

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 June 30, 2025

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 001-38872



Pinterest, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

26-3607129
(I.R.S. Employer
Identification No.)

651 Brannan Street
San Francisco, California
(Address of Principal Executive Offices, including zip code)

94107
(Zip Code)

(415) 762-7100
Registrant's Telephone Number, Including Area Code

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

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Class A Common Stock, \$0.00001 par value	PINS	New York Stock Exchange

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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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 August 1, 2025, there were 599,264,132 shares of the Registrant's Class A common stock, \$.00001 par value per share, outstanding, and 80,665,547 shares of the Registrant's Class B common stock outstanding.

PINTEREST, INC.
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NOTE ABOUT FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains 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"), which statements involve substantial assumptions, risk and uncertainties. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts and are often characterized by the use of words such as "believe," "estimate," "expect," "may," "will," "can," "could," "would," "might," "continue," "intend," "plan," "forecast," "strategy," "projection," "goal," "trends," "project," "target," "anticipate," "potential" or similar expressions, or by discussions of strategy, plans or intentions. Such forward-looking statements involve known and unknown risks, uncertainties, assumptions and other important factors that could cause our actual results, outcomes, performance or achievements, or industry results, to differ materially from historical or future results, outcomes, performance or achievements expressed, suggested or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, statements about:

- general economic uncertainty in global markets and a worsening of global economic conditions or low levels of economic growth, including inflation, tariffs and related retaliatory actions and other trade protection measures, stress in the banking industry, foreign exchange fluctuations and supply-chain issues;
- the effect of general economic and political conditions;
- our financial performance, including revenue, cost and expenses and cash flows;
- our ability to attract, retain and recover users and maintain and grow their level of engagement;
- our ability to provide content that is useful and relevant to users' personal taste and interests;
- our ability to develop successful new products or improve existing ones;
- our ability to maintain and enhance our brand and reputation;
- potential harm caused by compromises in security, including our cybersecurity protections and resources and costs required to prevent, detect and remediate potential security breaches;
- potential harm caused by changes in online application stores or internet search engines' methodologies, particularly search engine optimization methodologies and policies;
- discontinuation, disruptions or outages in third-party single sign-on access;
- our ability to compete effectively in our industry;
- our ability to scale our business, including our monetization efforts;
- our ability to attract and retain advertisers and scale our revenue model;
- our ability to attract and retain creators and publishers that create relevant and engaging content;
- our ability to develop effective products and tools for advertisers, including measurement tools;
- our ability to expand and monetize our platform internationally;
- our ability to effectively manage the growth of our business;
- our ability to continue to use and develop artificial intelligence ("AI") as well as managing the challenges and risks posed by AI;
- our ability to successfully manage our flexible work model with a more distributed workforce;
- our ability to sustain profitability;
- decisions that reduce short-term revenue or profitability or do not produce the long-term benefits we expect;
- fluctuations in our operating results;
- our ability to raise additional capital on favorable terms or at all;
- our ability to realize anticipated benefits from mergers and acquisitions, joint ventures, strategic partnerships and other investments;
- our ability to protect our intellectual property;
- our ability to receive, process, store, use and share data, and compliance with laws and regulations related to data privacy and content;
- current or potential litigation and regulatory actions involving us;

- our ability to comply with modified or new laws and regulations applying to our business, and potential harm to our business as a result of those laws and regulations;
- real or perceived inaccuracies in metrics related to our business;
- disruption of, degradation in or interference with our use of Amazon Web Services ("AWS") and our infrastructure; and
- our ability to attract and retain personnel.

These statements are based on our historical performance and on our current plans, estimates and projections in light of information currently available to us, and therefore you should not place undue reliance on them. The inclusion of this forward-looking information should not be regarded as a representation by us or any other person that the future plans, estimates or expectations contemplated by us will be achieved. Forward-looking statements made in this Quarterly Report on Form 10-Q speak only as of the date on which such statements are made, and we undertake no obligation to update them in light of new information or future events, except as required by law.

You should carefully consider the above factors, as well as the factors discussed elsewhere in this Quarterly Report on Form 10-Q. The factors identified above should not be construed as an exhaustive list of factors that could affect our future results and should be read in conjunction with the other cautionary statements that are included in this Quarterly Report. Furthermore, new risks and uncertainties arise from time to time, and it is impossible for us to predict those events or how they may affect us. If any of these trends, risks or uncertainties actually occurs or continues, our business, revenue and financial results could be harmed, the trading price of our Class A common stock could decline and you could lose all or part of your investment.

Unless expressly indicated or the context requires otherwise, the terms "Pinterest," "company," "we," "us," and "our" in this document refer to Pinterest, Inc., a Delaware corporation, and, where appropriate, its wholly owned subsidiaries. The term "Pinterest" may also refer to our products, regardless of the manner in which they are accessed. For references to accessing Pinterest on the "web" or via a "website," such terms refer to accessing Pinterest on personal computers. For references to accessing Pinterest on "mobile," such term refers to accessing Pinterest via a mobile application or via a mobile-optimized version of our website such as m.pinterest.com, whether on a mobile phone or tablet.

Summary of Risk Factors

The following summarizes the principal factors that make an investment in our company speculative or risky, all of which are more fully described in the Risk Factors section below. This summary should be read in conjunction with the Risk Factors section and should not be relied upon as an exhaustive summary of the material risks facing our business. The following factors could result in harm to our business, reputation, revenue, financial results, and prospects, among other impacts:

Business Strategy and Growth. Our strategic decisions and efforts to expand the business, including:

- our ability to scale our business for future growth;
- our ability to attract, grow, retain, recover and engage our user base;
- our dependence on advertising for substantially all of our revenue;
- providing content that is useful and relevant to users' personal taste and interests;
- decisions consistent with our mission and values that may reduce our short- or medium-term operating results;
- removing objectionable content or blocking objectionable practices by advertisers or third parties;
- our ability to compete effectively for users, creators, publishers or advertisers;
- our ability to develop effective products and tools for advertisers;
- our further expansion and monetization of our platform internationally;
- effective management of our business growth;
- our acquisition of other businesses;
- our development of or investment in successful new products or improvements to existing one;
- our dependence on and ability to maintain and enhance a strong brand and reputation; and

- our ability to effectively develop and use of artificial intelligence and machine learning technologies in our products and services.

Data, Security and Privacy.

- actual or perceived compromises in our security;
- the data, including personal information, we receive, process, store, use, and share, which subjects us to complex and evolving governmental regulation and other legal obligations related to data privacy, data protection and other matters; and
- the development of tools to accurately measure the effectiveness of advertisements on our platform and thereby attract and maintain advertisers.

Operation of Our Business. The manner in which we operate our business, including:

- our ability to maintain and scale our technology infrastructure, including the speed and availability of our service; and
- the attraction, retention, and loss of our key personnel and other highly qualified personnel.

Third-Party Reliance. Our use and dependence on third-party businesses and products, or the impacts of third-party business and products, including:

- our dependence on online application stores and internet search engines, including their methodologies, policies, and results, to direct traffic and refer new users to our service;
- users' ability to authenticate with our service through third-party login providers;
- our dependence on AWS for the vast majority of our compute, storage, data transfer, and other services;
- effectively operating with mobile operating systems, web browsers, networks, regulations and standards which we do not control, and changes in our products or to those mobile operating systems, web browsers, networks, regulations or standards;
- our reliance on software, technologies, and related services from other parties; and
- technologies that can block the display of our ads.

Legal and Regulatory Matters. The legal and regulatory frameworks, actions, and requirements to which our business, products, services and operations are subject, including:

- any liability as a result of content or information that is published or made available on our service;
- government action to restrict access to our service or certain of our products in their countries;
- our involvement in any legal disputes or other disputes that are expensive to support and may be resolved adversely;
- an ability to protect our intellectual property and our use of "open source" software; and
- the interpretation and application of U.S. and non-U.S. tax legislation or other changes in U.S. or non-U.S. taxation of our operations.

Financial Statements and Performance. The preparation of our financial statements and our financial and operating performance, including:

- our limited operating history and previously incurred operating losses, anticipated increases to operating costs and expenses and our ability to obtain or maintain profitability;
- fluctuations in our operating results from quarter to quarter;
- the inherent challenges of measurements related to user metrics and other estimates;
- our ability to obtain additional financing, if needed, and any default on our credit obligations;
- greater than anticipated tax liabilities;
- limitations in our ability to use or benefit from our net operating loss carryforwards and certain other tax attributes;

- adverse global economic and financial conditions; and
- the possibility we will not fully consummate our stock repurchase program.

Our Common Stock. The rights, restrictions, and structure of, and actions that we may take that impact our common stock, including:

- the dual class structure of our common stock and its potential impact on the market price of our Class A common stock;
- trading price volatility of our Class A common stock;
- future offerings of debt or equity securities by us or existing stockholders that could adversely impact the market price of our Class A common stock;
- additional stock issuances, including in connection with settlement of equity awards, and any resulting dilution;
- provisions under Delaware law and our governing documents that could make a merger, tender offer or proxy contest difficult; and
- our certificate of incorporation's designation of a state or federal court located within Delaware as the exclusive forum for substantially all disputes between us and our stockholders.

LIMITATIONS OF KEY METRICS AND OTHER DATA

The numbers for our key metrics, which include our monthly active users ("MAUs") and average revenue per user ("ARPU"), are calculated using internal company data based on the activity of user accounts. We define an MAU as an authenticated Pinterest user who visits our website, opens our mobile application or interacts with Pinterest through one of our browser or site extensions, such as the Save button, at least once during the 30-day period ending on the date of measurement. The number of MAUs does not include Shuffles users unless they would otherwise qualify as MAUs. Unless otherwise indicated, we present MAUs based on the number of MAUs measured on the last day of the current period. We measure monetization of our platform through our ARPU metric. We define ARPU as our total revenue in a given geography during a period divided by the average of the number of MAUs in that geography during the period. We calculate average MAUs based on the average of the number of MAUs measured on the last day of the current period and the last day prior to the beginning of the current period. We calculate ARPU by geography based on our estimate of the geography in which revenue-generating activities occur. We use these metrics to assess the growth and health of the overall business and believe that MAUs and ARPU best reflect our ability to attract, retain, engage and monetize our users, and thereby drive revenue. While these numbers are based on what we believe to be reasonable estimates of our user base for the applicable period of measurement, there are inherent challenges in measuring usage of our products across large online and mobile populations around the world. In addition, we are continually seeking to improve our estimates of our user base, and such estimates may change due to improvements or changes in technology or our methodology.

PART I - FINANCIAL INFORMATION
Item 1. Financial Statements

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

	June 30, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,216,941	\$ 1,136,460
Marketable securities	1,442,434	1,376,409
Accounts receivable, net	760,111	893,403
Prepaid expenses and other current assets	98,928	78,435
Total current assets	3,518,414	3,484,707
Property and equipment, net	52,621	45,624
Operating lease right-of-use assets	75,074	85,867
Goodwill and intangible assets, net	108,560	110,103
Deferred tax assets	1,631,225	1,602,539
Other assets	17,093	13,820
Total assets	<u>\$ 5,402,987</u>	<u>\$ 5,342,660</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 91,867	\$ 84,026
Accrued expenses and other current liabilities	309,937	314,107
Total current liabilities	401,804	398,133
Operating lease liabilities	137,412	151,364
Other liabilities	51,818	42,009
Total liabilities	591,034	591,506
Commitments and contingencies		
Stockholders' equity:		
Class A common stock, \$0.00001 par value, 6,666,667 shares authorized, 598,347 and 593,462 shares issued and outstanding as of June 30, 2025 and December 31, 2024, respectively; Class B common stock, \$0.00001 par value, 1,333,333 shares authorized, 81,075 and 82,471 shares issued and outstanding as of June 30, 2025 and December 31, 2024, respectively	7	7
Additional paid-in capital	5,048,553	5,039,439
Accumulated other comprehensive income (loss)	3,878	(130)
Accumulated deficit	(240,485)	(288,162)
Total stockholders' equity	4,811,953	4,751,154
Total liabilities and stockholders' equity	<u>\$ 5,402,987</u>	<u>\$ 5,342,660</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenue	\$ 998,227	\$ 853,680	\$ 1,853,215	\$ 1,593,663
Costs and expenses:				
Cost of revenue	203,009	184,856	402,279	365,947
Research and development	359,624	312,837	691,289	593,112
Sales and marketing	313,075	265,354	566,995	491,643
General and administrative	126,849	112,074	232,459	218,818
Total costs and expenses	1,002,557	875,121	1,893,022	1,669,520
Loss from operations	(4,330)	(21,441)	(39,807)	(75,857)
Interest income (expense), net	28,022	34,680	55,315	65,946
Other income (expense), net	10,960	(4,596)	15,479	(9,122)
Income (loss) before benefit from income taxes	34,652	8,643	30,987	(19,033)
Benefit from income taxes	(4,103)	(244)	(16,690)	(3,108)
Net income (loss)	\$ 38,755	\$ 8,887	\$ 47,677	\$ (15,925)
Net income (loss) per share:				
Basic	\$ 0.06	\$ 0.01	\$ 0.07	\$ (0.02)
Diluted	\$ 0.06	\$ 0.01	\$ 0.07	\$ (0.02)
Weighted-average shares used in computing net income (loss) per share:				
Basic	676,852	683,171	676,688	680,995
Diluted	689,837	708,258	689,598	680,995

The accompanying notes are an integral part of these condensed consolidated financial statements.

PINTEREST, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income (loss)	\$ 38,755	\$ 8,887	\$ 47,677	\$ (15,925)
Other comprehensive income (loss), net of taxes:				
Change in unrealized gain (loss) on available-for-sale marketable securities	168	(110)	1,310	(1,531)
Change in foreign currency translation adjustment	2,172	680	2,698	499
Comprehensive income (loss)	<u>\$ 41,095</u>	<u>\$ 9,457</u>	<u>\$ 51,685</u>	<u>\$ (16,957)</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

Pinterest, Inc.
Condensed Consolidated Statements of Stockholders' Equity
(In thousands)
(Unaudited)

Three Months Ended June 30, 2025						
	Class A and Class B Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Stockholders' Equity
	Shares	Amount				
Balance as of March 31, 2025	676,188	\$ 7	\$4,966,164	\$ 1,538	\$ (279,240)	\$ 4,688,469
Release of restricted stock units, net	4,293	—	—	—	—	—
Shares repurchased for tax withholdings on release of restricted stock units and restricted stock awards	—	—	(105,714)	—	—	(105,714)
Issuance of common stock related to charitable contributions	500	—	13,495	—	—	13,495
Repurchases of Class A common stock	(1,559)	—	(52,626)	—	—	(52,626)
Share-based compensation	—	—	227,234	—	—	227,234
Other comprehensive income	—	—	—	2,340	—	2,340
Net income	—	—	—	—	38,755	38,755
Balance as of June 30, 2025	679,422	\$ 7	\$5,048,553	\$ 3,878	\$ (240,485)	\$ 4,811,953

Three Months Ended June 30, 2024						
	Class A and Class B Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Stockholders' Equity
	Shares	Amount				
Balance as of March 31, 2024	682,581	\$ 7	\$5,321,530	\$ (2,615)	\$ (2,175,080)	\$ 3,143,842
Release of restricted stock units, net	3,816	—	—	—	—	—
Shares repurchased for tax withholdings on release of restricted stock units and restricted stock awards	—	—	(119,753)	—	—	(119,753)
Issuance of common stock for cash upon exercise of stock options	600	—	2,452	—	—	2,452
Issuance of common stock related to charitable contributions	(804)	—	(34,378)	—	—	(34,378)
Share-based compensation	—	—	196,433	—	—	196,433
Other comprehensive income	—	—	—	570	—	570
Net income	—	—	—	—	8,887	8,887
Balance as of June 30, 2024	686,193	\$ 7	\$5,366,284	\$ (2,045)	\$ (2,166,193)	\$ 3,198,053

The accompanying notes are an integral part of these condensed consolidated financial statements.

Pinterest, Inc.
Condensed Consolidated Statements of Stockholders' Equity
(In thousands)
(Unaudited)

Six Months Ended June 30, 2025						
	Class A and Class B Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Stockholders' Equity
	Shares	Amount				
Balance as of December 31, 2024	675,933	\$ 7	\$5,039,439	\$ (130)	\$ (288,162)	\$ 4,751,154
Release of restricted stock units, net	7,710	—	—	—	—	—
Shares repurchased for tax withholdings on release of restricted stock units and restricted stock awards	—	—	(199,468)	—	—	(199,468)
Issuance of common stock for cash upon exercise of stock options	1,836	—	8,053	—	—	8,053
Issuance of common stock related to charitable contributions	500	—	13,495	—	—	13,495
Repurchases of Class A common stock	(6,557)	—	(227,626)	—	—	(227,626)
Share-based compensation	—	—	414,660	—	—	414,660
Other comprehensive income	—	—	—	4,008	—	4,008
Net income	—	—	—	—	47,677	47,677
Balance as of June 30, 2025	<u>679,422</u>	<u>\$ 7</u>	<u>\$5,048,553</u>	<u>\$ 3,878</u>	<u>\$ (240,485)</u>	<u>\$ 4,811,953</u>

Six Months Ended June 30, 2024						
	Class A and Class B Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Stockholders' Equity
	Shares	Amount				
Balance as of December 31, 2023	678,018	\$ 7	\$5,241,954	\$ (1,013)	\$ (2,150,268)	\$ 3,090,680
Release of restricted stock units, net	6,995	—	—	—	—	—
Shares repurchased for tax withholdings on release of restricted stock units and restricted stock awards	—	—	(219,461)	—	—	(219,461)
Issuance of common stock for cash upon exercise of stock options	1,984	—	19,263	—	—	19,263
Repurchases of Class A common stock	(804)	—	(34,378)	—	—	(34,378)
Share-based compensation	—	—	358,906	—	—	358,906
Other comprehensive loss	—	—	—	(1,032)	—	(1,032)
Net loss	—	—	—	—	(15,925)	(15,925)
Balance as of June 30, 2024	<u>686,193</u>	<u>\$ 7</u>	<u>\$5,366,284</u>	<u>\$ (2,045)</u>	<u>\$ (2,166,193)</u>	<u>\$ 3,198,053</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

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

	Six Months Ended June 30,	
	2025	2024
Operating activities		
Net income (loss)	\$ 47,677	\$ (15,925)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	11,938	9,781
Share-based compensation	414,660	358,906
Deferred income taxes	(27,999)	(289)
Non-cash charitable contributions	13,495	—
Net amortization of investment premium and discount	(9,513)	(13,092)
Other	16,892	3,641
Changes in assets and liabilities:		
Accounts receivable	135,297	102,767
Prepaid expenses and other assets	(22,853)	(35,623)
Operating lease right-of-use assets	14,245	16,618
Accounts payable	8,752	(4,968)
Accrued expenses and other liabilities	(14,285)	60,859
Operating lease liabilities	(16,907)	(20,103)
Net cash provided by operating activities	571,399	462,572
Investing activities		
Purchases of property and equipment	(18,299)	(16,897)
Purchases of marketable securities	(878,311)	(811,693)
Sales of marketable securities	12,890	7,749
Maturities of marketable securities	809,600	606,566
Net cash used in investing activities	(74,120)	(214,275)
Financing activities		
Proceeds from exercise of stock options, net	8,053	19,255
Repurchases of Class A common stock	(227,626)	(33,336)
Shares repurchased for tax withholdings on release of restricted stock units and restricted stock awards	(199,468)	(219,461)
Net cash used in financing activities	(419,041)	(233,542)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	2,278	(1,484)
Net increase in cash, cash equivalents and restricted cash	80,516	13,271
Cash, cash equivalents and restricted cash, beginning of period	1,141,221	1,368,532
Cash, cash equivalents and restricted cash, end of period	\$ 1,221,737	\$ 1,381,803
Supplemental cash flow information		
Cash paid for income taxes, net	\$ 14,079	\$ 15,178
Non-cash investing and financing activities:		
Repurchases of Class A common stock in accrued expenses and other current liabilities	\$ —	\$ 1,042
Reconciliation of cash, cash equivalents and restricted cash to condensed consolidated balance sheets		
Cash and cash equivalents	\$ 1,216,941	\$ 1,376,681
Restricted cash included in prepaid expenses and other current assets	—	1,068
Restricted cash included in other assets	4,796	4,054
Total cash, cash equivalents and restricted cash	\$ 1,221,737	\$ 1,381,803

The accompanying notes are an integral part of these condensed consolidated financial statements.

PINTEREST, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Description of Business and Summary of Significant Accounting Policies

Description of Business

Pinterest was incorporated in Delaware in 2008 and is headquartered in San Francisco, California. Pinterest is a visual search and discovery platform positioned at the intersection of search, social and commerce. We generate revenue by delivering ads on our website and mobile application.

Basis of Presentation and Consolidation

We prepared the accompanying condensed consolidated financial statements in accordance with generally accepted accounting principles in the United States ("GAAP"). The condensed consolidated financial statements include the accounts of Pinterest, Inc. and its wholly owned subsidiaries. We have eliminated all intercompany balances and transactions.

The condensed consolidated balance sheet as of December 31, 2024 included herein was derived from the audited financial statements as of that date. We have condensed or omitted certain information and notes normally included in complete financial statements prepared in accordance with GAAP. As such, these unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements as of and for the year ended December 31, 2024, which are included in our Annual Report on Form 10-K.

In our opinion, the accompanying condensed consolidated financial statements reflect all normal recurring adjustments necessary to present fairly the results for the interim periods presented, but they are not necessarily indicative of the results of operations to be expected for the year ending December 31, 2025.

Reclassifications

We have reclassified certain amounts in prior periods to conform with current presentation.

Use of Estimates

Preparing our condensed consolidated financial statements in conformity with GAAP requires us to make estimates and judgments that affect amounts reported in the condensed consolidated financial statements and accompanying notes. We base these estimates and judgments on historical experience and various other assumptions that we consider reasonable. GAAP requires us to make estimates and assumptions in several areas, including the fair values of financial instruments, assets acquired and liabilities assumed through business combinations, share-based awards, and contingencies, the recognition, measurement and valuation of deferred income taxes, as well as the collectability of our accounts receivable, the useful lives of our intangible assets and property and equipment, the incremental borrowing rate we use to determine our operating lease liabilities, and revenue recognition, among others. Actual results could differ materially from these estimates and judgments.

Segments

We operate as a single operating segment. Our chief operating decision maker is our Chief Executive Officer, who reviews financial information presented on a consolidated basis, accompanied by disaggregated information about our revenue, for purposes of making operating decisions, assessing financial performance and allocating resources. Net income (loss) is our primary measure of profit or loss, and all costs and expenses categories on our consolidated statements of operations, as well as share-based compensation expense, are significant. Refer to Note 4 for additional information about our share-based compensation expense. Our other segment items include interest income (expense), net, other income (expense), net and benefit from income taxes on our condensed consolidated statements of operations.

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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Significant Accounting Policies

There have been no material changes to our significant accounting policies from our Annual Report on Form 10-K for the year ended December 31, 2024, except for an update to our share-based compensation policy as described below.

Share-Based Compensation

Restricted stock units ("RSUs"), restricted stock awards ("RSAs") and stock options granted under our 2019 Omnibus Incentive Plan (the "2019 Plan") are generally subject only to a service condition. We also grant awards subject to performance or market conditions to certain executives from time to time. We record share-based compensation expense over the requisite service period of two to four years on a straight-line basis for awards subject only to a service condition and on a graded-vesting basis for awards subject to performance or market conditions. We account for forfeitures as they occur.

