

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 2026

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition period from to

Commission file number: 001-35444

YELP INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

20-1854266

(I.R.S. Employer Identification No.)

350 Mission Street, 10th Floor
San Francisco, California 94105

(Address of principal executive offices) (Zip Code)

(415) 908-3801

(Registrant’s Telephone Number, Including Area Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, par value \$0.000001 per share	YELP	New York Stock Exchange LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 1, 2026, there were 54,990,704 shares outstanding of the registrant’s common stock, par value \$0.000001 per share.

YELP INC.
QUARTERLY REPORT ON FORM 10-Q
TABLE OF CONTENTS

	Page
Part I.	Financial Information
Item 1.	Financial Statements (Unaudited)
	Condensed Consolidated Balance Sheets 4
	Condensed Consolidated Statements of Operations 5
	Condensed Consolidated Statements of Comprehensive Income 6
	Condensed Consolidated Statements of Stockholders' Equity 7
	Condensed Consolidated Statements of Cash Flows 8
	Notes to Condensed Consolidated Financial Statements 9
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations 26
Item 3.	Quantitative and Qualitative Disclosures About Market Risk 36
Item 4.	Controls and Procedures 36
Part II.	Other Information
Item 1.	Legal Proceedings 36
Item 1A.	Risk Factors 36
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds 37
Item 3.	Defaults Upon Senior Securities 37
Item 4.	Mine Safety Disclosures 37
Item 5.	Other Information 37
Item 6.	Exhibits 38
Signatures	

Unless the context suggests otherwise, references in this Quarterly Report on Form 10-Q (the "Quarterly Report") to "Yelp," the "Company," "we," "us" and "our" refer to Yelp Inc. and, where appropriate, its subsidiaries.

Unless the context otherwise indicates, where we refer in this Quarterly Report to our "mobile application" or "mobile app," we refer to all of our applications for mobile-enabled devices; references to our "mobile platform" refer to both our mobile app and the versions of our website that are optimized for mobile-based browsers. Similarly, references to our "website" refer to versions of our website dedicated to both desktop- and mobile-based browsers, as well as the U.S. and international versions of our website.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report contains forward-looking statements that involve risks, uncertainties and assumptions that, if they never materialize or prove incorrect, could cause our results to differ materially from those expressed or implied by such forward-looking statements. All statements contained in this Quarterly Report that are not purely historical, including statements regarding our future results of operations or financial condition, business strategy and plans, and objectives of management for future operations, are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Forward-looking statements may include, but are not limited to, statements about:

- our financial performance, including our revenue, operating expenses and margins, as well as our ability to maintain profitability;
- our ability to maintain and expand our advertiser base;
- our strategic initiatives to support revenue growth and margin expansion;
- our investment plans and priorities, including planned investments in product development, marketing and our sales channels, and our ability to execute against those plans and priorities and the results thereof;
- our plans regarding the integration of artificial intelligence (“AI”) technologies into our strategy and products as well as the expected benefits therefrom;
- our ability to operate with a distributed workforce as well as the benefits and costs thereof;
- trends and expectations regarding customer and revenue retention;
- trends and expectations regarding our key metrics, including consumer traffic and engagement and the opportunity they present for growth;
- our liquidity and working capital requirements; and
- our plans with respect to our stock repurchase program.

Forward-looking statements are often identified by the use of words such as, but not limited to, “anticipate,” “believe,” “can,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “project,” “seek,” “should,” “target,” “will,” “would” and similar expressions or variations intended to identify forward-looking statements.

These statements are based on the beliefs and assumptions of our management, which are in turn based on information currently available to management. Such forward-looking statements are subject to risks, uncertainties and other important factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by such forward-looking statements. Moreover, we operate in a very competitive and rapidly changing environment. 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. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this Quarterly Report may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the section titled “*Risk Factors*” included under Part I, Item 1A in our Annual Report on Form 10-K for the year ended December 31, 2025 (the “Annual Report”), such as:

- adverse macroeconomic conditions — particularly those affecting local economies — and their impact on consumer behavior and advertiser spending;
- our ability to maintain and expand our advertiser base;
- our ability to execute on our strategic initiatives, including our AI transformation, and the effectiveness thereof;
- our ability to maintain and increase traffic to and user engagement on our platform, including our ability to generate, maintain and recommend sufficient content that consumers find relevant, helpful and reliable;
- our reliance on Internet search engines and application marketplaces, certain providers of which offer products and services that compete directly with our products;
- our ability to hire, retain, motivate and effectively manage well-qualified employees in a remote work environment;

- competition in our industry;
- our reliance on third-party service providers and strategic partners;
- our ability to maintain the uninterrupted and proper operation of our technology and network infrastructure;
- actual or perceived security breaches as well as errors, vulnerabilities or defects in our software or in products of third-party providers;
- our use of AI in our products and business operations;
- our potential inability to maintain profitability, particularly in light of our significant ongoing investments in our strategic initiatives and the ongoing impact of macroeconomic challenges on local economies;
- fluctuations in our operating performance as well as our ability to accurately forecast revenue and appropriately plan expenses;
- the accuracy and reliability of our key metrics;
- our actual or perceived failure to comply with laws and regulations applicable to our business;
- our ability to maintain, protect and enhance our brand; and
- our ability to successfully manage acquisitions of new businesses, solutions or technologies, such as our acquisition of Hatchify, Inc. (“Hatch”), as well as their integrations.

Furthermore, such forward-looking statements speak only as of the date of this report. Except as required by law, we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements.

NOTE REGARDING METRICS

We review a number of performance metrics to evaluate our business, measure our performance, identify trends in our business, prepare financial projections and make strategic decisions. Please see the section titled “[Management’s Discussion and Analysis of Financial Condition and Results of Operations—Key Metrics](#)” in this Quarterly Report and in our Annual Report for information on how we define our key metrics. Unless otherwise stated, these metrics do not include metrics from subscription products or our business-owner products.

While our metrics are based on what we believe to be reasonable calculations, there are inherent challenges in measuring usage across our large user base. All of our key performance metrics, including ad clicks, average cost-per-click (“CPC”), our traffic metrics and active claimed local business locations, are tracked with internal company tools, which are not independently verified by any third party and have a number of limitations. For example, our app unique device metric may be affected by mobile applications that automatically contact our servers for regular updates with no discernible user action involved; this activity can cause our system to count the device associated with the app as an app unique device in a given period. Although we take steps to exclude such activity and, as a result, do not believe it has had a material impact on our reported metrics, our efforts may not successfully account for all such activity.

Our web traffic metrics are subject to similar limitations. Because our traffic metrics are tracked based on unique identifiers, an individual who accesses our website from multiple devices with different identifiers may be counted as multiple unique devices, and multiple individuals who access our website from a shared device with a single identifier may be counted as a single unique device. As a result, the calculations of our unique devices may not accurately reflect the number of people actually visiting our website.

Our measures of traffic and other key metrics may also differ from estimates published by third parties or from similar metrics of our competitors. We are continually seeking to improve our ability to measure these key metrics, and regularly review our processes to assess potential improvements to their accuracy. For example, as a result of these efforts, we revised the minimum required level of engagement for our desktop unique devices metric to exclude devices that visit the Yelp home page, but take no further action, which we do not believe represent valuable consumer traffic. This change did not have a material impact on the desktop unique devices reported for previous years. Additionally, from time to time, we may discover inaccuracies in our metrics or make adjustments to improve their accuracy, including adjustments that may result in the recalculation of our historical metrics. We believe that any such inaccuracies or adjustments are immaterial unless otherwise stated.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

YELP INC. CONDENSED CONSOLIDATED BALANCE SHEETS (In thousands, except par value) (Unaudited)

	March 31, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 110,412	\$ 216,062
Short-term marketable securities	—	103,290
Accounts receivable (net of allowance for credit losses of \$12,844 and \$13,782 at March 31, 2026 and December 31, 2025, respectively)	152,211	153,224
Prepaid expenses and other current assets	39,409	42,359
Total current assets	302,032	514,935
Property, equipment and software, net	95,368	91,685
Operating lease right-of-use assets	17,371	16,046
Goodwill	355,625	135,847
Intangibles, net	98,773	49,038
Other non-current assets	144,129	150,927
Total assets	<u>\$ 1,013,298</u>	<u>\$ 958,478</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 155,031	\$ 158,789
Operating lease liabilities — current	7,063	7,426
Deferred revenue	11,628	5,845
Total current liabilities	173,722	172,060
Revolving credit facility	130,000	—
Operating lease liabilities — long-term	17,861	17,451
Other long-term liabilities	60,626	58,115
Total liabilities	382,209	247,626
Commitments and contingencies (Note 11)		
Stockholders' equity:		
Preferred stock, undesignated, 10,000 shares authorized, none issued	—	—
Common stock, \$0.000001 par value — 200,000 shares authorized, 56,170 and 59,987 shares issued at March 31, 2026 and December 31, 2025, respectively; 55,915 and 59,954 shares outstanding at March 31, 2026 and December 31, 2025, respectively	—	—
Additional paid-in capital	2,041,401	2,010,948
Treasury stock	(6,264)	(999)
Accumulated other comprehensive loss	(9,601)	(7,677)
Accumulated deficit	(1,394,447)	(1,291,420)
Total stockholders' equity	631,089	710,852
Total liabilities and stockholders' equity	<u>\$ 1,013,298</u>	<u>\$ 958,478</u>

See Notes to Condensed Consolidated Financial Statements.

YELP INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)
(Unaudited)

	Three Months Ended March 31,	
	2026	2025
Net revenue	\$ 361,457	\$ 358,534
Costs and expenses:		
Cost of revenue (exclusive of depreciation and amortization shown separately below)	38,409	34,828
Sales and marketing	153,010	146,284
Product development	77,157	83,905
General and administrative	49,350	51,707
Depreciation and amortization	16,233	12,350
Total costs and expenses	334,159	329,074
Income from operations	27,298	29,460
Other income, net	2,586	5,771
Income before income taxes	29,884	35,231
Provision for income taxes	12,149	10,840
Net income attributable to common stockholders	\$ 17,735	\$ 24,391
Net income per share attributable to common stockholders		
Basic	\$ 0.30	\$ 0.37
Diluted	\$ 0.30	\$ 0.36
Weighted-average shares used to compute net income per share attributable to common stockholders		
Basic	58,816	65,261
Diluted	59,374	67,324

See Notes to Condensed Consolidated Financial Statements.

YELP INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)
(Unaudited)

	Three Months Ended March 31,	
	2026	2025
Net income attributable to common stockholders	\$ 17,735	\$ 24,391
Other comprehensive (loss) income:		
Foreign currency translation adjustments, net of tax	(1,755)	2,519
Unrealized (loss) gain on available-for-sale debt securities, net of tax	(169)	48
Other comprehensive (loss) income	(1,924)	2,567
Comprehensive income	<u>\$ 15,811</u>	<u>\$ 26,958</u>

See Notes to Condensed Consolidated Financial Statements.

YELP INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands)
(Unaudited)

	Common Stock		Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount					
Balance as of December 31, 2024	65,792	\$ —	\$ 1,903,598	\$ (3,909)	\$ (15,431)	\$ (1,140,289)	\$ 743,969
Issuance of common stock upon exercises of employee stock options	12	—	273	—	—	—	273
Issuance of common stock upon vesting of restricted stock units ("RSUs"), net	686	—	—	—	—	—	—
Stock-based compensation (inclusive of capitalized stock-based compensation)	—	—	39,252	—	—	—	39,252
Taxes withheld related to net share settlement of equity awards	—	—	(19,569)	—	—	—	(19,569)
Repurchases of common stock, including excise tax	—	—	—	(62,865)	—	—	(62,865)
Retirement of common stock	(1,747)	—	—	65,194	—	(65,194)	—
Other comprehensive income	—	—	—	—	2,567	—	2,567
Net income	—	—	—	—	—	24,391	24,391
Balance as of March 31, 2025	<u>64,743</u>	<u>\$ —</u>	<u>\$ 1,923,554</u>	<u>\$ (1,580)</u>	<u>\$ (12,864)</u>	<u>\$ (1,181,092)</u>	<u>\$ 728,018</u>
Balance as of December 31, 2025	59,987	\$ —	\$ 2,010,948	\$ (999)	\$ (7,677)	\$ (1,291,420)	\$ 710,852
Issuance of common stock upon exercises of employee stock options	427	—	8,726	—	—	—	8,726
Issuance of common stock upon vesting of RSUs, net	621	—	—	—	—	—	—
Stock-based compensation (inclusive of capitalized stock-based compensation)	—	—	31,616	—	—	—	31,616
Taxes withheld related to net share settlement of equity awards	—	—	(9,889)	—	—	—	(9,889)
Repurchases of common stock, including excise tax	—	—	—	(126,027)	—	—	(126,027)
Retirement of common stock	(4,865)	—	—	120,762	—	(120,762)	—
Other comprehensive loss	—	—	—	—	(1,924)	—	(1,924)
Net income	—	—	—	—	—	17,735	17,735
Balance as of March 31, 2026	<u>56,170</u>	<u>\$ —</u>	<u>\$ 2,041,401</u>	<u>\$ (6,264)</u>	<u>\$ (9,601)</u>	<u>\$ (1,394,447)</u>	<u>\$ 631,089</u>

See Notes to Condensed Consolidated Financial Statements.

YELP INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three Months Ended March 31,	
	2026	2025
Operating Activities		
Net income	\$ 17,735	\$ 24,391
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	16,233	12,350
Provision for credit losses	9,438	10,559
Stock-based compensation	30,507	37,469
Amortization of right-of-use assets	1,703	3,440
Deferred income taxes	9,705	3,287
Amortization of deferred contract cost	5,559	6,013
Other adjustments, net	1,298	1,252
Changes in operating assets and liabilities, net of acquisition:		
Accounts receivable	(8,015)	(13,998)
Prepaid expenses and other assets	(14,727)	(617)
Operating lease liabilities	(2,814)	(9,902)
Accounts payable, accrued liabilities and other liabilities	(8,806)	23,751
Net cash provided by operating activities	57,816	97,995
Investing Activities		
Purchases of marketable securities	(5,975)	(15,134)
Sales and maturities of marketable securities	109,293	13,610
Maturities of other investments	5,000	—
Acquisition, net of cash received	(263,600)	—
Purchases of property, equipment and software	(12,660)	(10,531)
Other investing activities	61	52
Net cash used in investing activities	(167,881)	(12,003)
Financing Activities		
Proceeds from issuance of common stock for employee stock-based plans	8,726	273
Taxes paid related to the net share settlement of equity awards	(9,792)	(19,486)
Repurchases of common stock	(124,001)	(62,500)
Proceeds from revolving credit facility	165,000	—
Repayments on revolving credit facility	(35,000)	—
Other financing activities	(18)	—
Net cash provided by (used in) financing activities	4,915	(81,713)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(267)	652
Change in cash, cash equivalents and restricted cash	(105,417)	4,931
Cash, cash equivalents and restricted cash — Beginning of period	216,289	217,682
Cash, cash equivalents and restricted cash — End of period	\$ 110,872	\$ 222,613
Supplemental Disclosures of Other Cash Flow Information		
Cash paid (refund received) for income taxes, net	\$ 3,193	\$ (4,286)
Supplemental Disclosures of Noncash Investing and Financing Activities		
Acquisition holdback consideration not yet paid	\$ 4,425	\$ —
Purchases of property, equipment and software recorded in accounts payable and accrued liabilities	\$ 3,226	\$ 2,575
Excise tax accrued on net stock repurchases	\$ 1,002	\$ 365
Repurchases of common stock recorded in accounts payable and accrued liabilities	\$ 1,024	\$ 832

See Notes to Condensed Consolidated Financial Statements.

