



2018

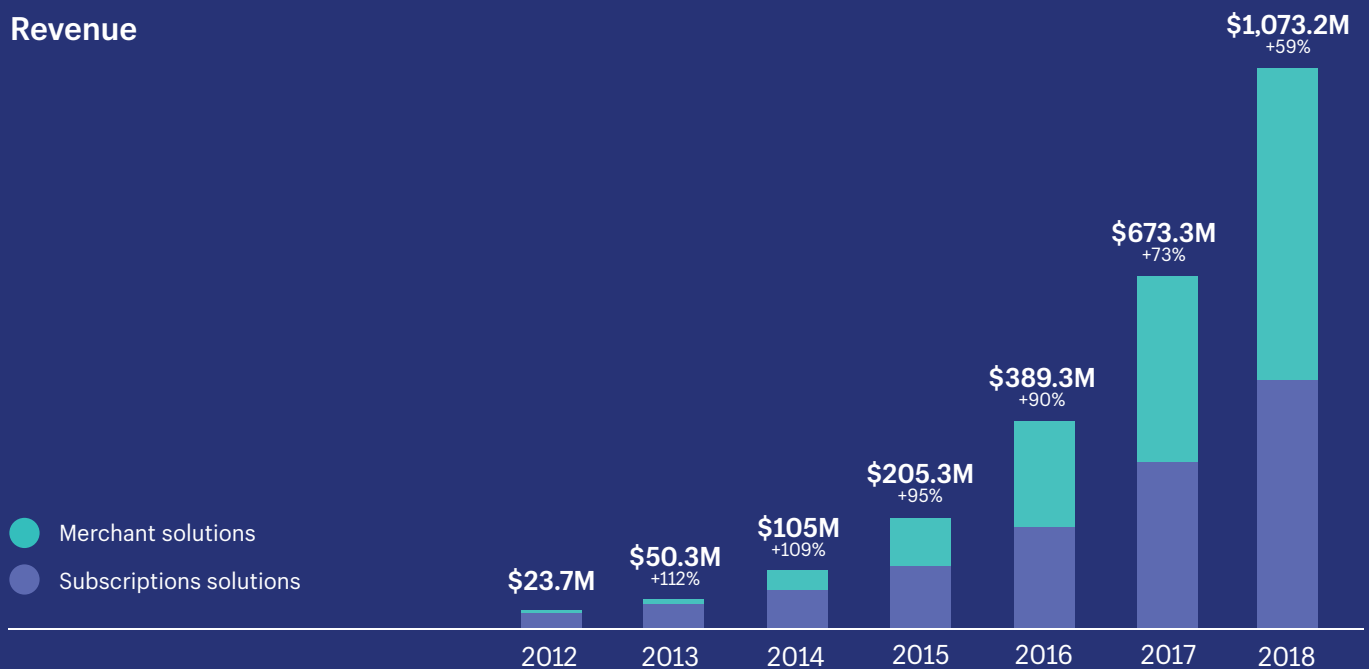
Year in Review

We are achieving what we committed to do four years ago, when we became a public company: make commerce better for everyone.

A Year of Achievements

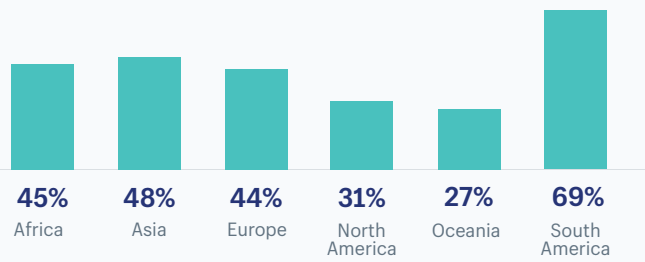
- First one billion dollars in revenue.
- First one billion orders on the Shopify platform cumulatively.
- Fastest-growing software-as-a-service company in history to achieve \$1B in revenue, growing revenue 59% over 2017.

Revenue



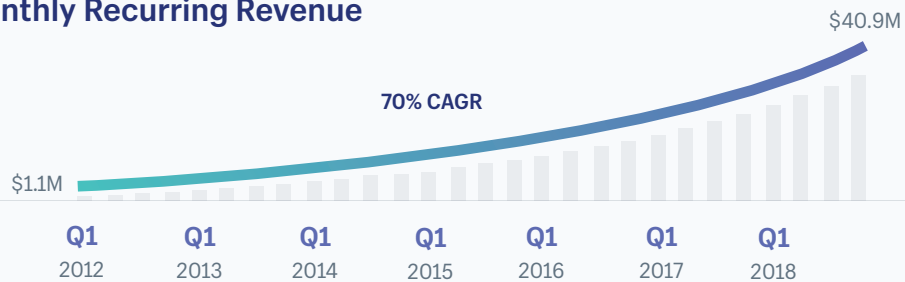
Taking the Path that Leads to More Entrepreneurs