We measure RSUs and RSAs based on the fair market value of our common stock on the grant date, stock options based on their estimated grant date fair values, which we determine using the Black-Scholes option-pricing model, and awards with a market condition using a Monte Carlo simulation valuation model.

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2. Fair Value of Financial Instruments

The fair values of the financial instruments we measure at fair value on a recurring basis are as follows (in thousands):

June 30, 2025					
	Level 1		Level 2		Level 3
					Total
Cash equivalents:					
Money market funds	\$ 877,464	\$ —		\$ —	\$ 877,464
Commercial paper	—	133,889		—	133,889
Marketable securities:					
Corporate bonds	—	657,590		—	657,590
U.S. treasury securities	304,556	—		—	304,556
Commercial paper	—	260,153		—	260,153
Certificates of deposit	—	220,135		—	220,135
Other assets:					
Certificates of deposit	\$ —	\$ 4,796	\$ —	\$ —	\$ 4,796

December 31, 2024					
	Level 1		Level 2		Level 3
					Total
Cash equivalents:					
Money market funds	\$ 861,824	\$ —		\$ —	\$ 861,824
Commercial paper	—	150,456		—	150,456
Corporate bonds	—	8,304		—	8,304
Certificates of deposit	—	4,158		—	4,158
Marketable securities:					
Corporate bonds	—	516,212		—	516,212
U.S. treasury securities	425,353	—		—	425,353
Commercial paper	—	260,385		—	260,385
Certificates of deposit	—	172,021		—	172,021
Non-U.S. government and supranational bonds	—	2,438		—	2,438
Other assets:					
Certificates of deposit	\$ —	\$ 4,761	\$ —	\$ —	\$ 4,761

We classify our marketable securities within Level 1 or Level 2 because we determine their fair values using quoted market prices or alternative pricing sources and models utilizing market observable inputs.

Gross unrealized gains and losses on our marketable securities were not material in the aggregate as of June 30, 2025 and December 31, 2024. We evaluated all available evidence and did not recognize any allowance for credit losses for our marketable securities as of June 30, 2025 and December 31, 2024.

The fair value of our marketable securities by contractual maturity is as follows (in thousands):

	June 30, 2025
Due in one year or less	\$ 1,015,537
Due after one to five years	426,897
Total	<u>\$ 1,442,434</u>

Net realized gains and losses from sales of available-for-sale securities were not material for any period presented.

PINTEREST, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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3. Commitments and Contingencies

Purchase Commitments

In April 2021, we entered into a private pricing addendum with Amazon Web Services ("AWS"), which governs our use of cloud computing infrastructure provided by AWS. Under the pricing addendum, we are required to purchase at least \$3,250.0 million of cloud services from AWS through April 2029. If we fail to do so, we are required to pay the difference between the amount we spend and the required commitment amount. As of June 30, 2025, our remaining contractual commitment is \$765.9 million. We expect to meet our remaining commitment.

Legal Matters

We are involved in various lawsuits, claims and proceedings that arise in the ordinary course of business. While the results of legal matters are inherently uncertain, we do not believe there is a reasonable possibility that the ultimate resolution of these matters, either individually or in aggregate, will have a material adverse effect on our business, financial position, results of operations or cash flows.

4. Stockholders' Equity

Equity Incentive Plan

Our 2019 Plan provides for the issuance of stock options, RSAs, RSUs and other equity- or cash-based awards to qualified employees, directors and consultants. Stock options granted under our 2019 Plan have a maximum life of 10 years and an exercise price not less than 100% of the fair market value of our common stock on the date of grant.

The number of shares of our Class A common stock reserved for issuance under our 2019 Plan will automatically increase on the first day of each fiscal year through and including January 1, 2029, in an amount equal to 5% of the total number of shares of our Class A common stock and our Class B common stock outstanding on the last day of the calendar month before the date of each automatic increase, or a lesser number of shares determined by our board of directors. 188,589,070 shares of our Class A common stock were reserved for future issuance under our 2019 Plan as of June 30, 2025.

Stock Option Activity

Stock option activity during the six months ended June 30, 2025, was as follows (in thousands, except per share amounts):

	Stock Options Outstanding			
	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term <i>(in years)</i>	Aggregate Intrinsic Value ⁽¹⁾
Outstanding as of December 31, 2024	10,390	\$ 17.21	6.2	\$ 122,472
Exercised	(1,836)	4.42		
Outstanding as of June 30, 2025	8,554	\$ 19.96	7.0	\$ 135,995
Exercisable as of June 30, 2025	5,880	\$ 19.96	7.0	\$ 93,497

⁽¹⁾ We calculate intrinsic value based on the difference between the exercise price of in-the-money-stock options and the fair value of our common stock as of the respective balance sheet date.

The total grant-date fair value of stock options vested was \$12.6 million for the six months ended June 30, 2025 and 2024. The aggregate intrinsic value of stock options exercised during the six months ended June 30, 2025 and 2024 was \$46.7 million and \$56.5 million, respectively.

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Restricted Stock Unit and Restricted Stock Award Activity

RSU and RSA activity during the six months ended June 30, 2025, was as follows (in thousands, except per share amounts):

	Restricted Stock Units and Restricted Stock Awards Outstanding	
	Shares	Weighted Average Grant Date Fair Value
Outstanding as of December 31, 2024	37,217	\$ 29.33
Granted	26,199	28.76
Released	(13,893)	28.91
Forfeited	(3,566)	28.65
Outstanding as of June 30, 2025	45,957	\$ 29.19

During the first quarter of 2025, we granted 572,884 RSUs that vest subject to continued service and a market condition under which the number of RSUs that vest will range from 0% to 200% of the number granted based on our total stockholder return relative to the returns of the companies in the Nasdaq CTA Internet Index over a three-year performance period from January 1, 2025 to December 31, 2027. The weighted-average grant-date fair value of these RSUs was \$49.99, which we estimated using a Monte Carlo simulation model with the following assumptions:

	Three Months Ended March 31, 2025
Expected term (in years)	3.0
Risk-free interest rate	4.3 %
Expected volatility	57.3 %

Share-Based Compensation

Share-based compensation expense during the three and six months ended June 30, 2025 and 2024, was as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Cost of revenue	\$ 4,983	\$ 3,777	\$ 9,055	\$ 6,725
Research and development	145,939	128,481	265,421	230,836
Sales and marketing	38,715	30,906	69,046	55,895
General and administrative	37,597	33,269	71,138	65,450
Total share-based compensation	\$ 227,234	\$ 196,433	\$ 414,660	\$ 358,906

We recognized income tax benefits on share-based compensation expense of \$47.7 million and \$86.0 million for the three and six months ended June 30, 2025, respectively, which are reflected in benefit from income taxes on our condensed consolidated statements of operations. No income tax benefits were recognized for the three and six months ended June 30, 2024 due to the valuation allowance on our deferred tax assets.

As of June 30, 2025, we had \$1,272.9 million of unrecognized share-based compensation expense, which we expect to recognize over a weighted-average period of 2.0 years.

Stock Repurchase

In November 2024, our board of directors authorized a stock repurchase program of up to \$2.0 billion of our Class A common stock. Under the stock repurchase program, we are authorized to repurchase, from time-to-time, shares of

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our Class A common stock through open market purchases, in privately negotiated transactions or in such other manner as permitted by securities law and as determined by management at such time and in such amounts as management may decide. The program does not obligate us to repurchase any specific number of shares and may be modified, suspended or discontinued at any time. The timing, manner, price and amount of any repurchases are determined by management in its discretion and depend on a variety of factors, including legal requirements, price and economic and market conditions. During the six months ended June 30, 2025, we repurchased and retired 6,557,179 shares of our Class A common stock for an aggregate purchase price of \$227.6 million at an average price per share of \$34.71. As of June 30, 2025, \$1,672.2 million remained available for repurchases under the stock repurchase program.

5. Net Income (Loss) Per Share

We present net income (loss) per share using the two-class method required for multiple classes of common stock. Holders of our Class A and Class B common stock have identical rights except with respect to voting, conversion and transfer rights and therefore share equally in our net income or losses.

We calculate basic net income (loss) per share by dividing net income (loss) by the weighted-average number of shares of common stock outstanding during the period.

Diluted net income (loss) per share gives effect to all potential shares of common stock, including stock options, RSAs and RSUs, to the extent these are dilutive. The calculation of diluted net income (loss) of Class A common stock assumes the conversion of our Class B common stock to Class A common stock, while the diluted net income (loss) of Class B common stock does not assume the conversion of those shares to Class A common stock.

We calculated basic and diluted net income (loss) per share as follows (in thousands, except per share amounts):

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	Three Months Ended June 30,				Six Months Ended June 30,			
	2025		2024		2025		2024	
	Class A	Class B	Class A	Class B	Class A	Class B	Class A	Class B
Basic net income (loss) per share:								
Numerator:								
Net income (loss)	\$ 34,066	\$ 4,689	\$ 7,805	\$ 1,082	\$ 41,871	\$ 5,806	\$ (13,965)	\$ (1,960)
Denominator:								
Weighted-average shares used in computing net income (loss) per share, basic	594,953	81,899	600,033	83,138	594,282	82,406	597,193	83,802
Basic net income (loss) per share	\$ 0.06	\$ 0.06	\$ 0.01	\$ 0.01	\$ 0.07	\$ 0.07	\$ (0.02)	\$ (0.02)
Diluted net income (loss) per share:								
Numerator:								
Net income (loss)	\$ 34,066	\$ 4,689	\$ 7,805	\$ 1,082	\$ 41,871	\$ 5,806	\$ (13,965)	\$ (1,960)
Reallocation of net income as a result of conversion of Class B to Class A common stock	4,689	—	1,082	—	5,806	—	—	—
Reallocation of net income to Class B common stock	—	(88)	—	(38)	—	(109)	—	—
Diluted net income (loss)	\$ 38,755	\$ 4,601	\$ 8,887	\$ 1,044	\$ 47,677	\$ 5,697	\$ (13,965)	\$ (1,960)
Denominator								
Weighted-average shares used in computing net income (loss) per share, basic	594,953	81,899	600,033	83,138	594,282	82,406	597,193	83,802
Conversion of Class B to Class A common stock	81,899	—	83,138	—	82,406	—	—	—
Weighted average effect of dilutive potential common stock	12,985	—	25,087	—	12,910	—	—	—
Weighted-average shares used in computing net income (loss) per share, diluted	689,837	81,899	708,258	83,138	689,598	82,406	597,193	83,802
Diluted net income (loss) per share	\$ 0.06	\$ 0.06	\$ 0.01	\$ 0.01	\$ 0.07	\$ 0.07	\$ (0.02)	\$ (0.02)

Basic net income (loss) per share is the same as diluted net income (loss) per share for the six months ended June 30, 2024 because we reported a net loss. We excluded the following weighted-average potential shares of common stock from our calculation of diluted net income (loss) per share because these would be anti-dilutive (in thousands):

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	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Outstanding stock options	—	—	—	11,884
Unvested restricted stock units and restricted stock awards	11,490	1,623	11,682	46,963
Total	11,490	1,623	11,682	58,847

6. Income Taxes

We determine our income tax provision for interim periods using an estimate of our annual effective tax rate adjusted for discrete items occurring during the periods presented. For the three and six months ended June 30, 2025, the primary difference between our effective tax rate and the federal statutory rate was excess tax benefits from share-based compensation. For the three and six months ended June 30, 2024, the primary difference was the full valuation allowance we had on our federal, state and foreign net operating losses and credits. We recorded income tax benefits of \$4.1 million and \$16.7 million for the three and six months ended June 30, 2025. Income taxes were not material for the three and six months ended June 30, 2024.

Given our recent history of generating net income in Ireland, we believe that there is a reasonable possibility that sufficient positive evidence may become available to allow us to determine that the valuation allowance recorded against our Ireland deferred tax assets could be released within the next twelve months. The reversal would result in the recognition of Ireland deferred tax assets and a corresponding income tax benefit in the period the release is recorded. However, the exact timing and amount of the valuation allowance release are subject to change based on our actual operating results.

We are subject to taxation in the U.S. and various other state and foreign jurisdictions. As we have net operating loss carryforwards for U.S. federal and state jurisdictions, the statute of limitations is open for all tax years. For material foreign jurisdictions, the tax years open to examination include the years 2020 and forward.

7. Geographical Information

Revenue disaggregated by geography based on our customers' billing addresses was as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
U.S. and Canada ⁽¹⁾	\$ 721,801	\$ 633,607	\$ 1,353,935	\$ 1,180,191
Europe ⁽²⁾	189,620	143,729	336,796	267,771
Rest of World	86,806	76,344	162,484	145,701
Total revenue	\$ 998,227	\$ 853,680	\$ 1,853,215	\$ 1,593,663

⁽¹⁾ United States revenue was \$689.4 million and \$603.8 million for the three months ended June 30, 2025 and 2024, respectively, and \$1,293.9 million and \$1,126.4 million for the six months ended June 30, 2025 and 2024, respectively. No individual country other than the United States exceeded 10% of our total revenue for any period presented.

⁽²⁾ Europe includes Russia and Turkey.

PINTEREST, INC.
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Our total deferred revenue was \$46.1 million and \$23.4 million as of June 30, 2025 and December 31, 2024, respectively. We expect a majority of our deferred revenue to be realized in less than one year.

Property and equipment, net and operating lease right-of-use assets by geography is as follows (in thousands):

	June 30, 2025	December 31, 2024
United States	\$ 72,790	\$ 74,623
Ireland	22,866	24,201
International ⁽¹⁾	32,039	32,667
<u>Total property and equipment, net and operating lease right-of-use assets</u>	<u>\$ 127,695</u>	<u>\$ 131,491</u>

⁽¹⁾ Other than the United States and Ireland, no other country exceeded 10% of our total property and equipment, net and operating lease right-of-use assets for any period presented.

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 together with our condensed consolidated financial statements and related notes and other financial information appearing elsewhere in this Quarterly Report on Form 10-Q. This discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results could differ materially from these forward-looking statements as a result of many factors, including those discussed in "Risk Factors" and "Note About Forward-Looking Statements" included elsewhere in this Quarterly Report on Form 10-Q.

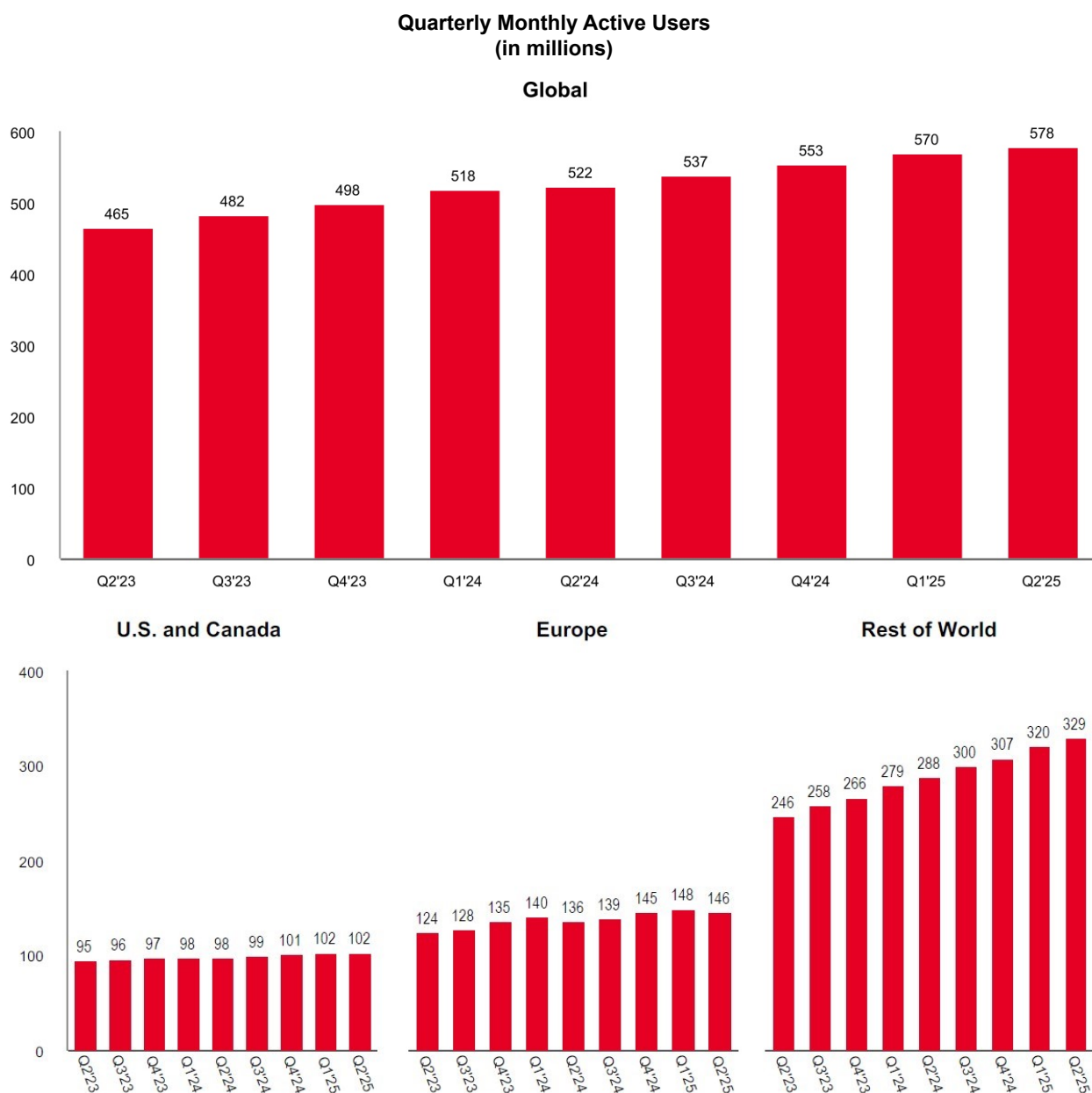
Overview of Second Quarter Results

Our key financial and operating results as of and for the three months ended June 30, 2025, unless noted otherwise, are as follows:

- Revenue was \$998.2 million, an increase of 17% on a reported and constant currency basis compared to the three months ended June 30, 2024.
- Monthly active users ("MAUs") were 578 million, an increase of 11% compared to June 30, 2024.
- Share-based compensation expense was \$227.2 million, an increase of \$30.8 million compared to the three months ended June 30, 2024.
- Loss from operations was \$4.3 million, a decrease of \$17.1 million compared to the three months ended June 30, 2024.
- Net income was \$38.8 million and Adjusted EBITDA was \$250.8 million.
- Net cash provided by operating activities was \$571.4 million and free cash flow was \$553.1 million during the six months ended June 30, 2025.
- Cash, cash equivalents and marketable securities was \$2,659.4 million.
- Headcount was 4,982.

Trends in User Metrics

Monthly Active Users. We define an MAU as an authenticated Pinterest user who visits our website, opens our mobile application or interacts with Pinterest through one of our browser or site extensions, such as the Save button, at least once during the 30-day period ending on the date of measurement. The number of MAUs does not include Shuffles users unless they would otherwise qualify as MAUs. We present MAUs based on the number of MAUs measured on the last day of the current period. We calculate average MAUs based on the average of the number of MAUs measured on the last day of the current period and the last day prior to the beginning of the current period. MAUs are the primary metric by which we measure the scale of our active user base.

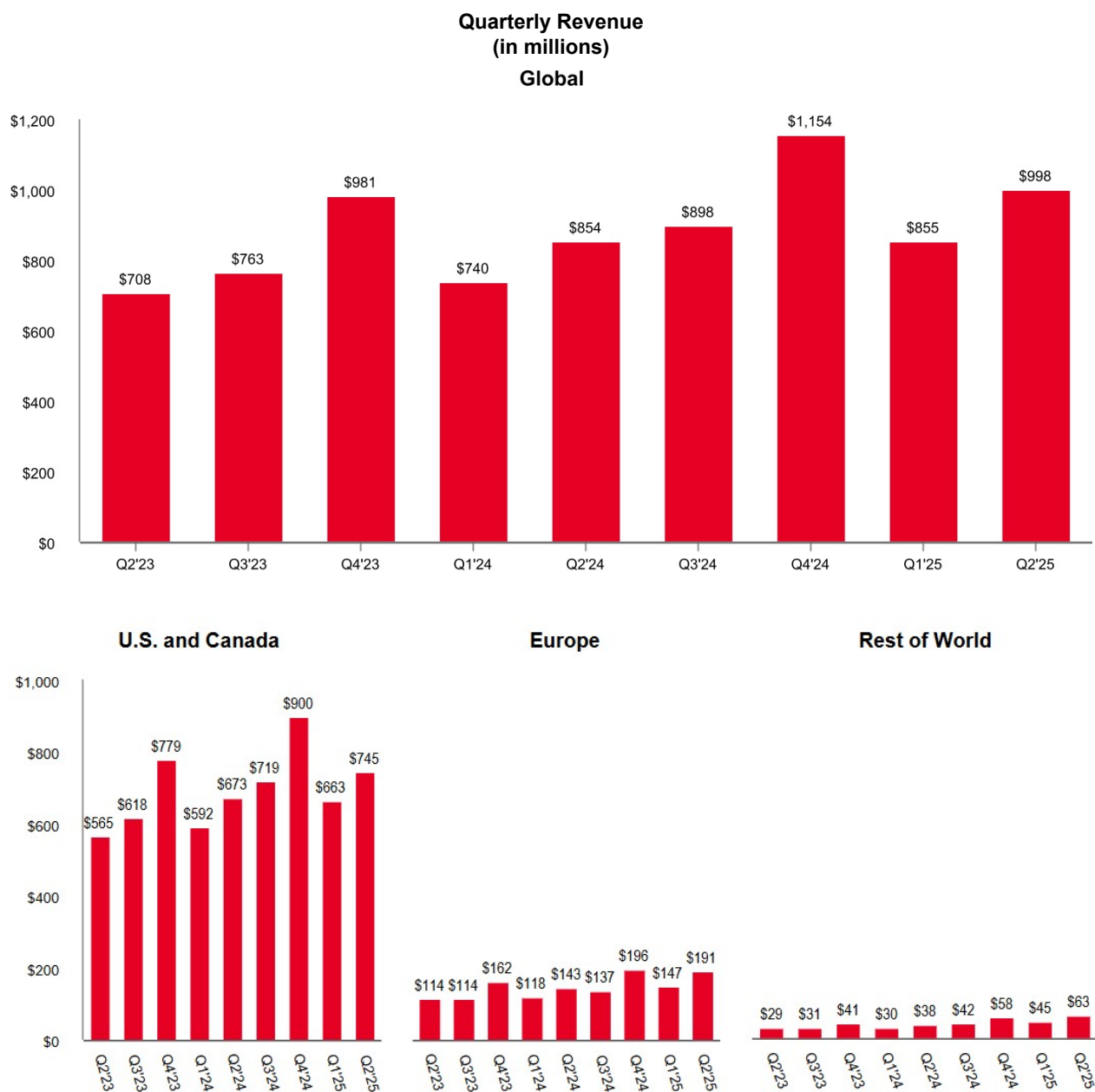


Note: U.S. and Canada, Europe and Rest of World may not sum to Global due to rounding. Europe includes Russia and Turkey for our reporting of Revenue, MAUs and ARPU by geographic region.

