

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

FORM 10-Q

(Mark One)

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended September 30, 2025
OR
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____
Commission File Number: 001-39497

UNITY SOFTWARE INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

27-0334803
(I.R.S. Employer
Identification No.)

116 New Montgomery Street
San Francisco, California 94105-3607
(Address, including zip code, of principal executive offices)
(415) 638-9950
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, \$0.000005 par value	U	The New York Stock Exchange

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

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

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

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

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

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

As of October 28, 2025, there were 427,912,843 shares of the registrant's common stock outstanding.

UNITY SOFTWARE INC.
FORM 10-Q
For the Quarter Ended September 30, 2025
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NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical fact, including statements regarding our future results of operations or financial condition, business strategy and plans, and objectives of management for future operations are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as "aim," "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "should," "target," "toward," "will," "would," or the negative of these words or other similar terms or expressions.

You should not rely on forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Quarterly Report on Form 10-Q primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, and operating results. Readers are cautioned that these forward-looking statements are only predictions and are subject to risks, uncertainties, and assumptions that are difficult to predict, including those identified and discussed in greater detail in "Part I, Item 1A. Risk Factors" of our Annual Report on Form 10-K filed with the SEC on February 21, 2025 and below, under "Part II, Item 1A. Risk Factors."

The results, events, and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based on information available to us as of the date of this Quarterly Report on Form 10-Q. While we believe such information provides a reasonable basis for these statements, such information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely on these statements.

The forward-looking statements made in this Quarterly Report on Form 10-Q relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q or to reflect new information, actual results, revised expectations, or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, or investments.

Additional Information

Unless the context otherwise requires, all references in this Quarterly Report on Form 10-Q to "we," "us," "our," "our company," "Unity," and "Unity Technologies" refer to Unity Software Inc. and its consolidated subsidiaries. The Unity design logos, "Unity" and our other registered or common law trademarks, service marks, or trade names appearing in this Quarterly Report on Form 10-Q are the property of Unity Software Inc. or its affiliates.

Investors and others should note that we may announce material business and financial information using our investor relations website (www.investors.unity.com), our filings with the Securities and Exchange Commission, press releases, public conference calls, and public webcasts as means of complying with our disclosure obligations under Regulation FD. We encourage investors and others interested in our company to review the information that we make available.

PART I—FINANCIAL INFORMATION
Item 1. Financial Statements

UNITY SOFTWARE INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except per share data)

(Unaudited)

	As of	
	September 30, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,898,558	\$ 1,517,672
Accounts receivable, net	600,117	573,884
Prepaid expenses and other	123,885	133,795
Total current assets	2,622,560	2,225,351
Property and equipment, net	76,626	98,819
Goodwill	3,166,304	3,166,304
Intangible assets, net	769,022	1,066,235
Other assets	148,785	180,698
Total assets	<u>\$ 6,783,297</u>	<u>\$ 6,737,407</u>
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 20,006	\$ 13,948
Accrued expenses and other	299,394	294,951
Publisher payables	397,190	394,284
Deferred revenue	225,645	186,304
Total current liabilities	942,235	889,487
Convertible notes	2,234,307	2,238,922
Long-term deferred revenue	16,749	16,846
Other long-term liabilities	135,376	165,004
Total liabilities	3,328,667	3,310,259
Commitments and Contingencies (Note 7)		
Redeemable noncontrolling interests	245,160	230,627
Stockholders' equity:		
Common stock, \$0.000005 par value:		
Authorized shares - 1,000,000 and 1,000,000		
Issued and outstanding shares - 427,778 and 409,393	2	2
Additional paid-in capital	7,257,519	6,936,038
Accumulated other comprehensive loss	(5,278)	(9,425)
Accumulated deficit	(4,048,746)	(3,735,944)
Total Unity Software Inc. stockholders' equity	3,203,497	3,190,671
Noncontrolling interest	5,973	5,850
Total stockholders' equity	3,209,470	3,196,521
Total liabilities and stockholders' equity	<u>\$ 6,783,297</u>	<u>\$ 6,737,407</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Revenue	\$ 470,615	\$ 446,517	\$ 1,346,559	\$ 1,356,156
Cost of revenue	120,332	112,054	348,500	365,316
Gross profit	<u>350,283</u>	<u>334,463</u>	<u>998,059</u>	<u>990,840</u>
Operating expenses				
Research and development	244,357	215,197	679,789	706,860
Sales and marketing	165,869	176,423	489,395	576,902
General and administrative	65,913	69,989	201,418	338,573
Total operating expenses	<u>476,139</u>	<u>461,609</u>	<u>1,370,602</u>	<u>1,622,335</u>
Loss from operations	(125,856)	(127,146)	(372,543)	(631,495)
Interest expense	(6,043)	(5,839)	(17,964)	(17,703)
Interest income and other income (expense), net	14,448	15,350	92,396	102,450
Loss before income taxes	(117,451)	(117,635)	(298,111)	(546,748)
Provision for (benefit from) Income taxes	9,377	6,913	13,989	(4,984)
Net loss	(126,828)	(124,548)	(312,100)	(541,764)
Net income (loss) attributable to noncontrolling interest and redeemable noncontrolling interests	(466)	191	702	(377)
Net loss attributable to Unity Software Inc.	<u>\$ (126,362)</u>	<u>\$ (124,739)</u>	<u>\$ (312,802)</u>	<u>\$ (541,387)</u>
Basic and diluted net loss per share attributable to Unity Software Inc.	<u>\$ (0.30)</u>	<u>\$ (0.31)</u>	<u>\$ (0.75)</u>	<u>\$ (1.38)</u>
Weighted-average shares used in computation of basic and diluted net loss per share	<u>424,296</u>	<u>398,810</u>	<u>417,919</u>	<u>392,855</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

UNITY SOFTWARE INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(In thousands)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net loss	\$ (126,828)	\$ (124,548)	\$ (312,100)	\$ (541,764)
Other comprehensive income, net of taxes:				
Change in foreign currency translation adjustment	1,353	7,412	5,247	2,558
Other comprehensive income	1,353	7,412	5,247	2,558
Comprehensive loss	<u>(125,475)</u>	<u>(117,136)</u>	<u>(306,853)</u>	<u>(539,206)</u>
Net income (loss) attributable to noncontrolling interest and redeemable noncontrolling interests	(466)	191	702	(377)
Foreign currency translation attributable to noncontrolling interest and redeemable noncontrolling interests	282	1,501	1,100	536
Comprehensive loss attributable to noncontrolling interest and redeemable noncontrolling interests	(184)	1,692	1,802	159
Comprehensive loss attributable to Unity Software Inc.	<u>\$ (125,291)</u>	<u>\$ (118,828)</u>	<u>\$ (308,655)</u>	<u>\$ (539,365)</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

UNITY SOFTWARE INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands, except share data)
(Unaudited)

Three Months Ended September 30, 2025									
	Common Stock		Additional Paid-In Capital	Other Comprehensive Loss	Accumulated Deficit	Unity Software Inc. Stockholders'		Noncontrolling Interest ⁽¹⁾	Total Equity
	Shares	Amount				Equity	Equity		
Balance at June 30, 2025	420,440,864	\$ 2	\$ 7,116,124	\$ (6,349)	\$ (3,922,384)	\$ 3,187,393	\$ 5,985	\$ 3,193,378	
Issuance of common stock from employee equity plans	4,577,455		54,082			54,082		54,082	
Issuance of common stock for settlement of RSUs	2,759,765					—		—	
Stock-based compensation expense			91,948			91,948		91,948	
Net loss					(126,362)	(126,362)	(32)	(126,394)	
Adjustments to redeemable noncontrolling interest			(4,635)			(4,635)		(4,635)	
Other comprehensive income				1,071		1,071	20	1,091	
Balance at September 30, 2025	<u>427,778,084</u>	<u>\$ 2</u>	<u>\$ 7,257,519</u>	<u>\$ (5,278)</u>	<u>\$ (4,048,746)</u>	<u>\$ 3,203,497</u>	<u>\$ 5,973</u>	<u>\$ 3,209,470</u>	
Three Months Ended September 30, 2024									
	Common Stock		Additional Paid-In Capital	Other Comprehensive Loss	Accumulated Deficit	Unity Software Inc. Stockholders'		Noncontrolling Interest ⁽¹⁾	Total Equity
	Shares	Amount				Equity	Equity		
Balance at June 30, 2024	395,444,298	\$ 2	\$ 6,682,060	\$ (8,898)	\$ (3,488,478)	\$ 3,184,686	\$ 5,834	\$ 3,190,520	
Issuance of common stock from employee equity plans	2,592,849		20,000			20,000		20,000	
Issuance of common stock for settlement of RSUs	4,540,993					—		—	
Stock-based compensation expense			107,120			107,120		107,120	
Net loss					(124,739)	(124,739)	13	(124,726)	
Adjustments to redeemable noncontrolling interest			(9,281)			(9,281)		(9,281)	
Other comprehensive income				5,911		5,911	102	6,013	
Balance at September 30, 2024	<u>402,578,140</u>	<u>\$ 2</u>	<u>\$ 6,799,899</u>	<u>\$ (2,987)</u>	<u>\$ (3,613,217)</u>	<u>\$ 3,183,697</u>	<u>\$ 5,949</u>	<u>\$ 3,189,646</u>	

⁽¹⁾ Excludes redeemable noncontrolling interests.

