



# Investor Presentation

January 2021



# Disclaimer / Safe Harbor

THE PURPOSE OF THIS PRESENTATION IS TO INTRODUCE YOU TO CONTEXTLOGIC INC. D/B/A WISH ("WISH", "WE" OR "OUR").

This presentation contains forward-looking statements that involve risks and uncertainties. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, and financial needs. All statements other than statements of historical facts contained in this presentation, including any statements regarding our expectations of the potential market opportunity, potential growth opportunities; effectiveness of our platform in attracting and engaging users and merchants; growth in mobile usage; our ability to expand our offerings; network effects to drive growth; our operating leverage and our ability to flex growth and margin; our ability to scale and effectively manage growth; the impact of COVID-19 on our business; and our financial performance and projections relating to our competitors and our industry, are forward-looking statements. The words "may," "will," "expect," "anticipate," "aim," "estimate," "intend," "plan," "believe," "is/are likely to," "potential," "continue" and other similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. The forward-looking statements in this presentation are only predictions and represent our views as of the date of this presentation. Although we believe the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. The forward-looking statements are subject to a number of risks, uncertainties, and assumptions, including, but not limited to: (i) our efforts to acquire new users and engage existing users; (ii) retaining the services of Peter Szulczewski, our founder, Chief Executive Officer, and Chairperson, or other members of our senior management team; (iii) maintaining a good relationship with platform providers; (iv) merchants using unethical or illegal business practices, including the sale of counterfeit or fraudulent products, or our policies and practices with respect to such sales being perceived or found to be inadequate; (v) our ability to compete effectively; (vi) the impact of the ongoing COVID-19 pandemic on our business and results of operations; (vii) economic tension between the United States and China, or between other countries; (viii) the impact of significant disruption in service on our platform or in our computer systems; and (ix) our involvement in litigation matters or other legal proceedings, which could be expensive and time consuming. 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 final prospectus filed with the SEC on December 17, 2020, and future reports that Wish may file with the SEC from time to time, which could cause actual results to vary from expectations.

Accordingly, readers are cautioned not to place undue reliance on these forward-looking statements. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise. No representations or warranties (expressed or implied) are made about the accuracy of any such forward-looking statements. We operate in a very competitive and rapidly changing environment.

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Certain information contained in this presentation and statements made orally during this presentation relate to or are based on estimates and information concerning our industry, including market position, market size, and growth rates of the markets in which we participate, that are based on industry publications and reports. This information involves a number of assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and reports. In addition, industry publications, studies and surveys generally state that they have been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. While we believe that each of these studies and publications is reliable, we have not independently verified market and industry data from third parties. Further, information contained in this presentation and statements made orally during this presentation also relate to or are based on our internal company research and commissioned studies and while we believe such internal company research and commissioned studies are reliable and the market definitions are appropriate, neither such research nor these definitions have been verified by any independent source. The industry in which we operate is subject to a high degree of uncertainty and risk due to variety of factors, including those described in Wish's filings with the SEC, including its final prospectus filed with the SEC on December 17, 2020, and future reports that Wish may file with the SEC from time to time. These and other factors could cause results to differ materially from those expressed in these publications, reports, and internal research and commissioned studies.

In addition to the U.S. GAAP financials, this presentation includes certain non-GAAP financial measures. The non-GAAP measures have limitations as analytical tools and you should not consider them in isolation or as a substitute for the most directly comparable financial measures prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. Other companies, including companies in our industry, may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison. We urge you to review the reconciliation of our non-GAAP financial measures to the most directly comparable GAAP financial measures set forth in the Appendix, and not to rely on any single financial measure to evaluate our business.



Our Mission

**Bring an affordable and entertaining  
mobile shopping experience to billions  
of consumers around the world.**



# Global marketplace underpinned by technology and data

**90%+**  
Mobile

**\$2.3B**  
LTM Revenue

**32%**  
YTD 2020 YoY Growth

**100M+**  
MAUs

**100+**  
Countries

More reach, more sales for merchants

**wish**

**#1**

Most downloaded  
shopping app  
2017-2019

**500K+**  
Merchants

More selection, more value for users

**640M+**  
Items Shipped

Note: Wish is the most downloaded app for each of the last 3 years. MAUs refer to Monthly Active Users. LTM revenue as of September 30, 2020. Over 90% of our user activity and purchases occur on our mobile app. 640M+ items shipped in the last twelve months ended September 30, 2020. Countries, Merchants, and MAU data as of September 30, 2020. Source: Sensor Tower, Analysis of store intelligence platform data, November 2019.

# Our merchants offer unbranded products at significant discounts to branded alternatives



VS



*Branded*

**\$173** ★★★★★  
3K Reviews

*Unbranded*

**\$85** ★★★★★  
14K Reviews



VS



*Branded*

**\$165** ★★★★★  
2K Reviews

*Unbranded*

**\$20** ★★★★★  
24K Reviews

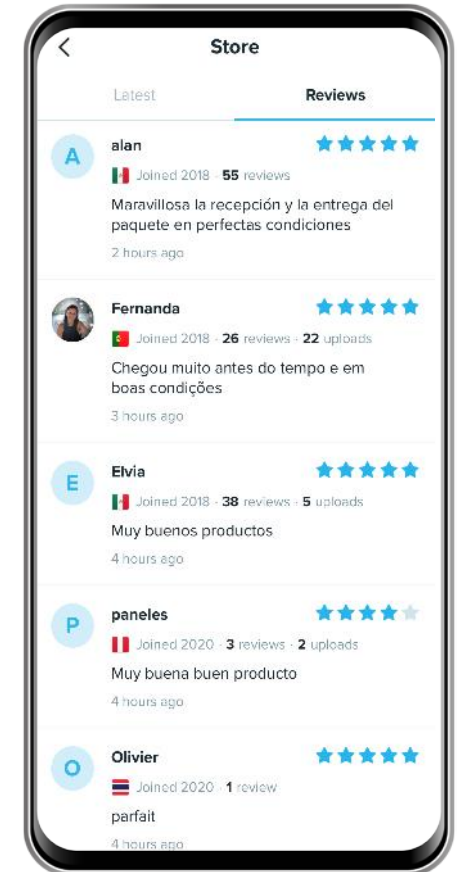
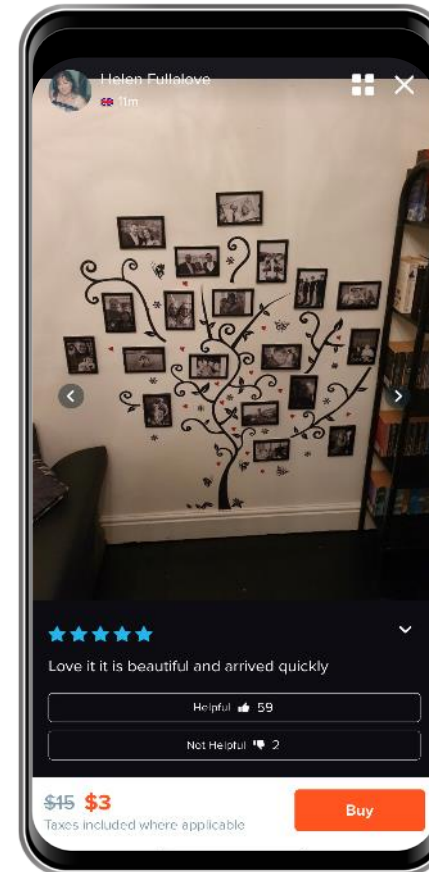
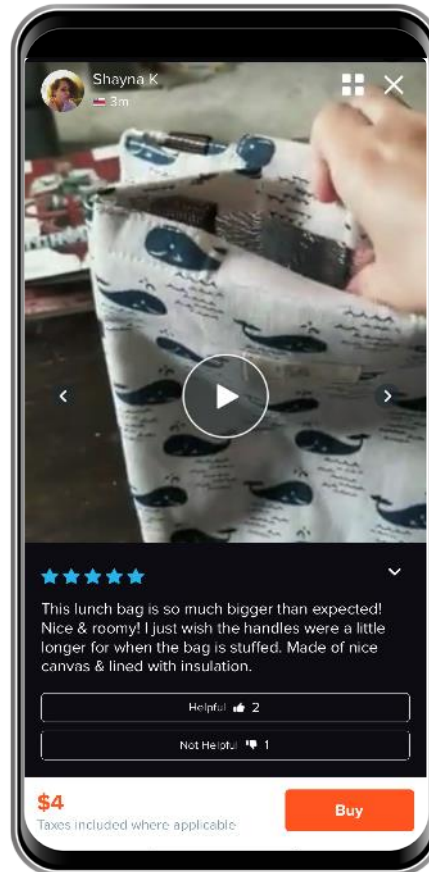
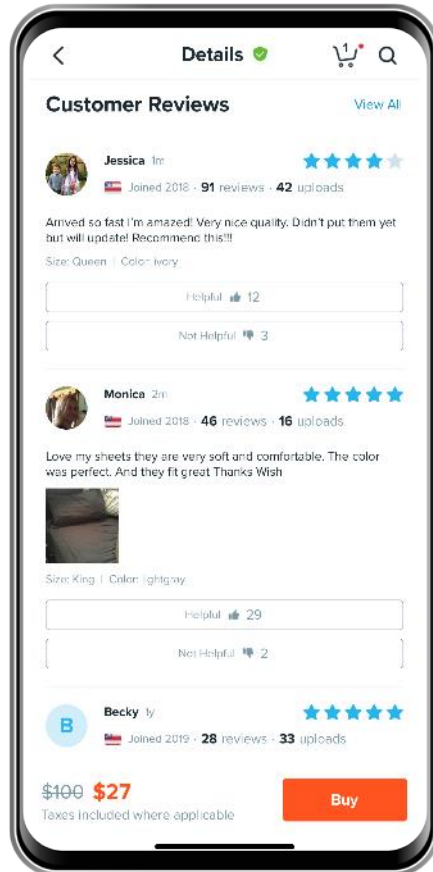
# User-Generated Content (UGC) serves as a source of trust and quality for our unbranded products

