

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): May 05, 2025

WEAVE COMMUNICATIONS, INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

001-40998
(Commission
File Number)

26-3302902
(I.R.S. Employer
Identification No.)

1331 W Powell Way
Lehi, Utah
(Address of principal executive offices)

84043
(Zip Code)

Registrant's telephone number, including area code: (385) 331-4164

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13d-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.00001 par value	WEAV	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On May 5, 2025, Weave Communications, Inc. (the “Company”) issued a press release announcing its financial results for the first quarter ended March 31, 2025. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The foregoing information contained under Item 2.02 of this Current Report on Form 8-K (including the Exhibit 99.1 hereto) is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended (the “Securities Act”), regardless of any general incorporation language in such filings, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release Announcing Financial Results Dated May 5, 2025
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

WEAVE COMMUNICATIONS, INC.

Date: May 5, 2025

By: /s/ Brett White

Name: Brett White

Title: Chief Executive Officer

Weave Announces First Quarter 2025 Financial Results

- First quarter total revenue of \$55.8 million, up 18.3% year over year
- GAAP gross margin of 71.6%, up 170 basis points year over year
- Non GAAP gross margin of 72.1%, up 170 basis points year over year
- Announced agreement to acquire TrueLark, accelerating front office automation

LEHI, Utah—May 5, 2025 – Weave Communications, Inc. (“Weave”) (NYSE: WEAV), a leading all-in-one customer experience and payments software platform for small and medium-sized healthcare businesses, today announced its financial results for the first quarter March 31, 2025.

“We delivered a strong start to the year, and we continue to make meaningful progress across each of our key growth vectors. We had strong demand in specialty medical, continued progress in mid-market, and solid performance in our payments business,” said CEO Brett White. “Following the closing, the pending acquisition of TrueLark, a leading provider of AI-powered front-desk automation, will advance Weave’s AI roadmap, bringing us closer to realizing our vision for the ‘practice of the future’, and will position us at the forefront of workflow automation with always-on, autonomous patient engagement. We believe this move will expand our addressable market and strengthen our position for long-term growth. We’re creating lasting value for our customers by helping practices operate more efficiently and deliver exceptional patient experiences.”

First Quarter 2025 Financial Highlights

- Total revenue was \$55.8 million, representing an 18.3% year-over-year increase compared to \$47.2 million in the first quarter of 2024.
- GAAP gross margin was 71.6%, compared to a GAAP gross margin of 69.9% in the first quarter of 2024.
- Non-GAAP gross margin was 72.1%, compared to a non-GAAP gross margin of 70.4% in the first quarter of 2024.
- GAAP loss from operations was \$9.3 million, compared to a GAAP loss from operations of \$8.2 million in the first quarter of 2024.
- Non-GAAP income from operations was \$39.0 thousand, compared to a non-GAAP loss from operations of \$1.4 million in the first quarter of 2024.
- GAAP net loss was \$8.8 million, or \$0.12 per share, compared to a GAAP net loss of \$7.2 million, or \$0.10 per share, in the first quarter of 2024.
- Non-GAAP net income was \$0.5 million, or \$0.01 per share, compared to a non-GAAP net loss of \$0.4 million, or negative \$0.01 per share, in the first quarter of 2024.
- Adjusted EBITDA was \$1.0 million, compared to adjusted EBITDA of negative \$0.4 million in the first quarter of 2024.
- Net cash used in operating activities was \$0.2 million, compared to net cash used in operating activities of \$19.7 million in the first quarter of 2024.
- Free cash flow was \$(1.1) million, compared to \$(20.5) million in the first quarter of 2024.

Recent Business Highlights

- Announced a definitive agreement to acquire all outstanding equity of TrueLark¹ for \$35.0 million, comprising \$25.0 million in cash and \$10.0 million in equity. TrueLark is an AI-powered virtual receptionist designed for appointment-based small and medium sized businesses (“SMBs”), with an agentic AI platform that automates scheduling, rescheduling, and client inquiries via SMS and web chat. More than just a product addition, this acquisition positions Weave at the forefront of agentic AI in SMB healthcare. TrueLark enables 24/7 engagement, converting missed calls into booked appointments, and streamlines front-office operations, allowing staff to focus on improved patient and client experiences.
- Achieved a record quarter in specialty medical sales, driven by strong performance in Med Spa, Plastic Surgery, Primary Care, and Physical Therapy. Growth was supported by new integrations with Prompt, Practice Fusion, and Veradigm, which expanded Weave’s serviceable market by an estimated 60,000 locations.