See accompanying Notes to Condensed Consolidated Financial Statements.

UNITY SOFTWARE INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY—CONTINUED
(In thousands, except share data)
(Unaudited)

	Nine Months Ended September 30, 2025								
	Common Stock		Additional Paid-In Capital	Other Comprehensive Loss	Accumulated Deficit	Unity Software Inc.		Noncontrolling Interest ⁽¹⁾	Total Equity
	Shares	Amount				Stockholders' Equity	Equity		
Balance at December 31, 2024	409,392,524	\$ 2	\$ 6,936,038	\$ (9,425)	\$ (3,735,944)	\$ 3,190,671	\$ 5,850	\$ 3,196,521	
Issuance of common stock from employee equity plans	8,714,707		85,476			85,476		85,476	
Issuance of common stock for settlement of RSUs	9,670,853					—		—	
Purchase of capped calls			(44,436)			(44,436)		(44,436)	
Stock-based compensation expense			293,295			293,295		293,295	
Net loss					(312,802)	(312,802)	48	(312,754)	
Adjustments to redeemable noncontrolling interest			(12,854)			(12,854)		(12,854)	
Other comprehensive income				4,147		4,147	75	4,222	
Balance at September 30, 2025	<u>427,778,084</u>	<u>\$ 2</u>	<u>\$ 7,257,519</u>	<u>\$ (5,278)</u>	<u>\$ (4,048,746)</u>	<u>\$ 3,203,497</u>	<u>\$ 5,973</u>	<u>\$ 3,209,470</u>	

	Nine Months Ended September 30, 2024								
	Common Stock		Additional Paid-In Capital	Other Comprehensive Loss	Accumulated Deficit	Unity Software Inc.		Noncontrolling Interest ⁽¹⁾	Total Equity
	Shares	Amount				Stockholders' Equity	Equity		
Balance at December 31, 2023	384,871,561	\$ 2	\$ 6,259,479	\$ (5,009)	\$ (3,071,830)	\$ 3,182,642	\$ 5,939	\$ 3,188,581	
Issuance of common stock from employee equity plans	7,009,462		57,302			57,302		57,302	
Issuance of common stock for settlement of RSUs	10,697,117					—		—	
Stock-based compensation expense			494,086			494,086		494,086	
Net loss					(541,387)	(541,387)	(26)	(541,413)	
Adjustments to redeemable noncontrolling interest			(10,968)			(10,968)		(10,968)	
Other comprehensive loss				2,022		2,022	36	2,058	
Balance at September 30, 2024	<u>402,578,140</u>	<u>\$ 2</u>	<u>\$ 6,799,899</u>	<u>\$ (2,987)</u>	<u>\$ (3,613,217)</u>	<u>\$ 3,183,697</u>	<u>\$ 5,949</u>	<u>\$ 3,189,646</u>	

(1) Excludes redeemable noncontrolling interests.

See accompanying Notes to Condensed Consolidated Financial Statements

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

	Nine Months Ended September 30,	
	2025	2024
Operating activities		
Net loss	\$ (312,100)	\$ (541,764)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	329,038	305,819
Stock-based compensation expense	292,362	485,893
Gain on repayment of convertible note	(42,744)	(61,371)
Impairment of property and equipment	4,911	22,874
Other	(4,520)	14,735
Changes in assets and liabilities, net of effects of acquisitions:		
Accounts receivable, net	(25,834)	35,463
Prepaid expenses and other	10,087	(11,949)
Other assets	30,558	4,367
Accounts payable	5,899	90
Accrued expenses and other	4,289	(15,367)
Publisher payables	2,906	(2,561)
Other long-term liabilities	(31,656)	(46,782)
Deferred revenue	38,324	13,914
Net cash provided by operating activities	301,520	203,361
Investing activities		
Purchases of non-marketable investments	(2,000)	—
Purchases of intangible assets	—	(12,860)
Purchases of property and equipment	(16,271)	(23,107)
Net cash used in investing activities	(18,271)	(35,967)
Financing activities		
Proceeds from issuance of convertible notes	690,000	—
Purchase of capped calls	(44,436)	—
Payment of debt issuance costs	(13,236)	—
Repayments of convertible note	(641,691)	(414,999)
Proceeds from issuance of common stock from employee equity plans	85,476	57,302
Net cash provided by (used in) financing activities	76,113	(357,697)
Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash	21,845	2,004
Increase (decrease) in cash, cash equivalents, and restricted cash	381,207	(188,299)
Cash, cash equivalents, and restricted cash, beginning of period	1,527,881	1,604,267
Cash, cash equivalents, and restricted cash, end of period	\$ 1,909,088	\$ 1,415,968
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 10,000	\$ 10,000
Cash paid for income taxes, net of refunds	\$ 6,868	\$ 19,341
Cash paid for operating leases	\$ 33,015	\$ 39,027
Supplemental disclosures of non-cash investing and financing activities:		
Assets acquired under operating lease	\$ 6,987	\$ 14,586

See accompanying Notes to Condensed Consolidated Financial Statements.

UNITY SOFTWARE INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Accounting Policies***Basis of Presentation and Consolidation***

We prepared the accompanying unaudited condensed consolidated financial statements in accordance with United States ("U.S.") generally accepted accounting principles ("GAAP") and applicable rules and regulations of the Securities and Exchange Commission ("SEC") for interim financial reporting. The condensed consolidated financial statements include the accounts of Unity Software Inc., its wholly owned subsidiaries, and entities consolidated under the voting interest model. We have eliminated all intercompany balances and transactions. Certain information and footnote disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. In our opinion, all adjustments, which include normal recurring adjustments necessary for a fair presentation, have been included. The results of operations for the periods presented are not necessarily indicative of the results to be expected for the full year or other periods. The unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes included in our 2024 Annual Report on Form 10-K.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with GAAP requires management to make certain estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates, and such differences could be material to our financial position and results of operations.

We review the useful lives of assets with a finite life on a recurring basis. Effective July 1, 2025, we revised our estimate of the remaining useful life for certain intangible assets from four to seven years, down to one to three years. These assets are included in "Intangible assets, net" on our consolidated balance sheets, are primarily "developed technology" within intangible assets, and primarily relate to assets arising from our acquisition of Wētā FX Limited in 2021. The shortened useful lives are due to certain assets no longer being actively developed and absence of currently established plans for incorporation into future Unity offerings. The effect of this change in estimate for both the three and nine months ended September 30, 2025, was an increase in amortization expense and decrease in operating income of approximately \$39 million, an increase in net loss of approximately \$30 million, and an increase in our basic and diluted net loss per share of approximately \$0.08 per share.

Employee Separation and Restructuring Costs

In the nine months ended September 30, 2025, we incurred incremental employee separation costs of approximately \$23 million, primarily within sales and marketing and research and development. In the nine months ended September 30, 2024, we incurred incremental employee separation costs of approximately \$205 million, which included \$127 million of incremental stock-based compensation. Of the incremental employee separation costs we incurred in the nine months ended September 30, 2024, \$15 million are within cost of revenue, \$46 million are within research and development, \$52 million are within sales and marketing, and \$92 million are within general and administrative. Additionally, for the nine months ended September 30, 2025 and 2024, we incurred \$16 million and \$45 million, respectively, of other restructuring costs, primarily related to office closures.

Recent Accounting Pronouncements Not Yet Adopted

In July 2025, the FASB issued a new Accounting Standards Update ("ASU 2025-05") amending the guidance around estimation of credit losses on current accounts receivable and current contract assets to

allow entities to elect a practical expedient to assume that the current conditions as of the balance sheet date will remain unchanged for the remaining life of the asset when developing a reasonable and supportable forecast. ASU 2025-05 is effective for annual reporting periods beginning after December 15, 2025, with early adoption permitted and should be applied on a prospective basis. We are currently evaluating ASU 2025-05 to determine its impact on our financial statements.

In September 2025, the FASB issued a new Accounting Standards Update ("ASU 2025-06") amending existing internal-use software guidance, changing the timing and thresholds for capitalizing these software costs. ASU 2025-06 is effective for annual reporting periods beginning after December 15, 2027, with early adoption permitted and can be applied on either a prospective, modified, or retrospective basis. We are currently evaluating ASU 2025-06 to determine its impact on our financial statements.

2. Revenue

The following table presents our revenue disaggregated by source, which also have similar economic characteristics (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Create Solutions	\$ 152,359	\$ 147,369	\$ 456,519	\$ 461,816
Grow Solutions	318,256	299,148	890,040	894,340
Total revenue	\$ 470,615	\$ 446,517	\$ 1,346,559	\$ 1,356,156

The following table presents our revenue disaggregated by geography, based on the invoice address of our customers (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
United States	\$ 130,741	\$ 128,114	\$ 379,396	\$ 398,076
Greater China ⁽¹⁾	90,458	65,679	239,235	187,432
EMEA ⁽²⁾	147,953	157,369	441,262	488,203
APAC ⁽³⁾	89,359	81,691	252,735	246,846
Other Americas ⁽⁴⁾	12,104	13,664	33,931	35,599
Total revenue	\$ 470,615	\$ 446,517	\$ 1,346,559	\$ 1,356,156

⁽¹⁾ Greater China includes China, Hong Kong, and Taiwan.

