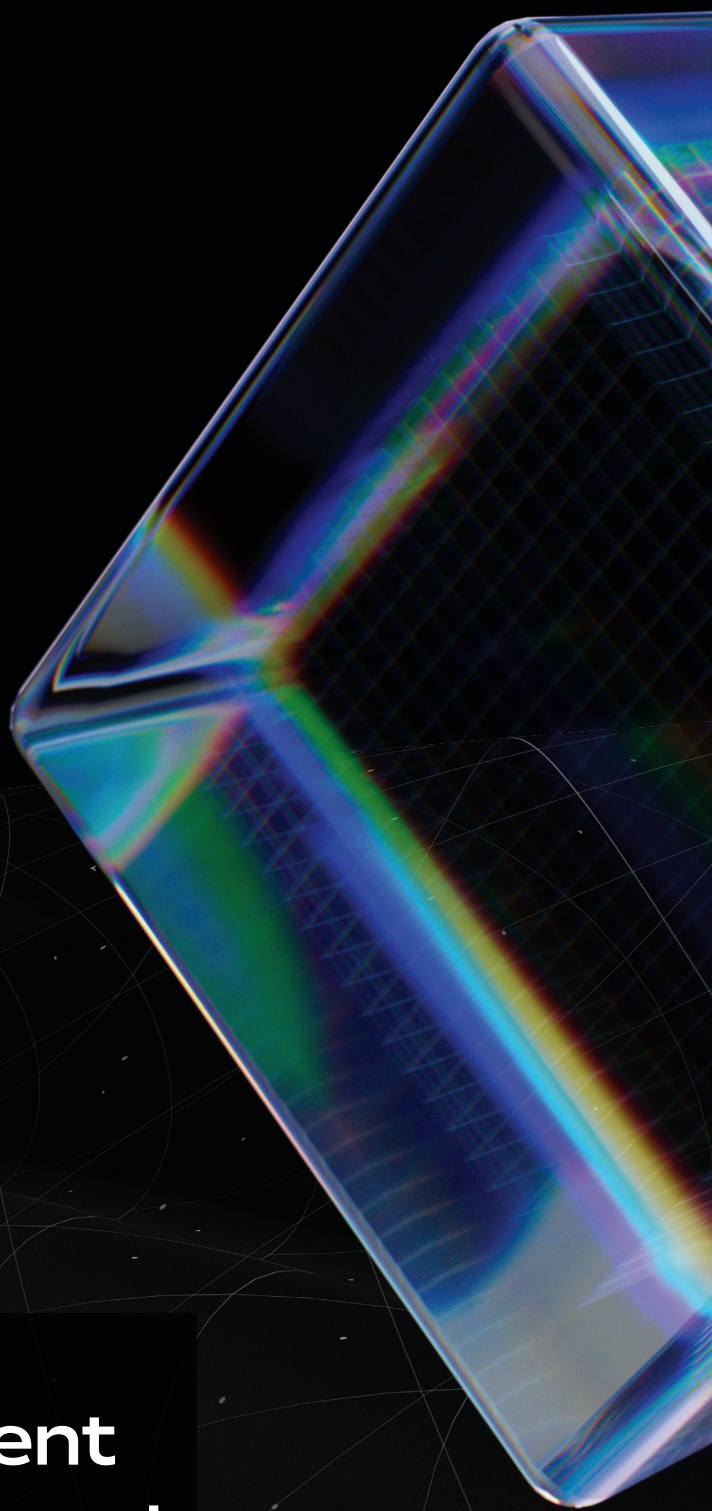
ROBLOX



Roblox Corporation 2025 Proxy Statement and 2024 Annual Report

Thursday, May 29, 2025
8:00 AM (Pacific Time)

Roblox's mission is to connect a billion people with optimism and civility.

2024 Highlights

FINANCIAL

$3.6B
Revenue

$4.4B
Bookings*

$822.3M
Operating Cash Flow

OPERATIONAL

82.9M
Average Daily Active Users

73.5B
Hours Engaged

14M+
Active Experiences

HUMAN CAPITAL MANAGEMENT

Named in Forbes' **Global 2000 list of companies** for 2024

#16 **Best US Overall Companies in Built-In Best Places to Work** 2025

#9 **Best US Large Companies in Built-In Best Places to Work** 2025

*For a reconciliation of GAAP Revenue to Bookings see section titled "Non-GAAP Financial Measures", within Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations from pages 71-72 in our Annual Report on Form 10-K filed on February 18, 2025.

Letter from the Founder and CEO

Fellow Shareholders,

Our vision is to reimagine how people come together and our mission is to connect one billion people with optimism and civility. Last year, for the first time in our journey, we announced an interim growth goal to have 10% of all global gaming content revenue supported by the Roblox ecosystem and distributed within our creator community. Today, Roblox represents a small percent of this market (less than 3%) providing enormous headroom to expand its market share.

The clarity of this goal has allowed our teams to map out the technology and systems we will need to get there. This work is particularly important today because we know that Roblox brings people together, which can be a rare occurrence on the internet.

Connection is a basic human need, but many people today struggle with a lack of it. All across the world, loneliness is leading to a new level of mental health challenges, particularly as people spend more and more time alone physically. But, being together in person with the people who are most important to us may not always be possible. I'm optimistic that Roblox can help bridge that gap. Spending time with our friends, parents or children makes us feel enriched and even energized. That's true when we talk on the phone and can be even more so when we get together in a rich 3D environment like Roblox. That is why we are making connection and communication on Roblox easier and more fun. For example, this last year we launched "Party" that enables users to join experiences together, and we're working to add voice chat to Party for our 13 and older users.

To reach our goal of having 10% of the gaming content market supported by the Roblox ecosystem, there are several company-wide operational and technical leaps we are taking. Perhaps our biggest ambition for 2025—though by no means a new one for us—is to lead the world in safety for online gaming. We want people to continue to feel safe on our platform.

Last year we launched more than 40 safety features and policies including extensive updates to our parental controls making it easier for parents to be part of their children's digital lives. We also limited chat options for Roblox users under age 13 and added age-gates to certain content. This year, we are planning to continue expanding those controls while also building out further support for parents and making our communications features safer than ever.

Supporting 10% of the gaming market also means supporting our growing ecosystem of creators. Last year we launched a price optimization tool that helps creators test and analyze pricing for in-experience items, helping our creators understand the supply and demand dynamics in our marketplace and choose the best prices. We are also focused on helping creators find and engage more users by moving beyond our traditional strengths and venturing into new top gaming genres with latent unmet demand.

Artificial Intelligence is at the heart of everything we do at Roblox up and down our stack. Recently, we unveiled our 3D foundational model, Cube 3D - making 3D creation more accessible to everyone. Cube 3D generates 3D models and environments directly from text and, in the future, image inputs.

Since our inception, we have focused on innovation to make people's time on Roblox better and to help improve their wellness and happiness.

At this year's meeting, we are asking for your support for all of our management proposals, including a proposal to approve the reincorporation of Roblox from a Delaware corporation to a Nevada corporation. We believe that Nevada's corporate law framework and statutory regime aligns with Roblox's culture of innovation, values and mission to connect the world with civility and optimism. It also allows us to continue to build shareholder value, by providing a supportive, predictable environment. The proposal to reincorporate to a Nevada corporation was recommended following a rigorous and thoughtful analysis by our Nominating and Corporate Governance Committee and our Board of Directors.

We are grateful to have our shareholders along for our journey. Your vote at our annual meeting is important and helps guide the future of our company.

David Baszucki
Founder, President, CEO and Chair of our Board of Directors

Notice of 2025 Annual Meeting of Stockholders

3150 South Delaware St.
San Mateo, California 94403

To the Stockholders of Roblox Corporation:

On behalf of our board of directors, it is our pleasure to invite you to attend the 2025 annual meeting of stockholders (including any adjournment or postponement thereof, the "**Annual Meeting**") of Roblox Corporation. The Annual Meeting will be held virtually via live webcast at https://web.lumiconnect.com/215721927 (password: roblox2025), originating from San Mateo, California, on Thursday, May 29, 2025 at 8:00 a.m., Pacific Time.

We are holding the Annual Meeting to seek your approval of the following proposals:

Proposals	Board Vote Recommendation	For Further Details
1. Election of Class I Directors	**"FOR"** each director nominee	Page 12
2. Advisory Vote on the Compensation of our Named Executive Officers	**"FOR"**	Page 44
3. Ratification of the Independent Registered Public Accounting Firm	**"FOR"**	Page 80
4. Approval of the Reincorporation of Roblox to the State of Nevada by Conversion	**"FOR"**	Page 83

These items of business are more fully described in the proxy statement accompanying this letter.

Stockholders will also act on any other business properly brought before the meeting. At this time we are not aware of any such additional matters.

The record date for the Annual Meeting is April 11, 2025. Only stockholders of record of our Class A common stock and Class B common stock at the close of business on the record date may vote at the Annual Meeting. For stockholders of record, to vote in the Annual Meeting, you will need the control number included on your Notice of Internet Availability of Proxy Materials (the "**Notice**") or proxy card. If you are a street name stockholder, you will need to obtain a legal proxy from your broker, bank, or other nominee in order to vote your shares at the Annual Meeting.

On or about April 17, 2025, we mailed to our stockholders a Notice of Internet Availability of Proxy Materials containing instructions on how to access our proxy statement and annual report. This notice provides instructions on how to vote via the Internet or by telephone and includes instructions on how to receive a paper copy of our proxy materials by mail. The accompanying proxy statement and our annual report can be accessed directly at the following Internet address: http://astproxyportal.com/ast/24055/.

Whether or not you plan to attend the Annual Meeting, we urge you to submit your proxy or voting instructions via the Internet, telephone, or mail as soon as possible.

In the event of a technical malfunction or other situation that the meeting chair determines may affect the ability of the Annual Meeting to satisfy the requirements for a meeting of stockholders to be held by means of remote communication under the Delaware General Corporation Law, or that otherwise makes it advisable to adjourn the Annual Meeting, the meeting chair or secretary will convene the meeting at 9:00 a.m. Pacific Time on the date specified above and at the Company's address specified above solely for the purpose of adjourning the meeting to reconvene at a date, time and physical or virtual location announced by the meeting chair. Under either of the foregoing circumstances, we will post information regarding the announcement on the Investor Relations page of Roblox's website at https://ir.roblox.com.

By order of the board of directors,

Mark Reinstra
Chief Legal Officer and Corporate Secretary
San Mateo, California
April 17, 2025

How to Vote in Advance of the Meeting

Internet
www.voteproxy.com

Telephone
1-800-776-9437
(U.S. and Canada)
1-718-921-8500
(all other countries)

Mail
Mark, sign, date and promptly mail the enclosed proxy card in the postage-paid envelope

QR Code
Scan this QR code to vote with your mobile device

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be held on May 29, 2025. The proxy statement and the annual report are available at http://astproxyportal.com/ast/24055/.

Table of Contents

Proxy Summary

This proxy summary highlights information regarding Roblox Corporation ("**Roblox**" or the "**Company**") and certain information included elsewhere in this proxy statement. You should read the entire proxy statement before voting. You should also review our 2024 annual report to stockholders for detailed information regarding the 2024 financial and operating performance of Roblox, including the audited financial statements and related notes included in the report.

ITEM 1

Election of Class I Directors
The Board Recommends a Vote **FOR** Each Director Nominee.
See Page 12

ITEM 2

Advisory Vote on the Compensation of our Named Executive Officers
The Board Recommends a Vote **FOR** this Proposal.
See Page 44

ITEM 3

Ratification of the Independent Registered Public Accounting Firm
The Board Recommends a Vote **FOR** this Proposal.
See Page 80

ITEM 4

Approval of the Reincorporation of Roblox to the State of Nevada by Conversion
The Board Recommends a Vote **FOR** this Proposal.
See Page 83

Please Vote Today

Your vote is important. Whether or not you plan to virtually attend the annual meeting, we urge you to vote promptly. Please carefully review the proxy materials and follow the instructions to cast your vote on all of the proposals.

Questions and Answers About the 2025 Annual Meeting

Please see *"Questions and Answers About the Proxy Materials and 2025 Annual Meeting"* for important information about the annual meeting, virtual meeting format, proxy materials, voting, Company documents, communications, deadlines to submit stockholder proposals and other pertinent information.

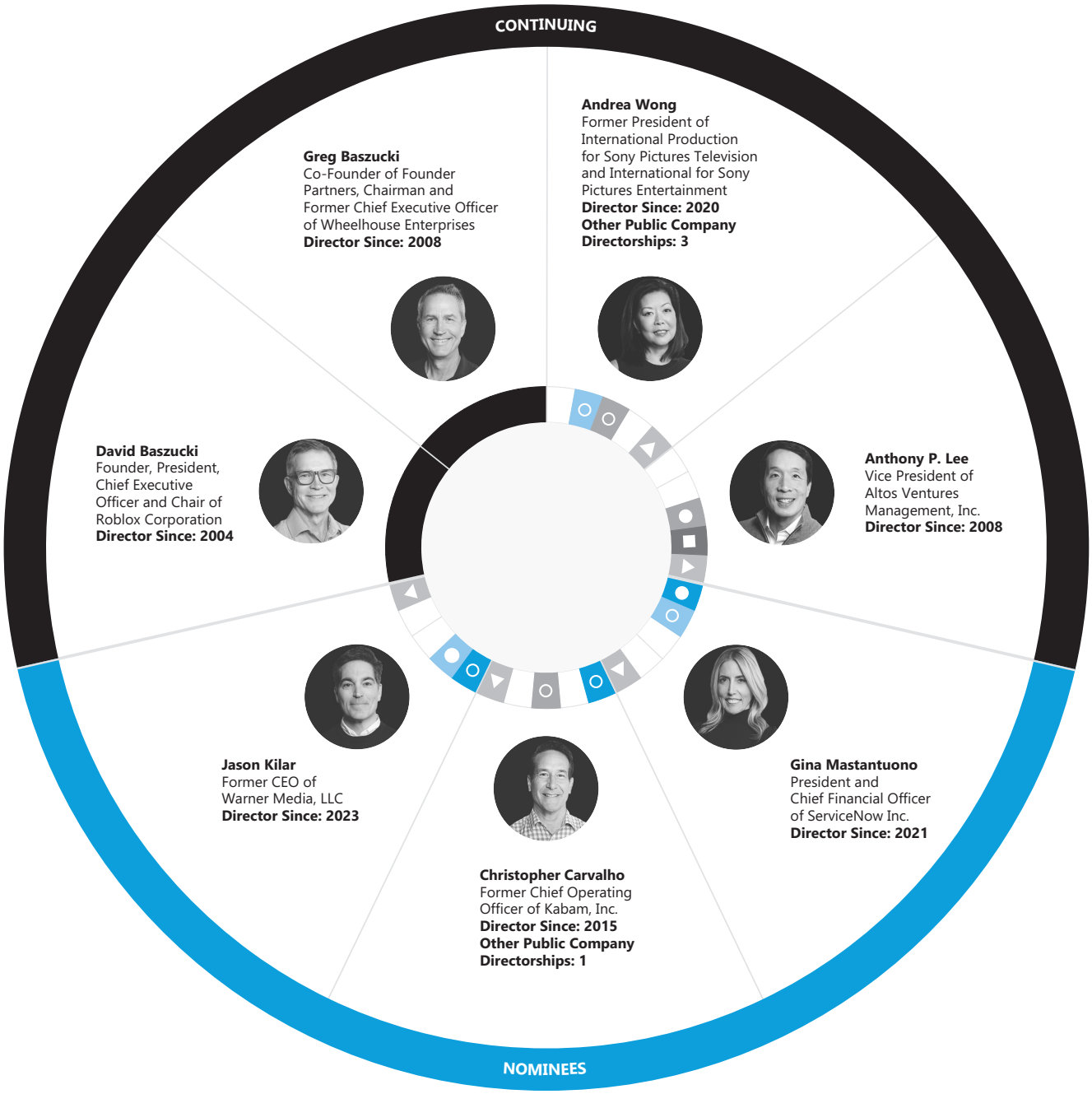
Note About Forward-Looking Statements

This document includes forward-looking statements within the meaning of the federal securities laws. All statements other than statements of historical or current facts made in this document are forward-looking. We use words such as "anticipate," "believe," "may," "will," "should," "could," "estimate," "continue," "expect," "future," "intend," "target," "project," "plan," "contemplate," "predict" and similar expressions to identify forward-looking statements. Forward-looking statements reflect management's current expectations and are inherently uncertain. Actual results could differ materially for a variety of reasons. Risks and uncertainties that could cause our actual results to differ significantly from management's expectations are described in our Annual Report on Form 10-K for the year ended December 31, 2024. 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 we make.

Note About Our Website and Reports

None of the statements on our website, other websites, or the current or periodic reports referenced or discussed in this proxy statement, are deemed to be part of, or incorporated by reference into, this proxy statement. Some of the statements on our website, other websites, or the current or periodic reports herein, may contain cautionary statements regarding forward-looking information that should be carefully considered. The statements on our website, other websites or other current or periodic reports may also change at any time and we undertake no obligation to update them, except as required by law.

Board Highlights



Committee Memberships

- ACC - Audit and Compliance Committee
- LDCC - Leadership Development and Compensation Committee
- NCGC - Nominating and Corporate Governance Committee

- Member
- Chairperson

- Lead Independent Director
- Independent

A Diverse and Skilled Board

We believe that our diverse board of directors (our "**Board**") has an appropriate mix of skills, expertise and experience to oversee critical matters of the Company and to represent the interests of our stockholders.

3

Public Company CEO / Executive
Experience as a current or former CEO, President, CFO and/or COO within the past 5 years

3

Public Company Board (excluding Roblox)
Experience serving as a member of a public company board within the last five years (excluding Roblox)

7

Private Company Board (excluding Roblox)
Current or prior experience as a member of a privately-held company board (excluding Roblox)

5

Gaming and Entertainment Industry
Experience and expertise with the gaming, entertainment and media industry and businesses

2

Cybersecurity
Understanding of and experience in overseeing corporate cybersecurity programs and having a history of participation in relevant cyber education

6

Technology/Digital Media
Experience and expertise in technology-related business or technology functions, resulting in knowledge of how to anticipate technological trends and an understanding of technology related risks

2

Public Company Finance
Experience as an executive responsible for financial results of a breadth and complexity comparable to Roblox

5

Audit/Accounting
Experience with accounting, financial reporting processes and internal controls, including experience working with financial statements and auditors

4

Mergers and Acquisitions
M&A and integration experience (including buy-and sell-side) as a public company director

2

Government Relations/Regulatory
Background or experience in regulatory and public policy

6

International Operations
Experience with the challenges companies face in building out international operations and compliance programs

7

People/Compensation
Expertise in aligning Company culture, performance, reward and talent with strategy as well as remote and flexible work strategies

6

Leadership Development
Experience with corporate governance requirements, leadership development and succession planning of management

7

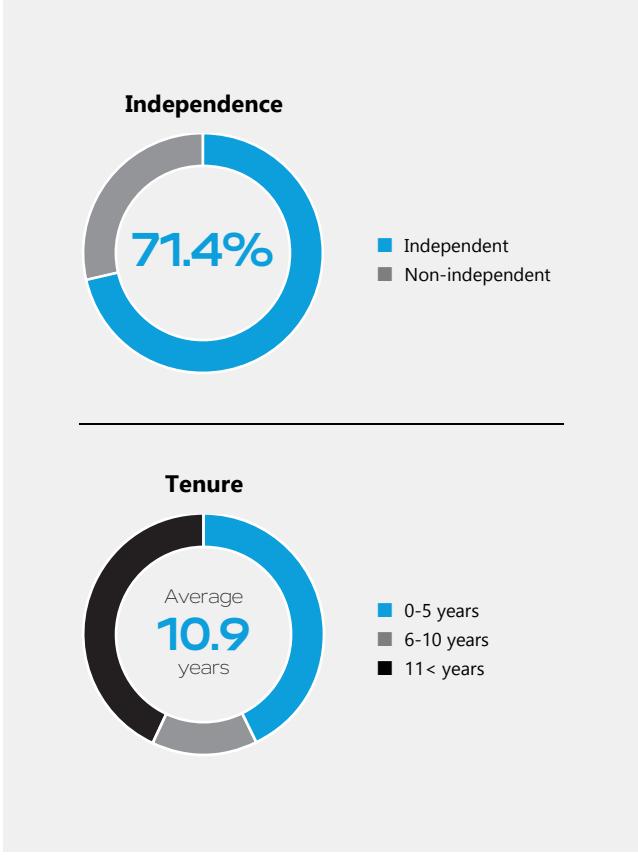
Corporate History and Evolution
Experience and understanding of Roblox's corporate history and evolution

Corporate Governance Highlights

We believe that good corporate governance promotes the long-term interests of our stockholders, strengthens our Board and management accountability and leads to better business performance. For these reasons, we are committed to maintaining strong corporate governance practices.

Details regarding our corporate governance practices can be found in the "*Corporate Governance*" section beginning on page 20, including the following highlights:

- strong lead independent director with expansive duties;
- board comprised of 71.4% independent directors;
- executive sessions of non-management directors and at least two annual executive sessions of independent directors;
- annual Board and committee self-evaluations;
- detailed strategy and risk oversight by Board and committees;
- no director overboarding;
- 100% independent Board committees;
- focus on executive officer succession planning;
- director onboarding program and continuing director education;
- periodic review of committee charters and key governance policies;
- stock ownership guidelines for directors and executive officers;
- executive officer private company investment guidelines;
- focus on Company culture; and
- annual advisory Say-on-Pay vote.



Executive Compensation Highlights

Pay for Performance and Stockholder Alignment

Our compensation program focuses on ownership, long-term retention and value creation.

Executive Compensation in 2024

- **CEO:** A significant portion of the CEO's compensation was equity-based subject to either time-based vesting over three years or performance-based vesting, with the performance based on achievement against bookings and covenant adjusted EBITDA targets.
- Other than our CEO, approximately 90% of the compensation of our named executive officers ("**NEOs**") was equity-based and subject to either time-based vesting over three years or performance-based vesting, with the performance based on achievement against bookings and covenant adjusted EBITDA targets.

Compensation Practices

What we do	What we do not do
■ 100% independent directors on our Leadership Development and Compensation Committee ("**LDCC**")	■ No pension plans
■ Independent compensation advisor, who provides no other services to the Company	■ No hedging or pledging of our stock by directors, executives or employees
■ In 2024, a significant portion of our CEO's compensation was equity-based	■ No excise tax gross-ups upon a change in control
■ Annual review of NEO compensation levels using size appropriate peer group and broader technology industry survey data	
■ Double-trigger change in control arrangements	
■ Assess the risk-reward balance of our compensation programs to mitigate undue risks	
■ Robust stock ownership guidelines apply to all executive officers and non-employee directors	
■ Annual advisory vote on NEO compensation	
■ At least annual reviews of executive officer compensation and peer group data	

Board of Directors

ITEM 1

Election of Class I Directors

The Board of Directors Recommends a vote "**FOR**" the nominees named below

Our Board

Our Board is currently comprised of seven members. We have a classified board consisting of three classes, designated as Class I, Class II and Class III, each serving staggered three-year terms. Information regarding each director nominee and continuing director is set forth below. As detailed further in this proxy statement, our Board, including the three director nominees, reflects a broad array of knowledge, experience, skills, backgrounds and other attributes.

Nominees

Upon the recommendation of our Nominating and Corporate Governance Committee ("**NCGC**"), our Board has nominated Christopher Carvalho, Gina Mastantuono and Jason Kilar for election as Class I directors at the Annual Meeting for new three-year terms, each to serve until the 2028 annual meeting of stockholders and until a successor has been duly elected and qualified, or until such director's earlier resignation, retirement or other termination of service.

Voting Considerations

Each of the nominees has consented to being named in the proxy statement and to continue to serve as a director, if elected; however, in the event that a director nominee is unable or declines to serve as a director at the time of the Annual Meeting, the proxies will be voted for any nominee designated by our Board to fill such vacancy.

If you are a stockholder of record and you sign your proxy card or vote by telephone or over the Internet but do not give instructions with respect to the voting of directors, your shares will be voted "FOR" the election of each of the nominees. If you are a street name stockholder and you do not give voting instructions to your broker or nominee, your broker will leave your shares unvoted on this matter.

Vote Required

Each director is elected by a plurality of the voting power of our common stock present in person (including virtually) or represented by proxy at the meeting and entitled to vote on the election of directors. Because the outcome of this proposal will be determined by a plurality vote, any shares not voted "FOR" a particular nominee, whether as a result of choosing to "WITHHOLD" authority to vote or a broker non-vote, will not have an effect on the outcome of the election.

Director Nominees

The following biographies are for our Class I nominees up for election for a three-year term expiring at the 2028 annual meeting.

Christopher Carvalho

Former Chief Operating Officer of Kabam, Inc.

Age: 59

Director Since: 2015

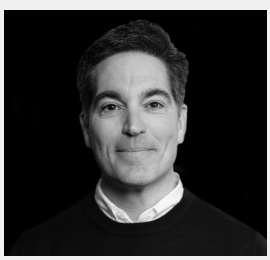
Committees:
Audit and Compliance, Nominating and Corporate Governance

Background

Mr. Carvalho has served as a member of our Board since December 2015. Between January 2010 and December 2013, Mr. Carvalho served as Chief Operating Officer of Kabam, Inc., a developer of online computer games. From June 2008 to October 2010, he served as Vice President and General Manager of SmartyCard, a division of Gazillion Entertainment, a developer of online computer games. Between January 1999 and June 2008, Mr. Carvalho served in several capacities with Lucasfilm Ltd., a film and entertainment company, including as the head of Business Development. Mr. Carvalho serves on the board of Modern Times Group MTG AB, a digital entertainment company listed on the Nasdaq Stockholm AB. Between 2016 and 2019, Mr. Carvalho served as a member of the board of directors of G5 Entertainment AB, a developer and publisher of mobile games listed on the Nasdaq Stockholm AB main market and the Nasdaq OTCQX. Mr. Carvalho holds an MBA from the University of California, Los Angeles Anderson School of Management and a BS in Business Administration from the University of California, Berkeley, Haas School of Business.

Director Qualifications

We believe that Mr. Carvalho is qualified to serve on our Board because of his executive level experience in online gaming, his general experience with and knowledge of the industry in which we operate, and his experience as a current and former director of many companies.



Jason Kilar

Former CEO of WarnerMedia, Inc.

Age: 53

Director Since: 2023

Committees:
Audit and Compliance, Leadership Development and Compensation (Chair)

Background

Mr. Kilar has served as a member of our Board since September 2023. Since September 2017, Mr. Kilar has served as a member of the board of directors of Wealthfront Inc. From March 2019 through June 2024, Mr. Kilar served as a member of the board of directors of Opendoor Technologies Inc. Previously, Mr. Kilar served as the Chief Executive Officer of Warner Media, LLC, a media and entertainment subsidiary of its public company parent, Warner Bros. Discovery, Inc. from May 2020 to April 2022. Prior to that, Mr. Kilar co-founded and served as the Chief Executive Officer of Vessel Group, Inc., a video platform company, from 2013 to 2017. Prior to Vessel Group, Mr. Kilar served as the founding Chief Executive Officer of Hulu, LLC, a streaming service company, from 2007 to 2013. Mr. Kilar also served in a variety of senior leadership roles with Amazon.com, Inc., an e-commerce technology company, from 1997 to 2006, including as Senior Vice President, Worldwide Application Software, and Vice President and General Manager of Amazon's North American media businesses. He has also served on various other private company boards of directors, including Univision Communications Inc. from September 2016 to April 2020 and Brighter Inc. from 2013 until its acquisition by Cigna Corporation in 2017. Mr. Kilar received his BA degree in Journalism and Business Administration from University of North Carolina at Chapel Hill and MBA degree from Harvard Business School.

Director Qualifications

We believe that Mr. Kilar is qualified to serve on our Board because of his deep expertise in operations as a former CEO and seasoned board member, and his extensive experience with technology, high-growth, media, consumer and digital companies.

Gina Mastantuono

President and Chief Financial Officer of ServiceNow, Inc.

Age: 54

Director Since: 2021

Committees:
Audit and Compliance (Chair), Leadership Development and Compensation

Background

Ms. Mastantuono has served as a member of our Board since April 2021. Ms. Mastantuono has served as the Chief Financial Officer of ServiceNow, Inc. since January 2020 and President since January 2025. From December 2016 to January 2020, Ms. Mastantuono served as Executive Vice President and Chief Financial Officer of Ingram Micro Inc., a provider of global technology and supply chain services and as its Executive Vice President, Finance from April 2013 to December 2016. From June 2007 to April 2013, Ms. Mastantuono served as Senior Vice President, Chief Accounting Officer and International Chief Financial Officer of Revlon, Inc., a cosmetics, skin care, fragrance and personal care company. Before Revlon, Ms. Mastantuono held various finance executive roles at InterActiveCorp., a publicly traded operator of a diversified portfolio of specialized and global brands, and Triarc Companies, Inc., a publicly traded consumer products company. Ms. Mastantuono currently serves on the board of directors of Gong.io Inc., a revenue intelligence platform company. She began her career at Ernst & Young, LLP in New York. Ms. Mastantuono is a certified public accountant with more than 30 years of finance experience. Ms. Mastantuono attended the State University of New York at Albany, where she earned a BS degree in Accounting and Business Administration.

Director Qualifications

We believe Ms. Mastantuono is qualified to serve on our Board because of her deep financial and strategic acumen and her extensive management experience with global technology companies. Further, Ms. Mastantuono's financial expertise over 30 years in finance provides her with the necessary skills and experience to perform audit and compliance committee

Continuing Directors

The following biographies are for each Class II director whose current term will expire at the 2026 annual meeting.

David Baszucki

Founder, President, Chief Executive Officer and Chair of the Board

Age: 62

Director Since: 2004

Background

Mr. Baszucki has served as our Founder, President, Chief Executive Officer and member of our Board since March 2004. From July 1989 until December 1998, Mr. Baszucki served in various positions at Knowledge Revolution, a developer of 2D and 3D motion simulation software, which was acquired in December 1998 by MSC Software Corporation, a software company that specializes in simulation software, and which was acquired by Hexagon AB, a global technology group focused on precision measuring technologies, in February 2017. Between December 1998 and December 2000, Mr. Baszucki served in various positions at MSC Software Corporation, most recently as General Manager. Mr. Baszucki currently serves as a member of the board of directors of the Paley Center for Media. Mr. Baszucki holds a BS in Electrical Engineering from Stanford University.

Director Qualifications

We believe that Mr. Baszucki is qualified to serve on our Board because of the perspective and experience he brings as our Founder, President, Chief Executive Officer and Chair of our Board.

Gregory Baszucki

Co-Founder of Founder Partners, Former Chief Executive Officer of Wheelhouse Enterprises

Age: 60

Director Since: 2008

Background

Mr. Baszucki has served as a member of our Board since February 2008. Since January 2013, Mr. Baszucki has served as a Co-Founder of Founder Partners, a closely held partnership which builds and invests in capital efficient mobile, Internet and software companies. He is also the Chairman of Wheelhouse Enterprises, Inc., a marketplace for buyers and sellers of business software, and from its founding in January 2009 through February 2023, served as Chief Executive Officer. Prior to Founder Partners and Wheelhouse Enterprises, Mr. Baszucki founded and served as President of Dealix Corporation, an online automotive sales company between November 1998 and November 2006. Mr. Baszucki currently serves as a member of the board of directors of Interactive Memories, Inc, a private company. Mr. Baszucki holds a BS in Electrical Engineering from University of Minnesota-Twin Cities.

Director Qualifications

We believe that Mr. Baszucki is qualified to serve on our Board because of his significant knowledge of and history with our Company, his executive leadership experience, his extensive experience as an entrepreneur, and his experience as a current and former director of many companies.

The following biographies are for each Class III director whose current term will expire at the 2027 annual meeting.

Anthony P. Lee

Vice President of Altos Ventures Management, Inc.

Age: 54

Director Since: 2008

Committees:
Nominating and Corporate Governance (Chair); Lead Independent Director

Background

Mr. Lee has served as a member of our Board since February 2008 and was appointed as our Lead Independent Director in November 2020. He joined Altos Ventures in May 2000 and is currently a Vice President of Altos Ventures Management, Inc., which manages a family of international, technology-focused venture capital funds. He is a managing director of each fund. In addition, Mr. Lee currently serves on the board of directors of several private companies and non-profit organizations. He holds an AB in Politics from Princeton University and an MBA from the Stanford Graduate School of Business.

Director Qualifications

We believe that Mr. Lee is qualified to serve on our Board because of his significant knowledge of and history with our Company and his experience as a seasoned investor and current and former director of many companies.

Andrea Wong

Former President of International Production for Sony Pictures Television and International for Sony Pictures Entertainment

Age: 58

Director Since: 2020

Committees:
Leadership Development and Compensation, Nominating and Corporate Governance

Background

Ms. Wong has served as a member of our Board since August 2020. Ms. Wong has served on the board of directors of Liberty Media Corporation, an owner and operator of media, communications and entertainment businesses, since September 2011 and QVC Group, Inc. ("**QVC**"), an owner and operator of digital commerce businesses since April 2010. Ms. Wong will be retiring from service on the QVC board and will not be standing for re-election upon the expiration of her term at the 2025 annual meeting of stockholders. Ms. Wong has served on the board of directors of Hudson Pacific Properties Inc., a real estate investment trust since August 2017. From 2011 to 2017, Ms. Wong served as President, International Production for Sony Pictures Television and President, International for Sony Pictures Entertainment. From 2007 to 2010, she served as President and Chief Executive Officer of Lifetime Entertainment Services. Ms. Wong served in various positions with ABC, Inc., a subsidiary of The Walt Disney Company, from 1993 to 2007, including as Executive Vice President, Alternative Series, Specials and Late Night. Ms. Wong previously served as a director of Hudson's Bay Company, Oaktree Acquisition Corp, Oaktree Acquisition Corp II, and Social Capital Hedosophia Holdings Corp. Ms. Wong holds a BS in electrical engineering from the Massachusetts Institute of Technology and an MBA from the Stanford Graduate School of Business.