Financial Second Quarter and Full Year 2025 Outlook

The company expects to achieve the following financial results for the three months ending June 30, 2025 and the full year ending December 31, 2025, assuming that the closing of the proposed TrueLark acquisition occurs in the second quarter of 2025:

	Second Quarter	Full Year
	(in millions)	
Total revenue	\$57.3 - \$58.3	\$236.8 - \$239.8
Non-GAAP income (loss) from operations	\$(1.0) - \$0.0	\$0.0 - \$3.0
Weighted average share count	75.7	76.5

The guidance provided above constitutes forward-looking statements and actual results may differ materially. Refer to the “Forward-Looking Statements” safe harbor section below for information on the factors that could cause our actual results to differ materially from these forward-looking statements.

Non-GAAP income (loss) from operations excludes estimates for, among other things, stock-based compensation expense and acquisition transaction costs (as described further below). A reconciliation of this non-GAAP financial guidance measure to a corresponding GAAP financial guidance measure is not available on a forward-looking basis because we do not provide guidance on GAAP income (loss) from operations and are not able to present the various reconciling cash and non-cash items between GAAP income (loss) from operations and non-GAAP income (loss) from operations without unreasonable effort. In particular, stock-based compensation expense is impacted by our future hiring and retention needs, as well as the future fair market value of our common stock, all of which are difficult to predict and are subject to change. Likewise, remaining acquisition transaction costs are difficult to predict and are subject to change as a result of professional services engaged and other variable costs. The actual amount of these expenses during 2025 will have a significant impact on our future GAAP financial results.

Webcast

The company will host a conference call and webcast for analysts and investors on Monday, May 5, 2025, beginning at 4:30 p.m. EST.

Individuals interested in listening to the conference call may do so by dialing (412) 902-1020 or toll-free at (877) 502-7186. Please reference the following conference ID: 13751685. The live webcast and a webcast replay of the conference call can be accessed from the investor relations page of Weave’s website at investors.getweave.com.

⁽¹⁾ Vidurama, Inc. (d.b.a. “TrueLark”)

About Weave

Weave is a leading all-in-one customer experience and payments software platform for small and medium-sized healthcare businesses. From the first phone call to the final invoice and every touchpoint in between, Weave connects the entire patient journey. Weave's software solutions transform how healthcare practices attract, communicate with, and engage patients and clients to grow their business. Weave seamlessly integrates billing and payment requests into communication workflows, streamlining payment timelines, reducing accounts receivable, and supporting practice profitability. In the past year, Weave has been named an Inc. Power Partner, a G2 leader in Patient Relationship Management software, and a Top 50 Product for Small Business. To learn more, visit getweave.com/newsroom.

Non-GAAP Financial Measures

In this press release, Weave has provided financial information that has not been prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). We disclose the following historical non-GAAP financial measures in this press release: non-GAAP net income (loss), non-GAAP net income (loss) margin, non-GAAP net income (loss) per share, non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP income (loss) from operations, non-GAAP income (loss) from operations margin, Adjusted EBITDA and free cash flow. We use these non-GAAP financial measures internally to analyze our financial results and evaluate our ongoing operational performance. We believe that these non-GAAP financial measures provide an additional tool for investors to use in understanding and evaluating ongoing operating results and trends in the same manner as our management and board of directors. Our use of these non-GAAP financial measures has limitations as an analytical tool, and you should not consider them in isolation or as a substitute for analysis of our financial results as reported under GAAP. Because of these and other limitations, you should consider these non-GAAP financial measures along with other GAAP-based financial performance measures, including various cash flow metrics, operating income (loss), net income (loss), and our GAAP financial results. We have provided a reconciliation of these non-GAAP financial measures to their most directly comparable GAAP measures in the tables included in this press release, and investors are encouraged to review the reconciliation.

