



## **SELECTED INVESTOR QUESTIONS RECEIVED THROUGH MAY 22, 2026**

In connection with its first quarter 2026 earnings release, ContextLogic invited shareholders and other interested parties to submit written questions to its investor relations inbox. The Company received a thoughtful range of questions and has endeavored to respond to as many as possible. In a small number of cases, the Company has elected not to respond to certain questions, including those that are competitively sensitive, premature to address, or otherwise inappropriate for public disclosure. Where multiple shareholders raised similar questions, those questions have been consolidated into a single response for clarity and concision.

### **QUESTIONS RELATING TO US SALT RESULTS**

- 1) How variable are the results – thinking about the business overall? Should we expect to be surprised each quarter with “lumps” or steady over time?**

*Response:*

*Measured over multi-year periods, we expect US Salt to perform along a relatively steady trajectory. Over shorter horizons, however, the business is operationally intensive, and quarterly results can be affected by temporary factors that create variability.*

*For example, every one to two years, we undergo a planned "cold shutdown" at the Watkins Glen facility to perform scheduled maintenance. We plan for these shutdowns well in advance and build inventory ahead of time to minimize the impact on customers, but they can affect production volumes in the quarter in which they occur. Other factors — trucking availability, weather, and logistics disruptions — can also create periodic fluctuations.*

*We view these dynamics as a normal feature of operating a 130-year-old manufacturing business. We encourage shareholders to evaluate US Salt's performance over multi-year periods rather than quarter-to-quarter.*

- 2) In the 10-Q, you noted a material weakness in financial reporting. Can you advise on this?**

*Response:*

*In connection with our acquisition of US Salt on February 26, 2026, we — together with US Salt management — identified a material weakness in US Salt's internal control over financial reporting as of the acquisition date. The material weakness reflects the fact that US Salt, as a private company with limited resources, had not formally designed and*



*implemented the business processes, internal controls, and personnel infrastructure required of a public company subsidiary under the COSO Internal Control – Integrated Framework (2013).*

*Notwithstanding this material weakness, our management — including our President and Chief Financial Officer — has concluded that the unaudited condensed consolidated financial statements included in our Quarterly Report on Form 10-Q present fairly, in all material respects, our financial position, results of operations, and cash flows for the periods presented in conformity with GAAP.*

*Remediation is a priority. Management, with oversight from the Audit Committee, is actively working to design and implement the necessary controls, processes, and personnel structure. We view this as a normal and expected part of integrating a long-held private company into a public company structure.*

**3) Please discuss typical seasonality within US Salt financial results.**

*Response:*

*While the first quarter is typically the weakest quarter and the fourth quarter is the strongest quarter, US Salt's seasonality is relatively moderate, reflecting its diversified end markets and limited exposure to deicing. Generally, the second and third quarters are stronger relative to the first quarter, driven by pool salt demand and seasonal increases in food and industrial activity. Round-can table salt strengthens modestly in the fourth quarter around holiday cooking and baking. No single product category drives significant seasonality across the business as a whole.*

**4) Q1 volumes were negatively impacted by trucking disruptions and temporary operational interruptions at Watkins Glen. Can you please share additional detail as to the nature of those disruptions, including if that volume is delayed or was cancelled, and confirm those issues are fully resolved? Did it cause any long-term impact to customers?**

*Response:*

*There were two distinct sources of volume disruption in the quarter.*

*The first was operational. The Watkins Glen facility runs three shifts a day, year-round, and we experienced short periods of downtime across various areas of the plant as issues were identified and resolved. Because the facility operates continuously, lost production*



*is difficult to recover within the same period. Disruptions of this kind occur from time to time, and we budget for some level of them throughout the year. One purpose of the cold shutdown cycle is to perform preventative maintenance specifically designed to reduce the likelihood of unplanned downtime.*

*The second was logistical. Trucking availability in the Northeast was constrained — an industry-wide phenomenon exacerbated by winter storms, driver shortages, and reduced carrier capacity. Conditions have since improved, though logistics availability is not entirely within our control. We continue to evaluate investments in our supply chain, including additional storage capacity, to improve resilience.*

*We do not expect any long-term impact on customer relationships. The operational issues at Watkins Glen have been resolved, and we are operating normally.*

#### **QUESTIONS RELATING TO CONTEXTLOGIC CORPORATE RESULTS**

##### **5) Why was the corporate G&A of ~\$4.6MM in the period so high?**

*Response:*

*The \$4.6 million figure includes a \$3.5 million accrual related to the potential settlement of a litigation matter dating back to Wish.com's 2020 initial public offering, as well as certain one-time and transition-related expenses associated with establishing ContextLogic Holdings as an acquisition platform. We do not expect either category to recur at this magnitude in future periods.*

#### **QUESTIONS RELATING TO CONTEXTLOGIC STRATEGY**

##### **6) Are there any restrictions that the NOL's have to be used in a similar business to how the losses were generated or can NOLs be applied to future profits?**

*Response:*

*We do not expect that the NOLs have to be used in a similar business to how the losses were generated. However, there can be no assurances that such NOLs will not be subject to limitations in the future.*

##### **7) Can you give shareholders any color on when management is planning to uplist the stock back to a major exchange like the NASDAQ or NYSE?**



Response:

*Uplisting to a major U.S. stock exchange is a priority for the ContextLogic management team. The ability to uplist on a major U.S. exchange is dependent upon, among others, meeting minimum listing requirements, any seasoning requirements and other criteria of the relevant exchange. We currently expect to be listed within the next year, though that could change.*

**8) I believe you won't be providing guidance as a normal item, but you did provide 2026 guidance – will you be updating it and under what conditions?**