85M Product Ratings

1.9M Videos

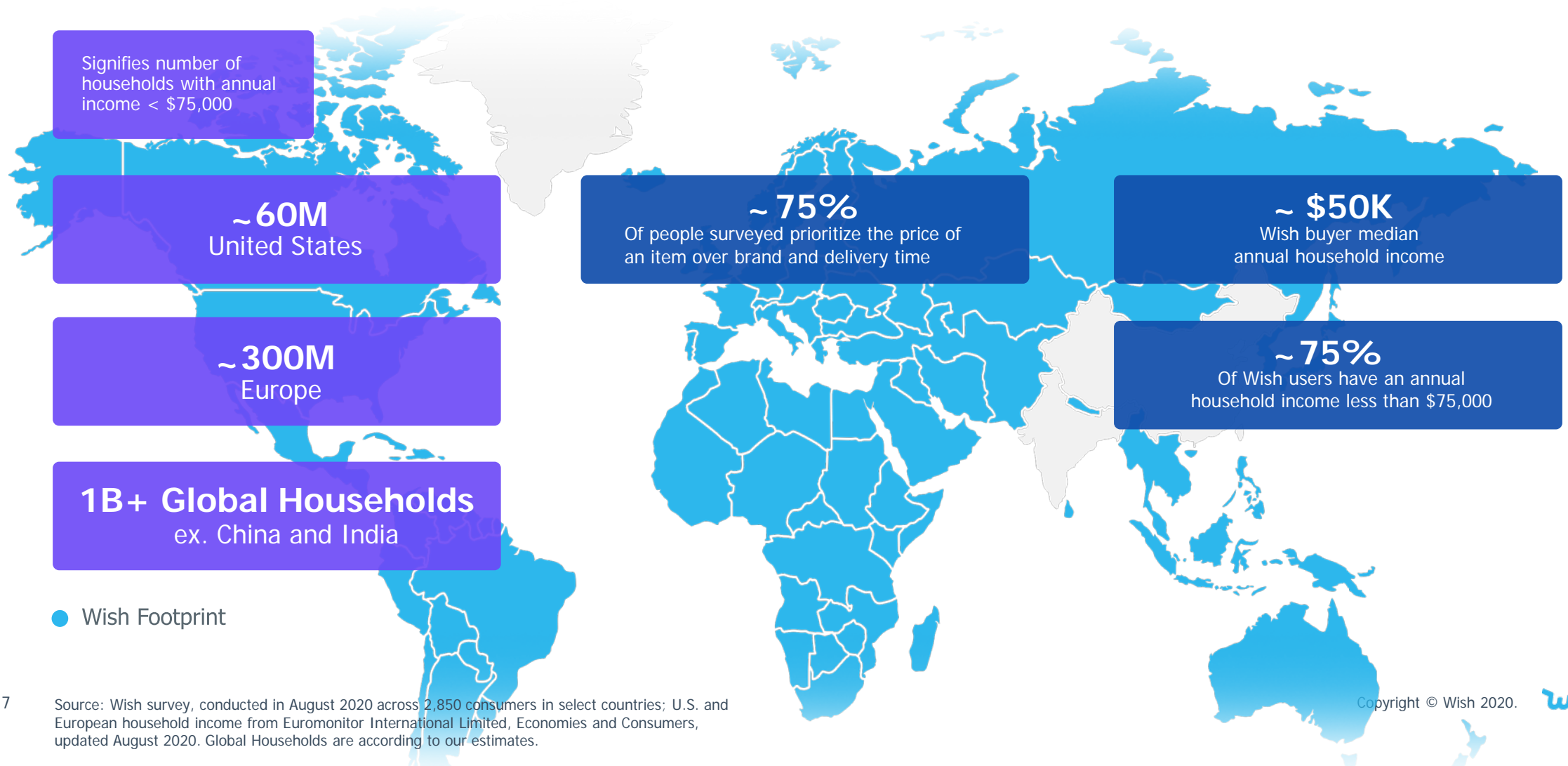
10.5M Images

72M Store Ratings



# Value-conscious consumers have been left behind by ecommerce

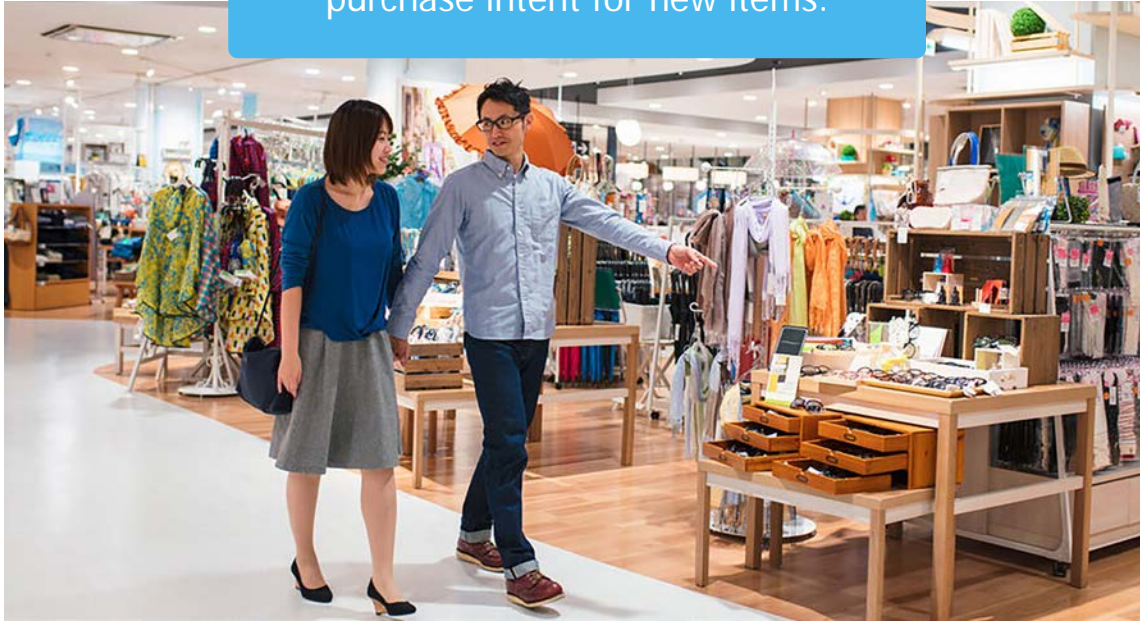
We believe the next billion ecommerce customers will be these value-conscious consumers.





