



Q1 2023 *Earnings Report*



Non-GAAP Financial Measures

To supplement our condensed consolidated financial statements, which are prepared and presented in accordance with generally accepted accounting principles in the United States ("GAAP"), we use the following non-GAAP financial measures: Adjusted EBITDA, Adjusted EBITDA margin, and non-GAAP costs and expenses (including non-GAAP cost of revenue, research and development, sales and marketing, and general and administrative). The presentation of these financial measures is not intended to be considered in isolation, or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. Investors are cautioned that there are material limitations associated with the use of non-GAAP financial measures as an analytical tool. In addition, these measures may be different from non-GAAP financial measures used by other companies, limiting their usefulness for comparative purposes. We compensate for these limitations by providing specific information regarding GAAP amounts excluded from these non-GAAP financial measures.

For a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures, please see the Appendix.

Limitation of Key Metrics and Other Data

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

All information provided in this presentation is as of April 27th, 2023. We undertake no duty to update this information unless required by law. All information provided in this presentation is unaudited.

“My favorite thing about being a creator on Pinterest is the community. People come to Pinterest to find inspirational content that can enhance their lives, and to be able to create that is extremely rewarding.”

Pamyla Cummings @pamylasworld
Staten Island, NY, United States

Pamyla Cummings is a skincare and beauty creator from Staten Island, NY. She began sharing skincare content in the Fall of 2021, after having been a user of Pinterest for many years prior. She first started creating content on skincare tips and tricks because she suffered from acne. She ended up receiving so many questions about skincare from her community on Pinterest that she decided to attend esthetics school using her Creator Inclusion Fund grant, which she received last year. To Pamyla, Pinterest is a positive space online for her where she can share her passion, and be enriched by the community around her.



Inspired on Pinterest

Some of Pamyla’s boards:

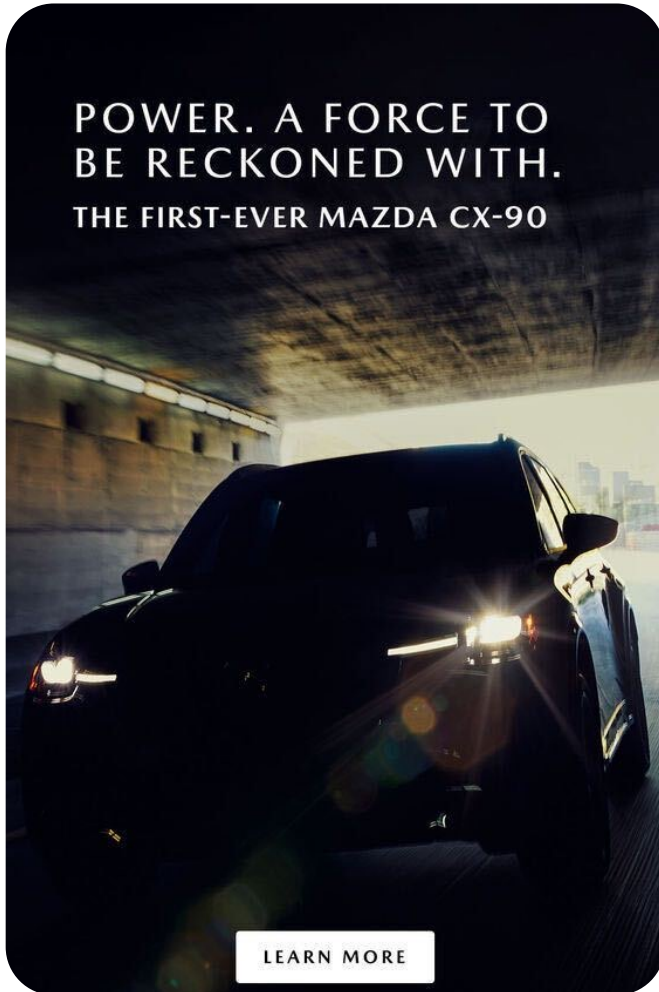
- Product Reviews and Recommendations
- Skincare Dupes
- Aesthetic Makeup Looks
- Flawless Face Makeup

Some of Pamyla’s Pins:

- Top Acne Fighting Ingredients
- Let’s Talk About Sunscreen
- 3 Skincare Rules to Live By
- Dry Skin Essentials



