

THE WMARKETPLACE, INC.

2022 Report

Dear investors,

2022 marks WMarketplace's second full year of sales operations. The year brought successes, challenges and lessons learned that are being applied to 2023. Overall revenue performance was down 2.28%, led by a miss in program revenue, HER-Commerce below). The focus in the first half of the year was on securing funding through our WbFunder crowd funding campaign and on recruiting sellers to build our product selection. In the second half, the business focused shifted to driving consumer purchases on the platform. As a result of a weakening economic outlook a great deal of attention was on managing expenses.

2023 Plans

We are excited about 2023. As we enter our third year of operations, we are optimistic and have already begun to apply the lessons learned in 2022 to strength and improve our business.

The key theme of 2023 for the team will be focusing on activities that will deliver business value and high margin revenue. We will continue to maintain our consumer facing site as we shift time and energy to building for the longer-term business based on the big bets. The attached 2023 forecast supports these Big Bets:

Big Bets

The WMarketplace proprietary, multi-brand platform release in early Q2. We launched this development project in 2021 with our pre-seed investor. The goal was to replace the third-party application that housed our seller ecosystems (Webkul) with a scalable tool that is compatible with Shopify but would give us the ability to replace the other Shopify apps and scale to our own platform within the next 3-5 years. The project was delayed but recent testing has given us confidence that the application can be deployed in early Q2 2023.

Refreshed HER-Commerce released in Q1.

HER-Commerce is our proprietary instructor lead commerce workshop program to support women owned businesses with practical information on improving their commerce presence, overall sales and selecting the right sales channel for their products. To date we have hosted 130 business through the program. Based on research done with over seven thousand women-owned businesses in the US in late 2022 the content has been updated and the refreshed program content is set to launch in Q1 2023.

Wholesale opportunities.

Based on the positive reception we had from women-owned businesses wanting to participate in the WBENC holiday gift box program and demand we saw from corporate customers, we will develop wholesale opportunities for our sellers in 2023. We kicked this off with a successful International Women's Day gift box in cooperation with the WBENC Great Lakes region.

WMarketplace VIP customer loyalty program

WMarketplace VIP program launched January 2023. The program is a 1:1 engagement targeting the top 10% customers who have purchased more than once within the past 90 days. The program will offer recognition of the customer status, a gift card for their birthday, personal shopping for special occasions, access to special VIP products and promotional products, and rewards for submitting reviews.

Fund Raising

We have successfully received expenses and extended our runway for over 12 months. We feel strongly that the launch our IP (V2) and successful execution of at least 2 sponsored HER-Commerce cohorts are necessary to show traction ahead of our next round of funding. We will need support and input as we begin developing this plan.

We need your help!

Our investor community is an important part of our business success. We need help and support as we continue to build our brand. We need our investor community to use WMarketplace as a shopping channel and a place to support their investments. Product selection continues to expand each week with new businesses joining the platform and making their products and services available to purchase.

Spreading the news about WMarketplace is also an area that we would like the investor community engagement and support. We are building a follow-through positive shopping and customer service experience. The more our supporter leverage the site and talk with their circle of influence about it the faster we grow and they see positive returns on the investments made.

Sincerely,

TJ Woodberry

Board Member

Susan Gates

CMO/Co-Founder

Kate ISLER

CEO/Co-Founder

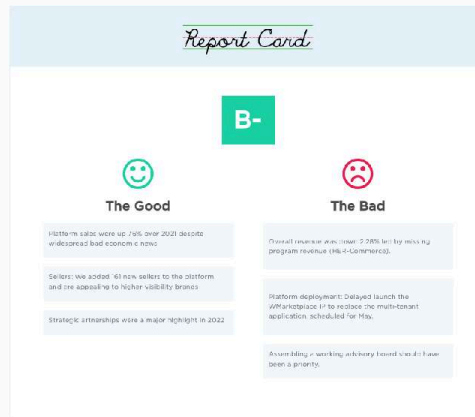
Our Mission

Our next area of growth is in the B2B sector. Bringing women entrepreneurs onto the platform and providing easy access to each other to accelerate their business growth is a game changer. We will build on the ecosystem of women-owned businesses on TheWMarketplace and expose more opportunities to do business with one another. We will expand into international markets. There are women entrepreneurs in every corner of the globe, ready for a platform built for them to grow and thrive.

