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

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**FORM 8-K**

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**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): July 31, 2025

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**Reddit, Inc.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-41983**  
(Commission  
File Number)

**45-2546501**  
(IRS Employer  
Identification No.)

**303 2nd Street, South Tower, 5th Floor**  
**San Francisco, California 94107**  
(Address of principal executive offices, including Zip Code)  
**Registrant's telephone number, including area code: (415) 494-8016**

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A common stock, \$0.0001 par value per share	RDDT	The New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

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

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**Item 2.02 Results of Operations and Financial Condition.**

On July 31, 2025, Reddit, Inc. (“Reddit”) issued a press release and a letter to shareholders announcing its financial results for the quarter ended June 30, 2025. In the press release and letter, Reddit also announced that it would be holding a conference call on July 31, 2025 at 2:00 p.m. Pacific Time / 5:00 p.m. Eastern Time to discuss its financial results for the quarter. Reddit will also solicit questions from the Reddit community in its investor relations subreddit, r/RDDT, at <https://www.reddit.com/r/RDDT/> on Thursday, July 31, 2025, and post responses following the earnings call at Reddit’s Investor Relations website at <https://investor.reddittinc.com> and r/RDDT at <https://www.reddit.com/r/RDDT/>. A copy of the press release and letter to shareholders are furnished as Exhibit 99.1 and Exhibit 99.2, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

The information furnished pursuant to Item 2.02 of this Current Report on Form 8-K, including Exhibit 99.1 and Exhibit 99.2 attached hereto, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any other filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Reddit uses the investor relations page on its website <https://investor.reddittinc.com>, as well as the subreddits r/RDDT and r/reddit, available at <https://www.reddit.com/r/RDDT/> and <https://www.reddit.com/r/reddit/>, respectively, as means of disclosing material non-public information and for complying with its disclosure obligation under Regulation FD.

**Item 9.01 Financial Statements and Exhibits.**

(d) The following exhibits are being filed herewith:

Exhibit No.	Description
99.1	<a href="#">Press release dated July 31, 2025.</a>
99.2	<a href="#">Letter to Shareholders dated July 31, 2025.</a>
104	Cover Page Interactive Data File (embedded within the inline XBRL document)

## SIGNATURES

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

### REDDIT, INC.

Date: July 31, 2025

By: /s/ Steven Huffman

Steven Huffman

President and Chief Executive Officer



## Reddit Announces Second Quarter 2025 Results

**Daily Active Uniques (“DAUq”) increased 21% year-over-year to 110.4 million**

**Revenue grew 78% year-over-year to \$500 million**

**Gross margin expanded year-over-year to 90.8%**

**Net income of \$89 million, 18% of revenue. Diluted EPS of \$0.45**

**Adjusted EBITDA<sup>1</sup> of \$167 million, 33% of revenue**

**Operating cash flow of \$111 million. Fully diluted shares of 206.6 million, up 0.3% sequentially**

SAN FRANCISCO, Calif. – July 31, 2025 – Reddit, Inc. (NYSE: RDDT) today announced financial results for the quarter ended June 30, 2025. Reddit’s complete financial results and management commentary can be found in its shareholder letter on Reddit’s Investor Relations website at <https://investor.redditinc.com>.

*“Reddit is built for this moment. In a world where connection is increasingly rare, our communities show how valuable human conversation and knowledge really are,” said Steve Huffman, Reddit Co-Founder and CEO. “We’re focused on growing globally, scaling sustainably, and making Reddit the most trusted place on the internet.”*

- Total revenue increased 78% year-over-year to \$500 million, Ad revenue increased 84% year-over-year to \$465 million, and Other revenue increased 24% year-over-year to \$35 million
- Gross margin was 90.8%, an improvement of 130 basis points from the prior year
- Net income was \$89 million, as compared to net loss of \$(10) million in the prior year
- Adjusted EBITDA<sup>1</sup> was \$167 million, an improvement of \$127 million from the prior year
- Operating cash flow was \$111 million, an improvement of \$83 million from the prior year
- Free Cash Flow<sup>1</sup> was \$111 million, an improvement of \$84 million from the prior year
- Basic and diluted earnings per share (“EPS”) were \$0.48 and \$0.45, respectively
- Total fully diluted shares outstanding were 206.6 million as of June 30, 2025, up 0.3% from the prior quarter

## Second Quarter 2025 Financial Highlights

(in millions, except percentages and per share amounts; unaudited)	Three months ended June 30,		% Change
	2025	2024	
Revenue	\$ 500	\$ 281	78%
U.S.	\$ 409	\$ 228	79%
International	\$ 91	\$ 53	71%
GAAP gross margin	90.8 %	89.5 %	
Net income (loss)	\$ 89	\$ (10)	
Net margin	17.9 %	(3.6)%	
Net income (loss) per share			
Basic	\$ 0.48	\$ (0.06)	
Diluted	\$ 0.45	\$ (0.06)	
Adjusted EBITDA*	\$ 167	\$ 40	
Adjusted EBITDA margin*	33.4 %	14.0 %	
Net cash provided by (used in) operating activities	\$ 111	\$ 28	
Free Cash Flow*	\$ 111	\$ 27	
Cash, cash equivalents, and marketable securities	\$ 2,060		

\*The definitions of Adjusted EBITDA, Adjusted EBITDA margin, and Free Cash Flow can be found in the Use of Non-GAAP Financial Measures section of this release. A reconciliation of non-GAAP financial measures to the most directly comparable U.S. GAAP measure can be found on pages [10-11](#).

## Financial Outlook

The guidance provided below is based on Reddit's current estimates and is not a guarantee of future performance. This guidance is subject to significant risks and uncertainties that could cause actual results to differ materially, including the risk factors discussed in Reddit's reports on file with the Securities and Exchange Commission (the "SEC"). Reddit undertakes no duty to update any forward-looking statements or estimates, except as required by applicable law.

As we look ahead, we will share our internal thoughts on revenue and Adjusted EBITDA for the third quarter.

In the third quarter of 2025, we estimate:

- Revenue in the range of \$535 million to \$545 million
- Adjusted EBITDA<sup>2</sup> in the range of \$185 million to \$195 million

## Earnings Conference Call Information and Community Update

Reddit will host a conference call to discuss the results for the second quarter of 2025 on Thursday, July 31, 2025, at 2:00 p.m. PT / 5:00 p.m. ET. A live webcast of the call can be accessed on Reddit's Investor Relations website at <https://investor.redditinc.com> and investor relations subreddit, r/RDDT, at <https://www.reddit.com/r/RDDT/>. A replay of the webcast and transcript will be available on the same websites following the conclusion of the conference call.

Reddit will solicit questions from the community in the investor relations subreddit, r/RDDT, at <https://www.reddit.com/r/RDDT/> on Thursday, July 31, 2025, after the market closes, and post responses following the earnings call at Reddit's Investor Relations website at <https://investor.redditinc.com> and r/RDDT at <https://www.reddit.com/r/RDDT/>.

Reddit uses the investor relations page on its website <https://investor.redditinc.com>, as well as the subreddits r/RDDT and r/reddit, available at <https://www.reddit.com/r/RDDT/> and <https://www.reddit.com/r/reddit/>, respectively, as means of disclosing material non-public information and for complying with its disclosure obligation under Regulation FD.

#### Notes

<sup>1</sup> The definitions of Adjusted EBITDA, Adjusted EBITDA margin, and Free Cash Flow can be found in the Use of Non-GAAP Financial Measures section of this release. A reconciliation of non-GAAP financial measures to the most directly comparable U.S. GAAP measure can be found on pages [10-11](#).

<sup>2</sup> We have not provided a reconciliation to the forward-looking U.S. GAAP equivalent measures for our non-GAAP guidance due to uncertainty regarding, and the potential variability of, reconciling items. Therefore, a reconciliation of these non-GAAP guidance measures to their corresponding U.S. GAAP guidance measures is not available without unreasonable effort.

#### About Reddit

Reddit is a community of communities. It's built on shared interests, passion, and trust, and is home to the most open and authentic conversations on the internet. Every day, Reddit users submit, vote, and comment on the topics they care most about. With 100,000+ active communities and 110+ million daily active unique visitors, Reddit is one of the internet's largest sources of information. For more information, visit [www.redditinc.com](http://www.redditinc.com).

