**Q3 2026 Coupang Earnings Call Script**
**New York: Tue. 11/3/2026, 5:30 PM**

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**Mike Parker**:

Thanks, operator. Welcome, everyone, to Coupang's third quarter 2026 earnings conference call. I'm pleased to be joined on the call today by our Founder and CEO, Bom Kim, and our CFO, Gaurav Anand.

The following discussion, including responses to your questions, reflects management's views as of today's date only. We do not undertake any obligation to update or revise this information, except as required by law.

Certain statements made on today's call may include forward-looking statements, including statements regarding future financial and operational results. Actual results may differ materially. Additional information about factors that could potentially impact our financial results is included in today's press release and in our filings with the SEC, including our most recent annual report on Form 10-K and subsequent filings.

As we share our third quarter 2026 results on today's call, the comparisons we make to prior periods will be on a year-over-year basis, unless otherwise noted. We may also present both GAAP and non-GAAP financial measures. Additional disclosures regarding these non-GAAP measures, including reconciliations of these measures to the most comparable GAAP measures, are included in our earnings release, our slides accompanying this webcast and our SEC filings, which are posted on the company's Investor Relations website.

And now, I'll turn the call over to Bom.

**Bom Kim:**

Thanks, everyone, for joining us today. I'll start by highlighting a few things up front and then go deeper into the quarter.

First, momentum continued to build across the business in Q3. Consolidated revenue grew 11% year-over-year in constant currency, exceeding the guidance range we provided, and a step up from Q2 even with the Chuseok holiday timing working against us this year. Product Commerce grew 8% in constant currency, or about 9% adjusting for the holiday shift—an acceleration from Q2.

Second, our WOW membership in Korea is at the highest level in our history, with strong growth both year-over-year and quarter-over-quarter. Net additions are running above historical rates, driven by both returning members and strong new sign-ups. We keep investing in expanding the value proposition for WOW members, which in turn drives higher retention and growth in membership. This quarter, we began rolling out "Try Now Pay Later" — a new WOW benefit in fashion that lets members try items on for seven days before paying — one small example of how we keep expanding the value we provide. Our goal is to make WOW the best value membership program anywhere in retail.

Third, Product Commerce is tracking toward the mid-next year recovery we laid out last quarter. The underlying customer behavior remains just as strong as what we spoke to last quarter, and we expect the reported growth and margins to approximate historical levels as we lap the affected periods next year.

And fourth, in Developing Offerings, growth accelerated to 27% in constant currency, and the customer signals we track most closely strengthened again. Taiwan and Eats continue to lead the way. We're also excited about extending Eats into non-food on-demand delivery in Korea — more on that in a moment.

Let me take each in turn.

On Product Commerce, the drivers of our momentum are the same ones that have powered our growth for more than a decade: our unwavering focus on wowing customers with the lowest prices, broadest selection, and unbeatable service. We're working to widen that experience gap quarter after quarter, which is the compounding engine behind this business.

The soft spot in reported growth this quarter remains the small cohort of members who left after the data incident and haven't yet returned. The members who did return, despite being away and allocating their retail wallets elsewhere for a period, have not only returned to their prior levels of spend but they've continued to compound this quarter at normalized rates consistent with what we saw last quarter. And the members who never left are also spending at record levels and growing as fast as they were before the incident. These are among the clearest signs yet of

where we stand competitively and the strength of our value proposition, across service, price, and selection.

New members have been more than filling in the gap in member count, though they naturally begin at the early part of the spend curve — it takes time for them to climb it, as each cohort before them has. As we lap the affected periods next year, the non-returning cohort drops out of the year-over-year comp, and our reported growth converges with the growth of the underlying customer base. That base continued to grow spend at normalized rates this quarter consistent with the spend growth we spoke to last quarter.

Buyable selection is the lever our teams are focused on, because it's the input that we see that customers responding to most directly. Our assortment on Rocket grew at strong double-digit rates this quarter. Giving customers more of what they need, at low prices and with the best delivery experience, is one of the clearest ways we compound growth over the long term.

Fresh is a great example of the power of this cycle. Rocket Fresh volumes grew more than twice the pace of overall Product Commerce this quarter. That's the result of years of investment to offer customers the best fresh selection anywhere, at low prices, and delivered free with Dawn or Same-Day Delivery nationwide. Fresh is a category customers buy with high frequency, and the delivery experience we provide is deeply differentiated. It engages customers with Coupang in a way few other categories can, and we see a long runway here.

On Product Commerce margins, the three temporary items we described last quarter — supply chain headwinds, fixed cost deleverage against a pre-incident demand curve, and the elevated marketing investment we’re making to accelerate the return of departed customers — continue to work through the P&L on the trajectory we expect. The mechanics are the same ones we laid out before: the supply chain dislocation normalizes as our volumes rebuild and the volume-based savings we're missing this year come back; capacity utilization catches up as demand better aligns with the cost base we've built; and the marketing step-up is already beginning to taper, which we expect to continue in the quarters ahead. We don’t believe any of these items are structural – some are near-term investments we’ve chosen to make, while others are temporary headwinds. Our expectation in returning next year to Product Commerce margins approximating pre-incident levels is unchanged.