Director Qualifications

We believe that Ms. Wong is qualified to serve on our Board because of her extensive background in media programming across a variety of platforms, her executive leadership experience with the management and operation of companies in the entertainment sector, and her experience as a current and former director of many companies.

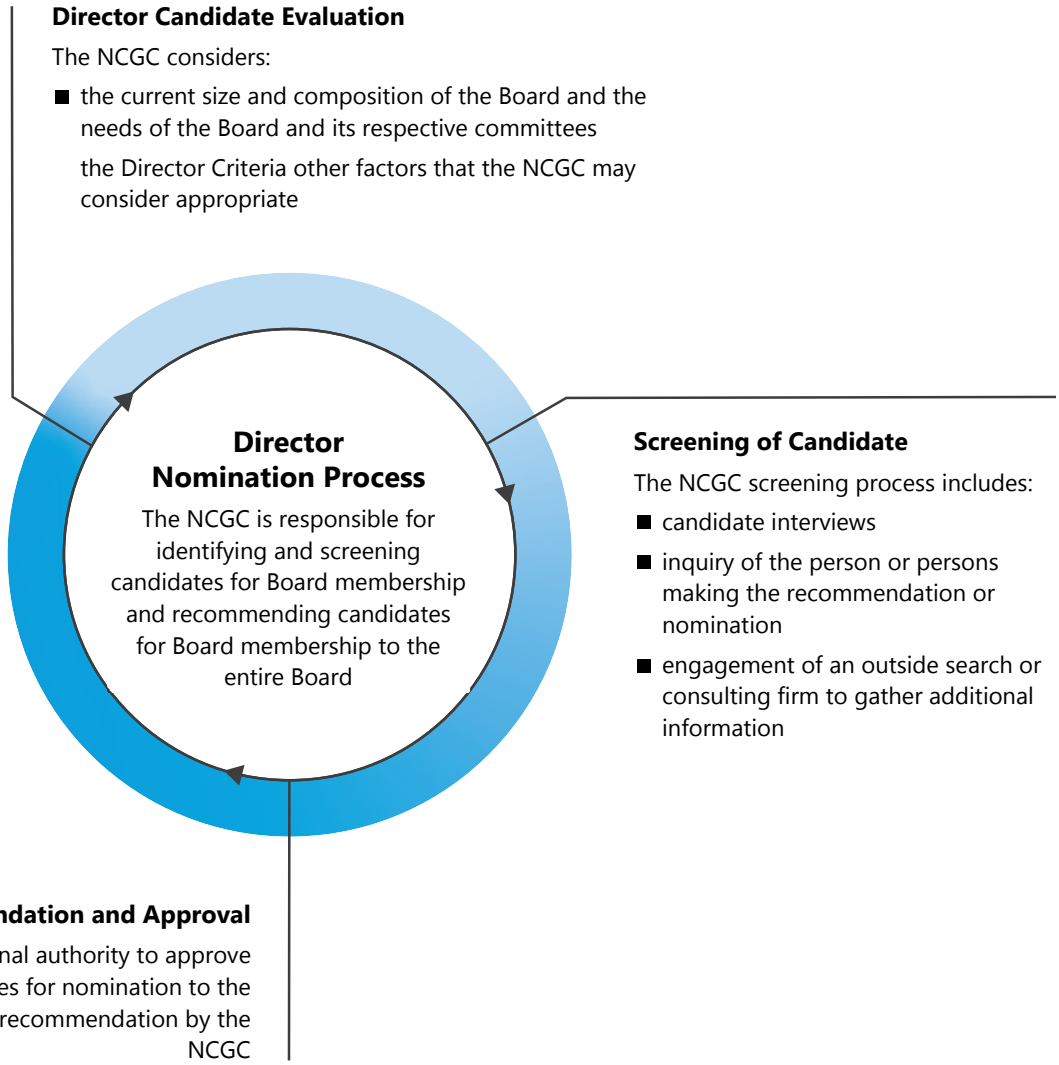
Board Composition

We are committed to having a skilled and experienced Board that will provide sound oversight as Roblox continues to execute on its long-term growth strategy.

Identification and Consideration of New Nominees

Our NCGC is responsible for reviewing with the Board the appropriate characteristics, skills and experience required for the Board as a whole and its individual members. Our NCGC uses a variety of methods to identify and evaluate director nominees. Our NCGC and our Board evaluate each director in the context of the membership of the Board as a group, with the objective of maintaining a Board that can best perpetuate the success of the business and represent stockholder interests through the exercise of sound judgment using its diversity of backgrounds and experiences in various areas. Our NCGC also retains search firms from time to time to assist in identifying and evaluating potential director candidates. While the Board has not established specific minimum qualifications for members of the Board, the Board believes that the assessment of director qualifications may include numerous factors which we refer to as the Director Criteria, such as:

- character;
- professional ethics and integrity;
- judgment;
- business acumen;
- proven achievement and competence in one's field;
- the ability to exercise sound business judgment;
- tenure on the Board and skills that are complementary to the Board;
- an understanding of the Company's business;
- an understanding of the responsibilities that are required of a member of our Board;
- other time commitments; and
- a broad range of other attributes such as professional background, education, age and geography, as well as other individual qualities that contribute to the total mix of viewpoints and experience represented on the Board.



Each year, as part of the Board succession planning and refreshment process, the NCGC, together with the Board, discusses the Board's future composition needs. These discussions include the desired skills and attributes of new board members and the current and long-term needs of our business and the skills composition of our Board and committees. In 2023, the Board identified prior operational expertise as a CEO as an important priority for overall Board composition. The NCGC worked with a third-party search firm to identify candidates with these skills and attributes. As a result of a robust and deliberate search process, in September 2023 we appointed Jason Kilar, former CEO of WarnerMedia, LLC, former CEO of the Vessel Group, Inc. and former Co-Founder and CEO of Hulu, LLC to our Board. In connection with Mr. Kilar's appointment to the Board, he became a member of our LDCC and Audit and Compliance Committee ("**ACC**") and in March 2025 he became chair of the LDCC, succeeding Ms. Wong who previously served as chair of the LDCC.

Stockholder Recommendations and Nominations to the Board of Directors

The NCGC will consider director candidates recommended by stockholders holding at least 1% of the fully diluted capitalization of the Company continuously for at least 12 months prior to the date of the submission of the recommendation, so long as such recommendations comply with our amended and restated certificate of incorporation, amended and restated bylaws, and applicable laws, rules and regulations, including those promulgated by the Securities and Exchange Commission (the "**SEC**"). The NCGC will evaluate such recommendations in accordance with its charter, our amended and restated bylaws and our policies and procedures for director candidates, as well as the Director Criteria. This process is designed to ensure that our Board includes members with diverse backgrounds, skills and experience, including appropriate financial and other expertise relevant to our business. Eligible stockholders wishing to recommend a candidate for nomination should direct the recommendation in writing by letter, attention of the Chief Legal Officer or the Legal Department, at 3150 South Delaware Street, San Mateo, California 94403. Such recommendations must include the candidate's name, home and business contact information, detailed biographical data, relevant qualifications, a statement of support by the recommending stockholder, a signed letter from the candidate confirming willingness to serve on our Board, information regarding any relationships between the candidate and our Company, evidence of the recommending stockholder's ownership of our capital stock and any other information required by our amended and restated bylaws. The NCGC has discretion to decide which individuals to recommend for nomination as directors.

Under our amended and restated bylaws, stockholders may also directly nominate persons for our Board. Any nomination must comply with the requirements set forth in our amended and restated bylaws and should be sent in writing to our Corporate Secretary. To be timely for the 2026 annual meeting of stockholders, nominations must be received by our Corporate Secretary observing the same deadlines for stockholder proposals discussed below under *"Questions and Answers About the Proxy Materials and 2025 Annual Meeting—What is the deadline to propose actions for consideration at next year's annual meeting of stockholders or to nominate individuals to serve as directors?—Stockholder Proposals."*

Corporate Governance

Director Independence

Under the listing standards of the New York Stock Exchange ("**NYSE**"), independent directors must comprise a majority of a listed company's Board unless the listed company qualifies as a "controlled company." In addition, NYSE listing standards require that, subject to the "controlled company" exemption, each member of a listed company's audit, compensation, and nominating and corporate governance committees be independent. Under NYSE listing standards, a director will only qualify as an "independent director" if the Board affirmatively determines that the director has no material relationship with the Company (either directly or as a partner, stockholder or officer of an organization that has a relationship with the Company). We believe we are eligible for, but do not take advantage of, the "controlled company" exemption to the corporate governance rules for NYSE-listed companies.

Our Board has undertaken a review of the independence of each director. Based on information provided by each director concerning their background, employment and affiliations, our Board has determined that five of our six non-employee directors (Mr. Carvalho, Mr. Kilar, Mr. Lee, Ms. Mastantuono and Ms. Wong) do not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is "independent" as that term is defined under the listing standards of the NYSE. In making these determinations, our Board considered the current and prior relationships that each non-employee director has with our Company and all other facts and circumstances our Board deemed relevant in determining their independence, including the beneficial ownership of our capital stock by each non-employee director, and any transactions involving them described in the section titled *"Transactions with Related Persons—Transactions with Related Persons in Fiscal Year 2024."*

Lead Independent Director Duties and Responsibilities

Our Corporate Governance Guidelines provide that if the Chairperson of our Board is not an independent director, our independent directors will designate one of the independent directors to serve as Lead Independent Director. Because Mr. David Baszucki is our Chair and CEO, our Board, including the independent directors, appointed Anthony P. Lee to serve as our Lead Independent Director in 2020. In appointing Mr. Lee as Lead Independent Director, the Board considered Mr. Lee's demonstrated leadership during his tenure as a director, his contributions as the chair of the NCGC; and his prior contributions as a member of the ACC and LDCC. The Board continues to believe that Mr. Lee's ability to act as a strong lead independent director provides balance in our leadership structure and is in the best interest of Roblox and its stockholders.

As Lead Independent Director, Mr. Lee:

- is responsible for calling, contributing to the agenda and presiding over separate meetings of our independent directors;
- reports to our CEO and Chair regarding feedback from executive sessions;
- serves as spokesperson for the Company as requested; and
- performs such additional duties as a majority of the independent directors may designate from time to time.

Board Leadership Structure

We believe that the structure of our Board and its committees provides strong overall management of our Company. Mr. David Baszucki currently serves as both the Chair of our Board and as our Chief Executive Officer ("**CEO**"). As our founder, Mr. Baszucki is best positioned to identify strategic priorities, lead critical discussions, and execute our business plans.

Our Board has adopted corporate governance guidelines that provide that one of our independent directors should serve as our Lead Independent Director if the Chairperson of our Board is not independent. In addition, only independent directors serve on the ACC, LDCC and NCGC. As a result of the Board's committee system, the existence of a majority of independent directors, and Lead Independent Director, the Board believes it maintains effective oversight of our business operations, including independent oversight of our financial statements, executive compensation, selection of director candidates and corporate governance programs. We believe that the leadership structure of our Board is appropriate and enhances our Board's ability to effectively carry out its roles and responsibilities on behalf of our stockholders, while Mr. Baszucki's combined role enables strong leadership, creates clear accountability and enhances our ability to communicate our message and strategy clearly and consistently to stockholders.

Board Committees

Our Board has established the ACC, the LDCC and the NCGC. Each committee member meets the requirements for independence under the listing standards of the NYSE and SEC rules and regulations, and each committee operates under a written charter that satisfies the applicable rules and regulations of the SEC and the listing standards of the NYSE. A copy of each charter is available on our website at ir.roblox.com under "Governance." Members will serve on these committees until their resignation or until as otherwise determined by our Board. The composition and responsibilities of each of the committees of our Board is described below.

Gina Mastantuono
(Chair)

Christopher Carvalho

Jason Kilar

5

meetings in 2024

Audit and Compliance Committee

Our ACC is responsible for, among other things:

- selecting, retaining, evaluating and overseeing a qualified firm to serve as the independent registered public accounting firm to audit our financial statements;
- helping to ensure the independence and oversee the performance of the independent registered public accounting firm;
- reviewing and discussing the scope and results of the audit with the independent registered public accounting firm, and reviewing, with management and the independent registered public accounting firm, our interim and year-end results of operations;
- reviewing our financial statements and our critical accounting policies, principles and estimates;
- overseeing and monitoring the audit and integrity of our financial statements, accounting and financial reporting processes and internal controls;
- overseeing the design, implementation and performance of our internal audit function;
- overseeing our compliance with the Public Company Accounting Oversight Board ("**PCAOB**"), and other legal and regulatory requirements;
- adopting and overseeing procedures for employees to submit concerns anonymously about questionable accounting or audit matters;
- overseeing our policies on risk assessment and risk management;
- reviewing cybersecurity and data security risks and mitigation strategies;
- reviewing the overall adequacy and effectiveness of our legal, regulatory and ethical compliance programs;
- reviewing and approving related party transactions; and
- approving or, as required, pre-approving, all audit and all permissible non-audit services, to be performed by the independent registered public accounting firm.

Each member of the ACC meets the financial literacy and sophistication requirements of the listing standards of the NYSE.

No member of our ACC may serve on the audit committee (or other board committee performing equivalent functions) of more than three public companies, including Roblox, unless our Board determines that such simultaneous service would not impair the ability of such member to effectively serve on our ACC and we disclose such determination in our annual proxy statement.

Our Board has determined that Ms. Mastantuono is an audit committee financial expert within the meaning of Item 407(d) of Regulation S-K.

Our ACC has engaged a third-party consultant to advise on cybersecurity matters.

Jason Kilar
(Chair – March 2025 - present)

Andrea Wong
(Former Chair – March 2021 – March 2025)

Gina Mastantuono

7

meetings in 2024

Leadership Development and Compensation Committee

Our LDCC is responsible for, among other things:

- reviewing and approving the corporate goals and objectives applicable to the compensation of our executive officers, including our CEO and evaluating the performance of each such officer in light thereof;
- reviewing, determining and approving the cash and equity compensation of our officers, including our CEO and other key employees;
- reviewing, approving and administering our employee benefit and equity incentive plans;
- administering the Company's compensation recovery policies;
- advising our Board on management proposals to stockholders on executive compensation matters and overseeing management's engagement with stockholders and proxy advisory firms on executive compensation matters;
- establishing, reviewing and overseeing the development and implementation of employee compensation plans to ensure consistency with our general compensation strategy;
- reviewing and discussing our compensation policies and practices with management for risk assessment;
- reviewing and making recommendations regarding non-employee director compensation to our full Board;
- retaining or obtaining the advice of compensation advisors, independent legal counsel and other advisors;
- overseeing regulatory compliance with respect to compensation matters affecting the Company, including reviewing and discussing the Compensation Discussion and Analysis section in this proxy and related executive compensation information and producing the compensation committee report on executive officer compensation; and
- periodically reviewing and discussing with our Board our corporate and CEO succession planning and leadership development plans for the CEO and other executive officers.

Compensation Committee Interlocks and Insider Participation

None of the members of our LDCC is or has been an officer or employee of our Company. None of our executive officers currently serves, or in the past year has served, as a member of the board of directors or compensation committee (or other board committee performing equivalent functions) of any entity that has one or more of its executive officers serving on our Board or LDCC. See the section titled *"Transactions with Related Persons—Transactions with Related Persons in Fiscal Year 2024"* for information about any related party transactions involving members of our LDCC or their affiliates.

Anthony P. Lee
(Chair)

Andrea Wong

Christopher Carvalho

3

meetings in 2024

Nominating and Corporate Governance Committee

Our NCGC is responsible for, among other things:

- identifying, evaluating and selecting, or making recommendations to our Board regarding, nominees for election to our Board;
- considering and making recommendations to our Board regarding the composition of our Board and its committees;
- overseeing the evaluation of our Board, each of its committees and each director;
- reviewing and overseeing the Company's trust and safety programs and policies;
- overseeing and reviewing developments in our corporate governance practices, including developing and making recommendations to our Board regarding our corporate governance guidelines or framework; and
- developing, approving and reviewing compliance with the Company's Code of Business Conduct and Ethics, including overseeing compliance with the Company's executive officer investment guidelines; and - reviewing conflicts of interest of directors and officers other than related party transactions reviewed by the ACC.

Board and Committee Meetings

Meeting Attendance

During our fiscal year ended December 31, 2024, our Board held 7 meetings (including regularly scheduled and special meetings). Each director attended at least 90% of the aggregate of both (i) the total number of meetings of our Board held during the period for which he or she has been a director and (ii) the total number of meetings held by all committees of our Board on which he or she served during the periods that he or she served.

Executive Sessions

To encourage and enhance communication among non-employee directors, and as required under applicable NYSE rules, our corporate governance guidelines provide that the non-employee directors will meet in executive sessions without management directors or management present on a periodic basis but no less than twice a year. Such executive sessions will be led by independent directors. In addition, if any of our non-employee directors are not independent directors, then our independent directors will also meet in executive session on a periodic basis but not less than twice a year.

Attendance at Annual Meeting of Stockholders

Each director is strongly encouraged to attend the Company's annual meetings of stockholders. All then-serving directors attended our 2024 annual meeting of stockholders.

Board Oversight of Risk

Risk is inherent with every business, and we face a number of risks, including strategic, financial, business and operational, legal and compliance, and reputational, in the pursuit and achievement of our strategic objectives. We have designed and implemented processes to manage risk in our operations.

Board of Directors

- has responsibility for the oversight of our risk management framework, which is designed to identify, assess, and manage risks to which our Company is exposed, as well as to foster a corporate culture of integrity
- regularly reviews our strategic and operational risks in the context of discussions with management, question and answer sessions, and reports from the management team at each regular Board meeting

Audit and Compliance Committee

- assists our Board in fulfilling its oversight responsibilities with respect to risk management in the areas of internal control over financial reporting and disclosure controls and procedures, legal and regulatory compliance;
- discusses with management, the internal auditors, and the independent auditor guidelines and policies with respect to risk assessment and risk management, as well as potential conflicts of interest; and
- oversees our initiatives related to cybersecurity, including prevention and monitoring

Leadership Development and Compensation Committee

- assesses risks arising from our compensation philosophy and practices applicable to all employees to determine whether they encourage excessive risk-taking and evaluates policies and practices that could mitigate such risks; and
- oversees succession planning initiatives

Nominating and Corporate Governance Committee

- assesses risks relating to our corporate governance practices and the independence of the Board; and
- oversees our initiatives related to trust and safety

Management

- is responsible for the day-to-day oversight and management of strategic, operational, legal and compliance, cybersecurity, and financial risks

Leadership Development and Management Succession Planning

The Board and management team recognize the importance of continuously developing our executive talent. The LDCC periodically reviews the performance of, and succession planning for, our management team (including our CEO) and evaluates potential successors to management positions. In conducting its evaluation, the LDCC considers current and future organizational needs, competitive challenges, leadership and management potential and development and emergency situations.

Corporate Governance Guidelines and Code of Business Conduct and Ethics

Our Board has adopted Corporate Governance Guidelines that address items such as the qualifications and responsibilities of our directors and director candidates, including independence standards, and corporate governance policies and standards applicable to us in general. In addition, our Board has adopted a Code of Business Conduct and Ethics that applies to all of our and our subsidiaries' employees, officers and directors, including our CEO, chief financial officer, and other executive and senior financial officers and our contractors, consultants and agents. The full text of our Corporate Governance Guidelines and our Code of Business Conduct and Ethics is posted on our website at ir.roblox.com under "Governance Documents." We will disclose any amendments to our Code of Business Conduct and Ethics or any waivers of the requirements of our Code of Business Conduct and Ethics for directors and executive officers on the same website or in filings under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**").

Key Corporate Governance Guidelines Provisions

01 **Board and committee self-evaluations**	The NCGC oversees an annual self-evaluation by the Board and each of its committees. The NCGC will utilize the results of this process in assessing Board composition and performance to further the interests of the Company and its stockholders in a manner consistent with the Company's mission and core values.
02 **Director onboarding and education**	The NCGC oversees the Company's director orientation and continuing education programs. The directors and the Company are committed to ensuring that all directors receive orientation and continuing education.
03 **Limitation on other board service**	No director should serve on more than four additional public company boards without the approval of the Board. Our CEO should not serve on more than one additional public company board.
04 **No competing board service**	No director should sit on the board of any competitor of the Company, and every director should do an annual review of their other directorships to assess whether competition with the Company may have evolved in the preceding year due to new product or service introductions, among other things.
05 **Change in employment**	Directors are instructed to notify the NCGC if they become aware of circumstances, including changes of employment, that could materially interfere with their service as a director. The NCGC may request that the director cease the activity or, in more severe cases, submit his or her resignation from the Board.

Communication with the Board

The Board believes that stockholders should have an opportunity to send communications to the non-management members of the Board. In cases where stockholders and other interested parties wish to communicate directly with the Company's non-management directors, messages should be in writing and should be sent to the Chief Legal Officer, Chief Financial Officer or Legal Department by mail to the principal executive office of the Company. Any such communication should be made in accordance with the following policy.

Each communication should set forth (i) the name and address of the stockholder, as it appears on the Company's books, and if the Company's Class A common stock is held by a nominee, the name and address of the beneficial owner of the Company's Class A common stock and (ii) the number of shares of the Company's Class A common stock that are owned of record by the record holder and beneficially by the beneficial owner.

The Company's Chief Legal Officer, Chief Financial Officer or Legal Department, in consultation with appropriate directors as necessary, shall review all incoming communications and screen for communications that (1) are solicitations for products and services, (2) relate to matters of a personal nature not relevant for the Company's stockholders to act on or for the Board to consider and (3) matters that are of a type that render them improper or irrelevant to the functioning of the Board or the Company, including without limitation, mass mailings, product complaints or inquiries, job inquiries, business solicitations and patently offensive or otherwise inappropriate material. If appropriate, the Company's Chief Legal Officer, Chief Financial Officer or Legal Department will route such communications to the appropriate director(s) or, if none is specified, to the Chairperson of the Board or the Lead Independent Director if the Chairperson of the Board is not independent.

The Company's Chief Legal Officer, Chief Financial Officer or Legal Department may decide in the exercise of his, her or its judgment whether a response to any communication is necessary and shall provide a report to the NCGC on a quarterly basis of any communications received for which the Chief Legal Officer, Chief Financial Officer or Legal Department has responded. These policies and procedures for communications with the non-management directors are administered by the NCGC.

These policies and procedures do not apply to (a) communications to non-management directors from officers or directors of the Company who are stockholders or (b) stockholder proposals submitted pursuant to Rule 14a-8 under the Exchange Act.

Family Relationships

David Baszucki, our Founder, President, CEO and Chair of our Board and Gregory Baszucki, one of our directors, are brothers. There are no other family relationships among any of our executive officers or directors.

Corporate Social Responsibility Highlights

At Roblox, we are focused on our mission to connect one billion people with optimism and civility. We are building an immersive platform for connection and communication where every day, millions of users come to create, play, work, learn and connect with each other in experiences built by our global community of creators. We believe that the Roblox community, including our employees, developers, creators and users, are our most important asset and we are dedicated stewards of our community. Our commitment to corporate social responsibility begins with our focus and aspirations around our people and the trust, safety and civility of our platform. Below we describe the highlights of our efforts in these areas.

Our Values

We have embraced four core values since we founded the Company that we expect our employees to incorporate into their daily actions:

01

Respect the community

We consider our impact on the world, strive to respect everyone's best interests and communicate authentically. We prioritize community before company, company before team and team before individual.

02

We are responsible

We are responsible for both the intended and unintended consequences of our actions.

03

Take the long view

We set a long-term vision, even when making short-term decisions. We challenge the status quo, think big and look for innovation in whatever we do.

04

Get stuff done

We drive execution by taking initiative and relentlessly iterating towards the long-term goal.

Governance

We are committed to sound corporate governance practices and encouraging effective policy- and decision-making at both the Board and management level. Our Board, its committees and our management provide oversight around our efforts in many of the corporate social responsibility areas described below. For example, our NGCC oversees our initiatives related to the trust and safety of our users and our ACC oversees matters relating to the cybersecurity of both our platform and users and climate risk. Our governance practices are described in more detail in the section of this proxy statement entitled "*Corporate Governance*."

Our People

At Roblox, we maintain an innovation-first culture that seeks to empower our employees and leaders. We believe that teams are most successful when aligned around a shared vision and given the autonomy to tackle big opportunities. As of December 31, 2024, our employee workforce consisted of 2,474 full-time employees, of which over 1,800 employees were in product and engineering functions, accounting for approximately 77% of our total full-time employees, and over 100 of our full-time employees were located outside of the U.S.

People Programs

Compensation

We offer competitive compensation to attract and retain the best people, and we help care for our people so they can focus on our mission. Our employees' total compensation package includes market-competitive salary and equity awards. We generally offer employees equity at the time of hire and through regular refresh grants because we want them to be owners of the Company and committed to our long-term success.

Benefits

The wellbeing of our employees and their families is one of our top priorities. We offer a comprehensive program to provide our employees with the resources needed to achieve health, wealth and happiness. Our benefits include the following for our U.S. benefits-eligible employees:

Healthcare

- medical and pharmacy
- dental
- vision
- healthcare concierge support
- $50,000 lifetime reimbursement for fertility, adoption or surrogacy services

Mental Health

- 25 covered coaching or therapy sessions per person per year, including employees and dependents

Financial

- 401(k) match: $1 for $1 contribution match up to 50% of the IRS deferral limit
- employee stock purchase plan: 15% discount with 24-month offering and lookback period
- life and AD&D insurance
- short-term and long-term disability insurance

Commuting Benefits

- unlimited rides on Caltrain

Perks

- lifestyle spending account (LSA): $1,200/year
- mobile phone allowance: $100/month
- onsite (headquarters): breakfast, lunch, snacks and gym

Time Off and Leaves

- flexible time off policy
- 12 holidays, plus company coordinated time off
- leaves of absence: maternity, parental, medical, family care, military and sabbatical (for eligible employees after ten years of service)

We prioritize proactive solutions to help our employees achieve health, wealth and happiness. While many companies focus on benefits aimed at keeping employees healthy and providing support after a chronic condition diagnosis, we emphasize benefits that enable our employees to achieve sustained peak performance beyond a healthy baseline.

Health

We focus on measurement, nutrition and movement to support our employee's health:

- **Measurement:** We provide onsite biometric screenings, onsite DEXA scans and coverage for wearable devices to equip our employees with detailed insights into their health. These assessments allow for baseline and progress measurement, help facilitate informed decision-making, and promote personalized care.
- **Nutrition:** Drawing on the knowledge of nutritionists, industry experts and scientific-research, we developed a nutritional philosophy that guides our onsite food program. This includes breakfast, lunch, snacks and beverages. The nutrition philosophy focuses on good energy and whole foods to recognize food that promotes optimal metabolic health, higher nutrients, and minimal processing. The nutrition philosophy also commits the onsite culinary team to healthy cooking standards, employee engagement, nutrition education and sustainability.
- **Movement:** Learning optimal habits and remaining accountable to a plan is paramount. We offer comprehensive onsite and virtual 1:1 health coaching. Health coaches create personalized plans for employees based on their individual priorities and key focus areas, and establish check points and progress metrics as employees track towards their goals. Not only specializing in fitness and movement, coaches can advise on nutrition and recovery for a holistic approach to health and wellbeing.

Emotional Wellbeing

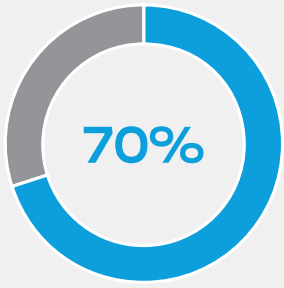
We provide 25 covered mental health coaching and/or therapy sessions per year per person (employees and their dependents alike). These sessions can address topics including resilience, stress management and other areas crucial for mental wellbeing.

Success Sharing

We believe that our employees should have the opportunity to share in our success. To achieve this, we offer employees the ability to participate in an employee stock purchase plan, which allows them to purchase stock at a discounted price.

Employee Engagement

As part of our employee engagement process, we regularly collect feedback from employees to better understand and improve their experiences and identify opportunities to strengthen our culture. In 2024, we surveyed our employees quarterly, and on average over 70% of participating employees said they were proud to work for Roblox.



Average number of participating employees that said they were proud to work for Roblox

Giving Back to the Community

Each year, we dollar to dollar match employee donations to eligible charities, up to $15,000 per U.S. employee. In 2024, approximately $2.1 million in contributions were matched by the Company.

$15,000

maximum amount matched per contributor

$2.1 million

contributions matched by the Company in 2024

Pay Equity

We believe that people should be paid equitably for what they do, regardless of their gender or race. To maintain pay equity, we benchmark and set pay ranges based on relevant market data and consider factors such as an employee's role, level, location and their performance. In addition to rigorous benchmarking, we compute our compensation outcomes using a formulaic approach. We also regularly review our compensation practices, both in terms of our overall workforce and individual employees, to ensure our pay is fair and equitable. In 2024, we conducted our annual pay equity analysis which indicated that we continue to have pay equity across genders and by race in the United States for people in similar jobs (accounting for factors such as location, role, level and performance).

Our Commitment to Civility and Safety

Safety and civility are foundational to everything we do. We are focused on building a safe and civil place where everyone can create, explore, collaborate and share experiences. We continuously evolve our platform as our community grows and evolves.

Community Standards

We operate a free to use immersive platform for connection and communication where every day, millions of users come to create, play, work, learn and connect with each other in experiences built by our global community of creators. Our global community is on this journey together with our users and creators and we want to ensure everyone feels welcome and safe and is treated with kindness and respect. That is why we have created our Community Standards to outline how we expect our users to behave and to be clear up front about what is and is not allowed on our platform.

You can read our Community Standards here: https://en.help.roblox.com/hc/en-us/articles/203313410.

Community standards that outline clear expectations for using Roblox

↓

Anyone found to be in violation of these standards may be suspended or removed from our platform

⚠

We do not tolerate inappropriate content and behavior, and we take swift action to address any user who violates our Terms of Use, including any attempts to evade our safety policies and protocols. We continue to enhance our platform and policies in an attempt to thwart behavior intended to undermine our safety policies and protocols.

Content Review, Moderation and Safety Features

We take significant measures to promote safety and civility for all users on our platform. Our systems are designed to review every uploaded image, video and audio file on the platform, whether through human review or AI machine detection. Our moderation systems are designed to protect our community and block accounts from our platform that violate either our Terms of Use or our Community Standards. We frequently audit our platform to ensure we are continually strengthening our proactive and reactive detection methods.

For example, in November 2024, we launched major updates to our safety systems and parental controls, including several key enhancements aimed at improving safety and parental engagement:

1. **Remote Management for Parents:** Parents can manage controls and review their child's activity remotely by linking their Roblox account to their child's account.
2. **Screen Time and Friends List Monitoring:** Parents can view their child's average screen time and friends list through a new Parental Controls dashboard. They can also set daily screen time limits, which automatically disables access once the limit is reached.
3. **Communication Restrictions:** Children under 13 will no longer be able to directly message others outside of experiences, with a new setting limiting them to public broadcast messages within experiences. Parents can modify this setting in Parental Controls.
4. **Age-Gated Experiences:** Certain experiences will be restricted for users under 13 based on behaviors typical of those experiences, particularly those focused on socializing or freeform writing or drawing. Additionally, our identity verification system requires the provision of a government-issued photo identification for our 17+ experiences.
5. **Content Labels:** We replaced age-based labeling with content descriptions that we call Content Maturity Labels. These new labels allow parents to better assess which experiences are appropriate based on content rather than age alone. Users and parents can make informed decisions about the content they interact with, and parents can use this feature to control the content to which their child has access.
6. **Dynamic Age-Based Settings:** As children grow, their account settings will automatically adjust. Parents will be notified 30 days in advance about these changes, encouraging discussions about usage and appropriate features.

These initiatives are part of our ongoing commitment to enhancing safety and creating an informed environment for both children and parents as they navigate the platform.

Additionally, we have published safety guides specifically designed to empower parents and caregivers to better protect their children in the digital age on our civility microsite. You can find our safety guides at https://civility.roblox.com/resources.

Trust & Safety

- thousands of trained agents and advanced AI machine dedication systems designed to protect our users

Content Review

- human moderators and machine detection systems designed to review every uploaded image, video and audio file

Privacy

- COPPA certified by kidSAFE and a member of the kidSAFE Seal Program

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Parental Controls

Parents can:

- Manage their child's account remotely
- View screen time and friends list
- customize spending limits

Reporting System

Users can:

- mute or block anyone
- report inappropriate content/ behavior using our Report Abuse system

Communication Safety

- filter text chat on the platform
- for users under 13, our filters are even stricter
- heightened verification for access to voice chat

Advancing Safety Initiatives

We are committed to open-source community contributions and are proud to be a founding partner of ROOST (Robust Open Online Safety Tools), a new non-profit focused on digital safety. ROOST focuses on improving child safety, building better safety infrastructure and creating Large Language Model-powered content safeguards. As a founding partner, we are contributing technology to the open-source community, including an updated voice safety classifier model with expanded language support and improved techniques, and plans to open-source classification models for other modalities.

We and our CEO were proud to publicly support the TAKE IT DOWN Act, which seeks to control the spread of non-consensual intimate imagery ("**NCII**"), including AI-generated NCII, and require social media and similar websites to have policies and procedures to remove such content upon notification from a victim. The U.S. bill represented a bipartisan effort to address an important safety issue that has seen an increase in relevance with the advent of new generative artificial intelligence tools that can create lifelike, but fake, NCII depicting real people (also known as "deepfakes") which have been increasingly affecting minors.

Key Safety and Civility Partnerships

As part of our commitment to safety and civility, we partner with over 30 global youth, media and safety experts that focus on child and internet safety and digital wellness education.

In addition, we have formed a Trust & Safety Advisory Board composed of world-renowned digital safety authorities. This advisory board represents a range of disciplines (health, wellbeing, academia, privacy, online safety and more), and help us to continue to innovate creating a safe and civil environment that allows all people to create, participate in, and enjoy a healthy online community on, and off our platform.

