



ContextLogic Holdings Inc. Reports Second-Quarter 2026 Financial Results

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OAKLAND, Calif., Aug. 13, 2026 (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, 2026.

Basis of Presentation

ContextLogic completed the acquisition of US Salt Parent Holdings, LLC and all its majority or wholly owned subsidiaries ("US Salt") on February 26, 2026 (the "US Salt Acquisition"). As a result of the significance of the relative operations acquired in the US Salt Acquisition, US Salt is reflected as the Predecessor to the combined entity for financial statement purposes. Accordingly, all periods presented through the closing date of the US Salt Acquisition, February 26, 2026, reflect the historical balances and results of US Salt ("Predecessor"). Periods presented after the closing of the US Salt Acquisition reflect the accounts of the Company and its majority and wholly owned subsidiaries, including US Salt ("Successor"). To provide comparable period-over-period information, the Company also presents "Combined" results, a non-GAAP measure that aggregates the Predecessor and Successor periods.

Note that "CLHI Corporate" refers to public company and parent-level items of ContextLogic Holdings Inc., distinct and separate from the operating results of US Salt.

Second Quarter 2026 Results

Revenue: Revenue for the second quarter of 2026 was \$33.6 million, essentially flat compared to \$33.8 million in the second quarter of 2025. We experienced lower sales volume in the quarter, partially offset by higher average sales prices driven by price increases and a favorable shift in product mix. The average sales price in the second quarter of 2026 was 7.7% higher than that of the prior-year quarter, which generated approximately \$2.4 million of additional revenue. Overall volume during the second quarter of 2026 decreased 8.0%, compared with the second quarter of 2025, resulting in an approximately \$2.6 million reduction in revenue. The decrease in volume was primarily attributable to a planned maintenance shutdown in the quarter that was not performed in the prior-year and transportation constraints related to limited trucking availability that limited shipments during the quarter.

Net Income: Net loss for the second quarter of 2026 was \$6.3 million, a decrease of \$11.0 million compared to net income of \$4.7 million in the second quarter of 2025. The quarterly net loss was driven by CLHI Corporate costs, including transaction and general and administrative expenses incurred at the parent level, and increased intangible asset amortization expenses related to acquisition accounting.

Adjusted EBITDA: Non-GAAP Adjusted EBITDA for the second quarter ended June 30, 2026 was \$10.8 million, a decrease of \$3.2 million compared to \$14.0 million in the prior year's second quarter. The decline reflects approximately \$2.5 million of CLHI Corporate costs that were not present in the comparable period.

Free Cash Flow: Cash flow from operations, net of capital expenditures, was (\$21.6) million for the Combined first six months of 2026 as compared to \$7.9 million in the prior year's first six months. The decline reflects \$22.6 million of transaction expenses related to the US Salt Acquisition and searching for other potential acquisitions.

Outstanding Equity: For the three-month period ended June 30, 2026 (Successor), there were 101.6 million weighted average units outstanding at ContextLogic Holdings, LLC, the Company's consolidated subsidiary that holds the operating businesses. Of these, 45.7 million units were held by ContextLogic Holdings Inc. (equivalent to the weighted average common shares outstanding of the public company), and the remaining 55.9 million units were held by other holders of LLC units.

Key Financial Data:

	Successor	Predecessor	
	Three Months	Three Months	
	Ended June 30,	Ended June 30,	
	2026	2025	\$ Change
	(in millions)	(in millions)	
Net Sales	\$ 33.6	\$ 33.8	\$ (0.2)
Gross Profit	12.5	13.7	(1.2)
Selling Expense	1.0	1.0	—
General and Administrative	11.7	2.4	9.3
Transaction Expenses	1.8	0.2	1.6
Net (Loss) Income	(6.3)	4.7	(11.0)
EBITDA ¹	\$ 8.0	\$ 13.7	\$ (5.7)
Adjusted EBITDA ¹	10.8	14.0	(3.2)

1. EBITDA and Adjusted EBITDA are non-GAAP financial measures. For definitions of EBITDA and Adjusted EBITDA and a

reconciliation to the most directly comparable financial measures calculated in accordance with GAAP, see the schedule titled "Reconciliation of Net Income to EBITDA and Adjusted EBITDA."