Underneath these near-term items, work continues on the long-term margin drivers. Process improvements and deeper automation across our fulfillment and logistics network are producing higher customer service levels and lower cost to serve at the same time. This quarter, for example, we began deploying AI cameras in our packing stations to remove the need for manual scanning, paired with auto-baggers that automatically size and customize packaging for each order, cutting both time and packaging waste. Each is small on its own, but they compound with the constant innovation, technology, and process excellence across our operations.

Turning to Developing Offerings, where in Taiwan, the response from customers is accelerating. Our owned last-mile network now delivers the vast majority of orders next day, seven days a week. Dawn Delivery, which we began rolling out last quarter, is already accessible to over 50% of the population. Our WOW membership program in Taiwan has grown more than 100% year-over-year and 14% quarter-over-quarter, an acceleration over the growth we saw in Q2. Our differentiated Rocket delivery experience, combined with the value of our WOW membership program, are helping drive strong adoption and retention in customers. This is remarkably similar behavior to what we saw in Korea at the same stage.

Beyond our fulfillment and logistics network, we're building what will ultimately enable the highest levels of value for our consumers through direct sourcing relationships with brands. The combination of deep selection, operational excellence and a supply chain that enables everyday low prices, and an owned delivery experience no one else matches is what has driven compounded growth for us in Korea for more than a decade. That same combination is now taking shape in Taiwan.

We’re encouraged to see the trajectory in Taiwan accelerating and closely following the same path in Korea. The signals we track most closely — customer adoption, cohort retention, service differentiation — are each tracking well. Our teams are focused on scaling the offering by building the foundation for the highest levels of customer experience, while simultaneously progressing towards profitability, not one at the expense of the other. As we continue to execute with discipline, we expect Taiwan to be a meaningful contributor to consolidated cash flow in the years to come.

Eats and Rocket Now, our on-demand food delivery offerings in Korea and Japan, continue to delight customers. Our focus is the same as it's been from the start — providing the best combination of service, price and selection — and customers continue to embrace them at increasing levels. We’re also rolling out non-food on-demand delivery in Korea, extending our Eats offering into product categories where customers can now get free delivery across a wide assortment in just minutes. It’s still very early, but we’ll continue to iterate on how to expand the value proposition for customers.

As always, we continue to take the long view on value for our customers and returns for our shareholders. And Q3 reinforces it. The long-term opportunity in Korea, in Taiwan, and across our Developing Offerings is as compelling to us today as it has ever been.

Now, I'll turn the call over to Gaurav to walk through the financials in more detail.

**Gaurav Anand:**

Thanks, Bom. Our Q3 results reflect continued progress in our underlying business in line with the recovery trajectory we have outlined. Consolidated revenues grew at 7%, or 11% in constant currency, above the 8% to 9% range we guided to. Before I walk through the segment results in detail, I would note that this quarter we recorded approximately $248 million in expenses relating to the fire at one of our fulfillment centers in July. These expenses were recorded as $95 million in cost of sales and $153 million in OG&A. Where relevant, I will provide results with and without the impact of the fire.

Let me cover our segment performance and then move to consolidated results.

In Product Commerce, segment net revenues were $8.4 billion for the quarter, growing 5% on a reported basis and 8% in constant currency. The timing shift of Chuseok holidays we discussed last quarter negatively impacted both our Product Commerce and consolidated constant currency growth rates by an estimated one percentage point this quarter. Adjusting for this impact, Product Commerce constant currency growth accelerated versus Q2, to approximately 9%. Product Commerce active customers were 25.2 million, growing 2% year-over-year and quarter-over-quarter. As Bom described, WOW membership continued to build on the recovery we outlined previously, with our current members compounding their spend at normalized rates consistent with the growth rate we spoke to last quarter.

Product Commerce gross profit for the quarter was $2.4 billion and gross profit margin was 28.4%. Excluding the fire-related costs, gross profit margin was 29.5%, a contraction of approximately 260 basis points year-over-year and 100 basis points quarter-over-quarter. The year-over-year contraction is driven primarily by the factors we discussed last quarter: supply chain headwinds and elevated levels of promotional spend we have deployed to support the ongoing recovery in customers. The quarter-over-quarter contraction primarily reflects the weather-related seasonality we often see from Q2 to Q3, as well as timing of the Chuseok holidays. We continue to view these dynamics as temporary rather than structural. We believe the long-term drivers of our margin expansion remain intact — operating efficiencies across our fulfillment and logistics network, driven in part by continued investments in automation and technology, supply chain optimization, and the scaling of our margin-accretive categories and offerings.