#### Investor Relations

Jesse Rose  
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#### Media Relations

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## Forward Looking Statements

This press release contains forward-looking statements within the meaning of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally relate to future events or Reddit's future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as "may," "will," "should," "expects," "plans," "anticipates," "going to," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these words or other similar terms or expressions that concern Reddit's expectations, strategy, priorities, plans or intentions. Forward-looking statements in this release include, but are not limited to, statements regarding Reddit's future financial and operating performance and GAAP and non-GAAP guidance. Reddit's expectations and beliefs regarding these matters may not materialize, and actual results in future periods are subject to risks and uncertainties that could cause actual results to differ materially from those projected, including those more fully described under the caption "Risk Factors" and elsewhere in documents that Reddit files with the SEC from time to time, including Reddit's Quarterly Report on Form 10-Q for the quarter ended June 30, 2025, which is being filed with the SEC at or around the date hereof. The forward-looking statements in this release are based on information available to Reddit as of the date hereof, and Reddit undertakes no obligation to update any forward-looking statements, except as required by law.

## A Note About Metrics

We define a daily active unique ("DAUq") as a user whom we can identify with a unique identifier who has visited a page on the Reddit website, [www.reddit.com](http://www.reddit.com), or opened a Reddit application at least once during a 24-hour period. Average DAUq for a particular period is calculated by adding the number of DAUq on each day of that period and dividing that sum by the number of days in that period.

We define a weekly active unique ("WAUq") as a user whom we can identify with a unique identifier who has visited a page on the Reddit website, [www.reddit.com](http://www.reddit.com), or opened a Reddit application at least once during a trailing seven-day period. Average quarterly WAUq for a particular period is calculated by adding the number of WAUq on each day of that period and dividing that sum by the number of days in that period.

We define average revenue per unique ("ARPU") as quarterly revenue in a given geography divided by the average DAUq in that geography. For the purposes of calculating ARPU, advertising revenue in a given geography is based on the geographic location in which advertising impressions are delivered, as this approximates revenue based on user activity, while other revenue in a given geography is based on the billing address of the customer.

## Use of Non-GAAP Financial Measures

We use certain non-GAAP financial measures to supplement our consolidated financial statements, which are presented in accordance with U.S. GAAP, to evaluate our core operating performance. These non-GAAP financial measures include Adjusted EBITDA, Adjusted EBITDA margin, Free Cash Flow, and Free Cash Flow margin. We use these non-GAAP financial measures to facilitate reviews of our operational performance and as a basis for strategic planning. By excluding certain items that are non-recurring or not reflective of the performance of our normal course of business, we believe that these non-GAAP financial measures provide meaningful supplemental information regarding our performance. Accordingly, we believe these non-GAAP financial measures are useful to investors and others because they allow investors to supplement their understanding of our financial trends and evaluate our ongoing and future performance in the same manner as management. However, there are a number of limitations related to the use of non-GAAP financial measures as they reflect the exercise of judgment by our management about which expenses are included or excluded in determining these non-GAAP measures. These non-GAAP measures should be considered in addition to, not as a substitute for or in isolation from, our financial results prepared in accordance with U.S. GAAP. Other companies, including companies in our industry, may

calculate these non-GAAP financial measures differently or not at all, which reduces their usefulness as comparative measures.

A reconciliation is provided below for each historical non-GAAP financial measure to the most directly comparable financial measure stated in accordance with U.S. GAAP. Reddit encourages investors to review the related U.S. GAAP financial measures and the reconciliation of these non-GAAP financial measures to their most directly comparable U.S. GAAP financial measures, and not to rely on any single financial measure to evaluate Reddit's business. We have not provided a reconciliation to the forward-looking GAAP equivalent measures for our non-GAAP guidance due to uncertainty regarding, and the potential variability of, reconciling items. Therefore, a reconciliation of these non-GAAP guidance measures to their corresponding GAAP guidance measures is not available without unreasonable effort.

Adjusted EBITDA is defined as net income (loss) excluding interest (income) expense, net, income tax expense (benefit), depreciation and amortization, stock-based compensation expense and related taxes, other (income) expense, net, and certain other non-recurring or non-cash items impacting net income (loss) that we do not consider indicative of our ongoing business performance. Other (income) expense, net consists primarily of realized gains and losses on sales of marketable securities, foreign currency transaction gains and losses, and other income and expense that are not indicative of our core operating performance. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by revenue. We consider the exclusion of certain non-recurring or non-cash items in calculating Adjusted EBITDA and Adjusted EBITDA margin to provide a useful measure for investors and others to evaluate our operating results in the same manner as management.

Free Cash Flow represents net cash provided by (used in) operating activities less purchases of property and equipment. Free Cash Flow margin is defined as Free Cash Flow divided by revenue. We believe that Free Cash Flow is useful to investors as a liquidity measure because it measures our ability to generate or use cash. Once our business needs and obligations are met, cash can be used to maintain a strong balance sheet and invest in future growth. Additionally, we believe that Free Cash Flow is an important measure since we use third-party infrastructure partners to host our services and therefore we do not incur significant capital expenditures to support revenue generating activities.



**Reddit, Inc.****Key Operating Metrics by Geography***(in millions, except percentages and ARPU)**(unaudited)*

	Three months ended June 30,				Six months ended June 30,					
	2025		2024	% Change	2025		2024	% Change		
Revenue: Global	\$	499.6	\$	281.2	78 %	\$	892.0	\$	524.1	70 %
Revenue: U.S.	\$	408.8	\$	228.1	79 %	\$	722.7	\$	427.8	69 %
Revenue: International	\$	90.8	\$	53.1	71 %	\$	169.3	\$	96.3	76 %

	Three months ended June 30,			
	2025	2024	% Change	
DAUq: Global	110.4	91.2	21 %	
DAUq: U.S.	50.3	45.5	11 %	
DAUq: International	60.1	45.7	32 %	
Logged-in DAUq: Global	49.3	42.0	17 %	
Logged-in DAUq: U.S.	22.9	20.4	12 %	
Logged-in DAUq: International	26.4	21.6	22 %	
Logged-out DAUq: Global	61.1	49.2	24 %	
Logged-out DAUq: U.S.	27.4	25.1	9 %	
Logged-out DAUq: International	33.7	24.1	40 %	
WAUq: Global	416.4	342.3	22 %	
WAUq: U.S.	181.0	167.5	8 %	
WAUq: International	235.4	174.8	35 %	
ARPU: Global	\$ 4.53	\$ 3.08	47 %	
ARPU: U.S.	\$ 7.87	\$ 4.94	59 %	
ARPU: International	\$ 1.73	\$ 1.24	40 %	

**Reddit, Inc.**  
**Consolidated Balance Sheets**  
*(in thousands)*  
*(unaudited)*

	June 30, 2025	December 31, 2024
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 734,060	\$ 562,092
Marketable securities	1,325,881	1,278,717
Accounts receivable, net	407,228	349,534
Prepaid expenses and other current assets	62,761	33,058
Total current assets	2,529,930	2,223,401
Property and equipment, net	11,394	12,652
Operating lease right-of-use assets, net	22,118	23,249
Intangible assets, net	20,469	25,424
Goodwill	42,174	42,174
Other noncurrent assets	6,117	9,695
Total assets	<u>\$ 2,632,202</u>	<u>\$ 2,336,595</u>
<b>Liabilities and stockholders' equity (deficit)</b>		
Current liabilities		
Accounts payable	\$ 63,942	\$ 45,423
Operating lease liabilities	6,572	6,137
Accrued expenses and other current liabilities	140,317	124,464
Total current liabilities	210,831	176,024
Operating lease liabilities, noncurrent	18,611	20,565
Other noncurrent liabilities	15,780	9,257
Total liabilities	245,222	205,846
Commitments and contingencies		
Stockholders' equity (deficit):		
Preferred stock	—	—
Class A common stock	13	12
Class B common stock	5	5
Class C common stock	—	—
Additional paid-in capital	3,468,618	3,331,546
Accumulated other comprehensive income (loss)	3,727	24
Accumulated deficit	(1,085,383)	(1,200,838)
Total stockholders' equity (deficit)	<u>2,386,980</u>	<u>2,130,749</u>
Total liabilities and stockholders' equity (deficit)	<u>\$ 2,632,202</u>	<u>\$ 2,336,595</u>

**Reddit, Inc.**  
**Consolidated Statements of Operations**  
*(in thousands, except share and per share amounts)*  
*(unaudited)*

