



# Investor Presentation

February 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.

# Investment Highlights

---

## Large and Growing TAM

Small share of vast retail opportunity

## Strong Competitive Moat

Integrated technology and infrastructure scale enabling innovative, unmatched customer experience that underpins growing leadership position

## Attractive Long-term Margins

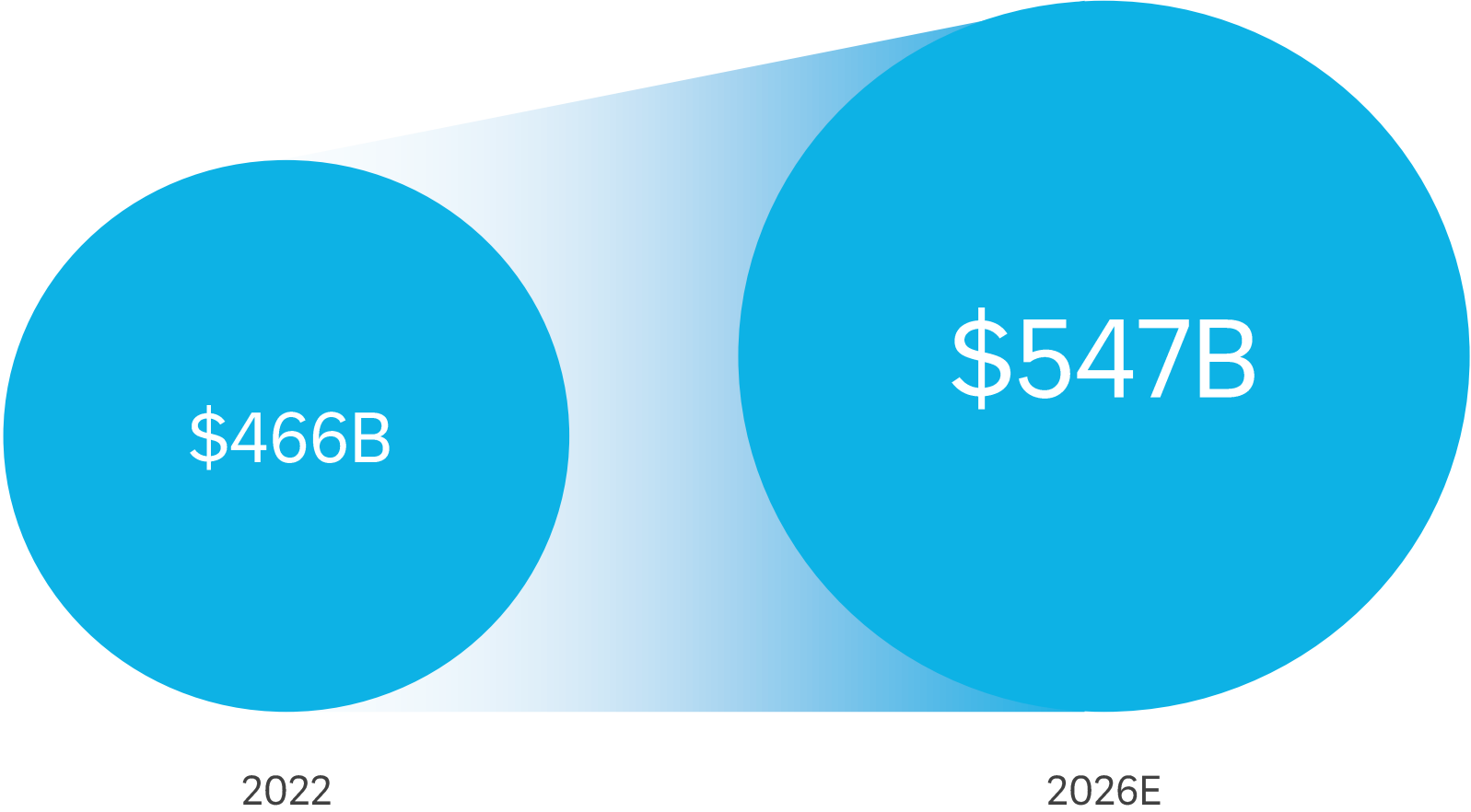
10+% long-term target adjusted EBITDA margin driven by operating leverage and monetization opportunities

## Significant Expansion Opportunities

Positioned to leverage investments and capabilities to extend into new categories and markets with our disciplined capital allocation approach

# Korea is a Large and Fast-Growing Commerce Market

CAGR 2022 - 2026E  
**Total Commerce CAGR: 4%**



Note: All figures exclude automobiles and fuel.

