We define a Daily Active User, or DAU, as a registered Snapchat user who opens the Snapchat application at least once during a defined 24-hour period. We calculate average DAUs for a particular quarter by adding the number of DAUs on each day of that quarter and dividing that sum by the number of days in that quarter. DAUs are broken out by geography because markets have different characteristics. We define average revenue per user, or ARPU, as quarterly revenue divided by the average DAUs. For purposes of calculating ARPU, revenue by user geography is apportioned to each region based on our determination of the geographic location in which advertising impressions are delivered, as this approximates revenue based on user activity. This allocation differs from our components of revenue disclosure in the notes to our consolidated financial statements, where revenue is based on the billing address of the advertising customer. For information concerning these metrics as measured by us, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our most recent periodic report filed with the U.S. Securities and Exchange Commission, or the SEC, which is available on the SEC’s website at www.sec.gov. Additional information will be made available in our periodic report that will be filed with the SEC for our most recently completed quarter and beyond. We refer investors to this report for a reconciliation of GAAP to non-GAAP measures.

We therefore encourage investors and others interested in our company to review the information that we make available on our website at www.snap.com, including our SEC filings. Additional information concerning these metrics as measured by us, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our most recent periodic report filed with the U.S. Securities and Exchange Commission, or the SEC, which is available on the SEC’s website at www.sec.gov. Additional information will be made available in our periodic report that will be filed with the SEC for our most recently completed quarter and beyond. We refer investors to this report for a reconciliation of GAAP to non-GAAP measures.

Technical issues may result in data not being recorded from every user’s application. For example, because some Snapchat features can be used without internet connectivity, we may not count a DAU because we don’t receive timely notice that a user has opened the Snapchat application. This undercounting may increase as we grow in Real World markets where users may have poor connectivity. We do not adjust our reported metrics to reflect this underreporting. We believe that we have adequate controls to collect user metrics, however, there is no uniform industry standard. We continually seek to identify these technical issues and improve the accuracy and precision, including ensuring that our investors and others can understand the factors impacting our business, but these and new issues may continue in the future, including if there continues to be no uniform industry standard. Some of our demographic data may be incomplete or inaccurate. For example, because user self-report their dates of birth, our age-demographic data may differ from our users’ actual ages. And because users who signed up for Snapchat before June 2013 were not asked to supply their date of birth, we may exclude those users from our age demographics or estimate their ages based on a sample of the self-reported ages that we do have. If our active users provide us with incorrect or incomplete information regarding their age or other attributes, then our estimates may prove inaccurate and fail to meet investor expectations. See https://businesshelp.snapchat.com/ for details. In the past we have relied on third-party analytics providers to calculate our metrics, but today we rely primarily on our analytics platform that we have developed and operate. We count a DAU only when a user opens the application and only once per user per day. We believe this methodology more accurately measures our user engagement. We have multiple pipelines of user data that we use to determine whether a user has opened the application during a particular day, and becoming a DAU. This provides redundancy in the event one pipeline of data were to become unavailable for technical reasons, and also gives us redundant data to help measure how users interact with our application. If we fail to maintain an effective analytics platform, our metrics calculations may be inaccurate. We regularly review, have adjusted in the past, and are likely in the future to adjust our processes for calculating our internal metrics to improve their accuracy. As a result of such adjustments, our DAUs or other metrics may not be comparable to those in prior periods. Our measures of DAUs may differ from estimates published by third parties or from similarly titled metrics of our competitors due to differences in methodology or data used.

