

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

FORM 10-K

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

For the fiscal year ended December 31, 2025

OR

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

For transition period from _____ to _____
Commission File Number 001-40325

AppLovin Corporation

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

45-3264542

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

**1100 Page Mill Road
Palo Alto, California 94304**

(Address of registrant's principal executive offices, including zip code)

(800) 839-9646

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A common stock, par value \$0.00003 per share	APP	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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
Non-accelerated filer

Accelerated filer
Smaller reporting company
Emerging growth company

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

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

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

The aggregate market value of the registrant's voting and non-voting common equity held by non-affiliates of the registrant on June 30, 2025, the last business day of its most recently completed second fiscal quarter, was \$102.7 billion based on the closing sales price of the registrant's Class A common stock on that date. Shares of the registrant's Class A common stock and Class B common stock held by each executive officer and director and by each person who may be deemed to be an affiliate of the registrant have been excluded from this computation. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

As of February 13, 2026, the number of shares (in thousands) of the registrant's Class A common stock outstanding was 307,070 and the number of shares (in thousands) of the registrant's Class B common stock outstanding was 30,208. No shares of the registrant's Class C common stock were outstanding as of February 13, 2026.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Definitive Proxy Statement for the 2026 Annual Meeting of Stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K where indicated. Such Definitive Proxy Statement will be filed with the Securities and Exchange Commission within 120 days after the end of the registrant's fiscal year ended December 31, 2025.

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NOTE ABOUT FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements within the meaning of the federal securities laws, which statements involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “should,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplate,” “believe,” “estimate,” “predict,” “potential,” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. Forward-looking statements contained in this Annual Report on Form 10-K include statements about:

- our future financial performance, including our expectations regarding our revenue, cost of revenue, and operating expenses, and our ability to achieve or maintain future profitability;
- the sufficiency of our cash and cash equivalents to meet our liquidity needs;
- our ability to maintain the security and availability of our advertising solutions;
- our expectations regarding the effects of existing and developing laws and regulations, including with respect to taxation, privacy, data protection and AI;
- our ability to attract and retain employees and key personnel;
- our ability to comply with evolving changes in the data protection, privacy and regulatory landscape applicable to our business;
- our expectations regarding the macroeconomic environment, political uncertainty and international conflicts around the world;
- our ability to successfully expand our AI capabilities to support the further development of our advertising solutions, including Axon AI, our advertising recommendation engine;
- our ability to maintain, protect and enhance our intellectual property;
- our ability to manage risk associated with our business;
- the demand for our advertising solutions;
- our expectations concerning relationships with third parties;
- our ability to attract and retain clients, including in new markets such as e-commerce;
- our ability to develop new products, features, and enhancements for our advertising solutions;
- our ability to compete with existing and new competitors in existing and new markets and offerings;
- our ability to successfully acquire and integrate companies and assets and to expand and diversify our operations through strategic transactions;
- our expectations regarding new and evolving markets;
- our expectations and management of future growth;
- our expectations regarding outstanding litigation and legal, tax and regulatory matters;
- our expectations regarding our share repurchase program; and
- our ability to develop and protect our brand.

We caution you that the foregoing list may not contain all of the forward-looking statements made in this Annual Report on Form 10-K.

You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Annual Report on Form 10-K primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, results of operations, and prospects. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, and other factors, including those described in the section titled “Risk Factors” and elsewhere in this Annual Report on Form 10-K. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Annual Report on Form 10-K. We cannot assure you that the results, events, and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

Neither we nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements. Moreover, the forward-looking statements made in this Annual Report on Form 10-K relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this Annual Report on Form 10-K to reflect events or circumstances after the date of this Annual Report on Form 10-K or to reflect new information 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, partnerships, mergers, dispositions, joint ventures, or investments we may make.

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

Part I

Item 1. Business

Our mission is to create meaningful connections between companies and their ideal customers. We provide end-to-end artificial intelligence-powered (“AI”) advertising solutions for businesses to reach, monetize and grow their global audience. Our scaled business model is intricately linked to the advertising ecosystem, providing a durable competitive advantage. We generate revenue when our advertisers achieve their return on advertising spend targets with our advertising solutions, ensuring that their success directly fuels our growth.

AppLovin is critical to the success of advertisers and publishers seeking to solve marketing and monetization challenges. Through our technologies and scaled distribution, advertisers are able to better place content so that it is discovered by the right audience, manage, optimize, and analyze their marketing investments, and improve the monetization of their content, and publishers are able to better monetize their gaming apps. Our advertising solutions include a comprehensive suite of tools including:

- Axon Ads Manager, our user acquisition solution, is the cornerstone of our advertising solutions. Axon Ads Manager is powered by our Axon AI advertising recommendation engine and matches advertiser demand with publisher supply through auctions at vast scale and at microsecond-level speeds.
- MAX is our monetization solution, utilizing an advanced in-app bidding technology that optimizes the value of a publisher’s advertising inventory by running a real-time competitive auction, driving more competition, and higher returns for publishers.
- Adjust is our measurement and analytics marketing platform which provides marketers with the visibility, insights, and data needed to scale their apps marketing and drive more informed results.
- Wurl is our connected TV (“CTV”) platform that both distributes streaming video for content companies and provides advanced advertising and publishing solutions to attract viewers and maximize revenue.

We generate our revenue from advertising solutions. As more advertisers use our advertising solutions to market and monetize their content, we gain access to more data regarding users and user engagement¹, further strengthening our scaled distribution. As our distribution grows, we gain better insights for Axon AI, which then further enhances the efficiency and effectiveness of the Axon Ads Manager.

AppLovin Platform

Our comprehensive, end-to-end advertising solutions deliver value by helping companies scale their businesses and maximize their revenue by automating their marketing, engagement, and monetization efforts. Through Axon Ads Manager, we provide marketing technology that allows advertisers to reach more of the most suitable users with personalized content in order to increase the number of users who download and/or engage with their content. We also provide advertisers with monetization and analytics technology to maximize the value of their advertising inventory by obtaining a high price for each impression.

Our advertising solutions provide the following benefits to advertisers:

- **Reach and attract users at scale:** We enable advertisers to target and find the right users for their content and products worldwide. Advertisers are able to set their user acquisition and revenue goals to target the most relevant, highest value users.
- **Maximize monetization of engagement:** Advertisers use MAX to generate incremental revenue by maximizing the monetization of their advertising inventory. Our tools operate at microsecond-level speeds and at vast scale to enhance monetization for developers while preserving the end user experience.

¹ Adjust’s marketing platform is operated by our wholly-owned subsidiary and data generated by Adjust’s services is not shared with AppLovin or incorporated into or used to optimize its recommendation engine or other technologies unless directed by a customer.

- **Leverage proprietary data and insights:** Advertisers benefit from accessing comprehensive real-time insights through our customized user dashboards, helping them optimize campaigns, improve user engagement, and manage their return on investment.
- **Automate time consuming and manual processes:** Our advertising solutions automate marketing and monetization, allowing advertisers to focus on improving their content and products rather than managing complex go-to-market processes manually.
- **Seamlessly adapt to industry innovation:** Our technology is regularly updated as the advertising ecosystem evolves. Advertisers benefit from this ongoing advancement and optimization and are able to rapidly adapt to industry changes in marketing and monetization.

Axon Ads Manager

Axon Ads Manager is a suite of marketing solutions that enables developers to automate, optimize, and manage their marketing efforts. Axon Ads Manager is powered by Axon AI's predictive algorithms to enable advertisers to match their apps and websites to engaged users, delivering more of what they are likely to be interested in. Advertisers set return goals for their campaigns and Axon Ads Manager targets users to match those goals. Return on advertising spend is measured based on either third-party or self-attribution. Advertisers are charged dynamically based on their campaign goals, rather than a simple fixed price per impression or per action (click or installation). Advertisers are not only able to attract users that initially download their app or visit their website, but also find a high volume of users that stay and engage for greater retention and ultimately, increased opportunities for better monetization. Revenue from Axon Ads Manager comprises substantially all of our revenue.

With Axon Ads Manager, advertisers can define the framework of their campaigns in the following ways:

- **Reach:** Advertisers identify what they are willing to pay to acquire their target users. Our technology finds the users at that value who are most likely to engage with the app or website.
- **Global scale:** Advertisers can choose to connect with users in different regions around the world, and our technology suggests the best locations based on their parameters.
- **Retain and engage:** Our system is built around optimizing to the advertisers revenue so our algorithms automatically adjust based on the likelihood users will engage. Our app-based clients can analyze by retention periods from initial app download onwards, so that advertisers understand the effectiveness of their marketing investments.
- **Targeted returns:** Advertisers set their goals and target return on ad spend and our algorithms adjust cost and campaign specifics to meet them.

Axon Ads Manager includes the following features:

- **Advanced campaign management:** An interface to create, manage, and automatically optimize campaigns based on return on ad spend goals.
- **Real-time analytics:** An interface to see results and optimize against them with our ROI-based analytics environment.
- **Lifetime Value ("LTV") reporting:** A tool that breaks down campaign results by source and location, allowing advertisers to make real-time, informed decisions about the value and longevity of their campaigns.

MAX

MAX is our in-app bidding solution that optimizes the value of publishers' advertising inventory by running a single unbiased, real-time competitive auction, driving more competition and higher returns for publishers. MAX auctions are more effective than historical tools and approaches because MAX yields more targeted users for advertisers and enables publishers to achieve better competitive prices for each impression. Many developers who integrate MAX have experienced a measurable increase in their average revenue per daily active user over traditional monetization tools and save countless hours because they are able to automate manual monetization work through its advanced feature set. As a result, MAX has become the preferred in-app bidding solution for many publishers worldwide, helping drive meaningful growth and momentum for AppLovin.

MAX includes the following features:

- **Advanced in-app bidding technology:** MAX's competitive auctions happen in real time with most bidding platforms in the industry bidding simultaneously for developers' inventory at high volume. The competitive global demand helps maximize average revenue per user on each impression with many developers experiencing a measurable increase when moving to MAX.
- **Automated monetization:** MAX saves developers time through its extensive suite of APIs for automation.
- **Ad quality assurance and review:** MAX drives superior user experience with exclusive features that automatically flag risky content to keep developers' brands safe.
- **Powerful insights:** MAX helps developers better understand the LTV for each user and increase revenue to maximize yield for each ad opportunity.

Adjust

Adjust is our measurement and analytics marketing platform which provides the visibility, insights, and tools marketers need to grow their apps from early stage to maturity. Our software-as-a-service ("SaaS") platform is an end-to-end solution for optimizing ad performance and maximizing returns, powered by accurate attribution data and in-depth reporting that are essential for meeting business goals. Adjust allows clients to better understand their users' journey while allowing marketers to make smarter decisions through measurement, attribution, and fraud prevention.

The Adjust product solutions allow customers to benefit from the following key features:

- **Impact through measurement:** Drive results faster with accurate, timely measurement on marketing and ad spend across channels.
- **Insights through real-time data and reports:** Easily share timely, actionable insights with stakeholders to drive their business forward.
- **Strategic growth with automated attribution solutions:** Scale profits with automated solutions that attribute sources and help customers work smarter and accomplish more.

Wurl

Wurl is our connected TV ("CTV") platform which distributes streaming video for content companies and provides advertising and publishing solutions to maximize advertising revenue, grow their CTV viewership, and strengthen their brand value. Wurl focuses on driving the streaming industry forward with market-leading solutions that help connect the right viewers to the right content. It brings data-driven advertising and measurement to CTV. The technology helps companies engage with the highest-value viewers, and ultimately increase their revenue.

Wurl's offerings include:

- **AdPool:** A monetization solution that connects CTV supply with top advertisers and access to exclusive demand.
- **Global FAST Pass (GFP):** A distribution solution that makes it easy to launch free ad-supported CTV channels, monetize them instantly, and access data to grow and retain audiences.

AppLovin Apps

On June 30, 2025, we completed the sale of our Apps business. For additional information, refer to Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments".

Our Strategy for Growth

We have a comprehensive strategy to continue our growth and further enhance our market position in the advertising ecosystem:

- **Existing market expansion:** We continue to have an attractive market opportunity within the mobile app ecosystem, which we intend to address through the optimization of our advertising solutions.
- **Enhance and extend AI-based technologies:** As we increase our scale and reach, our customers benefit from compounding improvements to Axon AI, our advertising recommendation engine, which in turn improves the efficacy and growth of our advertising solutions.
- **New market expansion:** We are confident our technology and expertise are applicable to new verticals and content industries we have not historically addressed, including:
 - **New verticals:** One of our long-term objectives is to provide critical tools to advertisers across multiple verticals, including, for example, web-based e-commerce and social media. We have made our advertising solutions available to web-based advertisers, and while we are early in this market expansion, our new customers have experienced positive results, demonstrating the flexibility and future growth potential of our advertising solutions.
 - **Other content industries:** We believe our deep expertise and capabilities will allow us to successfully apply our solutions to tangential sectors, such as the growing CTV industry through Wurl. We continue to expand our CTV business through the addition of new content advertisers and supply channels as well as through the application of Axon AI to CTV.
- **Attracting and retaining the best talent:** Our employees are at the core of our technology and success. We intend to continue to invest in attracting and retaining exceptional talent who share our values and will drive our future growth.
- **Pursue strategic transactions:** Given our proven track record in strategic transactions, we will continue to consider and leverage strategic acquisitions, partnerships, and investment opportunities to accelerate our growth.

Our Customers and Developer Community

Our globally diverse customers range from the largest enterprises to small and independent businesses and individuals across a variety of industries. Our customers comprise multiple groups within the advertising ecosystem including advertisers leveraging our platform to find users and advertising networks using our mediation solution to purchase advertising inventory. We also work with the mobile app publisher community who leverage our mediation solution to monetize their advertising inventory.

Competition

We operate in a fragmented advertising ecosystem composed of divisions of large, well-established companies as well as privately-held companies. The large companies in our advertising and mobile app ecosystems may play multiple different roles given the breadth of their businesses. Advertisers typically engage with several advertising platforms and networks to purchase advertisements on mobile apps, devices, and on CTV, looking to optimize their marketing investments. Such advertising companies vary in size and include Meta, Google, Amazon, and Unity Software, as well as various private companies, several of which are also our partners and clients.

We believe that the principal competitive factors in our market are:

- the ability to enhance and improve technologies and offerings;
- knowledge, expertise, and experience in the advertising ecosystem;
- relationships with third parties in the advertising ecosystem;
- the ability to reach and target a large number of users;
- the ability to identify and execute on strategic transactions;
- the pricing and perceived value of offerings;
- brand and reputation; and
- ability to expand into new offerings and geographies.

We believe we compete favorably with respect to these factors.

Seasonality

Our revenue may experience seasonality during several periods throughout the year driven by fluctuations in advertising demand associated with mobile gaming and e-commerce activity. These fluctuations may be influenced by factors such as major holidays, promotional events, school-related cycles, and broader shifts in consumer spending patterns. Advertising demand may also vary around the timing of new game launches, content updates, and changes in advertiser budgets. As the breadth and scale of advertisers using our platform continues to expand, including increased participation from large e-commerce advertisers, the magnitude and impact of these seasonal trends may become more pronounced over time.

Research and Development

Continued investment in research and development is important to advancing our advertising solutions. The continued development of our Axon AI technology is critical to our future growth and competitive advantage. These AI advancements are also key to attaining our strategic objectives and meeting the evolving needs of our customers. The underlying elastic architecture of our solutions allows us to create, test, and deploy new features rapidly while distributing them globally.

Our research and development team is working on cutting edge technologies, which allows us to attract top talent globally. As of December 31, 2025, we had approximately 380 employees, or 42% of our total headcount, involved in research and development and related activities. Our research and development organization is based in Palo Alto, California with additional resources around the world.

Intellectual Property

Our success depends in part upon our ability to protect our intellectual property rights with respect to our advertising solutions, and to operate without infringing, misappropriating or otherwise violating valid and enforceable third-party intellectual property. We seek to accomplish that objective by establishing intellectual property rights in and protecting those assets through a combination of registered and unregistered trademarks, copyrights, trade secrets, license agreements, confidentiality procedures, non-disclosure agreements with third parties, and other contractual measures. Though we rely in part upon these legal and contractual protections, we believe that factors, such as our unique position in the advertising ecosystem, our expertise and determination of our employees, the speed of our technological development and the functionality and flexibility of our advertising solutions in an ever-evolving industry, are critical contributors to our success. We have registered, and applied for the registration of, U.S. and international trademarks and domain names, and we also hold patents related to our advertising solutions.

We intend to pursue additional intellectual property protection to the extent we believe it would advance our business objectives and maintain our competitive position. Notwithstanding these efforts, there can be no assurance that we will adequately protect our intellectual property or that it will provide any competitive advantage. We take steps to protect our proprietary information, in part, by entering into confidentiality agreements with our employees, consultants, developers, and

vendors, and generally limiting access to and distribution of our proprietary information. However, we cannot assure you that the steps taken by us will prevent misappropriation of our proprietary rights. Despite our efforts to protect our intellectual property rights, unauthorized parties may attempt to copy aspects of our advertising solutions or obtain and use information that we regard as proprietary. Policing unauthorized use of our proprietary rights is difficult and time consuming. Further, our intellectual property rights may be invalidated, circumvented, or challenged. In addition, the laws of some foreign countries do not protect our proprietary rights to the same extent as the laws of the United States, and many foreign countries do not enforce these laws as diligently as government agencies and private parties in the United States. See the section titled “Risk Factors—Risks Related to Intellectual Property” for more information regarding risks related to intellectual property.

Employees and Human Capital Resources

As of December 31, 2025, we had a total of 898 employees, comprised of 876 full-time and 22 part-time/intern employees, located in 15 countries. Our geographic diversification enhances our ability to retain and attract highly skilled talent as well as manage our headcount costs. As of December 31, 2025, approximately 60% of our global employees were located outside of the U.S. and 40% in the U.S. Approximately 47% of our U.S. employees identify as being from one or more diverse groups, including Asian, Hispanic or Latino, Black or African American, Native Hawaiian or Other Pacific Islander, American Indian or Alaska Native, or Two or More Races and approximately 36% of our U.S. employees identify as female. None of our employees are represented by a labor union. In certain countries in which we operate, we are subject to, and comply with, local labor law requirements, which may automatically make our employees subject to industry-wide collective bargaining agreements. We have not experienced any work stoppages and we consider our relations with our employees as positive.

Our employees are a key reason for our success and essential for our continued growth. We benefit from a distributed global workforce and plan to continue investing in our employees. We provide competitive compensation packages designed to attract and retain talent, as informed by market compensation surveys and data. We have multiple incentive programs throughout the organization designed to provide short-term and long-term incentives, including base cash, equity and/or performance cash awards.

Compliance with Government Regulation

We are subject to various federal, state, and international laws and regulations that affect companies conducting business on mobile platforms, including with respect to intellectual property, securities, privacy, data protection, consumer protection, competition, tax, labor and employment, and commercial and other matters in the United States, Europe, and around the world. Additional laws and regulations relating to these areas likely will be passed in the future, and these or existing laws and regulations may be interpreted or enforced in new or expanded manners. New and evolving laws and regulations, and changes in their enforcement and interpretation, may require changes to our advertising solutions or business practices, and may significantly increase our compliance costs and otherwise adversely affect our business and results of operations. As our business expands to further scale our advertising solutions, as we continue to operate Axon AI technology, and as our operations continue to expand internationally, our compliance requirements and costs may increase and we may be subject to increased regulatory scrutiny.

Data Privacy and Security Laws

The data we collect and otherwise process is integral to our advertising solutions, providing us with insights to improve Axon AI, our advertising recommendation engine, and our developer tools, to optimize app discovery and monetization. Our collection, use, receipt, and other processing of data in our business subjects us to numerous U.S. state and federal laws and regulations, and foreign laws and regulations, addressing privacy, data protection and the collection, storing, sharing, use, transfer, disclosure, protection and processing of certain types of data. We work to comply with, and to help allow developers and advertising ecosystem partners to comply with, applicable laws and regulations relating to privacy, data protection and information security. This helps underpin our strategy of building trust and providing a strong experience to advertising ecosystem partners and clients. See the section titled “Risk Factors—Risks Related to Legal and Regulatory Matters—We are subject to laws and regulations concerning privacy, information security, data protection, consumer protection, advertising, tracking, targeting, and protection of minors, and these laws and regulations are continually evolving. Our actual or perceived failure to comply with these laws and regulations could adversely affect our business, financial condition, and results of operations” for additional information about our approach to laws and regulations relating to privacy, data protection, and information security.

Corporate Information

We were incorporated under the laws of the state of Delaware in July 2011. Our principal executive offices are located at 1100 Page Mill Road, Palo Alto, California 94304, and our telephone number is (800) 839-9646. Our website address is www.applovin.com. Information contained on, or that can be accessed through, our website does not constitute part of this Annual Report on Form 10-K and inclusions of our website address in this Annual Report on Form 10-K are inactive textual references only. You should not consider information contained on our website to be part of this Annual Report on Form 10-K or in deciding whether to purchase shares of our Class A common stock.

“AppLovin,” our logo, and our other registered or common law trademarks, service marks, or trade names appearing in this Annual Report on Form 10-K are the property of AppLovin Corporation. Other trademarks and trade names referred to in this Annual Report on Form 10-K are the property of their respective owners.

Available Information

Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to reports filed pursuant to Sections 13(a) and 15(d) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, are filed with the SEC. Such reports and other information filed by us with the SEC are available free of charge on our website at www.investors.applovin.com when such reports are available on the SEC's website. The SEC maintains an internet site that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC at www.sec.gov. The information contained on the websites referenced in this Annual Report on Form 10-K is not incorporated by reference into this filing. Further, our references to website URLs are intended to be inactive textual references only.

We announce material information to the public through filings with the SEC, the investor relations page on our website, press releases, public conference calls, webcasts, and our corporate blog at axon.ai/blog in order to achieve broad, non-exclusionary distribution of information to the public and for complying with our disclosure obligations under Regulation FD. We encourage investors, the media, and others to follow the channels listed above and to review the information disclosed through such channels. Any updates to the list of disclosure channels through which we will announce information will be posted on the investor relations page on our website.

ITEM 1A. RISK FACTORS

You should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report on Form 10-K, including the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and the related notes, before making a decision to invest in our Class A common stock. Our business, financial condition, results of operations, or prospects could also be adversely affected by risks and uncertainties that are not presently known to us or that we currently believe are not material. If any of the risks actually occur, our business, financial condition, results of operations, and prospects could be adversely affected. In that event, the market price of our Class A common stock could decline, and you could lose all or part of your investment.

Risk Factor Summary

Investing in our Class A common stock involves a high degree of risk because our business is subject to numerous risks and uncertainties, as further described below. The principal factors and uncertainties that make investing in our Class A common stock subject to risk include, among other things:

Business, Operational, and Industry Factors

- the fluctuation in our results of operations;
- security breaches, improper access to or disclosure of data, or other cyber incidents;
- our reliance on third-party platforms;
- our reliance on certain key employees and our ability to attract, retain, and motivate key personnel;
- our ability to maintain our culture;
- our ability to attract new clients, retain existing clients, and maintain or increase spend by clients;
- competition in our industry and our ability to adapt to technological change;
- our ability to address or mitigate technical limitations in our systems and to maintain and scale our technical infrastructure;
- concentration of our revenue sources;
- our future growth into new business opportunities;
- the impact of macroeconomic conditions and the geopolitical climate;
- risks related to our international operations;
- risks related to the expansion and diversification of our operations, in the United States and globally, including through future strategic transactions and efforts related thereto;
- risks related to our strategic transactions, including integration and managing growth;
- our recent rapid growth, and our ability to manage growth;
- risks related to not having long-term agreements with our clients;
- our ability to protect and enhance our brand and reputation;
- our reliance on third parties complying with their obligations;

Legal and Regulatory Matters

- changes in laws and regulations concerning privacy, information security, data protection, consumer protection, AI, advertising, tracking, targeting, and protection of minors;
- changes in U.S. and foreign laws and regulations, many of which are unsettled and still developing;
- the development and use of AI in our offerings and business;
- compliance with governmental anti-bribery, export and import controls, economic sanctions, and other international trade laws and regulations;
- changes in tax laws or tax rulings or exposure to greater than anticipated tax liabilities;
- assertions by taxing authorities that we should have collected or in the future should collect sales and use, value added, or similar taxes;
- our ability to realize tax savings from our international structure;
- liability for content or advertising that is served through our advertising solutions;
- expenses related to legal or regulatory proceedings and settlements or laws and regulations affecting public companies;

Intellectual Property Factors

- our ability to protect or enforce our proprietary and intellectual property rights or the costs involved in such enforcement;
- our involvement in intellectual property disputes;
- our use of and compliance with open source software;

Financial and Accounting Matters

- our ability to maintain an effective system of disclosure controls and internal control over financial reporting;
- the possibility that we may be required to record a significant charge to earnings if our goodwill becomes impaired;
- our indebtedness and obligations thereunder;
- our ability to generate sufficient cash flow to satisfy our significant debt service obligations;
- the availability of additional capital on acceptable terms;

Ownership of our Class A common stock and Governance

- the multi-class structure of our common stock and the Voting Agreement among the Voting Agreement Parties;
- our status as a “controlled company” within the meaning of the Nasdaq corporate governance requirements;
- volatility of the market price of our Class A common stock;
- the possibility that we may not realize the anticipated long-term stockholder value of our share repurchase programs;
- the issuance of additional stock in connection with financings, acquisitions, investments, our equity incentive plans, or otherwise;
- provisions of Delaware law, the Voting Agreement, our amended and restated certificate of incorporation, and our amended and restated bylaws could make a merger, tender offer, or proxy contest difficult; and
- exclusive forum provisions in our amended and restated bylaws.

Risks Related to Our Business, Operations and Industry

Our results of operations are likely to fluctuate from period-to-period, which could cause the market price of our Class A common stock to decline.

Our results of operations have fluctuated in the past and are likely to fluctuate significantly from quarter-to-quarter and year-to-year in the future for a variety of reasons, many of which are outside of our control and difficult to predict. As a result, you should not rely upon our historical results of operations as indicators of future performance. Numerous factors can influence our results of operations, including:

- our ability to maintain and grow our client base;
- changes to our advertising solutions or other offerings;
- the timing and efficacy of improvements to our algorithms, models and Axon AI, our advertising recommendation engine, generally;
- the development and introduction of new solutions or entry into new markets by us or our competitors;
- changes to the policies or practices of companies or governmental agencies that determine access to third-party platforms, such as the Apple App Store and the Google Play Store, or to our advertising solutions, website, or the internet generally;
- changes to the policies or practices of third-party platforms, such as the Apple App Store and the Google Play Store, including with respect to Apple’s Identifier for Advertisers (“IDFA”), which helps advertisers assess the effectiveness of their advertising efforts, and with respect to transparency regarding data processing;
- the diversification and growth of revenue sources beyond our current advertising solutions;
- the actions of our competitors, both with respect to their own offerings and, to the extent such competitors are also our clients, with respect to their use of our advertising solutions;
- our ability to achieve the anticipated synergies from our strategic acquisitions and effectively integrate new assets and businesses acquired by us;
- costs and expenses related to strategic transactions, as well as costs and expenses related to the development of our products and solutions, including the timing of such expenses;

- increases in and timing of operating expenses that we may incur to grow and expand our operations and to remain competitive;
- system failures or outages, or actual or perceived breaches of security or privacy, and the costs associated with preventing, responding to, or remediating any such outages or breaches;
- changes in the legislative or regulatory environment, including with respect to privacy, data protection, or AI or actions by governments or regulators, including fines, orders, or consent decrees;
- charges associated with impairment of any assets on our balance sheet or changes in our expected estimated useful life of property and equipment and intangible assets;
- adverse litigation judgments, settlements, or other litigation-related costs and the fees associated with investigating and defending claims;
- the overall tax rate for our business, which may be affected by the mix of income we earn in the United States and in jurisdictions with comparatively lower tax rates;
- the impact of changes in tax laws or judicial or regulatory interpretations of tax laws, which are recorded in the period such laws are enacted or interpretations are issued and may significantly affect the effective tax rate of that period;
- the impact of tariffs recently imposed by the U.S. government and its trading partners in response, other possible tariffs or trade protection measures, import or export licensing requirements, new or different customs duties, trade embargoes and sanctions and other trade barriers;
- the application of new or changing financial accounting standards or practices; and
- changes in regional or global business or macroeconomic conditions, including as a result of political uncertainty and international conflicts around the world, inflation, and high interest rates, which may impact the other factors described above.

In particular, it is difficult to predict if, when, or how newly-launched products, software or new markets may begin to generate revenue or when products or software may decline in popularity. The success of our business depends in part on our ability to develop and enhance our advertising solutions, including expansion into new markets, and consistently and timely launch new products and features. It is difficult for us to predict with certainty when we will expand our advertising solutions, launch a new product or feature, or enter a new market as we may require longer development schedules or soft launch periods to meet our quality standards and expectations. If our clients do not adopt our new advertising offerings or develop or further invest in their own competing alternatives, or if we are unable to successfully launch or acquire new products or features or maintain or improve existing products or features, or enter a new market, our business and results of operations could be adversely affected. Fluctuations in our results of operations may cause such results to fall below our financial guidance or the expectations of analysts or investors, which could cause the market price of our Class A common stock to decline.

Security breaches, improper access to or disclosure of our data or client data, other hacking and phishing attacks on our systems, or other cyber incidents could harm our reputation and adversely affect our business.

The advertising and mobile app ecosystems are prone to cyberattacks by third parties seeking unauthorized access to our data or the data of our clients or their end users or to disrupt our ability to provide service. Our advertising solutions, and other offerings involve the collection, storage, transmission, and other processing of a large amount of data, including personal information, and we and our third-party service providers otherwise store and process information, including our confidential and proprietary business information, and personal information and other information relating to our employees, clients or other third parties. We also store and implement measures designed to secure the source code for our advertising solutions as they are created. Any failure to prevent or mitigate security breaches or incidents impacting our advertising solutions, or our systems or other systems used in our business, or improper access to or disclosure of our data, including source code, or user data, including personal information, or information from clients or other third parties, that is stored or otherwise processed in our business could result in the unauthorized loss, modification, disclosure, destruction, or other unauthorized processing of such data, or unavailability of data or of our advertising solutions, or other offerings. Any such event, or the perception it has occurred, could adversely affect our business and reputation, damage our operations, result in claims, litigation, or regulatory investigations or enforcement actions, fines, penalties, or other liability or obligations, and diminish our competitive position. In particular, a breach or incident, whether physical, electronic, or otherwise, impacting systems on which source code or other sensitive data are stored could lead to loss, disruption, unavailability, or piracy of, or damage to, our offerings, lost or reduced ability to protect our intellectual property, and diminished competitive position.

Malware (including ransomware), viruses, social engineering (predominantly spear phishing attacks or smishing), and general hacking have become more prevalent in the advertising and mobile app ecosystems. Some of these have occurred on our systems and otherwise in our business in the past, and we expect they will continue to occur in the future. We regularly encounter attempts to create false or undesirable client accounts or take other actions for purposes such as spamming or other objectionable ends. Any actual or attempted breaches, incidents, or attacks may cause disruptions or interruptions to our advertising solutions, or other offerings, degrade the user experience, impair, disrupt, or interrupt our systems and networks and other systems and networks used in our business, or adversely affect our reputation, business, financial condition, and results of operations. Our efforts to protect our advertising solutions, and other offerings, our systems and other systems used in our

business, and our data, user data, and information from clients, partners, and other third parties, and to disable or otherwise respond to undesirable activities on our offerings, may also be unsuccessful due to software bugs or other technical defects, errors, or malfunctions; employee, contractor, vendor, or partner error or malfeasance, including defects or vulnerabilities in information technology systems or offerings; cyberattacks, including attacks designed to disrupt systems or facilities; breaches of physical security of our facilities or technical infrastructure; or other threats that evolve. Additionally, any such breach, incident, attack, malfunction, defect, or vulnerability, or the perception that any of these has occurred, may cause clients or their end users to lose confidence and trust in our advertising solutions, or other offerings and otherwise harm our reputation and market position.

In addition, some developers or other business partners, such as those that help us measure the effectiveness of advertisements or participate in the bidding process, may receive or store information provided by us or by our clients or their end users through mobile apps, websites, or other means. These third parties or others may misappropriate or misuse this information. If these third parties fail to adopt or adhere to adequate data security practices, or experience a breach of, or other security incident impacting, their networks or systems, our data, our clients' data, or their end users' data may be lost, destroyed, or accessed, modified, disclosed, or otherwise processed in unauthorized manners. In such an event, or if such an event is perceived to have occurred, we may suffer damage to our reputation, may have increased costs arising from the restoration or implementation of additional security measures and other costs relating to the incident, and we may face claims, demands, investigations, and other proceedings by private parties or governmental actors, and fines, penalties, and other liability or obligations, any of which could adversely affect our business, financial condition, and results of operations. Any theft or unauthorized use or publication of our trade secrets and other confidential business information as a result of such an event could also adversely affect our business, competitive position, and results of operations.

Cyberattacks continue to evolve in sophistication and volume, and may be difficult to detect for long periods. Although we have developed systems and processes that are designed to protect first- and third- party data and information; to prevent data loss, disable undesirable accounts and activities on our advertising solutions, or other offerings; and to prevent and detect security breaches, we cannot assure you that such measures will provide comprehensive security, that we have been or will be able to identify breaches or other incidents or to react to them in a timely manner, or that our remediation efforts will be successful. We experience cyberattacks and other security incidents of varying degrees from time to time, and we may incur significant costs in investigating, protecting against, litigating, or remediating such incidents. We may face increased risks of cyberattacks and other security incidents as a result of increases in remote work. Our use of third-party systems for remote workforce operations introduces security risks and increased cyberattacks, such as phishing attacks by threat actors as a method for targeting personnel. Further, in connection with geopolitical events and conflicts, such as those in Ukraine and the Middle East, there may be a heightened risk of potential cyberattacks by state actors or others.

Additionally, our advertising solutions and other offerings operate in conjunction with, and we are in some cases dependent upon, third-party products, services, and components. Our ability to monitor our third-party service providers' data security is limited, and in any event, attackers may be able to circumvent our third-party service providers' data security measures. There have been and may continue to be significant attacks on certain third-party providers, and we cannot guarantee that our or our third-party providers' systems and networks have not been breached or compromised or do not contain defects or bugs that could result in a disruption, breach, or other incident impacting our systems and networks or those of third parties that support us and our advertising solutions. Security vulnerabilities, malicious code, errors, or other bugs or defects in these third-party products, services, and components could cause us to face increased costs, claims, liability, and additional or new obligations, reduced revenue, and harm to our reputation or competitive position. We and our service providers may be unable to anticipate these techniques, react, remediate or otherwise address any security vulnerability, breach or other security incident in a timely manner, or implement adequate preventative measures.

Further, we utilize AI technologies in our advertising solutions and in our business operations and may expand such use in the future. Our use of AI technologies, and the use of AI technologies in third-party products and services, may create additional cybersecurity risks or increase cybersecurity risks, including risks of security breaches and incidents, and related monetary liability and harm to our reputation and business. AI technologies may also be used in connection with certain cybersecurity attacks, resulting in heightened risks of security breaches and incidents.

In addition to our efforts to mitigate cybersecurity risks, we are working to combat misuse of our services and end user data by third parties. We may not discover all such incidents or related activities, in connection with these efforts, and we may instead be notified of such incidents or activity by clients, end users, the media, or other third parties. Such incidents and activities have in the past, and may in the future, include the processing of user data or use of our systems in manners inconsistent with our terms, contracts or policies, the existence of false or undesirable accounts, improper advertising practices, spamming, or unsecured datasets, and may also include other forms of misuse. We may also be unsuccessful in our efforts to enforce our policies or otherwise remediate or respond to any such incidents effectively or in a timely manner. Any of the foregoing developments, or any reports of them occurring or the perception that any of them has occurred, could adversely affect trust and engagement, harm our brand and reputation, require us to change our business practices, result in claims, demands, investigations, and other proceedings by private parties or governmental actors, and fines, penalties, and other liability or obligations, and adversely affect our business, financial condition, and results of operations.

We are subject to a variety of laws and regulations in the United States and abroad relating to cybersecurity and data protection, some of which provide a private right of action. Many jurisdictions have enacted breach notification obligations, and we have agreements with customers or partners that require us to notify them or fulfill other obligations in the event of certain

security breaches or incidents. Affected users or government authorities could initiate legal or regulatory actions against us in connection with any actual or perceived security breaches or incidents, insufficient security practices, or improper access to, or disclosure of, or other processing of data, or other cybersecurity issues which have occurred in the past or may occur in the future, and which could cause us to incur significant expense and liability, distract management and technical personnel, and result in orders or consent decrees forcing us to modify our business practices and to pay fines or penalties. Such actual or perceived breaches or other incidents or our efforts to remediate these events may also adversely affect our reputation, business, financial condition, or results of operations.

Our insurance coverage may not extend to all types of privacy or security breaches or other incidents, and it may be insufficient to cover all costs and expenses associated with such events. Further, such insurance may not continue to be available to us in the future on economically reasonable terms, or at all, and insurers may deny us coverage as to any future claim. The successful assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could have a material and adverse effect on our business, including our reputation, financial condition, or results of operations.

If third-party platforms change their policies in a way that harms our business, including the design and effectiveness of our advertising solutions, our business, financial condition, and results of operations could be adversely affected.

