



# Defining the **next** **era of commerce**

November 4, 2025



# Advisories

This presentation contains forward-looking statements and forward looking information (collectively, “forward-looking statements”) that are based on our management’s current estimates, beliefs and assumptions and management’s perception of historic trends, current conditions and expected future developments, as well as other factors management believes are appropriate in the circumstances. These statements may be identified by words such as “expect” “enable”, “will”, “may”, “should”, “assume”, “plan”, “intends”, “believe”, “become”, and “continue” or other similar words. 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, which are, in some cases, beyond our control, and 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. These risks are described in further detail in our Annual Report on Form 10-K, in ‘Item 1A : Risk Factors’ and ‘Item 7A : Quantitative and Qualitative Disclosures About Market Risk’ and as further described in subsequent quarterly reports and other 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, which are available on [www.sec.gov](http://www.sec.gov) and on [www.sedarplus.ca](http://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 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 financial information, which is 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. These measures should be considered a supplement to, not a substitute for, or superior to, the corresponding measures calculated in accordance with GAAP. Please refer to the Appendix titled “Non-GAAP and Other Financial Measures” 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.

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November 2025

## Investment thesis



We help **accelerate the power** of entrepreneurship and merchant success

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We are a **leading platform** for entrepreneurship...

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... and **increasingly all of commerce**

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As our merchants do better,  
**Shopify does better**

# Shopify Snapshot



## \$2.8B

Revenue in Q3 2025  
(up 32% YoY)



## \$1.4T

Global commerce\*  
since Shopify's inception



## 875M+

Unique online shoppers  
purchasing from Shopify  
merchants in 2024



## >12%

US ecommerce market  
share\*\* and expect further  
penetration



## Millions

of merchants in  
**175+ countries**

SIERRA MADRE



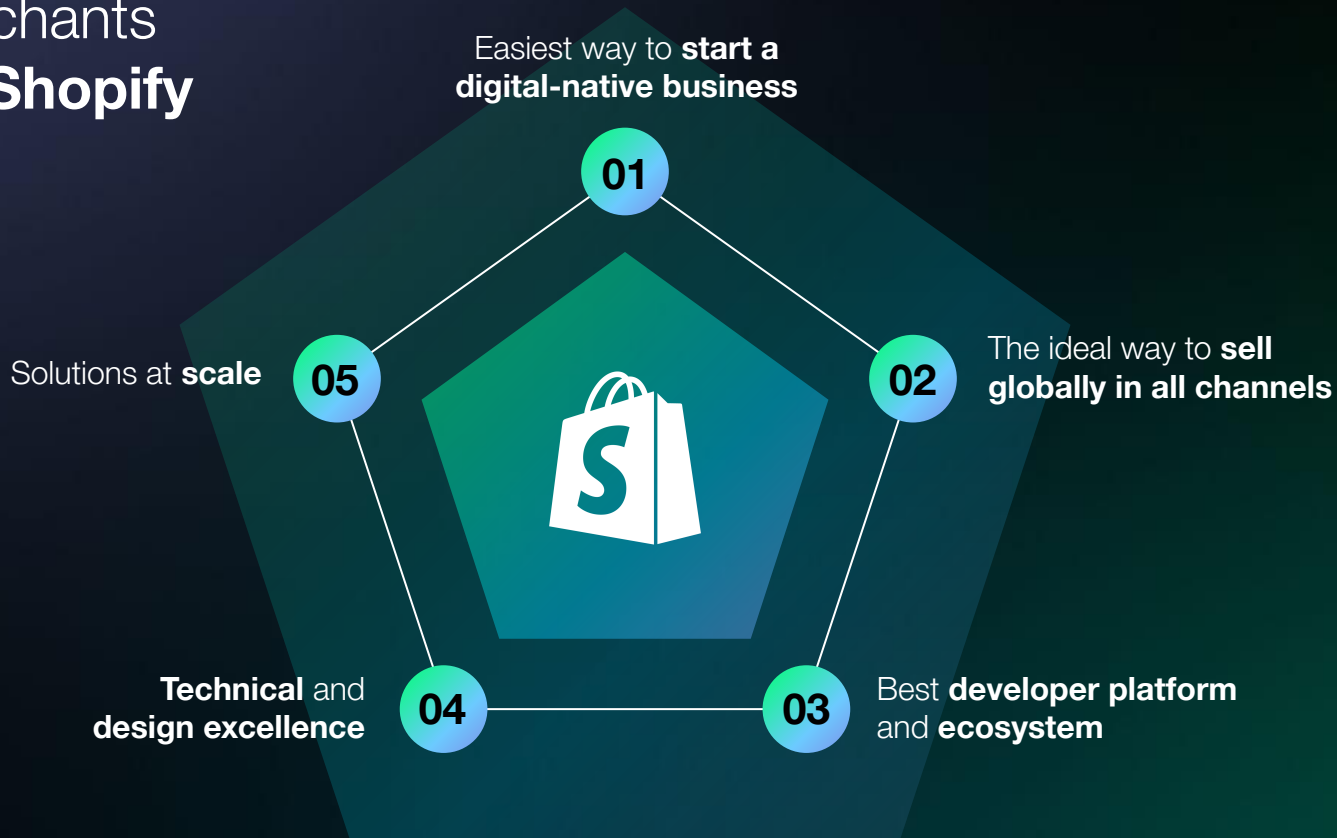
Featured merchant

\* Cumulative Shopify GMV since Shopify's inception.

\*\* The US ecommerce market is based on US Census Bureau data (Quarterly Retail E-Commerce Sales, not adjusted) for 2024. Shopify market share represents sales by Shopify merchants based on Shopify's 2024 US GMV (excluding merchant sales made through POS).



# Why merchants choose **Shopify**

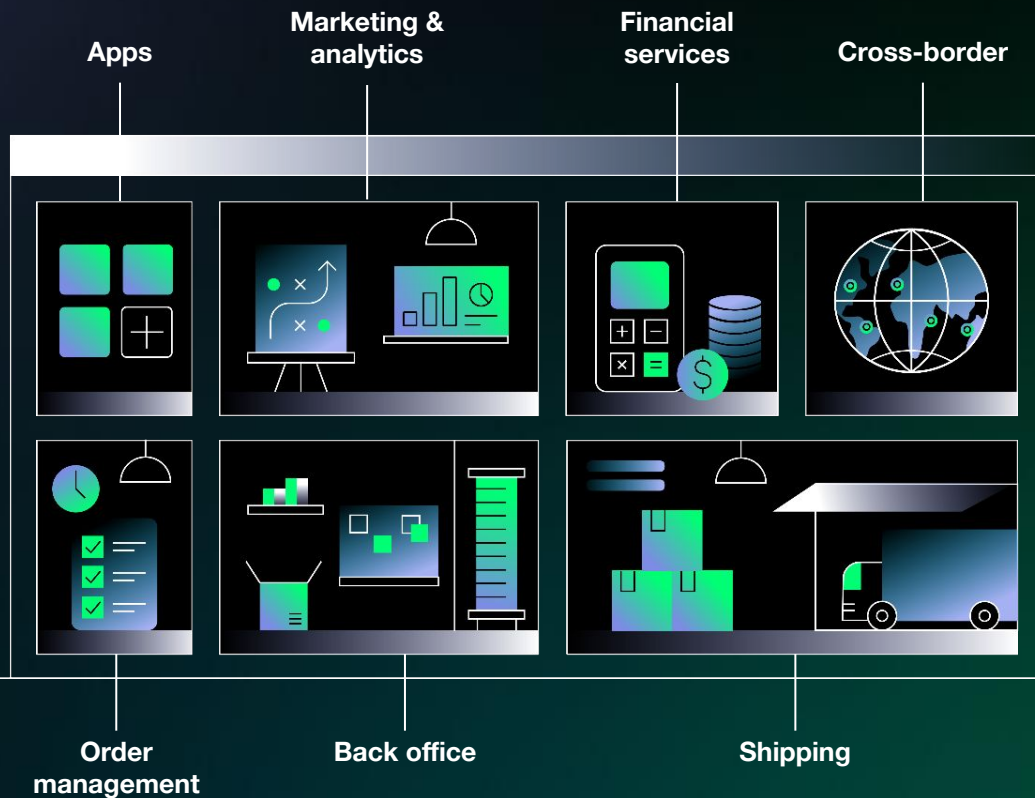


# Shopify has evolved into a **unified operating system for commerce** anywhere, anytime

Over 90% of our merchants have installed two or more channels



**We continue to expand  
Shopify's breadth** to  
make it even easier for  
merchants to start and  
scale their business



# Consumers' favorite brands powered by Shopify

+ Q3 Brands\*

SPANX®

GYMSHARK

Reebok

THE FINEST QUALITY  
THE  
Herschel  
SUPPLY CO. BRAND  
TRADE MARK

△ ASHLEY



MOLSON  
COORS  
beverage  
company

allbirds

REBECCA  
MINKOFF

BAUER

NIKE  
STRENGTH

KITH

MR BEAST®



KOTN

GOOD  
AMERICAN

HEINZ  
ESTD 1869

DOLLAR  
SHAVE  
CLUB®

BOMBAS  
fine bathlin

SKIMS

leesa

FASHION NOVA

Lord & Taylor

Glossier.

Crate&Barrel

OLLY

GIANT TIGER

STEVE MADDEN

KYLIE

staples

Bol's

JB HI-FI

Nestlé

elf  
eyes lips face

STOKKE

ESTÉE LAUDER

LADURÉE  
Paris

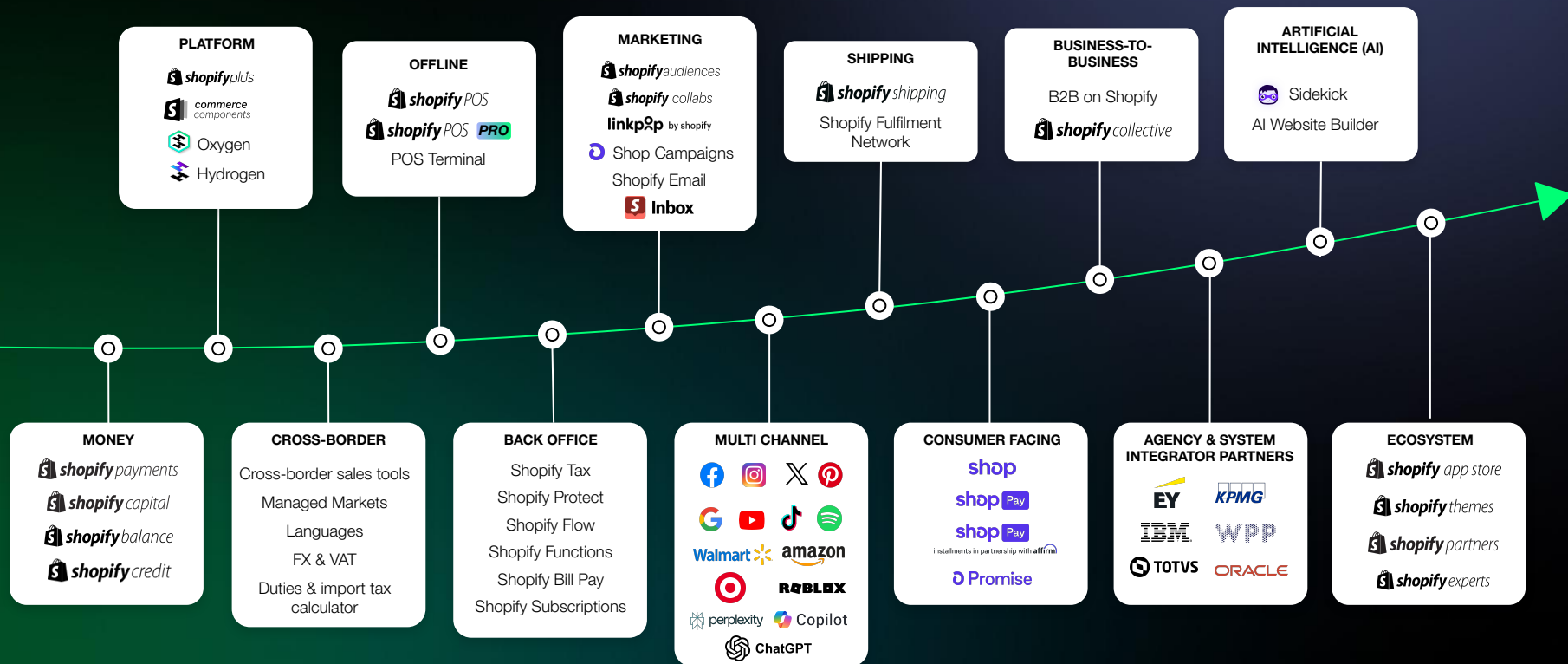
formlabs

UGG®  
australia



\* Includes both launched and signed merchants as of November 4, 2025.