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act, about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this presentation, including statements regarding our future results of operations or financial condition, business strategy and plans, user growth and engagement, product initiatives, objectives of management for future operations, and advertiser and partner offerings, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “going to,” “indirect,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will,” or “would” or the negative of these words or other similar terms or expressions. We caution you that the foregoing may not include all of the forward-looking statements made in this presentation. You should not rely on forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this presentation primarily on our current expectations and projections of future events and trends, including our financial outlook, geo-political conflicts, the COVID-19 pandemic, and macroeconomic conditions, that we believe may continue to affect our business, financial condition, results of operations, and prospects. These forward-looking statements are subject to risks and uncertainties related to: our financial performance; our ability to attain and sustain financial profitability; our ability to generate and sustain positive cash flow; our ability to attract and retain users, publishers, and advertisers; competition and market entrants; managing our international expansion and our international growth and future expenses; compliance with modified and new laws, regulations, and executive actions; our ability to maintain, protect, and enhance our intellectual property; our ability to succeed in existing and new market segments; our ability to attract and retain qualified employees and key personnel; our ability to repay outstanding debt; future acquisitions, divestitures or investments; and the potential adverse impact of climate change, natural disasters, health epidemics, macroeconomic conditions, war and other armed conflict, as well as risks, uncertainties, and other factors described in “Risk Factors” and elsewhere in our most recent periodic report filed with the SEC, which is available on the SEC’s website at www.sec.gov. Additional information will be made available in our periodic report that will be filed with the SEC for our most recently completed period and other filings that we make from time to time with the SEC. 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 presentation. The results, events, and circumstances reflected in the forward-looking statements may be inaccurate or out of date, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements. In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based on information available to us as of the date of this presentation. While we believe that information provides a reasonable basis for these statements, that information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all relevant information. These statements are inherently uncertain, and investors are cautioned not to concur or rely on these statements. The forward-looking statements made in this presentation 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 presentation to reflect events or circumstances after the date of this presentation or to reflect new information or the occurrence of unanticipated events, including future developments related to geo-political conflicts, the COVID-19 pandemic, and macroeconomic conditions, 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, dispositions, joint ventures, restructurings, legal settlements, or investments. Investors and others should note that we may announce material business and financial information to our investors using our websites (including investor.snap.com), filings with the SEC, webcasts, press releases, and conference calls. We use these mediums, including Snapchat and our websites, to communicate with our members and the public about our company, our products, and other issues. It is possible that the information that we make available may be deemed to be material information. We therefore encourage investors and others interested in our company to review the information that we make available on our websites. This presentation includes certain non-GAAP financial measures. These non-GAAP financial measures, which may be different than similarly titled measures used by other companies, are presented to enhance investors’ overall understanding of our financial performance and should not be considered a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. A reconciliation of GAAP to non-GAAP measures is provided in the appendix of this presentation.
Snap Inc. Is a Camera Company

We believe that reinventing the camera represents our greatest opportunity to improve the way people live and communicate.

We contribute to human progress by empowering people to express themselves, live in the moment, learn about the world, and have fun together.
Our Community
Strong Growth in Our Community

347M Daily Active Users on average

North America | Europe | Rest of World

Q1 19 | Q2 19 | Q3 19 | Q4 19 | Q1 20 | Q2 20 | Q3 20 | Q4 20 | Q1 21 | Q2 21 | Q3 21 | Q4 21 | Q1 22 | Q2 22

190 | 203 | 210 | 218 | 229 | 238 | 249 | 265 | 280 | 293 | 306 | 319 | 332 | 347

49 | 56 | 61 | 64 | 71 | 77 | 87 | 93 | 111 | 120 | 130 | 140 | 150 | 162

80 | 83 | 84 | 86 | 90 | 90 | 92 | 93 | 95 | 96 | 97 | 98 | 99

Snap Inc. internal data Q1 2019–Q2 2022. See Snap Inc. public filings with the SEC.
In 20+ countries Snap reaches

90% of the 13 to 24-year-old population.

75% of the 13 to 34-year-old population.
Significant Opportunity to Globally Expand Our Community

**North America**
- 25% penetration\(^3\)
- 99M DAUs\(^1\)
- ~400M smartphones\(^2\)

**Europe**
- 15% penetration\(^3\)
- 86M DAUs\(^1\)
- ~560M smartphones\(^2\)

**Rest of World**
- 6% penetration\(^3\)
- 162M DAUs\(^1\)
- ~2.5B smartphones\(^2\)

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\(^1\)Snap Inc. internal data Q2 2022. See Snap Inc. public filings with the SEC.

