



# Q2 2023 Financial Results

August 8, 2023

## Disclaimer

# Forward-Looking Statements

This presentation may contain statements that may be deemed to be "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Act"), that are intended to enjoy the protection of the safe harbor for forward-looking statements provided by the Act as well as protections afforded by other federal securities laws. We have based the forward-looking statements contained in this report on our current expectations and projections about future events and trends that we believe may affect our industry, business, financial condition, and results of operations. Actual results and outcomes could differ materially for a variety of reasons, including, among others: the continued growth of the retail market and the increased acceptance of online transactions by potential customers, competition in our industry, managing our growth and expansion into new markets and offerings, our financial performance, our ability to retain existing suppliers and to add new suppliers, our market position, our operation and management of our fulfillment and delivery infrastructure, other legal and regulatory developments, and the impact of the global economy including inflation and foreign currency exchange rates. For additional information on other potential risks and uncertainties that could cause actual results to differ from the results predicted, please see our most recent Annual Report on Form 10-K and subsequent filings. All forward-looking statements in this presentation are based on information available to Coupang and assumptions and beliefs as of the date hereof, and we disclaim any obligation to update any forward-looking statements, except as required by law. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements.

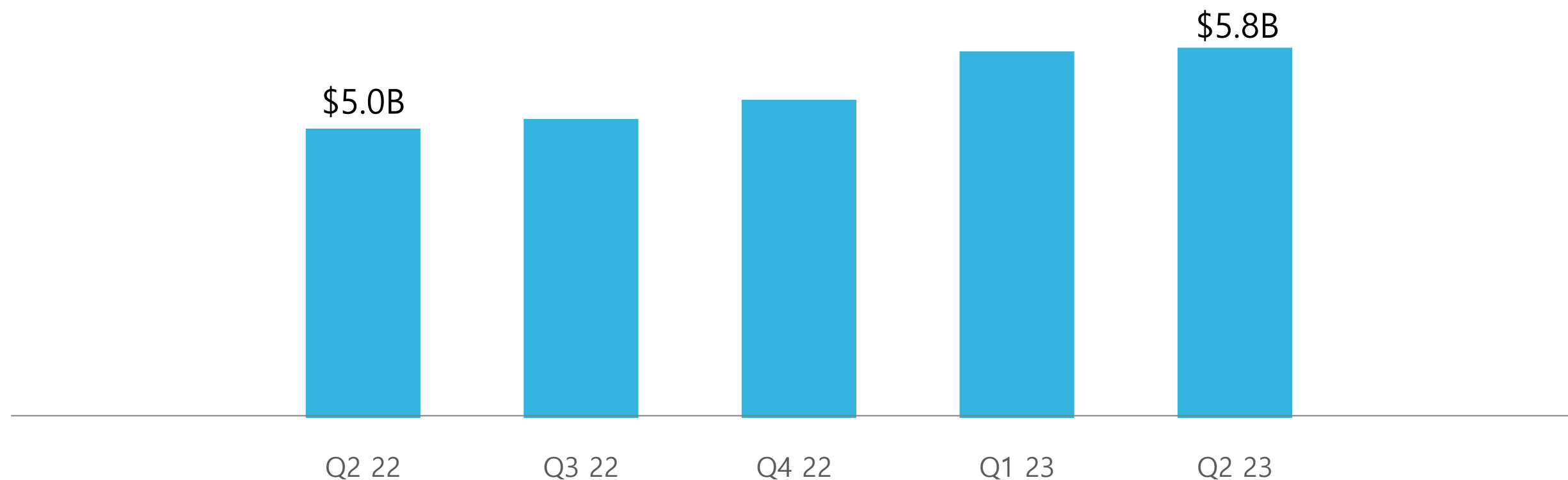
Additional information relating to certain of our financial measures contained herein, including non-GAAP financial measures, is available in the appendix to this presentation, our most recent earnings release and at our website at [www.ir.aboutcoupang.com](http://www.ir.aboutcoupang.com).

## Total Net Revenues

**Up 16% YoY**

**Up 21% YoY FX-neutral**

Would have been **~300 bps** higher  
without FLC accounting change



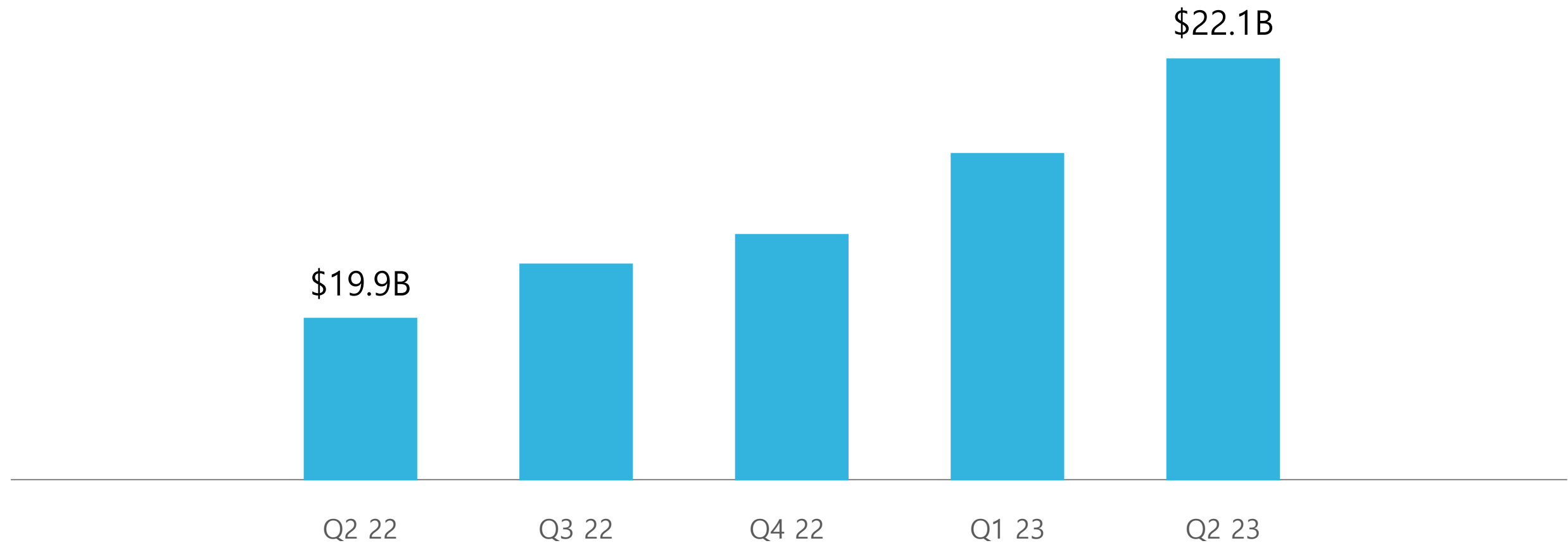
Note: Starting in Q2 2023, we implemented certain contract changes that resulted in a change to the prospective accounting for FLC revenue (previously on a gross basis, and now on a net basis). We estimate the Q2 2023 growth rate would have been approximately 300 bps higher without this accounting change.

Note: FX-neutral represents the change in net revenues as though the foreign exchange rates remained the same as those in effect in the comparable prior year period.

## Total Net Revenues – TTM

**Up 11% YoY**  
**Up 22% YoY FX-neutral**

Would have been **~80 bps**  
higher without FLC accounting  
change



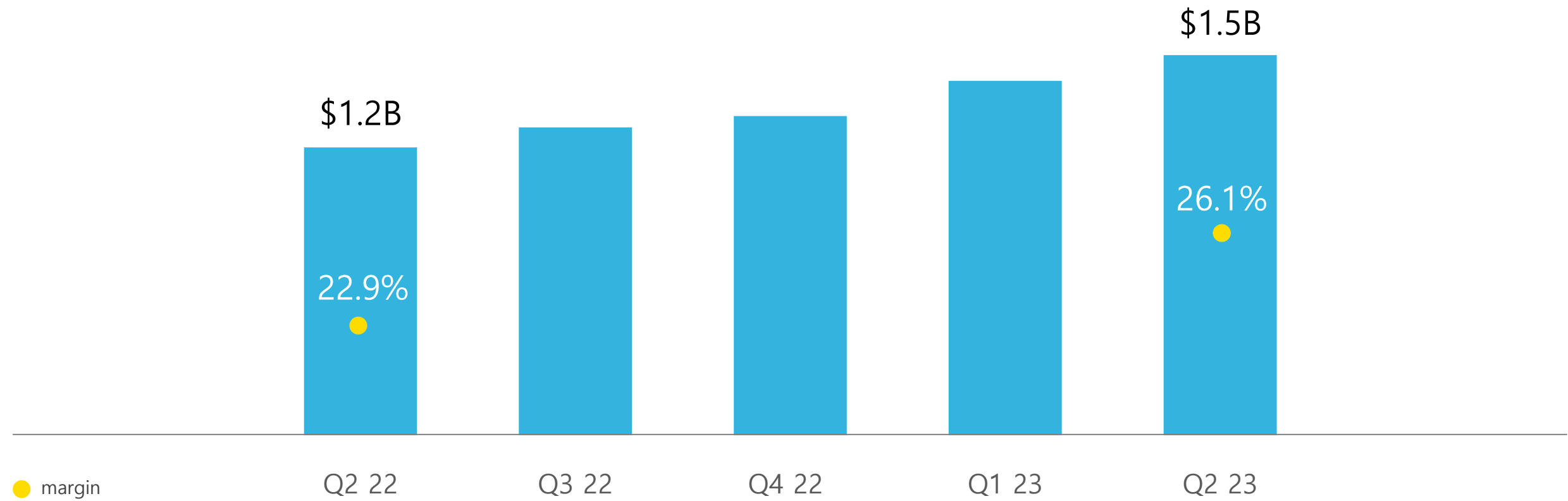
Note: Starting in Q2 2023, we implemented certain contract changes that resulted in a change to the prospective accounting for FLC revenue (previously on a gross basis, and now on a net basis). We estimate the Q2 2023 TTM growth rate would have been approximately 80 bps higher without this accounting change.

