

MARCH 2021

we work



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Reconciliations of historical non-GAAP measures to their most directly comparable GAAP counterparts are included in the Appendix to this presentation. Additionally, to the extent that forward-looking non-GAAP financial measures are provided, they are presented on a non-GAAP basis without reconciliations of such forward-looking non-GAAP measures due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations.

2020 Preliminary Financial Information

WeWork's consolidated financial statements for the twelve months ended December 31, 2020 are not yet available. This presentation includes certain preliminary unaudited consolidated financial information for the twelve months ended December 31, 2020 that is based solely on WeWork's management's estimates reflecting currently available preliminary information, and remains subject to WeWork's consideration of subsequent events. WeWork's independent registered public accounting firm has not audited or reviewed, and does not express an opinion with respect to, this financial information. WeWork's final consolidated financial results as of and for the twelve months ended December 31, 2020 may materially differ from the estimates and the interim balances set forth in this presentation. Such estimates constitute forward-looking statements and are subject to risks and uncertainties, including those described under "Forward-Looking Statements."

India and China

This presentation includes operating metrics (including number of locations or workstations) relating to WeWork's investments and operations in China and India. However, the results of WeWork's operations in China and India is not reflected in the WeWork financial statements and projections set forth in this presentation, as such operations are not conducted through consolidated subsidiaries or controlling interests of WeWork. Unless otherwise explicitly specified in this presentation, India and China related metrics are excluded from all calculations.

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Today's presenters

WeWork



Sandeep Mathrani
Chief Executive Officer



Ben Dunham
Chief Financial Officer

BowX Acquisition Corp.



Vivek Ranadivé
Chairman and Co-CEO



Murray Rode
Co-CEO and CFO



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- 02 WeWork & the Future of Work
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Vivek Ranadivé: Platform Builder

With ~four decades of experience, Vivek has a long history of successfully building platforms and using technology to disrupt industries



Tech Visionary

*Invented middleware
Software bus
Complex event processing
"Mr. Realtime"*



Company Builder



Vivek Ranadivé

*MIT, BS, MS
Harvard, MBA Baker Scholar*



Sports, Media, and Real Estate Operator

CEO of Kings Holdings with \$1bn office, retail, residential, and entertainment assets



Using Technology to Disrupt Industries

- Semiconductor: **intel**
- Banks: **Goldman Sachs** J.P.Morgan **citi**
- Web: **amazon** **YAHOO!** **ebay**
- Transportation & Logistics: **FedEx** **DELTA**

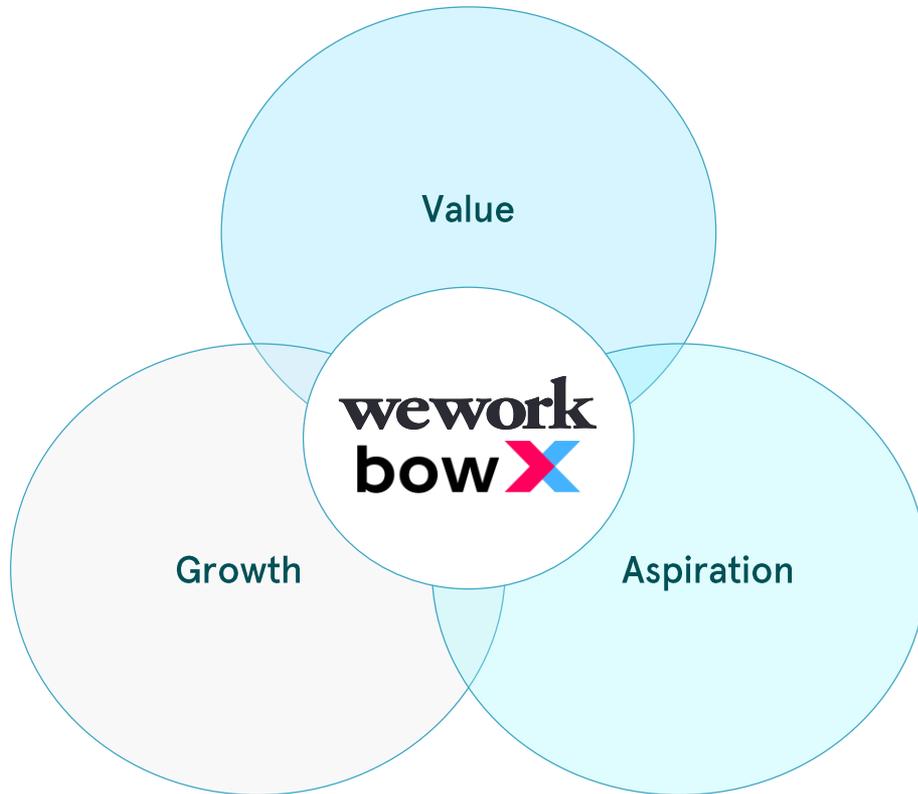


Strong Investment Track Record

- Made or directed investments into:



Compelling opportunity at the intersection of value, growth & aspiration



Why WeWork?

New leadership brings vision & transparency

Large addressable market

Significant competitive moat

Proven business model through downturn

Multiple vectors for growth

Clear path to profitability



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Experienced, results-driven management team with turnaround expertise

Leadership team with decades of public market experience and proven results within their first 12 months at WeWork



Marcelo Claire

Executive Chairman, Director

- Serves as CEO of SoftBank Group Intl.
- Founded the world's largest wireless distribution and services company

Leadership Experience:



Sandeep Mathrani

CEO, Director

- Joined WeWork in February 2020
- Seasoned veteran with successful turnaround experience

Leadership Experience:



Benjamin Dunham

CFO



Anthony Yazbeck

President and COO, Int'l.



Shyam Gidumal

President and COO, Americas



Our core values

Our Values

Do the right thing.

Strive to be better, together.

Be entrepreneurial.

Give gratitude.

Be human, be kind.

How We Live Them

We know the “right thing” is a deliberate action we must always take, and that it is based on integrity and builds trust with those who we are about, including our people, members, and our community.

We’ve always believed that we are better together. We must operate with a shared purpose to constantly improve and grow and to become better as individuals, as teams, and as a company.

To reshape the way the world works, we must be bold, act with courage, and demonstrate the resiliency to push ahead no matter the odds or the circumstance.

We will not take anyone or anything for granted. We are grateful for our people, members, and our greater community as well as for the opportunities we have in front of us.

Collaboration, kindness, and authenticity are essential to our humanity. We must cherish each other and build a community that celebrates each person’s unique talents, passions, and backgrounds.

WeWork defines the flexible workspace market

Global network and scale provide compelling solutions to small, medium, large, and Enterprise companies



A global network and brand...

850+

Locations⁽¹⁾



...with scale...

1M+

Workstations⁽¹⁾⁽³⁾



...and an established member base

450k+

2020 Memberships⁽¹⁾⁽⁴⁾

150+

Cities⁽¹⁾

\$3B+

2021E Revenue⁽²⁾

50%+

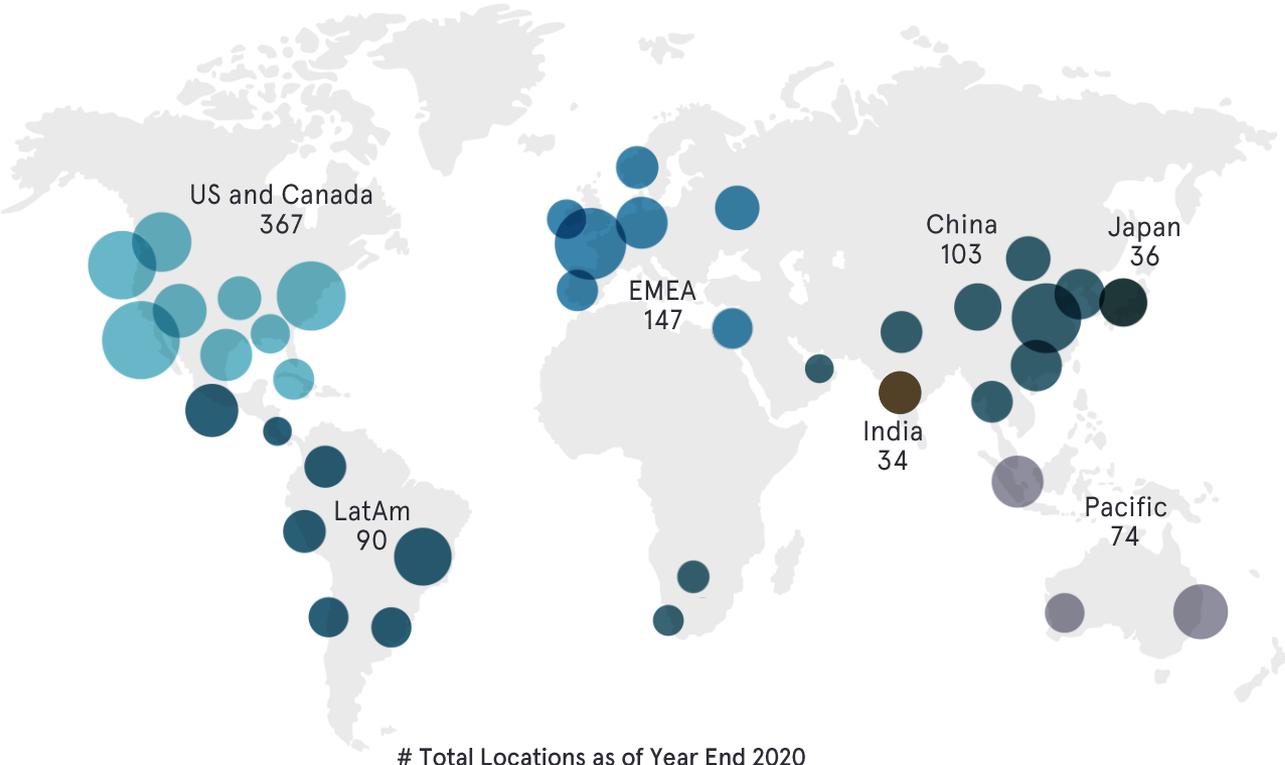
of total memberships are Enterprise⁽¹⁾

Note: Please see Definitions page in the appendix for further detail.

1. Includes IndiaCo and ChinaCo as of December 31, 2020. Excludes WeMemberships.
2. 2021E revenue projections include 4% IndiaCo management fee, excludes ChinaCo financials, and reflects management projections.
3. 865k are consolidated and 166k are franchised workstations.
4. 387k are consolidated memberships and 89k are franchise memberships. Excludes WeMemberships.

