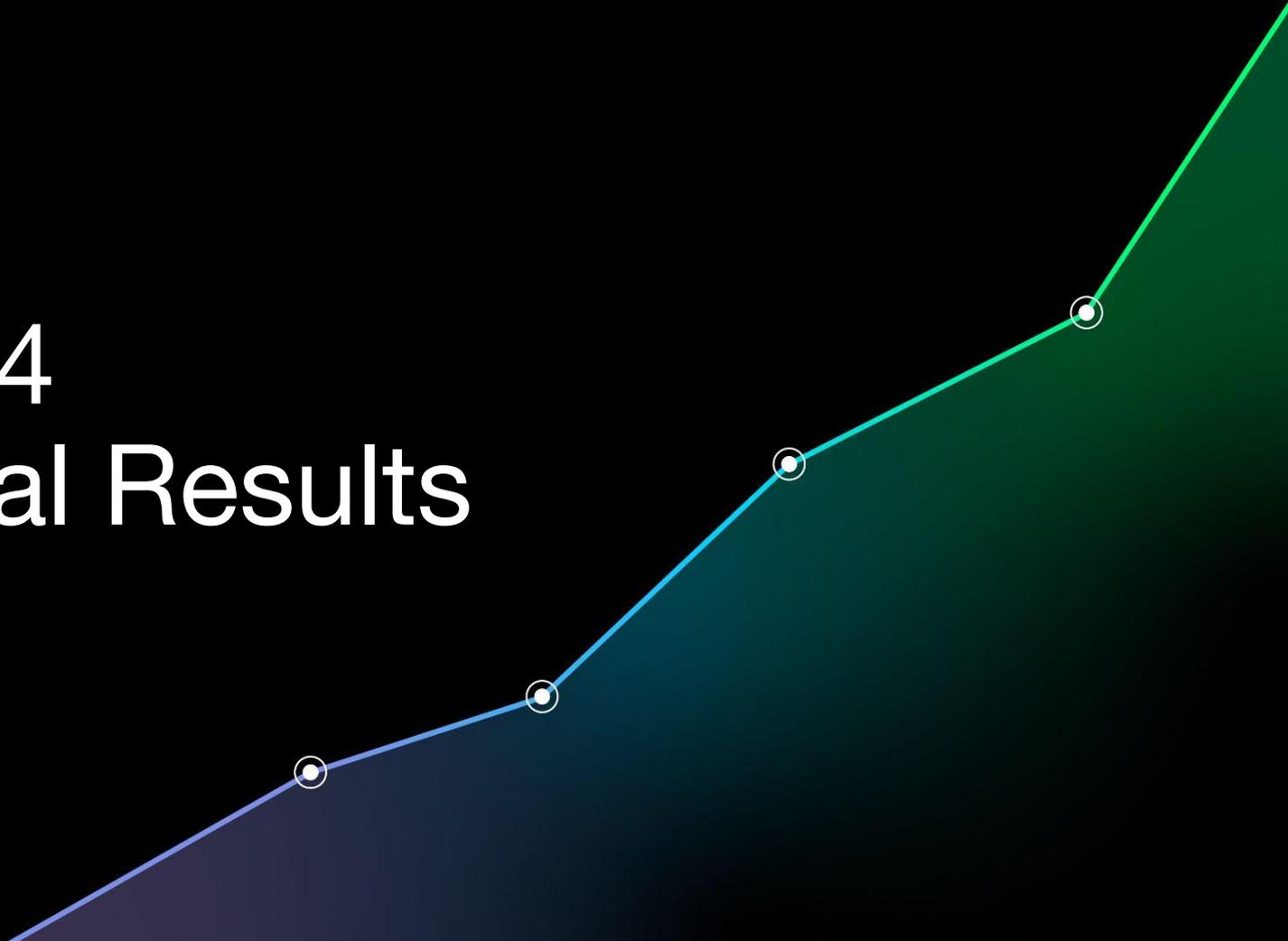




Q1 2024 Financial Results

May 8, 2024



Advisories

This presentation contains forward-looking statements that are based on our management's current estimates, beliefs and assumptions, which are based on management's perception of historic trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. Although we believe that the plans, intentions, expectations, assumptions and strategies reflected in these forward-looking statements are reasonable, these statements relate to future events or our future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results to be materially different from any future results expressed or implied by these forward-looking statements. Although the forward-looking statements contained in this presentation are based upon what we believe are reasonable assumptions, investors are cautioned against placing undue reliance on these statements since actual results may vary from the forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which are, in some cases, beyond our control and which could materially affect our results. These risks are described in further detail in our Q1 2024 earnings release, and in our Management's Discussion and Analysis for the year ended December 31, 2023 and in the section entitled "Risk Factors" in our Annual Information Form for the year ended December 31, 2023 and from time to time in Shopify's filings with the U.S. Securities and Exchange Commission and the securities commissions or similar securities regulatory authorities in each of the provinces or territories of Canada available on www.sec.gov and on www.sedarplus.ca. If one or more of these risks or uncertainties occur, or if our underlying assumptions prove to be incorrect, actual results may vary significantly from those expressed, implied or projected by the forward-looking statements. References to long-term trends in our model are forward-looking and made as of the current date. Nothing in this presentation should be regarded as a representation by any person that these long-term trends will be achieved and we undertake no duty to update these long-term trends or any other forward-looking statements contained in this presentation, except as required by law.