\(^2\)eMarketer 2022 smartphone estimates, February 2022.

\(^3\)Percentage calculated by dividing Snap Inc. Q2 2022 daily active users (DAUs) by total smartphone estimate.
International Growth Playbook

**LOCAL LANGUAGE**
- **40+** languages currently supported.

**LOCAL LENSES**
- **2.5M+** Lenses launched.
- **250K+** active Lens Creators globally.

**LOCAL CONTENT**
- **500+** international content partners in
- **20+** countries internationally.

**LOCAL MARKETING**
- Generate awareness through local marketing initiatives.

**LOCAL PARTNERSHIPS**
- Preloaded partnerships with major handset OEMs provide placement and promotion.
- Partnerships with local telcos ensure attractive data rating and promotion.

---

1 Snap Inc. internal data as of July 2022.
2 Snap Inc. internal data as of Dec. 31, 2021.
Snapchat
A Decade of Innovation

Daily Active Users

347M

2011-2013
2014
2015
2016
2017
2018
2019
2020
2021
2022

Snap Inc. internal data Q2 2022. See Snap Inc. public filings with the SEC.
The Snapchat Experience

Five core platforms
Snap Inc. internal data Q2 2022.

Camera and Augmented Reality

The Snap Camera drives visual communication between Snapchatters, and it can understand, interpret, edit, and augment a scene in real time, enabling the next generation of computing.

250M+
Snapchatters engage with AR per day on average.

Snapchatters play with AR Lenses

6B+ times
per day on average.
Communications

The Communications platform is where Snapchatters express themselves through pictures and messages with their closest friends.

50+ Snap Games
and
15+ Minis
available.
Stories

Friend Stories enable our community to create and share pictures and videos from their day with their friends on Snapchat — all in chronological order. The Discover platform features curated, professional content from hand-selected partners.

800+ partners
in
20+ countries
around the world.¹

40+ partners
reached more than 25 million Snapchatters each in Q2 2022.²

¹Snap Inc. internal data Jan 2015–June 2022.
²Snap Inc. internal data Q2 2022.
Snap Map

The Snap Map is a personalized map that connects our community with their friends and the world around them through place listings and stories posted by our community.

300M+
Snapchatters engage with the Snap Map every month.¹

35M+
businesses are on the Snap Map for our community to discover.²

¹ Snap Inc. internal data Q2 2022. We define a Map Active User as a registered Snapchat user who opens the map at least once during the period of interest. Prior to June 2022, we reported Map Active Users using a different methodology. As a result, Map Active Users are not comparable to those in prior periods.

² Snap Inc. internal data Q2 2022.
Spotlight

Spotlight surfaces the most entertaining Snaps created by our community and provides a place to share user-generated content broadly on Snapchat while remaining aligned with our privacy-by-design approach.

59% increase in total time spent watching Spotlight content compared to Q2 2021.¹

Spotlight is available in 150+ countries.²

¹Snap Inc. internal data Q2 2022 vs. Q2 2021.
²Snap Inc. internal data as of June 30, 2022.
Partner Ecosystem
Overview of Our Partner Ecosystem
AR Creator Community

Our AR creator community is made up of individuals from over 200 countries and territories who create a wide variety of AR experiences across geographies and cultures.

250K+
Lens Creators have used Lens Studio.

2.5M+
Lenses made by our community.
Lens Studio — AR Creator Platform

We provide our broader creator community with the same tools used internally at Snap to develop AR Lenses by offering access to Lens Studio, a free, easy-to-use yet incredibly powerful AR-development platform.

Lens creation starts with Lens Studio, whether you’re creating for Snapchat, Spectacles, or third-party apps through Camera Kit.