The mobile app ecosystem depends in part on a relatively small number of third-party distribution platforms, such as the Apple App Store, the Google Play Store, and Meta, some of which are direct competitors. We are subject to the standard policies and terms of service of such third-party platforms, generally through our relationships with developers and other parties that use our technology. These policies and terms of service generally govern the promotion, distribution, content, and operation of applications on a platform. Each platform provider has broad discretion to change and interpret its terms of service and other policies, including in ways that may be unfavorable to us or our clients. A platform provider may also change its fee structure, add fees associated with access to and use of its platform, alter how mobile apps are able to advertise on its platform, limit the use of personal information for advertising purposes, restrict how developers or end users can share information on its platform or across platforms, or significantly increase the level of compliance or requirements necessary to use its platform.

For example, since 2021, Apple has implemented an application tracking transparency framework that, among other things, requires users' opt-in consent for certain tracking. While this framework has not had a significant impact on our overall business, it may in the future, including with respect to the effectiveness of our advertising practices. We rely in part on IDFA to provide us with data that helps our advertising solutions better market and monetize mobile apps. Apple also implemented new requirements for consumer disclosures regarding privacy and data processing practices in December 2020, which has resulted in increased compliance requirements. In light of the IDFA and transparency changes, we made changes to our data collection practices. To the extent we are unable to utilize IDFA or a similar offering, or if these or future transparency changes and any related opt-in or other requirements result in decreases in the availability or utility of data relating to mobile apps, our advertising solutions may not be as effective and our revenue and results of operations may be harmed. Apple also incorporated new SDK privacy controls into iOS 17, released in September 2023.

Similarly, in February 2022, Google announced its Privacy Sandbox initiative for Android, a multi-year effort aimed at reducing cross-app tracking and limiting reliance on user identifiers. However, in October 2025, Google retired the Privacy Sandbox initiative and announced plans to discontinue most of its associated technologies across both Chrome and Android. In January 2024, Google commenced rolling out a Chrome feature called Tracking Protection, which limits cross-site tracking. Also, in January 2024, Google started to roll out new CMP requirements for ads served in the EEA and UK, which require publishers using Google AdSense, Ad Manager, or AdMob to use CMPs certified by Google and integrated with the IAB's Transparency and Consent Framework when serving personalized ads to users in the EEA or the UK. To adapt to these changes, we released the MAX SDK version 12.0.0+ to support integration with Google's CMP solution. While to date these third-party platform privacy changes have had some impact on the discoverability of apps across these platforms, and have had a relatively muted aggregate impact on our results of operations, the ultimate impact of these or any similar or future changes to the policies of any third-party platform may adversely affect our business, financial condition, and results of operations.

We also rely on the continued popularity, user adoption, and functionality of third-party platforms. In the past, some of these platform providers have been unavailable for short periods of time or experienced issues with their in-app purchasing functionality. Distribution platform providers also from time to time limit, suspend or discontinue access to their platforms in connection with violations, or perceived violations, of terms of service, which may impact our ability to work with parties utilizing its platform. In addition, any change or deterioration in our relationship with such distribution provider may impact our ability to work with parties utilizing access to its platform.

If issues arise with third-party platforms that impact the design or effectiveness of our advertising solutions, our business, financial condition, and results of operations could be adversely affected.

We are highly dependent on our co-founder and chief executive officer, as well as our senior management team. We operate a lean organizational structure and our business and growth may be adversely affected if we fail to attract, retain, and motivate key personnel.

Our future success depends in significant part on the continued service of our key management and engineering personnel, including our co-founder, CEO, and Chairperson, Adam Foroughi. Our ability to compete and grow depends in part on the efforts and talents of these employees and executives, who are important to our vision, strategic direction, culture, products, and technology. We do not have employment agreements, other than offer letters, with Mr. Foroughi or other members of our senior management team, and we do not maintain key-man insurance for members of our senior management team. The loss of Mr. Foroughi or any other member of our senior management team could cause disruption and adversely affect our business, financial condition, or results of operations.

We believe strongly in operating a lean organizational structure, leveraging technology wherever possible, as it allows us to adapt our business as needed and affords increased opportunity to our employees. While this approach enhances efficiency and cost control, it may also expose us to certain risks, such as limiting our ability to scale operations quickly in response to increased demand, develop new products or services in a timely manner, or effectively manage multiple initiatives simultaneously. Additionally, key employees often hold multiple responsibilities, making us more vulnerable to disruptions caused by turnover or unexpected absences. If we are unable to attract, retain, and efficiently allocate personnel, our operational capabilities, growth potential, and competitive position could be adversely affected. Furthermore, as we expand, we may need to hire additional employees and enhance our infrastructure to support growth. Failure to do so in a timely or effective manner could strain our existing workforce and negatively impact our financial performance and strategic objectives.

In addition, our ability to execute our strategy depends in part on our continued ability to identify, hire, develop, motivate, and retain highly skilled employees, particularly in the competitive fields of AI development, machine learning, product management, engineering and data science. We believe that our corporate culture has been an important factor in our ability to hire and retain key employees, and if we are unable to maintain our corporate culture as we grow, we may be unable to foster the innovation, creativity, and teamwork we believe we need to support our growth. While we believe we compete favorably, competition for highly skilled employees is intense, particularly in Silicon Valley, where our headquarters is located. Interviewing, hiring, and integrating new employees has been and will continue to be challenging as we continue to navigate the global working environment. If we are unable to identify, hire, and retain highly skilled employees, our business, financial condition, and results of operations could be adversely affected.

Our company culture has contributed to our success and if we cannot maintain this culture as we grow, our business could be harmed.

We believe that our company culture has been critical to our success and will be important for our continued growth. We face a number of challenges that may affect our ability to sustain our corporate culture, including: failure to identify, attract, reward, and retain people in critical technical and leadership positions in our organization who share and further our culture and values; the increasing size and geographic diversity of our workforce; competitive pressures to move in directions that may divert us from our culture and values; the continued challenges of a rapidly-evolving industry; the increasing need to develop expertise in new areas of business that affect us; a negative perception of our treatment of employees or our response to employee sentiment related to political or social causes or actions of management; and the integration of new personnel and businesses from acquisitions. If we are not able to maintain our culture, we could lose the innovation, passion, and dedication of our team and as a result, our business, financial condition, and results of operations could be adversely affected.

The failure to attract new clients, the loss of clients, or a reduction in spending by these clients could adversely affect our business, financial condition, and results of operations.

As is common in the advertising ecosystem, our clients do not have long-term commitments with us. Our success depends in part on our ability to satisfy our advertising partners. Revenue could also be impacted by a number of other factors, including:

- our ability to attract and retain clients, including, for example, in new markets such as e-commerce and social;
- our ability to improve the effectiveness and predictability of our advertising and maintain and improve Axon AI, our advertising recommendation engine;
- our ability to maintain or increase advertiser demand and third-party publisher supply, the quantity, or quality of advertisements shown to users, or our pricing of advertisements;
- changes in measuring or pricing of mobile or other advertising markets;
- our ability to recruit, train, and retain personnel to support continued growth of our advertising solutions;
- our ability to establish and maintain our brand and reputation;
- loss of market share to our competitors, including if competitors offer lower priced, more integrated, or otherwise more effective products;

- the development and success of technologies designed to block the display of advertisements or block our ad measurement tools, which have in the past impacted and may in the future impact our business, or technologies that make it easier for users to opt out of behavioral targeting;
- the availability, accuracy, utility, and security of analytics and measurement solutions offered by us or third parties that demonstrate the value of our advertising solutions to advertisers, developers and publishers, or our ability to further improve such tools;
- government actions or legislative, regulatory, or other legal developments relating to AI or advertising, including developments that may impact our ability to deliver, target, or measure the effectiveness of advertising;
- changes that limit our ability to deliver, target, or measure the effectiveness of advertising, including changes to policies by mobile operating system and third-party platform providers, and the degree to which users opt in or opt out of certain types of ad targeting as a result of changes and controls implemented in connection with such policy changes and with the E.U. General Data Protection Regulation (the "GDPR"), ePrivacy Directive, the California Consumer Privacy Act (the "CCPA") as amended by the California Privacy Rights Act (the "CPRA"), other U.S. state and international privacy laws, data broker laws, and the Children's Online Privacy Protection Act (the "COPPA");
- decisions by clients to reduce their advertising due to concerns about legal liability or uncertainty regarding their own legal and compliance obligations, or due to negative publicity, regardless of its accuracy, involving us, our data practices, advertising metrics or tools, our advertising solutions, or other companies in our industry; and
- the impact of macroeconomic conditions, including tariffs, trade wars, inflation, and high interest rates, political uncertainty and international conflicts around the world, such as in Ukraine and the Middle East, as well as friction between the United States and China, and responses thereto, and seasonality, whether in the advertising industry in general, or among specific types of advertisers or within particular geographies.

From time to time, certain of these factors have adversely affected our revenue to varying degrees. The occurrence of any of these or other factors in the future could result in a reduction in demand for our advertising solutions, which may reduce the prices we receive for our advertisements or cause clients to stop advertising with us altogether, either of which would adversely affect our business and results of operations. The failure to attract new clients, loss of clients, or reduction in spending by clients could adversely affect our business, financial condition, and results of operations.

The advertising ecosystem is intensely competitive. If clients prefer our competitors' products or services over our own, our business, financial condition, and results of operations could be adversely affected.

We face significant competition in the advertising ecosystem. Advertisers often engage with numerous advertising platforms and networks to purchase advertisements and developers often engage with numerous tools to market and monetize their apps. Accordingly, we face significant competition from traditional, online, and mobile businesses that provide ad networks and platforms, and other services for advertisers to reach relevant audiences. We also face competition from providers of developer tools that enable developers to reach their audiences or manage or optimize their advertising campaigns. These companies vary in size and include Meta, Google, Amazon, and Unity Software as well as various private companies, several of which are also our partners and clients. Clients who are also competitors may decide to invest in their own offerings rather than continue to use our advertising solutions.

We also face competition for advertising spending from game platforms such as personal computer and console games, and other leisure time activities, such as television, movies, music, sports, and the internet. During periods of macroeconomic uncertainty, levels of advertising spending have historically decreased and are likely to decrease and therefore this competition may intensify, which has at times harmed and may in the future harm our revenue. To the extent we explore entering into new markets or new business opportunities in the advertising ecosystem, or otherwise, we may also compete with established businesses with more experience in such areas.

Some of our current and potential competitors may be domiciled in different countries and subject to political, legal, and regulatory regimes that enable them to compete more effectively than us, particularly outside of the United States. Some of our current and potential competitors may have greater resources, more diversified revenue streams, better technological or data analytics capabilities, or stronger brands or competitive positions in certain product segments, geographic regions, or user demographics than we do. If clients prefer our competitors' products or services over our own, or if our competitors are better able to adapt to changes in the preferences of advertisers or users, regulations, or other developments, our business, financial condition, and results of operations could be adversely affected.

The advertising ecosystem is subject to rapid technological change, and if we do not adapt to, and appropriately allocate our resources among, emerging technologies and business models, our business, financial condition, and results of operations could be adversely affected.

Technology changes rapidly in the advertising ecosystem. Our future success depends in part on our ability to adapt to trends and to innovate. To attract new clients and increase revenue from our current clients, we may develop new products or enter into new markets and we will need to enhance and improve our advertising solutions. For example, since 2024 we have begun expanding our customer base to include web-based e-commerce advertisers. Our ability to improve the effectiveness and predictability of our advertising recommendations through improvements to Axon AI, our advertising recommendation engine, is critical to our continuing success and future growth. Enhancements of our existing technology and offerings, and new offerings,

may not be introduced in a timely or cost-effective manner and may contain errors or defects, both of which could adversely affect our business, financial condition, and results of operations.

Our business also currently depends in part on the growth and evolution of the internet, especially mobile internet-enabled devices. The number of people using mobile internet-enabled devices has increased rapidly over time, and we expect that this trend will continue. However, the markets in which we operate may not grow in the way we anticipate. We must continually anticipate and adapt to emerging technologies to stay competitive, including the development of AI and its impacts on the advertising ecosystem. As the technological infrastructure for internet access improves and evolves, consumers will be presented with more opportunities to access apps and play games on a variety of devices and platforms and to experience other leisure activities that may compete with mobile apps. Forecasting the financial impact of these emerging technologies and business models is inherently uncertain and volatile. If we decide to support a new technology or business model in the future, it may require partnering with a new platform, technology, or business partner, which may be on terms that are less favorable to us than those for traditional technologies or business models.

To invest in a new technology, enter a new market or expand our offerings, we must invest financial resources and management attention. We may invest significant resources in a new offering, entering a new market or in a strategic acquisition or partnership, which could prove unsuccessful or prevent us from directing these resources towards other opportunities. We may never recover the often-substantial up-front costs of developing and marketing emerging technologies or business models, or recover the opportunity cost of diverting management and financial resources. Further, our competitors may adopt an emerging technology or business model more quickly or effectively than we do, creating products that are technologically superior to ours or attract more users than ours.

If, on the other hand, we do not continue to enhance our advertising solutions, or do not appropriately allocate our resources amongst opportunities, or we otherwise elect not to pursue new business models that achieve significant commercial success, we may face adverse consequences. It may take significant time and expenditures to shift product development resources to new technologies, and it may be more difficult to compete against existing products incorporating such technologies. If new technologies render mobile devices obsolete or we are unable to successfully adapt to and appropriately allocate our resources amongst current and new technologies, our business, financial condition, and results of operations could be adversely affected.

Our advertising solutions, as well as our internal systems, rely on software and hardware that is highly technical, and any errors, bugs, or vulnerabilities in these systems, or failures to address or mitigate technical limitations in our systems, could adversely affect our business, financial condition, and results of operations.

Our advertising solutions, as well as our internal systems, rely on software and hardware, including AI technologies, that are highly technical and complex. In addition, our advertising solutions, as well as our internal systems, depend in part on the ability of such software and hardware to store, retrieve, process, and manage immense amounts of data. The software and hardware on which we rely has contained, and will in the future contain, errors, bugs, or vulnerabilities and our systems are subject to certain technical limitations that may compromise our ability to meet our objectives. Some errors, bugs, or vulnerabilities inherently may be difficult to detect and may only be discovered after the code has been released for external or internal use. Errors, bugs, vulnerabilities, design defects, or technical limitations within the software and hardware on which we rely have in the past led to, and may in the future lead to, outcomes including a negative experience for clients who use our offerings and their end users, compromised ability of our offerings to perform in a manner consistent with our terms, contracts, or policies, delayed product launches or enhancements, targeting, measurement, or billing errors, compromised ability to protect data and/or our intellectual property, or reductions in our ability to provide some or all of our services. To the extent such errors, bugs, vulnerabilities, or defects impact our advertising solutions or the accuracy of data in the advertising solutions, our clients may become dissatisfied with our offerings, our brand and reputation may be harmed, and we may make operational decisions that are based on inaccurate data. Any errors, bugs, vulnerabilities, or defects in our systems or the software and hardware on which we rely, failures to properly address or mitigate the technical limitations in our systems, or associated degradations or interruptions of service or failures to fulfill our commitments to our clients may lead to outcomes including damage to our reputation, increased product engineering expenses, regulatory inquiries, litigation, or liability for fines, damages, or other remedies, any of which could adversely affect our business, financial condition, and results of operations.

Our business depends in part on our ability to maintain and scale our technical infrastructure, and any significant disruption to our advertising solutions could damage our reputation, result in a potential loss of engagement, and adversely affect our business, financial condition, and results of operations.

Our reputation and ability to attract and retain our clients depends in part on the reliable performance of our advertising solutions. We have in the past experienced, and may in the future experience, interruptions in the availability or performance of our offerings from time to time. Our systems may not be adequately designed or may not operate with the reliability and redundancy necessary to avoid performance delays or outages that could be harmful to our business. If our offerings are unavailable when clients attempt to access them, or if they do not load as quickly as expected, clients may not use our offerings as often in the future, or at all, which could adversely affect our business and results of operations. As we continue to grow, we will need an increasing amount of technical infrastructure, including network capacity and computing power, to continue to satisfy our needs and the needs of our clients. Additionally, we rely on certain third-party providers for our increasing network capacity and computing power needs, and if we fail to properly anticipate our needs or secure sufficient capacity at a reasonable cost, our ability to scale and grow our business, or our profitability, could be negatively impacted. Our business may be subject to interruptions, delays, or failures resulting from natural disasters and other events outside of our control that impact us or these

third-party providers. If such an event were to occur, clients may be subject to service disruptions or outages and we may not be able to recover technical infrastructure and data in a timely manner to restart or provide our services. If we fail to efficiently scale and manage our infrastructure, or if events disrupt our infrastructure or those of our third-party providers, our business, financial condition, and results of operations could be adversely affected.

Our revenue has been concentrated in the mobile app ecosystem and any failure to successfully expand and diversify our revenue sources beyond the mobile ecosystem could adversely affect our business, financial condition, and results of operations.

We face concentration risk in that our advertising solutions primarily operate in the mobile app ecosystem and specifically mobile gaming. As such, our business depends, in part, on the continued health and growth of these app ecosystems. Further, a significant amount of our total revenue is derived through mobile applications subject to a limited number of third-party distribution platforms, such as the Apple App Store, the Google Play Store, and Meta. Because Meta and Google are also significant partners of AppLovin and Adjust, a deterioration in our or Adjust's relationship with such companies would have a greater impact on our business, financial condition, and results of operations. If any of these concentrated portions of our revenue are harmed or are lost, our business, financial condition, and results of operations could be adversely affected.

Our future growth may involve expansion into new business opportunities, and any efforts to do so that are unsuccessful or are not cost-effective could adversely affect our business, financial condition, and results of operations.

In the past, we have grown by expanding our offerings into new business opportunities and we expect to continue to do so. We have dedicated resources to expanding into adjacent business opportunities in which large competitors have an established presence, such as e-commerce. For example, since 2024 we have begun expanding our customer base to include web-based e-commerce advertisers. Additionally, our future growth may include expansion into additional features for our advertisers and publishers, other mobile app sectors, social, connected TV markets through Wurl, or other opportunities which may require significant investment in order to launch and which may not prove successful. Further, any such expansion may subject us to new or additional laws and regulations, compliance with which may be burdensome and costly. Our future growth depends in part on our ability to correctly identify areas of investment and to cost-effectively execute on our plans. For example, we generate revenue through our Wurl CTV business which provides streaming content distribution and advertising services, markets which remain nascent and may not develop as we expect over time. There can be no assurance that we will achieve broader adoption among e-commerce advertisers or that we will effectively develop technology for our advertising solutions that will allow us to successfully expand into new markets.

We have in the past and may in the future expend significant resources in connection with strategic acquisitions and partnerships to expand into new business opportunities. Even if successful, the growth of any new business opportunity could create significant challenges for our management and operational resources and could require considerable investment. The deployment of significant resources towards a new opportunity that proves unsuccessful, or our inability to choose the correct investment opportunities for our future, could adversely affect our business, financial condition, and results of operations.

Our business is subject to general macroeconomic conditions and a variety of other factors beyond our control that could adversely affect our revenue and results of operations.

A deterioration in macroeconomic conditions, whether in the United States, internationally, or globally, could create uncertainty and adversely affect advertising spending or costs related to our operations. Historically, consumer purchasing and advertising spending have each declined during economic downturns and periods of uncertainty regarding future economic prospects or when disposable income or consumer lending is lower. Uncertain economic conditions may impact advertiser spending in future periods and may also adversely affect our clients, which in turn may harm our business, financial condition, and results of operations. Economic and political relations between the U.S. and other countries continue to evolve rapidly, including with respect to tariff and other policies, and changing policies may adversely affect our business by harming advertising spending or increasing our costs.

Our business is also impacted by geopolitical conditions. While not currently material to the operation of our business, management and our board of directors have discussed and assessed, and will continue to discuss and assess, any risks related to international conflicts around the world, such as in Ukraine and the Middle East, as well as, tension between the United States and China or other nations, including but not limited to, risks related to cybersecurity, sanctions, regulatory changes, and personnel based in affected regions. For example, we have employees located in Israel and as a result of the international conflict in the Middle East, we have incurred and are likely to continue to incur costs to support our employees and address related challenges. We may also experience interruptions or delays in the services they provide to us as a result of such geopolitical volatilities.

Further, we have operations in China and the continuing tension between the U.S. and China may impact our business and results of operations in the future. The U.S. government has restricted the ability to send certain products and technology to China without an export license. In many cases, these licenses are subject to a policy of denial and will not be issued. While our current products are not restricted by these controls, such controls or future restrictions could impact our business in the future. Additionally, the U.S. government also continues to add additional entities in China and other countries to restricted party lists impacting the ability of U.S. companies to engage with these entities. In addition, the Chinese government has retaliated, and may continue to retaliate, to recent changes in U.S. tariffs and export controls in ways that could indirectly impact our business. If

we are unable to promptly or properly react to new developments in these and other international regions, our business, financial condition, and results of operations could be adversely affected.

Our principal offices are located in Palo Alto, an area known for earthquakes and susceptible to fires, and are thus vulnerable to damage. All of our facilities are also vulnerable to damage from natural or manmade disasters, including power loss, earthquakes, fires, explosions, floods, communications failures, terrorist attacks, contagious disease outbreak or other public health matters (such as the COVID-19 pandemic), and similar events. If any disaster were to occur, our ability to operate our business at our facilities could be impaired and we could incur significant losses, recovery from which may require substantial time and expense.

Our international operations are subject to increased challenges and risks.

We expect to continue to expand our international operations in the future. Our resources are located throughout the world, including in areas with less certain legal and regulatory regimes or more potential risks. Expanding our international operations may subject us to risks associated with:

- recruiting and retaining talented and capable management and employees in foreign countries;
- challenges caused by distance, language, and cultural differences;
- increased risk of loss, data breaches or cybersecurity attacks from our global operations;
- developing and customizing advertising solutions that appeal to the tastes and preferences of users in international markets;
- the inability to offer certain advertising solutions in certain foreign countries;
- competitors with intellectual property rights and significant market share in those markets and with a better understanding of user preferences;
- utilizing, protecting, defending, and enforcing our intellectual property rights;
- the inability to extend proprietary rights in our brand, content, or technology into new jurisdictions;
- compliance with applicable foreign laws and regulations, including anti-bribery laws, privacy and data protection laws, AI laws, economic and trade sanctions, and laws relating to content and consumer protection;
- credit risk and higher levels of payment fraud;
- currency exchange rate fluctuations;
- protectionist laws and business practices that favor local businesses in certain countries;
- double taxation of our international earnings and potentially adverse tax consequences due to changes in the tax laws in the United States or the foreign jurisdictions in which we operate;
- political, economic, and social instability or conflict, including international conflicts around the world, as well as increasing friction between the United States and China or other nations, and their impacts on regional and global economies;
- public health crises, such as the COVID-19 pandemic, which can result in varying impacts to our employees, clients, advertisers, app developers, and business partners internationally;
- higher costs associated with doing business internationally, including costs related to local advisors;
- export or import regulations; and
- trade and tariff restrictions.

Our ability to successfully gain market acceptance in any particular international market is uncertain and, in the past, we have experienced difficulties and have not been successful in all the countries we have entered. If we are unable to continue to expand internationally or manage the complexity of our global operations successfully, our business, financial condition, and results of operations could be adversely affected.

We plan to continue to consider opportunities to expand and diversify our operations through strategic acquisitions and partnerships. We face a number of risks related to strategic transactions we may pursue.

We will continue to consider opportunities to expand and diversify our operations with additional strategic acquisitions or partnerships, strategic collaborations, joint ventures, or licensing arrangements. As we continue to grow, these transactions may be larger and require significant investments, such as our acquisitions of Adjust, the MoPub business, and Wurl.

We may be unable to identify or complete prospective acquisitions or partnerships for many reasons, including our ability to identify suitable targets, increasing competition from other potential acquirers, the effects of consolidation in our industries, potentially high valuations of acquisition candidates, and the availability of financing to complete larger acquisitions. For example, in April 2025, we confirmed that we had provided an indication of interest to the President of the United States to explore a purchase of TikTok in all markets outside of China, but we ultimately did not enter into a transaction. In addition, applicable

antitrust laws and other regulations may limit our ability to acquire targets, particularly larger targets, or force us to divest an acquired business. If we are unable to identify suitable targets or complete acquisitions, or if such acquisitions lead to heightened regulatory or compliance risk, our growth prospects could be adversely affected, and we may not be able to realize sufficient scale and technological advantages to compete effectively in all markets.

Further, completing larger acquisitions or other strategic transactions can involve significantly more risk in that such transactions can involve complicated integrations and require significant management attention to complete, and these large strategic transactions could introduce additional exposure to regulatory and compliance risk. To complete large strategic transactions, we may need to spend significant amounts of cash, which may not be available to us on acceptable terms, if at all, or which could lead us to incur additional debt (and increased interest expense), assume contingent liabilities or amortization expenses related to intangible assets, or write-offs of goodwill and intangible assets. In addition, we may need to issue significant amounts of equity or equity-linked consideration, which would dilute our current stockholders' ownership and could adversely affect the price of our Class A common stock. We also generally devote more time and resources towards performing diligence on larger transactions and may be required to devote more resources towards regulatory requirements in connection with such transactions. To the extent that we do not perform sufficient diligence on a larger acquisition or such a transaction does not generate the expected benefits, our business, financial condition, and results of operations will be harmed, and to a greater extent than would occur with a smaller transaction.

Absent such strategic transactions, we would need to undertake additional development or commercialization activities at our own expense, which activities may not become commercially successful or financially viable. If we elect to fund and undertake such additional efforts on our own, we may need to obtain additional expertise and additional capital, which may not be available to our company on acceptable terms, if at all. If we are unable to do any of the foregoing, we may not be able to develop our advertising solutions effectively or achieve our expected product roadmap on a timely basis, which could adversely affect our business, financial condition, and results of operations.

The benefits of a strategic transaction may also take considerable time to develop, and we cannot be certain that any particular strategic transaction will produce the intended benefits. If we are unable to identify and complete strategic transactions or realize the anticipated benefits from such transactions, our business, financial condition, and results of operations could be adversely affected.

We face risks related to our strategic transactions, which may not achieve our strategic objectives, may disrupt our operations or result in unexpected liabilities or expenses.

As part of our growth strategy, we have frequently acquired companies, businesses, personnel, and technologies, and we intend to continue to evaluate and pursue strategic transactions. For example, we acquired Adjust in April 2021, Twitter's MoPub business in January 2022 and Wurl in April 2022. Each acquisition requires unique approaches to integration due to, among other reasons, the structure of the acquisition, the size, locations, and cultural differences among their team and ours, and has required, and will continue to require, attention from our management team. As we continue to grow, the size of our acquisitions and investments has increased and may continue to increase. In addition to the larger purchase prices associated with such acquisitions and investments, larger acquisitions and investments may also require additional management resources to integrate more significant and often more complex businesses into our company.

Our future success depends in part on our ability to effectively integrate and manage these acquisitions. If we are unable to obtain the anticipated benefits or synergies of such acquisitions, or we encounter difficulties integrating acquired businesses with ours, our business, financial condition, and results of operations could be adversely affected.

Challenges and risks from such strategic transactions include:

- diversion of our management's attention in the acquisition and integration process, including oversight over acquired businesses;
- declining employee morale and retention issues resulting from changes in compensation or benefits, or changes in management, reporting relationships, or future performance;
- the need to integrate the operations, systems, technologies, products, and personnel of each acquired company, the inefficiencies and lack of control that may result if such integration is delayed or not implemented, and unforeseen difficulties and expenditures that may arise in connection with integration;
- costs associated with onboarding clients of an acquired business;
- the need to implement internal controls, procedures, and policies appropriate for a larger, U.S.-based public company at companies that prior to acquisition may not have as robust controls, procedures, and policies, in particular, with respect to the effectiveness of internal controls, cyber and information security practices and incident response plans, compliance with privacy, data protection, and other regulations protecting the rights of clients and users, and compliance with U.S.-based economic policies and sanctions which may not have previously been applicable to the acquired company's operations;
- the difficulty in accurately forecasting and accounting for the financial impact of an acquisition transaction, including accounting charges, write-offs of deferred revenue under purchase accounting, and integrating and reporting results for acquired companies that have not historically followed GAAP;

- the implementation of restructuring actions and cost reduction initiatives to streamline operations and improve cost efficiencies;
- in the case of foreign acquisitions, the need to integrate operations across different cultures and languages and to address the particular economic, political, and regulatory risks associated with specific countries as well as tax risks that may arise from the acquisition;
- increasing legal, regulatory, and compliance exposure, and the additional costs related to mitigate each of those, as a result of adding new offices, employees and other service providers, benefit plans, equity, job types, and lines of business globally;
- tax risks, including that we may be required to make tax withholdings in various jurisdictions in connection with such transactions or as part of our continuing operations following a transaction, and that the companies or businesses we acquire may cause us to alter our international tax structure or otherwise create more complexity with respect to tax matters; and
- liability for activities of the acquired company before the acquisition, including intellectual property, commercial, and other litigation claims or disputes, security vulnerabilities, violations of laws, rules and regulations, including with respect to employee classification, tax liabilities, and other known and unknown liabilities.

If we are unable to successfully integrate and manage our strategic transactions, we may not realize the expected benefits of such transactions or become exposed to additional liabilities, and our business, financial condition, and results of operations could be adversely affected.

In addition, we have in the past chosen, and may in the future also choose, to divest certain businesses or product lines. For example, in June 2025, we sold our Apps business. As a result of this divestiture, we no longer generate Apps revenue and we may not achieve the desired strategic and financial benefits. Any future divestitures or similar transactions may, among other risks, result in reduced revenue, cause us to incur additional expenses, disrupt third party or employee relationships, and expose us to unanticipated or ongoing obligations and liabilities, including as a result of our indemnification obligations or any agreement to provide transition services.

We have experienced recent rapid growth, which may not be indicative of our future growth. We may be unable to effectively manage the growth of our business, which could adversely affect our business, financial condition, and results of operations.

We have experienced rapid growth in the scale, scope, and complexity of our business. For example, our revenue has grown rapidly, in particular since the launch of Axon AI, our advertising recommendation engine. Our growth in any prior period should not be relied upon as an indication of our future performance, as we may not be able to sustain our growth rate in the future. Even if our revenue continues to increase, we expect that our revenue growth rate may decline in the future as a result of a variety of factors, including because of more difficult comparisons to prior periods and the saturation of the market. The overall growth of our revenue depends in part on our ability to execute on our growth strategies. As we implement additional strategies designed to increase revenue, such as investing in product development, new initiatives, or strategic transactions, we are likely to recognize costs associated with these investments earlier than some of the expected benefits, and the return on these investments may be lower, or may develop more slowly, than we expect. If we are unable to generate adequate revenue growth and manage our expenses, our margins and profitability may be harmed.

Additionally, the growth and expansion of our business has placed and continues to place a significant strain on our management, operations, financial infrastructure, and culture. Our future success depends in part on our ability to manage this expanded business. If not managed effectively, this growth could result in the over-extension of our management systems and information technology systems and our internal controls and procedures may not be adequate to support this growth. Failure to adequately manage our growth in any of these ways may cause damage to our brand and reputation and adversely affect our business, financial condition, and results of operations.

We generally do not have long-term agreements with our clients.

Our clients are not required to enter into long-term agreements with us and may choose to stop using our advertising solutions at any time. In order to continue to grow our advertising solutions, we must consistently provide offerings that clients see as valuable and choose to use. If we fail to maintain our relationships with our clients, or if the terms of these relationships become less favorable to us, our results of operations would be harmed. Additionally, as certain of our clients are also our competitors, these clients may choose to invest in their own offerings rather than continue to use our advertising solutions. Any failure to maintain our relationships with clients could adversely affect our business, financial condition, and results of operations.

If we do not successfully or cost-effectively invest in, protect and enhance our brands and reputation, our business, financial condition, and results of operations could be adversely affected.

We believe that investing in and maintaining our brands and overall reputation is critical to maintaining and creating favorable relationships with, and our ability to attract, new clients and key personnel. In connection with the 2025 launch of our self-serve advertising platform (Axon Ads Manager), we publicly launched our Axon product branding. Increasing awareness of the AppLovin corporate brand and of Axon specifically will depend largely upon our marketing efforts and our ability to successfully differentiate our advertising solutions from the offerings of our competitors. In addition, successfully globalizing and

extending our brands requires significant investment and extensive management time. If we fail to maintain and increase brand awareness and recognition of our advertising solutions, or fail to protect our reputation, our business, financial condition, and results of operations could be adversely affected.

Harm to our brands and reputation can arise from many sources, including actions of our business partners, service disruptions or technical issues, or legal or regulatory scrutiny. Even allegations may harm our reputation and brands and cause the market price of our Class A common stock to decline. We have, from time to time in the past, and may in the future be, the target of incomplete, inaccurate, and misleading or false statements about our company and our business that could damage our reputation and brands, divert management attention and resources, and deter clients or potential clients from using our solutions. If we do not successfully maintain, protect or enhance our brand and reputation, our business could be materially and adversely affected.

Third parties with whom we do business may be unable to honor their obligations to us or their actions may put us at risk.

We rely on third parties for various aspects of our business, including demand-side platforms, agencies, advertisers, and publishers who use our advertising solutions. Their actions may violate our contracts, policies, and applicable laws and regulations, or may otherwise put our business and reputation at risk. Demand-side platforms may be given access to personal information in order to bid on advertising inventory and in violation of our contracts, and they may misappropriate and engage in unauthorized use of our information, technology or customers' data. In violation of our policies, advertisers may enable the serving of ads that contain prohibited, restricted, or inappropriate content, or content that otherwise fails to adhere to country-specific laws, rules, or regulations. We also work with advertisers that operate sports gambling apps, apps that involve real money gambling, and apps and advertisers in other regulated industries and markets (including alcohol, CBD/hemp, financial services, and health & wellness), each of which imposes additional legal and regulatory requirements on these advertisers, which they may not comply with. A vast amount of publishers attempt to use our advertising solutions, a number of which may attempt to monetize prohibited, restricted, or inappropriate content, or may engage or attempt to engage in fraudulent or other unlawful activity in violation of our policies, which in turn from time to time may cause us to incur losses, impose additional operational costs to protect our platform, trigger additional law enforcement or other inquiries, put our reputation at risk, and otherwise adversely affect our business, financial condition, and results of operations. Further, disruptions in the mobile application industry, or financial markets, economic downturns, and poor business decisions may adversely affect our partners and may increase their propensity to engage in fraud or other unlawful activity which could harm our business or reputation, and they may not be able to honor their obligations to us, or we may cease our arrangements with them.

Additionally, the failure of third-party business partners to provide or maintain adequate services and technologies could result in a disruption to our business operations. While not material to our business to date, we experience from time to time disruptions from third parties with whom we do business, including failure to uphold contractual obligations, violations of our policies and terms of use, and other actions described in this risk. Actions by these third parties may directly or indirectly cause harm to our business, reputation, financial condition and results of operations.

Risks Related to Legal and Regulatory Matters

We are subject to laws and regulations concerning privacy, information security, data protection, consumer protection, advertising, tracking, targeting, and protection of minors, and these laws and regulations are continually evolving. Our actual or perceived failure to comply with these laws and regulations could adversely affect our business, financial condition, and results of operations.

We receive, store, and process personal information and other data, including data relating to individuals and households, and certain aspects of our services involve sharing data with demand partners and service providers. Numerous federal, state, and local laws around the world address privacy and the collection, storing, sharing, use, disclosure, deletion, protection, and other processing of personal information and other data, including data relating to individuals and households, the scope of which are changing, subject to differing interpretations, and may be inconsistent between jurisdictions or conflict with other obligations.

Governments and regulatory authorities have proposed and enacted laws and regulations relating to the collection and processing of information concerning consumer behavior, including by restricting certain targeted advertising practices. For example, the GDPR, which became effective in May 2018, created new individual privacy rights and imposed worldwide obligations on companies processing personal data of European Union ("EU") users, which has created a greater compliance burden and subjects violators to substantial monetary penalties. For example, the GDPR and other similar regulations require companies to give specific types of notice and in some cases seek consent from data subjects to collect and use their data for certain purposes, including interest-based advertising. The United Kingdom has implemented legislation that substantially implements the GDPR and which also provides for substantial monetary penalties. Such legislation remains subject to the European Commission's adequacy decision for data transfers. We cannot fully predict how United Kingdom data protection laws or regulations may develop in the medium to longer term, nor the impacts of divergent laws and guidance regarding EU and United Kingdom data protection law.

We transfer personal data relating to our employees, clients and their users from the European Economic Area ("EEA"), the United Kingdom, Switzerland, and other jurisdictions to the United States and other countries. Following the invalidation of the EU-U.S. and Swiss-U.S. Privacy Shield frameworks by the Court of Justice of the European Union in 2020 and the imposition of additional requirements regarding the use of standard contractual clauses ("SCCs"), cross-border data transfer mechanisms

have been subject to heightened regulatory scrutiny, evolving guidance, and legal challenge. The European Commission adopted updated SCCs in 2021, and the United Kingdom has implemented its own contractual transfer mechanisms, which have increased compliance complexity and costs. In July 2023, the European Commission adopted an adequacy decision for the EU-U.S. Data Privacy Framework (“EU-U.S. DPF”), and related frameworks for the United Kingdom and Switzerland subsequently became effective. We are certified under these frameworks, where applicable; however, they are subject to ongoing review and potential legal challenge and may be modified, suspended, or invalidated in the future. Regulators in certain European jurisdictions have also taken the position that specific data transfer practices, including the use of certain analytics tools, may result in unlawful transfers of personal data to the United States. If existing data transfer mechanisms are restricted or invalidated, or if additional measures are required, we and our business partners and service providers may need to implement alternative or supplemental safeguards, renegotiate contracts, or modify our operations, which could increase costs, limit our ability to process personal data, disrupt our advertising solutions or other offerings, and expose us and our customers to regulatory investigations or enforcement actions. Similar cross-border data transfer restrictions under other current or future laws such as Brazil’s General Data Protection Law and China’s Personal Information Protection Law may further increase compliance burdens and adversely affect our business, financial condition, and results of operations.