We believe that the case studies presented in this presentation provide a representative sample of how our merchants have been able to use various features of our platform to grow their respective businesses. References in this presentation to increased visits, growth and sales following implementation of our platform do not necessarily mean that our platform was the only factor contributing to such increases.

To supplement our consolidated financial statements, which are prepared and presented in accordance with United States generally accepted accounting principles ("GAAP"), Shopify uses certain non-GAAP and other financial measures to assist investors in understanding our financial and operating performance. These measures are not recognized measures for financial statement presentation under GAAP, do not have standardized meanings, and may not be comparable to similar measures presented by other public companies. Management uses non-GAAP and other financial measures internally for financial and operational decision-making and as a means to evaluate period-to-period comparisons. These measures should be considered a supplement to, not a substitute for, or superior to, the corresponding measures calculated in accordance with GAAP.

Free cash flow is a non-GAAP financial measure calculated as cash flow from operations less capital expenditures. Free cash flow margin is a non-GAAP ratio calculated as free cash flow divided by revenue. Shopify considers free cash flow and free cash flow margin as indicators of the efficiency and liquidity of Shopify's business, measuring cash available, after capital investment, to make strategic investments and drive future growth. For a reconciliation of non-GAAP measures to the comparable GAAP measures, please see our Q1 2024 earnings release.

All comparisons, unless otherwise stated, are comparing Q1 2024 to Q1 2023.

This presentation contains information concerning our industry, including information relating to the size of the markets in which we participate, that are based on industry surveys and publications or other publicly available information, other third-party survey data and research reports. This information involves many assumptions and limitations, there can be no guarantee as to the accuracy or reliability of such assumptions and you are cautioned not to give undue weight to this information. While we believe this information to be reliable, it has not been independently verified.