Non-GAAP net income (loss), non-GAAP net income (loss) margin and non-GAAP net income (loss) per share

We define non-GAAP net income (loss) as GAAP net loss adjusted to exclude stock-based compensation expense and acquisition transaction costs, and non-GAAP net income (loss) margin as non-GAAP net income (loss) as a percentage of revenue. Acquisition transaction costs include legal and accounting professional services costs incurred as a result of our acquisitions during the period. Non-GAAP net income (loss) per share is calculated as non-GAAP net income (loss) divided by the diluted weighted average shares outstanding.

Non-GAAP gross profit and non-GAAP gross margin

We define non-GAAP gross profit as GAAP gross profit adjusted to exclude stock-based compensation expense and non-GAAP gross margin as non-GAAP gross profit as a percentage of revenue.

Non-GAAP operating expenses

We define non-GAAP operating expenses, in the aggregate or its individual components (i.e., sales and marketing, research and development or general and administrative), as the applicable GAAP operating expenses adjusted to exclude the applicable stock-based compensation expense and acquisition transaction costs.

Non-GAAP income (loss) from operations and non-GAAP income (loss) from operations margin

We define non-GAAP income (loss) from operations as GAAP loss from operations less stock-based compensation expense and acquisition transaction costs, and non-GAAP income (loss) from operations margin as non-GAAP income (loss) from operations as a percentage of revenue.

Adjusted EBITDA

We define EBITDA as earnings before interest expense, interest income, other income/expense, provision for income taxes, depreciation, and amortization. Our depreciation adjustment includes depreciation on operating fixed assets and we do not adjust for amortization of finance lease right-of-use assets on phone hardware provided to our customers. Our amortization adjustment includes the amortization of capitalized costs from both internal-use software development and cloud computing arrangements. We further adjust EBITDA to exclude stock-based compensation expense, a non-cash item, and acquisition transaction costs, which we believe are not reflective of ongoing results of operations in the period incurred and not directly related to the operation of our business. Acquisition transaction costs include legal and accounting professional services costs incurred during the period as a result of our pending acquisition. We believe that Adjusted EBITDA provides management and investors consistency and comparability with our past financial performance and facilitates period-to-period comparisons of operations. Additionally, management uses Adjusted EBITDA to measure our financial and operational performance and prepare our budgets.

Free cash flow

We define free cash flow as net cash provided by operating activities, less purchases of property and equipment and capitalized internal-use software costs. We believe that free cash flow is a useful indicator of liquidity that provides useful information to management and investors, even if negative, as it provides information about the amount of cash consumed by our combined operating and investing activities. For example, as free cash flow has in the past been negative, we have needed to access cash reserves or other sources of capital for these investments.

The foregoing non-GAAP financial measures have a number of limitations. For example, the non-GAAP financial information presented may be determined or calculated differently by other companies and may not be directly comparable to that of other companies. In addition, free cash flow does not reflect our future contractual commitments and the total increase or decrease of our cash balance for a given period. Further, Adjusted EBITDA excludes some costs, namely, non-cash stock-based compensation expense. Therefore, Adjusted EBITDA does not reflect the non-cash impact of stock-based compensation expense or working capital needs that will continue for the foreseeable future. All of these limitations could reduce the usefulness of these non-GAAP financial measures as analytical tools.

Supplemental Financial Information

Dollar-Based Net Revenue Retention ("NRR")

For retention rate calculations, we use adjusted monthly revenue ("AMR"), which is calculated for each location as the sum of (i) the subscription component of revenue for each month and (ii) the average of the trailing three-month recurring payments revenue. To calculate our NRR, we first identify the cohort of locations (the "Base Locations") that were active in a particular month (the "Base Month"). We then divide AMR for the Base Locations in the same month of the subsequent year by AMR in the Base Month to derive a monthly NRR. We derive our annual NRR as of any date by taking a weighted average of the monthly net retention rates over the trailing twelve months before such date.

Dollar-Based Gross Revenue Retention (“GRR”)

To calculate our GRR, we first identify the Base Locations that were under subscription in the Base Month. We then calculate the effect of reductions in revenue from customer location terminations by measuring the amount of AMR in the Base Month for Base Locations still under subscription twelve months subsequent to the Base Month (the “Remaining AMR”). We then divide the Remaining AMR for the Base Locations by AMR in the Base Month for the Base Locations to derive a monthly gross retention rate. We calculate GRR as of any date by taking a weighted average of the monthly gross retention rates over the trailing twelve months prior to such date. GRR reflects the effect of customer locations that terminate their subscriptions, but does not reflect changes in revenue due to revenue expansion, revenue contraction, or the addition of new customer locations.

