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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): February 5, 2026

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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<br>Symbol | Name of each exchange<br>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 February 5, 2026, Reddit, Inc. (“Reddit”) issued a press release and a letter to shareholders announcing its financial results for the quarter and full year ended December 31, 2025. In the press release and letter, Reddit also announced that it would be holding a conference call on February 5, 2026 at 1:30 p.m. Pacific Time / 4:30 p.m. Eastern Time to discuss its financial results for the quarter and full year. 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, February 5, 2026, 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/>. 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.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.

**Item 8.01 Other Events.**

On February 5, 2026, Reddit announced its Board of Directors authorized a share repurchase program to purchase up to \$1 billion of Reddit's Class A common stock (the “Share Repurchase Program”). Under the Share Repurchase Program, Reddit may repurchase shares of Class A common stock from time to time on the open market (including via pre-set trading plans), in privately negotiated transactions, or through other transactions in accordance with applicable securities laws. The Share Repurchase Program does not obligate Reddit to acquire any particular amount of Class A common stock, has no expiration date, and may be suspended or discontinued at any time at our discretion. A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

**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 February 5, 2026.</a>                       |
| 99.2        | <a href="#">Letter to Shareholders dated February 5, 2026.</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: February 5, 2026

By: /s/ Steven Huffman  
Steven Huffman  
President and Chief Executive Officer



## Reddit Reports Fourth Quarter and Full Year 2025 Results; Announces \$1 Billion Share Repurchase Program

**Daily Active Uniques (“DAUq”) increased 19% year-over-year to 121.4 million**

**Q4 Revenue grew 70% year-over-year to \$726 million. 2025 Revenue grew 69% to \$2.2 billion**

**Q4 Net Income \$252 million, 35% of revenue. 2025 Net Income \$530 million, 24% of revenue**

**Q4 Adj. EBITDA<sup>1</sup> \$327 million, 45% of revenue. 2025 Adj. EBITDA<sup>1</sup> \$845 million, 38% of revenue**

**Reddit’s Board of Directors authorized repurchase program of up to \$1 billion of Class A common stock**

SAN FRANCISCO, Calif. – February 5, 2026 – Reddit, Inc. (NYSE: RDDT) today announced financial results for the quarter and full year ended December 31, 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>.

*“We’re entering the next era of Reddit—defined by sharper execution, global expansion, and product innovation that puts real people and conversations at the center,” said Steve Huffman, Reddit Co-Founder and CEO. “Our focus is on turning Reddit’s authenticity into even more everyday utility.”*

### Fourth quarter 2025

- Total revenue increased 70% year-over-year to \$726 million, Ad revenue increased 75% year-over-year to \$690 million, and Other revenue increased 8% year-over-year to \$36 million
- Gross margin was 91.9%, as compared to 92.6% in the prior year
- Net income was \$252 million, an improvement of \$181 million from the prior year
- Adjusted EBITDA<sup>1</sup> was \$327 million, an improvement of \$173 million from the prior year
- Operating cash flow was \$267 million, an improvement of \$177 million from the prior year
- Free Cash Flow<sup>1</sup> was \$264 million, an improvement of \$174 million from the prior year
- Basic and diluted earnings per share (“EPS”) were \$1.32 and \$1.24, respectively
- Total fully diluted shares outstanding were 206.1 million as of December 31, 2025, consistent with the prior quarter and down from 206.2 million as of December 31, 2024

## Full year 2025

- Total revenue increased 69% year-over-year to \$2.2 billion, Ad revenue increased 74% year-over-year to \$2.1 billion, and Other revenue increased 22% year-over-year to \$140 million
- Gross margin was 91.2%, an improvement of 70 basis points from the prior year
- Net income was \$530 million, an improvement of \$1,014 million from the prior year
- Adjusted EBITDA<sup>1</sup> was \$845 million, an improvement of \$547 million from the prior year
- Operating cash flow was \$691 million, an improvement of \$469 million from the prior year
- Free Cash Flow<sup>1</sup> was \$684 million, an improvement of \$468 million from the prior year
- Basic and diluted EPS were \$2.84 and \$2.62, respectively

## Fourth Quarter and Full Year 2025 Financial Highlights

| (in millions, except percentages and per share amounts; unaudited) | Three months ended<br>December 31, |         |          | Year ended<br>December 31, |           |          |
|--------------------------------------------------------------------|------------------------------------|---------|----------|----------------------------|-----------|----------|
|                                                                    | 2025                               | 2024    | % Change | 2025                       | 2024      | % Change |
| Revenue                                                            | \$ 726                             | \$ 428  | 70%      | \$ 2,203                   | \$ 1,300  | 69%      |
| U.S.                                                               | \$ 583                             | \$ 348  | 68%      | \$ 1,786                   | \$ 1,064  | 68%      |
| International                                                      | \$ 142                             | \$ 80   | 78%      | \$ 417                     | \$ 237    | 76%      |
| GAAP gross margin                                                  | 91.9 %                             | 92.6 %  |          | 91.2 %                     | 90.5 %    |          |
| Net income (loss)                                                  | \$ 252                             | \$ 71   |          | \$ 530                     | \$ (484)  |          |
| Net margin                                                         | 34.7 %                             | 16.6 %  |          | 24.1 %                     | (37.2)%   |          |
| Net income (loss) per share                                        |                                    |         |          |                            |           |          |
| Basic                                                              | \$ 1.32                            | \$ 0.40 |          | \$ 2.84                    | \$ (3.33) |          |
| Diluted                                                            | \$ 1.24                            | \$ 0.36 |          | \$ 2.62                    | \$ (3.33) |          |
| Adjusted EBITDA*                                                   | \$ 327                             | \$ 154  |          | \$ 845                     | \$ 298    |          |
| Adjusted EBITDA margin*                                            | 45.1 %                             | 36.1 %  |          | 38.4 %                     | 22.9 %    |          |
| Net cash provided by (used in) operating activities                | \$ 267                             | \$ 90   |          | \$ 691                     | \$ 222    |          |
| Free Cash Flow*                                                    | \$ 264                             | \$ 89   |          | \$ 684                     | \$ 216    |          |
| Cash, cash equivalents, and marketable securities                  | \$ 2,477                           |         |          |                            |           |          |

\*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 [11-12](#).

## 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 first quarter.

In the first quarter of 2026, we estimate:

- Revenue in the range of \$595 million to \$605 million
- Adjusted EBITDA<sup>2</sup> in the range of \$210 million to \$220 million

## Earnings Conference Call Information and Community Update

Reddit will host a conference call to discuss the results for the fourth quarter and full year of 2025 on Thursday, February 5, 2026, at 1:30 p.m. PT / 4:30 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, February 5, 2026, 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.

## Share Repurchase Program

Reddit also announced today that its Board of Directors authorized a share repurchase program to purchase up to \$1 billion of our Class A common stock (the "Share Repurchase Program"). Under the Share Repurchase Program, we may repurchase shares of our Class A common stock from time to time on the open market (including via pre-set trading plans), in privately negotiated transactions, or through other transactions in accordance with applicable securities laws. The Share Repurchase Program does not obligate us to acquire any particular amount of Class A common stock, has no expiration date, and may be suspended or discontinued at any time at our discretion.