# Merchant-first focus through product innovation



\* Markets Pro rebranded as Managed Markets at Summer '24 Edition in June 2024.

# Shopify Editions – Continuous Innovation

Launching **100 to 150+ product features and updates** every six months



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**Horizons** Summer 2025

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**The Boring Edition** Winter 2025

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**Unified** Summer 2024

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**Foundations** Winter 2024

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**Imagine My Business** Summer 2023

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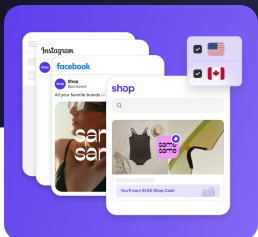
**Building To Last** Winter 2023

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**Connect To Consumer** Summer 2022

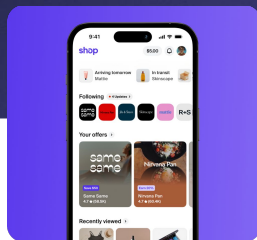
# shop

The consumer-facing side of Shopify, **connecting merchants with buyers**



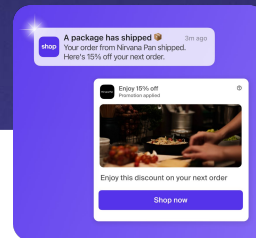
Shop connects merchants with **hundreds of millions of shoppers...**

Shop Campaigns  
Shop Pay  
Shop Pay Installments



converting them at **every stage** of the shopping journey...

Recommendations + search  
Shop Minis | Shop store



while promoting brand loyalty and **repeat purchases**

Order tracking | New arrivals  
Post-purchase offers  
Sign-in with Shop





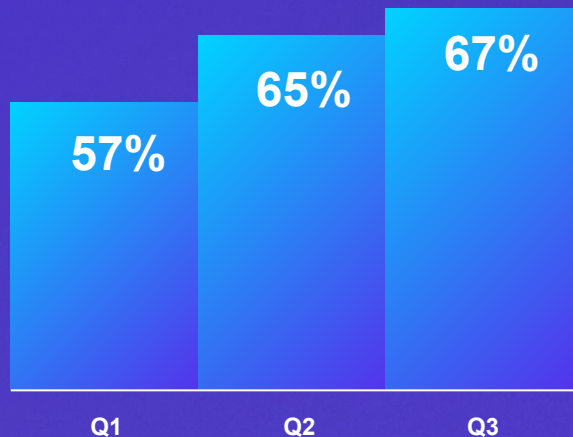
Unlocking opportunities  
that are **only possible**  
on **Shopify**



**Hundreds of millions**  
of buyers have opted-in to Shop Pay

**\$280B** cumulative GMV\*  
since launch in 2017

Shop Pay GMV Growth (YoY)



\* Gross Merchandise Volume (GMV) represents the total dollar value of orders facilitated through the Shopify platform including certain apps and channels for which a revenue-sharing arrangement is in place in the period, net of refunds, and inclusive of shipping and handling, duty and value-added taxes.





AI helps merchants **sell everywhere** and **operate smarter**.  
As a company, it helps us **build better**.

#### Agentic commerce

Solutions to succeed in  
an **AI shopping** world

- + Shopify Catalog
- + Universal Cart
- + Checkout Kit

#### AI tools for merchants

**AI tools** for merchants  
to run their business

- + Sidekick

#### AI internal tools

**Building with AI**  
within Shopify

- + Q3 Spotlight: Scout

Agentic commerce



AI tools for merchants



AI internal tools

## Powering AI shopping

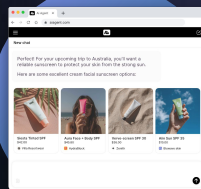
Shopify helps merchants sell everywhere, including **directly** in AI chats.



Our goal is to power product discovery for ALL agents, making this the standard across the internet.

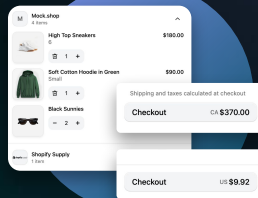


**Harley Finkelstein**



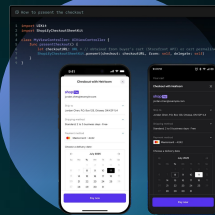
## Shopify Catalog

Comprehensive real-time data on hundreds of millions of products



## Universal Cart

Shop from any store, anywhere, from a single cart



## Checkout Kit

Embed Shopify Checkout directly into agents

Agentic commerce



AI tools for merchants



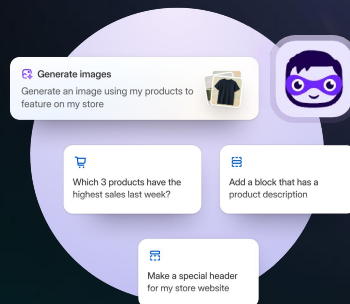
AI internal tools

## Integrated AI tools for merchants

AI helps merchants operate smarter. **Sidekick** users accomplish more, with less time.

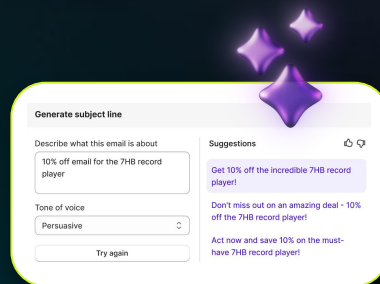
# 750k+

merchants used Sidekick for the first time in Q3.



## Sidekick

Personalized AI assistant to help merchants make smarter decisions



Integrated AI tools to simplify starting, running, and growing a business

Agentic commerce



AI tools for merchants



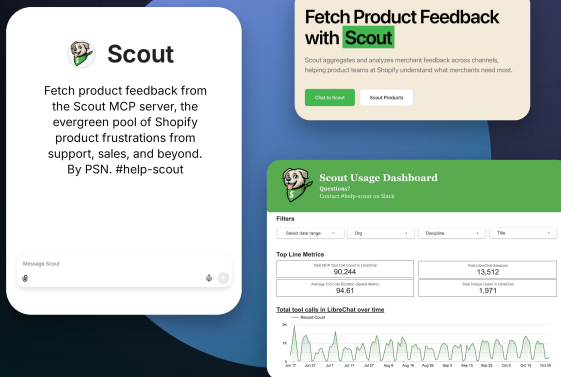
AI internal tools

Internal AI tools to build better

# AI is central to our engine that powers everything we build.



**Scout** has indexed **hundreds of millions** of merchant feedback.



## Spotlight on Scout

Shopify's AI Assistant for Voice of Customer Insights

Designed to help employees access and analyze customer feedback and merchant insights

## Checkout

It's more than just the checkout... **It's about simplifying online stores and checkout at scale.**

The **hard** part is the logic behind it. Shopify helps merchants manage **every** back-end element.

Taxes, shipping, and inventory

Pricing and payments in various currencies

Bundles, upsells, and subscriptions

Localized payments and experiences

Quick or advanced customizations

And **more**...all while ensuring compliance.

### Checkout

Buyer facing  
Express checkouts  
Customer accounts  
Delivery methods  
Extensibility  
Payments  
Markets

### Negotiation

Logic layer  
Address validation  
Inventory checks  
Shipping logic  
Bot protection  
Throttling

### Back-end

Infrastructure  
Performance  
Optimization  
Security  
Scale



# Merchant **Spotlight**



## EVEREVE

**“Now we can have Shopify build the core things that Shopify is really great at, and our team can move to a place where they can innovate and really focus on the things that make the EVEREVE brand special.”**

**Tamer Selim** — CTO



Shopify Checkout



**“Since migrating to Shopify, the biggest win is a fabulous customer experience on a really stable and reliable platform.”**

**Jenny Buchar** — Director,  
Global Digital Experience



Shopify Checkout



## TUCKERNUCK

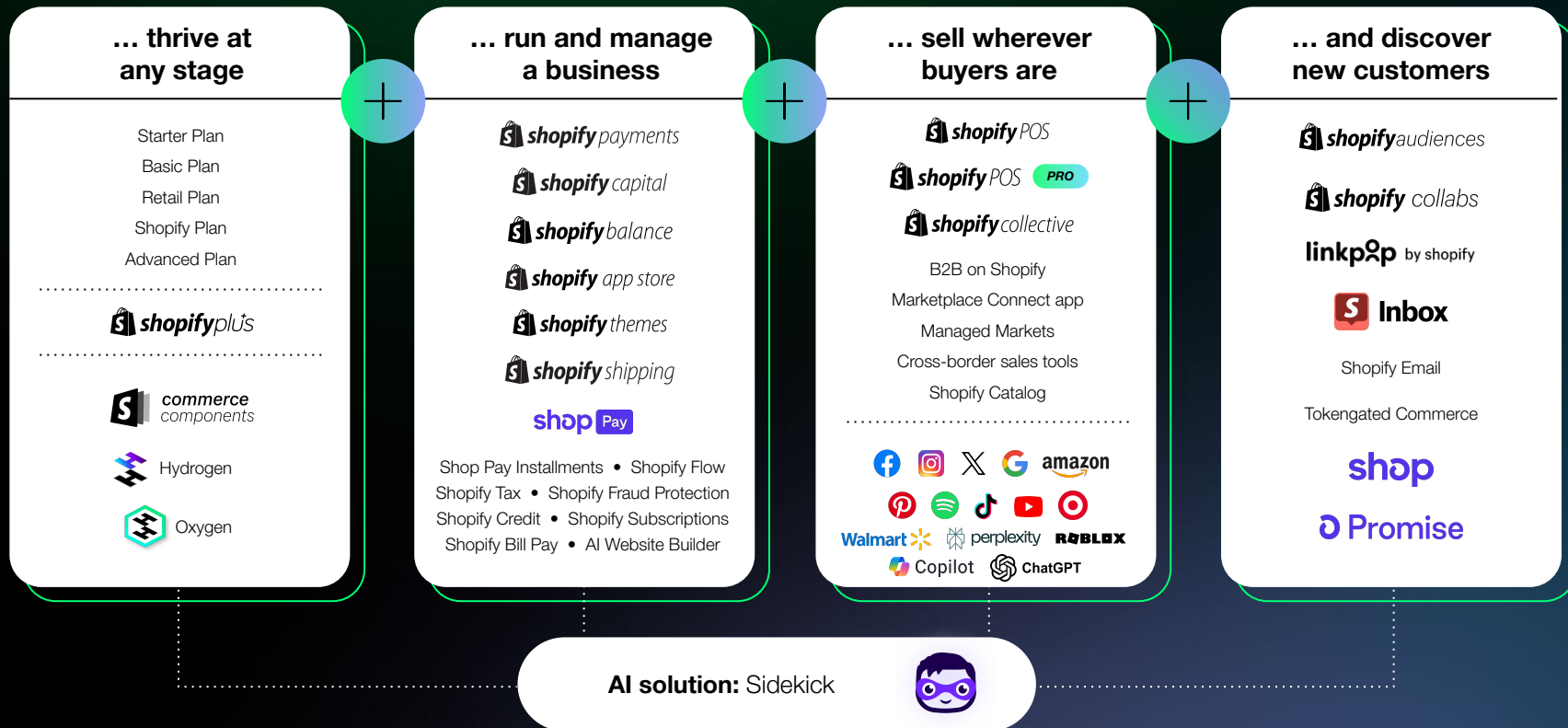
**“One thing that our customers love is Shop Pay. We see that 90% of our customers check out with Shop Pay. The best decision we ever made for our brand was to go back to Shopify.”**