Moreover, there are increasing restrictions in the United States on certain personal sensitive data transfers to certain foreign countries. The Department of Justice finalized a final rule implementing Executive Order 14117, effective April 8, 2025, which prohibits data transfer of personal identifiers, precise geolocation data, biometric identifiers, health data, and financial data over a certain bulk threshold to identified countries of concern (i.e., China, Hong Kong, Macau, Cuba, Iran, North Korea, Russia, and Venezuela). The rule also restricts data brokerage agreements, investment agreements, employment agreements, and vendor agreements involving such data and countries of concern. Violations of the rule may be punishable by criminal and/or civil sanctions and may result in exclusion from participation in federal and state programs. These data transfer restrictions may create operational challenges and legal risks for our business, particularly with regard to China, where we have operations.

Another example of increasingly stringent privacy legislation is California’s passage of the CCPA, which went into effect in 2020, and created new privacy rights for residents, including a private right of action for data breaches. The CPRA went into effect in 2023 and significantly modified the CCPA, increasing compliance complexity and uncertainty. Additionally, other states in the U.S. have proposed or enacted laws addressing privacy and cybersecurity, many of which are comprehensive statutes containing obligations similar to the CCPA and CPRA, that have taken effect or will take effect in coming years. Certain of these laws provide for private rights of action, which may increase the likelihood of class action litigation that could also adversely affect our reputation, business, financial condition, and results of operations. The U.S. federal government is also contemplating federal privacy legislation. Our efforts to comply with the CCPA, as modified by the CPRA, and other existing and future legal requirements have required and will continue to require us to devote significant operational resources and incur significant costs and expenses. Our compliance and oversight efforts regarding privacy, data protection, and security require significant time and attention from our management and board of directors.

Further, children’s privacy continues to be a focus of enforcement activities and subjects our business to potential liability that could adversely affect our business, financial condition, or operating results. For example, enforcement of COPPA, which requires companies to obtain parental consent before collecting personal information from children known to be under the age of thirteen or from child-directed websites or online services, has increased in recent years. In addition, the GDPR, the CCPA, as modified by the CPRA, and other laws contain their own prohibitions and requirements relating to processing the personal information of children. There also may be various laws, regulations, industry standards, codes of conduct, or other actual or asserted obligations relating to children’s privacy to which we may be, or be asserted to be, subject, or that may otherwise impact our business and operations. For example, the United Kingdom’s Age Appropriate Design Code (“AADC”) is one such regulatory framework that has been adopted in the United Kingdom that focuses on online safety and protection of children’s privacy online, and similar frameworks are being considered in other jurisdictions. While our terms of use prohibit publishers and advertisers from using our services in connection with end users who qualify as a “child” under applicable laws or content exclusively designed for or exclusively directed to children under applicable laws and app store policies, and we take reasonable efforts to comply with applicable laws and regulations and certain other standards, we may in the future face claims under COPPA, the GDPR, the CCPA, the CPRA, or other laws, regulations, or other actual or asserted obligations relating to children’s privacy. Additionally, several jurisdictions have enacted or proposed laws imposing new privacy obligations related to health-related personal information beyond traditional medical privacy laws like the Health Insurance Portability and Accountability Act, which laws can broadly define consumer health data and in certain cases include private rights of action. Ongoing developments regarding laws and regulations concerning privacy, information security, data protection, consumer protection, advertising, and other factors that may be relevant to our business may increase compliance burdens, legal risks, and operational costs for us, our clients, and others in the advertising technology ecosystem. We endeavor to comply with applicable industry standards and are subject to the terms of our privacy-related obligations and commitments to clients, end users, and third parties. We strive to comply with all applicable laws, policies, legal obligations, and certain industry codes of conduct relating to privacy and data protection, to the extent reasonably attainable. However, it is possible that these or other actual or asserted obligations relating to privacy, data protection, or information security may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or our practices. It is also possible that laws, policies, legal obligations, or industry codes of conduct may be implemented, modified, or interpreted in manners that could prevent us from offering services to categories of persons, such as residents of a certain jurisdiction, or may make it costlier or more difficult for us to do so. Any failure or perceived failure by us to comply with our terms of use or privacy policy; with applicable laws, regulations, or legal, contractual, or other actual or asserted obligations to clients or third parties concerning the matters discussed in this risk factor; or any compromise of security that results, or is perceived to result, in the unauthorized release or transfer of personal

information or other data may result in governmental enforcement actions or other proceedings, claims, demands, and litigation by private parties, or public statements against us by consumer advocacy groups or others and could cause a loss of trust in us, which could adversely affect our business, financial condition, or results of operations. Additionally, if third parties we work with, such as advertisers, publishers, vendors, service providers, or other business partners violate applicable laws or our policies, such violations may also put personal information at risk and could in turn adversely affect our reputation, business, financial condition, and results of operations.

Our business is subject to a variety of U.S. and foreign laws, many of which are unsettled and still developing, which could subject us to claims or otherwise adversely affect our business, financial condition, and results of operations.

We are subject to a variety of laws in the United States and abroad, and it is possible that a number of laws and regulations may be adopted or construed to apply to us in the United States and elsewhere that could affect our business and restrict the advertising ecosystem or development of our technologies, including state and federal laws regarding antitrust, consumer protection, electronic marketing, protection of minors, data protection, privacy, communications, content suitability, distribution, competition, taxation, intellectual property, machine learning and AI, money transmission, money laundering, investment screening, sanctions, export, national security, and climate change, which are continuously evolving and developing and any such policy and regulatory changes could impose operational and compliance burdens. The scope and interpretation of the laws that are or may be applicable to us are often uncertain and evolving and may be conflicting, particularly laws outside the United States. There is a risk that existing or future laws may be interpreted in a manner that is not consistent with our current practices and which could adversely affect our business. As our advertising solutions grow and evolve, including through the use of and integration of AI technologies, and are used in a greater number of countries and on a larger scale, we may also become subject to new laws and regulations in additional jurisdictions or jurisdictions may claim that we are required to comply with their laws and regulations. The regulation of AI technologies is a relatively new and evolving area of law which we may become subject to as we continue to explore the use of AI technologies in our current and future products. For example, in the EU, the EU Artificial Intelligence Act imposes a regulatory framework for the companies' development and use of AI systems, and numerous state laws in the U.S. have been proposed, and in certain cases enacted, regulating aspects of the development and use of AI systems. Beyond the EU and U.S., many other countries have proposed AI-related legal frameworks. There is a risk that existing or future laws may be interpreted in a manner that is not consistent with our current practices and which could adversely affect our business.

Furthermore, the growth and development of e-commerce and virtual goods may prompt calls for more stringent consumer protection laws that may impose additional burdens on companies such as ours conducting business through the internet and mobile devices. We may also expand into new business opportunities that subject us to additional laws and regulations. As such, we may be required to seek licenses, authorizations, or approvals from relevant regulators, the granting of which may be dependent on us meeting certain capital and other requirements and we may be subject to additional regulation and oversight, all of which could significantly increase our operating costs. Changes in current laws or regulations or the imposition of new laws and regulations in the United States or elsewhere regarding these activities may lessen the growth of the advertising ecosystem. Any costs incurred as a result of adapting to laws and regulations, or as a result of liability in connection therewith, could adversely affect our business, financial condition, reputation and results of operations.

The development and use of AI in our business, combined with an uncertain regulatory environment, may adversely affect our business, reputation, financial condition or results of operations.

We use AI technologies in connection with the development of our advertising solutions, including Axon AI, our advertising recommendation engine, and other product offerings, as well as in other aspects of our business, and we will continue to invest in the expansion of our AI capabilities, including possibly generative AI. These technologies are complex and rapidly evolving, and the development of AI technologies can require significant investment. Expanding our AI capabilities subjects us to many of the risks discussed elsewhere in this Risk Factors section, including risks relating to rapid technological change, the highly technical nature of software, and competition.

Additionally, the introduction of AI technologies into new or existing products or other offerings may result in new or enhanced governmental or regulatory scrutiny, litigation, confidentiality, privacy, data protection, or security risks, social or ethical concerns, or other complications that could adversely affect our business, reputation, financial condition or results of operations. The impact of AI technology on intellectual property ownership and licensing rights, including copyright, has not been fully addressed by U.S. courts or other federal or state laws or regulations, and the use of third-party AI technologies in connection with our products and services may result in exposure to claims of copyright infringement or other intellectual property misappropriation. AI technologies, including generative AI, may create content that is, or is perceived to be, deficient, inaccurate, biased, offensive, unethical, or otherwise flawed. Our customers or others may rely on or use this content to their detriment, which may expose us to brand or reputational harm, competitive harm, and/or legal liability.

We are subject to the Foreign Corrupt Practices Act, and similar anti-corruption and anti-bribery laws, and non-compliance with such laws could subject us to criminal penalties or significant fines and adversely affect our business and reputation.

We are subject to the Foreign Corrupt Practices Act (the "FCPA"), the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, and similar anti-corruption and anti-bribery laws applicable in the jurisdictions in which we conduct business. Anti-corruption and anti-bribery laws prohibit companies, their employees, and third party business partners, representatives, and agents from promising, authorizing, making or offering improper payments or other benefits, directly or

indirectly, to government officials and others in the private sector in order to influence official action, direct business to any person, gain any improper advantage, or obtain or retain business. As we continue to expand our business internationally, our risks under these laws increase.

We and our employees, third-party business partners, representatives, and agents may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities and we may be held liable for the corrupt or other illegal activities of our employees, third-party business partners, representatives, and agents, even if we do not explicitly authorize such activities. These laws also require that we keep accurate books and records and maintain internal controls and compliance procedures designed to prevent any such actions. While we have policies and procedures to address compliance with such laws, we cannot assure you that our employees, third-party business partners, representatives, and agents will not take actions in violation of our policies or applicable law, for which we may be ultimately held responsible and our exposure for violating these laws increases as our international presence expands and as we increase sales and operations in foreign jurisdictions.

Any allegations or violations of the FCPA or other applicable anti-corruption laws could result in whistleblower complaints, adverse media coverage, investigations, loss of export privileges, severe criminal or civil sanctions, suspension or disbarment from U.S. government contracts, substantial diversion of management's attention, significant legal fees and fines, severe criminal or civil sanctions against us, our officers, or our employees, disgorgement of profits, other sanctions and remedial measures, and prohibitions on the conduct of our business, any of which could adversely affect our reputation, business, financial condition, and results of operations. Responding to any investigation or action will likely result in a significant diversion of management's attention and resources and significant defense costs and other professional fees.

We are subject to governmental export controls and economic sanctions laws that could impair our ability to compete in global markets or subject us to liability if we violate the controls.

Our advertising solutions may be subject to U.S. export controls, including the Export Administration Regulations. Under these regulations, exports of our products and services as well as the underlying technology may require export authorizations, including by license, a license exception, or other appropriate government authorizations, and the filing of a classification request or self-classification report to use a license exception, as applicable.

Furthermore, our activities are subject to U.S. economic sanctions laws and regulations administered by the U.S. Department of Treasury's Office of Foreign Assets Control that prohibit transactions with sanctioned parties, including the provision of services and the export of hardware, software, and technology to embargoed jurisdictions or sanctioned parties without the required authorizations. These laws and regulations are rapidly evolving and may be in conflict across international jurisdictions, leading to uncertainty and difficulty in achieving full compliance. Should we violate such existing or similar future laws or regulations, we may be subject to substantial monetary fines or suffer reputational damage and other penalties that could negatively impact our business. If we need to obtain any necessary export licenses or other authorizations for a particular sale, the process may be time-consuming and may result in the delay or loss of opportunities to sell our products.

We take precautions to prevent our products and services and the underlying technology from being provided, deployed or used in violation of export control and sanctions laws and regulations, including implementation of IP address blocking and sanctioned person screening, and continue to evaluate further enhancements to our policies and procedures relating to export control and sanctions compliance. However, we cannot assure you that our policies and procedures relating to export control and sanctions compliance will prevent violations in the future by us or our partners or agents. If we are found to be in violation of sanctions or export control regulations, including failure to obtain appropriate import, export, or re-export licenses or permits, it can result in significant penalties and government investigations, as well as reputational harm and loss of business. Knowing and willful violations can result in possible incarcerations for responsible employees and managers.

In addition to the United States, various other countries regulate the import and export of certain encryption and other technology, including import and export licensing requirements, and have enacted laws that could limit our ability to distribute our products or could limit our clients' ability to implement our products in those countries. Changes in our advertising solutions, or future changes in export and import regulations may create delays in the introduction of our products and the underlying technology in international markets, prevent our clients with global operations from deploying our products globally, or, in some cases, prevent the export or import of our products to certain countries, governments, or persons altogether. For example, the Chinese government has retaliated, and may continue to retaliate, to recent changes in U.S. tariffs and export controls in ways that could indirectly impact our business. If we are unable to promptly or properly react to new developments in these and other international regions, our business, financial condition, and results of operations could be adversely affected.

Our growth strategy includes further expanding our operations and client base in international markets and acquiring companies that may operate in countries where we do not already do business. Such acquisitions may subject us to additional or expanded export and sanctions regulations. Further, any change in export or import regulations or controls, economic sanctions or related legislation, or change in the countries, governments, persons, or technologies targeted by such regulations, could result in decreased use of our products by, or in our decreased ability to export or sell our products to, existing or potential clients with global operations. Any decreased use of our products or limitation on our ability to export or sell our products in major international markets could adversely affect our business, financial condition, and results of operations.

Changes in tax laws or tax rulings could adversely affect our effective tax rates, business, financial condition, and results of operations.

We are subject to tax laws, regulations, and rulings in the United States and numerous foreign jurisdictions. Changes in tax laws or tax rulings, or changes in interpretations of existing laws, in the tax regimes that we are subject to or operate under could cause us to be subject to additional income-based taxes and non-income taxes (such as payroll, sales, use, value-added, digital services, net worth, property, and goods and services taxes), which in turn could adversely affect our financial condition and results of operations. For example, the Inflation Reduction Act of 2022, enacted in August 2022, imposes a 15% minimum tax on global adjusted financial statement income for tax years beginning after December 31, 2022 for certain large companies. In addition, a number of other countries and organizations, such as the Organisation for Economic Cooperation and Development ("the OECD"), have enacted changes to existing tax laws or new laws that could impact our tax obligations, including a framework that imposes a 15% global minimum tax, which has been implemented into the domestic laws of some non-U.S. jurisdictions, and is being considered for implementation by other countries. On January 5, 2026, the OECD announced a "side-by-side" elective safe harbor that exempts U.S.-parented multinational entities from certain provisions of the global minimum tax for fiscal years beginning on or after January 1, 2026. Additionally, the One Big Beautiful Bill Act ("OBBBA"), enacted in July 2025, modifies existing U.S. tax laws, including by permitting the deduction of certain U.S. research and development expenditures and changing the calculation and deductibility of certain provisions related to international income for U.S. federal income tax purposes. Any significant changes to our future effective tax rate could adversely affect our business, financial condition, and results of operations.

We may have exposure to greater than anticipated tax liabilities.

Our tax obligations are based in part on our corporate operating structure and intercompany arrangements, including the manner in which we develop, value, manage, and use our intellectual property; the valuation of our intercompany transactions; and our corporate governance structure. The tax laws applicable to our business, including the laws of the United States and other jurisdictions, are subject to interpretation and certain jurisdictions are aggressively interpreting their laws in new ways in an effort to raise additional tax revenue. Our existing corporate structure and intercompany arrangements have been implemented in a manner we believe is in compliance with current prevailing tax laws. However, the taxing authorities of the jurisdictions in which we operate may challenge our methodologies for valuing developed technology or intercompany arrangements, or determining the location(s) of management and control, which could impact our worldwide effective tax rate and adversely affect our financial condition and results of operations. Moreover, changes to our corporate structure and intercompany agreements, including through future acquisitions or divestitures, in addition to changes in domestic or international tax laws could impact our worldwide effective tax rate and adversely affect our business, financial condition, and results of operations.

In addition, we are subject to federal, state, and local taxes in the United States and numerous foreign jurisdictions. Significant judgment is required in evaluating our tax positions and our worldwide provision for taxes. During the ordinary course of business, there are many activities and transactions for which the ultimate tax determination is uncertain. Our tax obligations and effective tax rates could be adversely affected by changes in the relevant tax, accounting, and other laws, regulations, principles, and interpretations, including those relating to income tax nexus, by our earnings being lower than anticipated in jurisdictions where we have lower statutory rates and higher than anticipated in jurisdictions where we have higher statutory rates, and by challenges to our intercompany relationships and transfer pricing arrangements. The relevant taxing authorities may disagree with our determinations as to the income and expenses attributable to specific jurisdictions. If such a disagreement were to occur, and our position were not sustained, we could be required to pay additional taxes, interest, and penalties, which could result in one-time tax charges, higher effective tax rates, reduced cash flows and lower overall profitability of our business, with some changes possibly affecting our tax obligations in future or past years. We believe that our financial statements reflect adequate reserves to cover such a contingency, but there can be no assurances in that regard.

Taxing authorities may successfully assert that we should have collected or in the future should collect sales and use, value added or similar taxes, and any such assessments could adversely affect our business, financial condition, and results of operations.

We collect sales tax and value added taxes in a number of jurisdictions. Sales and use, value added, digital services, and similar tax laws and rates vary greatly by jurisdiction. Certain jurisdictions in which we do not collect such taxes may assert that such taxes are applicable or that our presence in such jurisdictions is sufficient to require us to collect taxes, which could result in tax assessments, penalties, and interest, and we may be required to collect such taxes in the future. Such tax assessments, penalties, and interest or future requirements may adversely affect our financial condition and results of operations. Further, following the U.S. Supreme Court's ruling in June of 2018 in *South Dakota v. Wayfair, Inc.*, U.S. states may require an out-of-state seller with no in-state property or personnel to collect and remit sales tax on sales to the state's residents, which may permit wider enforcement of sales tax collection requirements. Therefore, the application of existing or future laws relating to sales tax to our business, or the audit of our business and operations with respect to such taxes or challenges of our positions by taxing authorities, all could result in increased tax liabilities for us or our customers, create additional administrative burdens for us, put us at a competitive disadvantage if such states do not impose similar obligations on our competitors, and decrease our future sales, which could adversely affect our business, financial condition, and results of operations.

We may not be able to realize tax savings from our international structure, which could materially and adversely affect our results of operations.

We have implemented an international structure involving our Singapore subsidiary, which may be challenged by tax authorities, and if such challenges are successful, the tax savings we expect to realize could be adversely affected. If additional substantial modifications to our international structure or the way we operate our business are made, if changes in domestic and international tax laws negatively impact the structure, if we do not operate our business consistent with the structure and applicable tax provisions, if we fail to achieve our revenue and profit goals, or if the international structure or our application of arm's-length principles to intercompany arrangements is successfully challenged by the U.S. or foreign tax authorities, our effective tax rate may increase, which could materially and adversely affect our financial condition and results of operations.

If we are found liable for content or advertising that is served through our advertising solutions, our business could be adversely affected.

As a distributor of content, we face potential liability for negligence, copyright, patent or trademark infringement, public performance royalties, or other claims based on the nature and content of materials that we distribute. The Digital Millennium Copyright Act (the "DMCA") is intended, in part, to limit the liability of eligible service providers for caching, hosting, or linking to user content that includes materials that infringe copyrights or other rights. We rely on the protections provided by the DMCA in conducting our business. Similarly, Section 230 of the Communications Decency Act ("Section 230") protects online distribution platforms, such as ours, from actions taken under various laws that might otherwise impose liability on the platform provider for what content creators develop or the actions they take or inspire. Our terms of use and policies also prohibit our clients from using our services to monetize or distribute content that may violate third-party intellectual property rights.

However, the DMCA, Section 230, and similar statutes and doctrines that we may rely on in the future are subject to uncertain judicial interpretation and regulatory and legislative amendments. Future regulatory or legislative changes may ultimately require us to take a more active approach towards content moderation, which could diminish the depth, breadth, and variety of content we offer and, in so doing, reduce our revenue. Moreover, the DMCA and Section 230 provide protections primarily in the United States. If the rules around these statutes and doctrines change, if international jurisdictions refuse to apply similar protections, or if a court were to disagree with our application of those rules to our business, we could incur liability and our business could be adversely affected. If we become liable for these types of claims as a result of the content or the advertisements that are served through our advertising solutions, then our business may be adversely affected. Litigation to defend these claims could be costly and the expenses and damages arising from any liability could adversely affect our business. Our insurance may not be adequate to cover these types of claims or any liability that may be imposed on us.

In addition, regardless of any legal protections that may limit our liability for the actions of third parties, our clients may not comply with their obligations and we may incur significant legal expenses and other costs if rights holders assert claims, or commence litigation, alleging infringement against our clients and/or us. While we maintain processes and systems for the reporting and removal of infringing content, such prohibitions, processes, and systems may not always be successful. If other developers, licensees, platform providers, business partners, and personnel are influenced by the existence of types of claims or proceedings and are deterred from working with us as a consequence, our ability to maintain or expand our business, including through international expansion plans, could be adversely affected.

We have incurred and will continue to incur increased costs and demands upon management as a result of complying with the laws and regulations affecting public companies, which could adversely affect our business, financial condition, and results of operations.

We are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "Dodd-Frank Act"), and the rules and regulations of the SEC and the Nasdaq listing standards. The Exchange Act requires, among other things, that we file annual, quarterly, and current reports with respect to our business and results of operations. Compliance with these requirements has increased and will continue to increase our legal, accounting, and financial compliance costs and increase demand on our systems, making some activities more time-consuming and costly. We believe these rules and regulations have made it more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to maintain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified individuals to serve on our board of directors or as our executive officers. As a public company, we have incurred and expect to incur significant expenses and devote substantial management effort toward ensuring compliance with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act. In addition, as a public company, we may be subject to shareholder activism, which can lead to substantial costs, distract management, and impact the manner in which we operate our business in ways we cannot currently anticipate.

As a result of disclosure of information in our public filings with the SEC as required of a public company, our business and financial condition has become more visible, which has resulted in and may in the future result in threatened or actual litigation, including by competitors and other third parties. For example, beginning in March 2025, several securities complaints were filed against us, our board of directors, and/or certain of our officers alleging violations of the Exchange Act concerning statements made regarding our advertising solutions and our financial growth. If such claims are successful, our business, financial condition, and results of operations could be adversely affected, and even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could divert the resources of our management and our board of directors and adversely affect our business, financial condition, and results of operations.

Legal or regulatory proceedings and settlements could cause us to incur additional expenses or otherwise adversely affect our business, financial condition, and results of operations.

We are involved in or may become involved in claims, suits, government investigations, including formal and informal inquiries or requests for information or audits from government authorities and regulators, and proceedings arising in the ordinary course of our business, including actions with respect to intellectual property claims, securities claims, privacy, data protection, consumer protection, competition or law enforcement matters, tax matters, labor and employment claims, commercial and acquisition-related claims, and other matters in the United States, Europe, and around the world, especially as we continue to grow and expand our operations. Further, following our sale of our Apps business in June 2025, we have retained responsibility for certain legal proceedings related to our former studios. While these proceedings are not expected to be material, we expect to incur additional costs related to the resolution of these matters.

Any such claims, suits, government investigations, and proceedings are inherently uncertain and their results cannot be predicted with certainty. Regardless of their outcomes, such legal or regulatory proceedings can have an adverse impact on us because of legal costs, diversion of management and other personnel attention, and other factors. In addition, it is possible that a resolution of one or more such proceedings could result in substantial costs, civil and criminal liability, penalties, or sanctions, as well as judgments, consent decrees, or orders preventing us from offering certain features, functionalities, products or services, or requiring a change in our business practices, products or technologies, which could adversely affect our reputation, business, financial condition, and results of operations.

Risks Related to Our Intellectual Property

Failure to protect or enforce our proprietary and intellectual property rights or the costs involved in such enforcement could adversely affect our business, financial condition, and results of operations.

We regard our advertising solutions and related source code as proprietary and rely on a variety of methods, including a combination of copyright, patent, trademark, and trade secret laws and employee and third-party non-disclosure agreements, to protect our proprietary rights. We view the protection of our trade secrets, copyrights, trademarks, service marks, trade dress, domain names, patents, and other product rights as critical to our success. We strive to protect our intellectual property rights by relying on federal, state, and common law rights, as well as contractual restrictions and business practices. We also enter into confidentiality and invention assignment agreements with our employees and contractors and confidentiality agreements with parties with whom we conduct business in order to limit access to, and disclosure and use of, our proprietary information. However, these contractual arrangements and business practices may not prevent the misappropriation of our proprietary information or deter independent development of similar technologies by others.

We own or license, and pursue the registration of, copyrights, trademarks, service marks, domain names, and patents in the United States and in certain locations outside the United States. This process can be expensive and time-consuming, may not always be successful depending on local laws or other circumstances, and we also may choose not to pursue registrations in every location depending on the nature of the project to which the intellectual property rights pertain. We may, over time, increase our investments in protecting our creative works.

We also cannot be certain that existing intellectual property laws will provide adequate protection for our products in connection with emerging technologies. For example, laws relating to intellectual property ownership and license rights, including copyright, with respect to AI and the use of tools containing AI have not been fully interpreted by U.S. courts or been fully addressed by federal and state regulations. As a result, our ability to fully protect our products, technologies and solutions under current and future legal regimes, especially as it relates to AI tools and technologies, may be limited or impacted by future laws, regulations, interpretations or other legislative or judicial actions. Litigation may be necessary to enforce our intellectual property rights, protect our trade secrets, or determine the validity and scope of proprietary rights claimed by others. Any litigation of this nature, regardless of outcome or merit, could result in substantial costs, adverse publicity, and diversion of management and technical resources. If we fail to maintain, protect, and enhance our intellectual property rights, our business, financial condition, and results of operations could be adversely affected.

We are, and may in the future be, subject to intellectual property disputes, which are costly to defend and could require us to pay significant damages and could limit our ability to use certain technologies in the future.

From time to time, we have faced, and we may face in the future, allegations that we have infringed the trademarks, copyrights, patents, and other intellectual property rights of third parties, including from our competitors, non-practicing entities and former employers of our personnel. Intellectual property litigation may be protracted and expensive, and the results are difficult to predict. As a result of any court judgment or settlement, we may be obligated to alter our advertising solutions, in a particular geographic region or worldwide, pay royalties or significant settlement costs, purchase licenses, or develop substitutes.

In certain of our agreements, we also indemnify our licensees and other business partners. We may incur significant expenses defending these business partners if they are sued for intellectual property infringement based on allegations related to our technology. If a business partner were to lose a lawsuit and in turn seek indemnification from us, we also could be subject to significant monetary liabilities. In addition, because our advertising solutions often involve the use of third-party technology, this increases our exposure to litigation in circumstances where there is a claim of infringement asserted against one of our products and services in question, even if the claim does not pertain to our technology.

Many of our products and services contain open source software, and we license some of our software through open source projects, which may pose particular risks to our proprietary software, products, and services in a manner that could adversely affect our business, financial condition, and results of operations.

We use open source software in our advertising solutions and expect to continue to use open source software in the future. In addition, we contribute software source code to open source projects under open source licenses or release internal software projects under open source licenses, and anticipate continuing to do so in the future. The terms of many open source licenses to which we are subject have not been interpreted by U.S. or foreign courts, and there is a risk that open source software licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to provide or distribute our products or services. Additionally, under some open source licenses, if we combine our proprietary software with open source software in a certain manner, third parties may claim ownership of, a license to, or demand release of, the open source software or derivative works that we developed using such software, which could include our proprietary source code. Such third parties may also seek to enforce the terms of the applicable open source license through litigation which, if successful, could require us to make our proprietary software source code freely available, purchase a costly license, or cease offering the implicated products or services unless and until we can re-engineer them to avoid infringement. This re-engineering process could require significant additional research and development resources, and we may not be able to complete it successfully. In addition to risks related to open source license requirements, use of certain open source software may pose greater risks than use of third-party commercial software, since open source licensors generally do not provide warranties or controls on the origin of software and open source software could incorporate AI generated code which may be a result of hallucinatory behavior. Any of these risks could be difficult to eliminate or manage, and, if not addressed, could adversely affect our business, reputation, financial condition, and results of operations.

Risks Related to Financial and Accounting Matters

If we fail to maintain an effective system of disclosure controls and internal control over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired.

As a public company, we are subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, and the rules and regulations of the applicable Nasdaq listing standards. We expect that the requirements of these rules and regulations will continue to increase our legal, accounting, and financial compliance costs, make some activities more difficult, time-consuming and costly, and place significant strain on our personnel, systems, and resources.

The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We are continuing to develop and refine our disclosure controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we will file with the SEC is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms and that information required to be disclosed in reports under the Exchange Act is accumulated and communicated to our principal executive and financial officers.

In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, we have expended, and anticipate that we will continue to expend, significant resources, including accounting-related costs and significant management oversight. If any of these new or improved controls and systems do not perform as expected, we may experience deficiencies in our controls. The effectiveness of our controls and procedures may also be limited by a variety of factors including faulty human judgment and simple errors, omissions or mistakes, fraudulent action of an individual or collusion of two or more people, and inappropriate management override of controls and procedures.

Our current controls and any new controls that we develop may become inadequate because of changes in conditions in our business. Further, to the extent we acquire other businesses, the acquired company may not have a sufficiently robust system of controls and we may discover deficiencies. Any failure to develop or maintain effective controls or any difficulties encountered in their implementation or improvement could adversely affect our results of operations or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. Any failure to implement and maintain effective internal control over financial reporting also could adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that we are required to include in our periodic reports that are filed with the SEC. Ineffective disclosure controls and procedures and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information, which would likely cause the market price of our Class A common stock to decline. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on the Nasdaq Global Select Market. As a public company, we are required to provide an annual management report on the effectiveness of our internal control over financial reporting and our independent registered public accounting firm is required to formally attest to the effectiveness of our internal control over financial reporting. Our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our internal control over financial reporting is documented, designed, or operating. Any failure to maintain effective disclosure controls and internal control over financial reporting could adversely affect our business, financial condition, and results of operations and could cause the market price of our Class A common stock to decline.

We may be required to record a significant charge to earnings if our goodwill becomes impaired.

We are required under GAAP to review our goodwill for impairment at least annually or more frequently when events or changes in circumstances indicate the carrying value may not be recoverable. Factors that may be considered a change in circumstances, indicating a requirement to reevaluate whether our goodwill continues to be recoverable, include a significant decline in the market price of our Class A common stock and our market capitalization, slower growth rates in our industry, underperformance of certain assets, or other material and adverse events. We may be required to record a significant charge to earnings in our financial statements during the period in which any impairment of our goodwill is determined.

We have indebtedness, and our obligations thereunder may limit our operational flexibility or otherwise adversely affect our business, financial condition, and results of operations.

As of December 31, 2025, we had a total of \$3.6 billion in aggregate principal amount of senior unsecured notes outstanding (the "Senior Notes"). We also had \$1.0 billion of commitments (with a \$100 million letter of credit sublimit) under our senior unsecured credit agreement that provides for an unsecured revolving credit facility (the "Credit Agreement"). As of December 31, 2025, we did not have outstanding borrowings under the Credit Agreement.

Our indebtedness could adversely impact us. For example, these obligations could among other things:

- require us to dedicate a significant portion of our cash flow from operations to service and repay the indebtedness, reducing the amount of cash flow available for other purposes;
- make it difficult for us to pay other obligations;
- increase our cost of borrowing;
- make it difficult to obtain favorable terms for any necessary future financing for working capital, capital expenditures, strategic acquisitions and partnerships, debt service requirements, or other purposes;
- restrict us from making strategic acquisitions and partnerships or cause us to make divestitures or similar transactions;
- adversely affect our liquidity and result in a material adverse effect on our financial condition upon repayment of the indebtedness;
- increase our vulnerability to adverse economic and industry conditions;
- increase our exposure to interest rate risk from variable rate indebtedness;
- place us at a competitive disadvantage compared to our less leveraged competitors; and
- limit our flexibility in planning for and reacting to changes in our business.

In addition, from time to time we have entered into interest rate swap instruments to limit our exposure to changes in variable interest rates. While our hedging strategy is designed to minimize the impact of increases in interest rates applicable to our variable rate debt, including our credit facility, there can be no guarantee that our hedging strategy will be effective, and we may experience credit-related losses in some circumstances. Upon the occurrence of a change of control repurchase event (as defined in the indenture governing the Senior Notes), we will be required to repurchase the Senior Notes at the option of each holder. We may not have sufficient funds to repurchase the Senior Notes in cash at the time of any change of control repurchase event. Upon the occurrence of a change of control (as defined in the Credit Agreement), the lenders thereunder could accelerate the obligations under the Credit Agreement and terminate the commitments under the Credit Agreement. The indentures governing the Senior Notes also include customary affirmative and negative covenants (including covenants restricting our ability to incur certain liens and enter into sale and leaseback transactions, subject to certain exceptions), events of default, and other customary provisions. The Credit Agreement also imposes restrictions on us and requires us to maintain compliance with specified covenants regardless of whether any amounts are outstanding thereunder. Our ability to comply with these covenants may be affected by market, economic, financial, competitive, legislative, and regulatory factors, as well as other factors that are beyond our control. A breach of any of the covenants in the indentures governing the Senior Notes or the Credit Agreement could result in an event of default, which, if not cured or waived, could trigger acceleration of our indebtedness and an increase in the interest rates applicable to such indebtedness (in the case of the Credit Agreement), and may result in the acceleration of or default under any other debt we may incur in the future to which a cross-acceleration or cross-default provision applies. The acceleration of the indebtedness under the Credit Agreement, the Senior Notes, or under any other indebtedness could have a material and adverse effect on our business, financial condition, and results of operations.

We receive debt ratings from the major credit rating agencies in the United States. Factors that may impact our credit ratings include debt levels, planned asset purchases or sales and near-term and long-term growth opportunities. Liquidity, asset quality and cost structure could also be considered by the rating agencies. The applicable margins with respect to the loans incurred under the Credit Agreement will vary based on our applicable public debt credit ratings assigned by Moody's Investors Service, Inc., Standard & Poor's Financial Services LLC, Fitch's and any successor to each such rating agency business. Moreover, our Senior Notes are currently rated investment-grade by various rating agencies. A ratings downgrade, including any announcement that our ratings are under further review for a downgrade, could adversely impact our ability to access debt markets in the future and increase the cost of current or future debt and may adversely affect our share price.

We may be unable to generate sufficient cash flow to satisfy our significant debt service obligations, which could have a material and adverse effect on our business, financial condition, results of operations, and cash flows.

Our ability to make scheduled payments on or to refinance our debt obligations depends on our financial condition and results of operations, which are subject to prevailing economic and competitive conditions and to certain financial, business, legislative, regulatory, and other factors beyond our control. We may not be able to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, or interest on our indebtedness. If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay strategic acquisitions and partnerships, capital expenditures, and payments on account of other obligations, seek additional capital, restructure or refinance our indebtedness, or sell assets. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and could require us to comply with more onerous covenants, which could further restrict our business operations. In addition, we cannot assure you that we will be able to refinance any of our indebtedness on commercially reasonable terms, or at all.

If we are unable to repay or otherwise refinance our indebtedness when due, or if any other event of default is not cured or waived, the applicable lenders or holders could accelerate our outstanding obligations, which could force us into bankruptcy or liquidation. In the event the applicable lenders or holders accelerate the repayment of our borrowings, we and our subsidiaries may not have sufficient assets to repay that indebtedness. Any acceleration of amounts due under the agreements governing our indebtedness could have a material and adverse effect on our business.

We may require additional capital to meet our financial obligations and support business growth, and this capital may not be available on acceptable terms or at all.

We intend to continue to make significant investments to support our business growth and may require additional funds to respond to business challenges, including the need to continue to develop our advertising solutions, improve our operating infrastructure, or enter into new markets or strategic transactions. Accordingly, we may need to engage in equity, equity-linked, or debt financings to secure additional funds. Our ability to obtain additional financing that we may choose or need, including for the refinancing of future debt maturities or potential strategic acquisitions and investments, will depend on, among other things, our development efforts, business plans, operating performance, and the condition of the capital markets at the time we seek financing. Also, if we raise additional funds through future issuances of equity or equity-linked securities, our existing stockholders could experience significant dilution, and any new equity securities we issue could have rights, preferences, and privileges superior to those of holders of our Class A common stock. Any debt financing that we secure in the future could involve offering security interests and undertaking restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions. Our Credit Agreement, which provides for a revolving credit facility, contains a financial covenant with which we must comply. We may not be able to obtain additional financing on terms favorable to us, if at all. Additionally, if we seek to access additional capital or increase our borrowing, there can be no assurance that financing and credit may be available on favorable terms, if at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us when we require it, our ability to continue to support our business growth and to respond to business challenges could be significantly impaired, and our business, financial condition, or results of operations could be adversely affected.