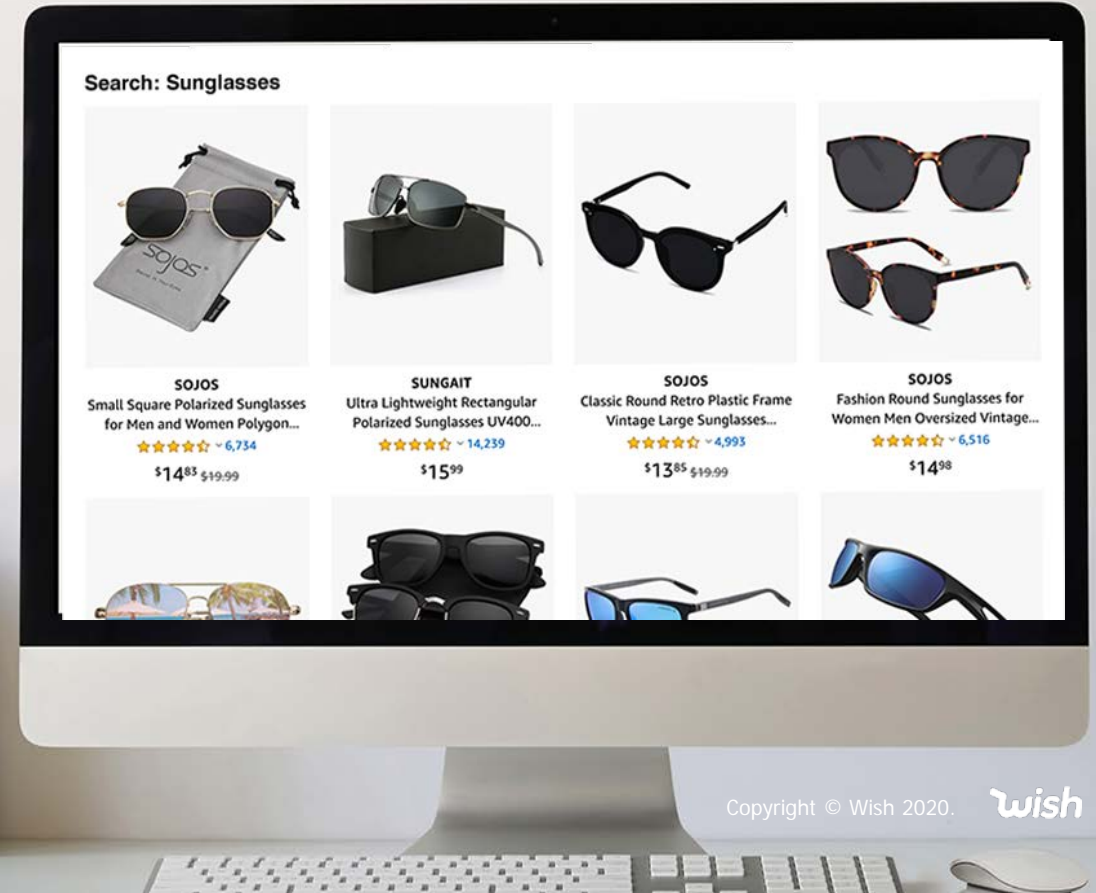
# Traditional ecommerce has not met evolving consumer behavior

Discovery-based shopping creates purchase intent for new items.



89% of women and 78% of men who visit physical stores frequently add additional items to their cart beyond their identified need

Search-driven ecommerce serves predetermined purchase intent for specific items.





# No two user feeds are the same



**Karla C.**

LOCATION

Bellflower,  
California

CUSTOMER SINCE

2017

PURCHASES LAST YEAR

40

FAVORITE CATEGORIES

Women's  
Fashion  
Makeup  
Beauty /  
Decor Home



**Israel V.**

LOCATION

Mexico City, Mexico

CUSTOMER SINCE

2016

PURCHASES LAST YEAR

46

FAVORITE CATEGORIES

Car  
Accessories  
Tools  
Electronics /  
Gadgets



**Susanne &  
Cristoffer**

LOCATION

Tierp, Sweden

CUSTOMER SINCE

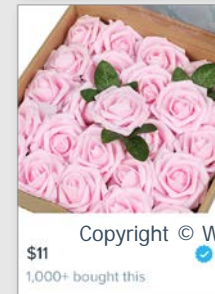
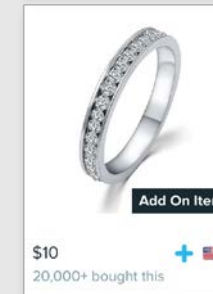
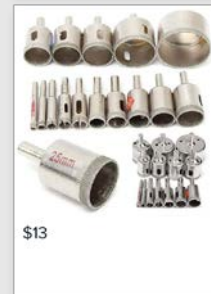
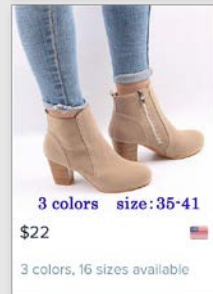
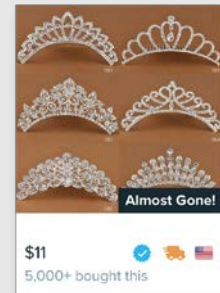
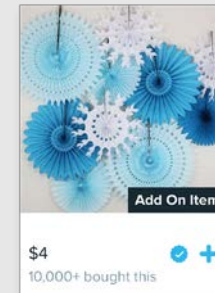
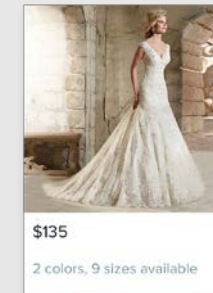
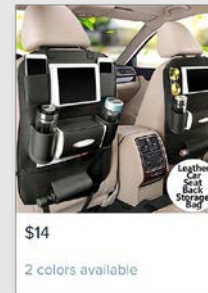
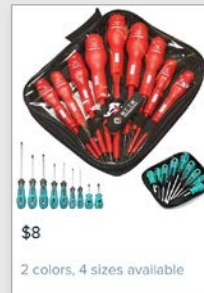
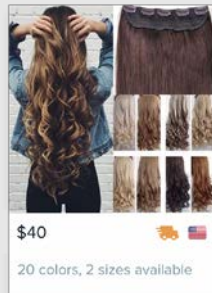
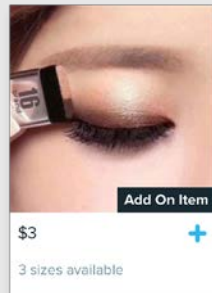
2019

PURCHASES LAST YEAR

63

FAVORITE CATEGORIES

Women's  
Fashion Home  
Decor Makeup  
/ Beauty




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wish

# We enable a discovery-based and entertaining shopping experience


- 500+ Distinct products seen per active user on a daily basis across multiple categories
- 70%+ Of the sales on our platform do not involve a search query
- 65%+ Of our users click on a product detail page from the main feed
- 9+ Minutes spent per day on the Wish platform



Brand Deal

\$80 \$38

10+ bought this




-95%

1000D 50 L


\$22 \$452

1,000+ bought this



\$34


1,000+ bought this



-72%


\$3 \$11

Based on your purchase




\$87 \$78

Inspired by your activity



-89%


\$41 \$399



30kg/2pcs

\$85


100+ bought this




-82%

\$18 \$100

100+ bought this



-66%




Free

Welcome to

## Blitz Buy

Once a day sale on extra discounted products!



Spin

100 10 20 50 75 ?

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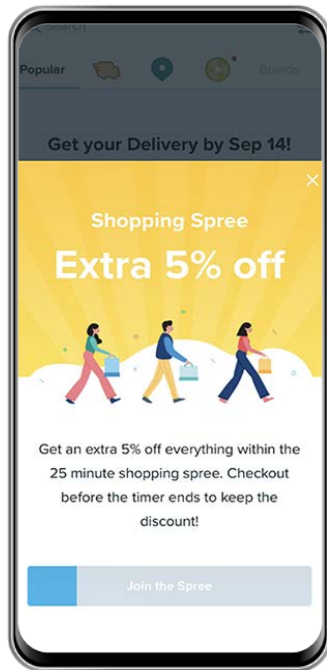
**wish**

SPIN to see your BONUS!

