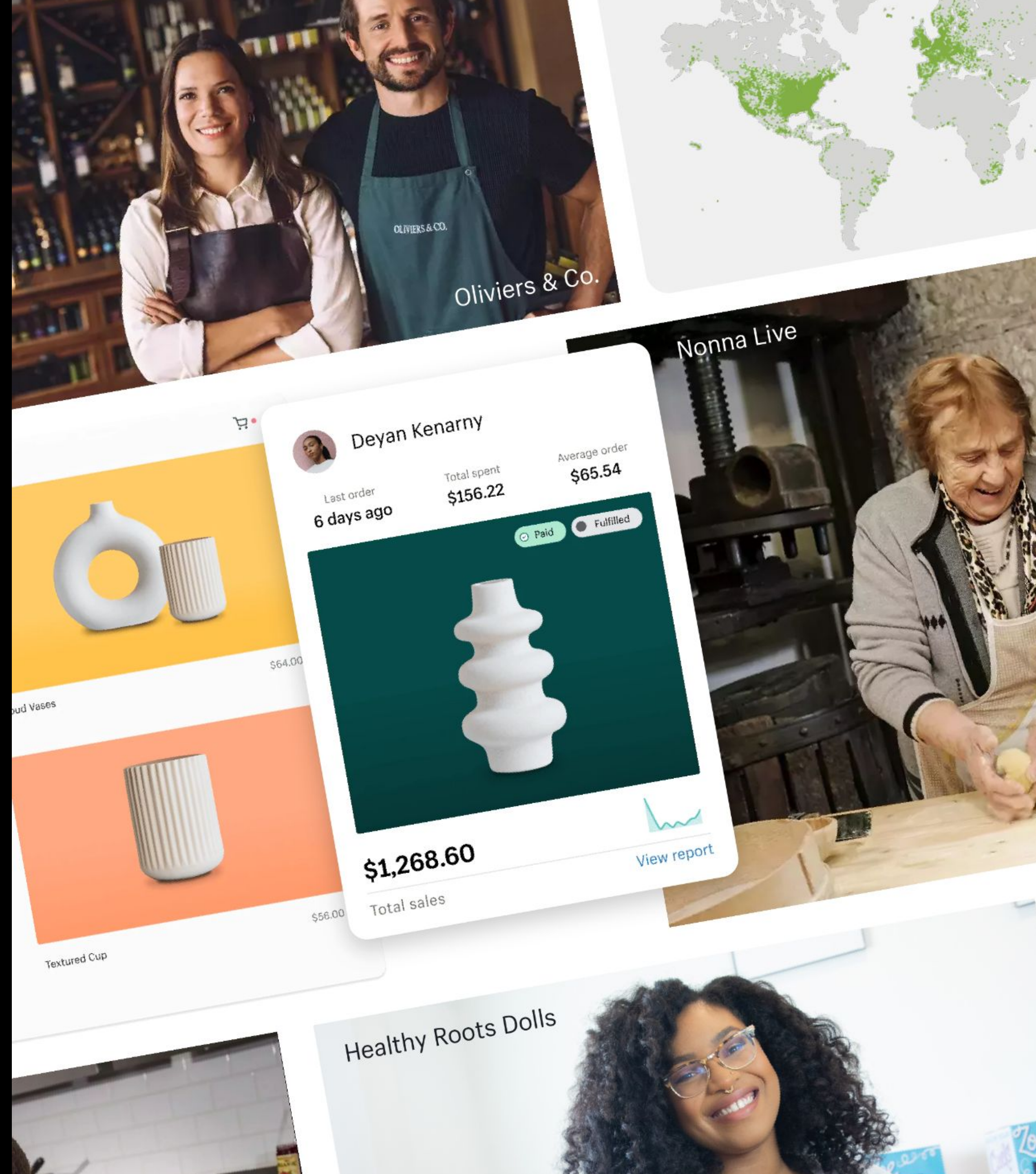




Investor Overview

Q1 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

Building essential internet infrastructure **for commerce**

One platform, every channel, any device



Online

Brick & Mortar

Online Marketplaces

Pop-Ups

+

Making commerce creative, and the important easy

Single integrated back office





Retail is
changing.



Our market

Shopify is the entrepreneurship company for merchants of all sizes

Shopify Plus
\$2,000+ per month

Larger
Brands

Advanced
\$299 per month

Shopify
\$79 per month

SMBs

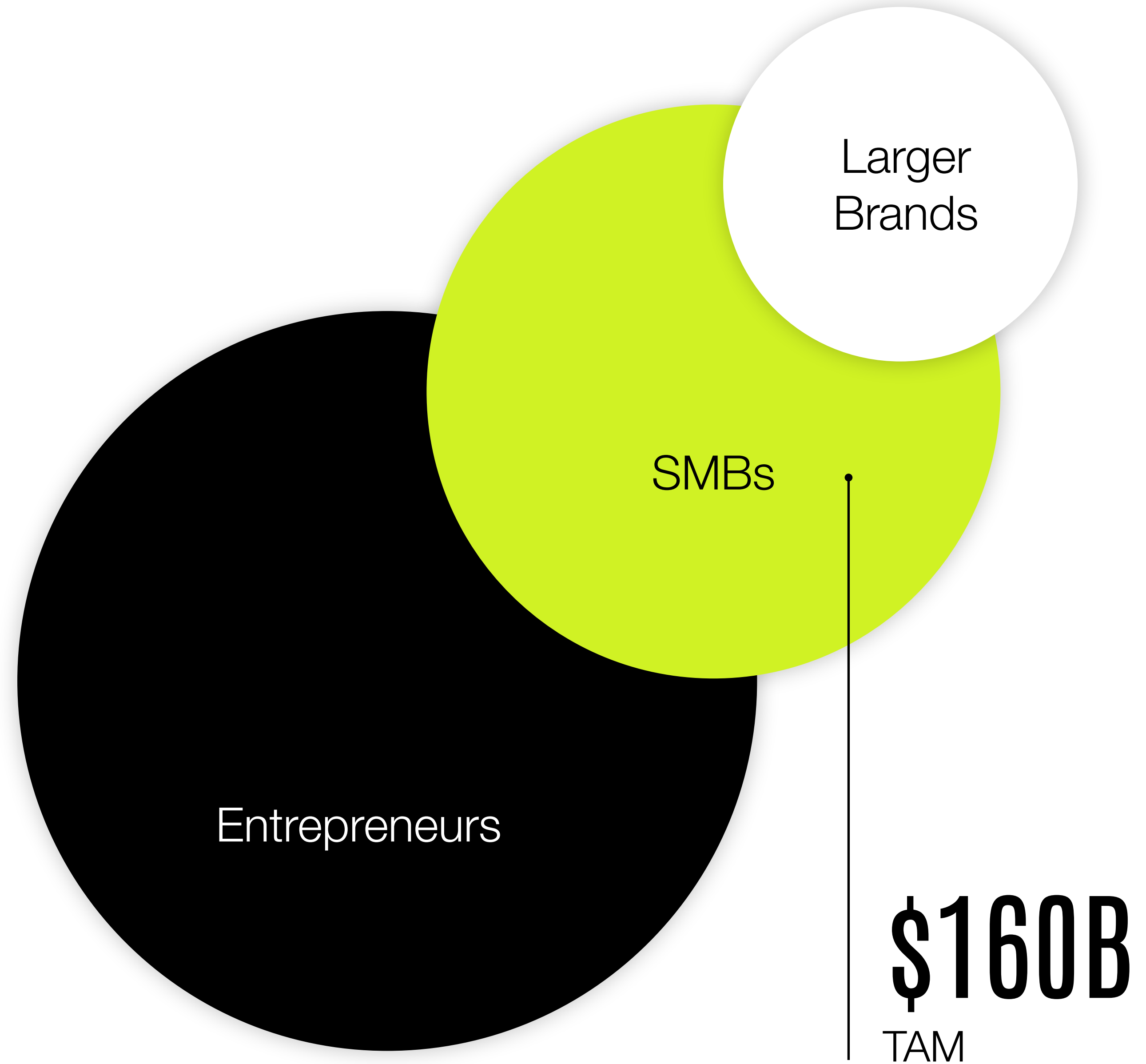
Basic
\$29 per month

Lite
\$9 per month

Entrepreneurs

Total addressable market

Anyone who wants to make more money from their site than they pay for it



- (1) Merchants defined as retailers with fewer than 500 employees. Includes commercially located businesses, sole proprietorships and home-based businesses. Does not include early-stage entrepreneurs or enterprises.
- (2) Average revenue per merchant of approximately \$2,354 based on ARPU for 2021 and 68 million retail businesses globally (Source: AMI Partners, 2020)

Merchant acquisition

Casting a very wide net

- ✓ Shopify Plus Sales
- ✓ Partners and Affiliates
- ✓ Global Events
- ✓ Shopify POS Sales
- ✓ Shopify Support
- ✓ Content Marketing
- ✓ Shopify Blog
- ✓ Offline Marketing
- ✓ Digital Advertising
- ✓ Search Engine Marketing
- ✓ Word of Mouth
- ✓ Brand and Studios

Larger Brands

SMBs

Entrepreneurs





Merchant profile

Entrepreneur

Eloise and Sophie Rankine founded luxury design house, Elph Ceramics, in 2016. The brand was born from Eloise's passion for making functional ceramic art pieces and Sophie's goal of creating an iconic Australian design brand. At launch they opened a studio in New South Wales where they design, manufacture, and sell their products.

In 2019, Eloise and Sophie were looking for a platform to unify their online and offline sales and decided to join Shopify. Their business is inventory-heavy and they felt that Shopify would make managing inventory between sales channels a breeze. Since joining the platform they've adopted Shopify Payments and Shop Pay. They've also leveraged Shopify POS to process sales in their studio and at local farmers markets.

Merchant profile

SMB

Randy Williams and Eric Heyward are co-owners of Talley & Twine, a premium watch brand built on diversity and inclusion. The brand was founded by Randy, an avid watch collector who wanted to bring more representation to the watch industry. He felt that he didn't see people who looked like himself in watch advertising and saw this as an opportunity to address a large segment of the market.

Since joining the platform in 2014, Talley & Twine has leveraged Shopify's suite of payment solutions to process sales on their online store including Shopify Payments, Shop Pay, and Shop Pay Installments. They've also taken multiple rounds of Shopify Capital funding and printed shipping labels through Shopify Shipping.