## 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 [11-12](#).

<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 121+ 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**

[ir@reddit.com](mailto:ir@reddit.com)

#### **Media Relations**

[press@reddit.com](mailto:press@reddit.com)

## 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, plans with respect to the Share Repurchase Program, 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 Annual Report on Form 10-K for the year ended December 31, 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<br>December 31, |          |  | % Change | Year ended<br>December 31, |            |  | % Change |
|------------------------|------------------------------------|----------|--|----------|----------------------------|------------|--|----------|
|                        | 2025                               | 2024     |  |          | 2025                       | 2024       |  |          |
| Revenue: Global        | \$ 725.6                           | \$ 427.7 |  | 70 %     | \$ 2,202.5                 | \$ 1,300.2 |  | 69 %     |
| Revenue: U.S.          | \$ 583.3                           | \$ 347.7 |  | 68 %     | \$ 1,785.6                 | \$ 1,063.6 |  | 68 %     |
| Revenue: International | \$ 142.3                           | \$ 80.0  |  | 78 %     | \$ 416.9                   | \$ 236.6   |  | 76 %     |

|                                | Three months ended<br>December 31, |         |  | % Change |
|--------------------------------|------------------------------------|---------|--|----------|
|                                | 2025                               | 2024    |  |          |
| DAUq: Global                   | 121.4                              | 101.7   |  | 19 %     |
| DAUq: U.S.                     | 52.5                               | 48.0    |  | 9 %      |
| DAUq: International            | 68.9                               | 53.7    |  | 28 %     |
| Logged-in DAUq: Global         | 50.7                               | 46.1    |  | 10 %     |
| Logged-in DAUq: U.S.           | 23.0                               | 21.9    |  | 5 %      |
| Logged-in DAUq: International  | 27.7                               | 24.2    |  | 14 %     |
| Logged-out DAUq: Global        | 70.7                               | 55.6    |  | 27 %     |
| Logged-out DAUq: U.S.          | 29.5                               | 26.1    |  | 13 %     |
| Logged-out DAUq: International | 41.2                               | 29.5    |  | 40 %     |
| WAUq: Global                   | 471.6                              | 379.4   |  | 24 %     |
| WAUq: U.S.                     | 193.4                              | 172.2   |  | 12 %     |
| WAUq: International            | 278.2                              | 207.2   |  | 34 %     |
| ARPU: Global                   | \$ 5.98                            | \$ 4.21 |  | 42 %     |
| ARPU: U.S.                     | \$ 10.79                           | \$ 7.04 |  | 53 %     |
| ARPU: International            | \$ 2.31                            | \$ 1.67 |  | 38 %     |

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

|                                                       | December 31,        |                     |
|-------------------------------------------------------|---------------------|---------------------|
|                                                       | 2025                | 2024                |
| <b>Assets</b>                                         |                     |                     |
| Current assets                                        |                     |                     |
| Cash and cash equivalents                             | \$ 953,569          | \$ 562,092          |
| Marketable securities                                 | 1,523,242           | 1,278,717           |
| Accounts receivable, net                              | 590,162             | 349,534             |
| Prepaid expenses and other current assets             | 69,012              | 33,058              |
| Total current assets                                  | 3,135,985           | 2,223,401           |
| Property and equipment, net                           | 12,710              | 12,652              |
| Operating lease right-of-use assets, net              | 20,788              | 23,249              |
| Intangible assets, net                                | 15,521              | 25,424              |
| Goodwill                                              | 42,174              | 42,174              |
| Other noncurrent assets                               | 11,995              | 9,695               |
| Total assets                                          | <u>\$ 3,239,173</u> | <u>\$ 2,336,595</u> |
| <b>Liabilities and stockholders' equity (deficit)</b> |                     |                     |
| Current liabilities                                   |                     |                     |
| Accounts payable                                      | \$ 62,929           | \$ 45,423           |
| Operating lease liabilities                           | 7,023               | 6,137               |
| Accrued expenses and other current liabilities        | 201,331             | 124,464             |
| Total current liabilities                             | 271,283             | 176,024             |
| Operating lease liabilities, noncurrent               | 16,191              | 20,565              |
| Other noncurrent liabilities                          | 22,661              | 9,257               |
| Total liabilities                                     | 310,135             | 205,846             |
| Commitments and contingencies                         |                     |                     |
| Stockholders' equity (deficit):                       |                     |                     |
| Preferred stock                                       | —                   | —                   |
| Class A common stock                                  | 14                  | 12                  |
| Class B common stock                                  | 5                   | 5                   |
| Class C common stock                                  | —                   | —                   |
| Additional paid-in capital                            | 3,595,772           | 3,331,546           |
| Accumulated other comprehensive income (loss)         | 4,364               | 24                  |
| Accumulated deficit                                   | (671,117)           | (1,200,838)         |
| Total stockholders' equity (deficit)                  | 2,929,038           | 2,130,749           |
| Total liabilities and stockholders' equity (deficit)  | <u>\$ 3,239,173</u> | <u>\$ 2,336,595</u> |

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

|                                                                                                         | Three months ended<br>December 31, |             | Year ended<br>December 31, |              |
|---------------------------------------------------------------------------------------------------------|------------------------------------|-------------|----------------------------|--------------|
|                                                                                                         | 2025                               | 2024        | 2025                       | 2024         |
| <b>Revenue</b>                                                                                          | \$ 725,607                         | \$ 427,707  | \$ 2,202,506               | \$ 1,300,205 |
| <b>Costs and expenses:</b>                                                                              |                                    |             |                            |              |
| Cost of revenue                                                                                         | 58,718                             | 31,845      | 194,216                    | 123,595      |
| Research and development                                                                                | 198,885                            | 188,644     | 783,145                    | 935,152      |
| Sales and marketing                                                                                     | 163,852                            | 80,516      | 503,863                    | 350,579      |
| General and administrative                                                                              | 72,324                             | 73,830      | 279,298                    | 451,447      |
| Total costs and expenses                                                                                | 493,779                            | 374,835     | 1,760,522                  | 1,860,773    |
| <b>Income (loss) from operations</b>                                                                    | 231,828                            | 52,872      | 441,984                    | (560,568)    |
| Other income (expense), net                                                                             | 22,990                             | 17,115      | 86,706                     | 75,361       |
| Income (loss) before income taxes                                                                       | 254,818                            | 69,987      | 528,690                    | (485,207)    |
| Income tax expense (benefit)                                                                            | 3,215                              | (1,049)     | (1,031)                    | (931)        |
| <b>Net income (loss)</b>                                                                                | \$ 251,603                         | \$ 71,036   | \$ 529,721                 | \$ (484,276) |
| Net income (loss) per share attributable to Class A and Class B common stock                            |                                    |             |                            |              |
| Basic                                                                                                   | \$ 1.32                            | \$ 0.40     | \$ 2.84                    | \$ (3.33)    |
| Diluted                                                                                                 | \$ 1.24                            | \$ 0.36     | \$ 2.62                    | \$ (3.33)    |
| Weighted-average shares used to compute net income (loss) per share attributable to common stockholders |                                    |             |                            |              |
| Basic                                                                                                   | 189,971,813                        | 177,484,215 | 186,383,271                | 145,472,389  |
| Diluted                                                                                                 | 202,932,334                        | 199,057,762 | 202,107,978                | 145,472,389  |