WeWork platform today

Leading brand-name flexible workplace provider with global infrastructure in-place to scale as occupancy rebounds



Total Locations as of Year End 2020

Global Customers



Global Landlord Partnerships



Key investment highlights



Large Addressable Market

Multi-trillion dollar global office real estate market with COVID tailwinds for flexible workspace options



Focused Core Business Model

Strong unit economics with clear path to profitability expected by Q4 2021



Future Of Work Opportunity

Digitization of real estate and asset light platform offering expected to further drive revenue growth and margin



Compelling Value Proposition

Offering customers flexibility of space and time, portability of cost, and expense savings



Significant Competitive Advantage

Global infrastructure with \$15 billion+ moat of invested capital has created a strong brand and membership base



Results-driven Leadership Team

Turnaround track record with proven public company experience

Refocused and the path forward

After a significant turnaround in 2020, WeWork is now positioned for profitable growth as a leader in global flexible workplace

	2020		Going Forward
Focus	Core WeWork ⁽¹⁾	→	Expand beyond core via All Access, Marketplace, and Platform offerings
Strategy	Disciplined focus on cost reduction, identifying the path to profitability, and exiting non-core business lines and underperforming assets	→	Focus on profitable market share expansion, increasing ARPM and asset light buildouts
Business Model	Offering that creates flexibility of space, time, and portability of cost as companies move away from long-term leases	→	Enhance asset light revenue growth through digitization of real estate and platform offerings
Leadership	Proven results-driven executives with success across real estate and subscription-based business models	→	Additional leadership expertise in platform building through BowX
Customer Base	Mix of small and medium-sized businesses, with a shift towards Enterprise	→	Primarily Enterprise, with a mix of small and medium-sized businesses

1. Represents Core Leased as defined in the Definitions page in the appendix.

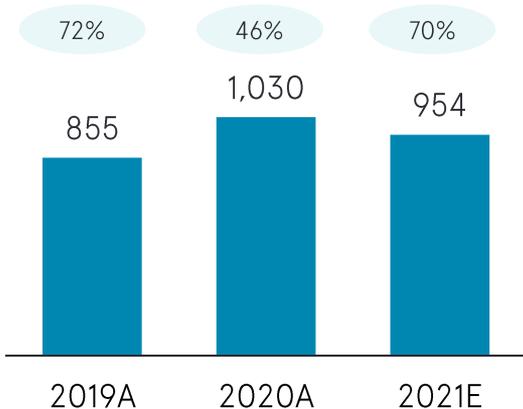
2021: Repositioned and on the path to recovery

Recent cost optimization efforts have set the Company up for profitable growth in 2021 and beyond

Total Workstations

(in thousands)

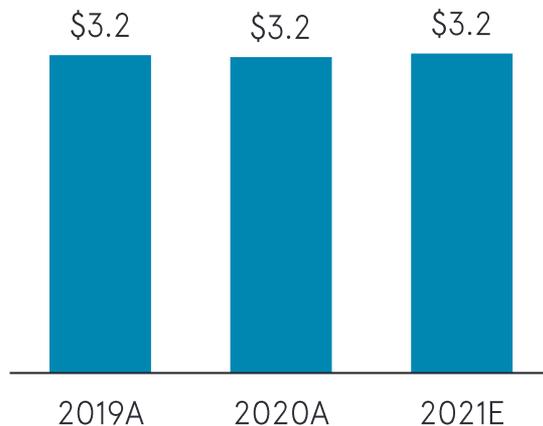
Ending Physical Occupancy⁽¹⁾:



- Strategic asset exits in 2020 and 2021 improved strength and composition of portfolio

Total Revenue

(\$ in billions)



- Stable revenues despite headwinds in 2020

Run-Rate Functional Expense Savings⁽²⁾

(\$ in billions)



- Significant reduction in functional expenses (SG&A) in 2020
- Additional \$150-\$200mm of savings expected over 2021

Source: Management Projections.

Note: KPIs include IndiaCo and ChinaCo. Financials include IndiaCo management fee and excludes ChinaCo. Please see the Definitions page in the appendix for further detail.

1. Excludes WeMemberships.

2. Represents the difference in annualized functional expenses from Q4'19 vs. Q4'20. Expenses reflect adjusted functional expense and includes general and administrative, sales and marketing, sourcing and development, and other. Excludes stock based compensation and ventures expenses.

2020: Optimized cost structure and core business

~\$1.1B

Functional Expense Savings⁽¹⁾

~\$400M

OpEx Savings⁽²⁾

\$200M+

Savings from 200+ Lease Exits and Amendments⁽³⁾



Source: Management Projections.

1. Represents the difference in annualized functional expenses from Q4 2019 to Q4 2020. Expenses reflect adjusted functional expense and includes general and administrative, sales and marketing, sourcing and development, and other. Excludes stock based compensation and ventures expenses.
2. Calculated based on full year location operating expenses (including rent, tenancy and building expenses) per USF reduction from Q4'19 to Q4'20 multiplied by Q4 2020 USF. Savings of ~\$400M mainly due to reduced foot traffic, restructuring of WeWork's community team and ongoing rent renegotiations in 2020. Location operating expense savings calculation excludes stock based compensation, community support and venture expenses.
3. Lease restructurings and renegotiations as of January 2021. Savings include rent and tenancy.

Solutions for companies of all sizes

Small & Medium Businesses (SMBs)
(1-99 employees)



~50%
of total memberships

Medium & Large Businesses (MLBs)
(100-499 employees)



35%
Long-term target

Enterprise
(500+ employees)



~50%
of total memberships

65%
Long-term target

Hub and Spoke | Collaboration Hubs | All Access

WeWork model creates flywheel effect

WeWork's global community attracts both members and landlords, self-perpetuating growth

~\$4.0B+
Total sales pipeline⁽¹⁾

~\$1.5B
2021E committed revenue⁽²⁾



Source: Management Projections.

Note: Sales pipeline and committed revenue excludes Platform markets.

1. Total sales pipeline represents potential total contract value of sales opportunities created by our salesforce as of February 2021. Total sales pipeline is in negotiation and may never be realized, and if realized, the time frame when it may be realized may vary significantly. See Forward-Looking Statements.
2. As of 12/31/2020 our committed revenue backlog is \$3B with approximately 50% to be recognized in 2021. Committed revenue backlog represents total non-cancelable contractual commitments, net of discounts, remaining under agreements entered into as of 12/31/2020, which we expect will be recognized as revenue in future periods.

Membership composition highlights the quality improvement of the business

Focused on developing long-term, high-value Enterprise customers, laying the foundation for predictable and prudent growth

Membership

	2015A		2020A
Physical Memberships ⁽¹⁾	35k+	→	450k+
Enterprise Mix ⁽²⁾ (<i>% of Physical Memberships</i>)	10%+	→	50%+

Commitment Length⁽³⁾

Month-to-Month	100%	→	~10%
12 Month+	0%	→	50%+
Total Weighted Full Commitment Length	~1 month	→	15+ months

Note: All membership and occupancy metrics include IndiaCo and ChinaCo. Reflects ending figures as of 12/31 of each respective year.

1. Physical Membership defined as the number of people able to access WeWork's locations. Does not include All Access memberships.
2. Enterprise Memberships are defined as organizations who have +500 full time employees globally. Enterprise membership percentage represents total enterprise memberships excluding WeMemberships divided by total physical memberships, which excludes WeMemberships.
3. Commitment length represents base contract terms, excluding the impact of any extension and / or termination options. The commitment lengths disclosed may include periods for which members have an option to terminate their commitments with a less than 10% penalty.

Value proposition makes more sense than ever

COVID has accelerated flexible workspace trends as businesses face uncertainty around return to work and seek greater flexibility

What Businesses Need Today



Streamline real estate footprint to optimize cost structure and overhead



Flexible solutions that can enhance adaptability and sustainability



Maintain productivity, connection, and innovation amidst remote work landscape



Award-winning measures that prioritize health and safety of employees



Ability to “work from anywhere” through new offerings like All Access



Comprehensive real estate solution for less

Case studies support capital savings at move in, reduced exposure to risk, and ultimate flexibility of term and location. Even with new professional distancing standards due to COVID, WeWork still offers significant cost savings on a per employee basis

Seattle Cost per Employee Case Study ⁽¹⁾

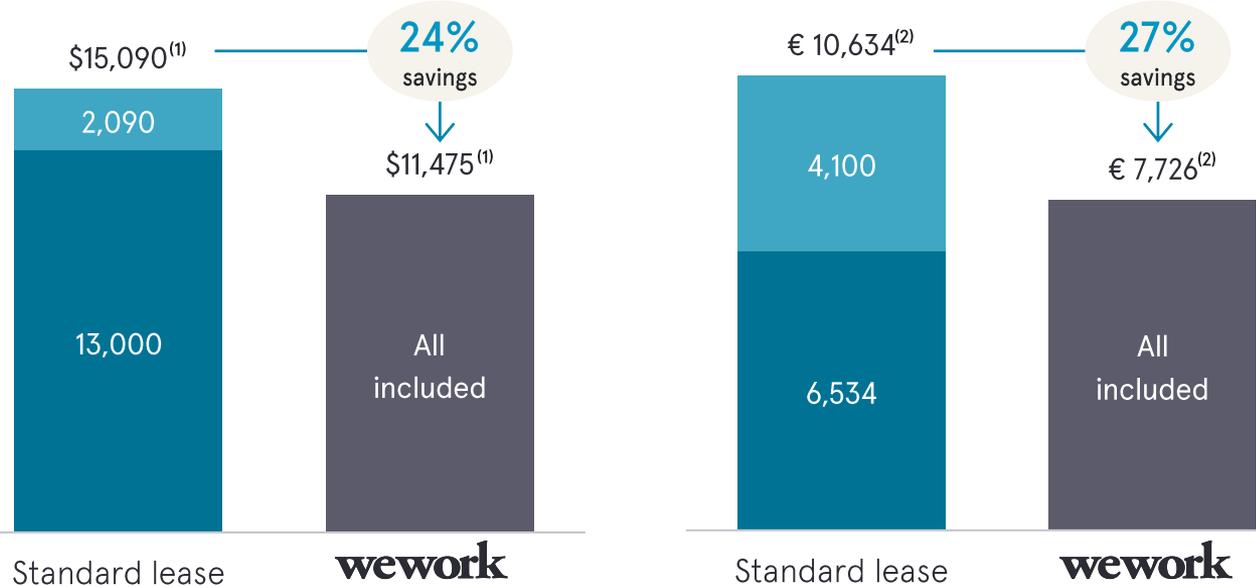
Amsterdam Cost per Employee Case Study ⁽²⁾

Buildout

Design
Construction
FF&E procurement

Operations

Base rent
Maintenance
Cleaning
Utilities
Internet
Printing
Security
Management fees
Property tax
Insurance
F&B
Events