Larger brands

Capturing the shift from
SMB to large brands

L'OCCITANE
EN PROVENCE

FASHION NOVA

staples[®]

HELLO
FRESH

HEINZ
ESTD 1869

&
General Mills

GYMSHARK

Lord & Taylor

havaianas

MOLSON
COORS

Jamieson[™]
NATURAL SOURCES
Since 1922

leesa[®]

Heineken[®]

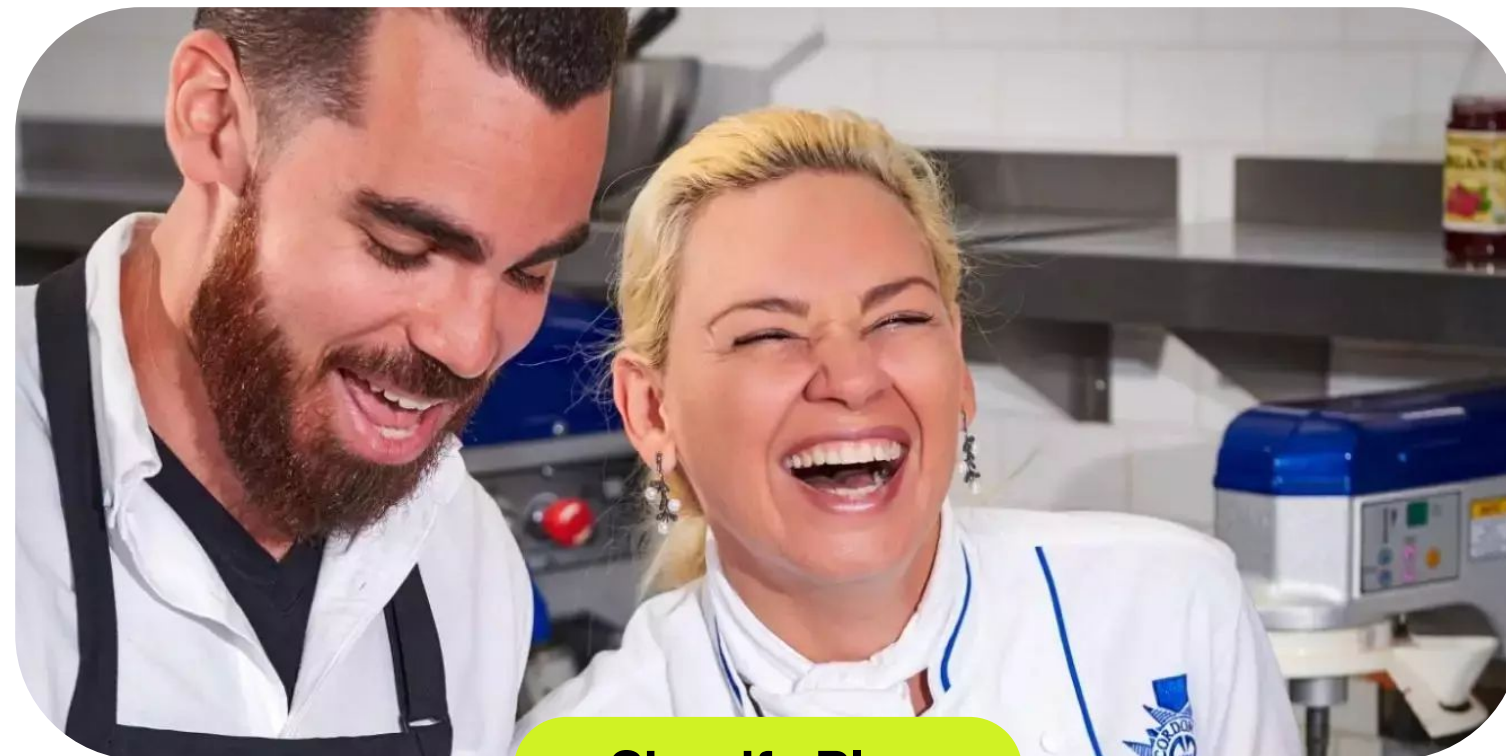
Jamieson[™]
NATURAL SOURCES
Since 1922

leesa[®]

Heineken[®]

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

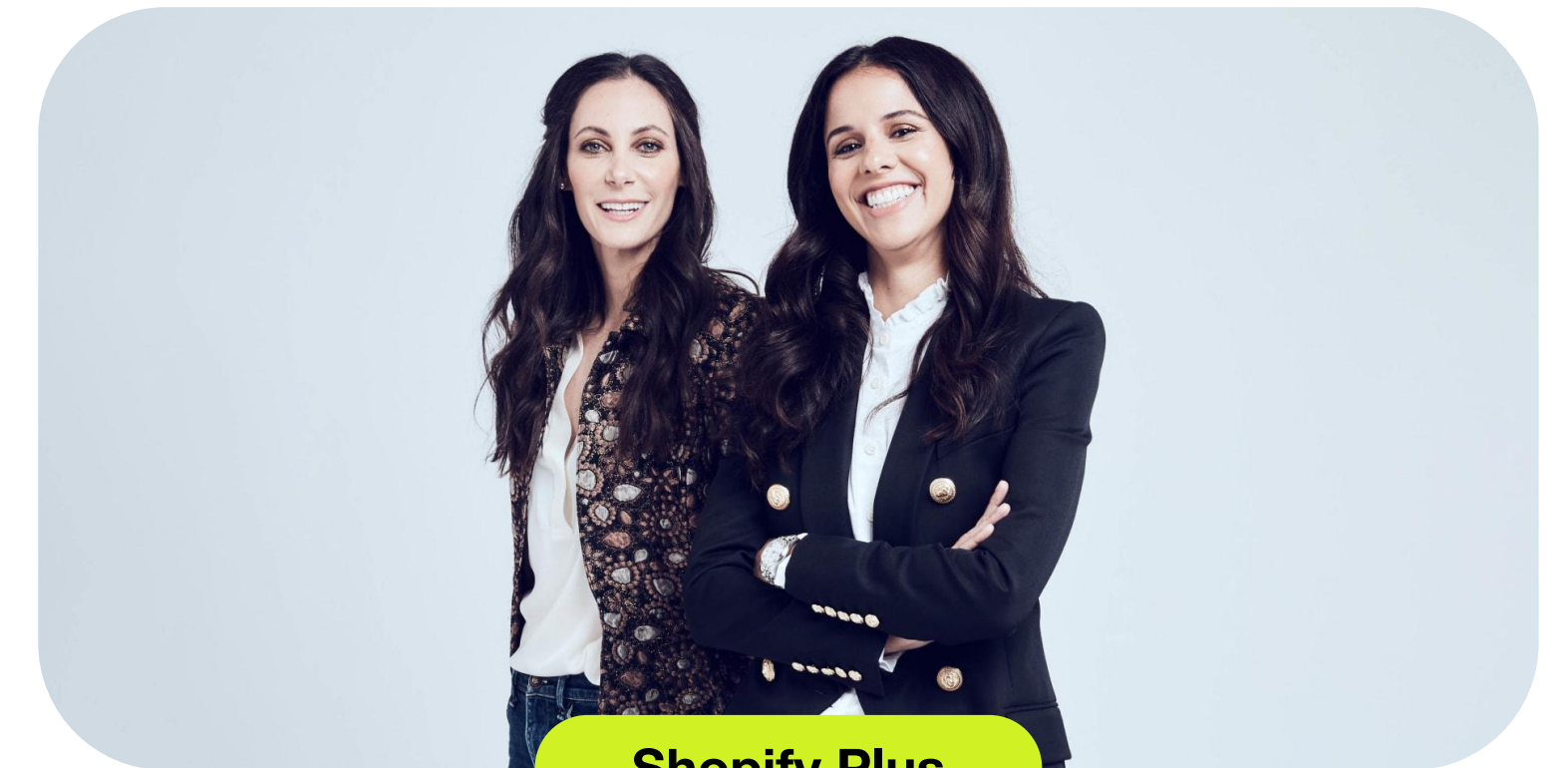
ChocoSol Traders

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 on Shopify Plan in 2013
Upgraded to Shopify Plus in 2016

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



Merchant Journey

shop Pay

installments in partnership with **affirm**

Initial Public Offering

International Expansion
(Canada, UK, Australia)