Note: TTM represents trailing twelve months.

## Gross Profit

Up 32% YoY

GPM up 320 bps YoY — Would have been ~100 bps lower without FLC accounting change

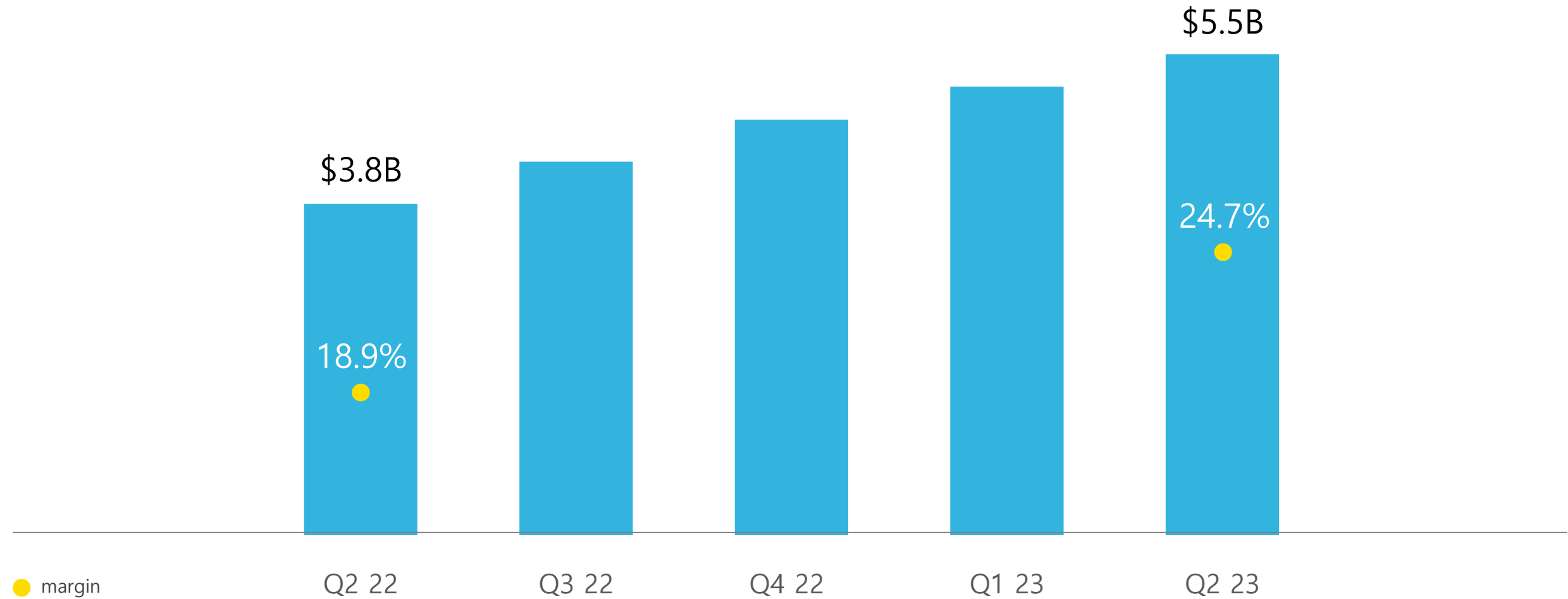


Note: Starting in Q2 2023, we implemented certain contract changes that resulted in a change to the prospective accounting for FLC revenue (previously on a gross basis, and now on a net basis). We estimate the Q2 2023 GPM would have been approximately 100 bps lower without this accounting change.

## Gross Profit - TTM

Up 45% YoY

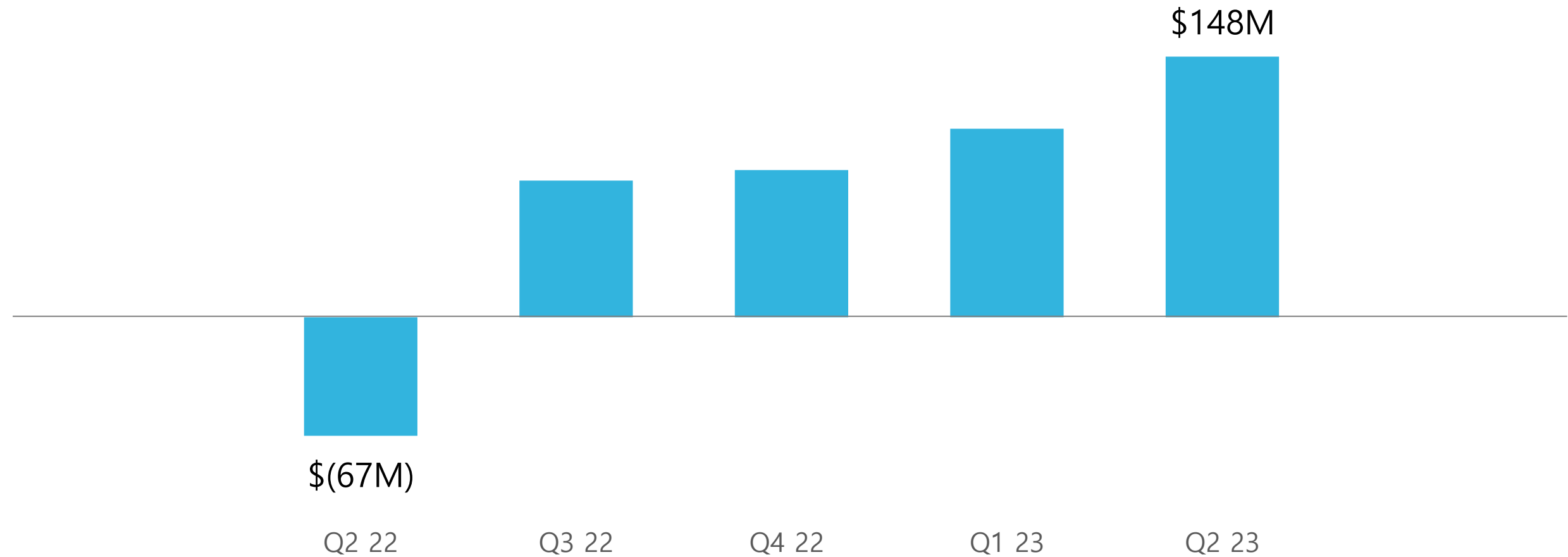
GPM up 580 bps YoY — Would have been ~30 bps lower without FLC accounting change



Note: Starting in Q2 2023, we implemented certain contract changes that resulted in a change to the prospective accounting for FLC revenue (previously on a gross basis, and now on a net basis). We estimate the Q2 2023 TTM GPM would have been approximately 30 bps lower without this accounting change.

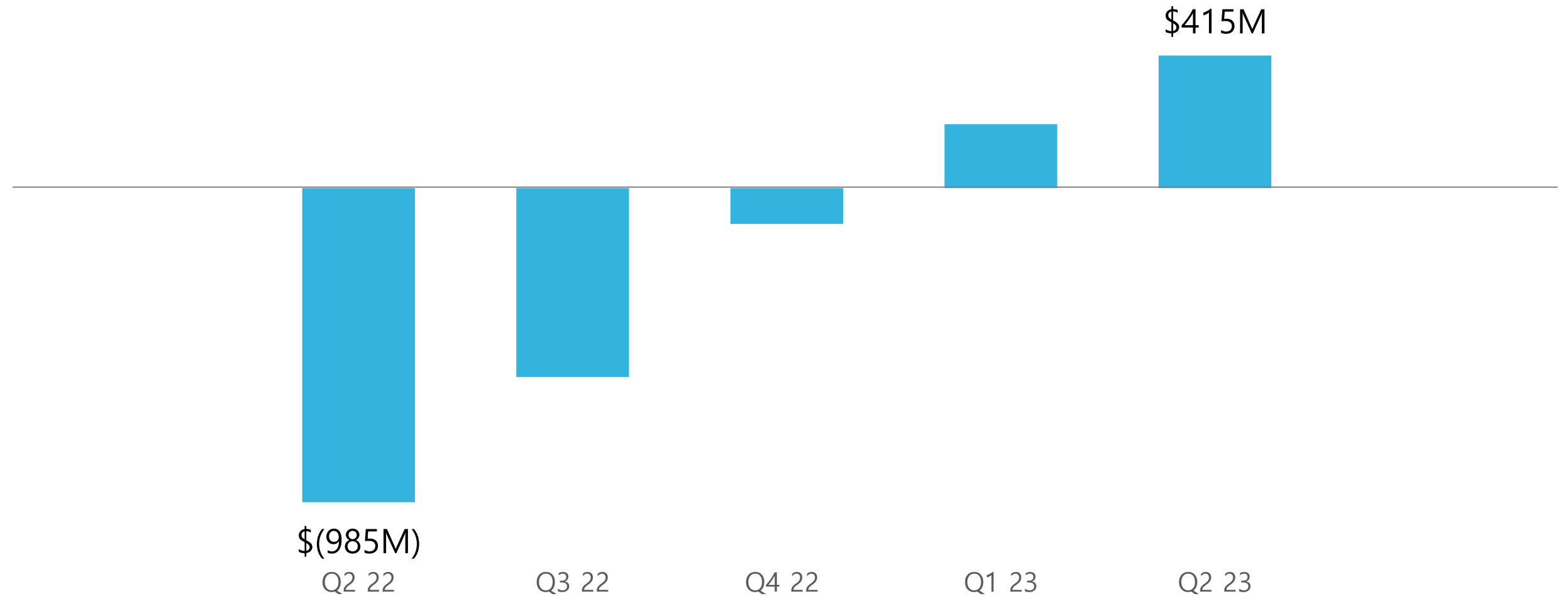
Operating Income (Loss)