Mazda



“Pinterest provides a unique opportunity to reach users who are early in the purchase journey, enabling us to capture interest and encourage users to be potential Mazda owners”

Michael Tsang,
National Manager, Digital Innovation
Mazda Canada

Advertisers in emerging verticals are turning to Pinterest to harness the unique commercial intent that our users express on our platform. Automotive company Mazda teamed up with Pinterest to generate buzz for their new CX-90 SUV. To maximize campaign impact, Mazda centered the campaign around users who have specifically engaged with content in the automotive category. The campaign was a success for Mazda, measuring a 45% lower cost-per-click and a 3.5x higher click-through-rate as compared to benchmark.

Q123 Business Highlights

We're growing our inspired engagement

- We continued to grow our global user base both year over year and sequentially to 463M users.
- Sessions, impressions, and time spent grew faster than MAUs, indicating we're deepening our engagement with our user base.
- Mobile app MAUs grew 16% year over year, and our U.S. and Canada mobile app MAUs grew 7% year over year, accelerating from last quarter.
- Gen Z was the fastest growing demographic on the platform, and grew double digits year over year.

We're improving our inspired content offering

- Video content grew nearly 40% sequentially, accelerating from the 30% sequential growth from last quarter.
- Our corpus of images continues to grow, even off a very large base, and we saw that the number of boards grew double digits in Q1.
- We expanded our GA launch of Shuffles to nine additional countries, including Germany, France, Austria, Switzerland, Denmark, Norway, Sweden, Finland, and the Netherlands.
- We launched a partnership with Dotdash Meredith to bring hundreds of original videos to the platform, timed with annual moments ranging from wedding season to the holidays.
- We expanded our Creator Inclusion Fund to five new countries: Canada, Germany, Austria, Switzerland, and France.
- We partnered with American stylist and author Stacy London, who hosted a series of fireside chats exclusively on Pinterest TV around female wellness, joined by a number of notable female-founders of wellness and consumer products in the space.

We're building an inspired shopping experience

- We noted that click-through-rates and saves of shoppable pins grew over 35% year over year, driven by our efforts in increasing the relevancy and distribution of our shoppable content.
- In the last six months, we've seen nearly a 30% increase in attributed checkouts for merchants who upload their catalogs to the platform.