Lens Studio includes the most innovative capabilities like machine learning, visual programming, body tracking, object recognition, and scripting for artists and developers to build augmented reality experiences.
Spotlight Creator Community

Through Spotlight and our powerful creative tools, creators can develop content, reach millions of Snapchatters, grow their audience, and connect with fans, all in accordance with our privacy standards.
Content Partners

Discover features content from over 800 hand-selected partners from over 20 countries around the world.¹

BEAUTY

75M+
Snapchatters watched Beauty publisher and show content each month.²

HEALTH AND FITNESS

65M+
Snapchatters watched Health and Fitness publisher and show content each month on average.²

ENTERTAINMENT

120M+
Snapchatters watched publisher and show content from internet creators.²

¹Snap Inc. internal data Jan. 2015–June 2022.
²Snap Inc. internal data Q2 2022.
150+ Snap Original Series Launched to Date With 70+ Partners
Snap Kit

Over 1,500 apps have integrated with Snap Kit across our six offerings: Camera Kit, Creative Kit, Story Kit, Login Kit, Ad Kit, and Sticker Kit.

**Creative Kit**
Allows developer partners to share dynamic content from apps into Snapchat.

**Sticker Kit**
Allows developer partners to add our Bitmoji and sticker libraries to their app or keyboard.

**Login Kit**
Allows developer partners to enable sign up and log in via Snapchat accounts.

Snap Inc. internal data as of December 31, 2021.
Camera Kit is a cross-platform SDK solution that brings the best of our AR ecosystem to partner applications.

Partners can create, schedule, and manage customized AR experiences for their applications and users.

Partners gain access to a suite of powerful tools and analytics.
Meet the Snapchat Generation

150%

The Snapchat Generation is 150% more likely than non-Snapchatters to prefer to communicate with pictures over words.¹

3x

Snapchatters are 3x more likely than non-Snapchatters to say they are using AR more than they did last year to try on products.²

1.5x

The Snapchat Generation is 1.5x more likely than non-Snapchatters to gravitate toward immersive video and mobile games, including AR experiences.³

---

¹ Q: What portion of your digital communication includes images and media, e.g., emojis, photos, memes, video calls, versus text-only, i.e., only words? Please enter a percentage for each; your total must add up to 100%. If you do not communicate in one of these ways, please enter zero.

² Q: Which of the following, if any, are true for you?

³ Q: How much do you agree or disagree with each of the statements below? Please select one response per row.

Why This Age Range Is Critical

Between the ages of 13 and 34, people experience many common milestones in life.

- First Car
- Moves Out
- Starts Career
- Develops Brand Loyalty
- Starts Family
- Graduates
- First Credit Card
- Vacations Alone
- Gets Married
- Buys First Home
Deep Domain Expertise in Key Enterprise Verticals

**Apps, Media, and Services**
- Uber Eats
- acorns
- Fanduel

**Automotive**
- NISSAN
- GM
- Honda

**Commerce**
- Deckers Brands
- smile
- Direct Club

**Consumer Packaged Goods**
- Hershey’s
- L’Oréal
- Coca-Cola

**Entertainment**
- HBO Max
- Peacock

**Health and Government**
- Truth Initiative

**Restaurants**
- Papa Johns
- Taco Bell
- McDonald’s

**Retail**
- Target
- Netflix
- Adidas

**Tech**
- PlayStation
- XBOX
- Samsung

**Telecommunications**
- Verizon
- AT&T
- Sprint

**Financial Services**
- Capital One
- State Farm
- Citi

**Travel**
- Marriott
- Emirates
- Carnival
Creative Ad Formats That Deliver Results

In-Camera
- AR Lens Experiences
- Filters
- Commercials (06 forced view)
- Story Ads (series of 3 to 20 Snaps)

Video
- Collection Ads
- Snap Ad With App Install
- Dynamic Product Ads
Goal Based Bidding Objectives

Snap offers a variety of goal based bidding objectives to address every level of the sales funnel.
The Advertiser Demand Flywheel

- More Demand
- More Diversity
- More Relevance
- More Efficiency
- Better ROI
- Better Optimization
What Advertisers Are Saying

**Enterprise**

“It’s fantastic to see the significant impact that Snapchat’s high attention video formats had on the performance of the campaign, and we look forward to further expanding upon our investment on the platform in the future.”