You can learn more about our partnerships at https://civility.roblox.com/partners.

In partnership with ThroughLine, we have added the ability for our users to more easily reach crisis support, which is active in over 100 countries where we operate our platform.

Safety, Digital Education, and Industry Organizations

Partnerships with over 30 leading global organizations that focus on child and internet safety and digital education including:

Family Online Safety Institute

UK Safer Internet Centre

ConnectSafely

internet matters.org

JED
The Jed Foundation

NAMLE

Boston Children's Hospital
Digital Wellness Lab

ThroughLine

WeProtect
GLOBAL ALLIANCE

In partnership with The Jed Foundation, we have published resources for both parents and teens, regarding how to best practice emotional safety on Roblox. Our guide on emotional safety for teens on Roblox is intended to help parents better support their teen's wellbeing while playing Roblox.

We have partnered with Sesame Workshop to create a podcast series called "*Into the Digital Future*" hosted by the Joan Ganz Cooney Center. The series features leading online safety experts in research, child development, technology and digital parenting.

We also work with authorities such as the National Crime Agency and the National Center for Missing & Exploited Children to promptly report any suspected child exploitation, abuse materials or online grooming.

Youth Engagement Program

To empower young people with the knowledge and resources to thrive online, we launched our Youth Engagement Program in 2024. This program focuses on educating, empowering and engaging young people about safety, well-being and civility on Roblox and online. In March 2025, we took a significant step by convening our inaugural Roblox Teen Council. This council brings together 14 teens, ages 14 to 17, from across the United States, empowering them to create safety and well-being content for their peers, share insights with our internal product and policy teams, and grow into civility champions. Council members develop valuable skills in communication, critical thinking and community building, while gaining a deeper understanding of online civility. Our goal is to bring the perspectives of young people to the table, equip these young leaders with the knowledge to champion online safety and digital well-being among their peers, and help ensure that Roblox remains a platform where everyone can have safe, creative and positive experiences.

Key Safety Certifications

kidSAFE, an independent child safety organization, has certified our platforms as being compliant with the Children Online Privacy Protection Act (COPPA), under the Federal Trade Commission-approved "Safe Harbor." Roblox is also a member of the kidSAFE Seal Program, an independent safety certification service and seal-of-approval program designed exclusively for children-friendly websites and technologies. Membership in the program means that the platform meets the kidSAFE safety and/or privacy standards. kidSAFE audits us on an annual basis for adherence to both COPPA and kidSAFE's own requirements for online child safety.

Director Compensation

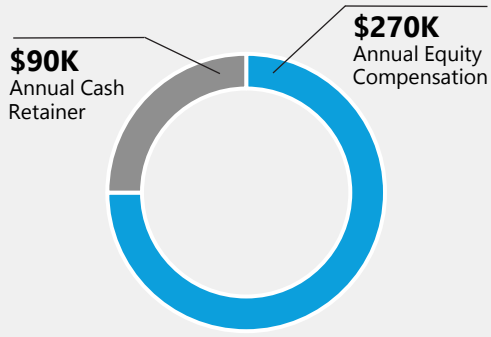
Outside Director Compensation Policy

Our Board adopted a compensation policy for our non-employee directors (the "**Director Compensation Policy**"), in consultation with Frederic W. Cook & Co., Inc. ("**FW Cook**"), our independent compensation advisor. This policy is designed to attract, retain and reward our non-employee directors. We also reimburse our non-employee directors for reasonable, customary and documented travel expenses to our Board meetings and relevant director continuing education courses and programs. The LDCC reviews the total compensation of our non-employee directors and each element of our Director Compensation Policy at least annually with FW Cook, including by comparison to the practices and compensation levels at comparable companies in our compensation peer group. Our Board last amended our Director Compensation Policy in March 2023.

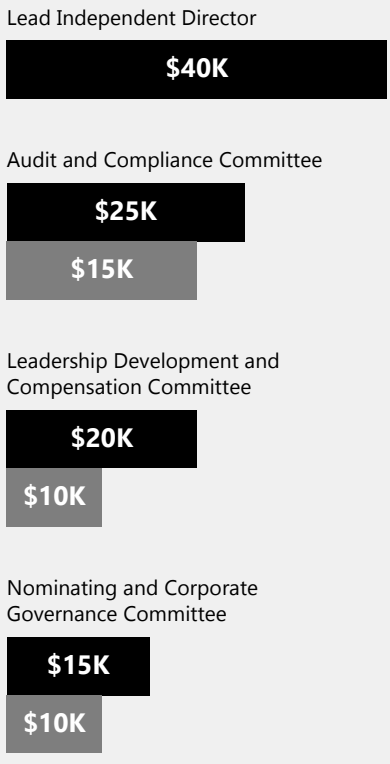
Cash Compensation

Under the Director Compensation Policy, each non-employee director is eligible for an annual cash retainer of $90,000. Additionally, each non-employee director who serves as lead independent director, chair or member of a committee is eligible for additional annual cash fees as stated in the accompanying chart.

Non-Employee Director—
Amended Director Compensation Policy



Additional Cash Fees



Each annual cash retainer and additional annual fee is paid in arrears on a prorated basis.

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Equity Compensation

Under the Director Compensation Policy, in addition to the annual cash retainer, each non-employee director is eligible for equity compensation in the form of RSUs, as further described below.

Initial Award: Each person who first becomes a non-employee director will receive, on the first trading day on or after the date on which such individual first becomes a non-employee director, an award of RSUs covering (a) a number of shares of our Class A common stock having an approximate value equal to $180,000 and (b) a number of shares of our Class A common stock equal to the product of $270,000 multiplied by a fraction with a numerator equal to the number of calendar days between (and including) the date the individual first becomes a non-employee director and the date of the next annual meeting and a denominator equal to the number of days between (and including) the date of the prior annual meeting and the date of the next annual meeting (together, the "**Initial Award**"). The Initial Award vests as to one-third of the RSUs subject to the Initial Award on the first quarterly vesting date that is on or after the one-year anniversary of the Initial Award's grant date and as to one-third of the RSUs on each annual anniversary thereafter subject to the non-employee director continuing to provide services to us through the applicable vesting date.

Annual Award: Each non-employee director automatically will receive, on the annual meeting date, an award of RSUs, covering a number of shares of our Class A common stock having an approximate value of $270,000 (the "**Annual Award**"). The Annual Award will vest as to one-fourth of the RSUs subject to the Annual Award on each of the first three quarterly vesting dates that are on or after the Annual Award's grant date and as to the remainder on the earlier of the day prior to the annual meeting date next following the Annual Award's grant date or the one-year anniversary of the Annual Award grant date, subject to the non-employee director continuing to provide services to us through the applicable vesting date.

The number of shares granted as an Initial Award or Annual Award, as applicable, is determined by dividing the value of the Initial Award or Annual Award, as applicable, by the average fair market value of one share of our Class A common stock for the twenty consecutive trading days ending on the last trading day of the month prior to the month that includes the grant date of the award, rounded down to the nearest whole share.

In the event of a "change in control" (as defined in our 2020 Equity Incentive Plan, the "**2020 Plan**"), under the terms of our 2020 Plan, each non-employee director will fully vest in their outstanding company equity awards issued under the Director Compensation Policy, including any Initial Award or Annual Award, unless specifically provided otherwise in the applicable award agreement or other written agreement between us and the non-employee director.

The quarterly vesting dates are February 20, May 20, August 20 and November 20.

Maximum Annual Compensation Limit

Under our Director Compensation Policy in any fiscal year, no non-employee director may be issued cash payments and equity awards with a combined value greater than $750,000. Any cash compensation paid or equity awards granted to an individual for their services as an employee, or for their services as a consultant (other than as a non-employee director), will not count for purposes of the limitations. The maximum limits do not reflect the intended size of any potential compensation or equity awards to our non-employee directors.

Non-Employee Directors Stock Ownership Guidelines

In May 2022, we adopted stock ownership guidelines applicable to our non-employee directors. Under the guidelines, each non-employee director is required to hold a number of shares of the Company's common stock with a value equivalent to at least five times his or her annual cash retainer for service on the Board (not including retainers for serving as chairperson or lead independent director of the Board or as a member or chair of any Board committee). Directors are expected to achieve the applicable level of ownership on the later of May 11, 2027 or their five-year anniversary of joining the Board. As of the date hereof, each of the non-employee directors either meets or exceeds the applicable guideline or has additional time to comply prior to the deadline.

Deferred Compensation Plan

In March 2023, we adopted a non-qualified deferred compensation plan (the "**Deferred Compensation Plan**") for non-employee directors and, as determined by the LDCC in its discretion, members of a "select group of management or highly compensated employees." Eligible non-employee director participants may elect annually to defer up to 100% of their cash director fees and their equity awards granted under the Company's 2020 Plan. Initially, eligible employee participants could elect to defer up to 90% of their base salary and up to 100% of their cash bonus compensation, and up to 100% of any RSUs or PSUs granted under the Company's 2020 Plan. The Deferred Compensation Plan was amended in September 2023 to reduce the maximum RSU or PSU deferral percentage for employees to 65%.

A participant's deferral contributions for a calendar year are credited to the participant's book entry account(s) under the Deferred Compensation Plan for such year, as applicable. Any deferred cash amounts under the plan are deemed invested in one or more hypothetical investment funds available under the Deferred Compensation Plan, as elected by the participant in accordance with the Deferred Compensation Plan's procedures. Any deferred RSUs and/or deferred PSUs under the Deferred Compensation Plan will, at the time the RSUs and/or PSUs would otherwise vest and become transferable to the participant under the terms of the 2020 Plan, but for the participant's election to defer, be reflected on the Company's books as an unfunded, unsecured promise to deliver to the participant a specified number of shares of our Class A common stock in the future. Any deferred RSUs and/or PSUs will be credited with any dividend equivalents, as specified in the Deferred Compensation Plan. The obligations under the Deferred Compensation Plan generally are payable upon the earliest to occur of a participant's separation from service or the date(s) elected by the participant. Upon a qualifying disability, a death, or our qualifying change in control, the obligations generally become immediately payable in a lump-sum. The obligations also may become payable upon a participant's qualifying unforeseeable emergency. However, any deferred RSUs and/or PSUs will only be payable to the extent vested under the terms of the 2020 Plan and related award agreements. The obligations generally are payable in the form of a lump sum cash payment or, in certain circumstances, in annual cash installment payments, as elected by the participant in accordance with the terms of the Deferred Compensation Plan. Any distributions representing RSUs and/or PSUs are payable in shares issued pursuant to the 2020 Plan, provided that any fractional shares are rounded down to the nearest whole share. The Company generally funds the cash obligations associated with the Deferred Compensation Plan by purchasing investments that match the hypothetical investment choices made by plan participants. The investments (and any uninvested cash) are held in a rabbi trust.

Director Compensation Table for Fiscal Year 2024

The following table sets forth information regarding the compensation earned or paid to our non-employee directors in 2024.

Our employee director, Mr. David Baszucki, did not receive any compensation for his service as a director for the year ended December 31, 2024. The compensation received by Mr. Baszucki as an employee is set forth in the section titled *"Executive Compensation—Summary Compensation Table for Fiscal Year 2024."*

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)[1]	All Other Compensation ($)[2]	Total ($)
Gregory Baszucki [3]	90,000	243,122	15,332	348,454
Christopher Carvalho	115,000	243,122	3,833	361,955
Jason Kilar	115,000	243,122 [4]	—	358,122
Anthony P. Lee [5]	—	—	11,499	11,499
Gina Mastantuono	125,000	243,122 [6]	3,833	371,955
Andrea Wong	120,000	243,122	3,833	366,955

[1] The amounts reported represent the aggregate grant date fair values of the RSUs awarded to the directors in the fiscal year ended December 31, 2024, determined by multiplying the number of units granted by the NYSE closing price of our Class A common stock on the grant date, in accordance with FASB ASC Topic 718. Such grant date fair values do not take into account any estimated forfeitures related to service-based vesting conditions. The valuation assumptions used in determining such amounts are described in the notes to Consolidated Financial Statements included in our Annual Report on Form 10-K filed on February 18, 2025. The amounts reflect the accounting cost for the RSUs and do not correspond to the actual economic value that may be received by the directors upon vesting or settlement of the RSUs.

[2] This amount represents security expenses for the director and certain family members covered by the Company.

[3] Mr. Gregory Baszucki deferred receipt of his cash fees and RSU grant under the Company's Deferred Compensation Plan. His cash fees will become payable and his RSU grant will be released in ten equal annual installments following a separation from service.

[4] Mr. Kilar deferred receipt of a portion of his RSU grant under the Company's Deferred Compensation Plan. His deferred RSU grant will be released following a separation from service.

[5] Mr. Lee has waived all fees and grants associated with his service as an outside director.

[6] Ms. Mastantuono deferred receipt of her RSU grant under the Company's Deferred Compensation Plan. Her RSU grant will be released following a separation from service.

The following table lists all outstanding equity awards held by non-employee directors as of December 31, 2024:

Name	Grant Date	Number of Shares Underlying Options/RSUs [1][2]	Option Exercise Price ($) [1]	Grant Date Fair Value Per Restricted Share ($) [1]	Option Award Expiration Date
Gregory Baszucki	7/20/2016	1,168,650 [3]	0.07	—	7/20/2026
	5/30/2024	3,668 [4][5]	—	33.15	—
Christopher Carvalho	12/15/2015	116,866 [3]	0.06	—	12/15/2025
	5/30/2024	3,667 [4]	—	33.15	—
Jason Kilar	9/13/2023	4,051 [6]	—	27.74	—
	9/13/2023	4,264 [6]	—	27.74	—
	5/30/2024	3,668 [4][7]	—	33.15	—
Anthony P. Lee [8]	—	—	—	—	—
Gina Mastantuono	5/30/2024	3,668 [4][9]	—	33.15	—
Andrea Wong	5/30/2024	3,667 [4]	—	33.15	—

[1] Amounts reflect all previous forward stock splits effected prior to the Company's direct listing.

[2] Amount reflects unvested RSUs and unexercised options held by our non-employee directors as of December 31, 2024.

[3] Amount reflects shares of our Class A common stock subject to a stock option granted pursuant to the terms and conditions of our 2004 Equity Incentive Plan (the "**2004 Plan**") and a stock option agreement thereunder. The shares subject to the stock option are fully vested.

[4] Amount reflects shares of our Class A common stock subject to an RSU granted pursuant to the terms and conditions of our 2020 Plan and RSU agreement thereunder. If a merger or change in control of the Company occurs before vesting, the unvested portion of the RSU shall immediately vest. The RSU award vested as to one-fourth of the RSUs subject to such award on each of August 20, 2024, November 20, 2024, and February 20, 2025, and the remaining 1/4th of the RSUs shall vest on the earlier of (i) the day prior to the Company's annual meeting date following such award's grant date, and (ii) May 30, 2025, subject to the non-employee director's continued service through the applicable vesting date.

[5] Settlement of an additional 3,668 vested shares granted to Mr. Baszucki has been deferred under the Company's Deferred Compensation Plan and will become payable in ten annual installments following separation of service.

[6] Amount reflects shares of our Class A common stock subject to an RSU granted pursuant to the terms and conditions of our 2020 Plan and RSU agreement thereunder. If a merger or change in control of the Company occurs before vesting, the unvested portion of the RSU shall immediately vest. The RSU award shall vest as to 1/3rd of the shares subject to such award on each of November 20, 2024, November 20, 2025, and November 20, 2026.

[7] Settlement of an additional 2,385 vested shares granted to Mr. Kilar has been deferred under the Company's Deferred Compensation Plan and will become payable in a lump sum following separation of service.

[8] Mr. Lee has waived all fees and grants associated with his service as an outside director.

[9] Settlement of an additional 3,668 vested shares granted to Ms. Mastantuono has been deferred under the Company's Deferred Compensation Plan and will become payable in one lump sum following separation of service.

Executive Officers

The following sets forth certain information regarding our executive officers as of April 1, 2025 (in alphabetical order):

Name	Age	Position
David Baszucki	62	Founder, President and Chief Executive Officer
Manuel Bronstein	49	Chief Product Officer
Arvind K. Chakravarthy	49	Chief People and Systems Officer
Michael Guthrie	59	Chief Financial Officer
Matt Kaufman	54	Chief Safety Officer
Amy Rawlings	40	Chief Accounting Officer
Mark Reinstra	59	Chief Legal Officer & Corporate Secretary

David Baszucki's biography is set forth above in the section titled "*Board of Directors—Continuing Directors*."

Manuel Bronstein. Mr. Bronstein has served as our Chief Product Officer since March 2021. Prior to joining us, he served as Vice President, Product Google Assistant at Alphabet, Inc. from July 2018 to March 2021. From April 2016 to June 2018, he served as Vice President of Product Management and between November 2014 to March 2016 as Director of Product Management for YouTube at Alphabet, Inc. Mr. Bronstein held leadership positions in the product organization at Zynga Inc. from February 2010 to June 2014, first as Director and later as Vice President of Product. Additionally, from 2003 to 2010 Mr. Bronstein held product development roles during the development of Xbox 360 at Microsoft. Mr. Bronstein currently serves on the board of directors for the New York Times Company. He holds a BS in Electronics Engineering from Universidad Simón Bolívar and an MBA from the Haas School of Business at the University of California, Berkeley.

Arvind K. Chakravarthy. Mr. Chakravarthy has served as our Chief People and Systems Officer since July 2023. Previously, Mr. Chakravarthy served as Vice President, Engineering of Alphabet, Inc. from July 2019 to June 2023 and prior to that Mr. Chakravarthy was Chief Information Officer and Head of People Operations at Palantir Technologies from December 2014 to June 2019, focusing on building products that shape people processes and culture. Mr. Chakravarthy holds a BS in Chemical Engineering from Institute of Chemical Technology, Mumbai and holds an MBA from Santa Clara University.

Michael Guthrie. Mr. Guthrie has served as our Chief Financial Officer since February 2018. Prior to joining us, he served as Chief Financial Officer of TrueCar, Inc., an automotive pricing and information website, from January 2012 to February 2018. Earlier in his career, Mr. Guthrie was a principal in the private equity firms TPG Ventures and Garnett & Helfrich Capital, and was an investment banker at Credit Suisse First Boston. Mr. Guthrie holds a BA in Economics from the University of Virginia and an MBA from the Stanford Graduate School of Business.

Matt Kaufman. Matt Kaufman has served as our Chief Safety Officer at Roblox since July 2023. Mr. Kaufman previously served as our Chief Systems Officer from February 2021 to July 2023 Prior to that, from September 2017 to February 2021, he served as our VP, Product – Platform. Mr. Kaufman has over 20 years of executive leadership experience, building highly successful marketplace platforms, enterprise SaaS applications, and large-scale multiplayer games for companies including Crunchbase, Oodle, edgeio, and There.com. Mr. Kaufman earned a BS in Mechanical and Aeronautical Engineering from UC Davis and an MS in Aerospace Engineering from Virginia Tech.

Amy Rawlings. Ms. Rawlings has served as our Chief Accounting Officer since July 2022. Previously, Ms. Rawlings served as the Chief Accounting Officer of Zynga Inc. from August 2021 to July 2022. Prior to her role as Chief Accounting Officer, Ms. Rawlings spent twelve years in various leadership roles in Zynga Inc.'s accounting organization, including the Controllership, where she led the US and international accounting and operations teams, and SEC Reporting and Revenue Accounting, where she assisted with IPO readiness, SOX implementation, accounting standard adoptions, financial statement preparation and global revenue recognition. Prior to joining Zynga Inc., Ms. Rawlings worked at Ernst & Young from 2006 to 2010. Ms. Rawlings received a BA in Business Economics with an emphasis in Accounting from the University of California, Santa Barbara and is a Certified Public Accountant in the state of California.

Mark Reinstra. Mr. Reinstra has served as our Chief Legal Officer and Corporate Secretary since November 2024. Prior to that, from December 2019 to November 2020 Mr. Reinstra served as our General Counsel and from November 2020 to November 2024 as our General Counsel and Corporate Secretary. Between June 1994 and December 2019, Mr. Reinstra was a practicing attorney with Wilson Sonsini Goodrich & Rosati, P.C., our outside corporate law firm, most recently as a member of the firm. He holds a JD from Stanford Law School and BS in Industrial Engineering from the University of Wisconsin-Madison.

Executive Compensation

ITEM 2

Advisory Vote on the Compensation of our Named Executive Officers

The Board of Directors recommends a vote "**FOR**" the approval, on an advisory basis, of the compensation of our named executive officers

In accordance with the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the "**Dodd-Frank Act**") and SEC rules, we are providing our stockholders with the opportunity to vote to approve, on an advisory or non-binding basis, the compensation of our NEOs as disclosed pursuant to Section 14A of the Exchange Act. This proposal, commonly known as a "Say-on-Pay" proposal, gives our stockholders the opportunity to express their views on our NEOs' compensation as a whole. This vote is not intended to address any specific item of compensation or any specific NEO, but rather the overall compensation of all of our NEOs and the philosophy, policies and practices described in this proxy statement. A non-binding advisory vote on our executive compensation program will again be included in our proxy statement next year.

The Say-on-Pay vote is advisory, and therefore is not binding on us, our LDCC or our Board. The Say-on-Pay vote will, however, provide information to us regarding investor sentiment about our executive compensation philosophy, policies and practices, which the LDCC will be able to consider when determining executive compensation for the remainder of the current fiscal year and beyond. Our Board and the LDCC value the opinions of our stockholders. To the extent there is any significant vote against the compensation of our NEOs as disclosed in this proxy statement, we will endeavor to communicate with stockholders to better understand the concerns that influenced the vote and consider our stockholders' concerns, and the LDCC will evaluate whether any actions are necessary to address those concerns.

We believe that the information provided in the section titled *"Executive Compensation,"* and in particular the information discussed in the section titled *"Compensation Discussion & Analysis—Executive Summary—Compensation Philosophy and Objectives,"* demonstrates that our executive compensation program was designed appropriately and is working to ensure management's interests are aligned with our stockholders' interests to support long-term value creation. Accordingly, we ask our stockholders to vote "For" the following resolution at the Annual Meeting:

"RESOLVED, that the stockholders approve, on an advisory basis, the compensation paid to our NEOs, as disclosed in the proxy statement for the Annual Meeting pursuant to the compensation disclosure rules of the SEC, including the compensation discussion and analysis, compensation tables and narrative discussion, and other related disclosure."

Vote Required

The approval, on an advisory basis, of the compensation of our NEOs, requires the affirmative vote of a majority of the voting power of the shares of our common stock present in person (including virtually) or by proxy at the Annual Meeting and entitled to vote thereon to be approved. Abstentions will have the effect of a vote against this proposal, and broker non-votes will have no effect.

As an advisory vote, the result of this proposal is non-binding. Although the vote is non-binding, our Board and our LDCC value the opinions of our stockholders and will consider the outcome of the vote when making future compensation decisions for our NEOs.

Compensation Discussion & Analysis

Our NEOs for the year ended December 31, 2024, were:

David Baszucki
Founder, President and Chief Executive Officer

Michael Guthrie
Chief Financial Officer

Manuel Bronstein
Chief Product Officer

Arvind K. Chakravarthy
Chief People and Systems Officer

Mark Reinstra
Chief Legal Officer & Corporate Secretary

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Executive Summary

Our mission is to connect one billion people with optimism and civility. Our executive compensation program is designed to attract, retain and motivate our leadership team to deliver the highest level of team and individual results while maintaining a long term focus by our NEOs and employees.

Compensation Philosophy and Objectives

To support the achievement of our corporate mission, our goal is to hire the best talent. We look for values alignment and excellence across four Pillars of Success—Innovation, Execution, Teamwork and Leadership. The objectives of our executive compensation program are to attract, retain and incentivize highly talented individuals to deliver the highest level of individual and team results, ensure each of our executives receives a total compensation package that encourages long-term retention, promote fairness and consistency while paying for performance, and align the interests of our executives with those of our stockholders. We do this by designing programs that tie executive compensation to individual performance, overall Company performance and the interests of our stockholders.

We use the following principles to establish a compensation plan that aligns with our philosophy:

Competitiveness	Attracting and retaining critical talent is important to us. We operate in a highly competitive talent market in the technology industry and our pay programs are designed to be competitive to attract and retain talent that supports our mission and culture.
Management Longevity	We believe that management longevity is a key driver of long-term value creation. Our executive compensation programs are designed to retain our executives, including through the use of time-based equity awards that vest over three years. In addition, we seek to reward significant growth in key financial and performance metrics through the use of performance-based restricted stock units ("**PSUs**") for our executives.
Long-Term Ownership	We want our executives to think like owners and focus on long-term value creation for the Company. We heavily weight our total pay package towards equity (and in the case of our CEO, entirely in equity), with the use of PSUs for our executives to further align our compensation program with long-term value creation for the Company. Approximately 90% or more of our NEOs' compensation, on average, was delivered in the form of time-based or performance-based equity awards in 2024.
Strong Performance Orientation	We have a high standard for performance. We consider Company and individual performance, criticality of position, and trajectory in sizing our equity grants for our executive officers. The annual RSU grants we have made to our NEOs in 2024 vest over three-years. The value realized from those grants is based on the value of our stock price when (and if) the grants vest, enhancing the link between the interests of our executives and our stockholders. We additionally granted PSUs for our executives in 2024 that are eligible to vest based on substantial financial and performance metrics to further enhance the performance orientation of the program and continued service.

2024 Performance Highlights

In 2024, we achieved several significant financial and operational results:

82.9M
average DAUs

$3.6B
GAAP Revenue

$4.4B
Bookings*

73.5B
Hours Engaged

$822.3M
Operating Cash Flow

* For a reconciliation of GAAP Revenue to Bookings see section titled "*Non-GAAP Financial Measures*," within Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations from pages 71-73 in our Annual Report on Form 10-K filed on February 18, 2025.

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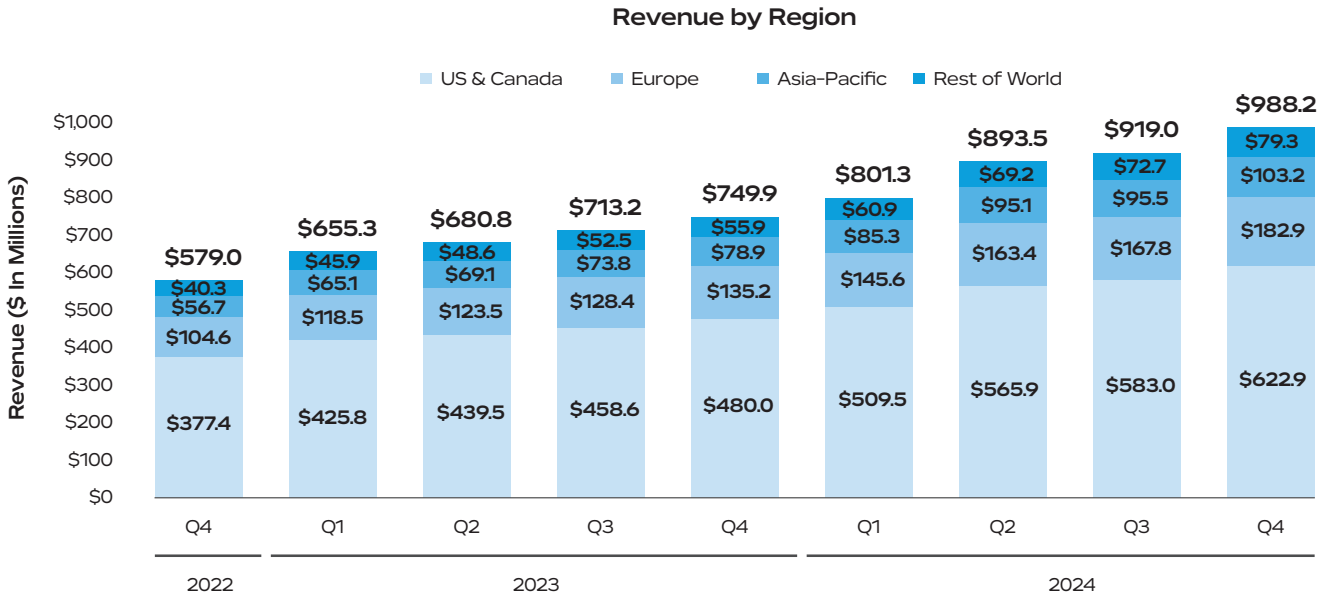
Our executive compensation program for our NEOs includes PSUs which vest based on performance against pre-determined Bookings and Covenant Adjusted EBITDA targets. Accordingly, below please find further information regarding the Company's performance against these metrics.

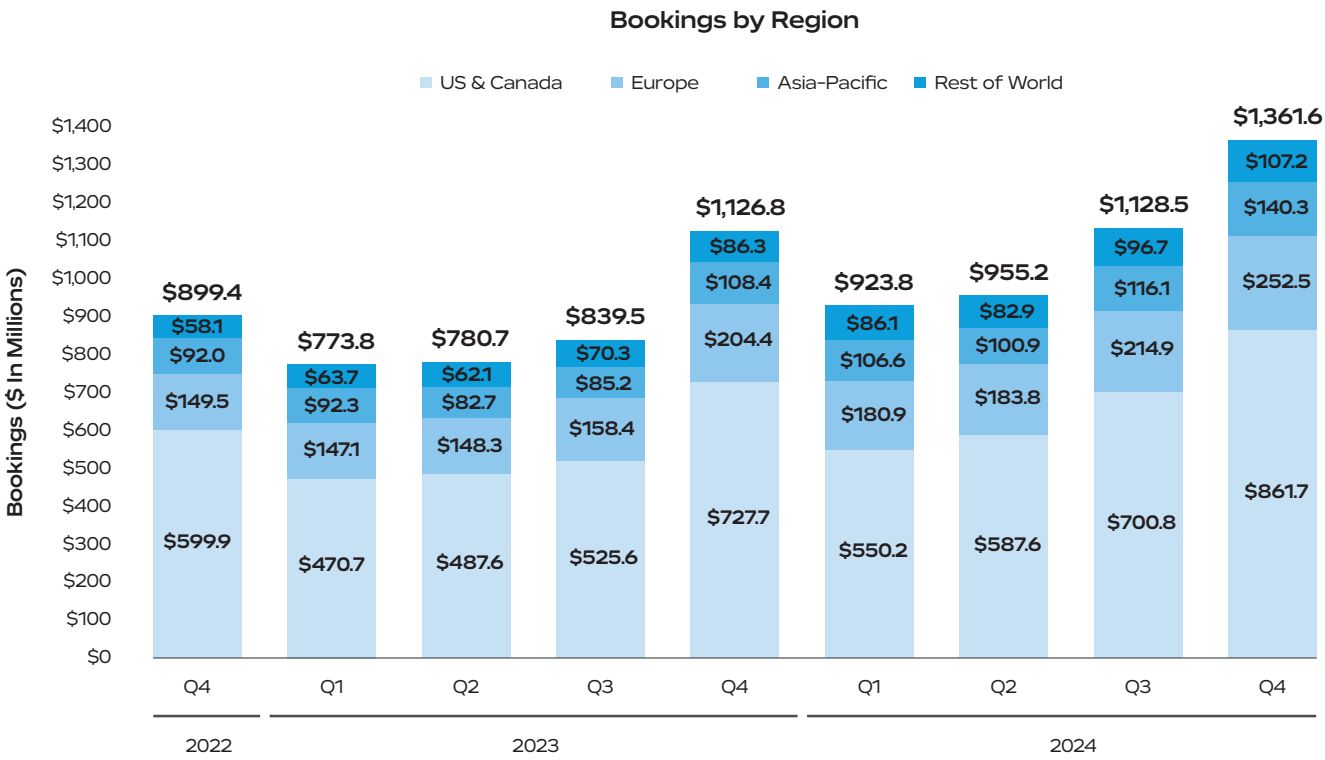
Bookings

Bookings represent the sales activity in a given period without giving effect to certain non-cash adjustments, as detailed below. Substantially all of our Bookings are generated from sales of virtual currency, which can ultimately be converted to virtual items on the Roblox Platform. We believe Bookings provide a timelier indication of trends in our operating results that are not necessarily reflected in our revenue as a result of the fact that we recognize the majority of revenue over the estimated average lifetime of a paying user. The change in deferred revenue constitutes the vast majority of the reconciling difference from revenue to Bookings. By removing these non-cash adjustments, we are able to measure and monitor our business performance based on the timing of actual transactions with our users and the cash that is generated from these transactions. Over the long-term, the factors impacting our revenue and Bookings trends are the same. However, in the short-term, there are factors that may cause revenue and Bookings trends to differ.

Bookings is a non-GAAP financial measure and represents the sales activity in a given period without giving effect to certain non-cash adjustments. Bookings is presented for supplemental informational purposes only and should not be considered in isolation from, or as a substitute for, financial information presented in accordance with GAAP.

Below we also include revenue calculated in accordance with GAAP, the most directly comparable financial measure to Bookings.