Q123 Business Highlights

We're expanding our advertiser solutions

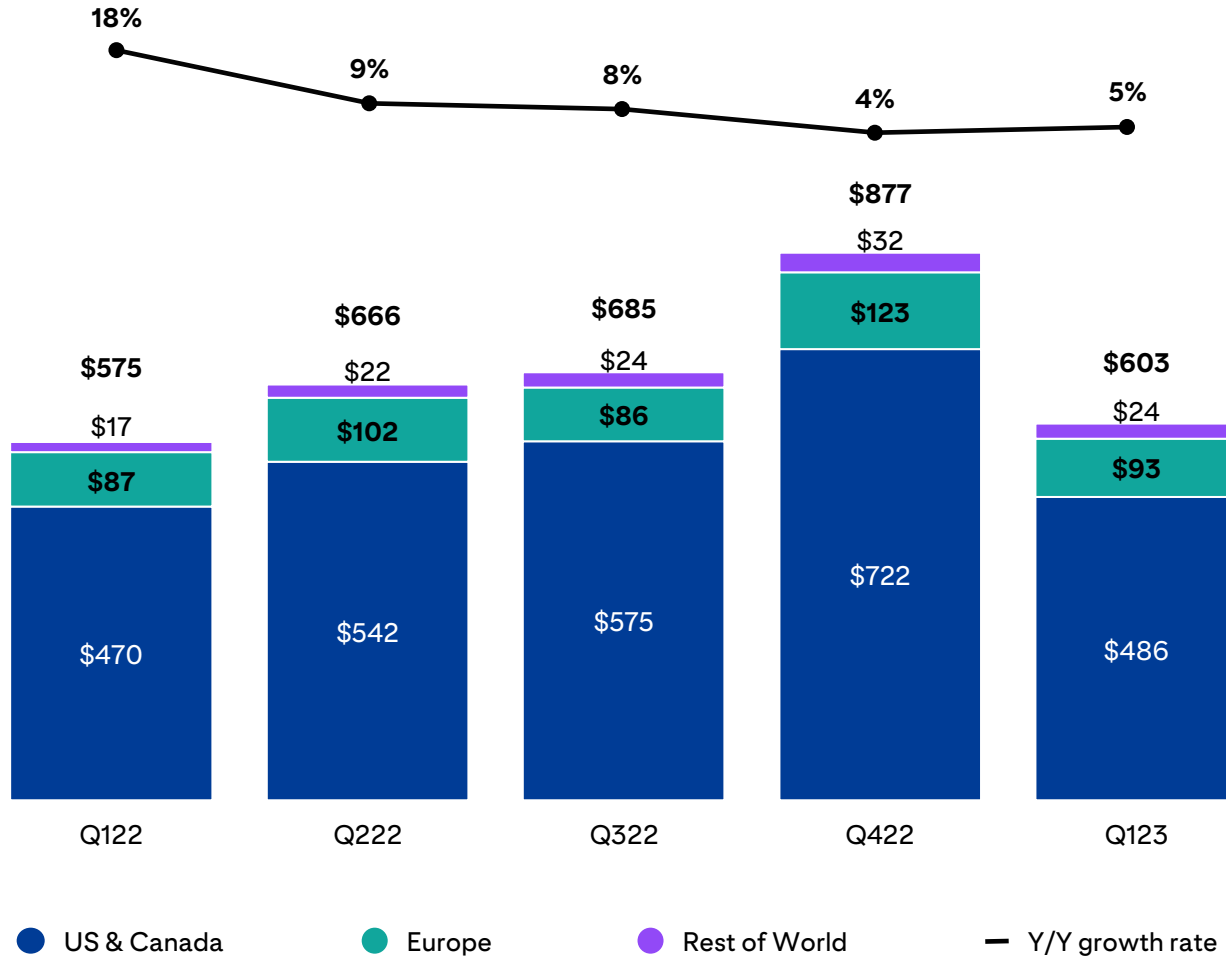
- We began testing Premiere Spotlight, our first premium awareness offering to showcase brands in an exclusive placement on our search page for 24 hours.
- In Q1, we integrated our API for conversion with Tealium, and we are in the process of onboarding advertisers like Wayfair onto our LiveRamp clean room solution in Q2.
- We introduced our latest edition of Pinterest Academy, a compelling interactive e-learning platform covering everything advertisers need to know to engage and inspire their target audiences on the platform.
- Whole page optimization continued to drive more relevant ad impressions. As a result, our ads marketplace is getting more efficient, contributing to an 8% reduction in CPAs for performance advertisers.
- Shopping ads revenue, driven by our mobile deep linking product, grew over 40% year over year.

We're doubling down on what makes us different

- As the positive corner of the Internet, we are deeply committed to protecting the wellbeing of our users. In late March, we made it mandatory for users to provide their birth dates, so that we can provide age-appropriate features and functionality. Pinterest is now private by default for existing and new users under the age of 16, and their content and profiles won't be discoverable by others.
- Several third party studies have shown that users feel safer on Pinterest than other platforms, and they feel more positive when on Pinterest.
- We announced our 2022 Inclusion & Diversity report, under the theme "Inspiring Action." This year's report details our latest progress and efforts on I&D and building a positive place online.
- We shared our first Environmental, Social, and Governance (ESG) Impact Report, highlighting key initiatives and milestones over the last two years that demonstrate how Pinterest is working to be a positive force for good across our business and within communities.

Revenue

(in millions)