Shopify Shipping

shop Pay

Upgrade to

 **shopifyplus**

Shopify Payments

FIGS launches
on the Shopify
Plan

2013

2014

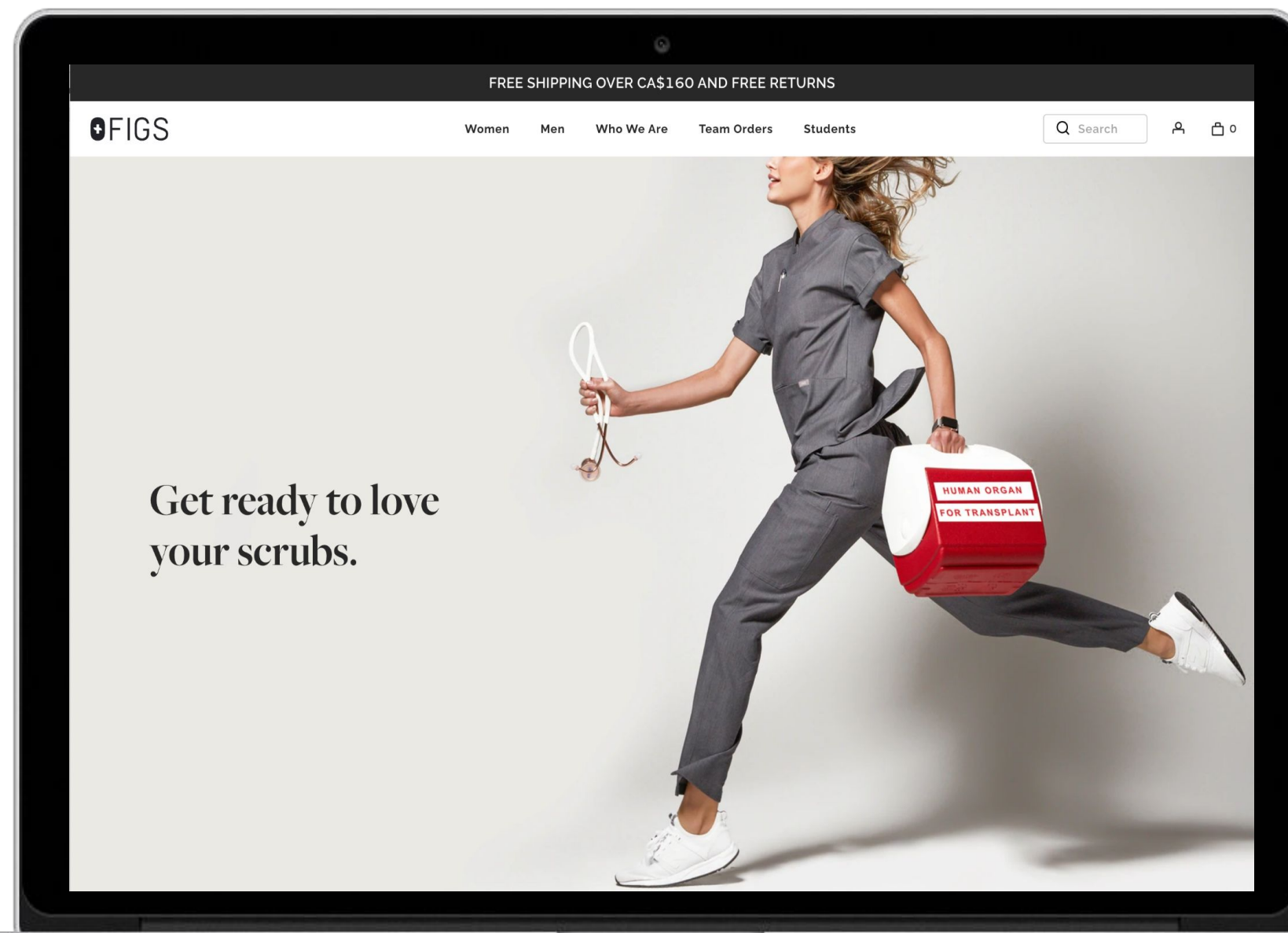
2016

2017

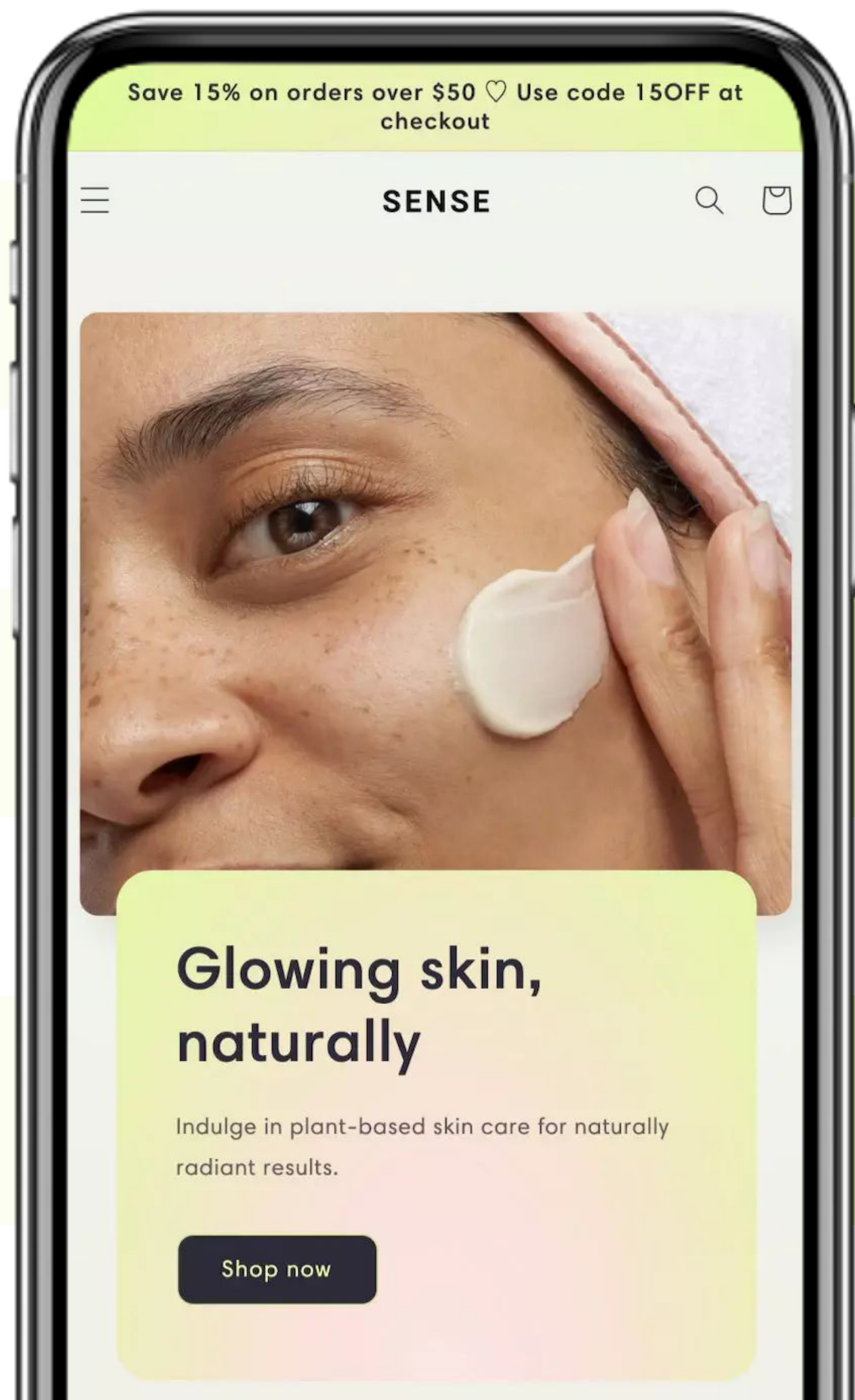
2018

2020

2021



Powerful trends in our favor



Ecommerce

21%

2019 - 2021 global ecommerce CAGR

69%

2019 - 2021 Shopify GMV CAGR

Direct-to-consumer

15%

Direct-to-consumer market growth in 2021

1M

New Shopify merchants from 2019 to 2021

Digital payments

24%

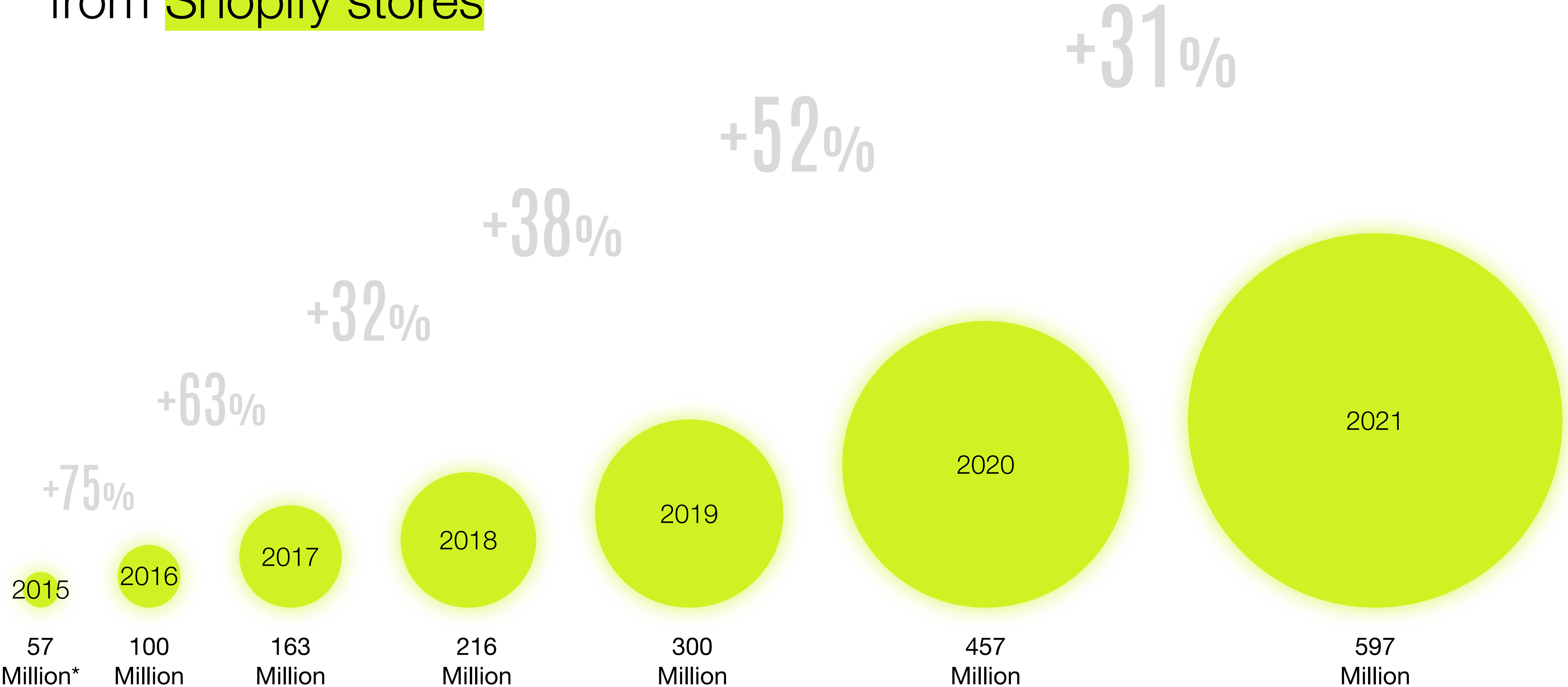
YoY global digital payments growth

59%

GPV YoY growth¹

Source: Euromonitor, Blue Cart, Statista Note: Ecommerce market based on global goods market growth. Direct-to-consumer growth based on 2021 YoY growth. 1 Reflects FY21 YoY growth.