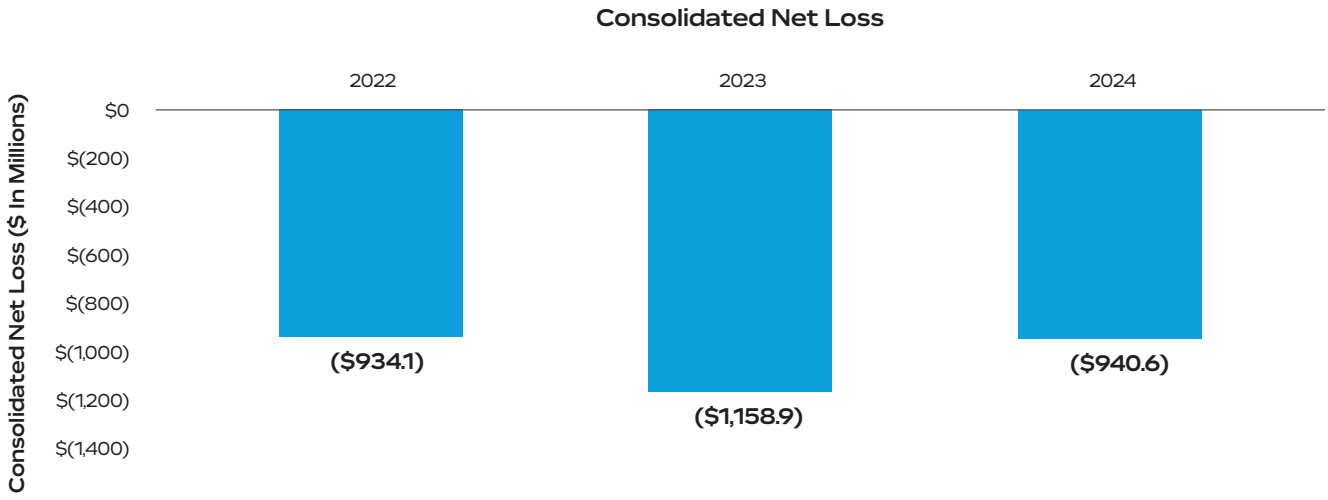


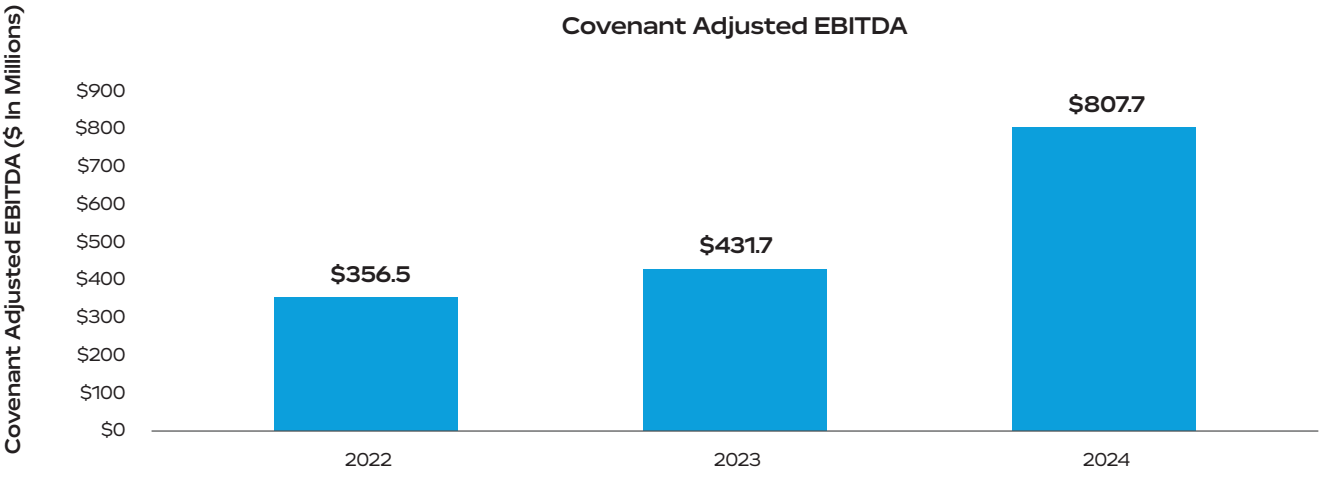
For a reconciliation of revenue, the most directly comparable financial measure calculated in accordance with GAAP, to Bookings, please see our Annual Report on Form 10-K as filed on February 18, 2025.

Covenant Adjusted EBITDA

Covenant Adjusted EBITDA is not calculated in accordance with GAAP and may not conform to the calculation of Adjusted EBITDA by other companies. Covenant Adjusted EBITDA should not be considered as a substitute for a measure of our financial performance or other liquidity measures prepared in accordance with GAAP and is also not indicative of income or loss calculated in accordance with GAAP.

Below we also include Consolidated Net Loss calculated in accordance with GAAP, the most directly comparable financial measure to Covenant Adjusted EBITDA.





For a reconciliation of Consolidated Net Loss, the most directly comparable financial measure calculated in accordance with GAAP, to Covenant Adjusted EBITDA, please see our Annual Report on Form 10-K as filed on February 18, 2025.

2024 Compensation Program Highlights

Highlights of our fiscal year 2024 compensation program for the NEOs and other executive officers were:

- **CEO:** To better align Mr. Baszucki's compensation with the Company's pay for performance philosophy, the LDCC cancelled the outstanding Original Founder Long-Term Performance Award and established an annual market-based compensation program for Mr. Baszucki, on similar terms as the other NEOs.
- **NEOs**: Majority of compensation continued to be in the form of long-term equity-based incentives in 2024, including PSUs that further align pay with performance.
- **PSU Design**: Our PSU program is designed so that the PSUs granted in 2024 pay out based on achievement against Bookings and Covenant Adjusted EBITDA targets.

Key Leadership Transitions

- In August 2024, Mr. Guthrie announced his intent to resign as Chief Financial Officer of the Company to pursue personal interests. Mr. Guthrie is expected to continue to serve as Chief Financial Officer until the commencement of employment of his successor.
- In November 2024, Mr. Reinstra transitioned from our General Counsel and Corporate Secretary to our Chief Legal Officer and Corporate Secretary due to his increased role in public policy matters.

Advisory Vote on Executive Compensation

At our 2024 Annual Meeting, we sought an advisory vote from our stockholders regarding our executive officer compensation program and received a 98% favorable vote supporting the program. Our LDCC reviewed the final vote results of the advisory vote and, given the significant level of support, concluded that our executive compensation program provided a competitive performance package that incentivizes our NEOs and encourages their retention over the long-term. Our LDCC will continue to consider the outcome of our Say-On-Pay votes and our stockholder views when making compensation decisions for our NEOs.

Compensation Practices

What we do

- 100% independent director composition of the LDCC
- independent Compensation Advisor: the LDCC engages an independent compensation advisor, who provides no other services to the Company
- a significant portion of compensation for NEOs is at-risk and a significant portion is tied to substantial performance against key financial metrics
- annual review of NEO compensation and peer group data
- double-trigger change in control arrangements
- assess the risk-reward balance of our compensation programs to mitigate undue risks
- robust stock ownership requirements apply to all executive officers and directors
- annual advisory vote on NEO compensation

What we do not do

- no pension plans
- no hedging or pledging of our stock by directors or employees
- no excise tax gross-ups upon a change in control

Evolution of our Compensation Program

Compensation-Setting Process

Annually, the LDCC reviews and considers decisions on base salary adjustments and refresh equity grants for our executive officers in the first half of the fiscal year. This allows the LDCC to consider the prior year's performance when making compensation decisions and enables total compensation decisions to be made for all executives at the same time.

Review

The LDCC, in consultation with FW Cook, our independent compensation advisor, engages in a rigorous selection of comparable peers to inform compensation levels and program design. The LDCC endeavors to select companies we compete against for executive talent and are similar in size, scope and complexity.

We also review our broader compensation philosophy and appropriateness of the incentive plans to assess their competitiveness with the market and alignment with our long-term strategy.

Evaluate

Throughout the year, we review changes in our business, market conditions and the scope of our executive officers' roles as well as all members of our broader management team. If a member of our management team is promoted to an executive officer level role during the year, we revisit compensation for that person in connection with their promotion.

Approve

Set Current Year Pay

The LDCC, in consultation with our independent compensation advisor and our CEO review market data from our peer companies and technology industry survey data to assess how our NEOs are paid relative to similarly situated companies.

- Our CEO and the LDCC consider the performance, criticality and trajectory of each executive officer, internal pay equity, and competitive market data and Company performance against strategic goals, and our CEO makes recommendations to the LDCC for salary levels and equity grants for the upcoming year for each executive officer (other than himself).
- Considering the CEO's recommendations and other factors described above, the LDCC reviews and approves base salary and equity awards for the upcoming compensation year.

Roles and Responsibilities

Our compensation process is collaborative. The LDCC, FW Cook, other independent Board members, outside legal counsel, our management team and our CEO each provide valuable input and perspectives that are used to make executive compensation decisions. We believe this approach allows us to leverage the diverse experience and expertise of these groups for setting compensation levels, identifying appropriate metrics, and determining how value should be delivered to executive officers when performance expectations are met or exceeded.

Leadership Development and Compensation Committee	■ is responsible for our overall compensation philosophy; ■ reviews, determines and approves the compensation of our management team, including our CEO and other NEOs; ■ administers our equity compensation plans and Deferred Compensation Plan; ■ reviews and approves general policies and plans relating to compensation and benefits of our employees; ■ reviews and approves non-employee director compensation; ■ evaluates the performance, or assists in the evaluation of the performance, of our management team, including our CEO and other NEOs; ■ periodically reviews and discusses with our Board the corporate succession and development plans for executive officers and certain key employees; ■ reviews and discusses with management the compensation disclosures required to be included in the Company's annual filings; ■ oversees the submission of the Company's annual advisory vote on executive compensation; and ■ oversees and evaluates the performance of the compensation advisor.

Management	**Our CEO:** ■ reviews the amount and structure of pay components (salary and long-term equity incentives) for members of our management team other than himself; ■ identifies key targets and objectives of our compensation structure; ■ negotiates sign-on pay packages and offer letters for new members of our management team; ■ considers market data presented by our compensation advisor and internal corporate data to determine executive officer pay recommendations for the LDCC; and ■ evaluates the performance of our management team, including our NEOs, and reviews their performance with the LDCC when making recommendations to the LDCC. **Our people, finance and legal teams:** ■ support the LDCC by providing data on market pay practices, internal labor force considerations, as well as internal employee sentiment and engagement; ■ support the CEO with information on corporate and individual performance for NEOs and provides recommendations on other compensation matters; and ■ present information and provide clarity on market data, but refrain from participating in discussions or final decisions on their own pay amount and structure.

Compensation Advisor	**Since December 2020, the LDCC has engaged FW Cook as its independent compensation advisor. FW Cook:**
	■ attends meetings at the request of the LDCC, meets with the LDCC in executive session without management, and communicates with the LDCC regarding emerging issues and other matters; and
	■ reviews and provides advice relating to:
	  ■ annual and long-term incentive plans, including the degree to which incentive plans support business strategies and balance risk-taking with potential reward;
	  ■ peer group pay and performance comparisons;
	  ■ competitiveness of key executives' compensation;
	  ■ the design and amount of non-employee director compensation;
	  ■ design of other compensation and benefits programs; and
	  ■ preparation of public filings related to executive compensation, including CD&A and accompanying tables and footnotes.
	■ does not provide any services to us other than the services provided to the LDCC and our Board.
	■ The LDCC assessed the independence of FW Cook, taking into account, among other things, the enhanced independence standards and factors set forth in Exchange Act Rule 10C-1 and the applicable listing standards of the NYSE, and concluded that FW Cook is independent and there are no conflicts of interest regarding the work that FW Cook performs for the LDCC. No other fees were paid to the compensation advisor except fees related to its services to the LDCC.

Competitive Market Data

The LDCC assesses the competitiveness of each element of the executive officers' total direct compensation against our peer group as discussed below. This represents one of the many factors that the LDCC considers when it sets pay levels for our NEOs.

In developing the compensation peer group, the LDCC considers a number of factors, including:

- scale and complexity (revenue and market capitalization that is generally between 1/3x to 3x our size);
- competitors for executive talent;
- geography (preference for companies with significant talent presence in the San Francisco Bay Area); and
- company business characteristics (for example, headquarter location, comparably sized high-growth technology companies, consumer facing technology companies, marketplace platforms, global operations and high growth indicators).

2024 Peer Group

In September 2023, the LDCC in consultation with FW Cook reviewed our compensation peer group and selected the companies in the accompanying table as the executive compensation peer group for 2024. In this review we added four new companies to our 2024 compensation peer group (Cloudflare, Datadog, MongoDB and The Trade Desk) based on the criteria noted above. We also removed one company from our 2023 compensation peer group that was no longer a publicly traded corporation (Twitter).

Autodesk	**MongoDB**
Cloudflare	**Okta**
CrowdStrike	**Roku**
Datadog	**Snap**
DocuSign	**Splunk**
DoorDash	**The Trade Desk**
Dropbox	**Twilio**
Electronic Arts	**Unity Software**
Match Group	**Workday**

2025 Peer Group

In September 2024, the LDCC in consultation with FW Cook reviewed our compensation peer group and selected the companies in the accompanying table as the executive compensation peer group for 2025. In this review we added four new companies to our 2025 compensation peer group (Airbnb, AppLovin, Dynatrace and Pinterest) and removed five companies (Autodesk, DocuSign, Roku, Splunk and Unity Software) based on the criteria noted above.

Airbnb	**Match Group**
AppLovin	**MongoDB**
Cloudflare	**Okta**
CrowdStrike	**Pinterest**
Datadog	**Snap**
DoorDash	**The Trade Desk**
Dropbox	**Twilio**
Dynatrace	**Workday**
Electronic Arts	

We do not establish compensation levels solely based on a review of competitive data, but we believe market data is a meaningful input to our compensation policies and practices. When making its compensation decisions, the LDCC also considers a number of other factors, including: Company performance, each executive's impact and criticality to our strategy and mission, relative scope of responsibility and potential, individual performance and demonstrated leadership and internal pay equity considerations. In addition, as part of our executive compensation planning process, the LDCC reviewed aggregated survey data, drawn from the Radford Custom Compensation Survey, which provided additional context regarding executive compensation practices in the marketplace.

We expect to review our peer group annually to reflect changes to our size and scale.

Principal Elements of Our Executive Compensation and 2024 Compensation

Base Salary

Except as noted below for our CEO, we use base salary to provide a fixed amount of compensation for our NEOs in exchange for their services. The LDCC recognizes the importance of base salaries for our executives other than our CEO as an element of compensation that helps to attract and retain highly qualified executive talent, particularly in light of the absence of a cash bonus opportunity for our executive officers.

In 2024, our CEO's salary remained at $0, with all direct compensation for our CEO in 2024 provided in equity awards.

In the first quarter of 2024, our LDCC reviewed base salaries for our other NEOs. In setting base salaries, our LDCC considered input from FW Cook, base salary practices and levels of our executive compensation peer group, internal parity, the overall compensation that each executive officer may potentially receive during his or her employment with us, individual performance and the roles and responsibilities of each of our executive officers. In alignment with the Company's pay for performance philosophy, the LDCC decided not to increase base salaries in 2024 and instead continue to promote at-risk equity-based compensation. The below table reflects the base salary for each NEO in 2023 and 2024.

Name	2023 Salary ($)	2024 Salary ($) [1]	Percent Change between 2023 and 2024
David Baszucki [2]	—	—	0 %
Michael Guthrie	715,000	715,000	0 %
Manuel Bronstein	715,000	715,000	0 %
Arvind K. Chakravarthy [3]	715,000	715,000	0 %
Mark Reinstra	715,000	715,000	0 %

[1] Represents each NEO's base salary as approved, effective April 1, 2024.
[2] Mr. Baszucki did not receive a base salary in 2023 or 2024.
[3] Mr. Chakravarthy was not an NEO in fiscal year 2023.

Long-Term Incentive Compensation

We view long-term incentive compensation in the form of equity awards as a critical element of our executive compensation program. Our equity award program is the primary vehicle used to differentiate compensation and for offering long-term incentives to our NEOs. In 2024, equity-based incentives for our NEOs consisted of RSUs and PSUs.

Generally, we intend to grant annual equity awards that are sized to be competitive, transparent and reflect the performance, contribution and criticality of roles in our Company. Our CEO annually reviews and considers external market data in addition to performance of the executives and proposes equity grants to the LDCC (other than for himself). The LDCC exercises its judgment and discretion, in consultation with our CEO and FW Cook. To determine the size and types of equity awards that it approves, the LDCC considers, among other things, the role and responsibility of the NEO, competitive factors, the vested and unvested value of the equity awards held by the NEO and the NEO's total compensation.

Cancellation of Founder and CEO Long-Term Performance Award

On March 1, 2024, following an extensive evaluation of Mr. Baszucki's compensation, the LDCC approved the cancellation of the Original Founder Long-Term Performance Award (defined below) and established an annual market-based compensation program for Mr. Baszucki consisting of PSUs and RSUs in line with the equity award compensation of our other executive officers.

Background

In February 2021, the LDCC granted Mr. Baszucki, the Founder and CEO Long-Term Performance Award ("**Original Founder Long-Term Performance Award**"), which provided Mr. Baszucki the opportunity to earn up to 11.5 million shares of Class A common stock, subject to achievement of rigorous stock price goals. The award was divided into seven tranches linked to stock price targets over staggered performance periods from March 2023 to March 2028. The award was approved by the Board and stockholders, consisting of a majority of the total shares of Roblox preferred and common stock not owned, directly or indirectly, by David Baszucki and Gregory Baszucki.

The award was intended to align Mr. Baszucki's interests with shareholders by requiring substantial company performance and discouraging short-term risks. It was his sole direct compensation through 2023.

Commencing in August 2022, the LDCC began a long-term evaluation of Mr. Baszucki's compensation and what, if any, compensation-related actions should be taken given uncertain market conditions and volatility. As part of this evaluation, the LDCC considered whether the Original Founder Long-Term Performance Award, as the sole compensation payable to Mr. Baszucki, continued to satisfy the LDCC's intent in providing sufficient compensation and retention incentives for Mr. Baszucki.

During 2023 and up to February 2024, the LDCC met numerous times to consider Mr. Baszucki's compensation, including the Original Founder Long-Term Performance Award. FW Cook advised the LDCC and provided information regarding compensation peer group and market practices relating to executive compensation. The LDCC discussed various alternatives for Mr. Baszucki's compensation, including discussions regarding the cancellation of the Original Founder Long-Term Performance Award and the implementation of an annual equity compensation program for Mr. Baszucki similar to the equity compensation program granted to our other executive officers. The LDCC considered that Mr. Baszucki did not earn any cash salary, cash bonus or equity compensation for the first three years of his service as a public company CEO of Roblox. Members of management were not present at the portions of the LDCC meetings in which the LDCC deliberated about Mr. Baszucki's compensation.

On March 1, 2024, given the LDCC's desire to transition Mr. Baszucki to an annual compensation program and the LDCC's determination that the Original Founder Long-Term Performance Award was no longer satisfying the Company's compensation objectives, the LDCC approved the cancellation of the Original Founder Long-Term Performance Award. None of the rigorous stock price goals associated with the Original Founder Long-Term Performance Award were achieved prior to its cancellation, and no shares subject to the award had vested.

On March 1, 2024, the LDCC approved Mr. Baszucki's 2024 compensation structure (the "**2024 CEO Compensation**"). The 2024 CEO Compensation is market-based, solely in the form of equity, and aligns Mr. Baszucki's interests with those of our stockholders by motivating and rewarding Mr. Baszucki to achieve long-term stockholder value creation while reflecting our pay-for-performance philosophy and enhancing retention. The 2024 CEO Compensation consists of an annual equity award with an intended target value of $25 million. Seventy-five percent of the target value is in the form of PSUs that will only vest if the Company achieves financial and operating performance goals that were determined by the LDCC. The remaining 25% of the target grant value is in the form of time-based RSUs that will vest quarterly over three years upon continued service. Mr. Baszucki's base salary remains at $0 and the 2024 CEO Compensation does not provide for cash compensation or a cash bonus opportunity for his services to Roblox. Mr. Baszucki's equity award was granted on March 1, 2024, consistent with the annual equity refresh grants for our other executive officers.

Mr. Baszucki participates in the same 2024 PSU program as our other executives, which is further described below, with PSUs earned for achievement of cumulative Bookings and covenant adjusted EBITDA targets over a two-year performance period (ending December 31, 2025). Consistent with the PSUs granted to our other executives, 67% of the PSUs that are eligible to vest will vest upon certification of performance following the completion of the two-year performance period and the remaining 33% of the PSUs that are eligible to vest will vest in equal quarterly installments over the next year starting in May 2026. The payout of Mr. Baszucki's PSUs is capped at 200% of target, consistent with the PSUs granted to our other executives.

In approving the 2024 CEO Compensation, the LDCC determined that the value of the 2024 CEO Compensation was appropriate and necessary to incentivize Mr. Baszucki to achieve objectives that were consistent with the generation of long-term stockholder value and to help ensure Mr. Baszucki's continued service to Roblox.

Disclosed compensation value. Mr. Baszucki's equity award from his 2024 CEO Compensation was deemed a modification for accounting purposes to the Original Founder Long-Term Performance Award. Under FASB ASC Topic 718, as of March 1, 2024, we were not required to record any incremental fair value in connection with the modification because the fair value of the modified equity awards was not greater than the fair value of the Original Founder Long-Term Performance Award immediately before the modification. Therefore, Mr. Baszucki's stock awards are being disclosed as $0 in the Summary Compensation Table and the Grants of Plan-Based Awards Table, though the intended value of the grant was $25 million.

Peer group data. In approving the 2024 CEO Compensation, the LDCC reviewed extensive compensation peer group data and benchmarking studies provided by FW Cook. The LDCC took into consideration the level of risk associated with the 2024 CEO Compensation given no cash salary or bonus will be paid and the emphasis on performance-based compensation rather than time-based equity awards. The LDCC also took into consideration Mr. Baszucki's strong leadership and performance, and the desire to strengthen Mr. Baszucki's commitment and focus on continued growth of the business. Following a holistic review of these factors, the LDCC approved a 2024 target award value of $25 million, which is sized as a competitive CEO annual grant, rather than the larger size and longer-term structure of the Original Founder Long-Term Performance Award.

Timing of compensation decisions. Determining Mr. Baszucki's compensation on an annual basis gives the LDCC flexibility to react to changes in our business or market conditions. By setting goals and grant amounts annually, the LDCC can more closely align compensation with performance and align Mr. Baszucki's incentives with our other senior executives.

Fiscal Year 2024 Awards

Each of our NEOs, other than Messrs. Baszucki (described above) and Chakravarthy, received approximately 35% of their 2024 annual equity award value in PSUs and 65% of their equity award value in time-based RSUs. Mr. Chakravarthy's 2024 annual equity award value was approximately 50% in PSUs and 50% in RSUs as his award was pro-rated to recognize his 2023 hire date. We believe that equity awards align the interests of our NEOs with our stockholders, provide our NEOs with incentives linked to long-term performance, and foster an ownership mentality. In addition, the long-term vesting period of our equity awards supports retention.

In March 2024, the LDCC granted fiscal year 2024 annual equity awards in the form of PSUs and RSUs to the NEOs as shown below with vesting and other terms as described below.

Name	Fiscal Year 2024 PSU Intended Grant Value (at target) [1]	Number of Shares of PSU Grant (at target)	Fiscal Year 2024 RSU Intended Grant Value [2]	Number of Restricted Stock Units	Total Intended Grant Value [1][2]
David Baszucki [3]	$ 18,750,000	446,534	$ 6,250,000	148,844	$ 25,000,000
Michael Guthrie	$ 3,687,250	87,812	$ 6,847,750	163,080	$ 10,535,000
Manuel Bronstein	$ 3,687,250	87,812	$ 6,847,750	163,080	$ 10,535,000
Arvind Chakravarthy	$ 2,409,750	57,388	$ 2,237,625	53,289	$ 4,647,375
Mark Reinstra	$ 2,479,750	59,055	$ 4,605,250	109,674	$ 7,085,000

(1) The grant date fair value of the PSU awards as stated in our Summary Compensation Table for Fiscal Year 2024 differs from the intended grant value at target for the PSU awards stated above because the number of shares granted under our PSU awards were determined by dividing the intended value of the PSU award at target by the 20 trading day average closing price of a share of the Company's Class A common stock on the NYSE as of February 29, 2024.

(2) The grant date fair value of the RSU awards as stated in our Summary Compensation Table for Fiscal Year 2024 differs from the intended grant value for the RSU awards as stated above because the number of shares granted under our RSU awards were determined by dividing the intended value of the RSU award by the 20 trading day average closing price of a share of the Company's Class A common stock on the NYSE as of February 29, 2024.

(3) The grant date fair value of Mr. Baszucki's awards as stated in our Summary Compensation Table for Fiscal Year 2024 is $0 despite the intended value of the grants being $25 million because the grants were deemed a modification of his Original Founder Long-Term Performance Award for accounting purposes and under FASB ASC Topic 718, as of March 1, 2024, we were not required to record any incremental fair value in connection with the modification.

The 2024 PSUs are subject to both performance-based and service-based vesting. The scheduled performance period for the PSUs is January 1, 2024 through December 31, 2025. Between 0% and 200% of the PSUs will become eligible to vest if and to the extent the performance goals are satisfied, and then will vest if the applicable service-based vesting requirements are satisfied. Eighty percent of the PSUs for each NEO become eligible to vest based on achievement of certain cumulative Bookings targets and 20% of the PSUs for each NEO become eligible to vest based on achievement of certain cumulative covenant adjusted EBITDA targets as established by the LDCC. As defined in our PSU agreement, cumulative covenant adjusted EBITDA correlates to our covenant adjusted EBITDA liquidity calculation. The LDCC chose Bookings and covenant adjusted EBITDA as the performance metrics for the PSUs because it believes that these are key drivers of our long-term strategic plan to grow the scale of our business and create near term margin expansion and are directly tied to value creation.

After the end of the two-year performance period, the LDCC will certify achievement of the Company's performance against the applicable cumulative Bookings and covenant adjusted EBITDA targets and 67% of the PSUs that are eligible to vest will vest on the certification date, subject to continued service on such date. The remaining 33% of the PSUs that are eligible to vest will vest in four approximately equal quarterly installments thereafter on each of May 20, 2026, August 20, 2026, November 20, 2026 and February 20, 2027, subject to continued service on such date. Any PSUs that have not satisfied the performance metrics immediately following the certification date will be forfeited.

Except as otherwise provided in the award agreement, if a participant ceases to be a service provider for any reason before the end of the performance period, all unvested PSUs held by the participant are immediately forfeited. Upon a participant's qualifying termination without cause or an involuntary termination for good reason (as defined in the participant's change in control severance

agreement) not in connection with a change in control, a pro-rated portion of earned PSUs will be eligible to vest based on actual performance as if the participant's service had not been terminated. In the event of a change in control during the performance period, the number of PSUs that will become eligible to vest will be based on actual performance through the date of the change in control or, if greater, at target. Upon a participant's qualifying termination in connection with a change in control prior to the final vesting date, all remaining earned PSUs will fully vest.

Upon the death or disability of a PSU award participant prior to the certification date, 100% of the target number of shares subject to the PSU will vest immediately. Vesting for earned but unvested PSUs accelerate immediately upon death or disability.

For the time-based RSUs granted to our NEOs, 1/12th of the RSUs vested on May 20, 2024 and 1/12th of the RSUs vest each quarter thereafter over three years, subject to the participant's continued service through each vesting date.

Fiscal Year 2023 Awards

In April 2023, the LDCC granted PSUs with a measurement period running from January 1, 2023 through December 31, 2024, with performance based 80% on cumulative Bookings and 20% based on cumulative covenant adjusted EBITDA. The performance period applicable to the 2023 PSUs ended on December 31, 2024, and on February 10, 2025, the LDCC certified performance of cumulative Bookings for the performance period of $7,890M (against a target of $7,518M) and cumulative covenant adjusted EBITDA for the performance period of $1,239M (against a target of $596M) resulting in a 174.72% target payout as follows:

Name	2023 Target PSUs	Number of 2023 PSUs Eligible to Vest
Michael Guthrie	64,129	112,046
Manuel Bronstein	64,129	112,046
Mark Reinstra	44,397	77,570

Fifty percent of the 2023 PSUs that were eligible to vest vested on February 10, 2025 and the remaining 2023 PSUs that are eligible to vest will vest on April 13, 2026, subject to the terms and conditions of the award agreement.

Additional Compensation Practices

Perquisites and Other Personal Benefits

Our NEOs are eligible to participate in the same benefits programs offered to all employees. In addition, NEOs as well as other senior executives entered into change in control and severance agreements with the Company.

Because of the high visibility of our Company and specific threats to Mr. Baszucki's safety arising from his position as our Company's visionary, founder and CEO, the Company conducted an independent security assessment, which identified specific risks and threats. Based on the results of this assessment, the LDCC previously approved the implementation of a formal security program.

We require these security measures for the Company's benefit because of the importance of Mr. Baszucki to Roblox, and we believe that the scope and costs of these security programs are appropriate and necessary. The LDCC evaluates these security programs at least annually, including a review of security professional assessments of safety threats and recommendations for the security programs. Under Mr. Baszucki's overall security program, we pay for costs related to personal security for Mr. Baszucki at his residences and during business travel, including the annual costs of security personnel for his protection and the procurement, installation and maintenance of certain security measures for his residences.

In addition, Mr. Baszucki uses private aircraft for business travel in connection with his overall security program. On certain occasions, Mr. Baszucki may be accompanied by family members or guests when using private aircraft. Although we do not consider Mr. Baszucki's overall security program to be a perquisite for his benefit for the reasons described above, as required under SEC rules, the costs related to personal security for Mr. Baszucki at his residences pursuant to his overall security program are reported as other compensation to Mr. Baszucki in the *"All Other Compensation"* column of the *"Executive Compensation—Compensation*

Discussion & Analysis—Executive Compensation Tables—Summary Compensation Table for Fiscal Year 2024" below. The LDCC believes that these costs are appropriate and necessary in light of the threat landscape.

The Company also engaged an outside service provider to review and monitor cybersecurity threats for our other NEOs.

We maintain a tax-qualified 401(k) retirement plan that provides eligible employees, including the NEOs with an opportunity to save for retirement on a tax advantaged basis. All participants' interests in their deferrals are 100% vested when contributed. In 2024, we matched $1 for $1 of participant's 401(k) contributions up to 50% of the IRS limit. Matching contributions are 100% vested at the time of the match. Contributions are allocated to each participant's individual account and are then invested in selected investment vehicles according to the participants' directions. The 401(k) plan is intended to qualify under Sections 401(a) and 501(a) of the Code. As a tax-qualified retirement plan, pre-tax contributions to the 401(k) plan and earnings on those contributions are not taxable to the employees until distributed from the 401(k) plan.

We also provide all U.S. and Canadian employees, including our NEOs other than our CEO, with the opportunity to purchase our common stock through payroll deductions at a 15% discount through our employee stock purchase plan ("**ESPP**"), a nondiscriminatory, tax-qualified plan.

All employees, including our NEOs, are also eligible to participate in our charitable matching gift program.

Deferred Compensation Plan

We maintain our Deferred Compensation Plan for non-employee directors and, as determined by the LDCC in its discretion, members of a "select group of management or highly compensated employees". Eligible non-employee director participants may elect annually to defer up to 100% of their cash director fees and their equity awards granted under the Company's 2020 Plan. Eligible employee participants may elect to defer up to 90% of their base salary and up to 100% of their cash bonus compensation, and up to 65% of any RSUs or PSUs granted under the Company's 2020 Plan. For further information on the Deferred Compensation Plan, please see *"Board of Directors—Director Compensation—Deferred Compensation Plan*" above.

Change in Control Severance Agreements

We have entered into a change in control severance agreement with each of our current NEOs, pursuant to which our NEOs are eligible to receive severance benefits, as specified in and subject to the terms of the change in control severance agreement.

We believe that these protections serve our retention objectives by helping our NEOs maintain continued focus and dedication to their responsibilities to maximize stockholder value, including in the event of a transaction that could result in a change in control of the Company. For more information, see the section titled *"Potential Payments upon Termination or Change in Control."*

Employment Agreements

In connection with and after the listing of our Class A common stock on the NYSE, we have entered into a confirmatory employment letter setting forth the terms and conditions of employment for each of our NEOs as described below.

David Baszucki
We have entered into a confirmatory employment letter agreement with Mr. Baszucki. The letter agreement, as amended, does not have a specific term and provides that Mr. Baszucki is an at-will employee. Mr. Baszucki's 2024 annual base salary was $0. No changes have been made to his annual base salary for 2025.

Manuel Bronstein
We have entered into a confirmatory employment letter agreement with Mr. Bronstein. The letter agreement does not have a specific term and provides that Mr. Bronstein is an at-will employee. Mr. Bronstein's 2024 annual base salary was $715,000. His annual base salary for 2025 is $735,000.

Arvind Chakravarthy
We have entered into an employment letter agreement with Mr. Chakravarthy. The letter agreement does not have a specific term and provides that Mr. Chakravarthy is an at-will employee. Mr. Chakravarthy's 2024 annual base salary was $715,000. His annual base salary for 2025 is $735,000.

Michael Guthrie
We have entered into a confirmatory employment letter agreement with Mr. Guthrie. The letter agreement does not have a specific term and provides that Mr. Guthrie is an at-will employee. Mr. Guthrie's 2024 annual base salary was $715,000. His annual base salary for 2025 is $735,000. Additionally, we have entered into a Separation and Transition Agreement with Mr. Guthrie, which is further described below under *"Executive Resignations."*

Mark Reinstra
We have entered into a confirmatory employment letter agreement with Mr. Reinstra. The letter agreement does not have a specific term and provides that Mr. Reinstra is an at-will employee. Mr. Reinstra's 2024 annual base salary was $715,000. His annual base salary for 2025 is $735,000.

Stock Ownership Guidelines

We maintain stock ownership guidelines for our executive officers, including our NEOs. The stock ownership guidelines provide that our CEO must maintain ownership throughout his tenure of a number of shares of our common stock equal to the greater of $6 million or the number of shares equivalent in value to six times his annual base salary. The guidelines also provide that each other executive officer must maintain ownership throughout his or her tenure as an executive officer of a number of shares equivalent in value to two times his or her annual base salary. For purposes of satisfying the guidelines, we only count shares directly and beneficially owned and shares held in retirement or deferred compensation accounts, in addition to shares subject to RSUs or other full-value awards to the extent vested and deferred or that are unvested and for which the only requirement to earn the award is continued service to us. Existing executive officers are expected to achieve the applicable level of ownership on the later of May 11, 2027 or their five-year anniversary of assuming the relevant position. Each of the NEOs, including our CEO, is in compliance with the stock ownership guidelines as of the date hereof or has additional time to comply prior to the deadline.