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May 2024



Q1 2024

The **new shape of Shopify** is driving greater growth and profitability



Shopify Payments penetration is increasing



Offline and enterprise gaining traction

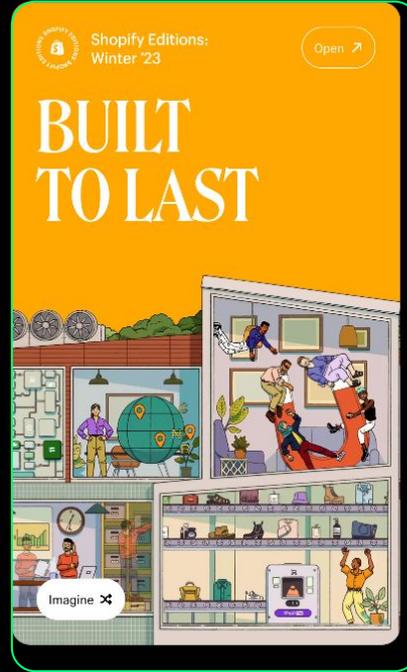
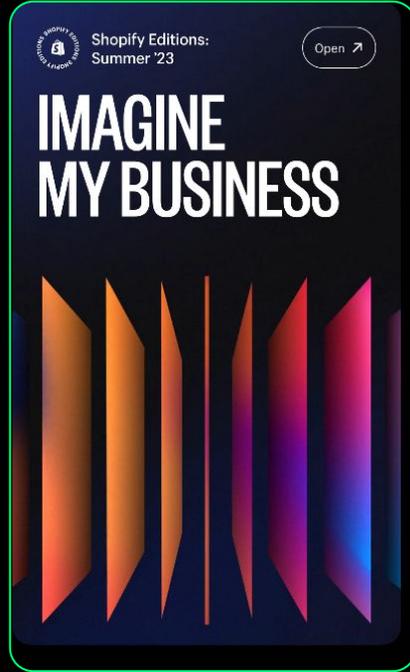
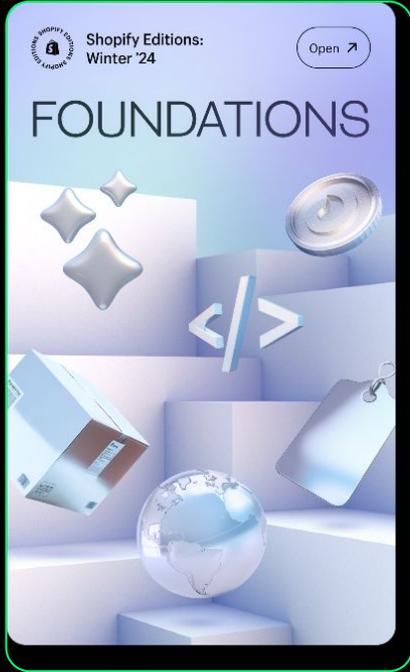


International efforts yielding growth

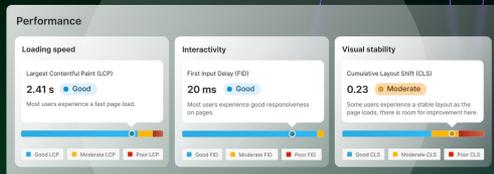


Attach rate is expanding

400+ features and updates launched at Editions in the last two years



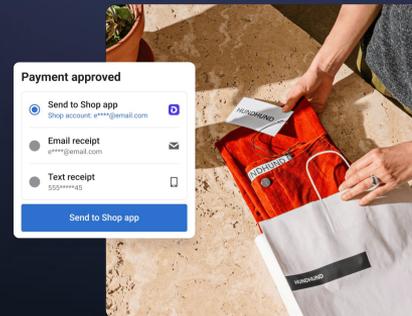
Product enhancements in Q1 2024



+ Rolled out a **web performance dashboard**



+ Embedded **AI-enabled editing tools**



+ Launched **email capture at POS checkout** powered by Shop



Shopify is uniquely positioned to tap into the **immense potential of AI for commerce**



Autowrite product description

Portable table lamp, anodized aluminum, dimmable LED, minimalist design, soft warm glow

Tone Sophisticated ▾

✦ Autowrite

With its minimalist design and dimmable, warm glow, our portable LED lamp is the ultimate accessory for any setting. Whether you're camping and need a little extra light...

🗨️ Alright, let's get that sale started:

🔄 Summer Sale
Product discount [Preview](#)

Type Automatic discount

Percentage 10%

Applies to All products



Shopify Payments continues to be a **key contributor of growth and gateway to other products**

Gross Payments Volume
is steadily increasing

60%

GPV* in Q1 2024

 from 56% in Q1 2023

Shop Pay is becoming the
preferred choice for consumers

\$14B

GMV in Q1 2024

 from \$9B in Q1 2023

39%

of GPV in Q1 2024

 from 33% in Q1 2023

COACH OUTLET

shop **Pay**



*commerce
components*



Frank And Oak

CHERRY REPUBLIC®
GLEN ARBOR | EST. 1989 | MICHIGAN

 *shopify* POS

We continue to gain share, supporting **offline GMV growth of 32% YoY**



130%

Q1 B2B GMV
up over 130% YoY,
after doubling in 2023

FORRESTER[®]