YELP INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Yelp Inc. was incorporated in Delaware on September 3, 2004. Except where specifically noted or the context otherwise requires, the use of terms such as the “Company” and “Yelp” in these Notes to Condensed Consolidated Financial Statements refers to Yelp Inc. and its subsidiaries.

Yelp is a trusted local resource for consumers and a partner in success for businesses of all sizes. Consumers trust Yelp for its extensive ratings and reviews of businesses across a broad range of categories, while businesses advertise on Yelp to reach its large audience of consumers. Yelp has operations in the United States, United Kingdom, Canada, Ireland and Germany.

Basis of Presentation

The accompanying interim condensed consolidated financial statements are unaudited. These unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and the applicable rules and regulations of the U.S. Securities and Exchange Commission (“SEC”) regarding interim financial reporting. Certain information and note disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. Accordingly, these unaudited interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements contained in the Annual Report on Form 10-K for the year ended December 31, 2025 (the “Annual Report”).

The unaudited condensed consolidated balance sheet as of December 31, 2025 included herein was derived from the audited consolidated financial statements as of that date, but does not include all disclosures required by GAAP, including certain notes to the financial statements. The unaudited interim condensed consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements include all adjustments of a normally recurring nature necessary for the fair presentation of the interim periods presented.

Principles of Consolidation

These unaudited interim condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated upon consolidation.

Use of Estimates

The preparation of the Company’s unaudited interim condensed consolidated financial statements in conformity with GAAP requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of income and expenses during the reporting period. Items that require estimates, judgments or assumptions include, but are not limited to, determining variable consideration and identifying the nature and timing of satisfaction of performance obligations, allowance for credit losses, valuation of intangible assets acquired in a business combination, fair value and estimated useful lives of long- and indefinite-lived assets, litigation loss contingencies, liabilities related to incurred but not reported insurance claims, fair value and achievement of targets for performance-based restricted stock units (“PRSUs”), and income taxes. These estimates, judgments and assumptions are based on information available as of the date of the condensed consolidated financial statements; therefore, actual results could differ from management’s estimates due to macroeconomic uncertainty and other factors.

Significant Accounting Policies

There have been no material changes to the Company’s significant accounting policies from those described in the Annual Report.

Recently Adopted Accounting Pronouncements

In July 2025, the FASB issued ASU No. 2025-05, “Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets” (“ASU 2025-05”), which provides a practical expedient for estimating expected credit losses for current accounts receivable and current contract assets. The Company adopted ASU 2025-05 effective January 1, 2026 on a prospective basis. The adoption of ASU 2025-05 did not have a material effect on the Company’s condensed consolidated financial statements and related disclosures.

Recent Accounting Pronouncements Not Yet Effective

There have been no new accounting pronouncements issued that are expected to have a material impact on our condensed consolidated financial statements from those described in the Annual Report.

2. CASH, CASH EQUIVALENTS AND RESTRICTED CASH

Cash, cash equivalents and restricted cash as of March 31, 2026 and December 31, 2025 consisted of the following (in thousands):

	March 31, 2026	December 31, 2025
Cash	\$ 110,412	\$ 129,476
Cash equivalents	—	86,586
Total cash and cash equivalents	110,412	216,062
Restricted cash	460	227
Total cash, cash equivalents and restricted cash	\$ 110,872	\$ 216,289

Restricted cash is included in other non-current assets on the Company’s condensed consolidated balance sheets.

3. MARKETABLE SECURITIES

Short-term marketable securities and certain cash equivalents consist of investments in debt securities that are classified as available-for-sale. In the first quarter of 2026, the Company sold all of its marketable securities. The associated realized gain was not significant. The amortized cost, gross unrealized gains and losses and fair value of those investments as of December 31, 2025 were as follows (in thousands):

	December 31, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Cash equivalents:				
U.S. government securities	\$ 215	\$ —	\$ —	\$ 215
Commercial paper	554	—	—	554
Total cash equivalents	769	—	—	769
Short-term marketable securities:				
Certificates of deposit	3,662	—	—	3,662
Commercial paper	3,522	—	—	3,522
Corporate bonds	41,248	96	(5)	41,339
Agency bonds	1,240	1	—	1,241
U.S. government securities	53,388	139	(1)	53,526
Total short-term marketable securities	103,060	236	(6)	103,290
Total	\$ 103,829	\$ 236	\$ (6)	\$ 104,059

The following table presents gross unrealized losses and fair values for those securities that were in an unrealized loss position as of December 31, 2025, aggregated by investment category and the length of time that the individual securities had been in a continuous loss position (in thousands):

	December 31, 2025					
	Less Than 12 Months		12 Months or Greater		Total	
	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss
Corporate bonds	\$ 7,148	\$ (5)	\$ —	\$ —	\$ 7,148	\$ (5)
U.S. government securities	3,608	(1)	—	—	3,608	(1)
Total	<u>\$ 10,756</u>	<u>\$ (6)</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 10,756</u>	<u>\$ (6)</u>

For the three months ended March 31, 2026 and 2025, the Company did not recognize any credit loss related to available-for-sale marketable securities.

4. FAIR VALUE MEASUREMENTS

The Company's investments in money market accounts are recorded as cash equivalents at fair value on the condensed consolidated balance sheets. Additionally, the Company carries its available-for-sale debt securities at fair value. See [Note 3, "Marketable Securities,"](#) for further details. The Company's borrowings under its credit facility approximate fair value due to the variable-rate nature of the debt. See [Note 11, "Commitments and Contingencies,"](#) for further details.

The following table represents the fair value of the Company's cash equivalents, short-term marketable securities, and other investments measured at fair value on a recurring basis, as of December 31, 2025 (in thousands):

	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Cash equivalents:				
Money market funds	\$ 57,123	\$ —	\$ —	\$ 57,123
U.S. government securities	—	215	—	215
Commercial paper	—	554	—	554
Short-term marketable securities:				
Certificates of deposit	—	3,662	—	3,662
Commercial paper	—	3,522	—	3,522
Corporate bonds	—	41,339	—	41,339
Agency bonds	—	1,241	—	1,241
U.S. government securities	—	53,526	—	53,526
Other investments:				
Certificates of deposit ⁽¹⁾	—	5,000	—	5,000
Total cash equivalents, short-term marketable securities and other investments	<u>\$ 57,123</u>	<u>\$ 109,059</u>	<u>\$ —</u>	<u>\$ 166,182</u>

⁽¹⁾ Reflected in prepaid expenses and other current assets on the condensed consolidated balance sheets.

There were no cash equivalents, short-term marketable securities, and other investments as of March 31, 2026.

5. PROPERTY, EQUIPMENT AND SOFTWARE, NET

Property, equipment and software, net as of March 31, 2026 and December 31, 2025 consisted of the following (in thousands):

	March 31, 2026	December 31, 2025
Capitalized website and internal-use software development costs	\$ 328,042	\$ 350,883
Leasehold improvements	5,490	10,805
Computer equipment	25,926	26,136
Furniture and fixtures	686	1,048
Other	1,223	1,223
Total	361,367	390,095
Less: accumulated depreciation and amortization	(265,999)	(298,410)
Property, equipment and software, net	\$ 95,368	\$ 91,685

Depreciation and amortization expense related to property, equipment and software was \$11.0 million and \$9.9 million for the three months ended March 31, 2026 and 2025, respectively.

6. ACQUISITIONS

Acquisition of Hatchify Inc. (“Hatch”)

On February 2, 2026, the Company acquired Hatch, an artificial intelligence (“AI”) lead management platform, to further complement the Company’s AI capabilities and strategy.

In connection with the acquisition, all outstanding capital stock and options to purchase capital stock of Hatch were converted into the right to receive an aggregate of approximately \$271.2 million in cash, subject to customary post-closing adjustments. Of the total amount of consideration, \$1.0 million is being held-back for a 120-day period after closing; \$0.7 million is being held-back for a 12-month period after closing; and \$2.8 million is being held-back for a 36-month period after closing. The Company recorded \$1.7 million and \$2.8 million of holdbacks in accounts payable and other accrued expenses and other long-term liabilities, respectively, in the condensed consolidated balance sheets as of March 31, 2026. Pursuant to the Merger Agreement, the Company will also provide certain continuing Hatch employees with acquisition- and integration-related payments valued at an aggregate of \$30.0 million to be paid out over two to three years. Because these payments are contingent on future service, provide benefits to the Company after the closing date, and are not attributable to pre-acquisition ownership interests, they are accounted for as post-combination expenses rather than as part of the purchase consideration.

The acquisition was accounted for as a business combination in accordance with Accounting Standards Codification Topic 805, “Business Combinations,” with the results of Hatch’s operations included in the Company’s condensed consolidated financial statements from February 2, 2026. The Company’s allocation of the purchase price is preliminary as the fair value of net assets acquired and the effects of any net working capital adjustments are still being finalized. Any material measurement period adjustments will be recorded in the period in which the adjustment is identified.

The preliminary purchase price allocation, subject to finalization during the measurement period, is as follows (in thousands):

	February 2, 2026
Fair value of purchase consideration:	
Cash:	
Total merger consideration	\$ 266,797
Holdbacks	4,425
Total purchase consideration	<u>\$ 271,222</u>
Fair value of net assets acquired:	
Cash and cash equivalents	\$ 3,197
Accounts receivable	410
Prepaid expenses and other current assets	261
Operating lease right-of-use assets	3,184
Goodwill	220,990
Intangibles	55,000
Total assets acquired	<u>283,042</u>
Accounts payable and accrued liabilities	(3,678)
Operating lease liabilities — current	(758)
Deferred revenue	(1,529)
Operating lease liabilities — long-term	(2,353)
Other long-term liabilities ⁽¹⁾	(3,502)
Total liabilities assumed	<u>(11,820)</u>
Net assets acquired	<u>\$ 271,222</u>

⁽¹⁾ Represents non-current deferred tax liabilities (“DTLs”). Deferred tax assets (“DTAs”) are netted against DTLs within the same jurisdiction.

The amounts assigned to each class of intangible assets acquired and their estimated useful lives are as follows:

Intangible Asset Type	Amount Assigned	Useful Life
Developed technology	\$ 30,000	4.0 years
Business relationships	23,000	6.2 years
Trademarks	2,000	4.0 years
Weighted average		4.9 years

The Company estimated the fair value of intangible assets acquired using an income approach. Significant assumptions used include forecasted revenue and expenses, customer attrition rate, technology obsolescence, royalty rates and discount rates. The fair value measurements were primarily based on significant inputs that are not observable in the market and thus represent a Level 3 measurement within the fair value hierarchy. The intangible assets are amortized on a straight-line basis, which reflects the pattern in which the economic benefits of the intangible assets are being utilized. The goodwill results from expected synergies between the Company and Hatch. None of the goodwill is deductible for tax purposes.

For the three months ended March 31, 2026, the Company recorded acquisition and integration costs of approximately \$4.4 million, which were included in general and administrative expenses in the accompanying condensed consolidated statements of operations.

The Company has not presented supplemental pro forma information for revenue and earnings related to its acquisition of Hatch, as the acquisition is not material to the Company’s condensed consolidated financial statements during the periods presented. The results of operations of Hatch have been included in our condensed consolidated statement of operations from the acquisition date. Revenue attributable to Hatch is not material to our consolidated results and, accordingly, is not presented

separately. Due to the integration of the combined businesses since the date of acquisition, it is impracticable to determine the earnings attributable by Hatch.

Acquisition of RepairPal, Inc. (“RepairPal”)

On November 26, 2024, the Company acquired auto services platform RepairPal. The key purpose underlying the Company’s acquisition of RepairPal was to accelerate its efforts in Services categories by expanding its offerings in the auto services advertising vertical. RepairPal’s results of operations are included in the Company’s consolidated financial statements from November 26, 2024.

In connection with the acquisition, all outstanding capital stock, options and warrants to purchase capital stock of RepairPal were converted into the right to receive total purchase consideration of \$80.0 million in cash, including approximately \$12.3 million in aggregate holdback liability. Of the total amount of consideration, the following amounts were initially held back to secure the Company’s right of indemnity under the Agreement and Plan of Merger: (1) \$8.0 million, for a 15-month period after closing (the “general holdback”), \$1.2 million of which was released to the Company as a post-closing purchase price adjustment; (2) \$2.0 million, for a 24-month period after closing (the “tax holdback”); and (3) \$3.5 million, until 30 days following the final, non-appealable resolution of certain legal matters (the “indemnity holdback”). During the year ended December 31, 2025, the Company incurred approximately \$5.0 million in legal expenses (originally recorded in general and administrative expenses), \$3.5 million of which were applied against the indemnity holdback and the remainder of which were applied against the general holdback. As a result, as of March 31, 2026 and December 31, 2025, \$5.3 million of the general holdback and \$2.0 million of the tax holdback remained, both of which were classified as accounts payable and accrued liabilities on the consolidated balance sheets. Under the terms of the Agreement and Plan of Merger, the remaining general holdback was to be released 15 months after closing; however, the Company will retain such amount through June 30, 2026 pending the resolution of certain claims by the Company against it.

The allocation of the purchase consideration to tangible and intangible assets acquired and liabilities assumed was completed as of November 25, 2025, based on estimated fair values as follows (in thousands):

	November 25, 2025
Fair value of purchase consideration:	
Cash:	
Distributed to RepairPal stockholders	\$ 63,935
Paid on behalf of RepairPal stockholders	3,812
Holdbacks	12,294
Total purchase consideration	\$ 80,041
Fair value of net assets acquired:	
Cash and cash equivalents	\$ 1,565
Accounts receivable	3,057
Intangibles	53,600
Goodwill	28,825
Other assets	620
Total assets acquired	87,667
Accounts payable and accrued liabilities	(3,816)
Deferred tax liability	(3,767)
Other liabilities	(43)
Total liabilities assumed	(7,626)
Net assets acquired	\$ 80,041

The amounts assigned to each class of intangible assets acquired and their estimated useful lives are as follows (in thousands, except years):

Intangible Asset Type	Amount Assigned	Useful Life
Business relationships	\$ 36,000	8.8 years
Developed technology	14,600	4.5 years
Trademarks	3,000	11.0 years
Weighted average		7.7 years

The Company estimated the fair value of intangible assets acquired using an income approach. Significant assumptions used include forecasted revenue and expenses, customer attrition rate, royalty rates and discount rates. The fair value measurements were primarily based on significant inputs that are not observable in the market and thus represent a Level 3 measurement within the fair value hierarchy. The intangible assets are amortized on a straight-line basis, which reflects the pattern in which the economic benefits of the intangible assets are being utilized. The goodwill results from expected synergies between the Company and RepairPal. None of the goodwill is deductible for tax purposes.

RepairPal's results of operations are included in the Company's condensed consolidated financial statements from November 26, 2024 and the purchase price allocation was finalized on November 25, 2025. Acquisition and integration costs, which were included in general and administrative expenses in the accompanying condensed consolidated statements of operations, were not significant for the periods presented. Measurement period adjustments were not significant and were included in the period in which they occurred.