**Bianca Vitarello** — Director of Product



Shopify Checkout

# With solutions that make it **easier** for merchants to...



\* Markets Pro rebranded as Managed Markets and Markets rebranded as cross-border sales tools at Summer '24 Edition in June 2024.

**Entrepreneur**

**Starter**

\$5 per month

**Basic**

\$39 per month

**Retail**

\$89 per month

**Shopify**

\$105 per month

**Advanced**

\$399 per month

**Shopify Plus**

\$2,300+ per month + variable platform fee\*

**Commerce Components**

Variable depending on merchant

**Enterprise**

... so that businesses  
never **need to leave**  
the **Shopify platform**

\* Price reflected here is the 3-year contract term. For the 1-year contract term the price is \$2,500 per month + variable platform fee.



# Shopify **excels at building a global ecosystem**

Cultivating partnerships with industry leaders: When our partners succeed, our merchants succeed, and we succeed

## App & channel partners:

Google ∞ Meta amazon Walmart Marketplace

ROBLOX adyen INTUIT Microsoft Advertising

klaviyo yotpo. Manhattan FAIR E

PIPE17 MIRAKL coveo perplexity ChatGPT Copilot



# 16,000+

Apps in our App Store  
(December 31, 2024)

# \$1.0B

Paid out in the last 12 months to  
partners by Shopify for apps benefiting  
our merchants (December 31, 2024)

## Product partners:

affirm Avalara coinbase flexport.

Global e PayPal stripe VERTEX

## Service & technology partners:

EY KPMG TOTVS IBM Globant

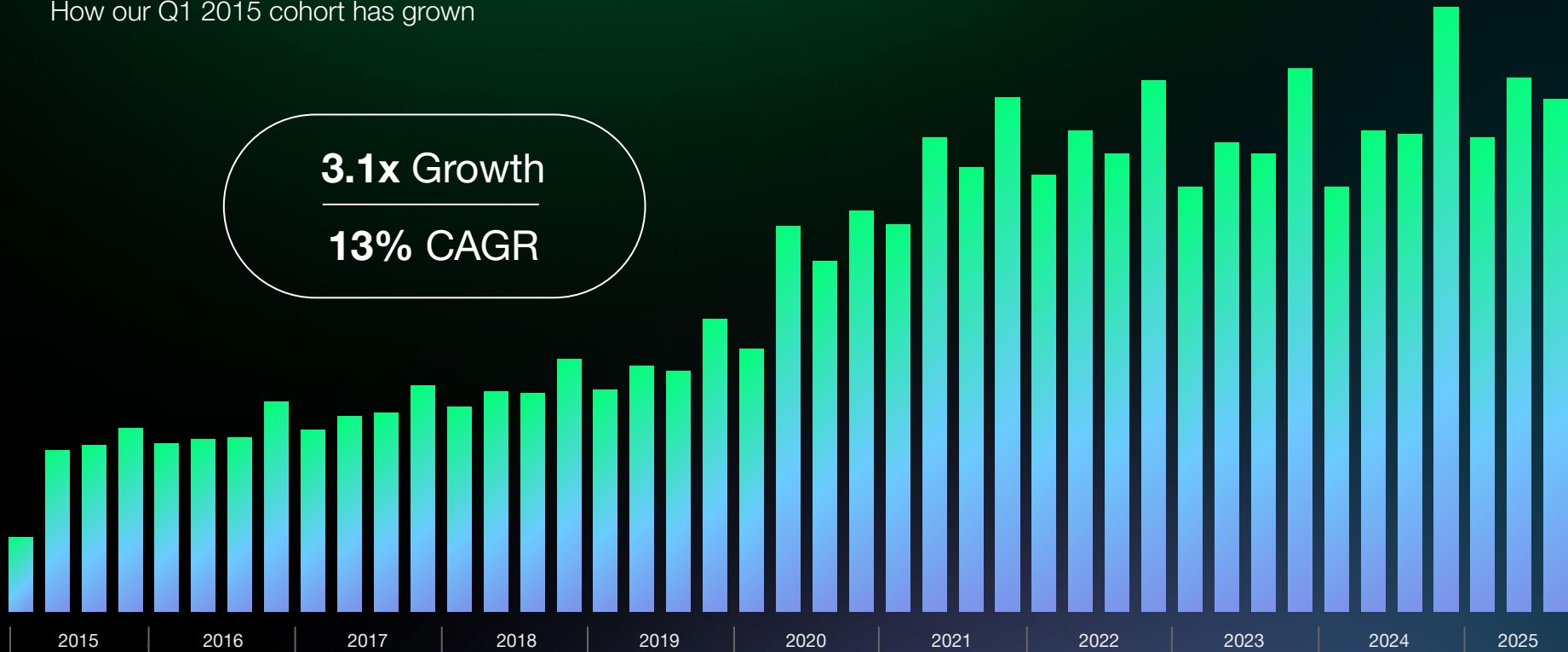
ORACLE TECH mahindra WPP

# Our revenue cohorts **get stronger over time...**

How our Q1 2015 cohort has grown

**3.1x Growth**

**13% CAGR**

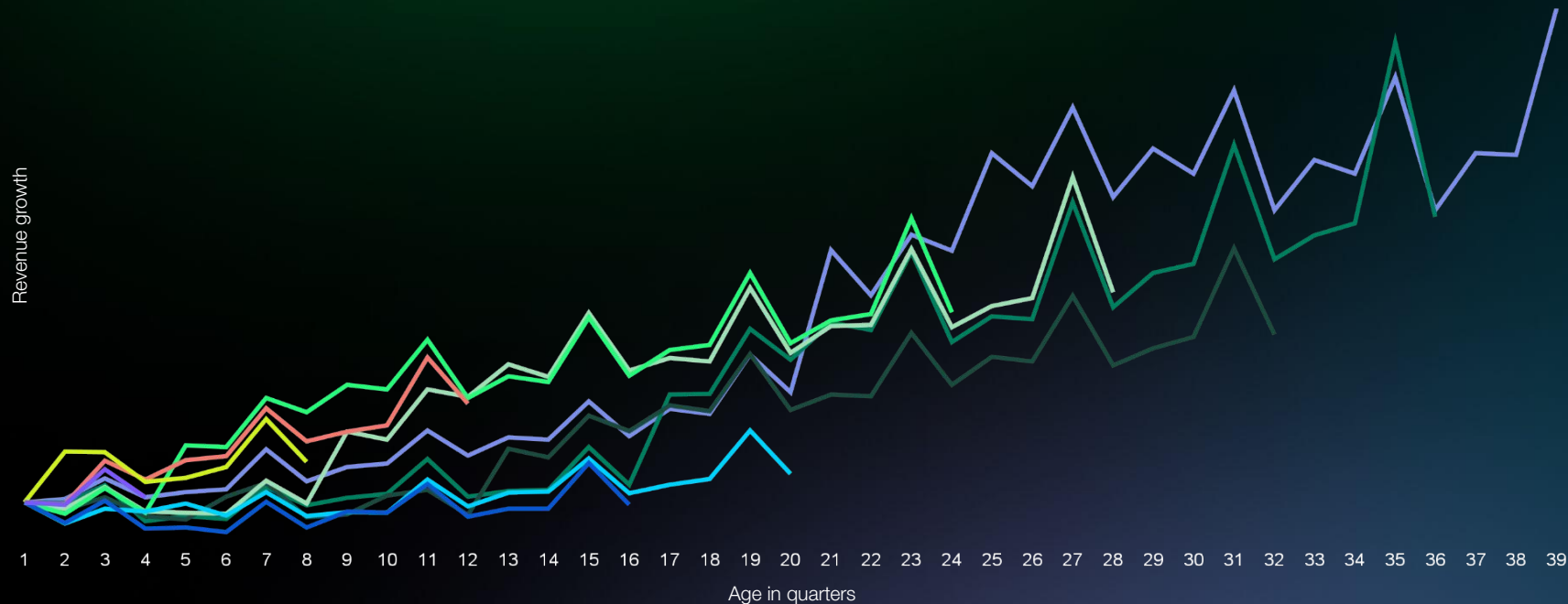


\* Example of quarterly revenue from a single cohort, the Q1 2015 merchant cohort, excluding Logistics (as of December 2024).

\*\* Growth calculation reflects last four quarters of revenue reported (ending in Q3 2025) divided by first four full quarters of revenue (Q2 2015-Q1 2016 for the Q1 2015 merchant cohort).

...and that pattern persists **across all our cohorts**

● Q1 2015 ● Q1 2016 ● Q1 2017 ● Q1 2018 ● Q1 2019 ● Q1 2020 ● Q1 2021 ● Q1 2022 ● Q1 2023 ● Q1 2024



\* Examples of quarterly revenue retention from merchant cohorts, excluding Logistics.

\*\* Revenue retention calculation reflects the quarterly revenue in a given period for each cohort divided by each cohort's first full fiscal quarter of revenue after joining the platform, respectively.