Source: Euromonitor International Ltd, Coupang estimates based on Euromonitor's Retailing 2023, Consumer Foodservice 2023, and Travel 2023 editions; "Total commerce" defined to include all online and offline retail—including grocery—consumer foodservice, and travel spend.

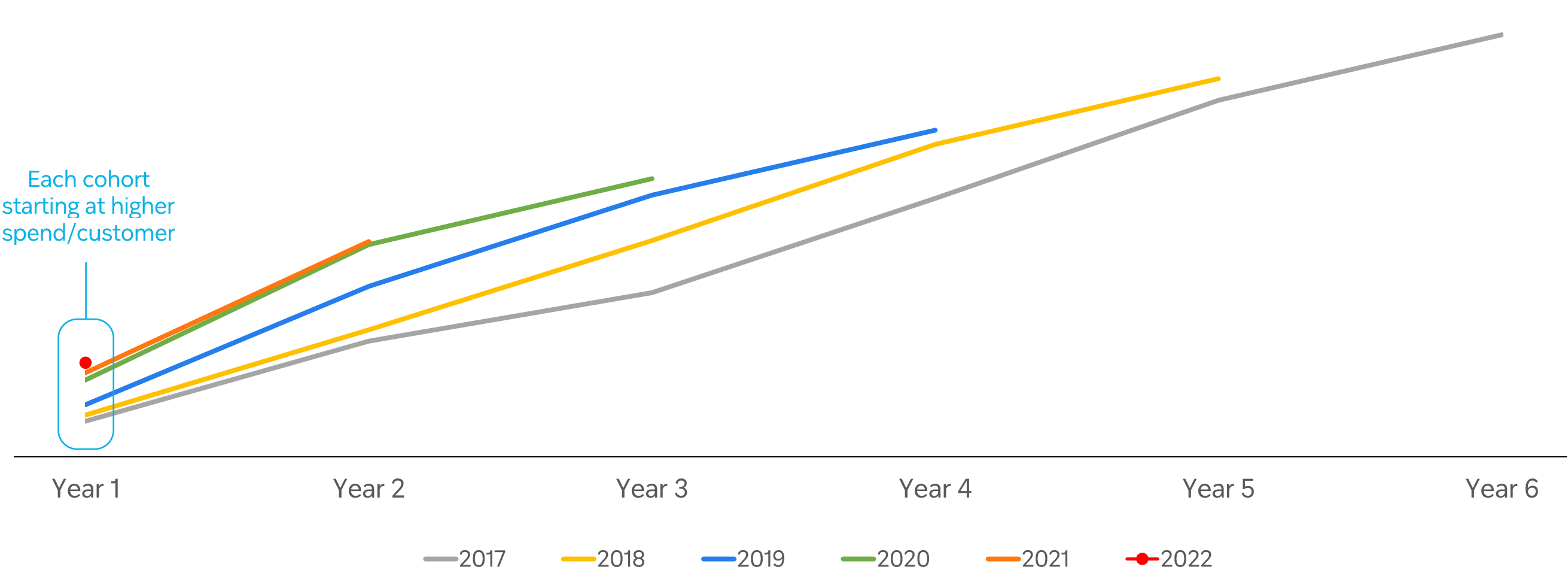
# Compounding Customer Cohort Spend

Spend by cohort, indexed to year 1 through 2022

	Year 1	Year 2	Year 3	Year 4	Year 5
2018 Cohort	1.00x	1.98x	3.06x	4.17x	4.74x
2019 Cohort	1.00x	2.19x	3.11x	3.59x	
2020 Cohort	1.00x	1.94x	2.26x		
2021 Cohort	1.00x	1.66x			