The Company has not presented the supplemental pro forma information for revenue and earnings related to the acquisition, as the acquisition is not material to the Company's consolidated financial statements during the periods presented.

7. GOODWILL AND INTANGIBLE ASSETS

The Company's goodwill is the result of its acquisitions of other businesses and represents the excess of purchase consideration over the fair value of assets acquired and liabilities assumed. The Company performed its annual goodwill impairment analysis on August 31, 2025 and concluded that goodwill was not impaired, as the fair value of the reporting unit exceeded its carrying value. Additionally, no triggering events were identified as of March 31, 2026 or December 31, 2025 that would more likely than not reduce the fair value of goodwill below its carrying value.

The change in the carrying amount of goodwill during the three months ended March 31, 2026 was as follows (in thousands):

Balance as of December 31, 2025	\$	135,847
Goodwill acquired		220,990
Effect of currency translation		(1,212)
Balance as of March 31, 2026	\$	355,625

Intangible assets that were not fully amortized as of March 31, 2026 and December 31, 2025 consisted of the following (dollars in thousands):

	March 31, 2026			
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted-Average Remaining Life
Business relationships	\$ 68,918	\$ (16,268)	\$ 52,650	6.9 years
Developed technology	52,309	(13,555)	38,754	3.6 years
Licensing agreements	6,141	(3,614)	2,527	3.9 years
Domain and data licenses	3,337	(3,025)	312	3.4 years
Trademarks	5,877	(1,347)	4,530	7.2 years
Total	\$ 136,582	\$ (37,809)	\$ 98,773	

	December 31, 2025			
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted-Average Remaining Life
Business relationships	\$ 45,918	\$ (13,390)	\$ 32,528	7.6 years
Developed technology	22,309	(11,494)	10,815	3.3 years
Licensing agreements	6,141	(3,453)	2,688	4.2 years
Domain and data licenses	3,324	(2,999)	325	3.6 years
Trademarks	3,877	(1,195)	2,682	9.8 years
Total	<u>\$ 81,569</u>	<u>\$ (32,531)</u>	<u>\$ 49,038</u>	

Amortization expense related to intangible assets was \$5.3 million and \$2.5 million for the three months ended March 31, 2026 and 2025, respectively.

As of March 31, 2026, estimated future amortization expense was as follows (in thousands):

Remainder of 2026	\$ 17,540
2027	20,720
2028	20,325
2029	15,548
2030	6,433
2031	5,654
Thereafter	12,553
Total amortization	<u>\$ 98,773</u>

8. LEASES

The components of lease cost, net for the three months ended March 31, 2026 and 2025 were as follows (in thousands):

	Three Months Ended March 31,	
	2026	2025
Operating lease cost	\$ 1,991	\$ 3,949
Short-term lease cost (12 months or less)	68	116
Sublease income	(1,339)	(3,791)
Total lease cost, net	<u>\$ 720</u>	<u>\$ 274</u>

The Company's leases and subleases do not include any variable lease payments, residual value guarantees, related-party leases, or restrictions or covenants that would limit or prevent the Company from exercising its right to obtain substantially all of the economic benefits from use of the respective assets during the lease term.

Supplemental cash flow information related to leases for the three months ended March 31, 2026 and 2025 was as follows (in thousands):

	Three Months Ended March 31,	
	2026	2025
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 3,119	\$ 10,413

As of March 31, 2026, maturities of lease liabilities were as follows (in thousands)⁽¹⁾:

Remainder of 2026	\$	6,043
2027		8,906
2028		7,008
2029		3,514
2030		964
2031		623
Thereafter		—
Total minimum lease payments		27,058
Less: imputed interest		(2,134)
Present value of lease liabilities	\$	24,924

⁽¹⁾ Non-cancelable sublease proceeds of \$13.4 million are not included in the maturities of lease liabilities disclosed in the table.

As of March 31, 2026 and December 31, 2025, the weighted-average remaining lease term and weighted-average discount rate were as follows:

	March 31, 2026	December 31, 2025
Weighted-average remaining lease term (years) — operating leases	3.6	3.7
Weighted-average discount rate — operating leases	4.7 %	4.6 %

9. CONTRACT BALANCES

The changes in the allowance for credit losses during the three months ended March 31, 2026 and 2025 were as follows (in thousands):

	Three Months Ended March 31,	
	2026	2025
Balance, beginning of period	\$ 13,782	\$ 15,301
Add: provision for credit losses	9,438	10,559
Less: write-offs, net of recoveries	(10,376)	(11,425)
Balance, end of period	\$ 12,844	\$ 14,435

In calculating the allowance for credit losses as of March 31, 2026 and 2025, the Company considered expectations of probable credit losses based on observed trends in cancellations, observed changes in the credit risk of specific customers, the impact of anticipated closures and bankruptcies using forecasted economic indicators in addition to historical experience and loss patterns during periods of macroeconomic uncertainty. The decrease in the provision for credit losses and write-offs, net of recoveries in the three months ended March 31, 2026 as compared to the prior-year period was primarily due to lower customer delinquencies.

Contract liabilities consist of deferred revenue, which is recorded on the condensed consolidated balance sheets when the Company has received consideration, or has the right to receive consideration, in advance of transferring the performance obligations under the contract to the customer.

The changes in short-term deferred revenue during the three months ended March 31, 2026 were as follows (in thousands):

	Three Months Ended March 31, 2026	
	\$	
Balance, beginning of period	\$ 5,845	
Less: recognition of deferred revenue from beginning balance	(4,502)	
Add: net increase in current period contract liabilities	10,285	
Balance, end of period	\$ 11,628	

The majority of the Company's deferred revenue balance as of March 31, 2026 is classified as short-term and is expected to be recognized as revenue in the subsequent three-month period ending June 30, 2026. An immaterial amount of long-term deferred revenue is included in other long-term liabilities as of March 31, 2026. No other contract assets or liabilities were recorded on the Company's condensed consolidated balance sheets as of March 31, 2026 and December 31, 2025.

Revenue allocated to remaining performance obligations represents estimated contracted revenue that has not yet been recognized. This includes deferred revenue and unbilled amounts that will be recognized as revenue in future periods, and excludes contracts with original expected terms of one year or less. Estimated contracted revenue for these remaining performance obligations was \$83.8 million as of March 31, 2026, of which the Company expects to recognize approximately 47% over the next 12 months and the remainder thereafter. Estimating revenue that will be allocated to remaining performance obligations can involve significant judgments, including identifying and assessing variable consideration.

10. SELECTED CONSOLIDATED FINANCIAL STATEMENT DATA

Prepaid expenses and other current assets

Prepaid expenses and other current assets as of March 31, 2026 and December 31, 2025 consisted of the following (in thousands):

	March 31, 2026	December 31, 2025
Prepaid expenses	\$ 22,572	\$ 17,144
Certificates of deposit	—	5,000
Other current assets	16,837	20,215
Total prepaid expenses and other current assets	<u>\$ 39,409</u>	<u>\$ 42,359</u>

Other non-current assets

Other non-current assets as of March 31, 2026 and December 31, 2025 consisted of the following (in thousands):

	March 31, 2026	December 31, 2025
Deferred tax assets ⁽¹⁾	\$ 102,401	\$ 116,090
Deferred contract costs	20,017	19,880
Other non-current assets	21,711	14,957
Total other non-current assets	<u>\$ 144,129</u>	<u>\$ 150,927</u>

⁽¹⁾ Represents net non-current DTAs. DTAs are netted against DTLs within the same jurisdiction.

Accounts payable and accrued liabilities

Accounts payable and accrued liabilities as of March 31, 2026 and December 31, 2025 consisted of the following (in thousands):

	March 31, 2026	December 31, 2025
Accounts payable	\$ 6,872	\$ 9,791
Employee-related liabilities	101,075	112,539
Accrued sales and marketing expenses	9,847	6,662
Accrued cost of revenue	9,625	9,304
Other accrued liabilities	27,612	20,493
Total accounts payable and accrued liabilities	<u>\$ 155,031</u>	<u>\$ 158,789</u>

As of March 31, 2026, other accrued liabilities primarily consisted of current holdback consideration related to the acquisitions of RepairPal and Hatch, taxes payable, and accrued product development and general and administrative expenses. See [Note 6, "Acquisitions,"](#) for details of current holdback consideration related to the acquisitions of RepairPal and Hatch.

Other income, net

Other income, net for the three months ended March 31, 2026 and 2025 consisted of the following (in thousands):

	Three Months Ended March 31,	
	2026	2025
Interest income, net	\$ 639	\$ 3,512
Other non-operating income, net	1,947	2,259
Other income, net	\$ 2,586	\$ 5,771

11. COMMITMENTS AND CONTINGENCIES

Legal Proceedings

The Company is subject to legal proceedings arising in the ordinary course of business. Although the results of litigation and claims cannot be predicted with certainty, the Company currently does not believe that the final outcome of any of these other matters will have a material effect on the Company's business, financial position, results of operations or cash flows.

Indemnification Agreements

In the ordinary course of business, the Company may provide indemnifications of varying scope and terms to customers, vendors, lessors, business partners and other parties with respect to certain matters, including, but not limited to, losses arising out of the breach of such agreements, services to be provided by the Company or from intellectual property infringement claims made by third parties. The Company may also assume indemnification obligations in strategic transactions, such as its assumption of certain indemnification obligations in its acquisition of RepairPal.

In addition, the Company has entered into indemnification agreements with directors and certain officers and employees that will require the Company to, among other things, indemnify them against certain liabilities that may arise by reason of their status or service as directors, officers or employees.

While the outcome of claims cannot be predicted with certainty, the Company does not believe that the outcome of any claims under the indemnification arrangements will have a material effect on the Company's business, financial position, results of operations or cash flows.

Revolving Credit Facility

The Company has a revolving credit facility established by its Revolving Credit and Guaranty Agreement, dated as of April 28, 2023, with certain lenders and JPMorgan Chase Bank, N.A., as administrative agent and collateral agent, as amended by the First Amendment to Revolving Credit and Guaranty Agreement, dated as of December 18, 2025, with the lenders party thereto, JPMorgan Bank, N.A., as the existing administrative agent and collateral agent, and Wells Fargo Bank National Association, as the successor administrative agent and collateral agent (as amended, the "Credit Agreement").

The Credit Agreement provides for a \$325.0 million senior secured revolving credit facility (the "credit facility"), which includes a \$35.0 million letter of credit sub-limit, a \$25.0 million bilateral letter of credit facility and an accordion option, which, if exercised, would allow the Company to increase the aggregate commitments by up to \$250.0 million, plus additional amounts if the Company is able to satisfy a leverage test, subject to certain conditions. The commitments under the credit facility expire on April 28, 2028.

Loans under the credit facility bear interest, at the Company's election, at either (a) an adjusted term Secured Overnight Financing Rate plus 0.10% plus a margin of 1.25% - 1.50%, depending on the Company's total leverage ratio, or (b) an alternative base rate plus a margin of 0.25% - 0.50%, depending on the Company's total leverage ratio. The Company is required to pay a commitment fee on the undrawn portion of the aggregate commitments that accrues at 0.20% - 0.25% per annum, depending on the Company's total leverage ratio, as well as a letter of credit fee on any outstanding letters of credit that accrues at 1.25% - 1.50% per annum, depending on the Company's total leverage ratio.

The credit facility contains customary conditions to borrowing, events of default and covenants, including covenants that restrict the Company's ability to incur indebtedness, grant liens, make distributions, pay dividends, repurchase shares, make investments and engage in transactions with the Company's affiliates, in each case subject to certain exceptions. The credit facility also requires the Company to maintain a total leverage ratio of no greater than 3.75 to 1.00, subject to an increase up to 4.25 to 1.00 for a certain period following significant acquisitions, and an interest coverage ratio of no less than 3.00 to 1.00. The obligations under the credit facility are secured by liens on substantially all of the Company's domestic assets, including

certain domestic intellectual property assets and the equity of its domestic subsidiaries, as well as a portion of the equity interests the Company holds directly in its foreign subsidiaries.

As of March 31, 2026, the Company had outstanding borrowings of \$130.0 million, at a weighted-average interest rate of 5.50%, \$4.2 million of letters of credit outstanding under the credit facility sub-limit, and \$190.8 million remained available under the credit facility. The letters of credit are primarily related to lease agreements for certain office locations and are required to be maintained and issued to the landlords of each facility. The Company was in compliance with all conditions and financial covenants thereunder as of March 31, 2026.

Deferred financing costs represent costs incurred with the issuance or amendment of our credit facility, and are amortized over the terms of the related debt and recognized as a component of interest expense in the unaudited condensed consolidated statements of operations. Deferred financing costs related to the 2025 amendment of our revolving credit facility were not significant and are included in other assets in the unaudited condensed consolidated balance sheets.

Purchase Obligations

The Company has certain off-balance sheet non-cancelable purchase obligations, consisting primarily of website hosting costs and other commitments required in the ordinary course of business. As of March 31, 2026, total commitments were approximately \$132.9 million, of which approximately \$79.5 million is expected to be paid within the next 12 months.

12. STOCKHOLDERS' EQUITY

Stock Repurchase Program

On February 10, 2026, the Company's board of directors authorized a \$500.0 million increase to its stock repurchase program, bringing the total amount of repurchases authorized under the stock repurchase program since its inception in 2017 to \$2.45 billion of its outstanding common stock, \$413.8 million of which remained available as of March 31, 2026. The Company may purchase shares at management's discretion in the open market, in privately negotiated transactions, in transactions structured through investment banking institutions or a combination of the foregoing.

During the three months ended March 31, 2026, the Company repurchased 5,086,834 shares on the open market for an aggregate purchase price of \$125.0 million (excluding the 1% excise tax on stock repurchases as a result of the Inflation Reduction Act of 2022) and retired 4,865,355 shares. As of March 31, 2026, the Company had a treasury stock balance of 254,479 shares, which were excluded from its outstanding share count as of such date and subsequently retired in April 2026.

During the three months ended March 31, 2025, the Company repurchased 1,688,858 shares on the open market for an aggregate purchase price of \$62.5 million (excluding the 1% excise tax on stock repurchases as a result of the Inflation Reduction Act of 2022) and retired 1,747,343 shares. As of March 31, 2025, the Company had a treasury stock balance of 42,375 shares, which were excluded from its outstanding share count as of such date and subsequently retired in April 2025.

Equity Incentive Plans

Stock Options

A summary of stock option activity for the three months ended March 31, 2026 is as follows:

	Number of Shares (in thousands)	Weighted- Average Exercise Price	Weighted- Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding at December 31, 2025	2,262	\$ 33.78	1.8	\$ 4,420
Exercised	(427)	20.47		
Outstanding at March 31, 2026	1,835	\$ 36.87	1.9	\$ 18,944
Options vested and exercisable at March 31, 2026	1,835	\$ 36.87	1.9	\$ 18,944

Aggregate intrinsic value represents the difference between the closing price of the Company's common stock as quoted on the New York Stock Exchange on a given date and the exercise price of outstanding, in-the-money options. The total intrinsic

value of options exercised was approximately \$3.1 million and \$0.2 million for the three months ended March 31, 2026 and 2025, respectively.