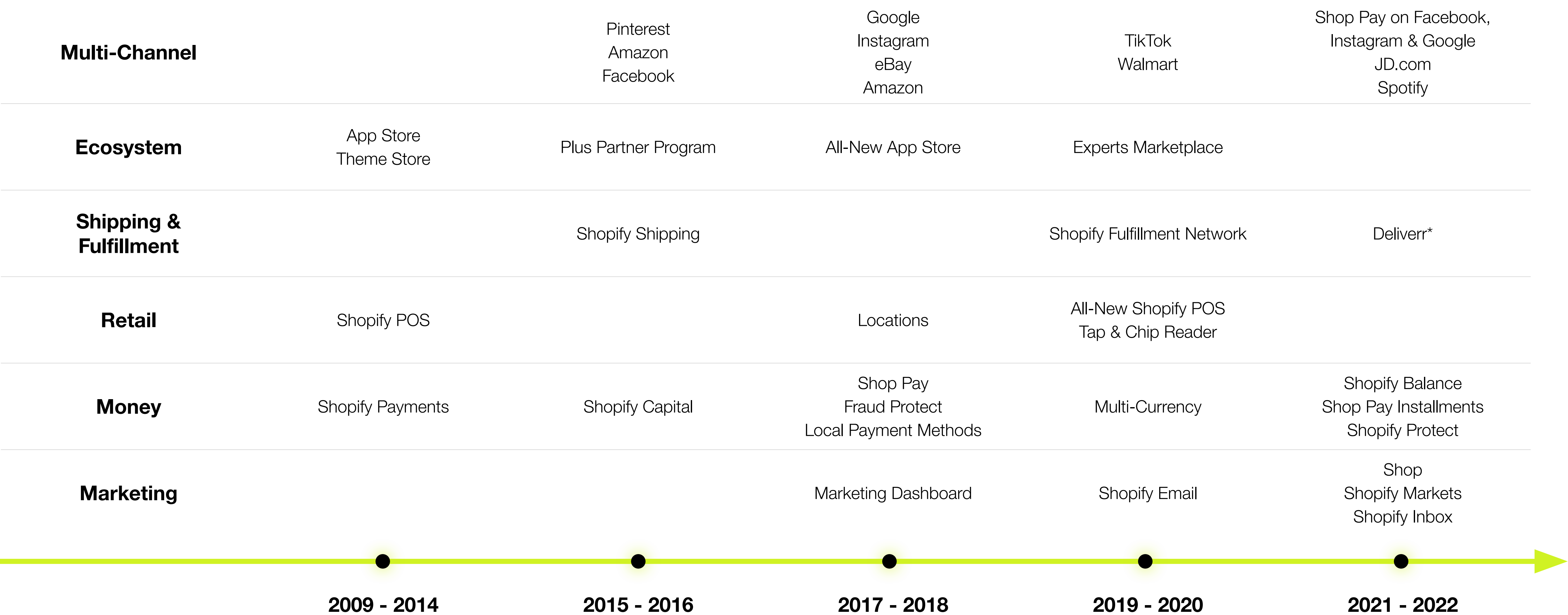
More consumers are buying
from **Shopify stores**



*Number of online shoppers

Merchant-first focus through product innovation

Lowering barriers, simplifying operations, catalyzing merchant sales



* Subject to closing of acquisition

Rich & extensive partner ecosystem

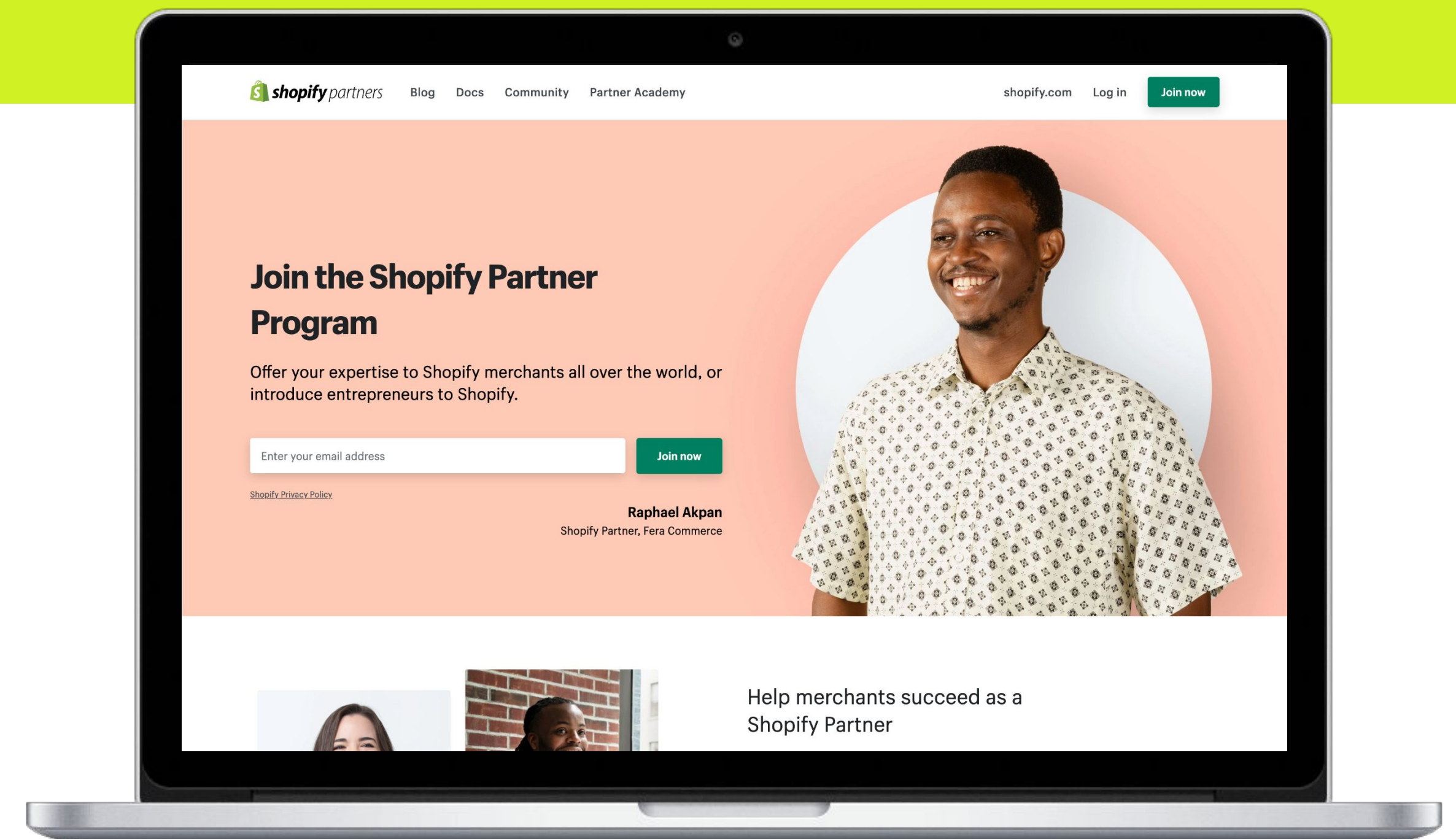
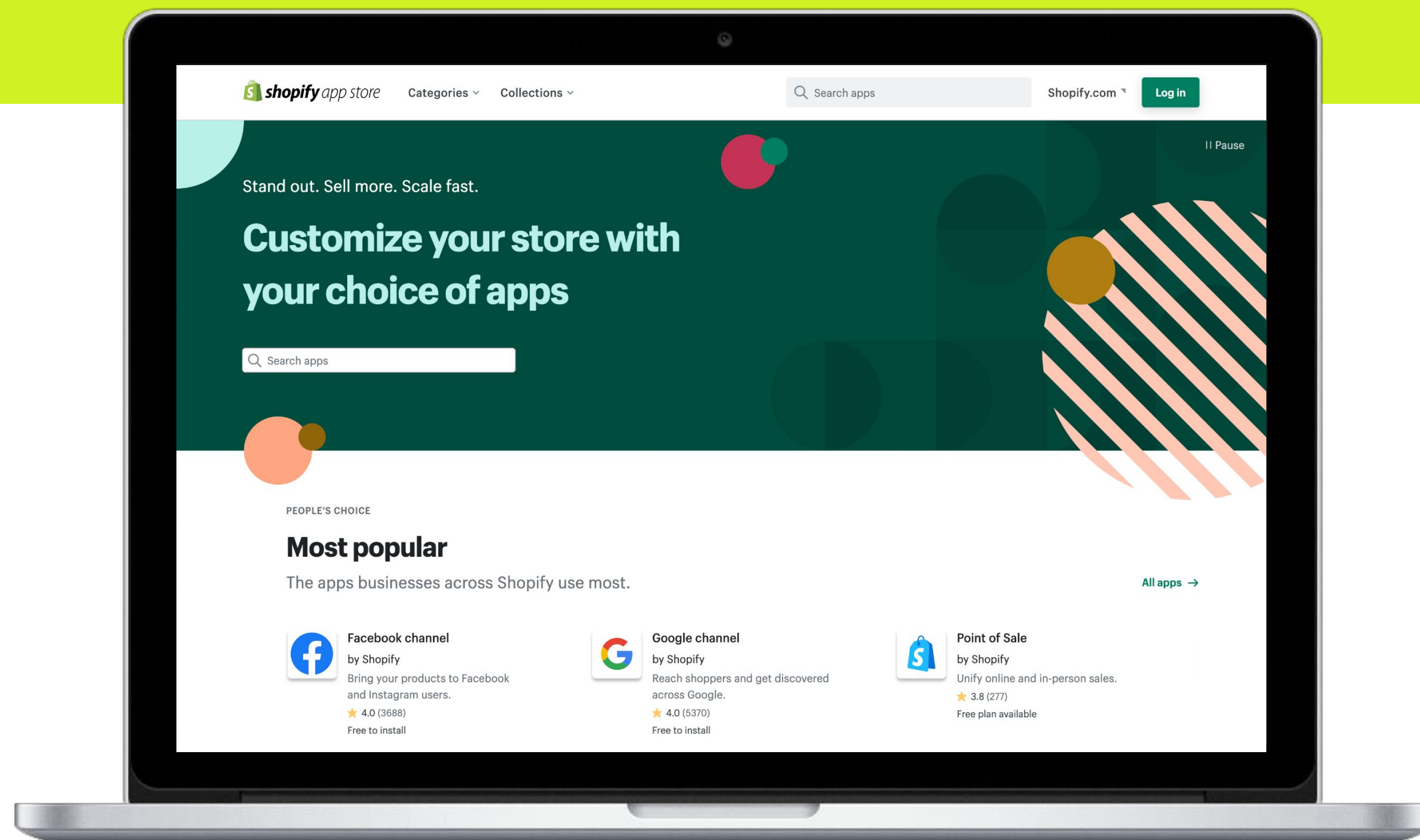
Favorable terms encourage greater innovation on behalf of merchants while increasing the opportunity for developers to grow their businesses