See our full profile



How did we do this year?



2022 At a Glance

January 1 to December 31


\$115,561 **+2%**
Revenue


-\$654,344
Net Loss


\$19,212 **+17%**
Short Term Debt


\$1,412,329
Assets in 2022


\$698,333
Liabilities in 2022
As of 04/06/23

INCOME

BALANCE

NARRATIVE

Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and the related notes and other financial information included elsewhere in this offering. Some of the information contained in this discussion and analysis, including information regarding the strategy and plans for our business, includes forward-looking statements that involve risks and uncertainties. You should review the "Risk Factors" section for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview

The only e-commerce platform selling women-owned products and services.

We are passionate about gender equity and saw the disproportionate effect that the pandemic was having on women. With shopping and services requiring a digital-first presence and women making 83% of purchasing decisions AND starting businesses at record rates, TheWMarketplace is the most direct way to support women entrepreneurs.

TheWMarketplace is a website that sells products and services that are owned by women. Women entrepreneurs join TheWMarketplace and immediately have a nation-wide customer base and a community, rather than going it alone. We support them with classes, community and advertising to help customers find them. Shoppers come to the site to purchase from women-owned businesses or to hire a woman expert. We are a women-owned business that helps other women-owned businesses grow and thrive.

Our next area of growth is in the B2B sector. Bringing women entrepreneurs onto the platform and providing easy access to each other to accelerate their business growth is a game changer. We will build on the ecosystem of women-owned businesses on TheWMarketplace and expose more opportunities to do business with one another. We will expand into international markets. There are women entrepreneurs in every corner of the globe, ready for a platform built for them to grow and thrive.

Milestones

The WMarketplace Inc. was incorporated in the State of Washington in November 2020

Since then, we have:

- \$500K pre-seed investment within 5 months of launching site
- Revenue from day 1 of site launch; 500% growth in 2021 from 4 revenue streams.
- 10 partnerships with government, non-profit & for-profit entities
- Sales channel for 14M women-owned businesses in US, # growing rapidly
- Already have a diverse community of 500+ sellers from 34 states
- Unique chance to support 1000's of women-owned businesses with a single investment
- CEO spent 20 yrs in Microsoft global exec: Started and led three start-ups to date.

Historical Results of Operations

Our company was organized in November 2020 and has limited operations upon which prospective investors may base an evaluation of its performance.

- *Revenues & Gross Margin.* For the period ended December 31, 2022, the Company had revenues of \$115,561 compared to the year ended December 31, 2021, when the Company had revenues of \$118,296. Our gross margin was \$149% in fiscal year 2022, compared to 45.4% in 2021.
- *Assets.* As of December 31, 2022, the Company had total assets of \$1,090,224, including \$781,349.03 in cash. As of December 31, 2021, the Company had \$319,220 in total assets, including \$39,406 in cash.
- *Net Loss.* The Company has had net losses of \$654,343.96 and net losses of \$275,795 for the fiscal years ended December 31, 2022 and December 31, 2021, respectively.
- *Liabilities.* The Company's liabilities totaled \$19,211.69 for the fiscal year ended December 31, 2022 and \$16,355 for the fiscal year ended December 31, 2021.



