



# wish

## Q2 2023 Financial Results

August 3, 2023

# 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; expectations regarding strategic partnerships; expectations regarding merchant relationships, including merchant expansion and merchant commission structures; implementation and execution of business strategies, including turnaround and restructuring plans; logistics operations, including delivery times and shipping costs; merchandising efforts and related campaigns; our ability to execute on new strategic priorities, including enhancing consumer experience and engagement with new application and product features; NPS scores; user growth; implementation and execution of marketing and promotional strategies, including promotional events, ad spending, and rebrand efforts; the potential impact of our product initiatives; growth opportunities; quotations from management, and the anticipated return on our investments and their ability to drive future growth. 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; compliance with Nasdaq continued listing requirements; 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; material weaknesses in our internal control over financial reporting and the effectiveness of our internal controls generally; the continued services and retention of members of our senior management team and key talent; our ability to offer and promote our app on the Apple App Store and the Google Play Store; the risk of merchants on our platform using unethical or illegal business practices or if our policies and practices with respect to such sales are perceived or found to be inadequate; our ability to promote, maintain, and protect our brand and reputation; litigation matters; the ongoing COVID-19 pandemic; supply chain issues; general economic conditions, including the impact of inflation, higher interest rates, potential economic downturns; global conflicts, including the Russian invasion of Ukraine; 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 Quarterly Report on Form 10-Q for the quarter ended June 30, 2023. Wish assumes no obligation and does not intend to update these estimates prior to filing its Quarterly Report on Form 10-Q for the quarter ended June 30, 2023. The numbers for some of our metrics, including MAUs and LTM active buyers, are calculated and tracked with internal tools, which are not independently verified by any third party. We use these metrics to assess the growth and health of our overall business. While these numbers are based on what we believe to be reasonable estimates of our user or merchant base for the applicable period of measurement, there are inherent challenges in measurement as the methodologies used require significant judgment and may be susceptible to algorithm or other technical errors. In addition, we regularly review and adjust our processes for calculating metrics to improve their accuracy, and our estimates may change due to improvements or changes in technology or our methodology.