8,000+

Apps extending product capabilities

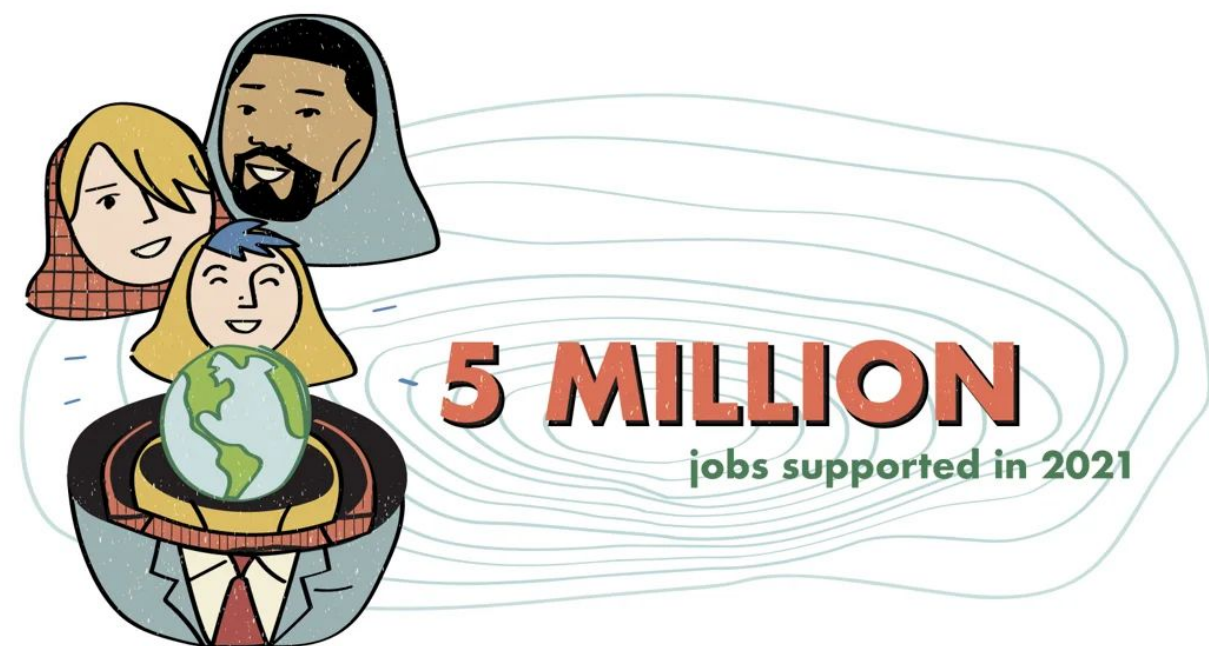
40,000+

Ecosystem Partners referred at least one merchant to Shopify in the last 12 months



Making commerce better for everyone in everything we do

Creating Economic Impact*



Combating Climate Change

- 🟢 **\$5M minimum annual spend** for Shopify's Sustainability Fund
- 🟢 Committed to **carbon-neutral** operations and platform
- 🟢 **Offset carbon emissions** on all orders placed on our platform during BFCM 2021
- 🟢 Launched **Frontier**, the world's largest combined financial commitment to buy carbon removal, in partnership with 4 other companies
- 🟢 Signed a **power purchase agreement** to power 100% of office buildings and employee home offices across North America with wind energy

Making a Social Impact

Operation HOPE to help create 1M new Black-owned businesses by 2030

Government partnerships to help bring **thousands of small businesses online**

Increase visibility for **local shops, sustainable shops, Black-owned businesses, Asian-owned businesses, women-owned businesses, LGBTQ+ businesses, and Indigenous-owned businesses** through Shop app



Growth-minded culture

- + Recruit talented, deeply caring individuals
- + Digital by Design allows employees to easily work almost anywhere in the world
- + Invest heavily in personal growth and development
- + Build a team that reflects the world we live in



FASTCOMPANY
▼
2021
Honoree

TIME 100
MOST INFLUENTIAL
COMPANIES

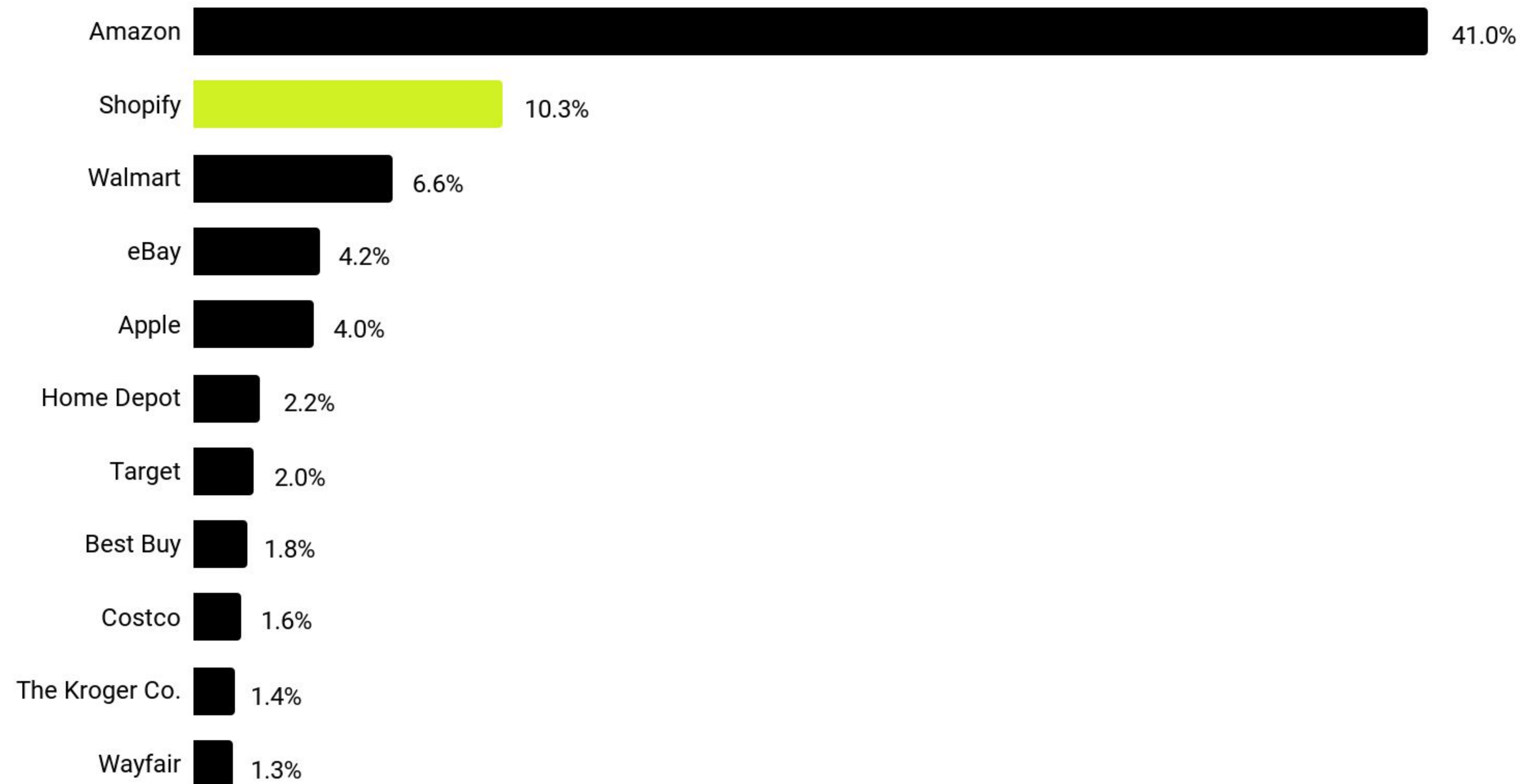


The
numbers.



Share of U.S. retail ecommerce sales 2021

Strong & competitive market position



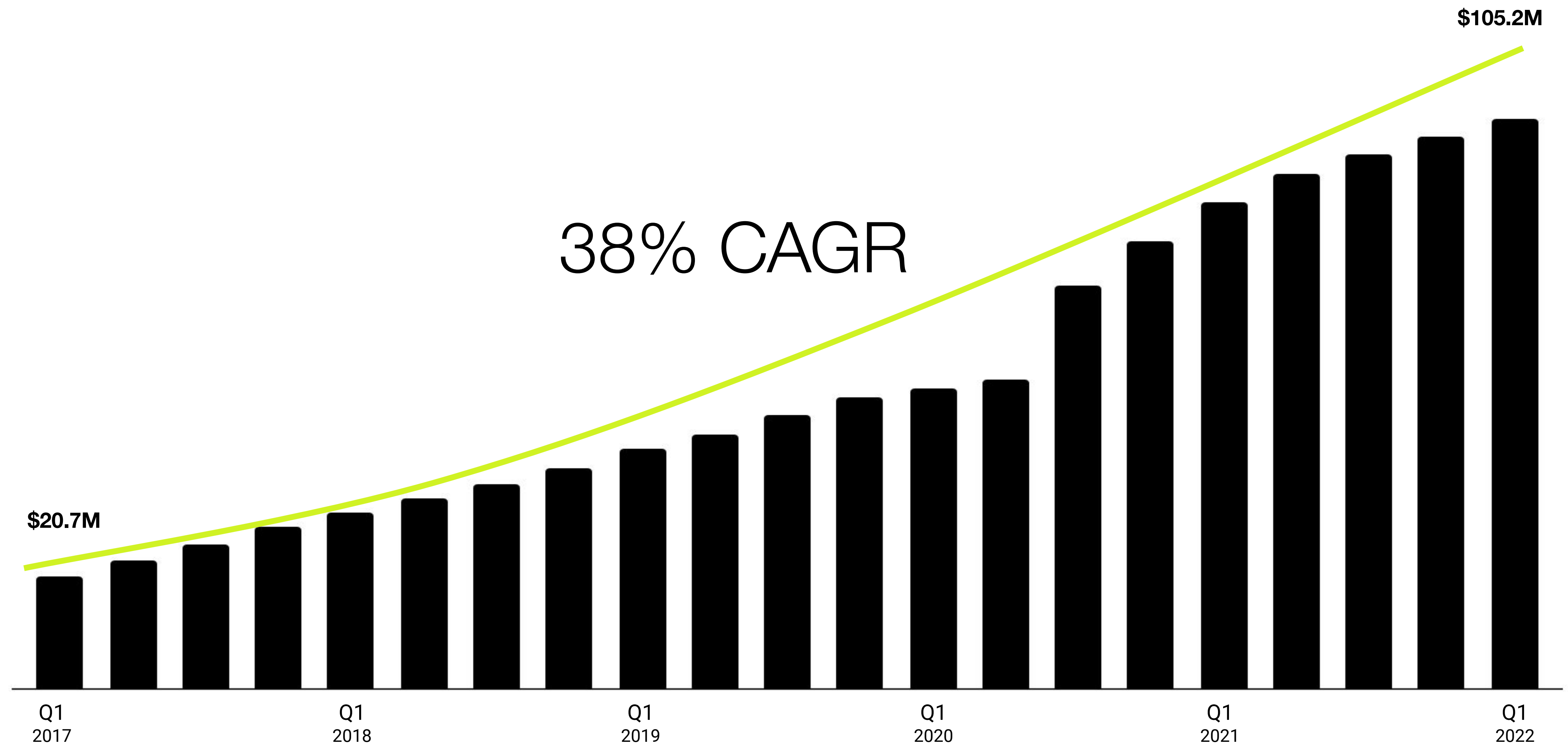
Strong revenue growth

When our merchants succeed, Shopify benefits



Q1 YoY MRR rose as more merchants joined the platform...

