



Q1 2022 Results

May 5, 2022



Safe harbor

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 include the risks due to the uncertainty around the duration and scope of the COVID-19 pandemic and the impact of the pandemic and actions taken in response on global and regional economies and economic activity and are described in further detail in our Management's Discussion and Analysis for the year ended December 31, 2021 and in the section entitled "Risk Factors" in our Annual Information Form for the year ended December 31, 2021 available on www.sec.gov and on www.sedar.com and elsewhere in our filings with regulatory agencies. 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 the financial measures prepared in accordance with generally accepted accounting principles (GAAP), we use non-GAAP financial measures that exclude certain items. Non-GAAP financial measures are not prepared in accordance with GAAP; therefore, the information is not necessarily comparable to other companies and should be considered as a supplement to, not a substitute for, or superior to, the corresponding measures calculated in accordance with GAAP. Please refer to the slides titled "Non-GAAP Financial Measures" and "Reconciliation of GAAP to Non-GAAP Figures" for further information.

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.

This presentation contains trademarks, service marks, trade names and copyrights of Shopify and other companies, which are the property of their respective owners.

May 2022

Quarterly highlights



Omnichannel is critical

- POS GMV up nearly 80% YoY
- Online commerce GMV 2-yr CAGR of 51% over Q1/20
- Online commerce and POS GMV YoY growth outpaced respective markets in the U.S.
- Share of social and search channel GMV as of Q1/22 has gained more than any other channel since Q1/20



We have built trust with our merchants

- Shopify Payments GPV penetration increased to 51% vs. 46% in Q1/21
- Shopify Capital revenue outpaced total revenue growth
- Shopify Markets features used by tens of thousands of merchants after rolling out to all merchants in February 2022



We're investing to stay ahead of the curve

- Acquisition of Deliverr expected to provide simple and scalable fulfillment
- Continued focus across key investment themes

Financial highlights

+ Revenue Revenue grew 22% YoY to \$1.2B in Q1/22, representing a 2-year CAGR of 60%

- + Strong adoption of Shopify Payments, Shopify Capital, and Shopify Markets helped drive YoY Merchant Solutions revenue growth to 29%
- Change in app / theme store partner terms¹ (not in place in Q1/21)
- Macro impacts: absence of 1H 2021 stimulus, increased mobility, high inflation, strong labour markets

+ GMV GMV grew 16% YoY to \$43.2B in Q1/22, representing a 2-year CAGR of 57%

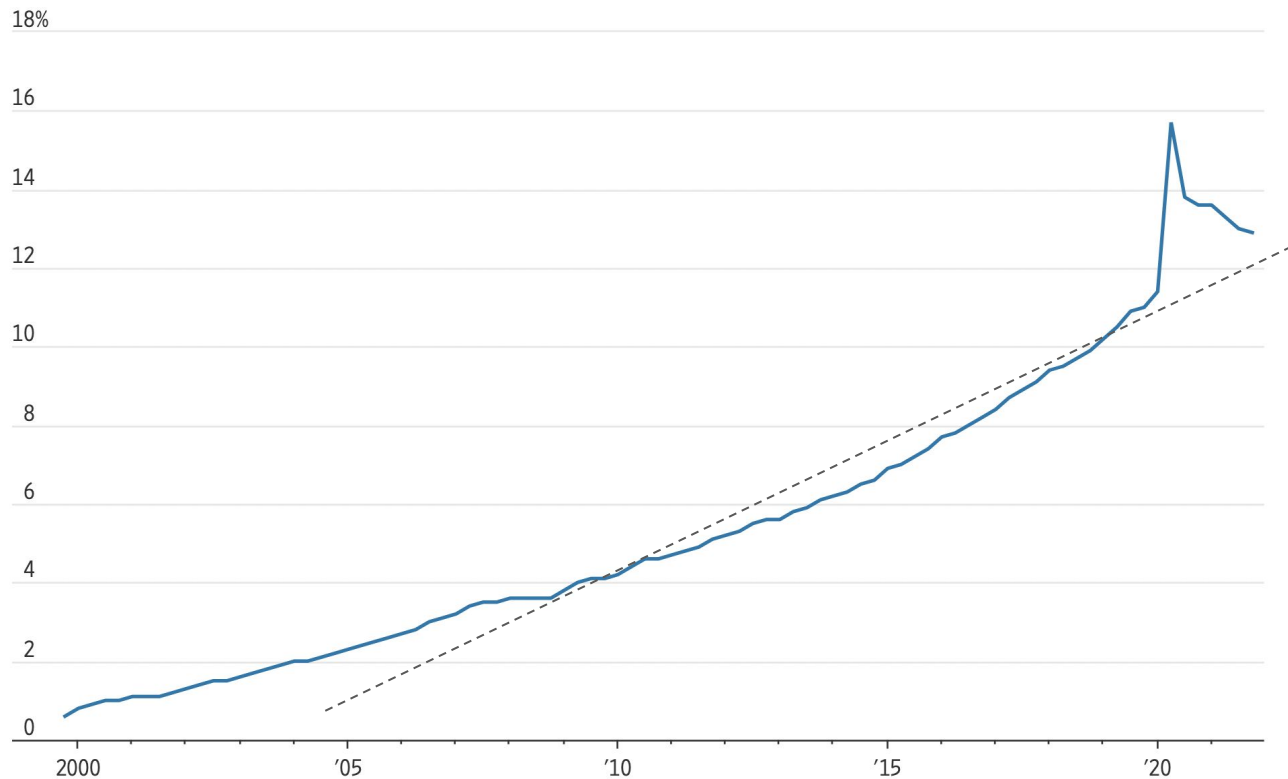
- + Online and offline GMV each outpaced performance in respective markets in the U.S.
- Macro impacts: increased mobility and high inflation shifted spend to travel/services and discount retailers
- U.S. stimulus and lockdowns absent in Q1/22