Segment adjusted EBITDA for Product Commerce was $385 million, which excludes the FC fire costs, resulting in an adjusted EBITDA margin of 4.6%. This represents a contraction of approximately 420 basis points year-over-year and 50 basis points quarter-over-quarter. The year-over-year contraction reflects the gross profit dynamics I just described, as well as the headwinds created by the imbalance in our fixed cost structure relative to the current demand, which remains a near-term impact from the effects of last year’s data incident. The Chuseok timing shift also

contributed approximately 40 basis points of year-over-year contraction to both Product Commerce and consolidated adjusted EBITDA margins this quarter.

Within Developing Offerings, segment net revenues were $1.6 billion, growing 23% on a reported basis and 27% in constant currency. This represents an acceleration from the 24% constant currency growth rate we reported last quarter, as we saw durable growth across each of our initiatives.

Developing Offerings generated $185 million in gross profit for the quarter, an increase of $29 million year-over-year, and segment adjusted EBITDA losses were $269 million for the quarter, an increase of $50 million over last quarter. The quarter-over-quarter increase in adjusted EBITDA losses was driven by incremental investments as we continue to scale these offerings.

Moving now to our consolidated results. Total net revenues were $10.0 billion for the quarter, growing 7% on a reported basis and 11% in constant currency, with the Chuseok timing shift I referenced earlier accounting for roughly one percentage point of year-over-year drag on the constant currency growth rate.

Consolidated gross profit was $2.6 billion with a gross profit margin of 25.7%. Excluding the fire-related expenses, gross profit margin was 26.7%, a contraction of approximately 270 basis points year-over-year and 150 basis points quarter-over-quarter. The year-over-year contraction is driven primarily by the near-term headwinds in Product Commerce I discussed, combined with our continued investments in Developing Offerings. The quarter-over-quarter contraction primarily reflects the weather-related seasonality and Chuseok holiday timing we see from Q2 to Q3.

OG&A expense was $3.0 billion for the quarter, or 30.2% of total net revenues. Excluding the fire-related costs, OG&A expense was approximately $2.9 billion, or 28.7% of total net revenues, an increase of approximately 110 basis points year-over-year. This increase was driven by deliberate step-up in marketing spend to support the Product Commerce customer recovery and the fixed cost base still carrying capacity sized for the pre-incident demand curve.

Operating loss for the quarter was $450 million. Excluding the fire-related costs, operating loss was $202 million. Loss before income taxes was $514 million, or $266 million excluding the fire-related expenses. Our tax dynamics continue to reflect losses in our early-stage operations in Taiwan and Japan that do not generate offsetting tax benefits at the consolidated level.

Net loss attributable to Coupang stockholders was $501 million, or $321 million excluding the impacts of the fire. This resulted in a diluted loss per share of 28 cents, or approximately 18 cents excluding the fire.

We generated $116 million in consolidated adjusted EBITDA this quarter, resulting in an adjusted EBITDA margin of 1.2%. This represents a contraction of approximately 330 basis points year-over-year, in line with the 300 to 400 basis point range we

guided to last quarter. The year-over-year contraction continues to be driven by the near-term items we have discussed previously: the imbalance of our fixed cost structure and current demand, the elevated marketing and promotional investment supporting the customer recovery, and the supply chain pressures that come with the lower volumes than planned. In addition, there was an approximately 40 basis point negative impact from the Chuseok timing shift I noted earlier.

On cash flows, on the trailing 12-month basis we generated operating cash flow of $845 million and free cash flow was negative $409 million. The year-over-year declines reflect the lower profitability we have discussed this year, increases in capital expenditures, cash outlays relating to the fire, and an elevated level of tax payments.

During the quarter, we also repurchased 13 million shares of Class A common stock for approximately $201 million.

Turning now to our near-term outlook. For Q4, we expect consolidated constant currency revenue growth of 13-14%. This reflects our expectation of continued progress in our recovery in Product Commerce.

For consolidated adjusted EBITDA, we expect the margin to increase 50-150 bps quarter-over-quarter in Q4, reflecting continued underlying progress in Product Commerce as well as reduced levels of marketing spend. We continue to expect Product Commerce adjusted EBITDA margins to return by mid-next year to levels approximating those we generated prior to the data incident. And while margins may be uneven quarter-over-quarter, we believe the long-term drivers of our margin expansion beyond the recovery remain unchanged.

For Developing Offerings, we previously guided to full year losses this year of $950 million to $1 billion. We are now increasing the top end of that range by $50-$100 million. This update is primarily driven by our Taiwan build-out, where we are accelerating infrastructure investments to support our differentiated delivery experience and to scale our supply chain. We continue to evaluate each investment in Developing Offerings against the same discipline we apply across the business — rigorous analysis, operational excellence, and our conviction to generating meaningful long-term returns.

Operator, we are now ready to begin the Q&A.