Jimm Hughes, Social Lead
Heineken

**Emerging**

“We need an ad platform with robust testing capabilities to reach our target audience at scale and at target ROAS. Snapchat’s Dynamic Ads tool combined with Lifestyle Category audiences helped us achieve our goals.”

Daphne Kotler, Director of Marketing
Redbubble

**Agency**

“AR has a major role to play in the future of marketing and commerce, from virtual try-on to immersive digital experiences. Snap has built an impressive AR platform, and we are delighted to partner with them to ensure our people can access Snap’s latest AR technology and in turn develop richer, more innovative commerce solutions for our clients and their customers.”

Sanja Partalo, Executive Vice President, Strategic Development and Partnerships
WPP

**Scaled Services**

“The most important when choosing a platform to advertise on is are we going to get our money’s worth or not. Snapchat makes it so much easier because we can start small and grow at our own pace.”

Sima Mosbacher, CEO and Founder
Moitie Cosmetics
Our ARPU Opportunity
Significant DAU and ARPU Opportunities

North America is critical to growing revenue in the near and medium term—and we have a long runway ahead of us.
Opportunity to Expand Our Market Share

Snapchat comprises less than 2% of the US digital ad market\(^1\)

yet reaches nearly half of US smartphone users.\(^2\)

---

\(^1\)Snap Inc. internal data 2021. eMarketer 2021 estimates, Mar. 2022. Percentage calculated by dividing Snap Inc. US revenue by US digital ad market. See Snap Inc. public filings with the SEC.

\(^2\)Snap Inc. internal data Q2 2022. eMarketer 2022 estimates, Feb. 2022. Percentage calculated by dividing US monthly active users by US smartphone users. See Snap Inc. public filings with the SEC.
Snapchat reaches more than **70%**\(^1\) of 13 to 34 year-olds in countries comprising **over half**\(^2\) of the world’s digital ad spend.

\(^1\)Snap Inc. internal data Q2 2022. Penetration calculated as MAUs divided by 2021 population estimates per the 2022 United Nations World Population Prospects.

\(^2\)eMarketer 2022 estimates, Mar. 2022.
The Advertising Industry Is Moving in Our Direction

Expected growth in the US advertising market combined with a secular shift toward digital, mobile, and video advertising.

<table>
<thead>
<tr>
<th>Shift to Digital</th>
<th>Shift to Mobile</th>
<th>Shift to Video</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital CAGR: 10%</td>
<td>Mobile CAGR: 10%</td>
<td>Video CAGR: 13%</td>
</tr>
<tr>
<td>$92B</td>
<td>$76B</td>
<td>$237B</td>
</tr>
<tr>
<td>$97B</td>
<td>$61B</td>
<td>$173B</td>
</tr>
<tr>
<td>$249B</td>
<td>$169B</td>
<td>$126B</td>
</tr>
</tbody>
</table>

1. Traditional includes directories, magazines, newspapers, out-of-home, radio and TV. Digital includes banner ads, classified ads, email, lead generation, mobile messaging, rich media, search ads and sponsorships.
2. Desktop includes advertising that appears on desktop and laptop computers and other non-mobile internet-connected devices. Mobile includes advertising that appears on mobile phones, tablets and other mobile internet-connected devices.
3. Video includes instream video ads, video overlays, social network instream video advertising, outstream video ads, and in-article, in-banner and interstitial video ads. Non-video includes banner ads, non-video rich media, sponsorships, search ads, lead generation, classifieds and directories, email, and mobile messaging.

eMarketer estimates, Mar. 2022. Estimates shown are for the US advertising market.
AR Builds Consumer Confidence