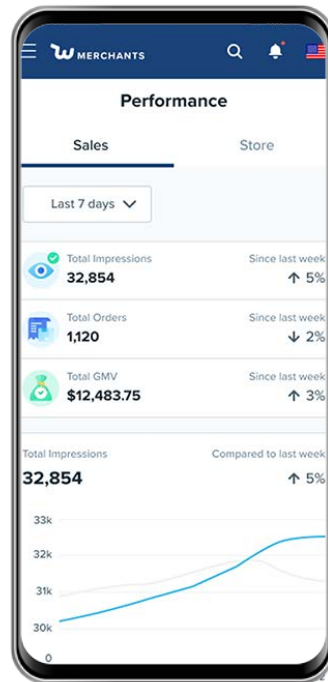


# Our comprehensive suite of indispensable merchant services

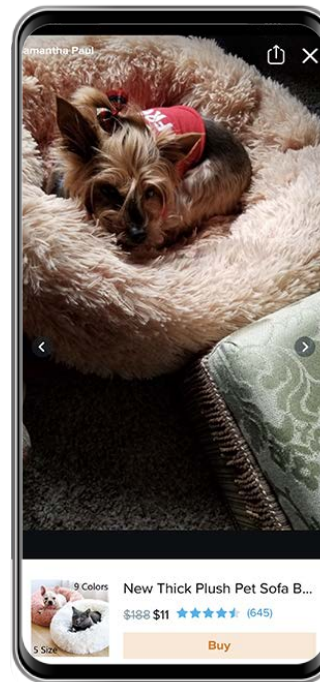
## Demand Generation



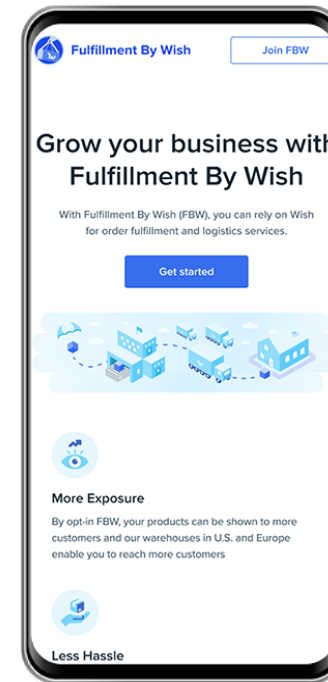
## Data Intelligence



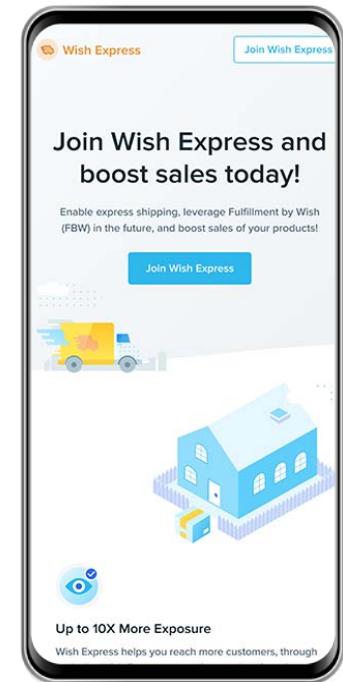
## UGC Creation



## Logistics



## Business Operations





# We enable merchants to amplify reach and sales through ProductBoost

**~ 30%** Of our merchants have used ProductBoost

**~ \$138M** ProductBoost YTD 2020 Revenue

## *Wish ProductBoost:*

- Pick products to promote
- Decide how much to spend and set budget
- Algorithmic-based model to accelerate product exposure



Electronics Merchant  
**VIP Outlet**

**34%** Increase AOV  
**484%** Increase in Impressions

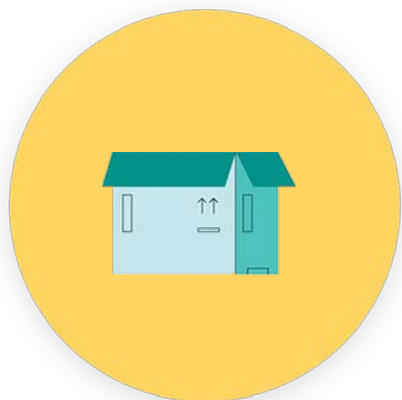


Family Brand Merchant  
**Keaworld**

**5x** Increase in Sales  
**69%** Increase in Impressions

# Our robust global logistics platform

Packages shipped through our proprietary logistics platform have grown substantially.  
Potential to extend logistics platform beyond core marketplace business.



## First Mile

Enables efficient first mile collection



## Bundling

Combines orders into one parcel



## Transportation

Partners with logistics vendors; optimizes pricing and service level



## Warehousing

Connects to a network of warehouse partners



## Last Mile

Enables dropship, last mile delivery and fulfillment in local stores

**Wish Logistics Services**

WishPost | Bundling | A+ | Fulfillment by Wish | Fulfillment by Store



Digital presence for  
brick-and-mortar  
stores in 50 countries

The largest home-sharing company  
does not own any real estate

The largest ridesharing company  
does not own any cars

---

Perhaps the biggest retailer  
does not need to own any stores

---

#### Store Benefits

- Digital storefront
- Online reach and discovery
- Increased foot traffic and sales

#### Benefits

- Local warehousing without owning any real estate
- Cost-effective fulfillment

#### Consumer Benefits

- Product verification
- Faster pick-up
- More savings



# Data science at scale is a unique advantage and core to our business

**100M+**  
MAUs

## User Data, History and Context

Location, Age and Gender, Items Viewed, Device Type

**150M+**  
Items Listed

## Activity-Based Data

Clicks and Scrolls, Impressions, User of Features, Search History, Daily Items Sold

**500K+**  
Merchants

## Merchant Data

Performance, Refund Rates

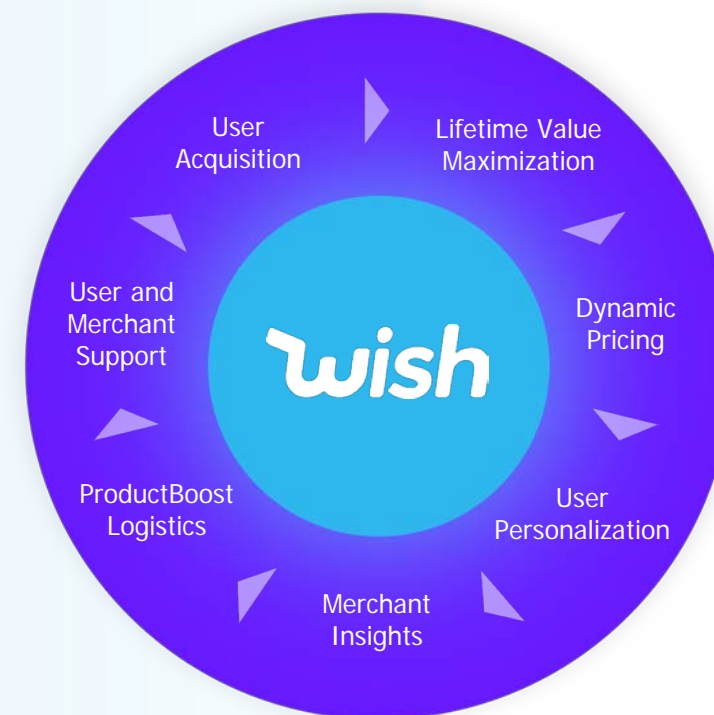
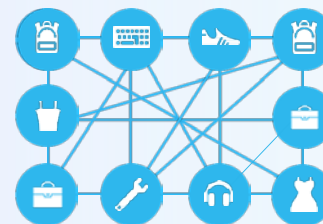
**640M+**  
Items Shipped

## Logistics Data

Shipping Times, Shipping Carriers, Wish Local, Foot Traffic

## Product Data, History and Context

Ratings, Videos, Photos



**Vast Data Repository and Types of Data**

**Organization**

**Personalization**

**Data Driven Decisions**

# We have an extensible platform with significant avenues for growth



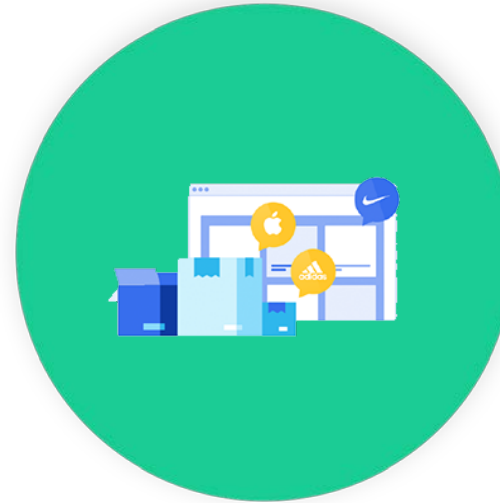
## Grow Users

- Acquire New Users
- Drive User Conversion
- Drive Profitable LTV
- Expand Geographically



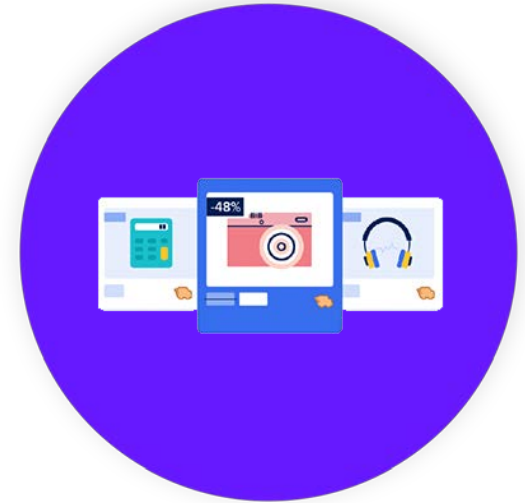
## Grow Merchants

- Diversify Merchant Base
- Expand Product Categories



## Expand Offering

- Broaden Merchant Services
- Expand Logistics Platform
- Grow Wish Local Offering