Recognized as a **leader**
in **B2B** in Forrester's
2024 Wave Report

Edit assigned staff

Alex Taylor
Alex@zrochill.com

Add store permissions

Companies 2/4 ^

- View
- Create and edit
- Assign staff to company locations
- Delete
- Restrict permissions to assigned company locations

Close Done

Ice Sport South Denver

Order #4

120 120

Ice Sport Downtown

Order #1587

105 98 245

Ice Sport South Denver

Order #4869

215 205 190

Ice Sport Downtown

Order #1068

258 88 95



INTERNATIONAL

- + International GMV growth **outpaced North America**

- + **Third consecutive quarter** of GMV growth above 35% in Europe

- + Expanded **POS Go and POS Terminal** to Australia



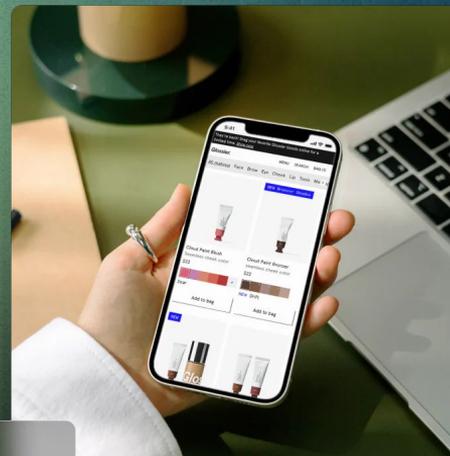
Merchants are increasingly leveraging Markets Pro to **enter global markets and increase their global sales**

SUITSHOP		BEEKMAN 1802	
 600% international orders growth	 32% international conversion rate increase	 137% international sales growth	 23% international conversion rate increase

SHOPIFY FOR ENTERPRISE

Why are enterprise-level brands choosing Shopify to power their businesses?

- ▶ The exceptional value of our powerful infrastructure and cutting-edge solutions
- ▶ Our core value proposition of innovation, scale, and ease of launch

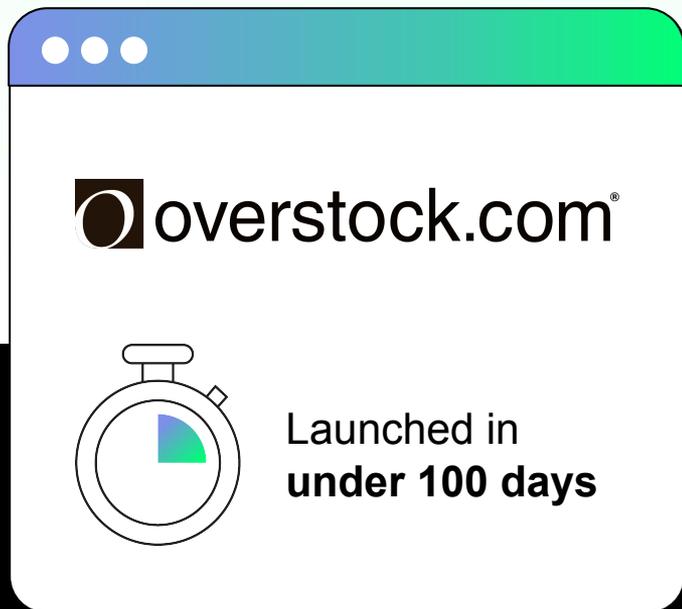


UP TO
+36%

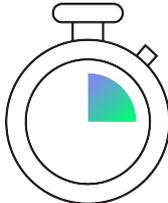
better total cost of
ownership than our
competitors*