Over half of the shoppers on Snapchat agree that AR gives them more confidence about product quality.¹

7 in 10 consumers
are interested in using AR to interact with a product before buying it.²

Returns are a $550B problem, which AR can help fix. AR-guided purchases led to a 25% decrease in returns.³

¹ 2021 Deloitte Digital Study commissioned by Snap Inc. | Base = Aggregate (n=8,770).
² 2022 Global Ipsos Study commissioned by Snap Inc. | Base: Global consumers: 13-44 Smartphone users: n=24,758 | Thinking about what you can do using AR both now and in the future, how interested, if at all, are you in each of the following? 'Interacting with a product before buying it.' (NET: Very / Somewhat interested).
³ ARInsider Article, "Does AR Really Reduce eCommerce Returns?"
AR Shopping

We’re making it faster and easier for businesses to build augmented reality shopping products while also reimagining the try-on experience for Snapchatters.

Our Dress Up tab is a personalized destination on Snapchat where users can browse and try-on outfits and accessories.

We’re also offering tools for businesses to help them create, manage, and distribute AR shopping experiences, such as our AR Image Processing Technology, 3D Asset Manager, Shopping templates, and Camera Kit for AR Shopping.
Long-Term Value Creation
Growing Revenue and Scaling Efficiently

**Revenue**

- 5x growth in revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue in millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$825</td>
</tr>
<tr>
<td>2018</td>
<td>$1,180</td>
</tr>
<tr>
<td>2019</td>
<td>$1,716</td>
</tr>
<tr>
<td>2020</td>
<td>$2,507</td>
</tr>
<tr>
<td>2021</td>
<td>$4,117</td>
</tr>
</tbody>
</table>

YoY Change:
- 2018: 104%
- 2019: 43%
- 2020: 45%
- 2021: 46%

**Adjusted Gross Margin**

- 35 PPT margin expansion

<table>
<thead>
<tr>
<th>Year</th>
<th>GAAP Gross Margin</th>
<th>Adjusted Gross Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>13%</td>
<td>23%</td>
</tr>
<tr>
<td>2018</td>
<td>32%</td>
<td>35%</td>
</tr>
<tr>
<td>2019</td>
<td>48%</td>
<td>49%</td>
</tr>
<tr>
<td>2020</td>
<td>53%</td>
<td>54%</td>
</tr>
<tr>
<td>2021</td>
<td>57%</td>
<td>58%</td>
</tr>
</tbody>
</table>

**Average Daily Active Users** (Unaudited)

- 3 consecutive years of accelerating DAU growth

<table>
<thead>
<tr>
<th>Year</th>
<th>DAU in millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>176</td>
</tr>
<tr>
<td>2018</td>
<td>188</td>
</tr>
<tr>
<td>2019</td>
<td>205</td>
</tr>
<tr>
<td>2020</td>
<td>245</td>
</tr>
<tr>
<td>2021</td>
<td>300</td>
</tr>
</tbody>
</table>

YoY Change:
- 2018: 22%
- 2019: 7%
- 2020: 9%
- 2021: 19%

**Adjusted Gross Profit**

- More than 12x growth in gross profit

<table>
<thead>
<tr>
<th>Year</th>
<th>GAAP Gross Profit</th>
<th>Adjusted Gross Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$189</td>
<td>$107</td>
</tr>
<tr>
<td>2018</td>
<td>$413</td>
<td>$382</td>
</tr>
<tr>
<td>2019</td>
<td>$848</td>
<td>$820</td>
</tr>
<tr>
<td>2020</td>
<td>$1,357</td>
<td>$1,324</td>
</tr>
<tr>
<td>2021</td>
<td>$2,405</td>
<td>$2,367</td>
</tr>
</tbody>
</table>

---

1. **We define a Daily Active User, or DAU, as a registered Snapchat user who opens the Snapchat application at least once during a defined 24-hour period. We calculate average Daily Active Users for a particular quarter by averaging the number of DAUs on each day of that quarter and dividing that sum by the number of days in that quarter. Average Daily Active Users in this slide is presented as annual DAU, calculated as the average of each quarterly DAU.**