Risks Related to Ownership of Our Class A Common Stock and Governance

The multi-class structure of our common stock and the Voting Agreement among the Voting Agreement Parties have the effect of concentrating voting power with the Voting Agreement Parties, which will limit your ability to influence the outcome of matters submitted to our stockholders for approval, including the election of our board of directors, the adoption of amendments to our certificate of incorporation and bylaws, and the approval of any merger, consolidation, sale of all or substantially all of our assets, or other major corporate transactions.

We have three classes of common stock. Our Class A common stock has one vote per share, our Class B common stock has 20 votes per share, and our Class C common stock has no voting rights, except as otherwise required by law. Adam Foroughi, our co-founder, CEO, and Chairperson and Herald Chen, a member of our board of directors (collectively with certain affiliates, the "Voting Agreement Parties") together hold all of the issued and outstanding shares of our Class B common stock. As of December 31, 2025, the Voting Agreement Parties collectively held approximately 67% of the voting power of our outstanding capital stock in the aggregate. This voting power includes shares of Class A common stock deemed beneficially owned in accordance with Rule 13d-3(d) (1) under the Exchange Act. The Voting Agreement Parties have entered into a voting agreement (the "Voting Agreement") whereby all Class B common stock held by the Voting Agreement Parties and their respective permitted entities and permitted transferees will be voted as determined by Mr. Foroughi and Mr. Chen. As a result, the Voting Agreement Parties will collectively be able to determine or significantly influence any action requiring the approval of our stockholders, including the election of our board of directors, the adoption of amendments to our certificate of incorporation and bylaws, and the approval of any merger, consolidation, sale of all or substantially all of our assets, or other major corporate transaction. The Voting Agreement Parties may have interests that differ from yours and may vote in a way with which you disagree, and which may be adverse to your interests. This concentrated control may have the effect of delaying, preventing, or deterring a change in control of our company, could deprive our stockholders of an opportunity to receive a premium for their capital stock as part of a sale of our company, and might ultimately affect the market price of our Class A common stock.

Future transfers by the holders of Class B common stock will generally result in those shares automatically converting into shares of Class A common stock, subject to limited exceptions, such as certain transfers effected for estate planning or other transfers among the Voting Agreement Parties. In addition, each share of Class B common stock will convert automatically into one share of Class A common stock upon certain events specified in our amended and restated certificate of incorporation.

In addition, because our Class C common stock carries no voting rights (except as otherwise required by law), if we issue Class C common stock in the future, the holders of Class B common stock may be able to elect all of our directors and to determine the outcome of most matters submitted to a vote of our stockholders for a longer period of time than would be the case if we issued Class A common stock rather than Class C common stock in such transactions.

We are considered a “controlled company” within the meaning of the Nasdaq corporate governance requirements, and, as a result, we qualify for exemptions from certain corporate governance requirements.

As a result of our multi-class common stock structure and the Voting Agreement among the Voting Agreement Parties, the Voting Agreement Parties collectively hold greater than a majority of the voting power of our outstanding capital stock and the Voting Agreement Parties have the authority to vote the shares of all Class B common stock, subject to the terms of the Voting Agreement, at their discretion on all matters to be voted upon by stockholders. Therefore, we are considered a “controlled company” as that term is set forth in the Nasdaq corporate governance requirements. Under these corporate governance requirements, a company in which over 50% of the voting power for the election of directors is held by an individual, a group, or another company is a “controlled company” and may elect not to comply with certain corporate governance requirements, including:

- the requirement that a majority of its board of directors consist of independent directors;
- the requirement that we have a nominating/corporate governance committee that is comprised entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities;
- the requirement that we have a compensation committee that is comprised entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities; and
- the requirement for an annual performance evaluation of the nominating and corporate governance and compensation committees.

We do not currently avail ourselves of any of these corporate governance accommodations, though we may do so in the future. In the event that we cease to be a “controlled company” and our Class A common stock continues to be listed on Nasdaq, we will be required to comply with these provisions within the applicable transition periods.

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

The market price of our Class A common stock has fluctuated, and may continue to fluctuate, substantially depending on a number of factors, including those described in this “Risk Factors” section, many of which are beyond our control and may not be related to our operating performance. These fluctuations could cause you to lose all or part of your investment in our Class A common stock. Factors that have in the past caused and could in the future cause fluctuations in the market price of our Class A common stock include the following:

- price and volume fluctuations in the overall stock market from time to time, including fluctuations due to general economic uncertainty or negative market sentiment;
- volatility in the market and trading volumes of technology stocks;
- changes in operating performance and stock market valuations of other technology companies generally, or those in our industry in particular;
- sales of shares of our Class A common stock by us or our stockholders;
- rumors and market speculation involving us or other companies in our industry;
- failure of securities analysts to maintain coverage of us, changes in financial estimates by securities analysts who follow our company, or our failure to meet these estimates or the expectations of investors;
- actual or perceived significant data privacy or cybersecurity incidents involving our advertising solutions;
- the financial or non-financial metric projections we may provide to the public, any changes in those projections or our failure to meet those projections;
- third-party data published about us or other advertising companies, whether or not such data accurately reflects circumstances;
- announcements by us or our competitors of new products or services;
- the public’s reaction to our press releases, other public announcements, and filings with the SEC;
- fluctuations in the trading volume of shares of our Class A common stock or the size of our public float;

- short selling of our Class A common stock or related derivative securities, and the publication of short seller reports;
- actual or anticipated changes or fluctuations in our results of operations;
- actual or anticipated developments in our business, our competitors' businesses, or the competitive landscape generally;
- our issuance or repurchase of shares of our Class A common stock;
- litigation or regulatory action involving us, our industry or both, or investigations by regulators into our operations or those of our competitors;
- developments or disputes concerning our intellectual property or other proprietary rights;
- announced or completed acquisitions of businesses or technologies by us or our competitors;
- new laws, regulations or app store policies or new interpretations of existing laws, regulations or app store policies applicable to our business;
- changes in accounting standards, policies, guidelines, interpretations, or principles;
- major catastrophic events in our domestic and foreign markets;
- any significant change in our management; and
- general economic conditions and slow or negative growth of our markets.

In addition, the market price of our Class A common stock has in the past fluctuated and could in the future fluctuate for reasons unrelated to our business, financial condition, or results of operations, including if the market for technology stocks or the stock market in general experiences a loss of investor confidence. The market price of our Class A common stock might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Accordingly, we cannot assure you of the liquidity of any trading market, your ability to sell your shares of our Class A common stock when desired, or the prices that you may obtain for your shares of our Class A common stock.

In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been brought against that company. If the market price of our Class A common stock is volatile, we may become the target of securities litigation. Securities litigation could result in substantial costs and divert our management's attention and resources from our business. Such litigation could adversely affect our business, financial condition, and results of operations.

We may not realize the anticipated long-term stockholder value of our share repurchase programs and any failure to repurchase our Class A common stock after we have announced our intention to do so may negatively impact our stock price.

Our board of directors has authorized a share repurchase program under which we repurchase shares of our Class A common stock from time to time. We may make share repurchases through a variety of methods, including open share market purchases, block transactions or privately negotiated transactions, in accordance with applicable federal securities laws. Our share repurchase program has no time limit, does not obligate us to repurchase any specific number of shares and may be suspended at any time at our discretion and without prior notice. The timing and amount of any repurchases, if any, will be subject to liquidity, stock price, market and economic conditions, compliance with applicable legal requirements such as Delaware surplus and solvency tests, compliance with our credit agreement, and other relevant factors. Any failure to repurchase stock after we have announced our intention to do so may negatively impact our reputation and investor confidence in us and may negatively impact our stock price.

The existence of this share repurchase program could cause our stock price to be higher than it otherwise would be and could potentially reduce the market liquidity for our stock. Although this program is intended to enhance long-term stockholder value, there is no assurance it will do so because the market price of our Class A common stock may decline below the levels at which we repurchased shares and short-term stock price fluctuations could reduce the effectiveness of the program.

Repurchasing our Class A common stock will reduce the amount of cash we have available to fund working capital, capital expenditures, strategic acquisitions or business opportunities, and other general corporate requirements, and we may fail to realize the anticipated long-term stockholder value of any share repurchase programs.

The issuance of additional stock in connection with financings, acquisitions, investments, our equity incentive plans, or otherwise will dilute all other stockholders.

Our amended and restated certificate of incorporation authorizes us to issue up to 1,500,000,000 shares of Class A common stock, up to 150,000,000 shares of Class C common stock, and up to 100,000,000 shares of preferred stock with such rights and preferences as may be determined by our board of directors. Subject to compliance with applicable rules and regulations, we may issue shares of Class A common stock or securities convertible into shares of our Class A common stock from time to time in connection with a financing, acquisition, investment, our equity incentive plans, or otherwise. Any such issuance could result in dilution to our existing stockholders and/or negatively impact the market price of our Class A common stock.

Our multi-class stock structure, the Voting Agreement, and other provisions in our amended and restated certificate of incorporation and amended and restated bylaws could make a merger, tender offer, or proxy contest difficult, thereby depressing the market price of our Class A common stock.

Our amended and restated certificate of incorporation and amended and restated bylaws contain provisions that may make the acquisition of our company more difficult, including the following:

- our multi-class common stock structure and the Voting Agreement, which provide the Voting Agreement Parties with the ability to determine or significantly influence the outcome of matters requiring stockholder approval, even if they own significantly less than a majority of the shares of our outstanding common stock;
- vacancies on our board of directors may be filled only by our board of directors and not by stockholders;
- a special meeting of our stockholders may only be called by a majority of our board of directors, the chairperson of our board of directors, our Chief Executive Officer, or our President;
- advance notice procedures apply for stockholders to nominate candidates for election as directors or to bring matters before an annual meeting of stockholders;
- our amended and restated certificate of incorporation does not provide for cumulative voting;
- our amended and restated certificate of incorporation authorizes undesignated preferred stock, the terms of which may be established and shares of which may be issued by our board of directors, without further action by our stockholders;
- after the first date on which the outstanding shares of our Class B common stock represent less than a majority of the total combined voting power of our Class A common stock and our Class B common stock (the "Voting Threshold Date"), our stockholders will only be able to take action at a meeting of stockholders and will not be able to take action by written consent for any matter; and
- certain litigation against us may only be brought in Delaware.

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

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

Our amended and restated bylaws provide that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, or other employees to us or our stockholders, (iii) any action arising pursuant to any provision of the Delaware General Corporation Law, our amended and restated certificate of incorporation, or our amended and restated bylaws, or (iv) any other action asserting a claim that is governed by the internal affairs doctrine shall be the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, the federal district court for the District of Delaware), in all cases subject to the court having jurisdiction over indispensable parties named as defendants, and provided that this exclusive forum provision will not apply to suits brought to enforce any liability or duty created by the Exchange Act.

Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated bylaws also provide that the federal district courts of the United States of America will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act.

Any person or entity purchasing or otherwise acquiring or holding or owning (or continuing to hold or own) any interest in any of our securities shall be deemed to have notice of and consented to the foregoing bylaw provisions. Although we believe these exclusive forum provisions benefit us by providing increased consistency in the application of Delaware law and federal securities laws in the types of lawsuits to which each applies, the exclusive forum provisions may limit a stockholder's ability to bring a claim in a judicial forum of its choosing for disputes with us or any of our directors, officers, stockholders, or other employees, which may discourage lawsuits with respect to such claims against us and our current and former directors, officers, stockholders, or other employees. Our stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder as a result of our exclusive forum provisions.

Further, the enforceability of similar exclusive forum provisions in other companies' organizational documents has been challenged in legal proceedings, and it is possible that a court of law may rule that these types of provisions are inapplicable or unenforceable if they are challenged in a proceeding or otherwise. In the event a court finds either exclusive forum provision

contained in our amended and restated bylaws to be unenforceable or inapplicable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our results of operations.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 1C. Cybersecurity

Risk Management and Strategy

We have established policies and processes for assessing, identifying, and managing material risk from cybersecurity threats, and have integrated these processes into our overall risk management systems and processes. We routinely assess material risks from cybersecurity threats, including any potential unauthorized occurrence on, or conducted through, our information systems, that may result in adverse effects on the confidentiality, integrity, or availability of our information systems or any information residing therein.

We conduct periodic risk assessments to identify potential cybersecurity threats, as well as assessments in the event of a material change in our business practices that may affect information systems that are vulnerable to such cybersecurity threats. The frequency of these risk assessments is based on the potential risk and criticality to our business systems. The risk assessments include identification of reasonably foreseeable internal and external risks, the likelihood and potential impact and damage that could result from such risks, and the sufficiency of existing policies, procedures, systems, and safeguards in place to manage such risks.

Following these risk assessments, we evaluate how to reasonably address identified gaps in existing safeguards to minimize identified risks and regularly monitor the effectiveness of our safeguards. We devote significant resources and designate high level personnel, including our Head of Information Security and Compliance, to manage the risk assessment and mitigation process.

As part of our overall risk management system, we monitor and test our safeguards, in collaboration with human resources, IT, and management. Personnel at all levels and departments are made aware of our cybersecurity policies and educated about cybersecurity best practices through annual company-wide cybersecurity training, regular phishing simulations and cybersecurity reminders, and role-based training, as appropriate.

Our cybersecurity risk management program is closely based upon recognized frameworks established by the National Institute of Standards and Technology, the International Organization for Standardization and certain other applicable industry standards. In 2024, we obtained our ISO/IEC27001 certification.

We engage consultants and third parties in connection with our risk assessment processes. These providers assist us in evaluating our cybersecurity program, provide support for threat monitoring and detection, and scan for vulnerabilities and other related security events which may pose a risk to the company.

We utilize our third-party risk management program to evaluate the cybersecurity posture of our third-party service providers based on risk, including data and systems access. These processes assist us in identifying and mitigating risks from cybersecurity threats associated with our use of third-party service providers. Where appropriate, we contractually require third-party service providers to implement and maintain appropriate and reasonable security measures in connection with their work with us and consistent with applicable laws, and to promptly report any breach of their security measures or systems that may affect our company.

To date, we have not identified any risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, that have materially affected or are reasonably likely to materially affect our company, including our business strategy, results of operations, or financial condition. However, despite our efforts, we cannot eliminate all risks from cybersecurity threats, or provide assurances that we have not experienced cybersecurity incidents. For information about these risks, see Part I, Item 1A, "Risk Factors" in this Annual Report on Form 10-K, including the risk factor entitled "Security breaches, improper access to or disclosure of our data or client data, other hacking and phishing attacks on our systems, or other cyber incidents could harm our reputation and adversely affect our business."

Governance

One of the key functions of our Board of Directors is informed oversight of our risk management process, including risks from cybersecurity threats. Our Board of Directors is responsible for monitoring and assessing strategic risk exposure, and our executive officers are responsible for the day-to-day management of the material risks we face. Our Board of Directors administers its cybersecurity risk oversight function directly as a whole, as well as through the Audit Committee.

Our Head of Information Security and Compliance and our InfoSec management team are primarily responsible for assessing and managing our material risks from cybersecurity threats. Our Head of Information Security and Compliance has over two decades of experience leading cybersecurity, data privacy and risk management programs for large, multi-national organizations and Fortune 500 companies, and CISSP and CRISC certifications. Our InfoSec management team is comprised of qualified cybersecurity professionals whose collective expertise includes penetration testing, cyber threat intelligence, data

privacy, information security, and risk and compliance in the healthcare, financial, and technology industries, with certifications such as CISA, CRISC, CISSP, CCSP, CIPP, GIAC, and OSCP.

Our Head of Information Security and Compliance and our InfoSec management team, in partnership with our legal privacy team, oversee our cybersecurity policies and processes, including those described in “Risk Management and Strategy” above. Our Head of Information Security and Compliance and our InfoSec management team are informed about and monitor the prevention, detection, mitigation, and remediation of cybersecurity incidents through their implementation and oversight of safeguards, including through the use of automated tools and manual processes, like security event monitoring, vulnerability scanning, threat analytics, security awareness and training, endpoint security, bug bounty program, offensive security testing, and third-party risk and monitoring.

Our Head of Information Security and Compliance provides periodic and as needed briefings to the Audit Committee regarding our company's cybersecurity program and information security risks, including any recent AppLovin-related cybersecurity incidents and possible responses, internal and third-party cybersecurity systems testing, third-party risk management, and other topics related to cybersecurity. The Audit Committee provides updates to the Board on such reports. The Company has adopted an escalation process for review of cybersecurity incidents, based on severity level, by an internal cyber task force with oversight by the Audit Committee. In addition, our Head of Information Security and Compliance provides annual briefings to the Board on our cybersecurity program and risks.

Item 2. Properties

Our corporate headquarters is in Palo Alto, California, where we currently lease approximately 72,812 square feet under a lease agreement that expires in May 2028. We also lease and license additional facilities in the United States and internationally, including in Beijing and Shanghai, China; Berlin and Frankfurt, Germany; and Singapore.

We believe that our facilities are suitable to meet our current needs. However, should we need to expand our facilities and add new facilities, we believe that suitable additional or alternative space will be available as needed to accommodate any such growth. If we choose to expand our facilities or locations, we expect to incur additional expenses.

Item 3. Legal Proceedings

We are currently involved in, and may in the future be involved in, legal proceedings and claims that arise in the ordinary course of business, as well as governmental and other regulatory investigations and proceedings. In addition, third parties have in the past, and may in the future, assert claims against us in the form of letters and other communications.

Securities Litigation

Beginning in early March 2025, certain alleged stockholders filed putative class action complaints against the Company, Adam Foroughi, Matthew Stumpf, and/or Herald Chen asserting claims for alleged violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and Rule 10b-5 promulgated thereunder, and seeking unspecified monetary relief, interest, and attorneys' fees. On March 5, 2025, Michael Quiero filed the first complaint against the Company, Adam Foroughi, and Matthew Stumpf in the U.S. District Court for the Northern District of California (the “Northern District of California”); on March 24, 2025, Ben Brownback filed the second complaint in the same court against the Company, Adam Foroughi, Matthew Stumpf, and Herald Chen in the Northern District of California (the “Brownback Action”); and on April 17, 2025, the Wayne County Employees' Retirement System filed the third complaint against the Company, Adam Foroughi, Matthew Stumpf, and Herald Chen in the Northern District of California (collectively, the “Securities Complaints”). In May 2025, Michael Quiero and the Wayne County Employees' Retirement System voluntarily dismissed the complaints they filed in the Northern District of California. The U.S. District Court subsequently appointed lead plaintiffs and lead plaintiffs' counsel in the Brownback Action, and the lead plaintiffs filed an Amended Complaint on September 12, 2025, adding Basil Shikin as a defendant (the “Amended Complaint”). The Amended Complaint alleges that the defendants made materially false and misleading statements regarding the Company's advertising solutions and financial growth. The Amended Complaint alleges a putative class period running from November 7, 2024 through March 27, 2025. The defendants filed a motion to dismiss the Amended Complaint in November 2025, and a hearing on the defendants' motion is scheduled in March 2026. We believe that these allegations lack merit and will vigorously contest this action.

Shareholder Derivative Litigation

Beginning in late March 2025, certain alleged shareholders filed shareholder derivative complaints in the Northern District of California against the individual then current members of the Company's board of directors, Adam Foroughi, and Matthew Stumpf (collectively, the “D&O Parties”) alleging claims for violations of Section 14(a) of the Exchange Act, breaches of their fiduciary duties, unjust enrichment, abuse of control, gross mismanagement, and waste of corporate assets (collectively, the “Shareholder Derivative Complaints”). The Shareholder Derivative Complaints also assert claims for contribution under the Exchange Act against Adam Foroughi and Matthew Stumpf and seek unspecified monetary relief, certain declaratory and injunctive relief, restitution, and attorneys' fees from the D&O Parties. Relying on the Securities Complaints, the Shareholder Derivative Complaints allege that the D&O Parties made materially false and misleading statements regarding our advertising solutions and financial growth. On March 25, 2025, Amit Patel filed the first complaint against the individual then current members of the Company's board of directors, Adam Foroughi, and Matthew Stumpf in the Northern District of California; and on May 19, 2025, Nathan Smith filed the second complaint against the individual then current members of the Company's board of

directors, Adam Foroughi, and Matthew Stumpf in the Northern District of California. The Shareholder Derivative Complaints have been consolidated and stayed pending resolution of the defendants' motion to dismiss in the Brownback Action. We believe that these allegations lack merit and will vigorously contest these actions.

While we remain confident in the Company's defenses to the asserted allegations in these cases, it is not possible to determine the ultimate outcome at this time, and thus we cannot reasonably estimate the maximum potential exposure or range of possible loss.

Future litigation may be necessary to defend ourselves and our business partners and to determine the scope, enforceability, and validity of third-party proprietary rights, or to establish our proprietary rights. The results of any current or future litigation cannot be predicted with certainty, and regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors.

Item 4. Mine Safety Disclosures

Not applicable.

Part II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information for Common Stock

Our Class A common stock is traded on the Nasdaq Global Select Market under the symbol "APP." Our Class B and Class C common stock are neither listed nor traded.

Holders of Record

As of December 31, 2025, there were approximately 32 stockholders of record of our Class A common stock, 8 stockholders of record of our Class B common stock and no holders of record of our Class C common stock. Because many of our shares of Class A common stock are held by brokers and other institutions on behalf of stockholders, we are unable to estimate the total number of stockholders represented by these record holders. All shares of Class B common stock are beneficially held by Adam Foroughi and Herald Chen, collectively with certain affiliated trusts.

Dividend Policy

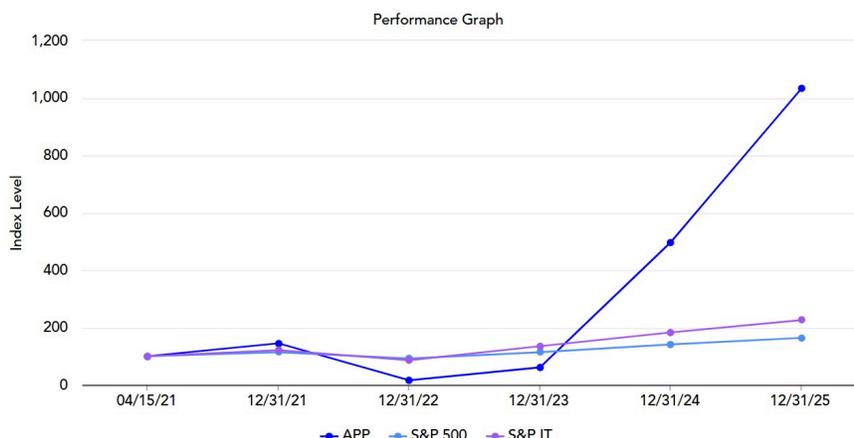
We have never paid cash dividends on our capital stock and we do not anticipate paying any cash dividends in the foreseeable future.

Stock Performance Graph

This performance graph shall not be deemed "soliciting material" or to be "filed" with the SEC for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by reference into any filing of AppLovin Corporation under the Securities Act of 1933, as amended (the "Securities Act").

The graph below compares the cumulative total stockholder return on our Class A common stock with the cumulative total return on the Standard & Poor's 500 Stock Index ("S&P 500") and the S&P 500 Information Technology Index ("S&P IT") through December 31, 2025. The graph assumes \$100 was invested at the market close on April 15, 2021, which was the first day our Class A common stock began trading. Data for the S&P 500 and S&P IT assumes reinvestment of dividends. The offering price of our Class A common stock in our initial public offering on April 15, 2021 was \$80.00 per share. The graph uses the closing market price on April 15, 2021 of \$65.20 per share as the initial value of our Class A common stock.

The comparisons in the graph below are based upon historical data and are not indicative of, nor intended to forecast, future performance of our Class A common stock.



Recent Sale of Unregistered Securities and Use of Proceeds

Recent Sale of Unregistered Securities

During the three months ended December 31, 2025, we issued restricted stock units ("RSUs") covering 14,810 shares of our Class A common stock under our 2021 Partner Studio Incentive Plan (the "PSIP") and issued 16,335 shares of our Class A common stock upon the vesting and settlement of RSUs issued under our PSIP.

The foregoing transactions did not involve any underwriters, any underwriting discounts or commissions, or any public offering. We believe the offer, sale, and issuance of the above securities was exempt from registration under the Securities Act by virtue of Section 4(a)(2) of the Securities Act and Regulation S promulgated under the Securities Act, because the issuance of securities to the recipients did not involve a public offering. The recipients of the securities in the transaction represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed upon the stock certificates issued in the transaction. All recipients had adequate access, through their relationships with us or otherwise, to information about us. The issuance of these securities was made without any general solicitation or advertising.

Use of Proceeds

None.

Issuer Purchases of Equity Securities

The following table summarizes the share repurchase activity for the three months ended December 31, 2025:

Period	Total Number of Shares Purchased ⁽¹⁾ (in thousands)	Average Price Paid Per Share ⁽²⁾	Total Number of Shares Purchased as Part of Publicly Announced Programs ⁽¹⁾ (in thousands)	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program ⁽¹⁾ (in millions)
October 1 - 31, 2025	588	\$ 620.79	588	\$ 3,327
November 1 - 30, 2025	72	\$ 617.64	72	\$ 3,282
December 1 - 31, 2025	—	—	—	\$ 3,282
Total	660		660	

(1) In February 2022, our board of directors authorized a share repurchase program to repurchase shares of our Class A common stock. In October 2025, our board of directors authorized an increase to the repurchase program of \$3.2 billion, such that an aggregate amount of approximately \$3.3 billion remained available for repurchases as of October 31, 2025. Repurchases may be made from time to time through open market purchases or through privately negotiated transactions, subject to market conditions, applicable legal requirements, including surplus and solvency requirements, and other relevant factors. Open market repurchases may be structured to occur in accordance with the requirements of Rule 10b-18. We may also, from time to time, enter into Rule 10b5-1 trading plans to facilitate repurchases of shares. The repurchase program does not obligate us to acquire any particular amount of our Class A common stock, has no expiration date and may be modified, suspended, or terminated at any time at our discretion. See Note 10—Equity of the Notes to the Consolidated Financial Statements in Part II, Item 8 of this Annual Report on Form 10-K for additional information related to share repurchases.

(2) Average price paid per share includes commissions and fees associated with the repurchases under our repurchase program.

Item 6. [Reserved]

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and the related notes included elsewhere in this Annual Report on Form 10-K. This discussion contains forward-looking statements that involve risks and uncertainties. Factors that could cause or contribute to such differences include those identified below and those discussed in the section titled "Risk Factors" and other parts of this Annual Report on Form 10-K. Our historical results are not necessarily indicative of the results that may be expected for any period in the future.

Overview

Our mission is to create meaningful connections between companies and their ideal customers. We provide end-to-end AI-powered advertising solutions for businesses to reach, monetize and grow their global audience. Our scaled business model is intricately linked to the advertising ecosystem, providing a durable competitive advantage. We generate revenue when our advertisers achieve their return on advertising spend targets with our advertising solutions, ensuring that their success directly fuels our growth.

Since our founding in 2011, we have been focused on building advertising solutions for advertisers to improve the marketing and monetization of their content. Our founders, who were mobile app developers themselves, quickly realized the real impediment to success and growth in the advertising ecosystem was a discovery and monetization problem—breaking through the congested app stores to efficiently find users and successfully grow their business. Their first-hand experience with these challenges led to the development of our infrastructure and advertising solutions.

Recent Developments

On May 7, 2025, we, along with our subsidiaries Morocco, Inc. and AppLovin GmbH (collectively, the "Sellers") entered into a Purchase Agreement (the "Agreement") with Tripledot and its subsidiaries Eton Games Inc. ("Eton") and Tripledot Group Holdings Limited (collectively, with Tripledot, the "Purchasers") relating to the sale of our Apps business. On June 30, 2025, we and Tripledot entered into an amendment to the Agreement to provide, among other things, that in lieu of the issuance of a secured promissory note by Eton to us or our designated affiliate to fund a portion of the full Cash Consideration (as defined in the Agreement), Tripledot may elect to pay such amount in cash.

On June 30, 2025, we consummated the sale of the Apps business to the Purchasers for \$400 million in cash, subject to closing adjustments, and equity consideration representing approximately 20% of Tripledot's fully-diluted equity at the time of closing. No promissory note was issued as part of the transaction. Following the sale of the Apps business, we operate as a single operating and reportable segment. Results related to our Apps business are presented as discontinued operations in our consolidated financial statements. See Note 2—Summary of Significant Accounting Policies and Note 3 – Discontinued Operations of the Notes to consolidated financial statements in Part II, Item 8 of this Annual Report on Form 10-K.

Our Business Model

We primarily generate revenue from fees paid by advertisers who use our advertising solutions to grow and monetize their content. We are able to grow our revenue by improving our various technologies, including improvements to our Axon AI recommendation engine.

Advertising clients include a wide variety of advertisers, from indie developer studios to some of the largest global internet platforms, such as Meta and Google. We see multiple opportunities to gain new clients, and to increase spend from existing clients, as we help them grow their businesses and make them more successful.

Our advertising solutions include Axon Ads Manager, MAX, Adjust, and Wurl. Clients use Axon Ads Manager to automate, optimize, and manage their user acquisition investments. They set marketing and user growth goals, and Axon Ads Manager optimizes their ad spend in an effort to achieve their return on advertising spend targets and other marketing objectives. Axon Ads Manager comprises the vast majority of revenue. The revenue we generate from Axon Ads Manager is determined dynamically based on advertisers' campaign goals.

Advertising networks use MAX to optimize purchases of app advertising inventory. The MAX tool provides insights to manage against key performance indicators, understand the long-term value of users, and help manage profitability. Revenue from MAX is generated based on a percentage of client spend. As more advertising networks move to in-app real-time bidding, we expect growth in the adoption of, and revenue from, MAX.

Advertising clients use Adjust's measurement and analytics marketing platform to better understand their users' journey while allowing marketers to make smarter decisions through measurement, attribution and fraud prevention. Revenue from Adjust is primarily generated from an annual software subscription fee.

Advertising clients use Wurl's CTV platform to distribute streaming video, maximize revenue, and acquire and retain viewers or subscribers. Revenue from Wurl is primarily generated from content companies, streamers, and advertisers, typically on a usage-based and/or CPM model.

Non-GAAP Financial Measures

Adjusted EBITDA and Adjusted EBITDA Margin

We define Adjusted EBITDA for a particular period as net income adjusted for loss from discontinued operations, net of income taxes, interest expense and loss on settlement of debt, other income, net (excluding certain recurring items), provision for income taxes, amortization, depreciation and write-offs and as further adjusted for stock-based compensation, transaction-related expense, restructuring costs, and non-operating foreign exchange (gain) loss, as well as certain other items that we believe are not reflective of our core operating performance. We define Adjusted EBITDA margin as Adjusted EBITDA divided by revenue for the same period.

Adjusted EBITDA and Adjusted EBITDA margin are key measures we use to assess our financial performance and are also used for internal planning and forecasting purposes. We believe Adjusted EBITDA and Adjusted EBITDA margin are helpful to investors, analysts, and other interested parties because they can assist in providing a more consistent and comparable overview of our operations across our historical financial periods. In addition, these measures are frequently used by analysts, investors, and other interested parties to evaluate and assess performance. We use Adjusted EBITDA and Adjusted EBITDA margin in conjunction with GAAP measures as part of our overall assessment of our performance, including the preparation of our annual operating budget and quarterly forecasts, to evaluate the effectiveness of our business strategies, and to communicate with our board of directors concerning our financial performance.

Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP financial measures and are presented for supplemental informational purposes only and should not be considered as alternatives or substitutes to financial information presented in accordance with GAAP. These measures have certain limitations in that they do not include the impact of certain expenses that are reflected in our consolidated statement of operations that are necessary to run our business. Our definitions may differ from the definitions used by other companies and therefore comparability may be limited. In addition, other companies may not publish these or similar metrics. Thus, our Adjusted EBITDA and Adjusted EBITDA margin should be considered in addition to, not as substitutes for, or in isolation from, measures prepared in accordance with GAAP.

The following table provides our Adjusted EBITDA and Adjusted EBITDA margin for 2025, 2024, and 2023, and a reconciliation of net income to Adjusted EBITDA:

	Year Ended December 31,		
	2025	2024	2023
	(in thousands, except percentages)		
Revenue	\$ 5,480,717	\$ 3,224,058	\$ 1,841,762
Net income	3,333,751	1,579,776	356,711
Net margin	60.8%	49.0%	19.4%
Loss from discontinued operations, net of income taxes	99,444	9,748	101,115
Net income from continuing operations	3,433,195	1,589,524	457,826
Net margin from continuing operations	62.6%	49.3%	24.9%
Adjusted as follows:			
Interest expense and loss on settlement of debt	207,016	317,209	273,508
Other income, net ¹	(15,694)	(23,396)	(4,729)
Provision for income taxes	519,715	22,419	43,776
Amortization, depreciation and write-offs	130,724	128,791	119,152
Non-operating foreign exchange (gain) loss	(3,949)	1,642	837
Stock-based compensation	207,958	357,431	342,551
Transaction-related expense	27,579	885	1,047
Restructuring costs	5,908	17,259	2,316
Adjusted EBITDA	\$ 4,512,452	\$ 2,411,764	\$ 1,236,284
Adjusted EBITDA margin	82.3%	74.8%	67.1%

¹ Excludes recurring operational foreign exchange gains and losses.

Free Cash Flow

We define Free Cash Flow as net cash provided by operating activities less purchases of property and equipment and principal payment of finance leases. We use Free Cash Flow to help manage the health of our business, prepare budgets and for capital allocation purposes. We believe Free Cash Flow provides useful supplemental information to help investors understand

underlying trends in our business and our liquidity. Free Cash Flow also reflects cash flows from both continuing and discontinued operations. Our definition may differ from the definitions used by other companies and therefore comparability may be limited. In addition, other companies may not publish Free Cash Flow or similar metrics. Thus, our Free Cash Flow should be considered in addition to, not as a substitute for, or in isolation from, measures prepared in accordance with GAAP.

The following table provides our Free Cash Flow for 2025, 2024, and 2023, and a reconciliation of net cash provided by operating activities to Free Cash Flow:

	Year Ended December 31,		
	2025	2024	2023
	(in thousands)		
Net cash provided by operating activities	\$ 3,971,094	\$ 2,099,011	\$ 1,061,510
Less:			
Purchase of property and equipment	(473)	(4,776)	(4,246)
Principal payments of finance leases	(18,669)	(20,875)	(20,170)
Free Cash Flow	<u>\$ 3,951,952</u>	<u>\$ 2,073,360</u>	<u>\$ 1,037,094</u>
Net cash provided by (used in) investing activities	\$ 358,428	\$ (106,754)	\$ (77,829)
Net cash used in financing activities	\$ (2,593,069)	\$ (1,749,844)	\$ (1,562,791)

Factors Affecting Our Performance

We believe that the future success of our business depends on many factors, including the factors described below.

Continue to invest in innovation

We have made, and intend to continue to make, significant investments in our advertising solutions to enhance their effectiveness and value proposition for our clients. We expect to continue to invest in our technology and solutions and to incur related costs, including costs to attract and retain critical engineering talent, such as stock-based compensation, as well as datacenter costs as we continue to launch enhancements to our Axon AI recommendation engine. We believe investments in our technology will further improve effectiveness for advertisers. Our investments will also allow us to continue to enter into and expand into new verticals outside of gaming, such as e-commerce and CTV. We also continue to opportunistically explore strategic transactions related to our advertising solutions and the expansion of the markets we serve.

Attract and retain clients

We rely on existing clients for a significant portion of our revenue. As we improve our advertising solutions, we can attract additional spend from these clients. Our clients include indie studio developers and some of the largest advertising platforms in the world. We believe there is significant room for us to further expand our relationships with existing clients and increase their usage of our advertising solutions, as well as to onboard new clients both inside and outside of mobile gaming. We expect to continue to invest in sales and marketing to enhance awareness of the Axon brand and drive new client acquisition.

Changes to the mobile app and advertising ecosystems

Our business and results of operations are and will continue to be impacted by industry factors that drive the overall performance and growth of the mobile app and advertising ecosystems. Mobile app developers rely on third-party platforms, such as the Apple App Store and Google Play Store, among others, to distribute apps, collect payments made for in-app purchases, and target users with relevant advertising. These third-party platforms have significant market power and discretion to set platform fees, select which apps to promote, and decide how much consumer information to provide to advertising networks that enable our advertising solutions to target users with personalized and relevant advertising and allocate marketing campaigns in an efficient and cost-effective manner. Any changes made to the policies of these third party platforms can drive rapid change across the mobile app and advertising ecosystems. Both the Apple App Store and Google Play Store have made various changes to their policies in recent years, as further discussed in the section titled "Risk Factors—Risks Related to Our Business, Operations and Industry—If third-party platforms change their policies in a way that harms our business, including the design and effectiveness of our advertising solutions, our business, financial condition, and results of operations could be adversely affected." The mobile app and advertising ecosystems also continue to be subject to an evolving legal and regulatory landscape, including with respect to data protection, privacy, and AI. We must continue to innovate and stay ahead of developments in the advertising and mobile app ecosystems in order for our business to succeed and our results of operations to continue to improve.

Components of Results of Operations

Revenue

We generate substantially all of our revenue from fees collected from advertisers spending on Axon Ads Manager, which are determined dynamically based on advertisers' campaign goals. Revenue from other services was not material. Revenue does not include the results of our former Apps business, which is classified as discontinued operations.