⁽²⁾ Europe, the Middle East, and Africa ("EMEA")

⁽³⁾ Asia-Pacific, excluding Greater China ("APAC")

⁽⁴⁾ Canada and Latin America ("Other Americas")

Accounts Receivable, Net

Accounts receivable are recorded at the original invoiced amount, net of allowances for uncollectible amounts. We estimate losses on uncollectible amounts based on expected losses, including our historical experience of actual losses. The estimated losses on uncollectible amounts are recorded in general and administrative expense on our condensed consolidated statements of operations. As of September 30, 2025 and December 31, 2024, the allowance for uncollectible amounts was \$11.4 million and \$17.3 million, respectively. For the nine months ended September 30, 2025 and 2024, the provision for uncollectible amounts was \$0.9 million and \$6.5 million, respectively.

Sales Commissions

Sales commissions that have a benefit beyond one year are capitalized and amortized on a straight-line method over the expected period of benefit, which is generally three years. As of September 30, 2025, capitalized commissions, net of amortization, included in prepaid expenses and

other and other assets were \$5.8 million and \$3.2 million, respectively. As of December 31, 2024, capitalized commissions, net of amortization, included in prepaid expenses and other and other assets were \$6.5 million and \$5.4 million, respectively.

During the three and nine months ended September 30, 2025, we recorded amortization costs of \$1.7 million and \$5.5 million in sales and marketing expenses, as compared to \$2.2 million and \$6.9 million during the three and nine months ended September 30, 2024. We did not incur any impairment losses for the nine months ended September 30, 2025 and 2024.

Contract Balances and Remaining Performance Obligations

Contract assets (unbilled receivables), primarily included in accounts receivable, net, are recorded when revenue is earned in advance of customer billing schedules. Unbilled receivables totaled \$19.7 million and \$20.5 million as of September 30, 2025 and December 31, 2024, respectively. The long term portion of those unbilled receivables was included in other long-term assets on our consolidated balance sheets, and was not material as of September 30, 2025 and December 31, 2024.

Contract liabilities (deferred revenue) relate to payments received in advance of performance under the contract. Revenue recognized during the nine months ended September 30, 2025 that was included in the deferred revenue balances at January 1, 2025 was \$160 million.

Additionally, we have performance obligations associated with commitments in customer contracts to perform in the future that had not yet been recognized in our consolidated financial statements. For contracts with original terms that exceed one year, those commitments not yet recognized as of September 30, 2025, were \$441 million and relate primarily to Create Solutions subscriptions, Enterprise Support, and Strategic Partnerships. These commitments generally extend over the next one to five years and we expect to recognize approximately \$197 million or 45% of this revenue during the next 12 months.

3. Financial Instruments

Cash, Cash Equivalents, and Restricted Cash

Cash, cash equivalents, and restricted cash are recorded at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. To increase the comparability of fair value measures, the following hierarchy prioritizes the inputs to valuation methodologies used to measure fair value:

- Level 1—Valuations based on quoted prices in active markets for identical assets or liabilities.
- Level 2—Valuations based on quoted prices for similar assets and liabilities in active markets or inputs that are observable for the assets or liabilities, either directly or indirectly through market corroboration.
- Level 3—Valuations based on unobservable inputs reflecting our own assumptions used to measure assets and liabilities at fair value. These valuations require significant judgment.

The following table summarizes, by major security type, our cash, cash equivalents, and restricted cash that are measured at fair value on a recurring basis and are categorized using the fair value hierarchy (in thousands):

	September 30, 2025		December 31, 2024	
	Fair Value ⁽¹⁾			
Cash	\$	793,660	\$	995,802
Level 1:				
Restricted cash and cash equivalents:				
Restricted cash	\$	10,530	\$	10,209
Money market funds		401,902		327,333
Time deposits		702,996		194,537
Total restricted cash and cash equivalents	\$	1,115,428	\$	532,079
Total cash, cash equivalents, and restricted cash	\$	1,909,088	\$	1,527,881

⁽¹⁾ Due to the highly liquid nature of our investments, amortized cost approximates fair value.

Nonrecurring Fair Value Measurements

We hold equity investments in certain unconsolidated entities without a readily determinable fair value. These strategic investments represent less than a 20% ownership interest in each of the entities, and we do not have significant influence over or control of the entities. We use the measurement alternative to account for adjustments to these investments for observable transactions for the same or similar investments of the same issuer in any given quarter. If we determine an impairment has occurred, the investment is written down to the estimated fair value. As of September 30, 2025 and December 31, 2024, such equity investments totaled \$35.0 million and \$33.0 million, respectively. No material adjustments to the carrying value of these equity investments were recorded for the three and nine months ended September 30, 2025 and 2024.

4. Investment in Unity China

The results of Unity China, of which third-party investors hold a 20.5% ownership interest, are included in our condensed consolidated financial statements. Under certain conditions we may be required to repurchase the third-party interest in Unity China. The redeemable noncontrolling interests in Unity China are recorded as temporary equity on our condensed consolidated balance sheet.

The following table presents the changes in redeemable noncontrolling interests (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,					
	2025	2024	2025	2024				
Balance at beginning of period	\$	240,697	\$	226,056	\$	230,627	\$	225,797
Net gain/(loss) attributable to redeemable noncontrolling interests		(434)		178		654		(351)
Accretion for redeemable noncontrolling interests		3,410		2,698		8,001		8,640
Foreign currency translation and foreign exchange adjustments for redeemable noncontrolling interests		1,487		7,982		5,878		2,828
Balance at end of period	\$	245,160	\$	236,914	\$	245,160	\$	236,914

5. Leases

We have operating leases for offices, which have remaining lease terms of up to eight years.

Components of lease expense were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Operating lease expense	\$ 8,661	\$ 10,695	\$ 24,233	\$ 31,527
Variable lease expense	1,680	1,395	4,254	4,613
Sublease income	(1,148)	(671)	(2,661)	(1,467)
Total lease expense	\$ 9,193	\$ 11,419	\$ 25,826	\$ 34,673

Supplemental balance sheet information related to leases was as follows (in thousands, except weighted-average figures):

	Classification	As of	
		September 30, 2025	December 31, 2024
Operating lease assets	Other assets	\$ 58,407	\$ 78,562
Current operating lease liabilities	Accrued expenses and other	\$ 29,463	\$ 33,703
Long-term operating lease liabilities	Other long-term liabilities	65,893	81,093
Total operating lease liabilities		\$ 95,356	\$ 114,796

As of September 30, 2025 and December 31, 2024, our operating leases had a weighted-average remaining lease term of 4.1 years and 4.3 years, respectively, and a weighted-average discount rate of 5.5% and 5.4%, respectively. During the nine months ended September 30, 2024, we recorded \$12.2 million of impairment charges on operating lease assets, primarily within general and administrative.

As of September 30, 2025, our lease liabilities were as follows (in thousands):

	Operating Leases
Gross lease liabilities	\$ 106,143
Less: imputed interest	10,787
Present value of lease liabilities	\$ 95,356

6. Borrowings

Convertible Notes

In February 2025, we issued an aggregate of \$690 million principal amount of 0% Convertible Senior Notes due 2030 (the "2030 Notes"). Proceeds from the issuance of the 2030 Notes were \$677 million, net of debt issuance costs and the cash was used to purchase capped call transactions, and repurchase convertible notes as discussed below. The debt issuance costs are amortized to interest expense using the straight-line method, which approximates the effective interest method.

As of September 30, 2025, we had \$2.2 billion of unsecured convertible notes outstanding including \$690 million of the 2030 Notes, \$1.0 billion issued in November 2022 (the "2027 Notes"), \$558 million issued in November 2021 (the "2026 Notes", together with the 2027 Notes and 2030 Notes, the "Notes"). The table below summarizes the principal and unamortized debt issuance costs and other material features of the Notes (in thousands):

	Conversion Rate per \$1,000 Principal	Conversion Price	Maturities	Stated Interest Rates	Carrying Amount as of	
					September 30, 2025	December 31, 2024
Convertible notes:						
Principal – 2026 Notes	3.2392	\$ 308.72	2026	0.0%	\$ 557,724	\$ 1,245,232
Principal – 2027 Notes	20.4526	\$ 48.89	2027	2.0%	1,000,000	1,000,000
Principal – 2030 Notes	27.6656	\$ 36.15	2030	0.0%	690,000	—
Unamortized debt issuance costs, net					(13,417)	(6,310)
Net carrying amount					\$ 2,234,307	\$ 2,238,922

1) We entered into capped call transactions in connection with the 2026 and 2030 Notes. The cap price of the capped call transactions relating to the Notes was initially \$343.02 and \$47.74, respectively, subject to certain adjustments under the terms of the capped call transactions. See below “--Capped Call Transactions.”

Interest on the Notes is payable semi-annually in arrears. The combined interest expense on the Notes related to regular interest and the amortization of debt issuance cost was \$6.1 million and \$18.0 million for the three and nine months ended September 30, 2025, respectively, and \$5.8 million and \$17.7 million for the three and nine months ended September 30, 2024, respectively.