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
<b>Revenue</b>	\$ 499,627	\$ 281,184	\$ 891,988	\$ 524,147
<b>Costs and expenses:</b>				
Cost of revenue	45,900	29,501	82,989	57,117
Research and development	196,610	142,777	387,881	579,807
Sales and marketing	120,619	71,458	211,304	195,553
General and administrative	68,787	68,487	138,200	311,964
Total costs and expenses	431,916	312,223	820,374	1,144,441
<b>Income (loss) from operations</b>	67,711	(31,039)	71,614	(620,294)
Other income (expense), net	21,147	20,724	41,681	35,278
Income (loss) before income taxes	88,858	(10,315)	113,295	(585,016)
Income tax expense (benefit)	(439)	(216)	(2,160)	149
<b>Net income (loss)</b>	\$ 89,297	\$ (10,099)	\$ 115,455	\$ (585,165)
Net income (loss) per share attributable to Class A and Class B common stock				
Basic	\$ 0.48	\$ (0.06)	\$ 0.63	\$ (4.99)
Diluted	\$ 0.45	\$ (0.06)	\$ 0.58	\$ (4.99)
Weighted-average shares used to compute net income (loss) per share attributable to common stockholders				
Basic	185,437,777	164,382,736	183,730,992	117,311,614
Diluted	199,522,433	164,382,736	200,681,458	117,311,614

**Reddit, Inc.**  
**Consolidated Statements of Cash Flows**  
*(in thousands)*  
*(unaudited)*

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
<b>Cash flows from operating activities</b>				
Net income (loss)	\$ 89,297	\$ (10,099)	\$ 115,455	\$ (585,165)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	3,934	3,770	7,897	7,513
Non-cash operating lease cost	1,514	1,335	2,982	2,588
Amortization of premium (accretion of discount) on marketable securities, net	(6,691)	(11,362)	(15,575)	(19,491)
Stock-based compensation expense	89,070	64,266	174,484	641,774
Other adjustments	97	141	(41)	626
Changes in operating assets and liabilities:				
Accounts receivable	(81,116)	(24,793)	(57,757)	5,194
Prepaid expenses and other assets	(9,352)	(6,270)	(26,358)	(20,182)
Operating lease right-of-use assets and liabilities	(1,589)	(780)	(3,369)	(1,310)
Accounts payable	19,991	18,220	18,945	16,042
Accrued expenses and other liabilities	6,176	(6,043)	22,246	12,860
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 111,331</b>	<b>\$ 28,385</b>	<b>\$ 238,909</b>	<b>\$ 60,449</b>
<b>Cash flows from investing activities</b>				
Purchases of property and equipment	(505)	(1,202)	(1,484)	(4,053)
Purchases of marketable securities	(556,457)	(861,827)	(1,061,303)	(997,512)
Maturities of marketable securities	552,532	343,404	1,017,594	596,059
Proceeds from sale of marketable securities	—	—	12,372	—
Other investing activities	2,354	(12)	3,243	(27)
<b>Net cash provided by (used in) investing activities</b>	<b>\$ (2,076)</b>	<b>\$ (519,637)</b>	<b>\$ (29,578)</b>	<b>\$ (405,533)</b>
<b>Cash flows from financing activities</b>				
Proceeds from issuance of Class A common stock in initial public offering, net of underwriting discounts and commissions	—	—	—	600,022
Proceeds from exercise of employee stock options	4,303	1,843	14,487	24,932
Taxes paid related to net share settlement of restricted stock units	(15,225)	(7,569)	(51,900)	(202,306)
Payments of initial public offering costs	—	(3,585)	—	(6,338)
Other financing activities	—	—	—	(4,450)
<b>Net cash provided by (used in) financing activities</b>	<b>\$ (10,922)</b>	<b>\$ (9,311)</b>	<b>\$ (37,413)</b>	<b>\$ 411,860</b>
<b>Net increase (decrease) in cash, cash equivalents, and restricted cash</b>	<b>98,333</b>	<b>(500,563)</b>	<b>171,918</b>	<b>66,776</b>
<b>Cash, cash equivalents, and restricted cash at the beginning of the period</b>	<b>635,727</b>	<b>968,565</b>	<b>562,142</b>	<b>401,226</b>
<b>Cash, cash equivalents, and restricted cash at the end of the period</b>	<b>\$ 734,060</b>	<b>\$ 468,002</b>	<b>\$ 734,060</b>	<b>\$ 468,002</b>
Cash and cash equivalents	734,060	467,952	734,060	467,952
Restricted cash	—	50	—	50
<b>Total cash, cash equivalents, and restricted cash</b>	<b>\$ 734,060</b>	<b>\$ 468,002</b>	<b>\$ 734,060</b>	<b>\$ 468,002</b>

**Reddit, Inc.****Reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin***(in thousands, except percentages)**(unaudited)*

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Net income (loss)	\$ 89,297	\$ (10,099)	\$ 115,455	\$ (585,165)
Add (deduct):				
Interest (income) expense, net	(21,056)	(20,941)	(41,470)	(36,388)
Income tax expense (benefit)	(439)	(216)	(2,160)	149
Depreciation and amortization	3,934	3,770	7,897	7,513
Stock-based compensation expense and related taxes	95,104	66,772	202,509	662,309
Other (income) expense, net	(91)	217	(211)	1,110
Adjusted EBITDA	\$ 166,749	\$ 39,503	\$ 282,020	\$ 49,528
Net margin	17.9 %	(3.6)%	12.9 %	(111.6)%
Adjusted EBITDA margin	33.4 %	14.0 %	31.6 %	9.4 %

**Reddit, Inc.****Reconciliation of Free Cash Flow and Free Cash Flow Margin***(in thousands, except percentages)**(unaudited)*

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Net cash provided by (used in) operating activities	\$ 111,331	\$ 28,385	\$ 238,909	\$ 60,449
Less:				
Purchases of property and equipment	(505)	(1,202)	(1,484)	(4,053)
Free Cash Flow	<u>\$ 110,826</u>	<u>\$ 27,183</u>	<u>\$ 237,425</u>	<u>\$ 56,396</u>
Operating cash flow margin	22.3 %	10.1 %	26.8 %	11.5 %
Free Cash Flow margin	22.2 %	9.7 %	26.6 %	10.8 %



# Letter to shareholders

Q2 2025







# Q2 2025 highlights



## Financial highlights

- **Revenue** was \$500 million, an increase of 78% year-over-year
- **Gross margin** was 90.8%, an improvement of 130 basis points from the prior year
- **GAAP profitable** with **Net income** of \$89 million and net margin of 18%, an improvement of \$99 million from the prior year
- **Adjusted EBITDA**<sup>1</sup> was \$167 million and Adjusted EBITDA margin was 33%, an improvement of \$127 million from the prior year
- **Operating cash flow** was \$111 million, an improvement of \$83 million from the prior year
- **Free Cash Flow**<sup>2</sup> was \$111 million, an improvement of \$84 million from the prior year
- **Basic and diluted earnings per share** were \$0.48 and \$0.45, respectively
- **Capital expenditures** were \$0.5 million, 0.1% of revenue
- **Cash, cash equivalents, and marketable securities** were \$2.06 billion as of June 30, 2025
- **Total fully diluted shares outstanding** were 206.6 million as of June 30, 2025, up 0.3% from the prior quarter

## Business highlights

- **Daily Active Uniques (“DAUq”)** averaged 110.4 million, an increase of 21% year-over-year
- **Weekly Active Uniques (“WAUq”)** averaged 416.4 million, an increase of 22% year-over-year
- **Logged-in** users grew 17% and **Logged-out** users grew 24% year-over-year
- **U.S. DAUq** grew 11% year-over-year and **International DAUq** grew 32% year-over-year
- Total **U.S. revenue** grew 79% year-over-year and **International revenue** grew 71% year-over-year, driven by broad strength across objectives, verticals, geographies, and channels
- **Advertising revenue** of \$465 million grew 84% year-over-year, and **Other revenue** was \$35 million, up 24% year-over-year
- **Advertising revenue growth** was driven by year-over-year growth in impressions and pricing
- Strong growth across both **Brand and Performance revenue** as we continue to invest in our ads stack and deliver outcomes for advertisers across all objectives
- **Machine translation** continues to drive international user growth and is available in 23 languages
- **Over 70 million WAUq searched** on Reddit in Q2 and Reddit Answers reached 6 million WAUq, up 5x from the prior quarter



# Dear fellow shareholders,

It's been another strong quarter for Reddit, with particularly strong performance on the revenue and profitability lines, and I'm proud of how the company is executing as we move into the second half of 2025.