RSUs

RSUs include PRSUs that are subject to either (a) a market condition or (b) the achievement of performance goals. As the PRSU activity during the three months ended March 31, 2026 was not material, it is presented together with the RSU activity in the table below. A summary of RSU and PRSU activity for the three months ended March 31, 2026 is as follows (in thousands, except per share amounts):

	Number of Shares	Weighted-Average Grant Date Fair Value
Nonvested at December 31, 2025	4,898	\$ 38.72
Granted	3,869	28.81
Vested ⁽¹⁾	(1,084)	35.87
Canceled	(238)	37.11
Nonvested at March 31, 2026 ⁽²⁾	7,445	\$ 34.04
Expected to vest at March 31, 2026	7,428	\$ 34.05

⁽¹⁾ Includes approximately 0.5 million shares that vested but were not issued due to the Company's use of net share settlement for payment of employee taxes.

⁽²⁾ Includes approximately 1.0 million PRSUs.

The aggregate fair value as of the vest date of RSUs and PRSUs that vested during the three months ended March 31, 2026 and 2025 was \$23.2 million and \$44.6 million, respectively. As of March 31, 2026, the Company had approximately \$229.2 million of unrecognized stock-based compensation expense related to RSUs and PRSUs, which it expects to recognize over the remaining weighted-average vesting period of approximately 2.6 years.

Employee Stock Purchase Plan

There were no shares purchased by employees under the Employee Stock Purchase Plan ("ESPP") during the three months ended March 31, 2026 and 2025. The Company recognized stock-based compensation expense related to the ESPP of \$1.2 million and \$1.1 million during the three months ended March 31, 2026 and 2025, respectively.

Stock-Based Compensation

The following table summarizes the effects of stock-based compensation expense related to stock-based awards in the condensed consolidated statements of operations during the periods presented (in thousands):

	Three Months Ended March 31,	
	2026	2025
Cost of revenue	\$ 1,140	\$ 1,171
Sales and marketing	6,454	7,639
Product development	14,710	19,409
General and administrative	8,203	9,250
Total stock-based compensation recorded to income before income taxes	30,507	37,469
Benefit from income taxes	(5,964)	(7,411)
Total stock-based compensation recorded to net income attributable to common stockholders	\$ 24,543	\$ 30,058

The Company capitalized \$2.3 million and \$2.8 million of stock-based compensation expense as website and internal-use software development costs and, to a lesser extent, implementation costs incurred related to cloud computing arrangements that are service contracts in the three months ended March 31, 2026 and 2025, respectively.

13. INCOME TAXES

The Company is subject to income taxes in the United States as well as other tax jurisdictions in which it conducts business. Earnings from non-U.S. activities are subject to local country income taxes. The provision for income taxes for the three months ended March 31, 2026 was \$12.1 million, which was due to \$6.9 million of U.S. federal, state and foreign income tax expense and \$5.2 million of net discrete tax expense primarily related to interest on uncertain tax positions and stock-based compensation. The provision for income taxes for the three months ended March 31, 2025 was \$10.8 million, which was due to \$8.7 million of U.S. federal, state and foreign income tax expense and \$2.1 million of net discrete tax expense primarily related to interest on uncertain tax positions.

Accounting for income taxes for interim periods generally requires the provision for income taxes to be determined by applying an estimate of the annual effective tax rate for the full fiscal year to income or loss before income taxes, excluding unusual or infrequently occurring discrete items, for the reporting period. For the three months ended March 31, 2026 and 2025, the difference between the effective tax rate and the federal statutory tax rate was primarily related to tax credits, offset by stock-based compensation and other non-deductible expenses.

As of March 31, 2026, the Company had \$52.0 million of unrecognized tax benefits that, if recognized, would affect the Company's effective tax rate.

As of March 31, 2026, the Company estimated that it had accumulated undistributed earnings generated by its foreign subsidiaries of approximately \$52.8 million. Any taxes due with respect to such earnings or the excess of the amount for financial reporting over the tax basis of the Company's foreign investments would generally be limited to foreign and state taxes. The Company has not recognized a deferred tax liability related to unremitted foreign earnings, as it intends to indefinitely reinvest these earnings, and expects future U.S. cash generation to be sufficient to meet future U.S. cash needs.

In addition, the Company is subject to the continuous examination of its income tax returns by the Internal Revenue Service and other tax authorities. The Company's federal and state income tax returns for tax years subsequent to 2012 remain open to examination. In the Company's foreign jurisdictions — Canada, Germany, Ireland and the United Kingdom — the tax years subsequent to 2019 remain open to examination. The Company regularly assesses the likelihood of adverse outcomes resulting from examinations to determine the adequacy of its provision for income taxes and monitors the progress of ongoing discussions with tax authorities and the impact, if any, of the expected expiration of the statute of limitations in various taxing jurisdictions. The Company believes that an adequate provision has been made for any adjustments that may result from tax examinations. However, the outcome of tax audits cannot be predicted with certainty. If any issues addressed in the Company's tax audits are resolved in a manner not consistent with management's expectations, the Company could be required to adjust its provision for income taxes in the period such resolution occurs.

14. NET INCOME PER SHARE ATTRIBUTABLE TO COMMON STOCKHOLDERS

Basic net income (loss) per share attributable to common stockholders is computed using the weighted-average number of outstanding shares of common stock during the period. Diluted net income (loss) per share attributable to common stockholders is computed using the weighted-average number of outstanding shares of common stock and the effect of potentially dilutive securities outstanding during the period. Potentially dilutive securities include stock options, RSUs (including PRSUs) and, to a lesser extent, ESPP shares. If dilutive, such potentially dilutive securities are reflected in net income (loss) per share attributable to common stockholders using the treasury stock method.

The following tables present the calculation of basic and diluted net income per share attributable to common stockholders for the periods presented (in thousands, except per share data):

	Three Months Ended March 31,	
	2026	2025
Basic net income per share:		
Net income attributable to common stockholders	\$ 17,735	\$ 24,391
Shares used in computation:		
Weighted-average common shares outstanding	58,816	65,261
Basic net income per share attributable to common stockholders:	<u>\$ 0.30</u>	<u>\$ 0.37</u>

	Three Months Ended March 31,	
	2026	2025
Diluted net income per share:		
Net income attributable to common stockholders	\$ 17,735	\$ 24,391
Shares used in computation:		
Weighted-average common shares outstanding	58,816	65,261
Stock options and ESPP	81	478
RSUs	477	1,585
Number of shares used in diluted calculation	59,374	67,324
Diluted net income per share attributable to common stockholders:	\$ 0.30	\$ 0.36

The following stock-based instruments were excluded from the calculation of diluted net income per share attributable to common stockholders because their effect would have been anti-dilutive for the periods presented (in thousands):

	Three Months Ended March 31,	
	2026	2025
Stock options	1,832	551
RSUs	5,069	3,342

15. INFORMATION ABOUT SEGMENT, REVENUE AND GEOGRAPHIC AREAS

The Company considers operating segments to be components of the Company for which separate financial information is available and evaluated regularly by the Company's chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company has determined that it has a single operating and reporting segment managed on a consolidated basis. The single segment generates substantially all of its revenue from the sale of performance-based advertising products through its advertising platform. The chief operating decision maker for the Company is the Chief Executive Officer. The Chief Executive Officer assesses performance for the single segment and decides how to allocate resources based on net income, which is reported on the condensed consolidated statements of operations as net income attributable to common stockholders. Net income is used to monitor budget versus actual results. The measure of segment assets is reported on the condensed consolidated balance sheets as total assets.

The following table presents a reconciliation of segment net income to net income attributable to common stockholders for the periods presented (in thousands):

	Three Months Ended March 31,	
	2026	2025
Net revenue	\$ 361,457	\$ 358,534
Less:		
Employee expenses (exclusive of stock-based compensation) ⁽¹⁾⁽³⁾	186,308	185,769
Cost of revenue (exclusive of depreciation and amortization and stock-based compensation)	37,269	33,656
Stock-based compensation	30,507	37,469
Other segment items ⁽²⁾⁽³⁾	61,256	54,059
Depreciation and amortization	16,233	12,350
Provision for income taxes	12,149	10,840
Segment net income	<u>\$ 17,735</u>	<u>\$ 24,391</u>
Reconciliation of segment net income to net income attributable to common stockholders		
Adjustments and reconciling items	—	—
Net income attributable to common stockholders	<u>\$ 17,735</u>	<u>\$ 24,391</u>

⁽¹⁾ Includes expenses related to employees working in the sales and marketing, product development, and general and administrative departments and excludes expenses related to employees working in the infrastructure department whose costs are included in the cost of revenue (exclusive of depreciation and amortization and stock-based compensation) line.

⁽²⁾ Includes marketing, facilities, travel and entertainment, consulting and professional services, hardware and software, bad debt, other operating expenses and other income, net.

⁽³⁾ Prior period segment information has been recast to conform to the way the Company currently internally manages and monitors its business. The recast of prior period information had no impact on the Company's condensed consolidated balance sheets, condensed consolidated statements of operations, or condensed consolidated statements of cash flows.

Net Revenue

When the Company communicates results externally, it disaggregates net revenue into major product lines and primary geographical markets, which is based on the billing address of the customer. The disaggregation of net revenue by major product lines is based on the type of service provided and also aligns with the timing of revenue recognition for each. To reflect the Company's strategic focus on creating differentiated experiences for its Services categories and Restaurants, Retail & Other categories, the Company further disaggregates advertising revenue to reflect these two high-level category groupings. The Services categories consist of the following businesses: home, local, auto, professional, pets, events, real estate and financial services. The Restaurants, Retail & Other categories consist of the following businesses: restaurants, shopping, beauty & fitness, health and other.

The following table presents the Company's net revenue by major product line (and by category for advertising revenue) for the periods presented (in thousands):

	Three Months Ended March 31,	
	2026	2025
Services	\$ 233,786	\$ 231,576
Restaurants, Retail & Other	98,702	110,425
Total advertising	332,488	342,001
Other	28,969	16,533
Total net revenue	<u>\$ 361,457</u>	<u>\$ 358,534</u>

During the three months ended March 31, 2026 and 2025, no individual customer accounted for 10% or more of consolidated net revenue.

The following table presents the Company’s net revenue by major geographic region for the periods presented (in thousands):

	Three Months Ended March 31,	
	2026	2025
United States	\$ 359,305	\$ 356,164
All other countries	2,152	2,370
Total net revenue	<u>\$ 361,457</u>	<u>\$ 358,534</u>

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and related notes appearing elsewhere in this Quarterly Report. This discussion contains forward-looking statements that reflect our plans, estimates and beliefs, and involve risks and uncertainties. Our actual results and the timing of certain events could differ materially from those anticipated in these forward-looking statements as a result of several factors, including those discussed in the section titled "Risk Factors" included under Part I, Item 1A in our Annual Report. See "Special Note Regarding Forward-Looking Statements" in this Quarterly Report.

Overview

As one of the best known Internet brands in the United States, Yelp is a trusted local resource for consumers and a partner in success for businesses of all sizes. Consumers trust us for the more than 300 million ratings and reviews available on our platform of businesses across a broad range of categories, while businesses advertise with us to reach our large audience of what we believe are purchase-oriented and generally affluent consumers.

We generate substantially all of our revenue from the sale of performance-based advertising products, which our advertising platform matches to individual consumers through auctions priced on a cost-per-click ("CPC") basis. In the three months ended March 31, 2026, our net revenue was \$361.5 million, up 1% from the three months ended March 31, 2025, and we recorded net income of \$17.7 million and adjusted EBITDA of \$79.4 million. For information on how we define and calculate adjusted EBITDA, and a reconciliation of this non-GAAP financial measure to net income, see "*Non-GAAP Financial Measures*" below.

In the first quarter of 2026, we continued to make progress transforming Yelp with artificial intelligence ("AI") through our strategic investments in product innovation:

- *Reconceive Yelp Around Answers and Actions.* In the first quarter, increased adoption of Yelp Assistant drove approximately 15% of all Request-a-Quote projects.¹ Building on this momentum, we launched a new Yelp Assistant that supports local discovery across every business category on Yelp. To provide a more comprehensive consumer experience, we also announced new integrations with Vagaro and Zocdoc to enable users to book beauty, wellness, fitness and healthcare appointments.
- *Deliver AI Tools that Help Businesses Grow, Operate and Succeed.* We continued to scale Yelp Host, our AI-powered call answering service for restaurants, in the first quarter, which surpassed an annual run rate² of more than 1.5 million calls handled in April 2026, more than doubling from January 2026. Hatch has also demonstrated early progress since we acquired it in February 2026 with an annual run rate revenue of \$34.0 million in March 2026. We also introduced an improved business owner account experience, which streamlines administrative tasks through an AI-powered support chatbot that handles account access, billing and troubleshooting.
- *Extend Our Reach to Power Local Discovery Across the AI Ecosystem.* Demand for our data licensing products was robust in the first quarter, contributing to strong growth in other revenue. We secured new licensing agreements, including with OpenAI, and continued to expand our integrations with existing partners, including Alexa+, where users are now able to book and manage Yelp restaurant reservations through our Reservations API. Consumers can now find licensed Yelp content on Amazon Alexa, Apple Maps, Microsoft Bing, Meta.ai and Yahoo, among many other platforms.

In the first quarter, strength in other revenue and growth in advertising revenue from Services businesses drove modest year-over-year revenue growth as the economic environment facing consumers and local businesses continued to be challenging. We expect these adverse conditions to persist and continue impacting advertising revenue across categories in the second quarter, driving a modest year-over-year decrease in revenue. However, we expect revenue to increase sequentially in the second quarter due to continued strength in other revenue. As our other revenue streams continue to gain traction, we are targeting an annual run rate of \$250 million in other revenue by the end of 2028.

We expect expenses will increase sequentially in the second quarter as we invest in our AI transformation and increase marketing spend, which we anticipate will result in a year-over-year decrease in adjusted EBITDA in the second quarter.

¹ Projects created by users through a Request-a-Quote flow or Yelp Assistant.

² References to the "annual run rate" of certain metrics included in this Quarterly Report are calculated by annualizing the metric's results for the indicated period. For example, we calculate annual run rate based on a metric's results for a given month by multiplying those results by 12, or for a given quarter by multiplying the results by four.

However, we believe we can drive strong growth in adjusted EBITDA margin over the next several years as a result of our top-line efforts and opportunities to drive operational efficiencies and employee productivity with AI.

Key Metrics

We regularly review a number of metrics, including the key metrics set forth below, to evaluate our business, measure our performance, identify trends in our business, prepare financial projections and make strategic decisions.

Ad Clicks and Average CPC

The amount of revenue we generate from our pay-for-performance advertising products is determined by the number of ad clicks we deliver to advertisers and the price we charge for each ad click.

Ad clicks represent user interactions with our pay-for-performance advertising products, including clicks on advertisements on our website and mobile app, clicks on syndicated advertisements on third-party platforms and Request-a-Quote submissions, among others. Ad clicks include only user interactions that we are able to track directly, and therefore do not include user interactions with ads sold through our advertising partnerships. We do not expect the exclusion of such user interactions to materially affect this metric. We report the year-over-year percentage change in ad clicks as a measure of our success in monetizing more of our consumer activity and delivering more value to advertisers.