Insider Trading; No Hedging and Pledging

We have established an Insider Trading Policy, which, among other things, governs the purchase, sale and other dispositions of our securities by us and our directors, officers or employees that are reasonably designed to promote compliance with insider trading laws, rules and regulations and any applicable listing standards. Our Insider Trading Policy also prohibits all of our and our subsidiaries' employees, officers, directors, consultants and contractors from conducting short sales and engaging in transactions in publicly-traded options (such as puts and calls) and other derivative securities relating to our Class A common stock. This prohibition extends to any hedging or similar transaction designed to decrease the risks associated with holding our securities. In addition, our and our subsidiaries' employees, NEOs, directors, consultants and contractors are prohibited from pledging any of our securities as collateral for a loan and from holding any of our securities in a margin account.

Practices with Regard to Timing of Equity Awards

Because we do not currently grant stock options covering our listed Class A common stock, and have not since our direct listing, we do not have a policy or practice regarding option grant timing. Our Board and the LDCC does not take material nonpublic information into account when determining the timing and terms of equity grants. We do not have a policy or practice to time equity grants based on the release of material non-public information. We did not grant stock options to any of our NEOs in 2024 and have never granted stock appreciation rights.

Compensation Recovery Policy

The LDCC has adopted a general compensation recovery policy in compliance with the NYSE rules implementing Rule 10D-1 of the Exchange Act. Consistent with the rules, this policy requires that if the Company is required to prepare an accounting restatement due to the Company's material noncompliance with financial reporting requirements under the securities laws, the Company must clawback from certain officers any incentive-based compensation received by them after October 2, 2023 and during the applicable covered period (which generally includes the three completed fiscal years prior to the restatement date) that was in excess of what they would have received had their incentive compensation been determined based on the restated amounts.

Compensation Risk Assessment

Our management regularly assesses and discusses with the LDCC our compensation programs, policies and practices for our employees as they relate to our risk management. In this regard, we undertake a risk review of our employee compensation programs, policies and practices (including our executive compensation program) each year to determine whether these programs, policies and practices contain features that might create undue risks or encourage unnecessary and excessive risk-taking that could threaten our value. Based upon this review, we believe that any risks arising from such programs, policies and practices are not reasonably likely to have a material adverse effect on us.

Our employees' base salaries are fixed in amount and thus we do not believe that they encourage excessive risk-taking.

A significant proportion of the compensation provided to most of our employees involves long-term incentive compensation in the form of equity awards that we believe are important to help further align our employees' interests with those of our stockholders. These equity awards directly tie their expectations of compensation to their contributions to the long-term value of our Company. We do not believe that these equity awards encourage unnecessary or excessive risk-taking given their multi-year vesting schedules or performance periods and since their ultimate value is tied to our stock price. Our executive officer stock ownership guidelines also help ensure that executive officers have significant value tied to long-term stock price performance. Additional controls such as the Code of Business Conduct and Ethics and related training help mitigate the risks of unethical behavior and inappropriate risk-taking.

Tax and Accounting Matters

The LDCC takes the applicable tax and accounting requirements into consideration in designing and overseeing our executive compensation program.

Generally, Section 162(m) of the Code limits the amount we may deduct from our federal income taxes for compensation paid to our CEO and Chief Financial Officer and certain other current executive officers that are "covered employees" within the meaning of Section 162(m) of the Code to $1 million per individual per year, subject to certain exceptions. In approving the amount and form of compensation for our NEOs in the future, the LDCC generally considers all elements of the cost to us of providing such compensation, including the potential impact of Section 162(m) of the Code, as well as our need to maintain flexibility in compensating executive officers in a manner designed to promote our goals. The LDCC may authorize compensation payments that will or may not be deductible when we believe that such payments are appropriate to attract, retain or motivate executive talent.

We do not provide, and have no obligation to provide, any executive officer, including any NEO, with a "gross-up" or other reimbursement payment for any tax liability that he or she might owe as a result of the application of Section 280G, 4999, or 409A of the Code. If any of the payments or benefits provided for under the change of control and severance agreements or otherwise payable to a NEO would constitute "parachute payments" within the meaning of Section 280G of the Code and could be subject to the related excise tax, he or she would be entitled to receive either full payment of such payments and benefits or such lesser amount that would result in no portion of the payments and benefits being subject to the excise tax, whichever results in the greater amount of after-tax benefits to the NEO.

Report of the Leadership Development and Compensation Committee

The Leadership Development and Compensation Committee has reviewed and discussed with management the Compensation Discussion and Analysis provided above. Based on its review and discussions, the Leadership Development and Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement and Roblox's Annual Report on Form 10-K for the year ended December 31, 2024.

Leadership Development and Compensation Committee
Jason Kilar (Chair)
Andrea Wong
Gina Mastantuono

Executive Compensation Tables

Summary Compensation Table for Fiscal Year 2024

The following table sets forth, for fiscal year 2024 and the two prior fiscal years, the compensation reportable for our NEOs, as determined under SEC rules.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($) [1]	All Other Compensation ($)	Total ($)
David Baszucki,	2024	— [2]	—	— [3]	2,984,326 [4]	2,984,326
Founder, President and	2023	— [2]	—	—	2,136,740	2,136,740
Chief Executive Officer	2022	— [2]	—	—	1,141,723	1,141,723
Michael Guthrie,	2024	715,000	—	10,366,857	3,945 [5]	11,085,802
Chief Financial Officer	2023	698,750	—	10,257,502	6,500	10,962,752
	2022	625,000	—	7,764,813	—	8,389,813
Manuel Bronstein,	2024	715,000	—	10,366,857	19,391 [6]	11,101,248
Chief Product Officer	2023	698,750	—	10,257,502	17,750	10,974,002
	2022	625,000	—	6,470,663	12,200	7,107,863
Arvind Chakravarthy,	2024	715,000	—	4,573,174	15,445 [7]	5,303,619
Chief People and Systems Officer						
Mark Reinstra,	2024	715,000	—	6,971,882	19,195 [8]	7,706,077
Chief Legal Officer & Corporate Secretary	2023	698,750	—	7,101,323	21,500	7,821,573
	2022	625,000	—	10,213,616	12,200	10,850,816

[1] The amounts reported in this column represent the aggregate grant date fair value of the RSUs and PSUs awarded to the NEOs in the fiscal years ended December 31, 2022, December 31, 2023, and December 31, 2024 as applicable, calculated in accordance with FASB ASC Topic 718. In the case of RSUs, the aggregate grant date fair value of the awards granted is determined by multiplying the number of units granted by the NYSE closing price of our Class A common stock on the grant date. In accordance with FASB ASC Topic 718, this amount does not take into account any estimated forfeitures related to service-vesting conditions. For the PSUs granted in 2022, the fair value of the PSUs was determined using a Monte Carlo simulation model assuming target performance. For each PSU granted in 2022, the Company estimated the expected term based on the time period from the valuation date to the end of the performance period, the risk free interest rate of 2.71% was based on the United States Treasury yield curve in effect at the time of grant for zero-coupon U.S. Treasury Notes, the expected volatility of 65% was based on the historical stock volatility of selected peers over a period equivalent to the expected term of the PSUs and the expected dividend rate for the Company's stock was based on the then dividend rate of zero, consistent with the statement in our Annual Report on Form 10-K that we do not intend to pay cash dividends for the foreseeable future. For each PSU granted in 2023 and 2024, in accordance with SEC rules, the aggregate grant date fair value of the awards is calculated based on the most probable outcome of the performance conditions as of the grant date, which was target performance. The grant date fair value is calculated by multiplying the target number of units granted by the NYSE closing price of our Class A common stock on the grant date. If the most probable outcome of the performance conditions on the grant date had been maximum performance, then the grant date fair value of the 2023 PSUs would have been as follows: Michael Guthrie and Manuel Bronstein ($5,861,391) and Mark Reinstra ($4,057,886), and 2024 PSUs would have been as follows: David Baszucki ($63,273,595), Michael Guthrie and Manuel Bronstein ($7,256,784), Mark Reinstra ($4,880,305) and Arvind Chakravarthy ($4,742,544). The valuation assumptions used in determining the grant date fair value of the RSUs and PSUs are further described in the Note 1 and Note 11 to our Consolidated Financial Statements included in our Annual Report on Form 10-K filed with the SEC on February 18, 2025. For further information about the valuation of Mr. Baszucki's 2024 stock awards, please see footnote 3 below. The amounts reflect the accounting charge for the RSUs and PSUs and do not correspond to the actual economic value that may be received by the NEOs upon vesting or settlement of the RSUs and PSUs.

[2] Mr. Baszucki's annual salary was $0.

[3] The grant date fair value of Mr. Baszucki's RSU and PSU awards as stated in our Summary Compensation Table for Fiscal Year 2024 is $0 despite the intended value of the grants being $25 million because the grants were deemed a modification of his Original Founder Long-Term Performance Award for accounting purposes and under FASB ASC Topic 718, as of March 1, 2024, we were not required to record any incremental fair value in connection with the modification.

[4] The amount represents security expenses for Mr. Baszucki pursuant to his overall security program as further described under "*Principal Elements of Our Executive Compensation and 2024 Compensation—Additional Compensation Practices—Perquisites and Other Personal Benefits*" of $2,927,085, commuting expenses of $56,679 and other tax gross ups related to certain security benefits of $562. On occasion, guests of Mr. Baszucki accompanied him, at no incremental cost to the Company, on corporate aircraft used for business purposes.

[5] The amounts reflects security expenses for the executive covered by the Company in an amount equal to $3,833 and a related tax gross up in an amount equal to $112.

(6) The amounts reflects security expenses for the executive covered by the Company in an amount equal to $7,666, a related tax gross up in an amount equal to $225 and matching 401(k) contributions by the Company in an amount equal to $11,500.

(7) The amounts reflects security expenses for the executive covered by the Company in an amount equal to $3,833, a related tax gross up in an amount equal to $112 and matching 401(k) contributions by the Company in an amount equal to $11,500.

(8) The amounts reflects security expenses for the executive covered by the Company in an amount equal to $3,833, a related tax gross up in an amount equal to $112 and matching 401(k) contributions by the Company in an amount equal to $15,250.

Grants of Plan-Based Awards in 2024

The following table shows all plan-based awards granted to our NEOs during fiscal year 2024:

		Estimated Possible Payouts Under Equity Incentive Plan Awards (1)			All Other Stock Awards:	Grant Date Fair Value of
Name	Grant Date	Threshold (#)	Target (#)	Maximum (#)	Number of Units	Stock Awards ($) (2)
David Baszucki	3/1/2024				148,844 (3)	—
	3/1/2024	—	446,534	893,068 (4)		—
Michael Guthrie	3/1/2024				163,080 (3)	6,738,466
	3/1/2024	—	87,812	175,624 (4)		3,628,392
Manuel Bronstein	3/1/2024				163,080 (3)	6,738,466
	3/1/2024	—	87,812	175,624 (4)		3,628,392
Arvind Chakravarthy	3/1/2024				53,289 (3)	2,201,901
	3/1/2024	—	57,388	114,776 (4)		2,371,272
Mark Reinstra	3/1/2024				109,674 (3)	4,531,730
	3/1/2024	—	59,055	118,110 (4)		2,440,153

(1) Amounts in the "Estimated Possible Payouts Under Equity Incentive Plan Awards" relate to potential payouts under the PSU awards granted in fiscal year 2024. The number of shares in the "Threshold", "Target" and "Maximum" columns represent the number of PSUs that would be eligible to vest upon achievement against predetermined threshold, target and maximum Bookings and covenant adjusted EBITDA metrics. Linear interpolation determines the percentage of PSUs that would be eligible to vest upon achievement between the threshold and target and the target and maximum achievement points. It is possible that the executive officers will realize zero compensation from these awards if the Bookings and covenant adjusted EBITDA metrics are not met during the performance period.

(2) The amounts reported in this column represent the aggregate grant date fair value of the RSUs and PSUs granted to the NEO in the fiscal year ended December 31, 2024. For each of our NEOs other than Mr. Baszucki, the grant date fair value of the RSUs is determined by multiplying the number of units granted by the NYSE closing price of our Class A common stock on the grant date, in accordance with FASB ASC Topic 718 and the grant date value of the PSUs is determined based on the most probable outcome of the performance conditions as of the grant date, which was target performance, in accordance with SEC rules. The grant date fair value is calculated by multiplying the target number of units granted by the NYSE closing price of our Class A common stock on the grant date. Such aggregate grant date fair values do not take into account any estimated forfeitures related to service-vesting conditions. The valuation assumptions used in determining such amounts are described in the Notes to our Consolidated Financial Statements included in our Annual Report on Form 10-K filed with the SEC on February 18, 2025. The grant date fair value of Mr. Baszucki's RSU and PSU awards as stated in our Grants of Plan-Based Awards in 2024 table is $0 despite the intended value of the grants being $25 million because the grants were deemed a modification of his Original Founder Long-Term Performance Award for accounting purposes and under FASB ASC Topic 718, as of March 1, 2024, we were not required to record any incremental fair value in connection with the modification.

(3) The RSUs are subject to time-based vesting, as described in the footnotes to the "*Outstanding Equity Awards at 2024 Year-End Table*" below.

(4) The PSUs are subject to performance and time-based vesting, as described in the footnotes to the "*Outstanding Equity Awards at 2024 Year-End Table*" below.

Outstanding Equity Awards at 2024 Year-End

The following table sets forth information regarding outstanding equity incentive plan awards held by our NEOs as of December 31, 2024:

		Options Awards				Stock Awards			
Name	Grant Date	Number of Securities Underlying Unexercised Options (#) Exercisable [1]	Number of Securities Underlying Unexercised Options (#) Unexercisable [1]	Option Exercise Price ($) [2]	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#) [1]	Market Value of Shares or Units of Stock That Have Not Vested ($) [3]	Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) [1]	Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($) [3]
David Baszucki	10/20/2017 [4]	880,052	—	0.53	10/19/2027	—	—	—	—
	1/23/2019 [4]	2,500,000	—	3.345	1/22/2029	—	—	—	—
	1/24/2020 [4]	2,500,000	—	3.405	1/23/2030	—	—	—	—
	3/1/2024 [5]	—	—	—	—	111,633	6,459,085	—	—
	3/1/2024 [6]	—	—	—	—	—	—	893,068	51,672,914
Michael Guthrie	2/5/2018 [4]	1,172,390	—	0.53	2/4/2028	—	—	—	—
	1/19/2020 [4]	300,000	—	3.405	1/18/2030	—	—	—	—
	3/16/2021 [7]	—	—	—	—	7,500	433,950	—	—
	4/8/2022 [8]	—	—	—	—	45,039	2,605,957	—	—
	4/8/2022 [9]	—	—	—	—	—	—	36,009	2,083,481
	4/13/2023 [8]	—	—	—	—	66,802	3,865,164	—	—
	4/13/2023 [6]	—	—	—	—	—	—	128,258	7,421,008
	3/1/2024 [5]	—	—	—		122,310	7,076,857	—	—
	3/1/2024 [6]	—	—	—				175,624	10,161,605
Manuel Bronstein	4/8/2021 [10]	—	—	—	—	88,542	5,123,040	—	—
	4/8/2022 [8]	—	—	—	—	37,532	2,171,602	—	—
	4/8/2022 [9]	—	—	—	—			30,008	1,736,234
	4/13/2023 [8]	—	—	—	—	66,802	3,865,164	—	—
	4/13/2023 [6]	—	—	—	—	—	—	128,258	7,421,008
	3/1/2024 [5]	—	—	—	—	122,310	7,076,857	—	—
	3/1/2024 [6]	—	—	—	—	—	—	175,624	10,161,605
Arvind Chakravarthy	8/14/2023 [11]	—	—	—	—	198,512	11,485,904	—	—
	3/1/2024 [5]	—	—	—	—	39,967	2,312,491	—	—
	3/1/2024 [6]	—	—	—	—	—	—	114,776	6,640,939
Mark Reinstra	12/9/2019 [4]	305,528	—	3.405	12/8/2029	—	—	—	—
	4/8/2022 [8]	—	—	—	—	31,181	1,804,133	—	—
	4/8/2022 [9]	—	—	—	—	—	—	24,930	1,442,421
	4/8/2022 [12]	—	—	—	—	7,016	405,946	—	—
	4/13/2023 [8]	—	—	—	—	46,247	2,675,851	—	—
	4/13/2023 [6]	—	—	—	—	—	—	88,794	5,137,621
	3/1/2024 [5]	—	—	—	—	82,255	4,759,274	—	—
	3/1/2024 [6]	—	—	—	—	—	—	118,110	6,833,845

[1] Amount reflects all previous forward stock splits effected prior to our direct listing.

[2] This column represents the fair market value of a share of our Class A common stock on the date of the grant, as determined by the administrator of the 2004 Plan or the 2017 Plan, as applicable.

[3] This column represents the fair market value of the shares underlying the RSUs or PSUs as of December 31, 2024, based on the closing price of our Class A common stock, as reported on the New York Stock Exchange, of $57.86 on December 31, 2024.

[4] Amount reflects shares of our Class A common stock subject to a stock option granted pursuant to the terms and conditions of our 2017 Plan and a stock option agreement thereunder. The shares of our Class A common stock underlying the option are fully-vested.

[5] Amount represents shares of our Class A common stock subject to awards of RSUs pursuant to the terms and conditions of our 2020 Plan and RSU agreement thereunder. The remaining unvested RSUs vest in equal quarterly installments through February 20, 2027, subject to the participant's continued service through each vesting date.

[6] Represents shares of our Class A common stock subject to awards of PSUs granted under our 2020 Plan. The number of shares in the "Number of Unearned Shares, Units or Other Rights that Have Not Vested" column represents the number of PSUs that would be eligible to vest upon achievement of maximum performance against predetermined Bookings and covenant adjusted EBITDA metrics (representing achievement of 200% of the target PSUs). Between 0% and 200% of the target PSUs are eligible to vest, based on the Company's Bookings and covenant adjusted EBITDA performance during the performance period subject to the grantee's continued service.

[7] The RSUs vest as follows: (i) 5,625 RSUs vest on February 20, 2025 and (ii) 1,875 RSUs vest on May 20, 2025, subject to continued service to the Company as of each vesting date.

(8) Amount represents shares of our Class A common stock subject to awards of RSUs pursuant to the terms and conditions of our 2020 Plan and RSU agreement thereunder. The remaining unvested RSUs vest in equal quarterly installments through February 20, 2026, subject to the participant's continued service through each vesting date.

(9) Represents shares of our Class A common stock subject to awards of PSUs granted under our 2020 Plan. The number of shares in the "Number of Unearned Shares, Units or Other Rights that Have Not Vested" column represents the number of PSUs that would be eligible to vest upon achievement of the $115 Stock Price Hurdle (representing achievement of 100% of the target PSUs). Between 0% and 200% of the target PSUs are eligible to vest, based on the Company's stock price performance on the applicable measurement date, subject to the grantee's continued service on the applicable Two-Year Measurement Date or Quarterly Measurement Date.

(10) Amount represents shares of our Class A common stock subject to awards of RSUs pursuant to the terms and conditions of our 2020 Plan and RSU agreement thereunder. The remaining unvested RSUs vest in equal quarterly installments through May 20, 2025, subject to the participant's continued service through each vesting date.

(11) The RSUs vest as follows: (i) 178,661 RSUs vest in 6 equal quarterly installments through May 20, 2026, and (ii) 19,851 RSUs vest on August 20, 2026, subject to continued service to the Company as of each vesting date.

(12) Amount represents shares of our Class A common stock subject to awards of RSUs pursuant to the terms and conditions of our 2020 Plan and RSU agreement thereunder. The remaining unvested RSUs vest in equal quarterly installments through February 20, 2025, subject to the participant's continued service through each vesting date.

Option Exercises and Stock Vested in 2024

The following table sets forth information regarding options exercised and stock awards vested and value realized upon vesting, by our NEOs during fiscal year 2024:

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($) (1)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($) (2)
David Baszucki	1,896,154	85,078,304	37,211	1,571,422
Michael Guthrie	500,000	22,379,617	152,742	6,427,322
Manuel Bronstein	—	—	336,737	14,159,731
Arvind Chakravarthy	—	—	132,429	5,568,040
Mark Reinstra	123,000	5,290,972	117,423	4,940,332

(1) The aggregate value realized upon the exercise of an option represents the difference between the aggregate market price of the shares of our Class A common stock on the date of exercise and the aggregate exercise price of the option.

(2) The aggregate value realized upon the vesting and settlement of an RSU represents the aggregate market price of the shares of our Class A common stock on the date of settlement.

Nonqualified Deferred Compensation

The following table provides information about the deferred compensation accounts of the Named Executive Officers as of December 31, 2024. For further information on the Deferred Compensation Plan, please see "*Board of Directors—Director Compensation—Deferred Compensation Plan*" above.

Name	Executive Contributions in Last FY (1)	Registrant Contributions in Last FY	Aggregate Earnings in Last FY	Aggregate Withdrawals/ Distributions	Aggregate Balance at Last FYE
Arvind Chakravarthy	$ 643,500	—	$ 44,159	—	$ 687,659
Mark Reinstra	$ 607,750	—	$ 67,210	—	$ 674,960

(1) Represents base salary that was deferred under the Company's Deferred Compensation Plan.

Potential Payments upon Termination or Change in Control

Our NEOs are eligible for certain payments and benefits in the event of their termination of employment under specified circumstances. These payments and benefits are described in further detail below. The following table and the narrative that follows provide information concerning the estimated payments and benefits that could be provided in the termination circumstances described below, assuming that the relevant termination took place on December 31, 2024.

		Qualifying Termination without Change in Control			
Name	Base Salary ($)	Cash Bonus ($)	Value of Accelerated Equity Awards ($) [1]	Value of Benefits ($)	Total ($)
David Baszucki	1,200,000 [2]	—	2,870,724 [3]	50,793	4,121,517
Michael Guthrie	715,000	—	12,357,784 [3]	33,862	13,106,646
Manuel Bronstein	715,000		16,699,425 [3]	33,862	17,448,287
Arvind Chakravarthy	715,000	—	7,919,298 [3]	24,484	8,658,782
Mark Reinstra	715,000	—	8,598,600 [3]	—	9,313,600

[1] The aggregate value shown for the acceleration of an option represents the difference between the closing price of our Class A common stock, as reported on the NYSE, of $57.86 on December 31, 2024 and the exercise price of the option, multiplied by the number of accelerating shares. The aggregate value shown for the acceleration of an RSU and PSU is based on the closing price of our Class A common stock, as reported on the NYSE, of $57.86 on December 31, 2024, multiplied by the number of accelerating RSUs and PSUs.

[2] Based on Mr. Baszucki's salary as in effect prior to March 2021 when his salary was reduced to $0.

[3] The 2022 PSUs and 2024 PSUs are not included because the performance thresholds were not achieved as of December 31, 2024. However the PSUs will remain outstanding through the performance period end date and the number of PSUs that become Eligible Units will be measured as if the NEO's employment had not terminated. A portion of the 2023 PSUs are included based on performance as of December 31, 2024. The remainder of the 2023 PSUs will remain outstanding through the performance period end date and the number of PSUs that become Eligible Units will be measured as if the NEO's employment had not terminated.

		Qualifying Termination with Change in Control			
Name	Base Salary ($)	Cash Bonus ($)	Value of Accelerated Equity Awards ($) [1]	Value of Benefits ($)	Total ($)
David Baszucki	1,600,000 [2]	—	32,295,543 [3]	$ 50,793	33,946,336
Michael Guthrie	1,072,500	—	25,545,711 [3]	$ 33,862	26,652,073
Manuel Bronstein	1,072,500	—	29,800,446 [3]	$ 33,862	30,906,808
Arvind Chakravarthy	1,072,500	—	17,118,865 [3]	$ 24,484	18,215,849
Mark Reinstra	1,072,500	—	17,550,327 [3]	$ —	18,622,827

[1] The aggregate value shown for the acceleration of an option represents the difference between the closing price of our Class A common stock, as reported on the NYSE, of $57.86 on December 31, 2024 and the exercise price of the option, multiplied by the number of accelerating shares. The aggregate value shown for the acceleration of an RSU and PSU is based on the closing price of our Class A common stock, as reported on the New York Stock Exchange, of $57.86 on December 31, 2024, multiplied by the number of accelerating RSUs and PSUs.

[2] Based on Mr. Baszucki's salary as in effect prior to March 2021 when his salary was reduced to $0.

[3] In the event of a change in control, the performance period applicable to the 2022 PSUs, 2023 PSUs and 2024 PSUs would be shortened to end on or before the change in control. The number of Eligible Units subject to the 2022 PSUs would be determined based on the change in control price and are not included because the performance thresholds were not achieved as of December 31, 2024. The number of Eligible Units subject to the 2023 PSUs and 2024 PSUs would be determined based on actual performance through the closing date of the change in control, or if greater, based on the target number of shares. The aggregate value shown for the acceleration of the 2023 PSUs and 2024 PSUs is based on the closing price of our Class A common stock, as reported on the New York Stock Exchange, of $57.86 on December 31, 2024, multiplied by the target number of shares subject to the award.

Name	Death Value of Accelerated Equity Awards ($) [1]
David Baszucki	32,295,543 [2]
Michael Guthrie	27,629,191 [2]
Manuel Bronstein	31,536,680 [2]
Arvind Chakravarthy	17,118,865 [2]
Mark Reinstra	18,992,748 [2]

[1] The aggregate value shown for the acceleration of an option represents the difference between the closing price of our Class A common stock, as reported on the NYSE, of $57.86 on December 31, 2024 and the exercise price of the option, multiplied by the number of accelerating shares. The aggregate value shown for the acceleration of an RSU and PSU is based on the closing price of our Class A common stock, as reported on the NYSE, of $57.86 on December 31, 2024, multiplied by the number of accelerating RSUs and PSUs.

[2] The 2022 and 2024 PSUs are included assuming target performance as of December 31, 2024 and 2023 PSUs are included based on performance as of December 31, 2024.

Executive Resignations

On August 1, 2024, Michael Guthrie, the Company's Chief Financial Officer, notified the Company of his intent to resign as Chief Financial Officer to pursue personal interests. The Company entered into a Separation and Transition Agreement (the "**Separation Agreement**") with Mr. Guthrie on September 30, 2024, pursuant to which Mr. Guthrie's employment with the Company will terminate upon the commencement of employment of the Company's next Chief Financial Officer (the date of such separation, the "**Employment Separation Date**"). Until the Employment Separation Date, Mr. Guthrie will continue as a full-time employee of the Company and as Chief Financial Officer, and will receive his regular annual base salary (which increased from $715,000 to $735,000 as of March 1, 2025), continue to vest in outstanding equity awards, remain eligible to receive the severance and other benefits set forth in his Change in Control and Severance Agreement with the Company, and participate in the Company's benefit plans and programs. Immediately following the Employment Separation Date, Mr. Guthrie will continue to provide advisory transitional services to the Company until the one month anniversary of the Employment Separation Date. Mr. Guthrie will receive $61,250 per month, or, if greater, 1/12th of his regular annual base salary in effect as of the Employment Separation Date during this period as compensation for his advisory services, and his outstanding equity awards will continue to vest in accordance with their terms during the advisory period.

Change in Control and Severance Agreements

We have entered into a change in control severance agreement with each of our NEOs that provides for the severance and change in control benefits as described below. Each change in control severance agreement supersedes any prior agreement or arrangement the NEO may have had with us that provides for severance and/or change in control payments or benefits.

Each change in control severance agreement will terminate on the date that all of the obligations of the parties to the change in control severance agreement have been satisfied. As stated above under "*Executive Resignations*," Mr. Guthrie remains eligible to receive the severance and other benefits set forth in his Change in Control and Severance Agreement.

If a NEO's employment is terminated outside the period beginning three months before a change in control and ending 12 months following a change in control, or the change in control period, either (i) by us (or any of our subsidiaries) without "cause" (and other than by reason of death or disability) or (ii) by the NEO for "good reason" (as such terms are defined in the NEO's change in control severance agreement), the NEO will receive the following benefits if he or she timely signs and does not revoke a release of claims in our favor:

- a lump-sum payment equal to 12 months (or, in the case of Mr. Baszucki, 18 months) of the NEO's annual base salary as in effect immediately prior to such termination (or if such termination is due to a resignation for good reason based on a material reduction in base salary, then as in effect immediately prior to the reduction), or, in the case of Mr. Baszucki, calculated based on his base salary as in effect immediately prior to the time his salary was reduced to $0;

- payment of premiums for coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, or COBRA, for the NEO and the NEO's eligible dependents, if any, for up to 12 months (or, in the case of Mr. Baszucki, 18 months), or taxable monthly payments for the equivalent period in the event payment of the COBRA premiums would violate, or be subject to an excise tax under, applicable law; and
- accelerated vesting and exercisability (as applicable) of outstanding equity awards for 12 months if the NEO has been continuously employed by us for 12 or more months, or accelerated vesting and exercisability (as applicable) of the outstanding equity awards for the number of months the NEO has been employed by us if the NEO has been employed by us for 3 months or more, but less than 12 months. Such acceleration would not have applied to the CEO Long-Term Performance Award or the PSUs.

If, within the change in control period, the NEO's employment is terminated either (i) by us (or any of our subsidiaries) without cause (and other than by reason of death or disability) or (ii) by the NEO for good reason, the NEO will receive the following benefits if the NEO timely signs and does not revoke a release of claims in our favor:

- a lump-sum payment, less applicable withholdings, equal to the sum of (x) 18 months (or, in the case of Mr. Baszucki, 24 months) of the executive's annual base salary as in effect immediately prior to such termination (or if such termination is due to a resignation for good reason based on a material reduction in base salary, then as in effect immediately prior to the reduction or if greater, at the level in effect immediately prior to the change in control), or in the case of Mr. Baszucki, calculated based on his base salary as in effect immediately prior to the time his salary was reduced to $0, and (y) a pro-rated portion of 100% of the executive's target annual bonus as in effect for the fiscal year in which the termination occurs, with such pro-ration based on the number of days that have elapsed from the start of the fiscal year in which the termination occurs and the termination date;
- payment of premiums for coverage under COBRA for the NEO and the NEO's eligible dependents, if any, for up to 12 months (or, in the case of Mr. Baszucki, 18 months), or taxable monthly payments for the equivalent period in the event payment of the COBRA premiums would violate, or be subject to an excise tax under, applicable law; and
- 100% accelerated vesting and exercisability (as applicable) of all outstanding equity awards and, in the case of an equity award with performance-based vesting unless otherwise specified in the applicable equity award agreement governing such award, all performance goals and other vesting criteria generally will be deemed achieved at 100% of target levels. Such acceleration will not apply to the PSUs.

If any of the amounts provided for under these change in control severance agreements or otherwise payable to our NEOs would constitute "parachute payments" within the meaning of Section 280G of the Code and could be subject to the related excise tax, the NEO would be entitled to receive either full payment of benefits under his or her change in control severance agreement or such lesser amount which would result in no portion of the benefits being subject to the excise tax, whichever results in the greater amount of after-tax benefits to the NEO. The change in control severance agreements do not require us to provide any tax gross-up payments.

PSU Awards

A detailed discussion of the treatment of the PSUs upon a change in control, death or disability can be found under *"Cancellation of Founder and CEO Long-Term Performance Award"* and *"Fiscal Year 2024 Awards."*

Equity Acceleration Death Benefit

The LDCC has approved an Equity Award Death Acceleration Policy, pursuant to which if an employee, including our NEOs, ceases to be an employee as a result of the employee's death, then 100% of the then-unvested portion of each of the employee's outstanding equity awards will immediately vest and become fully exercisable. Such acceleration will not apply to the PSUs. A detailed discussion of the treatment of the PSUs upon death can be found under *"Cancellation of Founder and CEO Long-Term Performance Award"* and *"Fiscal Year 2024 Awards."*

CEO Pay Ratio

Under SEC rules, we are required to provide information regarding the relationship between the annual total compensation of our CEO and the annual total compensation of our median employee (excluding our CEO) for our last completed fiscal year, which ended December 31, 2024:

As set forth in the Summary Compensation Table for Fiscal Year 2024, our CEO's annual total compensation for fiscal year 2024 was $2,984,326. Our median employee's annual total compensation was $420,936, resulting in a CEO pay ratio of approximately 7:1. The intended value of the CEO's 2024 equity grants was $25,000,000 which would have led to a total compensation amount of $27,984,326. However, the grant date fair value of Mr. Baszucki's awards as stated in our Summary Compensation Table for Fiscal Year 2024 was $0 because the grants were deemed a modification of his original Founder Long-Term Performance Award for accounting purposes and under FASB ASC Topic 718, the modification did not result in any incremental fair value to be recognized over the modified term of the award. As such, we are providing a supplemental ratio that compares $27,984,326 to the median employee's annual total compensation as we believe this supplemental ratio reflects a more representative comparison. If Mr. Baszucki's total compensation were equivalent to his intended compensation of $27,984,326, the resulting supplemental CEO pay ratio is approximately 66:1.

In calculating the CEO pay ratio, the SEC rules allow companies to adopt a variety of methodologies, apply certain exclusions, and make reasonable estimates and assumptions reflecting their unique employee populations. Therefore, our reported CEO pay ratio may not be comparable to CEO pay ratios reported by other companies due to differences in industries and geographical dispersion, as well as the different estimates, assumptions and methodologies applied by other companies in calculating their CEO pay ratios.

The pay ratio is a reasonable estimate calculated in a manner consistent with SEC rules based on our payroll and employment records and the methodology described herein. We identified our employee population as of December 31, 2024, which is a date within the last three months of our last completed fiscal year, including our consolidated subsidiaries. After we identified our employee population, we collected and calculated salary information for the employee population for the twelve months trailing December 31, 2024 as our "consistently applied compensation measure". We annualized the salaries of the employees that were not employed by the Company for the full twelve months. Finally, we identified the median compensated employee and calculated her or his total compensation consistent with the compensation for our CEO in accordance with SEC rules and as reflected in the Summary Compensation Table for Fiscal Year 2024. We did not exclude any non-U.S. employees in calculating our pay ratio or any employees that became our employees as a result of a business combination or acquisition in 2024. Compensation paid in foreign currency was converted to U.S. dollars using average foreign exchange rates for the three months ending December 31, 2024. In determining the median total compensation of all employees, we did not make any cost-of-living adjustments to the compensation paid to any employee outside of the U.S.