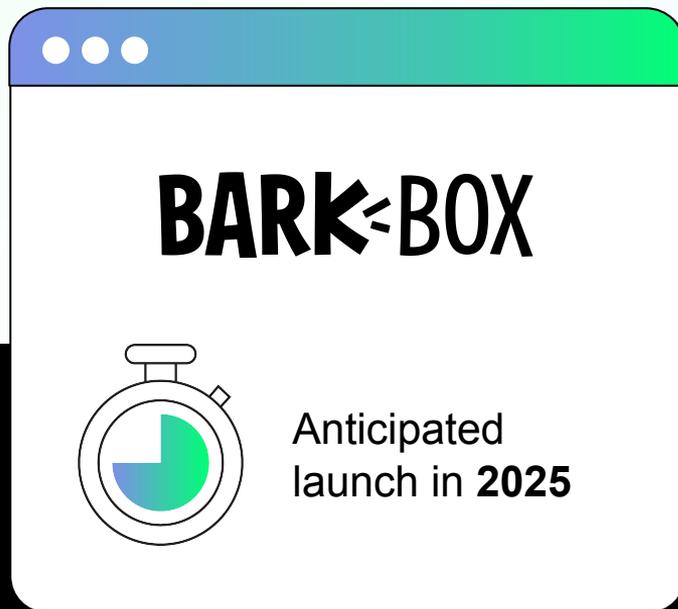


We're winning business and migrations with
larger, more complex brands



 overstock.com®

 Launched in
under 100 days



BARK=BOX

 Anticipated
launch in **2025**

Brands that have recently **signed or launched** with Shopify

HARRY'S

PRETTYLITTER

L A U R A
CANADA

INTERSPORT®

juiceplus®

BALANCE OF NATURE®

RUGS USA

Skullcandy.

K'ARCHER

 **FragranceNet.com**
TRUSTED ONLINE SINCE 1997

WYN BEAUTY
BY SERENA WILLIAMS

PAPATUI™
TAKE BETTER CARE

We think about marketing
the same way **we think**
about product

We are **building a crafters' paradise** that empowers our team to pursue their passions while remaining steadfast on our mission