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

|                                                                                                                          | Three months ended<br>December 31, |                    | Year ended<br>December 31, |                     |
|--------------------------------------------------------------------------------------------------------------------------|------------------------------------|--------------------|----------------------------|---------------------|
|                                                                                                                          | 2025                               | 2024               | 2025                       | 2024                |
| <b>Cash flows from operating activities</b>                                                                              |                                    |                    |                            |                     |
| Net income (loss)                                                                                                        | \$ 251,603                         | \$ 71,036          | \$ 529,721                 | \$ (484,276)        |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:                       |                                    |                    |                            |                     |
| Depreciation and amortization                                                                                            | 4,151                              | 4,161              | 15,948                     | 15,643              |
| Non-cash operating lease cost                                                                                            | 1,678                              | 69                 | 6,197                      | 4,110               |
| Amortization of premium (accretion of discount) on marketable securities, net                                            | (5,860)                            | (11,516)           | (28,214)                   | (43,400)            |
| Stock-based compensation expense                                                                                         | 85,178                             | 85,114             | 343,180                    | 801,646             |
| Other adjustments                                                                                                        | 180                                | (148)              | 848                        | (4,187)             |
| Changes in operating assets and liabilities:                                                                             |                                    |                    |                            |                     |
| Accounts receivable                                                                                                      | (102,602)                          | (65,366)           | (241,356)                  | (104,280)           |
| Prepaid expenses and other assets                                                                                        | (13,658)                           | (7,719)            | (37,082)                   | (19,485)            |
| Operating lease right-of-use assets and liabilities                                                                      | (1,817)                            | 291                | (7,224)                    | (2,397)             |
| Accounts payable                                                                                                         | (8,774)                            | (17,054)           | 18,166                     | (570)               |
| Accrued expenses and other liabilities                                                                                   | 56,728                             | 31,129             | 90,691                     | 59,264              |
| <b>Net cash provided by (used in) operating activities</b>                                                               | <b>\$ 266,807</b>                  | <b>\$ 89,997</b>   | <b>\$ 690,875</b>          | <b>\$ 222,068</b>   |
| <b>Cash flows from investing activities</b>                                                                              |                                    |                    |                            |                     |
| Purchases of property and equipment                                                                                      | (3,164)                            | (842)              | (6,706)                    | (6,248)             |
| Purchases of marketable securities                                                                                       | (692,993)                          | (570,988)          | (2,298,397)                | (1,996,725)         |
| Maturities of marketable securities                                                                                      | 484,917                            | 530,241            | 2,065,971                  | 1,573,602           |
| Proceeds from sale of marketable securities                                                                              | 4,862                              | —                  | 17,234                     | —                   |
| Cash paid for acquisitions, net of cash acquired                                                                         | —                                  | —                  | —                          | (17,137)            |
| Other investing activities                                                                                               | 554                                | (1,508)            | 3,009                      | 5,821               |
| <b>Net cash provided by (used in) investing activities</b>                                                               | <b>\$ (205,824)</b>                | <b>\$ (43,097)</b> | <b>\$ (218,889)</b>        | <b>\$ (440,687)</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                                                                         | 4,575                              | 26,039             | 25,075                     | 88,972              |
| Taxes paid related to net share settlement of restricted stock units                                                     | (23,533)                           | (26,467)           | (104,028)                  | (294,573)           |
| Payments of initial public offering costs                                                                                | —                                  | (275)              | —                          | (8,775)             |
| Other financing activities                                                                                               | (109)                              | —                  | (1,606)                    | (6,111)             |
| <b>Net cash provided by (used in) financing activities</b>                                                               | <b>\$ (19,067)</b>                 | <b>\$ (703)</b>    | <b>\$ (80,559)</b>         | <b>\$ 379,535</b>   |
| <b>Net increase (decrease) in cash, cash equivalents, and restricted cash</b>                                            | <b>41,916</b>                      | <b>46,197</b>      | <b>391,427</b>             | <b>160,916</b>      |
| <b>Cash, cash equivalents, and restricted cash at the beginning of the period</b>                                        | <b>911,653</b>                     | <b>515,945</b>     | <b>562,142</b>             | <b>401,226</b>      |
| <b>Cash, cash equivalents, and restricted cash at the end of the period</b>                                              | <b>\$ 953,569</b>                  | <b>\$ 562,142</b>  | <b>\$ 953,569</b>          | <b>\$ 562,142</b>   |
| Cash and cash equivalents                                                                                                | 953,569                            | 562,092            | 953,569                    | 562,092             |
| Restricted cash                                                                                                          | —                                  | 50                 | —                          | 50                  |
| <b>Total cash, cash equivalents, and restricted cash</b>                                                                 | <b>\$ 953,569</b>                  | <b>\$ 562,142</b>  | <b>\$ 953,569</b>          | <b>\$ 562,142</b>   |

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

|                                                    | Three months ended<br>December 31, |                   | Year ended<br>December 31, |                   |
|----------------------------------------------------|------------------------------------|-------------------|----------------------------|-------------------|
|                                                    | 2025                               | 2024              | 2025                       | 2024              |
| Net income (loss)                                  | \$ 251,603                         | \$ 71,036         | \$ 529,721                 | \$ (484,276)      |
| Add (deduct):                                      |                                    |                   |                            |                   |
| Interest (income) expense, net                     | (22,947)                           | (20,578)          | (86,722)                   | (78,121)          |
| Income tax expense (benefit)                       | 3,215                              | (1,049)           | (1,031)                    | (931)             |
| Depreciation and amortization                      | 4,151                              | 4,161             | 15,948                     | 15,643            |
| Stock-based compensation expense and related taxes | 91,067                             | 97,297            | 387,141                    | 842,932           |
| Other (income) expense, net                        | (43)                               | 3,463             | 16                         | 2,760             |
| Adjusted EBITDA                                    | <u>\$ 327,046</u>                  | <u>\$ 154,330</u> | <u>\$ 845,073</u>          | <u>\$ 298,007</u> |
| Net margin                                         | 34.7 %                             | 16.6 %            | 24.1 %                     | (37.2)%           |
| Adjusted EBITDA margin                             | 45.1 %                             | 36.1 %            | 38.4 %                     | 22.9 %            |

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

|                                                     | Three months ended<br>December 31, |                  | Year ended<br>December 31, |                   |
|-----------------------------------------------------|------------------------------------|------------------|----------------------------|-------------------|
|                                                     | 2025                               | 2024             | 2025                       | 2024              |
| Net cash provided by (used in) operating activities | \$ 266,807                         | \$ 89,997        | \$ 690,875                 | \$ 222,068        |
| Less:                                               |                                    |                  |                            |                   |
| Purchases of property and equipment                 | (3,164)                            | (842)            | (6,706)                    | (6,248)           |
| Free Cash Flow                                      | <u>\$ 263,643</u>                  | <u>\$ 89,155</u> | <u>\$ 684,169</u>          | <u>\$ 215,820</u> |
| Operating cash flow margin                          | 36.8 %                             | 21.0 %           | 31.4 %                     | 17.1 %            |
| Free Cash Flow margin                               | 36.3 %                             | 20.8 %           | 31.1 %                     | 16.6 %            |



# Letter to shareholders

Q4 2025



# Financial highlights



## Q4 2025

- **Revenue** was \$726 million, an increase of 70% year-over-year
- **Gross margin** was 91.9%, as compared to 92.6% in the prior year
- **Net income** was \$252 million and net margin was 35%, an improvement of \$181 million from the prior year
- **Adjusted EBITDA**<sup>1</sup> was \$327 million and Adjusted EBITDA margin was 45%, an improvement of \$173 million from the prior year
- **Operating cash flow** was \$267 million, an improvement of \$177 million from the prior year
- **Free Cash Flow**<sup>2</sup> was \$264 million, an improvement of \$174 million from the prior year
- **Basic and diluted earnings per share** were \$1.32 and \$1.24, respectively
- **Capital expenditures** were \$3.2 million, 0.4% of revenue
- **Cash, cash equivalents, and marketable securities** were \$2.48 billion as of December 31, 2025
- **Total fully diluted shares outstanding** were 206.1 million as of December 31, 2025, flat sequentially and down year-over-year

## FY 2025

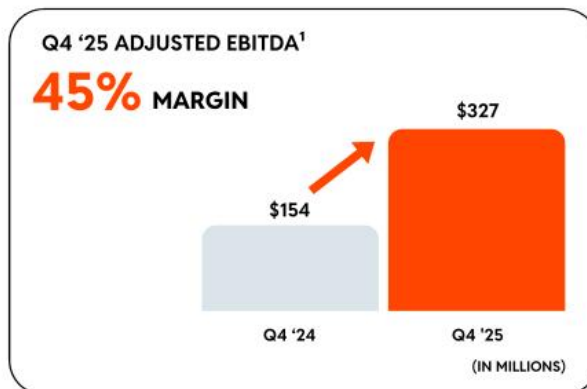
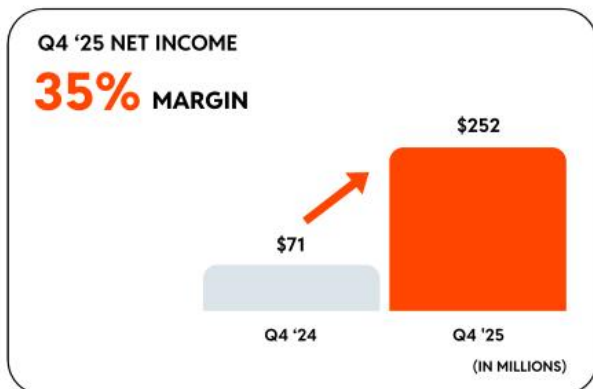
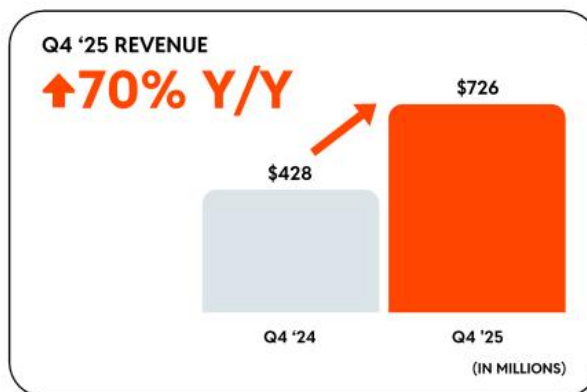
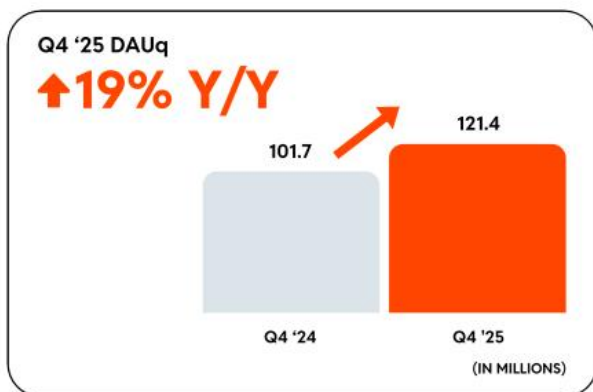
- **Revenue** was \$2.2 billion, an increase of 69% year-over-year
- **Gross margin** was 91.2%, an improvement of 70 basis points from the prior year
- **Net income** was \$530 million and net margin was 24%, an improvement of \$1,014 million from the prior year
- **Adjusted EBITDA**<sup>1</sup> was \$845 million and Adjusted EBITDA margin was 38%, an improvement of \$547 million from the prior year
- **Operating cash flow** was \$691 million, an improvement of \$469 million from the prior year
- **Free Cash Flow**<sup>2</sup> was \$684 million, an improvement of \$468 million from the prior year
- **Capital expenditures** were \$6.7 million, 0.3% of revenue