Average CPC is calculated as revenue from our performance-based ad products — excluding certain revenue adjustments that do not impact the outcome of an auction for an individual ad click, such as refunds, as well as revenue from our advertising partnerships — divided by the total number of ad clicks for a given period. Average CPC represents the average amount we charge advertisers for each ad click.

We believe that ad clicks and average CPC together reflect one of the most significant dynamics affecting our advertising revenue performance: the interplay of advertiser demand and consumer activity. At the level of an auction for an individual ad click, advertiser demand — consisting of advertiser budgets and the number of advertisers competing to purchase the ad click — intersects with the supply of consumer activity — consisting of the predicted levels of relevant consumer traffic and engagement — to determine CPC, with higher advertiser demand putting upward pressure on the CPC and higher consumer activity putting downward pressure on the CPC. In aggregate, advertiser demand consists of the number of business locations advertising with us (which we refer to as paying advertising locations, as discussed below) and the aggregate budget they allocate to purchasing our advertising products. Aggregate monetizable consumer activity depends on the levels of consumer traffic and engagement with our ads, the numbers of locations where we can display ads and other monetizable features, and our click-through rate, which is the ratio of ad clicks to the number of times the ads were displayed to consumers. The relative strengths of these factors in aggregate are reflected in average CPC.

Ad clicks and average CPC also provide important insight into the value we deliver to advertisers, which we believe is a significant factor in our ability to retain both revenue and customers. For example, a positive change in ad clicks for a given period combined with lower growth or a negative change in average CPC over the same period would indicate that we delivered more ad clicks at lower prices, thereby delivering more value to our advertisers; we would expect this to have a positive impact on retention. Conversely, growth in average CPC paired with a negative or lower growth rate in ad clicks would indicate we charged more without delivering more ad clicks; we would expect this to have a negative impact on retention unless we are able to increase the value we deliver through higher performing ad clicks.

The following table presents year-over-year changes in our ad clicks and average CPC for the periods presented (each expressed as a percentage):

	Three Months Ended March 31,	
	2026	2025
Ad Clicks	(10)%	(3)%
Average CPC	8%	9%

Ad clicks decreased year over year in the three months ended March 31, 2026, primarily due to a decrease in Restaurants, Retail & Other (“RR&O”) ad clicks, partially offset by a slight increase in Services ad clicks.

Average CPC increased in the three months ended March 31, 2026, primarily due to an increase in average CPC in RR&O categories as advertiser demand outpaced consumer demand in these categories, partially offset by a modest decrease in average CPC in Services categories resulting from relatively stable advertiser demand together with the slight increase in ad clicks. In

addition, Services ad clicks, which generally have higher CPCs, comprised a greater portion of total ad clicks compared to the prior-year period.

These trends reflect the economic uncertainties facing consumers, the challenging operating environment for local businesses and, to a lesser extent, competitive pressures in RR&O categories from food ordering and delivery providers.

Advertising Revenue by Category

We generate advertising revenue from the sale of our advertising products — including business page upgrades and performance-based advertising in search results and elsewhere on our platform — to businesses of all sizes, from single-location local businesses to multi-location national businesses (“Yelp Ads”). Advertising revenue also includes revenue generated from the resale of our advertising products by certain partners and monetization of advertising inventory through third-party ad networks, as well as revenue generated from RepairPal.

To reflect our strategic focus on creating two differentiated experiences on Yelp, we provide a breakdown of our advertising revenue attributable to businesses in two high-level category groupings: Services and RR&O. Our Services categories consist of home, local, auto, professional, pets, events, real estate and financial services. Our RR&O categories consist of restaurants, shopping, beauty & fitness, health and other.

Refer to “[Results of Operations — Net Revenue](#)” below for further discussion of our advertising revenue by category.

Paying Advertising Locations

Paying advertising locations comprise all business locations associated with a business account from which we recognized advertising revenue in a given month, excluding business accounts that purchased advertising through partner programs other than Yelp Ads Certified Partners, averaged over a given period. We also provide a breakdown of paying advertising locations between our Services categories and RR&O categories.

We provide our paying advertising locations as a measure of the reach and scale of our business; however, this metric may exhibit short-term volatility as a result of factors such as seasonality and macroeconomic conditions. For example, macroeconomic factors, particularly those affecting local economies such as labor and supply chain issues, inflation and recessionary concerns, and interest rates, have had a predominant negative impact on RR&O paying advertising locations in recent periods. Short-term fluctuations in paying advertising locations may also reflect the acquisition or loss of single advertising accounts associated with large numbers of locations, or the pausing/restarting of advertising campaigns by such multi-location advertisers.

The following table presents the number of paying advertising locations for the periods presented (in thousands, except percentages):

	Three Months Ended March 31,		% Change
	2026	2025	
Services	250	261	(4)%
Restaurants, Retail & Other	235	256	(8)%
Total Paying Advertising Locations	485	517	(6)%

Paying advertising locations decreased in the three months ended March 31, 2026 compared to the prior-year period, reflecting year-over-year decreases in both Services and RR&O paying advertising locations. We believe the decrease in paying advertising locations reflects the challenging operating environment facing businesses in these categories and, to a lesser extent, competition for ad spend from such businesses, including from food ordering and delivery providers.

Results of Operations

The following table sets forth our results of operations for the periods presented (in thousands, except percentages). The period-to-period comparison of financial results is not necessarily indicative of the results of operations to be anticipated for the full year 2026 or any future period.

	Three Months Ended March 31,			
	2026	2025	\$ Change	% Change ⁽¹⁾
Condensed Consolidated Statements of Operations Data:				
Net revenue by product:				
Services	\$ 233,786	\$ 231,576	\$ 2,210	1 %
Restaurants, Retail & Other	98,702	110,425	(11,723)	(11)%
Total advertising	332,488	342,001	(9,513)	(3)%
Other	28,969	16,533	12,436	75 %
Total net revenue	361,457	358,534	2,923	1 %
Costs and expenses:				
Cost of revenue (exclusive of depreciation and amortization shown separately below)	38,409	34,828	3,581	10 %
Sales and marketing	153,010	146,284	6,726	5 %
Product development	77,157	83,905	(6,748)	(8)%
General and administrative	49,350	51,707	(2,357)	(5)%
Depreciation and amortization	16,233	12,350	3,883	31 %
Total costs and expenses	334,159	329,074	5,085	2 %
Income from operations	27,298	29,460	(2,162)	(7)%
Other income, net	2,586	5,771	(3,185)	(55)%
Income before income taxes	29,884	35,231	(5,347)	(15)%
Provision for income taxes	12,149	10,840	1,309	12 %
Net income attributable to common stockholders	\$ 17,735	\$ 24,391	\$ (6,656)	(27)%

⁽¹⁾ Percentage changes may not recalculate using the rounded numbers presented in this table.

Three Months Ended March 31, 2026 and 2025

Net Revenue

Net revenue increased slightly in the three months ended March 31, 2026 compared to the prior-year period, primarily driven by growth in other revenue and an increase in advertising revenue from Services businesses, partially offset by a decrease in advertising revenue from RR&O businesses.

Advertising. Advertising revenue for the three months ended March 31, 2026 decreased 3% year over year, as a result of a decrease in revenue from RR&O businesses, partially offset by an increase in revenue from Services businesses. The decrease in RR&O revenue was driven by a decrease in ad clicks, partially offset by an increase in average CPC. Services revenue growth in the three months ended March 31, 2026 was driven by an increase in ad clicks, partially offset by a decrease in average CPC.

Other. We generate other revenue through non-advertising contracts, such as our subscription services, which include our Yelp Guest Manager, Yelp Receptionist, Yelp Host and Hatch offerings, as well as our Yelp Places API, Yelp AI API and Yelp Insights API programs, which provide Yelp content and data for a fee. In addition, other revenue includes revenue from various transactions with consumers. We generate revenue from our partnership integrations for food ordering through a combination of transaction-based, revenue-sharing agreements, under which we act as an agent and recognize fees on a net basis upon completion of each transaction, and fixed annual fee arrangements that may be adjusted based on engagement metrics such as click to order volume.

Other revenue for the three months ended March 31, 2026 increased compared to the prior-year period, driven by the addition of revenue from Hatch, an increase in revenue from our Yelp Places API program, and food ordering partnerships.

Trends and Uncertainties of Net Revenue. We expect our strategic initiatives to drive strong growth in other revenue, resulting in a sequential increase in net revenue for the three months ending June 30, 2026. However, we anticipate net revenue will decrease compared to the prior-year period, reflecting the continued economic challenges facing consumers and local businesses.

Costs and Expenses

Cost of Revenue (exclusive of depreciation and amortization). Our cost of revenue consists primarily of website infrastructure expense, which includes website hosting costs and employee-related costs (including stock-based compensation expense) for the infrastructure teams responsible for operating our website and mobile app and the RepairPal and Hatch websites, and excludes depreciation and amortization expense. Cost of revenue also includes third-party advertising fulfillment costs, credit card processing fees and revenue share payments, which primarily consist of payments to RepairPal referral partners.

Cost of revenue for the three months ended March 31, 2026 increased compared to the prior-year period, primarily due to:

- a \$2.3 million increase in website infrastructure expenses, primarily driven by ongoing investments in maintaining and enhancing our infrastructure, including the integration of AI products; and
- an additional \$1.7 million of infrastructure expense due to our acquisition of Hatch.

These increases were partially offset by a \$1.4 million decrease in advertising fulfillment costs, largely attributable to lower Yelp Audiences spend.

We expect cost of revenue to increase on an absolute dollar basis in 2026 compared to 2025, primarily due to our planned investments in AI capabilities.

Sales and Marketing. Our sales and marketing expenses primarily consist of employee-related costs (including sales commission and stock-based compensation expenses) for our sales and marketing employees. Sales and marketing expenses also include business and consumer acquisition marketing, community management, as well as allocated workplace and other supporting overhead costs.

Sales and marketing expenses for the three months ended March 31, 2026 increased compared to the prior-year period, primarily due to:

- a \$5.3 million increase in marketing and advertising costs, primarily driven by higher consumer and business owner marketing; and
- a \$1.5 million increase in sales and marketing employee-related costs, resulting from higher average headcount in these roles, including headcount added from the acquisition of Hatch.

We expect sales and marketing expenses to increase on an absolute dollar basis and as a percentage of revenue in 2026 compared to 2025, primarily due to marketing investments and additional headcount from the acquisition of Hatch.

Product Development. Our product development expenses primarily consist of employee-related costs (including bonuses and stock-based compensation expense, net of capitalized employee-related costs associated with capitalized website and internal-use software development) for our engineers, product management and corporate infrastructure employees. In addition, product development expenses include allocated workplace and other supporting overhead costs.

Product development expenses for the three months ended March 31, 2026 decreased compared to the prior-year period primarily due to an \$8.9 million decrease in employee-related costs resulting from more employee costs being capitalized, a higher proportion of employee work directed toward infrastructure enhancements (resulting in more costs included in cost of revenue), and lower cost of labor. These decreases were partially offset by an additional \$1.5 million in headcount costs related to the acquisition of Hatch.

We expect product development expenses to decrease both on an absolute dollar basis and as a percentage of revenue in 2026 compared to 2025, inclusive of additional headcount from the acquisition of Hatch, as we realize cost efficiencies within our organization.

General and Administrative. Our general and administrative expenses primarily consist of employee-related costs (including bonuses and stock-based compensation expense) for our executive, finance, user operations, legal, people operations and other administrative employees. Our general and administrative expenses also include our provision for credit losses, certain consulting and professional services costs, including litigation settlements, as well as allocated workplace and other supporting overhead costs.

General and administrative expenses for the three months ended March 31, 2026 decreased compared to the prior-year period primarily due to:

- a \$4.2 million decrease in indemnifiable expenses related to the RepairPal acquisition;
- a \$1.1 million decrease in our provision for credit losses, primarily due to lower customer delinquencies; and
- a \$1.1 million decrease in general and administrative employee-related costs, primarily driven by lower stock-based compensation expense.

These decreases were partially offset by a \$3.9 million increase in acquisition and integration costs related to the acquisition of Hatch.

We expect general and administrative expenses to increase on an absolute dollar basis and as a percentage of revenue in 2026 compared to 2025 as we continue to support our business and integrate Hatch.

Depreciation and Amortization. Depreciation and amortization expense primarily consists of depreciation and amortization on capitalized website and internal-use software development costs, computer equipment, leasehold improvements, and intangible assets.

Depreciation and amortization expense for the three months ended March 31, 2026 increased compared to the prior-year period, primarily due to:

- a \$2.8 million increase resulting from the amortization of intangible assets acquired in the Hatch acquisition; and
- a \$1.8 million increase due to higher capitalized website and internal-use software development costs.

Other Income, Net

Other income, net consists primarily of the interest income earned on our cash, cash equivalents and marketable securities, research and development tax credits, the portion of our sublease income in excess of our lease cost, accretion of discounts and amortization of premiums on investments, and credit facility-related interest and fees.

Other income, net for the three months ended March 31, 2026 decreased compared to the prior-year period, primarily due to:

- a \$1.8 million decrease in interest income as a result of lower average cash, cash equivalents, and marketable securities balances and lower interest rates in the current quarter; and
- a \$1.0 million increase in interest expense related to the credit facility borrowings incurred during the current period.

Provision for Income Taxes

Provision for income taxes consists of: federal and state income taxes in the United States and income taxes in certain foreign jurisdictions; and deferred income taxes reflecting the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Provision for income taxes for the three months ended March 31, 2026 increased from the prior-year period primarily due to an increase in the discrete tax expense primarily related to stock-based compensation.

As of December 31, 2025, we had approximately \$115.5 million in net deferred tax assets (“DTAs”). As of March 31, 2026, we consider it more likely than not that we will have sufficient taxable income in the future that will allow us to realize these DTAs. However, it is possible that some or all of these DTAs will not be realized. Therefore, unless we are able to generate sufficient taxable income from our operations, a substantial valuation allowance may be required to reduce our DTAs, which would materially increase our expenses in the period in which we recognize the allowance and have a materially adverse impact on our condensed consolidated financial statements. The exact timing and amount of the valuation allowance recognition are subject to change on the basis of the net income that we are able to actually achieve. We will continue to evaluate the possible recognition of a valuation allowance on a quarterly basis.

In July 2025, the congressional bill known as the One Big Beautiful Bill Act (“OBGBA”) was signed into law, which, among other things, restored certain favorable corporate tax provisions, including permitting full expensing of domestic research and development expenses. As of March 31, 2026, the impacts of the OBGBA are reflected in the 2026 estimated annual effective tax rate calculated in accordance with accounting principles generally accepted in the United States (“GAAP”).

Non-GAAP Financial Measures

Our condensed consolidated financial statements are prepared in accordance with GAAP. However, we have also disclosed below adjusted EBITDA, adjusted EBITDA margin and free cash flow, each of which is a non-GAAP financial measure.