As of September 30, 2025, the estimated fair value of the 2030 Notes was approximately \$1.0 billion. As of September 30, 2025 and December 31, 2024, the estimated fair value of the 2027 Notes was approximately \$1.2 billion and \$1.0 billion, respectively, and the estimated fair value of the 2026 Notes was approximately \$531 million and \$1.1 billion, respectively. The fair value of the 2027 Notes was based on a combination of a discounted cash flow and Black-Scholes option-pricing model. The fair value of the 2030 Notes and 2026 Notes was based on quoted prices as of that date.

The 2027 Notes may be converted at the election of the holders thereof at any time prior to maturity. The 2026 Notes and 2030 Notes are convertible at the option of the respective holders thereof if a conversion condition applicable to such series of Notes is triggered. During the three and nine months ended September 30, 2025, none of the conversion conditions of the 2026 Notes or the 2030 Notes were triggered, and the 2026 Notes were not convertible as of September 30, 2025.

Any such conversion of the Notes noted above, may be satisfied at our election with either cash, shares of our common stock, or a combination of cash and shares of our common stock. The conversion rates for the Notes are subject to customary adjustments for certain events as described in the relevant indenture governing the Notes.

The Notes are subject to additional terms. In connection with certain corporate events, as described in the indentures governing the Notes, we will increase the conversion rate for a holder of the applicable series of Notes who elects to convert those Notes in connection with the event. Additionally, upon the occurrence of certain corporate events and subject to certain exceptions, as described in the indenture governing the applicable series of Notes, holders of those Notes may require us to repurchase all or a portion of their notes at a price equal to 100% of the principal amount to be repurchased, plus any accrued and unpaid interest to date. The 2026 Notes and 2030 Notes are also redeemable at our option if certain conditions are met, as described in the indentures governing the 2026 Notes and 2030 Notes respectively.

As of September 30, 2025, no holders of the Notes have exercised the conversion rights, and the if-converted value of the Notes did not exceed the principal amount.

Convertible Note Repurchase

During the first quarter of 2025, and the first quarter of 2024, the Company repurchased in privately negotiated transactions and extinguished a portion of the 2026 Notes, with a total principal balance of \$688 million and \$480 million, respectively. The aggregate repurchase price for these notes was \$642 million and \$415 million, respectively, resulting in pre-tax gains of \$42.7 million and \$61.4 million, net of

the write-off of unamortized issuance costs, respectively. These gains were included in Interest income and other income (expense), net, in the condensed consolidated statement of operations.

Capped Call Transactions

We entered into capped call transactions (the "Capped Call Transactions"), to reduce the potential dilutive effect of the 2026 Notes (the "2026 Capped Call Transactions"), and 2030 Notes (the "2030 Capped Call Transactions"), in connection with their pricing. The 2026 Capped Call Transactions, and the 2030 Capped Call Transactions, had net costs of \$48.1 million and \$44.4 million, respectively, with call options totaling approximately 5.6 million and 19.1 million of our common stock, and with expiration dates ranging from September 18, 2026 to November 12, 2026, and January 15, 2030 to March 13, 2030, respectively. The strike price of the 2026 Capped Call Transactions, and the 2030 Capped Call Transactions are \$308.72 and \$36.15, respectively, and the cap prices are initially \$343.02 and \$47.74 per share, respectively, subject to adjustments in certain circumstances. The Capped Call Transactions are freestanding, are considered separately exercisable from the 2026 Notes and 2030 Notes, and meet the conditions for equity classification.

7. Commitments and Contingencies

The following table summarizes our non-cancelable contractual commitments as of September 30, 2025 (in thousands):

	Total	Remainder of 2025	2026-2027	2028-2029	Thereafter
Operating leases ⁽¹⁾	\$ 124,279	\$ 11,107	\$ 59,893	\$ 35,378	\$ 17,901
Purchase commitments ⁽²⁾	811,568	174,531	380,700	256,337	—
Convertible note principal and interest ⁽³⁾	2,297,724	10,000	1,597,724	—	690,000
Total	\$ 3,233,571	\$ 195,638	\$ 2,038,317	\$ 291,715	\$ 707,901

⁽¹⁾ Operating leases consist of obligations for real estate, including leases that are not yet commenced or reflected on our consolidated balance sheet with future minimum lease payments of \$18.1 million. These leases will commence in 2025 with lease terms of approximately three to seven years.

⁽²⁾ The substantial majority of our purchase commitments are related to agreements with our data center hosting providers.

⁽³⁾ Convertible notes due 2026, 2027, and 2030. See Note 6, "Borrowings," above for further discussion.

We expect to meet our remaining commitments.

Legal Matters

In the normal course of business, we are subject to various legal matters. We accrue a liability when management believes that it is both probable that a liability has been incurred and the amount of loss can be reasonably estimated. We also disclose material contingencies when we believe a loss is not probable but reasonably possible. Legal costs related to such potential losses are expensed as incurred. In addition, recoveries are shown as a reduction in legal costs in the period in which they are realized. With respect to our outstanding matters, based on our current knowledge, we believe that the resolution of such matters will not, either individually or in aggregate, have a material adverse effect on our business or our condensed consolidated financial statements. However, litigation is inherently uncertain, and the outcome of these matters cannot be predicted with certainty. Accordingly, cash flows or results of operations could be materially affected in any particular period by the resolution of one or more of these matters. From time to time, we may be subject to other legal proceedings and claims arising in the ordinary course of business.

Indemnifications

In the ordinary course of business, we may provide indemnifications of varying scope and terms to customers, vendors, lessors, investors, directors, officers, employees and other parties with respect to certain matters. Indemnification may include losses from our breach of such agreements, services we

provide, or third-party intellectual property infringement claims. These indemnifications may survive termination of the underlying agreement and the maximum potential amount of future indemnification payments may not be subject to a cap. As of September 30, 2025, there were no known events or circumstances that have resulted in a material indemnification liability to us and we did not incur material costs to defend lawsuits or settle claims related to these indemnifications.

Letters of Credit

We had \$10.5 million and \$10.2 million of secured letters of credit outstanding as of September 30, 2025 and December 31, 2024, respectively. These primarily relate to our office space leases and are fully collateralized by certificates of deposit which we record in restricted cash as other assets on our condensed consolidated balance sheets.

8. Stock-Based Compensation

Stock-based compensation expense is as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Cost of revenue	\$ 9,111	\$ 10,334	\$ 28,084	\$ 35,051
Research and development	46,061	58,582	147,706	203,228
Sales and marketing	17,894	21,885	57,063	108,138
General and administrative	18,902	13,816	59,509	139,476
Total stock-based compensation expense	\$ 91,968	\$ 104,617	\$ 292,362	\$ 485,893

Included in the above expenses for the nine months ended September 30, 2024, is \$94 million of incremental stock-based compensation expense from modifications, primarily within general and administrative. These amounts predominately relate to the modification of awards held by the founders of ironSource Ltd. that departed in the first quarter of 2024.

Stock Options

A summary of our stock option, including price-vested options ("PVO"), activity is as follows:

	Options Outstanding		
	Stock Options Outstanding	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (In Years)
Balance as of December 31, 2024	23,158,212	\$ 21.10	4.24
Granted	206,244	\$ 24.72	
Exercised	(7,581,636)	\$ 8.81	
Forfeited, cancelled, or expired	(1,388,140)	\$ 46.72	
Balance as of September 30, 2025	14,394,680	\$ 25.15	4.64

Restricted Stock Units

A summary of our restricted stock units ("RSU"), including price-vested units ("PVU"), and performance-based restricted stock units ("PSU"), activity is as follows:

	Unvested RSUs	
	Number of Shares	Weighted-Average Grant-Date Fair Value
Unvested as of December 31, 2024	30,013,275	\$ 26.03
Granted	14,140,701	\$ 23.59
Vested	(9,588,758)	\$ 29.18
Forfeited	(6,264,133)	\$ 23.90
Unvested as of September 30, 2025	28,301,085	\$ 24.21

Price-Vested Units and Price-Vested Options

The vesting for each of the PVOs and PVUs is subject to the fulfillment of both a service period that extends up to four years and the achievement of a stock price hurdle during the relevant performance period that extends up to six and seven years, respectively. The fair value of each PVO and PVU award is estimated using a Monte Carlo simulation that uses assumptions determined on the date of grant. During the three and nine months ended September 30, 2025, the price hurdle on 420,000 outstanding PVO units were met, resulting in those units vesting. No other outstanding options or units, which had not already met their price hurdle in a prior period, attained their price hurdle in this period.

Performance-Based Restricted Stock Units

Starting in the first quarter of 2025, we have issued PSUs to certain executives as part of their compensation. The vesting for each PSU is subject to the fulfillment of both a service period of 3 years, and the level of achievement of certain performance goals (revenue and EBITDA metrics), over three annual performance periods ("tranche"). These goals are set as a range of target outcomes, in the first quarter of each year, and can be attained at a rate between 0% and 150%, based on where in the range the final results fall. The fair value of each PSU is estimated separately for each tranche of the award, using the closing price of Unity's common stock on the day the performance goals are set for that tranche. The expense is the fair value of the award multiplied by the expected attainment of the related performance goals as of the balance sheet date, recognized ratably for each tranche over the period between the day the performance goal is set, and the end of the service period. The expense is adjusted each period for any changes in the expected attainment of the performance goals.