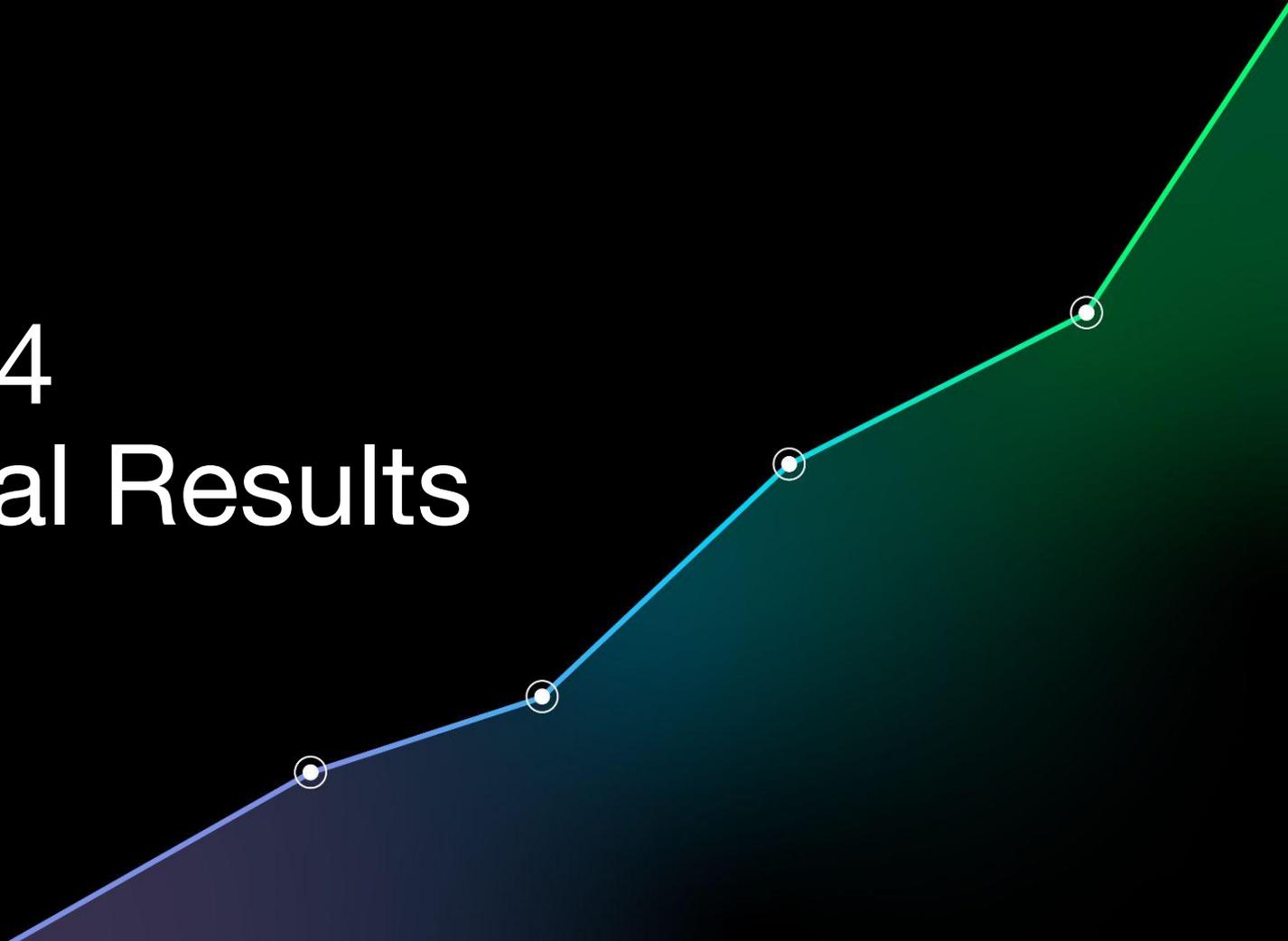


We are well positioned to lean into opportunities ahead and invest responsibly
to sustain long-term growth



Q1 2024 Financial Results

May 8, 2024



\$60.9B 23%

GMV

Factors driving Q1

- Same-store sales growth of our existing merchants
- Continued growth in our merchant base globally
- Strength in EMEA from both strong same-store sales growth and new merchant acquisition
- Growth in our offline business driven primarily by larger retailers joining the platform

\$1.9B  23%  29%
(excluding logistics)

Revenue

\$1.4B  20%

Merchant Solutions

\$511M  34%

Subscription Solutions

\$36.2B 32%

GMV processed on Shopify Payments (GPV)*

 GPV penetration of **60%** vs **56%** in Q1 2023

\$1.9B  23%  29%
(excluding logistics)