2. **Excludes stock-based compensation expense and related payroll tax expense, depreciation and amortization, and certain other non-cash or nonrecurring items impacting net income (loss) from time to time.**
Balanced Approach to Investment Driving Path to Profitability

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Loss ($ millions)</th>
<th>Adjusted EBITDA³ (Unaudited) ($ millions)</th>
<th>Operating Cash Flow ($ millions)</th>
<th>Free Cash Flow² (Unaudited) ($ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>($3,445)</td>
<td>$617</td>
<td>($720)</td>
<td>$(819)</td>
</tr>
<tr>
<td>2018</td>
<td>($1,256)</td>
<td>$45</td>
<td>($576)</td>
<td>$(810)</td>
</tr>
<tr>
<td>2019</td>
<td>($1,034)</td>
<td></td>
<td>($305)</td>
<td>$(341)</td>
</tr>
<tr>
<td>2020</td>
<td>($945)</td>
<td></td>
<td>($168)</td>
<td>$(225)</td>
</tr>
<tr>
<td>2021</td>
<td>($488)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

¹We define Adjusted EBITDA as net income (loss), excluding interest income; interest expense; other income (expense); net; income tax benefit (expense); depreciation and amortization; stock-based compensation expense and other payroll related tax expense; and certain other non-cash or non-recurring items impacting net income (loss) from time to time. See Appendix for annual reconciliation of net loss to Adjusted EBITDA.

²We define Free Cash Flow as net cash provided by (used in) operating activities, reduced by purchases of property and equipment. See Appendix for annual reconciliation of net cash provided by (used in) operating activities to Free Cash Flow.

³Operating cash flow and free cash flow in Q4'20 includes a $98 million payment for a non-recurring legal settlement related to a securities class action lawsuit, accrued in 2019.
Capital Allocation

Build a Strong Balance Sheet to Ensure Strategic Flexibility

$4.9 billion in cash, cash equivalents and marketable securities\(^1\)

Conservative financial leverage with $3.7 billion of debt outstanding\(^1\)

No debt maturing before 2025

Invest to Drive Organic Growth in Top Line

Investing in areas critical to realizing the long-term opportunity of augmented reality

Investing heavily in our Direct Response advertising business

Investing in our products and platforms to sustain the growth of our community

Make Future Investments to Accelerate Product Roadmap

Well-established track record of acquisitions and investments to accelerate our product roadmap

Building a strong balance sheet ensures we are prepared when opportunities are available

\(^1\)As of June 30, 2022.
Strategic M&A

- 2015: LOOKSERY
- 2016: aifactory
- 2017: Voisey
- 2018: Ariel AI
- 2019: STREETCRED
- 2020: FIT ANALYTICS
- 2021: KeyDB
- 2022: NEXTMIND

Mergers & Acquisitions:
- 2015: Bitstrips, zenly
- 2016: PLAYCANVAS, WaveOptics
- 2017: SPECTACLES, voca.ai
- 2018: SPECTACLES, Display
- 2019: INFRASTRUCTURE, KeyDB
- 2020: SPECTACLES, vertebrae
Long-Term Value Creation

- Execute our international growth playbook to grow our community in the long term.
- Invest in innovation to deepen engagement and expand ARPU opportunity.
- Offer a sophisticated ad platform and innovative ad units to deliver return on ad spend for partners.
- Scale operations efficiently and balance investments with growth to drive positive free cash flow.
- Build conservative balance sheet to prepare for the unexpected and fund the opportunistic.
We define Free Cash Flow as net cash provided by (used in) operating activities, reduced by purchases of property and equipment.