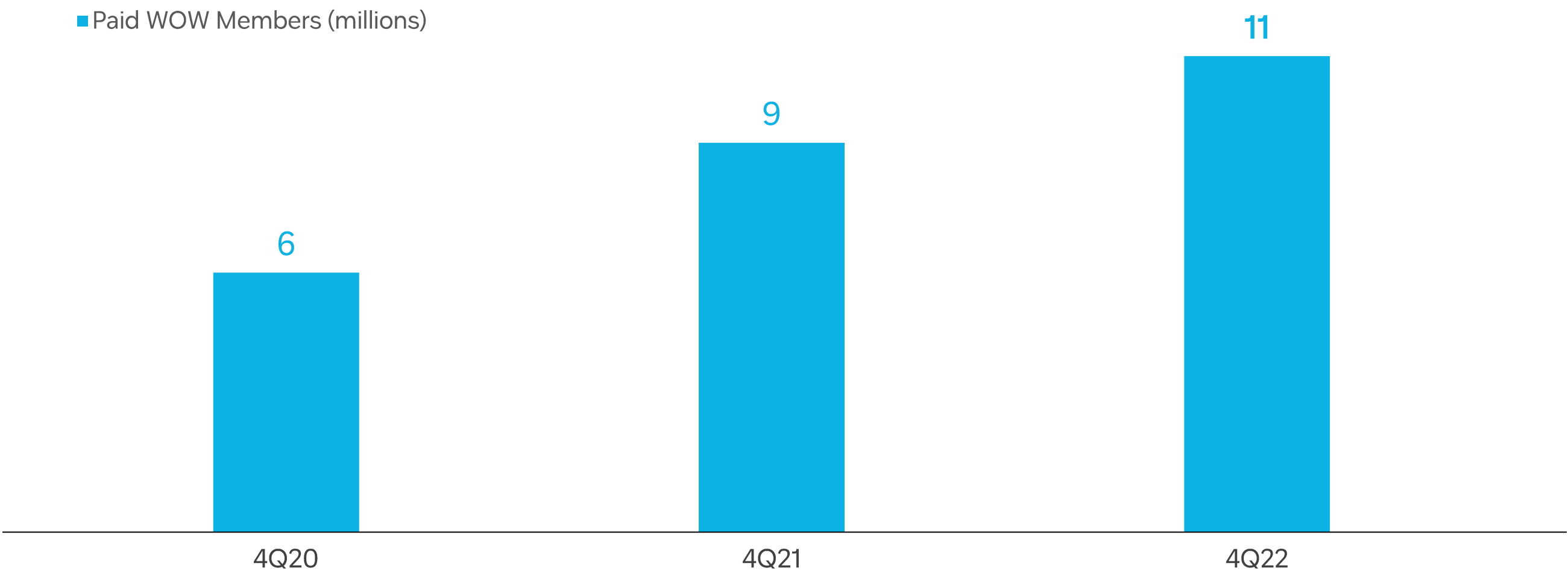
# Newer Cohorts Spend Starting Higher, Growing Faster

Spend per Customer by Cohort



Note: Spend per customer equates to total gross spending per customer. Amounts above are in local currency and are before cancellations and returns.