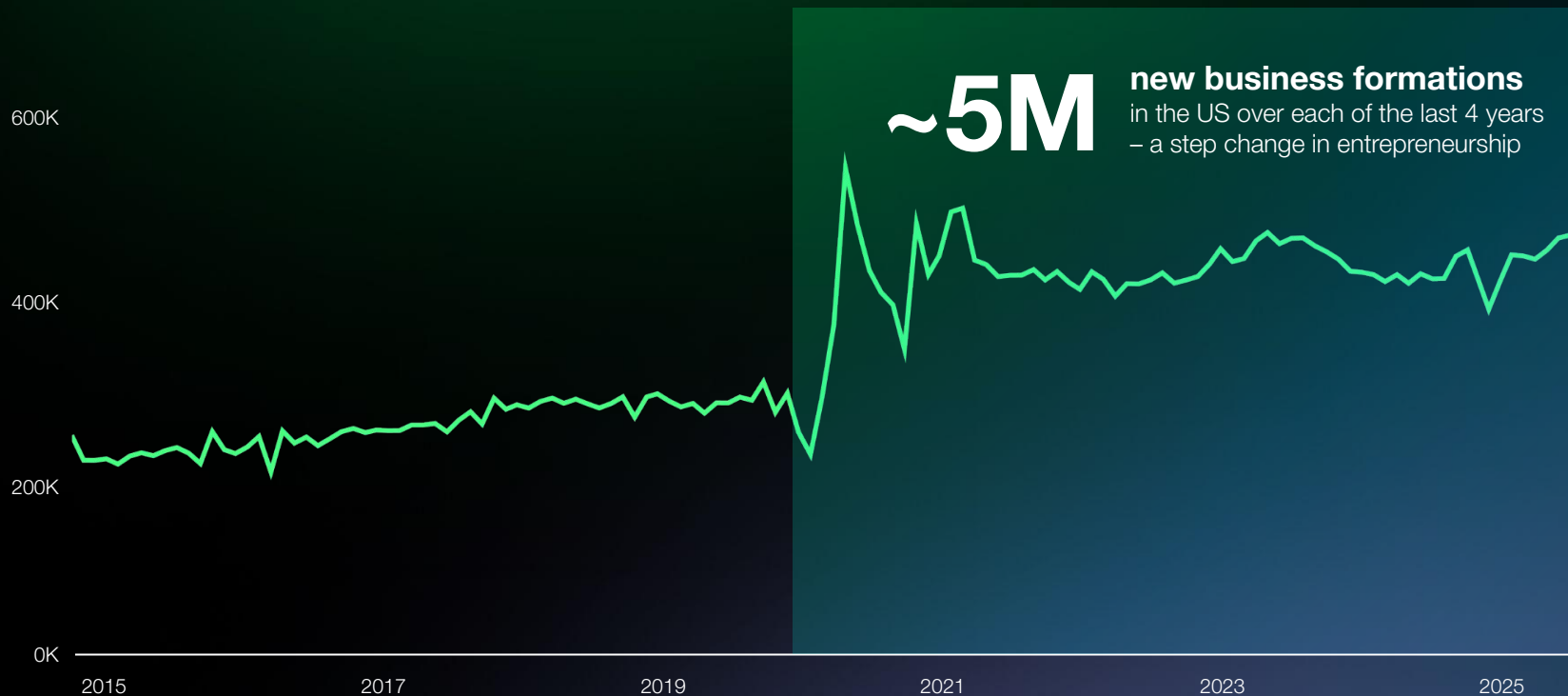
Growing market



**Large and growing opportunity:**  
Massive global market with accelerated  
ecommerce penetration

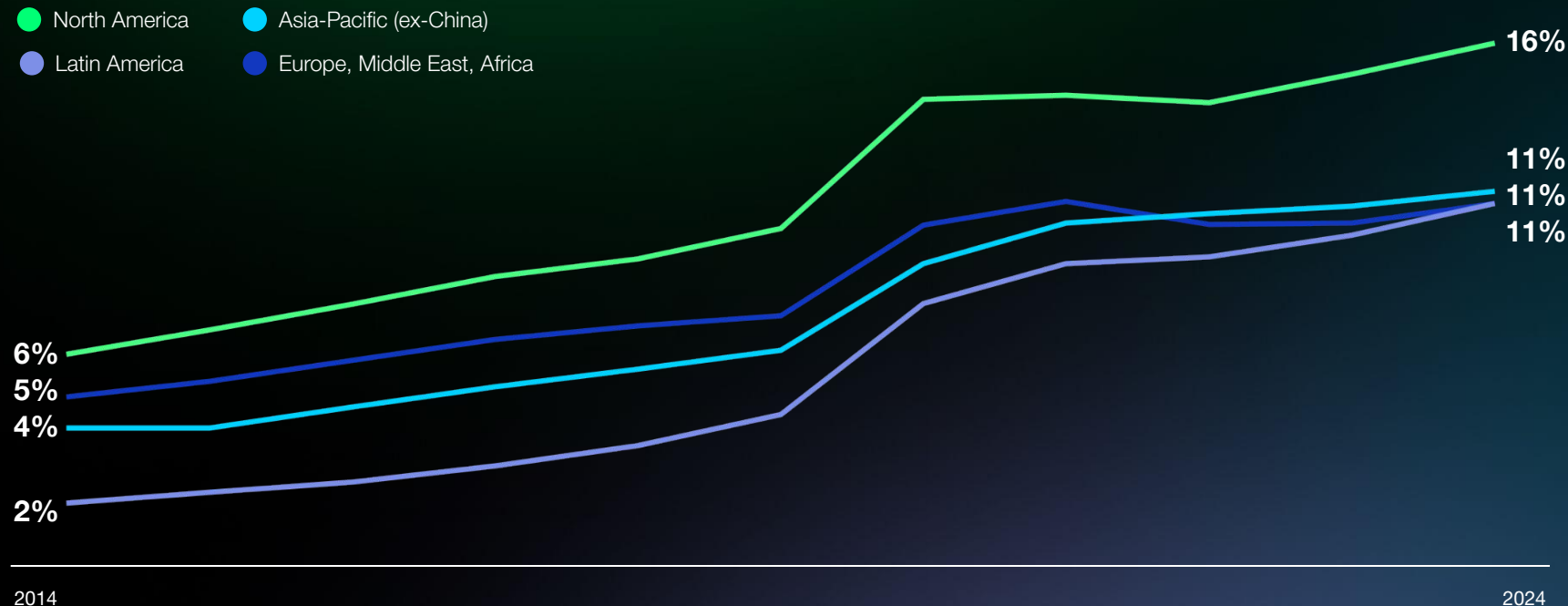
# Entrepreneurship is **more accessible and more important than ever**

Monthly new business applications (US)



# Our core market of ecommerce **still has so much runway**

Ecommerce penetration of retail sales



We are **creating and expanding** our total addressable market through...

- + More products
- + More geographies
- + More merchant sizes

**\$46B**

Subscription  
Solutions

 **shopify payments**

2015

**\$153B**

 **shopify capital**

 **shopify balance**

**shop Pay** **Installments**

2020

**\$849B**

Managed Markets

 **commerce  
components**

B2B on Shopify

 **shopify tax**

and more...

2023

Future

Source: Shopify internal estimates, third-party study, eMarketer, Evolve Business Intelligence, Grandview Research, US Bureau of Labor Statistics, Statista

\* Revenue opportunity shown. Products shown in accordance with time of product launch. Shopify Logistics excluded. 2015 and 2020 TAM previously disclosed based on average revenue per merchant and estimated number of retail businesses globally per third party study. 2023 TAM based on a top-down and bottoms-up analysis by product



With only 2% penetration of our opportunity in the  
**geographies that we currently serve**

**\$849B**

**Global revenue TAM**

*1% penetrated*

**\$81B** Subscription Solutions

**\$157B** Payments - online

**\$152B** Other merchant services

**\$459B** Payments - offline



**\$404B**

**Revenue SAM**

*Core geographies*

*2% penetrated*





## Big trends accelerating Shopify's success



**B2B commerce gaining momentum**



**Elements of commerce fundamentally consistent across geographies**



**The greater the velocity of change, the greater the need for our platform**



**Importance of being able to sell globally on day one**

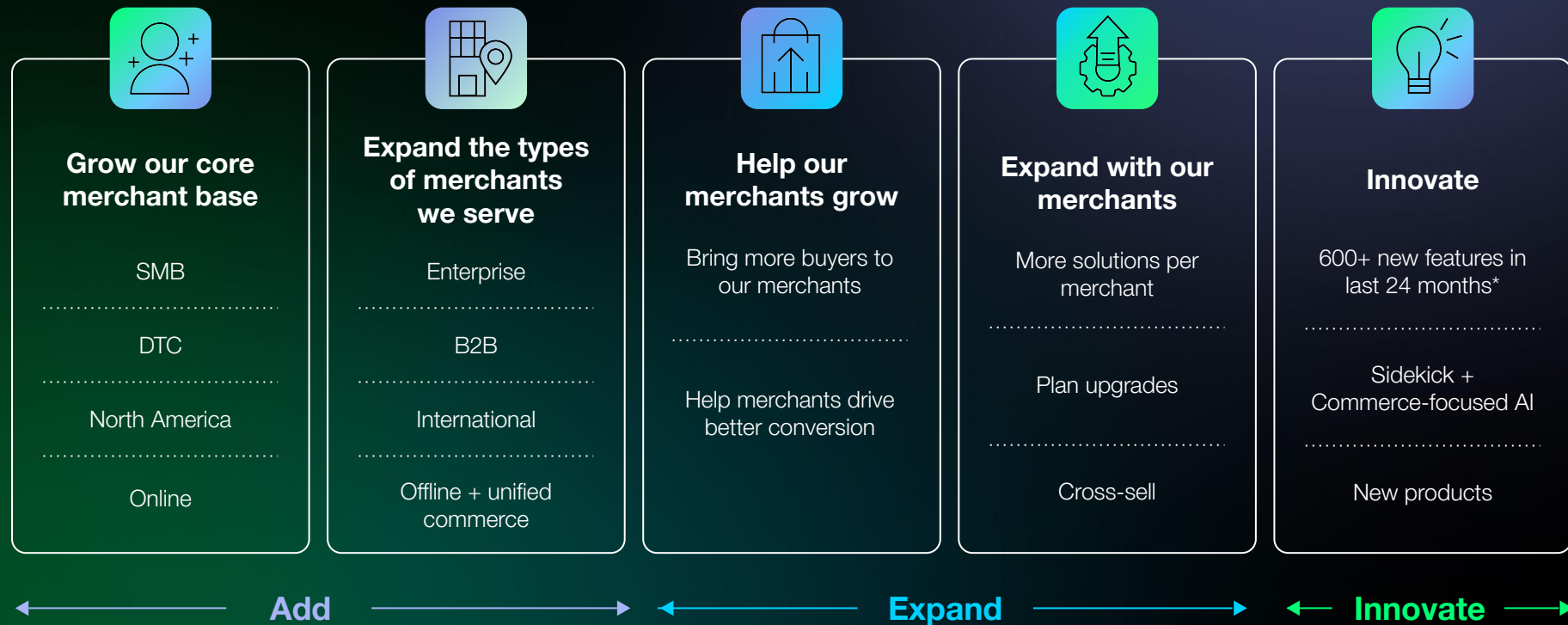


**Necessity for omnichannel and a unified platform**



We have **multiple  
drivers of growth**

# We have multiple vectors of **durable growth**



## Offline

### At a glance

**\$588M**

Offline revenue  
in 2024\*

**33%**

Offline revenue  
growth in 2024

**1,000+**

POS location  
capacity



**18 countries**

POS hardware with integrated Payments

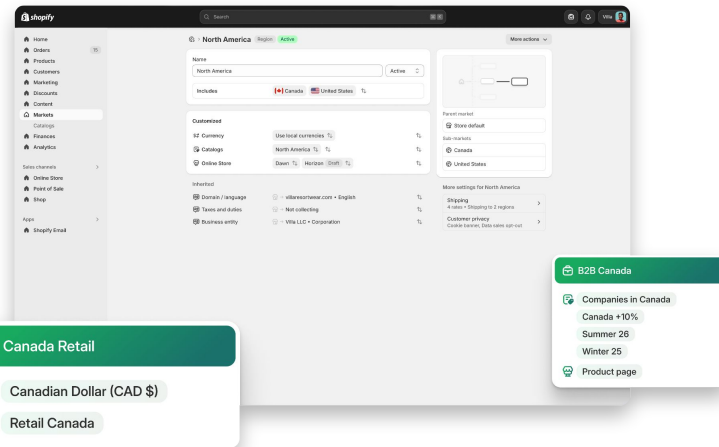
**Q3 2025**

**+31%**

Offline GMV growth

**\$100B+**

Cumulative offline GMV since  
launch of Shopify POS



Markets for Retail now available



\* Offline revenue includes revenue from Shopify Payments for offline, POS Pro, Retail Plan subscriptions, and POS hardware.