Revenue

\$1.4B  20%

Merchant Solutions

\$511M  34%

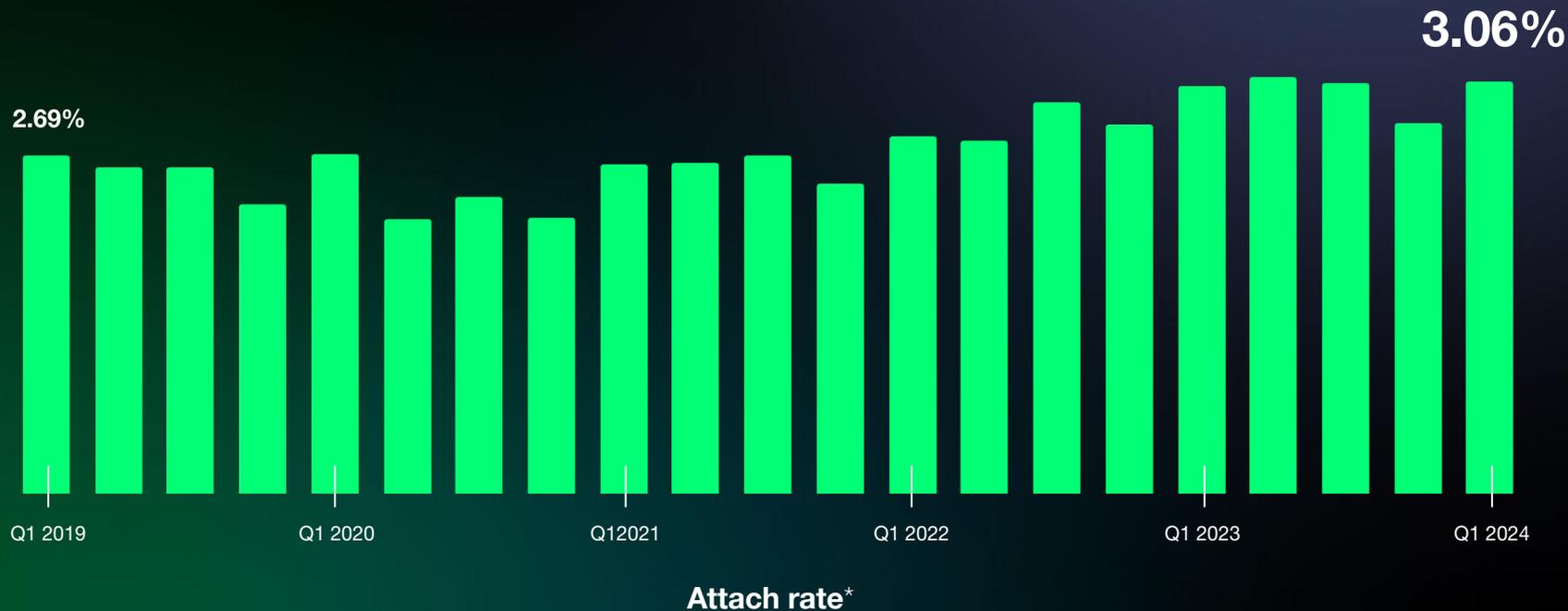
Subscription Solutions

\$151M  **32%**

Monthly Recurring Revenue (MRR)*

 Shopify Plus penetration **32%** vs **33%** in Q1 2023

Our attach rate reflects the **strong relationship we have with our merchants**



* Attach rate is defined as total revenue divided by GMV



\$957M 33%

Gross profit

51.4%

Total company gross margin



vs 47.5% in Q1 2023

81.4%

Subscription Solutions gross margin



vs 78.0% in Q1 2023

40.1%

Merchant Solutions gross margin



vs 37.2% in Q1 2023

\$871 M

Operating expenses



4% vs Q1 2023

47%

Operating expenses as
a percentage of revenue

Factors driving Q1

- Sale of the logistics businesses in prior year
- Lower headcount
- Partially offset by increased marketing spend