Kate ISLER
CEO/Co-Founder



Susan Gates
CMO/Co-Founder

Details

The Board of Directors

MEMBER	POSITION	JOINED
TJ Woodberry	Poppo's Spa & Lounge (I, Self	2022
Susan Gates	Co-Founder CMO @ The WMarketplace Inc.	2020
Kathryn Isler	Co-Founder/CEO @ The WMarketplace Inc.	2020

Officers

OFFICER	TITLE	JOINED
Susan Gates	Secretary Vice President	2020
Kathryn Isler	Treasurer President CFO	2020

Voting Power

HOLDER	STOCKHOLDERS HELD	VOTING POWER
Kathryn Isler	3,750,000 Common	50.0%
Susan Gates	3,750,000 Common	50.0%

Past Equity Fundraises

DATE	AMOUNT	CURRENCY	DESCRIPTION
11/2020	\$50,000	Common Stock	Regulation D, Rule 506(b)
03/2021	\$250,000	Common Stock	Regulation D, Rule 506(b)
03/2021	\$250,000	Common Stock	Section 4(a)(2)
06/2022	\$1,412,329		4(a)(6)

The size of proceeds is for past general operations.

Outstanding Debts

None.

Related Party Transactions

The founders have loaned the company \$6,624 to cover certain operating expenses. There's no interest rate or maturity data associated with this loan.

Capital Structure

CLASS OF SECURITY	STOCKHOLDERS (OR SECURED CREDITORS) AUTHORIZED	STOCKHOLDERS (OR SECURED CREDITORS) OUTSTANDING	VOTING RIGHTS
Non Voting Common Stock	500,000	500,000	No
Voting Common Stock	9,500,000	7,500,000	Yes

Warrants:	0
Options:	1,500,000

Risks

Short-term reliance on third party technology. In order to launch and grow our business quickly, we relied on off the shelf technology with limited security and features. TWM has outgrown the mass market products available and now require more security, scalability and enhanced seller management features to be attractive to sellers and buyers alike. Lack of investment and innovation in a proprietary platform that meets the increasing demands of online merchants and shoppers will slow growth.

The success of The WMarketplace will depend on its ability to compete for and retain additional qualified key personnel to enhance the growth. TWM's business would be adversely affected if it were unable to recruit qualified personnel when necessary or if it were to lose the services of certain key personnel and it were unable to locate suitable replacements in a timely manner.

TheWMarketplace may never receive a future equity financing or elect to convert the Securities upon such future financing. In addition, the TheWMarketplace may never undergo a liquidity event such as a sale of the Company or an IPO. If neither the conversion of the Securities nor a liquidity event occurs, the Purchasers could be left holding the Securities in perpetuity. The Securities have numerous transfer restrictions and will likely be highly illiquid, with no secondary market on which to sell them. The Securities are not equity interests, have no ownership rights, have no rights to the Company's assets or profits and have no voting rights or ability to direct the Company or its actions.

Kate Isler, The WMarketplace co-founder and CEO, and Susan Gates, TWM co-founder and CMO, each currently own equivalent equity membership in the Company, which collectively aggregate approximately 80% of TWM's outstanding equity. The founders are currently the Company's sole members of its Board of Directors, and therefore have significant control over the management of the Company and the direction of its policy and affairs. This concentrated control in the Company will limit investors' ability to influence Company matters.

The Wmarketplace is dependent on our ability to attract and retain sellers and service providers to list and sell on our platform. We need to invest rapidly recruit new businesses in volume through existing and new partnerships to satisfy consumer demand and provide an extensive range of products and services.

We face competition from one dominate player in the market. Amazon has become the default shopping sight in the US market, with a strong brand, significant financial resources, technical and human resources and superior expertise in research & development, along with marketing and brand recognition.

Our future success depends on the efforts of a small management team. The loss of services of the members of the management team may have an adverse effect on the company. There can be no assurance that we will be successful in attracting and retaining other personnel we require to successfully grow our business.

TheWMarketplace is an early stage company incorporated on November 2, 2020. Accordingly, the Company's operations are subject to all the risks inherent in the establishment of a new business enterprise, including potential operating losses.

Description of Securities for Prior Reg CF Ralse

Additional issuances of securities. Following the investor's investment in the Company, the Company may sell interests to additional investors, which will dilute the percentage interest of the investor in the Company. The investor may have the opportunity to increase its investment in the Company in such a transaction, but such opportunity cannot be assured. The amount of additional financing needed by the Company, if any, will depend upon the maturity and objectives of the Company. The declining of an opportunity or the inability of the investor to make a follow-on investment, or the lack of an opportunity to make such a follow-on investment, may result in substantial dilution of the investor's interest in the Company.