Adjusted EBITDA and free cash flow have limitations as analytical tools, and you should not consider them in isolation or as substitutes for analysis of our results as reported under GAAP. In particular, adjusted EBITDA and free cash flow should not be viewed as substitutes for, or superior to, net income (loss) or net cash provided by (used in) operating activities prepared in accordance with GAAP as measures of profitability or liquidity. Some of these limitations are:

- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized may have to be replaced in the future, and adjusted EBITDA does not reflect all cash capital expenditure requirements for such replacements or for new capital expenditure requirements;
- adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- adjusted EBITDA does not reflect the impact of the recording or release of valuation allowances or tax payments that may represent a reduction in cash available to us;
- adjusted EBITDA does not consider the potentially dilutive impact of equity-based compensation;
- adjusted EBITDA does not take into account certain income and expense items, such as indemnifiable expenses, acquisition and integration costs, or other costs that management determines are not indicative of ongoing operating performance;
- free cash flow does not represent the total residual cash flow available for discretionary purposes because it does not reflect our contractual commitments or obligations; and
- other companies, including those in our industry, may calculate adjusted EBITDA and free cash flow differently, which reduces their usefulness as comparative measures.

Because of these limitations, you should consider adjusted EBITDA, adjusted EBITDA margin and free cash flow alongside other financial performance measures, including net income (loss), net cash provided by (used in) operating activities and our other GAAP results.

Adjusted EBITDA. Adjusted EBITDA is a non-GAAP financial measure that we calculate as net income (loss), adjusted to exclude: provision for (benefit from) income taxes; other income, net; depreciation and amortization; stock-based compensation expense; and, in certain periods, certain other operating income and expense items, such as expenses for which we expect to be indemnified, acquisition and integration costs, and other items we deem not to be indicative of our ongoing operating performance.

Adjusted EBITDA margin. Adjusted EBITDA margin is a non-GAAP financial measure that we calculate as adjusted EBITDA divided by net revenue.

The following is a reconciliation of net income to adjusted EBITDA, as well as the calculation of net income margin and adjusted EBITDA margin, for the periods presented (in thousands, except percentages):

	Three Months Ended March 31,	
	2026	2025
Reconciliation of Net Income to Adjusted EBITDA:		
Net income	\$ 17,735	\$ 24,391
Provision for income taxes	12,149	10,840
Other income, net	(2,586)	(5,771)
Depreciation and amortization	16,233	12,350
Stock-based compensation	30,507	37,469
Indemnifiable expenses ⁽¹⁾⁽²⁾	896	5,126
Acquisition and integration costs ⁽¹⁾⁽³⁾	4,420	539
Adjusted EBITDA	<u>\$ 79,354</u>	<u>\$ 84,944</u>
Net revenue	\$ 361,457	\$ 358,534
Net income margin	5 %	7 %
Adjusted EBITDA margin	22 %	24 %

(1) Recorded within general and administrative expenses on our condensed consolidated statements of operations.

(2) Represents expenses for which we expect to be indemnified in connection with our acquisition of RepairPal. Indemnifiable expenses during the three months ended March 31, 2025 consist of expenses recorded in connection with an indemnification obligation assumed in the RepairPal acquisition, for which we were subsequently indemnified through the release of a portion of the RepairPal holdback. See [Note 6, "Acquisitions,"](#) of the Notes to Consolidated Financial Statements for further detail.

(3) Acquisition and integration costs during the three months ended March 31, 2026 represent costs related to the Hatch acquisition and include accrued acquisition- and integration-related compensation. Acquisition and integration costs during the three months ended March 31, 2025 represent costs related to the RepairPal acquisition. For more information on the acquisition and integration costs, see [Note 6, "Acquisitions."](#)

Free Cash Flow. Free cash flow is a non-GAAP financial measure that we calculate as net cash provided by (used in) operating activities, less cash used for purchases of property, equipment and software.

The following is a reconciliation of net cash provided by operating activities to free cash flow for the periods presented (in thousands):

	Three Months Ended March 31,	
	2026	2025
Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow:		
Net cash provided by operating activities	\$ 57,816	\$ 97,995
Purchases of property, equipment and software	(12,660)	(10,531)
Free cash flow	<u>\$ 45,156</u>	<u>\$ 87,464</u>
Net cash used in investing activities	\$ (167,881)	\$ (12,003)
Net cash provided by (used in) financing activities	\$ 4,915	\$ (81,713)

Liquidity and Capital Resources

Sources of Liquidity

Our principal sources of liquidity are our cash and cash generated from operations. As of March 31, 2026, we had cash and cash equivalents of \$110.4 million, including cash held internationally of \$30.6 million.

We also have the ability to access backup liquidity to fund working capital and for other capital requirements, as needed, through the credit facility established pursuant to the Credit Agreement (as defined in [Note 11, “Commitments and Contingencies,”](#) of the Notes to Condensed Consolidated Financial Statements included under Part I, Item 1 in this Quarterly Report). The Credit Agreement provides for a \$325.0 million senior secured revolving credit facility, which includes a \$35.0 million letter of credit sub-limit, a \$25.0 million bilateral letter of credit facility and an accordion option, which, if exercised, would allow us to increase the aggregate commitments by up to \$250.0 million, plus additional amounts if we are able to satisfy a leverage test, subject to certain conditions. The commitments under the credit facility expire on April 28, 2028.

As of March 31, 2026, we had \$130.0 million of outstanding borrowings and \$4.2 million of letters of credit outstanding under the credit facility sub-limit, with \$190.8 million remaining available under the credit facility. The letters of credit are primarily related to lease agreements for certain office locations and are required to be maintained and issued to the landlords of each facility. We were in compliance with all conditions and financial covenants thereunder as of March 31, 2026. As of May 1, 2026, we had \$105.0 million of outstanding borrowings following payments made subsequent to the quarter end.

Material Cash Requirements

Our future capital requirements and the adequacy of available funds will depend on many factors, including those set forth under “*Risk Factors*” included under Part I, Item 1A in our Annual Report. We believe that our existing cash, together with any cash generated from operations, will be sufficient to meet our material cash requirements in the next 12 months and beyond, including: working capital requirements; our anticipated repurchases of common stock pursuant to our stock repurchase program; payment of taxes related to the net share settlement of equity awards; payment of lease costs related to our operating leases; income tax payments; and purchases of property, equipment and software and website hosting services. However, this estimate is based on a number of assumptions that may prove to be materially different and we could fully utilize our available cash earlier than presently anticipated.

On February 2, 2026, we completed our acquisition of Hatch for approximately \$271.2 million in cash. In connection with the acquisition, we have also agreed to provide certain continuing Hatch employees with acquisition- and integration-related compensation valued in the aggregate of \$30 million, to be paid over the next two to three years. See [Note 6, “Acquisitions,”](#) of the Notes to Condensed Consolidated Financial Statements included under Part I, Item 1 in this Quarterly Report for further detail.

In addition, we are still assessing the OBBBA’s impact on our income tax payments for 2026 and beyond. We are not able to reasonably estimate the timing of future cash flows related to \$54.5 million of uncertain tax positions. We also may be required to draw down additional funds from our credit facility or seek additional funds through equity or debt financings to respond to business challenges associated with the uncertain macroeconomic environment or other challenges, including the need to develop new features and products or enhance existing services, improve our operating infrastructure or acquire complementary businesses and technologies.

We lease office facilities under operating lease agreements that expire from 2026 to 2031. Our cash requirements related to these lease agreements are \$27.1 million, of which \$8.1 million is expected to be paid within the next 12 months. The total lease obligations are partially offset by our future minimum rental receipts to be received under non-cancelable subleases of \$13.4 million. See [Note 8, “Leases,”](#) of the Notes to Condensed Consolidated Financial Statements included under Part I, Item 1 in this Quarterly Report for further detail on our operating lease obligations.

Our cash requirements related to off-balance sheet purchase obligations consisting of non-cancelable agreements to purchase goods and services required in the ordinary course of business — primarily website hosting services — are approximately \$132.9 million, of which approximately \$79.5 million is expected to be paid within the next 12 months.

The cost of capital associated with any additional funds sought in the future might be adversely impacted by the effects of macroeconomic conditions on our business. Additionally, amounts deposited with third-party financial institutions exceed the Federal Deposit Insurance Corporation and Securities Investor Protection Corporation insurance limits, as applicable. These cash and cash equivalents could be impacted if the underlying financial institutions fail or are subjected to other adverse conditions in the financial markets. To date, we have experienced no loss or lack of access to our cash and cash equivalents; however, we can provide no assurances that access to our invested cash, cash equivalents and short-term marketable securities will not be impacted by adverse conditions in the financial markets.

Cash Flows

The following table summarizes our cash flows for the periods presented (in thousands):

	Three Months Ended March 31,	
	2026	2025
Net cash provided by operating activities	\$ 57,816	\$ 97,995
Net cash used in investing activities	\$ (167,881)	\$ (12,003)
Net cash provided by (used in) financing activities	\$ 4,915	\$ (81,713)

Operating Activities. Net cash provided by operating activities during the three months ended March 31, 2026 decreased by \$40.2 million compared to the prior-year period, primarily due to an increase of \$33.7 million in employee-related payments for salaries, commissions, bonuses and benefits, which was primarily driven by higher labor costs and higher average headcount, including headcount from the acquisition of Hatch. Income taxes paid also increased \$7.5 million compared to the prior period, due to refunds in the prior-year period that did not recur in the current period. These outflows were partially offset by a \$10.7 million increase in cash collected from customers and a \$2.7 million decrease in payments to vendors.

Investing Activities. Net cash used in investing activities during the three months ended March 31, 2026 increased compared to the prior-year period, primarily due to the acquisition of Hatch in February 2026 and higher capitalized website and internal-use software development costs. These increases were partially offset by net proceeds from sales and maturities of marketable securities and other investments.

Financing Activities. Net cash provided by financing activities during the three months ended March 31, 2026 increased compared to the prior-year period primarily due to proceeds from net borrowings under our credit facility, lower taxes paid related to the net share settlement of equity awards and increased proceeds from the issuance of common stock under employee stock-based plans, partially offset by increased repurchases of our common stock.

Stock Repurchase Program

Since its initial authorization in July 2017, our board of directors (the “Board”) has authorized us to repurchase up to an aggregate of \$2.45 billion of our outstanding common stock, including the \$500.0 million authorized in February 2026, of which \$388.7 million remained available as of May 1, 2026.

We may repurchase shares at our discretion in the open market, privately negotiated transactions, in transactions structured through investment banking institutions or a combination of the foregoing. The program is not subject to any time limit and may be modified, suspended or discontinued at any time. The amount and timing of repurchases are subject to a variety of factors, including liquidity, cash flow and market conditions.

During the three months ended March 31, 2026, we repurchased 5,086,834 shares on the open market for an aggregate purchase price of \$125.0 million (excluding the 1% excise tax on stock repurchases as a result of the Inflation Reduction Act of 2022).

We have funded all repurchases to date and currently expect to fund any future repurchases with cash and cash equivalents available on our condensed consolidated balance sheet.

Critical Accounting Policies and Estimates

Our condensed consolidated financial statements are prepared in accordance with GAAP. The preparation of these condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and related disclosures. We evaluate our estimates and assumptions on an ongoing basis. Our estimates and assumptions are based on historical experience and various other assumptions that we believe to be reasonable under the circumstances. Our actual results could differ from those estimates. Due to macroeconomic conditions and other factors, certain estimates and assumptions have required and may continue to require increased judgment and carry a higher degree of variability and volatility. As events continue to evolve and additional information becomes available, these estimates may materially change in future periods.

We believe that the assumptions and estimates associated with revenue recognition, business combinations and income taxes have the greatest potential impact on our condensed consolidated financial statements. There have been no material changes to our critical accounting policies and estimates from those disclosed in our Annual Report.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We have operations both within the United States and internationally, and we are exposed to market risks in the ordinary course of business. These risks primarily include interest rate, foreign exchange risks and inflation, and have not changed materially from the market risks we were exposed to in the year ended December 31, 2025.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2026. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2026, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the three months ended March 31, 2026 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our Chief Executive Officer and our Chief Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives and are effective at the reasonable assurance level. However, our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by the collusion of two or more people or by management override of controls. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are subject to legal proceedings arising in the ordinary course of business. Although the results of litigation and claims cannot be predicted with certainty, we currently do not believe that the final outcome of any of these other matters will have a material effect on our business, financial position, results of operations or cash flows. For more information, see “Legal Proceedings” in [Note 11, “Commitments and Contingencies,”](#) of the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report, which is incorporated herein by reference.

ITEM 1A. RISK FACTORS

There have been no material changes to the risk factors set forth in the section titled “*Risk Factors*” included under Part I, Item 1A of our Annual Report, which describes various risks and uncertainties that could adversely affect our business, financial condition, results of operations, cash flows and the trading price of our common stock. You should carefully consider the risks and uncertainties described in the Annual Report before making an investment decision.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Issuer Purchases of Equity Securities

The following table summarizes our stock repurchase activity for the three months ended March 31, 2026 (in thousands, except for price per share):

Period	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid per Share ⁽²⁾	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Program
January 1 - January 31, 2026	864	\$ 29.06	864	\$ 13,710
February 1 - February 28, 2026	672	\$ 21.57	672	\$ 499,216
March 1 - March 31, 2026	3,551	\$ 24.06	3,551	\$ 413,787
Total	5,087		5,087	

⁽¹⁾ Since the initial authorization of our Stock Repurchase Program in July 2017, our Board authorized us to repurchase up to an aggregate of \$2.45 billion of our outstanding common stock, including the \$500.0 million authorized in February 2026, of which \$388.7 million remained available as of May 1, 2026. The actual timing and amount of repurchases depend on a variety of factors, including liquidity, cash flow and market conditions. See “[Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Stock Repurchase Program](#)” included under Part I, Item 2 in this Quarterly Report.

⁽²⁾ Average price paid per share includes costs associated with the repurchases but excludes the 1% excise tax accrued on our share repurchases, net of shares issued, as a result of the Inflation Reduction Act of 2022.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Rule 10b5-1 Trading Plans

On February 19, 2026, Jed Nachman, our Chief Operating Officer, entered into a trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c). The plan provides for the sale of an aggregate of up to approximately 153,509 shares of our common stock. The plan will terminate on the earlier of April 1, 2027 or when all shares subject to the plan have been sold, subject to early termination for certain specified events set forth in the plan.

On February 19, 2026, Carmen Amara, our Chief People Officer, entered into a trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c). The plan provides for the sale of an aggregate of up to (i) 18,648 shares of our common stock and (ii) 47,550 shares of our common stock that may vest during the plan period, net of any shares we withhold to satisfy income tax withholding and remittance obligations in connection with the net settlement of the equity awards, the amount of which cannot currently be determined. The plan will terminate on the earlier of March 31, 2027 or when all shares subject to the plan have been sold, subject to early termination for certain specified events set forth in the plan.

ITEM 6. EXHIBITS.

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
3.1	Amended and Restated Certificate of Incorporation of Yelp Inc., as Amended.	8-K	001-35444	3.1	7/8/2020	
3.2	Amended and Restated Bylaws of Yelp Inc.	8-K	001-35444	3.1	3/15/2023	
10.1*	2012 Employee Stock Purchase Plan, as amended.					X
31.1	Certification pursuant to Rule 13a-14(a)/15d-14(a).					X
31.2	Certification pursuant to Rule 13a-14(a)/15d-14(a).					X
32.1†	Certifications of Chief Executive Officer and Chief Financial Officer.					X
101.INS	Inline XBRL Instance Document (embedded within the Inline XBRL document).					
101.SCH	Inline XBRL Taxonomy Extension Schema Document (with embedded Linkbase Documents).					X
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and contained in Exhibit 101).					