+ MRR MRR grew 17% YoY to \$105.2M in Q1/22

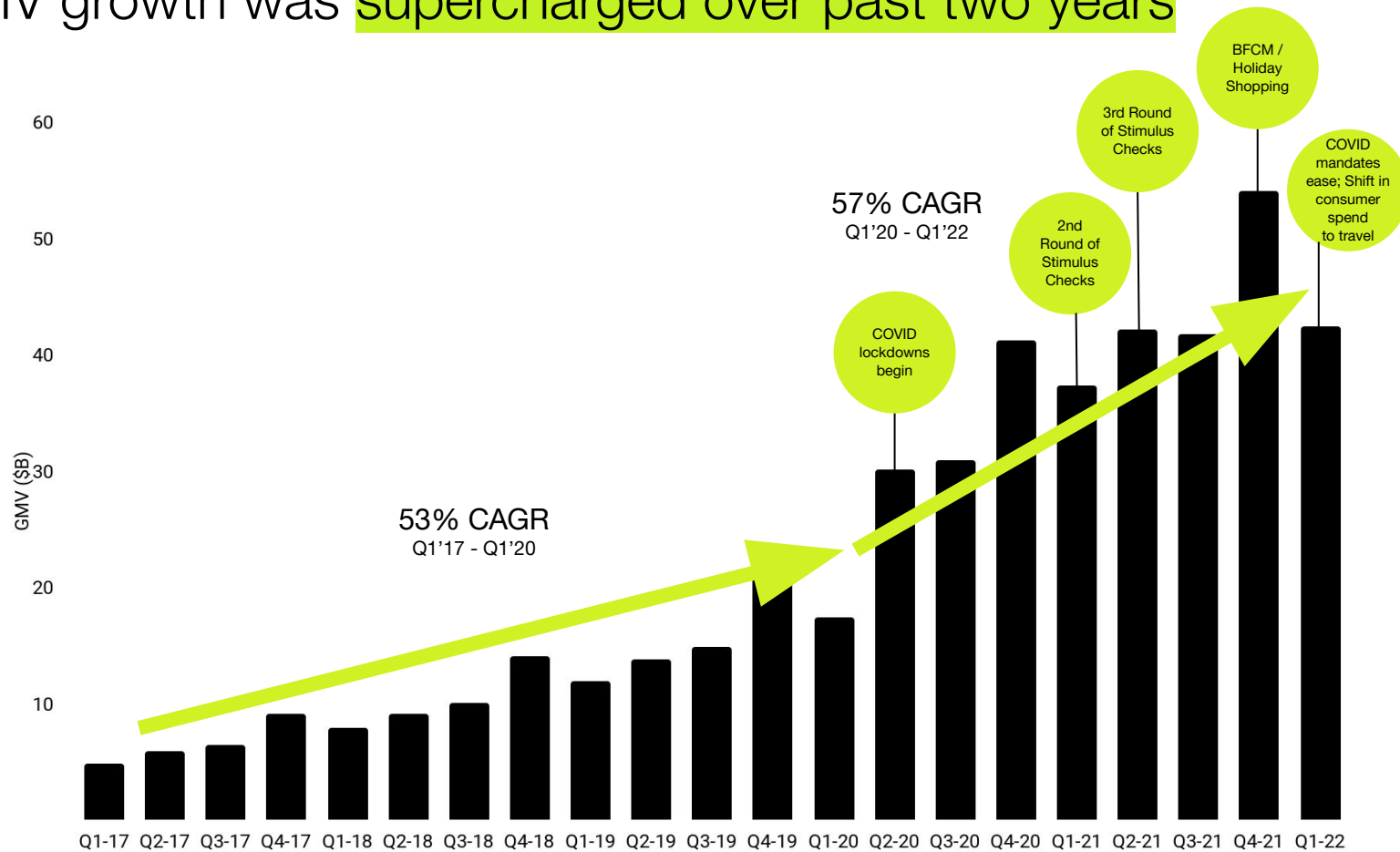
- + More merchants joined Shopify
- + Number of retail locations using POS Pro increased
- + Shopify Plus MRR contribution increased to 30% (vs. 26% in Q1/21)
- Stronger labour markets offset new business creation