As of June 30, 2025, global MAUs increased compared to June 30, 2024 primarily due to our ongoing investments in relevance and personalization.

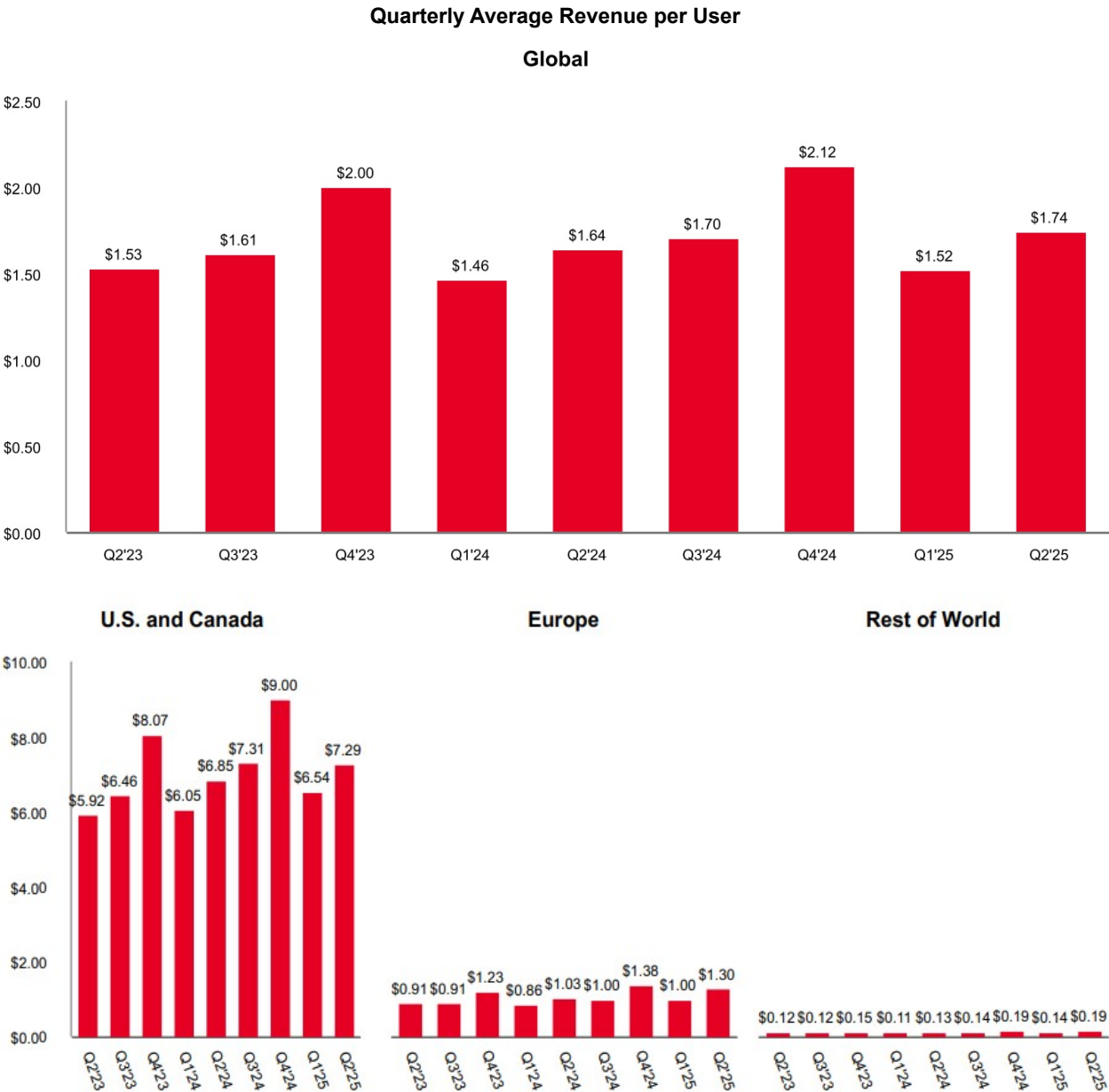
Trends in Monetization Metrics

Revenue. We calculate revenue by user geography based on our estimate of the geographic location of our users when they perform a revenue-generating activity. The geography of our users affects our revenue and financial results because we currently only monetize certain countries and currencies and because we monetize different geographies at different average rates. Our revenue in U.S. and Canada and, to a lesser extent, Europe is higher primarily due to the relative size and maturity of the digital advertising markets in these geographies.



Note: Revenue by geography in the charts above is geographically apportioned based on our estimate of users' geographic location when they perform a revenue-generating activity. This allocation differs from our disclosure of revenue disaggregated by geography in the notes to our condensed consolidated financial statements where revenue is geographically apportioned based on our customers' billing addresses. U.S. and Canada, Europe and Rest of World may not sum to Global and quarterly amounts may not sum to annual due to rounding.

Average Revenue per User. We measure monetization of our platform through our average revenue per user metric. We define ARPU as our total revenue in a given geography during a period divided by average MAUs in that geography during the period. We calculate ARPU by geography based on our estimate of the geography in which revenue-generating activities occur. We present ARPU on a U.S. and Canada, Europe and Rest of World basis because we currently monetize users in different geographies at different average rates. Our ARPU in U.S. and Canada and, to a lesser extent, Europe is higher primarily due to the relative size and maturity of the digital advertising markets in these geographies.



For the three months ended June 30, 2025, global ARPU was \$1.74, which represents an increase of 6% compared to the three months ended June 30, 2024. For the three months ended June 30, 2025, U.S. and Canada ARPU was \$7.29, an increase of 6%, Europe ARPU was \$1.30, an increase of 26%, and Rest of World ARPU was \$0.19, an increase of 44% compared to the three months ended June 30, 2024.

We use MAUs and ARPU to assess the growth and health of the overall business and believe that these metrics best reflect our ability to attract, retain, engage and monetize our users, and thereby drive revenue.

Non-GAAP Financial Measure

To supplement our condensed consolidated financial statements presented in accordance with generally accepted accounting principles in the United States ("GAAP"), we consider certain non-GAAP financial measures, as described below.

We use Adjusted EBITDA to evaluate our operating results and for financial and operational decision-making purposes. We define Adjusted EBITDA as net income (loss) adjusted to exclude depreciation and amortization expense, share-based compensation expense, payroll tax expense related to share-based compensation, interest income (expense), net, other income (expense), net, provision for (benefit from) income taxes and certain other non-recurring or non-cash items impacting net income (loss) that we do not consider indicative of our ongoing business performance. We believe Adjusted EBITDA helps identify underlying trends in our business that could otherwise be masked by the effect of the income and expenses that it excludes.

We use constant currency revenue to evaluate our operating and financial results. We calculate constant currency revenue by translating our current period revenue using the corresponding prior period's monthly exchange rates for currencies other than the U.S. dollar. We believe constant currency revenue provides useful information to investors because it excludes the effects of foreign currency volatility that are not indicative of our core operating results.

We present free cash flow because we believe it provides useful information to investors about the amount of cash generated from operations, after purchases of property and equipment, that can be used to strengthen our balance sheet or invest in our business among other things. We define free cash flow as net cash provided by operating activities less purchases of property and equipment. Free cash flow is not intended to represent our residual cash flow available for discretionary expenditures.

We present these non-GAAP financial measures because we believe they provide useful information about our operating results, enhance the overall understanding of our past performance and future prospects, and allow for greater transparency with respect to key metrics we use for financial and operational decision-making. We present these non-GAAP financial measures to assist investors in seeing our operating results through the eyes of management and because we believe that these measures provide an additional tool for investors to use in comparing our core business operating results over multiple periods with other companies in our industry.

Adjusted EBITDA, constant currency revenue and free cash flow should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures rather than net income (loss), revenue and net cash provided by operations, the nearest GAAP equivalents. For example,

- Adjusted EBITDA excludes:
 - certain recurring, non-cash charges such as depreciation of fixed assets and amortization of acquired intangible assets, although these assets may have to be replaced in the future; and
 - share-based compensation expense and related payroll tax expense, which have been and will continue to be for the foreseeable future, significant recurring expenses and an important part of our compensation strategy.
- Constant currency revenue excludes the effect of changes in foreign currency exchange rates, which have an actual effect on our operating results; and
- Free cash flow does not reflect our future contractual commitments arising from purchases of property and equipment.

In addition, these non-GAAP financial measures are not based on any standardized methodology prescribed by GAAP, and may differ from similarly titled measures used by other companies (if used at all), which reduces their usefulness as comparative measures.

Because of these limitations, you should consider these non-GAAP financial measures alongside other financial performance measures, and our other financial results presented in accordance with GAAP.

Adjusted EBITDA

The following table presents a reconciliation of net income (loss), the most directly comparable financial measure calculated and presented in accordance with GAAP, to Adjusted EBITDA (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income (loss)	\$ 38,755	\$ 8,887	\$ 47,677	\$ (15,925)
Depreciation and amortization	6,090	4,920	11,938	9,781
Share-based compensation	227,234	196,433	414,660	358,906
Payroll tax expense related to share-based compensation ⁽¹⁾	8,287	8,381	22,139	21,552
Interest (income) expense, net	(28,022)	(34,680)	(55,315)	(65,946)
Other (income) expense, net	(10,960)	4,596	(15,479)	9,122
Benefit from income taxes	(4,103)	(244)	(16,690)	(3,108)
Non-cash charitable contributions	13,495	—	13,495	—
Adjusted EBITDA	<u>\$ 250,776</u>	<u>\$ 188,293</u>	<u>\$ 422,425</u>	<u>\$ 314,382</u>

⁽¹⁾ We began excluding payroll tax expense related to share-based compensation from Adjusted EBITDA in the fourth quarter of 2024 because these taxes are variable due to our stock price and other factors outside our control and therefore are not reflective of our ongoing business operations or the underlying trends in our business. Accordingly, although payroll tax expense related to share-based compensation is a cash expense that we will continue to incur in the future, we believe excluding this expense provides investors with a better understanding of the performance of our core business and serves as a tool for investors to use in comparing our core business operating results over multiple periods with other companies in our industry. Prior period amounts have been restated to conform to this presentation.

Constant currency revenue

The following table presents revenue and period-over-period changes on an as reported and constant currency basis (in thousands, except percentages):

	Three Months Ended June 30,		% Change		Six Months Ended June 30,		% Change	
	2025	2024	As Reported	Constant Currency ⁽¹⁾	2025	2024	As Reported	Constant Currency ⁽¹⁾
Revenue	\$ 998,227	\$ 853,680	17 %	17 %	\$ 1,853,215	\$ 1,593,663	16 %	17 %

⁽¹⁾ On a constant currency basis, revenue for the three and six months ended June 30, 2025 was \$995.1 million and \$1,860.1 million, respectively, due to a \$3.1 million favorable and \$6.9 million unfavorable impact of changes in foreign exchange rates.

Free cash flow

The following table presents a reconciliation of net cash flows provided by operating activities, the most directly comparable financial measure calculated and presented in accordance with GAAP, to free cash flow (in thousands):

	Six Months Ended June 30,	
	2025	2024
Reconciliation of free cash flow		
Net cash provided by operating activities	\$ 571,399	\$ 462,572
Less:		
Purchases of property and equipment	(18,299)	(16,897)
Free cash flow	<u>\$ 553,100</u>	<u>\$ 445,675</u>

Components of Results of Operations

Revenue. We generate revenue by delivering ads on our website and mobile application. Advertisers purchase ads directly with us or through their relationships with advertising agencies. We recognize revenue only after transferring control of promised goods or services to customers, which occurs when a user clicks on an ad contracted on a cost per click ("CPC") basis, views an ad contracted on a cost per thousand impressions ("CPM") basis or cost per day ("CPD") basis or views a video ad contracted on a cost per view ("CPV") basis. We recognize revenue over the service period for ads contracted on a CPD basis, which do not contain minimum impression guarantees.

Cost of Revenue. Cost of revenue consists primarily of expenses associated with the delivery of our service, including the cost of hosting our website and mobile application. Cost of revenue also includes personnel-related expense, including salaries, benefits and share-based compensation for employees on our operations teams, payments associated with partner arrangements, credit card and other transaction processing fees, amortization of acquired intangible assets and allocated facilities and other supporting overhead costs.

Research and Development. Research and development consists primarily of personnel-related expense, including salaries, benefits and share-based compensation for our engineers and other employees engaged in the research and development of our products, and allocated facilities and other supporting overhead costs.

Sales and Marketing. Sales and marketing consists primarily of personnel-related expense, including salaries, commissions, benefits and share-based compensation for our employees engaged in sales, sales support, marketing and customer service functions, advertising and promotional expenditures, professional services, amortization of acquired intangible assets and allocated facilities and other supporting overhead costs. Our marketing efforts also include user- and advertiser-focused marketing expenditures.

General and Administrative. General and administrative consists primarily of personnel-related expense, including salaries, benefits and share-based compensation for our employees engaged in finance, legal, human resources and other administrative functions, professional services, including outside legal and accounting services, charitable contributions and allocated facilities and other supporting overhead costs.

Interest and Other Income (Expense), Net. Interest and other income (expense), net consists primarily of interest earned on our cash equivalents and marketable securities and foreign currency exchange gains and losses.

Benefit from income taxes. Benefit from income taxes consists primarily of income taxes in foreign jurisdictions and U.S. federal and state income taxes.

Adjusted EBITDA. We define Adjusted EBITDA as net income (loss) adjusted to exclude depreciation and amortization expense, share-based compensation expense, payroll tax expense related to share-based compensation, interest income (expense), net, other income (expense), net, provision for (benefit from) income taxes and certain other non-recurring or non-cash items impacting net income (loss) that we do not consider indicative of our ongoing business performance. See "Non-GAAP Financial Measure" for more information and for a reconciliation of net income (loss), the most directly comparable financial measure calculated and presented in accordance with GAAP, to Adjusted EBITDA.

Results of Operations

The following tables set forth our condensed consolidated statements of operations data (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenue	\$ 998,227	\$ 853,680	\$ 1,853,215	\$ 1,593,663
Costs and expenses ⁽¹⁾ :				
Cost of revenue	203,009	184,856	402,279	365,947
Research and development	359,624	312,837	691,289	593,112
Sales and marketing	313,075	265,354	566,995	491,643
General and administrative	126,849	112,074	232,459	218,818
Total costs and expenses	1,002,557	875,121	1,893,022	1,669,520
Loss from operations	(4,330)	(21,441)	(39,807)	(75,857)
Interest income (expense), net	28,022	34,680	55,315	65,946
Other income (expense), net	10,960	(4,596)	15,479	(9,122)
Income (loss) before benefit from income taxes	34,652	8,643	30,987	(19,033)
Benefit from income taxes	(4,103)	(244)	(16,690)	(3,108)
Net income (loss)	\$ 38,755	\$ 8,887	\$ 47,677	\$ (15,925)
Adjusted EBITDA ⁽²⁾	\$ 250,776	\$ 188,293	\$ 422,425	\$ 314,382

⁽¹⁾ Includes share-based compensation expense as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Cost of revenue	\$ 4,983	\$ 3,777	\$ 9,055	\$ 6,725
Research and development	145,939	128,481	265,421	230,836
Sales and marketing	38,715	30,906	69,046	55,895
General and administrative	37,597	33,269	71,138	65,450
Total share-based compensation	\$ 227,234	\$ 196,433	\$ 414,660	\$ 358,906

⁽²⁾ See "Non-GAAP Financial Measure" for more information and for a reconciliation of net income (loss), the most directly comparable financial measure calculated and presented in accordance with GAAP, to Adjusted EBITDA.

The following table sets forth our condensed consolidated statements of operations data (as a percentage of revenue):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenue	100 %	100 %	100 %	100 %
Costs and expenses:				
Cost of revenue	20	22	22	23
Research and development	36	37	37	37
Sales and marketing	31	31	31	31
General and administrative	13	13	13	14
Total costs and expenses	100	103	102	105
Loss from operations	—	(3)	(2)	(5)
Interest income (expense), net	3	4	3	4
Other income (expense), net	1	(1)	1	(1)
Income (loss) before benefit from income taxes	3	1	2	(1)
Benefit from income taxes	—	—	(1)	—
Net income (loss)	4 %	1 %	3 %	(1)%

Three and Six Months Ended June 30, 2025 and 2024

Revenue

	Three Months Ended June 30,			Six Months Ended June 30,		
	2025	2024	% change	2025	2024	% change
	<i>(in thousands, except percentages)</i>					
Revenue	\$ 998,227	\$ 853,680	17 %	\$ 1,853,215	\$ 1,593,663	16 %

Revenue for the three and six months ended June 30, 2025 increased by \$144.5 million and \$259.6 million, respectively, compared to the three and six months ended June 30, 2024 primarily due to growth from our conversion and awareness objectives. Revenue on a constant currency basis increased by 17% for the three and six month periods ended June 30, 2025, compared to three and six months ended June 30, 2024. Revenue growth was primarily driven by 6% and 5% respective increases in ARPU supported by an 11% increase in average MAUs for the three and six months ended June 30, 2025 compared to the three and six months ended June 30, 2024. The number of advertisements served increased by 55% and 52% while the price of advertisements decreased by 25% and 24% for the three and six months ended June 30, 2025 compared to the three and six months ended June 30, 2024, respectively.

Revenue based on our estimate of the geographic location of our users increased by 11% in U.S. and Canada to \$744.7 million and \$1,408.1 million, Europe revenue increased by 34% and 29% to \$190.6 million and \$337.3 million, and Rest of World revenue increased by 65% and 58% to \$62.9 million and \$107.8 million for the three and six months ended June 30, 2025 compared to the three and six months ended June 30, 2024, respectively.

Cost of Revenue

	Three Months Ended June 30,			Six Months Ended June 30,		
	2025	2024	% change	2025	2024	% change
	<i>(in thousands, except percentages)</i>					
Cost of revenue	\$ 203,009	\$ 184,856	10 %	\$ 402,279	\$ 365,947	10 %
Percentage of revenue	20 %	22 %		22 %	23 %	

Cost of revenue for the three and six months ended June 30, 2025 increased by \$18.2 million and \$36.3 million, respectively, compared to the three and six months ended June 30, 2024 primarily due to increased users and engagement.

Research and Development

	Three Months Ended June 30,			Six Months Ended June 30,		
	2025	2024	% change	2025	2024	% change
	<i>(in thousands, except percentages)</i>					
Research and development	\$ 359,624	\$ 312,837	15 %	\$ 691,289	\$ 593,112	17 %
Percentage of revenue	36 %	37 %		37 %	37 %	

Research and development for the three and six months ended June 30, 2025 increased by \$46.8 million and \$98.2 million, respectively, compared to the three and six months ended June 30, 2024. These increases were primarily due to 17% and 20% respective increases in personnel expenses due to higher headcount and \$17.5 million and \$34.6 million respective increases in share-based compensation expense.

Sales and Marketing

	Three Months Ended June 30,			Six Months Ended June 30,		
	2025	2024	% change	2025	2024	% change
	<i>(in thousands, except percentages)</i>					
Sales and marketing	\$ 313,075	\$ 265,354	18 %	\$ 566,995	\$ 491,643	15 %
Percentage of revenue	31 %	31 %		31 %	31 %	

Sales and marketing for the three and six months ended June 30, 2025 increased by \$47.7 million and \$75.4 million, respectively, compared to the three and six months ended June 30, 2024. These increases were primarily due to 24% and 16% respective increases in personnel expenses due to higher headcount, \$7.8 million and \$13.2 million increases in share-based compensation expense, \$6.8 million and \$15.2 million increases in marketing expenses and for the six months ended June 30, 2025, a \$7.4 million increase in outsourced services costs.

General and Administrative

	Three Months Ended June 30,			Six Months Ended June 30,		
	2025	2024	% change	2025	2024	% change
	<i>(in thousands, except percentages)</i>					
General and administrative	\$ 126,849	\$ 112,074	13 %	\$ 232,459	\$ 218,818	6 %
Percentage of revenue	13 %	13 %		13 %	14 %	

General and administrative for the three and six months ended June 30, 2025 increased by \$14.8 million and \$13.6 million, respectively, compared to the three and six months ended June 30, 2024. These increases were primarily due to \$13.5 million in non-cash charitable contributions.

Interest and Other Income (Expense), Net

	Three Months Ended June 30,			Six Months Ended June 30,		
	2025	2024	% change	2025	2024	% change
	<i>(in thousands, except percentages)</i>					
Interest income (expense), net	\$ 28,022	\$ 34,680	(19)%	\$ 55,315	\$ 65,946	(16)%
Other income (expense), net	10,960	(4,596)	(338)%	15,479	(9,122)	270 %
Interest and other income (expense), net	\$ 38,982	\$ 30,084	30 %	\$ 70,794	\$ 56,824	25 %

Interest and other income (expense), net for the three and six months ended June 30, 2025 increased by \$8.9 million and \$14.0 million, respectively, compared to the three and six months ended June 30, 2024, primarily due to higher foreign currency exchange gains offset by lower returns on our cash equivalents and marketable securities as a result of lower interest rates.

Benefit from income taxes

	Three Months Ended June 30,				Six Months Ended June 30,			
	2025	2024	% change		2025	2024	% change	
	(in thousands, except percentages)							
Benefit from income taxes	\$ (4,103)	\$ (244)	1,582 %	\$	(16,690)	\$ (3,108)	437 %	

Benefit from income taxes was primarily due to excess tax benefits from share-based compensation for the three and six months ended June 30, 2025, and due to losses generated in U.S. federal, state and certain foreign jurisdictions for the three and six months ended June 30, 2024.

On July 4, 2025, the One Big Beautiful Bill Act was signed into law. The legislation includes provisions that allow for the immediate expensing of domestic U.S. research and development expenses and other changes to the U.S. taxation of profits derived from foreign operations. We are currently evaluating the effects of the new legislation on our condensed financial statements and will recognize any adjustments in the period of enactment.

Given our recent history of generating net income in Ireland, we believe that there is a reasonable possibility that sufficient positive evidence may become available to allow us to determine that the valuation allowance recorded against our Ireland deferred tax assets could be released within the next twelve months. The reversal would result in the recognition of Ireland deferred tax assets and a corresponding income tax benefit in the period the release is recorded. However, the exact timing and amount of the valuation allowance release are subject to change based on our actual operating results.

Net Income (Loss) and Adjusted EBITDA

	Three Months Ended June 30,				Six Months Ended June 30,		
	2025	2024	% change		2025	2024	% change
	(in thousands, except percentages)						
Net income (loss)	\$ 38,755	\$ 8,887	336 %	\$	47,677	\$ (15,925)	399 %
Adjusted EBITDA	\$ 250,776	\$ 188,293	33 %	\$	422,425	\$ 314,382	34 %

Net income for the three and six months ended June 30, 2025 was \$38.8 million and \$47.7 million compared to net income of \$8.9 million for the three months ended June 30, 2024 and a net loss of \$15.9 million for the six months ended June 30, 2024. Adjusted EBITDA was \$250.8 million and \$422.4 million for the three and six months ended June 30, 2025 compared to \$188.3 million and \$314.4 million for the three and six months ended June 30, 2024, due to the factors described above. See "Non-GAAP Financial Measure" for more information and for a reconciliation of net income (loss), the most directly comparable financial measure calculated and presented in accordance with GAAP, to Adjusted EBITDA.