## Q1 2026 strategic update

- Reddit's Board of Directors authorized repurchase program of up to \$1 billion of Class A common stock

## Q4 Business highlights

- **Daily Active Uniques (“DAUq”)** averaged 121.4 million, an increase of 19% year-over-year
- **Weekly Active Uniques (“WAUq”)** averaged 471.6 million, an increase of 24% year-over-year
- **Logged-in** users grew 10% and **Logged-out** users grew 27% year-over-year
- **U.S. DAUq** grew 9% year-over-year and **International DAUq** grew 28% year-over-year
- Total **U.S. revenue** grew 68% year-over-year and **International revenue** grew 78% year-over-year, driven by broad strength across objectives, verticals, geographies, and channels
- **Advertising revenue** of \$690 million grew 75% year-over-year, and Other revenue was \$36 million, up 8% year-over-year
- **Advertising revenue growth** was driven by year-over-year growth in impressions and pricing
- Broad strength across the **full ad funnel** and with 11 of our top-15 **industry verticals** growing over 50% year-over-year
- Launched **Reddit Max campaigns**, our AI-powered automated ad campaign type, to public beta



# Dear fellow shareholders,

2025 was a breakout year for Reddit. We surpassed bold targets, built real momentum across our business, and proved our unique community model at scale. We crossed \$2.2 billion in revenue, up 69% year-over-year, and delivered \$530 million in net income. In Q4 alone, we welcomed over 121M daily active users to our platform, up 19% year-over-year, and over 471M weekly active users, up 24%.

None of this would be possible without our team—thank you to our employees for a phenomenal year. The momentum we’re seeing across the business—especially in all three sections of our ad funnel—is the result of years of foundational work coming to life. I know we’re all eager to build on this success.

These numbers tell just a small part of an important story: Reddit is at the center of a once-in-a-generation shift, and it’s not a coincidence.

We’re now operating in a fundamentally different internet. One shaped by opaque algorithms, generative content, and growing distrust. And yet, amid this shift, more people are turning to Reddit—not just to aimlessly scroll, but to connect, learn, and research.

That’s because Reddit is the most human place on the internet. In a world flooded with AI slop, people are seeking real community, lived experience, and trusted opinions. That’s Reddit’s differentiator.

To put it simply: more people than ever are coming to Reddit because Reddit is for *everyone*.

One of the main reasons Reddit is the go-to place for community is the candor of our conversations. This authenticity is rare, and it’s what makes conversations on Reddit uniquely helpful and influential. But in the age of AI, if you can’t easily distinguish a real person’s thoughts or recommendations from a bot, that trust erodes. That’s why we’re actively working on ways to preserve our authenticity and conversation quality. This began with the launch of verified profiles for brands and individuals in Q4 and will quickly move to bot verification and labeling next. We’re making good progress here and are excited to share more updates in the coming weeks.

Our consumer product work remains a top priority—particularly driving user growth, retention, and deeper engagement through more seamless experiences. Two areas are of especially high priority: improving new-user onboarding and integrating our search interfaces. Let’s dig into how those are going.

On the onboarding side, we deployed numerous experiments in Q4. We’re actively iterating on these learnings and working fast to improve retention for new and casual users. That retention supports growth, engagement, monetization, and more effective marketing.

Next, search. In Q4, we made significant progress in unifying our core search with Reddit Answers, our AI-powered search feature. Together, they drove more search volume and queries per user, with over 80 million people searching directly on Reddit every week in Q4, up from 60 million just one year ago. We released Reddit Answers in five new languages, with more on the way, and are piloting dynamic, agentic search results that include media beyond text. Reddit is already where people go to find things; making our platform an end-to-end search destination is how we meet that demand.

As the industry evolves, how we think about our product and users must evolve too. We've historically reported logged-in vs. logged-out users, but as some of our work to streamline onboarding—instant personalization, for example—blurs the line between these states, the distinction between them makes less sense. As such, we plan to phase out reporting on logged-in and logged-out later this year.

In 2026, we're focused on making Reddit faster, more relevant, and more accessible to everyone, everywhere. A big part of this effort is improving feed relevancy—using AI and machine learning to make Reddit feel more personalized and useful from the second you open the app. These are high-impact investments that help shape how new users experience Reddit and how often they return. I'm encouraged by the team's focus and velocity, and am confident we'll feel the impact of the work this year.

To rise to this occasion, we're leveling up our execution, and that starts with leadership.

I'm thrilled to welcome Maria Angelidou-Smith as our new Chief Product Officer. She brings a solid track record in scaling product organizations and is already helping us move faster and focus on the highest-impact areas for users and growth. I have full confidence that Maria will be a great partner to the business and significantly uplevel our pace and quality of results.

We're seeing strong commercial momentum right now and are confident in where we're headed. We have a special business model that is generating a lot of cash, which is why we're excited to announce a \$1 billion share repurchase program today. It's a testament to our growth and our commitment to delivering for our shareholders as we continue to invest in the business.

The work ahead is ambitious, and that's by design. We have the right team, the right roadmap, and the right moment. Now it's about execution.

As always, thank you to our employees, communities, partners, and investors for being part of this journey.

Steve Huffman  
Co-Founder & Chief Executive Officer

Stu



# Consumer product & community growth

We're focused on driving user growth, retention, and deeper engagement through product innovation

## Evolving search

- The integration of AI and new entry points into Reddit search is driving **more search volume and queries** per user
- This year, we're **expanding AI-powered search** to new languages and making search results more relevant and distinct, highlighting the authentic perspectives and conversations on Reddit

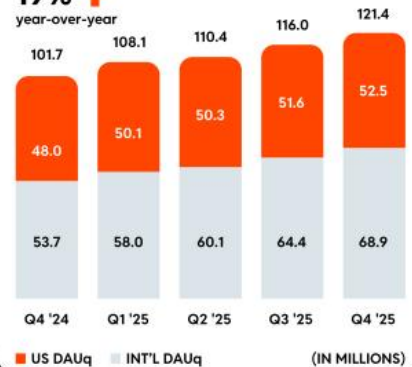
New "Ask" button drives more search volume & queries per user



Q4 '25 DAUq

121.4M

19% ↑  
year-over-year

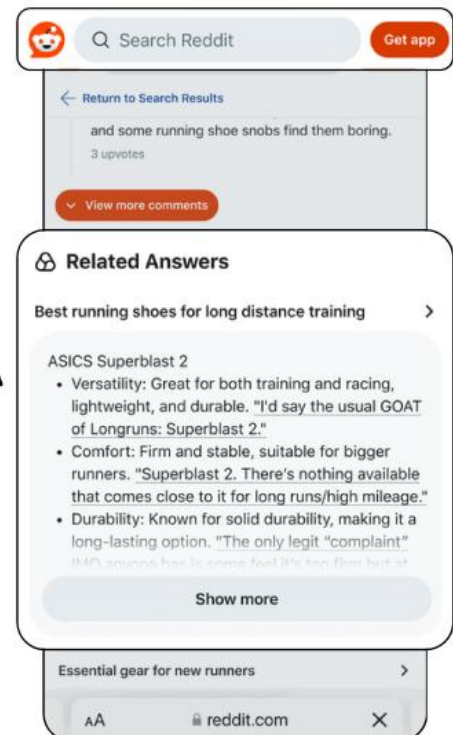


## Delivering a better feed experience

- We're scaling our use of LLMs to improve content understanding and accelerate **personalization**, driving faster signal capture to make feed experiences feel immediately **relevant**
- We're testing **LLM-powered onboarding experiences** that aim to lower friction and improve retention by capturing the essential signals needed to deliver valuable and relevant content

↑ LLM optimizations drive deeper user engagement & retention

Search-forward landing page for web users



## Growing community & our content ecosystem

We plan to expand communities and diversify our content ecosystem through a combination of product and marketing strategies

### Product improvements

- In Q4, we launched a **search-forward landing page** for external search traffic. With AI-powered summaries and related queries, we're working to improve search relevancy and quality to drive user growth
- Internationally, **machine translation covers 35 languages**, serving as a powerful top-of-funnel growth engine
- We launched **verified profiles** to enable professional contributors including individuals, businesses, journalists, or celebrities to confirm their identities and provide transparency when contributing to Reddit

### Marketing Strategies

- We tested our first **audience-led marketing strategy** with parenting, entertainment, and sports content on Reddit that connects new users to specific content, to drive better marketing results and response rates

↑ Supports DAUq growth and app installs

# Advertising & monetization

In Q4, we made significant improvements to the performance of our lower-funnel products by enhancing our machine learning models and optimizing for the advertiser's objective to drive more efficient results.