¹ In Q3 2021, Shopify changed our app and theme store partner terms, eliminating our revenue share on our partners' first \$1M of revenue, which is annually reset on January 1st

Ecommerce growth normalizing as a percentage of retail sales



GMV growth was supercharged over past two years






Q1 2022 PROGRESS

Key investment **themes.**



Building buyer relationships

-  Shop
 - More users signed up to our digital shopping companion, Shop, in Q1/22
 - Data shows Shop users spend 17% more than non-users, on average, within 12 months of first purchase from that merchant, making them higher-value customers for merchants on Shop
-  Shop Pay
 - Q1/22 cumulative GMV reached \$50B for our accelerated checkout, Shop Pay
 - Expanded Shop Pay to Buy on Google for Shopify merchants
-  Shop Pay Installments
 - Continued to gain share of BNPL volume on Shopify in the US QoQ
 - Number of repeat buyers continued to climb QoQ
-  Channels
 - Added thousands more POS Pro retail locations QoQ in Q1/22
 - Strong growth YoY in Q1/22 GMV through integrations we built (includes social and search channels)
 - In-app commerce via Facebook and Instagram is gaining traction, up > 4x YoY in Q1/22
 - Launched LinkPop, a customizable link-in-bio tool ideal for creators

Going global



International






- Introduced Shopify POS hardware with integrated payments to three new markets: Belgium, Denmark and Spain. Now available in 11 markets.
- Q1/22 YoY ROW GMV growth consistent with overall Shopify GMV growth
- Q1/22 ROW MRR contribution expanded YoY



Shopify Markets

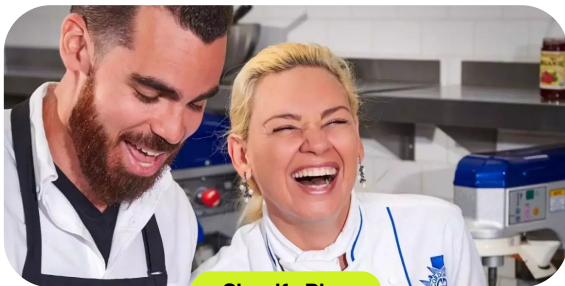
- Completed rollout of Shopify Markets, making cross-border commerce easier
- Tens of thousands of merchants using Shopify Markets features (Fx currency conversion, adding a new geographic market, localizing to a market)

From first sale to full scale

-  Shopify Payments
 - Q1/22 GPV penetration of 51% vs. 46% in Q1/21 growing across all merchant types, regions, and channels
-  Shopify Capital
 - \$346.7M in MCAs and loans funded by Shopify Capital in Q1/22, up 12% YoY
-  Shopify Shipping
 - Launched Shopify Shipping to merchants in France
-  Shopify Balance
 - Over 100K Balance accounts opened since product made generally available in January 2022
-  Shopify Plus
 - Strongest number of deals ever closed in a single month in March 2022
 - Share of Plus merchants outside North America expanded within our Plus merchant base QoQ and YoY in Q1/22
 - Notable brands that launched in Q1/22 include Joe's Stone Crab, Havaianas Mexico, Crayola, Fiera Cosmetics, Bridgestone Cycle, TRX Training, Figma, Call of Duty, Mr. Beast and the NBA