Fair Value Assumptions

The calculated grant-date fair value of stock options, PVUs, and PVOs granted, were estimated using the Black-Scholes option-pricing model for stock options, and a Monte Carlo stimulation for the PVUs and PVOs, with the following assumptions:

	Three Months Ended September 30,	Nine Months Ended September 30,	
	2024	2025	2024
Expected dividend yield	—	—	—
Risk-free interest rate	3.5% - 4.2%	4.1%	3.5% - 4.4%
Expected volatility	60.0% - 67.3%	69.5%	60.0% - 67.3%
Expected term (in years)	6.25 - 10.00	6.25	6.25 - 10.00
Fair value of underlying common stock	\$15.60 - \$16.75	\$24.72	\$15.60 - \$26.89

Employee Stock Purchase Plan

The fair value of shares offered under our Employee Stock Purchase Plan ("ESPP") was determined on the grant date using the Black-Scholes option pricing model. The following table summarizes the assumptions used and the resulting grant-date fair values of our ESPP:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Expected dividend yield	—	—	—	—
Risk-free interest rate	4.0%	4.9%	4.0% - 4.3%	4.9% - 5.3%
Expected volatility	72.4%	49.3%	72.4% - 73.4%	49.3% - 56.0%
Expected term (in years)	0.50	0.50	0.50	0.50
Grant-date fair value per share	\$14.03	\$4.82	\$9.26 - \$14.03	\$4.82 - \$9.11

Additional information related to the ESPP is provided below (in thousands, except per share amounts):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Shares issued under the ESPP	438,133	610,458	1,132,006	1,161,604
Weighted-average price per share issued	\$20.14	\$13.91	\$16.49	\$19.13

9. Income Taxes

Our tax provision for interim periods is determined using an estimated annual effective tax rate, adjusted for discrete items arising in that quarter. In each quarter, we update the estimated annual effective tax rate and make a year-to-date adjustment to the provision. The estimated annual effective tax rate is subject to volatility due to several factors, including variability in accurately predicting our pre-tax income or loss and the mix of jurisdictions to which they relate, intercompany transactions, changes in how we do business, and tax law developments.

Our effective tax rate for the three and nine months ended September 30, 2025 differs from the U.S. federal statutory tax rate of 21% primarily due to the need to record a valuation allowance on U.S. losses and to a lesser extent tax expense on foreign earnings taxed at different rates. Our effective tax rate for the three and nine months ended September 30, 2024 differed from the U.S. federal statutory tax rate of 21% primarily due to the need to record a valuation allowance in the U.S. on losses, a tax benefit on foreign losses in connection with employee separation costs, and to a lesser extent, tax expense on foreign earnings taxed at different rates. In addition, during the first quarter of 2024, the Company restructured its tax operations which resulted in a reduction to the U.S. valuation allowance.

The realization of deferred tax assets is dependent upon the generation of sufficient taxable income of the appropriate character in future periods. We regularly assess the ability to realize our deferred tax assets and establish a valuation allowance if it is more-likely-than-not that some portion of the deferred tax assets will not be realized. In performing this assessment with respect to each jurisdiction, we review all available positive and negative evidence. Primarily due to our history of losses, we believe that it is more likely than not that the deferred tax assets of our U.S. federal, certain U.S. states, Denmark, U.K., and other non-U.S. jurisdictions will not be realized and we have maintained a full valuation allowance against such deferred tax assets.

As of September 30, 2025, we had \$182.9 million of gross unrecognized tax benefits, of which \$34.3 million would impact the effective tax rate, if recognized. It is reasonably possible that the amount of unrecognized tax benefits as of September 30, 2025 could increase or decrease significantly as the timing of the resolution, settlement, and closure of audits is highly uncertain. We believe that we have adequately provided for any reasonably foreseeable outcome related to our tax audits and that any settlement will not have a material impact on our financial condition and operating results at this time.

10. Net Loss per Share of Common Stock

Basic and diluted net loss per share is the same for all periods presented because the effects of potentially dilutive items were antidilutive given our net loss in each period.

The following table presents potentially dilutive common stock excluded from the computation of diluted net loss per share (in thousands) because the impact of including them would have been antidilutive:

	As of September 30,	
	2025	2024
Convertible notes	41,348	24,488
Stock options and PVOs	14,395	26,235
Unvested RSUs, PVUs, and PSUs	28,301	34,952

11. Segment Information

We have one reportable segment, software solutions. See "Revenue Recognition" in Note 1 of our 2024 Annual Report on Form 10-K, for detailed information regarding our products and services.

Our chief operating decision maker is the chief executive officer, who on a consolidated basis, assess the performance of, drives improvements in, and decides how to allocate resources in the reportable segment, based on multiple measures of performance including consolidated net income, adjusted EBITDA, adjusted gross margin, and adjusted EPS. As such, consolidated net income, which is reported and reconciled with all significant segment expenses on our consolidated statement of operations, is the measure that is most consistent with GAAP, while adjusted EBITDA, adjusted gross margin, and adjusted EPS are additional measures of our segment profitability.

The measure of segment assets is reported on the balance sheet as total consolidated assets. We do not have material intra-entity sales or transfers.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Please read the following discussion and analysis of our financial condition and results of operations together with our condensed consolidated financial statements and related notes included under Part I, Item 1 of this Quarterly Report on Form 10-Q. The following discussion and analysis contains forward-looking statements that involve risks and uncertainties. Forward-looking statements are statements that attempt to forecast or anticipate future developments in our business, financial condition, or results of operations. When reviewing the discussion below, you should keep in mind the substantial risks and uncertainties that could impact our business. In particular, we encourage you to review the risks and uncertainties described in "Part I, Item 1A. Risk Factors" of our Annual Report on Form 10-K filed with the SEC on February 21, 2025 and "Part II, Item 1A. Risk Factors" included elsewhere in this report. These risks and uncertainties could cause actual results to differ materially from those projected in forward-looking statements contained in this report or implied by past results and trends. Forward-looking statements, like all statements in this report, speak only as of their date (unless another date is indicated), and we undertake no obligation to update or revise these statements in light of future developments. See the section titled "Note Regarding Forward-Looking Statements and Risk Factor Summary" in this report.

Overview

Unity offers a suite of tools to develop, deploy, and grow games and interactive experiences across all major platforms from mobile, PC, and console, to extended reality (XR).

Our platform consists of two complementary sets of solutions: Create Solutions and Grow Solutions. Starting in the fourth quarter of 2023, we began to reset our product and service offerings to focus on our core businesses, which we refer to as our "Strategic Portfolio": the Unity Engine and related consumption services, and Monetization.

Recent Developments in Our Business

In the nine months ended September 30, 2025, we had reductions to our workforce and our office footprint, that resulted in approximately \$23 million in employee separation costs, and \$16 million of non-employee charges associated with these reductions. We will continue to evaluate our facility needs.

For additional details, refer to the section titled "Risk Factors."

Key Metrics

As further discussed in Item 2 of Part I, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K, we monitor the following key metrics to help us evaluate the health of our business, identify trends affecting our growth, formulate goals and objectives, and make strategic decisions. We have revised and restated these metrics to include inputs from our Strategic Portfolio only.

Customers Contributing More Than \$100,000 of Revenue

We had 1,338 and 1,242 customers contributing more than \$100,000 of revenue in the trailing 12 months as of September 30, 2025 and 2024, respectively. The year over year increase was a result of our subscription revenue growth, and increased advertising spend in Grow Solutions. While these customers represented the substantial majority of revenue for the nine months ended September 30, 2025 and 2024, respectively, no one customer accounted for more than 10% of our revenue for either period.

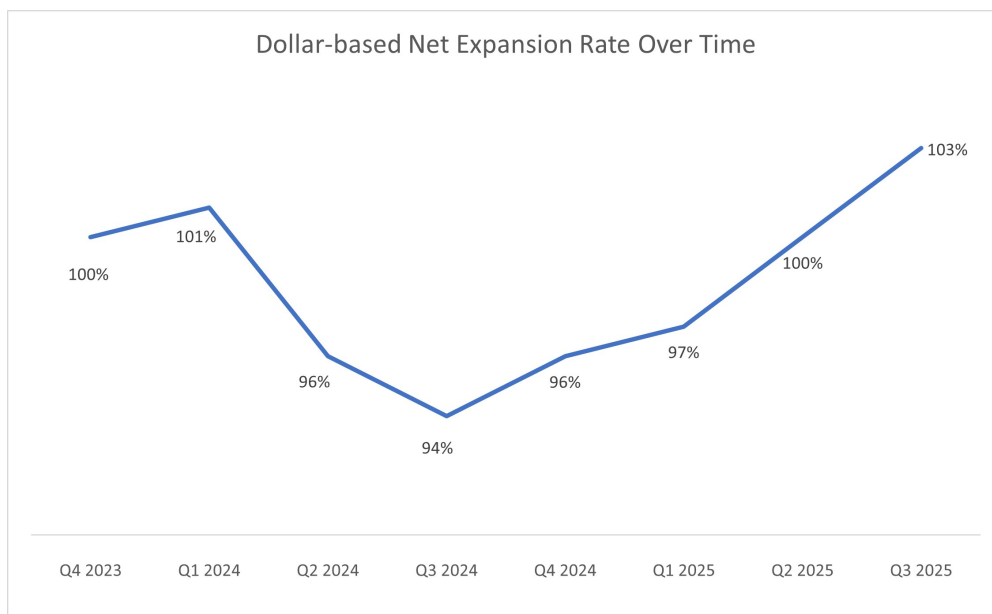
Dollar-Based Net Expansion Rate

Our ability to drive growth and generate incremental revenue depends, in part, on our ability to maintain and grow our relationships with our Create and Grow Solutions customers and to increase their use of our platform. We track our performance by measuring our dollar-based net expansion rate, which compares our Create and Grow Solutions revenue, excluding Strategic Partnerships and Supersonic, from the same set of customers across comparable periods, calculated on a trailing 12-month basis.