Number of Locations

We measure locations as the total number of customer locations under subscription active on the Weave platform as of the end of each month. A single organization or customer with multiple divisions, segments, offices or subsidiaries is counted as multiple locations if they have entered into subscriptions for each location.

As a reminder, we only provide customer location information on an annual basis with annual and fourth quarter results and do not provide this information with financial statements or earnings releases covering interim periods.

Forward-Looking Statements

This press release and the accompanying conference call contain forward-looking statements including, among others, current estimates of first quarter 2025 revenue and non-GAAP income (loss) from operations, statements regarding the proposed acquisition of TrueLark, and the expected benefits therefrom, including in the quotes of our Chief Executive Officer, and the projected timing of the closing of the proposed acquisition.

These forward-looking statements involve risks and uncertainties. If any of these risks or uncertainties materialize, or if any of our assumptions prove incorrect, our actual results could differ materially from the results expressed or implied by these forward-looking statements. These risks and uncertainties include risks associated with: the satisfaction of closing conditions under the definitive agreement for the proposed acquisition or our ability to close the proposed acquisition; the potential impact on the businesses of TrueLark and Weave due to uncertainties in connection with the proposed acquisition; the retention of employees of TrueLark and the ability of Weave to successfully integrate TrueLark and to achieve expected benefits from the proposed acquisition; our ability to attract new customers, retain existing customers and increase our customers' use of our platform; our ability to manage our growth; the impact of unfavorable economic conditions and macroeconomic uncertainties on our company; our ability to maintain and enhance our brand and increase market awareness of our company, platform and products; customer adoption of our platform and products and enhancements thereto; customer acquisition costs and sales and marketing strategies; our ability to achieve profitability in any future period; competition; our ability to enhance our platform and products; interruptions in service; and the risks described in the filings we make from time to time with the Securities and Exchange Commission (“SEC”), including the risks described under the heading “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on March 13, 2025, which should be read in conjunction with our financial results and forward-looking statements and is available on the SEC Filings section of the Investor Relations page of our website at investors.getweave.com.

All forward-looking statements in this press release are based on information available to us as of the date hereof, and we do not assume any obligation to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made.

Channels for Disclosure of Information

Weave uses the investor relations page on our website, blog posts on our website, press releases, public conference calls, webcasts, our X (Twitter) feed (@getweave), our Facebook page, and our LinkedIn page as the means of complying with our disclosure obligations under Regulation FD. We encourage investors, the media, and others to follow the channels listed above, in addition to following Weave's press releases, SEC filings, and public conference calls and webcasts, and to review the information disclosed through such channels.

Investor Relations Contact

Mark McReynolds

Head of Investor Relations

ir@getweave.com

Media Contact

Natalie House

Senior Director of Content & Communications

pr@getweave.com

WEAVE COMMUNICATIONS, INC
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited, in thousands, except share and per share data)

	March 31, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 53,410	\$ 51,596
Short-term investments	44,819	47,534
Accounts receivable, net	3,131	3,743
Deferred contract costs, net	11,979	11,568
Prepaid expenses and other current assets	6,919	6,298
Total current assets	<u>120,258</u>	<u>120,739</u>
Non-current assets:		
Property and equipment, net	8,562	8,443
Operating lease right-of-use assets	36,535	37,516
Finance lease right-of-use assets	11,057	10,650
Deferred contract costs, net, less current portion	9,933	9,487
Other non-current assets	1,965	2,091
TOTAL ASSETS	<u>\$ 188,310</u>	<u>\$ 188,926</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 4,865	\$ 8,276
Accrued liabilities and other	20,550	17,638
Deferred revenue	38,864	39,987
Current portion of operating lease liabilities	4,194	4,119
Current portion of finance lease liabilities	6,696	6,600
Total current liabilities	<u>75,169</u>	<u>76,620</u>
Non-current liabilities:		
Operating lease liabilities, less current portion	37,875	38,961
Finance lease liabilities, less current portion	6,685	6,377
Total liabilities	<u>119,729</u>	<u>121,958</u>
Stockholders' equity:		
Preferred stock, \$0.00001 par value per share; 10,000,000 shares authorized, zero shares issued and outstanding as of March 31, 2025 and December 31, 2024	—	—
Common stock, \$0.00001 par value per share; 500,000,000 shares authorized as of March 31, 2025 and December 31, 2024; 74,914,866 and 73,225,253 shares issued and outstanding as of March 31, 2025 and December 31, 2024, respectively	—	—
Additional paid-in capital	368,919	358,549
Accumulated deficit	(299,838)	(291,013)
Accumulated other comprehensive loss	(500)	(568)
Total stockholders' equity	<u>68,581</u>	<u>66,968</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 188,310</u>	<u>\$ 188,926</u>

