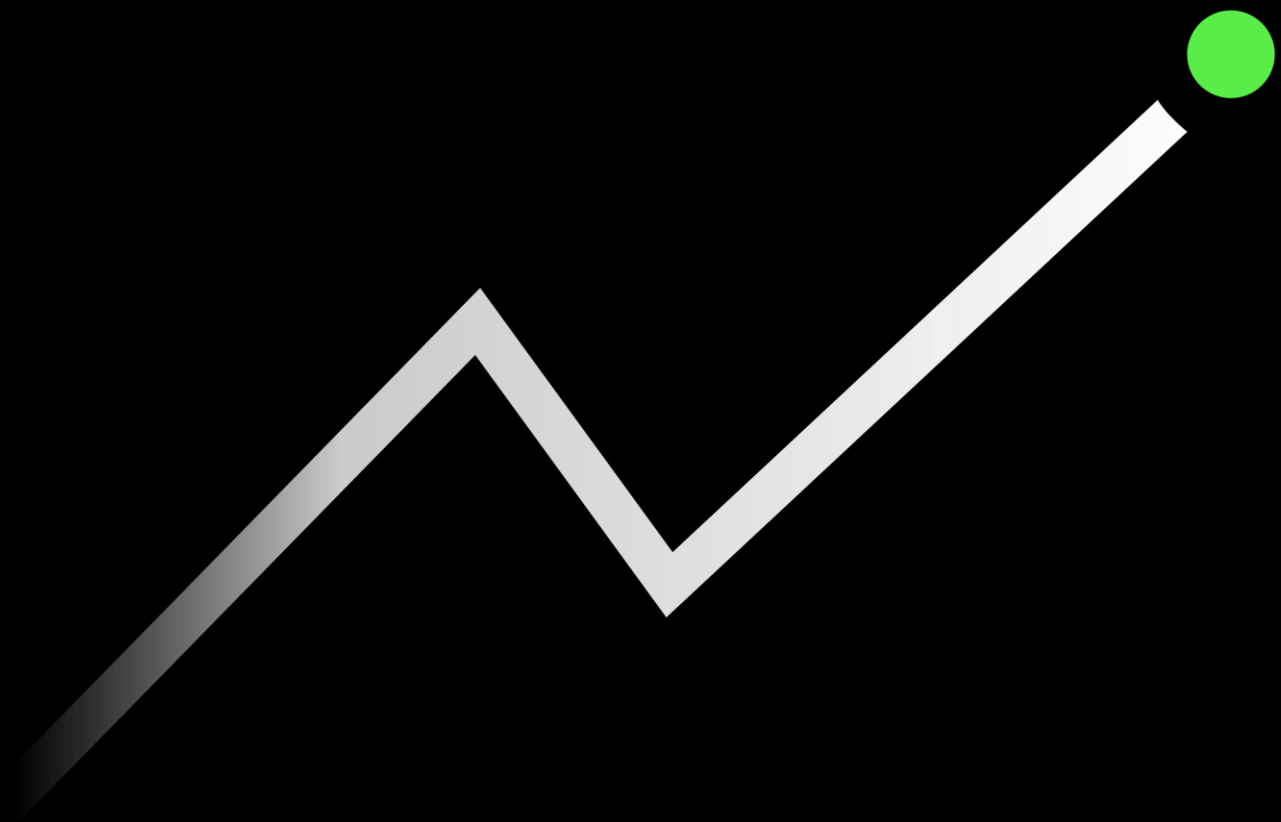
- Paid marketing spend
- New products/markets
- M&A

### KEY PROFITABILITY DRIVERS

- Paid marketing spend
- Conversion/upsells
- ROIs

MarketWise

Appendix



# MARKETWISE PROVIDES DIVERSE, ACTIONABLE & AFFORDABLE CONTENT

	MarketWise	INSTITUTIONAL INFO SERVICES	INSTITUTIONAL RESEARCH	SPECIALTY FINANCIAL RESEARCH	ONLINE BROKERS	ONLINE NEWSLETTERS	GENERAL FINANCIAL PUBLICATIONS	ONLINE TOOLS	SOCIAL MEDIA COMMUNITIES
ACTIONABLE CONTENT	●	◐	●	◐	◐	◐	◐	○	◐
DATA & INFO	◐	●	◐	◐	◐	◐	◐	◐	◐
DIVERSIFIED PRODUCT OFFERING	●	●	●	◐	◐	◐	◐	○	○
FULL RANGE OF PRICES	●	◐	◐	◐	◐	◐	◐	◐	○

Bloomberg  
 MORNINGSTAR  
 S&P Global  
 MOODY'S  
 FACTSET  
 REUTERS  
 Sell Side Platforms  
 BCC Research  
 Wall Street Research  
 MORNINGSTAR  
 ZACKS  
 Fidelity  
 Robinhood  
 Ameritrade  
 Seeking Alpha  
 The Motley Fool  
 BARRON'S  
 WSJ  
 INVESTORS BUSINESS DAILY  
 yahoo! finance  
 MarketWatch  
 reddit  
 Stocktwits