We also launched Reddit Max campaigns, our automated campaign type now in beta, which is designed to optimize advertiser campaign settings for every impression and delivers better performance.

## Reddit Max campaigns automated to outperform

Powered by AI, Max campaigns are a new campaign type available for mid- and lower-funnel objectives that predict impression outcomes, providing advertisers with new levels of real-time, impression-level control to achieve their business goals.

Max campaigns are designed to optimize and automate targeting, creative selection and placements, and budget allocation which can lead to **significant performance improvements**, while requiring fewer steps to set up and manage.

Additionally, Reddit **Community Intelligence™** helps categorize campaign viewers into actionable cohorts, providing advertisers with transparency into who is engaging with their ads. These insights decode Reddit's 24+ billion posts, comments, and conversations into structured audience signals.

**2X**

Lower-funnel conversion volume  
Y/Y growth in Q4



### Reddit Max Performance Outcomes

**17%**

Lower costs / CPA\*



**27%**

More results, conversion objectives\*

## Case study: Brooks Running

Brooks Running leveraged **Reddit Max campaigns** to drive website traffic for the launch of its new Ghost 17 cushioned running shoe.

Reddit Max campaigns outperformed when compared to their business-as-usual standard campaigns, achieving meaningful performance gains, efficiently and with minimal lift.

**37%**

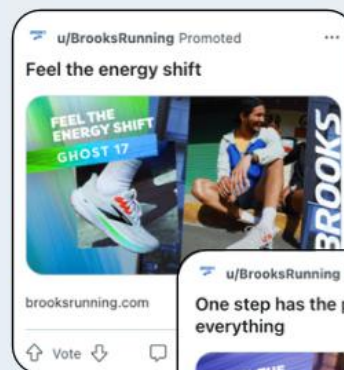
✓ Decrease in cost per click

**26%**

✓ Lift in click volume

**26%**

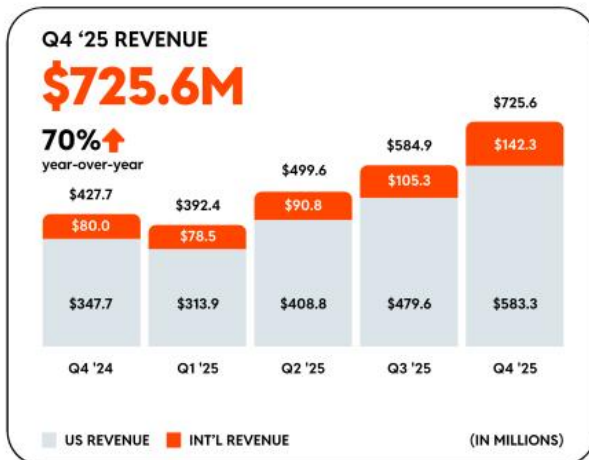
✓ Increase in CTR



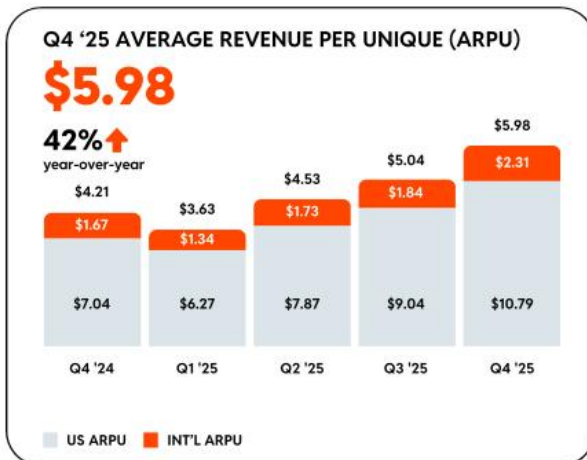
\* Based on 17 split tests conducted between June and August 2025. Each test compared Max campaigns to standard campaigns over a 21-day period. CPA refers to Cost per Action.

# Financial highlights

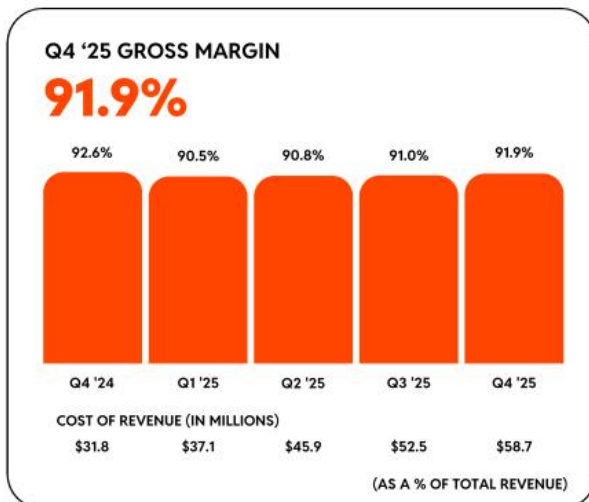
## Fourth quarter 2025



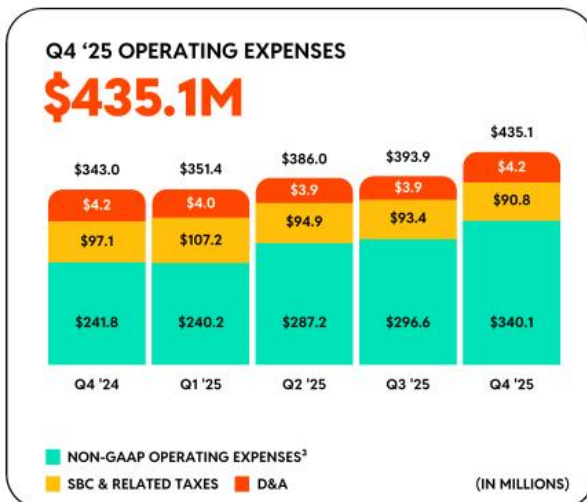
Total revenue was \$725.6 million, an increase of 70% year-over-year



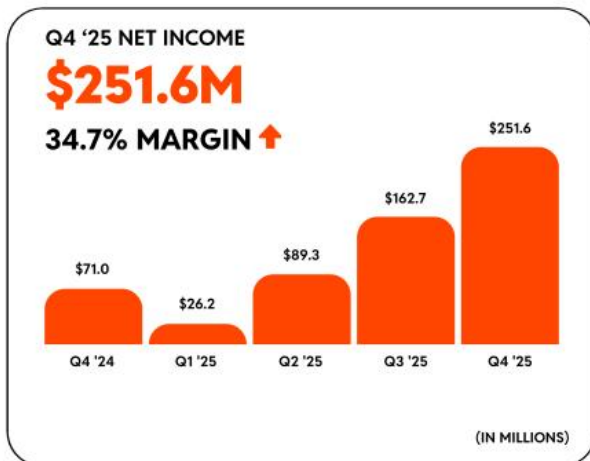
ARPU was \$5.98, an increase of 42% year-over-year