# WOW Membership Growth

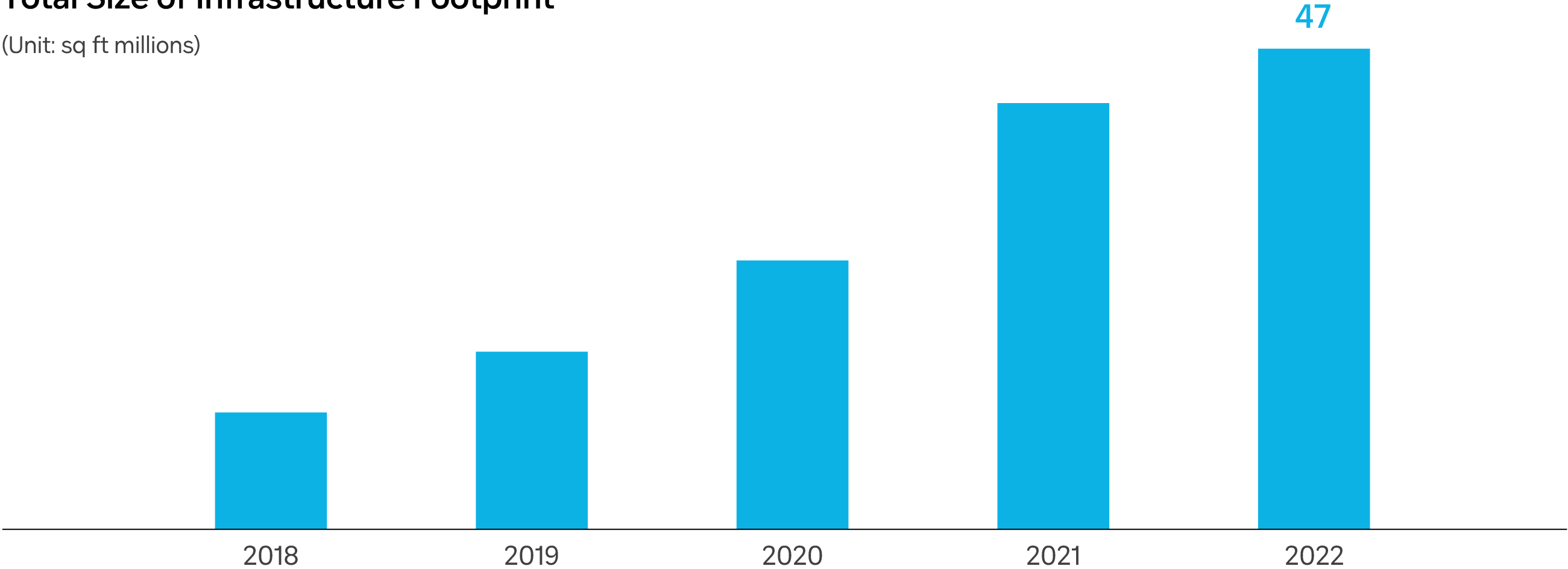


Note: Paid WOW Members are as of the end of each quarter.

# Widening Competitive Moat

## Total Size of Infrastructure Footprint

(Unit: sq ft millions)

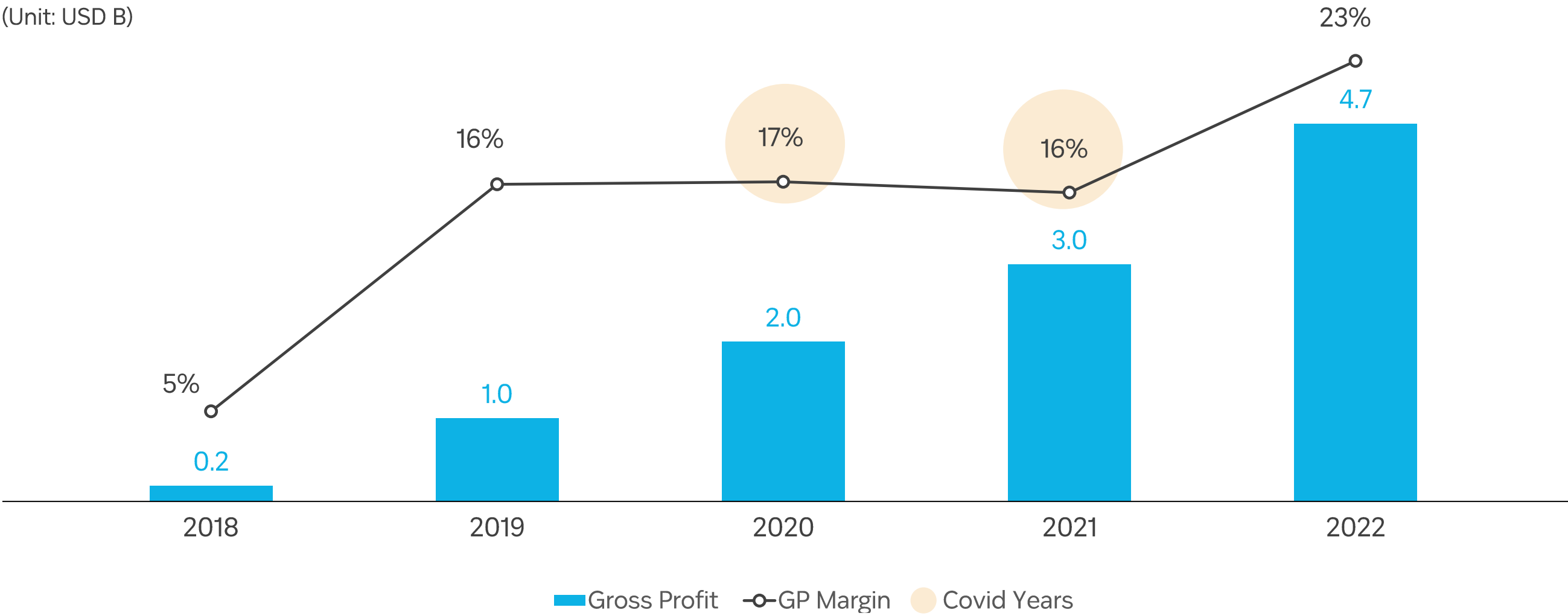


Note: Infrastructure includes fulfillment and logistics centers in Korea.