Cost of Revenue and Operating Expenses

Cost of revenue. Cost of revenue consists primarily of amortization of acquired technology-related intangible assets, amortization of finance lease right-of-use assets related to certain servers and networking equipment and datacenter costs related primarily to third-party cloud computing services.

Sales and marketing. Sales and marketing expenses consist primarily of marketing programs and other advertising expenses, professional services costs, personnel-related expenses including salaries, employee benefits, and stock-based compensation for employees engaged in sales and marketing activities, amortization of acquired user-related intangible assets, travel and allocated facilities and information technology costs.

Research and development. Research and development expenses consist primarily of product development costs, including personnel-related expenses such as salaries, employee benefits, and stock-based compensation for employees engaged in research and development activities, professional services costs, consulting costs, and allocated facilities and information technology costs.

General and administrative. General and administrative expenses consist primarily of costs incurred to support our business, including personnel-related expenses such as salaries, employee benefits, and stock-based compensation for employees engaged in finance, accounting, legal, human resources and administration, professional services fees for legal, accounting, recruiting, and administrative services (including acquisition or other transaction-related expenses), insurance, travel, and allocated facilities and information technology costs.

Other Income and Expenses

Interest expense and loss on settlement of debt. Interest expense and loss on settlement of debt consists primarily of interest expense associated with our outstanding debt, including accretion of debt discount and issuance costs.

Other income, net. Other income, net, primarily includes interest earned on our cash and cash equivalents, fair value adjustments relating to our non-marketable equity securities, and foreign currency gains and losses.

Provision for income taxes. We are subject to income taxes in the United States and foreign jurisdictions in which we do business. These foreign jurisdictions have different statutory tax rates than those in the United States. Additionally, certain of our foreign earnings may also be taxable in the United States. Accordingly, our effective tax rate will vary depending on the relative proportion of foreign to domestic income, impacts from acquisition restructuring, deduction benefits related to foreign-derived intangible income, future changes in the valuation of our deferred tax assets and liabilities, and changes in tax laws. Additionally, our effective tax rate can vary based on the amount of pre-tax income or loss.

Results of Operations

In this section, we discuss the results of our operations for the year ended December 31, 2025 compared to the year ended December 31, 2024, as well as a comparison for the year ended December 31, 2024 compared to the year ended December 31, 2023.

The following tables summarize our historical consolidated statement of operations:

	Year Ended December 31,		
	2025	2024	2023
	(in thousands)		
Revenue	\$ 5,480,717	\$ 3,224,058	\$ 1,841,762
Costs and expenses			
Cost of revenue ^{1,2}	665,140	520,613	356,613
Sales and marketing ^{1,2}	203,651	252,863	228,025
Research and development ¹	226,510	374,710	333,781
General and administrative ¹	233,502	164,916	150,932
Total costs and expenses	1,328,803	1,313,102	1,069,351
Income from operations	4,151,914	1,910,956	772,411
Other income (expense):			
Interest expense and loss on settlement of debt	(207,016)	(317,209)	(273,508)
Other income, net	8,012	18,196	2,699
Total other expense, net	(199,004)	(299,013)	(270,809)
Income before income taxes	3,952,910	1,611,943	501,602
Provision for income taxes	519,715	22,419	43,776
Net income from continuing operations	3,433,195	1,589,524	457,826
Loss from discontinued operations, net of income taxes	(99,444)	(9,748)	(101,115)
Net income	\$ 3,333,751	\$ 1,579,776	\$ 356,711

¹ Includes stock-based compensation as follows:

	Year Ended December 31,		
	2025	2024	2023
	(in thousands)		
Cost of revenue	\$ 1,425	\$ 4,799	\$ 3,834
Sales and marketing	34,055	76,824	69,903
Research and development	114,463	229,577	216,236
General and administrative	58,015	46,231	52,578
Total stock-based compensation	\$ 207,958	\$ 357,431	\$ 342,551

² Includes amortization expense related to intangible assets as follows:

	Year Ended December 31,		
	2025	2024	2023
	(in thousands)		
Cost of revenue	\$ 42,300	\$ 38,220	\$ 36,983
Sales and marketing	55,104	54,628	54,556
Total amortization expense related to intangible assets	\$ 97,404	\$ 92,848	\$ 91,539

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The following table sets forth the components of our consolidated statements of operations for each of the periods presented as a percentage of revenue¹:

	Year Ended December 31,		
	2025	2024	2023
Revenue	100 %	100 %	100 %
Costs and expenses			
Cost of revenue	12 %	16 %	19 %
Sales and marketing	4 %	8 %	12 %
Research and development	4 %	12 %	18 %
General and administrative	4 %	5 %	8 %
Total costs and expenses	24 %	41 %	58 %
Income from operations	76 %	59 %	42 %
Other income (expense):			
Interest expense and loss on settlement of debt	(4)%	(10)%	(15)%
Other income, net	— %	1 %	— %
Total other expense, net	(4)%	(9)%	(15)%
Income before income taxes	72 %	50 %	27 %
Provision for income taxes	9 %	1 %	2 %
Net income from continuing operations	63 %	49 %	25 %
Loss from discontinued operations, net of income taxes	(2)%	— %	(5)%
Net income	61 %	49 %	19 %

¹ Totals of percentages of revenue may not foot due to rounding.

Comparison of Our Results of Operations for the Twelve Months Ended December 31, 2025, 2024, and 2023

Revenue

	Year Ended December 31,			2024 to 2025 % change	2023 to 2024 % change
	2025	2024	2023		
	(in thousands, except percentages)				
Revenue	\$ 5,480,717	\$ 3,224,058	\$ 1,841,762	70 %	75 %

For the twelve months ended December 31, 2025, our revenue increased by \$2.3 billion, or 70%, from the prior year period primarily due to improved Axon Ads Manager performance, where the volume of installations increased 3% and net revenue per installation increased 72% compared to the prior year period.

For the twelve months ended December 31, 2024, our revenue increased by \$1.4 billion, or 75%, from the prior year period primarily due to improved Axon Ads Manager performance, where the volume of installations increased 50% and net revenue per installation increased 22% compared to the prior year period.

Cost of revenue

	Year Ended December 31,			2024 to 2025 % change	2023 to 2024 % change
	2025	2024	2023		
	(in thousands, except percentages)				
Cost of revenue	\$ 665,140	\$ 520,613	\$ 356,613	28 %	46 %
Percentage of revenue	12 %	16 %	19 %		

Cost of revenue in 2025 increased by \$144.5 million, or 28%, compared to 2024, due primarily to an increase of \$150.2 million in expenses associated with operating our network infrastructure driven by the growth in our operations.

Cost of revenue in 2024 increased by \$164.0 million, or 46%, compared to 2023, due primarily to an increase of \$141.3 million in expenses associated with operating our network infrastructure driven by the growth in our operations.

Sales and marketing

	Year Ended December 31,			2024 to 2025 % change	2023 to 2024 % change
	2025	2024	2023		
	(in thousands, except percentages)				
Sales and marketing	\$ 203,651	\$ 252,863	\$ 228,025	(19)%	11 %
Percentage of revenue	4 %	8 %	12 %		

Sales and marketing expenses in 2025 decreased by \$49.2 million, or 19%, compared to 2024 due primarily to a decrease of \$57.1 million in personnel-related expenses related to a decrease in stock-based compensation related payroll costs and a reduction in headcount.

Sales and marketing expenses in 2024 increased by \$24.8 million, or 11%, compared to 2023 due primarily to an increase of \$12.8 million in personnel-related expenses related to an increase in stock-based compensation related payroll costs and an increase of \$4.8 million in marketing costs.

Research and development

	Year Ended December 31,			2024 to 2025 % change	2023 to 2024 % change
	2025	2024	2023		
	(in thousands, except percentages)				
Research and development	\$ 226,510	\$ 374,710	\$ 333,781	(40)%	12 %
Percentage of revenue	4 %	12 %	18 %		

Research and development expenses in 2025 decreased by \$148.2 million, or 40%, compared to 2024, due primarily to a decrease of \$151.1 million in personnel-related expenses related to a decrease in stock-based compensation related payroll costs.

Research and development expenses in 2024 increased by \$40.9 million, or 12%, compared to 2023, due primarily to an increase of \$39.8 million in personnel-related expenses related to an increase in stock-based compensation related payroll costs.

General and administrative

	Year Ended December 31,			2024 to 2025 % change	2023 to 2024 % change
	2025	2024	2023		
	(in thousands, except percentages)				
General and administrative	\$ 233,502	\$ 164,916	\$ 150,932	42 %	9 %
Percentage of revenue	4 %	5 %	8 %		

General and administrative expenses in 2025 increased by \$68.6 million, or 42% compared to 2024, due primarily to an increase of \$31.6 million in professional services costs primarily associated with transaction support and an increase of \$24.5 million in bad debt expense primarily related to new initiatives.

General and administrative expenses in 2024 increased by \$14.0 million, or 9% compared to 2023, due primarily to an increase of \$9.5 million in indirect tax costs and an increase of \$5.5 million in personnel-related expenses related to an increase in stock-based compensation related payroll costs, partially offset by a decrease of \$6.3 million in bad debt expense.

Interest expense and loss on settlement of debt

	Year Ended December 31,			2024 to 2025 % change	2023 to 2024 % change
	2025	2024	2023		
	(in thousands, except percentages)				
Interest expense and loss on settlement of debt	\$ (207,016)	\$ (317,209)	\$ (273,508)	(35)%	16 %
Percentage of revenue	(4)%	(10)%	(15)%		

In 2025, interest expense and loss on settlement of debt decreased by \$110.2 million, or 35%, compared to 2024. Interest expense decreased \$78.7 million as a result of lower interest rates under our senior unsecured notes compared to the interest rates under our prior credit agreement. The decrease was also due to a loss on extinguishment of debt of \$28.4 million in the prior year period.

In 2024, interest expense and loss on settlement of debt increased by \$43.7 million, or 16%, compared to 2023. This increase was due to loss on extinguishment of debt of \$28.4 million in 2024. In addition, the prior year period included a net gain of \$15.8 million related to interest rate swaps.

Other income, net

	Year Ended December 31,			2024 to 2025 % change	2023 to 2024 % change
	2025	2024	2023		
	(in thousands, except percentages)				
Other income, net	\$ 8,012	\$ 18,196	\$ 2,699	(56)%	**
Percentage of revenue	— %	1 %	— %		

** Not meaningful

In 2025, other income, net decreased by \$10.2 million compared to 2024, due primarily to a net fair value remeasurement loss of \$34.8 million related to our investments in non-marketable equity securities in the current period and an increase in net foreign currency losses of \$2.5 million. This is partially offset by an increase in interest income of \$18.2 million driven by an increase in cash and a decrease in certain third-party costs of \$6.6 million incurred in connection with the refinancing of term loans in the prior year period.

In 2024, other income, net increased by \$15.5 million compared to 2023. The increase was primarily due to the loss on fair value remeasurement of \$24.2 million from the impairment of non-marketable equity securities in the prior year period, partially offset by a decrease in interest income of \$9.1 million due to a reduction in average cash balances held during the period.

Provision for Income Taxes

	Year Ended December 31,			2024 to 2025 % change	2023 to 2024 % change
	2025	2024	2023		
	(in thousands, except percentages)				
Provision for income taxes	\$ 519,715	\$ 22,419	\$ 43,776	**	**
Percentage of revenue	9 %	1 %	2 %		

** Not meaningful

In 2025, provision for income taxes increased by \$497.3 million compared to 2024. The increase in tax provision was primarily driven by higher pre-tax book income, global minimum tax, a decrease in stock-based compensation benefits, and a decrease in research and development credits, partially offset by an increase in deduction benefits related to foreign-derived intangible income.

In 2024, provision for income taxes decreased by \$21.4 million compared to 2023. The decrease in tax provision was primarily driven by an increase in stock-based compensation benefits, an increase in research and development credits, and a favorable shift in jurisdictional mix partially offset by higher pre-tax book income.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted in the U.S. The OBBBA includes significant provisions, such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act, modifications to the international tax framework and the restoration of favorable tax treatment for certain business provisions. We evaluated the provisions of OBBBA effective in 2025 and its impact on the consolidated financial statements was immaterial.

Liquidity and Capital Resources

As of December 31, 2025, we had cash and cash equivalents of \$2.5 billion, consisting primarily of cash held in checking and interest-bearing deposit accounts, as well as investments in money market funds. We believe that our existing cash and cash equivalents, cash flows expected to be generated by our operations, and, if necessary, our borrowing capacity under our 2024 Credit Agreement that provides for a \$1.0 billion unsecured revolving credit facility, would be sufficient to satisfy our anticipated working capital and capital expenditures needs for at least the next 12 months. Our future capital requirements will depend on many factors, including our revenue growth rate; sales and marketing activities; timing and extent of spending to support our research and development efforts; capital expenditures to purchase hardware and software; our continued need to invest in our IT infrastructure to support our growth; and the volume and timing of our stock repurchases. In addition, we may enter into additional strategic investments in teams and technologies, including intellectual property rights, which could increase our cash requirements. As a result of these and other factors, we may be required to seek additional equity or debt financing sooner than we currently anticipate, or we may opportunistically seek additional financing. See the section titled “Risk Factors—Risks Related to Financial and Accounting Matters” for more information regarding risks related to liquidity and capital resources.

The following table summarizes our cash flows for the periods indicated (all periods include cash flows from continuing and discontinued operations):

	Year Ended December 31,		
	2025	2024	2023
	(in thousands)		
Net cash provided by operating activities	\$ 3,971,094	\$ 2,099,011	\$ 1,061,510
Net cash provided by (used in) investing activities	\$ 358,428	\$ (106,754)	\$ (77,829)
Net cash used in financing activities	\$ (2,593,069)	\$ (1,749,844)	\$ (1,562,791)

Operating Activities

Net cash provided by operating activities was \$4.0 billion for 2025, primarily consisting of \$3.3 billion of net income, adjusted for certain non-cash items, such as \$210.4 million of stock-based compensation, \$194.8 million of amortization, depreciation and write-offs, \$188.9 million of goodwill impairment, \$50.0 million of impairment of non-marketable equity securities, and a net increase in the operating assets and liabilities of \$77.9 million, partially offset by a gain from the divestiture of our Apps business, net of transaction costs, of \$106.2 million.

Net cash provided by operating activities was \$2.1 billion for 2024, primarily consisting of \$1.6 billion of net income, adjusted for certain non-cash items, such as \$448.7 million of amortization, depreciation and write-offs, and \$369.4 million of stock-based compensation, partially offset by a net decrease in the operating assets and liabilities of \$349.5 million.

The improvement in cash flows from operating activities during 2025 compared to 2024 was primarily due to an increase in cash collection from our customers driven by revenue growth and a decrease of interest payments on debt as a result of lower interest rates, partially offset by higher cash operating expenses primarily associated with operating our network infrastructure, as well as higher income tax payments due to revenue growth.

Investing Activities

Net cash provided by investing activities was \$358.4 million for 2025, primarily driven by \$407.3 million in proceeds from the divestiture of our Apps business, net of cash divested, which were partially offset by \$28.3 million related to purchase of intangible assets and \$20.2 million in purchases of non-marketable equity securities.

Net cash used in investing activities was \$106.8 million for 2024, primarily consisting of \$77.0 million in purchases of non-marketable equity securities and \$25.6 million related to purchase of intangible assets.

Financing Activities

Net cash used in financing activities was \$2.6 billion for 2025, primarily driven by \$2.2 billion in stock repurchases under our share repurchase program and \$392.4 million in payments for withholding taxes related to the net share settlement of equity awards.

Net cash used in financing activities was \$1.7 billion for 2024, primarily consisting of \$4.2 billion in principal repayments of debt, \$1.1 billion in payments for withholding taxes related to net share settlement of equity awards, and \$981.3 million of stock repurchases, partially offset by \$4.6 billion of proceeds from issuance of debt.

Credit Agreement

Our unsecured revolving credit facility under the 2024 Credit Agreement provides for up to \$1.0 billion of borrowing capacity and matures on December 5, 2029, with the option for two one-year extensions, subject to the terms of the agreement. In March 2025, we borrowed \$200.0 million under the facility to fund share repurchases and we repaid \$100.0 million in April 2025 and the remaining \$100.0 million in May 2025. As of December 31, 2025, \$1.0 billion remained available for borrowing under the facility. For additional information, see Note 9—Debt to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Long-term Debt

As of December 31, 2025, we had \$3.6 billion of senior unsecured notes outstanding, issued in multiple series that mature between 2029 and 2054 and bear fixed annual interest rates ranging from 5.125% to 5.950%. Interest is payable semi-annually in arrears on June 1 and December 1 of each year, beginning June 1, 2025. For additional information, see Note 9—Debt to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Stock Repurchase Program

In 2025, we repurchased and retired 5.5 million shares of Class A common stock for \$2.2 billion and our board of directors authorized an incremental increase to our stock repurchase program totaling \$3.2 billion. As of December 31, 2025, \$3.3 billion remained available for repurchases under the program. The program has no expiration date, does not obligate us to repurchase any specific amount of stock, and may be modified, suspended, or terminated at any time at our discretion. For additional information, see Note 10—Equity to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Contractual Obligations

As of December 31, 2025, we had non-cancelable purchase obligations of \$702.8 million, primarily related to an agreement for third-party cloud computing services, of which \$398.5 million is payable within twelve months. For additional information, see Note 6—Commitments and Contingencies to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

As of December 31, 2025, we had non-cancelable lease payment obligations of \$173.9 million, consisting of \$140.3 million for server and network equipment leases and \$33.7 million for office leases, of which \$37.7 million is payable within twelve months. For additional information, see Note 8—Leases to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Taxes

As of December 31, 2025, our long-term income tax liabilities include \$64.2 million related to the uncertain tax positions. Due to uncertainties in the timing of potential tax audits, the timing of the resolution of these positions is uncertain and we are unable to make a reasonable estimate of the timing of payments in individual years particularly beyond 12 months.

Critical Accounting Estimates

Our consolidated financial statements are prepared in accordance with GAAP. The preparation of our consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and related disclosures. On an ongoing basis, we evaluate our estimates based on assumptions that are believed to be reasonable under the circumstances. These estimates are inherently subject to judgment and actual results could differ materially from those estimates.

An accounting estimate is considered critical if it involves significant subjectivity and judgment, and if changes in the estimate have had or are reasonably likely to have a material effect on our consolidated financial statements. We believe the following estimates are subject to a greater degree of judgment and complexity and have the greatest potential impact on our consolidated financial statements. For additional information on all of our significant accounting policies, see Note 2 to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Goodwill and Intangible Assets

We assess goodwill for impairment at the reporting unit level annually during the fourth quarter, or more frequently if events or changes in circumstances indicate potential impairment. Similarly, we evaluate intangible assets for impairment at the asset group level whenever indications suggest that their carrying amounts may not be recoverable. These impairment assessments involve both qualitative and quantitative evaluations.

The qualitative evaluation considers factors such as financial performance, macroeconomic conditions, industry trends, and other relevant events that may impact a reporting unit or asset group. If qualitative assessments suggest a potential impairment, we proceed with a quantitative assessment, which involves significant estimates and assumptions including projected future cash flows, risk-adjusted discount rates, economic and market conditions, and appropriate market comparables, among others. Additionally, we apply judgment and assumptions in allocating shared assets and liabilities to determine the carrying values of each reporting unit or asset group. Furthermore, we review and reassess the estimated remaining useful lives of intangible assets if significant events or changes in circumstances indicate a need to revise the remaining amortization periods.

Equity Method Investments

We account for investments under the equity method when we have the ability to exercise significant influence, but not control, over the financial and operating policies of an investee, unless the fair value option is elected. Equity method investments are initially recorded at cost and subsequently adjusted for our proportionate share of the investee's net income or loss and the amortization of basis differences arising from the excess of investment cost over our share of the investee's

underlying net assets. We record our share of the investee's results and related basis difference amortization one quarter in arrears in other income (expense), net in our consolidated statements of operations.

We evaluate equity method investments for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable and record an impairment loss when a decline in fair value below carrying value is determined to be other than temporary. Indicators of potential impairment include, among other factors, the investee's financial results and operating trends, implied values from transactions involving the investee's securities, the severity and duration of any decline in value, and our intent and ability to hold the investment. If an impairment is determined to be other than temporary, we determine the investment's fair value and record an impairment charge for the difference between fair value and carrying value. Determining fair value, particularly for investments in privately held companies, requires significant judgment and the use of estimates and assumptions. Changes in these estimates and assumptions could affect the fair value determination and the amount of any impairment charges.

Stock-Based Compensation

We measure and recognize stock-based compensation for share-based awards, primarily including restricted stock units ("RSUs"), performance-based RSUs with both service and market-based conditions, stock options and stock purchase rights granted under the Employee Stock Purchase Plan, based on the grant-date fair value of the awards. To estimate the grant-date fair value, we may use different valuation models such as the Black-Scholes option valuation model or the Monte Carlo valuation model that require various assumptions including, among others, the expected stock price volatility, the risk-free interest rate, the expected dividend yield, the discount for awards subject to post-vesting restrictions.

Income Taxes

Significant management judgment is required in determining our provision for income taxes, including the determination of deferred tax assets and liabilities. We consider both positive and negative evidence regarding the realizability of deferred tax assets in assessing the need for valuation allowances, and if necessary, adjust the valuation allowance so that the net deferred tax assets are recorded only to the extent we conclude it is more likely than not that these deferred tax assets will be realized.

In evaluating the exposure associated with various tax filing positions, we accrue an income tax liability when such positions do not meet the more-likely-than-not threshold for recognition. We consider changes in facts and circumstances, such as new regulations or recent judicial opinions, as well as the status of audit activities by taxing authorities.

While we believe we have adequately reserved for our uncertain tax positions, no assurance can be given that the final tax outcome of these matters will not be different. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will affect the provision for income taxes and the effective tax rate in the period in which such determination is made.

Recent Accounting Pronouncements

See Note 2—Summary of Significant Accounting Policies to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K for recently adopted accounting pronouncements and recently issued accounting pronouncements not yet adopted as of the dates of the statement of financial position included in this Annual Report on 10-K.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risks in the ordinary course of our business, which primarily relate to fluctuations in interest rates and foreign exchange.

Interest Rate Fluctuation Risk

As of December 31, 2025, we had unrestricted cash and cash equivalents of \$2.5 billion. A hypothetical 100 basis point increase in interest rates would not have a material impact on our financial condition or results of operations due to the short-term nature of our cash equivalents.

The Senior Notes have fixed annual interest rates, and therefore we do not have economic interest rate exposure on these debt obligations. However, the fair values of the Senior Notes are exposed to interest rate risk. Generally, the fair values of the Senior Notes will increase as interest rates fall and decrease as interest rates rise.

Future borrowings under our 2024 Credit Agreement will bear interest, which varies based on the underlying index rates. Because the interest rates applicable to borrowings under the 2024 Credit Agreement are variable, we are exposed to market risk from changes in the underlying index rates, which affect our cost of borrowing.

For additional information, see Note 9—Debt to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Foreign Currency Exchange Risk

Translation Exposure

We are exposed to foreign exchange rate fluctuations as we translate the financial statements of our foreign subsidiaries into U.S. dollars in consolidation. If there is a change in foreign currency exchange rates, the translating adjustments resulting

from the conversion of our foreign subsidiaries' financial statements into U.S. dollars would result in a gain or loss recorded as a component of accumulated other comprehensive income (loss), which is part of stockholders' equity. We are also exposed to fluctuations in our net income as a result of transaction gains or losses related to remeasuring monetary asset and liability balances that are denominated in currencies other than the functional currency of the entities in which they are recorded. Accordingly, changes in exchange rates may negatively affect our future revenue and other results of operations as expressed in U.S. dollars. At this time, we do not, but we may in the future, enter into derivatives or other financial instruments in an attempt to hedge our foreign currency exchange risk. Foreign currency transaction gains and losses were not material for the year ended December 31, 2025, 2024, or 2023.

Item 8. Financial Statements and Supplementary Data

**APPLOVIN CORPORATION
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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of AppLovin Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of AppLovin Corporation and subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income, stockholders' equity, and cash flows, for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 19, 2026, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Performance-based Restricted Stock Units - Refer to Note 2 and Note 11 to the financial statements

Critical Audit Matter Description

In October 2025, the Company granted performance-based restricted stock units ("PSUs") which are eligible to vest based on the achievement of certain market capitalization targets and the satisfaction of service conditions. The grant date fair value of the PSUs was \$410.5 million.

A Monte Carlo simulation model was utilized to determine the grant date fair value. The Monte Carlo simulation model utilized the market capitalization of the Company on the date of grant, expected volatility, risk-free interest rate, discount for awards subject to post-vesting restrictions, and dividend yield to calculate the grant date fair value. The valuation assumptions used in the Monte Carlo simulation model had a significant effect on the grant date fair value of the PSUs.

Given the level of judgement involved by management in developing certain of the valuation assumptions and their use of a specialist to determine the grant date fair value of the PSUs and the derived service period, our audit procedures required a high degree of auditor judgement and increased extent of effort, including the need to involve our fair value specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the valuation of the PSUs included the following, among others:

- We tested the design and operating effectiveness of the Company's internal controls over the determination of the grant date fair value of the PSUs.

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- We inquired with management regarding the valuation assumptions used in the determination of the grant date fair value of the PSUs.
- We tested the accuracy of underlying data inputs in the Monte Carlo simulation model, such as grant date, quantity of awards granted, and vesting conditions, among others, back to source documents, such as PSU grant agreements.
- We evaluated the qualifications of the Company's specialists by assessing their certifications and determining whether they meet the qualifications necessary to perform independent PSU valuations.
- With the assistance of our fair value specialists, we evaluated management's valuation of the PSUs and the derived service period by:
 - I. Evaluating the Monte Carlo simulation model methodology and the reasonableness of the valuation assumptions, including cost of equity, expected volatility, risk-free interest rate, discount for awards subject to post-vesting restrictions, and dividend yield.
 - II. Independently developing a Monte Carlo simulation model using independently calculated valuation assumptions.

/s/ DELOITTE & TOUCHE LLP

San Jose, California
February 19, 2026

We have served as the Company's auditor since 2015.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of AppLovin Corporation

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of AppLovin Corporation and subsidiaries (the "Company") as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2025, of the Company and our report dated February 19, 2026, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ DELOITTE & TOUCHE LLP

San Jose, California
February 19, 2026

AppLovin Corporation
Consolidated Balance Sheets
(In thousands, except per share data)

	As of December 31,	
	2025	2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 2,487,096	\$ 697,030
Accounts receivable, net	1,819,366	1,283,335
Prepaid expenses and other current assets	124,330	140,470
Current assets of discontinued operations	—	191,355
Total current assets	4,430,792	2,312,190
Property and equipment, net	122,445	159,970
Operating lease right-of-use assets	25,457	36,473
Goodwill	1,539,986	1,457,685
Intangible assets, net	396,714	472,851
Equity method investments	287,666	—
Other assets	456,550	492,841
Non-current assets of discontinued operations	—	937,249
Total assets	\$ 7,259,610	\$ 5,869,259
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 746,977	\$ 504,302
Accrued and other current liabilities	572,868	401,531
Operating lease liabilities, current	13,943	14,526
Current liabilities of discontinued operations	—	137,113
Total current liabilities	1,333,788	1,057,472
Long-term debt	3,512,987	3,508,983
Operating lease liabilities, non-current	17,811	31,101
Other non-current liabilities	260,353	180,471
Non-current liabilities of discontinued operations	—	1,414
Total liabilities	5,124,939	4,779,441
Commitments and contingencies (Note 6)		
Stockholders' equity:		
Preferred stock, \$0.00003 par value—100,000 shares authorized, no shares issued and outstanding as of December 31, 2025 and 2024	—	—
Class A, Class B, and Class C Common Stock, \$0.00003 par value—1,850,000 (Class A 1,500,000, Class B 200,000, Class C 150,000) shares authorized, 338,313 (Class A 307,955, Class B 30,358, Class C nil) and 340,042 (Class A 309,353, Class B 30,689, Class C nil) shares issued and outstanding as of December 31, 2025 and 2024, respectively	11	11
Additional paid-in capital	446,550	593,699
Accumulated other comprehensive loss	(46,987)	(103,096)
Retained earnings	1,735,097	599,204
Total stockholders' equity	2,134,671	1,089,818
Total liabilities and stockholders' equity	\$ 7,259,610	\$ 5,869,259

See Accompanying Notes to Consolidated Financial Statements.

AppLovin Corporation
Consolidated Statements of Operations
(In thousands, except per share data)

	Year Ended December 31,		
	2025	2024	2023
Revenue	\$ 5,480,717	\$ 3,224,058	\$ 1,841,762
Costs and expenses:			
Cost of revenue	665,140	520,613	356,613
Sales and marketing	203,651	252,863	228,025
Research and development	226,510	374,710	333,781
General and administrative	233,502	164,916	150,932
Total costs and expenses	<u>1,328,803</u>	<u>1,313,102</u>	<u>1,069,351</u>
Income from operations	4,151,914	1,910,956	772,411
Other income (expense):			
Interest expense and loss on settlement of debt	(207,016)	(317,209)	(273,508)
Other income, net	8,012	18,196	2,699
Total other expense, net	<u>(199,004)</u>	<u>(299,013)</u>	<u>(270,809)</u>
Income before income taxes	3,952,910	1,611,943	501,602
Provision for income taxes	519,715	22,419	43,776
Net income from continuing operations	3,433,195	1,589,524	457,826
Loss from discontinued operations, net of income taxes	(99,444)	(9,748)	(101,115)
Net income	<u>\$ 3,333,751</u>	<u>\$ 1,579,776</u>	<u>\$ 356,711</u>
Net income (loss) per share attributed to Class A and Class B common stockholders - Basic:			
Continuing operations	\$ 10.13	\$ 4.71	\$ 1.29
Discontinued operations	(0.29)	(0.03)	(0.28)
Basic net income per share	<u>\$ 9.84</u>	<u>\$ 4.68</u>	<u>\$ 1.01</u>
Net income (loss) per share attributed to Class A and Class B common stockholders - Diluted:			
Continuing operations	\$ 10.04	\$ 4.56	\$ 1.26
Discontinued operations	(0.29)	(0.03)	(0.28)
Diluted net income per share	<u>\$ 9.75</u>	<u>\$ 4.53</u>	<u>\$ 0.98</u>
Weighted-average common shares used to compute net income (loss) per share attributable to Class A and Class B common stockholders:			
Basic	<u>338,781</u>	<u>336,922</u>	<u>351,952</u>
Diluted	<u>341,970</u>	<u>347,808</u>	<u>362,589</u>

See Accompanying Notes to Consolidated Financial Statements.

AppLovin Corporation
Consolidated Statements of Comprehensive Income
(In thousands)

	Year Ended December 31,		
	2025	2024	2023
Net income	\$ 3,333,751	\$ 1,579,776	\$ 356,711
Other comprehensive income (loss):			
Foreign currency translation adjustment, net of tax	56,109	(37,822)	18,108
Other comprehensive income (loss), net of tax	56,109	(37,822)	18,108
Comprehensive income	<u>\$ 3,389,860</u>	<u>\$ 1,541,954</u>	<u>\$ 374,819</u>

See Accompanying Notes to Consolidated Financial Statements.

AppLovin Corporation
Consolidated Statements of Stockholders' Equity
(In thousands)

	Class A and Class B Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Retained Earnings (Accumulated Deficit)	Total Stockholders' Equity
	Shares	Amount				
Balances as of December 31, 2022	373,874	\$ 11	\$ 3,155,748	\$ (83,382)	\$ (1,169,700)	\$ 1,902,677
Stock issued in connection with equity awards	20,320	—	25,998	—	—	25,998
Shares withheld related to net share settlement of equity awards	(7,642)	—	(246,435)	—	—	(246,435)
Repurchase of Class A common stock	(46,665)	—	(1,153,593)	—	—	(1,153,593)
Stock-based compensation	—	—	352,863	—	—	352,863
Other comprehensive income, net of tax	—	—	—	18,108	—	18,108
Net income	—	—	—	—	356,711	356,711
Balances as of December 31, 2023	339,887	\$ 11	\$ 2,134,581	\$ (65,274)	\$ (812,989)	\$ 1,256,329
Stock issued in connection with equity awards	25,821	—	55,596	—	—	55,596
Shares withheld related to net share settlement of equity awards	(9,585)	—	(1,152,131)	—	—	(1,152,131)
Repurchase of Class A common stock	(16,081)	—	(813,714)	—	(167,583)	(981,297)
Stock-based compensation	—	—	369,367	—	—	369,367
Other comprehensive loss, net of tax	—	—	—	(37,822)	—	(37,822)
Net income	—	—	—	—	1,579,776	1,579,776
Balances as of December 31, 2024	340,042	\$ 11	\$ 593,699	\$ (103,096)	\$ 599,204	\$ 1,089,818
Stock issued in connection with equity awards	4,672	—	25,329	—	—	25,329
Shares withheld related to net share settlement of equity awards	(890)	—	(382,899)	—	—	(382,899)
Repurchase of Class A common stock	(5,511)	—	—	—	(2,197,858)	(2,197,858)
Stock-based compensation	—	—	210,421	—	—	210,421
Other comprehensive income, net of tax	—	—	—	56,109	—	56,109
Net income	—	—	—	—	3,333,751	3,333,751
Balances as of December 31, 2025	338,313	\$ 11	\$ 446,550	\$ (46,987)	\$ 1,735,097	\$ 2,134,671

See Accompanying Notes to Consolidated Financial Statements.

AppLovin Corporation
Consolidated Statements of Cash Flows
(In thousands)

	Year Ended December 31,		
	2025	2024	2023
Operating Activities			
Net income	\$ 3,333,751	\$ 1,579,776	\$ 356,711
Adjustments to reconcile net income to net cash provided by operating activities:			
Amortization, depreciation and write-offs	194,778	448,680	489,008
Goodwill impairment	188,943	—	—
Stock-based compensation, excluding cash-settled awards	210,421	369,367	363,107
Gain on divestiture, net of transaction costs	(106,229)	—	—
Impairment of investments	50,000	—	27,953
Loss on settlement of debt	—	28,375	4,337
Change in operating right-of-use assets	12,295	12,689	17,842
Other	9,213	9,663	11,226
Changes in operating assets and liabilities:			
Accounts receivable	(542,219)	(467,028)	(261,279)
Prepaid expenses and other assets	134,658	(185,331)	(133,968)
Accounts payable	232,486	189,585	98,574
Operating lease liabilities	(15,229)	(14,106)	(18,612)
Accrued and other liabilities	268,226	127,341	106,611
Net cash provided by operating activities	<u>3,971,094</u>	<u>2,099,011</u>	<u>1,061,510</u>
Investing Activities			
Purchase of intangible assets	(28,318)	(25,553)	(63,899)
Purchase of non-marketable equity securities	(20,178)	(76,983)	(17,934)
Proceeds from divestiture, net of cash divested	407,297	—	—
Other investing activities	(373)	(4,218)	4,004
Net cash provided by (used in) investing activities	<u>358,428</u>	<u>(106,754)</u>	<u>(77,829)</u>
Financing Activities			
Repurchases of common stock	(2,191,944)	(981,297)	(1,153,593)
Payments of withholding taxes related to net share settlement	(392,410)	(1,143,525)	(246,435)
Principal repayments of debt	(200,000)	(4,225,223)	(497,994)
Payments of deferred acquisition costs	—	—	(33,903)
Principal payments of finance leases	(18,669)	(20,875)	(20,170)
Payments of licensed asset obligation	(13,532)	—	(27,110)
Payments of debt issuance cost	(1,843)	(35,563)	(4,655)
Proceeds from issuance of debt	200,000	4,614,841	395,281
Proceeds from issuance of common stock upon exercise of stock options and purchase of ESPP shares	25,329	41,798	25,788
Net cash used in financing activities	<u>(2,593,069)</u>	<u>(1,749,844)</u>	<u>(1,562,791)</u>
Effect of foreign exchange rate on cash and cash equivalents	9,232	(3,154)	778
Net increase in cash and cash equivalents, including cash classified within current assets of discontinued operations	1,745,685	239,259	(578,332)
Less: net decrease in cash classified within current assets of discontinued operations	(44,381)	—	—
Net (decrease) increase in cash and cash equivalents	1,790,066	239,259	(578,332)
Cash and cash equivalents at beginning of the period	697,030	502,152	1,080,484
Cash and cash equivalents at end of the period	<u>\$ 2,487,096</u>	<u>\$ 741,411</u>	<u>\$ 502,152</u>

See Accompanying Notes to Consolidated Financial Statements.

AppLovin Corporation
Consolidated Statement of Cash Flows (Continued)
(In thousands)

	Year Ended December 31,		
	2025	2024	2023
Supplemental non-cash investing and financing activities disclosures:			
Non-cash consideration received from divestiture	\$ 285,000	\$ —	\$ —
Right-of-use assets obtained in exchange for lease obligations, net of modifications	\$ (28,570)	\$ 26,325	\$ 119,911
Accrued withholding taxes related to net share settlement of restricted stock units	\$ —	\$ 8,606	\$ —
Supplemental disclosure of cash flow information:			
Cash paid for income taxes, net of refunds	\$ 194,843	\$ 67,332	\$ 75,433
Cash paid for interest	\$ 198,788	\$ 270,615	\$ 248,828

See Accompanying Notes to Consolidated Financial Statements.