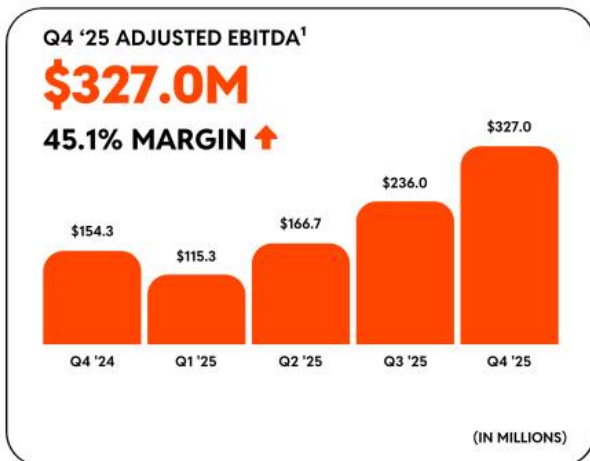
Gross profit was \$666.9 million, or a gross margin of 91.9%, an improvement of 90 bps from the prior quarter



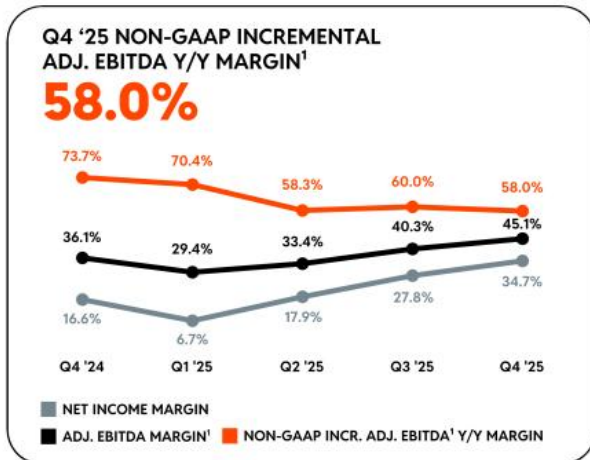
Total GAAP operating expenses were \$435.1 million and total non-GAAP operating expenses<sup>3</sup> were \$340.1 million



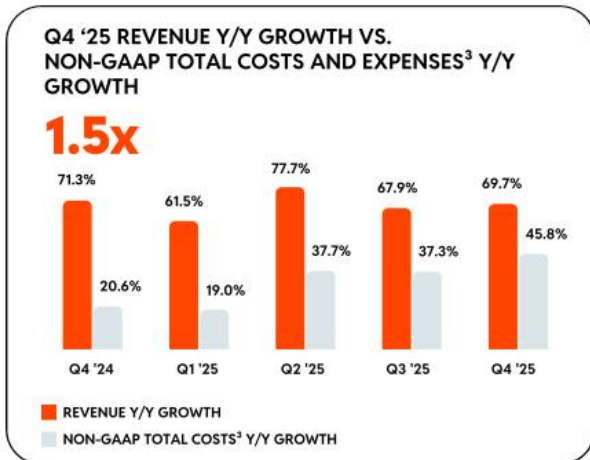
Net income was \$251.6 million, or a net margin of 34.7%



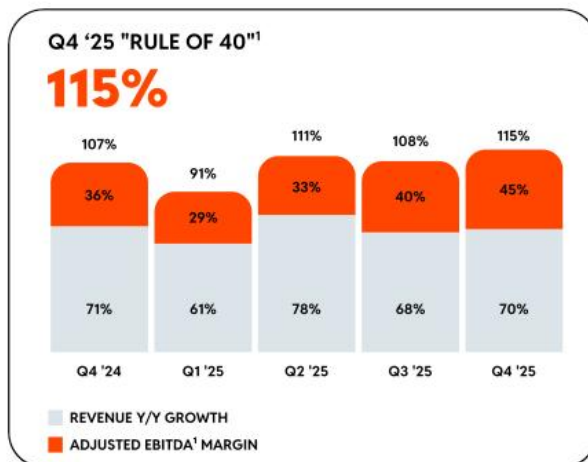
Adjusted EBITDA<sup>1</sup> was \$327.0 million, or a margin of 45.1%, an increase of \$172.7 million from the prior year



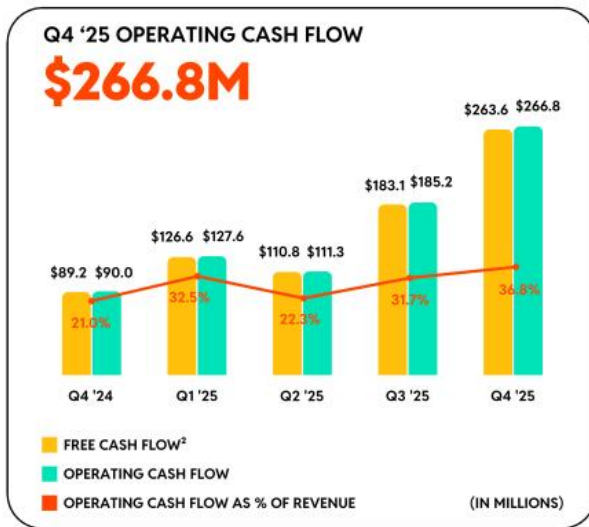
58% year-over-year incremental Adjusted EBITDA margin<sup>1</sup>, with an average of 64.1% for the last five quarters



Total revenue grew 1.5 times as fast as total adjusted costs and expenses<sup>3</sup> year-over-year



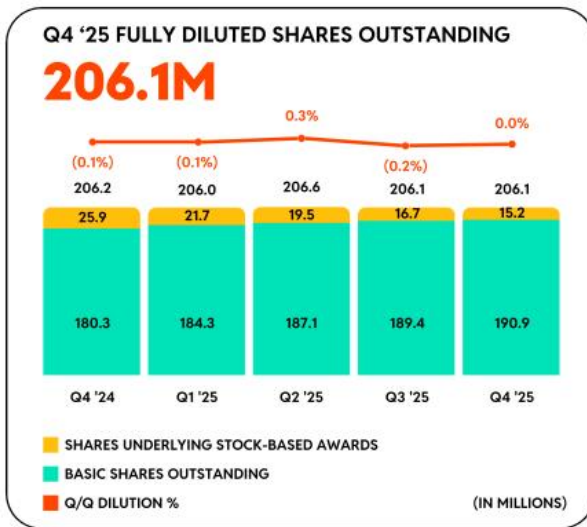
Our Q4 revenue growth plus Adjusted EBITDA<sup>1</sup> margin makes us a "Rule of 115"<sup>1</sup> Company



Operating cash flow was \$266.8 million, an increase of \$176.8 million year-over-year

Free Cash Flow<sup>2</sup> was \$263.6 million, an increase of \$174.5 million year-over-year

Operating cash flow as % of revenue was 36.8%, an improvement of 1,580 basis points from the prior year



Q4 fully diluted shares outstanding were 206.1 million, flat sequentially and down year-over-year

## 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 first quarter.

In the first quarter of 2026, we estimate:

- Revenue in the range of \$595 million to \$605 million
- Adjusted EBITDA<sup>4</sup> in the range of \$210 million to \$220 million

### Q1 '26 REVENUE

**\$595M-\$605M**

### Q1 '26 ADJUSTED EBITDA

**\$210M-\$220M**

# Earnings conference call & community update

Reddit will host a conference call to discuss the results for the fourth quarter of 2025 on February 5, 2026, at 1:30 p.m. PT / 4:30 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 February 5, 2026, 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 Voller  
Chief Financial Officer

# Appendix

## Notes

1. The definition of Adjusted EBITDA, Adjusted EBITDA margin, incremental Adjusted EBITDA margin, and Rule of 40 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 121+ 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, plans with respect to the share repurchase program, 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, the integration of AI in Reddit search, the launch of Max campaigns, 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 Annual Report on Form 10-K for the year ended December 31, 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. Rule of 40 is defined as the year-over-year revenue growth rate plus adjusted EBITDA margin 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.

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## Reddit, Inc.