* Indicates management contract or compensatory plan or arrangement.

† The certifications attached as Exhibit 32.1 accompany this Quarterly Report on Form 10-Q, are not deemed filed with the SEC and are not to be incorporated by reference into any filing of Yelp Inc. under the Securities Act or the Exchange Act, whether made before or after the date of this Quarterly Report, irrespective of any general incorporation language contained in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: May 8, 2026

YELP INC.

/s/ David Schwarzbach
David Schwarzbach
Chief Financial Officer
(Principal Financial and Accounting Officer and Duly Authorized Signatory)

YELP INC.

2012 EMPLOYEE STOCK PURCHASE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: JANUARY 25, 2012

APPROVED BY THE STOCKHOLDERS: FEBRUARY 24, 2012

IPO DATE/EFFECTIVE DATE: MARCH 1, 2012

AMENDED BY THE BOARD OF DIRECTORS: SEPTEMBER 22, 2016

AMENDED BY THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS: MAY 31, 2023

1. General; Purpose.

(a) The Plan provides a means by which Eligible Employees of the Company and certain Designated Companies may be given an opportunity to purchase shares of Common Stock. The Plan permits the Company to grant a series of Purchase Rights to Eligible Employees.

(b) The Company, by means of the Plan, seeks to retain the services of Eligible Employees, to secure and retain the services of new Employees and to provide incentives for these persons to exert maximum efforts for the success of the Company and its Related Corporations.

(c) This Plan includes two components: a 423 Component and a Non-423 Component. It is the intention of the Company to have the 423 Component qualify as an Employee Stock Purchase Plan. The provisions of the 423 Component, accordingly, will be construed in a manner that is consistent with the requirements of Section 423 of the Code. In addition, this Plan authorizes the grant of Purchase Rights under the Non-423 Component that does not meet the requirements of an Employee Stock Purchase Plan because of deviations necessary to permit participation in the Plan by Employees who are foreign nationals or employed outside of the United States while complying with applicable foreign laws; these Purchase Rights will be granted pursuant to rules, procedures or subplans adopted by the Board designed to achieve these objectives for Eligible Employees and the Company and its Related Corporations. Except as otherwise provided herein or determined by the Board, the Non-423 Component will operate and be administered in the same manner as the 423 Component.

(d) If a Participant transfers employment from the Company or any Designated 423 Corporation participating in the 423 Component to a Designated Non-423 Corporation participating in the Non-423 Component, he or she will immediately cease to participate in the 423 Component; however, any Contributions made for the Purchase Period in which such transfer occurs will be transferred to the Non-423 Component, and that Participant will immediately join the then current Offering under the Non-423 Component upon the same terms and conditions in effect for his or her participation in the Plan, except for those modifications as may be required by applicable law. A Participant who transfers employment from a Designated Non-423 Corporation participating in the Non-423 Component to the Company or any Designated 423 Corporation participating in the 423 Component will remain a Participant in the Non-423 Component until the earlier of (i) the end of the current Offering Period under the Non-423 Component, or (ii) the Offering Date of the first Offering in which he or she participates following such transfer.

2. Administration.

(a) The Board will administer the Plan unless and until the Board delegates administration of the Plan to a Committee or Committees, as provided in Section 2(c).

(b) The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine how and when Purchase Rights will be granted and the provisions of each Offering (which need not be identical), including which Designated 423 Corporations and Designated Non-423 Corporations will participate in the 423 Component or the Non-423 Component.

(ii) To designate from time to time which Related Corporations of the Company will be eligible to participate in the Plan as Designated 423 Corporations and Designated Non-423 Corporations and which Affiliates will be eligible to participate in the Plan as Designated Non-423 Corporations.

(iii) To construe and interpret the Plan and Purchase Rights, and to establish, amend and revoke rules and regulations for its administration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan, in a manner and to the extent it deems necessary or expedient to make the Plan fully effective.

(iv) To settle all controversies regarding the Plan and Purchase Rights granted under the Plan.

(v) To suspend or terminate the Plan at any time as provided in Section 12.

(vi) To amend the Plan at any time as provided in Section 12.

(vii) Generally, to exercise such powers and to perform such acts as it deems necessary or expedient to promote the best interests of the Company and its Related Corporations and to carry out the intent that the 423 Component be treated as an Employee Stock Purchase Plan.

(viii) To adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the Plan by Employees who are foreign nationals or employed outside the United States. Without limiting the generality of, but consistent with, the foregoing, the Board specifically is authorized to adopt rules, procedures and subplans, which, for purposes of the Non-423 Component, may be outside the scope of Section 423 of the Code, regarding, without limitation, eligibility to participate in the Plan, handling and making of Contributions, establishment of bank or trust accounts to hold Contributions, payment of interest, conversion of local currency, obligations to pay payroll tax, determination of beneficiary designation requirements, withholding procedures and handling of share issuances, which may vary according to local requirements.

(c) The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee or subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board. The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revert in the Board some or all of the powers previously delegated. Whether or not the Board has delegated administration of the Plan to a Committee, the Board will have the final power to determine all questions of policy and expediency that may arise in the administration of the Plan.

(d) All determinations, interpretations and constructions made by the Board in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

3. Shares of Common Stock Subject to the Plan.

(a) Subject to the provisions of Section 11(a) relating to Capitalization Adjustments, the maximum number of shares of Common Stock that may be issued under the Plan will not exceed 4,200,000 shares of Common Stock, plus the number of shares that are automatically added on January 1st of each year for a period of up to ten years, commencing on the first January 1, commencing in 2013 and ending on (and including) January 1, 2022, in an amount equal to the lesser of (i) 2% of the total number of shares of Capital Stock outstanding on December 31st of the preceding calendar year, and (ii) 20,000,000 shares of Common Stock. Notwithstanding the foregoing, the

Board may act prior to the first day of any calendar year to provide that there will be no January 1st increase in the share reserve for that calendar year or that the increase in the share reserve for that calendar year will be a lesser number of shares of Common Stock than would otherwise occur pursuant to the preceding sentence.

(b) If any Purchase Right granted under the Plan terminates without having been exercised in full, the shares of Common Stock not purchased under that Purchase Right will again become available for issuance under the Plan.

(c) The stock purchasable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market.

4. Grant of Purchase Rights; Offering.

(a) The Board may from time to time grant or provide for the grant of Purchase Rights to Eligible Employees under an Offering on Offering Dates selected by the Board. Each Offering will be in such form and will contain such terms and conditions as the Board will deem appropriate, and with respect to the 423 Component will comply with the requirement of Section 423(b)(5) of the Code that all Employees granted Purchase Rights will have the same rights and privileges. The provisions of separate Offerings need not be identical, but each Offering will include (through incorporation of the provisions of this Plan by reference in the document comprising the Offering or otherwise) the period during which the Offering will be effective, which period will not exceed 27 months beginning with the Offering Date, and the substance of the provisions contained in Sections 5 through 8, inclusive.

(b) If a Participant has more than one Purchase Right outstanding under the Plan, unless he or she otherwise indicates in forms delivered to the Company: (i) each form will apply to all of his or her Purchase Rights under the Plan, and (ii) a Purchase Right with a lower exercise price (or an earlier-granted Purchase Right, if different Purchase Rights have identical exercise prices) will be exercised to the fullest possible extent before a Purchase Right with a higher exercise price (or a later-granted Purchase Right if different Purchase Rights have identical exercise prices) will be exercised.

(c) The Board will have the discretion to structure an Offering so that if the Fair Market Value of the shares of Common Stock on the first Trading Day of a new Purchase Period within that Offering is less than or equal to the Fair Market Value of the shares of Common Stock on the Offering Date, then (i) that Offering will terminate immediately as of that first Trading Day, and (ii) the Participants in that terminated Offering will be automatically enrolled in a new Offering beginning on the first Trading Day of the new Purchase Period.

5. Eligibility.

(a) Purchase Rights may be granted only to Employees of the Company or, as the Board may designate in accordance with Section 2(b), to Employees of a Related Corporation or an Affiliate. Except as provided in Section 5(b), an Employee will not be eligible to be granted Purchase Rights unless, on the Offering Date, the Employee has been in the employ of the Company, a Related Corporation or an Affiliate, as the case may be, for such continuous period preceding that Offering Date as the Board may require, but in no event will the required period of continuous employment be equal to or greater than two years. In addition, the Board may (unless prohibited by law) provide that no Employee will be eligible to be granted Purchase Rights under the Plan unless, on the Offering Date, that Employee's customary employment with the Company, the Related Corporation or the Affiliate is more than 20 hours per week and more than five months per calendar year or such other criteria as the Board may determine consistent with Section 423 of the Code.

(b) The Board may provide that each person who, during the course of an Offering, first becomes an Eligible Employee will, on or after the day on which that person becomes an Eligible Employee, receive a Purchase Right under that Offering, which Purchase Right will thereafter be deemed to be a part of that Offering. The Purchase Right will have the same characteristics as any Purchase Rights originally granted under that Offering, as described herein, except that:

(i) the date on which that Purchase Right is granted will be the “Offering Date” of that Purchase Right for all purposes, including determination of the exercise price of that Purchase Right;

(ii) the period of the Offering with respect to that Purchase Right will begin on its Offering Date and end coincident with the end of the original Offering; and

(iii) the Board may provide that if that person first becomes an Eligible Employee within a specified period of time before the end of the Offering, he or she will not receive any Purchase Right under that Offering.

(c) No Employee will be eligible for the grant of any Purchase Rights if, immediately after any such Purchase Rights are granted, that Employee owns stock possessing five percent or more of the total combined voting power or value of all classes of stock of the Company or of any Related Corporation (unless otherwise required by law). For purposes of this Section 5(c), the rules of Section 424(d) of the Code will apply in determining the stock ownership of any Employee, and stock which that Employee may purchase under all outstanding Purchase Rights and options will be treated as stock owned by that Employee.

(d) As specified by Section 423(b)(8) of the Code, an Eligible Employee may be granted Purchase Rights only if those Purchase Rights, together with any other rights granted under all Employee Stock Purchase Plans of the Company and any Related Corporations, do not permit that Eligible Employee's rights to purchase stock of the Company or any Related Corporation to accrue at a rate which exceeds \$25,000 of Fair Market Value of such stock (determined at the time such rights are granted, and which, with respect to the Plan, will be determined as of their respective Offering Dates) for each calendar year in which such rights are outstanding at any time.

(e) Officers of the Company and any Designated Company, if they are otherwise Eligible Employees, will be eligible to participate in Offerings under the Plan. Notwithstanding the foregoing, the Board may (unless prohibited by law) provide in an Offering that Employees who are highly compensated Employees within the meaning of Section 423(b)(4)(D) of the Code will not be eligible to participate.

6. Purchase Rights; Purchase Price.

(a) On each Offering Date, each Eligible Employee will be granted a Purchase Right under the applicable Offering to purchase up to that number of shares of Common Stock purchasable either with a percentage or with a maximum dollar amount, as designated by the Board but in either case not exceeding 15%, of that Employee's earnings (as defined by the Board in each Offering) during the period that begins on the Offering Date (or such other date as the Board determines for a particular Offering) and ends on the date stated in the Offering, which date will be no later than the end of the Offering.

(b) The Board will establish one or more Purchase Dates during an Offering on which Purchase Rights granted for that Offering will be exercised and shares of Common Stock will be purchased in accordance with that Offering.

(c) In connection with each Offering made under the Plan, the Board may specify (i) a maximum number of shares of Common Stock that may be purchased by any Participant on any Purchase Date during that Offering, (ii) a maximum aggregate number of shares of Common Stock that may be purchased by all Participants pursuant to that Offering and/or (iii) a maximum aggregate number of shares of Common Stock that may be purchased by all Participants on any Purchase Date under the Offering. If the aggregate purchase of shares of Common Stock issuable upon exercise of Purchase Rights granted under the Offering would exceed any such maximum aggregate number, then, in the absence of any Board action otherwise, a pro rata (based on each Participant's accumulated Contributions) allocation of the shares of Common Stock available will be made in as nearly a uniform manner as will be practicable and equitable.

(d) The purchase price of shares of Common Stock acquired pursuant to Purchase Rights will be not less than the lesser of:

- (i) an amount equal to 85% of the Fair Market Value of the shares of Common Stock on the Offering Date; or
- (ii) an amount equal to 85% of the Fair Market Value of the shares of Common Stock on the applicable Purchase Date.

7. Participation; Withdrawal; Termination.

(a) An Eligible Employee may elect to authorize payroll deductions as the means of making Contributions by completing and delivering to the Company, within the time specified in the Offering, an enrollment form provided by the Company. The enrollment form will specify the amount of Contributions not to exceed the maximum amount specified by the Board. Each Participant's Contributions will be credited to a bookkeeping account for that Participant under the Plan and will be deposited with the general funds of the Company except where applicable law requires that Contributions be deposited with a third party. If permitted in the Offering, a Participant may begin Contributions with the first payroll occurring on or after the Offering Date (or, in the case of a payroll date that occurs after the end of the prior Offering but before the Offering Date of the next new Offering, Contributions from that payroll will be included in the new Offering). If permitted in the Offering, a Participant may thereafter reduce (including to zero) or increase his or her Contributions. If required under applicable law or if specifically provided in the Offering, in addition to or instead of making Contributions by payroll deductions, a Participant may make Contributions through the payment by cash or check prior to a Purchase Date.

(b) During an Offering, a Participant may cease making Contributions and withdraw from the Offering by delivering to the Company a withdrawal form provided by the Company. The Company may impose a deadline before a Purchase Date for withdrawing. Upon withdrawal, that Participant's Purchase Right in that Offering will immediately terminate and the Company will distribute to that Participant all of his or her accumulated but unused Contributions. A Participant's withdrawal from that Offering will have no effect upon his or her eligibility to participate in any other Offerings under the Plan, but the Participant will be required to deliver a new enrollment form to participate in future Offerings.

(c) Unless otherwise required by applicable law, Purchase Rights granted pursuant to any Offering under the Plan will terminate immediately if the Participant either (i) is no longer an Employee for any reason or for no reason or (ii) is otherwise no longer eligible to participate. The Company will distribute to that individual all of his or her accumulated but unused Contributions.

(d) During a Participant's lifetime, Purchase Rights will be exercisable only by that Participant. Purchase Rights are not transferable by a Participant, except by will, by the laws of descent and distribution, or, if permitted by the Company, by a beneficiary designation as described in Section 10.

(e) The Company has no obligation to pay interest on Contributions, unless otherwise required by applicable law.

8. Exercise of Purchase Rights.

(a) On each Purchase Date, each Participant's accumulated Contributions will be applied to the purchase of shares of Common Stock, up to the maximum number of shares of Common Stock permitted by the Plan and the applicable Offering, at the purchase price specified in the Offering. No fractional shares will be issued unless specifically provided for in the Offering.

(b) Unless otherwise provided in an Offering, if any amount of accumulated Contributions remains in a Participant's account after the purchase of shares of Common Stock on the final Purchase Date of such Offering and the remaining amount is less than the amount required to purchase one share of Common Stock, then the remaining amount will be held in that Participant's account for the purchase of shares of Common Stock under the next Offering under the Plan, unless the Participant withdraws from or is not eligible to participate in that Offering, in which case such amount will be distributed to the Participant after the final Purchase Date, without interest

(unless otherwise required by applicable law). If the amount of Contributions remaining in a Participant's account after the purchase of shares of Common Stock on the final Purchase Date of an Offering is at least equal to the amount required to purchase one whole share of Common Stock, then the remaining amount will not roll over to the next Offering and will instead be distributed in full to the Participant after the final Purchase Date, without interest (unless otherwise required by applicable law).

