



ContextLogic Holdings Inc. Reports Second-Quarter 2025 Financial Results

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OAKLAND, Calif., Aug. 07, 2025 (GLOBE NEWSWIRE) -- ContextLogic Holdings Inc. (OTCQB: LOGC) ("ContextLogic," the "Company," "we" or "our") today reported its financial results for the quarter and six months ended June 30, 2025.

Company Update

On July 24, 2025, subsequent to the quarter-end, the Company's stockholders approved, and, on August 7, 2025, the Company completed, a reorganization under Section 251 of the Delaware General Corporation Law.

Second-Quarter 2025 Financial Highlights

- Net loss was \$5 million, compared to a net loss of \$13 million in the second quarter of fiscal year 2024.
- As of June 30, 2025, the Company had \$27 million in cash and cash equivalents, \$192 million in marketable securities and \$2 million in prepaid expenses and other current assets primarily made up of restricted cash. The Company had total liabilities of \$3 million.

ContextLogic will host a financial results conference call at 5pm EDT on August 7th. The live conference call may be accessed by registering [here](#).

Company Outlook

During the second quarter of 2025, the Company continued to strategically focus on streamlining its operations to optimize key areas of the business. By reducing its headcount and appointing Michael Scarola as its new Chief Financial Officer, the Company has successfully set itself up to further operate efficiently while pursuing value maximization through organic growth and accretive acquisitions.

As of June 30, 2025, the Company, on a consolidated basis, had approximately \$219 million in cash, cash equivalents, and marketable securities. Under the terms of the strategic investment from BC Partners in a subsidiary of ContextLogic which closed in the first quarter of 2025, there is a Company option for an additional issuance by our subsidiary of redeemable convertible preferred units in connection with a future acquisition which, if called, would add an additional \$75 million in cash available for investment in the business.

During the three months ended June 30, 2025, the Company incurred \$7 million of general and administrative expenses associated with \$6 million of expenses for employees, legal and other professional services, which includes \$3 million of stock-based compensation, and \$1 million of expenses for the evaluation and pursuit of strategic transactions. Interest income totaled \$2 million, with the Company's marketable securities and cash and cash equivalents primarily invested in U.S. government instruments.

"With the emphasis on streamlining and optimization at the forefront of our strategy, the company is equipped, more so than ever, as we head into the second half of the year to operate efficiently and continue to identify and pursue acquisition opportunities," said Rishi Bajaj, Chief Executive Officer.

About ContextLogic Holdings Inc.

ContextLogic Holdings Inc. is a publicly traded company currently seeking to develop and grow a de novo business and finance potential future bolt-on acquisitions of assets or businesses that are complementary to its operations. For more information on ContextLogic, please visit ir.contextlogic.com.

Forward-Looking Statements

This news release contains forward-looking statements within the meaning of the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact could be deemed forward-looking, including, but not limited to, statements regarding ContextLogic's financial outlook, the strategic alternatives considered by our Board of Directors, including the decisions taken thereto and alternatives for the use of the cash or cash equivalents, and other quotes of management. 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. Important factors, risks and uncertainties that could cause actual results to differ materially from those forward-looking statements include but are not limited to: the reorganization of ContextLogic Inc. and ContextLogic Holdings Inc., the strategic alternatives considered by our Board of Directors, including the decisions taken thereto; our lack of operating revenues after the sale of substantially all of our assets in April 2024; our prior history of losses; our continuation as a publicly-traded and reporting company after the sale of substantially all of our assets; our ability to utilize our net operating loss carryforwards and other tax attributes; risks related to any future acquisition of a business or assets; currently pending or future litigation; risks if we are deemed to be an investment company under the Investment Company Act of 1940; our voluntary delisting on Nasdaq, and our continued listing on the OTC Markets; impact of anti-takeover provisions in our charter documents and under Delaware law; our possible or assumed future financial performance; our future liquidity and operating expenditures; our financial condition and results of operations; competitive changes in the marketplace; our expected tax rate; the effect of changes in or the application of new or revised tax laws; the effect of new accounting pronouncements; and the other important factors discussed in our most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q or Current Reports on Form 8-K. 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. Further information on these and additional risks that could affect ContextLogic's results is included in its filings with the Securities and Exchange Commission ("SEC"), including the Annual Report on Form 10-K for the year ended December 31, 2024, as amended by Amendment No. 1 to the Annual Report on Form 10K/A, the Quarterly Report on Form 10-Q for the period ended June 30, 2025 and other reports that ContextLogic files with the SEC from time to time, which could cause actual results to vary from expectations. Any forward-looking statement made by ContextLogic in this news release speaks only as of the day on which ContextLogic makes it. ContextLogic assumes no obligation to, and does not currently intend to, update any such forward-looking statements after the date of this release.