Liquidity and Capital Resources

We finance our operations primarily through payments received from our customers. Our primary uses of cash are personnel-related costs and the cost of hosting our website and mobile application. As of June 30, 2025, we had \$2,659.4 million in cash, cash equivalents and marketable securities. Our cash equivalents and marketable securities are primarily invested in short-duration fixed income securities, including government and investment-grade corporate debt securities and money market funds. As of June 30, 2025, \$177.4 million of our cash and cash equivalents was held by our foreign subsidiaries.

In October 2022, we replaced the \$500.0 million revolving credit facility entered into in November 2018 with an amended and restated five-year \$400.0 million revolving credit facility (the "2022 revolving credit facility") that contained an accordion option which, if exercised, would allow us to increase the aggregate commitments by up to \$405.0 million provided we are able to secure additional lender commitments and satisfy certain other conditions.

In October 2023, we amended the 2022 revolving credit facility to increase our aggregate commitment to \$500.0 million and reduce our accordion option from \$405.0 million to \$305.0 million. Interest on any borrowings under the 2022 revolving credit facility accrues at either an adjusted term Secured Overnight Financing Rate ("SOFR") plus 0.10% and a margin of 1.50% or at an alternative base rate plus a margin of 0.50%, at our election, and we are required to pay an annual commitment fee that accrues at 0.15% per annum on the unused portion of the aggregate commitments under the 2022 revolving credit facility.

The 2022 revolving credit facility also allows us to issue letters of credit, which reduce the amount we can borrow. We are required to pay a fee that accrues at 0.125% per annum on the average aggregate daily maximum amount available to be drawn under any outstanding letters of credit.

The 2022 revolving credit facility contains customary conditions to borrowing, events of default and covenants, including covenants that restrict our ability to incur indebtedness, grant liens, make distributions to holders of our stock or the stock of our subsidiaries, make investments or engage in transactions with our affiliates. The 2022 revolving credit facility also contains a financial maintenance covenant: a maximum net leverage ratio of consolidated debt to consolidated EBITDA no greater than 3.50 to 1.00, subject to an increase up to 4.00 to 1.00 for a certain period following an acquisition. The obligations under the 2022 revolving credit facility are secured by liens on substantially all of our domestic assets, including certain domestic intellectual property assets.

Our total borrowing capacity under the 2022 revolving credit facility is \$500.0 million as of June 30, 2025. We have not issued any letters of credit and are in compliance with all covenants under the 2022 revolving credit facility as of June 30, 2025.

We believe our existing cash, cash equivalents and marketable securities and amounts available under the 2022 revolving credit facility will be sufficient to meet our working capital and capital expenditure needs over at least the next 12 months, though we may require additional capital resources in the future. We may elect to raise additional capital through the sale of additional equity to fund our future needs beyond the next 12 months.

There have been no material changes to our material cash requirements or non-cancelable contractual commitments since December 31, 2024.

In November 2024, our board of directors authorized a stock repurchase program of up to \$2.0 billion of our Class A common stock. Under the stock repurchase program, we are authorized to repurchase, from time-to-time, shares of our Class A common stock through open market purchases, in privately negotiated transactions or in such other manner as permitted by securities law and as determined by management at such time and in such amounts as management may decide. The program does not obligate us to repurchase any specific number of shares and may be modified, suspended or discontinued at any time. The timing, manner, price and amount of any repurchases are determined by management in its discretion and depend on a variety of factors, including legal requirements, price and economic and market conditions. During the six months ended June 30, 2025, we repurchased and retired 6,557,179 shares of our Class A common stock for an aggregate purchase price of \$227.6 million at an average price

per share of \$34.71. As of June 30, 2025, \$1,672.2 million remained available for repurchases under the stock repurchase program.

For the six months ended June 30, 2025 and 2024, our net cash flows were as follows (in thousands):

	Six Months Ended June 30,	
	2025	2024
Net cash provided by (used in):		
Operating activities	\$ 571,399	\$ 462,572
Investing activities	\$ (74,120)	\$ (214,275)
Financing activities	\$ (419,041)	\$ (233,542)
Free cash flow ⁽¹⁾	\$ 553,100	\$ 445,675

⁽¹⁾ See “Non-GAAP Financial Measure” for more information and for a reconciliation of net cash provided by operating activities, the most directly comparable financial measure calculated and presented in accordance with GAAP, to free cash flow.

Operating Activities

Cash flows from operating activities consist of our net income (loss) adjusted for certain non-cash reconciling items, such as share-based compensation expense, depreciation and amortization, deferred income taxes, net amortization of investment premium and discount, non-cash charitable contributions and changes in our operating assets and liabilities. Net cash provided by operating activities increased by \$108.8 million for the six months ended June 30, 2025 compared to the six months ended June 30, 2024 primarily due to an increase in our net income as adjusted for certain non-cash items offset by a decrease in accrued expenses and other liabilities due to timing of payments to vendors.

Investing Activities

Cash flows from investing activities consist of capital expenditures for improvements to new and existing office spaces. We also actively manage our operating cash and cash equivalent balances and invest excess cash in short-duration marketable securities, the sales and maturities of which we use to fund our ongoing cash requirements. Net cash used in investing activities decreased by \$140.2 million for the six months ended June 30, 2025 compared to the six months ended June 30, 2024, primarily due to an increase in maturities of marketable securities offset by an increase in purchases of marketable securities.

Financing Activities

Cash flows from financing activities consist of tax remittances on release of RSUs and RSAs, repurchases of our Class A common stock and proceeds from the exercise of stock options. Net cash used in financing activities increased by \$185.5 million for the six months ended June 30, 2025 compared to the six months ended June 30, 2024, primarily due to an increase in repurchases of our Class A common stock.

Free cash flow

Free cash flow increased \$107.4 million for the six months ended June 30, 2025 compared to the six months ended June 30, 2024 and consists of net cash provided by operating activities and purchases of property and equipment. See “Non-GAAP Financial Measures” for more information and for a reconciliation of net cash flows provided by operating activities, the most directly comparable financial measure calculated and presented in accordance with GAAP, to free cash flow.

Critical Accounting Policies and Estimates

We prepare our condensed consolidated financial statements in accordance with GAAP. Preparing our condensed consolidated financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses as well as related disclosures. Because these estimates and judgments may change from period to period, actual results could differ materially, which may negatively affect our financial condition or results of operations. We base our estimates and judgments on historical experience and various other assumptions that we consider reasonable, and we evaluate these estimates and judgments on an ongoing basis. We refer to such estimates and judgments, discussed further below, as critical accounting policies and estimates.

Refer to Note 1 to our condensed consolidated financial statements for further information on our other significant accounting policies.

Revenue Recognition

We generate revenue by delivering ads on our website and mobile application. We recognize revenue only after transferring control of promised goods or services to customers, which occurs when a user clicks on an ad contracted on a CPC basis, views an ad contracted on a CPM or CPD basis or views a video ad contracted on a CPV basis. We recognize revenue over the service period for ads contracted on a CPD basis, which do not contain minimum impression guarantees. We typically bill customers on a CPC, CPM, CPV or CPD basis, and our payment terms vary by customer type and location. The term between billing and payment due dates is not significant.

We recognize revenue only after satisfying our contractual performance obligations.

Income Taxes

We account for income taxes using the asset and liability method. We recognize deferred tax assets and liabilities for temporary differences between the financial reporting and tax bases of assets and liabilities using the enacted statutory tax rates in effect for the years in which we expect the differences to reverse. We establish valuation allowances to reduce the total deferred tax assets to the amount we believe is more likely than not to be realized. In assessing the need for a valuation allowance, we consider all available evidence, both positive and negative, including past operating results and estimates of future taxable income. In the event that we change our determination as to the amount of deferred tax assets that can be realized, we will adjust our valuation allowance with a corresponding impact to the provision for (benefit from) income taxes in the period in which such determination is made.

We recognize tax benefits from uncertain tax positions when we believe it is more likely than not that the tax position is sustainable on examination by tax authorities based on its technical merits. We recognize taxes on Global Intangible Low-Taxed Income as incurred.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risks, including changes in foreign currency exchange and interest rates, in the ordinary course of our business.

Foreign Currency Exchange Risk

Our reporting currency is the U.S. dollar, and the functional currency of our subsidiaries is either their local currency or the U.S. dollar, depending on the circumstances. While the majority of our revenue and operating expenses are denominated in U.S. dollars, we have foreign currency risks related to our revenue and operating expenses denominated in currencies other than the U.S. dollar. We have experienced and will continue to experience fluctuations in our net income (loss) as a result of transaction gains or losses related to revaluing certain asset and liability balances denominated in currencies other than the functional currency of the subsidiaries in which they are recorded. To date, these fluctuations have not been material. We have not engaged in hedging activities relating to our foreign currency exchange risk, although we may do so in the future. We do not believe a 10% increase or decrease in the relative value of the U.S. dollar would have materially affected our condensed consolidated financial statements as of and for the three and six months ended June 30, 2025.

Interest Rate Risk

As of June 30, 2025, we held cash, cash equivalents and marketable securities of \$2,659.4 million. Our cash equivalents and marketable securities primarily consist of short-duration fixed income securities, including government and investment-grade corporate debt securities and money market funds, and our investment policy is meant to preserve capital and maintain liquidity. Changes in interest rates affect the interest income we earn on our cash, cash equivalents and marketable securities and the fair value of our cash equivalents and marketable securities. A hypothetical 100 basis point increase in interest rates would have decreased the market value of our cash equivalents and marketable securities by \$9.3 million and \$8.5 million as of June 30, 2025 and December 31, 2024, respectively.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our chief executive officer ("CEO") and chief financial officer ("CFO"), has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended ("Exchange Act")), as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on such evaluation, our CEO and CFO have concluded that as of June 30, 2025, our disclosure controls and procedures are effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission ("SEC"), and that such information is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting (as defined in Rules 13a-15(d) and 15d-15(d) under the Exchange Act) during the period covered by this Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating the disclosure controls and procedures and internal control over financial reporting, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures and internal control over financial reporting must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

We are currently involved in, and may in the future be involved in, actual and threatened legal proceedings, claims, investigations and government inquiries arising in the ordinary course of our business, including legal proceedings, claims, investigations and government inquiries involving intellectual property, data privacy and data protection, privacy and other torts, illegal or objectionable content, consumer protection, securities, corporate governance, employment, workplace culture, contractual rights, civil rights infringement, false or misleading advertising or other legal claims relating to content or information that is provided to us or published or made available on our service. This risk is enhanced in certain jurisdictions outside of the U.S. where our protection from liability for content published on our platform by third parties may be unclear and where we may be less protected under local laws than we are in the U.S.

For information on certain litigation we are involved in, see "Legal Matters" in Note 3 of the accompanying notes to our condensed consolidated financial statements, which is incorporated herein by reference.

Although the results of the actual and threatened legal proceedings, claims, investigations and government inquiries in which we currently are involved cannot be predicted with certainty, we do not believe that there is a reasonable possibility that the final outcome of these matters will have a material adverse effect on our business or financial results. Regardless of the final outcome, however, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, harm to our reputation and brand and other factors.

Item 1A. Risk Factors

Investing in our Class A common stock involves a high degree of risk. In addition to the other information set forth in this Quarterly Report, you should carefully consider the risks and uncertainties described below, together with all of the other information in this Quarterly Report on Form 10-Q, including the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our condensed consolidated financial statements and related notes, before making an investment decision with respect to our Class A common stock. Some of the factors, events, and contingencies discussed below may have occurred in the past, but the disclosures below are not representations as to whether or not the factors, events or contingencies have occurred in the past, and instead reflect our beliefs and opinions as to the factors, events, or contingencies that could materially and adversely affect us in the future. The occurrence of any of the following risks and uncertainties could in circumstances we may or may not be able to accurately predict, materially and adversely affect our business and operations, growth, prospects, reputation, revenue, financial results, financial condition, cash flows, liquidity and stock price. It is not possible to predict or identify all such risks and uncertainties; our business could also be affected by risks and uncertainties that are not presently known to us or that we currently believe are immaterial. Therefore, you should not consider the following risks to be a complete statement of all the potential risks or uncertainties that we face.

Risks Related to our Business Strategy and Growth

We generate substantially all of our revenue from advertising. The failure to attract new advertisers, the loss of advertisers or a reduction in how much they spend could harm our business, revenue and financial results.

Substantially all of our revenue is generated from third-party advertising. However, we may not be able to continue to grow and scale this revenue model. Our growth strategy depends on, among other things, attracting more advertisers (including expanding our sales efforts to reach advertisers in international markets), retaining and scaling our business with existing advertisers and expanding our advertising product offerings.

As is common in our industry, most of our advertisers do not have long-term advertising commitments with us. Many of our advertisers spend a relatively small portion of their overall advertising budget with us. To increase the number of advertisers and increase the portion of the advertising budget that our existing advertisers spend with us, we must invest in new tools and technology and/or expand our sales force, and there can be no assurance that those efforts will be successful. The insights on user behavior we provide to advertisers may not yield effective results for the advertisers and as a result, they may reduce or stop their spend on our platform. In addition, unless we improve existing and develop new measurement tools that better showcase our platform’s effectiveness, some advertisers may view our products or platform as experimental and may devote less advertising spend on our platform. In addition, many advertisers do not have advertising creative content in a format that would be successful on our platform and may be unable or unwilling to devote the technical or financial resources required to develop content for our platform. Further, we may not always be able to develop tools that effectively and efficiently meet the needs of advertisers. Advertisers will not do business with us if they do not believe that advertisements on our platform are effective in meeting their campaign goals, if we cannot measure the effectiveness of our advertising products or if they do not believe that their investment in advertising with us will generate a competitive return relative to other alternatives.

A substantial portion of our revenue is derived from a small number of advertisers and is currently concentrated in certain verticals, particularly CPG and retail. We either contract directly with advertisers or with advertising agencies on behalf of advertisers, many of which are owned by large media corporations that exercise varying degrees of control over the agencies. Our business, revenue and financial results could be harmed by the loss of, or a deterioration in our relationship with, any of our largest advertisers or with any advertising agencies or the large media corporations that control them.

In addition, a portion of our revenue is derived from partnerships with third-party advertising platforms. We may be unable to maintain these partnerships or identify and secure new partnerships on commercially reasonable terms. In addition, we may be exposed to reputational and other risks arising from our business association with these partners.

Our advertising revenue could be harmed by many other factors, including, but not limited to:

- decreases in the number of our MAUs or our MAU growth rate;
- decreases in our users’ engagement with us and the ads on our platform;
- changes in the price of advertisements;

- our inability to create new products that sustain or increase the value of our advertisements;
- our inability to meet advertiser demand on our platform if we cannot increase the size and engagement of our user base;
- if our partnerships for third party advertisement demand do not yield expected business impact;
- our inability to find the right balance between brand and performance advertising and provide the right products and platform to support the pricing and demand needed for each of the advertisers and their advertising objectives;
- changes in user demographics that make us less attractive to advertisers;
- our inability to make our ads more relevant and effective;
- any decision to serve contextually relevant or less personalized advertisements;
- the availability, accuracy and utility of our analytics and measurement solutions that demonstrate the value of our advertisements, or our ability to further improve such tools;
- changes to our data privacy practices (including those relating to protecting the security and integrity of our platform, our use of artificial intelligence, as well those resulting from changes to laws, regulations, legal decisions, or third-party policies) that affect the type or manner of advertising that we are able to provide;
- our inability to collect, process and share data which new or existing advertisers find useful;
- competitive developments or advertiser perception of the value of our products;
- product changes or advertising inventory management decisions we make that change the type, size or frequency of advertisements on our platform;
- reductions of advertising due to users that upload content or take other actions that are deemed to be hostile, inappropriate, illicit, objectionable, illegal or otherwise not consistent with our advertisers' brands;
- the impact of invalid clicks or click fraud on our advertisements;
- the failure of our advertising auction mechanism to target and price ads effectively;
- decreases in user response rate to application notifications received from Pinterest, whether due to decreased user appreciation for notifications generally or changes in the manner notifications are delivered by mobile operating systems, which may decrease user engagement;
- difficulty and frustration from advertisers who may need to reformat or change their advertisements to comply with our guidelines or experience challenges uploading and conforming their advertisements with our system requirements;
- the macroeconomic conditions and the status of the advertising industry, such as fear of recession, inflation, the impact of tariffs and related retaliatory actions and other trade protection measures, supply chain issues, and inventory and labor shortages, which could cause businesses to spend less on advertising and/or direct their advertising spend to larger companies that offer more traditional and widely accepted advertising products;
- restrictions placed on, or the relevance of, ads outside of the United States;
- adverse publicity, whether or not accurate, relating to us or to social media platforms in general (including those relating to data security and protection and artificial intelligence), may tarnish our reputation and erode advertisers' confidence in our platform;
- laws that allow users to opt out of the use of personal data or restrict the use of personal data of teens, which may limit or prohibit us and our customers from targeting advertising to users, including teens; and
- the other risks and uncertainties described in this Quarterly Report on Form 10-Q.

These and other factors could reduce the amount that advertisers spend on our platform, or cause advertisers to stop advertising with us altogether.

Our ecosystem of users and advertisers depends on our ability to attract, retain and engage our user base. If we fail to add new users or retain or recover users, or if users engage less with us, our business, revenue and financial results could be harmed.

If current and potential users do not perceive their experience with our platform to be useful, or the content that we serve to them to be relevant to their personal taste and interests, we may not be able to attract new users, retain existing users, recover past users or maintain or increase the frequency and duration of users' engagement. User engagement fluctuates depending on factors beyond our control. For example, although we saw a higher number of users and higher user engagement during the peak of the COVID-19 pandemic in 2020, we experienced declines in the number of users and lower levels of user engagement as the COVID-19 pandemic subsided.

We anticipate that our active user growth rate will decline over time if the size of our active user base increases or we achieve higher market penetration rates. As a result, our financial performance will increasingly depend on our ability to increase user engagement and our monetization efforts. Our platform particularly resonates with women, who comprise a significant majority of our total user base. In addition, our platform also resonates with the younger generation, as Gen Z users represent a large portion of our user base. We may not be able to further increase the number of users in these demographics and may need to increase the number of users in other demographics, such as men and international users, in order to grow our users. Further, we may make changes to our product that makes it less attractive for a particular demographic.

There are many other factors that could negatively affect user growth, retention and engagement, including if:

- our competitors mimic our products or product features or create more engaging platforms or products, causing users to utilize their products instead of, or more frequently than, our products;
- we do not provide a compelling user experience because of the decisions we make regarding our products or the type and frequency of advertisements that we display;
- our content is not relevant to users' personal taste and interests;
- search queries by users do not yield relevant results;
- third parties do not permit or continue to permit their content to be displayed on our platform;
- users have difficulty or are blocked from installing, updating or otherwise accessing our platform on mobile devices or web browsers;
- there are changes in the amount of time users spend across all applications and platforms, including ours;
- users use or spend more time on other platforms that they feel are more relevant or engaging in lieu of our platform;
- we are unable to attract creators or publishers to create engaging and relevant content on our platform;
- there is decreased engagement with our products, decreased efficiency of our advertising products, or failure to accept our terms of service as part of changes that we have implemented or may implement in the future, whether required or voluntarily, in connection with, for example, the General Data Protection Regulation ("GDPR"), the Digital Services Act ("DSA"), the California Consumer Privacy Act ("CCPA"), and other international and U.S. federal and state privacy, youth and social media laws, among others;
- technical or other problems frustrate the user experience, particularly if those problems prevent us from delivering our service in a fast and reliable manner;
- we are unable to successfully educate users how to utilize new products and product features that we introduce, such as video and shopping features;
- users are located in countries with low smartphone penetration or with lack of cellular based data network since our products typically require high bandwidth data capabilities;
- changes in regulations or our contractual arrangements that adversely impact our access to, and use of, zero-rating offers or other discounts or data usage for our platform;
- we are unable to address user and advertiser concerns regarding the content, privacy and security of our platform;
- we are unable to combat spam, harassment, cyberbullying, discriminatory, political or other harmful, hostile, inappropriate, misleading, abusive, offensive, or illegal content or usage on our products or services;

- users adopt new technologies that block our products or services or where our products or services may be displaced in favor of other products or services, or may not be featured or otherwise available;
- third-party initiatives that may enable greater use of our platform, including low-cost or discounted data plans, are discontinued;
- merchants on Pinterest do not provide users with positive shopping experiences, for example, if products are not of the quality depicted on the platform or not readily available for purchase;
- there are macro level conditions that are beyond our control; or
- the other risks and uncertainties described in this Quarterly Report on Form 10-Q occur.

Our ability to serve advertisements on our platform, and therefore the value proposition for our advertisers, depends on the size and engagement of our user base. Our growth efforts are not currently focused on increasing the number of daily active users, and we do not anticipate that most of our users will become daily active users. Therefore, even if we are able to increase demand for our advertising products, we may not be able to deliver those advertisements if we cannot also increase the size and engagement of our user base, which could harm our business, revenue and financial results.

Any decrease in user growth, retention or engagement could render our platform less attractive to users or advertisers.

If we are not able to continue to provide content that is useful and relevant to users' personal taste and interests or fail to take appropriate action on objectionable content or block objectionable practices by advertisers or third parties, user growth, retention or engagement could decline, which could result in the loss of advertisers and revenue.

Our success depends on our ability to provide users with content, including advertisements and shopping content, that is useful and relevant to their personal taste and interests, which in turn, depends on the content contributed by our users, creators, publishers, advertisers, merchants and other third party partners and the manner in which we present that content to users. We may not be able to effectively compete for content on our platform, may not be able to effectively partner with third party content publishers or may get content that is not relevant, useful or inspiring to our users.

The size of our user base and their level of engagement are critical to our success. If our platform is not perceived to be high-quality, relevant, reliable, trustworthy, or innovative, we may not be able to attract or retain users or otherwise maintain or increase the frequency and duration of their engagement.

Users engage with content that is relevant to their country, language and gender preferences as well as their personal interests and intent. We may not always correctly or timely identify and serve content that is useful and relevant to users. In addition, new content and new or different forms of content we distribute may not have as much relevance for optimal distribution of the Pins as prior content and forms of content that have been saved repeatedly on our platform, which may result in lower user engagement with such content. Content that is not visually pleasing, is not intuitive or easy to use or is not in the desired language may not be engaging for users, especially in non-U.S. markets. If users do not believe that we offer content that is useful and relevant to their personal taste and interests, user growth, retention or engagement may decline, which could result in the loss of advertisers and revenue.

Some of the actions that we may take to make our platform more positive and inspiring and make our content more useful and relevant may reduce traffic that we drive from our platform to the websites of third parties, which may reduce their willingness to contribute or continue availability of their content on our platform. We endeavor to keep divisive, disturbing or unsafe content off our platform by deactivating or limiting the distribution of certain types of content, even if this content would be permitted on other platforms, which could result in a decrease in user growth, retention or engagement. We apply significant judgment in making these determinations and may be unsuccessful in our efforts to remove this content in a manner that is (or is perceived to be) consistently applied and on a timely basis or at all, which could also result in a decrease in user growth, retention or engagement. We may also be subject to legal or regulatory scrutiny of the content we remove from our platform. Further, we may not be able to prevent users from misusing the content they discover on our platform, or misusing the platform itself, which may harm our brand and reputation and also deter users and advertisers from using our platform. If we fail to identify and remove from our platform advertisers and merchants who offer poor quality goods or fail to deliver goods to their customers, we may lose user confidence. In addition, controversies regarding content on other social media platforms, such as the

allegations of the impact of social media on the mental health of users, may impact user engagement and advertising spending on our platform. Any of these factors could decrease our user growth, retention or engagement.