+5%
Global Y/Y

+3%
US & Canada Y/Y

+6%
Europe Y/Y

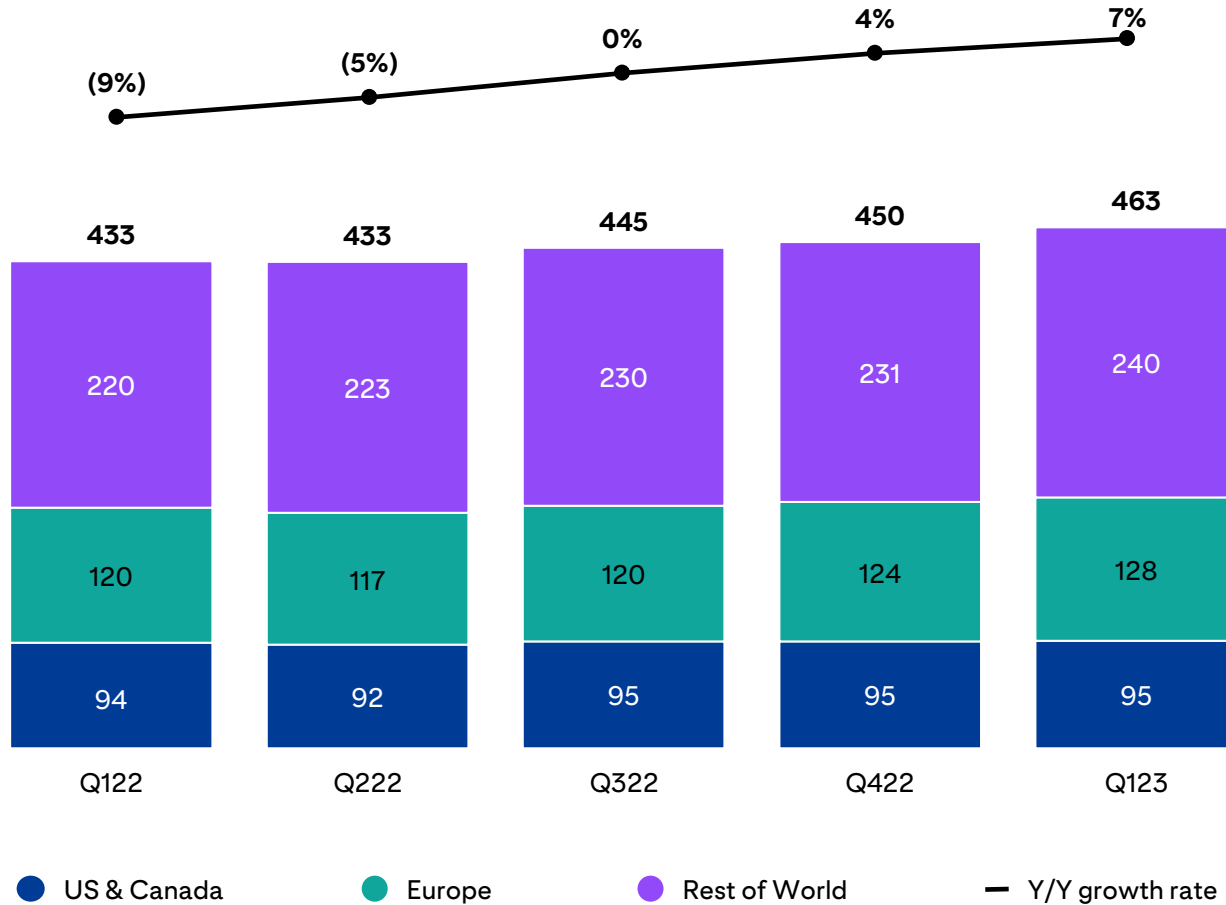
+38%
Rest of World Y/Y

Note: Revenue is geographically apportioned based on our estimate of the geographic location of our users when they perform a revenue-generating activity. Geographic breakdown may not sum to Global due to rounding; quarterly amounts may not sum to annual due to rounding.



Monthly active users

(in millions)



+7%
Global Y/Y

+1%
US & Canada Y/Y

+7%
Europe Y/Y

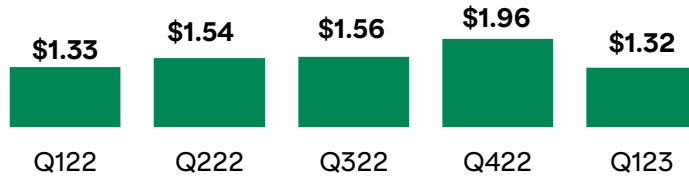
+9%
Rest of World Y/Y

Note: We define a monthly active user as an authenticated Pinterest user who visits our website, opens our mobile application or interacts with Pinterest through one of our browser or site extensions, such as the Save button, at least once during the 30-day period ending on the date of measurement. We present MAUs based on the number of MAUs measured on the last day of the current period. Geographic breakdown may not sum to Global due to rounding.