**Up \$215M YoY**



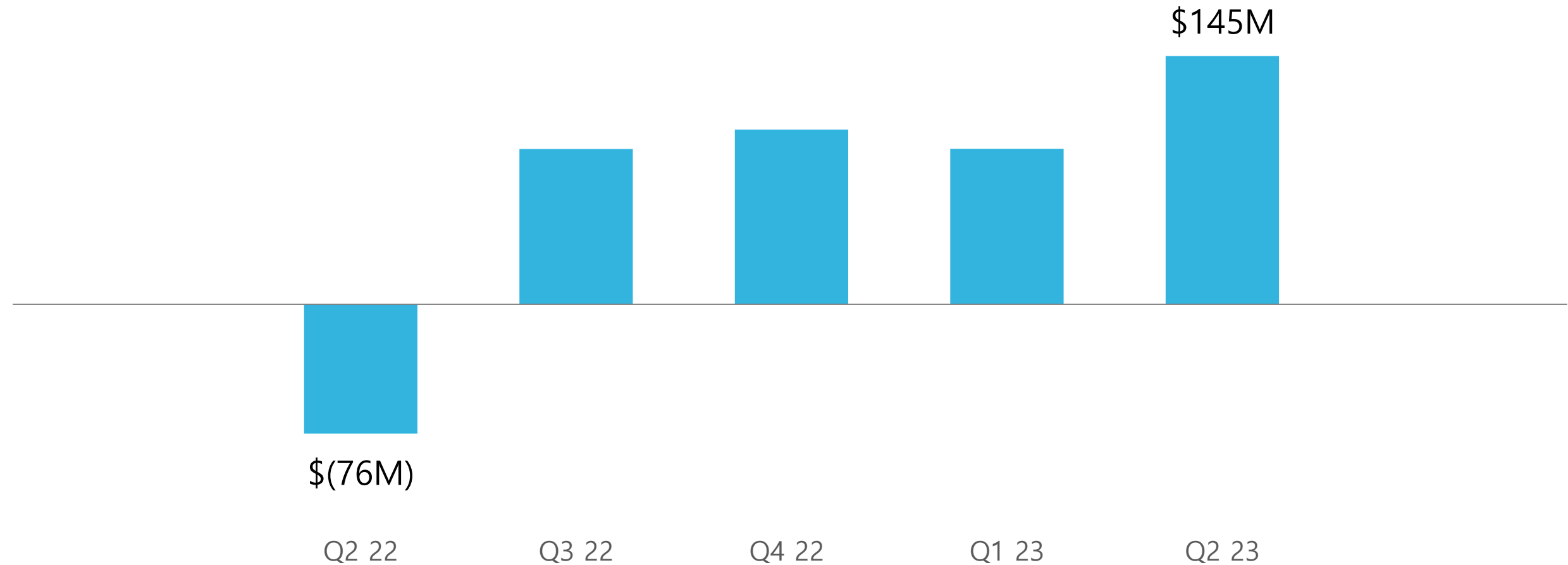
Operating Income (Loss) - TTM

**Up \$1.4B YoY**



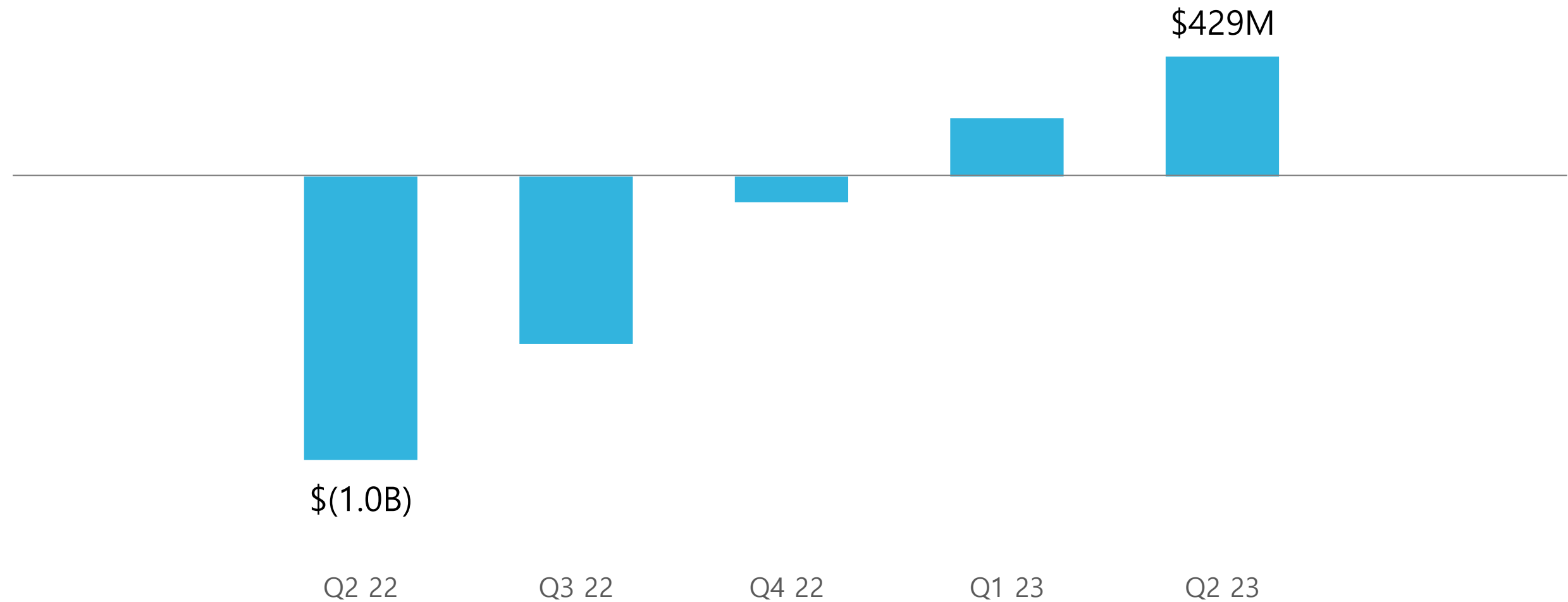
Net Income (Loss)