We regularly monitor how our advertising affects users' experiences in our effort to avoid delivering too many advertisements or irrelevant advertisements to users, and will, from time to time, change the number of advertisements or eliminate certain types of advertisements to maintain users' satisfaction in the service. Further, advertisements may be placed near content that may not be relevant or inspiring, which can deter advertisers from using our platform.

From time to time, we make changes to our platform based on feedback provided by users or advertisers. These decisions may not produce the short-term or long-term benefits that we expect, in which case user growth, retention and engagement, our relationships with advertisers, and our business, revenue and financial results could be harmed.

If we are unable to collect, process and use data because of data privacy laws, regulations, and legal decisions, it could impact our ability to effectively deliver relevant content. These laws, regulations, and legal decisions may also impact our ability to expand advertising on our platform, as they may impede our ability to sell or deliver targeted advertising and accurately measure our ad performance. Additionally, even if not prohibited by data privacy laws, regulations, and legal decisions, we may elect not to collect certain types of data if we believe doing so would be inconsistent with our users' expectations, if the source is unreliable or for any other reason. These and other decisions we make related to data privacy, including with respect to the advertising performance measurement tools that we have developed and may develop in the future, may fall short of our users' expectations, and even if we satisfy their expectations, the increase in media attention generally about online privacy and data protection may motivate users to take certain actions to protect their privacy. For these and other reasons, our users may elect not to allow data sharing or use. This could impact our ability to deliver relevant content aligned with users' personal taste and interests. Additionally, the impact of these developments may disproportionately affect our business in comparison to certain peers in the technology sector that, by virtue of the scope and breadth of their operations or user base, have greater access to user data.

Since substantially all our revenue is generated from advertising, our inability to serve the volume of advertisements desired by our advertisers may deter new or existing advertisers from using our platform.

We may be unable to compete effectively for users.

We face significant competition to attract, retain and engage users and for their time and attention. We compete with consumer internet companies that are either tools (search, e-commerce, creator tools) or media (newsfeeds, video, social networks).

We compete with large, established companies and companies that offer widely used products, such as Amazon, Meta (including Facebook, Instagram and Threads), Google (including YouTube), Snap, Reddit, TikTok and X, which provide their users with a variety of online products, services, content (including video), and other offerings, and advertising offerings, including web search engines, social networks and other means of discovering, using or acquiring goods and services. Several of these competitors have longer operating histories, significantly greater financial, technical, research, marketing and other resources and larger user bases than we do. Several of these competitors also have access to larger volumes of data and platforms that are used on a more frequent basis than ours, which may enable them to better understand their user base and develop and deliver more relevant content.

Our competitors have previously and may continue to develop technology, products, services or interfaces that are similar to our existing and future products quickly and at scale, or that achieve greater market acceptance than our products, including by users, advertisers, creators, publishers and other third parties. We may face additional competition with the introduction of new technologies and market entrants. Some of our competitors also operate existing products that have significant market power in certain market sectors and could use that market power to advance their own products or services that compete with ours. For example, many of our competitors have introduced shopping platforms, expanded their video-based and live shopping experiences. These competitors may engage in more extensive research and development efforts and undertake more extensive marketing campaigns, which may allow them to build larger, more engaged user bases than ours. Also, some of our existing or potential competitors operate products or services from which we currently derive substantial value, such as search engines and email, and those competitors could reduce or eliminate the value and information we receive.

We also face competition from smaller companies in one or more high-value verticals that offer users engaging content and commerce opportunities through similar technology, products, features or services to ours. In addition,

emerging startups may be able to innovate and provide technology, products, services or features similar to ours or before us.

Our competitors may be able to respond more quickly than we can to new or emerging technologies and changes in user preferences. Barriers to entry in our industry are low, and our intellectual property rights may not be sufficient to prevent competitors from launching comparable products or services.

In emerging international markets, where mobile devices often lack large storage capabilities, we may also compete with other applications for the limited space available on a user's mobile device.

In addition to the above, we believe that our ability to compete for users depends upon many factors both within and beyond our control, including:

- the usefulness, novelty, performance and reliability of our platform compared to those of our competitors;
- the timing and market acceptance of products, including the developments and enhancements to those products, offered by us or our competitors;
- our brand strength relative to our competitors; and
- the other risks and uncertainties described in this Quarterly Report on Form 10-Q.

We may be unable to compete effectively for advertisers.

We face significant competition for advertising revenue across a variety of formats. To compete effectively, we must enable our advertisers to easily create content and buy, forecast, optimize and measure the performance of advertising on our platform. In order to grow our revenue and improve our operating results, we must increase our share of advertising spend relative to our competitors, many of which are larger companies that offer more traditional and widely accepted advertising products, as well as more robust tools to measure the effectiveness of advertising campaigns.

Some of our larger competitors have substantially broader product or service offerings and leverage their relationships based on other products or services to gain additional share of advertising spend. They have large distributed sales forces and an increasing amount of control over mobile distribution channels. These competitors' economies of scale allow them to have access to larger volumes of data and platforms that are used on a more frequent basis than ours, which may enable them to better understand their user base and develop and deliver more targeted advertising. They may not need to rely on third-party data, including data provided by advertisers, in order to effectively target the campaigns of advertisers, which could make their advertising products more attractive to advertisers than ours as third-party data becomes less available to us, whether because of regulatory changes, privacy concerns or other reasons. If we are unable to provide our advertisers with the ability to effectively target their advertising campaigns, or if our advertisers do not believe that our value proposition is as compelling as those of our competitors, we may not be able to attract new advertisers or retain existing ones.

We believe that our ability to compete for advertisers depends upon many factors both within and beyond our control, including:

- sales, marketing, customer service and support efforts;
- first- and third-party data available to us relative to our competitors;
- ease of use, performance, price and reliability of solutions developed either by us or our competitors;
- the attractiveness and volume of our product and service offerings (including pricing and measurement tools) compared to those of our competitors;
- the strength of our advertiser relationships and offerings compared to those of our competitors;
- the ease with which our advertising products fit into existing advertiser budgets compared to those of our competitors;
- positions or actions taken by us, users, advertisers or other third parties that may impact our brand and reputation or the desirability of advertising on online platforms in general; and
- the other risks and uncertainties described in this Quarterly Report on Form 10-Q.

We may not be able to develop effective products and tools for advertisers.

Growth in our advertising revenue depends on our ability to continue to develop and offer effective products and tools for advertisers. New ad formats that take up more space on our platform may result in fewer impressions. As the advertising market generates and develops new concepts and technologies, we may incur additional costs to implement more effective products and tools. We may introduce changes to our existing ad products or develop and introduce new and unproven ad products with which we have little or no prior experience. For example, as we execute on our business strategy of transitioning to provide full funnel advertising solutions there is no guarantee that the lower funnel performance advertising solutions that we have developed and that we may develop in the future will be attractive to or effective for advertisers or that we will otherwise be successful in executing on this strategy. Each of these could result in unintended outcomes or results that are not well received by advertisers. In addition, if new or enhanced ad products fail to attract or retain advertisers, we may fail to generate sufficient revenue. Further, continuing to develop and improve these products and tools may require significant time and resources and additional investment. If we cannot continue to develop and improve our advertising products and tools in a timely fashion, or if our advertising products and tools are not well received by advertisers, our advertising revenue could be adversely affected.

If we do not develop successful new products or improve existing ones, our business may suffer. We may also invest in new products that fail to attract or retain users or generate revenue.

Our ability to grow, retain and engage our user base and therefore increase our revenue depends on our ability to successfully enhance our existing products and create new products, both independently and in conjunction with platform developers or other third parties, and to do so quickly. We may introduce significant changes to our existing products or develop and introduce new and unproven products with which we have little or no prior development or operating experience. Our focus on innovation and experimentation could result in unintended outcomes or decisions that are poorly received by users. If new or enhanced products fail to engage our users, we may fail to generate sufficient revenue, operating margin or other value to justify our investments. We also may develop new products that may increase user engagement and costs that may not increase revenue or that may not be fully integrated into the user experience.

Further, our products often require users to learn new behaviors that may not always be intuitive to them. To the extent that new users are less willing to invest the time to learn to use our products, or if we are unable to make our products easier to learn to use, our user growth, retention or engagement could be negatively affected.

We continue to develop our international growth strategy and may not succeed in further expanding and monetizing our platform internationally and may be subject to increased international business and economic risks.

We continue to develop and evolve our international growth strategy and may adjust the way we expand our business operations outside the United States. We may limit our expansion or decrease our operations in certain international markets, including discontinuing advertising in those markets or not monetizing those markets at all. Alternatively, we may enter new international markets and expand in existing markets where we have limited or no experience in deploying our service or selling advertisements. We may launch our advertising platform in countries where we do not have sales staffing in place, where market perception of our service and ad platform may be low or where our audience size in a given market may be low relative to advertiser expectations, all or any of which could limit our ability to monetize those countries. In addition, as part of our growth and monetization strategy in markets outside the United States, we are working to partner with local third-party sales organizations, which we refer to as resellers. However, there is no guarantee that resellers will choose to work with us or be willing to invest the time and resources required to train their staff to effectively sell our platform or that this strategy will be successful to increase average revenue per user in these markets. Further, in order to expand successfully, we need to offer content and products that are customized and relevant to local users and advertisers, which requires significant investment of time and resources.

We are subject to a variety of risks inherent in doing business internationally, and our exposure to these risks will increase as we continue to expand our operations, user base and advertiser base globally. These risks include:

- political, social and economic instability, including armed conflict or hostilities, such as Russia's invasion of Ukraine and the war in the Middle East;
- selective or inconsistent government regulatory action or enforcement;
- fluctuations in currency exchange rates and restrictions on currency conversions;

- higher levels of credit risk and payment fraud;
- enhanced difficulties of integrating any foreign acquisitions;
- reduced protection for intellectual property rights in some countries;
- difficulties in staffing and managing global operations and the increased travel, infrastructure and legal and tax compliance costs associated with multiple international locations and subsidiaries;
- different regulations and practices with respect to employee/employer relationships, existence of workers' councils and labor unions, and other challenges caused by distance, language and cultural differences, making it harder to do business in certain international jurisdictions;
- increasing labor costs due to high wage inflation in certain international jurisdictions;
- compliance with statutory requirements relating to our equity;
- regulations that might add difficulties in repatriating cash earned outside the United States and otherwise prevent us from freely moving cash;
- import and export controls and restrictions and changes in trade regulations, including sanctions, increased or new tariffs and related retaliatory actions or other trade protection measures;
- compliance with the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and similar laws in other jurisdictions;
- compliance with laws governing supply chains and related business operations;
- compliance with environmental, social and governance (ESG) laws and with GDPR and similar data privacy and data protection laws;
- compliance with laws such as those relating to online safety, intermediary liability or content moderation (such as laws restricting advertising or to protect teens), or that might require us to provide user information, including confidential information, to local authorities or add significant requirements that make it difficult to operate in that jurisdiction;
- macroeconomic conditions, such as inflation and labor shortage which had an impact on the pace of our global expansion;
- compliance with multiple tax jurisdictions and management of tax impact of global operations; and
- the other risks and uncertainties described in this Quarterly Report on Form 10-Q.

If we are unable to execute our strategy on international growth and manage the complexity of global operations successfully, our business, revenue and financial results could be harmed.

We may not be able to effectively manage the growth of our business.

Although we experienced rapid growth in our initial years, we have not seen the same level of rapid growth more recently and cannot assure you that our business will grow at those same rates or at all.

The growth and expansion of our business and product offerings and the increase in full-time employees place significant challenges on our management, operational and financial resources, including managing multiple relationships with users, creators, publishers, advertisers, technology licensors and other third parties. If we continue to grow our operations or the number of our third-party relationships, our technology systems, procedures or internal controls may not be adequate. Advancements in technology, such as AI and machine learning, are changing the way people work by automating tasks, enhancing communication, and improving decision-making processes, and our business may be harmed or we may face competitive disadvantage if we are slow to adopt these new technologies. Further, we may not be able to continue to develop or maintain a long-term growth strategy, execute the strategy effectively, or effectively manage the growth of our business. For example, during times of challenging macroeconomic conditions, we make decisions from time to time to save costs in certain ways that could adversely affect our business, operations, revenue and financial results.

We utilize a flexible work model and, as a result, a majority of our employees work remotely. Accordingly, we are required to implement more complex organizational management strategies. We may also find it increasingly difficult to preserve our workplace culture as we grow, particularly given our flexible work model, which could impact our ability to quickly develop and launch new and innovative products and adequately oversee employees and business functions.

We make decisions consistent with our mission and values that may reduce our short- or medium-term operating results.

Our mission—to bring everyone the inspiration to create a life they love—and company values are integral to everything we do. We frequently make decisions regarding our business and platform in accordance with our mission and values that may reduce our short- or medium-term operating results if we believe those decisions will improve the experiences of users, advertisers, content creators, employees or our community, and therefore benefit our business. For example, we may choose to remove content that we have determined does not create an inspiring and positive experience for users or revise our policies in ways that decrease user engagement. These decisions may not be consistent with the expectations of investors and may subject us to legal or regulatory scrutiny. Any longer-term benefits may not materialize within the time frame we expect or at all.

We may acquire other businesses, talent or technology, which could require significant management attention, disrupt our business and dilute stockholder value.

As part of our business strategy, we have made and intend to make acquisitions to add specialized employees and complementary companies, products or technologies. Our previous and future acquisitions may not achieve our goals, and we may not realize benefits from acquisitions we make in the future. Any acquisitions, including the integration process will require significant time and resources, and we may not be able to manage the process successfully. If we fail to successfully integrate acquisitions, or the personnel or technologies associated with those acquisitions, the business, revenue and financial results of the combined company could be harmed. Our acquisition strategy may change over time and future acquisitions we complete could be viewed negatively by users, advertisers, investors or other parties with whom we do business. We may not successfully evaluate or utilize the acquired technology and accurately forecast the financial impact of an acquisition, including accounting charges. We may also incur unanticipated liabilities that we assume as a result of acquiring companies. We may have to pay cash, incur debt or issue equity securities to pay for any such acquisition, each of which could affect our financial condition or the value of our securities. We would expect to finance any future acquisitions through a combination of additional issuances of equity, corporate indebtedness, asset-backed acquisition financing or cash from operations. The sale of equity to finance any such acquisitions could result in dilution to our stockholders. The incurrence of indebtedness would result in increased fixed obligations and could also include covenants or other restrictions that would impede our ability to manage our operations. In the future, we may not be able to find other suitable acquisition candidates, and we may not be able to complete acquisitions on favorable terms, if at all. Our acquisition strategy could require significant management attention, disrupt our business and harm our business, revenue and financial results.

Our business depends on a strong brand and reputation, and if we are unable to maintain and enhance our brand and reputation, our ability to expand our user and advertiser base could be impaired.

We believe that our brand, identity and reputation have significantly contributed to the success of our business. We also believe that maintaining and enhancing the “Pinterest” brand and reputation is critical to retaining and growing our user, creator, publisher and advertiser base. Maintaining and enhancing our brand and reputation depends largely on our continued ability to provide high-quality, relevant, reliable, trustworthy and innovative products, which may require substantial investment and may not be successful. From time to time, we introduce new products or updates to existing products that require users to agree to new terms of service that users may not like, which may negatively affect our brand and reputation. Additionally, advertisements or actions of our advertisers may affect our brand and reputation if users do not think the advertisements help them accomplish their objectives, or view the advertisements as intrusive, annoying or misleading or have poor experiences with our advertisers. In addition, our brand, identity and reputation may be adversely affected by perceptions of social media platforms in general, including perceptions resulting from factors unrelated to the company’s actions or the content or actions of users, such as past boycotts of Facebook and X by some advertisers or allegations of the impact of social media on the mental health of users.

Our brand and reputation can also be negatively affected by the content or actions of our users that are deemed to be harmful or inappropriate to other users, by the actions of our users acting under false or inauthentic identities, by the use of our products or services to disseminate information that is deemed to be misleading, or by the use of our platform for illicit, illegal or objectionable ends. We also may fail to respond expeditiously to the sharing of illegal, illicit or objectionable content on our platform or objectionable practices by advertisers, or to otherwise address user or advertiser concerns, which could erode confidence in our brand and damage our reputation. We expect that our ability to enforce our policies against this content in a consistently applied manner and on a timely basis or at all may decrease as the number of users grows, as the amount of content on the platform increases or as we expand our product and service offerings. Any governmental or regulatory inquiry, investigation or action, including based on the

appearance of illegal, illicit or objectionable content on our platform, our business practices, or failure to comply with laws and regulations, could damage our brand and reputation, regardless of the outcome.

We have experienced, and expect to continue to experience, media, legislative, governmental, regulatory, investor and other third-party scrutiny of our decisions. Any scrutiny, inquiry, investigation or action, including regarding our data privacy, copyright, content, employment or other practices, workplace culture, charitable giving, product changes, product quality, litigation or regulatory action or regarding the actions of our employees, users or advertisers or other issues, may harm our brand and reputation. In addition, scrutiny of other companies in our industry, including their impact on user “screen time” or their content policies or data privacy practices, could also have a negative impact on our brand and reputation. These concerns, whether actual or unfounded, may also deter users, creators, publishers or advertisers from using our platform.

Adverse publicity, regardless of its accuracy, relating to events or activities attributed to us, our employees, third-party vendors, users, creators, publishers or our advertisers, or to social media platforms in general, may tarnish our reputation and reduce the value of our brand. If we fail to promote and maintain the “Pinterest” brand or preserve our reputation, or if we incur excessive expenses in this effort, our business, revenue and financial results could be harmed. In addition, parental or general public perception of our industry or our Company in particular could adversely affect the size, demographics, engagement, and loyalty of our user base.

Continued development and use of AI may result in reputational harm, liability, or other adverse consequences to our business operations.

We use machine learning and AI technologies in our products and services, and we are making investments in expanding our AI capabilities, including ongoing deployment and improvement of existing machine learning and AI technologies, as well as developing new product features using AI technologies. There are significant risks involved in developing and deploying AI and there can be no assurance that the usage of AI will enhance our products or services or be beneficial to our business, including our profitability. AI technologies are complex and rapidly evolving, and we face significant potential disruption from other companies as well as an evolving regulatory landscape. The continued integration of any AI technologies into our products can result in new or enhanced governmental or regulatory scrutiny, intellectual property claims, litigation, confidentiality or security risks, ethical concerns, negative user perceptions as to automation and AI, or other complications that could adversely affect our business, reputation, or financial results. As a result of the complexity and rapid development of AI, it is also the subject of evolving review by various U.S. governmental and regulatory agencies, and other foreign jurisdictions are applying, or are considering applying, their platform moderation, intellectual property, cybersecurity, and data protection laws to AI and/or are considering general legal frameworks on AI. For example, the European Union's Artificial Intelligence Act (“EU AI Act”) came into effect in August 2024 and gives companies one to three years to comply with its various requirements which are principally focused on creating transparency with respect to generative AI systems and AI-generated content. Penalties for non-compliance with the EU AI Act include fines as high as 7% of a company's global annual revenue. We may not always be able to anticipate the necessary response to these frameworks given they are still rapidly evolving. We may also have to expend resources to adjust our product or service offerings in certain jurisdictions if the legal frameworks governing the use of AI are not consistent across jurisdictions.

Other companies may develop AI features and technologies that are similar or superior to our technologies or are more cost-effective to develop and deploy. Given the long history of development in the AI sector, other parties may have (or in the future may obtain) patents or other proprietary rights that would prevent, limit, or interfere with our ability to make, use, or sell our own AI features. Our AI initiatives also depend on our access to data to effectively train our models.

Uncertainty around new and emerging AI technologies, such as generative AI, may require additional investment in the development of appropriate protections and safeguards for handling the use of data with AI technologies, which may be costly and could impact our expenses as we expand the use of AI into our product or service offerings. AI technologies, including generative AI, may create content that is factually inaccurate or flawed, or otherwise unlawful, harmful or policy-violating. Such content may expose us to brand or reputational harm and/or legal liability. It is also uncertain how various laws related to online services, intermediary liability, copyright and other issues will apply to content generated by AI. For example, we use generative AI which, despite our best efforts, may generate content that is not relevant or useful to our users and can subject us to risks related to harmful content, accuracy, bias, discrimination, toxicity, intellectual property infringement or misappropriation, defamation, data privacy, cybersecurity, and sanctions and export controls, among others. The use of certain AI technologies presents emerging ethical and social issues, and if we offer solutions that draw scrutiny or controversy due to their perceived or actual impact on

users or on society as a whole, we may experience brand or reputational harm, competitive harm, and/or legal liability. As such, it is not possible to predict all of the risks related to the use of AI, and developments in regulatory frameworks governing the use of AI and in related stakeholder expectations may adversely affect our ability to develop and use AI or subject us to liability.

Risks Related to Data, Security and Privacy

If our security is compromised, or users or advertisers believe our security has been compromised, we could lose the trust of users, creators, publishers and advertisers who may use our platform less or may stop using our platform altogether, our reputation and business could be harmed.

As a social media company we are frequently targeted by cybersecurity attacks because we receive, process, use, store, and share digitally large amounts of data, including user data as well as confidential, sensitive, proprietary, and personal information in the ordinary course of our business. There can be no assurance that any cybersecurity attack or incident will not be material or ultimately result in significant legal, financial, and reputational harm, including government inquiries, enforcement actions, litigation, and negative publicity. Our efforts to protect our internal data or the information that users, creators, publishers and advertisers and other partners have shared with us may be unsuccessful due to the actions of third parties, software bugs, misconfigurations, vulnerabilities or other technical malfunctions, cybersecurity attacks, employee error or malfeasance, hacking, ransomware, viruses or other factors. In addition, third parties have in the past and may in the future attempt to induce our personnel, users, creators, publishers, advertisers or vendors to disclose information to gain access to our data, advertisers' data or users' data. Further, because the login credentials or passwords employed by users to access our platform may be similar to or the same as the ones that they use in connection with other platforms or websites, a breach in the security of those platforms or websites can allow third parties to gain unauthorized access to users' accounts on our platform. If any of the events described above occur, our information or personnel's, users', creators', publishers' or advertisers' information could be accessed or disclosed improperly. If a third-party gains unauthorized access to our platform, they may, among other things, post malicious spam and other content on our platform using a user's, creator's, publishers' or advertiser's account, which could negatively affect our platform, reputation, and business.

Some third parties, including advertisers and vendors, store information that we share with them on their networks. If these third parties fail to implement adequate data-security practices or fail to comply with our terms and policies, users' data may be improperly accessed, used or disclosed. Even if these third parties take all the necessary precautions, their networks may still suffer a breach, which could compromise the data we share with them.

Any incidents where personnel's, users', creators', publishers', advertisers' or our information is accessed without authorization or is improperly used, or incidents that violate our privacy policy, terms of service or other policies, or the perception that an incident has occurred, could damage our brand and reputation, adversely impact our competitive position and result in significant costs. We may be required or choose to notify government authorities or affected personnel or users regarding security incidents, and government authorities or affected personnel, users, creators, publishers or advertisers could initiate legal or regulatory action against us over those incidents, which could cause us to incur significant expense and liability or result in orders or consent decrees forcing us to modify our business practices.