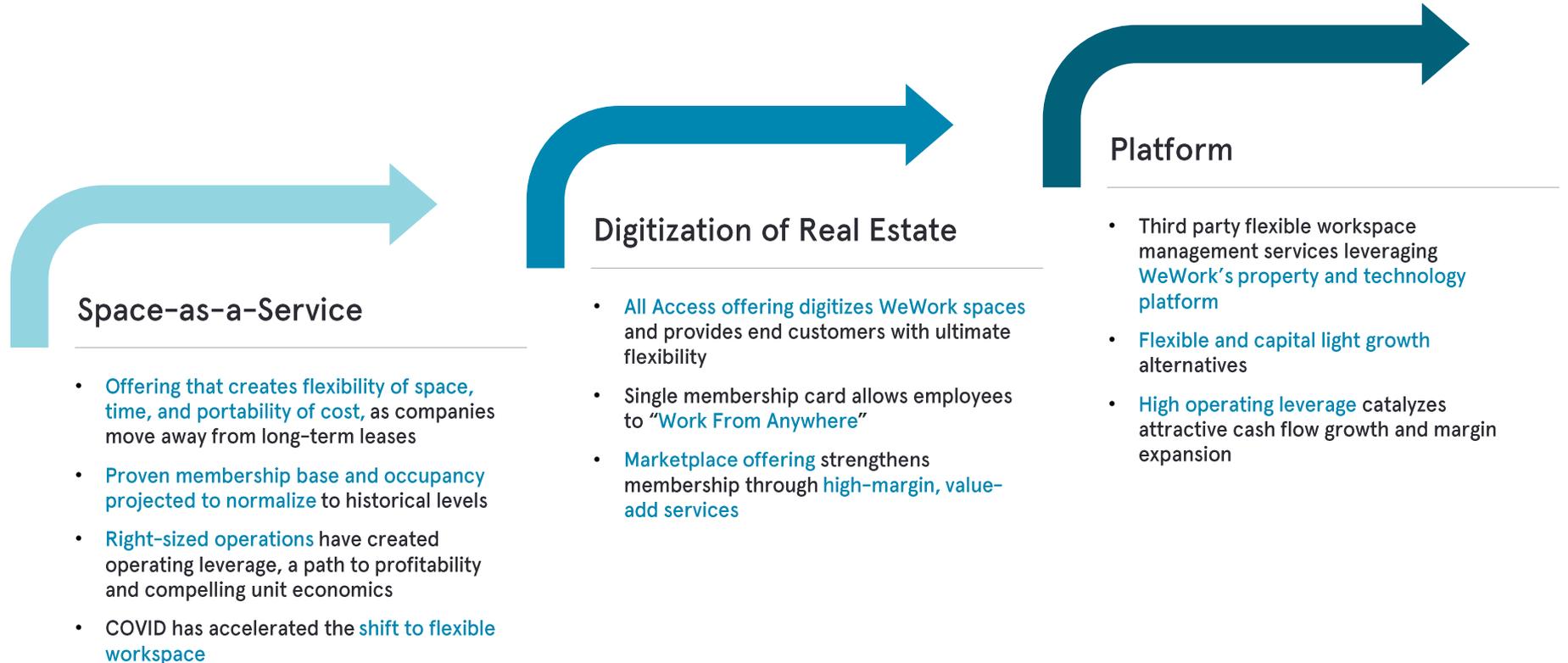


Notes: "Standard lease" cost illustration includes "buildout" costs associated with construction, procurement, and design services, and "operations" costs including base rent, utilities, insurance, property taxes, and facilities management among others shown on page. WeWork cost per employee reflects proposed WeWork membership fee per employee per year, illustrating the WeWork value proposition to select prospective enterprise members relative to current lease costs and / or market norms. Both illustrative examples are representative of the "WeWork pitch" to select prospective enterprise members in the markets or situations outlined. The percentage savings shown are examples of specific situations and / or market studies, and may not be representative of every individual member situation. Results of the Amsterdam and Seattle case studies cited above may not be replicable with other clients or in other markets. 2020E is based on Q4 2020E preliminary results and is subject to change.

1. Comparison data represents annualized costs based on a 96-month scenario for Seattle market standard lease specifically formulated for a potential enterprise member company. Based on publicly available lease cost information and third-party market research at time of interaction for proposed WeWork alternative. Buildout / standard lease cost calculated as of Q3 2020.
2. Comparison data represents annualized costs based on a 60-month scenario for Amsterdam specifically formulated for a potential member company. Based on existing / prior lease cost of potential member at time of interaction for proposed WeWork alternative. Buildout / standard lease cost calculated as of Q4 2020.

WeWork's platform opportunity

WeWork's scale and innovation will continue to lead the flexible workspace market



Compelling flexibility across space, time, and cost

Space Flexibility

1 Desk



Custom office



- Option to occupy a select number of desks or entire floors
- Ability to access any workspace via All Access

Time Flexibility

1 Hour



Multiple years



- Choice of occupying workspace on an on-demand basis, through a monthly subscription, or long-term contract

Portability of Cost

1 Contract



One city to another

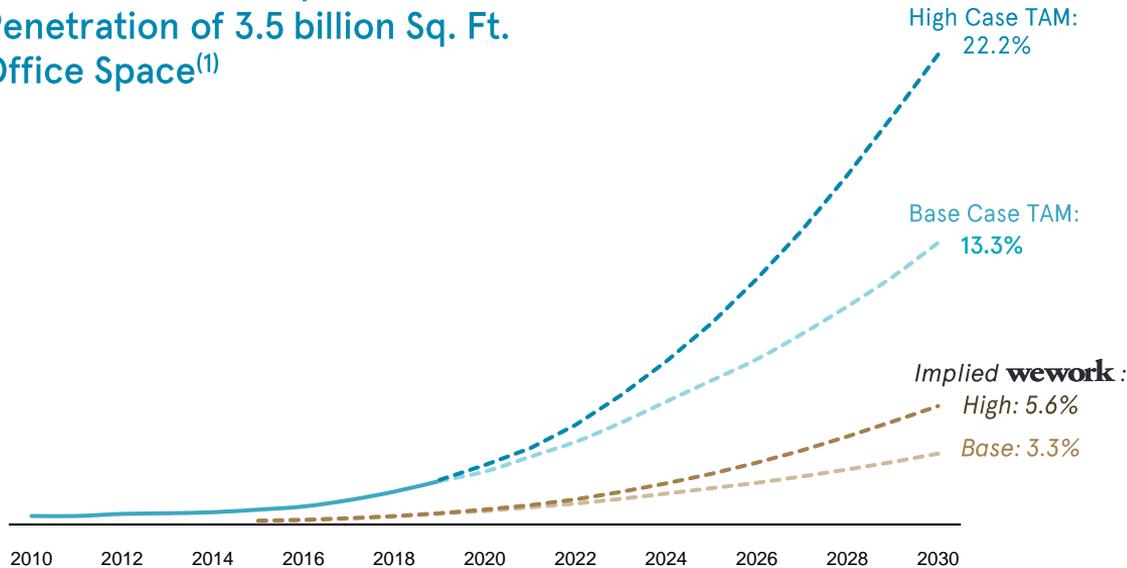


- Ability to move part or all existing commitment to a new market, region, or country

Massive growth opportunity as flexible workspace market expands

WeWork has an opportunity to grow flexible workspace market share in the multi-trillion dollar global office real estate market

U.S. Flexible Workspace Penetration of 3.5 billion Sq. Ft. Office Space⁽¹⁾



25%
share of total flexible workspace market⁽¹⁾

~5x
Increase in revenue by 2030⁽²⁾

Source: CBRE Research, Q2 2019 (Pre-COVID), Green Street Advisors, Management Projections.

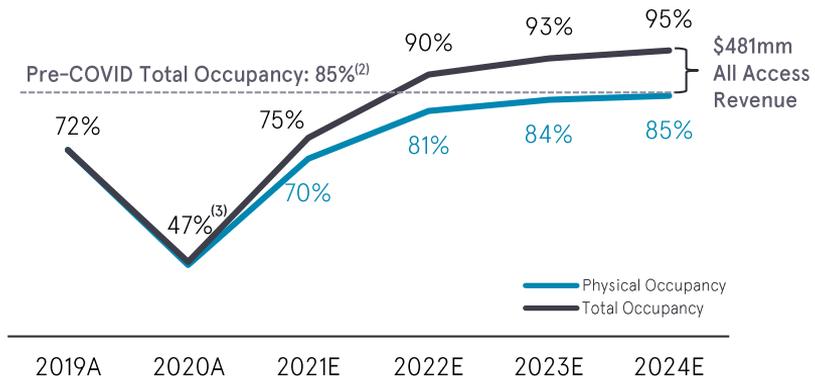
Note: High case and implied WeWork high case penetration shown for illustrative purposes only. 2020E is based on Q4 2020E preliminary results and is subject to change.

1. Illustrative TAM analysis based on pre-COVID flexible workspace projections for U.S. only. Potential for significant upside in EMEA and Japan markets.; Implied total flexible workspace square footage based on estimated 2.5% 2020E flexible workspace penetration as percentage of total office space; Total office estimate based on Green Street estimate of 2019 total office square footage (3.5bn); WeWork USC usable square footage as of 2020E was 22.0mm, which implies 25.2% share of total flexible workspace market.
2. Assumes total office market square footage of 3.5bn and WeWork flexible workspace market share remains constant in the projection period. Based on projected base case flexible workspace penetration.

All Access

All Access offers a proven value proposition that has already seen strong adoption from major Enterprise clients

Ending Occupancy⁽¹⁾



Distributors and Affinity Partnerships



Uber

Brex



Source: Management Projections.
Note: KPIs include IndiaCo and ChinaCo.

1. Excludes WeMemberships.
2. Q2 2019.
3. Includes ~1% of occupancy from All Access memberships, representing ~7.3k total memberships in 2020.



All Access

On-Demand pay-as-you-go or monthly subscription that provides access to global network of locations



Generates Partnerships

Affinity partnerships generate top of funnel demand



Drives Occupancy

Allows WeWork to drive occupancy beyond physical capacity levels across portfolio based on utilization projections



High Margins

Significant incremental margins given subscription-based model on top of traditional leased business

Marketplace

Focus on products with sizable revenue potential that help drive member stickiness



Target Customer:

Enterprise and MLBs

Enterprise and MLBs

SMBs and MLBs

SMBs and MLBs

Platform

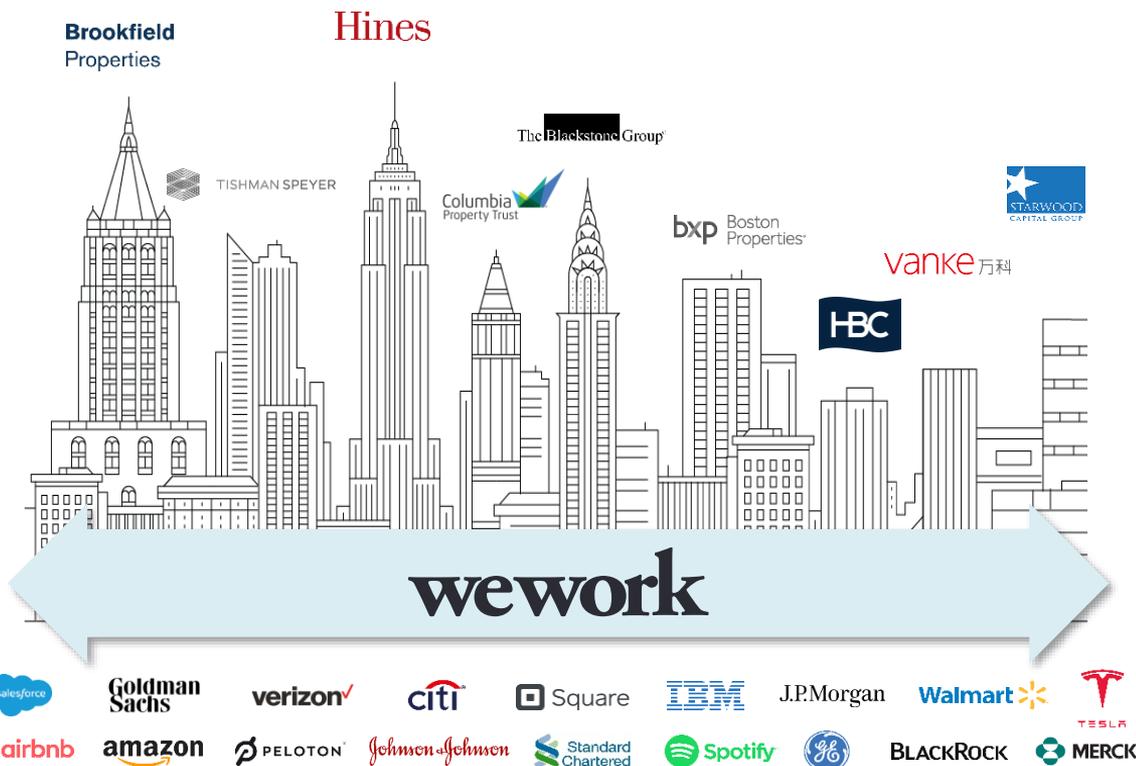
Asset light platform for managing & orchestrating flexible space while providing access to an expanded network for members