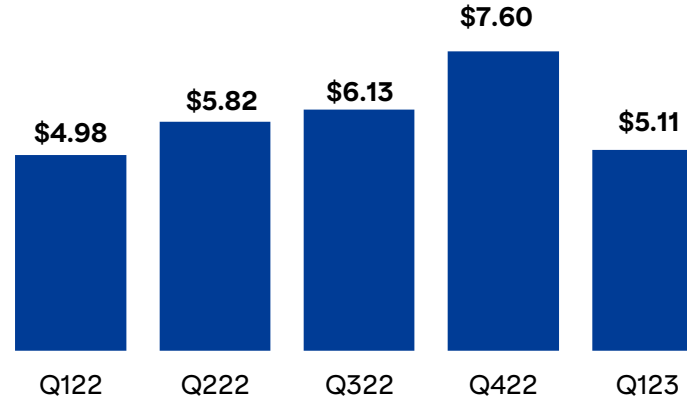


Average revenue per user

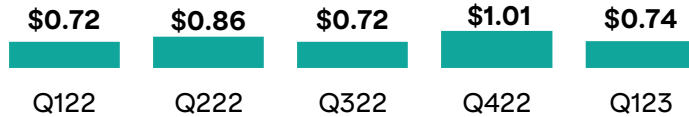
Global



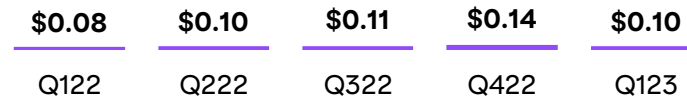
US & Canada



Europe



Rest of World



(1%)
Global Y/Y

+3%
US & Canada Y/Y

+2%
Europe Y/Y

+27%
Rest of World Y/Y

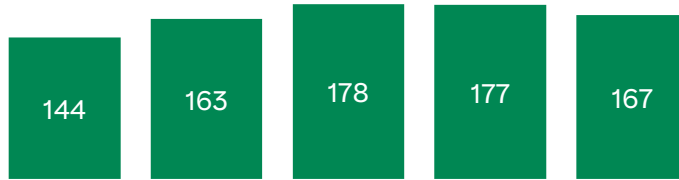
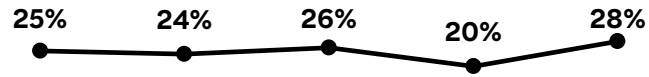
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Non-GAAP costs and expenses

(in millions)

Cost of Revenue

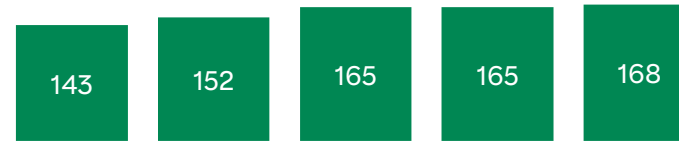
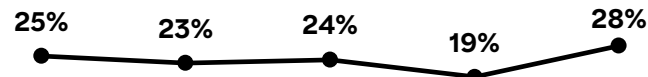
— % of revenue



Q122 Q222 Q322 Q422 Q123

R&D

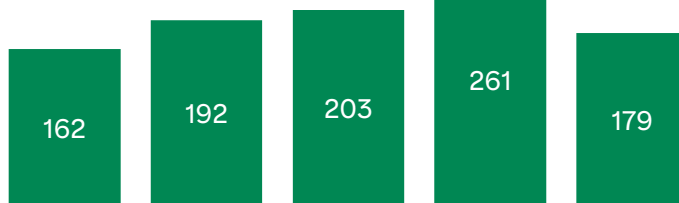
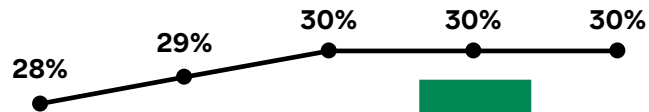
— % of revenue