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



**Bargains**  
made fun

**Discovery**  
made easy



# Three pillars

The foundations for growth



Improving  
consumer  
experience



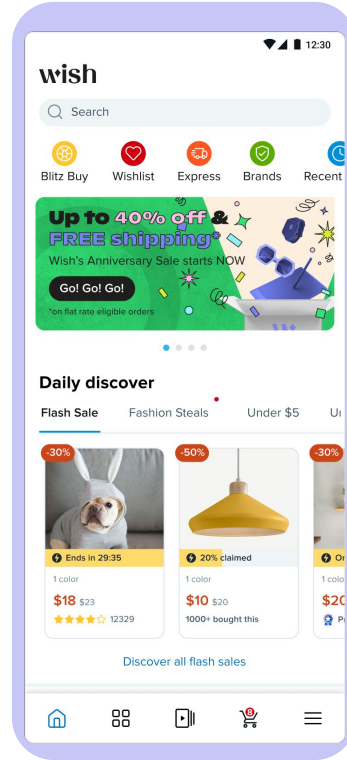
Deepening  
merchant  
relationships



Achieving  
operational  
excellence

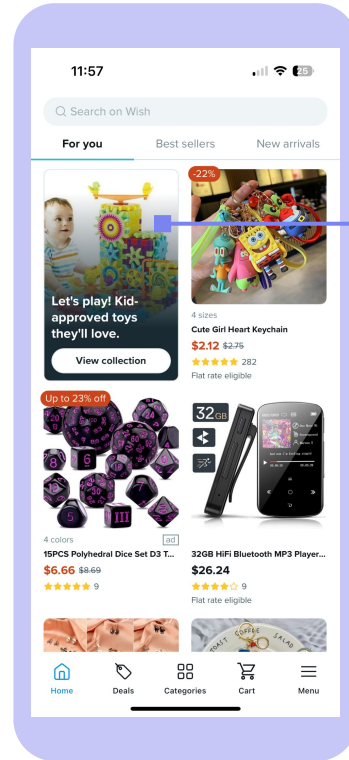
Improving  
consumer  
experience

# Free Shipping on Eligible Orders During Wish Anniversary

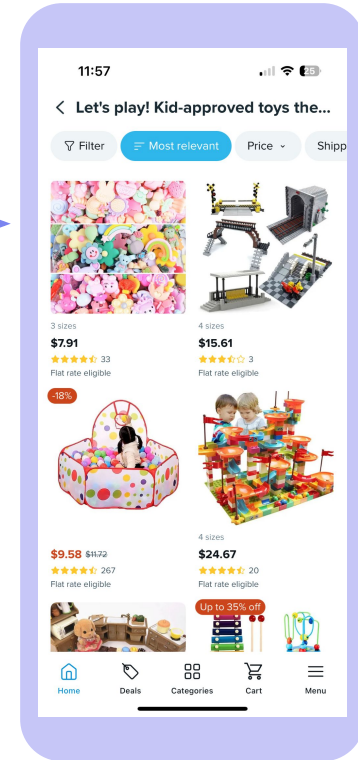


Improving  
consumer  
experience

Increased  
Scale of  
Product  
Collections



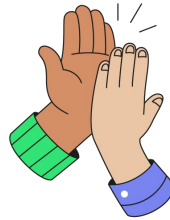
Landing Page



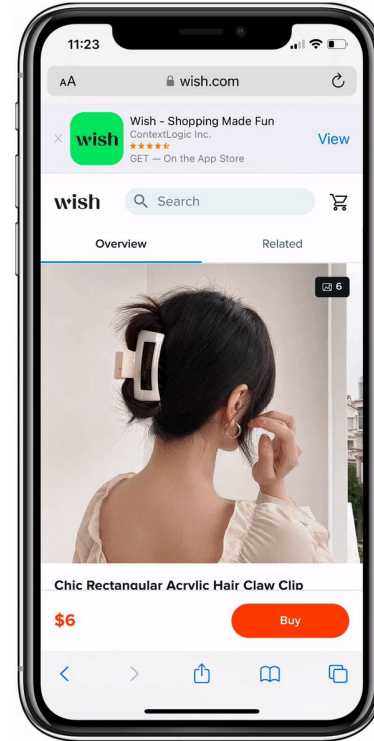
Collection Page

Improving  
consumer  
experience

## New Guest Experience



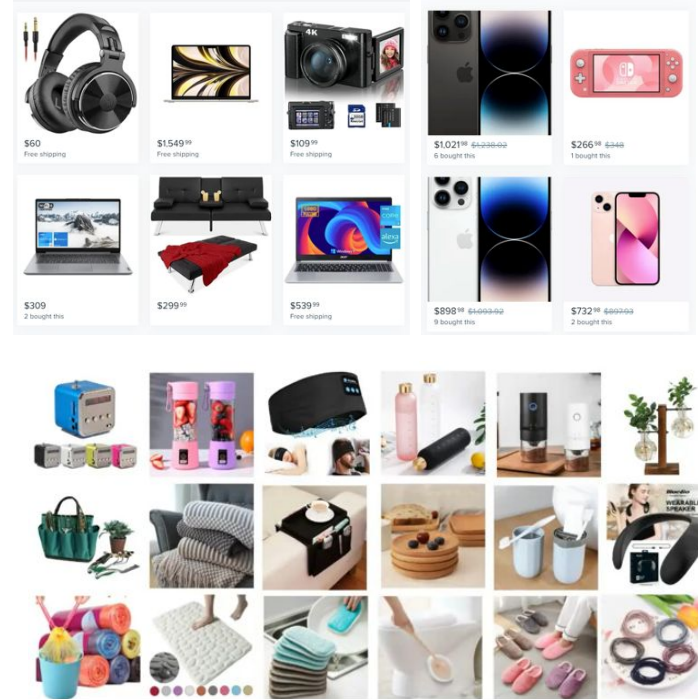
Reduces friction on the mobile web by launching a guest checkout to enable guests to discover products, add to cart and transact without having to sign-up or sign in



Deepening  
our merchant  
relationships

## Onboarded New Merchants

Include authorized resellers of refurbished consumer electronics products and brand owners in beauty, fashion, and licensed sports collectibles.