APPLOVIN CORPORATION NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Description of Business

AppLovin Corporation (the “Company” or “AppLovin”) was incorporated in the state of Delaware on July 18, 2011. The Company is a leader in the advertising industry providing end-to-end advertising solutions that allow businesses to reach, monetize and grow their global audiences.

The Company is headquartered in Palo Alto, California, and has several operating locations in the U.S. as well as various international office locations in North America, Asia, and Europe.

2. Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation—The accompanying consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles (“GAAP”). Consolidated financial statements include accounts and operations of the Company and its wholly owned subsidiaries. In accordance with the provisions of Accounting Standards Codification (“ASC”) 810, *Consolidation*, the Company is also required to consolidate any variable interest entities (“VIE”) when it is the primary beneficiary. The primary beneficiary has both the power to direct the activities of the VIE that most significantly impact the VIE’s economic performance and the obligation to absorb losses of the VIE that could potentially be significant to the VIE, or the right to receive benefits from the VIE that could potentially be significant to the VIE. The Company evaluates its relationships with all VIEs on an ongoing basis. All intercompany transactions and balances have been eliminated upon consolidation.

Certain prior period amounts reported in the Company’s consolidated financial statements and accompanying notes have been reclassified to conform to the current period presentation where applicable.

Use of Estimates—The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported and disclosed in the consolidated financial statements and accompanying notes. The Company bases its estimates on assumptions that are believed to be reasonable under the circumstances. On an ongoing basis, the Company evaluates its estimates, including, but not limited to, those related to valuation of long-lived assets and their associated estimated useful lives, valuation of goodwill, valuation of non-marketable equity securities, valuation of equity method investments, income taxes, stock-based compensation, and other contingent liabilities. These estimates are inherently subject to judgment and actual results could differ materially from those estimates.

Apps Business Divestiture—On May 7, 2025, the Company and its subsidiaries Morocco, Inc. and AppLovin GmbH entered into a purchase agreement with Tripledot and its subsidiaries Eton Games Inc. and Tripledot Group Holdings Limited to sell the equity interests of certain wholly-owned subsidiaries that operated the Company’s Apps business (the “Apps Business”). The sale was completed on June 30, 2025. The Company determined that the divestiture of the Apps Business met the criteria for presentation as discontinued operations in the second quarter of the year ended December 31, 2025, as it represented a strategic shift that had a major impact on the Company’s operations and financial results. Accordingly, the results of the Apps Business, including the gain on divestiture, are reported as discontinued operations in the consolidated statements of operations, and as such, have been excluded from both continuing operations and segment results for all periods presented. Further, the assets and liabilities of the Apps Business were reclassified as assets and liabilities of discontinued operations in the consolidated balance sheets as of December 31, 2024. The consolidated statements of cash flows continue to be presented on a consolidated basis for both continuing and discontinued operations. Certain costs previously allocated to the Apps Business for segment reporting purposes do not meet the criteria for classification within discontinued operations, and as such, these costs were reallocated to continuing operations. In addition, historical intercompany balances and transactions between the Company and the divested Apps Business that were eliminated in consolidation were not included in the results of either continuing or discontinued operations. Unless otherwise indicated, all references in the notes to the consolidated financial statements relate to continuing operations. See Note 3—Discontinued Operations for additional information.

Segment Reporting—Following the divestiture of the Apps Business, the Company has determined that it currently operates as a single operating and reportable segment at the consolidated level. Prior period segment results and related disclosures have been recast to conform to the current period segment presentation. See Note 14—Segment and Geographic Information for further details.

Equity Method Investments—The Company accounts for investments under the equity method when it has the ability to exercise significant influence, but not control, over the financial and operating policies of an investee, unless the fair value option is elected. Equity method investments are initially recorded at cost and subsequently adjusted for the Company’s proportionate share of the investee’s net income or loss and the amortization of basis differences resulting from the excess of the investment cost over the Company’s share of the investee’s underlying net assets. The Company records its share of the investee’s results and any related basis difference amortization one quarter in arrears in other income (expense), net in the consolidated statements of operations. The Company evaluates equity method investments for impairment on an ongoing basis and records an impairment loss when a decline in fair value below carrying value is determined to be other than temporary.

In connection with the sale of its Apps Business, the Company received 596.9 million ordinary shares of Tripledot,

representing approximately a 22% ownership interest, with an estimated fair value of \$285.0 million at the acquisition date. The Company accounts for this investment under the equity method. The Company's share of Tripledot's income and related basis difference amortization was not material for the year ended December 31, 2025. See Note 3—Discontinued Operations and Note 15—Related Party Transactions for additional information.

Revenue from Contracts with Customers—The Company generates substantially all of its revenue from Axon Ads Manager, the Company's AI-powered advertising solution that matches advertiser demand with publisher supply of advertising inventory through auctions at vast scale and microsecond-level speeds. The Company's performance obligation is to provide customers with access to its advertising solution, which facilitates the advertisers' purchase of advertising inventory from publishers on an impression or action basis.

The Company does not control the advertising inventory prior to its transfer to the advertiser because it does not have the substantive ability to direct the use of, or obtain substantially all of the remaining benefits from, the advertising inventory. In addition, the Company is not primarily responsible for fulfillment. Therefore, the Company is an agent in these arrangements and presents revenue net of advertising inventory costs.

The transaction price is determined dynamically based on advertisers' campaign goals, less consideration paid or payable to publishers. Revenue is recognized for impression-based arrangements when an ad impression is delivered; for action-based arrangements, when the specified action (such as a click or install) occurs.

The Company's terms and conditions generally stipulate payment terms of 30 days after the end of the month. Substantially all of the Company's contracts with customers are cancelable at any time.

Revenue from other services was not material for any period presented.

The Company presents taxes collected from customers and remitted to governmental authorities on a net basis.

Disaggregation of Revenue—Revenue disaggregated by geography, based on user location, consisted of the following (in thousands):

	Year Ended December 31,		
	2025	2024	2023
United States	\$ 2,827,248	\$ 1,726,202	\$ 1,015,897
Rest of the world	2,653,469	1,497,856	825,865
Total revenue	\$ 5,480,717	\$ 3,224,058	\$ 1,841,762

Cash and Cash Equivalents—Cash and cash equivalents primarily consist of cash held in checking and interest-bearing deposit accounts as well as investments in money market funds. The Company classifies highly liquid investments with original maturities of 90 days or less from the date of purchase as cash equivalents.

Non-Marketable Equity Investments—Non-marketable equity securities are investments without readily determinable fair values. For investments that qualify for the net asset value ("NAV") practical expedient, the Company estimates fair value based on their NAV. All other non-marketable equity securities are accounted for under the measurement alternative and recorded at cost, less any impairment, plus or minus changes resulting from qualifying observable price changes. An impairment loss is recognized when events or circumstances indicate a decline in value. Non-marketable equity securities are included in other assets in the consolidated balance sheets, and changes in carrying amount are included in other income (expense) net in the consolidated statements of operations. See Note 4—Financial Instruments and Fair Value Measurements for additional information.

Accounts Receivable, net—The Company records accounts receivable at the invoiced amount, net of allowance for potentially uncollectible amounts. The Company reviews accounts receivable periodically and estimates the allowance based on known troubled accounts, historical experience, and other currently available evidence. As of December 31, 2025 and 2024, the allowance for uncollectible amounts was not material.

Fair Value of Financial Instruments—The Company uses a three-tier fair value hierarchy to classify and disclose all assets and liabilities measured at fair value on a recurring basis, as well as assets and liabilities measured at fair value on a non-recurring basis, in periods subsequent to their initial measurement. The hierarchy requires the Company to use observable inputs when available, and to minimize the use of unobservable inputs when determining fair value. The three tiers are defined as follows:

Level 1—Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2—Inputs other than quoted prices included in Level 1 that are observable either directly or indirectly.

Level 3—Unobservable inputs of which there is little or no market data, which require the Company to develop its own assumptions.

Financial assets measured at fair value on a recurring basis include investments in money market funds and non-marketable equity securities in private equity funds measured using the NAV practical expedient. Financial assets measured at fair value on a nonrecurring basis include non-marketable equity securities in privately held companies. All other financial assets

and liabilities are carried at cost, with fair value disclosed when required. Refer to Note 4—Financial Instruments and Fair Value Measurements and Note 9—Debt for additional information.

Concentration of Credit Risk and Uncertainties—The Company's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents, and accounts receivable. The Company maintains its cash and cash equivalents with large, reputable financial institutions in amounts that exceed Federal Deposit Insurance Corporation limits.

The Company performs ongoing credit evaluations of its customers and generally requires no collateral for its accounts receivable. No individual customer represented 10% or more of the Company's accounts receivable, net as of December 31, 2025 or 2024. No individual customer represented 10% or more of the Company's total revenue during the years ended December 31, 2025, 2024, or 2023.

Property and Equipment, net—Property and equipment are stated at cost, net of accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which is as follows:

	Useful Life
Leasehold improvements	Over the shorter of useful life (up to 10 years) or lease term
Software and licenses	3 years
Furniture and fixtures	3-5 years
Computer equipment	3-5 years

When assets are retired or otherwise disposed of, the cost and accumulated depreciation and amortization are removed from the accounts and any resulting gain or loss is reflected in operations in the period realized. Maintenance and repairs are charged to operations as incurred.

Leases—Leases consist primarily of operating leases for office facilities and finance leases for servers and networking equipment. The Company determines if an arrangement is or contains a lease at inception. The Company accounts for lease and non-lease components as a single lease component and does not recognize right-of-use assets and lease liabilities for leases with a term of 12 months or less. Payments under the Company's lease arrangements are primarily fixed, however, certain lease agreements contain variable payments, primarily including common-area maintenance, utilities, taxes or other operating costs, which are expensed as incurred and not included in the lease right-of-use assets and liabilities.

Operating and finance lease right-of-use assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease payments consist primarily of the fixed payments under the arrangement, less any lease incentives. The Company generally uses an incremental borrowing rate estimated based on the information available at the lease commencement date or on the date of lease modification, if applicable, to determine the present value of lease payments unless the implicit rate is readily determinable. The Company estimates its incremental borrowing rate based on the rate of interest it would have to pay to borrow on a collateralized basis with an equal lease payment amount, over a similar term, and in a similar economic environment. Generally, the lease term is based on non-cancelable lease term when determining the lease assets and liabilities. The lease terms may include periods under options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option.

Operating leases are included in operating lease right-of-use assets, operating lease liabilities, current, and operating lease liabilities, non-current on the Company's consolidated balance sheets. Finance leases are included in property and equipment, net, accrued and other current liabilities, and other non-current liabilities on the Company's consolidated balance sheets.

Operating lease costs are recognized on a straight-line basis over the lease terms. Finance lease assets are amortized on a straight-line basis over the shorter of the estimated useful lives of the assets or the lease terms.

Acquisitions—The Company applies a screen test to evaluate if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or a group of similar identifiable assets to determine whether a transaction is accounted for as an asset acquisition or business combination.

For transactions accounted for as business combinations, the Company allocates the fair value of acquisition consideration to the identifiable tangible and intangible assets acquired and liabilities assumed, except for revenue contracts acquired, which are recognized in accordance with the Company's revenue recognition policy, based on their estimated fair value, with excess recorded as goodwill. Management's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable, and as a result, actual results may differ from estimates. During the measurement period, which is one year from the acquisition date, the Company may record adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Upon the conclusion of the measurement period, any subsequent adjustments are recorded to earnings. Acquisition-related costs are expensed as incurred. There were no business combinations during the years ended December 31, 2025 or 2024.

For transactions accounted for as asset acquisitions, the cost, including certain transaction costs, is allocated to the assets acquired on the basis of relative fair values. The Company generally includes contingent consideration in the cost of the assets acquired only when the uncertainty is resolved. The Company amortizes contingent consideration adjustments to the cost

of the acquired assets prospectively using the straight-line method over the remaining useful life of the assets. No goodwill is recognized in asset acquisitions. There were no asset acquisitions during the years ended December 31, 2025 or 2024.

Software Development Costs—The Company incurs development costs related to internal-use software. Development costs meet the criteria for capitalization once the preliminary project stage is complete and it is probable that the project will be completed and the software will be used to perform the function intended. Software development costs that meet the capitalization criteria were not material for any period presented.

Goodwill—The Company allocates goodwill to reporting units based on the expected benefit from the business combination. In the event of changes in reporting units, the Company reassigns goodwill using a relative fair value allocation approach. The Company tests goodwill for impairment at the reporting unit level on an annual basis during the fourth quarter, or more frequently if events or changes in circumstances indicate that goodwill may be impaired. A goodwill impairment is recognized for the amount that the carrying value of the reporting unit, including goodwill, exceeds its fair value, limited to the total amount of goodwill allocated to that reporting unit. Refer to Note 3—Discontinued Operations and Note 7—Goodwill and Intangible Assets, Net for additional information.

Intangible Assets—Intangible assets are carried at cost and amortized on a straight-line basis over their estimated useful lives. The Company determines the appropriate useful life of its intangible assets based on their expected cash flows.

Impairment of Long-Lived Assets—The Company reviews long-lived assets that are held and used for impairment whenever events or changes in circumstances indicate the carrying value of an asset or asset group may not be recoverable. If such indicators are present, the Company assesses the recoverability of the asset or asset group by comparing its carrying value to the undiscounted future cash flows expected to be generated by the asset or asset group. If the future undiscounted cash flows are less than the carrying value of the asset or asset group, an impairment charge is recognized by the amount by which the carrying value of the asset or asset group exceeds its estimated fair value. Impairment related to long-lived assets that are held and used was not material for any period presented.

Stock-Based Compensation—The Company measures and recognizes stock-based compensation for share-based awards, primarily including restricted stock units ("RSUs"), performance-based RSUs ("PSUs") with both service and market-based conditions, stock options and stock purchase rights granted under the Employee Stock Purchase Plan ("ESPP"), based on the grant-date fair value of the awards. The Company accounts for forfeitures for all awards as they occur.

The fair value of RSUs is based on the closing price of the Company's Class A common stock on the grant date, with stock-based compensation recognized on a straight-line basis over the requisite service period, which is generally one or four years.

The fair value of PSUs with both service and market conditions is estimated using the Monte Carlo simulation pricing model, which incorporates various assumptions including the expected stock price volatility, the risk-free interest rate, the expected dividend yield and the discount for awards subject to post-vesting restrictions, with stock-based compensation recognized using the accelerated attribution method over the derived service period, regardless of whether the market conditions are achieved. If the market conditions are achieved earlier than the derived service period, the Company adjusts its stock-based compensation to reflect the cumulative expense associated with the vested awards.

The fair value of stock options and purchase rights granted under the ESPP is estimated using the Black-Scholes option-pricing model, which incorporates various assumptions including the expected term, the expected stock price volatility, the risk-free interest rate, and the expected dividend yield, with stock-based compensation recognized on a straight-line basis over the requisite service period.

Income Taxes—The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, the Company determines deferred tax assets and liabilities on the basis of the differences between the financial statement and tax bases of assets and liabilities by using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

The Company recognizes deferred tax assets to the extent that these assets are more likely than not to be realized. In making such a determination, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If the Company determines that it would be able to realize deferred tax assets in the future in excess of their net recorded amount, an adjustment to the deferred tax asset valuation allowance would be made to reduce the provision for income taxes. The Company presents deferred tax assets and liabilities on a net basis by jurisdictional filing group. Net deferred tax assets are included in other assets, while net deferred tax liabilities are included in other non-current liabilities on the Company's consolidated balance sheets.

The Company records uncertain tax positions on the basis of a two-step process in which determinations are made (1) whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position; and (2) for those tax positions that meet the more-likely-than-not recognition threshold, the Company recognizes the largest amount of tax benefit that is more than 50% likely to be realized upon ultimate settlement with a tax authority.

The Company recognizes interest and penalties related to unrecognized tax benefits on the income tax expense line in the accompanying consolidated statements of operations. Accrued interest and penalties are included on the related tax liability line in the consolidated balance sheets.

Foreign Currency Transactions—Generally, the functional currency of the Company's international subsidiaries is the U.S. dollar. In cases where the functional currency is not the U.S. dollar, the Company translates the financial statements of these subsidiaries to U.S. dollars using the exchange rate at the balance sheet date for assets and liabilities, and average exchange rates during the period for revenue and expenses. The Company records translation gains and losses in accumulated other comprehensive income (loss) as a component of stockholders' equity. The Company records foreign currency transaction gains and losses from transactions denominated in a currency other than the functional currency of the subsidiary involved in other income (expense), net on the Company's consolidated statements of operations.

Comprehensive Income (Loss)—Comprehensive income (loss) is composed of net income (loss) and other comprehensive income (loss). Other comprehensive income (loss) consists of foreign currency translation adjustments.

Net Income (Loss) Per Share Attributable to Common Stockholders—Basic and diluted net income (loss) per share attributable to common stockholders is computed under the two-class method required for participating securities. The Company considers options exercised by non-recourse promissory notes, early exercised unvested stock options, and common stock subject to certain share repurchase agreements to be participating securities. Under the two-class method, the net loss attributable to common stockholders is not allocated to participating securities as the holders of these instruments do not have a contractual obligation to share in the Company's losses. Net income is attributed to common stockholders and participating securities based on their respective participation rights. Basic net income (loss) per share attributable to common stockholders is computed by dividing the net income (loss) attributable to common stockholders by the weighted-average number of shares of common stock outstanding during the period. Diluted income (loss) per share attributable to common stockholders is computed by giving effect to all potentially dilutive securities outstanding during the period. For periods in which the Company reports net losses, diluted net loss per share attributable to common stockholders is the same as basic net loss per share attributable to common stockholders, because potentially dilutive common shares are anti-dilutive.

As the liquidation and dividend rights are identical for Class A and Class B common stock, the undistributed earnings are allocated on a proportional basis and the resulting basic and diluted EPS are the same for Class A and Class B common stock on an individual or combined basis.

Recent Accounting Pronouncements (Issued and Adopted)—In December 2023, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") 2023-09, *Income Taxes: Improvements to Income Tax Disclosures*, which requires disaggregation of rate reconciliation categories and income taxes paid by jurisdiction. The amendments are effective for annual periods beginning after December 15, 2024. The amendment may be applied prospectively or retrospectively, and early adoption is permitted. The Company adopted this ASU for the year ended December 31, 2025 and applied the new disclosure requirements on a prospective basis. For additional information, see Note 13—Income Taxes.

Recent Accounting Pronouncements (Issued and Not Yet Adopted)—In November 2024, the FASB issued ASU 2024-03, *Income Statement: Reporting Comprehensive Income-Expense Disaggregation Disclosures*, which requires disaggregated disclosures, in the notes to the financial statements, of certain categories of expenses that are included in expense line items on the face of the income statement. The amendments will be effective for annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027. The amendments may be applied prospectively or retrospectively, and early adoption is permitted. The Company is currently evaluating this ASU to determine its impact on the Company's disclosures.

In September 2025, the FASB issued ASU 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software: Targeted Improvements to the Accounting for Internal-Use Software*, which provides updated recognition and disclosure framework for internal-use software costs. The amendments will be effective for annual periods beginning after December 15, 2027, and interim periods within those annual reporting periods. The amendments may be applied prospectively or retrospectively, and early adoption is permitted. The Company is currently evaluating this ASU to determine its impact on the Company's disclosures.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*, which clarifies the applicability of the interim reporting guidance, the types of interim reporting, and the form and content of interim financial statements in accordance with U.S. GAAP. Per the FASB, the amendment does not intend to change the fundamental nature of interim reporting or expand or reduce current interim disclosure requirements but rather provide clarity and improve navigability of the existing interim reporting requirements. The amendments will be effective for interim reporting periods within annual reporting periods beginning after December 15, 2027. The amendments may be applied prospectively or retrospectively, and early adoption is permitted. The Company is currently evaluating this ASU to determine its impact on the Company's disclosures.

3. Discontinued Operations

Divestiture

On June 30, 2025, the Company completed the sale of its Apps Business, as part of its strategic effort to divest non-core assets and dedicate its resources to advancing its advertising business. In connection with the transaction, the Company received \$715.6 million in total consideration, consisting of \$430.6 million in cash and 596.9 million ordinary shares of Tripledote.

valued at \$285.0 million. These shares represented approximately 22% of Tripledot's outstanding ordinary shares and 20% of its fully diluted equity capitalization as of the closing date. The cash consideration of \$430.6 million includes \$400.0 million as specified in the purchase agreement and \$30.6 million in purchase price adjustments in accordance with the terms of the purchase agreement.

The fair value of the equity consideration was determined based on the combined value of Tripledot and the Apps Business as of the closing date, estimated using a combination of the market approach, which incorporated valuation multiples of comparable public companies, and the income approach based on projected discounted cash flows. The significant assumptions used included estimates of future revenues and operating expenses, long-term growth rates, working capital requirements and discount rates, which are considered unobservable inputs and are classified as Level 3 within the fair value hierarchy.

For tax purposes, the transfer of certain Apps Business subsidiaries was treated as an asset sale, resulting in a \$125.6 million write-off of deferred tax assets, which was included in the provision for income taxes from discontinued operations. The Company derecognized the remaining net assets of \$591.2 million and recorded a pre-tax gain of \$106.2 million in discontinued operations after giving effect to \$18.3 million of transaction costs. The transaction also resulted in a capital loss for income tax purposes of \$204.3 million, which was fully offset by a valuation allowance.

The following table summarizes the results of operations classified as loss from discontinued operations, net of income taxes, in the consolidated statements of operations (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Revenue	\$ 640,830	\$ 1,485,190	\$ 1,441,325
Costs and expenses:			
Cost of revenue	209,442	646,193	702,578
Sales and marketing	242,547	596,346	602,693
Research and development	130,298	263,979	258,605
General and administrative	4,202	16,169	1,653
Goodwill impairment	188,943	—	—
Total costs and expenses	775,432	1,522,687	1,565,529
Loss from operations	(134,602)	(37,497)	(124,204)
Other income:			
Gain on divestiture, net of transaction costs	106,229	—	—
Other income, net	1,519	1,559	3,172
Total other income, net	107,748	1,559	3,172
Loss from discontinued operations before income taxes	(26,854)	(35,938)	(121,032)
Provision for (benefit from) income taxes	72,590	(26,190)	(19,917)
Loss from discontinued operations, net of income taxes	\$ (99,444)	\$ (9,748)	\$ (101,115)

The following table represents assets and liabilities that are classified as discontinued operations in the consolidated balance sheets for the period presented (in thousands):

	As of December 31, 2024	
Assets:		
Cash	\$	44,381
Accounts receivable, net		130,911
Prepaid expenses and other current assets		16,063
Total current assets of discontinued operations		191,355
Goodwill		345,741
Intangible assets, net		423,826
Other non-current assets		167,682
Total assets of discontinued operations	\$	1,128,604
Liabilities:		
Accounts payable	\$	59,125
Accrued and other current liabilities		45,202
Deferred revenue		32,786
Total current liabilities of discontinued operations		137,113
Other non-current liabilities		1,414
Total liabilities of discontinued operations	\$	138,527

The following table summarizes significant non-cash operating items and capital expenditures related to discontinued operations, as reflected in the consolidated statements of cash flows for the periods presented (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Amortization, depreciation and write-offs	\$ 64,054	\$ 319,889	\$ 369,856
Stock-based compensation	\$ 3,663	\$ 19,024	\$ 20,556
Goodwill impairment	\$ 188,943	\$ —	\$ —
Acquisition of intangible assets	\$ 22,429	\$ 15,883	\$ 52,718

Goodwill Impairment

On February 12, 2025, the Company entered into a non-binding term sheet to sell its Apps Business to Triplicated. As of March 31, 2025, the Apps Business was not classified as held for sale, as the criteria required for such classification had not yet been met. However, the Company identified the non-binding term sheet combined with negotiations throughout the first quarter of 2025 to sell the Apps Business as an indicator of impairment for the Apps reporting unit and performed an interim quantitative goodwill impairment test as of March 31, 2025. Based on this assessment, the Company determined that the carrying amount of the Apps reporting unit exceeded its estimated fair value and recorded a non-cash goodwill impairment charge of \$188.9 million. This charge was included in loss from discontinued operations, net of income taxes, for the year ended December 31, 2025.

At the time the interim impairment test was performed, the Company had not yet determined the fair value of the total consideration, which was subject to the valuation of the equity consideration at the closing of the transaction. As a result, the Company estimated the fair value of the Apps reporting unit using the discounted cash flow method of the income approach. Key valuation inputs included projected future cash flows, risk-adjusted discount rates and long-term growth rates, which are based on management's estimates and assumptions believed to be reasonable and reflective of known market conditions as of the interim impairment test date. The resulting fair value measurement is classified as Level 3 within the fair value hierarchy due to the use of significant unobservable inputs.

4. Financial Instruments and Fair Value Measurements

Financial Instruments Measured at Fair Value by Level on a Recurring Basis

As of December 31, 2025, the Company held \$200.1 million in money market funds, which were classified as Level 1 within the fair value hierarchy. As of December 31, 2024, the money market funds balance was not material.

Non-Marketable Equity Securities Measured at Net Asset Value

The Company held equity interests in certain private equity funds of \$118.7 million and \$77.3 million as of December 31, 2025 and 2024, respectively, which are measured using the NAV practical expedient and accordingly, are not classified within the fair value hierarchy. Under the NAV practical expedient, the Company records investments based on its proportionate share of the underlying funds' NAV.

These funds vary in investment strategies and generally have an initial term of 7 to 10 years, which may be extended for 2 to 3 additional years with the applicable approval. These investments are subject to certain restrictions regarding transfers and withdrawals and generally cannot be redeemed with the funds. Distributions from the funds will be received as the underlying investments are liquidated. The Company's maximum exposure to loss is limited to the carrying value of these investments of \$118.7 million and the remaining unfunded commitments of \$3.0 million as of December 31, 2025.

During the year ended December 31, 2025, the Company made total capital contributions of \$18.7 million related to these investments. Unrealized gains on these investments were \$18.8 million for the twelve months ended December 31, 2025 and were not material for the twelve months ended December 31, 2024.

Non-Marketable Equity Securities Measured at Fair Value on a Non-Recurring Basis

The Company's non-marketable equity securities are investments in privately held companies without readily determinable fair values. The Company elected the measurement alternative to account for these investments. Under the measurement alternative, the carrying value of the non-marketable equity securities are adjusted based on price changes from observable transactions of identical or similar securities of the same issuer or for impairment. These investments are classified as Level 3 when measured due to impairment or qualifying observable price changes, as the valuation incorporates observable transaction prices and significant unobservable inputs.

As of December 31, 2025 and 2024, the carrying amounts of the Company's non-marketable equity securities were \$19.6 million and \$68.1 million, respectively, and were included in other assets in the Company's consolidated balance sheets. During the year ended December 31, 2025, the Company recorded a \$50.0 million impairment charge, resulting in a full write-down of its investment in Humans, Inc. Refer to Note 15—Related Party Transactions for additional information. No other upward or downward adjustments were recorded during the years ended December 31, 2025 or 2024. Cumulative downward adjustments for investments held as of December 31, 2025 and 2024 were not material.

5. Supplemental Financial Statement Information

Property and equipment, net consisted of the following (in thousands):

	As of December 31,	
	2025	2024
Finance lease right-of-use assets	\$ 212,208	\$ 222,203
Leasehold improvements	17,608	17,666
Software and licenses	7,143	7,125
Furniture and fixtures	1,266	1,569
Computer equipment	1,787	2,053
Total property and equipment, gross	240,012	250,616
Less: accumulated depreciation	(117,567)	(90,646)
Total property and equipment, net	\$ 122,445	\$ 159,970

Depreciation expenses were \$25.7 million, \$29.3 million, and \$26.2 million for the years ended December 31, 2025, 2024, and 2023, respectively.

Accrued and other current liabilities consisted of the following (in thousands):

	As of December 31,	
	2025	2024
Accrued taxes	\$ 451,594	\$ 263,703
Compensation and related liabilities	18,335	49,559
Deferred revenue	47,682	37,053
Accrued expenses and other	55,257	51,216
Total accrued and other current liabilities	\$ 572,868	\$ 401,531

6. Commitments and Contingencies

Commitments—As of December 31, 2025, the Company's non-cancelable minimum purchase commitments totaled \$702.8 million, which were primarily related to a multi-year contractual arrangement with a cloud computing services provider. In August 2024, the Company amended its agreement with the provider, committing to spending a minimum of \$1.3 billion over a three-year period. By December 31, 2025, the Company had made payments of \$579.3 million towards this commitment.

As of December 31, 2025, future minimum payments under these non-cancelable purchase commitments with a remaining term in excess of one year were as follows (in thousands):

2026	\$ 398,524
2027	304,322
Thereafter	—
Total non-cancelable purchase commitments	\$ 702,846

Contingencies—From time to time, the Company may have certain contingent liabilities that arise in the ordinary course of business activities. The Company accrues a liability for such matters when it is probable that future expenditures will be made, and such expenditures can be reasonably estimated.

Legal Proceedings—The Company is involved from time to time in litigation, claims, and proceedings. The outcomes of the Company's legal proceedings are inherently unpredictable and subject to significant uncertainty.

The Company records a liability for loss contingencies when it is probable that a loss has been incurred and the amount can be reasonably estimated. If a loss is reasonably possible and the amount or range of loss can be reasonably estimated, the Company discloses the estimated loss or range of loss. The Company monitors legal matters and evaluates developments that could affect previously accrued amounts or related disclosures, or whether a previously unaccrued or undisclosed matter requires accrual or disclosure, and adjusts accruals and disclosures as appropriate. Determining the likelihood of loss and the amount or range of loss involves significant judgment.

Based on its current knowledge, the Company does not believe the ultimate resolution of its outstanding legal and regulatory matters will have a material adverse effect on the Company's business, financial position, results of operations, or cash flows. However, if one or more of these matters were resolved against the Company for amounts in excess of the Company's expectations, the Company's results of operations, financial position, or cash flows could be materially affected.

As of December 31, 2025 and 2024, the Company had no material loss contingencies related to legal proceedings for which a loss was probable or reasonably possible.

The Company expenses legal fees in the period in which they are incurred.

Indemnifications—The Company enters into indemnification provisions under agreements with other parties in the ordinary course of business, including certain customers, business partners, investors, contractors and the Company's officers, directors and certain employees. It is not possible to determine the maximum potential loss under these indemnification provisions due to the Company's limited history of prior indemnification claims and the unique facts and circumstances involved in each particular provision. To date, losses recorded in the Company's consolidated statements of operations in connection with the indemnification provisions have not been material.

Non-income Taxes—The Company may be subject to audit by various tax authorities with regard to non-income tax matters. The subject matter of non-income tax audits primarily arises from different interpretations on tax treatment and tax rates applied. The Company accrues liabilities for non-income taxes that may result from examinations by, or any negotiated agreements with, these tax authorities when a loss is probable and reasonably estimable. If a loss is reasonably possible and the loss or range of loss can be estimated, the Company discloses the reasonably possible loss.

7. Goodwill and Intangible Assets, Net

As a result of the Apps Business divestiture, the Company has a single reportable segment, and the reporting unit is the same as the reportable segment. This change did not affect the composition of the remaining reporting unit and, accordingly, no impairment indicator was identified upon the change. The Company performed the required annual goodwill assessment in the fourth quarter of the year ended December 31, 2025, and concluded the goodwill was not impaired.

The following table presents the changes in the carrying amount of goodwill (in thousands):

Balance as of December 31, 2023	\$ 1,497,109
Foreign currency translation	(39,424)
Balance as of December 31, 2024	\$ 1,457,685
Foreign currency translation	82,301
Balance as of December 31, 2025	\$ 1,539,986

Intangible assets, net consisted of the following (in thousands):

	Weighted-Average Remaining Useful Life (in years)	As of December 31, 2025			As of December 31, 2024		
		Gross Carrying Value	Accumulated Amortization	Net Book Value	Gross Carrying Value	Accumulated Amortization	Net Book Value
Customer relationships	6.3	\$ 528,207	\$ (218,736)	\$ 309,471	\$ 511,125	\$ (160,810)	\$ 350,315
Developed technology	1.7	210,708	(159,274)	51,434	203,030	(119,552)	83,478
Other	3.4	65,790	(29,981)	35,809	56,880	(17,822)	39,058
Total intangible assets		\$ 804,705	\$ (407,991)	\$ 396,714	\$ 771,035	\$ (298,184)	\$ 472,851

The Company recorded amortization expense related to intangible assets as follows (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Cost of revenue	\$ 42,300	\$ 38,220	\$ 36,983
Sales and marketing	55,104	54,628	54,556
Total	\$ 97,404	\$ 92,848	\$ 91,539

As of December 31, 2025, the expected future amortization expense related to intangible assets was estimated as follows (in thousands):

2026	\$ 89,357
2027	81,014
2028	59,469
2029	53,167
2030	48,941
Thereafter	64,766
Total	\$ 396,714

8. Leases

The Company has entered into various non-cancelable operating and finance leases primarily for its office facilities and servers and networking equipment. These leases have remaining lease terms of less than 1 year to 7 years, some of which include options to extend the leases for up to 5 years.

The components of lease costs recognized in the Company's consolidated statements of operations were as follows (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Finance lease cost:			
Amortization of right-of-use assets	\$ 19,938	\$ 24,308	\$ 22,673
Interest	6,395	9,231	7,036
Operating lease cost	13,467	14,916	16,304
Variable lease cost and other	5,098	4,820	4,465
Total lease cost	<u>\$ 44,898</u>	<u>\$ 53,275</u>	<u>\$ 50,478</u>

Maturities of lease liabilities as of December 31, 2025 were as follows (in thousands):

	Operating Leases	Finance Leases
2026	15,162	22,500
2027	12,408	22,483
2028	5,276	22,218
2029	809	22,131
2030	—	22,131
Thereafter	—	28,809
Total lease payments	<u>33,655</u>	<u>140,272</u>
Less: amount representing interest	<u>(1,901)</u>	<u>(17,619)</u>
Present value of future lease payments	31,754	122,653
Less: current obligations under leases	<u>(13,943)</u>	<u>(17,481)</u>
Non-current lease obligations	<u>\$ 17,811</u>	<u>\$ 105,172</u>

Supplemental balance sheet information related to lease liabilities was as follows:

	As of December 31,	
	2025	2024
Weighted-average remaining lease term:		
Finance leases	6.3 years	6.0 years
Operating leases	2.4 years	3.2 years
Weighted-average discount rate:		
Finance leases	4.4 %	5.7 %
Operating leases	5.2 %	5.2 %

Supplemental cash flow information related to leases was as follows (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows for operating leases	\$ 16,240	\$ 16,332	\$ 16,781
Operating cash flows for finance leases	\$ 6,395	\$ 9,231	\$ 7,036
Financing cash flows for finance leases	\$ 18,669	\$ 20,875	\$ 20,170

As of December 31, 2025, the Company did not have any significant lease that had not yet commenced.

9. Debt

The Company's outstanding debt consisted of the following (in thousands):

	As of December 31,	
	2025	2024
2029 Notes	\$ 1,000,000	\$ 1,000,000
2031 Notes	1,000,000	1,000,000
2034 Notes	1,000,000	1,000,000
2054 Notes	550,000	550,000
Total principal amount	3,550,000	3,550,000
Less: unamortized debt discount and issuance costs	(37,013)	(41,017)
Long-term debt	\$ 3,512,987	\$ 3,508,983

As of December 31, 2025, the future principal payments for the outstanding debt were as follows (in thousands):

2026 through 2028	\$ —
2029	1,000,000
Thereafter	2,550,000
Total future principal payments	\$ 3,550,000

Senior Notes

In December 2024, the Company issued \$3.6 billion in aggregate principal amount of senior notes, consisting of \$1.0 billion in aggregate principal amount of 5.125% notes due December 1, 2029 (the "2029 Notes"), \$1.0 billion in aggregate principal amount of 5.375% notes due December 1, 2031 (the "2031 Notes"), \$1.0 billion in aggregate principal amount of 5.500% notes due December 1, 2034 (the "2034 Notes"), and \$550.0 million in aggregate principal amount of 5.950% notes due December 1, 2054 (the "2054 Notes", and collectively with the 2029 Notes, the 2031 Notes and 2034 Notes, the "Senior Notes"). Interest on each series of the Senior Notes is payable semi-annually in arrears on June 1 and December 1 of each year, beginning on June 1, 2025.

The Senior Notes are unsecured obligations and are not guaranteed by any of the Company's subsidiaries. The Senior Notes rank equally with all existing and future unsecured and unsubordinated indebtedness of the Company. The Company may redeem the Senior Notes in whole or in part at any time or from time to time at specified redemption prices. In addition, upon the occurrence of certain change of control repurchase events, the Company may be required to repurchase the Senior Notes at a specified repurchase price plus accrued and unpaid interest on the Senior Notes to, but excluding, the repurchase date. The indentures governing the Senior Notes also include customary affirmative and negative covenants (including covenants that limit the Company's ability and the ability of its restricted subsidiaries to create liens on certain assets to secure debt, enter into sale and leaseback transactions, and, with respect to the Company, consolidate or merge with or into, or sell or otherwise dispose of all or substantially all of its assets, in each case subject to certain exceptions), events of default, and other customary provisions. As of December 31, 2025, the Company was in compliance with all applicable covenants.