Q122 Q222 Q322 Q422 Q123

S&M

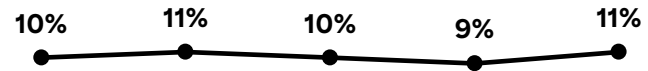
— % of revenue



Q122 Q222 Q322 Q422 Q123

G&A

— % of revenue



Q122 Q222 Q322 Q422 Q123

+16%
COR Y/Y

+18%
R&D Y/Y

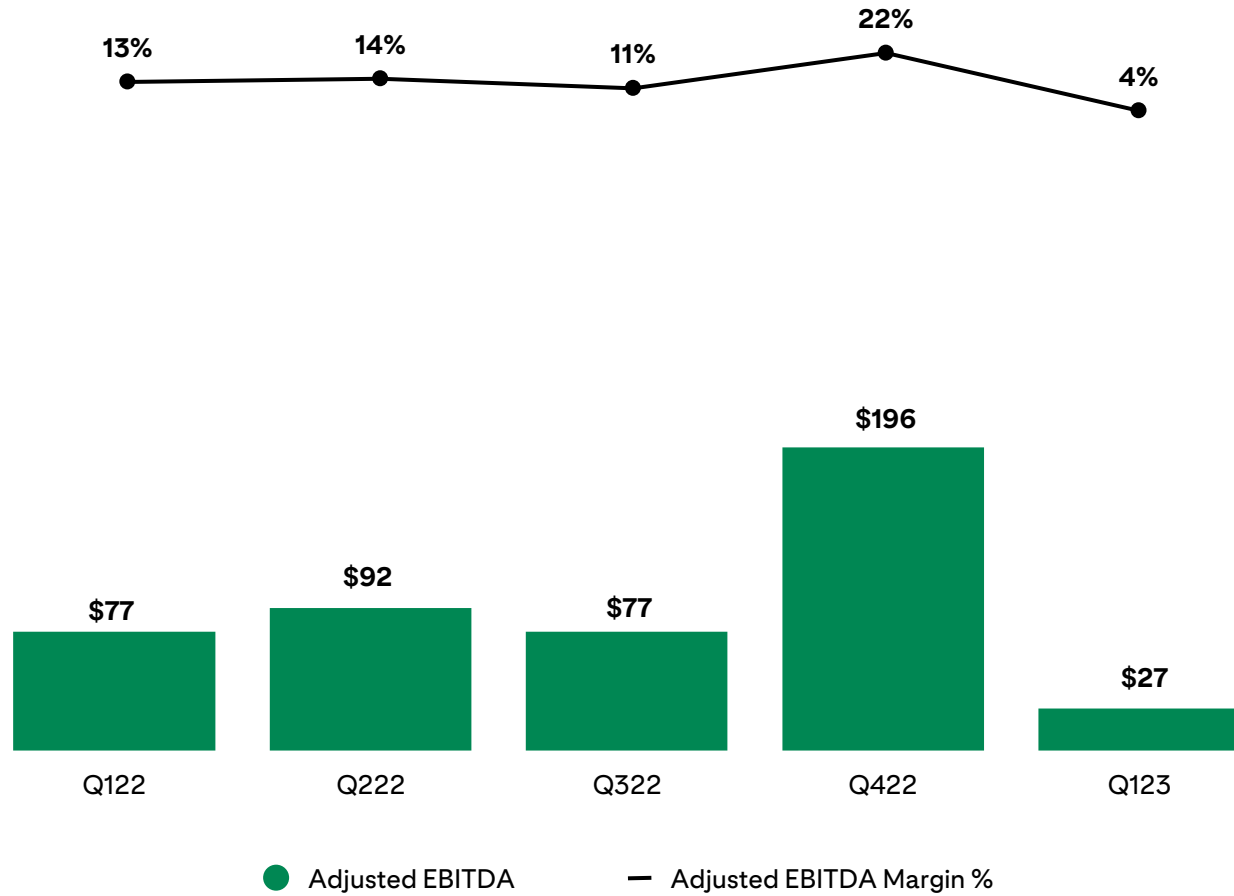
+11%
S&M Y/Y

+19%
G&A Y/Y

Note: Costs and expenses are non-GAAP financial measures, which exclude share-based compensation (SBC), amortization of acquired intangible assets, and non-cash charitable contributions. For a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures, please see the tables included in the Appendix at the end of this release.

Adjusted EBITDA

(in millions)



(65%)
Adj. EBITDA Y/Y

Note: Adjusted EBITDA is a non-GAAP financial measure. We define adjusted EBITDA as net income (loss) adjusted to exclude depreciation and amortization expense, share-based compensation expense, interest and other (income) expense, net and provision for (benefit from) income taxes, and non-cash charitable contributions. For a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures, please see the tables included in the Appendix at the end of this release. © 2022 Pinterest. All rights reserved.