Supplemental Disclosure Items¹:

	Successor Three Months Ended June 30, 2026 (in millions)	Predecessor Three Months Ended June 30, 2025 (in millions)
CLHI Corporate G&A	\$ 2.5	\$ —
CLHI Corporate Transaction Expenses	1.3	—
CLHI Corporate Depreciation & Amortization	—	—
CLHI Corporate Tax Expense	—	—
CLHI Adjusting Expense Items for Adjusted EBITDA ²	1.4	—

1. CLHI Corporate Expenses are expenses incurred at the corporate level.
2. This amount represents expenses incurred at the corporate level that are included in the adjustments for Adjusted EBITDA and consist of \$1.3 million of transaction expenses and \$0.1 million of stock-based compensation (where stock-based compensation is included in G&A in the above table).

Equity Ownership Information: (shares and units in thousands)

	Successor Three Months Ended June 30, 2026
ContextLogic Weighted Average Common Shares Outstanding	45,737
ContextLogic Holdings, LLC Weighted Average Units Outstanding	101,604

Question & Answer

The Company invites stockholders and interested parties to submit questions regarding its second quarter 2026 financial results and operating performance. Questions may be submitted via email to ir@contextlogic.com by August 17, 2026. The Company plans to prepare and share responses on its website at www.contextlogic.com by August 21, 2026.

About ContextLogic Holdings Inc.

ContextLogic Holdings Inc. is a publicly traded business ownership platform established to own a collection of niche, competitively advantaged, long-duration businesses. Each business operates with meaningful autonomy under world-class management teams whose incentives are tightly aligned with those of their shareholders, supported by a governance structure that creates direct accountability between operators and owners. For more information about ContextLogic, please visit www.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, developing our pipeline of potential future acquisitions. In some cases, forward-looking statements can be identified by terms such as "anticipates," "believes," "could," "estimates," "expects," "foresees," "forecasts," "goals," "guidance," "intends," "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: statements regarding the US Salt Acquisition, the strategic alternatives considered by the Company's board of directors, including the decisions taken thereto; future financial performance; future liquidity and operating expenditures; financial condition and results of operations; enforceability of transfer restrictions and occurrence of an ownership change with the result that ContextLogic's ability to use its net operating losses could be severely limited; future legislation resulting in ContextLogic being unable to realize the benefits of the tax attributes; ContextLogic's ability to make use of the existing benefits of the tax attributes because ContextLogic may not generate taxable income; the IRS's possible challenge of the amount of the tax attributes or claim that ContextLogic experienced an ownership change, which could reduce the amount of tax attributes that ContextLogic could use; 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; the effect of new accounting pronouncements; competitive changes in the marketplace and other characterizations of future events or circumstances; 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 (the "SEC"), including the Annual Report on Form 10-K for the year ended December 31, 2025, the Quarterly Report on Form 10-Q for the periods ended March 31, 2026 and June 30, 2026 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 Sheet Data
(\$ in millions)
(unaudited)

	Successor	Predecessor
	As of June 30, 2026	As of December 31, 2025
	(in millions)	(in millions)
Assets		
Current assets	39.7	34.8
Property, plant and equipment, net	395.6	321.4
Goodwill	148.0	28.1
Intangibles, net	378.3	16.8
Other	6.6	6.7
Total assets	<u>\$ 968.2</u>	<u>\$ 407.8</u>
Liabilities, Members' Equity, and Stockholders' Equity		
Current liabilities	21.2	17.9
Long-term debt, net of current maturities	209.4	203.1
Other	2.1	1.6
Total liabilities	<u>232.7</u>	<u>222.6</u>
Total members' equity and stockholders' equity	<u>735.5</u>	<u>185.2</u>
Total liabilities, members' equity, and stockholders' equity	<u>\$ 968.2</u>	<u>\$ 407.8</u>

ContextLogic Holdings Inc.
Condensed Consolidated Statements of Operations
(\$ in millions, units and shares in thousands, except per unit and share data)
(unaudited)