WEAVE COMMUNICATIONS, INC
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited, in thousands, except share and per share data)

	Three Months Ended March 31,	
	2025	2024
Revenue	\$ 55,809	\$ 47,173
Cost of revenue	15,864	14,186
Gross profit	39,945	32,987
Operating expenses:		
Sales and marketing	23,526	19,630
Research and development	11,153	9,645
General and administrative	14,586	11,867
Total operating expenses	49,265	41,142
Loss from operations	(9,320)	(8,155)
Other income (expense):		
Interest income	463	420
Interest expense	(397)	(319)
Other income, net	500	865
Loss before income taxes	(8,754)	(7,189)
Provision for income taxes	(71)	(14)
Net loss	\$ (8,825)	\$ (7,203)
Net loss per share - basic and diluted	\$ (0.12)	\$ (0.10)
Weighted-average common shares outstanding - basic and diluted	73,806,981	70,452,944

WEAVE COMMUNICATIONS, INC
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, in thousands)

	Three Months Ended March 31,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (8,825)	\$ (7,203)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation and amortization	2,804	3,046
Amortization of operating right-of-use assets	981	972
Provision for credit losses	177	250
Amortization of deferred contract costs	3,533	3,292
Stock-based compensation, net of amount capitalized	8,985	6,772
Net accretion of discounts on short-term investments	(372)	(637)
Changes in operating assets and liabilities:		
Accounts receivable	435	(15,757)
Deferred contract costs	(4,390)	(4,087)
Prepaid expenses and other assets	(495)	(555)
Accounts payable	(3,654)	(1,017)
Accrued liabilities	2,682	(4,554)
Operating lease liabilities	(1,011)	(977)
Deferred revenue	(1,069)	754
Net cash used in operating activities	(219)	(19,701)
CASH FLOWS FROM INVESTING ACTIVITIES		
Maturities of short-term investments	18,556	23,770
Purchases of short-term investments	(15,455)	(16,821)
Purchases of property and equipment	(444)	(513)
Capitalized internal-use software costs	(399)	(305)
Net cash provided by investing activities	2,258	6,131
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on finance leases	(1,773)	(1,787)
Proceeds from stock option exercises	463	291
Payments for taxes related to net share settlement of equity awards	(26)	(6,101)
Proceeds from the employee stock purchase plan	1,111	1,020
Net cash used in financing activities	(225)	(6,577)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	1,814	(20,147)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	51,596	50,756
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$ 53,410</u>	<u>\$ 30,609</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the period for interest	\$ 397	\$ 319
Cash paid during the period for income taxes	\$ 71	\$ 14
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Equipment purchases financed with accounts payable	\$ 243	\$ 6
Finance lease liabilities arising from obtaining finance lease right-of-use assets	\$ 2,177	\$ 1,871
Operating lease liabilities arising from obtaining operating lease right-of-use assets	—	149
Unrealized gain (loss) on short-term investments	\$ 14	\$ (62)
Stock-based compensation included in capitalized software development costs	\$ 67	\$ —

WEAVE COMMUNICATIONS, INC
DISAGGREGATED REVENUE AND COST OF REVENUE
(unaudited, in thousands)