Pay Versus Performance

In accordance with the SEC's Pay Versus Performance ("**PVP**") disclosure requirements, below is the tabular disclosure for the CEO, and the average NEO for reporting years 2024, 2023, 2022 and 2021, the year the Company first became a reporting company pursuant to Section 13(a) or Section 15(d) of the Exchange Act.

Pay Versus Performance

Year [1] (a)	Summary Compensation Table Total for PEO (b)	Compensation Actually Paid to PEO [2] (c)	Average Summary Compensation Table Total for Non-PEO NEOs (d)	Average Compensation Actually Paid to Non-PEO NEOs [2] (e)	Value of Initial Fixed $100 Investment Based on: Total Shareholder Return ("TSR") (f)	Value of Initial Fixed $100 Investment Based on: Peer Group Total Shareholder Return [3] (g)	Net Income ($Millions) [4] (h)	Company Selected Measure Bookings ($Millions) [5] (i)
2024	$ 2,984,326	$ (163,997,031)	$ 8,799,187	$ 17,746,707	$ 83	$ 210	$ (941)	$ 4,369
2023	$ 2,136,740	$ 123,047,077	$ 9,615,484	$ 12,090,218	$ 66	$ 153	$ (1,159)	$ 3,521
2022	$ 1,141,723	$ (574,303,416)	$ 10,820,908	$ (24,933,746)	$ 41	$ 97	$ (934)	$ 2,872
2021	$ 232,786,391	$ 744,614,451	$ 17,782,544	$ 62,958,728	$ 148	$ 135	$ (503)	$ 2,726

[1] The PVP table reflects required disclosures for fiscal years 2024, 2023, 2022 and 2021, the year the Company first became a reporting company pursuant to Section 13(a) or Section 15(d) of the Exchange Act. The Principal Executive Officer ("**PEO**") in all reporting years is David Baszucki. The non-PEO NEOs in the 2024 reporting year are Michael Guthrie, Manuel Bronstein, Arvind Chakravarthy and Mark Reinstra. The non-PEO NEOs in the 2023 reporting year are Michael Guthrie, Manuel Bronstein, Craig Donato, Barbara Messing, Mark Reinstra and Daniel Sturman. The non-PEO NEOs in the 2022 reporting year are Michael Guthrie, Daniel Sturman, Barbara Messing and Mark Reinstra. The non-PEO NEOs in the 2021 reporting year are Michael Guthrie, Daniel Sturman, Manuel Bronstein and Craig Donato.

[2] "Compensation Actually Paid" ("**CAP**") is calculated by taking Summary Compensation Table total compensation: a) less the stock award and stock option grant values; b) plus the year over year change in the fair value of stock and option awards that are unvested as of the end of the year, or vested or were forfeited during the year. The Company has not paid dividends historically and does not sponsor any pension arrangements; thus no adjustments are made for these items. Reconciliation of the Summary Compensation Table total compensation and CAP is summarized in the following table:

Fiscal Year	PEO[i][ii][iii] 2021	2022	2023	2024
SCT Total Compensation	$ 232,786,391	$ 1,141,723	$ 2,136,740	$ 2,984,326
- Change in Pension Value and Above Market Non-Qualified Deferred Compensation	$ —	$ —	$ —	$ —
- Grant Date Fair Value of Option Awards and Stock Awards Granted in Fiscal Year	$ (232,185,000)	$ —	$ —	$ —
+ Fair Value at Fiscal Year-End of Outstanding and Unvested Option Awards and Stock Awards Granted in Fiscal Year	$ 562,902,500	$ —	$ —	$ 58,132,000
+ Change in Fair Value of Outstanding and Unvested Option Awards and Stock Awards Granted in Prior Fiscal Years	$ 124,170,175	$ (505,206,983)	$ 115,919,544	$ —
+ Fair Value at Vesting of Option Awards and Stock Awards Granted in Fiscal Year That Vested During Fiscal Year	$ —	$ —	$ —	$ 1,558,522
+ Change in Fair Value as of Vesting Date of Option Awards and Stock Awards Granted in Prior Fiscal Years For Which Applicable Vesting Conditions Were Satisfied During Fiscal Year	$ 56,940,386	$ (70,238,155)	$ 4,990,793	$ (6,879)
- Fair Value as of Prior Fiscal Year-End of Option Awards and Stock Awards Granted in Prior Fiscal Years That Failed to Meet Applicable Vesting Conditions During Fiscal Year	$ —	$ —	$ —	$ (226,665,000)
+ Value of Dividends or other Earnings Paid on Stock or Option Awards not Otherwise Reflected in Fair Value or Total Compensation	$ —	$ —	$ —	$ —
Compensation Actually Paid	**$ 744,614,451**	**$ (574,303,416)**	**$ 123,047,077**	**$ (163,997,031)**

	Average Non-NEO PEO[i][ii][iii]			
Fiscal Year	2021	2022	2023	2024
SCT Total Compensation	$ 17,782,544	$ 10,820,908	$ 9,615,484	$ 8,799,187
- Change in Pension Value and Above Market Non-Qualified Deferred Compensation	$ —	$ —	$ —	$ —
- Grant Date Fair Value of Option Awards and Stock Awards Granted in Fiscal Year	$ (17,250,250)	$ (10,186,779)	$ (8,817,183)	$ (8,069,693)
+ Fair Value at Fiscal Year-End of Outstanding and Unvested Option Awards and Stock Awards Granted in Fiscal Year	$ 21,196,156	$ 4,768,744	$ 6,178,511	$ 13,755,868
+ Change in Fair Value of Outstanding and Unvested Option Awards and Stock Awards Granted in Prior Fiscal Years	$ 22,690,135	$ (18,691,504)	$ 2,310,013	$ 2,607,518
+ Fair Value at Vesting of Option Awards and Stock Awards Granted in Fiscal Year That Vested During Fiscal Year	$ 3,744,929	$ 1,994,756	$ 1,414,874	$ 1,280,382
+ Change in Fair Value as of Vesting Date of Option Awards and Stock Awards Granted in Prior Fiscal Years For Which Applicable Vesting Conditions Were Satisfied During Fiscal Year	$ 14,795,214	$ (13,639,893)	$ 2,299,886	$ (626,572)
- Fair Value as of Prior Fiscal Year-End of Option Awards and Stock Awards Granted in Prior Fiscal Years That Failed to Meet Applicable Vesting Conditions During Fiscal Year	$ —	$ —	$ (911,367)	$ 17
+ Value of Dividends or other Earnings Paid on Stock or Option Awards not Otherwise Reflected in Fair Value or Total Compensation	$ —	$ —	$ —	$ —
Compensation Actually Paid	**$ 62,958,728**	**$ (24,933,746)**	**$ 12,090,218**	**$ 17,746,707**

(i) For 2022, the fair value of the CEO Long-Term Performance Award and performance stock units used to calculate CAP was determined using a Monte Carlo simulation valuation model, in accordance with FASB ASC Topic 718. The fair value of performance stock units granted in 2023 and 2024 and restricted stock units used to calculate CAP was determined using the grant date fair value, in accordance with FASB ASC Topic 718. The grant date fair value of Mr. Baszucki's awards as stated in our Summary Compensation Table for Fiscal Year 2024 is $0 despite the intended value of the grants being $25 million because the grants were deemed a modification of his Original Founder Long-Term Performance Award for accounting purposes and under FASB ASC Topic 718, as of March 1, 2024, we were not required to record any incremental fair value in connection with the modification.

(ii) The fair value of option awards used to calculate CAP was determined using the Black-Scholes option pricing model, in accordance with FASB ASC Topic 718.

(iii) Due to rounding, the total Compensation Actually Paid may not be the precise value obtained by adding and subtracting the numbers in the column.

(3) The peer group index is comprised of the S&P 500 Information Technology Index, which is the industry line peer group reported in our Annual Report on Form 10-K filed with the SEC on February 18, 2025.

(4) Represents the Company's consolidated net loss, which includes the loss attributable to its noncontrolling interest.

(5) The Company selected financial measure, as required by Item 402(v) of Regulation S-K, is Bookings, which, in our assessment, represents the most important financial measure linking 2024 NEO Compensation Actually Paid to Company performance.

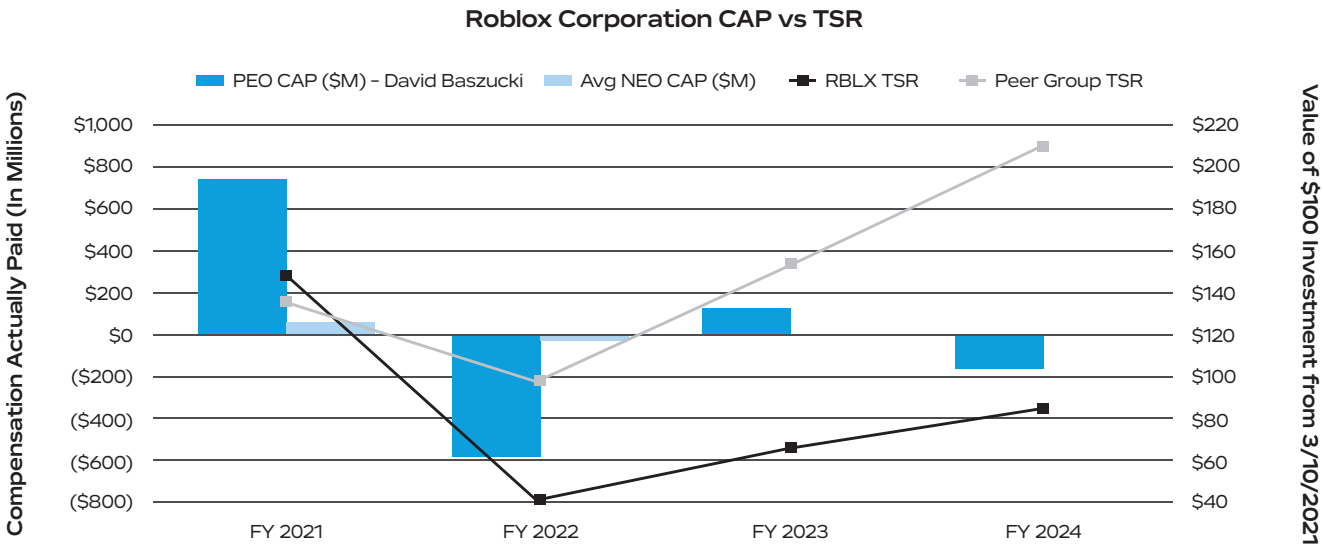
Most Important Metric Used for Linking Pay and Performance

As described in the Compensation Discussion and Analysis, our executive compensation program reflects a pay-for-performance philosophy and compensation decisions are made each year taking into account a number of factors. Target pay levels are primarily set based on individual performance, scope of responsibility, an annual assessment of pay competitiveness within the market, and overall Company performance. Below is an unranked list of the most important financial performance measures that we use to link Compensation Actually Paid to the Company's performance in the most recently completed fiscal year:

- Bookings
- Covenant Adjusted EBITDA
- Stock Price

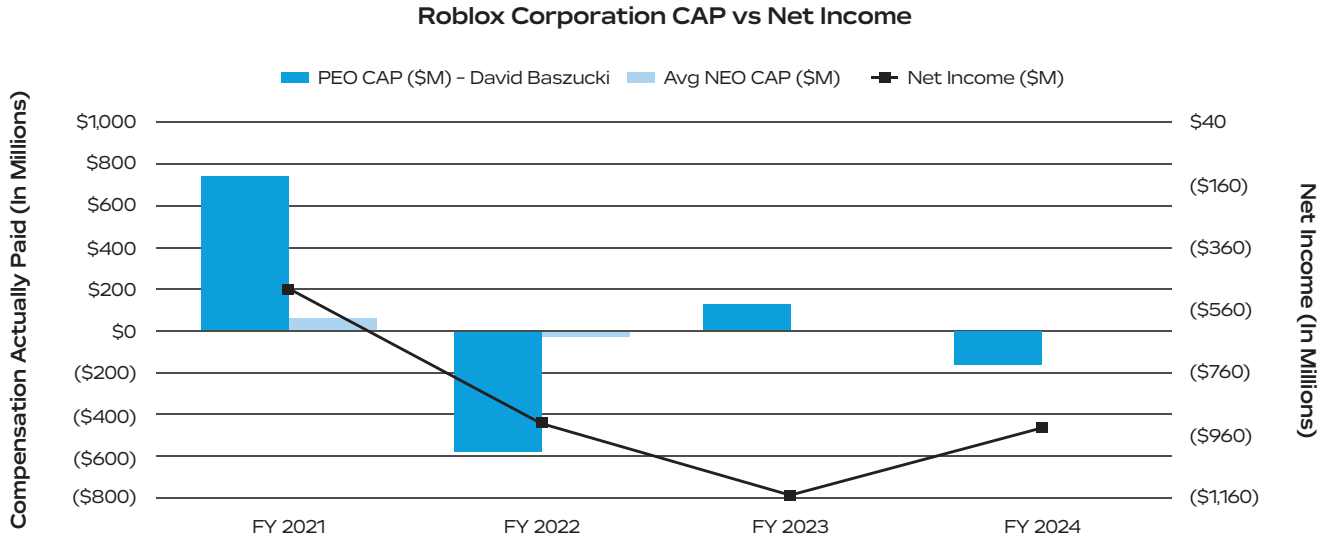
Relationship between CAP and TSR

The graph below reflects the relationship between the PEO and Average Non-PEO NEO CAP for the reporting year and the Company and S&P 500 Information Technology Index cumulative indexed TSR between March 10, 2021 (the date that our Class A common stock commenced trading on the NYSE) through December 31, 2024:



Relationship between CAP and Net Income (GAAP)

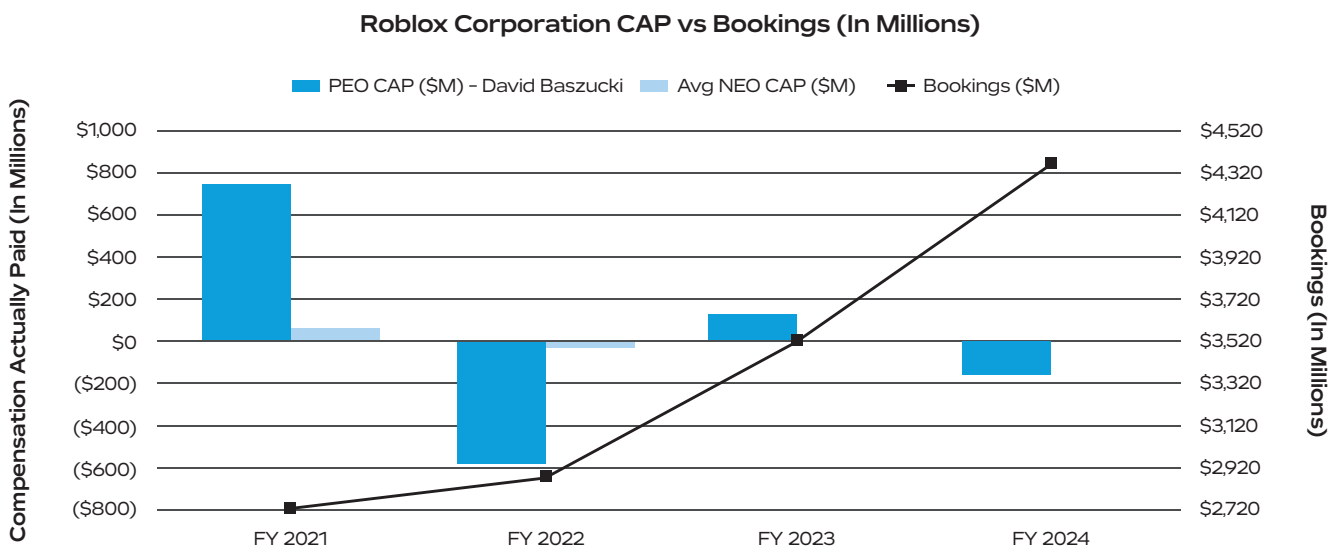
The graph below reflects the relationship between the PEO and Average Non-PEO NEO CAP and the Company's GAAP Net Income for the applicable reporting year. The Company's GAAP Net Income represents the Company's consolidated net loss, which includes the loss attributable to its noncontrolling interest.



Relationship between CAP and Bookings

The graph below reflects the relationship between the PEO and Average Non-PEO NEO CAP and the Company's Bookings for the applicable reporting year. The Company's Bookings represent the sales activity in a given period without giving effect to certain non-cash adjustments, as detailed below. Substantially all of our bookings are generated from sales of virtual currency, which can ultimately be converted to virtual items on the platform. Sales of virtual currency reflected as bookings include one-time purchases or monthly subscriptions purchased via payment processors or through prepaid cards. Bookings are initially recorded in deferred revenue and recognized as revenues over the estimated period of time the virtual items purchased with the virtual currency are available on the platform (estimated to be the average lifetime of a paying user) or as the virtual items purchased with the virtual currency are consumed. Bookings also include an insignificant amount from advertising and licensing arrangements.

Bookings is a non-GAAP financial measure. For a reconciliation of GAAP Revenue to Bookings see section titled "*Non-GAAP Financial Measures*," within Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations from pages 71-72 in our Annual Report on Form 10-K filed on February 18, 2025.



Equity Compensation Plan Information

The following table summarizes our equity compensation plan information as of December 31, 2024. Information is included for equity compensation plans approved by our stockholders. We do not have any equity compensation plans not approved by our stockholders.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in the First Column)
Equity compensation plans approved by security holders [1]	64,775,927 [2]	$ 3.08 [3]	112,497,394 [4]

[1] Includes the 2004 Plan, the 2017 Plan, the 2020 Plan, and the 2020 Employee Stock Purchase Plan, or the ESPP. The 2004 Plan was terminated effective January 19, 2017, and the 2017 Plan was terminated effective March 2, 2021.

[2] Includes 27,457,791 shares subject to stock options, 35,013,666 shares subject to RSUs, and 2,304,470 shares subject to PSUs that were outstanding as of December 31, 2024 that were issued under the 2004 Plan, the 2017 Plan or the 2020 Plan, as applicable. The number of shares subject to PSUs outstanding in the table above reflect shares that would be eligible to vest at maximum (200% of target), for which the performance achievement had not yet been determined as of December 31, 2024. This number excludes purchase rights accruing under the ESPP.

[3] RSUs and PSUs, which do not have an exercise price, are excluded in the calculation of weighted-average exercise price. No options were granted during the fiscal year ended December 31, 2024.

[4] As of December 31, 2024, an aggregate of 91,642,269 shares of Class A common stock were available for issuance under the 2020 Plan and an aggregate of 20,855,125 shares of Class A common stock were available for issuance under the ESPP. The 2020 Plan provides that on the first day of each year beginning on January 1, 2022, the number of shares of Class A common stock available for issuance thereunder is automatically increased by a number equal to the least of (i) 75,000,000 shares, (ii) 5% of the outstanding shares of all classes of our common stock as of the last day of our immediately preceding fiscal year, and (iii) such other amount as our Board may determine. The ESPP provides that on the first day of each year beginning on January 1, 2022, the number of shares of Class A common stock available for issuance thereunder is automatically increased by a number equal to the least of (i) 15,000,000 shares, (ii) 1% of the outstanding shares of all classes of our common stock as of the last day of our immediately preceding fiscal year, and (iii) such other amount as our Board may determine. On January 1, 2025, the number of shares of Class A common stock available for issuance under the 2020 Plan increased by 33,320,950 shares pursuant to this provision and the number of shares of Class A common stock available for issuance under the ESPP increased by 6,664,190 shares. The increases are not reflected in the table above.

Independent Registered Public Accounting Firm

ITEM 3

Ratification of the Independent Registered Public Accounting Firm

The Board of Directors recommends a vote "**FOR**" the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm

Our ACC has appointed Deloitte & Touche LLP, an independent registered public accounting firm, to audit our consolidated financial statements for our fiscal year ending December 31, 2025. Deloitte & Touche LLP has served as our independent registered public accounting firm since 2019.

At the Annual Meeting, our stockholders are being asked to ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2025. Our ACC is submitting the appointment of Deloitte & Touche LLP to our stockholders because we value our stockholders' views on our independent registered public accounting firm and as a matter of good corporate governance. Notwithstanding the appointment of Deloitte & Touche LLP, and even if our stockholders ratify the appointment, our ACC, in its discretion, may appoint another independent registered public accounting firm at any time during our fiscal year if our ACC believes that such a change would be in the best interests of our Company and our stockholders. If our stockholders do not ratify the appointment of Deloitte & Touche LLP, our Board may reconsider the appointment. Representatives of Deloitte & Touche LLP will be present at the Annual Meeting, and they will have an opportunity to make a statement and will be available to respond to appropriate questions from our stockholders.

Vote Required

The ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2025 requires the affirmative vote of a majority of the voting power of the shares of our common stock present in person (including virtually) or by proxy at the Annual Meeting and entitled to vote thereon. Abstentions will have the effect of a vote against this proposal, and broker non-votes will have no effect.

Report of the Audit and Compliance Committee

The Audit and Compliance Committee is a committee of our board of directors comprised solely of independent directors as required by the listing standards of the NYSE and the rules and regulations of the SEC. The composition of the Audit and Compliance Committee, the attributes of its members and the responsibilities of the Audit and Compliance Committee, as reflected in its charter, are intended to be in accordance with applicable requirements for corporate audit committees. With respect to Roblox's financial reporting process, Roblox's management is responsible for (1) establishing and maintaining internal controls and (2) preparing Roblox's consolidated financial statements. Roblox's independent registered public accounting firm, Deloitte & Touche LLP, is responsible for performing an independent audit of Roblox's consolidated financial statements and the effectiveness of Roblox's internal control over financial reporting. It is the responsibility of the audit and compliance committee to oversee these activities. It is not the responsibility of the Audit and Compliance Committee to prepare Roblox's financial statements. These are the fundamental responsibilities of management. In the performance of its oversight function, the audit and compliance committee has:

- reviewed and discussed the audited consolidated financial statements with management and Deloitte & Touche LLP;
- discussed with Deloitte & Touche LLP the matters required to be discussed by applicable requirements of the PCAOB and the SEC; and
- received the written disclosures and the letter from Deloitte & Touche LLP required by applicable requirements of the PCAOB regarding the independent accountant's communications with the audit and compliance committee concerning independence and has discussed with Deloitte & Touche LLP its independence.

Based on the Audit and Compliance Committee's review and discussions with management and Deloitte & Touche LLP, the Audit and Compliance Committee recommended to our board of directors that the audited financial statements be included in Roblox's Annual Report on Form 10-K for the fiscal year ended December 31, 2024 for filing with the SEC.

Respectfully submitted by the members of the Audit and Compliance Committee of the Board:
Gina Mastantuono (Chair)
Christopher Carvalho
Jason Kilar

This report of the Audit and Compliance Committee is required by the SEC and, in accordance with the SEC's rules, will not be deemed to be part of or incorporated by reference by any general statement incorporating by reference this proxy statement into any filing under the Securities Act of 1933, as amended ("**Securities Act**"), or under the Exchange Act, except to the extent that we specifically incorporate this information by reference, and will not otherwise be deemed "soliciting material" or "filed" under either the Securities Act or the Exchange Act.

Audit and Non-Audit Fees

The following table presents fees (in thousands) for professional audit services and other services rendered to our company by Deloitte & Touche LLP for our fiscal years ended December 31, 2023 and 2024.

	2023	2024
Audit Fees [1]	$ 4,233	$ 4,540
Audit-Related Fees [2]	—	—
Tax Fees [3]	23	56
All Other Fees [4]	2	2
Total Fees	$ 4,258	$ 4,598

[1] Consists of fees for professional services provided in connection with the audit of our annual consolidated financial statements and effectiveness of internal controls over financial reporting, reviews of our quarterly condensed consolidated financial statements and services rendered in connection with the filing of our registration statement on Form S-8 and other statutory and regulatory filings or engagements.

[2] No audit-related fees were incurred during fiscal 2023 or 2024.

[3] Consist of fees for professional services primarily for tax compliance for 2023 and tax compliance and tax consulting for 2024.

[4] Consists of software subscription fees.

Pre-Approval Policies and Procedures

Our ACC has established a policy governing our use of the services of our independent registered public accounting firm. Under this policy, our ACC is required to pre-approve all services performed by our independent registered public accounting firm in order to ensure that the provision of such services does not impair the public accountants' independence. All services provided by Deloitte & Touche LLP for our fiscal year ended December 31, 2023 and December 31, 2024, respectively, were pre-approved by our ACC. During the fiscal year ended December 31, 2024, none of the total hours expended on the Company's financial audit by Deloitte & Touche LLP were provided by persons other than full-time permanent employees of Deloitte & Touche LLP or its subsidiaries and affiliates.

Nevada Reincorporation Proposal

ITEM 4

Approval of the Reincorporation of Roblox to the State of Nevada by Conversion

The Board of Directors recommends a vote "**FOR**" the approval of the reincorporation of Roblox to the State of Nevada by conversion

Our Board has approved, and recommends that stockholders approve, a proposal to reincorporate, by conversion, the Company from a corporation organized under the laws of the State of Delaware (the "**Delaware Corporation**") to a corporation organized under the laws of the State of Nevada (the "**Nevada Corporation**"), and adopt the resolutions of the Board approving the reincorporation (the "**Nevada Reincorporation Resolutions**") included as **Appendix A** to this proxy statement, as more fully described in this Item 4. We call the proposed reincorporation of the Delaware Corporation in the form of a conversion into the Nevada Corporation the "**Nevada Reincorporation**."

Vote Required

The approval of the Nevada Reincorporation requires the affirmative vote of a majority of the voting power of the outstanding shares of our common stock entitled to vote thereon. Abstentions, broker non-votes, and other failures to vote will have the effect of a vote against this proposal.

Principal Terms of the Nevada Reincorporation

The Nevada Reincorporation, if approved by our stockholders, will be effected through a conversion pursuant to Section 266 of the Delaware General Corporation Law (the "**DGCL**"), and Sections 92A.195 and 92A.205 of the Nevada Revised Statutes (as amended, the "**NRS**"), as set forth in the plan of conversion (the "**Plan of Conversion**"), included as **Appendix B** to this proxy statement.

Through the adoption of the Plan of Conversion, upon the Nevada Reincorporation:

- The Company will continue in existence as a Nevada corporation and will continue to operate our business under the current name, "Roblox Corporation." The corporate existence of Roblox Corporation will not cease at any time.
- The internal affairs of the Company will cease to be governed by Delaware law and will instead be subject to Nevada law. See "*What Changes After Nevada Reincorporation?—Certain Differences in Stockholder Rights under Delaware and Nevada Law*" below.
- The Company will cease to be governed by the restated certificate of incorporation of the Company (the "**Delaware Charter**"), which is included as **Appendix C** to this proxy statement, and the amended and restated bylaws of the Company (the "**Delaware Bylaws**"), which are included as **Appendix D** to this proxy statement, and will instead be subject to the provisions of the proposed Nevada articles of incorporation (the "**Nevada Charter**") and the proposed Nevada bylaws (the "**Nevada Bylaws**"), forms of which are included as **Appendix E** and **Appendix F**, respectively, to this proxy statement. See "*What Changes After Nevada Reincorporation?—Certain Differences Between the Delaware Charter and Bylaws and Nevada Charter and Bylaws*" below.
- The Nevada Reincorporation will not result in any change in headquarters, business, jobs, management, properties, location of any of our offices or facilities, number of employees, obligations, assets, liabilities or net worth (other than as a result of the transaction costs related to the Nevada Reincorporation).
- Each outstanding share of our Class A common stock will be automatically converted into one outstanding share of Class A common stock of the Nevada Corporation pursuant to the Plan of Conversion.

- Each outstanding share of our Class B common stock will be automatically converted into one outstanding share of the Class B common stock of the Nevada Corporation pursuant to the Plan of Conversion.
- Stockholders will not need to exchange their existing stock certificates or book entry entitlements for new stock certificates or book entry entitlements, respectively.
- Each outstanding restricted stock award, restricted stock unit (including performance units), option or right to acquire shares of our Class A common stock or Class B common stock, as applicable, will continue in existence and automatically become a restricted stock award, restricted stock unit, option or right to acquire an equal number of shares of Class A common stock or Class B common stock, as applicable, of the Nevada Corporation under the same terms and conditions.
- Our Class A common stock will continue to be traded on the NYSE under the symbol "RBLX." We do not expect any interruption in the trading of our Class A common stock as a result of the Nevada Reincorporation.

If our stockholders approve the Nevada Reincorporation, we anticipate that the Nevada Reincorporation will become effective as soon as practicable following the Annual Meeting (the "**Effective Time**"). In connection with the Nevada Reincorporation, the Company intends to make filings with the Nevada Secretary of State and the Secretary of State of Delaware. The Nevada Reincorporation may be delayed by our Board, or the Plan of Conversion may be terminated and abandoned by action of our Board, at any time prior to the Effective Time, whether before or after the approval by our stockholders, if our Board determines for any reason that such delay or abandonment would be in the best interests of the Company and all of its stockholders.

Background of the Nevada Reincorporation

At Roblox, we are focused on our mission to connect one billion people with optimism and civility. We are building an immersive platform for connection and communication where every day, millions of users come to create, play, work, learn and connect with each other in experiences built by our global community of creators. Our corporate philosophy follows our focus on innovation and good governance to support our broader mission. Our Board and management follow this philosophy for innovation with respect to considering governance, finance and other corporate matters on a regular basis. For example, we are one of the few companies that undertook a direct listing as our means of going public in March 2021.

Roblox incorporated in Delaware in 2004. A large number of U.S. corporations have historically chosen Delaware as their state of incorporation because of, among other reasons, the extensive experience of the Delaware courts in adjudicating corporate and business-related matters. Our Board and management considered the Company's state of incorporation over the last year in response to a number of factors, including developments in the competitive and regulatory landscape in which we operate and views regarding the legal landscape in Delaware including some high-profile litigation outcomes that involved technology companies with controlling stockholders. The Board began to consider the differences among jurisdictions for corporate domiciliation and determined to pursue the Nevada Reincorporation for the reasons discussed below.

Our Board's Evaluation of the Nevada Reincorporation

At a special meeting held on February 28, 2025, our Board met to discuss the Company's potential reincorporation. Management, including in-house legal counsel, together with outside litigation counsel to the Company, presented to the Board regarding the strategic considerations and process related to a potential reincorporation. During this meeting, the Board authorized the NCGC to evaluate a potential reincorporation with a focus on analyzing Delaware, Florida, Nevada and Texas law, and report back to the Board with the NCGC's recommendation.

The NCGC met during a special meeting on March 12, 2025, with representatives of management, including in-house legal counsel, and Wilson Sonsini Goodrich & Rosati, P.C., outside corporate and Delaware counsel to the Company, to discuss the potential reincorporation and the comparison of the four states, focusing on the corporate law and litigation comparisons among the states, predominant market practice, fiduciary duties, implications for stockholders and process for any potential reincorporation. The discussion also focused on the proposed amendments to the DGCL, which have since been adopted, in order to address various governance matters which are discussed below. At this meeting, the NCGC concluded that Nevada appeared to be an attractive alternative to Delaware given Nevada's carefully drafted and innovative corporate statutes and business-oriented legal environment. The NCGC then met in a regular meeting on March 19, 2025, to discuss a number of matters which included a further discussion of Nevada as a potential state for reincorporation. A representative of Brownstein Hyatt Farber Schreck, LLP, outside Nevada counsel to the Company, presented various matters regarding Nevada law to the NCGC, with members of management, including in-house legal counsel, and representatives of Wilson Sonsini Goodrich & Rosati, P.C. providing additional input to the NCGC regarding Delaware law, the proposed amendments to Delaware law then under consideration by the Delaware legislature, and various other

matters. Following these meetings and discussions, the NCGC determined that the Nevada Reincorporation is in the best interests of the Company and its stockholders and that it would recommend that the Board approve the Nevada Reincorporation.

At a regular meeting on March 20, 2025, our Board then approved proceeding with the Nevada Reincorporation after considering the recommendation of the NCGC and discussion with members of management, including in-house legal counsel. On March 27, 2025, the Board approved by unanimous written consent the Nevada Reincorporation Resolutions and related documents.

Recommendation of the Board of Directors

Our Board has approved the Nevada Reincorporation and recommended that our stockholders approve the Nevada Reincorporation (including the Plan of Conversion, Nevada Charter and Nevada Bylaws) and adopt the Nevada Reincorporation Resolutions.

Reasons for the Nevada Reincorporation

Our Board believes that there are several reasons the Nevada Reincorporation is in the best interests of the Company and its stockholders. Our Board and the NCGC determined that to support the mission of innovation of the Company it would be advantageous for the Company to have a predictable, statute-focused legal environment. The Board and the NCGC considered Nevada's statute-focused approach to corporate law and other merits of Nevada law and determined that Nevada's approach to corporate law is likely to foster more predictability in governance and litigation than Delaware's approach. Among other things, the Nevada statutes codify the fiduciary duties of directors and officers, which decreases reliance on judicial interpretation and promotes stability and certainty for corporate decision-making. The Board and the NCGC also considered the increasingly litigious environment in Delaware, which has engendered costly and less meritorious litigation and has the potential to cause unnecessary distraction to the Company's directors and management team. The Board and the NCGC believe that a more predictable legal environment will better allow the Company to pursue its culture of innovation as it pursues its mission.

Certain Risks Associated with the Nevada Reincorporation

Although our Board believes that the Nevada Reincorporation is in the best interests of the Company and its stockholders, there can be no assurance that the Nevada Reincorporation will result in all or any of the benefits described in this proxy statement, including the benefits of or resulting from incorporation in Nevada or the application of Nevada law to the internal affairs of the Company.

For the Company's comparison of stockholders' rights and the material substantive provisions that apply to the board of directors and executive officers under Delaware and Nevada law, see "*What Changes After Nevada Reincorporation?—Certain Differences in Stockholder Rights under Delaware and Nevada Law*" below.