**Up \$221M YoY**



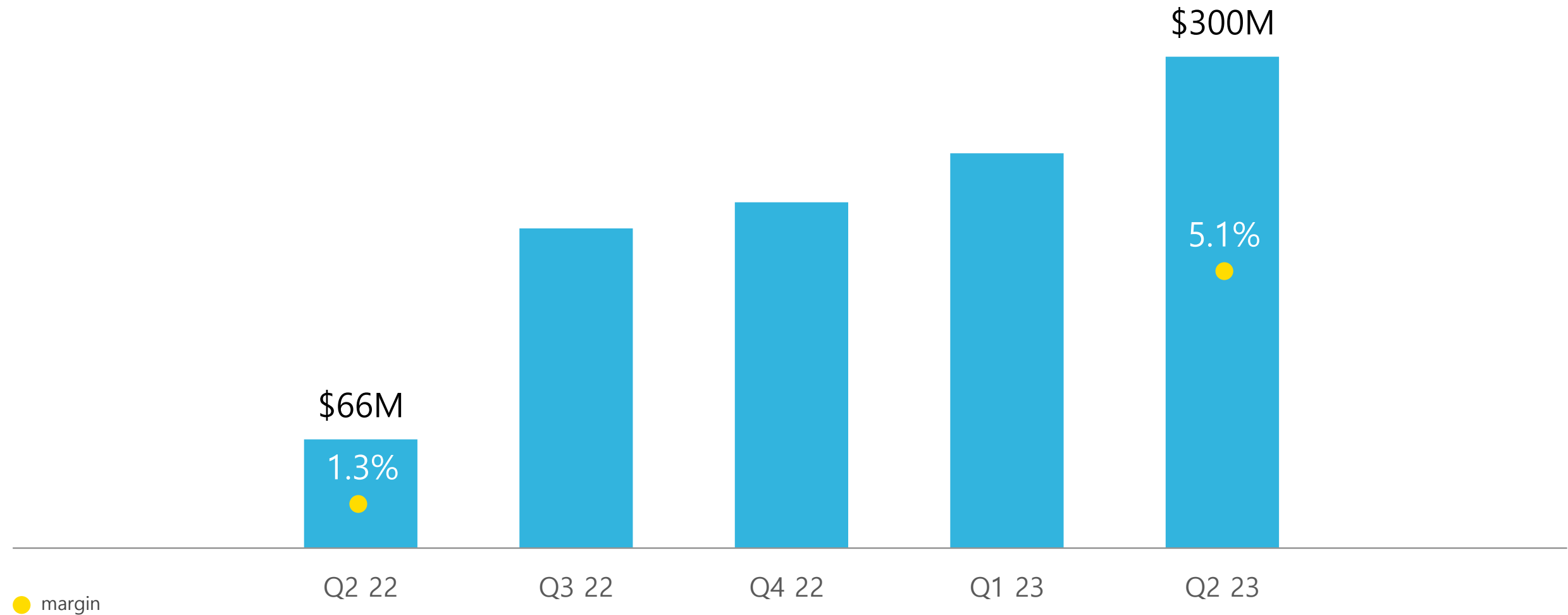
Net Income (Loss) - TTM

**Up \$1.4B YoY**



## Adjusted EBITDA

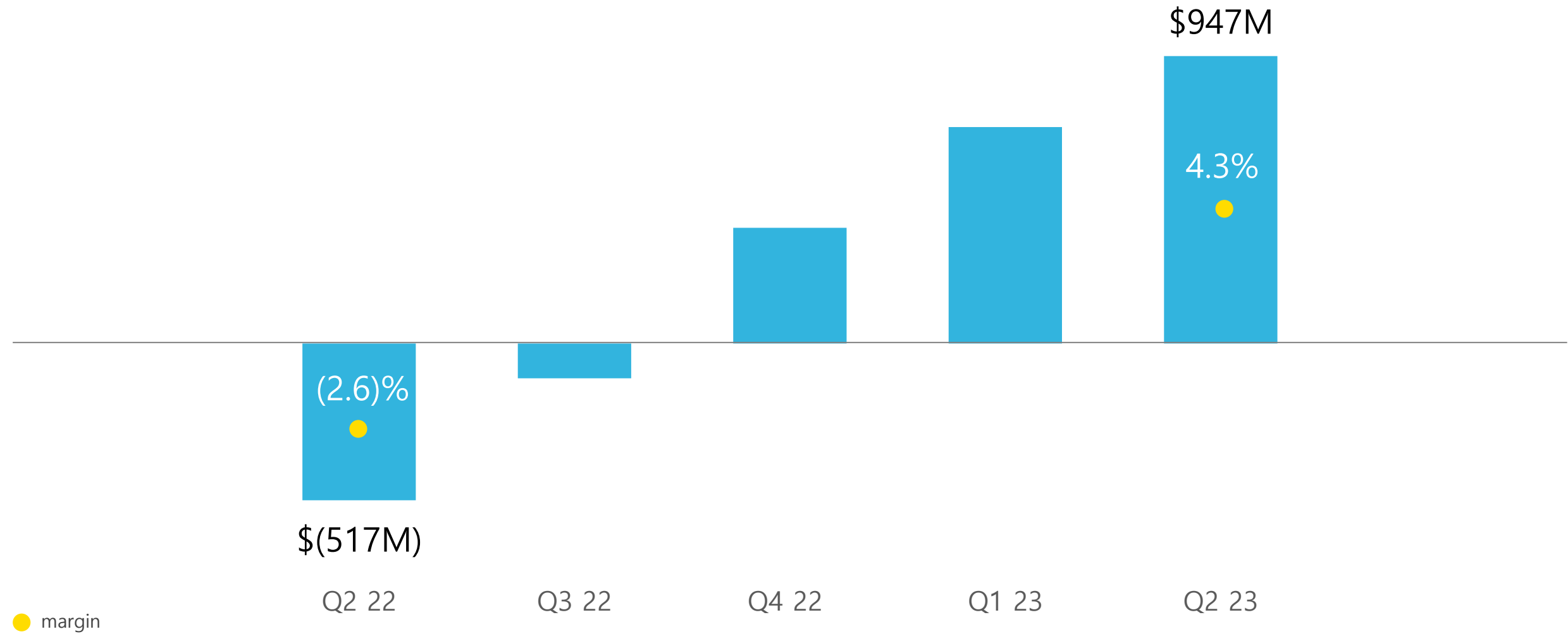
**Up \$234M YoY**



Note: Adjusted EBITDA defined as net income (loss) excluding the effects of: depreciation and amortization, interest expense and income, other income (expense), income tax expense (benefit), equity-based compensation, impairments, and other items not reflective of our ongoing operations. See Appendix for a reconciliation of net income to adjusted EBITDA.