Response:

*We do not intend to issue guidance as a general matter. The point-in-time estimate of recurring, normalized free cash flow that we provided in December 2025 was offered to help investors understand the economics of the US Salt transaction. It was not, and is not, guidance we plan to update on a recurring basis.*

**9) What does the company view as its competitive advantages?**

Response:

*We operate in a competitive market for control investments in high-quality businesses, and we have deliberately built our platform around several structural advantages we believe differentiate us from other buyers:*

- *Permanent capital. We have no fund life, no forced selling, and no exit pressure. For management teams who want to keep building without a clock, this is meaningfully attractive.*
- *Aligned economics. Abrams Capital and BC Partners take no management fees, no carried interest, and no director or officer compensation from ContextLogic. Our sponsors' returns come from the same place as every other shareholder's: the long-term performance of the business.*
- *Pay-for-performance compensation. Management teams at our operating subsidiaries participate in uncapped, private-equity-style incentive plans that do not require a change-of-control transaction to crystallize value.*
- *Decentralization with disciplined governance. Operating businesses run autonomously under their own management teams, supported by a governance framework that creates direct accountability between operators and owners.*



*Taken together, we believe these features make ContextLogic a distinctive home for sellers and management teams who care about what happens to their business after the transaction closes. The strength of our current acquisition pipeline reflects this.*

**10) Can you please discuss the company's acquisition strategy?**

*Response:*

*Sourcing high-quality acquisitions in a competitive environment is difficult, but we believe the structural advantages described above will help us access proprietary and bilateral opportunities. We do not intend to participate in broad, banker-led auctions.*

*Our objective is to compound free cash flow per unit at attractive rates over long periods of time. Achieving this requires highly accretive acquisitions of durable, competitively differentiated businesses. We endeavor not to sacrifice long-term business quality for short-term earnings accretion.*

*Our acquisition discipline is anchored in a 10-year projection model — internally referred to as our "True North" — which determines the maximum price we can pay for a given business based on its economic characteristics in order to compound at our target rates over time.*

**11) Can you please advise what types of businesses the company is looking for as the next opportunities?**

*Response:*

*We are industry-agnostic and focused on two variables: business quality and management quality.*

*On business quality, we hold a high bar. The businesses we seek to own share a recognizable set of characteristics: high barriers to entry, durable competitive moats, predictable earnings, and growth tailwinds — generating high margins and high returns on capital, with limited cyclicalities and commodity exposure. Businesses meeting this standard are rare, and they tend to be found in niche markets — markets too small to attract sustained competition, too specialized to commoditize, and large enough to support a high-quality business compounding over decades. US Salt, in the evaporated salt market, is representative of what we look for.*



*On management quality, we look for honest operators with demonstrated track records of creating value for shareholders. This is the more subjective of the two assessments and, in our experience, the more difficult.*

*While we are disciplined in what we look for, we are not inflexible. All good investors evolve in response to the opportunity set, and we hope to do the same.*

**12) What is the company's approach to funding mechanics?**

*Response:*

*If acquisitions meet both our hurdle rate and are of an acceptable business quality, we expect to fund acquisitions with a combination of debt, equity and free cash flow from existing operations. Our capital structure and investor base is intended to support a long-duration, accretive M&A program rather than a one-time transaction.*

**13) In light of the Corporate Opportunities proposal, what size/type of deals would be down the middle of the fairway for Context Logic?**

*Response:*

*As described in the Company's definitive proxy dated April 28, 2026, the purpose of the Corporate Opportunities Proposal is to codify the waiver resolutions that the board adopted in December 2025 in order to manage the fiduciary and contractual duties certain officers and directors may owe to BC Partners and Abrams Capital. The company isn't limited to size or type of deals it may pursue, but it has been focused on control ownership transactions.*

**Forward-Looking Statements**

This Q&A contains forward-looking statements, which generally relate to future events or future financial or operating performance and include all statements other than statements of historical fact such as the financial outlook of ContextLogic Holdings Inc. (the "Company," "ContextLogic," "we," "our" or "us"), information concerning the acquisition of US Salt Parent Holdings, LLC and subsidiaries (such entities taken together, comprising the salt production, manufacturing and distribution business of US Salt and its subsidiaries, "US Salt", and such acquisition, the "US Salt Acquisition"), information concerning the integration of US Salt into the Company's operations, potential growth strategies, future acquisitions and opportunities, our remediation efforts for a material weakness identified as part of the US Salt Acquisition, potential resolutions to ongoing litigation and planned capital expenditures. These statements are



based on our current expectations about future events or future financial performance. Forward-looking statements by their nature address matters that are, to different degrees, uncertain, and in some cases, forward-looking statements can be identified by terms such as "anticipates," "believes," "could," "estimates," "expects," "foresees," "forecasts," "guidance," "intends" "goals," "may," "might," "outlook," "plans," "potential," "predicts," "projects," "seeks," "should," "targets," "will," "would" or similar expressions and the negatives of those terms. These forward-looking statements are subject to risks, uncertainties, and assumptions. If the risks materialize or assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. A more complete description of these risks and uncertainties can be found in our filings with the U.S. Securities and Exchange Commission, including our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. We do not undertake to update our forward-looking statements as a result of new information or future events.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject, including, but not limited to, statements regarding the acquisition of US Salt, the strategic alternatives considered by the Company's Board of Directors (the "Board"), including the decisions taken thereto; future financial performance; future liquidity and operating expenditures; financial condition and results of operations; competitive changes in the marketplace and other characterizations of future events or circumstances. These statements are based on information available to us as of the date of this Q&A. While we believe such information provides a reasonable basis for these statements, such information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely on these statements.