The Company incurred debt discount and issuance cost of \$41.3 million in connection with the Senior Notes offering, which were allocated on a pro rata basis to the 2029 Notes, 2031 Notes, 2034 Notes, and 2054 Notes. The debt discount and issuance costs are amortized to interest expense over the contractual term of each series of the Senior Notes under the effective interest rate method. The effective interest rates on the 2029 Notes, 2031 Notes, 2034 Notes, and 2054 Notes, which are calculated as the contractual interest rates adjusted for the debt discount and issuance costs, are 5.34%, 5.56%, 5.66%, and 6.07%, respectively.

As of December 31, 2025, the total estimated fair value of the Senior Notes was \$3.6 billion. The estimated fair value of the Senior Notes, which the Company has classified as Level 2 financial instruments, was determined based on quoted bid prices in an over-the-counter market on the last trading day of the reporting period.

Credit Agreement

2024 Credit Agreement

In December 2024, concurrently with the issuance of its Senior Notes, the Company entered into the 2024 Credit Agreement, establishing a \$1.0 billion revolving credit facility maturing on December 5, 2029, with the option for two one-year extensions as permitted under the agreement. The obligations of the Company under the 2024 Credit Agreement are unsecured and are not guaranteed by any of the Company's subsidiaries.

U.S. Dollar borrowings under the 2024 Credit Agreement will bear interest, at the Company's option, based on either (1) a base rate equal to the highest of (i) the prime rate then in effect, (ii) the federal funds rate, plus 0.50% and (iii) the Term SOFR rate for a one-month interest period plus 1.10%, in each case subject to a 1.00% floor, plus an applicable margin; or (2) the Term SOFR rate for the applicable interest period plus 0.10%, subject to a 0% floor, plus an applicable margin. The applicable margin ranges from 0.125% to 1.000% for base rate borrowings and from 1.125% to 2.000% for Term SOFR rate borrowings, in each

case determined by the Company's credit ratings. Additionally, the 2024 Credit Agreement also requires the Company to pay a commitment fee on unused amounts, ranging from 0.100% to 0.325%, based on the Company's credit ratings.

The 2024 Credit Agreement includes usual and customary provisions for unsecured revolving credit agreements of this type, including covenants limiting, with certain exceptions, (1) incurrence of indebtedness by the Company's subsidiaries, (2) liens, (3) fundamental changes and (4) sale and leaseback transactions, and requires the Company to maintain a maximum total net debt-to-EBITDA ratio of 3.50 to 1.00 as of the last day of each fiscal quarter, subject to a step-up to 4.00 to 1.00 at the Company's option for a certain period following certain qualified acquisitions. As of December 31, 2025, the Company was in compliance with all applicable covenants and ratios.

The 2024 Credit Agreement replaced the existing credit agreement, originally entered into in August 2018 and subsequently amended multiple times (the "2018 Credit Agreement").

In March 2025, the Company borrowed \$200.0 million under the revolving credit facility to fund share repurchases under the Company's repurchase program. The Company repaid \$100.0 million in April 2025 and the remaining \$100.0 million in May 2025. As of December 31, 2025, \$1.0 billion remained available for borrowing under the revolving credit facility.

2018 Credit Agreement

In August 2018, the Company entered into the 2018 Credit Agreement. The 2018 Credit Agreement, as last amended in March 2024, provided for a \$1.5 billion term loan maturing in October 2028, a \$2.1 billion term loan maturing in August 2030, and a \$610.0 million secured revolving credit facility. Under the 2018 Credit Agreement, the Company may voluntarily prepay outstanding loans at any time, subject to notice, minimum amount requirements, and customary breakage costs, and may be required to prepay outstanding loans under certain circumstances. Prepaid amounts under the revolving credit facility may be re-borrowed.

The term loans and borrowings under the 2018 Credit Agreement bear interest, at the Company's option, based on either (1) a base rate equal to the highest of (i) the prime rate then in effect, (ii) the federal funds rate, plus 0.50% and (iii) the Term SOFR rate for a one-month interest period plus 1.00%, plus an applicable margin; or (2) the Term SOFR rate for a specified period, subject to a 0.50% floor in the case of the term loans and a 0% floor in the case of the revolving credit facility, plus an applicable margin. The applicable margin with respect to the term loans was 1.50% for base rate borrowings and 2.50% for Term SOFR rate borrowings. The applicable margin with respect to the amounts outstanding under the revolving credit facility ranges from 1.00% to 1.25% for base rate borrowings, and from 2.10% to 2.35% for Term SOFR rate borrowings, in each case determined by the Company's senior secured net leverage ratio. Additionally, the 2018 Credit Agreement also requires the Company to pay a commitment fee on unused amounts under the revolving credit facility, ranging from 0.25% to 0.50%, based on the Company's senior secured net leverage ratio. As of December 31, 2023, the interest rates for the term loans and the borrowings under the 2018 Credit Agreement were 8.45% and 7.45%, respectively.

The Company's obligations under the 2018 Credit Agreement are secured by substantially all assets of the Company and its domestic subsidiary guarantors, with certain exclusions. The 2018 Credit Agreement also includes covenants restricting debt, liens, business mergers, dissolutions, investments, dividends, asset disposals, and affiliate transactions, along with default provisions covering payment failures, cross-defaults, change of control, judgments, and bankruptcy. In case of default, lenders may demand immediate repayment and enforce other remedies provided under the agreement. The Company was in compliance with all applicable covenants at all times.

In March 2024, the Company drew \$418.7 million from the revolving credit facility to fund certain share repurchases and subsequently repaid the entire outstanding amount of \$603.7 million.

Upon executing the 2024 Credit Agreement, the Company used the proceeds from the issuance of the Senior Notes to repay the entire remaining \$3.5 billion principal amount on both term loans under the 2018 Credit Agreement and terminated the secured revolving credit facility under the 2018 Credit Agreement, which had no outstanding balance. The Company recognized a \$27.7 million loss on extinguishment of the term loans, while the modification to the revolving credit facility had no material impact on the Company's consolidated statements of operations for the year ended December 31, 2024.

Interest Expense on Debt

The following table sets forth total interest expense recognized related to the Company's debt (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Contractual interest expense	\$ 195,440	\$ 274,141	\$ 268,583
Amortization of debt discount and issuance costs	5,175	5,460	8,792
Loss on debt extinguishment	—	28,375	4,337
Total interest expense	<u>\$ 200,615</u>	<u>\$ 307,976</u>	<u>\$ 281,712</u>

10. Equity

Preferred Stock

The Company's amended and restated certificate of incorporation authorizes the issuance of preferred stock from time to time in one or more series. The Company's board of directors is authorized to determine the designation, powers, preferences, and rights of the shares of each such series and any qualifications, limitations or restrictions.

Common Stock

The Company's amended and restated certificate of incorporation authorizes the issuance of Class A common stock, Class B common stock, and Class C common stock (collectively referred to as the "Common Stock"). The rights of the holders of the Common Stock are identical, except with respect to voting and conversion.

Each share of Class A common stock is entitled to one vote per share, each share of Class B common stock is entitled to 20 votes per share, and Class C common stock is not entitled to vote, except as otherwise required by law. The holders of the Class B common stock (the "Voting Agreement Parties") have entered into a voting agreement (the "Voting Agreement"), which provides that all shares of Class B common stock held by the Voting Agreement Parties and their respective permitted entities and permitted transferees will be voted as determined by Adam Foroughi and Herald Chen. In the event that the parties disagree, the shares of Class B common stock will be voted by each party in their own discretion.

One share of Class B common stock is convertible into one share of Class A common stock voluntarily at any time by the holder, and will convert automatically into one share of Class A common stock upon (1) certain transfers or (2) the date set by the Company's board of directors, between 61 days and 180 days following the date on which (i) the Voting Agreement is terminated or (ii) Adam Foroughi is no longer involved with the Company as a member of the Board or as an executive officer. After the conversion or exchange of all outstanding shares of the Company's Class B common stock into shares of Class A common stock, all outstanding shares of Class C common stock will automatically convert into Class A common stock on a one-for-one basis at the date or time determined by a majority of the outstanding shares of Class A common stock, voting as a separate class.

Stock Repurchase Program

The Company's board of directors authorized a stock repurchase program in February 2022 for the Company's Class A common stock and has authorized additional amounts under the program from time to time, including an additional \$3.2 billion authorized in 2025. During the year ended December 31, 2025 and 2024, the Company repurchased and retired 5,511,519 shares for \$2.2 billion and 16,081,408 shares for \$981.3 million, respectively, including commissions, fees, and applicable taxes. As of December 31, 2025, \$3.3 billion remained available for repurchases under the program.

Repurchases may be made from time to time through open market purchases or through privately negotiated transactions, subject to market conditions, applicable legal requirements, including surplus and solvency requirements, and other relevant factors. Open market repurchases may be structured to occur in accordance with the requirements of Rule 10b-18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Company may also, from time to time, enter into Rule 10b5-1 trading plans, to facilitate repurchases of shares. The repurchase program does not obligate the Company to acquire any particular amount of Class A common stock, has no expiration date and may be modified, suspended, or terminated at any time at the Company's discretion.

The Company retires its Class A common stock upon repurchases, and records the excess of repurchase price over par value for shares repurchased to retained earnings to the extent the Company has retained earnings. If the Company has an accumulated deficit, the Company records the excess of repurchase price over par value for shares repurchased first to additional paid-in capital, to the extent the Company has additional paid-in capital, until depleted, and then to accumulated deficit in the Company's consolidated statements of stockholders' equity.

11. Stock-based Compensation

2021 Equity Incentive Plan

The 2021 Equity Incentive Plan (the "2021 Plan") provides for the grant of incentive stock options ("ISOs"), non-qualified stock options ("NSOs"), restricted stock, RSUs, and other forms of equity awards to the Company's employees, directors and consultants. A total of 39,000,000 shares of the Company's Class A common stock were initially reserved for issuance under the 2021 Plan. The number of shares available for issuance under the 2021 Plan also include an annual increase of shares, equal to the least of (a) 39,000,000 shares, (b) five percent (5%) of the outstanding shares of all classes of the Company's common stock as of the last day of the immediately preceding fiscal year, or (c) such other amount as the Company's board of directors may determine. As of December 31, 2025, there were 86,064,412 shares available for future issuance under the 2021 Plan.

2021 Partner Studio Incentive Plan

The 2021 Partner Studio Incentive Plan (the "2021 Partner Plan") provides for the grant of NSOs, restricted stock, RSUs, and other forms of equity awards to individuals or entities engaged by the Company to render bona fide services. As of December 31, 2025, there were 1,541,811 shares available for future issuance under the 2021 Partner Plan.

Employee Stock Purchase Plan

The ESPP permits participants to purchase shares of the Company's Class A common stock through contributions of up to 15% of their eligible compensation. The ESPP provides for consecutive, overlapping 24-month offering periods, during which the contributed amount by the participant will be used to purchase shares of the Company's Class A common stock at the end of each 6-month purchase period with the purchase price of the shares being 85% of the lower of the fair market value of the Company's Class A common stock on the first day of an offering period or on the exercise date. The ESPP has an automatic reset feature, whereby the offering period resets if the fair value of the Company's common stock on a purchase date is less than that on the original offering date. No participant may purchase, in any one purchase period, more than 590 shares of Class A common stock, or 3,500 shares of Class A common stock for offering periods commencing on or after May 20, 2023. Participants may end their participation at any time during an offering and will be paid their accrued contributions that have not yet been used to purchase shares. Participation ends automatically upon termination of employment with the Company.

A total of 7,800,000 shares of the Company's Class A common stock were initially reserved for issuance under the ESPP. The number of shares available for issuance under the ESPP also include an annual increase of shares, equal to the least of: (a) 7,800,000 shares, (b) one percent (1%) of the outstanding shares of all classes of the Company's common stock as of the last day of the immediately preceding fiscal year, or (c) such other amount as the Company's board of directors may determine. As of December 31, 2025, there were 20,891,675 shares available for future issuance under the ESPP.

RSUs

A summary of the RSU activities, including those related to discontinued operations, for the year ended December 31, 2025 is as follows:

	Number of Restricted Stock Units	Weighted-Average Grant- Date Fair Value (per share)
Balances as of December 31, 2024	2,150,021	\$ 74.34
Granted	239,382	\$ 577.97
Vested	(1,629,270)	\$ 88.97
Forfeited	(401,971)	\$ 60.03
Balances as of December 31, 2025	<u>358,162</u>	<u>\$ 360.48</u>

The weighted-average grant-date fair value per share of RSUs granted during the years ended December 31, 2024 and 2023 was \$105.09 and \$25.11, respectively. The total fair value of RSUs vested as of the vesting dates during the years ended December 31, 2025, 2024, and 2023 was \$695.7 million, \$844.2 million, and \$403.1 million, respectively.

PSUs

In March 2023, the Company granted 6,902,000 PSUs under the 2021 Plan to each of Adam Foroughi, its CEO and Chairperson, and Vasily Shikin, its CTO. In April 2023, the Company granted an additional 3,451,000 PSUs to certain non-executive employees under the same plan. These PSUs, divided into five tranches, vest upon achieving stock price targets ranging from \$36.00 to \$79.00, based on the minimum closing price of the Company's Class A common stock over any 30 consecutive trading days during a five-year performance period from the respective grant date, subject to continued employment through the applicable vesting date. In the event of a change in control, unvested PSUs may vest a pro-rata amount if the transaction price falls between two stock price targets that have not previously been achieved, subject to continued employment through the date prior to the transaction. For Mr. Foroughi and Mr. Shikin, PSUs may continue to vest for up to one year post-employment if certain conditions are met. All of these PSUs had vested as of December 31, 2024.

In November 2024, the Company granted 348,327 PSUs under the 2021 Plan to certain non-executive employees. These PSUs, divided into 3 tranches, vest upon achieving stock price targets ranging from \$184.35 to \$294.96, based on the minimum closing price of the Company's Class A common stock over any 30 consecutive trading days during a 2.5-year performance period from the grant date, subject to continued employment through the applicable vesting date. All of these PSUs had vested as of December 31, 2024.

In October 2025, the Company granted 920,526 PSUs under the 2021 Plan to certain key non-executive engineering employees. These PSUs vest upon the achievement of specified market capitalization milestones, including an initial milestone of \$300.0 billion and, with respect to certain PSUs, additional milestones up to \$1.0 trillion, based on the Company's market capitalization over any 30 consecutive trading days during a 7-year performance period from the grant date, subject to continued employment through the applicable vesting date.

The weighted-average grant-date fair value per share of PSUs granted, including those related to discontinued operations, during the years ended December 31, 2025, 2024 and 2023 was \$445.89, \$103.76 and \$7.20, respectively. The total fair value of PSUs vested as of the vesting dates during the years ended December 31, 2024 and 2023 was \$1.3 billion and \$132.7 million, respectively. No PSUs vested or were forfeited during the year ended December 31, 2025.

The following assumptions were used to estimate the fair value of PSUs:

	Year Ended December 31,		
	2025	2024	2023
Stock price on the date of grant	\$620.62	\$159.11	\$12.41 - \$16.43
Expected volatility	70.95 %	64.72 %	73.76% - 73.95%
Risk-free interest rate	3.85 %	4.05 %	3.58% - 3.60%
Discount for lack of marketability	20.34 %	15.29 %	20.43% - 20.65%
Dividend yield	— %	— %	— %

Stock Options

A summary of the stock option activities, including those related to discontinued operations, for the year ended December 31, 2025 is as follows:

	Number of Options	Weighted-Average Exercise Price (per share)	Weighted-Average Remaining Contractual Term (in years)
Balances as of December 31, 2024	3,747,152	\$ 6.60	4.9
Exercised	(2,486,033)	\$ 6.85	
Forfeited	(5,005)	\$ 7.45	
Balances as of December 31, 2025	1,256,114	\$ 6.10	4.0
Vested and exercisable as of December 31, 2025	1,256,114	\$ 6.10	4.0
Vested and expected to vest as of December 31, 2025	1,256,114	\$ 6.10	4.0

The fair value of stock options granted during the year ended December 31, 2023 was not material and no stock options were granted during the years ended December 31, 2025 or 2024. The total intrinsic value of share options exercised during the years ended December 31, 2025, 2024, and 2023 was \$1.0 billion, \$671.2 million, and \$60.1 million, respectively. The aggregate intrinsic value of stock options outstanding as of December 31, 2025 was \$838.7 million.

ESPP

The stock-based compensation recognized for the ESPP was not material during the years ended December 31, 2025, 2024, or 2023. During the year ended December 31, 2025, 91,645 shares of Class A common stock were purchased under the ESPP at a weighted-average price of \$88.81 per share.

Stock-based Compensation

Stock-based compensation included in the Company's consolidated statements of operations was as follows (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Cost of revenue	\$ 1,425	\$ 4,799	\$ 3,834
Sales and marketing	34,055	76,824	69,903
Research and development	114,463	229,577	216,236
General and administrative	58,015	46,231	52,578
Stock-based compensation from continuing operations	207,958	357,431	342,551
Stock-based compensation from discontinued operations	3,663	19,024	20,556
Total stock-based compensation	\$ 211,621	\$ 376,455	\$ 363,107

As of December 31, 2025, the total unrecognized stock-based compensation was \$489.0 million, which is expected to be recognized over a weighted-average period of 1.95 years. The income tax benefit recognized related to stock-based awards that vested or were exercised during the years ended December 31, 2025, 2024, and 2023 were \$123.0 million, \$164.9 million, and \$33.0 million, respectively.

12. Net Income Per Share

The following table sets forth the computation of basic and diluted net income per share attributable to common stockholders for the years ended December 31, 2025, 2024, and 2023 (in thousands, except per share data):

	Year Ended December 31,		
	2025	2024	2023
Basic EPS:			
Numerator:			
Net income from continuing operations	\$ 3,433,195	\$ 1,589,524	\$ 457,826
Less: income attributable to participating securities	(478)	(2,731)	(2,270)
Net income from continuing operations attributable to common stockholders - Basic	3,432,717	1,586,793	455,556
Loss from discontinued operations, net of income taxes, attributable to common stockholders - Basic	(99,431)	(9,734)	(100,615)
Net income attributable to common shareholders - Basic	3,333,286	1,577,059	354,941
Denominator:			
Weighted-average shares used in computing net income (loss) per share - Basic	338,781	336,922	351,952
Net income (loss) per share attributed to Class A and Class B common stockholders - Basic:			
Continuing operations	\$ 10.13	\$ 4.71	\$ 1.29
Discontinued operations	(0.29)	(0.03)	(0.28)
Basic net income per share	\$ 9.84	\$ 4.68	\$ 1.01
Diluted EPS:			
Numerator:			
Net income from continuing operations attributable to common stockholders - Basic	\$ 3,432,717	\$ 1,586,793	\$ 455,556
Re-allocation of participating securities considered potentially dilutive securities	4	85	66
Net income from continuing operations attributable to common stockholders - Diluted	3,432,721	1,586,878	455,622
Loss from discontinued operations, net of income taxes, attributable to common stockholders - Diluted	(99,431)	(9,734)	(100,629)
Net income attributable to common stockholders - Diluted	\$ 3,333,290	\$ 1,577,144	\$ 354,993
Denominator:			
Weighted-average shares used in computing net income (loss) per share - Basic	338,781	336,922	351,952
Weighted-average dilutive stock awards	3,189	10,886	10,637
Weighted-average shares used in computing net income (loss) per share - Diluted	341,970	347,808	362,589
Net income (loss) per share attributed to Class A and Class B common stockholders - Diluted:			
Continuing operations	\$ 10.04	\$ 4.56	\$ 1.26
Discontinued operations	(0.29)	(0.03)	(0.28)
Diluted net income per share	\$ 9.75	\$ 4.53	\$ 0.98
Anti-dilutive potential common stock excluded	11	137	4,861

13. Income Taxes

Income before income taxes for the years ended December 31, 2025, 2024, and 2023, included the following components (in thousands):

	Year Ended December 31,		
	2025	2024	2023
U.S.	\$ 2,210,613	\$ 88,111	\$ 26,138
Foreign	1,742,297	1,523,832	475,464
Income before income taxes	\$ 3,952,910	\$ 1,611,943	\$ 501,602

Provision for income taxes for the years ended December 31, 2025, 2024, and 2023 consisted of the following (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Current:			
Federal	\$ 239,094	\$ 21,659	\$ 34,871
State	27,187	9,812	9,937
Foreign	259,750	156,891	52,804
Total current	<u>526,031</u>	<u>188,362</u>	<u>97,612</u>
Deferred:			
Federal	(13,565)	(134,189)	(43,193)
State	407	(8,881)	(4,553)
Foreign	6,842	(22,873)	(6,090)
Total deferred	<u>(6,316)</u>	<u>(165,943)</u>	<u>(53,836)</u>
Total provision for income taxes	<u>\$ 519,715</u>	<u>\$ 22,419</u>	<u>\$ 43,776</u>

The reconciliation of federal statutory income tax rate to the effective income tax rate after the adoption of ASU 2023-09 is as follows (in thousands):

	Year Ended December 31,	
	2025	
Tax provision at U.S. federal statutory rate	\$ 830,036	21.0 %
State income tax, net of federal benefit ¹	18,017	0.5 %
Foreign tax effects		
Singapore		
Statutory tax rate difference between Singapore and U.S.	(66,298)	(1.7)%
Local taxes at a rate different than the statutory tax rate ²	(33,280)	(0.8)%
Withholding taxes	65,733	1.7 %
Other foreign jurisdictions	(592)	— %
Effect of cross-border tax laws		
Global intangible low-taxed income	43,051	1.1 %
Foreign-derived intangible income	(113,539)	(2.9)%
Foreign tax credits	(84,591)	(2.1)%
Other	10,513	0.3 %
Tax credits		
Research and development credit	(16,122)	(0.4)%
Changes in valuation allowances	4,833	0.1 %
Nontaxable or nondeductible items		
Stock-based compensation	(132,975)	(3.4)%
Other	25,024	0.6 %
Changes in unrecognized tax benefits.	(7,515)	(0.2)%
Other	(22,580)	(0.6)%
Total provision for income taxes	<u>\$ 519,715</u>	<u>13.1 %</u>

¹The states and local jurisdictions that contribute to the majority (greater than 50%) of the tax effect in this category include New York state and city and New Jersey.

²The tax benefit related to the negotiated tax rate in Singapore was reduced by \$82.7 million of the global minimum tax under Pillar 2.

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The reconciliation of taxes at the federal statutory rate to our provision for income taxes for the years ended December 31, 2024 and 2023 in accordance with the guidance prior to the adoption of ASU 2023-09 was as follows (in thousands):

	Year Ended December 31,	
	2024	2023
Tax provision at U.S. federal statutory rate	\$ 338,515	\$ 105,336
State income taxes, net of federal benefit	(26,412)	(5,334)
Foreign income taxed at different rates	(167,957)	(50,452)
Global intangible low-taxed income	52,378	25,625
Stock-based compensation	(146,183)	(3,039)
Foreign-derived intangible income	(10,231)	(18,104)
Research and development credits	(49,862)	(21,778)
Foreign income inclusion	(859)	(4,042)
Change in valuation allowance	27,589	11,470
Return to Provision	2,211	3,223
Other	3,230	871
Total provision for income taxes	<u>\$ 22,419</u>	<u>\$ 43,776</u>

Cash paid for income taxes, net of refunds received, by jurisdiction pursuant to the disclosure requirements of ASU 2023-09 for the year ended December 31, 2025 is as follows (in thousands):

	Year Ended December 31,	
	2025	
Federal	\$	—
State		13,395
Foreign		
Singapore		177,972
Other		3,476
Total cash paid for income taxes, net of refunds received	<u>\$</u>	<u>194,843</u>

The Company operates in jurisdictions outside of the US, such as Singapore, where it has tax incentive arrangements. The Company's qualifying income earned in Singapore is taxed at reduced rates, subject to its compliance with the conditions specified in these incentives and legislative developments. These Singapore tax incentives are expected to expire in June 2028 which the Company can affirmatively elect to renew. Before taking into consideration the effects of the U.S. Tax Cuts and Jobs Act ("TCJA") and other indirect tax impacts, the effect of these tax incentives decreased the provision for income taxes by approximately \$272.1 million (\$0.80 per diluted share) and \$135.4 million (\$0.39 per diluted share) for the years ended December 31, 2025 and 2024, respectively.

The following summarizes the current and deferred tax assets and liabilities (in thousands):

	As of December 31,	
	2025	2024
Deferred tax assets:		
Accrued expenses and reserves	\$ 20,525	\$ 11,975
Stock-based compensation	26,849	10,063
Tax credit carryforwards	103,416	99,314
Net operating loss	25,735	38,354
Depreciation and amortization	5,350	2,382
Operating lease liability	4,967	10,437
Foreign tax deduction	3,904	1,900
Capital loss	222,425	18,075
Capitalized R&D expenses	250,493	260,308
Valuation allowance	(291,382)	(75,690)
Total deferred tax assets	372,282	377,118
Deferred tax liabilities:		
Identified intangibles	(105,314)	(98,933)
Other comprehensive income (loss)	(6,888)	37,811
Operating lease right-of-use assets	(4,362)	(8,144)
Other	(3,371)	(5,025)
Total deferred tax liabilities	(119,935)	(74,291)
Net deferred tax assets	\$ 252,347	\$ 302,827

As of December 31, 2025, the Company's federal tax credit carryforwards of \$49.2 million will begin to expire in 2036. The Company's federal capital loss carryforward of \$948.9 million will begin to expire in 2027. The Company's California tax credit carryforwards of \$71.4 million are not subject to expiration. The Company's foreign net operating loss carryforwards of \$143.7 million are not subject to expiration.

The valuation allowance on the Company's net deferred tax assets increased by \$215.7 million, \$42.6 million, and \$15.2 million during the years ended December 31, 2025, 2024, and 2023, respectively.

As of December 31, 2025, the Company maintained a valuation allowance with respect to certain of its deferred tax assets relating primarily to certain state tax credits, U.S. capital losses and operating losses in certain non-U.S. jurisdictions that the Company believes are not likely to be realized. In assessing the realizability of the Company's deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized due, in part, to projections of future taxable income, including capital gains. To the extent realization of the deferred tax assets becomes more-likely-than-not, the Company would recognize such deferred tax assets as income tax benefits during the period.

The Company has not provided U.S. income or foreign withholding taxes on the undistributed earnings of its foreign subsidiaries as of December 31, 2025, because it intends to permanently reinvest such earnings outside of the U.S., except for Singapore. If these foreign earnings were to be repatriated in the future, the related U.S. tax liability will be immaterial, due to the participation exemption put in place in the TCJA.

Uncertain Tax Positions

The following table summarizes the activity related to the gross unrecognized tax benefits (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Balance at beginning of year	\$ 60,905	\$ 35,880	\$ 19,052
Increases related to prior year positions	426	4,393	3,522
Decreases related to prior year positions	(3,617)	(2,183)	—
Increases related to current year positions	11,493	25,921	13,548
Decreases related to lapse of statutes	(3,401)	(2,797)	(242)
Decreases related to settlements	(1,601)	(309)	—
Balance at end of year	\$ 64,205	\$ 60,905	\$ 35,880

As of December 31, 2025, \$50.7 million represents the amount that if recognized, would favorably affect the effective income tax rate in 2025. The Company does not expect a significant change to its unrecognized tax benefits or recorded liabilities over the next twelve months. The unrecognized tax benefits may increase or change during the next year for items that arise in the ordinary course of business.

The Company records interest and penalties related to unrecognized tax benefits in income tax expense. As of December 31, 2025, 2024, and 2023, the Company had approximately \$8.4 million, \$8.3 million, and \$4.0 million of interest and penalties, respectively.

The tax returns for years 2022 through 2024 remain open to examination for federal jurisdiction and for years 2018 through 2024 for other various state and foreign jurisdictions.

14. Segment and Geographic Information

The Company determines its operating segments based on how its Chief Operating Decision Maker ("CODM") manages the business, allocates resources, makes operating decisions and evaluates operating performance. The Company's CODM is its Chief Executive Officer.

As disclosed in Note 2—Summary of Significant Accounting Policies and Note 3—Discontinued Operations, on June 30, 2025, the Company completed the divestiture of its Apps Business, which constituted the former Apps segment. Following the divestiture, the Company has determined that it operates the remaining business as a single operating and reportable segment at the consolidated level. Accordingly, the Company classified the Apps Business as discontinued operations in its consolidated statements of operations and excluded the Apps Business from both continuing operations and segment results for all periods presented. The Company's single segment provides end-to-end advertising solutions including Axon Ads Manager, MAX, Adjust, and Wurl, that allow businesses to reach, monetize and grow their global audiences. Revenue is primarily generated from fees paid by advertisers for the placement of ads on mobile applications owned by Publishers.

As a single reportable segment entity, the Company has determined that its measure of profit or loss is net income from continuing operations, which is the measure most consistent with U.S. GAAP. The CODM uses net income from continuing operations to allocate resources during the annual budgeting and forecasting process, evaluate operating strategies, and assess performance across periods.

The table below is a summary of the segment net income from continuing operations, including significant segment expenses (in thousands):

	Year Ended December 31,		
	2025	2024	2023
Revenue	\$ 5,480,717	\$ 3,224,058	\$ 1,841,762
Less:			
Datacenter costs	542,674	392,498	251,197
Personnel related expenses	207,278	259,711	230,762
Interest expense and loss on settlement of debt	207,016	317,209	273,508
Provision for income taxes	519,715	22,419	43,776
Amortization, depreciation and write-offs	130,724	128,791	119,152
Stock-based compensation	207,958	357,431	342,551
Other expenses ¹	232,157	156,475	122,990
Net income from continuing operations	<u>\$ 3,433,195</u>	<u>\$ 1,589,524</u>	<u>\$ 457,826</u>

¹ Other expenses include professional services costs, facilities costs, advertising costs, software costs, and other individually insignificant costs.

The following table presents long-lived assets by geographic area which consist of property and equipment, net and operating lease right-of-use assets (in thousands):

	As of December 31,	
	2025	2024
United States	\$ 49,711	\$ 72,627
Germany	62,696	76,834
Netherlands	29,673	40,215
All other countries	5,822	6,767
Total long-lived assets	<u>\$ 147,902</u>	<u>\$ 196,443</u>

For information regarding revenue disaggregated by geography, see Note 2—Summary of Significant Accounting Policies.

15. Related Party Transactions

KKR Denali

KKR Denali Holdings L.P. (“KKR Denali”) was previously a related party due to its ownership of more than 10% of the Company’s voting interests. In 2024, KKR Denali converted its remaining shares of the Company’s Class B common stock into Class A common stock and subsequently sold all such shares, and ceased to be a related party as of December 31, 2024.

In February 2024, the Company entered into an underwriting agreement (the “Underwriting Agreement”) with KKR Denali, and BofA Securities, Inc., acting for themselves and as representative of other underwriters (collectively, the “Underwriters”), in connection with a secondary public offering (the “Offering”) of 19,866,397 shares of the Company’s Class A common stock by KKR Denali. Pursuant to the Underwriting Agreement, on March 6, 2024, the Company repurchased from the Underwriters 10,466,397 shares of Class A common stock sold to the Underwriters by KKR Denali in the Offering at a price per share of \$54.46, the same per share price paid by the Underwriters to KKR Denali in the Offering. In addition, under the Company’s stock repurchase program, the Company repurchased from KKR Denali (i) 15,000,000 shares of its Class A common stock in a private transaction in August 2023 at \$36.85 per share for an aggregate purchase price of \$552.8 million and (ii) 15,952,381 shares of its Class A common stock in a private transaction in May 2023 at \$21.0 per share for an aggregate purchase price of \$335.0 million.

KKR Capital Markets LLC, an affiliate of KKR Denali, served as a joint lead arranger and joint bookrunner for the 2018 Credit Agreement. In connection with amendments to the 2018 Credit Agreement, the Company paid fees to KKR Capital Markets LLC of \$0.1 million and \$1.2 million in 2024 and 2023, respectively. In addition, KKR Corporate Lending (CA) LLC, an affiliate of KKR Denali, provided revolving credit commitments totaling \$15.0 million under the 2018 Credit Agreement. The 2018 Credit Agreement was terminated in December 2024. See Note 9—Debt for additional information.

Humans, Inc.

In February 2024, the Company entered into an agreement to invest \$50.0 million in the Series C preferred stock financing of Humans, Inc., the developer of the Flip Shop social shopping app (“Flip Shop”). Eduardo Vivas, a member of the Company’s board of directors, served as the Chief Operating Officer of Humans, Inc., and a member of its board of directors. The Company also entered into an arm’s length commercial agreement with Humans, Inc. for the use of Axon AI to support advertising optimization on its app under a revenue-share model (the “Commercial Agreement”). The Company considered Humans, Inc. a related party through Mr. Vivas’ resignation from both positions at Humans, Inc. in September 2025. No transactions occurred under the Commercial Agreement. Under separate arrangements, Humans, Inc. used Axon Ads Manager for user acquisition on the Company’s standard contractual terms, and related revenue was not material for the year ended December 31, 2025 or 2024.

During the year ended December 31, 2025, the Company recorded a full impairment of its \$50.0 million investment in Humans, Inc. due to its deteriorating financial condition and uncertainty regarding its ability to continue as a going concern.

Tripledote

As discussed in Note 2—Summary of Significant Accounting Policies, the Company accounts for its equity interest in Tripledot under the equity method and, accordingly, considers Tripledot and its subsidiaries related parties beginning on the closing date of the Apps Business divestiture. For the period from the closing date through December 31, 2025, the Company recognized \$19.0 million in revenue related to Tripledot and its subsidiaries’ use of the Company’s advertising solutions, reflecting their advertiser spend net of amounts paid or payable to them as publishers. In connection with the sale of the Apps Business, the Company also entered into a Transition Services Agreement (“TSA”) with Tripledot under which the Company agreed to provide limited administrative and transitional services for up to six months following the closing date. Amounts recorded under the TSA were not material for the year ended December 31, 2025.

Other Transactions

Herald Chen, the Company’s former President and Chief Financial Officer and a current member of its board of directors, served as an advisor to the Chief Executive Officer for a one-year term beginning on January 1, 2024. In connection with this role, Mr. Chen received an award of 62,418 RSUs with a grant-date fair value of \$43.79 per share.

In March 2019, the Company entered into a promissory note with Rafael Vivas, the brother of Eduardo Vivas, a member of the Company’s board of directors, for the purpose of advancing him funds to allow him to early exercise his stock options (“Vivas Note”). The Vivas Note was issued in the amount of \$2.3 million at an interest rate of 2.59%, and later amended on August 7, 2020 to lower the interest rate on the outstanding balance of such note to the then applicable IRS annual mid-term rate of 0.41%. In March 2024, the principal amount due under the Vivas Note plus accrued interest, or \$2.3 million, was repaid in full to the Company and the Vivas Note was extinguished.

The Company had no other material related party transactions in 2025, 2024, or 2023.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

Not applicable.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation and supervision of our principal executive officer and our principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Annual Report on Form 10-K. Based on such evaluation, our principal executive officer and principal financial officer have concluded that, as of such date, our disclosure controls and procedures were effective at a reasonable assurance level as of December 31, 2025.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles.

Our management, with the participation and supervision of our principal executive officer and our principal financial officer, evaluated the effectiveness of our internal control over financial reporting as of December 31, 2025 based on the framework in Internal Control-Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that our internal control over financial reporting was effective as of December 31, 2025.

The effectiveness of our internal control over financial reporting as of December 31, 2025 has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report, which is included in Item 8 of this Annual Report on Form 10-K.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting identified in management's evaluation pursuant to Rules 13a-15(d) and 15d-15(d) of the Exchange Act during the quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures

Our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their desired objectives. Management does not expect, however, that our disclosure controls and procedures or our internal control over financial reporting will prevent or detect all error and fraud. Any control system, no matter how well designed and operated, is based upon certain assumptions, and can provide only reasonable, not absolute, assurance that its objectives will be met. Further, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within our company have been detected.

Item 9B. Other Information

Securities Trading Plans of Directors and Executive Officers

During our last fiscal quarter, the following officers, as defined in Rule 16a-1(f), and director adopted or terminated a "Rule 10b5-1 trading arrangement," as defined in Regulation S-K Item 408, as follows:

On November 10, 2025, Matt Stumpf, our Chief Financial Officer, adopted a Rule 10b5-1 trading plan intended to satisfy the affirmative defense in Rule 10b5-1(c). The trading plan provides for the potential sale of up to 5,210 shares of our Class A common stock and up to 21,673 additional shares of our Class A common stock issuable upon vesting and settlement of RSUs, net of shares withheld for taxes. The trading plan is scheduled to be effective until November 30, 2026, or earlier if all transactions under the trading plan are completed.

On November 17, 2025, Victoria Valenzuela, our Chief Administrative & Legal Officer, terminated a Rule 10b5-1 trading plan, which was previously adopted on May 22, 2025 and intended to satisfy the affirmative defense in Rule 10b5-1(c). The terminated trading plan provided for the potential sale of up to an aggregate of 60,000 shares of our Class A common stock, as well as up to 28,603 additional shares of our Class A common stock issuable upon vesting and settlement of RSUs granted to Ms. Valenzuela, net of shares withheld for taxes. The trading plan also provided for the potential sale of additional shares of our Class A common stock issuable upon vesting and settlement of RSUs granted to Ms. Valenzuela subsequent to the adoption of the trading arrangement. The trading plan was scheduled to be effective until February 28, 2026, or earlier if all transactions under the trading plan were completed. On December 12, 2025, Ms. Valenzuela adopted a Rule 10b5-1 trading plan intended to satisfy the affirmative defense in Rule 10b5-1(c). The trading plan provides for the potential sale of up to 17,500 shares of our Class A common stock and up to 20,236 additional shares of our Class A common stock issuable upon vesting and settlement of RSUs, net of shares withheld for taxes. The trading plan is scheduled to be effective until December 31, 2026, or earlier if all transactions under the trading plan are completed.