A personal highlight for me was meeting with advertisers in Cannes earlier this summer. That trip was a good barometer for how brands view Reddit today: they want to work with us, they understand our distinct role on the internet, and they recognize we deliver real value to their businesses. During a demo of Reddit Insights, our new AI-powered brand insights product, a client remarked, *"This will be our Super Bowl ad next year."*

Ok, on to the numbers:

- Revenue grew 78% year-over-year to \$500 million—our fastest quarterly growth rate since 2022.
- Daily active users grew to 110 million, up 21% year-over-year, with growth in both the U.S. and international markets. This was driven mainly by product improvements and increased marketing activity.
- And this was our most profitable quarter yet.

These results are a testament to our work, our users, and the power of Reddit's communities.

We'll get to Q2 shortly, but what excites me most is what's ahead. The world and the internet are rapidly changing, and I believe Reddit has a once-in-a-generation opportunity.

**For people**, conversation and connection are becoming more valuable and rare. In a world increasingly dominated by algorithms and automation, the need for human voices has never been greater. We see this every day as nearly 50 million scrollers come to Reddit for their favorite communities, and 60 million seekers land on Reddit in search of better answers to their questions. In fact, ~80% of users in a recent survey<sup>1</sup> said they believe some questions can only be answered by humans, as opposed to AI-generated summaries.

**For LLMs and AI search engines**, these conversations and the knowledge they create are essential for training. Platforms like Reddit, where people discuss every aspect of life—from the trivial to the transformative—are the backbone of building AI that actually works. That's why Reddit is the #1 most cited domain for AI across all models, per data collected by Profound. In an automated world that depends on human knowledge, we view Reddit as one of the most important and differentiated data sources.

We believe this validates what we've always thought: human conversation is not being replaced by AI; instead, it's becoming more important. AI doesn't invent knowledge—it learns from us. From real people, sharing real perspectives. You can't have artificial intelligence without *actual* intelligence.

**And for brands**, Reddit's authenticity creates something rare: a direct connection with people when they're seeking trustworthy opinions. As more of the content you see online is synthesized, summarized, and sanitized by AI, Reddit stands out for its honesty and subjectivity. For many questions, there isn't a single objective answer; people want multiple viewpoints and lived experiences. This is why Reddit is synonymous with product and service recommendations—people turn to Reddit when they want to make informed decisions fast.

<sup>1</sup>Source: Reddit Custom Survey, n=2,340, June 2025 (US, UK, AUS, CA).





We see tremendous potential to grow our user base and deepen engagement, and we're moving quickly to align priorities and resources to capture that opportunity. As a first step, we clarified our product strategy and are investing in making Reddit a better experience for everyone who comes to the platform—whether they're scrolling their favorite subreddit, seeking input on a purchase, or discovering a new community for the first time.

To focus on the areas that matter most, we are deprioritizing a few initiatives, including our work on the user economy. It's still an opportunity we believe in, but we're concentrating our resources on the areas that will drive results for our most pressing needs: improving the core product, making Reddit a go-to search engine, and expanding internationally. Here's what we're working on right now:

**Let's start with the core product:** First impressions matter, and we want to make your first moments on Reddit sticky and worth coming back for. We're zeroing in on a few key areas: making onboarding even more intuitive and search-forward, lowering barriers to log in and contribute, and using AI to help people find their home, whether that's through real-time personalization or smarter community discovery. We're also moving fast on human verification to preserve Reddit's authenticity—something our users have repeatedly asked for, and we're eager to deliver on.

**Second, search:** Reddit is one of the few platforms positioned to become a true search destination. We offer something special: a breadth of conversations and knowledge you can't find anywhere else. Every week, hundreds of millions of people come to Reddit looking for advice, and we're turning more of that intent into active users of Reddit's native search.

We're seeing good traction here as our core search product now has 70 million weekly users and Reddit Answers has grown to 6 million, up from 1 million last quarter. Next, we're expanding Reddit Answers globally, integrating it more deeply into the core search experience, and making search a central feature across Reddit. We're pairing these product updates with marketing initiatives to increase awareness and adoption of Reddit Answers worldwide.

**And finally, international expansion:** Machine translation is now live in 23 languages, unlocking Reddit for millions of people across Asia, Europe, and Latin America. This is just the start of a growth flywheel—translation and marketing bring people in, localized content and app experience deepen relevancy, and scaled moderator recruitment creates stronger ecosystems. Our goal is for Reddit to be self-sustaining in these countries, and the early results are promising.

Recently, we celebrated Reddit's 20th year, and I've never been more excited about our business and potential than I am today. The internet is evolving, and our role as a community-powered platform for human connection is only becoming more critical. This next chapter is ours to write—and we're finishing the first pages already.

As I've said before, we control our own destiny—and we're focused on building Reddit into the most human, trusted place on the internet.

Thank you to our team, the moderators, and users for helping make Reddit what it is today.

Steve Huffman  
Co-Founder & Chief Executive Officer

Stu





# Reddit communities: real, relevant, and essential

In a rapidly changing internet, real human conversation is becoming more rare, but it's still what people seek most when making decisions or trying to understand the world. That's where Reddit shines.

With 20+ years of conversations across 100,000+ communities, Reddit is the internet's largest archive of authentic dialogue, powering how people learn and decide and helping brands understand their audience and build better products. This same depth and breadth of human conversation also powers AI and leading large language models, making Reddit foundational to the next generation of technology.





## The internet's most honest conversations...

- Surface-level answers on Reddit? No chance. Redditors share firsthand experiences, creating a living, breathing knowledge base of 20+ billion posts and comments
- Some questions don't have a single answer - they're shaped through conversations that reflect nuance and lived experience
- ~80% of respondents in a recent survey\* believe certain questions can *only* be answered by people, as opposed to AI-generated summaries

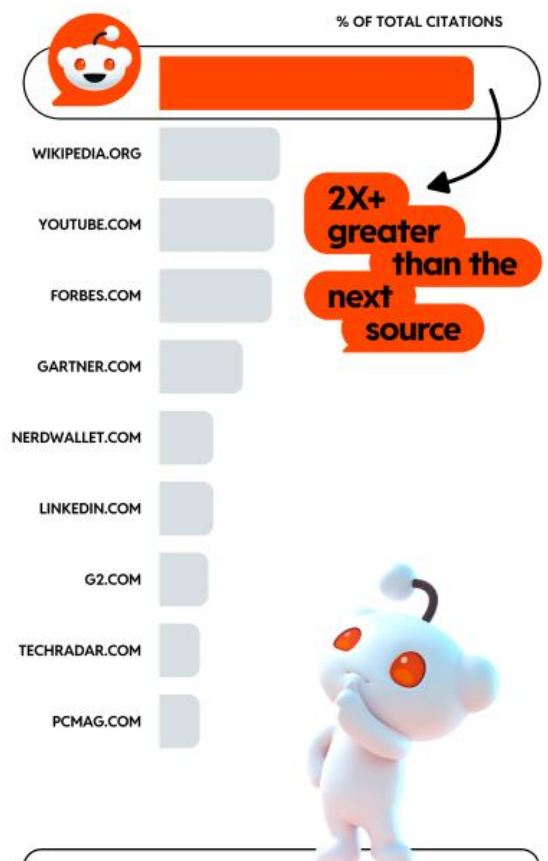


## ...Fueling the tools people use every day

Reddit conversations and Reddit Community Intelligence™ unlock the collective wisdom of communities to power Reddit's own features and those on other platforms:

-  **Reddit Answers** uses authentic human conversations to deliver quick, relevant responses
-  **Reddit Insights** gives advertisers real-time visibility into cultural, brand, and audience trends
-  **Search engines** regularly rank Reddit posts high for quality and trust
-  **Large Language Models (LLMs)** cite Reddit data as an essential source in AI-powered summaries and responses

## #1 MOST CITED DOMAIN ON THE INTERNET FOR AI ACROSS ALL MODELS\*\*



When people search for answers online, they're often finding the voices and insights of Reddit communities along the way.

\* Reddit Custom Survey, n=2,340, June 2025 (US, UK, AUS, CA).  
\*\* Profound, 2025.