Our platform grows with our merchants

Entrepreneur



Shopify Plan

Pastreez

Online bakery that sells authentic French pastries

- ✓ Shopify Payments
- ✓ Shop Pay
- ✓ Shop Pay Installments

Joined Shopify in 2017

SMB



Advanced Plan

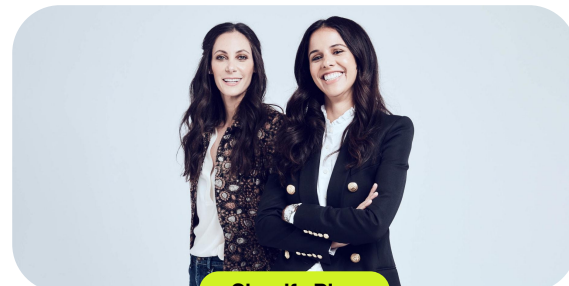
ChocoSol Traders

Bean-to-bar chocolate maker and coffee roastery

- ✓ Shopify Payments
- ✓ Shop Pay
- ✓ Shopify Shipping
- ✓ Shopify POS

Joined Shopify in 2017

Large Brands



Shopify Plus

FIGS

Healthcare apparel and lifestyle brand

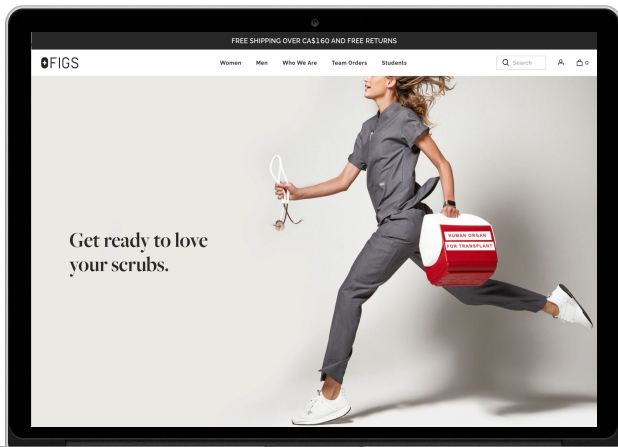
- ✓ Shopify Payments
- ✓ Shop Pay
- ✓ Shop Pay Installments
- ✓ Shopify Shipping

Launched brand on Shopify in 2013
Upgraded to Shopify Plus in 2016

Merchant-centred business model where merchant solutions grow hand-in-hand with merchant success



Merchant Journey



Simplifying fulfillment



Acquisition of Deliverr

- \$2.1B acquisition expected to close following regulatory review
- Strengthens Shopify Fulfillment Network with Deliverr's software, talent, data, and scale
- Ships over a million orders per month for thousands of merchants across the U.S.
- Enhances our capacity to manage merchants' inventory from port to porch and across all their sales channels, including Walmart, eBay, Etsy, and Amazon, and social channels like Facebook, Instagram, and TikTok
- Reinforces SFN benefits including simplified inventory management across multiple channels, demand-driven inventory placement, and faster delivery