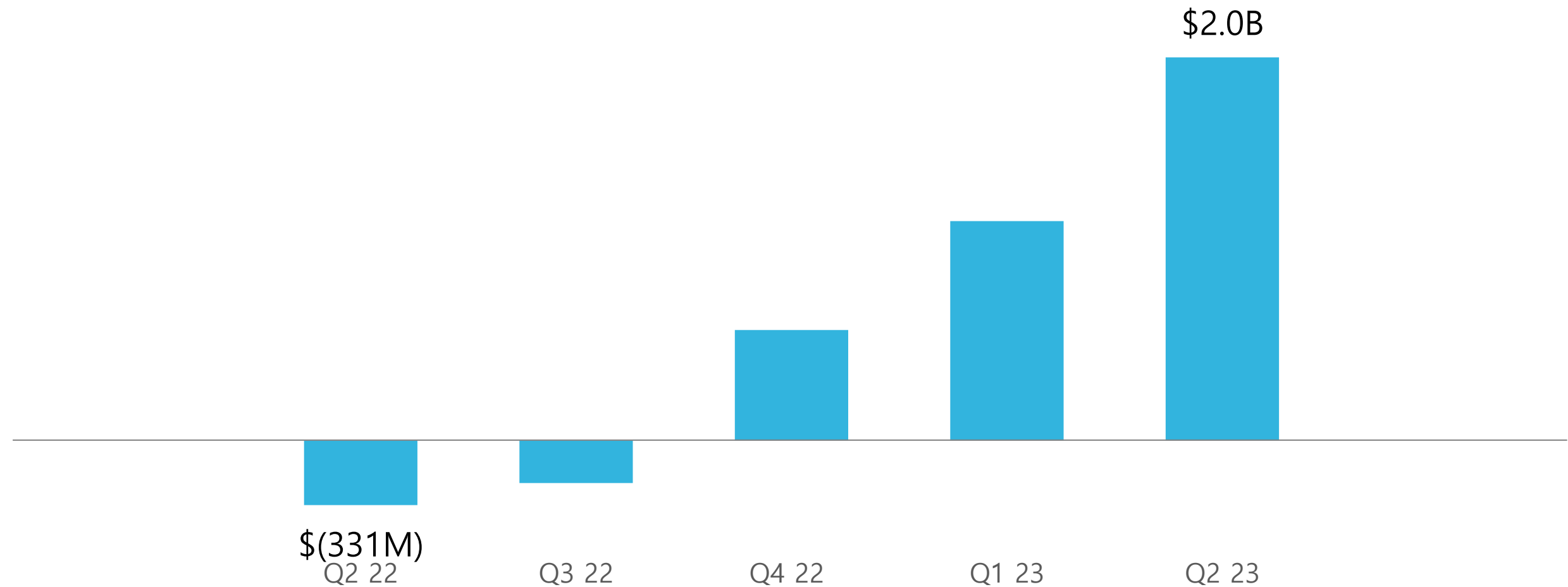
Adjusted EBITDA - TTM

**Up \$1.5B YoY**



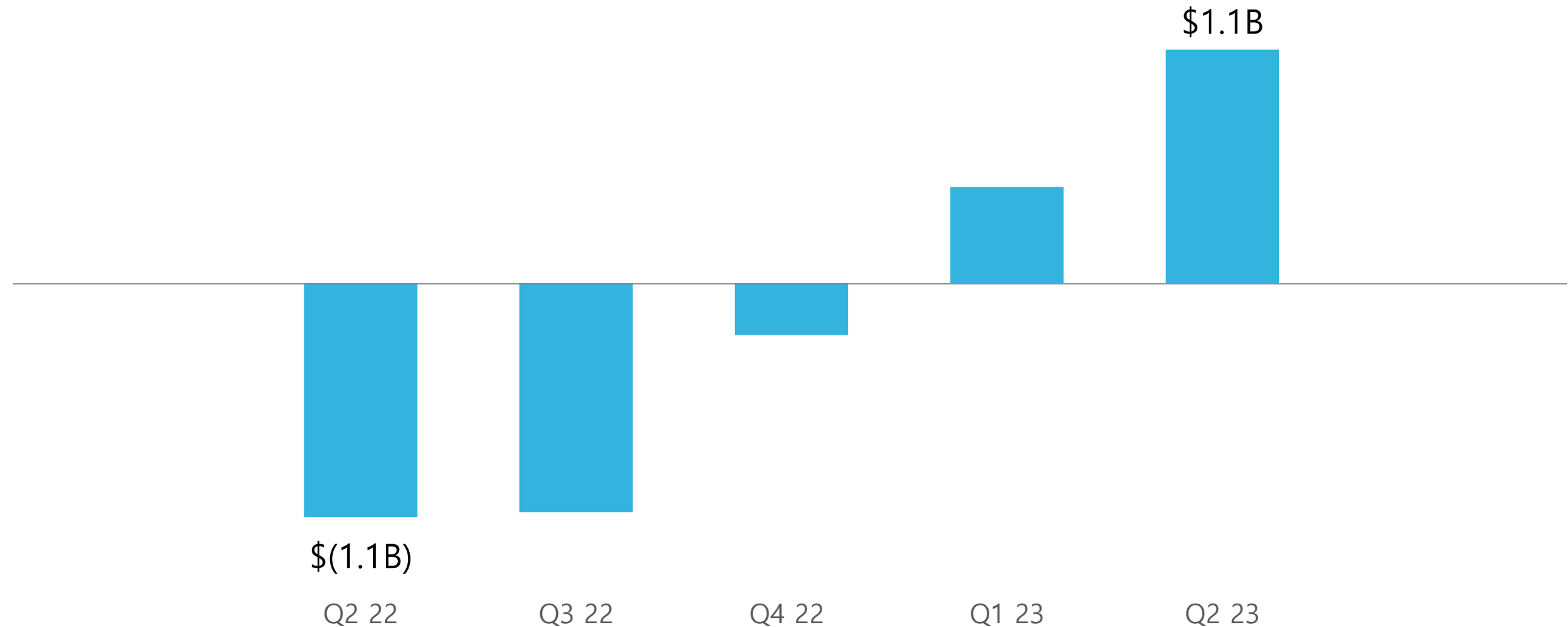
## Operating Cash Flow - TTM

**Up \$2.3B YoY**



## Free Cash Flow - TTM

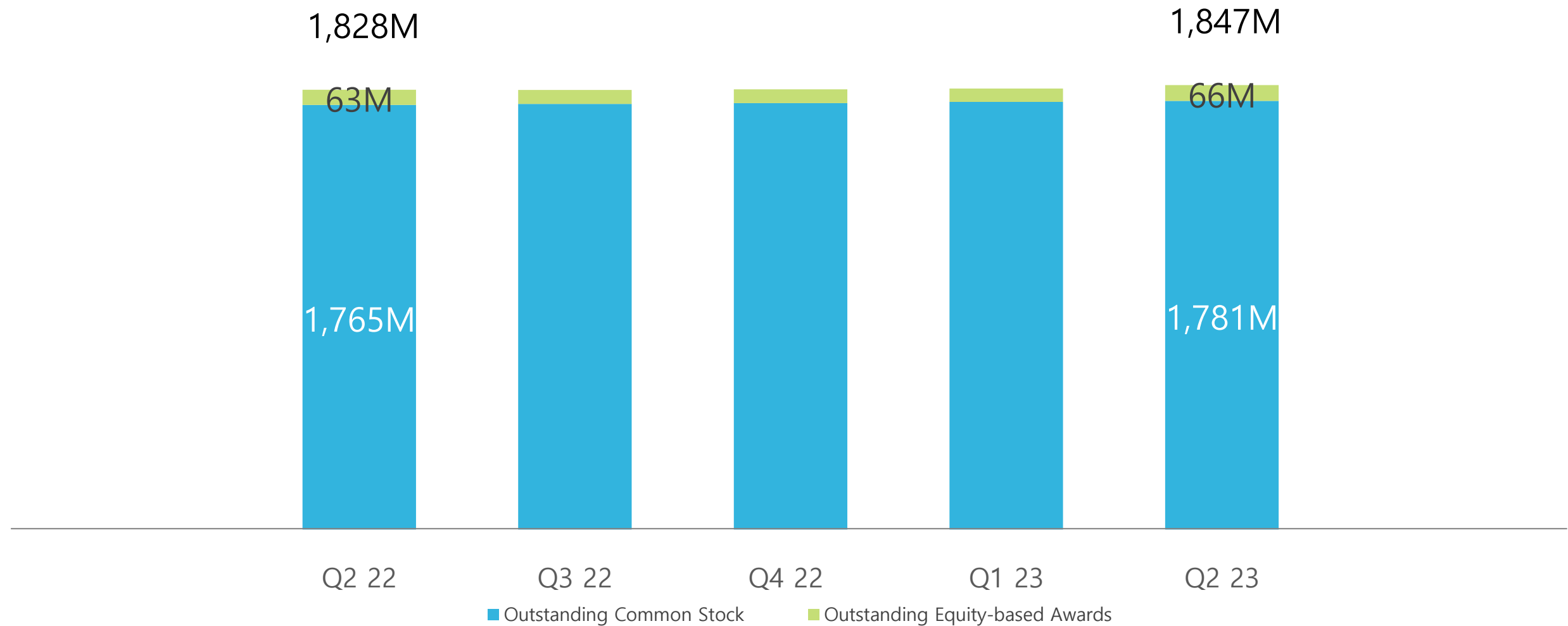
**Up \$2.2B YoY**



Note: Free cash flow defined as cash flow from operations, less capital expenditures, plus proceeds from sale of property and equipment. See Appendix for a reconciliation of operating cash flow to free cash flow.

## Common Stock

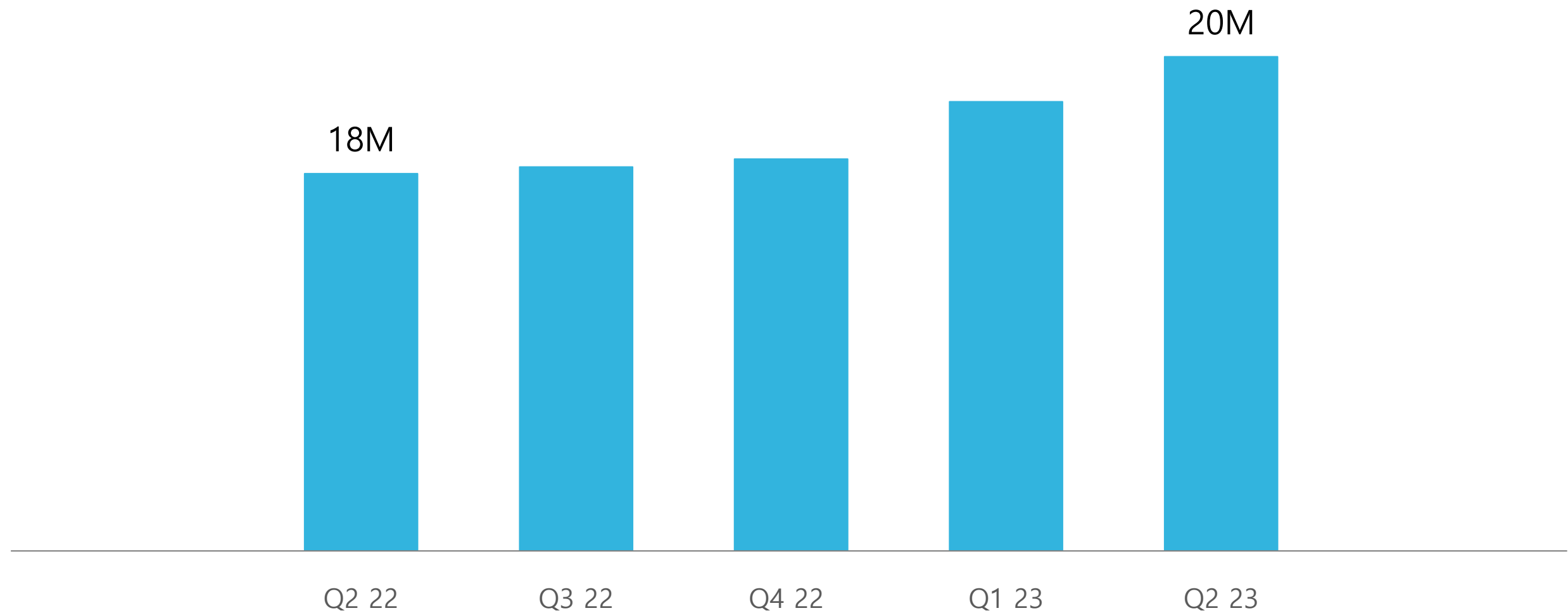
### 1.0% YoY Dilution



Note: Dilution represents the change in the total of outstanding common stock and outstanding equity-based awards.