2 Deepening  
our merchant  
relationships

✦ **Formed  
Strategic  
Partnership  
with Rincos**

One of the leading logistics  
providers in South Korea

Streamline the shipping  
process for Korean  
merchants through the  
Wish platform



## Deepening our merchant relationships

# Launched Wish Anniversary Merchandising Event

Approximately 6,000 merchants participated in the event, enrolling over 360,000 product listings and 15,000 doorbuster deals.



## Achieving operational excellence



### On-time delivery rate

~91% in Q2'23 vs. ~92% in Q1'23



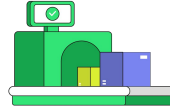
### TTD

On average 6-day y/y improvement in Q2'23



### Customer order cancellation

dropped ~47% y/y in Q2'23



### Refund rates

declined ~30% y/y in Q2'23



### Customer NPS

~28% y/y improvement in Q2'23



### Buyer conversion rate

improved by ~13% y/y in Q2'23



### Customer retention rate

improved by ~3% y/y in Q2'23


# Workforce reduction



Workforce reduction  
**~255 employees or ~34% of global workforce**

Non-recurring charges expected in Q3'23  
**~\$8.7 million**

Savings expected to be realized starting from Q4'23  
**\$43 million to \$46 million on an annualized basis**

A cluster of decorative sparkles in the bottom-left corner, including a large blue four-pointed star, a smaller blue four-pointed star, and two white four-pointed stars of varying sizes.

# Q2 2023 Financials

# Second quarter 2023 financial highlights

W

**\$78M**

Revenues

**(\$88M)**

Cash used in operating activities

**(\$80M)**

Net loss

**(\$91M)**

Free cash flow

**(\$66M)**

Adjusted EBITDA

**\$531M**

Cash, cash equiv., and market secs.

# Financial results and operational metrics

	Q2 2023	Q2 2022
	(in millions)	(in millions)
MAUs	12	23
LTM active buyers	10	20
Revenue	\$78	\$134
Gross profit	\$16	\$42
Gross margin	21%	31%
Operating expenses	\$99	\$133
Net loss	(\$80)	(\$90)
Adjusted EBITDA <sup>1</sup>	(\$66)	(\$58)
Cash used in operating activities	(\$88)	(\$67)
Free cash flow <sup>1</sup>	(\$91)	(\$67)



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

# Condensed consolidated balance sheets

	June 30, 2023	Dec 31, 2022
	(in millions)	(in millions)
Cash and cash equivalents	\$318	\$506
Marketable securities	\$213	\$213
Other current assets	\$34	\$58
<b>Total current assets</b>	<b>\$565</b>	<b>\$777</b>
Property and equipment, net	\$9	\$9
Other assets	\$10	\$13
<b>Total assets</b>	<b>\$584</b>	<b>\$799</b>
Accounts payable	\$36	\$53
Other current liabilities	\$200	\$256
<b>Total current liabilities</b>	<b>\$236</b>	<b>\$309</b>
Lease and other liabilities, non-current	\$11	\$13
<b>Total liabilities</b>	<b>\$247</b>	<b>\$322</b>
<b>Total stockholders' equity</b>	<b>\$337</b>	<b>\$477</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$584</b>	<b>\$799</b>





# Q3 2023 guidance

Expected revenue range:

**\$55M to \$65M**

Expected adjusted EBITDA range:

**(\$55M) to (\$65M)**

three months ended September 30, 2023

\*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 Q3 2023 guidance are contained in the Appendix of our earnings release. \$ in millions, except where noted.

The background is a solid green color. It is decorated with several stylized stars and crescent moons. The stars are in various colors: purple, pink, light blue, yellow, and light blue. The crescent moons are thin black lines. The stars have different shapes: some are four-pointed, some are six-pointed, and some are eight-pointed. The crescent moons are positioned in the top right and bottom left corners.

**Thank you**