Merchant Count Growth By Continent In 2018

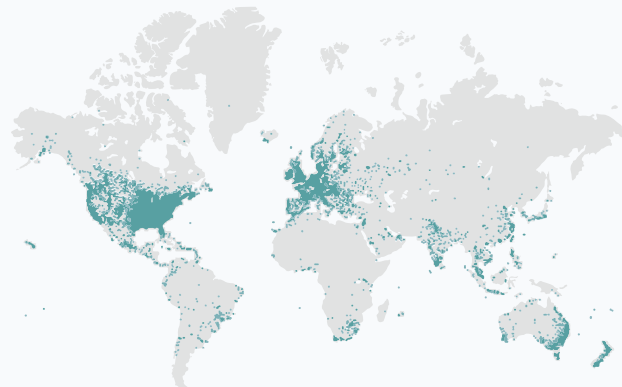


We are making commerce better for everyone by empowering merchants, by making it easier to start, operate, and grow sales on their business. All of our investments -- whether in product and platform development, in partnerships, or in acquisitions -- are undertaken to accomplish these objectives for our merchants.

Monthly Recurring Revenue



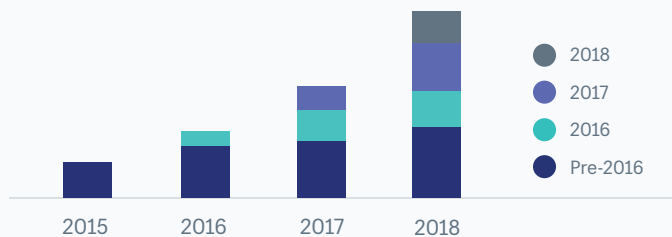
Global Growth



Canada 7% Revenue 7% Merchants	UK 6% Revenue 8% Merchants
USA 70% Revenue 55% Merchants	Australia 4% Revenue 7% Merchants
Rest of the World 12% Revenue 24% Merchants	

* Revenue and merchants as at December 31, 2018

Revenue By Annual Cohort

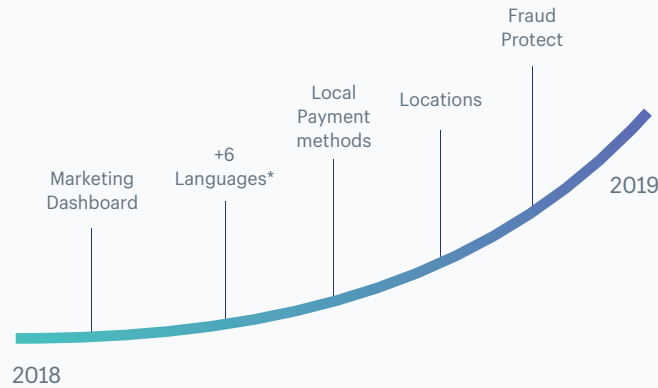


The above chart displays the annual revenue for merchant cohorts that joined the Shopify platform at different times in our history. The consistent revenue growth coming from each cohort illustrates the strength of our business model: the increase in revenue from remaining merchants growing within a cohort offsets the decline in revenue from merchants leaving the platform.

We encourage entrepreneurship. With entrepreneurship can come great success, but successful entrepreneurs often fail - more than once - on their journey to success. At Shopify, we know that failure can also be viewed as the successful discovery of something that didn't work, and our business model makes room for these learnings.

Simplifying Merchant Operations

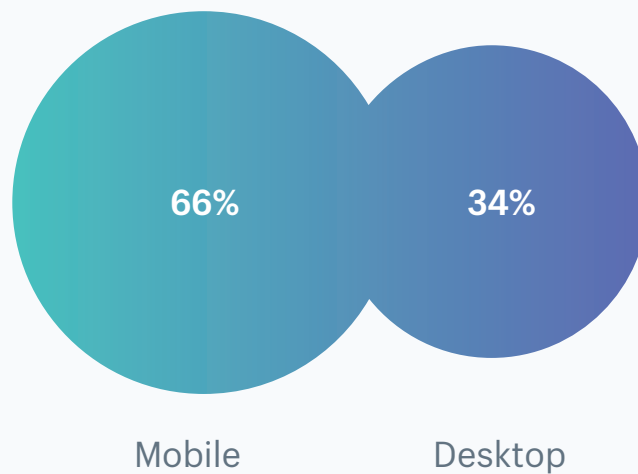
New Products And Features



* Languages include: French, Spanish, German, Italian, Japanese, and Brazilian Portuguese.