	As of	
	September 30, 2025	September 30, 2024
Dollar-based net expansion rate	103 %	94 %

Our dollar-based net expansion rate as of September 30, 2025 was driven primarily by growth in subscriptions revenue, due to broad price increases in our subscription services and existing Create Solutions customers upgrading to enterprise offerings. Our dollar-based net expansion rate as of September 30, 2024 was driven primarily by decreases in Grow Solutions revenue, due to competition in the advertising market, offset by growth in subscriptions revenue. The increase in dollar-based net expansion rate, compared to the comparable prior year period, is primarily attributable to reduced declines in Grow Solutions revenue, as noted above.

The chart below illustrates that our dollar-based net expansion rate has been increasing over the last year.



Results of Operations

The following table summarizes our consolidated statements of operations data for the periods indicated (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Revenue	\$ 470,615	\$ 446,517	\$ 1,346,559	\$ 1,356,156
Cost of revenue	120,332	112,054	348,500	365,316
Gross profit	350,283	334,463	998,059	990,840
Operating expenses				
Research and development	244,357	215,197	679,789	706,860
Sales and marketing	165,869	176,423	489,395	576,902
General and administrative	65,913	69,989	201,418	338,573
Total operating expenses	476,139	461,609	1,370,602	1,622,335
Loss from operations	(125,856)	(127,146)	(372,543)	(631,495)
Interest expense	(6,043)	(5,839)	(17,964)	(17,703)
Interest income and other income (expense), net	14,448	15,350	92,396	102,450
Loss before income taxes	(117,451)	(117,635)	(298,111)	(546,748)
Provision for (benefit from) Income taxes	9,377	6,913	13,989	(4,984)
Net loss	\$ (126,828)	\$ (124,548)	\$ (312,100)	\$ (541,764)

The following table sets forth the components of our condensed consolidated statements of operations data as a percentage of revenue for the periods indicated:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Revenue	100 %	100 %	100 %	100 %
Cost of revenue	26	25	26	27
Gross profit	74	75	74	73
Operating expenses				
Research and development	52	48	51	52
Sales and marketing	35	40	36	43
General and administrative	14	15	15	25
Total operating expenses	101	103	102	120
Loss from operations	(27)	(28)	(28)	(47)
Interest expense	(1)	(1)	(1)	(1)
Interest income and other income (expense), net	3	3	7	8
Loss before income taxes	(25)	(26)	(22)	(40)
Provision for (benefit from) Income taxes	2	2	1	—
Net loss	(27)%	(28)%	(23)%	(40)%

Revenue

Create Solutions

We generate Create Solutions revenue primarily through our suite of Create Solutions subscriptions inclusive of enterprise support, professional services, and consumption services. Our subscriptions provide customers access to technologies that allow them to edit, run, and iterate interactive, RT3D and

2D experiences that can be created once and deployed to a variety of platforms. Enhanced support services are provided to our enterprise customers and are generally sold separately from the Create Solutions subscriptions. Professional services are provided to our customers and include consulting, platform integration, training, and custom application and workflow development. Cloud and hosting services are provided to our customers to simplify and enhance the way our users access and harness our solutions.

Grow Solutions

We generate Grow Solutions revenue primarily through our monetization solutions and game publishing services. Our monetization solutions allow publishers, original equipment manufacturers, and mobile carriers to sell available advertising inventory on their mobile applications or hardware devices to advertisers for in-application or on-device placements. Our revenue represents the amount we retain from the transaction we are facilitating through our Unified Auction and mediation platform. Our game publishing services provide game developers with the infrastructure and expertise to launch their mobile games and manage their growth; this is achieved through marketability testing tools, live games management tools and game design support, and optimizing the implementation of the customer's commercial model. Through these publishing services, we generate revenue from in-app advertising in published games and in some cases, in-app purchase revenue.

Our total revenue is summarized as follows (in thousands):

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2025	2024	2025	2024
Create Solutions	152,359	147,369	456,519	461,816
Grow Solutions	318,256	299,148	890,040	894,340
Total revenue	\$ 470,615	\$ 446,517	\$ 1,346,559	\$ 1,356,156

Included in revenue in the nine months ended September 30, 2025 and 2024, are approximately \$24 million and \$75 million, respectively, of revenue associated with non-strategic portfolio, primarily in Create Solutions. We expect that these amounts will decline further through the remainder of 2025.

Total revenue increased in the three months ended September 30, 2025, compared to the comparable prior year period, primarily due to an increase in Grow Solutions revenue driven by migrating one of our advertising networks, which we call the "Unity Ad Network", to our new AI Platform, which we call "Unity Vector". The increase in total revenue was further driven by an increase in Create Solutions revenue, driven by increases in subscription revenue, offset by decreases in consumption services revenue, driven by our portfolio reset.

Total revenue decreased in the nine months ended September 30, 2025, compared to the comparable prior year period, primarily due to a decrease in Create Solutions revenue, driven by decreases in professional services and consumption services revenue, driven by our portfolio reset, offset by increases in subscription revenue, and a sale of a term license for approximately \$12 million in the second quarter of 2025. The decrease in total revenue was further driven by a decrease in Grow Solutions revenue driven by changes in customer demand, competition, and resource allocation decisions, partially offset by the migration to Unity Vector.

Cost of Revenue, Gross Profit, and Gross Margin

Cost of revenue consists primarily of personnel costs (including salaries, benefits, and stock-based compensation) for employees and subcontractors associated with our product support and professional services organizations, hosting expenses, the amortization of intangible assets, and direct costs associated with our advertising offerings.

Gross profit, or revenue less cost of revenue, has been and will continue to be affected by various factors, including our product mix, the costs associated with third-party hosting services and the extent to which we expand and drive efficiencies in our hosting costs, professional services, and customer support

organizations. We expect our gross profit to increase in absolute dollars in the long term but fluctuate in the short term as we stabilize our business following our reset efforts. We expect our gross profit as a percentage of revenue, or gross margin, to fluctuate from period to period.

Cost of revenue for the three months ended September 30, 2025 increased, compared to the comparable prior year period, primarily due to an increase in hosting and other direct costs to support the revenue growth in our advertising networks. Cost of revenue for the nine months ended September 30, 2025 decreased, compared to the comparable prior year period, primarily due to a decrease in personnel costs, driven by our reductions in headcount.

Operating Expenses

Our operating expenses consist of research and development, sales and marketing, and general and administrative expenses. The most significant component of our operating expenses is personnel-related costs, including salaries and wages, sales commissions, bonuses, benefits, stock-based compensation, and payroll taxes.

In January 2024, we commenced a plan to reduce our workforce, and we mutually agreed to the departure of the founders of ironSource Ltd. Following these announcements and substantially in the first quarter of 2024, we incurred incremental employee separation costs of approximately \$205 million in the nine months ended September 30, 2024, largely driven by the acceleration and modification of equity awards, including \$15 million within cost of revenue, \$46 million within research and development expense, \$52 million within sales and marketing expense, and \$92 million within general and administrative expense. In addition, we incurred approximately \$45 million of non-employee charges associated with this restructuring in 2024, largely within research and development expense.

Further, in the first quarter of 2025 we had additional workforce reductions. In the nine months ended September 30, 2025, we incurred incremental employee separation costs related to these actions of approximately \$23 million, primarily within research and development, and sales and marketing. In addition, we incurred approximately \$16 million of non-employee charges associated with this restructuring in 2025.

Additionally, starting in the third quarter of 2025 we revised down our estimate of the remaining useful life of certain intangible assets, due to those assets no longer being actively developed or planned for incorporation into future Unity offerings. These intangible assets primarily arose from our acquisition of Wētā FX Limited, and their useful lives were reduced from four to seven years, down to one to three years. This change in estimate increased the amortization expense in our condensed consolidated financial statements by \$39 million for the three and nine months ended September 30, 2025, primarily in research and development expense.

Research and Development

Research and development expenses primarily consist of personnel-related costs for the design and development of our platform, amortization expenses related to intangible assets, and hosting expenses. We expect our research and development expenses to increase in absolute dollars in the long term, as we invest in new solutions, expand features and functionality with existing solutions, and enter new markets, but fluctuate in the short term as we migrate traffic to Unity Vector. We expect research and development expenses to fluctuate as a percentage of revenue from period to period.