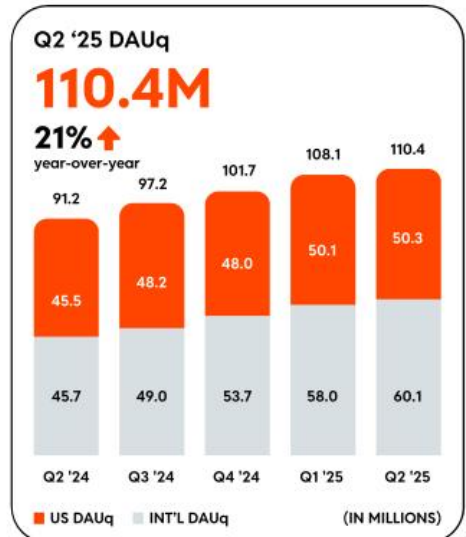


# User & product highlights

- We believe Reddit has near universal appeal, and we're focused on making it a home for all users, whether they're coming for community or searching for answers
- Our priorities are centered on the core product, search, and internationalization - improving and personalizing the experience to deliver more value for all users
- In Q2, our user base grew to over 110 million DAUq and over 416 million WAUq

## Internationalization & machine translation

- We're investing in our international playbook to grow global awareness and allow people to enjoy and contribute to Reddit across languages and regions
- Our focus is on fueling the community flywheel in key markets through investments in machine translation, marketing, and strengthening moderator and community relationships to drive local content creation
- Machine translation and localization now support **23 languages**, reaching users across Asia Pacific, Europe, and Latin America
- Our focus markets, including France, Spain, and Brazil, drove over half of our international DAUq growth in Q2



## Search & Reddit Answers

- Reddit is becoming a go-to source for trusted, human insights and perspectives
- In Q2, over 70 million WAUq searched on Reddit and Reddit Answers reached 6 million WAUq
- We're expanding Reddit Answers globally, adding support for new languages and deeper platform integration



Related Answers on the conversation page are driving more adoption and engagement, and we are testing core search integration to streamline the search experience



Reddit Answers is available to all U.S. users and some international markets, including the U.K., Canada, Australia, and India, with others on the roadmap this year

Searchers see Related Answers on the conversation page when they visit Reddit communities in their search journey

 **reddit answers** all your questions

Best lightweight carry-on bag

Best hardshell wheeled carry-on suitcase

TSA-approved luggage with locks

Hard-shell vs. soft-shell luggage comparison analysis

Affordable suitcase brands

**6M**

Reddit Answers WAUq



**10X+**

Growth in Reddit Answers average query volume from Q1





# Advertising & monetization highlights

- Our goal is to make all businesses successful on Reddit and deliver value across objectives
- We're investing in our core ads business and building Reddit-unique solutions that leverage the context and insights from the 100,000+ communities on the platform
- This is just the beginning - we aim to redefine how brands connect with people through AI-powered, community-driven intelligence

## Reddit Community Intelligence™

- Reddit is one of the few platforms where brands can build authentic, trusted relationships through real human conversation
- We're transforming billions of these conversations into **Reddit Community Intelligence™**, the foundation that powers our innovative product solutions like **Reddit Insights** (AI-powered social listening) and **Conversation Summary Add-ons** (user discussions integrated directly into ads)
- These tools enable marketers to harness the power of Reddit to surface human perspectives at scale, with ease

## Conversation Summary Add-ons

- **Conversation Summary Add-ons** leverage AI to surface positive Reddit conversations directly below ads, providing built-in social proof that drives advertiser performance
- Helps consumers decide faster by highlighting relevant, trusted community perspectives on the product or brand being advertised
- Early traction is strong - advertisers are seeing +10% higher clickthrough rates ("CTR") vs. standard image ads<sup>A</sup>



## Shopping & dynamic product ads (“DPA”) deliver differentiated performance

- Reddit is a go-to destination for shoppers - with 40% of posts being commercial in nature, it's a natural place to reach purchase-minded audiences<sup>B</sup>
- In Q2, we launched our Shopping Ads unit to general availability and partnered with Smartly, to help advertisers automate planning, buying, creative delivery, and measurement

## Delivering performance and growing adoption

**2X** Higher Return on Ad Spend (“ROAS”) on Shopping Ad campaigns vs. conversions campaigns<sup>C</sup>

**4X** Increase in the number of product catalogs hosted on Reddit y/y<sup>D</sup>



A. Reddit Internal, 2025.  
B. Reddit internal analysis, 2024.  
C. Reddit internal analysis, Mar 2025.  
D. Reddit internal analysis, Mar 2024 – Mar 2025.





# Financial highlights

## Second quarter 2025

- ✓ Accelerated revenue growth
- ✓ Industry-leading gross margins
- ✓ Profitability on a GAAP basis
- ✓ Sixth consecutive quarter of positive operating cash flow
- ✓ Positive Adjusted EBITDA<sup>1</sup>
- ✓ Disciplined share count dilution

### Q2 '25 REVENUE

**\$499.6M**

**78%↑**  
year-over-year



■ US REVENUE ■ INT'L REVENUE

(IN MILLIONS)

Total revenue was \$499.6 million, an increase of 78% year-over-year

### Q2 '25 AVERAGE REVENUE PER UNIQUE (ARPU)

**\$4.53**

**47%↑**  
year-over-year



■ US ARPU ■ INT'L ARPU

ARPU was \$4.53, an increase of 47% year-over-year

### Q2 '25 GROSS MARGIN

**90.8%**



COST OF REVENUE (IN MILLIONS)

\$29.5    \$34.6    \$31.8    \$37.1    \$45.9

(AS A % OF TOTAL REVENUE)

Gross profit was \$453.7 million, or a gross margin of 90.8%, an expansion of 130 bps from a gross margin of 89.5% in the prior year

### Q2 '25 OPERATING EXPENSES

**\$386.0M**



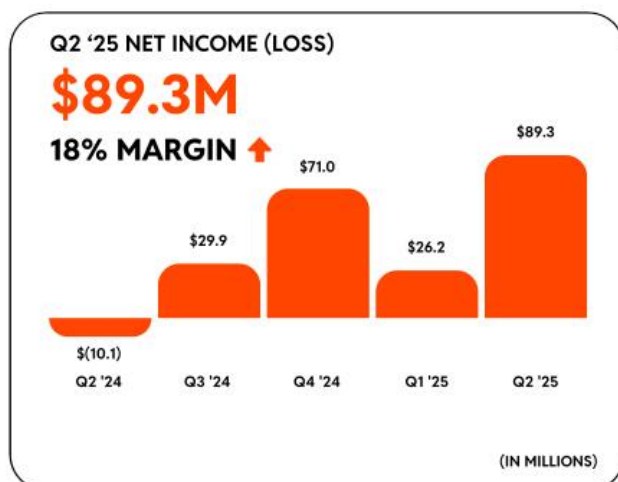
■ NON-GAAP OPERATING EXPENSES<sup>3</sup>

■ SBC & RELATED TAXES ■ D&A

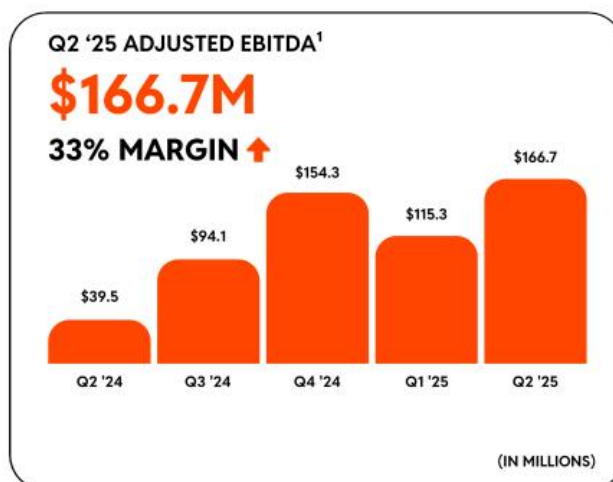
(IN MILLIONS)

Total GAAP operating expenses were \$386.0 million and total non-GAAP operating expenses<sup>3</sup> were \$287.2 million

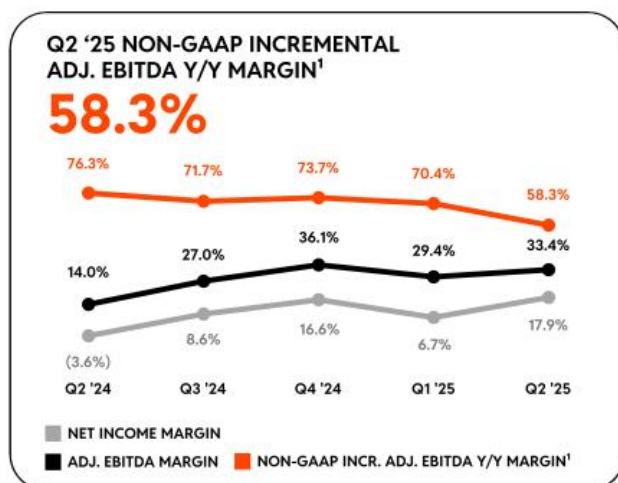




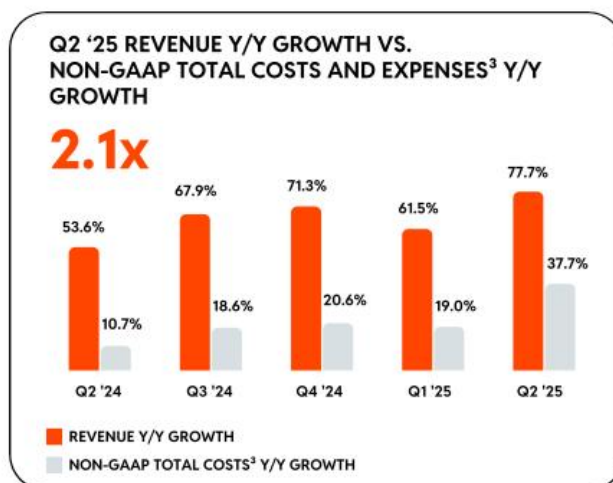
Net income was \$89.3 million, or a net margin of 18%