Central to our mission is continually improving the platform to save merchants time, money, and effort, so they can free up more resources to focus on the aspects of their business that they love. Shopify's subscription packages enable merchants to get up and running on an incredibly feature-rich platform. Built for merchants, optimized for mobile, and enabling selling over an online store, blogs and other online spaces, social channels, marketplaces, and in-person, Shopify's platform also makes apps, custom themes, and domains easily accessible from within the platform. In addition, our Merchant Solutions address the broad array of other functionality merchants commonly require, including accepting payments, shipping, and securing working capital.

Orders On Shopify

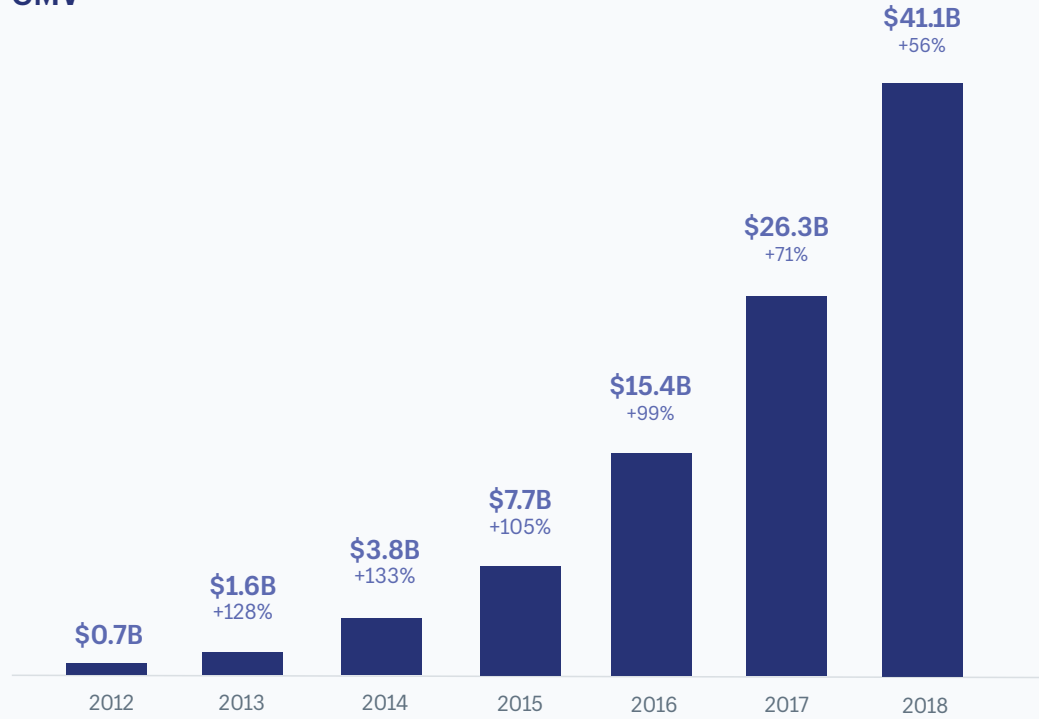


As of December 31, 2018

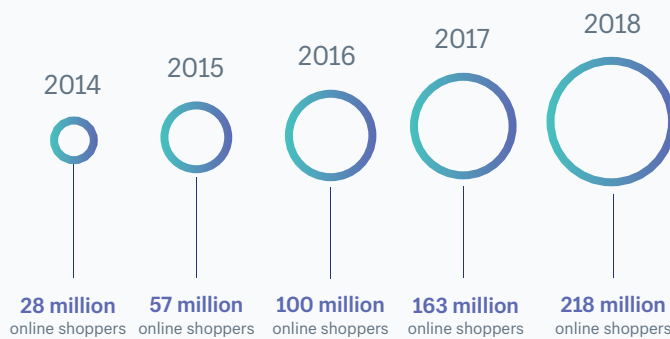
Mobile devices have been an important part of Shopify's playbook for nearly a decade. We launched the Shopify Mobile app in 2010, which makes it easy for merchants to manage their storefronts via mobile devices. In early 2016, orders to merchants from mobile devices surpassed those from desktop, and have continued to track ahead of the industry since. Our integrated checkout accelerators such as Shopify Pay, Apple Pay and Google Pay; Shopify AR, which makes selling with Augmented Reality (AR) accessible for small businesses; and our point of sale (POS) app, which enables in-person payments with a card reader and mobile phone, all help merchants turn mobile into a competitive advantage.

Catalyzing Merchants' Sales

GMV



Buyers From Shopify Stores



The number of consumers buying from merchants' stores on Shopify grew 34% from 163 million in 2017 to 218 million in 2018.

Our goals are closely aligned with those of our merchants. The more our merchants sell on our platform, the more revenue we generate as they process more transactions, ship more products with Shopify Shipping, fund their growth with Shopify Capital, and upgrade their Shopify plans. As such, we educate our merchants on how to grow their brands and businesses through Shopify blogs, Shopify community forums, Shop Class programs, and our new space in Los Angeles built for education, engagement, and community-building among entrepreneurs.