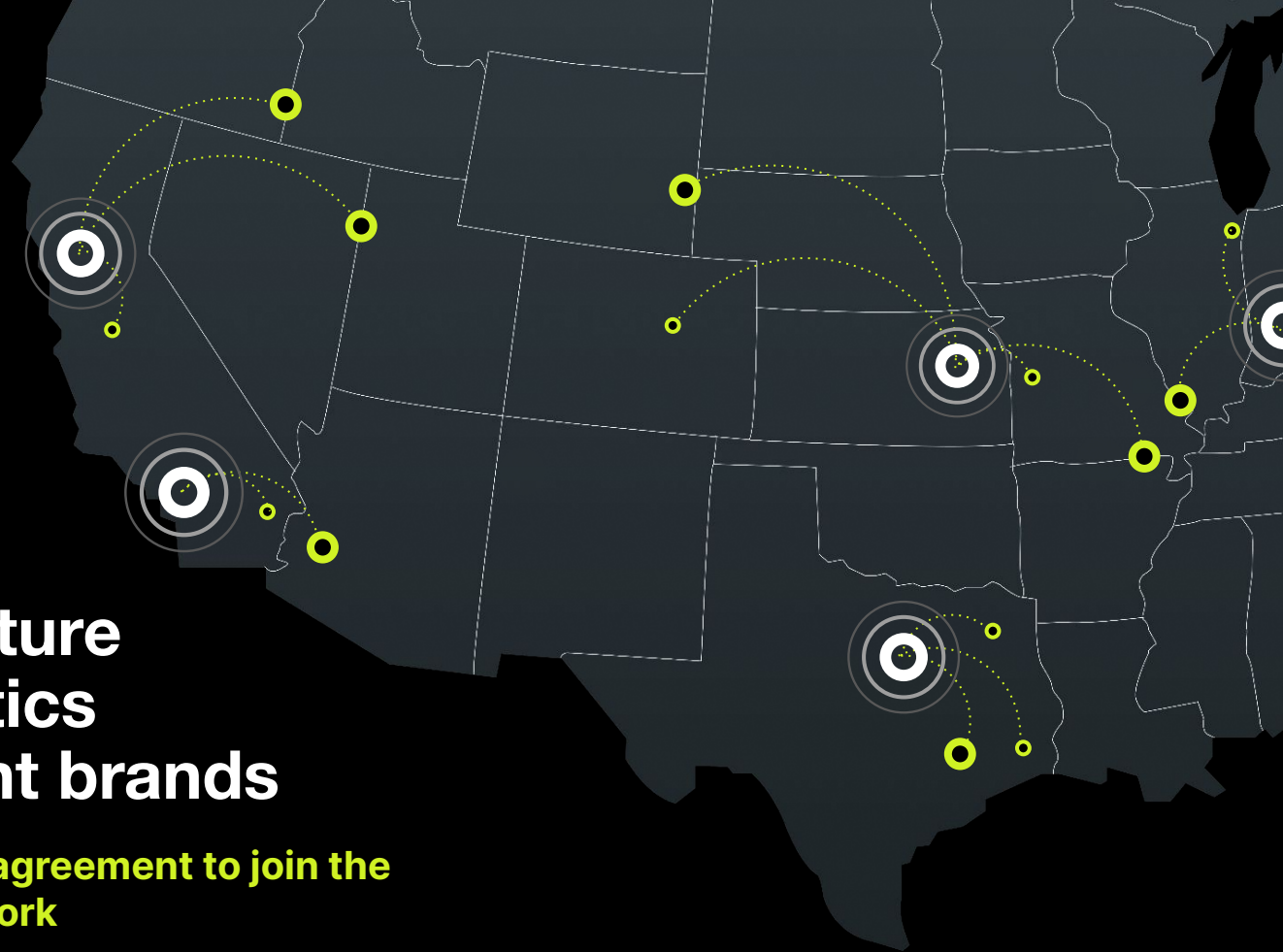
SFN introduced the following features and capabilities:

- Proprietary warehouse management system now running in key warehouse locations
- Shop Promise is a new badge in early access that lets merchants display expected delivery dates, and 1- to 2-day delivery promises, across online store, Google, Facebook, Instagram, and the Shop app
- Improved inbound transfer experience
- Easier inventory tracking across our fulfillment centers
- Ability to add new products directly in the merchant-facing app



Building the future of global logistics for independent brands

**Deliverr has reached an agreement to join the
Shopify Fulfillment Network**



SFN + Deliverr = An end-to-end logistics platform

Helping merchants of all sizes remove the complexity of supply chain, from port to porch and across all sales channels



Inventory inbounding to the network



Supplier

- Materials
- Manufacturing
- Product assembly

Freight

- Land, sea, & air transport
- Receiving & assessment

Inventory distribution within network and across channels

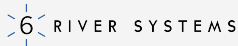


Distribution

- Cross-docking
- Prep services
- Multi-channel: retail, wholesale, marketplaces

Fulfillment Centers

- Inventory balancing
- Sorting facilities
- Last mile delivery
- Returns processing