Adjusted EBITDA<sup>1</sup> was \$166.7 million, or a margin of 33%, an increase of \$127.2 million from the prior year



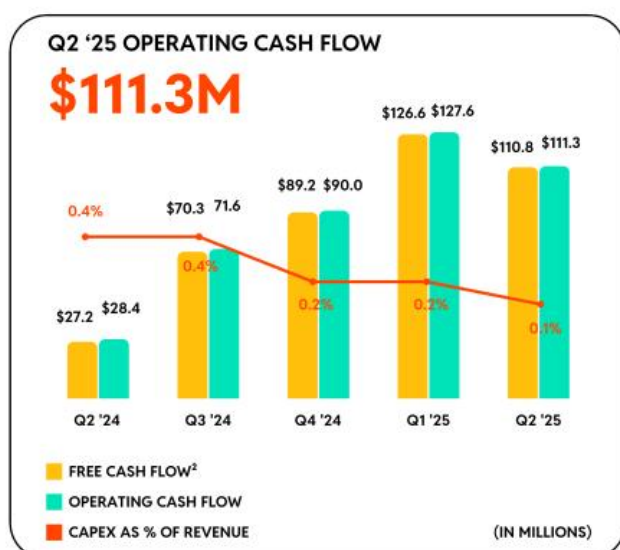
Over 50% year-over-year incremental Adjusted EBITDA margin<sup>1</sup> for the eighth consecutive quarter



Total revenue grew over 2 times as fast as total adjusted costs and expenses<sup>3</sup> year-over-year



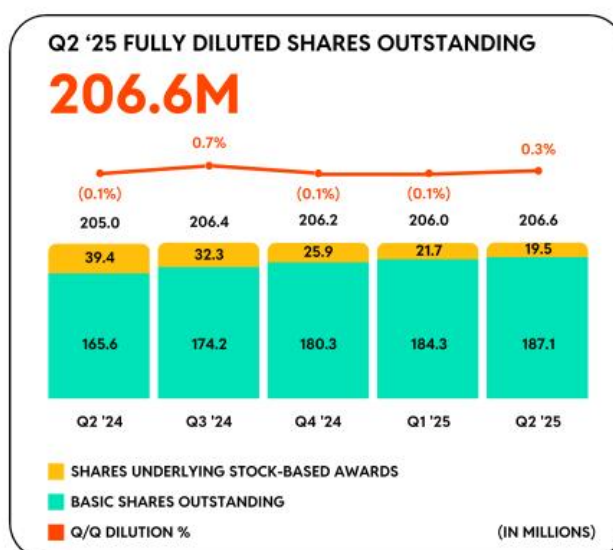




Operating cash flow was \$111.3 million, an increase of \$82.9 million year-over-year

Free Cash Flow<sup>2</sup> was \$110.8 million, an increase of \$83.6 million year-over-year

Capital expenditures were \$0.5 million, or about 0.1% of revenue



Q2 fully diluted shares outstanding were 206.6 million, up 0.3% sequentially

## Financial outlook

The guidance provided below is based on Reddit's current estimates and is not a guarantee of future performance. This guidance is subject to significant risks and uncertainties that could cause actual results to differ materially, including the risk factors discussed in Reddit's reports on file with the Securities and Exchange Commission (the "SEC"). Reddit undertakes no duty to update any forward-looking statements or estimates, except as required by applicable law.

As we look ahead, we will share our internal thoughts on revenue and Adjusted EBITDA for the third quarter.

In the third quarter of 2025, we estimate:

- Revenue in the range of \$535 million to \$545 million
- Adjusted EBITDA<sup>4</sup> in the range of \$185 million to \$195 million

### Q3 '25 REVENUE

**\$535M-\$545M**

### Q3 '25 ADJUSTED EBITDA

**\$185M-\$195M**



# Earnings conference call & community update

Reddit will host a conference call to discuss the results for the second quarter of 2025 on July 31, 2025, at 2:00 p.m. PT / 5:00 p.m. ET. A live webcast of the call can be accessed on Reddit's Investor Relations website at <https://investor.redditinc.com> and investor relations subreddit [r/RDDT](https://reddit.com/r/RDDT). A replay of the webcast and transcript will be available on the same websites following the conclusion of the conference call.

Reddit will solicit questions from the community at [r/RDDT](https://reddit.com/r/RDDT) on July 31, 2025, and post responses following the earnings call at Reddit's Investor Relations website at <https://investor.redditinc.com> and investor relations subreddit [r/RDDT](https://reddit.com/r/RDDT).



Steve Huffman  
Co-Founder & Chief Executive Officer



Drew Vollero  
Chief Financial Officer



# Appendix

## Notes

1. The definition of Adjusted EBITDA, Adjusted EBITDA margin, and incremental Adjusted EBITDA margin and a reconciliation of net income (loss) to Adjusted EBITDA and Adjusted EBITDA margin can be found on subsequent pages of this appendix
2. The definition of Free Cash Flow and a reconciliation of Free Cash Flow to net cash provided by (used in) operating activities can be found on subsequent pages of this appendix
3. The definition of total adjusted costs and expenses and non-GAAP operating expenses and a reconciliation of total adjusted costs and expenses and non-GAAP operating expenses to the comparable U.S. GAAP measures can be found on subsequent pages of this appendix
4. We have not provided a reconciliation to the forward-looking U.S. GAAP equivalent measures for our non-GAAP guidance due to uncertainty regarding, and the potential variability of, reconciling items. Therefore, a reconciliation of these non-GAAP guidance measures to their corresponding U.S. GAAP guidance measures is not available without unreasonable effort

## About Reddit

Reddit is a community of communities. It's built on shared interests, passion, and trust, and is home to the most open and authentic conversations on the internet. Every day, Reddit users submit, vote, and comment on the topics they care most about. With 100,000+ active communities and 110+ million daily active unique visitors, Reddit is one of the internet's largest sources of information. For more information, visit [www.redditinc.com](http://www.redditinc.com).

## Forward Looking Statements

This letter contains forward-looking statements within the meaning of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally relate to future events or Reddit's future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as "may," "will," "should," "expects," "plans," "anticipates," "going to," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these words or other similar terms or expressions that concern Reddit's expectations, strategy, priorities, plans or intentions. Forward-looking statements in this letter include, but are not limited to, statements regarding Reddit's priorities, future financial and operating performance, including evolution of machine translation, international growth strategies to increase content consumption and improve local user experience, consumer product strategy with respect to growth and engagement, GAAP and non-GAAP guidance, strategies, and expectations of growth. Reddit's expectations and beliefs regarding these matters may not materialize, and actual results in future periods are subject to risks and uncertainties that could cause actual results to differ materially from those projected, including those more fully described under the caption "Risk Factors" and elsewhere in documents that Reddit files with the SEC from time to time, including Reddit's Quarterly Report on Form 10-Q for the quarter ended June 30, 2025, which is





being filed with the SEC at or around the date hereof. The forward-looking statements in this letter are based on information available to Reddit as of the date hereof, and Reddit undertakes no obligation to update any forward-looking statements, except as required by law.

### **A Note About Metrics**

We define a daily active unique (“DAUq”) as a user whom we can identify with a unique identifier who has visited a page on the Reddit website, [www.reddit.com](http://www.reddit.com), or opened a Reddit application at least once during a 24-hour period. Average DAUq for a particular period is calculated by adding the number of DAUq on each day of that period and dividing that sum by the number of days in that period.

We define a weekly active unique (“WAUq”) as a user whom we can identify with a unique identifier who has visited a page on the Reddit website, [www.reddit.com](http://www.reddit.com), or opened a Reddit application at least once during a trailing seven-day period. Average quarterly WAUq for a particular period is calculated by adding the number of WAUq on each day of that period and dividing that sum by the number of days in that period.