Issuer repurchase of securities. The Company may have authority to repurchase its securities from shareholders, which may serve to decrease any liquidity in the market for such securities, decrease the percentage interests held by other similarly situated investors to the investor, and create pressure on the investor to sell its securities to the Company concurrently.

Assets of the issuer or assets of the issuer. As a minority owner of the Company, the investor will have limited or no ability to influence a potential sale of the Company or a substantial portion of its assets. Thus, the investor will rely upon the executive management of the Company and the Board of Directors of the Company to manage the Company so as to maximize value for shareholders. Accordingly, the success of the investor's investment in the Company will depend in large part upon the skill and expertise of the executive management of the Company and the Board of Directors of the Company. If the Board of Directors of the Company authorizes a sale of all or a part

of the Company, or a disposition of a substantial portion of the Company's assets, there can be no guarantee that the value received by the Investor, together with the fair market estimate of the value remaining in the Company, will be equal to or exceed the value of the Investor's initial investment in the Company.

Transactions with related parties. The Investor should be aware that there will be occasions when the Company may encounter potential conflicts of interest in its operations. On any issue involving conflicts of interest, the executive management and Board of Directors of the Company will be guided by their good faith judgment as to the Company's best interests. The Company may engage in transactions with affiliates, subsidiaries or other related parties, which may be on terms which are not arm's-length, but will be in all cases consistent with the duties of the management of the Company to its shareholders. By acquiring an interest in the Company, the investor will be deemed to have acknowledged the existence of any such actual or potential conflicts of interest and to have waived any claim with respect to any liability arising from the existence of any such conflict of interest.

Minority Ownership

An investor in the Company will likely hold a minority position in the Company, and thus be limited as to its ability to control or influence the governance and operations of the Company.

The marketability and value of the Investor's interest in the Company will depend upon many factors outside the control of the Investor. The Company will be managed by its officers and be governed in accordance with the strategic direction and decision-making of its Board Of Directors, and the Investor will have no independent right to name or remove an officer or member of the Board Of Directors of the Company.

Following the investor's investment in the Company, the Company may sell interests to additional investors, which will dilute the percentage interest of the Investor in the Company. The Investor may have the opportunity to increase its investment in the Company in such a transaction, but such opportunity cannot be assured.

The amount of additional financing needed by the Company, if any, will depend upon the maturity and objectives of the Company. The declining of an opportunity or the inability of the Investor to make a follow-on investment, or the lack of an opportunity to make such a follow-on investment, may result in substantial dilution of the Investor's interest in the Company.

Exercise of Rights Held by Principal Shareholders

As holders of a majority-in-interest of voting rights in the Company, the shareholders may make decisions with which the Investor disagrees, or that negatively affect the value of the Investor's securities in the Company, and the Investor will have no recourse to change these decisions. The Investor's interests may conflict with those of other investors, and there is no guarantee that the Company will develop in a way that is optimal for or advantageous to the Investor. For example, the shareholders may change the terms of the articles of incorporation for the company, change the terms of securities issued by the company, change the management of the Company and even force out minority holders of securities. The shareholders may make changes that affect the fair treatment of the Company in ways that are unfavorable to you but favorable to them. They may also vote to engage in new offerings and/or to restate certain of the Company's securities in a way that negatively affects the value of the securities the Investor owns. Other holders of securities of the Company may also have access to more information than the Investor, leaving the Investor at a disadvantage with respect to any decisions regarding the securities he or she owns. The shareholders have the right to redeem their securities at any time. Shareholders could decide to force the Company to redeem their securities at a time that is not favorable to the Investor and is damaging to the Company. Investors' will may affect the value of the Company and/or its viability. In cases where the rights of holders of convertible debt, SAFES, or other redeeming options or warrants are exercised, or if new awards are granted under our equity compensation plans, an Investor's interest in the Company may be diluted. This means that the private price of the Company represented by the Investor's security will decrease, which could also diminish the Investor's voting and/or economic rights. In addition, as discussed above, if a majority-in-interest of holders of securities with voting rights cause the Company to issue additional stock, an Investor's interest will typically also be diluted.