More new merchants building businesses on the platform

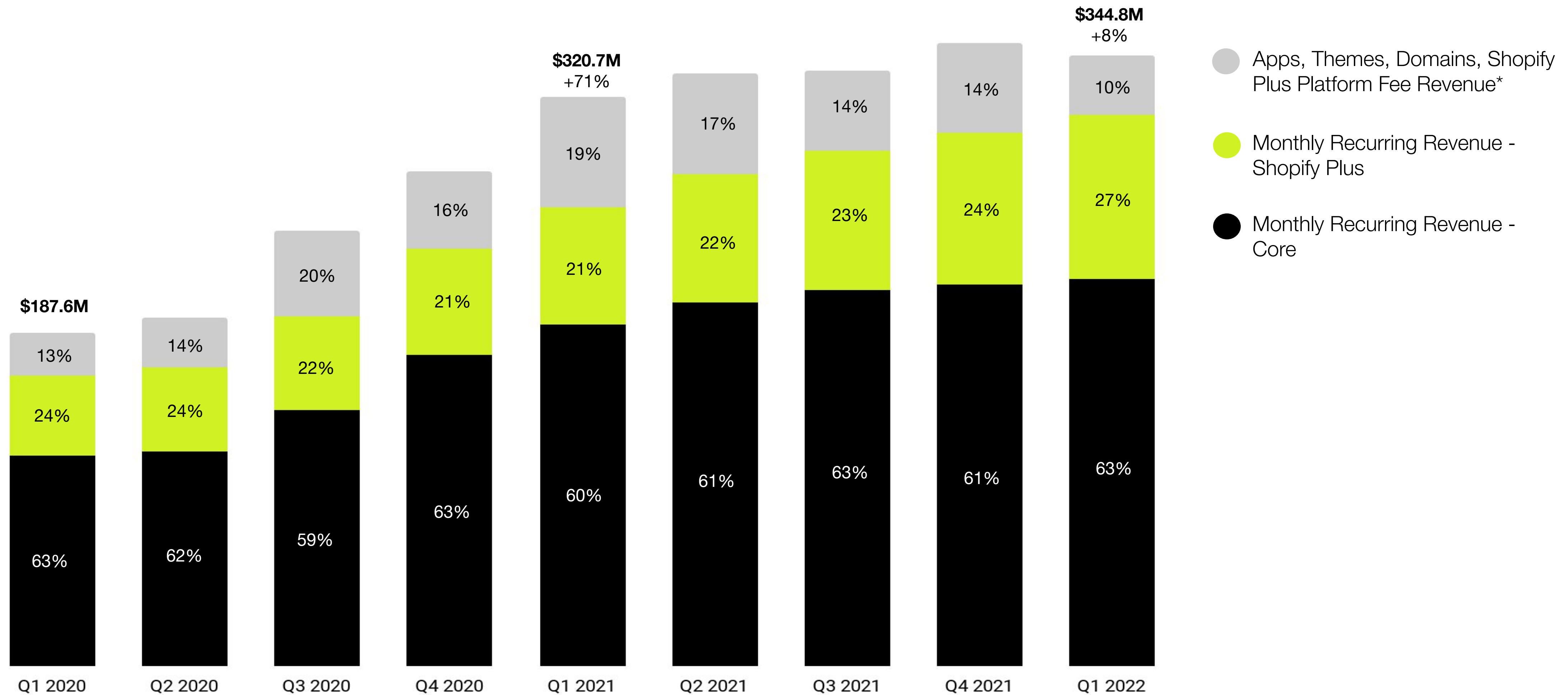


*Monthly Recurring Revenue, or MRR, is calculated at the end of each period by multiplying the number of merchants who have subscription plans with us at the period end date by the average monthly subscription plan fee in effect on the last day of that period, assuming they maintain their subscription plans the following month.

**Due to the extended 90-day free trial (offered from March 21 through May 31, 2020), MRR that normally would have been counted in Q2 2020 did not start getting charged until Q3 2020.

...and contributed to strength in YoY

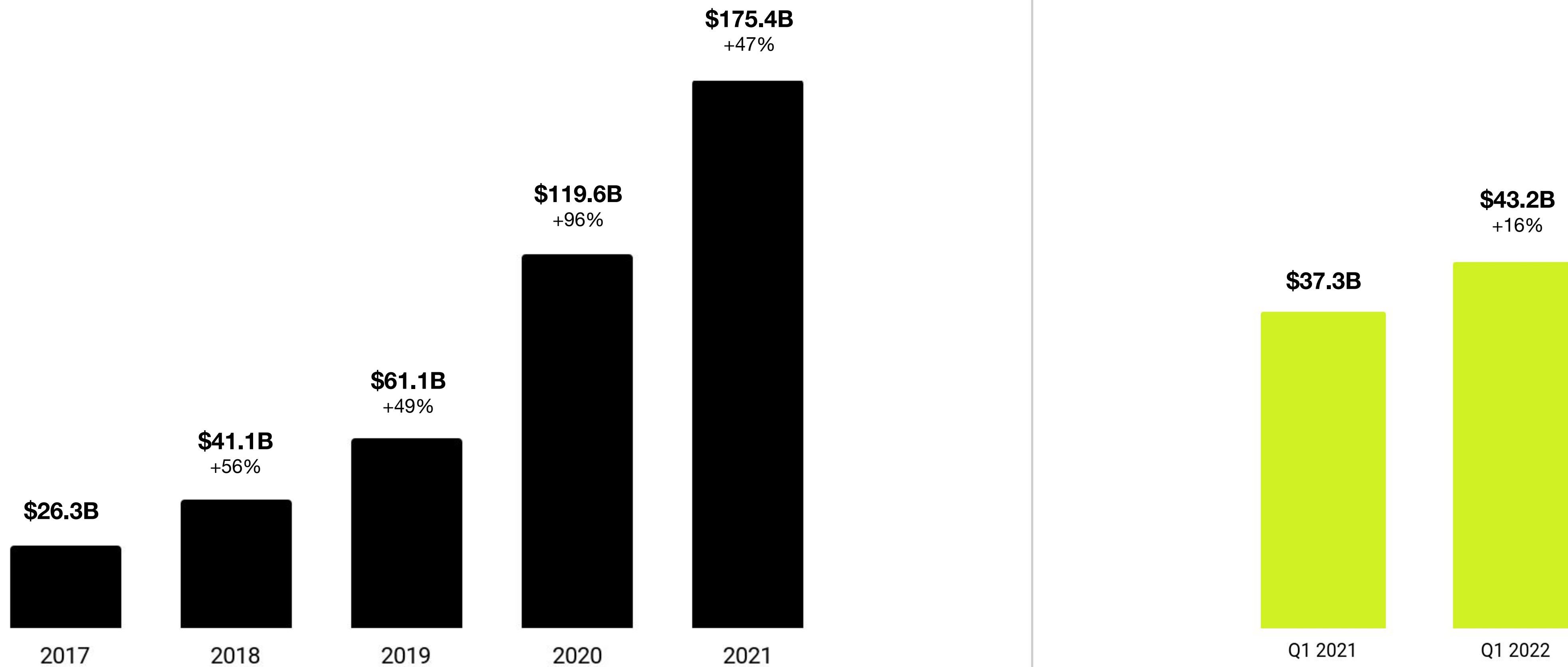
Subscription solutions revenue growth in Q1



*Approximate Apps, Themes, Domains, Shopify Plus Platform Fee Revenue is calculated by averaging current and previous quarter MRR, multiplying by 3 and subtracting total from Subscription Solutions revenue. Numbers may not foot due to rounding.

Strong consistent GMV growth

Merchants are joining, scaling and succeeding on Shopify



*Gross Merchandise Volume, or GMV, represents the total dollar value of orders facilitated on 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.