Research and development expense for the three months ended September 30, 2025 increased, compared to the comparable prior year period, primarily due to an increase in amortization costs driven by the change in the useful life of certain intangible assets, beginning in the third quarter of 2025. Research and development expense for the nine months ended September 30, 2025 decreased, compared to the comparable prior year period, primarily due to a decrease in personnel costs driven by our reductions in headcount, partially offset by an increase in amortization costs from the change in useful lives of certain intangible assets.

Sales and Marketing

Our sales and marketing expenses consist primarily of personnel-related costs, amortization expenses related to intangible assets, and advertising and marketing programs, including user acquisition costs and digital account-based marketing, user events such as developer-centric conferences and our annual Unite user conferences. We expect that our sales and marketing expense will increase in absolute dollars in the long term, as we increase our user acquisition spend, direct marketing and community outreach activities, and invest in additional tools and technologies. We expect sales and marketing expenses to fluctuate as a percentage of revenue from period to period.

Sales and marketing expense for the three and nine months ended September 30, 2025 decreased, compared to the comparable prior year periods, primarily due to a decrease in personnel costs, driven by our reductions in headcount.

General and Administrative

Our general and administrative expenses primarily consist of personnel-related costs for finance, legal, human resources, IT and administrative employees; allocated overhead, and professional fees for external legal, accounting, and other professional services. We expect that our general and administrative expenses will increase in absolute dollars in the long term, as we scale to support the growth of our business. We expect general and administrative expenses to fluctuate as a percentage of revenue from period to period.

General and administrative expense for the three months ended September 30, 2025 decreased moderately, compared to the comparable prior year period, as a result of our continued focus on cost discipline. General and administrative expense for the nine months ended September 30, 2025 decreased, compared to the comparable prior year period, primarily due to decreases in personnel-related costs and in impairments of operating lease assets, both driven by incremental employee separation costs and non-employee charges from restructuring in 2024.

Interest Expense

Interest expense consists primarily of interest expense associated with our convertible debt and amortization of debt issuance costs.

Interest expense for the three and nine months ended September 30, 2025 increased, compared to the comparable prior year periods, due to the amortization of new debt issuance costs, from the issuance of the 2030 notes, partially offset by a reduction in the amortization of debt issuance costs, driven by the repurchase of the 2026 notes.

Interest Income and Other Income (Expense), Net

Interest income and other income (expense), net, consists primarily of gains on the repurchase of convertible debt, interest income earned on our cash and cash equivalents, and foreign currency gains and losses. As we have expanded our global operations, our exposure to fluctuations in foreign currencies has increased, and we expect this to continue.

Interest income and other income (expense), net, for the three months ended September 30, 2025 decreased, compared to the comparable prior year period, primarily due to losses from foreign exchange. Interest income and other income (expense), net, for the nine months ended September 30, 2025 decreased, compared to the comparable prior year period, primarily due to changes in the amount of gain recognized from the repurchase of convertible debt. In the first quarter of 2024, we recognized \$61.4 million of gain on repurchase of convertible debt, compared to \$42.7 million in the first quarter of 2025.

Provision for (benefit from) Income taxes

Provision for (benefit from) income taxes consists primarily of income taxes in certain foreign jurisdictions where we conduct business. We have a valuation allowance against certain of our deferred tax assets, including net operating loss ("NOL") carryforwards and tax credits related primarily to research and development. Our overall effective income tax rate in future periods may be affected by the

geographic mix of earnings in the countries in which we operate. Our future effective tax rate may also be affected by changes in the valuation of our deferred tax assets or liabilities, or changes in tax laws, regulations, or accounting principles in the jurisdictions in which we conduct business. See Note 9, "Income Taxes," of the Notes to Condensed Consolidated Financial Statements.

Provision for income taxes for the three and nine months ended September 30, 2025 increased, compared to the same periods in 2024, primarily due to higher earnings in foreign jurisdictions and the absence of a tax benefit recognized in the first quarter of 2024 in connection with our restructuring activities.

Non-GAAP Financial Measures

To supplement our consolidated financial statements prepared and presented in accordance with GAAP, we use certain non-GAAP financial measures, as described below, to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe the following non-GAAP measures are useful in evaluating our operating performance. We are presenting these non-GAAP financial measures because we believe, when taken collectively, they may be helpful to investors because they provide consistency and comparability with past financial performance.

However, non-GAAP financial measures have limitations in their usefulness to investors because they have no standardized meaning prescribed by GAAP and are not prepared under any comprehensive set of accounting rules or principles. In addition, other companies, including companies in our industry, may calculate similarly-titled non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison. As a result, our non-GAAP financial measures are presented for supplemental informational purposes only and should not be considered in isolation or as a substitute for our consolidated financial statements presented in accordance with GAAP.

Adjusted Gross Profit, Adjusted EBITDA, and Adjusted EPS

We define adjusted gross profit as GAAP gross profit excluding expenses associated with stock-based compensation, amortization of acquired intangible assets, depreciation, and restructurings and reorganizations. We define adjusted gross margin as adjusted gross profit as a percentage of revenue. We define adjusted EBITDA as net income or loss excluding benefits or expenses associated with stock-based compensation, amortization of acquired intangible assets, depreciation, restructurings and reorganizations, interest, income tax, and other non-operating activities, which primarily consist of foreign exchange rate gains or losses.

We define adjusted EPS as net income or loss excluding benefits or expenses associated with stock-based compensation, amortization of acquired intangible assets, depreciation, restructurings and reorganizations, and the income tax impact of the preceding adjustments (cumulatively "adjusted net income"), increased by the tax effected impacts from any relevant dilutive securities, divided by the diluted weighted-average outstanding shares. The effective tax rate used in calculating adjusted EPS is estimated for each period, based on the net income or loss adjusted for the items noted above, and may differ from the effective rate used in our financial statements. Shares of common stock that are excluded in our calculation of GAAP diluted net loss per share due to their antidilutive impact on such calculations, are included in the diluted weighted average outstanding shares used in our calculation of adjusted EPS, to the extent they have a dilutive impact on adjusted EPS given the adjusted net income in each period.

We use adjusted gross profit, adjusted EBITDA, and adjusted EPS, in conjunction with traditional GAAP measures to evaluate our financial performance. We believe that adjusted gross profit, adjusted EBITDA, and adjusted EPS provide our management and investors consistency and comparability with our past financial performance and facilitates period-to-period comparisons of operations, as these metrics exclude expenses that we do not consider to be indicative of our overall operating performance.

The following table presents a reconciliation of our adjusted gross profit to our GAAP gross profit, the most directly comparable measure as determined in accordance with GAAP, for the periods presented (in thousands):

	Three Months Ended	
	September 30,	
	2025	2024
GAAP gross profit	\$ 350,283	\$ 334,463
Add:		
Stock-based compensation expense	9,111	10,334
Amortization of intangible assets expense	27,293	27,293
Depreciation expense	1,734	2,265
Restructuring and reorganization costs	(23)	77
Adjusted gross profit	\$ 388,398	\$ 374,432
GAAP gross margin	74 %	75 %
Adjusted gross margin	82 %	84 %

The following table presents a reconciliation of our adjusted EBITDA to net loss, the most directly comparable measure as determined in accordance with GAAP, for the periods presented (in thousands):

	Three Months Ended	
	September 30,	
	2025	2024
GAAP net loss	\$ (126,828)	\$ (124,548)
Stock-based compensation expense	91,561	105,271
Amortization of intangible assets expense	125,345	88,517
Depreciation expense	10,548	14,083
Restructuring and reorganization costs	7,899	10,997
Interest expense	6,043	5,839
Interest income and other income (expense), net	(14,448)	(15,350)
Provision for Income taxes	9,377	6,913
Adjusted EBITDA	\$ 109,497	\$ 91,722

The following table presents a reconciliation of adjusted EPS to diluted net loss per share attributable to Unity Software Inc., the most directly comparable measures as determined in accordance with GAAP, for the periods presented (in thousands):

	Three Months Ended	
	September 30,	
	2025	2024
GAAP net loss	\$ (126,828)	\$ (124,548)
Stock-based compensation expense	91,561	105,271
Amortization of intangible assets expense	125,345	88,517
Depreciation expense	10,548	14,083
Restructuring and reorganization costs	7,899	10,997
Income tax impact of adjusting items	(16,561)	(15,963)
Adjusted net income used for calculation of adjusted EPS, before impact of dilutive instruments	\$ 91,964	\$ 78,357
Increase from forgone financing costs on dilutive convertible notes, net of tax	4,714	4,516
Adjusted net income used for calculation of adjusted EPS, including impact of dilutive instruments	\$ 96,678	\$ 82,873
Weighted-average common shares used in GAAP diluted net loss per share attributable to Unity Software Inc.	424,296	398,810
Convertible notes	41,348	24,486
Stock options and PVOs	6,510	8,461
Unvested RSUs, PVUs, and PSUs	13,055	3,423
ESPP	130	112
Non-GAAP weighted-average common shares used in adjusted EPS	485,339	435,292
GAAP diluted net loss per share attributable to Unity Software Inc.	\$ (0.30)	\$ (0.31)
Total impact on diluted net loss per share attributable to Unity Software Inc. from non-GAAP adjustments	\$ 0.52	\$ 0.51
Total impact on diluted net loss per share attributable to Unity Software Inc. from antidilutive common stock now included	\$ (0.02)	\$ (0.01)
Adjusted EPS	\$ 0.20	\$ 0.19

Free Cash Flow

We define free cash flow as net cash provided by operating activities less cash used for purchases of property and equipment. We believe that free cash flow is a useful indicator of liquidity as it measures our ability to generate cash, or our need to access additional sources of cash, to fund operations and investments.