On December 9, 2025, Vasily Shikin, our Chief Technology Officer, adopted a Rule 10b5-1 trading plan intended to satisfy the affirmative defense in Rule 10b5-1(c). The trading plan provides for the potential sale of up to 251,261 shares of our Class A common stock held by Mr. Shikin and up to 107,667 shares of our Class A common stock held by certain affiliated trusts. The trading plan is scheduled to be effective until November 25, 2026, or earlier if all transactions under the trading plan are completed.

On December 10, 2025, Eduardo Vivas, a member of our board of directors, adopted a Rule 10b5-1 trading plan intended to satisfy the affirmative defense in Rule 10b5-1(c). The trading plan provides for the potential sale of up to 491,730 shares of our Class A common stock. The trading plan is scheduled to be effective until September 15, 2026, or earlier if all transactions under the trading plan are completed.

No other officers, as defined in Rule 16a-1(f), or directors adopted and/or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement,” as defined in Regulation S-K Item 408, during the last fiscal quarter.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

Part III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by this item is incorporated by reference to the definitive proxy statement for our 2026 Annual Meeting of Stockholders, which will be filed with the SEC, no later than 120 days after December 31, 2025 (the "Proxy Statement").

Item 11. Executive Compensation

The information required by this item is incorporated by reference to the Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owner and Management and Related Stockholder Matters

The information required by this item is incorporated by reference to the Proxy Statement.

Item 13. Certain Relationships and Related Party Transactions, and Director Independence

The information required by this item is incorporated by reference to the Proxy Statement.

Item 14. Principal Accountant Fees and Services

The information required by this item is incorporated by reference to the Proxy Statement.

Part IV**Item 15. Exhibit and Financial Statement Schedules**

Documents filed as part of this report are as follows:

(1) Consolidated Financial Statements: the Company's consolidated financial statements are listed in the "Index to Consolidated Financial Statements" under Part II, Item 8 of this report.

(2) Financial Statement Schedules: Financial statement schedules have been omitted because they are not applicable or the required information is shown in the Consolidated Financial Statements or Notes thereto.

(3) Exhibits: The documents listed below are incorporated by reference or are filed with this report, in each case as indicated therein.

EXHIBIT INDEX

Exhibit Number	Exhibit Title	Information Incorporated by Reference			
		Form	File No.	Exhibit	Filing Date
2.1#	Purchase Agreement, dated May 7, 2025, by and among Tripledot, Eton Games Inc., Tripledot Group Holdings Limited, AppLovin Corporation, Morocco, Inc., and AppLovin GmbH.	8-K	001-40325	2.1	May 7, 2025
2.2	Amendment to Purchase Agreement, dated June 30, 2025, by and among Tripledot, Eton Games Inc., Tripledot Group Holdings Limited, AppLovin Corporation, Morocco, Inc., and AppLovin GmbH.	8-K	001-40325	2.1	July 1, 2025
3.1	Amended and Restated Certificate of Incorporation of the registrant.	S-1/A	333-253800	3.2	March 22, 2021
3.2	Certificate of Change of Location of Registered Agent and/or Registered office.	8-K	001-40325	3.1	June 15, 2021
3.3	Amended and Restated Bylaws of the registrant.	8-K	001-40325	3.1	February 6, 2023
4.1	Form of Class A common stock certificate of the registrant.	S-1	333-253800	4.1	March 2, 2021
4.2	Investors' Rights Agreement among the registrant and certain holders of its capital stock, dated as of August 15, 2018, as amended.	S-1/A	333-253800	4.2	March 22, 2021
4.3	Form of Warrant to Purchase Class A Common Stock.	S-1	333-253800	4.3	March 2, 2021
4.4	Description of Capital Stock.	10-K	001-40325	4.4	February 28, 2023
4.5	Indenture, dated December 5, 2024, by and between AppLovin Corporation and Wilmington Trust, National Association, as trustee.	8-K	001-40325	4.1	December 5, 2024
4.6	First Supplemental Indenture, dated as of December 5, 2024, by and between AppLovin Corporation and Wilmington Trust, National Association, as trustee.	8-K	001-40325	4.2	December 5, 2024

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4.7	Form of Global Note for 5.125% Senior Notes due 2029 (included as Exhibit A to 4.6).	8-K	001-40325	4.3	December 5, 2024
4.8	Form of Global Note for 5.375% Senior Notes due 2031 (included as Exhibit B to 4.6).	8-K	001-40325	4.4	December 5, 2024
4.9	Form of Global Note for 5.500% Senior Notes due 2034 (included as Exhibit C to 4.6).	8-K	001-40325	4.5	December 5, 2024
4.10	Form of Global Note for 5.950% Senior Notes due 2054 (included as Exhibit D to 4.6).	8-K	001-40325	4.6	December 5, 2024
10.1+	Form of Indemnification Agreement between the registrant and each of its directors and executive officers.	S-1	333-253800	10.1	March 2, 2021
10.2+	AppLovin Corporation 2011 Equity Incentive Plan and related form agreements.	S-1	333-253800	10.2	March 2, 2021
10.3+	AppLovin Corporation 2021 Equity Incentive Plan and related form agreements.	S-1/A	333-253800	10.3	March 22, 2021
10.4+	AppLovin Corporation 2021 Executive Incentive Compensation Plan.	S-1/A	333-253800	10.4	March 22, 2021
10.5+	AppLovin Corporation 2021 Employee Stock Purchase Plan and related form agreements.	10-Q	001-40325	10.1	August 7, 2024
10.6	Amended and Restated AppLovin Corporation 2021 Partner Studio Incentive Plan and related form agreements.	10-K	001-40325	10.6	February 28, 2023
10.7+	AppLovin Corporation Outside Director Compensation Policy.				
10.8+	Executive Change in Control and Severance Plan and Summary Plan Description.	S-1/A	333-253800	10.8	March 22, 2021
10.9+	Form of Confirmatory Employment Letter between the registrant and each of its executive officers.	S-1	333-253800	10.7	March 2, 2021
10.10	Amended and Restated Sublease, by and between 1050 Page Mill Road Property, LLC and AppLovin Corporation, dated as of February 18, 2021.	S-1	333-253800	10.8	March 2, 2021
10.11+	Equity Exchange Agreement between the registrant and Herald Chen, dated March 16, 2021.	S-1/A	333-253800	10.18	March 22, 2021
10.12+	Form of Performance-Based Restricted Stock Unit Agreement.	8-K	001-40325	10.1	March 13, 2023
10.13	Credit Agreement, dated as of December 5, 2024, by and between AppLovin Corporation, JPMorgan Chase Bank, N.A., as administrative agent, and the lenders party thereto.	8-K	001-40325	4.1	December 5, 2024

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19.1	Insider Trading Policy.				
21.1	List of subsidiaries of the registrant.	10-K	001-40325	21.1	February 27, 2025
23.1	Consent of Deloitte & Touche LLP, Independent Registered Public Accounting Firm.				
24.1	Power of Attorney (included on signature page hereto).				
31.1	Certification of Principal Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
31.2	Certification of Principal Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
32.1†	Certifications of Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				
97.1	Compensation Recovery Policy.	10-K	001-40325	97.1	February 26, 2024
101	The following financial statements from the Company's Annual Report on Form 10-K for the year ended December 31, 2025, formatted in Inline XBRL: (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Comprehensive Income (Loss), (iv) Consolidated Statements of Stockholders' Equity (Deficit), (v) Consolidated Statements of Cash Flows, and (vi) Notes to Consolidated Financial Statements.				
104	Cover Page Interactive Data File (contained in Exhibit 101).				

+ Indicates management contract or compensatory plan.

Certain exhibits and schedules to this exhibit have been omitted in accordance with Regulation S-K Item 601(a)(5). We agree to furnish supplementally a copy of all omitted exhibits and schedules to the Securities and Exchange Commission upon its request.

† The certifications attached as Exhibit 32.1 that accompany this Annual Report on Form 10-K are deemed furnished and not filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of AppLovin Corporation 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 this Annual Report on Form 10-K, irrespective of any general incorporation language contained in such filing.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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: February 19, 2026

APPOLOVINC CORPORATION

By: /s/ Adam Foroughi
Adam Foroughi
Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Adam Foroughi, Matthew Stumpf and Victoria Valenzuela, and each one of them, as their true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for them and in their name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as they might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Adam Foroughi</u> Adam Foroughi	Chief Executive Officer and Chairperson (Principal Executive Officer)	February 19, 2026
<u>/s/ Matthew Stumpf</u> Matthew Stumpf	Chief Financial Officer (Principal Financial Officer)	February 19, 2026
<u>/s/ Dmitriy Dorosh</u> Dmitriy Dorosh	Vice President, Controller (Principal Accounting Officer)	February 19, 2026
<u>/s/ Craig Billings</u> Craig Billings	Director	February 19, 2026
<u>/s/ Herald Chen</u> Herald Chen	Director	February 19, 2026
<u>/s/ Margaret Georgiadis</u> Margaret Georgiadis	Director	February 19, 2026
<u>/s/ Alyssa Harvey Dawson</u> Alyssa Harvey Dawson	Director	February 19, 2026
<u>/s/ Barbara Messing</u> Barbara Messing	Director	February 19, 2026
<u>/s/ Todd Morgenfeld</u> Todd Morgenfeld	Director	February 19, 2026
<u>/s/ Eduardo Vivas</u> Eduardo Vivas	Director	February 19, 2026
<u>/s/ Maynard Webb</u> Maynard Webb	Director	February 19, 2026

APPLOVIN CORPORATION

OUTSIDE DIRECTOR COMPENSATION POLICY

As most recently amended effective as of April 1, 2026

AppLovin Corporation (the “Company”) believes that providing cash and equity compensation to members of its Board of Directors (the “Board,” and members of the Board, the “Directors”) represents an effective tool to attract, retain and reward Directors who are not employees of the Company (the “Outside Directors”). This Outside Director Compensation Policy (the “Policy”) is intended to formalize the Company’s policy regarding the compensation to its Outside Directors. Unless defined in this Policy, capitalized terms used in this Policy will have the meaning given to such terms in the Company’s 2021 Equity Incentive Plan (the “Plan”), or if the Plan is no longer in place, the meaning given to such terms or any similar terms in the equity plan then in place. Each Outside Director will be solely responsible for any tax obligations incurred by such Outside Director as a result of the equity and cash payments such Outside Director receives under this Policy.

This Policy was originally effective as of the effective date of the first registration statement that is filed by the Company and declared effective pursuant to Section 12(b) of the Exchange Act, with respect to any class of the Company’s securities (the “Registration Statement”) (such date, the “Effective Date”).

1. Cash Compensation.

Annual Cash Retainer

Each Outside Director will be paid an annual cash retainer of \$50,000. There are no per-meeting attendance fees for attending Board meetings.

Committee Annual Cash Retainer

Each Outside Director who serves as the chair of the Board, the lead Outside Director, or the chair or a member of a committee of the Board listed below will be eligible to earn additional annual cash fees as follows:

Chair of the Board:	\$60,000
Lead Director:	\$75,000
Chair of Audit Committee:	\$45,000
Member of Audit Committee:	\$15,000

Chair of Compensation Committee:	\$35,000
Member of Compensation Committee:	\$12,500
Chair of Nominating Committee:	\$25,000
Member of Nominating Committee:	\$10,000

For clarity, each Outside Director who serves as the chair of a committee will receive only the annual cash fee as the chair of the committee, and not the additional annual cash fee as a member of the committee.

Payment

Each annual cash retainer under this Policy will be paid quarterly in arrears on a prorated basis to each Outside Director who has served in the relevant capacity at any point during the fiscal quarter, and such payment shall be made on the last business day of such fiscal quarter (or as soon thereafter as practical, but in no event later than 30 days following the end of such fiscal quarter). For purposes of clarification, an Outside Director who has served as an Outside Director and/or as a member of an applicable committee (or chair thereof) during only a portion of the relevant Company fiscal quarter will receive a pro-rated payment of the quarterly payment of the applicable annual cash retainer(s), calculated based on the number of days during such fiscal quarter such Outside Director has served in the relevant capacities.

Each Outside Director will be permitted to elect in advance to receive any amounts that would be paid in cash under this Section 1 to be instead paid in equity. If an Outside Director elects equity in lieu of their cash compensation, such equity shall be granted and vest as set forth in Section 2 of this Policy.

2. Equity Compensation.

Outside Directors will be eligible to receive all types of Awards (except Incentive Stock Options) under the Plan (or the applicable equity plan in place at the time of grant), including discretionary Awards not covered under this Policy. All grants of Awards to Outside Directors pursuant to Section 2 of this Policy will be automatic and nondiscretionary, except as otherwise provided herein, and will be made in accordance with the following provisions:

a. No Discretion. No person will have any discretion to select which Outside Directors will be granted any Awards under this Policy or to determine the number of Shares to be covered by such Awards.

b. Initial Award. Each individual who first becomes an Outside Director following the Effective Date will be granted an award of restricted stock units or non-qualified stock options (an "Initial Award"), at their discretion, covering a number of Shares having a grant date fair value (determined in accordance with U.S. generally accepted accounting principles) (the "Grant Value") equal to \$500,000, rounded to the nearest whole Share. The Initial Award will be made on the first

trading date on or after the date on which such individual first becomes an Outside Director, whether through election by the stockholders of the Company or appointment by the Board to fill a vacancy. If an individual was a member of the Board and also an employee, becoming an Outside Director due to termination of employment will not entitle the Outside Director to an Initial Award.

Subject to Section 3 of this Policy, each Initial Award will vest as to 1/12th of the Shares subject to the Initial Award beginning on the first Quarterly Vesting Date (as defined below) occurring after the date the applicable Outside Director's service as an Outside Director commenced and each Quarterly Vesting Date thereafter, until the Initial Award is fully vested, in each case subject to the Outside Director continuing to be a Service Provider through the applicable vesting date.

c. Annual Award. On the date of each annual meeting of the Company's stockholders following the Effective Date (each, an "Annual Meeting"), each Outside Director will be automatically granted an equity award (an "Annual Award"), at their discretion, covering a number of Shares having a Grant Value of \$300,000, rounded to the nearest whole Share. The type of equity award to be granted to an Outside Director will be elected in advance of the Annual Meeting and may consist entirely of either restricted stock units or non-qualified stock options.

Subject to Section 3 of this Policy, each Annual Award will vest on the earlier of (i) the one-year anniversary of the date the Annual Award is granted or (ii) the day prior to the date of the Annual Meeting next following the date the Annual Award is granted, in each case, subject to the Outside Director continuing to be a Service Provider through the applicable vesting date.

d. Equity in Lieu of Cash. If an Outside Director has chosen to receive the grant of an equity award in lieu of cash compensation, the number of Shares subject to each such equity award will have a Grant Value equal to the cash the Outside Director would have otherwise received and will be fully-vested at grant (because the cash compensation would have been paid in arrears for completed service).

e. Quarterly Vesting Dates. For the purposes of this Section 2 of this Policy, a "Quarterly Vesting Date" means February 20, May 20, August 20 and November 20 of a given year, provided that if the applicable date is a weekend or a holiday, then the applicable Quarterly Vesting Date will be the first business day thereafter.

3. Change in Control.

Immediately prior to a Change in Control, each Outside Director will fully vest in any outstanding Company equity awards that were granted for service as an Outside Director, provided that the Outside Director continues to be an Outside Director through the date of the Change in Control.

4. Annual Compensation Limit.

No Outside Director may be paid, issued or granted, in any Fiscal Year, cash compensation and equity compensation (including any Awards) with an aggregate value greater than \$1,000,000

for an Outside Director's first year of service or \$750,000 in any subsequent year. The value of each equity award will be based on its Grant Value for purposes of the limitation under this Section 4). Any cash compensation paid or equity award (including any Awards) granted to an individual for his or her services as an Employee, or for his or her services as a Consultant (other than as an Outside Director), will not count for purposes of the limitation under this Section 4.

5. Travel Expenses.

Each Outside Director's reasonable, customary and documented travel expenses to Board or Board committee meetings or related to his or her Board service will be reimbursed by the Company.

6. Additional Provisions.

All provisions of the Plan not inconsistent with this Policy will apply to Awards granted to Outside Directors.

7. Section 409A.

In no event will cash compensation or expense reimbursement payments under this Policy be paid after the later of (i) 15th day of the 3rd month following the end of the Company's fiscal year in which the compensation is earned or expenses are incurred, as applicable, or (ii) 15th day of the 3rd month following the end of the calendar year in which the compensation is earned or expenses are incurred, as applicable, in compliance with the "short-term deferral" exception under Section 409A of the Internal Revenue Code of 1986, as amended, and the final regulations and guidance thereunder, as may be amended from time to time (together, "Section 409A"). It is the intent of this Policy that this Policy and all payments hereunder be exempt from or otherwise comply with the requirements of Section 409A so that none of the compensation to be provided hereunder will be subject to the additional tax imposed under Section 409A, and any ambiguities or ambiguous terms herein will be interpreted to be so exempt or comply. In no event will the Company reimburse an Outside Director for any taxes imposed or other costs incurred as a result of Section 409A.

8. Stockholder Approval.

The initial adoption of the Policy will be subject to approval by the Company's stockholders prior to the Effective Date. Unless otherwise required by applicable law, following such approval, the Policy shall not be subject to approval by the Company's stockholders, including, for the avoidance of doubt, as a result of or in connection with an action taken with respect to this Policy as contemplated in Section 9 hereof.

9. Revisions.

The Board or Compensation Committee may amend, alter, suspend or terminate this Policy at any time and for any reason. No amendment, alteration, suspension or termination of this Policy will materially impair the rights of an Outside Director with respect to compensation that already has been paid or awarded, unless otherwise mutually agreed between the Outside Director and the Company. Termination of this Policy will not affect the Board's or the Compensation Committee's

ability to exercise the powers granted to it under the Plan with respect to Awards granted under the Plan pursuant to this Policy prior to the date of such termination.



INSIDER TRADING POLICY

(As most recently amended on October 30, 2025)

The Board of Directors (the “**Board**”) of AppLovin Corporation (together with its affiliates and subsidiaries, the “**Company**,” “**we**,” “**our**,” or “**AppLovin**”) has adopted this Insider Trading Policy (the “**Policy**”) in order to take an active role in the prevention of insider trading violations by our officers, directors, employees and other related individuals.

Why do we have this Policy?

On a regular basis we provide you, our employees, with confidential information regarding many aspects of our business. Under federal and state securities laws, it is illegal to trade in the securities of a company while in possession of material nonpublic information about that company. Thus, because our employees will have knowledge of specific confidential information that is not disclosed outside of AppLovin and which will constitute material nonpublic information, employee trading in our common stock could constitute “insider trading” and violate the law, as could “tipping” (giving material nonpublic information to) others who then trade on the basis of that information. The consequences of insider trading or the tipping of material nonpublic information can be severe. In fact, the person violating the laws, as well as AppLovin and our individual directors, officers and other supervisory personnel, may be subject to criminal and civil lawsuits and financial penalties in connection with a violation of the insider trading laws.

Nonpublic information about AppLovin is subject to your Confidentiality and Invention Assignment Agreement and is not to be used or disclosed outside of AppLovin, except as necessary to perform your job duties. Unauthorized disclosure or use of nonpublic information, including misuse in securities trading, will subject you to disciplinary action, up to and including termination of employment. We have adopted this Policy to comply with the laws governing (i) trading in our common stock while in possession of material nonpublic information concerning AppLovin and (ii) tipping or disclosing material nonpublic information to outsiders, and in order to prevent the appearance of improper trading or tipping. We reserve the right to prohibit any transaction from being completed to enforce compliance with this Policy.

What is AppLovin’s policy on Insider Trading?

1. Do not trade on material nonpublic information

Whether or not the trading window (as described below) is open and except as discussed in the section titled “*Are there any exceptions to this Policy?*” below, you may not, directly or indirectly through others, engage in any transaction involving AppLovin’s securities *while you are aware of* material nonpublic information about AppLovin. Similarly, if you are aware of material nonpublic information about another company through your service with AppLovin, you may not, directly or indirectly through others, engage in any transaction involving that company’s securities while you are aware of such information or provide that information to another person in order to trade in the securities of that other company. It is important to note that “materiality” is different for different companies. Information that is not material to AppLovin may be material to another company. It is not an excuse that you did not “use” the information in deciding whether or not to engage in the transaction.

2. Do not disclose material nonpublic information

You may not disclose material nonpublic information concerning AppLovin or any other company to friends, family members or any other person or entity not authorized to receive such information, except directly to the Securities and Exchange Commission (the “SEC”) or other government, regulatory, or self-regulatory agency, in each case, in compliance with AppLovin’s Whistleblower Policy. Any nonpublic information about AppLovin or others which you acquire in the course of your service with AppLovin may only be used for legitimate AppLovin business purposes. In addition, you are required to handle such nonpublic information in accordance with the terms of any relevant nondisclosure agreements, including your Confidentiality and Invention Assignment Agreement, and limit your use of such nonpublic information to the purpose for which it was disclosed.

Even if you are not directly disclosing material nonpublic information, you may not make recommendations or express opinions about securities of a company, AppLovin or otherwise, based on material nonpublic information about that company. In particular, you may not participate (even on an anonymized basis), in any manner other than passive observation, in any Internet “chat” room (including, but not limited to, Reddit), chat or messaging apps or platforms (including, but not limited to, Slack and Gchat), message board or social media platform messaging related to trading in AppLovin’s securities. You are prohibited from engaging in these actions whether or not you derive any profit or personal benefit from doing so. Please remember that third parties are known to contact employees of companies to obtain information about the company under false pretenses.

3. Do not respond to outside inquiries for information

In the event you receive an inquiry for information from a stock analyst outside of AppLovin, you should refer the inquiry to AppLovin’s Investor Relations team. All other inquiries should be referred to AppLovin’s Communications team. If you are not sure where to refer an inquiry, please reach out to our Chief Administrative and Legal Officer. Responding to a request yourself is a violation of this Policy and, in some circumstances, may be a violation of the law.

4. Take personal responsibility

The ultimate responsibility for complying with this Policy and applicable laws rests with you. As we request you do in all aspects of your work with AppLovin, please use your best judgment at all times and consult with AppLovin’s Chief Administrative and Legal Officer (the primary “**Compliance Officer**”) or, where the Chief Administrative and Legal Officer is not available the Chief Financial Officer (who, where the Chief Administrative and Legal Officer is unavailable, shall be a Compliance Officer), and/or your legal and financial advisors, in confidence, if you have questions.

Who does this Policy apply to?

This Policy applies to all officers, directors and employees of AppLovin (or “**you**”) upon the commencement of their relationship with AppLovin. AppLovin may also determine that other persons should be subject to this Policy, such as contractors or consultants who have access to material nonpublic information.

References in this Policy to “you” (as well as general references to directors, officers and employees of AppLovin) should also be understood to include members of your immediate family, persons with whom you share a household, your dependents and any other individuals or entities whose transactions in securities you influence, direct or control. You are responsible for making sure that these individuals and entities comply with this Policy.

You are expected to comply with this Policy as long as you hold AppLovin's securities and possess any material nonpublic information about AppLovin. This means that, even after you cease to be affiliated with AppLovin, you must continue to abide by the applicable trading restrictions until you no longer have material nonpublic information. In addition, if you are subject to a trading blackout under this Policy at the time you cease to be affiliated with AppLovin, you are expected to abide by the applicable trading restrictions until at least the end of the relevant blackout period.

What types of transactions are covered by this Policy?

This Policy applies to *all* transactions involving AppLovin's securities. This Policy therefore applies to purchases, sales and other transfers of AppLovin's common stock, options, warrants, debt securities and other securities. This Policy also applies to any arrangements that affect economic exposure to changes in the prices of these securities. These arrangements may include, among other things, transactions in derivative securities (such as exchange-traded put or call options), hedging transactions, short sales and certain decisions with respect to participation in benefit plans. This Policy also applies to any offers with respect to the transactions discussed above. This Policy further applies to any disposition in the form of a gift of any securities of the Company.

Although there are limited exceptions to this Policy (described in "*Are there any exceptions to this Policy?*" below), please note that there are no exceptions from insider trading laws or this Policy based on the size of the transaction (e.g., this policy applies whether a trade involves 1 or 10,000 shares of AppLovin's common stock).

Transactions that are Strictly Prohibited or Require Special Consideration

1. **Open orders** – You should exercise caution when placing open orders, such as limit orders or stop orders, with brokers, particularly where the order is likely to remain outstanding for an extended period of time. ***Open orders may result in the execution of a trade during a blackout period, which may result in inadvertent insider trading.***
 2. **Short sales** – You may not engage in short sales (*i.e.*, the sale of a security that must be borrowed to make delivery) or "sell short against the box" (*i.e.*, sell with a delayed delivery) if such sales involve AppLovin's securities. Short sales may signal to the market possible bad news about AppLovin or a general lack of confidence in AppLovin's prospects, and an expectation that the value of AppLovin's securities will decline.
 3. You may **not**:
 - a. Engage in derivative securities or hedging transactions – You may not trade in publicly-traded options, such as puts and calls, and other derivative securities with respect to AppLovin's securities (other than stock options and other compensatory equity awards issued to you by AppLovin). This includes any hedging or similar transaction designed to decrease the risks associated with holding AppLovin's common stock.
 - b. Use AppLovin's securities as collateral for loans – You may not pledge AppLovin's securities as collateral for loans; provided, that upon pre-clearance from a Compliance Officer, Company employees may pledge up to 10% of the outstanding shares of common stock held by such individual (excluding any options, warrants, restricted stock units or other compensatory equity awards).
 - c. Hold AppLovin's common stock in margin accounts – You may not hold AppLovin's common stock in margin accounts because your broker may sell securities held in the margin account during a blackout period.
-

What does “Material Nonpublic Information” mean?

Information is “material” if a reasonable investor would consider it important in making a decision to buy, sell or retain our common stock. Both positive and negative information may be material. Information is “nonpublic” until it has been widely disseminated to the public (through, for example, a press conference or release) and the public has had a chance to absorb and evaluate it.

Examples of information that would normally be regarded as “material” include the following, although the list is not exclusive:

- financial results, financial condition, projections or forecasts;
- plans to launch new platform features or offerings or new technologies;
- gain or loss of a substantial client or other business partner;
- execution or termination of significant contracts;
- the status of AppLovin’s progress toward achieving significant goals;
- information about new markets we may enter or developments in our existing markets;
- changes in regulations or applicable law;
- significant litigation, government investigations or regulatory inquiries;
- technical challenges, such as infrastructure stability or technical scalability issues;
- major personnel changes, such as changes in senior management or the Board;
- cybersecurity issues; or
- significant corporate events, such as a pending or proposed acquisition or financing transaction.

Financial information is particularly sensitive. For example, nonpublic information about the results of our operations for even a portion of a quarter might be material in helping an analyst predict our results of operations for the quarter.

Information is “nonpublic” until it has been widely disseminated to the public market and the public has had a chance to absorb and evaluate it. Unless you have seen material information publicly disseminated and a reasonable period of time has elapsed in order to provide the public an opportunity to absorb and evaluate the information, you should assume the information is nonpublic.

When in doubt, you should assume that the information is material and nonpublic. If you have any questions as to whether information should be considered “material” or “nonpublic,” please consult with a Compliance Officer or his/her delegate.

When may I trade in AppLovin’s common stock?

Even if you are not in possession of any material nonpublic information, you may only trade in AppLovin’s common stock if all of the following conditions have been met:

1. **Open trading window:** You may only engage in transactions involving AppLovin’s common stock during an open trading window. Our trading window will typically open at the end of the first full trading day following the date our quarterly financial results are publicly disclosed and continue through the fourteenth day of the third month of the quarter. In addition to regular quarterly blackout periods, there may be additional blackout periods when appropriate due to certain events. We will notify you whenever a special blackout period goes into effect that applies to you. (See “*When is our Blackout Period?*” below.)
-

2. Pre-clearance: If you are a member of the Board of AppLovin (“**Directors**”) or a member of the executive team (“**Executives**”) or a Section 16 officer of AppLovin, you must receive pre-clearance from a Compliance Officer or their designee of your proposed trade. From time to time, AppLovin may identify other persons who require pre-clearance, and a Compliance Officer or their designee will notify you that you are subject to pre-clearance. The Compliance Officer or their designee will maintain a list of persons subject to pre-clearance (the “**Pre-Clearance List**”). The Compliance Officer will determine the manner in which pre-clearance requests are to be submitted and persons on the Pre-Clearance List will be required to certify that they are not in possession of material nonpublic information about the Company. If you are a Compliance Officer, you may not engage in a transaction involving AppLovin’s common stock unless the other Compliance Officer has pre-cleared the transaction. The Compliance Officers are under no obligation to approve a transaction submitted for pre-clearance and may determine not to permit the transaction and notwithstanding any pre-clearance, you may not trade in AppLovin’s securities if you become subject to a trading blackout period or possess material nonpublic information in advance of completing the trade.
3. 10b5-1 Plan: The SEC has enacted rules that provide an affirmative defense against alleged violations of U.S. federal insider trading laws for transactions made pursuant to trading plans that meet certain requirements, commonly referred to as “10b5-1 trading plans.” These trading plans must be entered into when you are not aware of material nonpublic information, must meet the requirements set forth in Rule 10b5-1 of the Securities Exchange Act of 1934, as amended (“**Rule 10b5-1**”), and must meet AppLovin’s guidelines for such 10b5-1 trading plans established by the Compliance Officer, which you may obtain from a Compliance Officer. Transactions made pursuant to an approved 10b5-1 trading plan are not subject to the restrictions in this Policy, even if you are aware of material nonpublic information at the time of the transaction or a blackout period is in effect. Directors and Executives are strongly encouraged, should they wish to trade in AppLovin’s common stock, to do so via a 10b5-1 trading plan. Information regarding a trading plan that you may enter may be publicly disclosed, as required by law.

If you do not follow the above requirements, you may be subject to disciplinary action, up to and including termination of your relationship with AppLovin, as well as civil and criminal penalties as described in the section titled “*What are the consequences of Insider Trading?*” below.

When is our Blackout Period?

To limit the likelihood of trading at times when there is a significant risk of insider trading exposure, AppLovin has instituted quarterly trading blackout periods and may institute special trading blackout periods from time to time. Whether or not a blackout period is in effect, you must comply with this Policy and may not trade on the basis of material nonpublic information.

Quarterly blackout periods

Except as discussed in the section titled “*Are there any exceptions to this Policy?*” Directors, employees and agents may not engage in transactions involving AppLovin’s common stock during quarterly blackout periods. Quarterly blackout periods begin at the end of the fourteenth day of the third month of each fiscal quarter and end at the end of the first full trading day following the date of public disclosure of the financial results for that fiscal quarter. This period is a particularly sensitive time for transactions involving AppLovin’s common stock from the perspective of compliance with applicable securities laws due to the fact that, during this period, individuals may possess or have access to material nonpublic information relevant to the expected financial results for the quarter.

Special blackout periods

From time to time, we may also implement additional blackout periods when, in the judgment of a Compliance Officer, a trading blackout is warranted. We will generally impose special blackout periods when there are material developments known to us that have not yet been disclosed to the public. For example, we may impose a special blackout period in anticipation of announcing interim earnings guidance or a significant transaction or business development. However, special blackout periods may be declared for any reason.

We will notify you in writing or via email if you are subject to a special blackout period. If you receive this notification, you may not disclose to others the fact that you are subject to the special blackout period and may not engage in any transaction involving AppLovin's common stock until approved by one of our Compliance Officers or their designees.

Are there any exceptions to this Policy?

Yes, there are limited exceptions to this Policy, which are described below. Please note that there may be instances where you suffer financial harm or other hardship or are otherwise required to forgo a planned transaction because of the restrictions imposed by this Policy. Personal financial emergency or other personal circumstances are not mitigating factors under securities laws and will not excuse a failure to comply with this Policy.

1. Receipt, vesting and exercise of stock awards

The trading restrictions under this Policy do not apply to the acceptance or purchase of stock options, restricted stock or the like issued or offered by AppLovin, nor do they apply to the vesting, cancellation, forfeiture of stock options, restricted stock, restricted stock units or stock appreciation rights or the acquisition or repurchase of shares pursuant to option exercises under our option plans. However, the trading restrictions do apply to subsequent sales of AppLovin's common stock.

In addition, the foregoing is intended to include net share withholding with respect to equity awards where shares are withheld by AppLovin in order to satisfy tax withholding obligations, as required by either AppLovin's board of directors (or a committee thereof) or the award agreement governing such equity award.

2. Sale of shares to cover tax withholdings

The trading restrictions under this Policy do not apply to sell to cover transactions where shares are sold on your behalf upon vesting of equity awards in order to satisfy tax withholding obligations, as required by either AppLovin's board of directors (or a committee thereof) or the award agreement governing such equity award; however, this exception does not apply to any other market sale for the purposes of paying required withholding.

3. Purchases from the AppLovin Employee Stock Purchase Plan

The trading restrictions in this Policy do not apply to elections with respect to participation in AppLovin's employee stock purchase plan or to purchases of AppLovin's common stock under the plan. However, the trading restrictions do apply to subsequent sales of AppLovin's common stock.

4. Stock splits, stock dividends and similar transactions

The trading restrictions under this Policy do not apply to a change in the number of securities held as a result of a stock split or stock dividend applying equally to all securities of a class, or similar transactions.

5. Inheritance or change in form of ownership

The trading restrictions under this Policy do not apply to transfers by will or the laws of descent and distribution or transfers for tax planning purposes in which your beneficial ownership and pecuniary interest in the transferred AppLovin securities does not change. Some transactions that involve merely a change in the form in which you own securities may be permitted.

6. Trades pursuant to a 10b5-1 Trading Plan

The trading restrictions under this Policy do not apply trades made pursuant to a valid 10b5-1 trading plan approved by AppLovin (see above).

7. Other exceptions

Any other exception from this Policy must be approved by a Compliance Officer in consultation with the Nominating and Corporate Governance Committee of the Board.

Please be aware that even if a transaction falls within one of the exceptions described above, you will need to separately assess whether the transaction complies with applicable law. If you have any questions, please consult with a Compliance Officer.

What are the consequences of Insider Trading?

Penalties for violating insider trading laws can include disgorging profit made or loss avoided by trading, paying the loss suffered by the persons who purchased securities from, or sold securities to, the insider tippee, paying civil and/or criminal penalties, and/or serving a jail term. AppLovin and/or supervisors of the person violating the rules may also be required to pay civil or criminal penalties and could be subject to private lawsuits.

A violation of this Policy is not necessarily a violation of law. In fact, for reasons explained in this Policy, it is not necessary for us to wait for the filing or conclusion of any civil or criminal action against an alleged violator before taking disciplinary action as your employer. In addition, please remember that we may prohibit a transaction from being completed or unwind a transaction to enforce compliance with this Policy and any fees or other costs related to prohibiting or unwinding the transaction will be your responsibility.

What should I do if I suspect that this Policy has been violated?

Please promptly report violations or suspected violations of this Policy to a Compliance Officer. You may also report via our Whistleblower Hotline at www.lighthouse-services.com/applovin or by telephone in the U.S. at 866-222-0713.

Priority of Statutory or Regulatory Trading Restrictions

The trading prohibitions and restrictions set forth in this Policy will be superseded by any greater prohibitions or restrictions prescribed by federal or state securities laws and regulations, or contractual restrictions on the sale of securities.

Amendments

AppLovin is committed to continuously reviewing and updating its policies, and AppLovin therefore reserves the right to amend this Policy at any time, for any reason, subject to applicable law.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-272328 on Form S-3ASR and Registration Statement Nos. 333-285340, 333-277371, 333-270097, 333-263505, 333-255232, and 333-255231 on Form S-8 of our reports dated February 19, 2026, relating to the financial statements of AppLovin Corporation and the effectiveness of AppLovin Corporation's internal control over financial reporting, appearing in this Annual Report on Form 10-K for the year ended December 31, 2025.

/s/ DELOITTE & TOUCHE LLP

San Jose, California
February 19, 2026

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

I, Adam Foroughi, certify that:

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

Date: February 19, 2026

By: /s/ Adam Foroughi
Adam Foroughi
Chief Executive Officer
(Principal Executive Officer)

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

I, Matthew Stumpf, certify that:

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

Date: February 19, 2026

By: /s/ Matthew Stumpf

Matthew Stumpf
Chief Financial Officer
(Principal Financial Officer)

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

I, Adam Foroughi, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Annual Report on Form 10-K of AppLovin Corporation for the fiscal year ended December 31, 2025 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in such Annual Report on Form 10-K fairly presents, in all material respects, the financial condition and results of operations of AppLovin Corporation.

Date: February 19, 2026

By: /s/ Adam Foroughi
Name: Adam Foroughi
Title: Chief Executive Officer
(Principal Executive Officer)

I, Matthew Stumpf, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Annual Report on Form 10-K of AppLovin Corporation for the fiscal year ended December 31, 2025 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in such Annual Report on Form 10-K fairly presents, in all material respects, the financial condition and results of operations of AppLovin Corporation.

Date: February 19, 2026

By: /s/ Matthew Stumpf
Name: Matthew Stumpf
Title: Chief Financial Officer
(Principal Financial Officer)