## Expand Platform

- Monetize Brick-and-Mortar Stores
- Add New Product Categories
- Expand to New Advertising Partners
- Grow First-Party Sales
- Open Commerce Platform to Additional Businesses

## Key financial highlights



**Extensible platform driving diversification of revenue**



**Powerful combination of global scale and growth**



**Significant operating leverage with ability to flex growth and margin daily**



**Attractive unit economics underpinned by data-driven user acquisition and engagement**

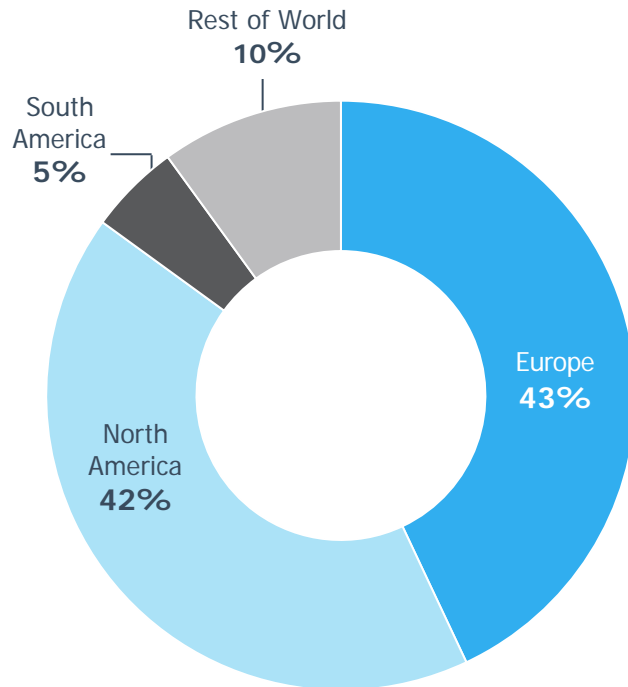


**Highly capital efficient model with \$1B+ of cash on balance sheet**

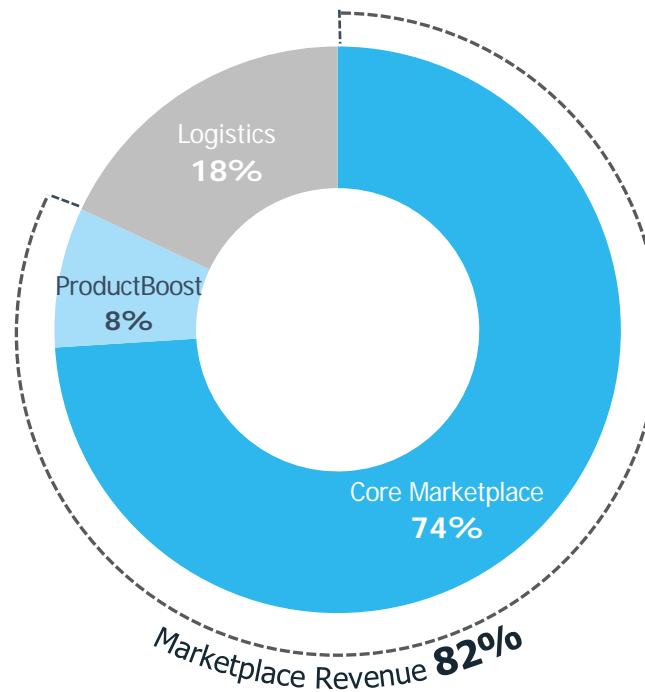


# Extensible platform driving diversification of revenue

## Revenue by Geography



## Revenue by Service



## Mix of Services

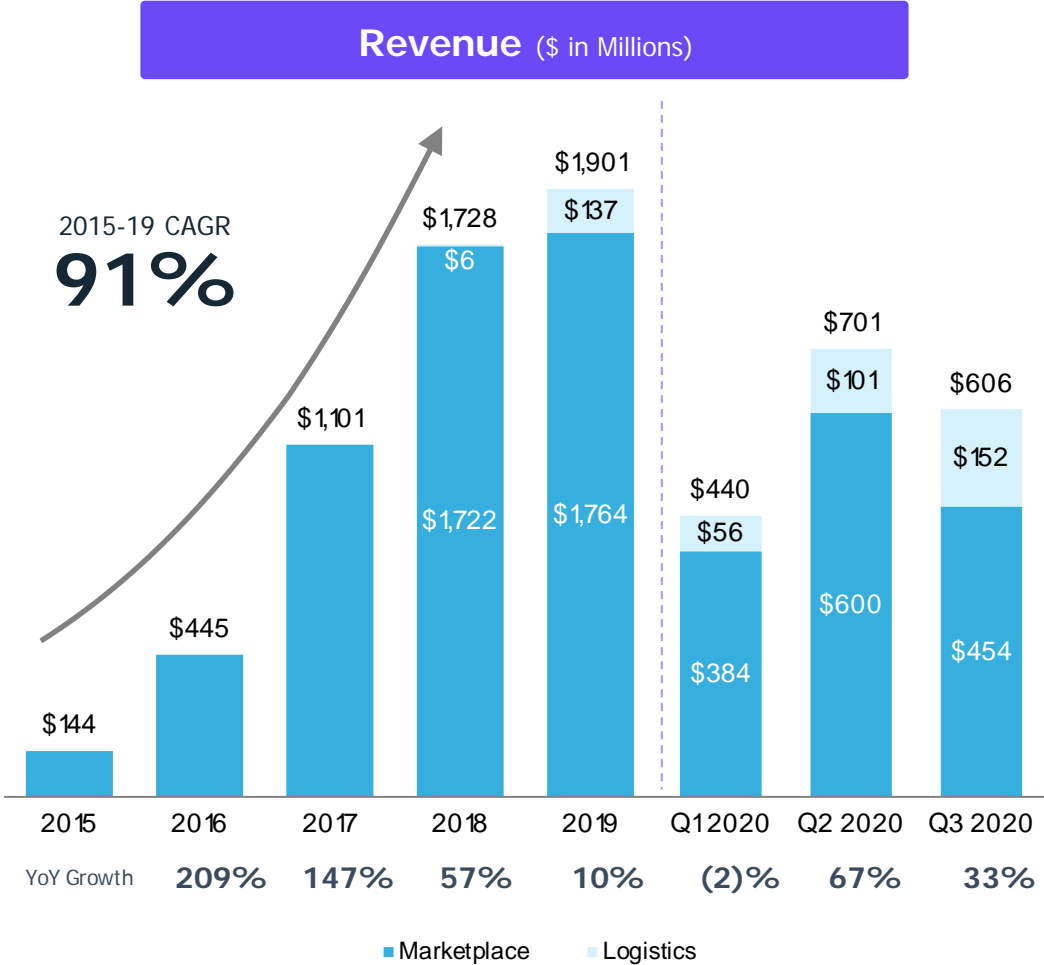
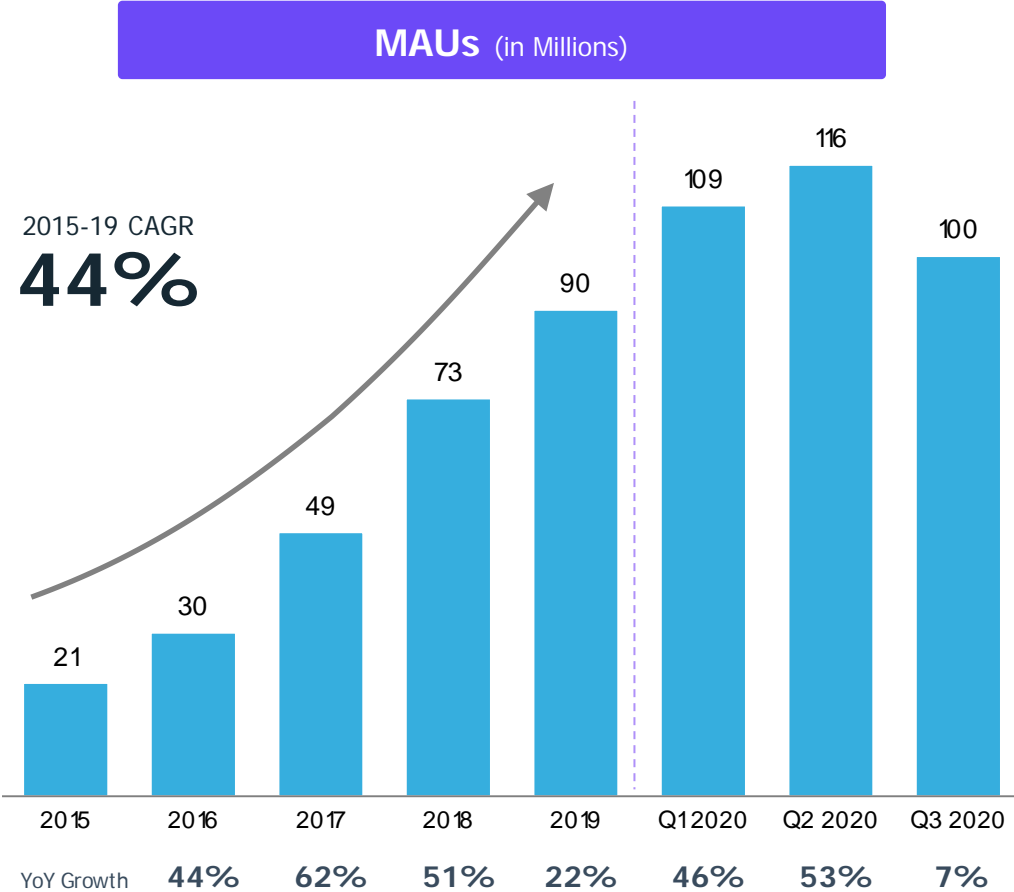
### Marketplace Revenue