It may be difficult and costly to detect, investigate, mitigate, contain, and remediate a cybersecurity incident and our efforts to do so may not be successful. Actions taken by us or the third parties with whom we work to detect, investigate, mitigate, contain, and remediate a security incident could result in outages, data losses, and disruptions of our business. Threat actors may also gain access to other networks and systems after a compromise of our networks and systems. Further, there can be no assurance that our insurance coverage will be sufficient to compensate for related losses resulting from a cybersecurity incident.

In addition, we may expend significant resources or modify our business activities to adopt additional measures designed to protect against security incidents. Certain data privacy and security obligations require us to implement and maintain specific security measures or industry-standard or reasonable security measures to protect our systems and sensitive information. While we have implemented security measures designed to protect against security incidents, there can be no assurance that these measures will be effective.

Maintaining the trust of users, creators, publishers and advertisers is important to sustain user and advertiser growth, retention and engagement, and we may incur significant costs in an effort to detect and prevent security incidents. Concerns over our information security or data privacy practices, whether actual or unfounded, can subject us to

negative publicity and damage our brand and reputation and deter users, creators, publishers and advertisers from using our platform.

Our ability to attract and retain advertisers depends on our ability to collect, process and use data and develop tools to enable us to effectively deliver and accurately measure advertisements on our platform.

Most advertisers rely on tools that measure the effectiveness of their ad campaigns in order to allocate their advertising spend among various formats and platforms. If we are unable to measure the effectiveness of advertising on our platform or we are unable to convince advertisers that our platform should be part of a larger advertising budget, our ability to increase the demand and pricing of our advertising products and maintain or scale our revenue may be limited. Our tools may be less developed than those of other platforms with which we compete for advertising spend. Therefore, our ability to develop and offer tools that accurately measure the effectiveness of a campaign on our platform is critical to our ability to attract new advertisers and retain, and increase spend from, our existing advertisers.

We are continuing to develop and improve these tools and such efforts have and are likely to continue to require significant time and resources and additional investment, and in some cases we have relied on and may in the future rely on third parties to provide data and technology needed to provide certain measurement data to our advertisers. If we cannot continue to develop and improve our advertising tools in a timely fashion, those tools are not reliable, or the measurement results are inconsistent with advertiser goals, our advertising revenue could be adversely affected.

Many existing advertiser tools that measure the effectiveness of advertising do not account for the role of advertising early in a user's decision-making process, which is when many users come to our platform. Instead, these tools measure the last ad or content that was exposed to the user that gets credit for influencing any user's purchase or action. As a result, we may not be able to demonstrate and measure for our advertisers the value of engaging with a user during the early intent phase.

In addition, web and mobile browser developers, such as Apple, Microsoft or Google, have implemented and may continue to implement changes, including requiring additional user permissions, in their browser or device operating system that impair our ability to measure and improve the effectiveness of advertising on our platform. Such changes include, limiting the use of cookies and related tracking technologies, such as mobile advertising identifiers, and other changes that limit our ability to collect or use information that allows us to attribute user actions on advertisers' websites to the effectiveness of advertising campaigns run on our platform. For example, Apple's Intelligent Tracking Prevention ("ITP") feature in its Safari browser blocks some or all third-party cookies by default on mobile and desktop and has become increasingly restrictive over time. Apple's related Privacy-Preserving Ad Click attribution ("PPAC"), intended to preserve some of the functionality lost with ITP, would limit cross-site and cross-device attribution, prevent measurement outside a narrowly-defined attribution window, and prevent ad re-targeting and optimization. Further, Apple implemented certain changes, including an AppTrackingTransparency framework that limits the ability of mobile applications to obtain access to an iOS device's advertising identifier and affects our ability to track user actions off our platform and connect their interactions with on-platform advertising.

In addition, third-parties, such as Apple, Microsoft or Google, have implemented and may continue to implement changes and restrictions in browser or device functionality including by limiting the use of cookies, or that limit our ability to communicate with or understand the identity of our users.

All these restrictions described above make it more difficult for us to provide the most relevant ads to our users, measure the effectiveness of, and to re-target and optimize, advertising on our platform. We have developed the Pinterest Conversions API and other measurement tools to address these restrictions, which are all designed to mitigate loss of conversion signal. However, there is no guarantee that advertisers will use this technology or future technologies that we develop, or that these technologies will otherwise be effective to improve conversion visibility and enable the use of conversion data for retargeting in future advertising campaigns. Advertisers may also prioritize integrations with larger platforms due to larger spend concentration. All of this may result in advertisers spending less or not at all, on our platform and prefer larger platforms like Facebook and Google that have more capabilities to help advertisers measure their conversions.

Developers may release additional technology that further inhibits our ability to collect or use data that allows us to measure the effectiveness of advertising on our platform. Any other restriction, whether by law, regulation, policy (including third-party policies) or otherwise, on our ability to collect, process and share data that our advertisers find useful, our ability to use or benefit from tracking and measurement technologies, including cookies, or that further reduces our ability to measure the effectiveness of advertising on our platform would impede our ability to attract,

grow and retain advertisers. Advertisers and other third parties who provide data that helps us deliver personalized, relevant advertising may restrict or stop sharing this data. If they stop sharing this data with us, it may not be possible for us to collect this data within the product or from another source.

We rely heavily on our ability to collect, process and share data and metrics for our advertisers to help new and existing advertisers understand the performance of advertising campaigns. If advertisers do not perceive our metrics to be accurate representations of our user base and user engagement, or if we discover inaccuracies in our metrics, they may be less willing to allocate their budgets or resources to our platform.

We receive, process, store, use and share data, some of which contains personal information, which subjects us to complex and evolving governmental regulation and other legal obligations related to data privacy, data protection and other matters, which are subject to change and uncertain interpretation.

We receive, process, store, use and share data, some of which contains personal information. There are numerous federal, state, local and foreign laws and regulations regarding matters central to our business, data privacy and the collection, storing, sharing, use, processing, disclosure and protection of personal information and other data from users, employees and business partners, the scope of which are regularly changing, subject to uncertain and differing interpretations and may be inconsistent among countries or states or conflict with other rules.

The application and interpretation of these laws and regulations are often uncertain, particularly in the new and rapidly evolving industry in which we operate, and as the focus on data privacy and data protection increases globally, we are, and will continue to be, subject to varied and evolving data privacy and data protection laws. We are subject to GDPR which expands the rights of individuals to control how their personal data is processed, includes restrictions on the use of personal data of children, creates new regulatory and operational requirements for processing personal data (particularly in the case of a data breach), increases requirements for security and confidentiality, restricts transfers of data outside of the European Economic Area ("EEA") and provides for significant penalties for non-compliance, including fines of up to 4% of global annual turnover for the preceding financial year or €20 million (whichever is higher) for the most serious infringements. Additionally, we have historically relied upon multiple legally valid transfer mechanisms to transfer certain personal data outside of the EEA, including the EU-U.S. Privacy Shield Framework and Standard Contractual Clauses (SCCs). The Court of Justice of the European Union ruled that the EU-U.S. Privacy Shield is an invalid transfer mechanism, but upheld the validity of the SCCs subject to future elaboration of additional safeguards by regulators such as specific "supplemental measures" that should be undertaken to protect EU data subjects. While the EU Commission has approved a new EU-U.S. Data Privacy Framework, of which Pinterest is a participant, the validity of data transfer mechanisms and additional safeguards remains subject to legal, regulatory, and political review and developments in both Europe and the U.S. The invalidation of data transfer mechanisms, or the potential invalidation of additional safeguards could have a significant adverse impact on our ability to process and transfer UK and EEA user personal data outside of the EEA. The State of California enacted the CCPA which requires companies that process information of California residents to make new disclosures to consumers about their data collection, use and sharing practices, allows consumers to opt out of certain data sharing with third parties and provides a new cause of action for data breaches. Other states have also enacted privacy laws similar to the CCPA, which became operative recently or will become operative in the next few years, with these providing consumers with similar abilities to opt-out of certain data sharing and to limit the use of certain data for targeted advertising. Additionally, the Federal Trade Commission and many state attorneys general are interpreting federal and state consumer protection laws to impose standards for the online collection, use, dissemination and security of data. The burdens imposed by these and other laws and regulations that may be enacted, or new interpretations of existing laws and regulations, may require us to modify our data processing practices and policies and to incur substantial costs in order to comply and may disproportionately affect our business in comparison to our peers that have greater resources. These laws and regulations may also impact our ability to expand advertising on our platform internationally, as they may impede our ability to deliver targeted advertising and accurately measure our ad performance.

In addition, the privacy of teens' personal data collected online, and use of commercial websites, applications, online services, or other interactive platforms, generally, are also becoming increasingly scrutinized. Regulations focused on online safety and protection of teens' privacy online may require us to change our services and incur costs to do so. Moreover, various laws to restrict or govern the use of commercial websites, applications, online services, or other interactive platforms by teens have passed or have been proposed, including laws prohibiting showing teens advertising, requiring age verification or assurance, limiting the use of teens' personal data, and requiring parental consent or providing for other parental rights. These laws may be, or in some cases already have been, subject to legal challenges and changing interpretations, which may further complicate our efforts to comply with laws applicable

to us. These new laws may result in restrictions on the use of certain of our products or services by teens, the inability to offer certain products and services to teens, decrease DAUs or user engagement in those jurisdictions, require changes to our products and services to achieve compliance, decrease our advertising and subscription revenue, and increase legal risk, compliance costs and potential fines for us and our third-party partners.

Privacy advocates and industry groups have proposed, and may propose in the future, standards with which we are legally or contractually obligated to comply. Moreover, we are also bound by contractual obligations related to data privacy and security, and our efforts to comply with such obligations may not be successful. We also publish privacy policies, marketing materials, and other statements regarding data privacy and security, including statements relied on by our users, advertisers, and business partners. If these policies, materials, or statements are found to be deficient, lacking in transparency, deceptive, unfair, or misrepresentative of our practices, we may be subject to investigation, enforcement actions by regulators, or other adverse consequences, including class-action litigation or mass arbitration demands.

Any failure or perceived failure by us to comply with our privacy policies, data privacy-related obligations to users or other third parties, or our data privacy-related legal obligations, or any compromise of security that results in the unauthorized release or transfer of personally identifiable information or other user data, or other failure to comply with these laws and regulations, or regulatory scrutiny, can result in governmental enforcement actions or litigation that could expose our business to substantial financial penalties, or other monetary or non-monetary relief, negative publicity, loss of confidence in our products, decline in user or advertiser growth or damage to our brand and reputation. Companies in the technology industry have recently experienced increased regulatory scrutiny relating to data privacy and data protection, and we have become subject to enhanced scrutiny and enforcement actions from regulators to ensure compliance with data privacy and data protection laws and regulations. The GDPR, U.S. state privacy laws, youth social media laws, and other such laws and regulations impose new and burdensome obligations, and include substantial uncertainty as to their interpretation, and we are subject to challenges in addressing their requirements, which could result in fines or penalties, lead us to change our data privacy policies and practices, how our product currently operates, and limit our ability to deliver personalized advertising by, for example, requiring users to opt-in to personalized advertising. Public statements and complaints against us by consumer advocacy groups or others could also cause users to lose trust in us, which could result in declines in user growth, retention or engagement and have an adverse effect on our brand, reputation and business. Additionally, if third parties that we work with, such as advertisers, service providers or developers, violate applicable laws or our policies, these violations may also put users' information at risk.

The implementation and enforcement, including through private rights of action, of these increasingly complex, onerous, or divergent laws and regulations, and the introduction, interpretation, or revision of any new such laws or regulations, with respect to privacy, security, data protection, and our industry are uncertain and may further complicate compliance efforts, lead to fragmentation of the service, and may increase legal risk and compliance costs for us and our third-party partners, or decrease the perceived usefulness of our service to our users and advertisers. For example, some federal privacy laws are currently being challenged, and litigation in this space could impact the privacy rights of our community, which in turn may negatively impact users' experience, trust, and satisfaction and decrease their engagement with our products. Many of these obligations are becoming increasingly stringent and subject to rapid change and uncertain interpretation. Preparing for and complying with these obligations requires us to devote significant resources, and there is no guarantee that our compliance efforts to date, or in the future, will be deemed compliant or sufficient.

Any significant change to applicable laws, regulations or industry practices, or to interpretations of existing laws and regulations, regarding the use or disclosure of users' data, or regarding requirements around obtaining consent from users for the use and disclosure of such data, could require us to modify our products to allow for limited data use, possibly in a material manner, and may limit our ability to develop new products that make use of the data that users voluntarily share. There currently are a number of proposals pending before federal, state and foreign legislative and regulatory bodies. In addition, some countries are considering or have passed legislation implementing data protection requirements or requiring local storage and processing of data or similar requirements that could increase the cost and complexity of delivering our service, particularly as we expand our operations internationally.

Risks Related to our Business Operations

Our business depends on our ability to maintain and scale our technology infrastructure, including speed and availability of our service.

Our reputation and ability to attract, retain and serve users, content creators and advertisers are dependent upon the reliable performance of our service and our underlying technology infrastructure and content delivery processes. From time to time, we experience interruptions in or disruptions of our systems. If our platform is unavailable when users, content creators or advertisers attempt to access it, if it does not load as quickly as they expect or if their content is not saved, users may not return to our platform as often in the future, or at all.

Our advertisers must be able to easily buy, forecast, optimize and measure the performance of ads on a responsive and stable platform. Advertisers will not continue to do business with us if our technology infrastructure is not reliable. Our systems may not be adequately designed with the necessary reliability and redundancy to avoid performance delays or outages that could harm our business. Our systems may not be adequately designed to avoid performance delays or outages. We have gaps in our ability to deploy changes safely to the site, which increases the risk of disruptive intentional and unintentional (and potentially premature) updates and changes being made directly to our live platforms and services. As our user, content and advertiser base, sophistication of our machine learning models and the volume and types of information shared on our service continue to grow, we will need an increasing amount of technology infrastructure, including network capacity and computing power, to continue to satisfy the needs of users, content creators and advertisers, which could increase our costs. We may be unable to effectively scale and grow our technology infrastructure to accommodate these increased demands or to achieve our business objectives. Further, in the event of a systems failure, employee error, failure or interruption of services by AWS, or malicious intent by employees or third parties, we may lose all or substantial amounts of data and we may not be able to recover such data quickly or at all.

In addition, our systems and operations are vulnerable to damage, delays or interruptions from fire, flood, power loss, telecommunications failure, spikes in usage volume, epidemics, pandemic and other public health emergencies, terrorist attacks, acts of war, geopolitical conflicts, other physical security threats, cyber-security attacks, earthquakes, the effects of climate change, power and space shortages in our cloud infrastructure and other events beyond our control. We are particularly vulnerable to these types of events because our cloud computing infrastructure is currently located in one geographic region. In addition, the substantial majority of our employees are located in California, which has historically experienced, and may continue to experience, climate-related events including drought and water scarcity, warmer temperatures, wildfires and air quality impacts and power shut-offs. If there is a catastrophic failure involving our systems or major disruptive event affecting our headquarters or the San Francisco area in general, we may be unable to operate our service. Although we maintain crisis management and disaster response plans, such events could make it difficult or impossible for us to deliver our services and could cause us to incur substantial expense. Climate-related events, including the increasing frequency of extreme weather events and their impact, have the potential to disrupt our business and/or the business of our third-party suppliers and partners. Any of the foregoing events can result in users being subject to service disruptions or outages and we may not be able to recover our technical infrastructure and user data in a timely manner to restart or provide our services.

A substantial portion of our technology infrastructure is provided by third parties. Any disruption or failure in the services we receive from these providers could harm our ability to handle existing or increased traffic or cause our platform to become unavailable. We exercise little control over these providers and have limited line of sight into their governance, and any financial or other difficulties these providers face may harm our business.

The occurrence of any of the foregoing risks could result in damage to our systems and hardware or could cause them to fail completely, and our insurance may not cover such risks or may be insufficient to compensate us for losses that may occur. These events may result in distraction of management, loss of revenue and costs from litigation and enforcement. In addition, they could also result in significant expense to repair or replace damaged facilities and remedy resultant data loss or corruption. A prolonged interruption in the availability or reduction in the speed or other functionality of our products could materially harm our reputation and business.

The failure to attract and retain highly qualified personnel, or loss of one or more of our key personnel, could harm our business, revenue and financial results.

We currently depend on the continued services and performance of our key personnel, including William Ready and others. Mr. Ready's employment, and the employment of our other key personnel, is at will, which means they may resign or be terminated for any reason at any time. Similarly, Mr. Silbermann is currently non-executive Chair of the Board and may resign at any time. In addition, much of our key technology and systems are custom-made for our business by our personnel. The loss of key personnel, including key members of management as well as our key engineering, design, marketing, sales and product development personnel, could disrupt our operations and harm our

business. This risk is particularly heightened in an environment where companies, including us, slow down hiring or reduce their workforce and will continue to find ways to further reduce costs due to macroeconomic conditions.

In addition, it is important to our business to attract and retain highly talented personnel, particularly engineers with expertise in computer vision, AI and machine learning. We have found and may continue to find our recruiting and retention efforts more challenging because the marketplace for talent is highly competitive. The incentives provided by our stock option grants, restricted stock grants and restricted stock unit grants, or by other compensation and benefits arrangements, may not be effective to attract and retain employees, especially as a result of continued fluctuations in our stock price. We may also be required to enhance wages, benefits and non-equity incentives. If we are unable to meet employees' and potential employees' expectations, we may experience difficulties attracting and retaining personnel.

Further, our ongoing efforts to implement terms of the settlement agreement with respect to certain derivative lawsuits and resolve certain related allegations or claims have resulted in, and will continue to result in, increased costs, as well as consuming management's time and attention. Further, if efforts around diversity, equity and inclusion are perceived as insufficient or overdone, we may not be able to attract and retain talent, we may be subject to public scrutiny, investigations, litigation and regulatory and other proceedings and our brand and reputation and stock price may be harmed.

We currently have a flexible work model which provides for a more distributed workforce. Our work strategy, including our efforts related to employee onboarding, training and development and retention may not be successful. Further, our work strategy may continue to evolve and may not meet the needs of our existing and potential future employees and they may prefer work models offered by other companies. If we do not succeed in attracting and retaining highly qualified personnel or the financial resources required to do so increase, we may not be able to meet our business objectives.

Risks Arising from our Reliance on Third Parties

We depend in part on online application stores and internet search engines to direct traffic and refer new users to our platform. When these online application stores or search engines' methodologies and policies are modified or enforced in ways we do not anticipate, or when our search results page rankings decline for other reasons, traffic to our platform or user growth, retention and engagement has declined and could decline in the future.

We depend in part on internet search engines, such as Bing, Google and Yahoo!, to direct a significant amount of traffic to our platform. For example, when a user types a query into a search engine, we may receive traffic and acquire new users when those search results include Pins, boards, users and other features of our platform that cause the user to click on the Pinterest result or create a Pinterest account. These actions grow our users due to signups of new users and increase retention and engagement of existing users.

Our ability to maintain and increase the number of users directed to our platform from search engines is not within our control. Search engines, such as Google, have and may continue to modify their search algorithms (including what content they index and the format in which content is indexed) and policies or enforce those policies in ways that are detrimental to us, that we are not able to predict or without prior notice. When that occurs, we have in the past and expect to experience in the future, declines or de-indexing in the organic search ranking of certain Pinterest search results or negative impacts due to the format in which our search results appear, leading to a decrease in traffic to our platform, new user signups and existing user retention and engagement. We have experienced declines in traffic and user growth as a result of these changes in the past, and anticipate fluctuations as a result of such actions in the future. For example, changes to search engine algorithms have in the past and may in the future negatively impact traffic and user sign-ups. Our ability to appeal these actions is limited, and we may not be able to revise our search engine optimization ("SEO") strategies to recover the loss in traffic or users resulting from such actions. In addition, changes in policies or their enforcement may not apply in the same manner to our competitors, or our competitors' SEO strategies to retain and attract users may be more successful than ours. In addition, certain third parties offer browser extensions that give users the option to remove Pinterest from their search engine recommendations. Further, some of these search engines are owned by companies that compete with various aspects of our business. When email platforms, such as Google, change their policies related to the placement of our emails in users' inboxes, it can affect the open and click rate of our emails. Such changes have led to and may lead to a decrease in traffic to our platform, new user signups and existing user retention and engagement. To offset some of the impact on our user growth, we have and may continue to increase our investment in other growth strategies, such as paid marketing or

other initiatives that drive user acquisition, which may cost more and be less effective. Any significant reduction in the number of users directed to our website or mobile application from search engines or email could harm our business, revenue and financial results.

In addition, we also rely on certain major online stores for distribution of our application. If these application store providers modify or implement new terms, we may be required to modify our product to maintain our ability to remain in that application store.

We allow users to authenticate with our service through third-party login providers. If these third parties discontinue these tools or experience a breach or outage in their platform or web browser developers make changes that restrict the use of these tools, user retention, growth or engagement could decline.

A significant number of users access their accounts on our platform using a third-party login provider such as Facebook, Apple or Google. If security on those platforms is compromised, if users are locked out from their accounts on those platforms or if those platforms experience an outage or otherwise institute policies that prevent users from accessing their accounts on our platform through those logins, users may be unable to access our platform. In addition, third-party log-in providers may institute policies that restrict us from both communicating with users or identifying users. As a result of these actions, user growth, retention and engagement on our platform has been and could be adversely affected in the future, even if only for a temporary period. Additionally, if Facebook or Google discontinue their identity services or experience an outage, then we may lose and be unable to recover users previously using this function, and our user growth or engagement could decline.

We depend on Amazon Web Services for the vast majority of our compute, storage, data transfer and other services. Any disruption of, degradation in or interference with our use of Amazon Web Services could negatively affect our operations.

Amazon Web Services ("AWS") provides the cloud computing infrastructure we use to host our website, mobile application and many of the internal tools we use to operate our business. Under our long-term agreement with AWS, in return for negotiated concessions, we currently are required to maintain a substantial majority of our monthly usage of certain compute, storage, data transfer and other services on AWS. This agreement is terminable only under certain conditions, including by either party following the other party's material breach, which may be the result of circumstances that are beyond our control. A material breach of this agreement by us, or early termination of the agreement, could carry substantial penalties, including liquidated damages. If AWS increases pricing terms, terminates or seeks to terminate our contractual relationship, establishes more favorable relationships with our competitors, or changes or interprets its terms of service or policies in a manner that is unfavorable, those actions could harm our business, revenue and financial results.

Any significant disruption of, limitation of our access to or other interference with our use of AWS would negatively impact our operations. In addition, any transition of the cloud services currently provided by AWS to another cloud services provider would be difficult to implement and would cause us to incur significant time and expense and could disrupt or degrade our ability to deliver our products and services. The level of service provided by AWS could affect the availability or speed of our services. If users, creators, publishers or advertisers are not able to access our service or platform or encounter difficulties in doing so, we may lose users, creators, publishers or advertisers.

We utilize data center hosting facilities operated by AWS, located in various facilities. However, we have implemented a limited disaster recovery program which does not allow us to serve network traffic from back-up data center services. An unexpected disruption of services provided by these data centers could hamper our ability to handle existing or increased traffic, result in the loss of data or cause our platform to become unavailable.

We must effectively operate with mobile operating systems, web browsers, online application stores, networks, regulations and standards, which we do not control. Changes in our products or to those mobile operating systems, web browsers, networks, regulations or standards may harm user retention, growth and engagement.