Active Customers

**Up 10% YoY**



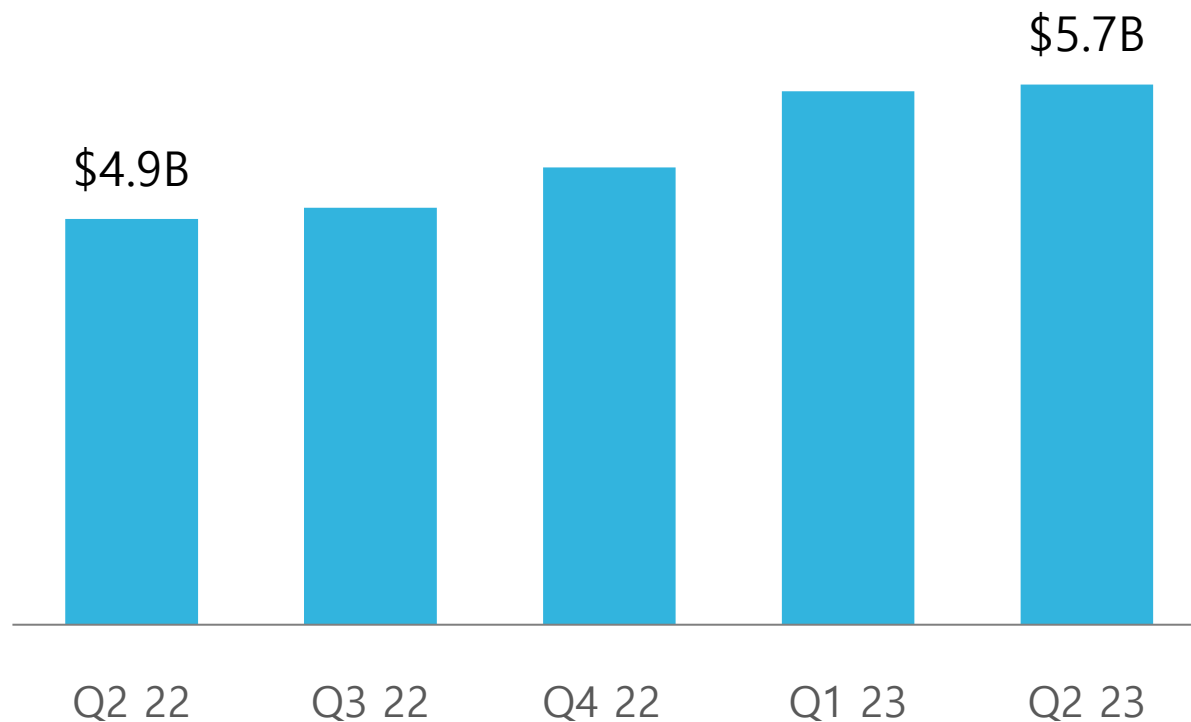
# Segment Results: Product Commerce

## Net Revenue

Up 16% YoY

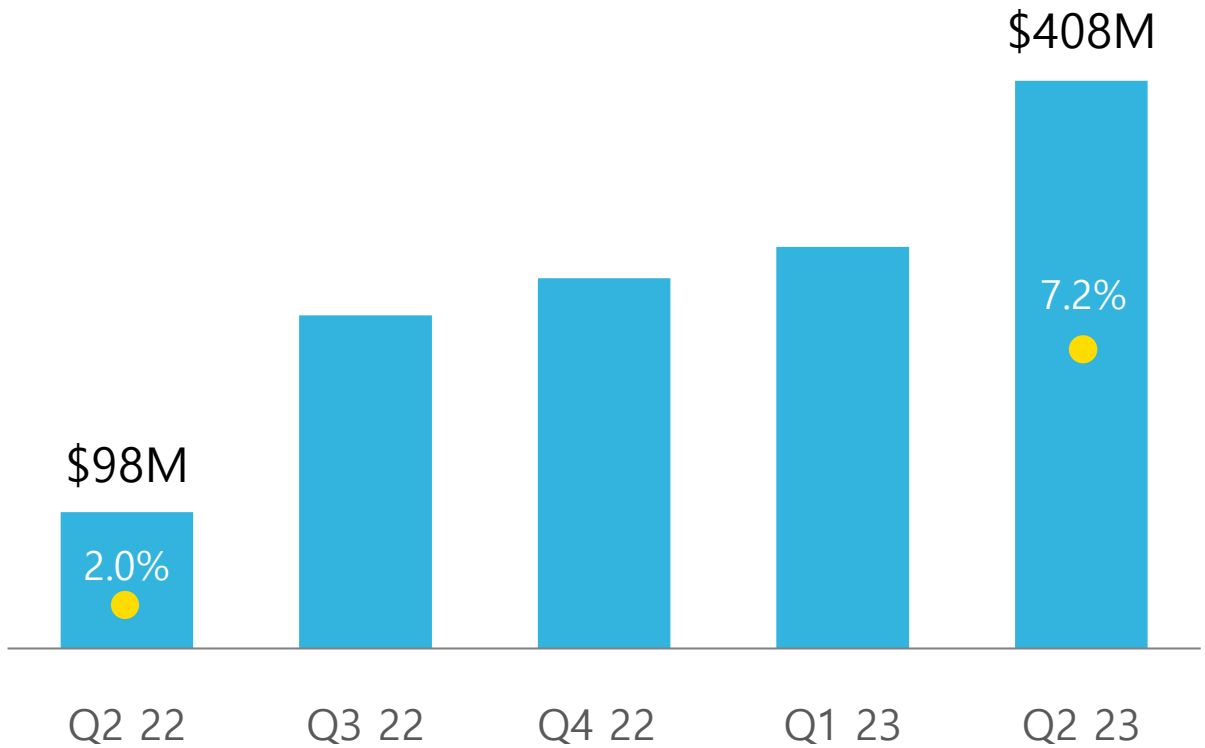
UP 21% YoY F/X neutral

Would have been ~300 bps higher without FLC accounting change



## Adj. EBITDA

Up \$310M YoY



Note: Starting in Q2 2023, we implemented certain contract changes that resulted in a change to the prospective accounting for FLC revenue (previously on a gross basis, and now on a net basis). We estimate the Q2 2023 growth rate would have been approximately 300 bps higher without this accounting change.

● margin

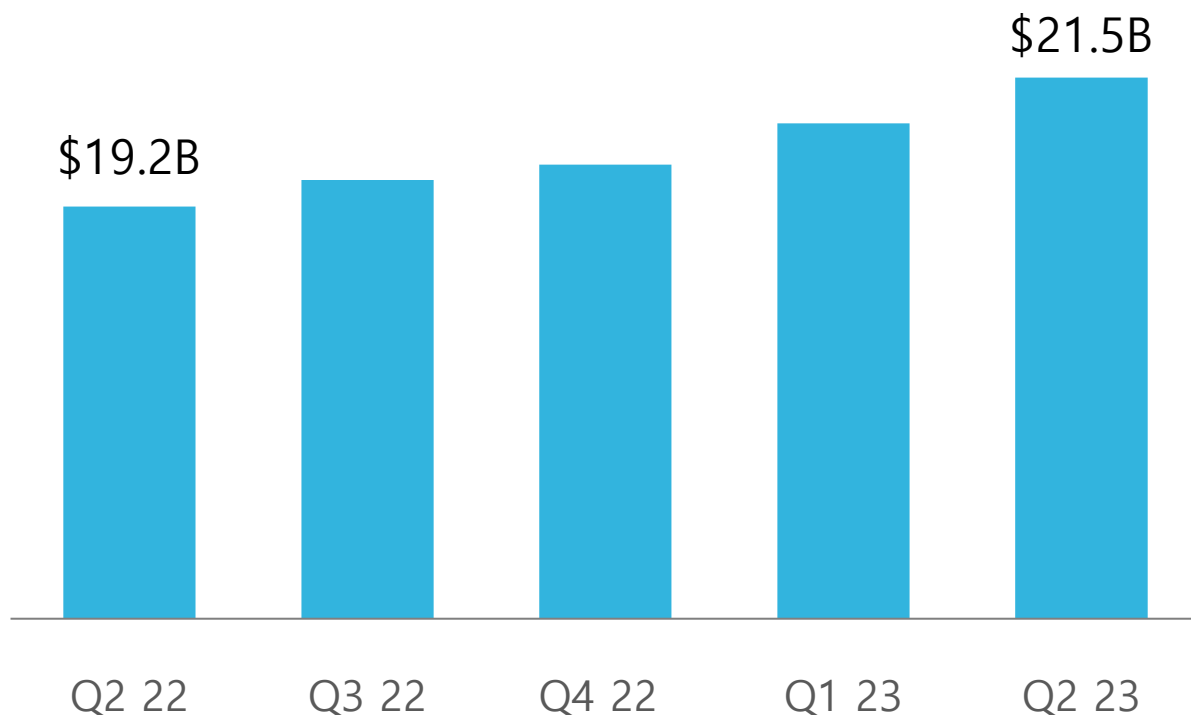
# Segment Results: Product Commerce - TTM