- Core Marketplace Revenue
  - Commission Revenue
  - Dynamic Pricing
- ProductBoost Revenue
  - Revenue from native advertising tool

### Logistics Revenue

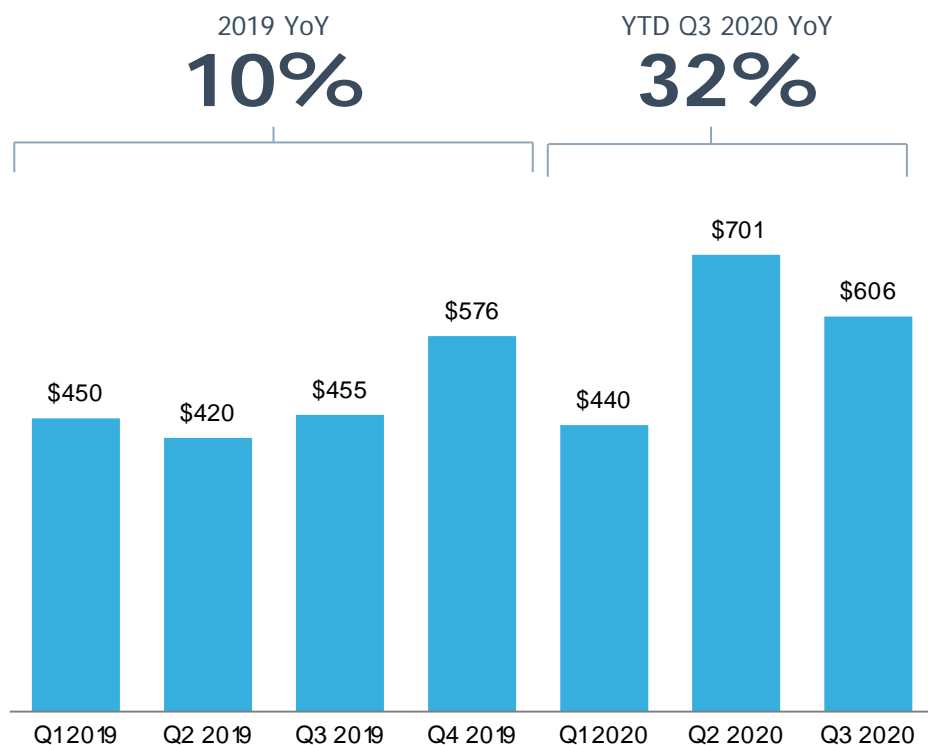
- Revenue from cross-border logistics solutions for merchants

# Powerful combination of global scale and growth

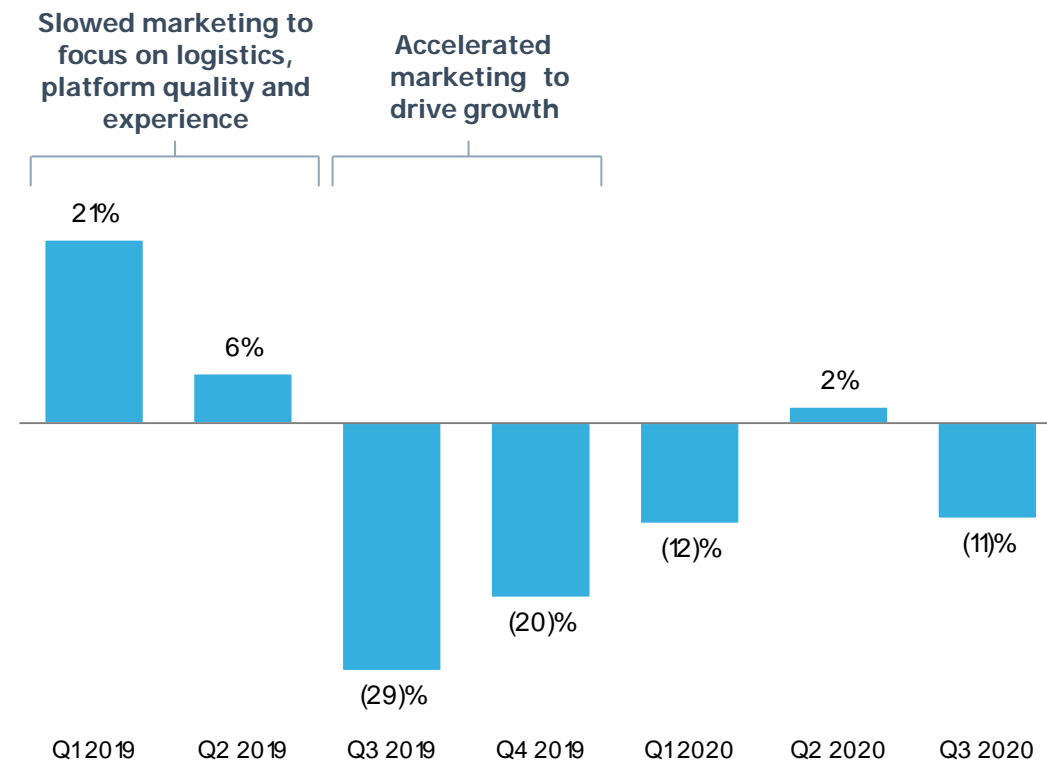


# Normalizing growth following an investment year in 2019 and COVID impact in H1 2020

## Quarterly Revenue (\$ in Millions)



## Quarterly Adjusted EBITDA Margin



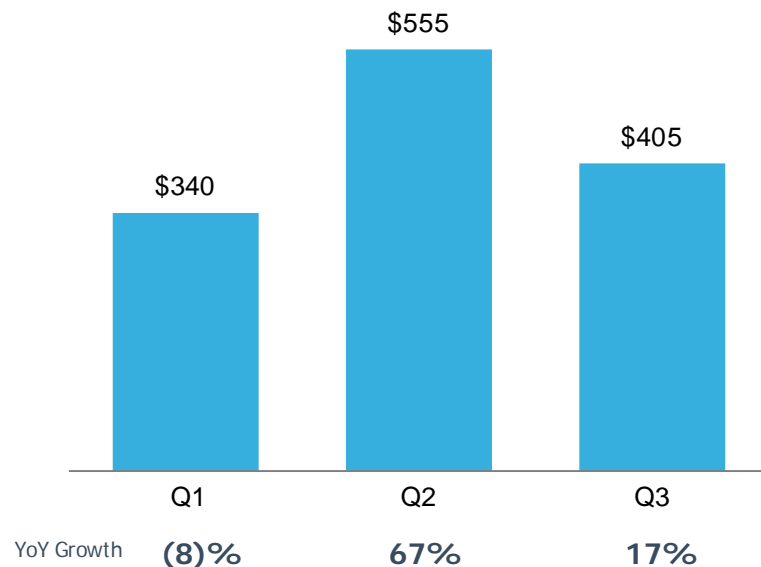
■ Adj. EBITDA Margin



# Unpacking the impact of COVID-19 in 2020 YTD

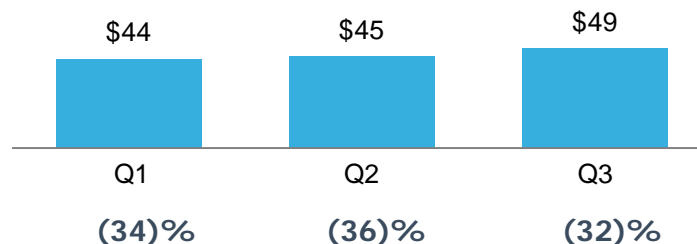
## Marketplace Revenue (\$ in Millions)