Worldwide Property Technology Platform

- Flexible space management platform **connecting enterprises and landlords**
- **Single platform** that provides design, build, lease, operate, manage, and community services
- **Open API ecosystem** that integrates workspace, management systems, tenants, and landlords

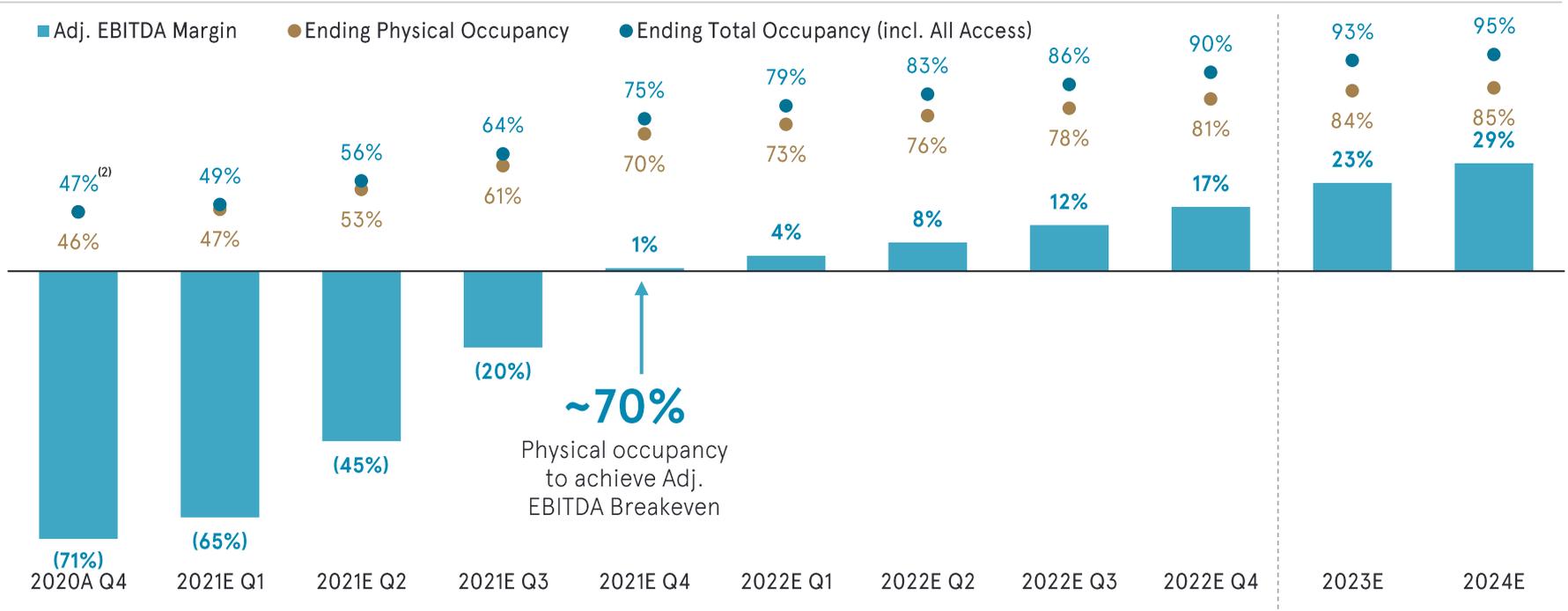
Capital Light Model

- **Management and franchise agreements** provide alternatives to existing leasing model
- **Limited upfront capital required** to enter new locations and scale efficiently
- Generates **sustainable cash flow and margin expansion**



Clear path to Adj. EBITDA breakeven

Ending Occupancy⁽¹⁾ and Adj. EBITDA Margin Over Time



Please refer to reconciliation for Adj. EBITDA margin on pg. 46 in the appendix.

Source: Management Projections.

Note: KPIs include IndiaCo and ChinaCo. Financials include IndiaCo management fee and excludes ChinaCo. Please see the Definitions page in the appendix for detailed definitions.

1. Excludes WeMemberships.

2. Includes ~1% of occupancy from All Access memberships, representing ~7.3k total memberships in 2020.



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Financial highlights

The Company has weathered the pandemic successfully and is poised to grow its platform in the future

	2020A		2024E
Ending Total Memberships ⁽¹⁾	476k	→	1.5M
Ending Consolidated Total Memberships ⁽²⁾	387k	→	1M+
Revenue (Excluding ChinaCo)	\$3.2B	→	\$7.0B
Adj. EBITDA (Excluding ChinaCo)	(\$1.8B)	→	\$2.0B
Adj. EBITDA Margin (%) (Excluding ChinaCo)	(55%)	→	29%

Please refer to reconciliation for Adj. EBITDA and Adj. EBITDA margin on pg. 46 in the appendix.

Source: Management Projections.

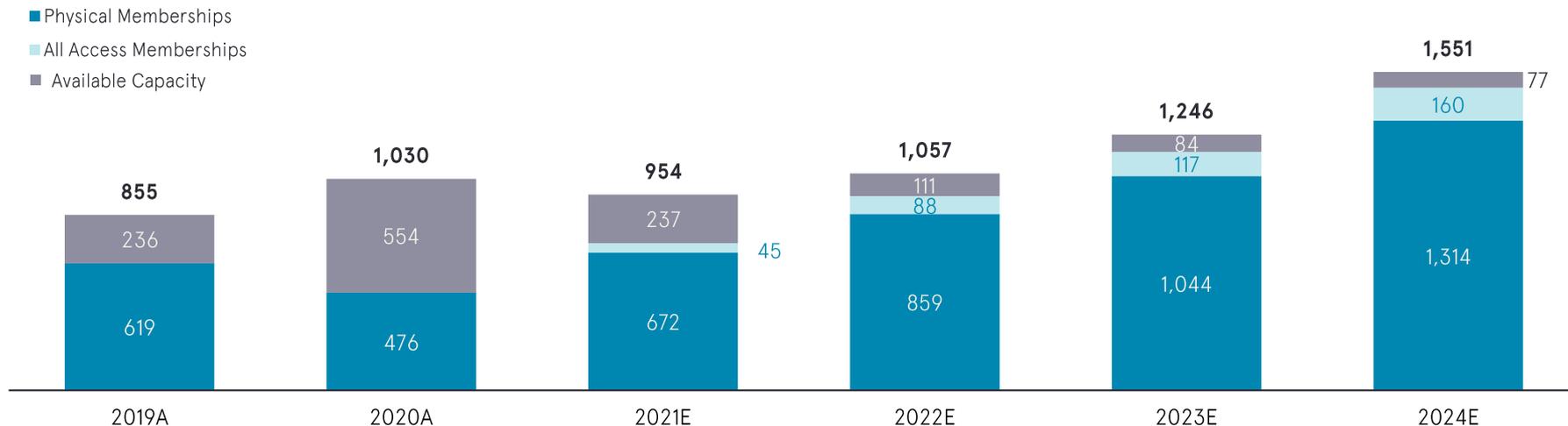
Note: KPIs include IndiaCo and ChinaCo. Financials include IndiaCo management fee and excludes ChinaCo.

1. Includes IndiaCo and ChinaCo as well as platform memberships. Please see the Definitions page in the appendix for further detail.

2. Excludes WeMemberships, IndiaCo, ChinaCo, and platform memberships.

Overview of workstations and memberships

Total Workstations ('000s)



Physical Ending Occupancy

72% 46% 70% 81% 84% 85%

Total Ending Occupancy

72% 47%⁽¹⁾ 75% 90% 93% 95%

Source: Management Projections.

Note: KPIs include IndiaCo and ChinaCo. Excludes WeMemberships. Please see the Definitions page in the appendix for further detail.

1. Includes ~1% of occupancy from All Access memberships, representing ~7.3k total memberships in 2020.

Summary of historical and projected financials

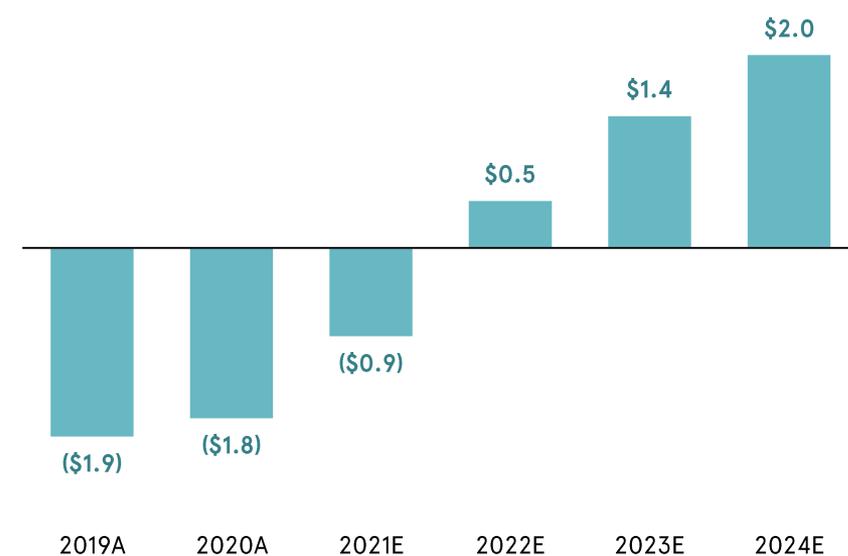
Revenue (Excluding ChinaCo)
(\$ in billions)



Core Leased as % of Company Revenue (Excluding ChinaCo)⁽¹⁾



Adj. EBITDA (Excluding ChinaCo)
(\$ in billions)



% Margin



Please refer to reconciliation for Adj. EBITDA and Adj. EBITDA margin on pg. 46 in the appendix.

Source: Management Projections.

Note: Financials include IndiaCo management fee and excludes ChinaCo. Please see the Definitions page in the appendix for detailed definitions.