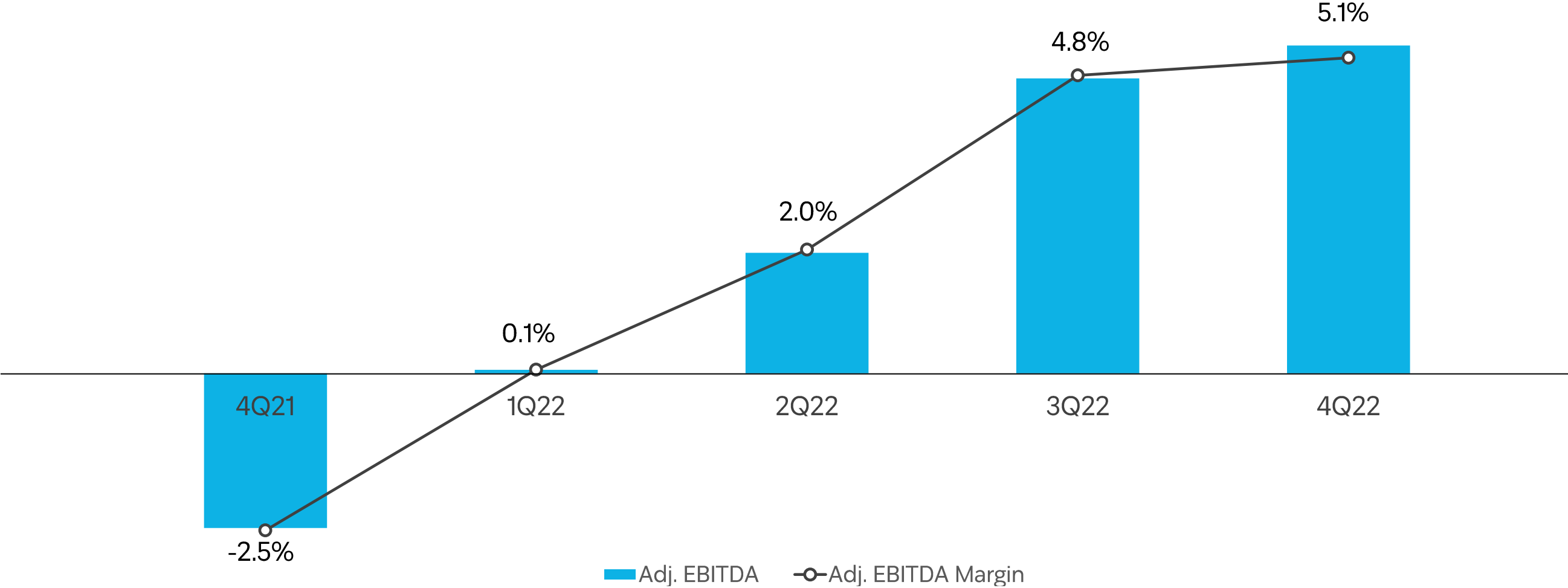


# Improving Gross Profit and Margin

(Unit: USD B)



# Product Commerce Adj. EBITDA Trends



# Progression Towards Free Cash Flow Positive

(in millions)	2020	2021	2022
Adj. EBITDA - consolidated	\$ (357)	\$ (748)	\$ 381
Cash flow from operations	302	(411)	565
Free cash flow <sup>1</sup>	(183)	(1,082)	(246)

## Drivers of path towards free cash flow positive:

- 1

Scaling profitability
- 2

Optimization of working capital
- 3

Balanced capex spend

Note 1: Free Cash Flow defined as defined as cash flow from operations, less capital expenditures, plus proceeds from sale of property and equipment. Capital expenditures for strategic land and building assets was \$102M, \$215M, and \$227M in 2020, 2021, and 2022, respectively.