Increased adoption of Shopify products over time

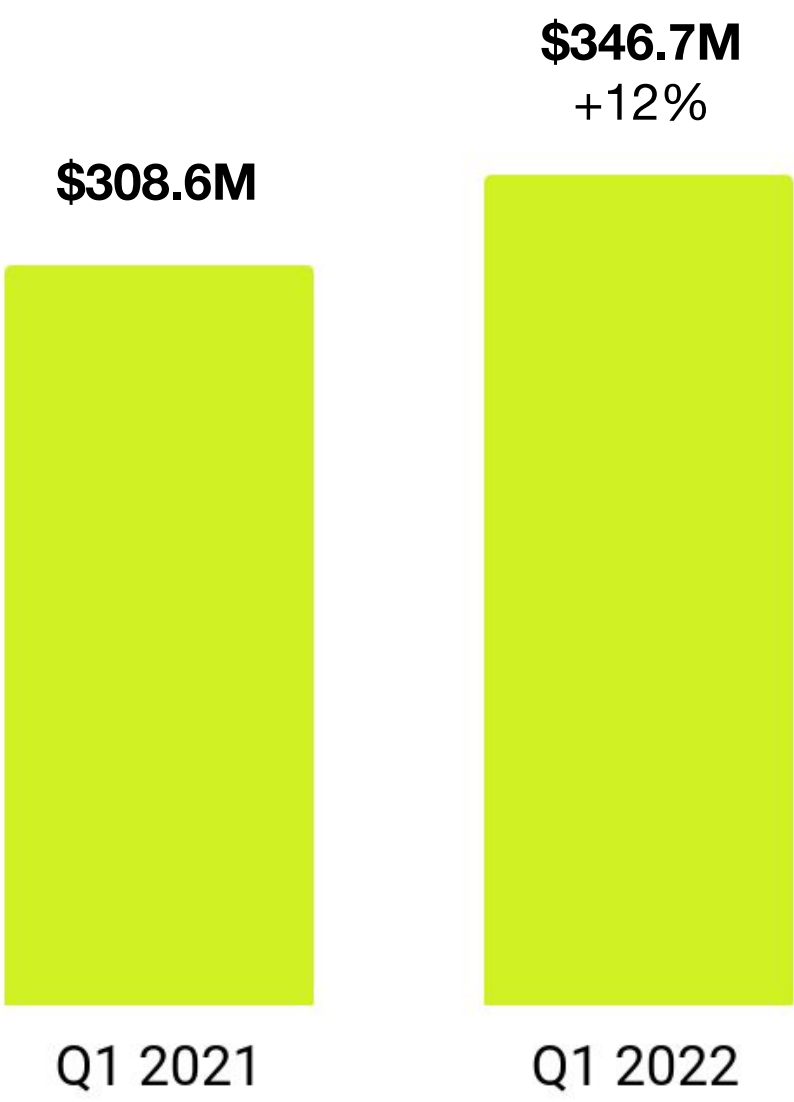
Shopify Payments

Gross Payments Volume (GPV)*



Shopify Capital

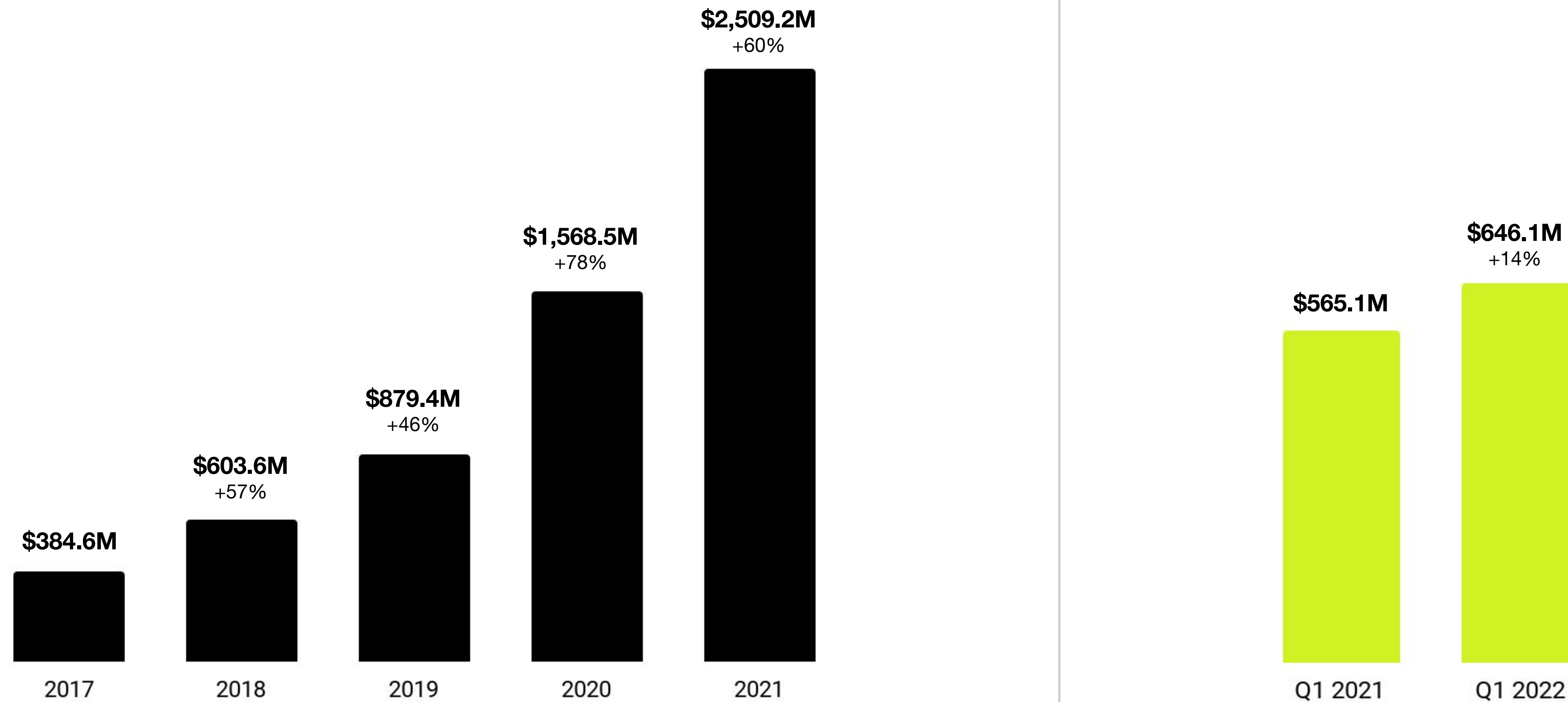
Merchant Cash Advances and Loans



*Gross Payments Volume (GPV) is the amount of GMV processed through Shopify Payments.

Strong adjusted gross profit* growth

Powerful business model that focuses on gross profit dollar growth



*Excludes the effect of stock-based compensation (SBC) expenses and related payroll taxes, and amortization of acquired intangibles. Adjusted Gross Profit is a non-GAAP measure, see Appendix for reconciliation.

Accelerated investments in Q1 for future growth

Strong revenue growth backed by strategic allocation of capital

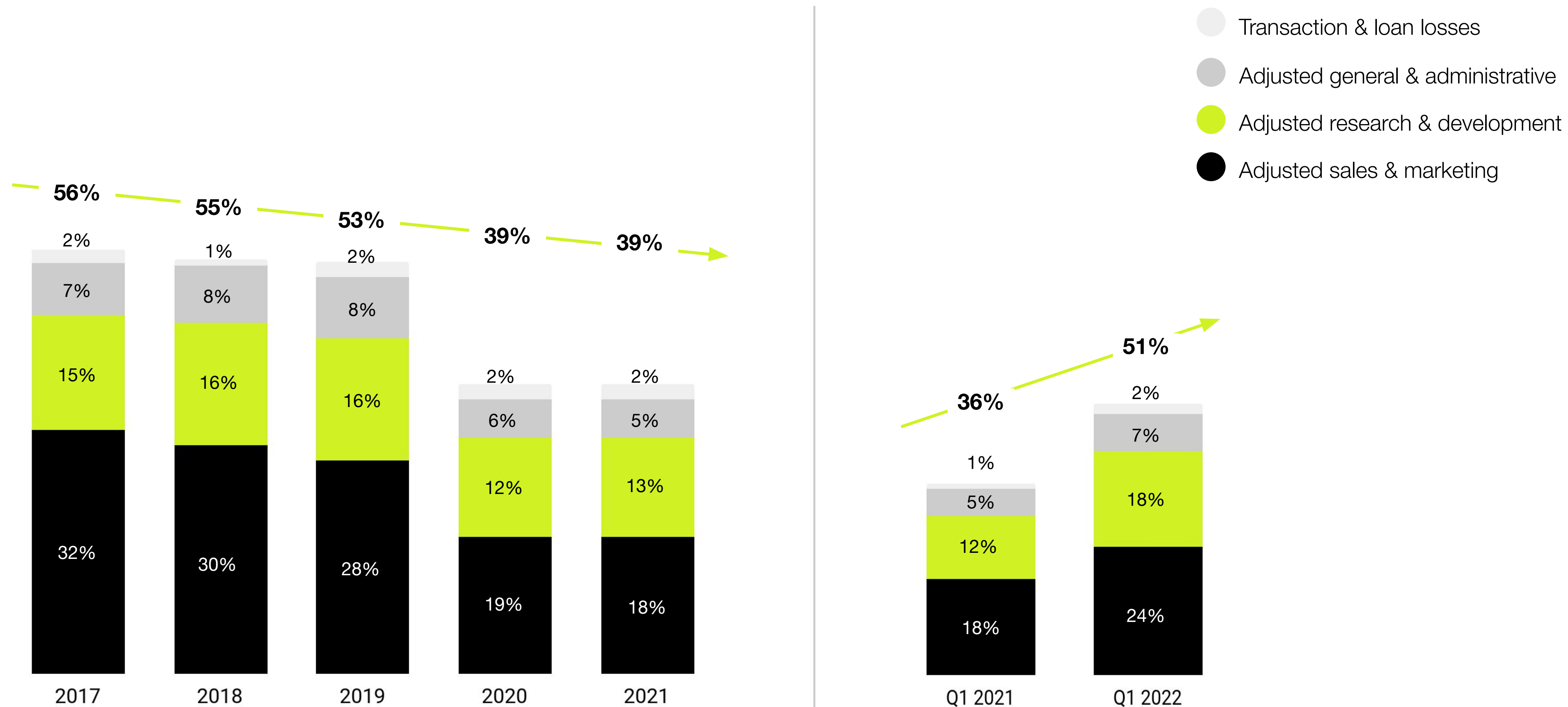
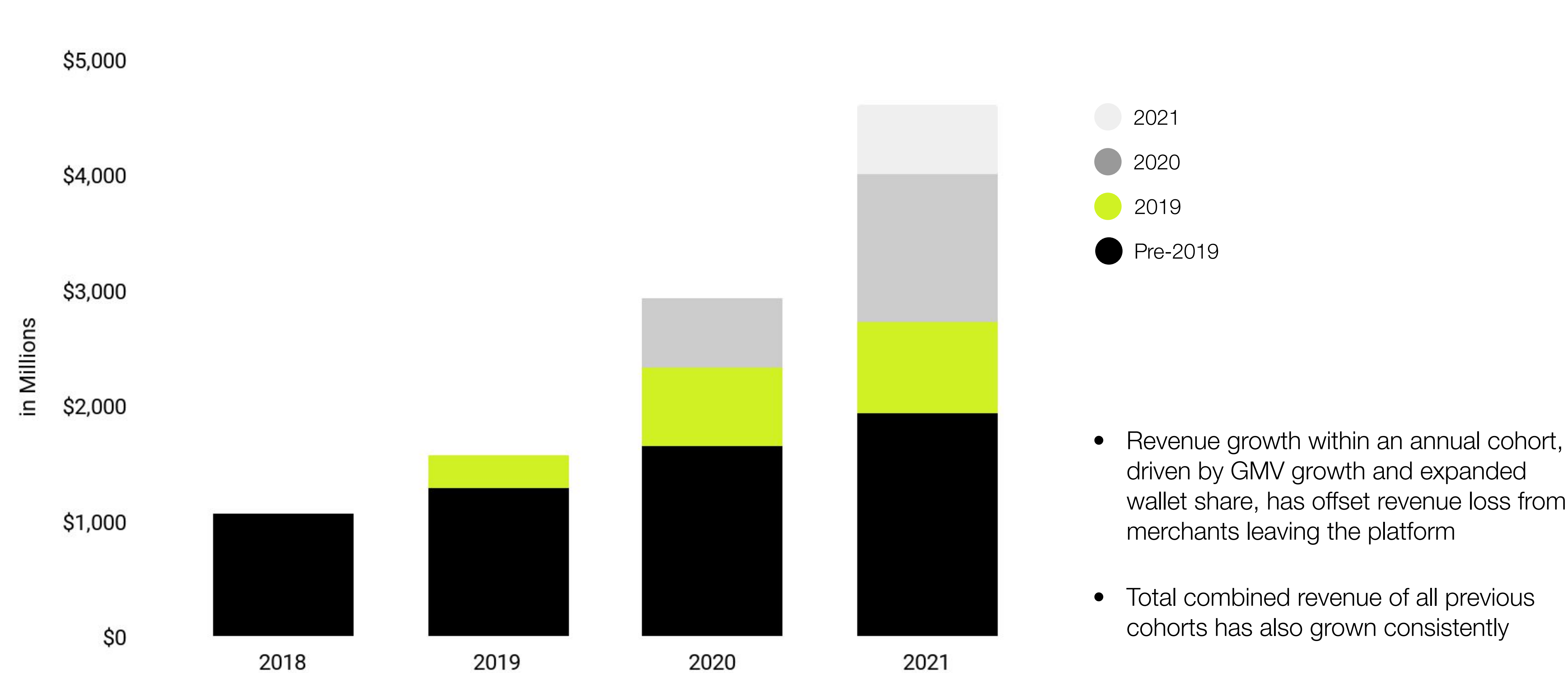