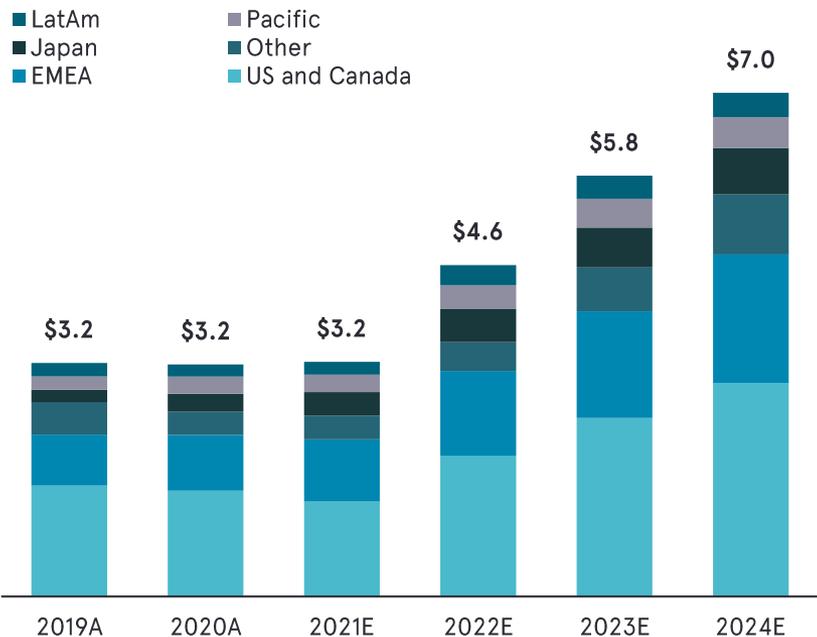
1. Core Leased excludes All Access, Marketplace, Platform and Ventures revenues.

Revenue composition

WeWork is a global flexible workspace leader, accessing major geographies with diverse product offerings

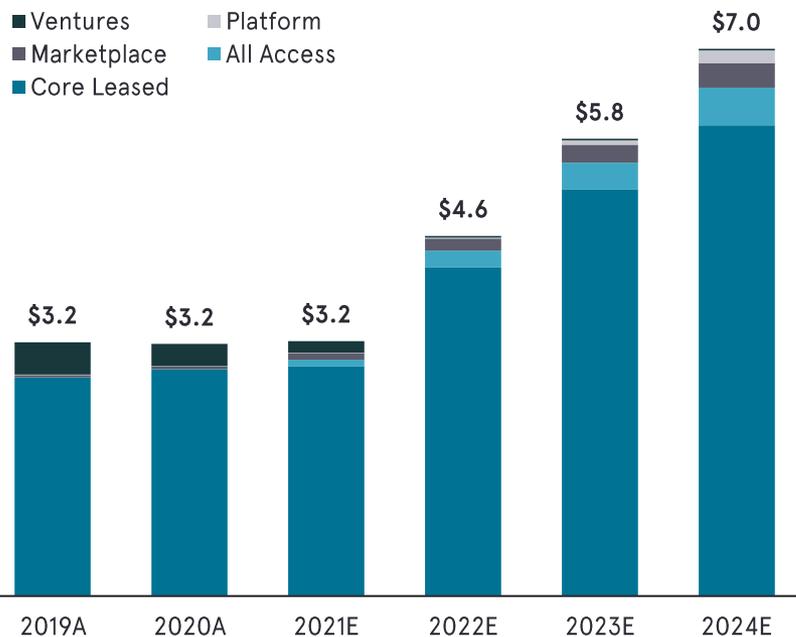
Revenue By Geography (Excluding ChinaCo)

(\$ in billions)



Revenue By Product (Excluding ChinaCo)

(\$ in billions)



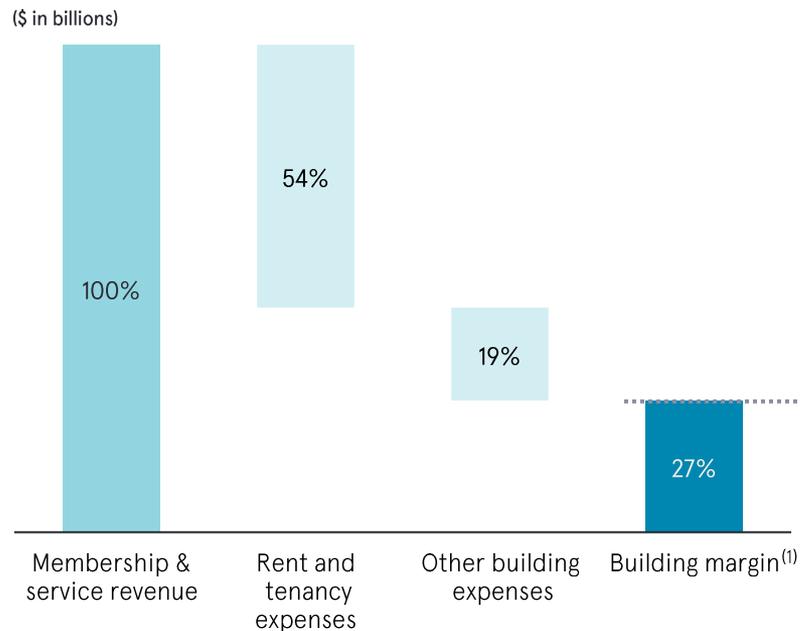
Source: Management Projections.

Note: Regional revenues only include revenues associated with the core leasing business. "Other" within revenue by geography includes All Access, Marketplace, Platform and Ventures; 2019 and 2020 other revenue was primarily concentrated in US & Canada.

Strong unit economics across core portfolio

Building expenses have been optimized while All Access and Marketplace expected to drive incremental margin expansion

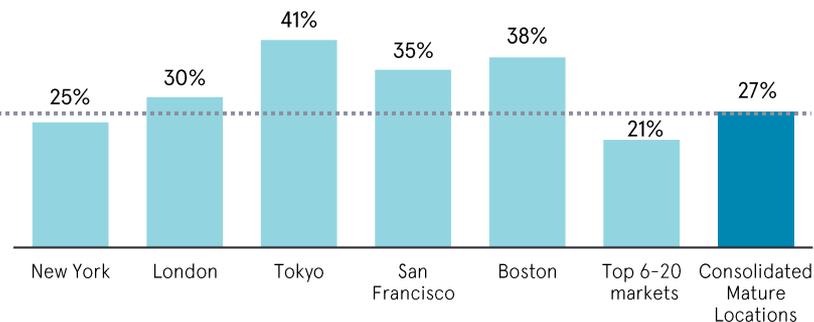
2019 Consolidated Mature Building Margin⁽¹⁾



2019 Mature Building Margin – Top 20 Markets⁽²⁾

Supplemental Metrics (2019)

Mature Physical Occupancy Rate	92%	90%	95%	91%	89%	85%	88%
Mature market revenue % of total	14%	9%	2%	4%	2%	16%	N/A
Total market revenue % of total	18%	15%	5%	5%	3%	26%	N/A



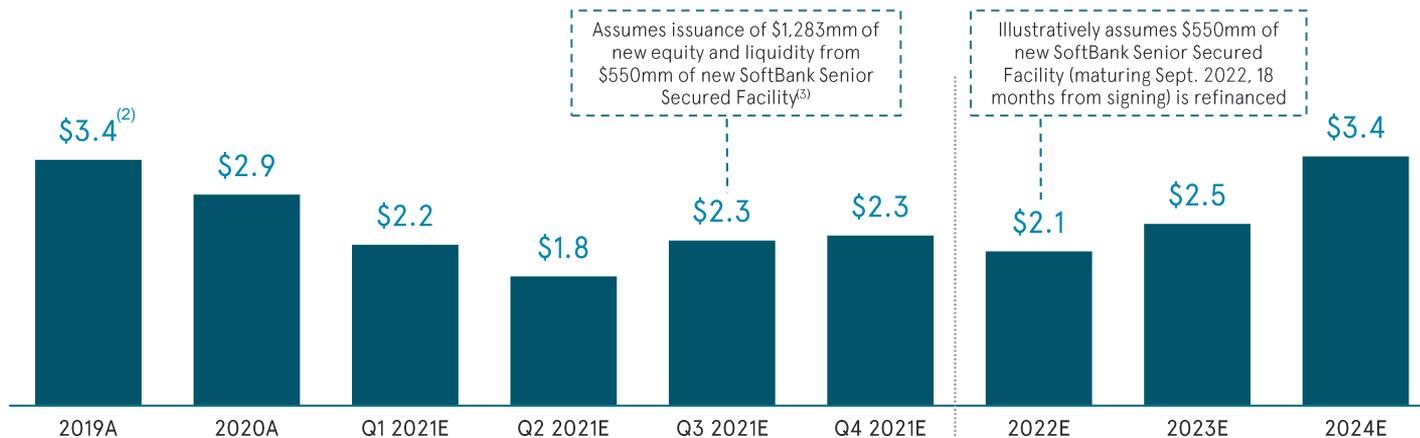
Note: As of 12/31/2019. Consolidated Building margin only includes mature locations (locations open longer than 12 months); Excludes ChinaCo and IndiaCo financials.

- Building margin as calculated above, excludes building related depreciation and amortization which would otherwise be included in gross profit determined in accordance with US GAAP; In addition, Building Margin as calculated above for our Mature Locations only includes the direct location operating expenses incurred in operating those locations as the Company does not allocate certain community support expenses that are necessary to operate our buildings but not directly tied to an individual building. Building Margin also excludes broker fees and marketing expenses, as well as stock-based compensation expense paid to community employees as such costs are non-cash in nature and not allocated to individual buildings.
- Top 20 Markets calculated based on full-year 2019A revenue.

Liquidity and cash flow projections

Expected to achieve breakeven Adj. EBITDA by Q4'21E, and liquidity is not expected to drop below \$1.8bn throughout projection period

Total Liquidity⁽¹⁾
(\$ in billions)



(\$ in millions)

Total Adj. EBITDA (excl. ChinaCo)	(\$1,943)	(\$1,754)	(\$424)	(\$321)	(\$171)	\$8	\$485	\$1,359	\$1,988
<i>Negative impact of non-cash GAAP straight-line lease cost</i>	(\$832)	(\$554)	(\$108)	(\$71)	(\$59)	(\$47)	(\$101)	(\$80)	(\$61)
<i>Positive impact of amortization on lease incentives</i>	\$234	\$340	\$78	\$73	\$72	\$72	\$288	\$296	\$306
Net Capital Expenditures	(\$2,183)	(\$49)	\$16	\$26	(\$1)	(\$13)	(\$301)	(\$487)	(\$577)

Please refer to reconciliation for Adj. EBITDA on pg. 46 in the appendix.

Source: Management Projections.

1. Defined as undrawn financing commitments and global cash. Assumes extension of existing \$1.75bn LC facility. Includes \$1.1bn Softbank facility until August 2021.
2. Liquidity includes \$2.2B Senior Unsecured Notes starting in FY19A as commitment was received in Q4-2019; facility was not available to draw until 4/1/2020.
3. Assumes closing of transaction in Q3 2021E and Softbank facility expires in August 2021 undrawn. Assumes \$1.1bn facility to be replaced with \$550mm new Softbank Senior Secured Facility at a 7.5% interest rate provided at SPAC signing, available at the earlier of closing of SPAC or August 12, 2021 (maturity date of existing \$1.1B Senior Secured) and available for draw no later than Feb 12, 2023 (or if earlier, 18 months from date of closing of SPAC). Assumes Senior Secured Facility is refinanced thereafter.