Restrictions on Transfer

The securities offered via Regulation Crowdfunding may not be transferred by any purchaser of such securities during the one year period beginning when the securities were issued, unless such securities are transferred:

- to the issuer;
- to an accredited investor⁽⁹⁾;
- as part of an offering registered with the U.S. Securities and Exchange Commission; or
- to a member of the family of the purchaser or the equivalent, to a trust controlled by the purchaser, to a trust created for the benefit of a member of the family of the purchaser or the equivalent, or in connection with the death or divorce of the purchaser or other similar circumstance.

Valuation Methodology for Prior Reg CF Raise

The offering price for the securities offered pursuant to this Form C has been determined arbitrarily by the Company, and does not necessarily bear any relationship to the Company's book value, assets, earnings or other generally accepted valuation criteria. In determining the offering price, the Company did not employ investment banking firms or other outside organizations to make an independent appraisal or evaluation. Accordingly, the offering price should not be considered to be indicative of the actual value of the securities offered hereby.

The initial amount invested in a SAFE is determined by the investor, and we do not guarantee that the SAFE will be converted into any particular number of shares of Preferred Stock. As discussed in Question 3, when we engage in an offering of equity interests involving Preferred Stock, investors may receive a number of shares of Preferred Stock calculated as either (i) the total value of the Investor's investment, divided by the price of the Preferred Stock being issued to new investors, or (ii) if the valuation for the company is more than the Valuation Cap, the amount invested divided by the quotient of (a) the Valuation Cap divided by (b) the total amount of the Company's capitalization at that time. Because there will likely be no public market for our securities prior to an initial public offering or similar liquidity event, the price of the Preferred Stock that Investors will receive and/or the total value of the Company's capitalization will be determined by our board of directors. Among the factors we may consider in determining the price of Preferred Stock on prevailing market conditions, our financial information, market valuations of other companies that we believe to be comparable to us, estimates of our business potential, the present state of our development and other factors deemed relevant. In the future, we will perform valuations of our stock (including both common stock and preferred stock) that take into account, as applicable, factors such as the following:

- unrelated third party valuations;
- the price at which we sell other securities in light of the relative rights, preferences and privileges of those securities;
- our results of operations, financial position and capital resources;
- current business conditions and projections;
- the marketability or lack thereof of the securities;
- the hiring of key personnel and the experience of our management;
- the introduction of new products;
- the risk inherent in the development and expansion of our products;
- our stage of development and material risks related to our business;
- the likelihood of achieving a liquidity event, such as an initial public offering or a sale of our company given the prevailing market conditions and the nature and history of our business;
- industry trends and competitive environment;
- trends in consumer spending, including consumer confidence;
- overall economic indicators, including gross domestic product, employment, inflation and interest rates; and
- the general economic outlook.

We will analyze factors such as those described above using a combination of financial and market-based methodologies to determine our business enterprise value. For example, we may use methodologies that assume that businesses operating in the same industry will share similar characteristics and that the Company's value will correlate to those characteristics, and/or methodologies that compare transactions in similar securities issued by us that were conducted in the market.

Company

The VMMarketplace Inc.

- Washington Corporation
- Organized November 2020
- 4 employees

6040 Princeton Ave NE

SEATTLE WA 98105

<https://thvmarketplace.com/>

Business Description

Refer to the [The VMMarketplace, Inc.](#) profile.

EDGAR Filing

The securities and Exchange Commission hosts the official version of this annual report on their EDGAR web site. It looks like it was built in 1989.

Compliance with Prior Annual Reports

The VMMarketplace, Inc. is current with all reporting requirements under Rule 202 of Regulation Crowdfunding.

All prior investor updates

You can refer to the company's updates page to view all updates to date. Updates are for investors only and will require you to log in to the WeFunder account used to make the investment.