## Going global

We continue to introduce more products in more geographies and localize our platform for more countries, **lowering the barriers to entrepreneurship**

● North America ● Europe, Middle East, Africa ● Asia Pacific ● Latin America

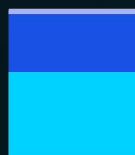


**Millions**  
of merchants in  
**175+ countries\***

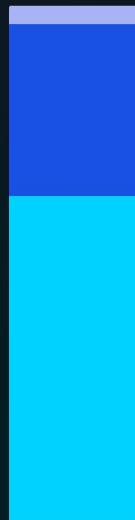
**>20**

Countries with GMV  
over **\$1B** in 2024

**3.1X**  
international  
revenue growth  
since 2020



2020

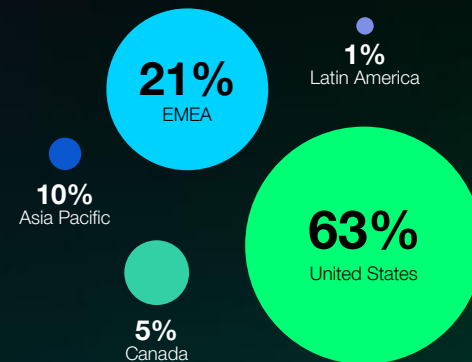


2024

**30%**  
of revenue mix

## Q3 2025

### Quarterly revenue mix by region



















- + Expanded **Shopify Capital** to Ireland and Spain, bringing total countries to 8
- + Expanded **Shop Pay Installments** to the UK
- + Launched **Shopify Payments for POS** in Luxembourg, Switzerland and Czech Republic
- + Rolled out **Tap to Pay** in seven more countries



\* Represents the distribution of our merchant base as of December 31, 2024.

## Enterprise

Our enterprise-level offerings, **whether full-stack, headless, or composable**, are gaining widespread recognition built on a powerful go-to-market strategy

Industry recognitions	Building powerful partnerships	High-volume brands saying yes to Shopify
<b>2025</b> IDC Marketscape <b>Leader in POS</b>	 	 
Independent study confirmed <b>Best TCO in commerce*</b>  Forrester Wave Report <b>Leader in B2B</b>	 	 
<b>2024</b> IDC Marketscape <b>Leader in mid-market</b>  Gartner Magic Quadrant for Digital Commerce <b>Leader in enterprise</b>  Forrester B2C Wave <b>Leading vendor with top scores</b>	 	 
	 	 

\* Finding from an [external study](#) by a leading independent consulting firm from March 2024.

B2B commerce

98%  YoY growth in Q3

## Q3 Highlights

155% YoY

Growth in Canada  
B2B GMV up

150% YoY

Growth in Home  
and Garden

Brands **across industries** are  
leveraging Shopify for B2B commerce



dermalogica

PROGRESS  
LIGHTING

BOART  
LONGYEAR



### Valve 1/2" (threaded)

1234-3245-2123

\$1.00 USD - \$2.00 USD

The 1/2 inch brass stop valve halts water flow, with a drain cap.

#### Volume Pricing

100+	\$2.00 USD/ea
200+	\$1.50 USD/ea
500+	\$1.00 USD/ea

— 250 + \$2.00/ea \$1.50/ea

ADD TO CART

### Plumbing Valves (374 products)



Angle Valves



Ball Valves

FORRESTER®

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



\* Represents a very small portion of GMV today, given it is a newer product offering for merchants only on Plus.

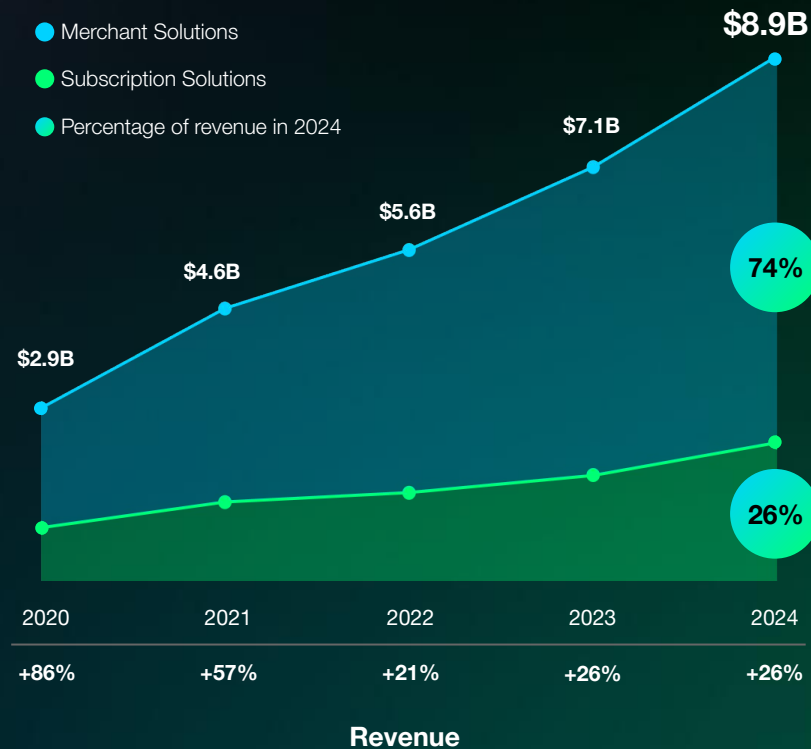
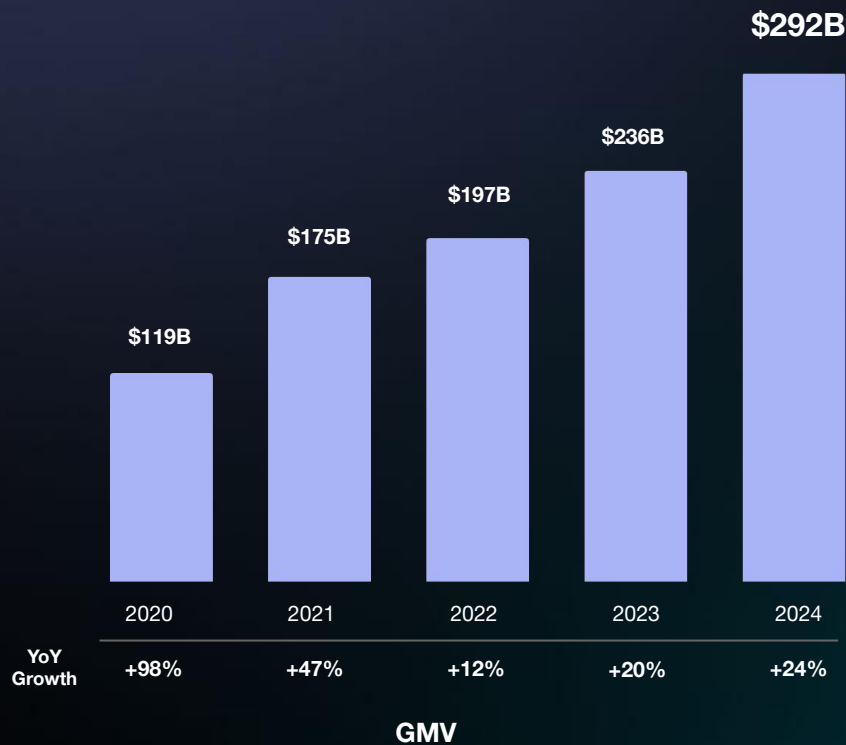




When our merchants become  
more successful, **Shopify**  
**becomes more successful**

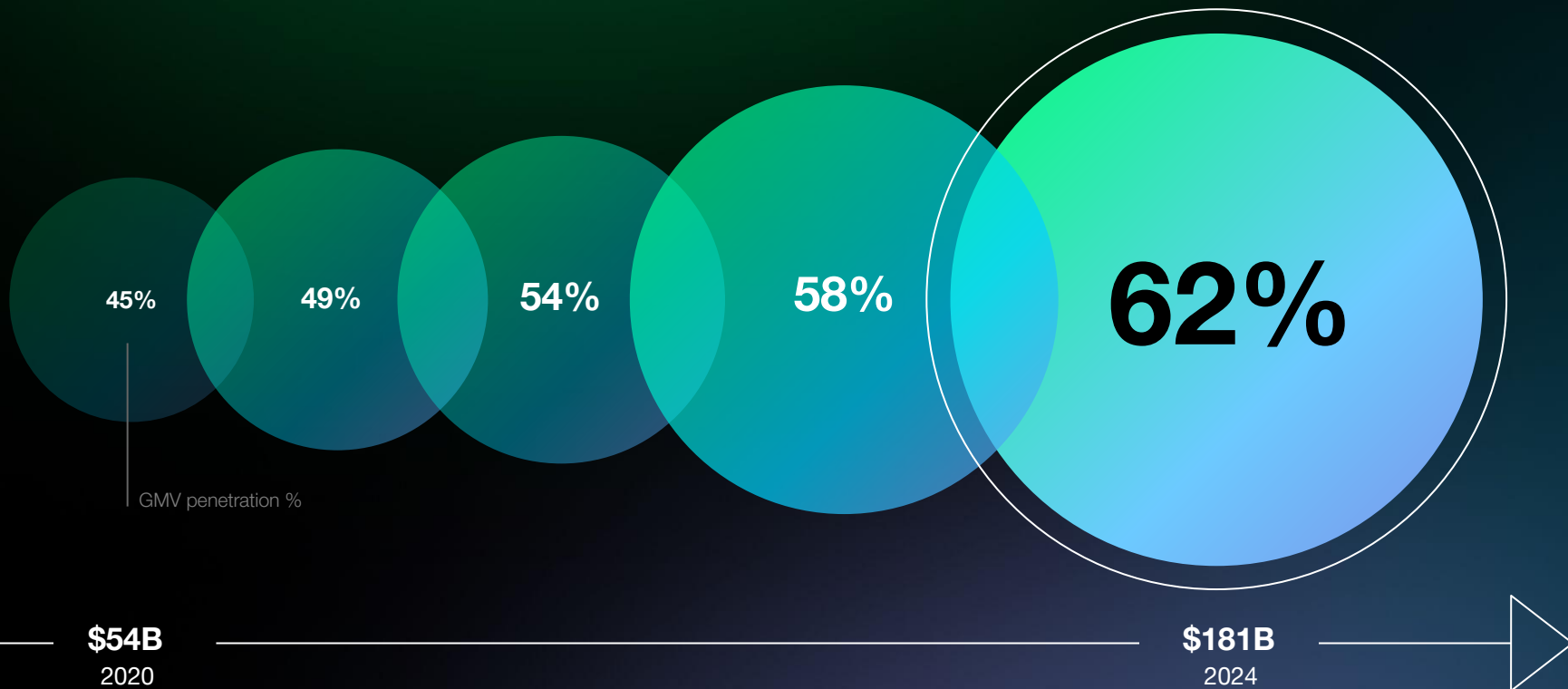
# Helping our merchants grow their business **drives our business**