WeWork capital structure overview

(\$ in millions as of 6/30/2021E)	Coupon	Maturity	Outstanding
Cash and Cash Equivalents ⁽¹⁾			\$665
\$1.75bn LC Balance (Wholly Owned) ⁽²⁾	5.600%	2/10/2023	1,274
\$1.1bn Senior Secured SoftBank Notes ⁽³⁾	12.500%	–	–
\$46mm LC Balance (Japan)	0.200%	NA	8
Subsidiary Debt	2.500% – 3.000%	Various	43
Total Secured Debt			\$1,325
Net Secured Debt			\$660
Senior Notes	7.875%	5/1/2025	669
SoftBank Senior Unsecured Notes	5.000%	7/10/2025	2,200
Total Debt			\$4,194
Net Debt			\$3,529
Total Funded Debt⁽⁴⁾			\$2,912
Total Net Funded Debt⁽⁴⁾			\$2,247
Memo:			
Total Available Global Cash ⁽⁵⁾			\$667
Undrawn Secured Financing Commitments ⁽³⁾			\$1,100
Undrawn Unsecured Financing Commitments			–
Total Undrawn Financing Commitments + Global Cash ⁽³⁾			\$1,767

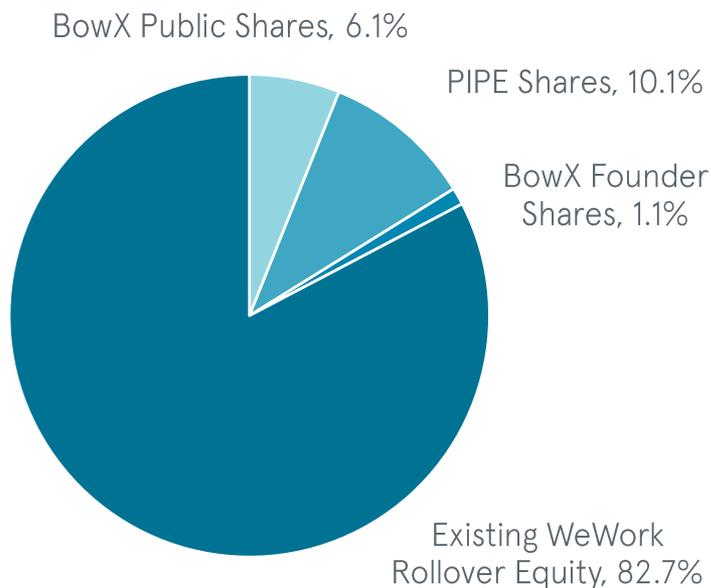
Source: Bloomberg, Company Disclosure, Management Projections.

Note: Estimated balance sheet includes Q2 2021E financials, which is preliminary and subject to change.

- Cash and Cash Equivalents excludes Restricted Japan Cash of \$10mm and \$2mm of Other Cash.
- SoftBank has agreed to extend its guarantee of the LC facility to 2024 at WeWork's option on terms consistent with the existing LC agreement, including the issuance of warrants.
- Assumes \$1.1bn Softbank Senior Secured Notes expire in August 2021 if undrawn. \$1.1bn facility to be replaced with \$550mm new Softbank Senior Secured Facility at a 7.5% interest rate provided at SPAC signing, available at the earlier of closing of SPAC or August 12, 2021 (maturity date of existing \$1.1B Senior Secured) and available for draw no later than Feb 12, 2023 (or if earlier, 18 months from date of closing of SPAC).
- Total Funded Debt includes \$669mm of Senior Notes, \$2,200mm SoftBank Senior Unsecured Notes, and \$43mm Subsidiary Debt. Total Net Funded Debt based on \$665mm of Cash and Cash Equivalents.
- Global Cash includes \$2mm of Other.

Transaction overview

Pro forma ownership ⁽¹⁾



1. Ownership excludes the impact of warrants. Excludes 3.0 million BowX Founder Shares subject to forfeiture.
2. Assumes no redemptions by BowX existing public shareholders.

Proposed transaction terms

- \$1,283 million total cash proceeds⁽²⁾, inclusive of \$800 million PIPE proceeds
- \$800 million PIPE raised at \$10.00 per share
- 100% primary use of proceeds

Transaction overview (cont'd)

Pro forma valuation

(\$ in millions; except per share price)

Illustrative WeWork Share Price	\$10.00
Pro Forma Shares Outstanding	792.7
Pro Forma Equity Value	\$7,927
(+) Pro Forma Debt ⁽¹⁾	2,912
(-) Pro Forma Cash ⁽¹⁾	(1,873)
WeWork Enterprise Value	\$8,966

- **TEV / 2022E Revenue: 2.0x on \$4.6bn revenue**
- **TEV / 2023E Adj. EBITDA: 6.6x on \$1.4bn Adj. EBITDA**

Sources & Uses

(\$ in millions)

Sources	
Existing BowX Cash in Trust ⁽²⁾	\$483
Expected PIPE Proceeds	800
WeWork Rollover Equity	6,553
Existing WeWork Cash ⁽³⁾	665
Total Sources	\$8,501
Uses	
Cash to Pro Forma 6/30/2021 Balance Sheet	\$1,873
Equity Consideration to WeWork Shareholders	6,553
Estimated Fees & Expenses	75
Total Uses	\$8,501

Please refer to reconciliation for Adj. EBITDA on pg. 46 in the appendix.

Source: Management Projections.

1. Reflects projected WeWork Total Funded Debt and Cash as of 6/30/2021.

2. Assumes no redemptions by BowX existing public shareholders.

3. Reflects projected WeWork Wholly-owned ParentCo Cash and JapanCo Cash as of 6/30/2021. Excludes projected restricted JapanCo Cash of \$10mm.



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- 02 WeWork & the Future of Work
- 03 Financial & Transaction Overview
- 04 **Appendix**

Revenue composition (Excluding ChinaCo)

(\$ in millions)

	2019A	2020A	2021E	2022E	2023E	2024E
Revenue by Geography						
US and Canada	\$1,534	\$1,463	\$1,313	\$1,949	\$2,471	\$2,954
EMEA	705	771	862	1,173	1,477	1,779
LatAm	185	168	175	279	321	335
Pacific	184	236	243	322	397	430
Japan	172	247	325	463	552	640
Other ⁽¹⁾	450	324	327	398	605	829
Total Revenue (Excluding ChinaCo)	\$3,230	\$3,210	\$3,246	\$4,584	\$5,822	\$6,967
<i>% YoY Growth</i>		(1%)	1%	41%	27%	20%
Revenue by Product						
Core Leased ⁽²⁾	\$2,780	\$2,886	\$2,919	\$4,181	\$5,173	\$5,992
All Access	-	-	90	215	345	481
Marketplace	32	37	86	153	228	313
Platform	5	5	5	12	55	159
Ventures	412	282	147	22	22	22
Total Revenue (Excluding ChinaCo)	\$3,230	\$3,210	\$3,246	\$4,584	\$5,822	\$6,967
<i>% YoY Growth</i>		(1%)	1%	41%	27%	20%

Source: Management Projections.

Note: As presented in this Management Presentation, certain amounts, percentages and other figures have been subject to rounding adjustments. Accordingly, figures shown as totals, dollars or percentage amounts of changes may not represent the arithmetic summation or calculation of the figures that precede them. Please refer to the Definitions pages in the appendix. Regional revenues only include revenues associated with the core leasing business. "Other" within Revenue by Geography includes All Access, Marketplace, Platform and Ventures.

1. 2019 and 2020 other revenue was primarily concentrated in US & Canada.

2. FY20 and forward Marketplace revenues is inclusive of technology services that were previously recorded in Core Leasing.

WeWork financial overview (Excluding ChinaCo)

(\$ in millions)	2019A	2020A	2021E	2022E	2023E	2024E
Total Revenue (Excl. Ventures)	\$2,818	\$2,928	\$3,099	\$4,562	\$5,801	\$6,945
<i>% YoY Growth</i>		4%	6%	47%	27%	20%
Ventures	412	282	147	22	22	22
Total Revenue	\$3,230	\$3,210	\$3,246	\$4,584	\$5,822	\$6,967
<i>% YoY Growth</i>		(1%)	1%	41%	27%	20%
Adj. Rent, Tenancy, and Other Building Expenses ⁽¹⁾	(2,243)	(3,116)	(3,055)	(3,191)	(3,484)	(3,905)
Adj. Pre-Opening Expenses ⁽¹⁾	(495)	(260)	(115)	(79)	(112)	(143)
Adj. Functional Expenses ⁽¹⁾	(1,796)	(1,268)	(850)	(807)	(846)	(909)
Total Adj. EBITDA (Excl. Ventures)	(\$1,716)	(\$1,715)	(\$922)	\$485	\$1,359	\$1,988
<i>% Margin (Excl. Ventures)</i>	(61%)	(59%)	(30%)	11%	23%	29%
Ventures EBITDA ⁽¹⁾	(227)	(39)	13	–	–	–
Total Adj. EBITDA	(\$1,943)	(\$1,754)	(\$909)	\$485	\$1,359	\$1,988
<i>% YoY Growth</i>		10%	50%	153%	180%	46%
<i>% Margin</i>	(60%)	(55%)	(28%)	11%	23%	29%
<i>Negative impact of non-cash GAAP straight-line lease cost on Total Adj. EBITDA</i>	(\$832)	(\$554)	(\$285)	(\$101)	(\$80)	(\$61)
<i>Positive impact of amortization on lease incentives on Total Adj. EBITDA</i>	\$234	\$340	\$294	\$288	\$296	\$306
Gross Capex (incl. Maintenance Capex and Capitalized Payroll)	(\$3,312)	(\$1,378)	(\$343)	(\$765)	(\$826)	(\$1,105)
TA Allowances	\$1,129	\$1,329	\$371	\$464	\$339	\$528
Net Capex	(\$2,183)	(\$49)	\$28	(\$301)	(\$487)	(\$577)
<i>% of Revenue</i>	68%	2%	NA	7%	8%	8%

Please refer to reconciliation for Adj. EBITDA and Adj. EBITDA margin on pg. 46 in the appendix.
Source: Management Projections.

Note: As presented in this Management Presentation, certain amounts, percentages and other figures have been subject to rounding adjustments. Accordingly, figures shown as totals, dollars or percentage amounts of changes may not represent the arithmetic summation or calculation of the figures that precede them. Please refer to the Definitions pages in the appendix.

1. Adj. Rent, Tenancy, and Other Building Expenses, Adj. Pre-Opening Expenses, and Adj. Functional Expenses exclude Venture expenses, which are all reflected in Ventures EBITDA. Excludes stock based compensation.