## Net Revenue - TTM

Up 12% YoY

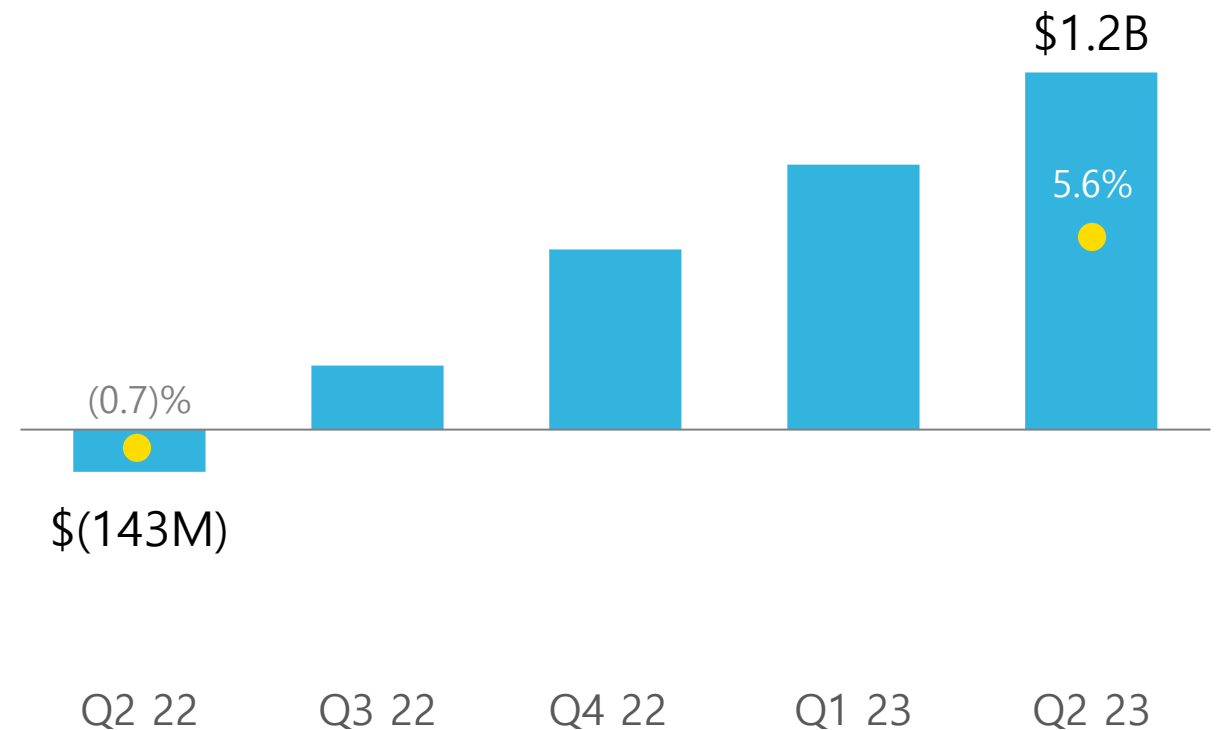
UP 23% YoY F/X neutral

Would have been ~80 bps higher without FLC accounting change



## Adj. EBITDA - TTM

Up \$1.3B YoY



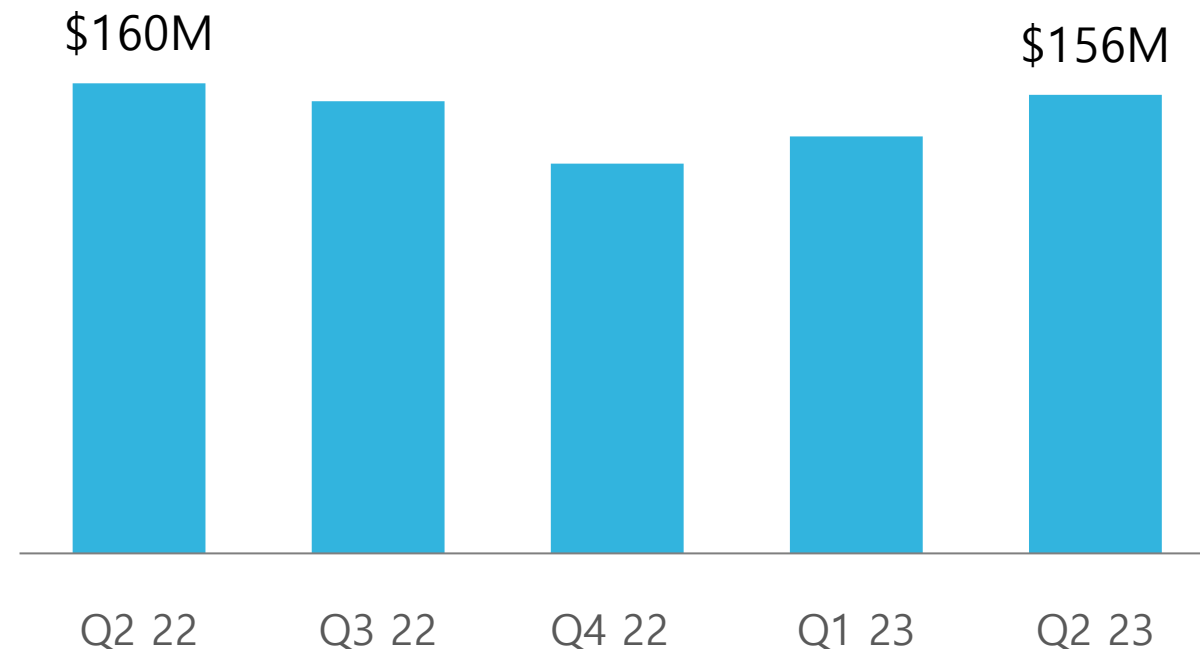
Note: Starting in Q2 2023, we implemented certain contract changes that resulted in a change to the prospective accounting for FLC revenue (previously on a gross basis, and now on a net basis). We estimate the Q2 2023 TTM growth rate would have been approximately 80 bps higher without this accounting change.