### Core Marketplace



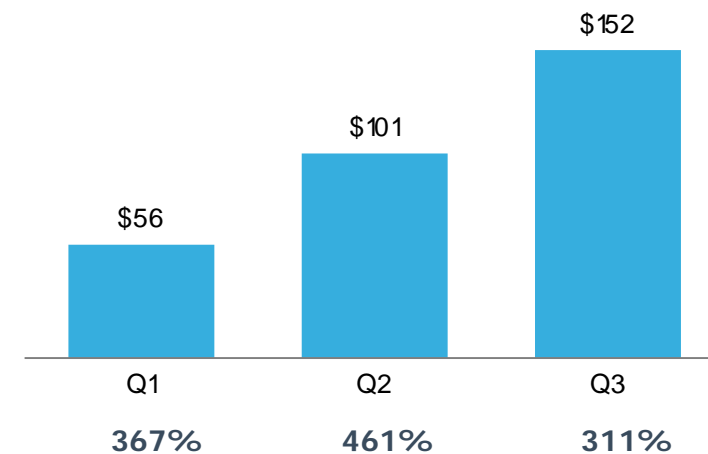
- **Q1** – Impacted by Manufacturing and Supply Chain Disruption in China
- **Q2** – COVID-Related Logistics Disruption Offset by Increase in Demand
- **Q3** – Impact from Logistics Disruption in Q2 and Early Q3

### ProductBoost



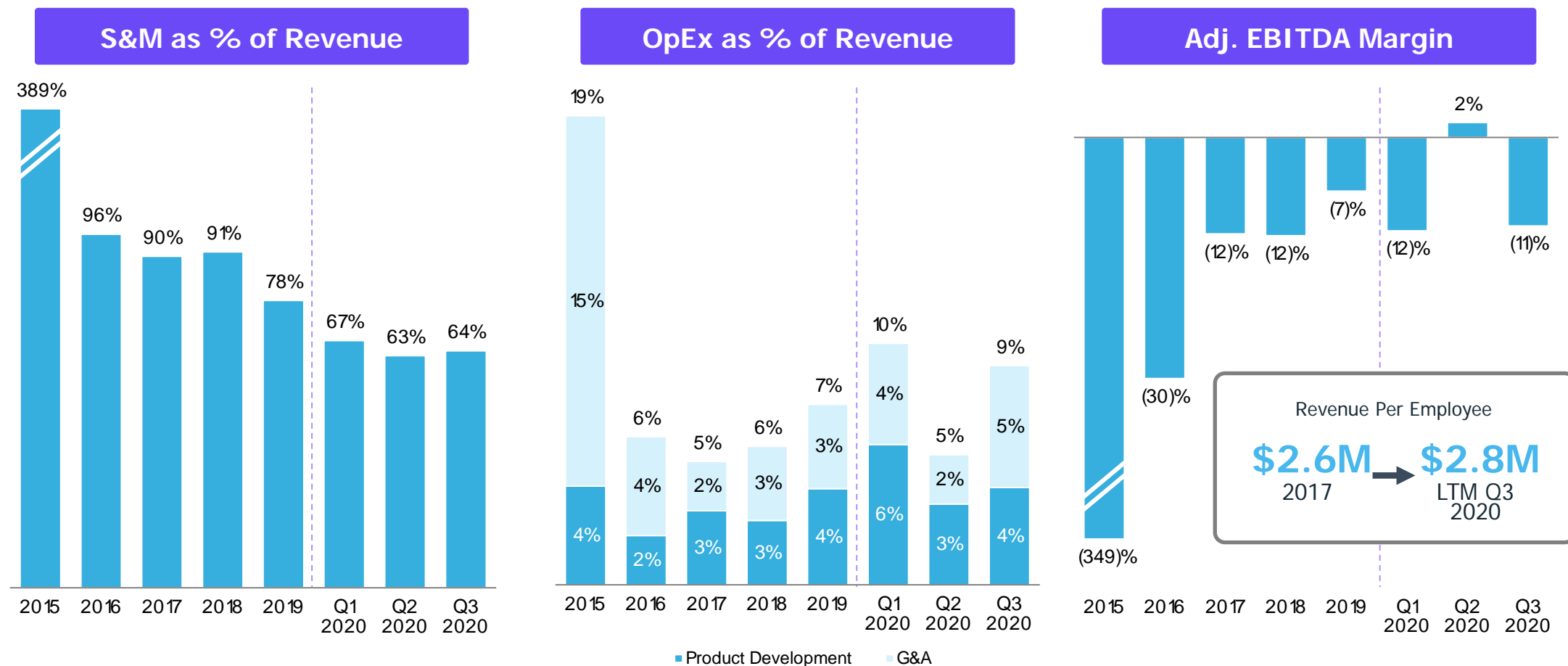
- **Q1** – Business Activity Shutdown in China
- **Q2** – Surge in Consumer Demand
- **Q3** – Gradual Recovery

## Logistics Revenue (\$ in Millions)



- Continued Expansion Throughout 2020
- Improving “Time-to-Door”
- Refund Rate Down by 30%+ Between March and September