Financial projection assumptions

Workstations, Memberships, and ARPM

(\$ in millions, except ARPM data; workstations and members in 000's)

	2020A	2021E	2022E	2023E	2024E
Core Leased⁽¹⁾					
Core Leased Ending Workstations	865	809	866	933	1,033
Core Leased Ending Physical Memberships	387	557	704	789	878
<i>Core Leased Physical Occupancy %</i>	<i>45%</i>	<i>69%</i>	<i>81%</i>	<i>84%</i>	<i>85%</i>
Core Leased Revenue	\$2,886	\$2,919	\$4,181	\$5,173	\$5,992
<i>% YoY Growth</i>	<i>4%</i>	<i>1%</i>	<i>43%</i>	<i>24%</i>	<i>16%</i>
Core Leased ARPM	\$510	\$542	\$554	\$576	\$598
All Access					
All Access Ending Workstations	NA	NA	NA	NA	NA
All Access Ending Memberships	-	45	88	117	160
<i>All Access Contribution to Total Occupancy %</i>	<i>-</i>	<i>5%</i>	<i>8%</i>	<i>9%</i>	<i>10%</i>
All Access Revenue (\$mm)	-	\$90	\$215	\$345	\$481
<i>% YoY Growth</i>	<i>-</i>	<i>-</i>	<i>139%</i>	<i>60%</i>	<i>40%</i>
All Access ARPM	-	\$250	\$256	\$270	\$287
Marketplace					
Marketplace Ending Workstations	NA	NA	NA	NA	NA
Ending Physical Memberships	NA	NA	NA	NA	NA
<i>Marketplace Occupancy %</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>	<i>NA</i>
Marketplace Revenue	\$37 ⁽²⁾	\$86	\$153	\$228	\$313
<i>% YoY Growth</i>	<i>15%</i>	<i>131%</i>	<i>79%</i>	<i>49%</i>	<i>37%</i>
Platform (incl. IndiaCo & ChinaCo)					
Platform Ending Workstations	166	145	190	313	518
Platform Physical Memberships	89	115	155	256	436
<i>Platform Physical Occupancy %</i>	<i>54%</i>	<i>79%</i>	<i>81%</i>	<i>82%</i>	<i>84%</i>
Platform Partner Revenue	\$363 ⁽³⁾	\$390	\$511	\$966	\$2,062
<i>% YoY Growth</i>	<i>19%</i>	<i>7%</i>	<i>31%</i>	<i>89%</i>	<i>113%</i>
<i>Platform Partner ARPM</i>	<i>\$320⁽³⁾</i>	<i>\$317</i>	<i>\$327</i>	<i>\$411</i>	<i>\$504</i>
Platform Management Fee Paid to WeWork by Partner	\$5	\$5	\$12	\$55	\$159
<i>% YoY Growth</i>	<i>(14%)</i>	<i>(2%)</i>	<i>160%</i>	<i>354%</i>	<i>190%</i>

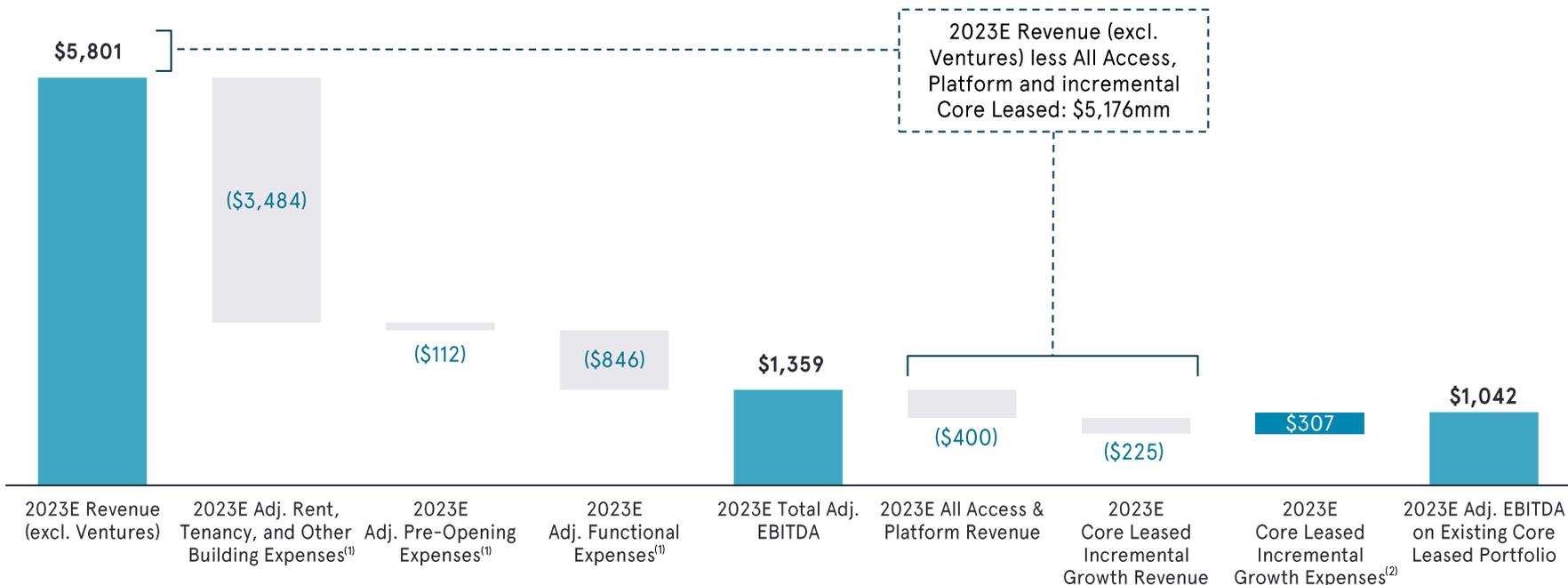
Source: Management projections.

Note: As presented in this Supplemental information, certain amounts, percentages and other figures have been subject to rounding adjustments. Accordingly, figures shown as totals, dollars or percentage amounts of changes may not represent the arithmetic summation or calculation of the figures that precede them. The current analysis excludes Ventures. ARPM (Average Revenue per Member) is calculated as revenue for the year divided by average members divided by 12 months. Workstation and membership numbers may not tie to the summarized numbers in the Management Presentation due to rounding.

- ChinaCo is excluded from Core Leased revenue (ChinaCo was consolidated until October 2nd, 2020).
- FY20 Marketplace Revenue is inclusive of technology services that were previously recorded in Core Leasing.
- 2020 Platform Partner Revenue and ARPM reflect preliminary estimates.

WeWork Core at maturity achieves ~\$5bn of Revenue and ~\$1bn of Adj. EBITDA

(\$ in millions)



1 percentage point of 2023E core occupancy results in ~\$59mm of revenue.⁽³⁾

Source: Management projections.

Note: The existing Core Leased base plan includes additional growth from currently contracted leases. The above analysis excludes Ventures.

1. Adj. Rent, Tenancy, and Other Building Expenses, Adj. Pre-Opening Expenses, and Adj. Functional Expenses exclude Ventures expenses, which are all reflected in Ventures EBITDA.
2. Expenses reflect Adj. Rent, Tenancy and Other Building Expenses, Adj. Pre-Opening Expenses, and Adj. Functional Expenses associated with Core Leased Incremental Growth Revenue.
3. Assumes 857k existing Core Leased ending workstations and \$573 Core Leased ARPM.

Pro forma board composition

In line with the Company's focus on corporate governance, the post-transaction 9 member board will consist of a variety of new and existing investors as well as management to ensure WeWork remains disciplined and aligned with shareholder interests

Board Representation

Executive Chairman	Marcelo Claure ⁽¹⁾
CEO of the Company	Sandeep Mathrani
BowX	Vivek Ranadivé
SoftBank Group	2 nominees ⁽¹⁾
SoftBank Vision Fund	1 nominee
Benchmark Capital	1 nominee
Insight Partners	1 nominee
Independent Director	Jeff Sine

1. SoftBank Group to have a total of three Board members.

Terms & Definitions

Overall Business Definitions:

- **Core Leased (Core WeWork):** WeWork's existing flexible workspace business, including incremental growth for WeWork's flexible workspace business.
- **Marketplace:** provides a holistic marketplace ecosystem in which members can access value-added services and flexible real estate products. Enables members to create a custom workplace experience that meets their business needs. Many of these digitized space and service offerings are offered as a workplace solution via the WeWork Member app.
- **All Access:** monthly membership providing an individual with access to any WeWork location.
- **Platform:** represents WeWork buildings whereby the Company enters into asset-light management or franchise agreements with landlords and operates the space in exchange for a fee.
- **Ventures:** includes WeWork Capital Advisors and expected to also include WeLive from 2022E.
- **Small and Medium Businesses (SMBs):** 1-99 full time employees (FTEs).
- **Medium and Large Businesses (MLBs):** 100-499 FTEs.
- **Enterprise:** 500+ FTEs.
- **Mature:** refers to locations that are open for longer than 12 months.
- **Non-mature:** refers to locations that are open for less than 12 months.
- **ChinaCo:** no ChinaCo management fee assumed over the projection period given terms of the agreement whereby the Company will be entitled to a management fee beginning on the later of 2022 or the first fiscal year after October 2020 in which EBIT of ChinaCo is positive. For reference, ChinaCo was deconsolidated in October 2020, and both ChinaCo and IndiaCo are unconsolidated equity method investments.
- **WeMembership:** Legacy product that was a virtual membership which provides user login access to the WeWork member network online or through the mobile application as well as access to service offerings and the right to reserve space on an à la carte basis, among other benefits. Each WeMembership is considered to be one Membership.

Operating KPIs:

- **Workstations:** represents the estimated number of workstations available at open locations.
- **Memberships:** are the cumulative number of WeWork physical and All Access memberships.
- **Physical Occupancy:** is the number of physical memberships divided by total workstations.
- **Total Occupancy:** is the number of physical memberships plus All Access memberships divided by of total workstations.
- **Total Enterprise Membership:** represents memberships attributable to enterprise members, which are organizations with greater than 500 FTEs. Enterprise membership percentage represents the percentage of our memberships attributable to these organizations.

Terms & Definitions (Cont'd)

Financial Metrics:

- **Building Margin:** excludes building related depreciation and amortization which would otherwise be included in gross profit determined in accordance with US GAAP; In addition, Building Margin as calculated above for our Mature Locations only includes the direct location operating expenses incurred in operating those locations as the Company does not allocate certain community support expenses that are necessary to operate our buildings but not directly tied to an individual building. Building Margin also excludes broker fees and marketing expenses, as well as stock-based compensation expense paid to community employees as such costs are non-cash in nature and not allocated to individual buildings.
- **Adj. EBITDA:** is a non-GAAP measure that we define as net loss before income tax (benefit) provision, interest and other (income)expense, depreciation and amortization expense, stock-based compensation expense, expense related to stock-based payments for services rendered by consultants, income or expense relating to the changes in fair value of assets and liabilities remeasured to fair value on a recurring basis, expense related to costs associated with mergers, acquisitions, divestitures and capital raising activities, legal, tax and regulatory reserves or settlements, significant non-ordinary course asset impairment charges and, to the extent applicable, any impact of discontinued operations, restructuring charges, and other gains and losses on operating assets. Refer to page 45 for a reconciliation of Net Income to Adj. EBITDA.
 - **Adj. EBITDA Margin:** Adj. EBITDA divided by Total Revenue.
- **Adj. Rent, Tenancy and Other Building Expenses:** consists of location operating expenses, such as rent contractually paid or payable, including the impact of non-cash GAAP straight-line lease cost and the amortization of lease incentives, real estate and related taxes and common area maintenance charges and other building opex, such as utilities, maintenance and cleaning, insurance, food, and other consumables. Excludes depreciation and amortization expense, stock-based compensation expense, and certain community support expenses that are necessary to operate our buildings but not directly tied to an individual building.
- **Adj. Pre-Opening Expense:** consist of expenses (including all lease costs, which also include non-cash GAAP straight-line lease cost) incurred before a location opens for member operations. Excludes depreciation and amortization expense and stock-based compensation expense.
- **Adj. Functional Expense:** consist of sales and marketing, general and administrative and sourcing, development and other expenses, and certain community support expenses that are necessary to operate our buildings but not directly tied to an individual building. Excludes depreciation and amortization expense, stock-based compensation expense, expense related to stock-based payments for services rendered by consultants, expense related to costs associated with mergers, acquisitions divestitures, and capital raising activities, legal, tax, and regulatory reserves or settlements, and legal expenses related to regulatory investigations and litigations arising from the 2019 cancelled IPO.
- **Non-Cash GAAP Straight-Line Lease Costs:** are required under GAAP to recognize the impact of “free rent” periods and lease cost escalation clauses on a straight-line basis over the terms of our leases.
- **Amortization of Lease Incentives:** the amortization of cash received for tenant improvement allowances and broker commissions (collectively “lease incentives”), amortized on a straight-line basis over the terms of our leases as a reduction to the total operating lease cost.