ContextLogic Holdings Inc.
Condensed Consolidated Balance Sheets
(in millions)
(unaudited)

| | <u>As of June 30,</u> <u>2025</u> | <u>As of</u> <u>December 31,</u> <u>2024</u> |
|---|--------------------------------------|--|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 27 | \$ 66 |
| Marketable securities | 192 | 83 |
| Prepaid expenses and other current assets | <u>2</u> | <u>7</u> |
| Total current assets | <u>221</u> | <u>156</u> |
| Total assets | <u>\$ 221</u> | <u>\$ 156</u> |
| Liabilities, Redeemable Non-controlling Interest, and Stockholders' Equity | | |
| Current liabilities: | | |
| Accounts payable | \$ 1 | \$ — |
| Accrued liabilities | <u>2</u> | <u>5</u> |
| Total current liabilities | <u>3</u> | <u>5</u> |
| Total liabilities | <u>3</u> | <u>5</u> |
| Redeemable non-controlling interest | <u>76</u> | <u>—</u> |
| Stockholders' equity | <u>142</u> | <u>151</u> |
| Total liabilities, redeemable non-controlling interest, and stockholders' equity | <u>\$ 221</u> | <u>\$ 156</u> |

ContextLogic Holdings Inc.
Condensed Consolidated Statements of Operations
(in millions, except per share data)
(unaudited)

| | <u>Three Months Ended</u> <u>June 30,</u> | | <u>Six Months Ended</u> <u>June 30,</u> | |
|---|--|-------------|--|-------------|
| | <u>2025</u> | <u>2024</u> | <u>2025</u> | <u>2024</u> |
| Revenue | \$ — | \$ 7 | \$ — | \$ 43 |
| Cost of revenue | <u>—</u> | <u>6</u> | <u>—</u> | <u>36</u> |
| Gross profit | <u>—</u> | <u>1</u> | <u>—</u> | <u>7</u> |
| Operating expenses: | | | | |
| Sales and marketing | — | 3 | — | 18 |
| Product development | — | 4 | — | 26 |
| General and administrative | <u>7</u> | <u>13</u> | <u>13</u> | <u>35</u> |
| Total operating expenses | <u>7</u> | <u>20</u> | <u>13</u> | <u>79</u> |
| Loss from operations | (7) | (19) | (13) | (72) |
| Other income, net: | | | | |
| Interest and other income, net | 2 | 2 | 4 | 2 |
| Gain on Asset Sale | <u>—</u> | <u>4</u> | <u>—</u> | <u>4</u> |
| Loss before provision for income taxes | (5) | (13) | (9) | (66) |
| Provision for income taxes | <u>—</u> | <u>—</u> | <u>—</u> | <u>6</u> |
| Net loss | <u>(5)</u> | <u>(13)</u> | <u>(9)</u> | <u>(72)</u> |
| Adjustments attributable to redeemable non-controlling interest | (1) | — | (4) | — |
| Net loss attributable to redeemable non-controlling interest | <u>—</u> | <u>—</u> | <u>—</u> | <u>—</u> |

| | | | | |
|---|------------------|------------------|------------------|------------------|
| Net loss attributable to common stockholders | \$ <u>(6)</u> | \$ <u>(13)</u> | \$ <u>(13)</u> | \$ <u>(72)</u> |
| Net loss per share attributable to common stockholders, basic and diluted | \$ <u>(0.23)</u> | \$ <u>(0.50)</u> | \$ <u>(0.49)</u> | \$ <u>(2.87)</u> |
| Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted | <u>26,603</u> | <u>25,858</u> | <u>26,456</u> | <u>25,086</u> |

ContextLogic Holdings Inc.
Condensed Consolidated Statements of Cash Flows
(in millions)
(unaudited)

| | Six Months Ended June 30, | |
|--|------------------------------|---------------|
| | 2025 | 2024 |
| Cash flows from operating activities: | | |
| Net loss attributable to common stockholders | \$ (13) | \$ (72) |
| Net loss and adjustment attributable to redeemable non-controlling interest | 4 | — |
| Net loss | (9) | (72) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | |
| Depreciation and amortization | — | 1 |
| Noncash lease expense | — | 1 |
| Stock-based compensation | 4 | 12 |
| Net accretion of discounts and premiums on marketable securities | (3) | (1) |
| Gain on Asset Sale | — | (4) |
| Changes in operating assets and liabilities: | | |
| Prepaid expenses, other current and noncurrent assets | — | (1) |
| Accounts payable | — | (16) |
| Merchants payable | — | (8) |
| Accrued and refund liabilities | (2) | (6) |
| Lease liabilities | — | (2) |
| Other current and noncurrent liabilities | — | 6 |
| Net cash used in operating activities | <u>(10)</u> | <u>(90)</u> |
| Cash flows from investing activities: | | |
| Proceeds from Asset Sale, net of cash disposed | — | (133) |
| Purchases of marketable securities | (190) | (47) |
| Maturities of marketable securities | 83 | 145 |
| Net cash (used in) provided by investing activities | <u>(107)</u> | <u>(35)</u> |
| Cash flows from financing activities: | | |
| Proceeds from issuance of redeemable convertible Preferred Units, net | 72 | — |
| Payment of taxes related to RSU settlement | — | (1) |
| Net cash provided by (used in) financing activities | <u>72</u> | <u>(1)</u> |
| Foreign currency effects on cash, cash equivalents and restricted cash | — | (2) |
| Net (decrease) increase in cash, cash equivalents and restricted cash | (45) | (128) |
| Cash, cash equivalents and restricted cash at beginning of period | 73 | 238 |
| Cash, cash equivalents and restricted cash at end of period | <u>\$ 28</u> | <u>\$ 110</u> |
| Reconciliation of cash, cash equivalents, and restricted cash to the condensed consolidated balance sheets: | | |
| Cash and cash equivalents | \$ 27 | \$ 103 |
| Restricted cash included in prepaid and other current assets in the condensed consolidated balance sheets | 1 | 7 |
| Total cash, cash equivalents and restricted cash | <u>\$ 28</u> | <u>\$ 110</u> |
| Supplemental cash flow disclosures: | | |
| Cash paid for operating leases | \$ — | \$ 3 |
| Cash paid for income taxes, net of refunds | \$ — | \$ — |

Contacts

Investor Relations:
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