Certain Differences Between Delaware and Nevada Law

Although our Board believes that the rights of stockholders under the DGCL and the NRS are substantially similar, the DGCL and Delaware case law collectively are different in certain respects than the NRS and existing Nevada case law in ways that may affect the rights of our stockholders. Please see the Company's summary of certain differences in the section titled "*What Changes After Nevada Reincorporation?—Certain Differences in Stockholder Rights under Delaware and Nevada Law*."

As an example, the NRS expressly permits directors and officers to consider all relevant facts, circumstances, contingencies or constituencies, including approving or taking an action that factors in the interests of stakeholders other than the corporation's stockholders, such as employees, suppliers and the community, all referred to as "constituency considerations." Under Delaware law, by comparison, there is no express statutory authority to consider such interests, and fiduciary duties in most circumstances require directors to seek to maximize the value of the corporation for the long-term benefit of the stockholders (unless the corporation is specifically incorporated as a public benefit corporation). As a result, as a Nevada corporation, it is possible that our directors and officers may consider the interests of other constituencies in a manner different from what Delaware law may require.

In addition, as further explained in the Company's summary below, under the NRS, a stockholder may inspect a Nevada corporation's articles of incorporation, bylaws and stock ledger, subject to certain limitations, if such stockholder holds at least 5% of the outstanding shares of stock of the Nevada corporation or has been a holder of shares for at least six months. The NRS also provides that a stockholder may inspect the books of account and financial statements of a Nevada corporation if such stockholder holds at least 15% of the outstanding shares of stock of the Nevada corporation; however, these additional inspection rights are generally not available for stockholders of publicly traded companies like Roblox. The DGCL, by comparison, does not require that a stockholder hold a certain number of shares or hold such shares for a stated period of time prior to exercising their books and records inspection rights. The absence of such requirements can lead to abuse of the right of shareholders to seek books and

records under the DGCL. In addition, the practice in Delaware as reflected in the case law and statutory law currently provides for more expansive books and records that are made available to stockholders in a Delaware corporation than for a Nevada corporation. Thus, it is possible that some of our stockholders entitled to make a books and records demand today (as stockholders in a Delaware corporation) will not be able to make a similar demand following the Nevada Reincorporation.

Our Board has identified certain other areas where the law in Nevada differs in some respect from that of Delaware. A potentially important area is related to antitakeover protections. Both Delaware and Nevada permit a range of antitakeover defenses, including poison pills. Both have prohibitions on business combinations with "interested stockholders" owning certain proportions of the outstanding shares, though they apply at different ownership thresholds and have differing moratorium periods: 15% of the voting power of the outstanding voting stock for three years in Delaware and 10% of the voting or investment power of the outstanding voting stock for up to four years in Nevada, although in the Nevada Charter, the Company has opted out of these provisions. Both allow for classified boards of directors, though there are different default standards for director removal: in Delaware, unless the certificate of incorporation provides otherwise, directors on a classified board may only be removed for cause and by the holders of at least a majority of the voting power of the outstanding shares entitled to vote at an election of directors; and in Nevada, there is no distinction between removals for cause and removals without cause (unless specified in the articles of incorporation), and a two-thirds vote is generally required to remove any director. Another potential area of difference involves cash-out merger transactions (i.e., when one company buys another company and pays the stockholders of the bought company in cash) and directors' obligations: in such transactions and in general, the NRS allows directors to consider all relevant facts, circumstances, contingencies or constituencies, which may include the short-term and long-term interests of stockholders, but which may also include the interests of stakeholders other than stockholders. Delaware law, at least in certain circumstances, requires directors to accept the highest price reasonably available, although in many circumstances they are allowed, as directors of a Nevada corporation would be, to "just say no" to a potential transaction and consider the long-term interests of the corporation and its stockholders.

Finally, there are various important common law doctrines under Delaware law that have not been adopted by Nevada courts or adopted in the Nevada statutes. The Delaware Court of Chancery and Delaware Supreme Court are experienced business courts which have produced extensive case law interpreting Delaware law. Trials in the Chancery Court are before judges who are experts in corporate law and appointed for 12-year terms. Delaware statutory law is regularly updated by the legislature, which meets at least once every year to consider amendments to the DGCL. While Nevada has adopted comprehensive, modern, and flexible statutes that the Nevada Legislature, which meets every other year, updates and revises to meet changing business needs, Nevada case law concerning the effects of its statutes and regulations is more limited than Delaware due in part to Nevada's more statute-focused approach. As a result, the Company would not have the benefit of Delaware's breadth of precedent to anticipate the legality of certain corporate affairs and transactions and shareholders' rights to challenge them, particularly on any matters as to which Nevada's statutes do not provide a definitive answer and a Nevada court must decide as a matter of first impression. The familiarity with Delaware law and courts and the breadth and long history of Delaware corporate law may impact the views of certain investors or certain members of the financial services industry, as well as potential director and officer candidates, with respect to the Nevada Corporation. This view regarding Delaware law may impact the behaviors of such third parties which could have an adverse effect on our business.

On February 17, 2025, the Delaware governor and legislative leaders announced legislative initiatives that would amend the DGCL in order to address recent concerns with transactional certainty and the litigation atmosphere in Delaware, including as a result of some of the high-profile cases that are considered reasons for why companies may choose to move out of Delaware and reincorporate into another state. These amendments to the DGCL, as modified and adopted (the "**DGCL Amendments**"), were recently approved by the Delaware legislature and the Governor of Delaware and have been enacted into law as of March 25, 2025. As noted above, our Board and the NCGC considered the DGCL Amendments in their deliberations regarding the Nevada Reincorporation and the course and process of debate over such provisions before the Delaware General Assembly. While Delaware law continues to evolve and address concerns including through the DGCL Amendments, the DGCL Amendments are new, untested and subject to judicial interpretation and may not fully mitigate a variety of litigation and business planning concerns for the Company. For the purposes of the discussion below, we have included summaries of certain of the key DGCL Amendments in the analysis of the DGCL for comparison to NRS provisions.

Transaction Costs and Litigation Risk

We have incurred and will incur certain costs in connection with the Nevada Reincorporation, including certain filing fees and legal and other transaction costs. We believe a majority of the costs related to the transaction have already been incurred or will be incurred in connection with the delivery of this proxy statement to stockholders regardless of whether the Nevada Reincorporation is ultimately completed. Many of the expenses that will be incurred and other potential transaction costs are difficult to accurately estimate at the present time, and additional unanticipated costs may be incurred in connection with the Nevada Reincorporation.

It is also possible that the Nevada Reincorporation, regardless of merit, results in litigation, with additional expense and distraction for the Company. Further, if a court determines that any such litigation has merit, we may be required to pay substantial monetary damages or attorneys' fees.

What Changes After Nevada Reincorporation?

The Nevada Reincorporation will effect a change in the legal domicile of the Company and other changes, the most significant of which are described below. Following the Nevada Reincorporation, we will be governed by the NRS instead of the DGCL, and we will be governed by the Nevada Charter and the Nevada Bylaws instead of the Delaware Charter and the Delaware Bylaws. Copies of the Delaware Charter and Delaware Bylaws are included as **Appendix C** and **Appendix D**, respectively, to this proxy statement, and copies of the Nevada Charter and Nevada Bylaws are included as **Appendix E** and **Appendix F**, respectively, to this proxy statement.

Certain Differences Between the Delaware Charter and Bylaws and the Nevada Charter and Bylaws

The Nevada Charter and the Nevada Bylaws have been drafted with an intent to parallel the Delaware Charter and the Delaware Bylaws to the extent legally possible. However, there are differences between what your rights are under Delaware law and what they will be under Nevada law. In addition, there are differences between the Delaware Charter and Delaware Bylaws and the Nevada Charter and Nevada Bylaws as they will be in effect after the Nevada Reincorporation, particularly with respect to changes (i) that are required by Nevada law or (ii) that are necessary in order to preserve the current rights of stockholders and powers of our Board following the Nevada Reincorporation. The following discussion is a summary of certain differences between the Nevada Charter and Nevada Bylaws and the Delaware Charter and Delaware Bylaws. This summary does not cover all the differences between the Delaware Charter and Delaware Bylaws and the Nevada Charter and Nevada Bylaws. This summary is subject to the complete text of the relevant provisions of the Nevada Charter and Nevada Bylaws and the Delaware Charter and Delaware Bylaws. We encourage you to read those documents carefully.

Provision	Delaware	Nevada
Charter Regarding Limitation of Liability of Directors and Officers	The Delaware Charter provides that, to the fullest extent permitted by the DGCL, a director of the Company shall not be liable to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director, except (a) for any breach of the director's duty of loyalty to the corporation or its stockholders; (b) for acts or omissions not in good faith or involving intentional misconduct or a knowing violation of law; (c) for the payment of unlawful dividends, stock repurchases or redemptions; or (d) for any transaction in which the director received an improper personal benefit.	The NRS, which the Nevada Charter follows, provides that directors and officers are not individually liable to the Company, its stockholders or creditors, unless the presumption of Nevada's codified "business judgment rule" has been rebutted and it is proven that such person has breached such person's fiduciary duties as a director or officer and such breach involved intentional misconduct, fraud or a knowing violation of law. Note that Nevada law, which covers both directors and officers, does not categorically exempt breaches of duty of loyalty from exculpation. Liability of directors for improper payment of distributions is subject to the same exculpatory standard applicable to other liabilities.
Bylaws Regarding Forum Adjudication for Disputes	Under the Delaware Bylaws, the Delaware Court of Chancery is the sole and exclusive forum for (1) any derivative action or proceeding brought on behalf of the Company, (2) any action asserting a claim of breach of a fiduciary duty owed by any director, stockholder, officer or other employee of the Company to the Company or the Company's stockholders, (3) any action arising pursuant to any provision of the DGCL or the Delaware Charter or Delaware Bylaws, or (4) any action asserting a claim governed by the internal affairs doctrine. The Delaware Bylaws further provide that the	Under the Nevada Bylaws and as permitted by NRS 78.046, the Eighth Judicial District Court of Clark County, Nevada shall be the sole and exclusive forum for any action, suit or proceeding, whether civil, administrative or investigative (1) brought derivatively on behalf of the Company, (2) asserting a claim of breach of a fiduciary duty or other duty owed by any current or former director, stockholder, officer or other employee or fiduciary of the Company to the Company or the Company's stockholders, (3) for any internal action (as defined in NRS 78.046), including any action

	federal district courts of the United States of America are the sole and exclusive forum for the resolution of any claim asserting a cause of action under the Securities Act of 1933, as amended, against any person in connection with any offering of the Company's securities.	asserting a claim against the Company arising pursuant to any provision of NRS Chapters 78 or 92A, the Nevada Charter or the Nevada Bylaws or any voting trust or other voting agreement, (4) to interpret, apply, enforce or determine the validity of the Nevada Charter or Nevada Bylaws, or (5) asserting a claim governed by the internal affairs doctrine. The Nevada Bylaws further provide that the federal district courts of the United States of America are the sole and exclusive forum for the resolution of any claim asserting a cause of action under the Securities Act of 1933, as amended, against any person in connection with any offering of the Company's securities. In the event that the Eighth Judicial District Court of Clark County, Nevada does not have jurisdiction over any such action, suit or proceeding, then any other state district court located in the State of Nevada shall be the sole and exclusive forum therefor and in the event that no such state district court in the State of Nevada has jurisdiction over any such action, suit or proceeding, then a federal court located within the State of Nevada shall be the sole and exclusive forum therefor.
Bylaws Regarding Officers	The officers of the Company shall consist of a president and a secretary. The Company may have such other officers at the discretion of the Board.	The officers of Company shall consist of a chief executive officer, president, secretary and a chief financial officer, or the equivalents of such offices. The Company may have such other officers at the discretion of the board of directors.
Bylaws Regarding Notice of Stockholders' Meetings	Under the Delaware Bylaws, a notice of a stockholders' meeting must state the place, if any, date and hour of the meeting, the means of remote communications, if any, by which stockholders may be deemed present in person and vote at the meeting, the record date for the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called.	Under the Nevada Bylaws, a notice of a stockholders' meeting must state the physical location, if any, date and hour of the meeting, the means of remote communications, if any, by which stockholders may be deemed present in person and vote at the meeting, the record date for the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called.
Charter and Bylaws Regarding Removal of Directors	The Delaware Charter and the Delaware Bylaws provide that, for so long as our Board is classified, any director may be removed at any time, but only for cause, and only by the affirmative vote of the holders of at least a majority of the voting power of the outstanding shares then entitled to vote for the election of directors.	Under the NRS, a director may only be removed by the vote of stockholders representing not less than two-thirds of the voting power of the issued and outstanding stock entitled to vote. The Nevada Charter provides that, for so long as our Board is classified, any director may be removed at any time, but only for cause, and only by the affirmative vote of not less than two-thirds of the voting power of the issued and outstanding shares entitled to vote in the election of directors. The Nevada Bylaws provide that any

		director may be removed from office at any time in the manner specified in the Nevada Charter and applicable law.
Bylaws Regarding Committees	Under the DGCL and the Delaware Bylaws, a committee of the Board shall not have the power or authority to (i) approve or adopt, or recommend to the stockholders, any action or matter (other than the election or removal of directors) expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopt, amend or repeal any bylaw of the Company.	The NRS, and therefore, the Nevada Bylaws, do not contain a similar limitation on the authority of board committees.
Bylaws Regarding Acquisition of Controlling Interest Statutes	The Delaware Bylaws do not contain a similar provision, and the DGCL does not contain provisions similar to the NRS relating to the acquisition of controlling interests.	The Nevada Bylaws provide that the provisions of the NRS relating to acquisitions of controlling interests in the Company do not apply to the Company or to any acquisition of shares of the Company's capital stock. Please see the Company's summary of the Nevada acquisition of controlling interest statutes in the section titled "*Acquisition of Controlling Interests*."

Anti-Takeover Implications of the Nevada Reincorporation

The Nevada Reincorporation is not being effected to prevent a sale of the Company, nor is it in response to any present attempt known to our Board to acquire control of the Company or obtain representation on our Board. However, certain effects of the Nevada Reincorporation may be considered to have anti-takeover implications by virtue of being subject to Nevada law.

Delaware law and the Delaware Charter and Delaware Bylaws contain provisions that may have the effect of deterring hostile takeover attempts. A hostile takeover attempt may have a positive or negative effect on the Company and its stockholders, depending on the circumstances surrounding a particular takeover attempt. Takeover attempts that have not been negotiated or approved by our Board can be opportunistically timed to take advantage of an artificially depressed stock price. Takeover attempts can also be coercively structured, can disrupt the business and management of a corporation and can generally present a risk of terms that may be less favorable than would be available in a board-approved transaction. In contrast, transactions approved by our Board may be carefully planned and undertaken at an opportune time in order to obtain maximum value for the corporation and all of its stockholders by determining and pursuing the best strategic alternative, obtaining negotiating leverage to achieve the best terms available, and giving due consideration to matters such as tax planning, the management and business of the acquiring corporation, and the most effective deployment of corporate assets.

Our Board recognizes that hostile takeover attempts do not always have the unfavorable consequences or effects described above and may be beneficial to stockholders, providing them with considerable value for their shares. However, our Board believes that the potential disadvantages of unapproved takeover attempts are sufficiently great that prudent measures are needed to give our Board the time and flexibility to determine and pursue potentially superior strategic alternatives and take other appropriate action in an effort to maximize stockholder value. Accordingly, the Delaware Charter and Delaware Bylaws include certain provisions that are intended to accomplish these objectives, but which may have the effect of discouraging or deterring hostile takeover attempts.

Nevada law includes some additional features that may deter hostile takeover attempts. The Nevada Charter contains certain anti-takeover provisions similar to those set forth in the Delaware Charter. Both the Delaware Charter and Nevada Charter allow our Board alone to fill any directorship vacancies and to set the size of the Board. Notwithstanding these similarities, there are certain differences between Nevada and Delaware law which could have a bearing on unapproved takeover attempts. For example, as discussed in greater detail below, the NRS regulates certain business combinations with "interested stockholders" more stringently than the DGCL does in certain respects, although in the Nevada Charter, the Company has opted out of these provisions. Additionally, when a Nevada corporation has a classified board, directors may be removed with or without cause (unless otherwise provided in the articles of incorporation), unlike in Delaware where cause is generally required for removal. Under Nevada law, the default stockholder voting standard for the removal of directors is two-thirds of the outstanding voting power, while under

Delaware law the default standard is a majority of the outstanding voting power. However, the Nevada Charter provides that directors may only be removed for cause. Nevada also has a statute regulating the acquisition of certain "control shares" that can inhibit certain takeover attempts, but the Company has elected to opt out of the application of those statutes in the Nevada Bylaws. In addition, Nevada has a statute that allows directors and officers of a corporation to take into account constituencies when considering any decision and, in doing so, directors and officers are not required to consider as a dominant factor the effect of any proposed transaction on any particular group or constituency having an interest in the corporation, including a change in control transaction, as further described under "*Certain Differences in Stockholder Rights under Delaware and Nevada Law--Flexibility for Decisions, Including Takeovers*" below. This could have the effect of deterring any potential or actual change in control transaction.

Our Board may in the future propose other measures designed to address hostile takeovers apart from those discussed in this proxy statement if warranted from time to time in the judgment of our Board.

Certain Differences in Stockholder Rights under Delaware and Nevada Law

The rights of our stockholders are currently governed by the DGCL, the Delaware Charter and the Delaware Bylaws. Following completion of the Nevada Reincorporation, the rights of our stockholders will be governed by the NRS, the Nevada Charter, and the Nevada Bylaws.

The statutory corporate laws of Nevada, as governed by the NRS, are similar in many respects to those of Delaware, as governed by the DGCL. However, there are certain differences that may affect your rights as a stockholder, as well as the corporate governance of the Company. The following are brief summaries of material differences between the current rights of stockholders of the Company and the rights of stockholders of the Company following completion of the Nevada Reincorporation. In particular, summaries of certain of the key DGCL Amendments are included in the analysis of the DGCL for comparison to NRS provisions. The following discussion does not provide a complete description of the differences that may affect you. This summary is qualified in its entirety by reference to the NRS, DGCL, including the DGCL Amendments, as well as the Delaware Charter and Delaware Bylaws and the Nevada Charter and Nevada Bylaws.

Increasing or Decreasing Authorized Capital Stock

NRS 78.207 allows the board of directors of a corporation, unless restricted by the articles of incorporation, to increase or decrease the number of authorized shares of a class or series of the corporation's capital stock and correspondingly effect a forward or reverse split of the outstanding shares of such class or series (and change the par value thereof) without a vote of the stockholders, unless the action either: adversely changes or alters any right or preference given to any other class or series of outstanding shares, in which case the increase or decrease must be approved by the vote of the holders of a majority of the voting power of each affected class or series unless the articles specifically deny the right to vote under such circumstances, as the Nevada Charter does; or provides that only money will be paid or scrip issued to stockholders who collectively hold 10% or more of the outstanding shares of the affected class and series, and who would otherwise be entitled to receive fractions of shares in exchange for the cancellation of all of their outstanding shares, in which case the increase or decrease must be approved by the vote of the holders of a majority of the voting power of each affected class or series. Delaware law has no provision similar to NRS 78.207.

Classified Board of Directors

The DGCL permits any Delaware corporation to classify its board of directors into as many as three classes with staggered terms of office. If this is done, the stockholders elect only one class each year, and each class would have a term of office of three years. The NRS also permits any Nevada corporation to classify its board of directors into any number of classes with staggered terms of office, so long as at least one-fourth of the total number of directors is elected annually.

The Delaware Charter provides that our Board is classified into three classes. Similarly, the Nevada Charter provides for a classified board of directors that is classified into three classes.

Cumulative Voting

Cumulative voting for directors entitles each stockholder to cast a number of votes that is equal to the number of voting shares held by such stockholder multiplied by the number of directors to be elected and to cast all such votes for one nominee or distribute such votes among up to as many candidates as there are positions to be filled. Cumulative voting may enable a minority stockholder or group of stockholders to elect at least one representative to the board of directors where such stockholders would not be able to elect any directors without cumulative voting.

Although the DGCL does not generally grant stockholders cumulative voting rights, a Delaware corporation may provide in its certificate of incorporation for cumulative voting in the election of directors. The NRS also does not generally grant stockholders

cumulative voting rights but permits any Nevada corporation to provide in its articles of incorporation the right to cumulative voting in the election of directors as long as certain procedures are followed.

The Delaware Charter does not provide for cumulative voting in the election of directors. Similarly, the Nevada Charter does not provide for cumulative voting.

Vacancies
Under both the DGCL and the NRS, subject to the certificate or articles of incorporation and bylaws, vacancies on the board of directors, including those resulting from any increase in the authorized number of directors, may be filled by the affirmative vote of a majority of the remaining directors then in office, even if less than a quorum. Any director so appointed will hold office for the remainder of the term of the director no longer on the board.

Removal of Directors
Under the DGCL, the holders of a majority of the voting power of the outstanding shares entitled to vote at an election of directors may vote to remove any director or the entire board with or without cause unless (i) the board is a classified board, in which case (unless the certificate of incorporation otherwise provides) directors may be removed only for cause, or (ii) the corporation has cumulative voting, in which case, if less than the entire board is to be removed, no director may be removed without cause if the votes cast against his or her removal would be sufficient to elect him or her. Under the Delaware Charter, our Board is classified, and any director may be removed only for cause, and by the affirmative vote of the holders of at least a majority of the voting power of the outstanding shares then entitled to vote for the election of directors. The NRS requires the vote of the holders of at least two-thirds of the voting power of the shares (or the applicable class or series of shares) of the issued and outstanding stock entitled to vote at an election of directors in order to remove a director or all of the directors. The articles of incorporation may provide for a voting threshold higher than two-thirds of the voting power, but not lower. Furthermore, the NRS does not make a distinction between removals for cause and removals without cause. The provisions for the removal of directors under the Delaware Charter and Nevada Charter are described above.

Fiduciary Duties, Business Judgment and Interested Directors and Officers
Under Delaware law, members of the board of directors or any committee designated by the board of directors are entitled to rely in good faith upon the records of the corporation and upon such information, opinions, reports and statements presented to the corporation by corporate officers, employees, committees of the board of directors or other persons as to matters such member reasonably believes are within such other person's professional or expert competence, provided that such other person has been selected with reasonable care by or on behalf of the corporation. Such appropriate reliance on records and other information protects directors from liability related to decisions made based on such records and other information.

Nevada law requires that directors and officers of Nevada corporations exercise their powers in good faith and with a view to the interests of the corporation but, unlike some other jurisdictions, including Delaware, the fiduciary duties of directors and officers of Nevada corporations are codified in the NRS. As a matter of statute, directors and officers, in making business decisions, are presumed to act in good faith, on an informed basis and with a view to the interests of the corporation. In performing such duties, directors and officers may exercise their business judgment in reliance on information, opinions, reports, financial statements and other financial data prepared or presented by corporate directors, officers or employees who are reasonably believed to be reliable and competent. Reliance may also be extended to legal counsel, public accountants, advisers, bankers or other persons reasonably believed to be competent, and to the work of a committee (on which the particular director or officer does not serve) if the committee was established and empowered by the corporation's board of directors, and if the committee's work was within its designated authority and was about matters on which the committee was reasonably believed to merit confidence. However, directors and officers may not rely on such information, opinions, reports, books of account or similar statements if they have knowledge concerning the matter in question that would make such reliance unwarranted.

NRS 78.140 provides a statutory framework for the approval of transactions between a corporation and a director or officer who has an interest in such transaction. Under the framework, such an interested transaction will not be void or voidable if: (a) the interest is disclosed to the board of directors or a committee thereof, and the disinterested directors or committee members approve such transaction in good faith; (b) the interest is disclosed to the stockholders of the corporation, and the stockholders holding a majority of the voting power approve or ratify the transaction in good faith; (c) the interest is not known to the interested director or officer at the time the transaction is brought before the board of directors for action; or (d) the transaction is fair to the corporation at the time it is authorized or approved.

The DGCL Amendments provide that in the case of a transaction by a corporation, where directors, officers or their affiliates, have a material interest in the transaction, the transaction can be cleansed through properly informed approval by disinterested stockholders or disinterested directors, whether at the board or committee level. In addition, the DGCL Amendments consider directors disinterested when they and their affiliates do not have a material interest in a transaction and where they do not have a material relationship to parties who do. The DGCL Amendments also define the concept of a controlling stockholder and set forth specified processes for cleansing transactions that involve certain conflicts of interests involving controlling stockholders, and they also amend Section 220 of the DGCL regarding stockholders' rights to inspect books and records. For public companies, the DGCL Amendments provide that directors deemed independent under relevant stock exchange rules are presumed to be disinterested in a decision unless rebutted by a high evidentiary threshold.

Flexibility for Decisions, Including Takeovers

Nevada provides directors with more discretion than Delaware in making corporate decisions, including decisions made in takeover situations. Under Nevada law, director and officer actions taken in response to a change or potential change in control are generally granted the benefits of the protections of the business judgment rule. However, in the case of an action to resist a change or potential change in control that impedes the rights of stockholders to vote for or remove directors, directors will only be given the benefit of the protections of the business judgment rule if the directors have reasonable grounds to believe a threat to corporate policy and effectiveness exists and the action taken that impedes the exercise of the stockholders' rights is reasonable in relation to such threat; however, the NRS clarifies that this heightened standard does not apply to (i) actions that only affect the time of the exercise of stockholders' voting rights or (ii) the adoption or signing of stockholder rights plans commonly referred to as "poison pills."

In exercising their powers, including in response to a change or potential change of control, directors and officers of Nevada corporations may consider all relevant facts, circumstances, contingencies or constituencies, which may include, without limitation, the effect of the decision on corporate constituencies in addition to the stockholders, including the corporation's employees, suppliers, creditors and customers, the economy of the state and nation, the interests of the community and society in general, and the long-term as well as short-term interests of the corporation and its stockholders, including the possibility that these interests may be best served by the continued independence of the corporation. To underscore the discretion of directors and officers of Nevada corporations, the NRS specifically states that directors and officers are not required to consider the effect of a proposed corporate action upon any constituent as a dominant factor. Further, directors may resist a change or potential change in control of the corporation if the board of directors determines that the change or potential change of control is opposed to or not in the best interest of the corporation upon consideration of any relevant facts, circumstances, contingencies or constituencies, including that there are reasonable grounds to believe that, within a reasonable time the corporation or any successor would be or become insolvent or subjected to bankruptcy proceedings.

The DGCL does not provide a similar list of statutory factors that corporate directors and officers may consider in making decisions. Delaware law generally provides that the purpose of directors' and officers' fiduciary duties is to advance the best interests of the corporation and its stockholders, although in many circumstances, directors and officers can take into account a range of factors in advancing those interests. In a number of cases and in certain situations, however, Delaware law has been interpreted to provide that fiduciary duties require directors to accept an offer from the highest bidder regardless of the effect of such sale on the corporate constituencies other than the stockholders. Thus, the flexibility granted to directors of Nevada corporations when making business decisions, including in the context of a hostile takeover, are greater than those granted to directors of Delaware corporations.

Controlling Stockholder Matters

The DGCL Amendments codify a number of provisions that previously were developed in case law related to controlling stockholders, and make certain adjustments to those provisions, in order to provide more statutory certainty to these matters. The DGCL Amendments define "controlling stockholders" as stockholders that either (1) have majority voting power of the outstanding capital stock entitled to vote generally in the election of directors or elect a majority of the board, or (2) own, either as a single stockholder or through a control group, at least 33% of voting power and have control through the power to exercise managerial authority. The DGCL Amendments also provide that most controlling stockholder conflicts can be cleansed without the use of both an independent board committee and a minority stockholder vote, and instead permit controlling stockholder conflicts to be cleansed through either procedural mechanism so that the decision is deferred to either disinterested directors or disinterested stockholders; however, in certain going-private transactions in which the controlling stockholder acquires remaining shares, both protections must be used to get business judgment rule protection. Finally, the DGCL Amendments confirm that controlling stockholders cannot be liable for monetary damages for breach of the duty of care when simply using their voting power to change the status quo.

The NRS does not contain specific provisions that specify requirements related to transactions with controlling stockholders, but the Nevada Supreme Court has clarified that Nevada's codified business judgment rule, and not an "entire fairness" standard, applies to judicial review of director and officer actions in the context of a transaction with a controlling stockholder. However, neither the NRS nor Nevada case law has precisely delineated the scope or extent of the fiduciary duties of controlling stockholders as such.

Limitation on Personal Liability of Directors and Officers

The DGCL and the NRS each, by way of statutory provisions or permitted provisions in corporate charter documents, eliminate or limit the personal liability of directors and officers to the corporation or their stockholders for monetary damages for breach of a director's or officer's fiduciary duty, subject to the differences discussed below.

The DGCL precludes liability limitation for directors and executive officers for breach of the duty of loyalty, acts or omissions not in good faith or involving intentional misconduct and for paying dividends or repurchasing stock out of other than lawfully available funds. Under the NRS, in order for a director or officer to be individually liable to the corporation or its stockholders or creditors for damages as a result of any act or failure to act, the presumption of the business judgment rule, as codified in NRS 78.138(3), must be rebutted and it must be proven that the director's or officer's act or failure to act constituted a breach of his or her fiduciary duties as a director or officer and that the breach of those duties involved intentional misconduct, fraud or a knowing violation of law. Unlike the DGCL, however, the limitation on director and officer liability under the NRS does not treat as categorically excluded from its protections breaches of the duty of loyalty or transactions from which a director derives an improper personal benefit. Personal liability of directors for distributions made in violation of the NRS is limited by the same standard. Both the DGCL and the NRS permit limitation of liability for both directors and officers, though the NRS expressly also applies this limitation with respect to liabilities owed to creditors of the corporation. Furthermore, under the NRS, it is not necessary to adopt provisions in the articles of incorporation limiting personal liability of directors or officers as this limitation is provided by statute as a default. Under Delaware law, the exculpation of officers (namely, the chief executive officer, president, chief financial officer, chief operating officer, chief legal officer, controller, treasurer and chief accounting officer, as well as any other persons identified as "named executive officers" in a company's most recent SEC filings) is authorized only in connection with direct claims brought by stockholders, including class actions. Delaware law does not eliminate monetary liability of officers for breach of fiduciary duty arising out of claims brought by the corporation itself or for derivative claims brought by stockholders in the name of the corporation.

As described above, the NRS provides broader protection from personal liability for directors and officers than the DGCL. Both the Delaware Charter and the Nevada Charter provide a limitation to director liability to the fullest extent permitted by Delaware and Nevada law, respectively. Both the Delaware Charter and the Nevada Charter do not provide for exculpation of officers (other than what is provided under the DGCL and NRS as described above).

Indemnification

The DGCL and the NRS each permit corporations to indemnify directors, officers, employees and agents in similar circumstances, subject to the differences discussed below.

In suits that are not brought by or in the right of the corporation, both jurisdictions permit a corporation to indemnify current and former directors, officers, employees and agents for attorneys' fees and other expenses, judgments, and amounts paid in settlement that the person actually and reasonably incurred in connection with the action, suit or proceeding. The person seeking such statutory indemnity may recover as long as he or she acted in good faith and believed his or her actions were either in the best interests of or not opposed to the best interests of the corporation. Under the NRS, the person seeking indemnity under the statutory mechanism may also be indemnified if he or she would not be liable for breach of his or her fiduciary duties under Nevada's statutory test. Similarly, with respect to a criminal proceeding, the person seeking indemnification must not have had any reasonable cause to believe his or her conduct was unlawful.

In derivative suits, a corporation in either jurisdiction may indemnify its directors, officers, employees or agents for expenses that the person actually and reasonably incurred. A corporation may not indemnify a person pursuant to the statutory mechanism if the person was adjudged to be liable to the corporation unless a court otherwise orders.

No corporation may indemnify a party under the relevant discretionary statutory mechanism unless the party has been successful on the merits or otherwise in defense of the action, suit, or proceeding or the corporation decides that indemnification is proper. Under the DGCL, the corporation, through its stockholders, disinterested directors, or independent legal counsel, will determine whether the conduct of the person seeking indemnity conformed with the statutory provisions governing indemnity. Under the indemnification mechanism available under the NRS, the corporation, through its stockholders, disinterested directors, or independent counsel, must determine that the indemnification is proper.

The indemnification pursuant to the statutory mechanisms available under the NRS, as described above, does not exclude any other rights to which a person seeking indemnification or advancement of expenses may be entitled under the articles of incorporation or any bylaw, agreement, vote of stockholders or disinterested directors, or otherwise, but unless ordered by a court, indemnification may not be made to or on behalf of any director or officer finally adjudged by a court of competent jurisdiction, after exhaustion of any appeals taken therefrom, to be liable for intentional misconduct, fraud, or a knowing violation of law, and such misconduct, fraud, or violation was material to the cause of action.

Both the Delaware Bylaws and the Nevada Bylaws provide for indemnification to the fullest extent permitted by the applicable laws, subject to certain specified exceptions.

Advancement of Expenses
The DGCL provides that expenses incurred by an officer or director in defending any civil, criminal, administrative or investigative action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay the amount if it is ultimately determined that he or she is not entitled to be indemnified by the corporation. A Delaware corporation has the discretion to decide whether or not to advance expenses, unless its certificate of incorporation or bylaws provide for mandatory advancement. The Delaware Bylaws provide that the Company shall, to the fullest extent not prohibited by applicable law, pay the expenses (including attorneys' fees) incurred by any officer or director of the Company, upon receipt of a written request and an undertaking by the person to repay all amounts advanced if it should be ultimately determined that the person is not entitled to be indemnified under the Delaware Bylaws or otherwise. The Delaware Bylaws further provide that the Company may pay the expenses incurred by former directors and officers or other current or former employees or agents of the Company or by persons currently or formerly serving in certain roles at the request of the Company, in certain covered proceedings in advance of their final disposition, upon such terms and conditions, if any, as the Company deems appropriate.