● margin

# Segment Results: Developing Offerings

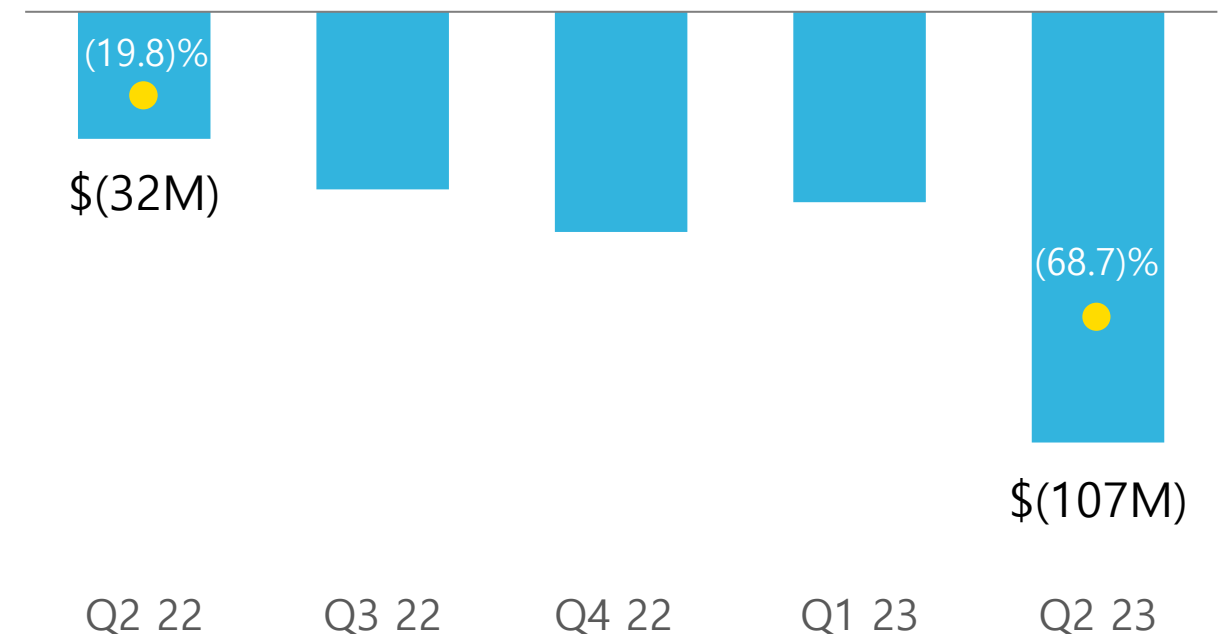
## Net Revenue

Down 2% YoY  
Up 2% YoY F/X neutral



## Adj. EBITDA

Down 76M YoY



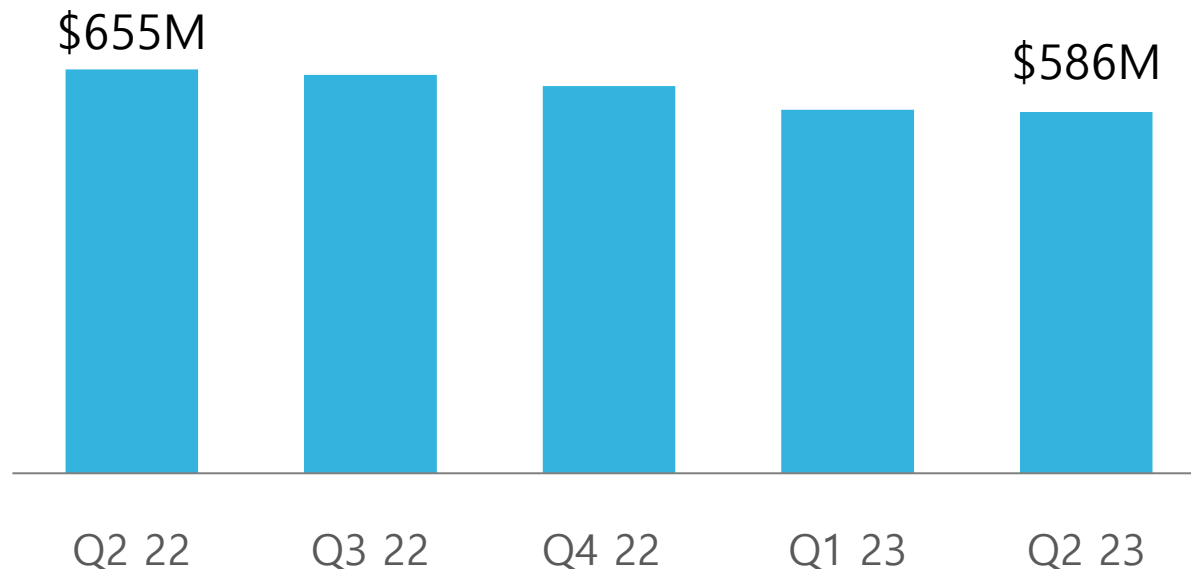
● margin

# Segment Results: Developing Offerings - TTM

## Net Revenue - TTM

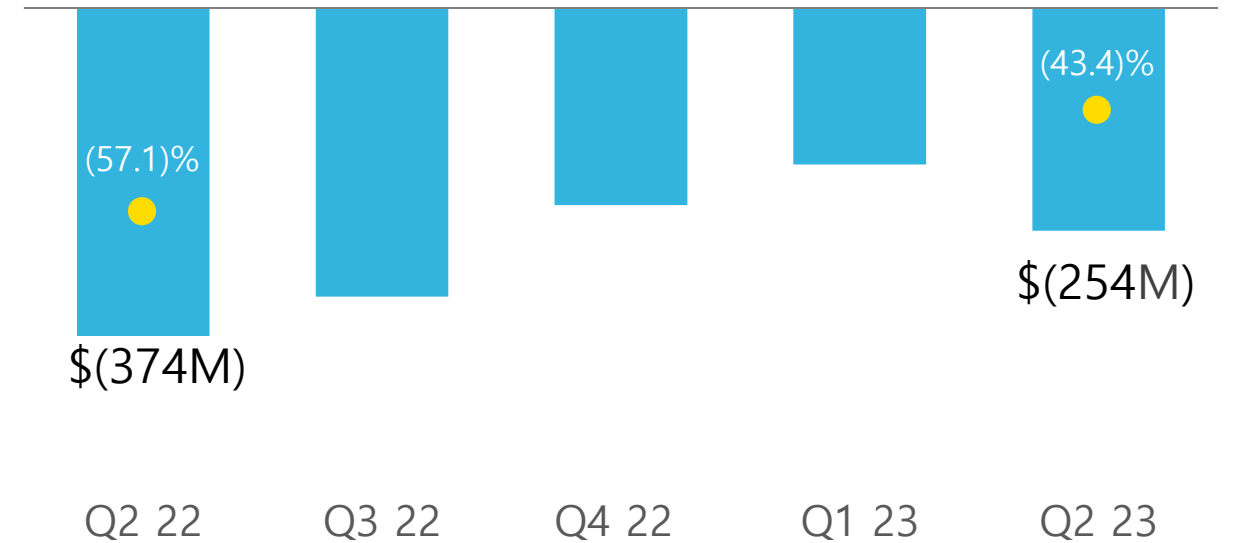
Down 11% YoY

Down 2% YoY F/X neutral



## Adj. EBITDA - TTM

Improved 32% YoY



● margin

# Our Operating Tenets

**One,** we exist to deliver new moments of wow for customers.

**Two,** we don't start with what looks easy. We work backwards from imagining jaw-dropping customer experiences and we embrace the hard work required to challenge trade-offs that customers take for granted.

**Three,** we will employ technology, process innovation and economies of scale to create amazing customer experiences and drive operating leverage and significant cash flows over time.

**Four,** we always prioritize growth in long-term cash flows.

**Five,** we are disciplined capital allocators. We start with small investments, then test and iterate rigorously. We invest more capital over time in opportunities that have the best long-term cash flow potential.

A photograph of a family in a modern kitchen. A woman in a teal shirt is unpacking a blue and red Coupang delivery bag on the counter. A young girl in a white dress stands next to her, smiling. A young boy in a blue shirt stands in the background near a refrigerator. The kitchen has large windows and a stainless steel range hood.

Create a world where customers wonder  
“How did I ever live without Coupang?”

# Appendix

# Non-GAAP Measure: Adjusted EBITDA

| (in thousands)                | Three Months Ended |                    |                   |                   |                   |
|-------------------------------|--------------------|--------------------|-------------------|-------------------|-------------------|
|                               | June 30, 2022      | September 30, 2022 | December 31, 2022 | March 31, 2023    | June 30, 2023     |
| Total net revenues            | \$ 5,037,821       | \$ 5,101,334       | \$ 5,326,774      | \$ 5,800,530      | \$ 5,837,889      |
| <b>Net income (loss)</b>      | <b>(75,491)</b>    | <b>90,679</b>      | <b>102,064</b>    | <b>90,855</b>     | <b>145,192</b>    |
| Net income (loss) margin      | (1.5)%             | 1.8 %              | 1.9 %             | 1.6 %             | 2.5 %             |
| Adjustments:                  |                    |                    |                   |                   |                   |
| Depreciation and amortization | 60,399             | 54,424             | 56,902            | 64,245            | 66,178            |
| Interest expense              | 6,143              | 6,485              | 7,173             | 8,278             | 12,813            |
| Interest income               | (7,364)            | (15,403)           | (26,497)          | (31,861)          | (41,630)          |
| Income tax expense (benefit)  | 340                | 6,883              | (8,531)           | 32,964            | 26,026            |
| Other expense (income), net   | 9,229              | (11,224)           | 9,200             | 6,539             | 5,241             |
| Equity-based compensation     | 72,916             | 63,075             | 70,682            | 69,899            | 86,404            |
| <b>Adjusted EBITDA</b>        | <b>\$ 66,172</b>   | <b>\$ 194,919</b>  | <b>\$ 210,993</b> | <b>\$ 240,919</b> | <b>\$ 300,224</b> |
| Adjusted EBITDA margin        | 1.3 %              | 3.8 %              | 4.0 %             | 4.2 %             | 5.1 %             |

# Non-GAAP Measure: Adjusted EBITDA - TTM

| (in thousands)                | Trailing Twelve Months Ended |                     |                   |                   |                   |
|-------------------------------|------------------------------|---------------------|-------------------|-------------------|-------------------|
|                               | June 30, 2022                | September 30, 2022  | December 31, 2022 | March 31, 2023    | June 30, 2023     |
| Total net revenues            | \$ 19,875,905                | \$ 20,332,534       | \$ 20,582,615     | \$ 21,266,459     | \$ 22,066,527     |
| <b>Net income (loss)</b>      | <b>(1,013,741)</b>           | <b>(599,085)</b>    | <b>(92,042)</b>   | <b>208,107</b>    | <b>428,790</b>    |
| Net income (loss) margin      | (5.1)%                       | (2.9)%              | (0.4)%            | 1.0 %             | 1.9 %             |
| Adjustments:                  |                              |                     |                   |                   |                   |
| Depreciation and amortization | 226,793                      | 229,677             | 230,965           | 235,970           | 241,749           |
| Interest expense              | 28,198                       | 27,307              | 27,169            | 28,079            | 34,749            |
| Interest income               | (16,696)                     | (29,496)            | (52,798)          | (81,125)          | (115,391)         |
| Income tax expense (benefit)  | 1,482                        | 8,299               | (1,063)           | 31,656            | 57,342            |
| Other expense, net            | 16,199                       | 949                 | 6,715             | 13,744            | 9,756             |
| Equity-based compensation     | 240,542                      | 247,479             | 262,266           | 276,572           | 290,060           |
| <b>Adjusted EBITDA</b>        | <b>\$ (517,223)</b>          | <b>\$ (114,870)</b> | <b>\$ 381,212</b> | <b>\$ 713,003</b> | <b>\$ 947,055</b> |
| Adjusted EBITDA margin        | (2.6)%                       | (0.6)%              | 1.9 %             | 3.4 %             | 4.3 %             |

# Non-GAAP Measure: Free Cash Flow - TTM

| (in thousands)                                             | Trailing Twelve Months Ended |                       |                     |                     |                     |  |
|------------------------------------------------------------|------------------------------|-----------------------|---------------------|---------------------|---------------------|--|
|                                                            | June 30, 2022                | September 30, 2022    | December 31, 2022   | March 31, 2023      | June 30, 2023       |  |
| <b>Net cash provided by (used in) operating activities</b> | <b>\$ (331,313)</b>          | <b>\$ (217,783)</b>   | <b>\$ 565,439</b>   | <b>\$ 1,121,681</b> | <b>\$ 1,959,694</b> |  |
| Adjustments:                                               |                              |                       |                     |                     |                     |  |
| Purchases of land and buildings                            | (134,391)                    | (243,609)             | (226,587)           | (230,983)           | (476,706)           |  |
| Purchases of equipment                                     | (643,450)                    | (627,574)             | (597,675)           | (449,594)           | (399,505)           |  |
| Total purchases of property and equipment                  | (777,841)                    | (871,183)             | (824,262)           | (680,577)           | (876,211)           |  |
| Proceeds from sale of property and equipment               | 9,549                        | 11,504                | 13,182              | 9,601               | 12,585              |  |
| Total adjustments                                          | \$ (768,292)                 | \$ (859,679)          | \$ (811,080)        | \$ (670,976)        | \$ (863,626)        |  |
| <b>Free cash flow</b>                                      | <b>\$ (1,099,605)</b>        | <b>\$ (1,077,462)</b> | <b>\$ (245,641)</b> | <b>\$ 450,705</b>   | <b>\$ 1,096,068</b> |  |
| Net cash used in investing activities                      | \$ (799,642)                 | \$ (887,166)          | \$ (848,254)        | \$ (681,958)        | \$ (930,676)        |  |
| Net cash provided by financing activities                  | \$ 101,160                   | \$ 131,148            | \$ 247,352          | \$ 126,889          | \$ 495,364          |  |