FY19 and FY20 Adj. EBITDA reconciliation (GAAP to Non-GAAP)

Impact of ChinaCo to Total Company Financials

(\$ in millions)

Income Statement Summary (\$ in Millions)

	FY2019			FY2020		
	Total Company (Incl. Ventures)	ChinaCo	Total Company (excl. ChinaCo)	Total Company (Incl. Ventures)	ChinaCo	Total Company (excl. ChinaCo)
Total Revenue	\$3,459	\$229	\$3,230	\$3,416	\$206	\$3,210
Net Income/(Loss)	(\$3,775)	(\$274)	(\$3,501)	(\$3,834)	(\$610)	(\$3,224)
Income tax (benefit) provision	46	8	38	20	11	8
Interest and other (income) expense, net	(190)	(1)	(189)	(532)	(15)	(518)
Depreciation & Amortization	590	42	548	779	39	740
Restructuring and other related costs	329	7	323	207	(19)	225
Impairment/ (gain on sale) of goodwill, intangibles, and other	335	-	335	1,356	450	906
Stock-based compensation	347	3	344	51	0	51
Stock-based compensation for services rendered	20	18	2	8	14	(6)
Change in fair value of contingent consideration liabilities	(61)	(61)	-	(0)	(0)	-
Legal, tax and regulatory reserves and settlements	4	0	4	2	-	2
Legal costs related to regulatory investigations and litigations	-	-	-	53	-	53
Expenses related to M&A, divestitures and capital raising activities	155	1	154	8	(1)	9
Adjusted EBITDA¹	(2,201)	(258)	(1,943)	(1,883)	(130)	(1,754)
<i>Adjusted EBITDA Margin</i>	<i>(64%)</i>		<i>(60%)</i>	<i>(55%)</i>		<i>(55%)</i>
Gross and net capital expenditures (\$ in Millions)						
Gross capital expenditures	(\$3,488)	(\$176)	(\$3,312)	(\$1,441)	(\$63)	(\$1,378)
Cash collected for tenant improvement allowances	\$1,134	\$5	\$1,129	\$1,332	\$2	\$1,329
Net capital expenditures	(\$2,354)	(\$170)	(\$2,183)	(\$110)	(\$61)	(\$49)

Note: For the year-ended 12/31/2019 and 12/31/2020. All columns exclude amounts that eliminate in consolidation. As presented in this Management Presentation, certain amounts, percentages and other figures have been subject to rounding adjustments. Accordingly, figures shown as totals, dollars or percentage amounts of changes may not represent the arithmetic summation or calculation of the figures that precede them.

1. Please see Definitions page in the appendix for detailed definitions.

Non-GAAP Reconciliation: FY19 location gross profit (loss) from membership and service revenue and location contribution margin for mature and non-mature buildings

Financial Summary

(\$ in millions)

	Total Consolidated - All Locations	China	Total (excl. China) ⁽⁴⁾	Mature & Non-Mature Split (Excl. China)		
				Mature	Non-Mature	Other ⁽⁴⁾
Membership and service revenue	\$3,059	\$225	\$2,833	\$1,736	\$1,043	\$54
Cost of membership and service revenue:						
Direct location operating expenses ⁽¹⁾	(\$2,541)	(\$280)	(\$2,261)	(\$1,267)	(\$966)	(\$27)
<i>Direct location operating expenses - % of membership revenue</i>	<i>(83%)</i>	<i>(124%)</i>	<i>(80%)</i>	<i>(73%)</i>	<i>(93%)</i>	<i>(50%)</i>
Indirect location operating expenses (fka community support expenses) ⁽²⁾	(\$282)	(\$16)	(\$266)			
<i>Indirect location operating expenses (fka community support expenses) - % of membership revenue</i>	<i>(9%)</i>	<i>(7%)</i>	<i>(9%)</i>			
Location operating expenses (exclusive of depreciation and amortization shown separately below)	(\$2,823)	(\$296)	(\$2,527)			
Depreciation and amortization - relating to location operating expenses	(\$515)	(\$37)	(\$479)			
Location gross profit (loss) from membership and service revenue calculated in accordance with GAAP:	(\$279)	(\$107)	(\$172)			
<i>Location gross profit (loss) margin percentage</i>	<i>(9%)</i>	<i>(47%)</i>	<i>(6%)</i>			
Reconciliation of GAAP location gross profit (loss) from membership and service revenue to non-GAAP location contribution margin						
Location gross profit (loss) from membership and service revenue calculated in accordance with GAAP:	(\$279)	(\$107)	(\$172)			
Add:						
Depreciation and amortization - relating to location operating expenses	\$515	\$37	\$479			
Stock-based compensation expense (as included in location operating expenses)	\$50	\$1	\$49			
Location Contribution Margin⁽³⁾	\$286	(\$69)	\$355			
Negative Impact of non-cash GAAP straight-line lease cost (as included in location operating expenses)	\$411	\$29	\$382			
Positive impact of amortization of lease incentives on location contribution margin (as included in location operating expenses) on location contribution margin	(\$170)	(\$1)	(\$169)			
<i>Location contribution margin percentage</i>	<i>9%</i>	<i>(31%)</i>	<i>13%</i>			
<i>Negative Impact of non-cash GAAP straight-line lease cost - % of membership and service revenue</i>	<i>13%</i>	<i>13%</i>	<i>13%</i>			
<i>Positive impact of amortization of lease incentives on location contribution margin - % of membership and service revenue</i>	<i>(6%)</i>	<i>(0%)</i>	<i>(6%)</i>			

1. Includes rent and tenancy expenses, non-cash GAAP straight-line lease cost, and amortization of lease incentives; excludes building related depreciation and amortization.

2. Expenses that are necessary to operate our buildings but not directly tied to an individual building.

3. Membership and service revenue less location operating expenses, adjusted to exclude non-cash stock-based compensation included in location operating expenses; excludes building related depreciation and amortization.

4. Total (Excl. ChinaCo) includes WeLive (Ventures) revenue and expenses, which is reflected in "Other".

Non-GAAP Reconciliation: FY20 location gross profit (loss) from membership and service revenue and location contribution margin

Financial Summary

(\$ in millions)

	Total Consolidated - All Locations	China	Total (excl. China) ⁽⁴⁾
Membership and service revenue	\$3,133	\$204	\$2,929
Cost of membership and service revenue:			
Direct location operating expenses ⁽¹⁾	(\$3,403)	(\$263)	(\$3,140)
<i>Direct location operating expenses - % of membership revenue</i>	<i>(109%)</i>	<i>(129%)</i>	<i>(107%)</i>
Indirect location operating expenses (fka community support expenses) ⁽²⁾	(\$191)	(\$10)	(\$181)
<i>Indirect location operating expenses (fka community support expenses) - % of membership revenue</i>	<i>(6%)</i>	<i>(5%)</i>	<i>(6%)</i>
Location operating expenses (exclusive of depreciation and amortization shown separately below)	(\$3,594)	(\$273)	(\$3,321)
Depreciation and amortization - relating to location operating expenses	(\$715)	(\$33)	(\$682)
Location gross profit (loss) from membership and service revenue calculated in accordance with GAAP:	(\$1,176)	(\$102)	(\$1,074)
<i>Location gross profit (loss) margin percentage</i>	<i>(38%)</i>	<i>(50%)</i>	<i>(37%)</i>
Reconciliation of GAAP location gross profit (loss) from membership and service revenue to non-GAAP location contribution margin			
Location gross profit (loss) from membership and service revenue calculated in accordance with GAAP:	(\$1,176)	(\$102)	(\$1,074)
Add:			
Depreciation and amortization - relating to location operating expenses	\$715	\$33	\$682
Stock-based compensation expense (as included in location operating expenses)	\$10	\$0	\$10
Location Contribution Margin⁽³⁾	(\$451)	(\$69)	(\$382)
Negative Impact of non-cash GAAP straight-line lease cost (as included in location operating expenses)	\$381	\$15	\$366
Positive impact of amortization of lease incentives on location contribution margin (as included in location operating expenses) on location contribution margin	(\$298)	(\$4)	(\$294)
<i>Location contribution margin percentage</i>	<i>(14%)</i>	<i>(2%)</i>	<i>(12%)</i>
<i>Negative Impact of non-cash GAAP straight-line lease cost - % of membership and service revenue</i>	<i>12%</i>	<i>0%</i>	<i>12%</i>
<i>Positive impact of amortization of lease incentives on location contribution margin - % of membership and service revenue</i>	<i>(10%)</i>	<i>(0%)</i>	<i>(9%)</i>

1. Includes rent and tenancy expenses, non-cash GAAP straight-line lease cost, and amortization of lease incentives; excludes building related depreciation and amortization.

2. Expenses that are necessary to operate our buildings but not directly tied to an individual building.

3. Membership and service revenue less location operating expenses, adjusted to exclude non-cash stock-based compensation included in location operating expenses; excludes building related depreciation and amortization.

4. Total (Excl. ChinaCo) includes WeLive (Ventures) revenue and expenses.

FY19 and FY20 Free Cash Flow reconciliation (GAAP to Non-GAAP)

Free Cash Flow

(\$ in millions)

- **Free Cash Flow** is defined as cash flow from operating activities less cash purchases of property and equipment, each as presented in the Company's consolidated statements of cash flows calculated in accordance with GAAP.
- A reconciliation of net cash provided by (used in) operating activities, the most comparable GAAP measure, to Free Cash Flow is set forth below:

	Year Ended December 31,	
	2020	2019
Net cash provided by (used in) operating activities ⁽¹⁾	\$(857)	\$(448)
Less: Cash purchases of property and equipment ⁽¹⁾	(1,441)	(3,488)
Free Cash Flow	\$(2,298)	\$(3,936)

1. As presented in the Company's consolidated statements of cash flows.