The following table presents a reconciliation of free cash flow to net cash provided by operating activities, the most directly comparable measure as determined in accordance with GAAP, for the periods presented (in thousands):

	Nine Months Ended September 30,	
	2025	2024
Net cash provided by operating activities	\$ 301,520	\$ 203,361
Less:		
Purchases of property and equipment	(16,271)	(23,107)
Free cash flow	\$ 285,249	\$ 180,254
Net cash used in investing activities	\$ (18,271)	\$ (35,967)
Net cash provided by (used in) financing activities	\$ 76,113	\$ (357,697)

Liquidity and Capital Resources

As of September 30, 2025, our principal sources of liquidity were cash and cash equivalents totaling \$1.9 billion, which were primarily held for working capital purposes. Our cash equivalents are invested primarily in time deposits and in government money market funds.

Our material cash requirements from known contractual and other obligations consist of our convertible notes, obligations under operating leases for office space, and contractual obligations for hosting services to support our business operations. See Part I, Item I, Note 7 — "Commitments and Contingencies" for additional discussion of our principal contractual commitments.

In the first quarter of 2025 we issued \$690 million in aggregate principal amount of the 2030 Notes, the proceeds of which were used to fund repurchases of outstanding 2026 Notes. We previously issued \$1.7 billion in aggregate principal amount of the 2026 Notes in November 2021, of which \$688 million in aggregate principal amount was repurchased in first quarter 2025 for \$642 million, and \$480 million in aggregate principal amount was repurchased in March 2024 for \$415 million. We also previously issued \$1.0 billion in aggregate principal amount of the 2027 Notes. See Part I, Item I, Note 6, "Borrowings" for additional discussion of the Notes.

Since our inception, we have generated losses from our operations as reflected in our accumulated deficit of \$4.0 billion as of September 30, 2025. We expect to continue to incur operating losses on a GAAP basis for the foreseeable future due to the investments we will continue to make in research and development, sales and marketing, and general and administrative. As a result, we may require additional capital to execute our strategic initiatives to grow our business.

We believe our existing sources of liquidity will be sufficient to meet our working capital and capital expenditures for at least the next 12 months. We believe we will meet longer-term expected future cash requirements and obligations through a combination of cash flows from operating activities, available cash balances, and potential future equity or debt transactions. Our future capital requirements, however, will depend on many factors, including our growth rate; the timing and extent of spending to support our research and development efforts; capital expenditures to build out new facilities and purchase hardware and software; the expansion of sales and marketing activities; and our continued need to invest in our IT infrastructure to support our growth. In addition, we may enter into additional strategic partnerships as well as agreements to acquire or invest in complementary offerings, teams and technologies, including intellectual property rights, which could increase our cash requirements. As a result of these and other factors, we may choose or be required to seek additional equity or debt financing sooner than we currently anticipate. In addition, depending on prevailing market conditions, our liquidity requirements, contractual restrictions, and other factors, we may also from time to time seek to retire or purchase our outstanding debt, including the Notes, through cash purchases and/or exchanges for equity securities, in open market purchases, privately negotiated transactions or otherwise. If additional financing is required from outside sources, we may not be able to raise it on terms acceptable to us, or at all, including as a

result of macroeconomic conditions such as high interest rates, volatility in the capital markets and liquidity concerns at, or failures of, banks and other financial institutions. If we are unable to raise additional capital when required, or if we cannot expand our operations or otherwise capitalize on our business opportunities because we lack sufficient capital, our business, results of operations, and financial condition would be adversely affected.

Our changes in cash flows were as follows (in thousands):

	Nine Months Ended September 30,	
	2025	2024
Net cash provided by operating activities	\$ 301,520	\$ 203,361
Net cash used in investing activities	(18,271)	(35,967)
Net cash provided by (used in) financing activities	76,113	(357,697)
Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash	21,845	2,004
Net change in cash, cash equivalents, and restricted cash	<u>\$ 381,207</u>	<u>\$ (188,299)</u>

Cash Provided by Operating Activities

During the nine months ended September 30, 2025, net cash provided by operating activities was primarily due to a decrease in our net loss, adjusted for certain non-cash items, which include depreciation and amortization, stock-based compensation, gain on convertible notes, impairments, and other, and to a lesser extent, an increase in operating assets and liabilities. Our cash flows can fluctuate from period to period due to revenue seasonality, timing of billings, collections, and publisher payments, and historical cash flows are not necessarily indicative of our results in any future period.

Cash Used in Investing Activities

During the nine months ended September 30, 2025, net cash used in investing activities consisted primarily of purchases of property and equipment and purchases of non-marketable investments.

Cash Provided by Financing Activities

During the nine months ended September 30, 2025, net cash provided by financing activities consisted of proceeds from issuance of convertible notes, and the issuance of common stock under our employee equity plans, offset by repayments of convertible notes and the purchase of capped calls.

Critical Accounting Policies and Estimates

Management's discussion and analysis of our financial condition and results of operations is based on our condensed consolidated financial statements, which have been prepared in accordance with U.S. GAAP. These principles require us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses, and related disclosures. Our estimates are based on our historical experience and on various other assumptions that we believe are reasonable under the circumstances. To the extent that there are material differences between these estimates and our actual results, our future financial statements will be affected.

There have been no material changes to our critical accounting policies and estimates from those disclosed in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 21, 2025.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Our assessment of our exposures to market risk has not changed materially since the presentation set forth in Part II, Item 7A of our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 21, 2025.

Item 4. Controls and Procedures

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of the end of the period covered by this report.

(a) Evaluation of Disclosure Controls and Procedures

Based on management's evaluation, our principal executive officer and principal financial officer concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were designed to, and were effective to, provide assurance at a reasonable level that the information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosures.

(b) Changes in Internal Control Over Financial Reporting

Based on management's evaluation, our principal executive officer and principal financial officer concluded that there has not been any material change in our internal control over financial reporting during the quarter ended September 30, 2025 that has materially affected, or is reasonably likely to materially effect, our internal control over financial reporting.

PART II—OTHER INFORMATION**Item 1. Legal Proceedings**

We are not party to any material legal proceedings at this time. From time to time, we may be subject to other legal proceedings and claims arising in the ordinary course of business.

Item 1A. Risk Factors

There have been no material changes from the risk factors previously described under Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024 and Item 1A of our Quarterly Report on Form 10-Q for the quarters ended March 31, 2025 and June 30, 2025.

Purchasing or owning Unity common stock involves investment risks including, but not limited to, the risks described in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024, and Item 1A of our Quarterly Report on Form 10-Q for the quarters ended March 31, 2025 and June 30, 2025. Any one of those risks could harm our business, financial condition and results of operations or reputation, which could cause our stock price to decline. Additional risks, trends and uncertainties not presently known to us or that we currently believe are immaterial may also harm our business, financial condition, results of operations or reputation.

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

None.

Use of Proceeds

None.

Issuer Purchases of Equity Securities

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

EXHIBIT INDEX

Exhibit Number	Description of Exhibit	Incorporated by Reference			
		Form	File Number	Exhibit	Filing Date
3.1	Amended and Restated Certificate of Incorporation of the Registrant	8-K	001-39497	3.1	September 22, 2020
3.2	Amended and Restated Bylaws of the Registrant	8-K	001-39497	3.2	September 8, 2023
31.1*	Section 302 Certification of Principal Executive Officer				
31.2*	Section 302 Certification of Principal Financial Officer				
32.1*#	Section 906 Certification of Principal Executive Officer and Principal Financial Officer				
101.INS	Inline XBRL Instance Document—the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.				
101.SCH*	Inline XBRL Taxonomy Extension Schema Document				
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document				
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document				
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document				
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document				
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)				
*	Filed herewith.				
#	The certifications attached as Exhibit 32.1 accompany this Quarterly Report on Form 10-Q pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and shall not be deemed “filed” by the Registrant for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and are not to be incorporated by reference into any of the Registrant’s filings under the Securities Act of 1933, as amended, irrespective of any general incorporation language contained in any such filing. The agreements and other documents filed as exhibits to this Quarterly Report on Form 10-Q are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.				

SIGNATURES

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

Date: November 5, 2025

UNITY SOFTWARE INC.

By: /s/ Mark Barrysmith
Mark Barrysmith
Chief Accounting Officer
(Principal Accounting Officer)

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Matthew Bromberg, certify that:

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

Date: November 5, 2025

By: /s/ Matthew Bromberg
Matthew Bromberg
President, Chief Executive Officer, and Director
(Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jarrod Yahes, certify that:

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

Date: November 5, 2025

By: /s/ Jarrod Yahes
Jarrod Yahes
Senior Vice President, Chief Financial Officer
(Principal Financial Officer)

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

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

Date: November 5, 2025

By: /s/ Matthew Bromberg

Matthew Bromberg
President, Chief Executive Officer, and Director
(Principal Executive Officer)

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

Date: November 5, 2025

By: /s/ Jarrod Yahes

Jarrod Yahes
Senior Vice President, Chief Financial Officer
(Principal Financial Officer)

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