# NON-GAAP RECONCILIATION

(\$ in 000's)	2019	2020	2021	1Q21	1Q22
<b>Net Cash Provided/(Used) by Operating Activities</b>	<b>54,201</b>	<b>55,875</b>	<b>63,632</b>	<b>92,304</b>	<b>1,068</b>
Plus: Profits distributions to Class B unitholders included in stock-based compensation expense	14,831	78,398	123,449	5,651	
Plus: Non-Recurring Expenses <sup>1</sup>			10,000		
<b>Adj. CFFO (Adjusted Cash Flow from Operations)</b>	<b>69,032</b>	<b>134,273</b>	<b>197,081</b>	<b>97,955</b>	<b>1,068</b>
Capital Expenditures	(177)	(290)	(157)	(13)	(14)
<b>Adj. Free Cash Flow</b>	<b>68,855</b>	<b>133,983</b>	<b>196,924</b>	<b>97,942</b>	<b>1,054</b>
<b>Billings</b>	<b>310,060</b>	<b>548,835</b>	<b>729,893</b>	<b>255,303</b>	<b>135,995</b>
<b>Adj. Free Cash Flow Margin</b>	<b>22.2%</b>	<b>24.4%</b>	<b>27.0%</b>	<b>38.4%</b>	<b>0.8%</b>
<b>Adj. CFFO Conversion</b>	<b>99.7%</b>	<b>99.8%</b>	<b>99.9%</b>	<b>100.0%</b>	<b>98.7%</b>

1. Represents a discretionary, one-time, lifetime-award non-employee bonus payment of \$10M to the Company's founder, who is a Class B stockholder

# GAAP INCOME STATEMENTS - 1Q

(\$ in 000's)	1Q21	1Q22	% Variance
<b>Total Revenue</b>	<b>119,714</b>	<b>136,798</b>	<b>14%</b>
Operating Expenses			
Cost of Revenue	132,812	17,617	-87%
Sales and Marketing	91,785	68,237	-26%
General and Administrative	507,429	30,545	-94%
Research and Development	1,778	2,278	28%
Depreciation and Amortization	751	604	-20%
Related Party Expenses	20	97	385%
Total Operating Expenses	734,575	119,378	-84%
Income (Loss) from Operations	(614,861)	17,420	N/M
Other Income (Expense), net	(227)	7,296	N/M
Interest Income (Expense), net	5	(171)	N/M
<b>Net Income (Loss) Before Income Taxes</b>	<b>(615,083)</b>	<b>24,545</b>	<b>N/M</b>
Income Tax Expense/(Benefit)	-	1,522	N/M
<b>Net Income (Loss)</b>	<b>(615,083)</b>	<b>23,023</b>	<b>N/M</b>

(\$ in 000's)	1Q21	1Q22	% Variance
<b>Stock-Based Compensation Expense<sup>1</sup></b>			
Vested Class B Units & Change in Fair Value of Class B Liability Awards	595,424	-	N/M
Profits distribution to Class B Unitholders included in stock-based compensation exper	5,651	-	N/M
<b>Total Class B Stock-Based Compensation Expense</b>	<b>601,075</b>	<b>-</b>	<b>N/M</b>
2021 Incentive Award Plan stock-based compensation expense	-	2,430	N/M
Employee Stock Purchase Plan	-	158	N/M
<b>Total Stock-Based Compensation Expense</b>	<b>601,075</b>	<b>2,588</b>	<b>-100%</b>
<b>Stock-Based Compensation Line Item Summary<sup>1</sup></b>			
Cost of Revenue	114,348	532	-100%
Sales and Marketing	14,070	565	-96%
General and Administrative	472,657	1,491	-100%
<b>Total Stock-Based Compensation Expense</b>	<b>601,075</b>	<b>2,588</b>	<b>-100%</b>

	1Q21	1Q22
<b>Total Revenue</b>	<b>100%</b>	<b>100%</b>
Operating Expenses		
Cost of Revenue	111%	13%
Sales and Marketing	77%	50%
General and Administrative	424%	22%
Research and Development	1%	2%
Depreciation and Amortization	1%	0%
Related Party Expenses	0%	0%
Total Operating Expenses	614%	87%
Income (Loss) from Operations	-514%	13%
Other Income (Expense), net	0%	5%
Interest Income (Expense), net	0%	0%
<b>Net Income (Loss) Before Income Taxes</b>	<b>-514%</b>	<b>18%</b>
Income Tax Expense	-	1%
<b>Net Income (Loss)</b>	<b>-514%</b>	<b>17%</b>

	1Q21	1Q22
<b>Stock-Based Compensation Line Item Summary<sup>1</sup></b>		
Cost of Revenue	96%	0%
Sales and Marketing	12%	0%
General and Administrative	395%	1%
<b>Total Stock-Based Compensation Expense</b>	<b>502%</b>	<b>2%</b>

1. Stock-based compensation expense is primarily related to the Class B Units. Prior to the Transactions (as defined in our Annual Report on Form 10-K), the Class B Units were classified as liabilities as opposed to equity and remeasured to fair value at the end of each reporting period, with the change in value being charged to stock-based compensation expense. Because the Class B Units were classified as liabilities on our consolidated balance sheet prior to the Transactions, all profits distributions made to the holders of the Class B Units were considered to be stock-based compensation expenses. Upon completion of the Transactions, all Class B Units fully vested as of the transaction date, and the original operating agreement was terminated and replaced by a new operating agreement consistent with the Company's Up-C structure. This new operating agreement does not contain the put and call options that existed under the previous operating agreement, and the Common Units are treated as common equity under the new operating agreement and do not generate stock-based compensation expense. Therefore, the Class B Units liability was reclassified to equity as of the transaction date and stock-based compensation expense associated with the Class B Units ceased after the transaction date.