Appendix

GAAP to non-GAAP costs and expenses reconciliation

(in millions)

Quarter ended March 31, 2023

	GAAP	Share-based compensation	Amortization	Other expense ¹	Non-GAAP
Cost of revenue	\$170.9	\$2.3	\$1.5	\$0.0	\$167.1
Research and development	266.3	94.3	0.0	4.1	168.0
Sales and marketing	201.1	19.2	0.1	2.7	179.1
General and administrative	207.9	27.4	0.2	114.6	65.8
Total costs and expenses	\$846.3	\$143.1	\$1.8	121.3	\$580.0

Quarter ended December 31, 2022

	GAAP	Share-based compensation	Amortization	Other expense	Non-GAAP
Cost of revenue	\$185.0	\$2.8	\$5.0	\$0.0	\$177.2
Research and development	265.2	100.2	0.0	0.0	165.1
Sales and marketing	317.3	45.9	10.1	0.0	261.2
General and administrative	103.8	21.4	0.2	0.0	82.2
Total costs and expenses	\$871.3	\$170.3	\$15.3	0.0	\$685.7

Note: Totals may not sum due to rounding.
1: Other expense is comprised of restructuring costs.

GAAP to non-GAAP costs and expenses reconciliation

(in millions)

Quarter ended September 30, 2022

	GAAP	Share-based compensation	Amortization	Other expense	Non-GAAP
Cost of revenue	\$182.6	\$2.2	\$2.0	\$0.0	\$178.4
Research and development	254.7	89.7	0.0	0.0	165.0
Sales and marketing	229.9	23.3	3.4	0.0	203.2
General and administrative	86.8	21.0	0.2	0.0	65.6
Total costs and expenses	\$753.9	\$136.2	\$5.5	0.0	\$612.2

Quarter ended June 30, 2022

	GAAP	Share-based compensation	Amortization	Other expense	Non-GAAP
Cost of revenue	\$164.9	\$1.4	\$0.9	\$0.0	\$162.5
Research and development	233.5	81.4	0.0	0.0	152.1
Sales and marketing	212.0	18.5	1.9	0.0	191.6
General and administrative	90.0	16.1	0.2	0.0	73.7
Total costs and expenses	\$700.4	\$117.4	\$3.0	0.0	\$580.0

Note: Totals may not sum due to rounding.

GAAP to non-GAAP costs and expenses reconciliation

(in millions)

Quarter ended March 31, 2022

	GAAP	Share-based compensation	Amortization	Other expense	Non-GAAP
Cost of revenue	\$146.1	\$1.2	\$0.7	\$0.0	\$144.2
Research and development	195.5	52.9	0.0	0.0	142.7
Sales and marketing	174.0	11.8	0.1	0.0	162.0
General and administrative	63.0	7.4	0.2	0.0	55.4
Total costs and expenses	\$578.6	\$73.2	\$1.0	0.0	\$504.3

Note: Totals may not sum due to rounding.

Adjusted EBITDA reconciliation

Reconciliation of net income (loss) to adjusted EBITDA

(in millions)

Three months ended

	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023
Net income (loss)	\$(5.3)	\$(43.1)	\$(65.2)	\$17.5	\$(208.6)
Depreciation and amortization	7.2	9.1	10.5	19.6	6.2
Share-based compensation	73.2	117.4	136.2	170.3	143.1
Interest income	(1.1)	(3.4)	(9.3)	(17.2)	(24.9)
Interest and other expense (income), net	1.6	9.3	10.1	(5.7)	(0.3)
Provision for (benefit from) income taxes	1.1	2.7	(5.0)	11.3	(9.9)
Restructuring Costs	0.0	0.0	0.0	0.0	121.3
Adjusted EBITDA	\$76.8	\$92.0	\$77.3	\$195.8	27.0

Note: Adjusted EBITDA is a non-GAAP financial measure. We define adjusted EBITDA as net income (loss) adjusted to exclude depreciation and amortization expense, share-based compensation expense, interest and other (income) expense, net and provision for (benefit from) income taxes, and restructuring costs.

Note: Totals may not sum due to rounding.