	Successor		Predecessor		
	Three Months Ended June 30, 2026	Period from February 27, 2026 to June 30, 2026	Period from January 1, 2026 to February 26, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2025
	(in millions)	(in millions)	(in millions)	(in millions)	(in millions)
Net sales	\$ 33.6	\$ 45.7	\$ 20.3	\$ 33.8	\$ 66.1
Cost of sales	21.1	29.4	13.2	20.1	40.5
Gross profit	12.5	16.3	7.1	13.7	25.6
Operating expenses:					
Selling expense	1.0	1.4	0.7	1.0	2.0
General and administrative	11.7	19.2	1.6	2.4	5.0
Transaction expenses	1.8	22.5	0.1	0.2	0.2
Total operating expenses	<u>14.5</u>	<u>43.1</u>	<u>2.4</u>	<u>3.6</u>	<u>7.2</u>
(Loss) income from operations	(2.0)	(26.8)	4.7	10.1	18.4
Other income (expenses)					
Interest and other income	0.1	0.1	—	—	—
Interest and other expense, net	(4.4)	(6.2)	(3.0)	(5.4)	(10.8)
(Loss) income before benefit from income taxes	(6.3)	(32.9)	1.7	4.7	7.6
Benefit from income taxes	—	(41.9)	—	—	—
Net (loss) income	<u>(6.3)</u>	<u>9.0</u>	<u>1.7</u>	<u>4.7</u>	<u>7.6</u>
Net (loss) income attributable to common stockholders (Successor)	<u>\$ (6.3)</u>	<u>\$ 9.0</u>			
Net (loss) income per share attributable to common stockholders, basic	<u>\$ (0.14)</u>	<u>\$ 0.20</u>			

Net (loss) income per share attributable to common stockholders, diluted	\$ (0.14)	\$ 0.20
Weighted-average shares used in computing net (loss) income per share attributable to common stockholders, basic	45,737	45,682
Weighted-average shares used in computing net (loss) income per share attributable to common stockholders, diluted	45,737	45,690

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

	Successor	Predecessor	
	Period from February 27, 2026 to June 30, 2026	Period from January 1, 2026 to February 26, 2026	Six Months Ended June 30, 2025
	(in millions)	(in millions)	(in millions)
Cash flows from operating activities:			
Net income	\$ 9.0	\$ 1.7	\$ 7.6
Adjustments to reconcile net income to net cash from operating activities:			
Depreciation, depletion, and amortization	13.3	2.7	7.3
Deferred income tax	(41.9)	—	—
Unit/Stock-based compensation	0.6	0.1	0.2
Long-term incentive plan expense	0.8	—	—
Other	0.7	0.2	0.9
Changes in operating assets and liabilities:	(2.3)	(2.9)	(3.9)
Net cash (used in) provided by operating activities	(19.8)	1.8	12.1
Cash flows from investing activities:			
Purchases of property, plant and equipment	(2.3)	(1.3)	(4.2)
Acquisition of US Salt, net of cash acquired	(585.2)	—	—
Net cash (used in) investing activities	(587.5)	(1.3)	(4.2)
Cash flows from financing activities:			
Proceeds from issuance of common stock from the backstopped rights offering	25.5	—	—
Proceeds from issuance of subsidiary membership units from the backstopped rights offering	89.3	—	—
Proceeds from issuance of subsidiary membership units, prior to conversion	75.0	—	—
Proceeds from issuance of long-term debt	215.0	—	—
Payment of debt issuance costs	(3.6)	—	—
Other	(0.2)	—	(7.9)
Net cash provided by (used in) financing activities	401.0	—	(7.9)
Net (decrease) increase in cash and cash equivalents	(206.3)	0.5	—
Cash and cash equivalents at beginning of period	217.3	10.8	7.4
Cash and cash equivalents at end of period	\$ 11.0	\$ 11.3	\$ 7.4

Non-GAAP Supplemental Information

We present in this press release certain financial information based on our EBITDA, Adjusted EBITDA and Free Cash Flow. References to "EBITDA" mean earnings before interest, taxes, depreciation and amortization, references to "Adjusted EBITDA" mean EBITDA plus, as applicable for each relevant period, certain adjustments as set forth in the reconciliations of net income to EBITDA and Adjusted EBITDA, and references to "Free Cash Flow" refer to net cash used in or provided by operating activities, net of purchases of property, plant and equipment. EBITDA, Adjusted EBITDA and Free Cash Flow are not measurements of financial performance under U.S. GAAP. We present EBITDA, Adjusted EBITDA and Free Cash Flow because we believe they are useful indicators for evaluating operating performance. In addition, our management uses Adjusted EBITDA to review and assess the performance of the management team in connection with employee incentive programs and to prepare its annual budget and financial projections. Moreover, our management uses Adjusted EBITDA of target companies to evaluate acquisitions.