### Key Operating Metrics by Geography

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

|                        | Three months ended<br>December 31, |          | % Change | Year ended<br>December 31, |            | % Change |
|------------------------|------------------------------------|----------|----------|----------------------------|------------|----------|
|                        | 2025                               | 2024     |          | 2025                       | 2024       |          |
| Revenue: Global        | \$ 725.6                           | \$ 427.7 | 70 %     | \$ 2,202.5                 | \$ 1,300.2 | 69 %     |
| Revenue: U.S.          | \$ 583.3                           | \$ 347.7 | 68 %     | \$ 1,785.6                 | \$ 1,063.6 | 68 %     |
| Revenue: International | \$ 142.3                           | \$ 80.0  | 78 %     | \$ 416.9                   | \$ 236.6   | 76 %     |

|                                | Three months ended<br>December 31, |         | % Change |
|--------------------------------|------------------------------------|---------|----------|
|                                | 2025                               | 2024    |          |
| DAUq: Global                   | 121.4                              | 101.7   | 19 %     |
| DAUq: U.S.                     | 52.5                               | 48.0    | 9 %      |
| DAUq: International            | 68.9                               | 53.7    | 28 %     |
| Logged-in DAUq: Global         | 50.7                               | 46.1    | 10 %     |
| Logged-in DAUq: U.S.           | 23.0                               | 21.9    | 5 %      |
| Logged-in DAUq: International  | 27.7                               | 24.2    | 14 %     |
| Logged-out DAUq: Global        | 70.7                               | 55.6    | 27 %     |
| Logged-out DAUq: U.S.          | 29.5                               | 26.1    | 13 %     |
| Logged-out DAUq: International | 41.2                               | 29.5    | 40 %     |
| WAUq: Global                   | 471.6                              | 379.4   | 24 %     |
| WAUq: U.S.                     | 193.4                              | 172.2   | 12 %     |
| WAUq: International            | 278.2                              | 207.2   | 34 %     |
| ARPU: Global                   | \$ 5.98                            | \$ 4.21 | 42 %     |
| ARPU: U.S.                     | \$ 10.79                           | \$ 7.04 | 53 %     |
| ARPU: International            | \$ 2.31                            | \$ 1.67 | 38 %     |

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

(in thousands)  
(unaudited)

|                                                       | December 31,        |                     |
|-------------------------------------------------------|---------------------|---------------------|
|                                                       | 2025                | 2024                |
| <b>Assets</b>                                         |                     |                     |
| Current assets                                        |                     |                     |
| Cash and cash equivalents                             | \$ 953,569          | \$ 562,092          |
| Marketable securities                                 | 1,523,242           | 1,278,717           |
| Accounts receivable, net                              | 590,162             | 349,534             |
| Prepaid expenses and other current assets             | 69,012              | 33,058              |
| Total current assets                                  | 3,135,985           | 2,223,401           |
| Property and equipment, net                           | 12,710              | 12,652              |
| Operating lease right-of-use assets, net              | 20,788              | 23,249              |
| Intangible assets, net                                | 15,521              | 25,424              |
| Goodwill                                              | 42,174              | 42,174              |
| Other noncurrent assets                               | 11,995              | 9,695               |
| Total assets                                          | <u>\$ 3,239,173</u> | <u>\$ 2,336,595</u> |
| <b>Liabilities and stockholders' equity (deficit)</b> |                     |                     |
| Current liabilities                                   |                     |                     |
| Accounts payable                                      | \$ 62,929           | \$ 45,423           |
| Operating lease liabilities                           | 7,023               | 6,137               |
| Accrued expenses and other current liabilities        | 201,331             | 124,464             |
| Total current liabilities                             | 271,283             | 176,024             |
| Operating lease liabilities, noncurrent               | 16,191              | 20,565              |
| Other noncurrent liabilities                          | 22,661              | 9,257               |
| Total liabilities                                     | 310,135             | 205,846             |
| Commitments and contingencies                         |                     |                     |
| Stockholders' equity (deficit):                       |                     |                     |
| Preferred stock                                       | —                   | —                   |
| Class A common stock                                  | 14                  | 12                  |
| Class B common stock                                  | 5                   | 5                   |
| Class C common stock                                  | —                   | —                   |
| Additional paid-in capital                            | 3,595,772           | 3,331,546           |
| Accumulated other comprehensive income (loss)         | 4,364               | 24                  |
| Accumulated deficit                                   | (671,117)           | (1,200,838)         |
| Total stockholders' equity (deficit)                  | 2,929,038           | 2,130,749           |
| Total liabilities and stockholders' equity (deficit)  | <u>\$ 3,239,173</u> | <u>\$ 2,336,595</u> |

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

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

|                                                                                                         | Three months ended<br>December 31, |                    | Year ended<br>December 31, |                     |
|---------------------------------------------------------------------------------------------------------|------------------------------------|--------------------|----------------------------|---------------------|
|                                                                                                         | 2025                               | 2024               | 2025                       | 2024                |
| <b>Revenue</b>                                                                                          | \$ 725,607                         | \$ 427,707         | \$ 2,202,506               | \$ 1,300,205        |
| <b>Costs and expenses:</b>                                                                              |                                    |                    |                            |                     |
| Cost of revenue                                                                                         | 58,718                             | 31,845             | 194,216                    | 123,595             |
| Research and development                                                                                | 198,885                            | 188,644            | 783,145                    | 935,152             |
| Sales and marketing                                                                                     | 163,852                            | 80,516             | 503,863                    | 350,579             |
| General and administrative                                                                              | 72,324                             | 73,830             | 279,298                    | 451,447             |
| Total costs and expenses                                                                                | 493,779                            | 374,835            | 1,760,522                  | 1,860,773           |
| <b>Income (loss) from operations</b>                                                                    | 231,828                            | 52,872             | 441,984                    | (560,568)           |
| Other income (expense), net                                                                             | 22,990                             | 17,115             | 86,706                     | 75,361              |
| Income (loss) before income taxes                                                                       | 254,818                            | 69,987             | 528,690                    | (485,207)           |
| Income tax expense (benefit)                                                                            | 3,215                              | (1,049)            | (1,031)                    | (931)               |
| <b>Net income (loss)</b>                                                                                | <u>\$ 251,603</u>                  | <u>\$ 71,036</u>   | <u>\$ 529,721</u>          | <u>\$ (484,276)</u> |
| Net income (loss) per share attributable to Class A and Class B common stock                            |                                    |                    |                            |                     |
| Basic                                                                                                   | <u>\$ 1.32</u>                     | <u>\$ 0.40</u>     | <u>\$ 2.84</u>             | <u>\$ (3.33)</u>    |
| Diluted                                                                                                 | <u>\$ 1.24</u>                     | <u>\$ 0.36</u>     | <u>\$ 2.62</u>             | <u>\$ (3.33)</u>    |
| Weighted-average shares used to compute net income (loss) per share attributable to common stockholders |                                    |                    |                            |                     |
| Basic                                                                                                   | <u>189,971,813</u>                 | <u>177,484,215</u> | <u>186,383,271</u>         | <u>145,472,389</u>  |
| Diluted                                                                                                 | <u>202,932,334</u>                 | <u>199,057,762</u> | <u>202,107,978</u>         | <u>145,472,389</u>  |

# Reddit, Inc.

## Consolidated Statements of Cash Flows

(in thousands)  
(unaudited)

