

# **Q4 & FY 2021 Investor Presentation**

March 1, 2022



# Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact could be deemed forward-looking, including, but not limited to, statements regarding Wish's outlook including expectations with respect to revenue and adjusted EBITDA, priorities, new business strategies and restructuring efforts, including cost-saving measures, expectations regarding turnaround efforts, including a reduction in force and real estate footprint, timelines regarding our ability to execute on new business strategies and our restructuring plan, material weaknesses in internal controls and expectations regarding a remediation plan, new executive hires, including CEO transition, growth opportunities, and quotations from management. In some cases, forward-looking statements can be identified by terms such as "anticipates," "believes," "could," "estimates," "expects," "foresees," "forecasts," "guidance," "intends," "goals," "may," "might," "outlook," "plans," "potential," "predicts," "projects," "seeks," "should," "targets," "will," "would" or similar expressions and the negatives of those terms. These forward-looking statements are subject to risks, uncertainties, and assumptions. If the risks materialize or assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. Risks include, but are not limited to: our ability to attract, retain and monetize users; risks associated with software updates to the platform; the effectiveness of our CEO transition; increasing requirements on collection of sales and value added taxes; the success of our execution on new business strategies; compromises in security; changes by third-parties that restrict our access or ability to identify users; competition; disruption, degradation or interference with the hosting services we use and infrastructure; our financial performance and fluctuations in operating results; pressure and fluctuation in our stock price, including as a result of short selling and short squeezes; challenges in our logistics programs; challenges in growing new initiatives; the effectiveness of our internal controls; the continued services of members of our senior management team; our ability to offer and promote our app on the Apple App Store and the Google Play Store; the dual class structure of our common stock; our brand; legal matters; the ongoing COVID-19 pandemic; supply chain issues; and economic tension between the United States and China. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. Further information on these and additional risks that could affect Wish's results is included in its filings with the Securities and Exchange Commission ("SEC"), including its most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q, and future reports that Wish may file with the SEC from time to time, which could cause actual results to vary from expectations. Any forward-looking statement made by Wish in this presentation speaks only as of the day on which Wish makes it. Wish assumes no obligation to, and does not currently intend to, update any such forward-looking statements after the date of this presentation.

The unaudited financial results in this presentation are estimates based on information currently available to Wish. While Wish believes these estimates are meaningful, they could differ from the actual amounts that the company ultimately reports in its Annual Report on Form 10-K for the fiscal year ended December 31, 2021. Wish assumes no obligation and does not intend to update these estimates prior to filing its Annual Report on Form 10-K for the fiscal year ended December 31, 2021.



*\* Please see the earnings release associated with this presentation for a note about metrics and the use of non-GAAP financial measures.*

# Financial Highlights

Q4 Revenues

**\$289M**

Q4 Adjusted EBITDA

**(\$23M)**

Exceeded guidance

Q4 Free Cash Flow

**(\$50M)**

Cash, Cash Equiv. & Mrkt. Secs.

**\$1.2B**

# Three Pillars

The Foundations for Growth

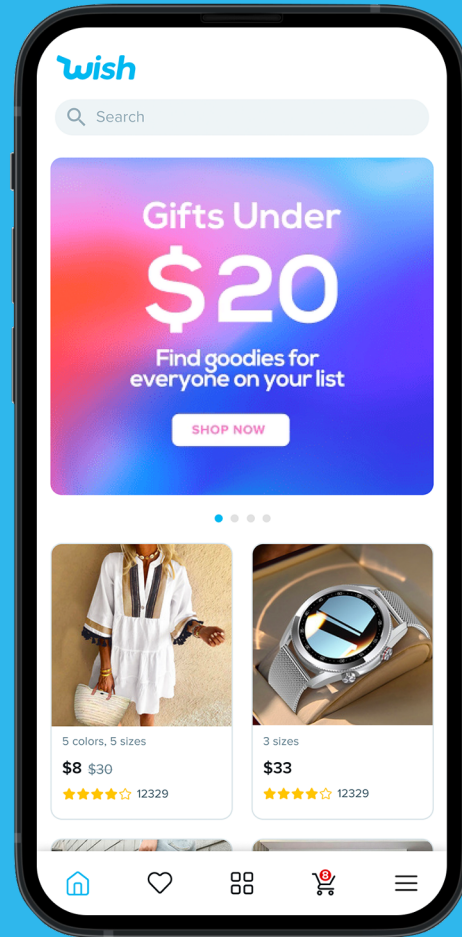
- 1 Improve User Experience
- 2 Deepen Merchant Relationships
- 3 Achieve Organizational Efficiencies

