



## Wish Reverse Stock Split FAQs

On April 11, 2023, ContextLogic, Inc. (d/b/a/ Wish or the “Company”) announced that its Board of Directors (the “Board”) unanimously approved a reverse stock split of the Company’s common stock at a ratio of 1-for-30 following the Annual Meeting on April 10, 2023. The reverse stock split is expected to take effect at market open on April 12, 2023 (the “Effective Date”), and the Company’s common stock is expected to begin trading on a post-reverse stock split basis beginning on April 12, 2023.

### What is a reverse stock split? What happens to my shares?

- A reverse stock split exchanges a fixed number of existing shares for a smaller number of newer shares, resulting in the new shares having a higher price.
- At a ratio of 1-for-30, every thirty shares of Wish’s common stock will automatically convert into one share of common stock and the stock price will initially increase proportionately.
- No fractional shares will be issued in connection with the reverse stock split; instead, any fractional shares held by stockholders will be rounded up to the nearest whole share.
- For example, if you held 300 shares before the reverse stock split, you would hold ten shares after the reverse stock split becomes effective. If you held 302 shares before the reverse stock split, you would hold eleven shares after the reverse stock split becomes effective as a post-reverse split fractional share will be rounded up to a whole share.

### Why did Wish implement a reverse stock split?

- Meet Nasdaq Continued Listing Requirements
  - On October 28, 2022, the Company received written notice (the “Notice”) from The Nasdaq Stock Market LLC (“Nasdaq”) notifying the Company that, for the previous 30 consecutive business days, the bid price for our common stock had closed below the \$1.00 per share minimum bid price requirement for continued inclusion on the Nasdaq Global Select Market pursuant to Nasdaq Listing Rule 5450(a) (1) (the “Minimum Bid Price Requirement”). The Notice had no immediate effect on the listing of our common stock, which continues to trade on the Nasdaq Global Select Market under the symbol “WISH”.
  - In accordance with Nasdaq Listing Rule 5810(c)(3)(A), we have a period of 180 calendar days, or until April 26, 2023, to regain compliance with the Minimum Bid Price Requirement. To regain compliance, the closing bid price of our common

stock must be at least \$1.00 per share for a minimum of 10 consecutive business days during the 180-day period or prior to April 26, 2023.

- If we do not regain compliance by April 26, 2023, we may qualify for an additional 180 calendar day compliance period if we transfer the listing of our common stock to the Nasdaq Capital Market and meet certain requirements. If we do not qualify for, or fail to regain, compliance during the second compliance period, then Nasdaq will notify us of its determination to delist our common stock, at which point the Company may appeal Nasdaq's delisting determination to a Nasdaq Listing Qualifications Hearings Panel.
- Our Board of Directors has considered the potential harm to us of a delisting of our common stock and has determined that, if our common stock continues to trade below \$1.00 per share, the consummation of the Reverse Stock Split is the best way to maintain liquidity by achieving compliance with the Minimum Bid Price Requirement.
- Increase Marketability of Existing Share
  - Our Board of Directors also believes that the current low per share market price of our common stock has a negative effect on the marketability of our existing shares. Our Board of Directors believes there are several reasons for this effect.
    - First, certain institutional investors have internal policies preventing the purchase of low-priced stocks.
    - Second, a variety of policies and practices of broker-dealers discourage individual brokers within those firms from dealing in low-priced stocks.
    - Third, because the brokers' commissions on low-priced stocks generally represent a higher percentage of the stock price than commissions on higher priced stocks, the current share price of the common stock can result in individual stockholders paying transaction costs (commissions, markups or markdowns) that are a higher percentage of their total share value than would be the case if the share price of our common stock were substantially higher. This factor is also believed to limit the willingness of some institutions to purchase our common stock. Our Board of Directors anticipates that a Reverse Stock Split will result in a higher bid price for our common stock, which may help to alleviate some of these problems.

#### **When will the reverse stock split become effective?**

- The reverse stock split is expected to begin trading on a post-reverse stock split basis beginning on April 12, 2023.

#### **How many shares did I get in Wish's reverse stock split?**

- In the one-for-thirty reverse stock split, each shareholder of Wish common stock will receive one new share in exchange for every thirty shares he/she held as of April 11, 2023. For example, if prior to the reverse stock split, you hold 300 shares of Wish

common stock, you will receive 10 shares after the one-for-thirty reverse stock split in exchange for your 300 shares that you owned previously.

**How are fractional shares treated in the reverse stock split?**

- No fractional shares will be issued. Instead, all fractional shares as a result of the reverse stock split will be rounded up to a whole share.
- For example, if prior to the reverse stock split, you hold 302 shares of Wish common stock, you will receive 11 shares after the one-for-thirty reverse stock split in exchange for your 302 shares that you owned previously.

**Will this action affect the value of my investment?**

- With a reverse stock split, a shareholder has fewer but higher priced shares, keeping the total investment the same when the market opens on the date the reverse stock split becomes effective, subject to the elimination of fractional shares. Absent other factors, upon effectiveness of the one-for-thirty reverse stock split, the market price of each share of Wish common stock should increase by a multiple of thirty.

**Did the reverse stock split change my percentage ownership or voting power?**

- The reverse stock split affected all the Company's common stockholders uniformly and did not affect any common stockholder's percentage ownership interest or proportionate voting power, except for de minimis changes resulting from the rounding up of post-reverse split fractional shares to a whole share.

**What do I do with the shares of Wish common stock that I own?**

- You do not need to take any action to effect the exchange of your shares. Your broker will exchange the shares for you and the number of shares you own after the reverse stock split should be reflected in your account.

**Will the post reverse stock split shares continue to trade on the exchange where Wish's common stock was listed prior to the reverse stock split?**

- The Company's common stock will continue to trade on the Nasdaq Stock Exchange under the symbol "WISH."

**How do I adjust the cost basis to reflect the reverse stock split?**

- Upon the Effective Date, every thirty shares of Wish's common stock will automatically convert to one share of common stock. As a result, stockholders must allocate the aggregate tax basis in their shares held immediately prior to the reverse stock split among the shares held immediately after the reverse stock split.

- For example, if prior to the reverse stock split, you hold 302 shares of Wish common stock with a cost basis of \$5 per share (total cost of  $302 * \$5 = \$1,510$ ), you will receive 11 shares after the one-for-thirty reverse stock split which will have a cost basis of \$137.27 per share (total cost of  $11 * \$137.27 = \$1,510$ ).
- Stockholders' holding period for its stock after the reverse stock split will include the holding period of the corresponding stock before the reverse stock split.
- As individual taxpayers' circumstances may vary, stockholders should consult their own tax advisors on the effect of allocating basis and holding period carryover for their post-reverse stock split shares.

**Did Wish's CUSIP number change?**

- Yes. Wish's common stock began trading on a new CUSIP number (21077C 305) effective on April 12, 2023.

**When will the reverse stock split be reflected in my brokerage or AST account?**

- You should see your shares on a post-split basis in your AST account no later than April 18, 2023.
- Please contact your broker for more information regarding when the split will be reflected in your account.

**Who should I contact if I have additional questions about my shares?**

- If you have questions about the reverse stock split, shareowner records, stock transfers, stock certificates or other stock-related inquiries, please contact the transfer agent and registrar for Wish common stock - American Stock Transfer & Trust Company, LLC.

American Stock Transfer & Trust Company, LLC  
6201 15th Avenue  
Brooklyn, NY 11219  
(877) 248-6417 or (718) 921-8317

- If you have any other questions related to Wish, please contact the Investor Relations team at [ir@wish.com](mailto:ir@wish.com).