# Significant operating leverage with ability to flex growth and margin daily



# Increasing portion of revenue is from existing buyers

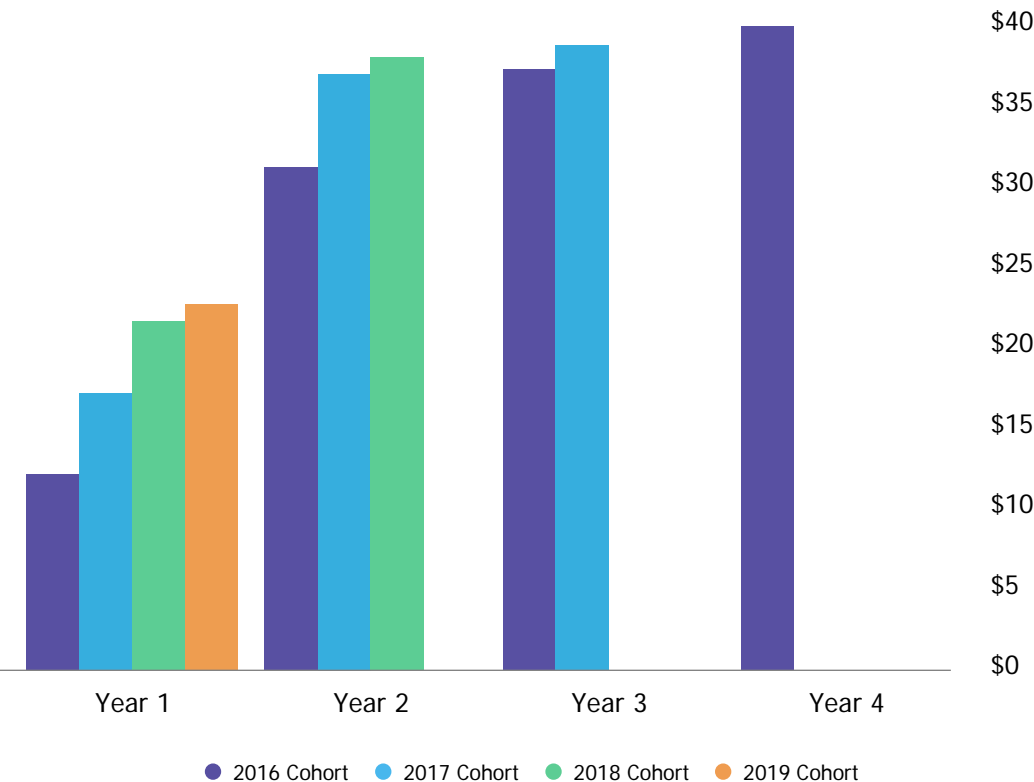


● LTM Revenue from Existing Buyers

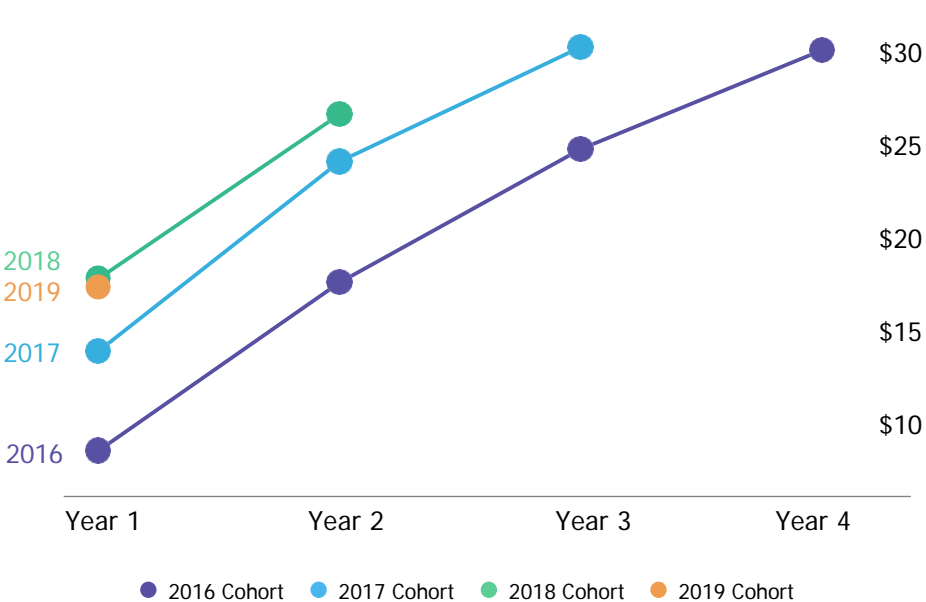
● LTM Revenue from New Buyers

# Data-driven user acquisition and engagement strategies to maximize ROI, LTV, and conversion

Average Revenue Per Active Buyer by Cohort



Cumulative Lifetime Value Per Buyer by Cohort

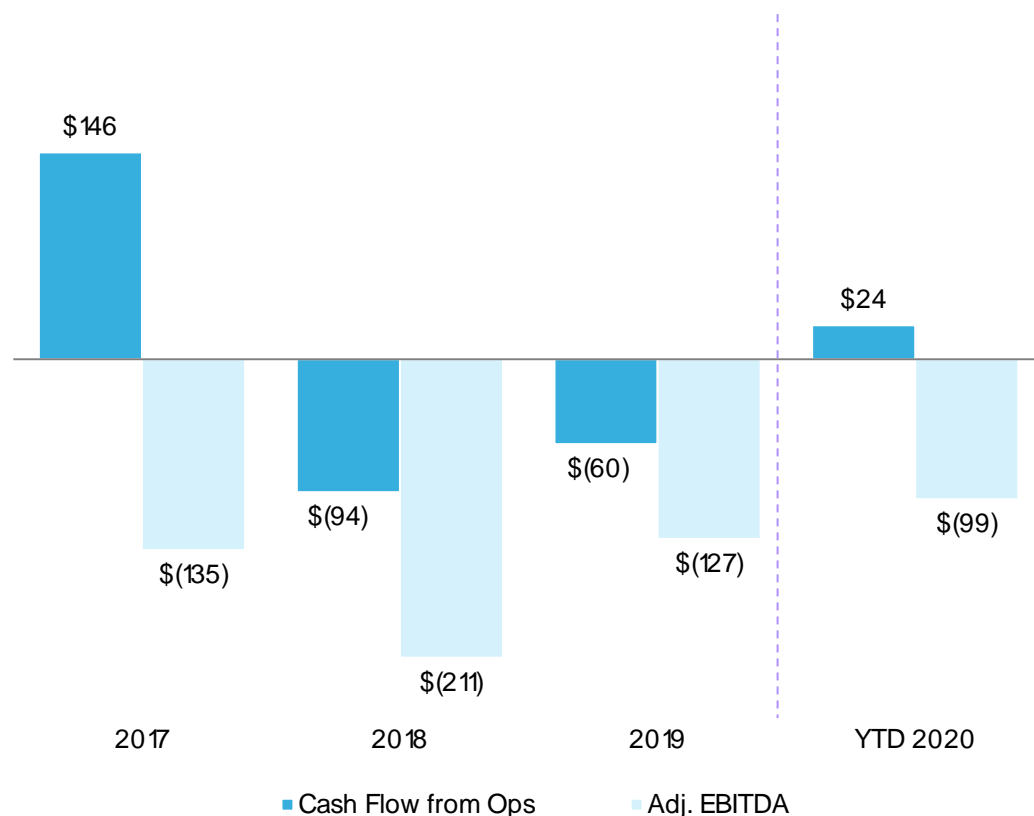


CAC payback period is under 2 years for all cohorts since 2016

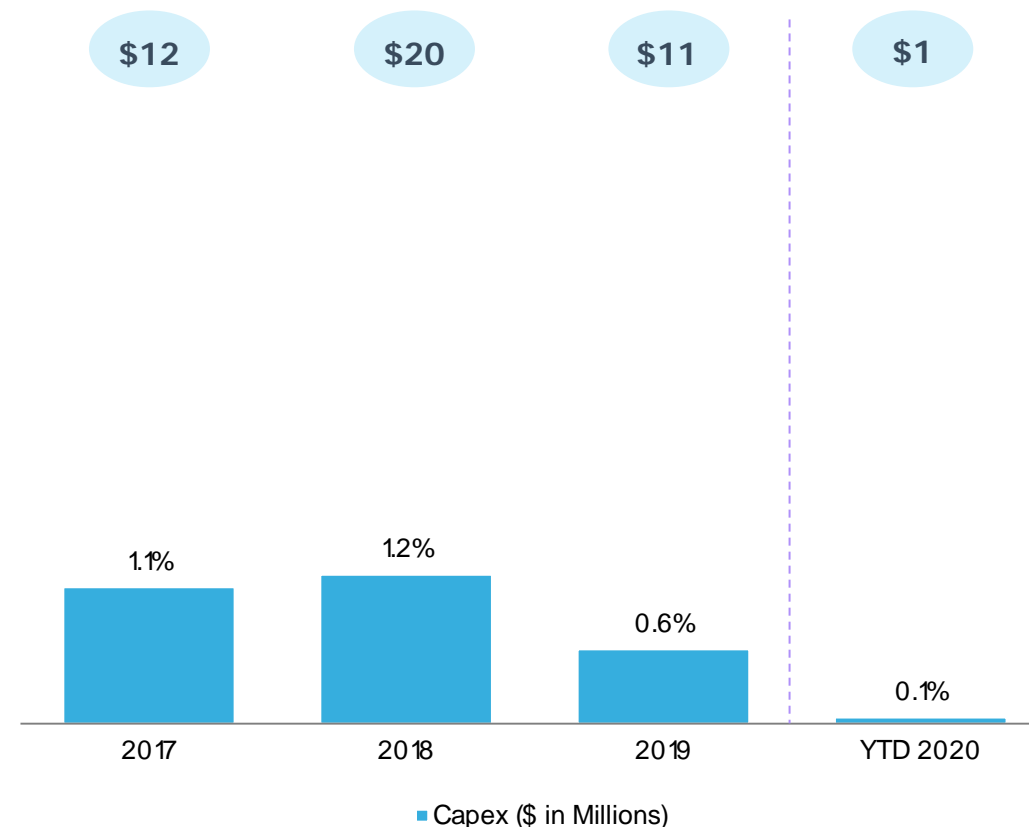


# Highly capital efficient model with \$1B+ of cash on balance sheet

Cash from Ops and Adj. EBITDA (\$ in Millions)



Capex as % of Revenue



# Our financial model priorities



Increase Scale and Grow User Base

Increase Lifetime Value of Users

Diversify Merchant Base and Product Categories

Innovate and Expand Wish Platform



Leverage Scale of Business and Manage Costs

Invest in Sales and Marketing Engine

# Appendix

## GAAP to non-GAAP reconciliations

(\$in millions)	2015	2016	2017	2018	2019
Net loss	\$ (537)	\$ (151)	\$ (207)	\$ (208)	\$ (129)
Excluding					
Interest and other income (expense), net	\$ 5	\$ 5	\$ (10)	\$ (15)	\$ (19)
Provision for income taxes	-	-	-	-	1
Depreciation and amortization	1	2	4	8	10
Stock-based compensation expense	19	7	8	2	2
Remeasurement of redeemable convertible preferred stock warrant liabilities	10	5	70	-	3
Recurring other income items	-	-	-	2	5
Adjusted EBITDA	\$ (502)	\$ (132)	\$ (135)	\$ (211)	\$ (127)



## GAAP to non-GAAP reconciliations (cont'd)

(\$ in Millions)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Net loss	\$ 87	\$ 42	\$ (134)	\$ (124)	\$ (66)	\$ (11)	\$ (99)
Excluding							
Interest and other income (expense), net	\$ (5)	\$ (8)	\$ (3)	\$ (3)	\$ (3)	\$ (5)	\$ 8
Provision for income taxes	-	-	-	1	-	-	1
Depreciation and amortization	2	3	2	3	2	3	4
Stock-based compensation expense	-	2	-	-	-	-	9
Remeasurement of redeemable convertible preferred stock warrant liabilities	10	(17)	4	6	15	28	12
Recurring other income items	1	2	1	1	1	1	1
Adjusted EBITDA	\$ 95	\$ 24	\$ (130)	\$ (116)	\$ (51)	\$ 16	\$ (64)