Although we use EBITDA, Adjusted EBITDA, and Free Cash Flow as measures to assess the performance of our business and for the other purposes set forth above, the use of non-GAAP financial measures as analytical tools has limitations, and you should not consider any of them in isolation, or as a substitute for analysis of our results of operations as reported in accordance with U.S. GAAP. Some of these limitations are:

- EBITDA, Adjusted EBITDA and Free Cash Flow do not reflect the significant interest expense or the cash requirements necessary to service interest payments on our indebtedness.
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and the cash requirements for such replacements are not reflected in EBITDA, Adjusted EBITDA and Free Cash Flow.
- Adjusted EBITDA excludes the cash expense we have incurred to integrate acquired businesses into our operations, which is a necessary element of certain of our acquisitions.
- The omission of the substantial amortization expense associated with our intangible assets further limits the usefulness of EBITDA and Adjusted EBITDA.
- EBITDA and Adjusted EBITDA do not include the payment of taxes, which is a necessary element of our operations.

Because of these limitations, EBITDA, Adjusted EBITDA and Free Cash Flow should not be considered as measures of cash available to us to invest in the growth of our business. Management compensates for these limitations by not viewing EBITDA, Adjusted EBITDA and Free Cash Flow in isolation and specifically by using other U.S. GAAP measures, such as net sales and operating profit, to measure our operating performance. EBITDA, Adjusted EBITDA and Free Cash Flow are not measurements of financial performance under U.S. GAAP, and they should not be considered as alternatives to net income or cash flow from operations determined in accordance with U.S. GAAP. Our calculations of EBITDA, Adjusted EBITDA and Free Cash Flow may not be comparable to the calculations of similarly titled measures reported by other companies.

ContextLogic Holdings Inc.
Reconciliation of Net Income to EBITDA and Adjusted EBITDA
(in millions)
(unaudited)

	<u>Successor</u> <u>Three Months</u> <u>Ended June 30,</u> <u>2026</u> <u>(in millions)</u>	<u>Predecessor</u> <u>Three Months</u> <u>Ended June 30,</u> <u>2025</u> <u>(in millions)</u>	<u>\$ Change</u>
Net (loss) income	\$ (6.3)	\$ 4.7	\$ (11.0)
Adjustments			
Interest expense	4.4	5.5	(1.1)
Interest income	(0.1)	(0.1)	—
Depreciation and depletion	2.7	3.2	(0.5)
Amortization	7.3	0.4	6.9
EBITDA	8.0	13.7	(5.7)
Adjustments:			
Transaction and integration costs ¹	1.8	0.2	1.6
Stock-based and unit-based compensation ²	0.9	—	0.9
Write off of property, plant, and equipment ³	0.1	—	0.1
Other ⁴	—	0.1	(0.1)
Adjusted EBITDA	<u>\$ 10.8</u>	<u>\$ 14.0</u>	<u>\$ (3.2)</u>

1. Expenses incurred by US Salt and ContextLogic related to the US Salt Acquisition and searching for other potential acquisitions.
2. Stock-based and unit-based compensation incurred, which includes the US Salt long-term incentive plan and excludes \$0.4 million of stock-based compensation included within transaction and integration costs.
3. Write off of construction in progress that could not be realized into an asset.
4. Contains gain on foreign currency transactions and costs associated with the decommissioning and removal of certain manufacturing equipment and expenses unique to US Salt's prior parent.

ContextLogic Holdings Inc.
Reconciliation of Net Cash (Used In) Provided by Operating Activities to Free Cash Flow
(in millions)

(unaudited)

	<u>Successor</u>	<u>Predecessor</u>	<u>Non-GAAP</u>	<u>Predecessor</u>
	<u>Period from February 27, 2026 to June 30, 2026</u>	<u>Period from January 1, 2026 to February 26, 2026</u>	<u>Combined Six Months Ended June 30, 2026</u>	<u>Six Months Ended June 30, 2025</u>
	<u>(in millions)</u>	<u>(in millions)</u>	<u>(in millions)</u>	<u>(in millions)</u>
Net cash (used in) provided by operating activities	\$ (19.8)	\$ 1.8	\$ (18.0)	\$ 12.1
Purchases of property, plant and equipment	\$ (2.3)	\$ (1.3)	\$ (3.6)	\$ (4.2)
Free Cash Flow	\$ (22.1)	\$ 0.5	\$ (21.6)	\$ 7.9

Contacts

Investor Relations:

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