	Three Months Ended March 31,	
	2025	2024
Subscription and payment processing:		
Revenue	\$ 53,415	\$ 45,092
Cost of revenue	(12,081)	(10,536)
Gross profit	\$ 41,334	\$ 34,556
Gross margin	77.4 %	76.6 %
Onboarding:		
Revenue	\$ 888	\$ 960
Cost of revenue	(1,992)	(1,832)
Gross profit	\$ (1,104)	\$ (872)
Gross margin	(124.3)%	(90.8)%
Phone Hardware:		
Revenue	\$ 1,506	\$ 1,121
Cost of revenue	(1,791)	(1,818)
Gross profit	\$ (285)	\$ (697)
Gross margin	(18.9)%	(62.2)%

WEAVE COMMUNICATIONS, INC
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(unaudited, in thousands, except share and per share data)

The following tables reconcile the specific items excluded from GAAP in the calculation of non-GAAP financial measures for the periods indicated below.

Non-GAAP gross profit

	Three Months Ended March 31,	
	2025	2024
Gross profit	\$ 39,945	\$ 32,987
Stock-based compensation add back	285	239
Non-GAAP gross profit	\$ 40,230	\$ 33,226
GAAP gross margin	71.6 %	69.9 %
Non-GAAP gross margin	72.1 %	70.4 %

Non-GAAP operating expenses

	Three Months Ended March 31,	
	2025	2024
Sales and marketing	\$ 23,526	\$ 19,630
Stock-based compensation excluded	(1,841)	(1,151)
Non-GAAP sales and marketing	\$ 21,685	\$ 18,479
Research and development	\$ 11,153	\$ 9,645
Stock-based compensation excluded	(2,362)	(1,898)
Acquisition transaction costs ¹	(4)	—
Non-GAAP research and development	\$ 8,787	\$ 7,747
General and administrative	\$ 14,586	\$ 11,867
Stock-based compensation excluded	(4,497)	(3,484)
Acquisition transaction costs ¹	(370)	—
Non-GAAP general and administrative	\$ 9,719	\$ 8,383

Non-GAAP income (loss) from operations

	Three Months Ended March 31,	
	2025	2024
Loss from operations	\$ (9,320)	\$ (8,155)
Stock-based compensation add back	8,985	6,772
Acquisition transaction costs ¹	374	—
Non-GAAP income (loss) from operations	\$ 39	\$ (1,383)
GAAP loss from operations margin	(16.7)%	(17.3)%
Non-GAAP income (loss) from operations margin	0.1 %	(2.9)%

Non-GAAP net income (loss)

	Three Months Ended March 31,	
	2025	2024
Net loss	\$ (8,825)	\$ (7,203)
Stock-based compensation add back	8,985	6,772
Acquisition transaction costs ¹	374	—
Non-GAAP net income (loss)	\$ 534	\$ (431)
GAAP net loss margin	(15.8)%	(15.3)%
Non-GAAP net income (loss) margin	1.0 %	(0.9)%

GAAP net loss per share - basic and diluted	\$ (0.12)	\$ (0.10)
GAAP weighted-average common shares outstanding - basic and diluted	73,806,981	70,452,944
Non-GAAP net income (loss) per share - basic	\$ 0.01	\$ (0.01)
Non-GAAP weighted-average common shares outstanding - basic	73,806,981	70,452,944
Non-GAAP net income (loss) per share - diluted	\$ 0.01	\$ (0.01)
Non-GAAP weighted-average common shares outstanding - diluted	77,572,737	70,452,944

Free Cash Flow

	Three Months Ended March 31,	
	2025	2024
Net cash used in operating activities	\$ (219)	\$ (19,701)
Less: Purchases of property and equipment	(444)	(513)
Less: Capitalized internal-use software costs	(399)	(305)
Free cash flow	<u>\$ (1,062)</u>	<u>\$ (20,519)</u>

Adjusted EBITDA

	Three Months Ended March 31,	
	2025	2024
Net loss	\$ (8,825)	\$ (7,203)
Interest expense	397	319
Provision for income taxes	71	14
Interest income	(463)	(420)
Other income/expense, net	(500)	(865)
Depreciation	511	609
Amortization	470	416
Stock-based compensation	8,985	6,772
Acquisition transaction costs ¹	374	—
Adjusted EBITDA	<u>\$ 1,020</u>	<u>\$ (358)</u>

¹ Represents legal and accounting professional services costs incurred as a result of our acquisitions during the period.