We define average revenue per unique (“ARPU”) as quarterly revenue in a given geography divided by the average DAUq in that geography. For the purposes of calculating ARPU, advertising revenue in a given geography is based on the geographic location in which advertising impressions are delivered, as this approximates revenue based on user activity, while other revenue in a given geography is based on the billing address of the customer.

### **Use of Non-GAAP Financial Measures**

We use certain non-GAAP financial measures to supplement our consolidated financial statements, which are presented in accordance with U.S. GAAP, to evaluate our core operating performance. These non-GAAP financial measures include Adjusted EBITDA, Adjusted EBITDA margin, Free Cash Flow, Free Cash Flow margin, total adjusted costs and expenses, non-GAAP operating expense, non-GAAP research and development expense, non-GAAP sales and marketing expense, and non-GAAP general and administrative expense. We use these non-GAAP financial measures to facilitate reviews of our operational performance and as a basis for strategic planning. By excluding certain items that are non-recurring or not reflective of the performance of our normal course of business, we believe that these non-GAAP financial measures provide meaningful supplemental information regarding our performance. Accordingly, we believe these non-GAAP financial measures are useful to investors and others because they allow investors to supplement their understanding of our financial trends and evaluate our ongoing and future performance in the same manner as management. However, there are a number of limitations related to the use of non-GAAP financial measures as they reflect the exercise of judgment by our management about which expenses are included or excluded in determining these non-GAAP measures. These non-GAAP measures should be considered in addition to, not as a substitute for or in isolation from, our financial results prepared in accordance with U.S. GAAP. Other companies, including companies in our industry, may calculate these non-GAAP financial measures differently or not at all, which reduces their usefulness as comparative measures.

A reconciliation is provided below for each historical non-GAAP financial measure to the most directly comparable financial measure stated in accordance with U.S. GAAP. Reddit encourages investors to





review the related U.S. GAAP financial measures and the reconciliation of these non-GAAP financial measures to their most directly comparable U.S. GAAP financial measures, and not to rely on any single financial measure to evaluate Reddit's business. We have not provided a reconciliation to the forward-looking GAAP equivalent measures for our non-GAAP guidance due to uncertainty regarding, and the potential variability of, reconciling items. Therefore, a reconciliation of these non-GAAP guidance measures to their corresponding GAAP guidance measures is not available without unreasonable effort.

Adjusted EBITDA is defined as net income (loss) excluding interest (income) expense, net, income tax expense (benefit), depreciation and amortization, stock-based compensation expense and related taxes, other (income) expense, net, and certain other non-recurring or non-cash items impacting net income (loss) that we do not consider indicative of our ongoing business performance. Other (income) expense, net consists primarily of realized gains and losses on sales of marketable securities, foreign currency transaction gains and losses, and other income and expense that are not indicative of our core operating performance. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by revenue. Incremental Adjusted EBITDA margin is defined as the change in Adjusted EBITDA divided by the change in revenue over the same period. We consider the exclusion of certain non-recurring or non-cash items in calculating Adjusted EBITDA and Adjusted EBITDA margin to provide a useful measure for investors and others to evaluate our operating results in the same manner as management.

Free Cash Flow represents net cash provided by (used in) operating activities less purchases of property and equipment. Free Cash Flow margin is defined as Free Cash Flow divided by revenue. We believe that Free Cash Flow is useful to investors as a liquidity measure because it measures our ability to generate or use cash. Once our business needs and obligations are met, cash can be used to maintain a strong balance sheet and invest in future growth. Additionally, we believe that Free Cash Flow is an important measure since we use third-party infrastructure partners to host our services and therefore we do not incur significant capital expenditures to support revenue generating activities.

Total adjusted costs and expenses represents cost of revenue and operating expenses excluding stock-based compensation and related taxes, depreciation and amortization, and certain other non-recurring or non-cash items impacting cost of revenue and operating expenses that we do not consider indicative of our ongoing business performance. Non-GAAP operating expenses represents operating expenses excluding stock-based compensation and related taxes, depreciation and amortization, and certain other non-recurring or non-cash items impacting operating expenses that we do not consider indicative of our ongoing business performance. Non-GAAP research and development expense, non-GAAP sales and marketing expense, and non-GAAP general and administrative expense represent their respective operating expense line items excluding stock-based compensation and related taxes, depreciation and amortization, and certain other non-recurring or non-cash items. We consider adjusted costs and expenses, non-GAAP operating expense, non-GAAP research and development expense, non-GAAP sales and marketing expense, and non-GAAP general and administrative expense to be useful measures as they exclude expenses that are not reflective of our operational performance and could mask underlying trends in our business.

Investor Relations  
Jesse Rose  
[ir@reddit.com](mailto:ir@reddit.com)

Media Relations  
Gina Antonini  
[press@reddit.com](mailto:press@reddit.com)



## Reddit, Inc.

### Key Operating Metrics by Geography

(in millions, except percentages and ARPU)  
(unaudited)

	Three months ended June 30,			% Change	Six months ended June 30,			% Change
	2025	2024			2025	2024		
Revenue: Global	\$ 499.6	\$ 281.2		78 %	\$ 892.0	\$ 524.1		70 %
Revenue: U.S.	\$ 408.8	\$ 228.1		79 %	\$ 722.7	\$ 427.8		69 %
Revenue: International	\$ 90.8	\$ 53.1		71 %	\$ 169.3	\$ 96.3		76 %

	Three months ended June 30,			% Change
	2025	2024		
DAUq: Global	110.4	91.2		21 %
DAUq: U.S.	50.3	45.5		11 %
DAUq: International	60.1	45.7		32 %
Logged-in DAUq: Global	49.3	42.0		17 %
Logged-in DAUq: U.S.	22.9	20.4		12 %
Logged-in DAUq: International	26.4	21.6		22 %
Logged-out DAUq: Global	61.1	49.2		24 %
Logged-out DAUq: U.S.	27.4	25.1		9 %
Logged-out DAUq: International	33.7	24.1		40 %
WAUq: Global	416.4	342.3		22 %
WAUq: U.S.	181.0	167.5		8 %
WAUq: International	235.4	174.8		35 %
ARPU: Global	\$ 4.53	\$ 3.08		47 %
ARPU: U.S.	\$ 7.87	\$ 4.94		59 %
ARPU: International	\$ 1.73	\$ 1.24		40 %



**Reddit, Inc.**  
**Consolidated Balance Sheets**

(in thousands)  
(unaudited)

	June 30, 2025	December 31, 2024
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 734,060	\$ 562,092
Marketable securities	1,325,881	1,278,717
Accounts receivable, net	407,228	349,534
Prepaid expenses and other current assets	62,761	33,058
Total current assets	2,529,930	2,223,401
Property and equipment, net	11,394	12,652
Operating lease right-of-use assets, net	22,118	23,249
Intangible assets, net	20,469	25,424
Goodwill	42,174	42,174
Other noncurrent assets	6,117	9,695
Total assets	<u>\$ 2,632,202</u>	<u>\$ 2,336,595</u>
<b>Liabilities and stockholders' equity (deficit)</b>		
Current liabilities		
Accounts payable	\$ 63,942	\$ 45,423
Operating lease liabilities	6,572	6,137
Accrued expenses and other current liabilities	140,317	124,464
Total current liabilities	210,831	176,024
Operating lease liabilities, noncurrent	18,611	20,565
Other noncurrent liabilities	15,780	9,257
Total liabilities	245,222	205,846
Commitments and contingencies		
Stockholders' equity (deficit):		
Preferred stock	—	—
Class A common stock	13	12
Class B common stock	5	5
Class C common stock	—	—
Additional paid-in capital	3,468,618	3,331,546
Accumulated other comprehensive income (loss)	3,727	24
Accumulated deficit	(1,085,383)	(1,200,838)
Total stockholders' equity (deficit)	2,386,980	2,130,749
Total liabilities and stockholders' equity (deficit)	<u>\$ 2,632,202</u>	<u>\$ 2,336,595</u>