Because our platform is used on mobile devices and through web browsers, our application must remain interoperable with popular mobile operating systems and browsers, including Android, Chrome, iOS and Safari. We have no control over these operating systems and browsers. Any changes to these operating systems, browsers or the online stores distributing our application that impact the accessibility, speed or functionality of our service or give preferential treatment to competitive products, could harm usage of our platform. Some of our competitors that control the operating systems, browsers and online stores that our application runs on, or is distributed through, could make

interoperability of our service with those systems, browsers and stores more difficult. In addition, new products we introduce may take longer to function with these systems and browsers.

If we are unable to deliver consistent, high-quality user experiences across different devices with different operating systems, user growth, retention or engagement may decline.

The adoption of any laws or regulations that adversely affect the growth, popularity or use of the internet, including laws governing internet neutrality, could decrease the demand for our products and services and increase our cost of doing business. Regulatory changes could limit users' ability to access our service or make our platform a less attractive alternative to our competitors' platforms and cause our user growth, retention or engagement to decline.

If it becomes more difficult for users to access and use our service on their browsers or mobile devices, if users choose not to access or use our platform on their mobile devices, or if users choose to use mobile products that limit access to our platform, user growth, retention and engagement may decline.

We rely on software, technologies and related services from third parties, and problems in their use, access or performance could increase our costs.

We rely on software, technologies and related services from third parties to operate critical functions of our business. Third-party technologies or services that we utilize may become unavailable due to a variety of reasons, including outages, interruptions or failure to perform under our agreement. Unexpected delays in their availability or function can, in turn, affect the use or availability of our platform. Further, third-party software and service providers may no longer provide such software and services on commercially reasonable terms or may fail to properly maintain or update their software. In such instances, we may be required to seek licenses to software or services from other parties or to redesign our products to function with new software or services. This could result in delays in the release of new products until equivalent technology can be identified, licensed or developed, and integrated into our platform and services. Furthermore, we might be forced to limit the features available in our current or future products.

Technologies have been developed that can block the display of our ads.

Technologies have been developed, and will likely continue to be developed, that block the display of our ads. We generate substantially all of our revenue from advertising, and ad blocking technologies can prevent the display of certain of our ads. Existing ad blocking technologies that have not been effective on our platform can later become effective as we make certain product changes, and new ad blocking technologies are often in development. More users may choose to use products that block or obscure the display of our ads if we are unable to successfully balance the amount of organic content and paid advertisements, or if users' attitudes toward advertisements become more negative. Further, regardless of their effectiveness, ad blockers may generate concern regarding the health of the digital advertising industry, which could reduce the value of digital advertising.

Risks Related to Legal and Regulatory Matters

We may be liable as a result of content or information that is published or made available on our platform.

We are subject to many U.S. federal and state and international laws and regulations that involve matters central to our business, including laws and regulations that involve data use, data security, data protection, intellectual property (including copyright and patent laws), harmful or illegal content, rights of publicity, advertising, marketing, health and safety, competition, protection of minors, consumer protection, taxation, anti-bribery, anti-money laundering and corruption, economic or other trade prohibitions or sanctions or securities law compliance. We may be sued or face regulatory action for claims relating to content or information that is published or made available on our platform. Our systems, tools and personnel that help us to proactively detect potentially policy-violating or otherwise inappropriate content cannot identify all such content on our service, and in many cases this content will appear on our platform. This risk may increase as we develop and increase the use of certain products or product features, such as video content, for which identifying such content is challenging. Additionally, some controversial content may not be banned on our platform and, even if it is not featured in advertisements or recommendations to users, may still appear in search results or be saved on boards. This risk is enhanced in certain jurisdictions outside of the United States where our protection from liability for content published on our platform by third parties may be unclear and where we may be less protected under local laws than we are in the United States. Further, if policy-violating content is found on our platform, we may be in violation of the terms of certain of our key agreements, which may result in termination of the agreement and, in some cases, payment of damages. We could incur significant costs in investigating and defending such claims and, if we are found liable, damages.

We rely on a variety of statutory and common-law frameworks and defenses relevant to the content available on our platform, including but not limited to, the Digital Millennium Copyright Act ("DMCA"), the Communications Decency Act ("CDA"), the fair-use doctrine in the United States, the EU E-Commerce Directive, the EU AI Act and the DSA. These frameworks and defenses may limit but do not necessarily eliminate, our potential liability for caching, hosting, listing or linking to third-party content that may include materials that infringe copyrights or are otherwise unlawful. Each of these statutes and doctrines is subject to uncertain or evolving judicial interpretation and regulatory and legislative amendments, and we cannot guarantee that such frameworks and defenses will be available for our protection. For example, the CDA has been amended by Congress and interpreted by courts in ways that have narrowed its applicability. If the statutory regimes are amended or repealed, if the rules around these doctrines change, if international jurisdictions refuse to apply similar protections to the US, or if a court were to disagree with our application of those rules to our service, we could incur liability or be required to make significant changes to our products, business practices or operations.

Lawmakers in the United States and in other countries may introduce new regulatory regimes that increase potential liability for content available on our platform. There are a number of new laws and legislative proposals in the United States and globally aimed at limiting the scope of protections available to online services and/or that further impose new obligations affecting our business, such as liability for copyright infringement, illegal or harmful content, distributing targeted content and/or advertisements to teens, and other forms of unlawful content and/or online harm. These legislative and/or regulatory requirements may increase our costs of operations, our potential liability for content posted by users on our platform, our litigation costs, and/or may expose us to regulatory sanctions such as fines or penalties. If these or other additional statutory or regulatory changes reduce liability protections for content published on our platform, we may be required to make significant changes to our business model, including increasing our content moderation operations and building in additional product features or tools that may not be favorable to our business, add payment obligations or compliance costs.

We may also receive statutory or regulatory scrutiny for our policies governing content and advertising on our platform. Responding to such scrutiny could require significant resources and any required changes to our operations may result in retention issues of our users.

We are also subject to fines or orders restricting or blocking our service in particular countries as a result of content on our platform. For example, certain countries have implemented regulations that authorize fines or provide for throttling or blocking services for failures to comply with certain content removal and disclosure obligations, and other countries may enact similar legislation, which would impose penalties for failure to remove certain content. There can be no assurance that our tools or policies for certain removal obligations or any new tools or policies we develop will be sufficient to maintain compliance with these regulations.

Any new legislation or changes to existing legislation may be difficult to comply with in a timely and comprehensive fashion and may expose our business, users, or employees to increased fees and costs. These costs could be prohibitively expensive for a company of our size, which could prevent us from launching a product or require us to restrict access to a product in a particular market. This could disadvantage us relative to our competitors with more resources. If the rules, doctrines or currently available defenses change, if international jurisdictions refuse to apply similar protections that are currently available in the United States or the European Union or if a court were to disagree with our application of those rules to our platform, we could be required to expend significant resources to try to comply with the new rules or incur liability.

Government actions can restrict access to our product or certain of our products in their countries.

Governmental authorities outside the United States have restricted, and may in the future seek to restrict access to our platform if they consider us to be in violation of their laws or for other reasons. For example, access to our service has been or is currently restricted in whole or in part in certain countries. Other governments may seek to restrict access to or block our platform, prohibit or block the hosting of certain content available through our platform, or impose other restrictions that may affect the accessibility or usability of our platform in that country for a period of time or even indefinitely. We may also decide to stop offering our platform in a country as a result of these types of restrictions. For example, some countries have enacted laws that allow websites to be blocked for hosting certain types of content or may require websites to remove certain restricted content, to appoint local representatives in the country, or to store user data within that country. It can be challenging or impractical to manage the requirements of multiple jurisdictions governing the type and nature of the content available on our platform. If additional prohibitions or restrictions are imposed on our platform, or if our competitors are able to successfully penetrate new geographic

markets or capture a greater share of existing geographic markets that we cannot access or where we face other restrictions, our user growth, retention and engagement may be adversely affected.

We could become involved in legal disputes that are expensive to support, and if resolved adversely, could harm our business, revenue and financial results.

We are currently involved in, and may in the future be involved in, actual and threatened legal proceedings, including class action lawsuits, mass arbitrations, claims, investigations and government inquiries arising in the ordinary course of our business, including intellectual property, data privacy and data protection, privacy and other torts, illegal or objectionable content, consumer protection, AI, safety, law enforcement, civil rights, the use of our platform for illegal purposes, securities, stockholder derivative claims, employment, governance, workplace culture, contractual rights, civil rights infringement, false or misleading advertising, or other legal claims relating to content or information that is provided to us or published or made available on our platform. Any proceedings, claims or inquiries involving us, whether successful or not, can be time consuming, result in costly litigation, unfavorable outcomes, high indemnification expenses, increased costs of business, may require us to change our business practices or products, product offerings and features, require significant amount of management's time, may harm our reputation or otherwise harm our business and future financial results.

We are currently involved in, have been subject to, and expect to be subject in the future to actual and threatened litigation with respect to third-party patents, trademarks, copyrights and other intellectual property, and may continue to be subject to intellectual property litigation and threats thereof. Companies in the internet, technology and media industries own large numbers of patents, copyrights, trademarks and trade secrets and frequently enter into litigation based on allegations of infringement or other violations of intellectual property rights. As we face increasing competition, grow our business and products, and become increasingly high profile, the possibility of receiving a larger number of intellectual property claims against us grows. In addition, various "non-practicing entities" that own patents and other intellectual property rights have asserted, and may in the future attempt to assert, intellectual property claims against us to extract value through licensing or other settlements.

From time to time, we receive letters from patent and trademark holders alleging that some of our products infringe their patent and trademark rights. Our technologies may not be able to withstand such third-party claims and/or use of those technologies may be temporarily or permanently enjoined as a result of such third-party claims. We also receive letters from copyright and trademark owners alleging that content on Pinterest infringes their intellectual property rights, including take-down requests. The content on Pinterest, including the content that users save on our service, likewise may not be able to withstand such third-party claims.

With respect to any intellectual property claims, we may have to seek a license to continue using technologies or engaging in practices alleged or found to be in violation of a third-party's rights, which may not be available on reasonable terms and may significantly increase our operating expenses or may not be available to us at all and may require us to discontinue use of such technologies or practices or to develop alternative non-infringing technologies or practices. The development of alternative non-infringing technologies or practices could require significant effort and expense or may not be achievable at all.

If we are unable to protect our intellectual property, the value of our brand and other intangible assets may be diminished.

We rely, and expect to continue to rely, on a combination of confidentiality, invention assignment and license agreements with our employees, consultants and other third parties with whom we have relationships, as well as trademark, copyright, patent and trade secret protection laws, to protect our proprietary rights. We have filed various applications for certain aspects of our intellectual property in the United States and other countries, and we currently hold issued patents and trademark registrations in multiple jurisdictions. However, there can be no assurance that each of our patent applications will result in the issuance of a patent. In addition, any resulting issued patents may have claims narrower than those in our patent applications. There can be no assurance that each of our trademark registration applications will result in the issuance of a trademark registration or that each resulting trademark registration will be able to be maintained. In the future we may acquire additional patents or patent portfolios, license patents from third parties or agree to license the use of our patents to third parties, which could require significant cash expenditures. Additionally, our current and future patents, trademarks and other intellectual property or other proprietary rights may be contested, circumvented or found unenforceable or invalid.

Third parties may knowingly or unknowingly infringe or challenge our proprietary rights. Effective intellectual property protection may not be available in every country in which we operate or intend to operate our business. We may not

be able to prevent infringement without incurring substantial time and expense, if at all. Similarly, particularly as we expand the scope of our business and the countries in which we operate, we may not be able to prevent third parties from infringing, or challenging our use of, our intellectual property rights, including those used to build and distinguish the “Pinterest” brand. If the protection of our proprietary rights is inadequate to prevent unauthorized use or appropriation by third parties, the value of our brand and other intangible assets may be diminished and competitors may be able to more effectively mimic our technologies, products, services or features or methods of operations.

Our use of “open source” software could subject us to possible litigation or could prevent us from offering products that include open source software or require us to obtain licenses on unfavorable terms.

A portion of the technologies we use incorporates “open source” software, and we may incorporate open source software in the future. Open source licenses may subject us to certain unfavorable conditions, including requirements that we make publicly available the source code for any modifications or derivative works we create based upon, incorporating or using the open source software, or that we license such modifications or derivative works under the terms of the particular open source license for no cost. Some open source software may include generative AI software or other software that incorporates or relies on generative AI. The use of such software may expose us to risks as the intellectual property ownership and license rights, including copyright, of generative AI software and tools have not been fully interpreted by U.S. courts or addressed by federal or state regulations.

We also license to others some of our software through open source projects which requires us to make the source code publicly available, and therefore can affect our ability to protect our intellectual property rights with respect to that software. If an author or other third-party that distributes open source software that we use or license were to allege that we had not complied with the conditions of the applicable license, we could be required to incur significant legal expenses defending against such allegations and could be subject to significant damages, enjoined from offering our products that contained the open source software, required to release proprietary source code, required to obtain licenses from third parties or otherwise required to comply with the unfavorable conditions unless and until we can re-engineer the product so that it complies with the open source license or does not incorporate the open source software. Any of the foregoing could disrupt our ability to offer our products and harm our business, revenue and financial results.

The interpretation and application of U.S. tax legislation or other changes in U.S. or non-U.S. taxation of our operations could harm our business, revenue and financial results.

Tax reform has been a priority for governments worldwide and numerous proposals have been proposed or enacted. For example, on July 4, 2025, the One Big Beautiful Bill Act was signed into law. This legislation includes provisions that allow for the immediate expensing of domestic U.S. research and development expenses and other changes to the U.S. taxation of profits derived from foreign operations. The issuance of additional regulatory or accounting guidance may affect our analysis of the impact of the law on us and may harm our operating results and financial condition.

Additionally, over the last several years, the Organisation for Economic Cooperation and Development (OECD) has been working on a Base Erosion and Profit Shifting Project that, if implemented, would change various aspects of the existing framework under which our tax obligations are determined in many of the countries in which we do business. Several countries have already begun to enact legislation to implement the OECD’s 15% global minimum tax regime. Our effective tax rate and cash tax payments could increase in future years as further jurisdictions enact legislation. Similarly, the European Commission and several countries have issued proposals that would apply to various aspects of the current international tax rules under which we are taxed. These proposals include changes to the existing rules to calculate income tax, as well as proposals to change or impose new types of non-income taxes, including taxes based on a percentage of revenue. For example, several jurisdictions have proposed or enacted taxes applicable to digital services, which include business activities on digital advertising and which apply to our business. There are ongoing OECD negotiations that contemplate an alternative to these proposals, which may proliferate in the absence of multilateral agreement.

Further changes to the U.S. or non-U.S. taxation of our operations may increase our worldwide effective tax rate, resulting in additional taxes or other costs or have other material consequences.

Risks Relating to our Financial Statements and Performance

We have a limited operating history with the current scale of our business, and, as a result, our past results may not be indicative of future operating performance.

We have a limited operating history with the current scale of our business, which makes it difficult to forecast our future results. You should not rely on our past results of operations as indicators of future performance. You should consider and evaluate our prospects in light of the risks and uncertainties frequently encountered by companies like ours.

We have incurred operating losses in the past, anticipate increasing our costs and operating expenses, may incur operating losses in the future and may not maintain profitability.

We have incurred significant net losses in the past and generated net income only recently. We generated net income of \$47.7 million and net loss of \$15.9 million for the six months ended June 30, 2025 and 2024, respectively. As of June 30, 2025, we had an accumulated deficit of \$240.5 million. We have achieved profitability only recently and may not realize sufficient revenue to maintain profitability in future periods.

We incur high operating expenses and may increase our operating expenses in the future as we continue to evolve or expand our business and operations. These efforts may prove more expensive than we currently anticipate, and we may not succeed in increasing our revenue sufficiently to offset these higher expenses. We may encounter unforeseen expenses, operating delays or other unknown factors that may result in losses in future periods. We have significant unrecognized share-based compensation expense, which we expect to recognize over the next several years. In addition, we have entered into certain non-cancelable commitments that limit our ability to reduce our cost and expenses in the future. For more information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Notes to Financial Statements." Any failure to increase our revenue as we implement initiatives to grow our business could prevent us from achieving or maintaining profitability on either a quarterly or annual basis.

Our operating results are likely to fluctuate from quarter to quarter, which makes them difficult to predict.

Our quarterly operating results are tied to certain key business metrics that have fluctuated in the past and are likely to fluctuate in the future, which makes them difficult to predict. Our operating results depend on numerous factors, many of which are outside of our control, including:

- our ability to generate revenue from our platform;
- our ability to improve or maintain gross margins;
- our ability to maintain operating margins, cash used in operating activities and free cash flow;
- the number and relevancy of advertisements shown to users;
- the relevancy of content shown to users;
- the manner in which users engage with different products, where certain products may cause us to generate less revenue;
- downward pressure on the pricing of our advertisements;
- the timing, cost and mix of new and existing marketing and promotional efforts as we grow and expand our operations to remain competitive;
- fluctuations (seasonal or otherwise) in spending by our advertisers and platform usage and engagement by users, each of which may change as our product offerings and business evolves;
- seasonal fluctuations in engagement on our platform, including our historical experience of lower engagement in our second quarter;
- fluctuations in spending by our advertisers and platform usage and engagement by users due to macroeconomic conditions, such as the stress in the banking industry, inflation or new or increased tariffs and related retaliatory actions or other trade protection measures;
- seasonal fluctuations in internet usage generally;
- the success of technologies designed to block the display of ads;
- development and introduction of new product offerings by us or our competitors;
- the enforcement of our advertising policies, including the removal of ads and advertisers from our platform;
- existing, new and evolving regulations, both in the U.S. and internationally;

- the ability of our third-party providers to scale effectively and provide the necessary technical infrastructure for our service on a timely basis;
- system failures, disruptions, breaches of security or data privacy or internet downtime, whether on our service or on those of third parties;
- the inaccessibility of our service due to third-party actions;
- changes in measurement of our metrics;
- costs associated with the technical infrastructure used to operate our business, including hosting services;
- fluctuations in the amount of share-based compensation expense;
- fluctuations, caused by stock price volatility, in the amount we spend to fund tax withholding and remittance obligations related to the vesting and settlement of restricted stock units ("RSUs") as we continue to net settle such RSUs; and
- our ability to anticipate and adapt to the changing internet business or macroeconomic conditions; and the other risks and uncertainties described in this Quarterly Report on Form 10-Q.

User metrics and other estimates are subject to inherent challenges in measurement, and real or perceived inaccuracies in those metrics could harm our business, revenue and financial results.

We regularly review metrics, including the number of our active users and other measures to evaluate growth trends, measure our performance and make strategic decisions. These metrics are calculated using internal company data and have not been validated by an independent third party. While these numbers are based on what we currently believe to be reasonable estimates for the applicable period of measurement, there are inherent challenges in measuring how our products are used across large populations globally. Our metrics calculations may be inaccurate, and we may not be able to identify those inaccuracies. In the past, we have relied on other metrics that measure different activities, such as saving a Pin, clicking, searching and other activities, as indicators of user growth and engagement. We have in the past implemented, and may from time to time in the future implement, new methodologies for calculating these metrics, which may result in the metrics changing or decreasing from prior periods or not being comparable to prior periods. Our metrics may also differ from estimates published by third parties or from similarly titled metrics of our competitors due to differences in methodology or data used.

Our MAU metrics may also be impacted by our information quality efforts, which are our overall efforts to reduce malicious activity on our platform, including false, spam and malicious automation accounts in existence on our platform. We make efforts to regularly deactivate false, spam and malicious automation accounts that violate our terms of service, and exclude these users from the calculation of our MAU metrics; however, we will not succeed in identifying and removing all false, spam and malicious accounts from our platform. We are continually seeking to improve our ability to estimate the total number of false, spam or malicious accounts and we intend to continue to make such improvements, but there is no guarantee as to the accuracy of these estimates. In addition, users are not prohibited from having more than one account on our platform, and we treat multiple accounts held by a single person as multiple users for purposes of calculating our active users.

In addition, some of our user demographic data may be incomplete or inaccurate. For example, because users self-report their date of birth, our age-demographic data may differ from users' actual ages. In addition, our data regarding the geographic location of users and revenue by user geography is estimated based on a number of factors, which may not always accurately reflect the actual location and may be different depending on the metric we are calculating. For example, if a user uses a proxy server or if there are other data limitations, we may not be able to accurately reflect the user's actual location. If our metrics provide us with incorrect or incomplete information about users and their behavior, we may make inaccurate conclusions about our business.

Our operations and financial condition could be adversely impacted if we are unable to obtain additional financing, if needed, or if we default on our credit obligations.

We may require additional financing to maintain and grow our business. Our ability to obtain financing will depend on, among other things, our development efforts, business plans, operating performance, investor demand and the condition of the capital markets at the time we seek financing. We cannot assure you that additional financing will be available to us on favorable terms when required, or at all. If we raise additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences or privileges senior to the rights of our common stock, and our existing stockholders may experience dilution. If our access to capital is restricted or our

borrowing costs increase as a result of developments in financial markets, our operations and financial condition could be adversely impacted.

Our revolving credit facility provides our lenders with a first-priority lien against substantially all of our domestic assets, as well as certain domestic intellectual property, and contains financial covenants and other restrictions on our actions that may limit our operational flexibility or otherwise adversely affect our results of operations. It contains a number of covenants that limit our ability and our subsidiaries' ability to, among other things, incur additional indebtedness, pay dividends, make redemptions and repurchases of stock, make investments, loans and acquisitions, incur liens, engage in transactions with affiliates, merge or consolidate with other companies, sell material businesses or assets, or license or transfer certain of our intellectual property. In addition, we are also required to maintain a minimum consolidated leverage. Complying with these covenants may make it more difficult for us to successfully execute our business strategy and compete against companies who are not subject to such restrictions.

If we fail to comply with the covenants under the revolving credit facility, lenders would have a right to, among other things, terminate the commitments to provide additional loans under the facility, enforce any liens on collateral securing the obligations under the facility, declare all outstanding loans and accrued interest and fees to be due and payable and require us to post cash collateral to be held as security for any reimbursement obligations in respect of any outstanding letters of credit issued under the facility. If any remedies under the facility were exercised, we may not have sufficient cash or be able to borrow sufficient funds to refinance the debt or sell sufficient assets to repay the debt, which could immediately materially and adversely affect our business, cash flows, operations and financial condition. Even if we were able to obtain new financing, it may not be on commercially reasonable terms or on terms that are acceptable to us.

Additionally, our revolving credit facility utilizes a Secured Overnight Financing Rate ("SOFR") or various alternative methods set forth in our revolving credit facility to calculate the amount of accrued interest on any borrowings. If a published U.S. dollar SOFR is unavailable, the interest rates on our debt indexed to SOFR will be determined using one of the alternative methods, any of which could, if the revolver is drawn, result in interest obligations that are more than the current form, which could have a material adverse effect on our financing costs.

We may have greater than anticipated tax liabilities, which could harm our business, revenue and financial results.

We operate in a number of tax jurisdictions globally, including in the United States at the federal, state and local levels, and in many other countries, and plan to continue to expand the scale of our operations in the future. Thus, we are subject to review and potential audit by a number of U.S. federal, state, local and non-U.S. tax authorities. Significant judgment is required in determining our worldwide provision for income taxes and other tax liabilities. Further, tax authorities may disagree with tax positions we take and challenge our tax positions. Successful unilateral or multi-jurisdictional actions by various tax authorities, including in the context of our current or future corporate operating structure and third party and intercompany arrangements (including transfer pricing and the manner in which we develop, value and use our intellectual property), may increase our worldwide effective tax rate, result in additional taxes or other costs or have other material consequences, which could harm our business and financial results.