|                                                                                                                          | Three months ended<br>December 31, |                    | Year ended<br>December 31, |                     |
|--------------------------------------------------------------------------------------------------------------------------|------------------------------------|--------------------|----------------------------|---------------------|
|                                                                                                                          | 2025                               | 2024               | 2025                       | 2024                |
| <b>Cash flows from operating activities</b>                                                                              |                                    |                    |                            |                     |
| Net income (loss)                                                                                                        | \$ 251,603                         | \$ 71,036          | \$ 529,721                 | \$ (484,276)        |
| Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:                       |                                    |                    |                            |                     |
| Depreciation and amortization                                                                                            | 4,151                              | 4,161              | 15,948                     | 15,643              |
| Non-cash operating lease cost                                                                                            | 1,678                              | 69                 | 6,197                      | 4,110               |
| Amortization of premium (accretion of discount) on marketable securities, net                                            | (5,860)                            | (11,516)           | (28,214)                   | (43,400)            |
| Stock-based compensation expense                                                                                         | 85,178                             | 85,114             | 343,180                    | 801,646             |
| Other adjustments                                                                                                        | 180                                | (148)              | 848                        | (4,187)             |
| Changes in operating assets and liabilities:                                                                             |                                    |                    |                            |                     |
| Accounts receivable                                                                                                      | (102,602)                          | (65,366)           | (241,356)                  | (104,280)           |
| Prepaid expenses and other assets                                                                                        | (13,658)                           | (7,719)            | (37,082)                   | (19,485)            |
| Operating lease right-of-use assets and liabilities                                                                      | (1,817)                            | 291                | (7,224)                    | (2,397)             |
| Accounts payable                                                                                                         | (8,774)                            | (17,054)           | 18,166                     | (570)               |
| Accrued expenses and other liabilities                                                                                   | 56,728                             | 31,129             | 90,691                     | 59,264              |
| <b>Net cash provided by (used in) operating activities</b>                                                               | <b>\$ 266,807</b>                  | <b>\$ 89,997</b>   | <b>\$ 690,875</b>          | <b>\$ 222,068</b>   |
| <b>Cash flows from investing activities</b>                                                                              |                                    |                    |                            |                     |
| Purchases of property and equipment                                                                                      | (3,164)                            | (842)              | (6,706)                    | (6,248)             |
| Purchases of marketable securities                                                                                       | (692,993)                          | (570,988)          | (2,298,397)                | (1,996,725)         |
| Maturities of marketable securities                                                                                      | 484,917                            | 530,241            | 2,065,971                  | 1,573,602           |
| Proceeds from sale of marketable securities                                                                              | 4,862                              | —                  | 17,234                     | —                   |
| Cash paid for acquisitions, net of cash acquired                                                                         | —                                  | —                  | —                          | (17,137)            |
| Other investing activities                                                                                               | 554                                | (1,508)            | 3,009                      | 5,821               |
| <b>Net cash provided by (used in) investing activities</b>                                                               | <b>\$ (205,824)</b>                | <b>\$ (43,097)</b> | <b>\$ (218,889)</b>        | <b>\$ (440,687)</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                                                                         | 4,575                              | 26,039             | 25,075                     | 88,972              |
| Taxes paid related to net share settlement of restricted stock units                                                     | (23,533)                           | (26,467)           | (104,028)                  | (294,573)           |
| Payments of initial public offering costs                                                                                | —                                  | (275)              | —                          | (8,775)             |
| Other financing activities                                                                                               | (109)                              | —                  | (1,606)                    | (6,111)             |
| <b>Net cash provided by (used in) financing activities</b>                                                               | <b>\$ (19,067)</b>                 | <b>\$ (703)</b>    | <b>\$ (80,559)</b>         | <b>\$ 379,535</b>   |
| <b>Net increase (decrease) in cash, cash equivalents, and restricted cash</b>                                            | <b>41,916</b>                      | <b>46,197</b>      | <b>391,427</b>             | <b>160,916</b>      |
| <b>Cash, cash equivalents, and restricted cash at the beginning of the period</b>                                        | <b>911,653</b>                     | <b>515,945</b>     | <b>562,142</b>             | <b>401,226</b>      |
| <b>Cash, cash equivalents, and restricted cash at the end of the period</b>                                              | <b>\$ 953,569</b>                  | <b>\$ 562,142</b>  | <b>\$ 953,569</b>          | <b>\$ 562,142</b>   |
| Cash and cash equivalents                                                                                                | 953,569                            | 562,092            | 953,569                    | 562,092             |
| Restricted cash                                                                                                          | —                                  | 50                 | —                          | 50                  |
| <b>Total cash, cash equivalents, and restricted cash</b>                                                                 | <b>\$ 953,569</b>                  | <b>\$ 562,142</b>  | <b>\$ 953,569</b>          | <b>\$ 562,142</b>   |

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

|                                                    | Three months ended<br>December 31, |                   | Year ended<br>December 31, |                   |
|----------------------------------------------------|------------------------------------|-------------------|----------------------------|-------------------|
|                                                    | 2025                               | 2024              | 2025                       | 2024              |
| Net income (loss)                                  | \$ 251,603                         | \$ 71,036         | \$ 529,721                 | \$ (484,276)      |
| Add (deduct):                                      |                                    |                   |                            |                   |
| Interest (income) expense, net                     | (22,947)                           | (20,578)          | (86,722)                   | (78,121)          |
| Income tax expense (benefit)                       | 3,215                              | (1,049)           | (1,031)                    | (931)             |
| Depreciation and amortization                      | 4,151                              | 4,161             | 15,948                     | 15,643            |
| Stock-based compensation expense and related taxes | 91,067                             | 97,297            | 387,141                    | 842,932           |
| Other (income) expense, net                        | (43)                               | 3,463             | 16                         | 2,760             |
| Adjusted EBITDA                                    | <u>\$ 327,046</u>                  | <u>\$ 154,330</u> | <u>\$ 845,073</u>          | <u>\$ 298,007</u> |
| Net margin                                         | 34.7 %                             | 16.6 %            | 24.1 %                     | (37.2)%           |
| Adjusted EBITDA margin                             | 45.1 %                             | 36.1 %            | 38.4 %                     | 22.9 %            |

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

|                                                     | Three months ended<br>December 31, |           | Year ended<br>December 31, |            |
|-----------------------------------------------------|------------------------------------|-----------|----------------------------|------------|
|                                                     | 2025                               | 2024      | 2025                       | 2024       |
| Net cash provided by (used in) operating activities | \$ 266,807                         | \$ 89,997 | \$ 690,875                 | \$ 222,068 |
| Less:                                               |                                    |           |                            |            |
| Purchases of property and equipment                 | (3,164)                            | (842)     | (6,706)                    | (6,248)    |
| Free Cash Flow                                      | \$ 263,643                         | \$ 89,155 | \$ 684,169                 | \$ 215,820 |
| Operating cash flow margin                          | 36.8 %                             | 21.0 %    | 31.4 %                     | 17.1 %     |
| Free Cash Flow margin                               | 36.3 %                             | 20.8 %    | 31.1 %                     | 16.6 %     |

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

(in thousands)  
(unaudited)

|                                                    | Three months ended<br>December 31, |                   | Year ended<br>December 31, |                     |
|----------------------------------------------------|------------------------------------|-------------------|----------------------------|---------------------|
|                                                    | 2025                               | 2024              | 2025                       | 2024                |
| Total costs and expenses                           | \$ 493,779                         | \$ 374,835        | \$ 1,760,522               | \$ 1,860,773        |
| Less:                                              |                                    |                   |                            |                     |
| Depreciation and amortization                      | 4,151                              | 4,161             | 15,948                     | 15,643              |
| Stock-based compensation expense and related taxes | 91,067                             | 97,297            | 387,141                    | 842,932             |
| Total adjusted costs and expenses                  | <u>\$ 398,561</u>                  | <u>\$ 273,377</u> | <u>\$ 1,357,433</u>        | <u>\$ 1,002,198</u> |
| Total operating expenses                           | \$ 435,061                         | \$ 342,990        | \$ 1,566,306               | \$ 1,737,178        |
| Less:                                              |                                    |                   |                            |                     |
| Depreciation and amortization                      | 4,151                              | 4,161             | 15,948                     | 15,643              |
| Stock-based compensation expense and related taxes | 90,825                             | 97,066            | 386,266                    | 842,312             |
| Non-GAAP operating expenses                        | <u>\$ 340,085</u>                  | <u>\$ 241,763</u> | <u>\$ 1,164,092</u>        | <u>\$ 879,223</u>   |
| Research and development expenses                  | \$ 198,885                         | \$ 188,644        | \$ 783,145                 | \$ 935,152          |
| Less:                                              |                                    |                   |                            |                     |
| Depreciation and amortization                      | 2,618                              | 2,628             | 10,155                     | 9,520               |
| Stock-based compensation expense and related taxes | 55,649                             | 60,413            | 238,135                    | 464,858             |
| Non-GAAP research and development expenses         | <u>\$ 140,618</u>                  | <u>\$ 125,603</u> | <u>\$ 534,855</u>          | <u>\$ 460,774</u>   |
| Sales and marketing expenses                       | \$ 163,852                         | \$ 80,516         | \$ 503,863                 | \$ 350,579          |
| Less:                                              |                                    |                   |                            |                     |
| Depreciation and amortization                      | 1,304                              | 1,253             | 4,934                      | 4,847               |
| Stock-based compensation expense and related taxes | 11,744                             | 7,659             | 50,053                     | 87,445              |
| Non-GAAP sales and marketing expenses              | <u>\$ 150,804</u>                  | <u>\$ 71,604</u>  | <u>\$ 448,876</u>          | <u>\$ 258,287</u>   |
| General and administrative expenses                | \$ 72,324                          | \$ 73,830         | \$ 279,298                 | \$ 451,447          |
| Less:                                              |                                    |                   |                            |                     |
| Depreciation and amortization                      | 229                                | 280               | 859                        | 1,276               |
| Stock-based compensation expense and related taxes | 23,432                             | 28,994            | 98,078                     | 290,009             |
| Non-GAAP general and administrative expenses       | <u>\$ 48,663</u>                   | <u>\$ 44,556</u>  | <u>\$ 180,361</u>          | <u>\$ 160,162</u>   |