(c) No Purchase Rights may be exercised to any extent unless the shares of Common Stock to be issued upon that exercise under the Plan are covered by an effective registration statement pursuant to the Securities Act and the Plan is in material compliance with all applicable laws. If on a Purchase Date the shares of Common Stock are not so registered or the Plan is not in such compliance, no Purchase Rights will be exercised on that Purchase Date, and the Purchase Date will be delayed until the shares of Common Stock are subject to an effective registration statement and the Plan is in material compliance, except that the Purchase Date will in no event be more than 27 months from the Offering Date. If, on the Purchase Date, as delayed to the maximum extent permissible, the shares of Common Stock are not registered and the Plan is not in material compliance with all applicable laws, no Purchase Rights will be exercised and all accumulated but unused Contributions will be distributed to the Participants without interest.

9. Covenants of the Company.

The Company will seek to obtain from each federal, state, foreign or other regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Purchase Rights and issue and sell shares of Common Stock thereunder. If, after commercially reasonable efforts, the Company is unable to obtain the authority that counsel for the Company deems necessary for the grant of Purchase Rights or the lawful issuance and sale of Common Stock under the Plan, and at a commercially reasonable cost, the Company will be relieved from any liability for failure to grant Purchase Rights and/or to issue and sell Common Stock upon exercise of such Purchase Rights.

10. Designation of Beneficiary.

(a) The Company may, but is not obligated to, permit a Participant to submit a form designating a beneficiary who will receive any shares of Common Stock and/or Contributions from the Participant's account under the Plan if the Participant dies before those shares and/or Contributions are delivered to the Participant. The Company may, but is not obligated to, permit the Participant to change the designation of beneficiary. Any designation and/or change must be on a form approved by the Company.

(b) If a Participant dies, and in the absence of a valid beneficiary designation, the Company will deliver any shares of Common Stock and/or Contributions to the executor or administrator of the estate of the Participant. If no executor or administrator has been appointed (to the knowledge of the Company), the Company, in its sole discretion, may deliver such shares of Common Stock and/or Contributions to the Participant's spouse, dependents or relatives, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

11. Adjustments upon Changes in Common Stock; Corporate Transactions.

(a) On a Capitalization Adjustment, the Board will appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a), (ii) the class(es) and maximum number of securities by which the share reserve is to increase automatically each year pursuant to Section 3(a), (iii) the class(es) and number of securities subject to, and the purchase price applicable to outstanding Offerings and Purchase Rights, and (iv) the class(es) and number of securities that are the subject of the purchase limits under each ongoing Offering. The Board will make these adjustments, and its determination will be final, binding and conclusive.

(b) On a Corporate Transaction, then: (i) any surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) may assume or continue outstanding Purchase Rights or may

substitute similar rights (including a right to acquire the same consideration paid to the stockholders in the Corporate Transaction) for outstanding Purchase Rights, or (ii) if any surviving or acquiring corporation (or its parent company) does not assume or continue such Purchase Rights or does not substitute similar rights for such Purchase Rights, then the Participants' accumulated Contributions will be used to purchase shares of Common Stock within ten business days prior to the Corporate Transaction under the outstanding Purchase Rights, and the Purchase Rights will terminate immediately after such purchase.

12. Amendment, Termination or Suspension of the Plan.

(a) The Board may amend the Plan at any time in any respect the Board deems necessary or advisable. However, except as provided in Section 11(a) relating to Capitalization Adjustments, stockholder approval will be required for any amendment of the Plan for which stockholder approval is required by applicable law or listing requirements, including any amendment that either (i) materially increases the number of shares of Common Stock available for issuance under the Plan, (ii) materially expands the class of individuals eligible to become Participants and receive Purchase Rights, (iii) materially increases the benefits accruing to Participants under the Plan or materially reduces the price at which shares of Common Stock may be purchased under the Plan, (iv) materially extends the term of the Plan, or (v) expands the types of awards available for issuance under the Plan, but in each of (i) through (v) above only to the extent stockholder approval is required by applicable law or listing requirements.

(b) The Board may suspend or terminate the Plan at any time. No Purchase Rights may be granted under the Plan while the Plan is suspended or after it is terminated.

(c) Any benefits, privileges, entitlements and obligations under any outstanding Purchase Rights granted before an amendment, suspension or termination of the Plan will not be materially impaired by any such amendment, suspension or termination except (i) with the consent of the person to whom such Purchase Rights were granted, (ii) as necessary to comply with any laws, listing requirements, or governmental regulations (including, without limitation, the provisions of Section 423 of the Code and the regulations and other interpretive guidance issued thereunder relating to Employee Stock Purchase Plans) including without limitation any such regulations or other guidance that may be issued or amended after the Effective Date, or (iii) as necessary to obtain or maintain favorable tax, listing, or regulatory treatment. To be clear, the Board may amend outstanding Purchase Rights without a Participant's consent if such amendment is necessary to ensure that the Purchase Right and/or the Plan complies with the requirements of Section 423 of the Code.

13. Code Section 409A; Tax Qualification.

(a) Purchase Rights granted under the 423 Component are intended to be exempt from the application of Section 409A of the Code under Treasury Regulation Section 1.409A-1(b)(5)(ii). Purchase Rights granted under the Non-423 Component to U.S. taxpayers are intended to be exempt from the application of Section 409A of the Code under the short-term deferral exception and any ambiguities will be construed and interpreted in accordance with such intent. Subject to Section 13(b) hereof, Purchase Rights granted to U.S. taxpayers under the Non-423 Component will be subject to such terms and conditions that will permit such Purchase Rights to satisfy the requirements of the short-term deferral exception available under Section 409A of the Code, including the requirement that the shares subject to a Purchase Right be delivered within the short-term deferral period. Subject to Section 13(b) hereof, in the case of a Participant who would otherwise be subject to Section 409A of the Code, to the extent the Board determines that a Purchase Right or the exercise, payment, settlement or deferral thereof is subject to Section 409A of the Code, the Purchase Right will be granted, exercised, paid, settled or deferred in a manner that will comply with Section 409A of the Code, including U.S. Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the adoption of the Plan. Notwithstanding the foregoing, the Company will have no liability to a Participant or any other party if the Purchase Right that is intended to be exempt from or compliant with Section 409A of the Code is not so exempt or compliant or for any action taken by the Board with respect thereto.

(b) Although the Company may endeavor to (i) qualify a Purchase Right for favorable tax treatment under the laws of the United States or jurisdictions outside of the United States or (ii) avoid adverse tax treatment

(e.g., under Section 409A of the Code), the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment, notwithstanding anything to the contrary in this Plan, including Section 13(a) hereof. The Company will be unconstrained in its corporate activities without regard to the potential negative tax impact on Participants under the Plan.

14. Effective Date of Plan.

The Plan will become effective on the IPO Date. No Purchase Rights will be exercised unless and until the Plan has been approved by the stockholders of the Company, which approval must be within 12 months before or after the date the Plan is adopted (or if required under Section 12(a) above, materially amended) by the Board.

15. Miscellaneous Provisions.

(a) Proceeds from the sale of shares of Common Stock pursuant to Purchase Rights will constitute general funds of the Company.

(b) A Participant will not be deemed to be the holder of, or to have any of the rights of a holder with respect to, shares of Common Stock subject to Purchase Rights unless and until the Participant's shares of Common Stock acquired upon exercise of Purchase Rights are recorded in the books of the Company (or its transfer agent).

(c) The Plan and Offering do not constitute an employment contract. Nothing in the Plan or in the Offering will in any way alter the at will nature of a Participant's employment, if applicable, or be deemed to create in any way whatsoever any obligation on the part of any Participant to continue in the employ of the Company or a Related Corporation or an Affiliate, or on the part of the Company or a Related Corporation or an Affiliate to continue the employment of a Participant.

(d) The provisions of the Plan will be governed by the laws of the State of California without resort to that state's conflicts of laws rules.

(e) If any particular provision of the Plan is found to be invalid or otherwise unenforceable, the provision will not affect the other provisions of the Plan, but the Plan will be construed in all respects as if the invalid provision were omitted.

16. Definitions.

As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

(a) "**423 Component**" means the part of the Plan, which excludes the Non-423 Component, pursuant to which Purchase Rights that satisfy the requirements for Employee Stock Purchase Plans may be granted to Eligible Employees.

(b) "**Affiliate**" means any branch or representative office of a Related Corporation, as determined by the Board, whether now or hereafter existing.

(c) "**Board**" means the Board of Directors of the Company.

(d) "**Capital Stock**" means each and every class of common stock of the Company, regardless of the number of votes per share.

(e) "**Capitalization Adjustment**" means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Purchase Right after the Effective Date without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or other similar equity

restructuring transaction, as that term is used in Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

- (f) “**Code**” means the U.S. Internal Revenue Code of 1986, as amended.
- (g) “**Committee**” means a committee of one or more members of the Board to whom authority has been delegated by the Board.
- (h) “**Common Stock**” means, as of 5:00 p.m. Eastern time on September 22, 2016, the common stock of the Company, having 1 vote per share.
- (i) “**Company**” means Yelp Inc., a Delaware corporation.
- (j) “**Contributions**” means the payroll deductions and other additional payments specifically provided for in the Offering that a Participant contributes to fund the exercise of a Purchase Right. A Participant may make additional payments into his or her account if specifically provided for in the Offering, and then only if the Participant has not already had the maximum permitted amount withheld during the Offering through payroll deductions.
- (k) “**Corporate Transaction**” means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:
 - (i) the consummation of a sale or other disposition of all or substantially all, as determined by the Board in its sole discretion, of the consolidated assets of the Company and its Subsidiaries;
 - (ii) the consummation of a sale or other disposition of at least 50% of the outstanding securities of the Company;
 - (iii) the consummation of a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or
 - (iv) the consummation of a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.
- (l) “**Designated Non-423 Corporation**” means any Related Corporation or Affiliate selected by the Board as eligible to participate in the Non-423 Component.
- (m) “**Designated Company**” means a Designated Non-423 Corporation or Designated 423 Corporation.
- (n) “**Designated 423 Corporation**” means any Related Corporation selected by the Board as eligible to participate in the 423 Component.
- (o) “**Director**” means a member of the Board.
- (p) “**Eligible Employee**” means an Employee who meets the requirements set forth in the document(s) governing the Offering for eligibility to participate in the Offering, provided that the Employee also meets the requirements for eligibility to participate set forth in the Plan.
- (q) “**Employee**” means any person, including an Officer or Director, who is treated as an employee in the records of the Company or a Related Corporation (including an Affiliate). However, service solely as a Director,

or payment of a fee for such services, will not cause a Director to be considered an “Employee” for purposes of the Plan.

(r) “**Employee Stock Purchase Plan**” means a plan that grants Purchase Rights intended to be options issued under an “employee stock purchase plan,” as that term is defined in Section 423(b) of the Code.

(s) “**Exchange Act**” means the U.S. Securities Exchange Act of 1934, as amended.

(t) “**Fair Market Value**” means, as of any date, the value of the Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or traded on any established market, the Fair Market Value of a share of Common Stock will be the closing sales price for the stock as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Common Stock) on the date of determination, as reported in such source as the Board deems reliable. Unless otherwise provided by the Board, if there is no closing sales price for the Common Stock on the date of determination, then the Fair Market Value will be the closing sales price on the last preceding date for which such quotation exists.

(ii) In the absence of such markets for the Common Stock, the Fair Market Value will be determined by the Board in good faith in compliance with applicable laws.

(iii) Notwithstanding the foregoing, for any Offering that commences on the IPO Date, the Fair Market Value of the shares of Common Stock on the Offering Date will be the price per share at which shares are first sold to the public in the Company’s initial public offering as specified in the final prospectus for that initial public offering.

(u) “**IPO Date**” means the date of the underwriting agreement between the Company and the underwriter(s) managing the initial public offering of the Common Stock, pursuant to which the Common Stock is priced for the initial public offering.

(v) “**Non-423 Component**” means the part of the Plan, which excludes the 423 Component, pursuant to which Purchase Rights that are not intended to satisfy the requirements for Employee Stock Purchase Plans may be granted to Eligible Employees.

(w) “**Offering**” means the grant to Eligible Employees of Purchase Rights, with the exercise of those Purchase Rights automatically occurring at the end of one or more Purchase Periods. The terms and conditions of an Offering will generally be set forth in the “**Offering Document**” approved by the Board for that Offering.

(x) “**Offering Date**” means a date selected by the Board for an Offering to commence.

(y) “**Officer**” means a person who is an officer of the Company or a Related Corporation within the meaning of Section 16 of the Exchange Act and the rules and regulations promulgated thereunder.

(z) “**Participant**” means an Eligible Employee who holds an outstanding Purchase Right.

(aa) “**Plan**” means this Yelp Inc. 2012 Employee Stock Purchase Plan, including both the 423 and Non-423 Components, as amended from time to time.

(ab) “**Purchase Date**” means one or more dates during an Offering selected by the Board on which Purchase Rights will be exercised and on which purchases of shares of Common Stock will be carried out in accordance with that Offering.

(ac) “**Purchase Period**” means a period of time specified within an Offering, generally beginning on the Offering Date or on the first Trading Day following a Purchase Date, and ending on a Purchase Date. An Offering may consist of one or more Purchase Periods.

(ad) “**Purchase Right**” means an option to purchase shares of Common Stock granted pursuant to the Plan.

(ae) “**Related Corporation**” means any “parent corporation” or “subsidiary corporation” of the Company whether now or subsequently established, as those terms are defined in Sections 424(e) and (f), respectively, of the Code.

(af) “**Securities Act**” means the U.S. Securities Act of 1933, as amended.

(ag) “**Trading Day**” means any day on which the exchange(s) or market(s) on which shares of Common Stock are listed, including but not limited to the NYSE, Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market or any successors thereto, is open for trading.

CERTIFICATION

I, Jeremy Stoppelman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Yelp Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2026

/s/ Jeremy Stoppelman

Jeremy Stoppelman
Chief Executive Officer

CERTIFICATION

I, David Schwarzbach, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Yelp Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an Annual Report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2026

/s/ David Schwarzbach

David Schwarzbach
Chief Financial Officer

CERTIFICATION

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. § 1350), Jeremy Stoppelman, Chief Executive Officer of Yelp Inc. (the “Company”), and David Schwarzbach, Chief Financial Officer of the Company, each hereby certifies that, to the best of his knowledge:

1. The Company’s Quarterly Report on Form 10-Q for the period ended March 31, 2026, to which this Certification is attached as Exhibit 32.1 (the “Quarterly Report”), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act; and
2. The information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

In Witness Whereof, the undersigned have set their hands hereto as of the 8th day of May, 2026.

/s/ Jeremy Stoppelman

Jeremy Stoppelman

Chief Executive Officer

/s/ David Schwarzbach

David Schwarzbach

Chief Financial Officer

This certification accompanies the Quarterly Report on Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Yelp Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Quarterly Report on Form 10-Q), irrespective of any general incorporation language contained in such filing.