# Long-Term Margin Opportunity


	Year Ended December 31,			2022 Q4	Long-Term Target
	2020	2021	2022		
Adj. EBITDA (% Margin)	(3.0) %	(4.1) %	1.9 %	4.0 %	10+ %

## Key long-term margin drivers:

**1** Efficiency and supply chain optimization

**2** Operating leverage

**3** Scaling accretive offerings

A photograph of a family in a bright, modern kitchen. A woman in a teal shirt is standing at a counter, reaching into a blue and red Coupang delivery bag. A young girl in a white dress is sitting at the counter, smiling and holding a spoon. A young boy in a blue shirt is standing in the background, also smiling. The kitchen has large windows, a stainless steel refrigerator, and a range hood. The text "Create a world where customers wonder 'How did I ever live without Coupang?'" is overlaid on the left side of the image.

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

Appendix

# Non-GAAP Measures

Non-GAAP Measure	Definition	How We Use The Measure
Free cash flow	<p>Cash flow from operations</p> <p>Less: purchases of property and equipment,</p> <p>Plus: proceeds from sale of property and equipment.</p>	<p>Provides information to management and investors about the amount of cash generated from our ongoing operations that, after purchases and sales of property and equipment, can be used for strategic initiatives, including investing in our business and strengthening our balance sheet, including paying down debt, and paying dividends to stockholders.</p>
Adjusted EBITDA	<p>Net income (loss), excluding the effects of:</p> <ul style="list-style-type: none"> <li>• depreciation and amortization,</li> <li>• interest expense,</li> <li>• interest income,</li> <li>• other income (expense), net,</li> <li>• income tax expense (benefit),</li> <li>• equity-based compensation,</li> <li>• impairments, and</li> <li>• other items not reflective of our ongoing operations.</li> </ul>	<p>Provides information to management to evaluate and assess our performance and allocate internal resources. We believe adjusted EBITDA and adjusted EBITDA margin are frequently used by investors and other interested parties in evaluating companies in the e-commerce industry for period-to-period comparisons as they remove the impact of certain items that are not representative of our ongoing business, such as material non-cash items and certain variable charges.</p>
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of total net revenues.	



# Non-GAAP Measures - Adjusted EBITDA and Adjusted EBITDA Margin

	Year Ended December 31,			
(in thousands)	2020	2021	2022	2022 Q4
Total net revenues	\$ 11,967,339	\$ 18,406,372	\$ 20,582,615	\$ 5,326,774
Net income (loss)	(463,157)	(1,542,590)	(92,042)	102,064
Net income (loss) margin	(3.9) %	(8.4) %	(0.4) %	1.9 %
Adjustments:				
Depreciation and amortization	127,519	201,480	230,965	56,902
Interest expense	107,762	45,358	27,169	7,173
Interest income	(10,991)	(8,645)	(52,798)	(26,497)
Income tax (benefit) expense	292	1,002	(1,063)	(8,531)
Other expense, net	(149,900)	10,913	6,715	9,200
Equity-based compensation	31,331	249,345	262,266	70,682
FC Fire Losses	—	295,501	—	—
Adjusted EBITDA	(357,144)	(747,636)	381,212	210,993
Adjusted EBITDA margin	(3.0) %	(4.1) %	1.9 %	4.0 %

# Non-GAAP Measure – Free Cash Flow

(in thousands)	Year Ended December 31,		
	2020	2021	2022
Net cash provided by (used in) operating activities	\$ 301,554	\$ (410,578)	\$ 565,439
Adjustments:			
Purchases of land and buildings	(101,820)	(215,062)	(226,587)
Purchases of equipment	(382,810)	(458,601)	(597,675)
Total purchases of property and equipment	(484,630)	(673,663)	(824,262)
Proceeds from sale of property and equipment	507	1,864	13,182
Total adjustments	(484,123)	(671,799)	(811,080)
<b>Free cash flow<sup>1</sup></b>	<b>(182,569)</b>	<b>(1,082,377)</b>	<b>(245,641)</b>
Net cash used in investing activities	(520,654)	(675,525)	(848,254)
Net cash provided by financing activities	178,502	3,576,850	247,352

Note 1: Free cash flow defined as defined as cash flow from operations, less capital expenditures, plus proceeds from sale of property and equipment.