**Reddit, Inc.**  
**Consolidated Statements of Operations**

(in thousands, except share and per share amounts)  
(unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
<b>Revenue</b>	\$ 499,627	\$ 281,184	\$ 891,988	\$ 524,147
<b>Costs and expenses:</b>				
Cost of revenue	45,900	29,501	82,989	57,117
Research and development	196,610	142,777	387,881	579,807
Sales and marketing	120,619	71,458	211,304	195,553
General and administrative	68,787	68,487	138,200	311,964
Total costs and expenses	431,916	312,223	820,374	1,144,441
<b>Income (loss) from operations</b>	67,711	(31,039)	71,614	(620,294)
Other income (expense), net	21,147	20,724	41,681	35,278
Income (loss) before income taxes	88,858	(10,315)	113,295	(585,016)
Income tax expense (benefit)	(439)	(216)	(2,160)	149
<b>Net income (loss)</b>	<u>\$ 89,297</u>	<u>\$ (10,099)</u>	<u>\$ 115,455</u>	<u>\$ (585,165)</u>
Net income (loss) per share attributable to Class A and Class B common stock				
Basic	<u>\$ 0.48</u>	<u>\$ (0.06)</u>	<u>\$ 0.63</u>	<u>\$ (4.99)</u>
Diluted	<u>\$ 0.45</u>	<u>\$ (0.06)</u>	<u>\$ 0.58</u>	<u>\$ (4.99)</u>
Weighted-average shares used to compute net income (loss) per share attributable to common stockholders				
Basic	<u>185,437,777</u>	<u>164,382,736</u>	<u>183,730,992</u>	<u>117,311,614</u>
Diluted	<u>199,522,433</u>	<u>164,382,736</u>	<u>200,681,458</u>	<u>117,311,614</u>





**Reddit, Inc.**  
**Consolidated Statements of Cash Flows**  
*(in thousands)*  
*(unaudited)*

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
<b>Cash flows from operating activities</b>				
Net income (loss)	\$ 89,297	\$ (10,099)	\$ 115,455	\$ (585,165)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	3,934	3,770	7,897	7,513
Non-cash operating lease cost	1,514	1,335	2,982	2,588
Amortization of premium (accretion of discount) on marketable securities, net	(6,691)	(11,362)	(15,575)	(19,491)
Stock-based compensation expense	89,070	64,266	174,484	641,774
Other adjustments	97	141	(41)	626
Changes in operating assets and liabilities:				
Accounts receivable	(81,116)	(24,793)	(57,757)	5,194
Prepaid expenses and other assets	(9,352)	(6,270)	(26,358)	(20,182)
Operating lease right-of-use assets and liabilities	(1,589)	(780)	(3,369)	(1,310)
Accounts payable	19,991	18,220	18,945	16,042
Accrued expenses and other liabilities	6,176	(6,043)	22,246	12,860
<b>Net cash provided by (used in) operating activities</b>	<b>\$ 111,331</b>	<b>\$ 28,385</b>	<b>\$ 238,909</b>	<b>\$ 60,449</b>
<b>Cash flows from investing activities</b>				
Purchases of property and equipment	(505)	(1,202)	(1,484)	(4,053)
Purchases of marketable securities	(556,457)	(861,827)	(1,061,303)	(997,512)
Maturities of marketable securities	552,532	343,404	1,017,594	596,059
Proceeds from sale of marketable securities	—	—	12,372	—
Other investing activities	2,354	(12)	3,243	(27)
<b>Net cash provided by (used in) investing activities</b>	<b>\$ (2,076)</b>	<b>\$ (519,637)</b>	<b>\$ (29,578)</b>	<b>\$ (405,533)</b>
<b>Cash flows from financing activities</b>				
Proceeds from issuance of Class A common stock in initial public offering, net of underwriting discounts and commissions	—	—	—	600,022
Proceeds from exercise of employee stock options	4,303	1,843	14,487	24,932
Taxes paid related to net share settlement of restricted stock units	(15,225)	(7,569)	(51,900)	(202,306)
Payments of initial public offering costs	—	(3,585)	—	(6,338)
Other financing activities	—	—	—	(4,450)
<b>Net cash provided by (used in) financing activities</b>	<b>\$ (10,922)</b>	<b>\$ (9,311)</b>	<b>\$ (37,413)</b>	<b>\$ 411,860</b>
<b>Net increase (decrease) in cash, cash equivalents, and restricted cash</b>	<b>98,333</b>	<b>(500,563)</b>	<b>171,918</b>	<b>66,776</b>
<b>Cash, cash equivalents, and restricted cash at the beginning of the period</b>	<b>635,727</b>	<b>968,565</b>	<b>562,142</b>	<b>401,226</b>
<b>Cash, cash equivalents, and restricted cash at the end of the period</b>	<b>\$ 734,060</b>	<b>\$ 468,002</b>	<b>\$ 734,060</b>	<b>\$ 468,002</b>
Cash and cash equivalents	734,060	467,952	734,060	467,952
Restricted cash	—	50	—	50
<b>Total cash, cash equivalents, and restricted cash</b>	<b>\$ 734,060</b>	<b>\$ 468,002</b>	<b>\$ 734,060</b>	<b>\$ 468,002</b>



**Reddit, Inc.****Reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin***(in thousands, except percentages)**(unaudited)*

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Net income (loss)	\$ 89,297	\$ (10,099)	\$ 115,455	\$ (585,165)
Add (deduct):				
Interest (income) expense, net	(21,056)	(20,941)	(41,470)	(36,388)
Income tax expense (benefit)	(439)	(216)	(2,160)	149
Depreciation and amortization	3,934	3,770	7,897	7,513
Stock-based compensation expense and related taxes	95,104	66,772	202,509	662,309
Other (income) expense, net	(91)	217	(211)	1,110
Adjusted EBITDA	<u>\$ 166,749</u>	<u>\$ 39,503</u>	<u>\$ 282,020</u>	<u>\$ 49,528</u>
Net margin	17.9 %	(3.6)%	12.9 %	(111.6)%
Adjusted EBITDA margin	33.4 %	14.0 %	31.6 %	9.4 %



**Reddit, Inc.****Reconciliation of Free Cash Flow and Free Cash Flow Margin***(in thousands, except percentages)**(unaudited)*

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Net cash provided by (used in) operating activities	\$ 111,331	\$ 28,385	\$ 238,909	\$ 60,449
Less:				
Purchases of property and equipment	(505)	(1,202)	(1,484)	(4,053)
Free Cash Flow	<u>\$ 110,826</u>	<u>\$ 27,183</u>	<u>\$ 237,425</u>	<u>\$ 56,396</u>
Operating cash flow margin	22.3 %	10.1 %	26.8 %	11.5 %
Free Cash Flow margin	22.2 %	9.7 %	26.6 %	10.8 %



**Reddit, Inc.**  
**Reconciliation of Non-GAAP Costs and Expenses**

(in thousands)  
(unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Total costs and expenses	\$ 431,916	\$ 312,223	\$ 820,374	\$ 1,144,441
Less:				
Depreciation and amortization	3,934	3,770	7,897	7,513
Stock-based compensation expense and related taxes	95,104	66,772	202,509	662,309
Total adjusted costs and expenses	<u>\$ 332,878</u>	<u>\$ 241,681</u>	<u>\$ 609,968</u>	<u>\$ 474,619</u>
Total operating expenses	\$ 386,016	\$ 282,722	\$ 737,385	\$ 1,087,324
Less:				
Depreciation and amortization	3,934	3,770	7,897	7,513
Stock-based compensation expense and related taxes	94,900	66,711	202,088	661,990
Non-GAAP operating expenses	<u>\$ 287,182</u>	<u>\$ 212,241</u>	<u>\$ 527,400</u>	<u>\$ 417,821</u>
Research and development expenses	\$ 196,610	\$ 142,777	\$ 387,881	\$ 579,807
Less:				
Depreciation and amortization	2,510	2,242	5,050	4,419
Stock-based compensation expense and related taxes	59,629	31,326	124,816	358,423
Non-GAAP research and development expenses	<u>\$ 134,471</u>	<u>\$ 109,209</u>	<u>\$ 258,015</u>	<u>\$ 216,965</u>
Sales and marketing expenses	\$ 120,619	\$ 71,458	\$ 211,304	\$ 195,553
Less:				
Depreciation and amortization	1,216	1,216	2,418	2,379
Stock-based compensation expense and related taxes	11,153	7,357	25,373	70,981
Non-GAAP sales and marketing expenses	<u>\$ 108,250</u>	<u>\$ 62,885</u>	<u>\$ 183,513</u>	<u>\$ 122,193</u>
General and administrative expenses	\$ 68,787	\$ 68,487	\$ 138,200	\$ 311,964
Less:				
Depreciation and amortization	208	312	429	715
Stock-based compensation expense and related taxes	24,118	28,028	51,899	232,586
Non-GAAP general and administrative expenses	<u>\$ 44,461</u>	<u>\$ 40,147</u>	<u>\$ 85,872</u>	<u>\$ 78,663</u>