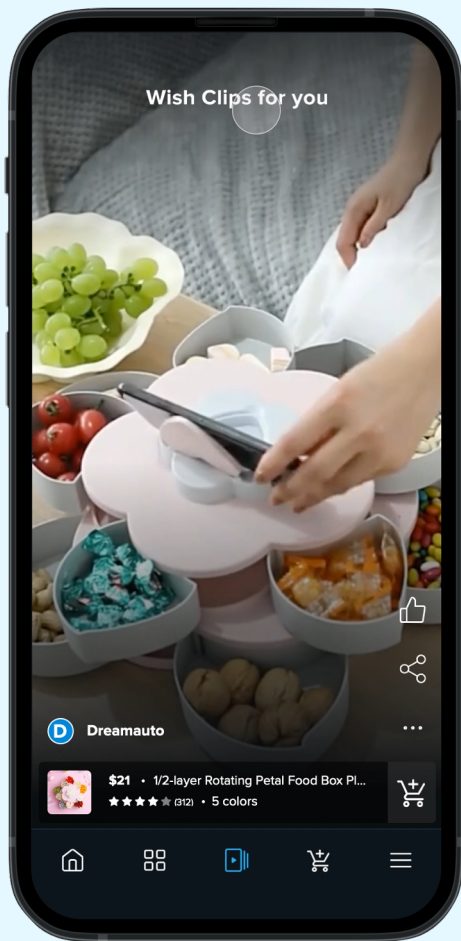
## 1 Improve User Experience

# Redesigned Wish Homepage

An inspirational and personalized shopping experience

Now launched on Android in US





## 1 Improve User Experience

# Wish Clips & Shoppable Videos

An endless stream of 100K+ shoppable videos

Currently available on Android in our top nine markets

## 2 Deepen Merchant Relations



**Implementation of  
Wish Standards**



**Enforcement of  
Content Policies**



**Consistently  
Enhancing Logistics**

### 3 Achieve Organizational Efficiency

# Workforce Reduction

**Approximately 15% or 190 positions globally**

# Country Exit

**Exit marketplace operations for buyers in 79 countries**



*wish*

# Q4 and FY2021 Financials

## Q4 2021

## Q4 2020

MAUs	44M	104M
LTM Active Buyers	38M	64M
Revenue	\$289M	\$794M
Gross Profit	\$120M	\$452M
Gross Margin	42%	57%
Operating Expense	\$184M	\$963M
Adjusted EBITDA <sup>1</sup>	(\$23M)	(\$118M)
Free Cash Flow	(\$50M)	(\$25M)

<sup>1</sup> Reconciliation of non-GAAP financial measures is contained in the Appendix Consolidated financial results of our earnings release. \$ in millions, except where noted

## FY 2021

## FY 2020

Revenue	<b>\$2.1B</b>	<b>\$2.5B</b>
Gross Profit	<b>\$1.1B</b>	<b>\$1.6B</b>
Gross Margin	<b>53%</b>	<b>63%</b>
Operating Expense	<b>\$1.5B</b>	<b>\$2.2B</b>
Adjusted EBITDA <sup>1</sup>	<b>(\$199M)</b>	<b>(\$217M)</b>
Free Cash Flow	<b>(\$953M)</b>	<b>(\$2M)</b>

<sup>1</sup> Reconciliation of non-GAAP financial measures is contained in the Appendix Consolidated financial results of our earnings release. \$ in millions, except where noted

# Guidance - Q1 2022

Expected Adjusted EBITDA Range: **(\$70M) to (\$60M)**

Three Months Ended March 31, 2022

\*Wish has not provided a quantitative reconciliation of forecasted Adjusted EBITDA to forecasted GAAP net income (loss) for total Adjusted EBITDA or to forecasted GAAP income (loss) before income taxes for segment Adjusted EBITDA within this earnings release because the company is unable, without making unreasonable efforts, to calculate certain reconciling items with confidence. These items include, but are not limited to: income taxes which are directly impacted by unpredictable fluctuations in the market price of the company's stock.

Key factors potentially impacting our Q1 2022 guidance are contained in the Appendix of our earnings release.



# Priorities for 2022

- 1 Improve User Experience
- 2 Deepen Merchant Relationships
- 3 Achieve Organizational Efficiency