Fulfillment Solutions & Warehouse Automation

Direct-to-consumer order fulfillment



Customers

Two-day & next-day delivery, plus returns

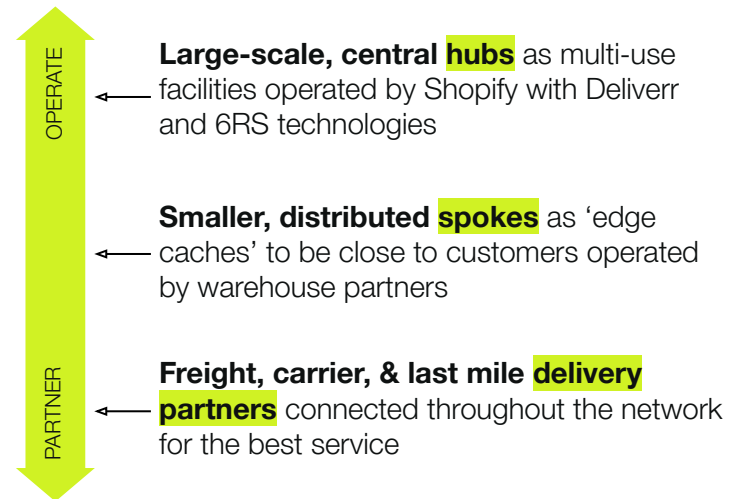
Across your online store, social channels, and marketplaces





Combining our superpowers for
a merchant-obsessed network for
everyone

Fast & Easy Fulfillment

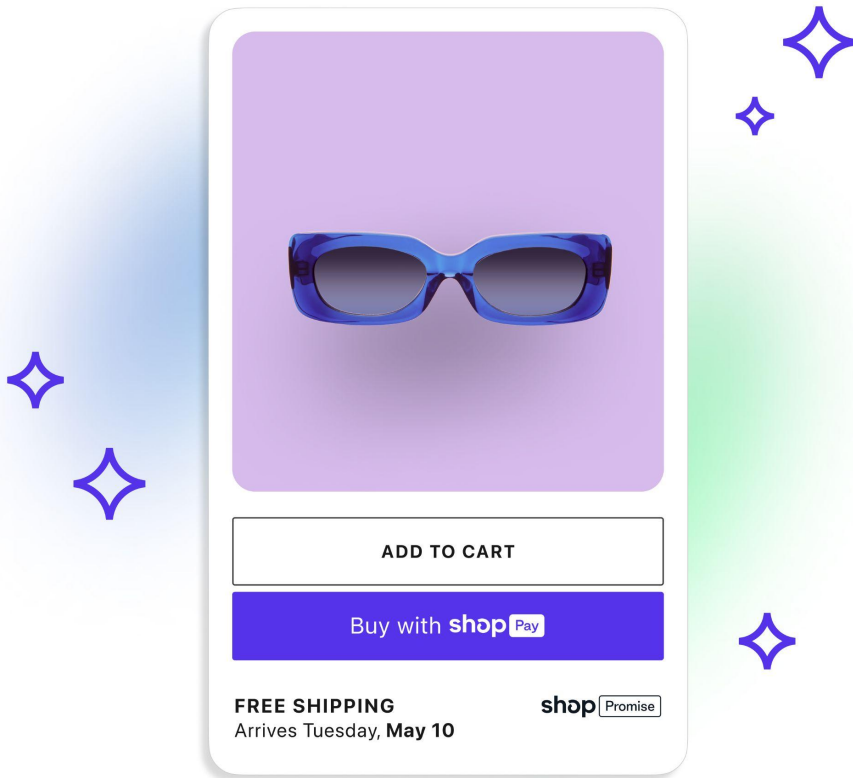


* For illustrative purposes only and not the actual location of network facilities.

Introducing our **Shop Promise**

Helping consumers find two-day and next-day delivery with the merchants they love

- Badge shows expected delivery date, and **two-day / next-day delivery promises**, directly on merchants' online stores
- Shop Promise **extends across channels**, like Google, Facebook, Instagram, and the Shop app
- Works together with **Shop Pay and Shop Protect** to offer the best consumer and merchant experience
- Shopify gives merchants full ownership of their brand, business intelligence, and customer data







Cross Dock in Deliverr Network



7,750	115.0k	30	242
Units received today	Units received WTD	Pallets processed today	Pallets processed WTD
30	222	919	10,661
Box handles today	Box handles WTD	Box handles today	Box handles today WTD











FLYBOÍ

Freedom Is Fly





Gay Pride Apparel





Make commerce
better for everyone.