Taking market share, while delivering 20% or greater GMV and revenue growth for the past two years



# Shopify Payments penetration **continues to increase over time**

**Gross Payments Volume (GPV)\***



\* Gross Payments Volume, or GPV, is the amount of GMV processed through Shopify Payments

# Monthly Recurring Revenue\* **continues to grow**

**21% 5-Year CAGR**

**\$74M**

**\$193M**

Q3 2020

Q3 2021

Q3 2022

Q3 2023

Q3 2024

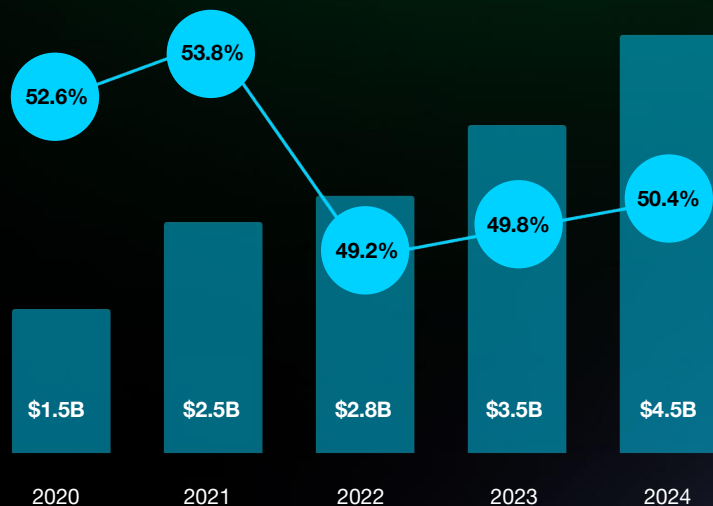
Q3 2025

\* Monthly Recurring Revenue, or MRR, is the aggregate value of all subscription plans, excluding variable platform fees, in effect on the last day of the period, assuming merchants maintain their subscription the following month and is used by management as a directional indicator of subscription solutions revenue going forward. In Q1 2024, Shopify revised the inclusion of paid trials in the calculation of MRR. Revised MRR for Q1 2023, Q2 2023, Q3 2023, and Q4 2023 were \$114 million, \$135 million, \$137 million, \$144 million, respectively.

# Enabling a compelling business model of **growth and profitability**

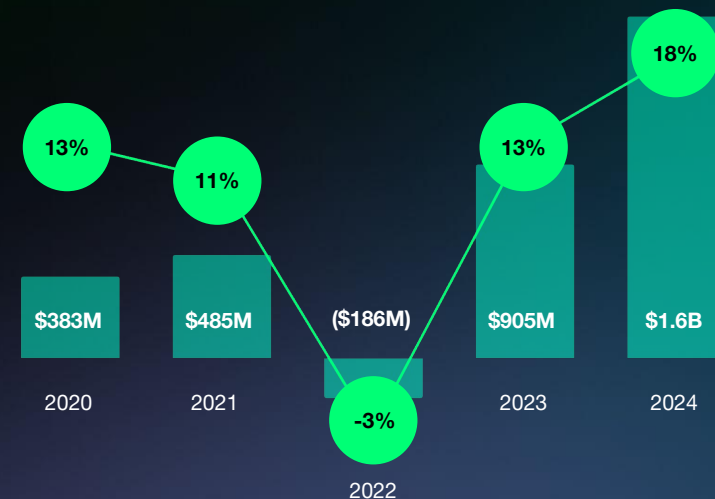
## Gross profit

— Gross margin ● Gross profit



## Free cash flow\*

— Free cash flow margin ● Free cash flow



\* Free Cash Flow and Free Cash Flow Margin are non-GAAP financial measures. See "Non-GAAP and Other Financial Measures" in the Appendix for more information.

Quarterly financials



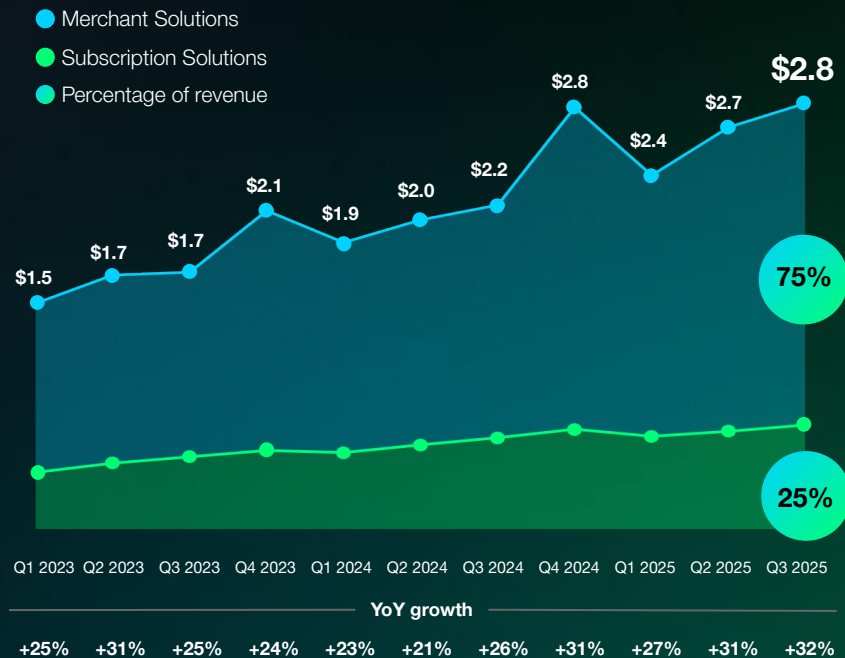
Shopify expands by  
**shaping the future  
of commerce**