Although we do not currently incur significant tax costs due to our history of operating losses, our tax liabilities may increase if our profitability increases in the future. In addition, our effective tax rate may change from year to year based on changes in the mix of activities and income allocated or earned among various jurisdictions, tax laws and the applicable tax rates in these jurisdictions (including future tax laws that may become material), tax treaties between countries, our eligibility for benefits under those tax treaties and the valuation of deferred tax assets and liabilities. Such changes could result in an increase in the effective tax rate applicable to all or a portion of our income, which would negatively affect our financial results.

Our ability to use or benefit from our net operating loss carryforwards and certain other tax attributes may be limited.

As of December 31, 2024, we had federal, California and other state net operating loss carryforwards of \$1,909.5 million, \$554.3 million and \$1,549.9 million, respectively. Our federal carryforwards do not expire. If not utilized, our California and other state carryforwards will begin to expire in 2028 and 2025, respectively. Utilization of our net operating loss carryforwards and other tax attributes, such as research and development tax credits, may be subject to annual limitations, or could be subject to other limitations on utilization or benefit due to the ownership change

limitations provided by Sections 382 and 383 of the Internal Revenue Code of 1986, as amended (the "Code"), and other similar provisions.

Adverse global economic and financial conditions could harm our business and financial condition.

Adverse global economic and financial events, such as epidemics, pandemics and other public health emergencies, Russia's invasion of Ukraine, the war in the Middle East, recession or fears of recession, inflation, fluctuation in foreign exchange rate, supply chain issues, and inventory and labor shortages, have caused, and could in the future, continue to cause disruptions and volatility in global financial markets. Such conditions have resulted in or may result in, among other things, an adverse impact on the ability and willingness of companies to spend on advertising, volatility in our stock price, and an adverse impact on the financial condition of the institutions with whom we hold deposits or the credit quality of the issuers of our cash equivalents and marketable securities. In addition, since the majority of our revenue is derived from advertisers within the U.S., economic conditions in the U.S. have a greater impact on us.

We cannot guarantee that our stock repurchase program will be fully consummated or that it will enhance long-term stockholder value.

Although our board of directors has authorized a stock repurchase program, the program does not require us to repurchase any specific dollar amount or to acquire any specific number of shares of our Class A common stock. We cannot guarantee that the program will be fully consummated or that it will enhance long-term stockholder value. The program could also affect the trading price of our stock and increase volatility, and any announcement of a termination or change of this program may result in a decrease in the trading price of our stock. In addition, any purchases made under this program would diminish our cash reserves.

Risks Related to Ownership of Our Class A Common Stock

The dual class structure of our common stock has the effect of concentrating voting control with those stockholders who held our capital stock prior to the completion of our initial public offering ("IPO"), including our co-founders, executive officers, employees and directors, their affiliates, and all of our other pre-IPO stockholders (including those unaffiliated with any of our co-founders, executive officers, employees or directors). This will limit or preclude your ability to influence corporate matters.

Our Class B common stock has twenty votes per share, and our Class A common stock has one vote per share. Because of the 20-to-1 voting ratio between our Class B and Class A common stock, the holders of our outstanding Class B hold approximately 73.0% of the voting power of our outstanding capital stock as of June 30, 2025. Because the holders of our Class B common stock hold in the aggregate significantly more than a majority of the combined voting power of our capital stock, such holders (which include our pre-IPO stockholders who have not converted their Class B common stock to Class A common stock, including those holders unaffiliated with any of our executive officers, employees or directors) control all matters submitted to our stockholders for approval. The holders of Class B common stock will no longer hold in the aggregate over 50% of the voting power of our outstanding capital stock once the Class B common stock represents in the aggregate less than approximately 4.76% of our outstanding capital stock.

As a result, for the foreseeable future, holders of our Class B common stock could have significant influence over the management and affairs of our company and over the outcome of all matters submitted to our stockholders for approval, including the election of directors and significant corporate transactions, such as a merger, consolidation or sale of substantially all of our assets, even though their stock holdings were to represent in the aggregate less than 50% of the outstanding shares of our capital stock. In addition, this may prevent or discourage unsolicited acquisition proposals or offers for our capital stock that you may feel are in your best interest as one of our stockholders. These holders of our Class B common stock may have interests that differ from yours and may vote in a way with which you disagree and which may be adverse to your interests. This control may adversely affect the trading price of our Class A common stock. Despite no longer being employed by us, Paul Sciarra and Benjamin Silbermann, two of our co-founders, remain able to exercise significant voting power.

Transfers by holders of Class B common stock will generally result in those shares converting to Class A common stock, except certain transfers to entities, including certain charities and foundations, to the extent the transferor retains sole dispositive power and exclusive voting control with respect to the shares of Class B common stock, and certain other transfers described in our amended and restated certificate of incorporation. In addition, all shares of Class B common stock will automatically convert into shares of Class A common stock on (i) the seven-year

anniversary of the closing date of our IPO, except with respect to shares of Class B common stock held by any holder that continues to beneficially own at least 50% of the number of shares of Class B common stock that such holder beneficially owned immediately prior to completion of our IPO, and (ii) a date that is between 90 to 540 days, as determined by the board of directors, after the death or permanent incapacity of Mr. Silbermann. Conversions of Class B common stock to Class A common stock have already had and will continue to have the effect, over time, of increasing the relative voting power of those holders of Class B common stock who retain their shares in the long term.

Our dual class structure may depress the trading price of our Class A common stock.

We cannot predict whether our dual class structure will result in a lower or more volatile market price of our Class A common stock or in adverse publicity or other adverse consequences. For example, certain index providers have restrictions on including companies with multiple-class share structures in certain of their indexes. In addition, several stockholder advisory firms have announced their opposition to the use of multiple class structures. As a result, the dual class structure of our common stock may cause stockholder advisory firms to publish negative commentary about our corporate governance practices, recommend that stockholders vote against certain company annual stockholder meeting proposals or otherwise seek to cause us to change our capital structure. Any such exclusion from indices or any actions or publications by stockholder advisory firms critical of our corporate governance practices or capital structure could adversely affect the value and trading market of our Class A common stock.

The trading price of our Class A common stock has been and may continue to be volatile, and you could lose all or part of your investment.

The trading price of our Class A common stock has been, and is likely to continue to be volatile and could be subject to fluctuations in response to various factors, some of which are beyond our control. These fluctuations could cause you to lose all or part of your investment in our Class A common stock since you might be unable to sell your shares at or above the price you paid. Factors that could cause fluctuations in the trading price of our Class A common stock include the following:

- price and volume fluctuations in the overall stock market from time to time;
- volatility in the trading prices and trading volumes of technology stocks;
- changes in operating performance and stock market valuations of other technology companies generally, or those in our industry in particular;
- sales, or anticipated sales, of shares of our Class A common stock by us or our stockholders, including when stockholders sell shares of our Class A common stock into the market to cover taxes due upon the settlement of RSUs or the exercise of stock options, or conversions, or anticipated conversions, of a substantial number of shares of our Class B common stock by our stockholders;
- actions and investment positions taken by institutional and other stockholders, including activist investors;
- failure by industry or securities analysts to maintain coverage of us, downgrade of our Class A common stock by analysts or provision of a more favorable recommendation of our competitors;
- failure by analysts to regularly publish research reports or the publication of an unfavorable or inaccurate report about our business;
- changes by external analysts to their financial and operating estimates for our company or our performance relative to third parties' estimates or the expectations;
- forward-looking financial or operating information or financial projections we may provide to the public, any changes in that information or projections or our failure to meet projections;
- any indebtedness we may incur in the future;
- whether investors or securities analysts view our stock structure unfavorably, particularly our dual class structure and the significant voting control of holders of our Class B common stock;
- announcements by us or our competitors of new products, features, services, technical innovations, acquisitions, strategic partnerships, joint ventures or capital commitments;
- announcements by us or estimates by third parties of actual or anticipated changes in the size of our user base or level of engagement, or those of our competitors;
- the public's perception of the quality and accuracy of our key metrics on our user base and engagement;

- the public's reaction to our press releases, other public announcements and filings with the SEC;
- rumors and market speculation involving us or other companies in our industry;
- actual or anticipated fluctuations in our user growth, retention, engagement, revenue or other operating results;
- actual or anticipated developments in our business, our competitors' businesses or the competitive landscape generally;
- litigation involving us, our industry, or both, or investigations by regulators and other third parties into our operations or those of our competitors;
- developments or disputes concerning our intellectual property or other proprietary rights;
- developments or disputes concerning our culture or other inclusion practices and initiatives or the inability to address any workplace culture related issues;
- announced or completed acquisitions of businesses, products, services or technologies by us or our competitors;
- existing, new and evolving regulations, both in the U.S. and internationally;
- changes in accounting standards, policies, guidelines, interpretations or principles;
- any significant changes in our management;
- stakeholder dissatisfaction if we are unable to meet stakeholders' expectations and requirements or our publicly announced goals around environmentally friendly, ethical, socially conscious, and sustainable business practices or disclosures;
- adoption and trading under a stock repurchase program;
- macroeconomic events that are beyond our control, including tariffs and related retaliatory actions and other trade protection measures; and
- general economic conditions and slow or negative growth of our markets.

In addition, the stock markets have experienced extreme price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many technology companies. Stock prices of many technology companies, including ours, have fluctuated in a manner that may be unrelated or disproportionate to the financial performance of such companies. Following periods of volatility in the overall market and the market price of a particular company's securities, securities class action and derivative litigation has often been instituted against these companies, including against us. Such litigation could result in substantial costs and a diversion of our management's attention and resources. Further, when our revenue, users or operating results fall below the expectations of investors or securities analysts or below any guidance we may provide to the market, the price of our Class A common stock has declined and could likely decline in the future.

Future offerings of debt or equity securities by us or existing stockholders may adversely affect the market price of our Class A common stock.

In the future, we may attempt to obtain financing or to further increase our capital resources by issuing additional capital stock or offering debt or other securities, including commercial paper, medium-term notes, senior or subordinated notes, debt securities convertible into equity or shares of preferred stock. Future acquisitions could also require substantial additional capital in excess of cash from operations.

Issuing additional shares of capital stock or other securities, including securities convertible into equity, may dilute the economic and voting rights of our existing stockholders, reduce the market price of our Class A common stock or both. Upon liquidation, holders of debt securities and preferred shares, if issued, and lenders with respect to other borrowings would receive a distribution of our available assets prior to the holders of our common stock. Debt securities convertible into equity could be subject to adjustments in the conversion ratio pursuant to which certain events may increase the number of equity securities issuable upon conversion. Preferred shares, if issued, could have a preference with respect to liquidating distributions or a preference with respect to dividend payments that could limit our ability to pay dividends to the holders of our common stock. Our decision to issue securities in any future offering will depend on market conditions and other factors beyond our control, which may adversely affect the amount, timing or nature of our future offerings. In addition, the large number of shares of our common stock eligible for public sale or subject to rights requiring us to register them for public sale could depress the market price of our

Class A common stock. The market price of our Class A common stock could decline as a result of sales of a large number of shares of our Class A common stock in the market, and the perception that these sales could occur may also depress the market price of our Class A common stock. As a result, holders of our Class A common stock bear the risk that our future offerings or future sales of shares may reduce the market price of our Class A common stock and dilute their stockholdings in our company.

Additional stock issuances, including in connection with settlement of equity awards, could result in significant dilution to our stockholders.

Future issuances of shares of our Class A common stock or the conversion of a substantial number of shares of our Class B common stock to Class A common stock, or the perception that these sales or conversions may occur, could depress the market price of our Class A common stock and result in significant dilution for holders of our Class A common stock. We currently have shares of Class A common stock that may be issued upon settlement of outstanding stock options, RSUs, or restricted stock awards ("RSAs"). For more information, see "Notes to Financial Statements". As of June 30, 2025, we had 5,824,581,071 shares of authorized but unissued Class A common stock that are currently not reserved for issuance under our equity incentive plans or charitable giving program. We may issue all of these shares of Class A common stock without any action or approval by our stockholders, subject to certain exceptions. We also intend to continue to evaluate acquisition opportunities and may issue Class A common stock or other securities in connection with these acquisitions. Any common stock issued in connection with our equity incentive plans, acquisitions, the exercise of outstanding stock options, settlement of RSUs and RSAs or otherwise would dilute the percentage ownership held by our Class A common stockholders.

Delaware law and provisions in our amended and restated certificate of incorporation and amended and restated bylaws could make a merger, tender offer or proxy contest difficult, thereby depressing the market price of our Class A common stock.

Our status as a Delaware corporation and the anti-takeover provisions of the Delaware General Corporation Law (the "DGCL") may discourage, delay or prevent a change in control by prohibiting us from engaging in a business combination with an interested stockholder for a period of three years after the person becomes an interested stockholder, even if a change of control would be beneficial to our existing stockholders. In addition, our amended and restated certificate of incorporation and amended and restated bylaws contain provisions that may make the acquisition of our company more difficult, including the following:

- our dual class common stock structure, which provides our holders of Class B common stock with the ability to significantly influence the outcome of matters requiring stockholder approval, even if they own significantly less than a majority of the shares of our outstanding common stock;
- our board of directors is classified into three classes of directors with staggered three-year terms and directors are only able to be removed from office for cause;
- certain amendments to our amended and restated certificate of incorporation will require the approval of 66⅔% of the then-outstanding voting power of our capital stock;
- approval of 66⅔% of the then-outstanding voting power of our capital stock, voting as a single class, is required for stockholders to amend or adopt any provision of our bylaws;
- our stockholders can take action only at a meeting of stockholders and not by written consent;
- vacancies on our board of directors can be filled only by our board of directors and not by stockholders;
- no provision in our amended and restated certificate of incorporation or amended and restated bylaws provides for cumulative voting, which limits the ability of minority stockholders to elect director candidates;
- only our chairman of the board of directors, our chief executive officer, our president or another officer selected by a majority of the board of directors are authorized to call a special meeting of stockholders;
- certain litigation against us can only be brought in Delaware;
- nothing in our amended and restated certificate of incorporation precludes future issuances without stockholder approval of the authorized but unissued shares of our Class A common stock;
- our amended and restated certificate of incorporation authorizes undesignated preferred stock, the terms of which may be established and shares of which may be issued, without the approval of the holders of our capital stock; and

- advance notice procedures apply for stockholders to nominate candidates for election as directors or to bring matters before an annual meeting of stockholders.

These anti-takeover defenses could discourage, delay or prevent a transaction involving a change in control of our company. These provisions could also discourage proxy contests and make it more difficult for stockholders to elect directors of their choosing and to cause us to take other corporate actions they desire, any of which, under certain circumstances, could limit the opportunity for our stockholders to receive a premium for their shares of our common stock, and could also affect the price that some investors are willing to pay for our Class A common stock.

Our amended and restated certificate of incorporation designates a state or federal court located within the State of Delaware as the exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to choose the judicial forum for disputes with us or our directors, officers or employees.

Our amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers or other employees to us or our stockholders, (iii) any action arising pursuant to any provision of the DGCL, or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware or (iv) any other action asserting a claim that is governed by the internal affairs doctrine shall be the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, any state or federal district court in the state of Delaware), in all cases subject to the court's having jurisdiction over indispensable parties named as defendants. Nothing in our amended and restated certificate of incorporation precludes stockholders that assert claims under the Securities Act or Exchange Act from bringing such claims in federal court, subject to applicable law.

Any person or entity purchasing or otherwise acquiring any interest in our securities shall be deemed to have notice of and consented to this provision. This exclusive forum provision may limit a stockholder's ability to bring a claim in a judicial forum of its choosing. If a court were to find the exclusive forum provision in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could harm our results of operations.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchases of equity securities by issuer

The following table shows information about our purchases of equity securities that are registered pursuant to Section 12 of the Securities Exchange Act of 1934 for the three months ended June 30, 2025:

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 ⁽³⁾	Approximate dollar value of shares that may yet be purchased under publicly announced plans or programs
April 1 - April 30, 2025	31,999	\$ 25.26	—	\$ 1,724,801,819
May 1 - May 31, 2025	376,344	\$ 31.89	376,344	\$ 1,712,802,019
June 1 - June 30, 2025	1,182,943	\$ 34.34	1,182,943	\$ 1,672,175,947
Total	1,591,286		1,559,287	

⁽¹⁾ We withheld shares from employees to satisfy tax withholding obligations on release of restricted stock awards. The value of the common stock was based on the closing price of our Class A common stock on the vesting date.

⁽²⁾ Average price paid per share includes costs associated with repurchases.

⁽³⁾ In November 2024, our board of directors authorized a stock repurchase program of up to \$2.0 billion of our Class A common stock. Refer to Note 4 to our condensed consolidated financial statements for further information on our stock repurchase program.

Item 5. Other Information

Rule 10b5-1 Trading Plans

During the quarter ended June 30, 2025, none of our directors or section 16 officers entered into or terminated a Rule 10b5-1 or non-Rule 10b5-1 trading arrangement, as those terms are defined in Regulation S-K, Item 408.

Item 6. Exhibits

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
3.1	Restated Certificate of Incorporation of Pinterest, Inc.	8-K	001-38872	3.3	May 27, 2025	
3.2	Amended and Restated Bylaws of Pinterest, Inc.	8-K	001-38872	3.1	May 27, 2025	
10.1	Non-Employee Director Compensation Policy					X
31.1	Certification of Principal Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification of Principal Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
32.1*	Certifications of Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document					X
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document					X
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					X
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)					X

*The certifications attached as Exhibit 32.1 that accompany this Quarterly Report on Form 10-Q, are deemed furnished and not filed with the Securities and Exchange Commission.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Quarterly Report on Form 10-Q to be signed on its behalf by the undersigned, thereunto duly authorized.

PINTEREST, INC.

Date: August 7, 2025

By: /s/ Julia Brau Donnelly
Julia Brau Donnelly
Chief Financial Officer
(Principal Financial Officer)

Date: August 7, 2025

By: /s/ Andrea Acosta
Andrea Acosta
Chief Accounting Officer
(Principal Accounting Officer)

Pinterest, Inc.

Non-Employee Director Compensation Policy

The purpose of this Non-Employee Director Compensation Policy (the “Policy”) of Pinterest, Inc., a Delaware corporation (the “Company”), is to provide a total compensation package that enables the Company to attract and retain, on a long-term basis, high-caliber members of the Company’s Board of Directors (the “Board of Directors”) who are not also employees, officers, consultants, advisors or independent contractors of the Company or its subsidiaries (“Non-Employee Directors”). In furtherance of this purpose, all Non-Employee Directors shall be compensated for services provided to the Company as set forth below:

1. Cash Retainers

- a. Annual Retainer for Board Membership: \$50,000 for service as a member of the Board.
 - b. Additional Annual Retainer for Non-Executive Chairperson: \$40,000 per year for service as the Non-Executive Chairperson of the Board of Directors.
 - c. Additional Annual Retainer for Lead Independent Director: \$75,000 per year for service as the Lead Independent Director of the Board of Directors.
 - d. Additional Annual Retainers for Committee Membership:

Audit Committee Chair	\$	26,000
Audit Committee Member (other than the Chair)	\$	13,000
Compensation Committee Chair	\$	20,000
Compensation Committee Member (other than the Chair)	\$	10,000
Nominating and Corporate Governance Committee Chair	\$	15,000
Nominating and Corporate Governance Committee Member (other than the Chair)	\$	7,500
 - e. Payment of Annual Retainers; Pro-Ration: All cash retainers shall be paid prospectively on a quarterly basis, pro-rated for any Non-Employee Director whose service (or whose service in any of the additional capacities described above) commences during a calendar year such that the annual retainer is reduced proportionately for any calendar month prior to the month in which such service commenced.
-

2. Equity Awards

Grants of equity awards to Non-Employee Directors pursuant to this Policy will be automatic and nondiscretionary (without the need for any additional corporate action by the Board of Directors or the Compensation Committee) and will be made in accordance with the following provisions:

a. Initial Equity Grant. On the date on which any Non-Employee Director first begins providing services to the Company as a member of the Board of Directors, by reason of election by shareholders or appointment by the Board of Directors, he or she shall receive an initial grant of restricted stock units (“RSUs”) under the Company’s 2019 Stock Plan (the “Plan”) determined by dividing \$400,000 by the Fair Market Value (as defined in the Plan) on the date of grant, rounded down to the nearest whole RSU, and evidenced by an award agreement in the form approved by the Board of Directors for such purpose prior to such grant (the “Initial Equity Grant”). The RSUs subject to the Initial Equity Grant shall vest in three equal, annual installments on each anniversary of the date of grant, subject to such Non-Employee Director’s continued service as a Non-Employee Director through each such vesting date.

b. Annual Equity Grant. Each Non-Employee Director shall receive an annual grant of RSUs under the Plan determined by dividing \$260,000 by the Fair Market Value on the date of grant, rounded down to the nearest whole RSU, and evidenced by an award agreement in the form approved by the Board of Directors for such purpose prior to such grant (the “Annual Equity Grant”). The RSUs subject to the Annual Equity Grant shall vest in full on the earlier of (i) the first anniversary of the date of grant, or (ii) the date immediately prior to the Company’s next regular annual shareholders meeting, in either case subject to such Non-Employee Director’s continued service as a Non-Employee Director through such vesting date. Annual Equity Grants shall be made on the day immediately after the Company’s regular annual shareholders meeting to Non-Employee Directors who are serving on the Board on such date.

c. Acceleration. All RSUs granted pursuant to this Policy shall vest in full immediately prior to, but conditioned upon, the consummation of a Change in Control (as defined in the Plan).

d. Revisions. The Board of Directors in its discretion may change and otherwise revise the terms of awards to be granted pursuant to this Policy, including, without limitation, the number of shares subject thereto or the vesting terms of such awards, on a prospective basis, to the extent permitted by the Plan.

3. Expenses

The Company will reimburse Non-Employee Directors for any reasonable out-of-pocket travel expenses incurred by them in attending meetings of the Board of Directors or any Committee thereof.

Effective: May 2025

**CERTIFICATION OF PERIODIC REPORT UNDER SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, William Ready, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Pinterest, 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 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 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.

PINTEREST, INC.

Date: August 7, 2025

By: /s/ William Ready
William Ready
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF PERIODIC REPORT UNDER SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002**

I, Julia Brau Donnelly, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Pinterest, 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 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 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.

PINTEREST, INC.

Date: August 7, 2025

By: /s/ Julia Brau Donnelly
Julia Brau Donnelly
Chief Financial Officer
(Principal Financial Officer)

**CERTIFICATIONS OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, William Ready, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of Pinterest, Inc. for the fiscal quarter ended June 30, 2025 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Pinterest, Inc.

I, Julia Brau Donnelly, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of Pinterest, Inc. for the fiscal quarter ended June 30, 2025 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Pinterest, Inc.

PINTEREST, INC.

Date: August 7, 2025

By: /s/ William Ready
William Ready
Chief Executive Officer
(Principal Executive Officer)

Date: August 7, 2025

By: /s/ Julia Brau Donnelly
Julia Brau Donnelly
Chief Financial Officer
(Principal Financial Officer)

The foregoing certifications are furnished and are not deemed filed with the Securities and Exchange Commission for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (Exchange Act), and are not deemed to be incorporated by reference into any filing of Pinterest, Inc. under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that Pinterest, Inc. specifically incorporates them by reference.