We define Adjusted EBITDA as net income (loss), excluding interest income; interest expense; other income (expense), net; income tax benefit (expense); depreciation and amortization; stock-based compensation expense and other payroll related tax expense; and certain other non-cash or non-recurring items impacting net income (loss) from time to time. Securities class action lawsuit legal charges related to a preliminary agreement to settle the securities class action lawsuit that arose following our IPO. Charges recorded are net of amounts directly covered by insurance. These charges are non-recurring and not reflective of underlying trends in our business.

Numbers throughout presentation may not foot due to rounding.

### Non-GAAP Financial Measures Reconciliation - Annual

*(In thousands, unaudited)*

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted EBITDA Reconciliation</td>
<td>$ (3,445,066)</td>
<td>$ (1,255,911)</td>
<td>$ (1,033,660)</td>
<td>$ (944,839)</td>
<td>$ (487,965)</td>
</tr>
<tr>
<td>Net income (loss)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Add (deduct):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>(21,096)</td>
<td>(27,228)</td>
<td>(36,042)</td>
<td>(18,127)</td>
<td>(5,199)</td>
</tr>
<tr>
<td>Interest expense</td>
<td>3,456</td>
<td>3,894</td>
<td>24,994</td>
<td>97,228</td>
<td>17,676</td>
</tr>
<tr>
<td>Other (income) expense, net</td>
<td>(4,528)</td>
<td>8,248</td>
<td>(59,013)</td>
<td>(14,988)</td>
<td>(240,175)</td>
</tr>
<tr>
<td>Income tax (benefit) expense</td>
<td>(18,342)</td>
<td>2,547</td>
<td>363</td>
<td>18,054</td>
<td>13,584</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>51,288</td>
<td>91,648</td>
<td>87,245</td>
<td>66,744</td>
<td>119,141</td>
</tr>
<tr>
<td>Stock-based compensation expense</td>
<td>2,639,805</td>
<td>638,211</td>
<td>688,013</td>
<td>770,182</td>
<td>1,092,135</td>
</tr>
<tr>
<td>Payroll tax expense related to stock-based compensation</td>
<td>24,470</td>
<td>21,027</td>
<td>27,840</td>
<td>50,309</td>
<td>107,479</td>
</tr>
<tr>
<td>Securities class actions legal charges</td>
<td>-</td>
<td>-</td>
<td>100,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Spectacles inventory-related charges</td>
<td>39,657</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Reduction in force</td>
<td>-</td>
<td>9,684</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Lease exit charges</td>
<td>-</td>
<td>31,143</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Adjusted EBITDA²</td>
<td>$ (720,056)</td>
<td>$ (575,637)</td>
<td>$ (202,230)</td>
<td>$ 45,163</td>
<td>$ 616,686</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free Cash Flow Reconciliation</td>
<td>$ (734,067)</td>
<td>$ (689,924)</td>
<td>$ (304,958)</td>
<td>$ (167,644)</td>
<td>$ 292,880</td>
</tr>
<tr>
<td>Net cash provided by (used in) operating activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: Purchases of property and equipment</td>
<td>(84,518)</td>
<td>(120,242)</td>
<td>(36,478)</td>
<td>(67,832)</td>
<td>(89,875)</td>
</tr>
<tr>
<td>Free Cash Flow¹</td>
<td>$ (819,185)</td>
<td>$ (810,166)</td>
<td>$ (341,436)</td>
<td>$ (225,476)</td>
<td>$ 223,005</td>
</tr>
</tbody>
</table>

¹ We define Free Cash Flow as net cash provided by (used in) operating activities, reduced by purchases of property and equipment.

² We define Adjusted EBITDA as net income (loss), excluding interest income; interest expense; other income (expense), net; income tax benefit (expense); depreciation and amortization; stock-based compensation expense and other payroll related tax expense; and certain other non-cash or non-recurring items impacting net income (loss) from time to time. Securities class action lawsuit legal charges related to a preliminary agreement to settle the securities class action lawsuit that arose following our IPO. Charges recorded are net of amounts directly covered by insurance. These charges are non-recurring and not reflective of underlying trends in our business.

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Snap Inc.