**We are a growth company**, with revenue and GMV accelerating in Q3 2025

## GMV (\$B)

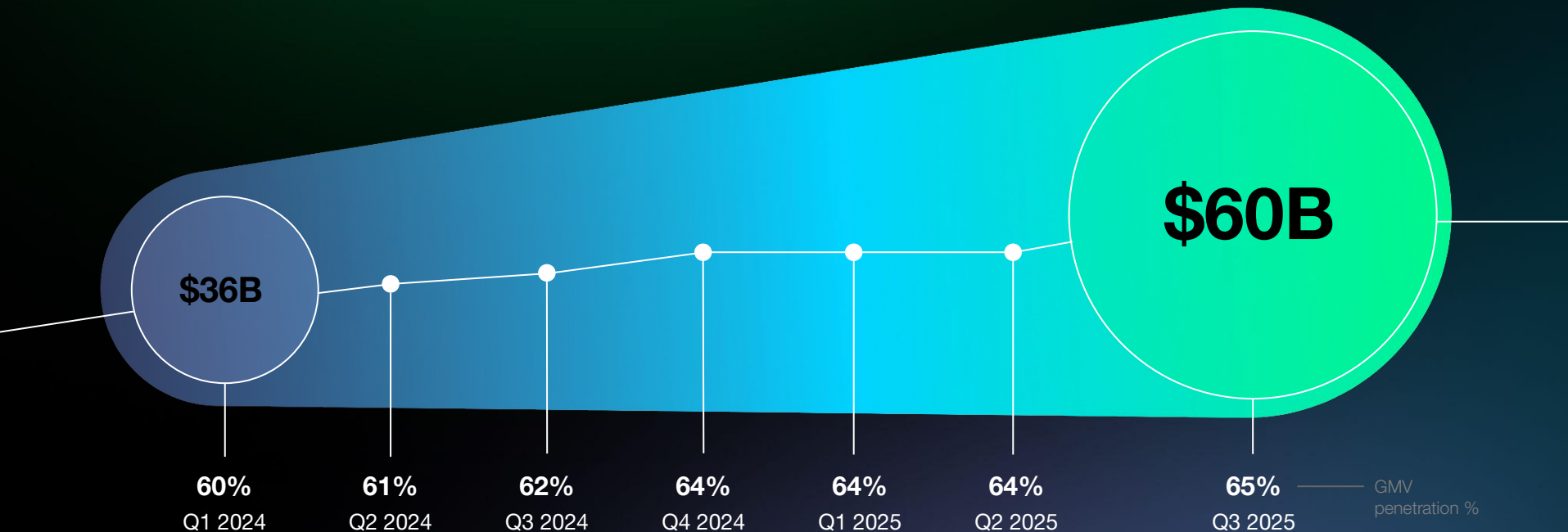


## Revenue (\$B)



# Shopify Payments penetration **continues to drive higher** year over year

**Gross Payments Volume (GPV)\***

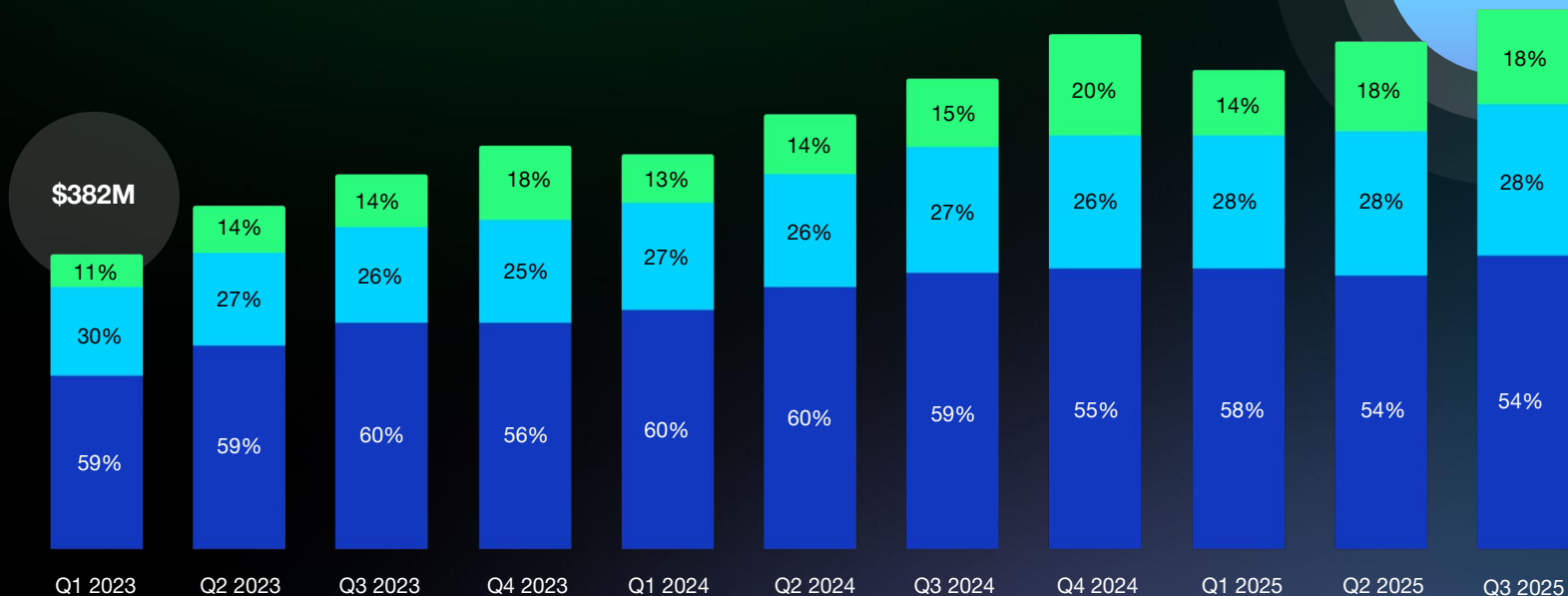




# Subscription solutions revenue **continues to increase year-over-year**

Consistent growth across our ecosystem and plans

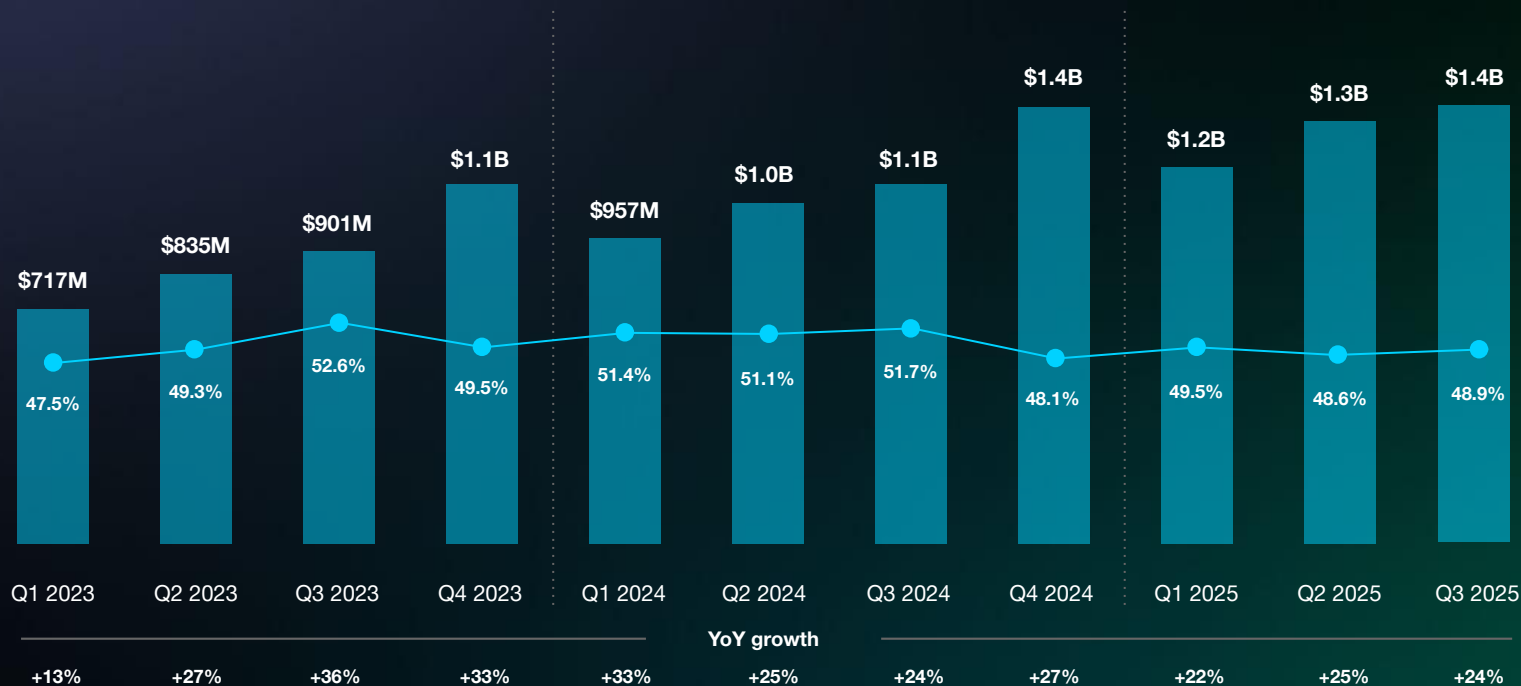
● Revenue - Standard   ● Revenue - Shopify Plus   ● Revenue - Apps, Themes, Domains, Variable Platform Fees



\* Numbers may not foot due to rounding.

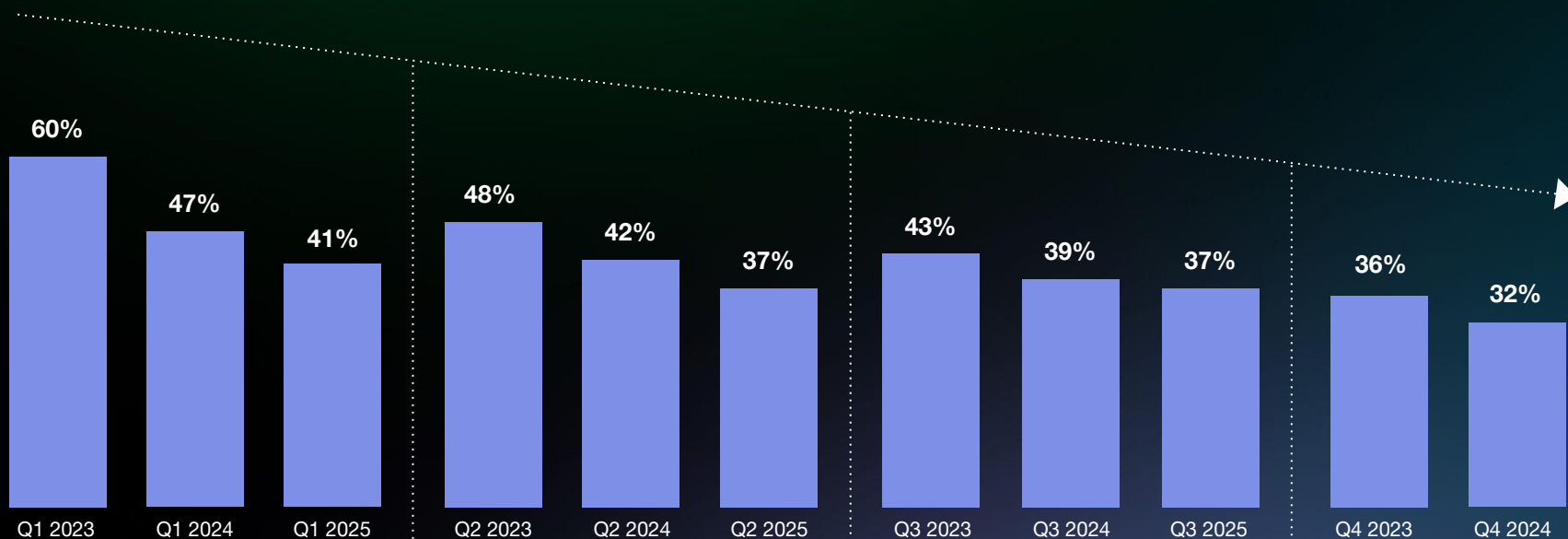
# Delivering **sustained and growing profitability**

— Gross margin ● Gross profit



# Delivering **Operating Leverage**

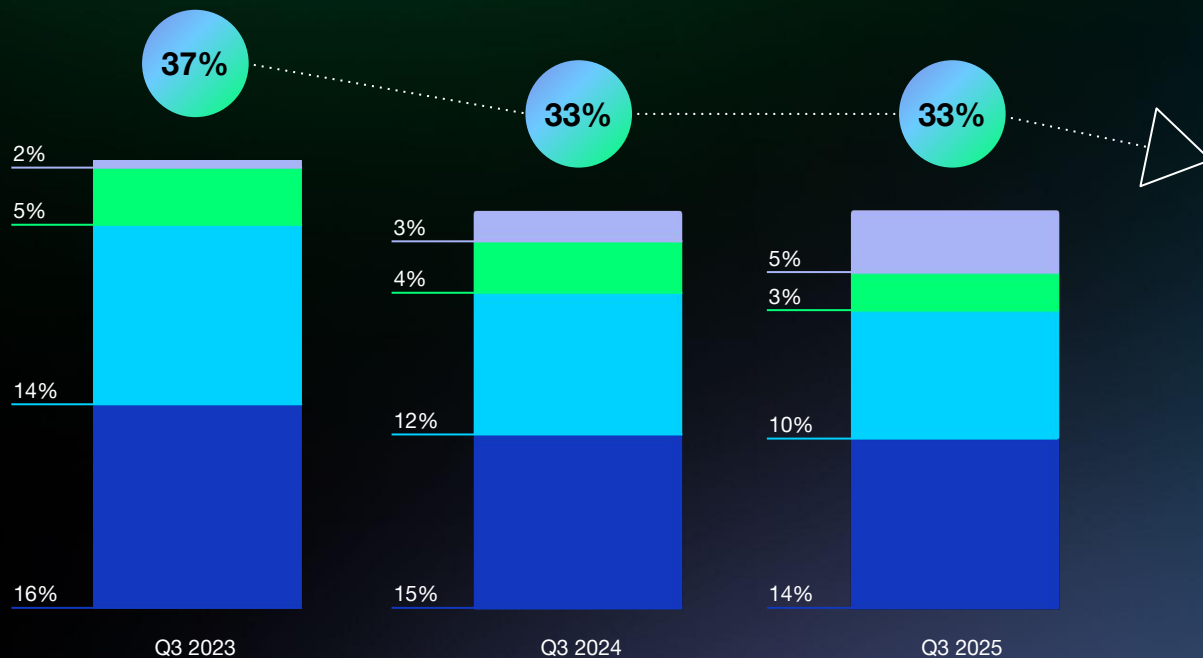
Total operating expenses, excluding one-time items, as a percentage of revenue



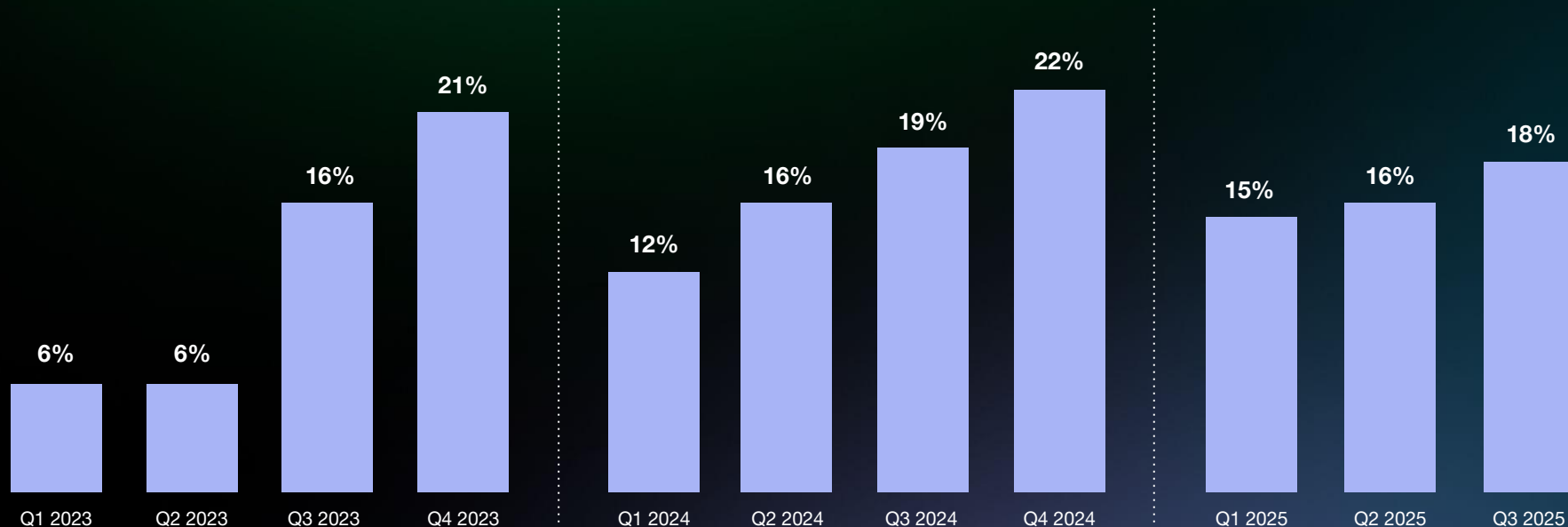
\* Chart depicts Operating Leverage, which is measured using Operating Expenses (Opex) as a percentage of revenue. Numbers may not foot due to rounding. Operating Expenses, excluding one-time items, is non-GAAP measure that is reconciled in the Appendix. Excludes one-time items including severance, loss on sale of businesses, real estate impairments, accelerated stock-based compensation and legal settlements.