Chart depicts operating leverage, which is measured using Adjusted Operating Expenses as a percentage of revenue. Excludes the effect of stock-based compensation expenses and related payroll taxes, amortization of acquired intangibles, and impairment of right-of-use assets and leasehold improvements. Adjusted Operating Expenses is a non-GAAP measure, see Appendix for reconciliation. Numbers may not foot due to rounding.

Annual cohorts provide strong foundation for growth

Revenue by cohort



- Revenue growth within an annual cohort, driven by GMV growth and expanded wallet share, has offset revenue loss from merchants leaving the platform
- Total combined revenue of all previous cohorts has also grown consistently

*Annual revenue from merchant cohorts that joined the Shopify platform in the period shown.
**Note: the first year a merchant joins the platform may not be 12 full months and therefore is not fully comparable to the subsequent 12 month periods.

Building for the long term

Expect to accelerate operating expenses in 2022 aimed at growth investments to build commerce infrastructure for the next decade

Core

Expansion

Ambition

Near-term initiatives

Platform
Shopify Payments
Shopify Shipping
Shopify Capital
Shopify Plus

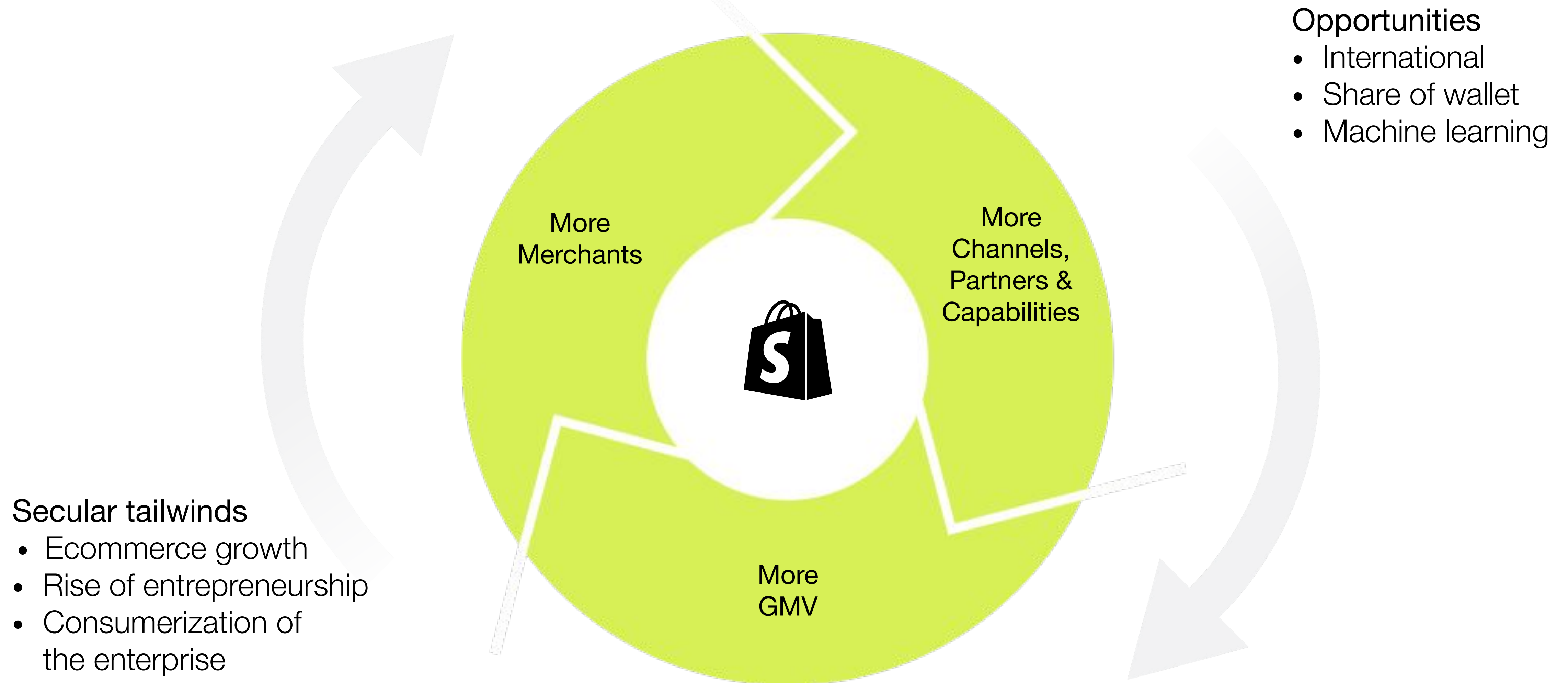
Medium-term initiatives

International Expansion
Retail POS
Shopify Markets
Shop Pay Installments

Long-term initiatives

Shopify Fulfillment Network
6 River Systems
Shopify Balance
Shop App
Wholesale/B2B

Growth investments aimed at emerging the Shopify flywheel **well into the future**



Investment highlights



Large and growing opportunity

Massive market with accelerated ecommerce penetration



World-class product

Multichannel commerce platform that enables merchants of all sizes to sell to anyone, anywhere



Powerful business model

Success-based business model that puts merchants first



Economies of scale innovation & efficiencies

Millions of merchants generating transaction volumes enables economies of scale that we share with our merchants



Vast ecosystem

Engaged and expanding partner ecosystem that is difficult to replicate



Mission driven

Product-driven team focused on making commerce better for everyone



Healthy balance sheet

Strong balance sheet with a proven, disciplined capital allocation approach



Significant opportunity ahead

Focus on investing in long-term growth while maintaining operational discipline and merchant-first orientation



The
appendix.

Non-GAAP financial measures

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 financial measures to provide additional information in order to assist investors in understanding our financial and operating performance.

Adjusted gross profit and adjusted operating expenses are non-GAAP financial measures that exclude the effect of stock-based compensation expenses and related payroll taxes, amortization of acquired intangibles and, in the case of adjusted operating expenses, a real estate-related impairment charge.

Management uses non-GAAP financial measures internally for financial and operational decision-making and as a means to evaluate period-to-period comparisons. Shopify believes that these non-GAAP 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. Non-GAAP financial 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. Such non-GAAP financial measures should be considered as a supplement to, and not as a substitute for, or superior to, the corresponding measures calculated in accordance with GAAP. See the financial tables below for a reconciliation of the non-GAAP measures.

May 2022

Reconciliation of GAAP to Non-GAAP figures

Expressed in US\$000s					
	2019	2020	2021	Q1'21	Q1'22
GAAP Gross profit	865,643	1,541,520	2,481,144	558,716	637,637
add: SBC and SBC-related payroll taxes	4,090	7,472	7,642	1,851	2,183
add: Amortization of acquired intangibles	9,624	19,488	20,399	4,531	6,234
Non-GAAP Gross profit	879,357	1,568,480	2,509,185	565,098	646,054
% of Revenue	56%	54%	54%	57%	54%
GAAP Sales and marketing	472,841	602,048	901,557	186,223	303,371
less: Sales and marketing SBC and SBC-related payroll taxes	38,167	46,390	47,283	10,885	15,203
less: Amortization of acquired intangibles	283	1,548	1,544	386	386
Non-GAAP Sales and marketing	434,391	554,110	852,730	174,952	287,782
% of Revenue	28%	19%	18%	18%	24%

Expressed in US\$000s	2019	2020	2021	Q1'21	Q1'22
GAAP Research and development	355,015	552,127	854,383	175,886	303,661
less: Research and development SBC and SBC-related payroll taxes	104,645	188,249	250,787	56,027	85,737
less: Amortization of acquired intangibles	232	233	206	58	76
Non-GAAP Research and development	250,138	363,645	603,390	119,801	217,848
% of Revenue	16%	12%	13%	12%	18%
GAAP General and administrative	153,765	245,343	374,844	67,102	108,088
less: General and administrative SBC and SBC-related payroll taxes	29,861	52,195	91,337	18,205	20,071
less: Impairment of right-of-use assets and leasehold improvements	-	31,623	30,145	-	-
Non-GAAP General and administrative	123,904	161,525	253,362	48,897	88,017
% of Revenue	8%	6%	5%	5%	7%
GAAP Transaction and loan losses	25,169	51,849	81,717	10,606	20,493
% of Revenue	2%	2%	2%	1%	2%
GAAP Operating expenses	1,006,790	1,451,367	2,212,501	439,817	735,613
less: Operating SBC and SBC-related payroll taxes	172,673	286,834	389,407	85,117	121,011
less: Amortization of acquired intangibles	515	1,781	1,750	444	462
less: Impairment of right-of-use assets and leasehold improvements	-	31,623	30,145	-	-
Non-GAAP Operating expenses	833,602	1,131,129	1,791,199	354,256	614,140
% of Revenue	53%	39%	39%	36%	51%

Make commerce
better for everyone.