\$86M

Operating income



compared to a (\$193M)
operating loss in Q1 2023

\$111M

Stock-based compensation



from \$141M in Q1 2023

\$6M

Capital expenditures



from \$14M in Q1 2023

\$232M

Free cash flow*

 from \$86M in Q1 2023

12%

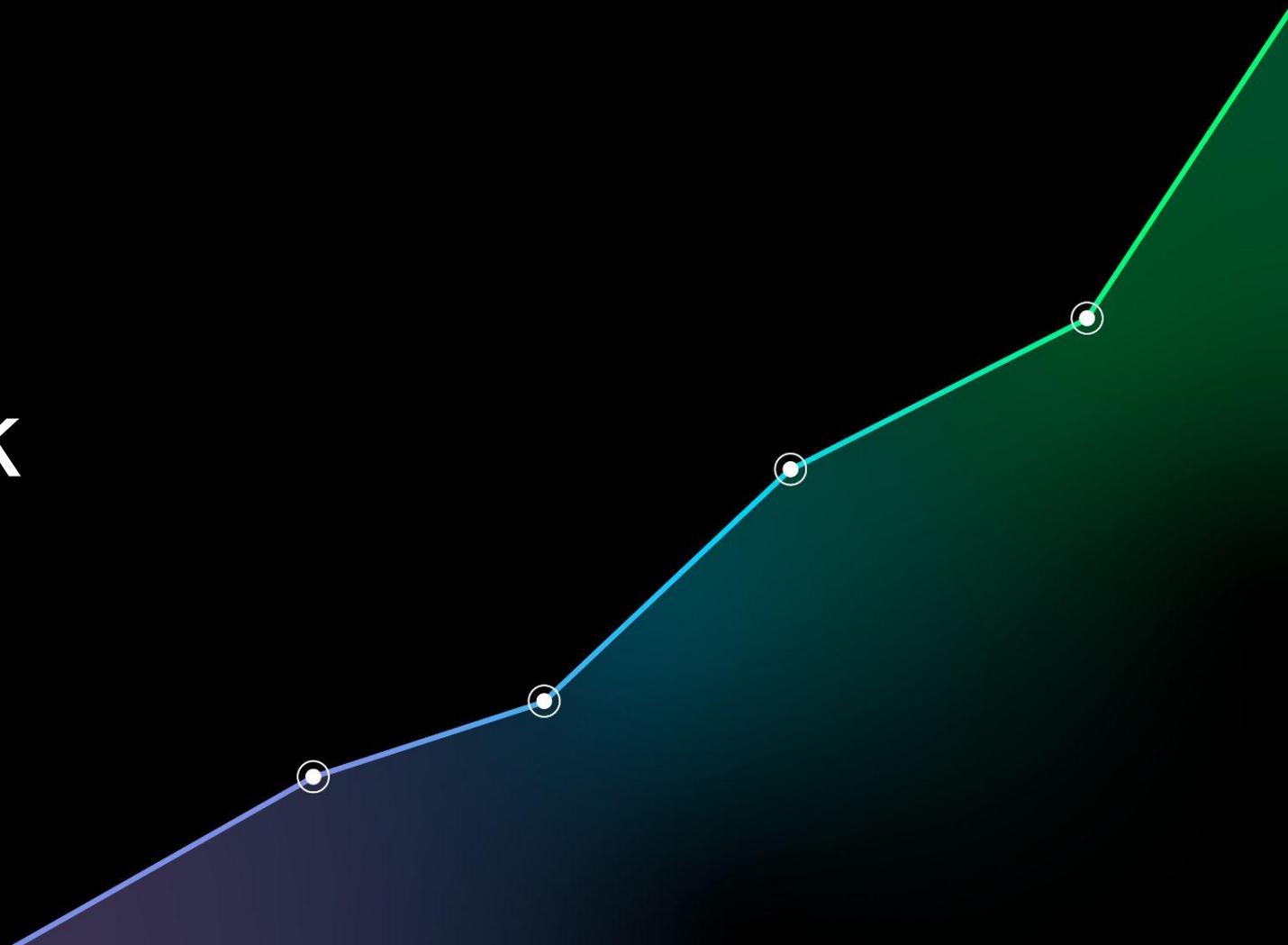
Free cash flow margin*

 from 6% in Q1 2023

* Free cash flow and free cash flow margin are non-GAAP financial measures. Please refer to the "Advisories" section of the Q1 2024 press release for more information.

Outlook

Q2 2024

A line chart on a dark background showing an upward trend. The chart consists of a light blue line with five data points marked by white circles. The area under the line is filled with a gradient from dark blue at the bottom to bright green at the top. The line starts at the bottom left and rises steadily to the top right, with the slope increasing in the latter half.

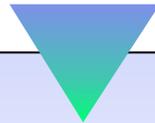
Point	Approximate Value
1	10
2	15
3	20
4	35
5	45

Q2 2024 Outlook Considerations

Revenue

High-teens % growth

Q2 revenue growth YoY



Low-to-mid-twenties % growth

Expected Q2 revenue growth YoY when adjusting for 300-400 basis points impact from the sale of the logistics businesses

Q2 2024 Outlook Considerations

Gross margin

**~50 basis points
decrease** compared to
Q1 2024

Operating expenses

**Low-to-mid-single digit
% increase** compared
to Q1 2024

OR

45% to 46%
of revenue



Q2 2024 Outlook Considerations

Gross margin

**~50 basis points
decrease** compared to
Q1 2024

Operating expenses

**Low-to-mid-single digit
% increase** compared
to Q1 2024

OR

45% to 46%
of revenue

Q2 2024 Outlook Considerations

+

Revenue

Revenue to grow at a high-teens percentage rate on a YoY basis, which translates into a YoY growth rate in the low-to-mid-twenties when adjusting for the 300-400 bps impact from the sale of our logistics businesses

+

Gross margin

Gross margin is expected to decrease by approximately 50 bps compared to Q1 2024

+

Operating expenses

GAAP operating expense dollars to be up at a low-to-mid-single digit percentage rate compared to Q1 2024, which translates into operating expenses as a percentage of revenue of approximately 45% to 46%

+

Stock-based compensation

Stock-based compensation to be \$120M

+

Capital expenditures

Capital expenditures to be \$5M

+

Free cash flow margin

Free cash flow margin to be similar to Q1 2024. We have now delivered three consecutive quarters of double-digit free cash flow margin, with no expectation for this trend to change



Make commerce
better for everyone