Remain committed to driving balanced levels of **operating leverage** with continued focus on key investments to support our long-term growth

● Sales and marketing ● Research and development ● General and administrative ● Transaction and loan losses ● Total adjusted operating expenses as percentage of revenue



Committed to delivering **strong free cash flow margins** while investing in growth opportunities



We're just getting started.

However commerce evolves,  
**Shopify will be the engine  
behind it.** The merchants  
who are the backbone of the  
economy demand it of us.



**flotte.**







# Non-GAAP and other financial measures

# Non-GAAP and other financial measures

To supplement our financial information, which is prepared and presented in accordance with United States generally accepted accounting principles ("GAAP"), Shopify uses certain non-GAAP and other financial measures to provide additional information in order to assist investors in understanding our financial and operating performance. These measures are not recognized measures for financial statement presentation under U.S. GAAP and do not have standardized meanings, and may not be comparable to similar measures presented by other public companies.

Adjusted operating expenses is a non-GAAP financial measure that excludes the effect of stock-based compensation expenses and related payroll taxes, amortization of acquired intangibles, accelerated stock-based compensation, severance, impairment of right-of-use assets and leasehold improvements, provisions associated with litigation-related accruals and impairment on sales of Shopify's logistics businesses. Operating expenses, excluding one time items, is a non-GAAP financial measure that excludes accelerated stock-based compensation, severance, impairment of right-of-use assets and leasehold improvements, provisions associated with litigation-related accruals and impairment on sales of Shopify's logistics businesses. Operating leverage is a non-GAAP ratio that is calculated by dividing operating expenses, excluding one-time items by revenue. 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.

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. Shopify believes that these measures provide useful information about operating results, enhance the overall understanding of past financial performance and future prospects, and allow for greater transparency with respect to key metrics used by management in its financial and operational decision making. The non-GAAP and other financial measures used herein should be considered a supplement to, and not a substitute for, or superior to, the corresponding measures calculated in accordance with GAAP. Please see the slides that follow for a reconciliation of the non-GAAP financial measures used herein.

November 2025





# Reconciliation of GAAP operating expenses to adjusted operating expenses

Expressed in US \$ millions, except percentages	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3 '25
<b>GAAP Sales and marketing</b>	<b>287</b>	<b>321</b>	<b>295</b>	<b>317</b>	<b>361</b>	<b>353</b>	<b>331</b>	<b>348</b>	<b>405</b>	<b>415</b>	<b>410</b>
less: Sales and marketing SBC and related payroll taxes	15	12	13	14	12	10	15	13	13	12	13
less: Accelerated stock-based compensation	-	1	4	-	-	-	-	-	-	-	-
less: Amortization of acquired intangibles	2	1	-	-	-	-	-	1	-	-	-
less: Severance related costs	-	28	-	-	-	-	-	-	-	-	-
<b>Adjusted Sales and marketing</b>	<b>270</b>	<b>279</b>	<b>278</b>	<b>303</b>	<b>349</b>	<b>343</b>	<b>316</b>	<b>334</b>	<b>392</b>	<b>403</b>	<b>397</b>
<b>% of Revenue</b>	<b>18%</b>	<b>16%</b>	<b>16%</b>	<b>14%</b>	<b>19%</b>	<b>17%</b>	<b>15%</b>	<b>12%</b>	<b>17%</b>	<b>15%</b>	<b>14%</b>
<b>GAAP Research and development</b>	<b>458</b>	<b>648</b>	<b>313</b>	<b>311</b>	<b>335</b>	<b>349</b>	<b>332</b>	<b>351</b>	<b>377</b>	<b>394</b>	<b>375</b>
less: Research and development SBC and related payroll taxes	106	88	70	69	72	73	77	81	84	85	78
less: Accelerated stock-based compensation	-	164	-	-	-	-	-	-	-	-	-
less: Severance related costs	-	102	-	-	-	-	-	-	-	-	-
less: Amortization of acquired intangibles	-	-	-	-	-	-	1	-	1	1	1
<b>Adjusted Research and development</b>	<b>352</b>	<b>294</b>	<b>243</b>	<b>242</b>	<b>263</b>	<b>276</b>	<b>254</b>	<b>270</b>	<b>292</b>	<b>308</b>	<b>296</b>
<b>% of Revenue</b>	<b>23%</b>	<b>17%</b>	<b>14%</b>	<b>11%</b>	<b>14%</b>	<b>13%</b>	<b>12%</b>	<b>10%</b>	<b>12%</b>	<b>11%</b>	<b>10%</b>

Expressed in US \$ millions, except percentages	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25
<b>GAAP General and administrative</b>	<b>123</b>	<b>131</b>	<b>137</b>	<b>100</b>	<b>124</b>	<b>60</b>	<b>114</b>	<b>112</b>	<b>109</b>	<b>122</b>	<b>115</b>
less: General and administrative SBC and related payroll taxes	18	19	20	19	26	23	23	24	25	22	24
less: Impairment of right-of-use assets and leasehold improvements	-	-	38	-	-	-	-	-	-	10	3
less: Severance related costs	-	18	-	-	-	-	-	-	-	-	-
less: Litigation contingencies / benefit related to legal contingencies	-	-	-	-	-	(55)	-	-	-	-	-
<b>Adjusted General and administrative</b>	<b>105</b>	<b>94</b>	<b>79</b>	<b>81</b>	<b>98</b>	<b>92</b>	<b>91</b>	<b>88</b>	<b>84</b>	<b>90</b>	<b>88</b>
<b>% of Revenue</b>	<b>7%</b>	<b>6%</b>	<b>5%</b>	<b>4%</b>	<b>5%</b>	<b>4%</b>	<b>4%</b>	<b>3%</b>	<b>4%</b>	<b>3%</b>	<b>3%</b>
<b>GAAP Transaction and loan losses</b>	<b>42</b>	<b>31</b>	<b>34</b>	<b>45</b>	<b>51</b>	<b>42</b>	<b>58</b>	<b>76</b>	<b>75</b>	<b>80</b>	<b>148</b>
<b>% of Revenue</b>	<b>3%</b>	<b>2%</b>	<b>2%</b>	<b>2%</b>	<b>3%</b>	<b>2%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>	<b>3%</b>	<b>5%</b>
<b>GAAP Operating expenses</b>	<b>910</b>	<b>2,471</b>	<b>779</b>	<b>773</b>	<b>871</b>	<b>804</b>	<b>835</b>	<b>887</b>	<b>966</b>	<b>1,011</b>	<b>1,048</b>
less: Operating SBC and related payroll taxes	139	119	103	102	110	106	115	118	122	119	115
less: Accelerated stock-based compensation	-	165	4	-	-	-	-	-	-	-	-
less: Amortization of acquired intangibles	2	1	-	-	-	-	1	1	1	1	1
less: Impairment of right-of-use assets and leasehold improvements	-	-	38	-	-	-	-	-	-	10	3
less: Severance related costs	-	148	-	-	-	-	-	-	-	-	-
less: Litigation contingencies / benefit related to legal contingencies	-	-	-	-	-	(55)	-	-	-	-	-
less: Impairment on sale of Shopify's logistics businesses	-	1,340	-	-	-	-	-	-	-	-	-
<b>Adjusted Operating expenses</b>	<b>769</b>	<b>698</b>	<b>634</b>	<b>671</b>	<b>761</b>	<b>753</b>	<b>719</b>	<b>768</b>	<b>843</b>	<b>881</b>	<b>929</b>
<b>% of Revenue</b>	<b>51%</b>	<b>41%</b>	<b>37%</b>	<b>31%</b>	<b>41%</b>	<b>37%</b>	<b>33%</b>	<b>27%</b>	<b>36%</b>	<b>33%</b>	<b>33%</b>

# Reconciliation of GAAP operating expenses to adjusted operating expenses

Expressed in US \$ millions, except percentages	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25
<b>GAAP Operating expenses</b>	<b>910</b>	<b>2,471</b>	<b>779</b>	<b>773</b>	<b>871</b>	<b>804</b>	<b>835</b>	<b>887</b>	<b>966</b>	<b>1,011</b>	<b>1,048</b>
less: Accelerated stock-based compensation	-	165	4	-	-	-	-	-	-	-	-
less: Impairment of right-of-use assets and leasehold improvements	-	-	38	-	-	-	-	-	-	10	3
less: Severance related costs	-	148	-	-	-	-	-	-	-	-	-
less: Litigation contingencies / benefit related to legal contingencies	-	-	-	-	-	(55)	-	-	-	-	-
less: Impairment on sale of Shopify's logistics businesses	-	1,340	-	-	-	-	-	-	-	-	-
<b>Operating expenses, excluding one-time items</b>	<b>910</b>	<b>818</b>	<b>737</b>	<b>773</b>	<b>871</b>	<b>859</b>	<b>835</b>	<b>887</b>	<b>966</b>	<b>1,001</b>	<b>1,045</b>
<b>% of Revenue</b>	<b>60%</b>	<b>48%</b>	<b>43%</b>	<b>36%</b>	<b>47%</b>	<b>42%</b>	<b>39%</b>	<b>32%</b>	<b>41%</b>	<b>37%</b>	<b>37%</b>

# Reconciliation of free cash flow

In US \$ millions, except percentages	2020	2021	2022	2023	2024
Net cash provided by (used in) operating activities	425	536	(136)	944	1,616
less: Capital expenditures*	(42)	(51)	(50)	(39)	(19)
Free cash flow	383	485	(186)	905	1,597
Revenue	2,929	4,612	5,600	7,060	8,880
Free cash flow margin	13%	11%	(3)%	13%	18%

In US \$ millions, except percentages	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3 '25
Net cash provided by (used in) operating activities	100	118	278	448	238	340	423	615	367	428	513
less: Capital expenditures*	(14)	(21)	(2)	(2)	(6)	(7)	(2)	(4)	(4)	(6)	(6)
Free cash flow	86	97	276	446	232	333	421	611	363	422	507
Revenue	1,508	1,694	1,714	2,144	1,861	2,045	2,162	2,812	2,360	2,680	2,844
Free cash flow margin	6%	6%	16%	21%	12%	16%	19%	22%	15%	16%	18%

\* Capital expenditures is equivalent to the amount included in "Purchases of property and equipment" on our Condensed Consolidated Statements of Cash Flows for the reported period.



Make commerce  
better for everyone