Under the NRS, unless otherwise restricted by the articles of incorporation, the bylaws or an agreement made by the corporation, the corporation may pay the expenses of officer and directors in advance of the final disposition of an action, suit or proceeding upon receipt of an undertaking by or on behalf of the director or officer to repay the amount if it is ultimately determined that the director or officer is not entitled to be indemnified by the corporation. The Nevada Bylaws are substantially similar to the Delaware Bylaws with respect to the advancement of expenses.

Indemnification Agreements
We have entered into indemnification agreements with our officers and directors that provide for advancement of expenses and generally provide for indemnification to the fullest extent allowed by Delaware law. We intend to enter into similar agreements under Nevada law upon the Nevada Reincorporation.

Director Compensation
The DGCL does not have a specific statute on the fairness of director compensation. In contrast, NRS 78.140 provides that, unless otherwise provided in the articles of incorporation or bylaws, the board of directors, without regard to personal interest, may establish the compensation of directors for services in any capacity. If the board of directors so establishes the compensation of directors, such compensation is presumed to be fair to the corporation unless proven unfair by a preponderance of the evidence.

Action by Written Consent of Directors
Both the DGCL and NRS provide that, unless the certificate or articles of incorporation or the bylaws provide otherwise, any action required or permitted to be taken at a meeting of the directors or a committee thereof may be taken without a meeting if all members of the board or committee, as the case may be, consent to the action in writing, provided that, in certain circumstances, the NRS permits a director to abstain in writing from providing consent to the action.

Neither the Delaware Charter or Delaware Bylaws nor the Nevada Charter or Nevada Bylaws limit board action by written consent.

Actions by Written Consent of Stockholders
The DGCL provides that, unless the certificate of incorporation provides otherwise, any action required or permitted to be taken at a meeting of the stockholders may be taken without a meeting if the holders of outstanding stock having at least the minimum number of votes that would be necessary to authorize or take the action at a meeting of stockholders consent to the action in writing. In addition, the DGCL requires the corporation to give prompt notice of the taking of corporate action without a meeting by less than unanimous written consent to those stockholders as of the record date for the action by consent who did not consent in

writing and who would have been entitled to notice of the meeting if the action had been taken at a meeting and the record date for the notice of the meeting were the record date for the action by consent. There is no equivalent requirement under the NRS.

The NRS provides that unless otherwise provided in the articles of incorporation or the bylaws, any action required or permitted to be taken at a meeting of the stockholders may be taken without a meeting if, before or after the action, a written consent thereto is signed by stockholders holding at least a majority of the voting power, except that if a different proportion of voting power is required for such an action at a meeting, then that proportion of written consents is required. The NRS also permits a corporation to prohibit stockholder action by written consent in lieu of a meeting of stockholders by including such prohibition in its articles of incorporation or bylaws.

Until the Final Conversion Date (defined below), the Delaware Charter and the Nevada Charter permit stockholder action by written consent, only if the action is first recommended or approved by the Board. Following the Final Conversion Date, the Delaware Charter and the Nevada Charter both provide that any action required or permitted to be taken by the Company's stockholders must be effected at a meeting and may not be effected by written consent.

Dividends and Distributions

Unless further restricted in the certificate of incorporation, the DGCL permits a corporation to declare and pay dividends out of either (i) surplus or (ii) if no surplus exists, out of net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year (provided that the amount of capital of the corporation is not less than the aggregate amount of the capital represented by the issued and outstanding stock of all classes having a preference upon the distribution of assets). The DGCL defines surplus as the excess, at any time, of the net assets of a corporation over its stated capital. In addition, the DGCL provides that a corporation may redeem or repurchase its shares only when the capital of the corporation is not impaired and only if such redemption or repurchase would not cause any impairment of the capital of the corporation, and Delaware law prohibits a corporation from declaring or paying a dividend, or redeeming or repurchasing shares of its stock, if the corporation is insolvent.

The NRS defines a distribution as a direct or indirect transfer of money or other property, other than the corporation's own shares or the incurrence by the corporation of indebtedness, to or for the benefit of all holders of shares of any one or more classes or series of the capital stock of the corporation, with respect to such shares. A distribution may be in the form of a declaration or payment of a dividend, a purchase, redemption or other acquisition of shares, a distribution of indebtedness, or otherwise. The NRS provides that no distribution may be made if, after giving effect to such distribution, (i) the corporation would not be able to pay its debts as they become due in the usual course of business or (ii) except as otherwise specifically permitted by the articles of incorporation, the corporation's total assets would be less than the sum of its total liabilities plus the amount that would be needed at the time of a dissolution to satisfy the preferential rights of preferred stockholders. Directors may consider financial statements prepared on the basis of accounting practices that are reasonable in the circumstances, a fair valuation, including but not limited to unrealized appreciation and depreciation, and any other method that is reasonable in the circumstances.

The Delaware Charter and the Nevada Charter provide that any dividends or distributions paid to the holders of our common stock will be paid pro rata, on an equal priority basis, unless different treatment is approved by the affirmative vote of the holders of a majority of the voting power of the outstanding shares of the series of common stock treated adversely, voting as a separate class.

Restrictions on Business Combinations

Both Delaware and Nevada law provide certain protections to stockholders in connection with certain business combinations. These protections can be found in Section 203 of the DGCL and NRS 78.411 to 78.444, inclusive.

Under Section 203 of the DGCL, certain "business combinations" with "interested stockholders" of a corporation are subject to a three-year moratorium unless specified conditions are met. For purposes of Section 203, the term "business combination" is defined broadly to include (i) mergers with or caused by the interested stockholder; (ii) sales or other dispositions to the interested stockholder (except proportionately with the corporation's other stockholders) of assets of the corporation or a subsidiary equal to 10% or more of the aggregate market value of either the corporation's consolidated assets or its outstanding stock; (iii) the issuance or transfer by the corporation or a subsidiary of stock of the corporation or such subsidiary to the interested stockholder (except for transfers in a conversion or exchange or a pro rata distribution or certain other transactions, none of which increase the interested stockholder's proportionate ownership of any class or series of the corporation's or such subsidiary's stock); or (iv) receipt by the interested stockholder (except proportionately as a stockholder), directly or indirectly, of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation or a subsidiary. In general, for purposes of Section 203 of the DGCL, an "interested stockholder" is a person who, together with affiliates and associates, owns, or within the past three years did own, 15% or more of the voting power of the corporation's outstanding voting stock.

The three-year moratorium imposed on business combinations by Section 203 of the DGCL does not apply if: (i) prior to the time on which such stockholder becomes an interested stockholder, the board of directors approves either the business combination or the transaction that resulted in the person becoming an interested stockholder; (ii) the interested stockholder owns 85% of the voting power of the corporation's voting stock upon consummation of the transaction that made him or her an interested stockholder (excluding from the 85% calculation shares owned by directors who are also officers of the target corporation and shares held by employee stock plans that do not permit employees to decide confidentially whether to accept a tender or exchange offer); or (iii) at or after the time such stockholder becomes an interested stockholder, the board approves the business combination, and it is also approved at a stockholder meeting by at least 66 2/3% of the outstanding voting power of the voting stock not owned by the interested stockholder.

NRS 78.411 to 78.444, inclusive, regulate combinations more stringently. The NRS imposes a moratorium of up to four years versus Delaware's three-year moratorium on business combinations with an interested stockholder. An interested stockholder is defined as a beneficial owner of 10% or more of the voting power. The two-year moratorium can be avoided by advance approval of the combination or the transaction by which such person first becomes an interested stockholder by a corporation's board of directors. After the person becomes an interested stockholder, the combination must be approved by the board and 60% of the corporation's voting power not beneficially owned by the interested stockholder, its affiliates and associates, at a meeting of the stockholders. Finally, after the two-year period, up to four years from the date the person first became an interested stockholder, a combination remains prohibited unless: (i) the combination or the transaction by which the person became an interested stockholder is approved by the board of directors before the person became an interested stockholder; (ii) the combination is approved by a majority of the outstanding voting power not beneficially owned by the interested stockholder and its affiliates and associates; or (iii) the consideration to be received by the disinterested stockholders satisfies certain requirements. The combinations statutes in Nevada apply only to Nevada corporations with 200 or more stockholders of record.

Companies are entitled to opt out of the business combination provisions of the DGCL and NRS. The Company has not opted out of the business combination provisions of Section 203 of the DGCL. The Company has opted out of the business combination provisions of NRS 78.411 to 78.444, inclusive, under the Nevada Charter. Any opt-out of the business combination provisions of the NRS must be contained in a Nevada corporation's original articles of incorporation or in an amendment to the articles of incorporation of a Nevada corporation approved by a majority of the outstanding voting power not then owned by interested stockholders, but the amendment would not be effective until 18 months after the vote of the stockholders to approve the amendment and would not apply to any combination with a person who first became an interested stockholder on or before the effective date of the amendment. As a result of the Company opting out of the provisions, the restrictions of NRS 78.411 to 78.444, inclusive, will not apply to combinations with or involving any interested stockholder, including (to the extent applicable) David Baszucki and his affiliates.

Acquisition of Controlling Interests

In addition to the restrictions on business combinations with interested stockholders, Nevada law also protects a corporation and its stockholders from persons acquiring a "controlling interest" in a corporation. The provisions can be found in NRS 78.378 to 78.3793, inclusive. Delaware law does not have similar provisions.

Pursuant to NRS 78.379, any person who acquires a controlling interest in a corporation may not exercise voting rights on any control shares unless such voting rights are conferred by a majority vote of the disinterested stockholders of the issuing corporation at an annual meeting or a special meeting of such stockholders held upon the request and at the expense of the acquiring person. NRS 78.3785 provides that a "controlling interest" means the ownership of outstanding voting shares of an issuing corporation sufficient to enable the acquiring person, individually or in association with others, directly or indirectly, to exercise (i) one-fifth or more but less than one-third, (ii) one-third or more but less than a majority, or (iii) a majority or more of the voting power of the issuing corporation in the election of directors, and once an acquirer crosses one of these thresholds, shares that it acquired in the transaction taking it over the threshold and within the 90 days immediately preceding the date when the acquiring person acquired or offered to acquire a controlling interest become "control shares" to which the voting restrictions described above apply. In the event that the control shares are accorded full voting rights and the acquiring person acquires control shares with a majority or more of all the voting power, any stockholder, other than the acquiring person, who does not vote in favor of authorizing voting rights for the control shares is entitled to assert dissenter's rights under NRS 92A.300 through 92A.500, inclusive, and demand payment for the fair value of such person's shares in accordance with such statutes.

NRS 78.378(1) provides that the control share statutes of the NRS do not apply to any acquisition of a controlling interest in an issuing corporation if the articles of incorporation or bylaws of the corporation in effect on the 10th day following the acquisition of a controlling interest by the acquiring person provide that the provisions of those sections do not apply to the corporation or to an

acquisition of a controlling interest specifically by types of existing or future stockholders, whether or not identified. In addition, NRS 78.3788 provides that the controlling interest statutes apply as of a particular date only to a corporation that has 200 or more stockholders of record, at least 100 of whom have addresses in Nevada appearing on the corporation's stock ledger at all times during the 90 days immediately preceding that date, and which does business in Nevada directly or through an affiliated corporation. NRS 78.378(2) provides that the corporation may impose stricter requirements if it so desires.

Corporations are entitled to opt out of the above controlling interest provisions of the NRS. In the Nevada Bylaws, the Company has opted out of these provisions.

Stockholder Vote for Mergers, Asset Sales, and Other Corporate Reorganizations
Under the DGCL, unless the certificate of incorporation specifies a higher percentage, the stockholders of a corporation that is being acquired in a merger or selling substantially all of its assets must authorize such merger or sale of assets by vote of a majority of outstanding voting power of the shares entitled to vote. The corporation's board of directors must also approve such transaction. Similarly, under the NRS, a merger or sale of all assets requires authorization by stockholders of the corporation being acquired or selling its assets by at least a majority of the voting power of the outstanding shares entitled to vote, as well as approval of such corporation's board of directors. Although a substantial body of case law has been developed in Delaware as to what constitutes the "sale of substantially all of the assets" of a corporation, it is difficult to determine the point at which a sale of substantially all, but less than all, of a corporation's assets would be considered a "sale of all of the assets" of the corporation for purposes of Nevada law. It is possible that many sales of less than all of the assets of a corporation requiring stockholder authorization under Delaware law would not require stockholder authorization under Nevada law.

The DGCL and NRS have substantially similar provisions with respect to approval by stockholders of a surviving corporation in a merger. The DGCL does not require a stockholder vote of a constituent corporation in a merger (unless the corporation provides otherwise in its certificate of incorporation) if (i) the plan of merger does not amend the existing certificate of incorporation, (ii) each share of stock of such constituent corporation outstanding immediately before the effective date of the merger is an identical outstanding share after the effective date of merger, and (iii) either no shares of the common stock of the surviving corporation and no shares, securities or obligations convertible into such stock are to be issued or delivered under the plan of merger, or the authorized unissued shares or treasury shares of the common stock of the surviving corporation to be issued or delivered under the plan of merger plus those initially issuable upon conversion of any other shares, securities or obligations to be issued or delivered under such plan do not exceed 20% of the shares of common stock of such constituent corporation outstanding immediately prior to the effective date of the merger. The NRS does not require a stockholder vote of the surviving corporation in a merger under substantially similar circumstances.

The Delaware Charter does not require a higher percentage to vote to approve certain corporate transactions. The Nevada Charter also does not specify a higher percentage.

Appraisal or Dissenter's Rights
In both jurisdictions, dissenting stockholders of a corporation engaged in certain major corporate transactions are entitled to appraisal rights. Appraisal or dissenter's rights permit a stockholder to receive cash generally equal to the fair value of the stockholder's shares (as determined by agreement of the parties or by a court) in lieu of the consideration such stockholder would otherwise receive in any such transaction.

Under Section 262 of the DGCL, appraisal rights are generally available for the shares of any class or series of stock of a Delaware corporation in a merger, consolidation or conversion, provided that no appraisal rights are available with respect to shares of any class or series of stock if, at the record date fixed to determine the stockholders entitled to act without a meeting or the stockholders entitled to notice of the meeting to approve such transaction, such shares of stock, or depositary receipts in respect thereof, are either (i) listed on a national securities exchange or (ii) held of record by more than 2,000 holders, unless the stockholders are required by the terms of an agreement of merger or consolidation, or by the terms of a resolution providing for conversion, transfer, domestication or continuance to accept in exchange for their shares anything other than shares of stock of the surviving or resulting corporation, or of the converted entity if such entity is a corporation as a result of the conversion (or depositary receipts in respect thereof), or of any other corporation that is listed on a national securities exchange or held by more than 2,000 holders of record, cash in lieu of fractional shares or fractional depositary receipts described above or any combination of the foregoing.

In addition, Section 262 of the DGCL allows beneficial owners of shares to demand an appraisal of such beneficial owner's share and to file a petition for appraisal without the need to name a nominee holding such shares on behalf of such owner as a nominal

plaintiff and makes it easier than under Nevada law to withdraw from the appraisal process and accept the terms offered in the merger, consolidation or conversion. Under the DGCL, no appraisal rights are available to stockholders of the surviving or resulting corporation if the merger did not require their approval. The Delaware Charter and Delaware Bylaws do not provide for appraisal rights in addition to those provided by the DGCL.

Under NRS 92A.380, a stockholder is entitled to dissent from, and obtain payment for, the fair value of the stockholder's shares in the event of: (i) consummation of a plan of merger, if approval by the stockholders is required for the merger, regardless of whether the stockholder is entitled to vote on the merger or if the domestic corporation is a subsidiary and is merged with its parent, or if the domestic corporation is a constituent entity in a merger pursuant to NRS 92A.133; (ii) consummation of a plan of conversion to which the corporation is a party; (iii) consummation of a plan of exchange in which the corporation is a party; (iv) any corporate action taken pursuant to a vote of the stockholders, if the articles of incorporation, bylaws, or a resolution of the board of directors provides that voting or nonvoting stockholders are entitled to dissent and obtain payment for their shares; (v) accordance of full voting rights under certain circumstances in connection with acquisitions of a controlling interest in the corporation if Nevada's control share statutes, as described above (and from which the Company has opted out in the Nevada Bylaws), were to apply; or (vi) any corporate action to which the stockholder would be obligated, as a result of the corporate action, to accept money or scrip rather than receive a fraction of a share in exchange for the cancellation of all the stockholder's outstanding shares, except where the stockholder would not be entitled to receive such payment pursuant to NRS 78.205, 78.2055 or 78.207. Additionally, under NRS 92A.400, a beneficial owner of shares may assert dissenter's rights as to shares held on such beneficial owner's behalf only if the beneficial owner: (a) submits to the corporation the written consent of the stockholder of record to the dissent not later than the time the beneficial owner asserts dissenter's rights; and (b) does so with respect to all shares of which such beneficial owner is the beneficial owner or over which such beneficial owner has power to direct the vote.

Under NRS 92A.390, holders of covered securities (generally those that are listed on a national securities exchange) and any shares traded in an organized market and held by at least 2,000 stockholders of record with a market value of at least $20 million (exclusive of the value of such shares held by the corporation's subsidiaries, senior executives, directors and beneficial stockholders owning more than 10% of such shares) are generally not entitled to dissenter's rights. However, this exception is not available if (i) the articles of incorporation of the corporation issuing the shares provide that such exception is not available, (ii) the resolution of the board of directors approving the plan of merger, conversion or exchange expressly provides otherwise, or (iii) the holders of the class or series of stock are required by the terms of the corporate action to accept for the shares anything except cash, any security that satisfies the requirements of NRS 92A.390(1) at the time the corporate action becomes effective, or any combination thereof. The exception is also unavailable in the event of (i) accordance of full voting rights under certain circumstances in connection with acquisitions of a controlling interest in the corporation and (ii) any corporate action taken pursuant to a vote of the stockholders, if the articles of incorporation, bylaws or a resolution of the board of directors provides that voting or nonvoting stockholders are entitled to dissent and obtain payment for their shares. NRS 92A.380 prohibits a dissenting stockholder from voting his or her shares or receiving certain dividends or distributions after his or her dissent. The Nevada Charter and Nevada Bylaws do not provide for dissenter's rights in addition to those provided by the NRS.

The mechanics and timing procedures vary somewhat between Delaware and Nevada, but both require technical compliance with specific notice and payment protocols.

Special Meetings of Stockholders

The DGCL permits special meetings of stockholders to be called by the board of directors or by any other person authorized in the certificate of incorporation or bylaws to call a special stockholder meeting. In contrast, the NRS permits special meetings of stockholders to be called by the entire board of directors, any two directors or the president, unless the articles of incorporation or bylaws provide otherwise.

Under the Delaware Charter and Delaware Bylaws, a special meeting of stockholders may be called only by (i) a majority of our whole Board, (ii) the chairperson of our Board, (iii) our chief executive officer, or (iv) our president. The Nevada Charter and the Nevada Bylaws contain substantially similar provisions.

Annual Meetings Pursuant to Petition of Stockholders

The DGCL provides that a director or a stockholder of a corporation may apply to the Delaware Court of Chancery if the corporation fails to hold an annual meeting for the election of directors or there is no written consent to elect directors in lieu of an annual meeting for a period of 30 days after the date designated for the annual meeting or, if there is no date designated, within 13 months after the last annual meeting or the last action by written consent to elect directors in lieu of an annual meeting.

Under the NRS, stockholders having not less than 15% of the voting power may petition the district court to order a meeting for the election of directors if a corporation fails to call a meeting for that purpose within 18 months after the last meeting at which directors were elected.

Adjournment of Stockholder Meetings
Under the DGCL, if a meeting of stockholders is adjourned and the adjournment is for more than 30 days, or if after the adjournment a new record date to determine stockholders entitled to vote is fixed for the adjourned meeting, notice of the adjourned meeting must be given to each stockholder of record entitled to vote at the meeting. At the adjourned meeting, the corporation may transact any business that might have been transacted at the original meeting.

In contrast, under the NRS, a corporation is not required to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting, other than by announcement at the meeting at which the adjournment is taken, unless the board of directors of the corporation fixes a new record date for the adjourned meeting or the meeting date is adjourned to a date more than 60 days later than the date set for the original meeting, in which case a new record date must be fixed and notice given.

Duration of Proxies
Under the DGCL, a proxy executed by a stockholder will remain valid for a period of three years, unless the proxy provides for a longer period. The DGCL provides for irrevocable proxies, without limitation on duration, if such proxy states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power.

Under the NRS, a proxy is effective only for a period of six months, unless it is coupled with an interest or unless otherwise provided in the proxy, which duration may not exceed seven years. The NRS also provides for irrevocable proxies, without limitation on duration, if such proxy states that it is irrevocable, but the proxy is irrevocable only for so long as it is coupled with an interest sufficient in law to support an irrevocable power, including interests specified in the NRS.

Quorum and Voting
The DGCL provides that the certificate of incorporation and bylaws may establish quorum and voting requirements, but in no event shall quorum consist of less than one-third of the voting power of the shares entitled to vote. If the certificate of incorporation and bylaws are silent as to specific quorum and voting requirements: (a) a majority of the voting power of the shares entitled to vote shall constitute a quorum at a meeting of stockholders; (b) in all matters other than the election of directors, the affirmative vote of the majority of the voting power of the shares present at the meeting and entitled to vote on the subject matter shall be the act of the stockholders; (c) directors shall be elected by a plurality of the votes of the shares present at the meeting and entitled to vote on the election of directors; and (d) where a separate vote by a class or series or classes or series is required, a majority of the outstanding voting power of the shares of such class or series or classes or series shall constitute a quorum entitled to take action with respect to the vote on that matter and, in all matters other than the election of directors, the affirmative vote of the majority of the voting power of the shares of such class or series or classes or series present at the meeting shall be the act of such class or series or classes or series.

Under the DGCL, a bylaw amendment adopted by stockholders which specifies the votes that shall be necessary for the election of directors shall not be further amended or repealed by the board. The Delaware Bylaws provide that unless otherwise required by law, the Delaware Charter, the Delaware Bylaws or the rules of any applicable stock exchange, the holders of shares representing a majority of the voting power of the Company's capital stock issued and outstanding and entitled to vote, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business. The Delaware Bylaws provide that, except as otherwise required by law, the Delaware Charter or the Delaware Bylaws, the directors are elected by a plurality of the voting power of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. The Delaware Bylaws also provide that, except as otherwise provided by law, the Delaware Charter, the Delaware Bylaws or the rules of any applicable stock exchange, in all matters other than the election of directors, the affirmative vote of a majority of the voting power of the shares present in person or represented by proxy at the meeting and entitled to vote on the subject matter shall be the act of the stockholders.

The NRS provides that, unless the articles of incorporation or bylaws provide otherwise, a majority of the voting power of the corporation, present in person or by proxy at a meeting of stockholders (regardless of whether the proxy has authority to vote on any matter), constitutes a quorum for the transaction of business. Under the NRS, unless the articles of incorporation or bylaws provide for different proportions, action by the stockholders on a matter other than the election of directors is approved if the number of votes cast in favor of the action exceeds the number of votes cast in opposition to the action. Unless provided otherwise in the corporation's articles of incorporation or bylaws, directors are elected at the annual meeting of stockholders by plurality vote.

The Nevada Bylaws contain a quorum and provision substantially similar to those in the Delaware Bylaws and the Nevada Bylaws provide that stockholders may take action on a matter other than the election of directors if the number of votes cast in favor of the action exceeds the number of votes cast in opposition thereto.

Stockholder Inspection Rights

Section 220 under the DGCL grants any stockholder or beneficial owner of shares the right, upon written demand under oath stating the proper purpose thereof, either in person or by attorney or other agent, to inspect and make copies and extracts from certain books and records for any proper purpose. A proper purpose is one reasonably related to such person's interest as a stockholder. Stockholders or beneficial owners seeking to inspect books and records to investigate wrongdoing must also state a credible basis to infer wrongdoing.

However, the DGCL Amendments generally limit the scope of documents that can be obtained under Section 220 of the DGCL to core books and records, such as governing documents, annual financial statements, and board-level materials. The DGCL Amendments, however, also preserve an exception for stockholders to obtain information beyond core records where a corporation does not have minutes or other formal board records or where stockholders show, among other things, a compelling need.

Inspection rights under Nevada law are more limited. NRS 78.105 grants any person who has been a stockholder of record of a corporation for at least six months immediately preceding the demand, or any person holding, or thereunto authorized in writing by the holders of, at least 5% of all of its outstanding shares, upon at least five days' written demand, the right to inspect in person or by agent or attorney, during usual business hours (i) the articles of incorporation and all amendments thereto, (ii) the bylaws and all amendments thereto, and (iii) a stock ledger or a duplicate stock ledger, revised annually, containing the names, alphabetically arranged, of all persons who are stockholders of record of the corporation, showing their places of residence, if known, and the number of shares held by them, respectively. Nevada law further provides that a corporation is not required to keep a list of any person who is a beneficial owner of any shares who is not simultaneously the stockholder of record of such shares. Any stockholder or other person making a demand under NRS 78.105 must furnish an affidavit to the corporation stating that the inspection is not desired for a purpose which is in the interest of a business or object other than the business of the corporation and that the stockholder or other person has not at any time sold or offered for sale any list of stockholders of any domestic or foreign corporation or aided or abetted any person in procuring any such record of stockholders for any such sale or offer for sale.

In addition, NRS 78.257 grants certain stockholders the right to inspect the books of account and financial statements of a corporation for any purpose related to the stockholder's interest as a stockholder. The right to inspect the books of account and financial statements of a corporation, to make copies of records and to conduct an audit of such records is granted only to a stockholder of record who owns at least 15% of the issued and outstanding shares of a Nevada corporation, or who has been authorized in writing by the holders of at least 15% of such shares. Any person making such a demand shall furnish an affidavit to the corporation stating that the inspection is not desired for any purpose not related to his or her interest as a stockholder. Further, as a condition to such inspection right, the board of directors may require the stockholder and each other person exercising such right to enter into and comply with a confidentiality agreement having such terms and scope as are reasonably related to protecting the legitimate interests of the corporation. However, the inspection rights discussed in this paragraph do not apply to any corporation, such as the Company, that furnishes to its stockholders a detailed annual financial statement or any corporation that has filed during the preceding 12 months all reports required to be filed pursuant to Section 13 or Section 15(d) of the Exchange Act.

Business Opportunities

Under Delaware law, the corporate opportunity doctrine holds that a corporate officer or director may not generally and unilaterally take a business opportunity for his or her own if: (i) the corporation is financially able to exploit the opportunity; (ii) the opportunity is within the corporation's line of business; (iii) the corporation has an interest or expectancy in the opportunity; and (iv) by taking the opportunity for his or her own, the corporate fiduciary will thereby be placed in a position inimical to his duties to the corporation. The DGCL permits a Delaware corporation to renounce, in its certificate of incorporation or by action of the board of directors, any interest or expectancy of the corporation in, or being offered an opportunity to participate in, specified business opportunities or specified classes or categories of business opportunities that are presented to the corporation or one or more of its officers, directors or stockholders.

Similar to the DGCL, the NRS permits a Nevada corporation to renounce, in its articles of incorporation or by action of the board of directors, any interest or expectancy to participate in specified business opportunities or specified classes or categories of business opportunities that are presented to the corporation or one or more of its officers, directors or stockholders. Neither the Delaware Charter nor the Nevada Charter renounces any interest or expectancy in business opportunities.

Franchise Taxes and Filing Fees
The Company's current status as a Delaware corporation physically located in California requires the Company to comply with franchise tax obligations in both Delaware and California. Typically, annual franchise taxes paid to the State of Delaware are approximately $250,000 for a company of our size, which will no longer be required to be paid if the Nevada Reincorporation is completed. If the Nevada Reincorporation is completed, our current annual fees in Nevada will consist of an annual state business license fee and a fee for filing the Company's annual list of directors and officers based on the number of authorized shares and their par value which are de minimis amounts. The Company will continue to pay de minimis annual filing fees to qualify as a foreign jurisdiction in California, and there are certain immaterial fees associated with effecting the Nevada Reincorporation via conversion that the Company will be required to pay.

Certain Matters That Will Not Change After Nevada Reincorporation

Apart from being governed by the Nevada Charter, the Nevada Bylaws, and the NRS, upon completion of the Nevada Reincorporation, the Company will continue to exist, without interruption, in the form of a Nevada corporation. By virtue of the Nevada Reincorporation, all of the rights, privileges and powers of the Company, and all property, real, personal and mixed, and all debts due to the Company, as well as all other things and causes of action belonging to the Company, will remain vested in the Nevada Corporation and will be the property of the Nevada Corporation. In addition, the Nevada Corporation will have all debts, liabilities and duties of the Company and the same may be enforced against the Nevada Corporation.

No Change in Business, Jobs or Physical Location
The Nevada Reincorporation will not result in any change in business, jobs, management, properties, location of any of our offices or facilities, number of employees, obligations, assets, liabilities or net worth (other than as a result of the costs related to the Nevada Reincorporation).

Our management, including all directors and officers and the positions they respectively hold, will be unchanged as a result of the Nevada Reincorporation. To the extent that the Nevada Reincorporation will require the consent or waiver of a third party, the Company will use commercially reasonable effects to obtain such consent or waiver before completing the Nevada Reincorporation. The Company does not expect that any such required consent will impede its ability to reincorporate to Nevada. The Nevada Reincorporation will not otherwise adversely affect any of the Company's material contracts with any third parties, and the Company's rights and obligations under such material contractual arrangements will continue as rights and obligations of the Nevada Corporation.

Dual Class Capital Structure
The Delaware Charter sets forth the terms and conditions for the conversion and termination of the Company's dual class capital structure. Each outstanding share of Class B common stock is convertible at any time at the option of the holder into one share of Class A common stock. In addition, each share of Class B common stock will convert automatically into one share of Class A common stock upon any transfer, whether or not for value, except for certain permitted transfers to trusts or similar entities where the transferor retains sole dispositive power and exclusive voting control over the shares of Class B common stock so transferred, as further described in the Delaware Charter. Once converted into Class A common stock, the Class B common stock may not be reissued. In addition, each share of Class B common stock will convert automatically into one share of Class A common stock upon the earlier of (i) the date that is specified by the affirmative vote of the holders of two-thirds of the then-outstanding shares of Class B common stock, (ii) the date fixed by our Board that is no less than 61 days and no more than 180 days following the first time that the number of outstanding shares of Class B common stock is less than 17,186,191 (as adjusted for any stock splits, stock dividends, combinations, subdivisions, recapitalizations or the like), (iii) March 10, 2036, (iv) nine months after the death or permanent disability of Mr. Baszucki, or (v) nine months after the date that Mr. Baszucki voluntarily resigns from any and all positions he may hold as an officer or as a member of our Board (the "**Final Conversion Date**"). The Nevada Charter provides for the same terms and conditions for the conversion and termination of the Company's dual class capital structure.

No Securities Law Consequences
We will continue to be a publicly held company following completion of the Nevada Reincorporation, and our Class A common stock would continue to be listed on the NYSE and traded under the symbol "RBLX." The Company will continue to file required periodic reports and other documents with the SEC. There is not expected to be any interruption in the trading of the Class A common stock as a result of the Nevada Reincorporation. We and our stockholders will be in the same respective positions under the federal securities laws after the Nevada Reincorporation as we and our stockholders were prior to the Nevada Reincorporation.

No Appraisal Rights
Under the DGCL, holders of our Class A common stock are not entitled to appraisal rights under the DGCL with respect to the Nevada Reincorporation described in this proxy statement. Under the DGCL, holders of Class B common stock are entitled to appraisal rights in connection with the Nevada Reincorporation but the three record holders affiliated with David Baszucki that hold all of our outstanding Class B common stock have waived such rights.

No Exchange of Stock Certificates Required
Stockholders will not have to exchange their existing stock certificates for new stock certificates. At the Effective Time, each outstanding share of the Company's Class A common stock or Class B common stock will automatically be converted into one share of the Nevada Corporation's Class A common stock or Nevada Corporation Class B common stock, as applicable, and any stock certificates you then hold will represent the same number of shares of the Nevada Corporation as they represented of the Company immediately prior to the Effective Time.

No Material Accounting Implications
Effecting the Nevada Reincorporation will not have any material accounting implications.

Material U.S. Federal Income Tax Consequences

The following discussion summarizes the material U.S. federal income tax consequences of the Nevada Reincorporation to holders of shares of Class A common stock and Class B common stock of the Delaware Corporation (together, the "**Delaware common stock**"). Each of the shares of Delaware common stock will be converted into one outstanding share of Class A common stock or Class B common stock of the Nevada Corporation (together, the "**Nevada common stock**"), as applicable, in connection with the Nevada Reincorporation.

This discussion is based on the Internal Revenue Code of 1986, as amended (the "**Code**"), applicable Treasury regulations promulgated or proposed thereunder (collectively, the "**Treasury Regulations**"), judicial authority, and administrative rulings and practice, all as in effect as of the date of this proxy statement, and all of which are subject to change at any time, possibly with retroactive effect. This discussion is limited to holders of the Delaware common stock that are U.S. holders (as defined below) and that hold their shares of Delaware common stock as "capital assets" within the meaning of Section 1221 of the Code. Further, this discussion does not discuss all tax considerations that may be relevant to holders of the Delaware common stock in light of their particular circumstances (including the Medicare tax imposed on net investment income and the alternative minimum tax), nor does it address any tax consequences to holders subject to special treatment under the U.S. federal income tax laws, such as tax-exempt entities, partnerships or other pass-through entities for U.S. federal income tax purposes (and investors therein), holders that acquired their shares of Delaware common stock pursuant to the exercise of employee stock options or otherwise as compensation, financial institutions, insurance companies, brokers, dealers or traders in securities, holders that have a functional currency other than the U.S. dollar, holders whose Delaware common stock is "qualified small business stock" within the meaning of Sections 1202 or 1045 of the Code, and holders that hold their shares of Delaware common stock as part of a straddle, hedge, conversion, constructive sale, synthetic security, integrated investment or other risk-reduction transaction for U.S. federal income tax purposes. This discussion does not address any U.S. federal estate, gift or other non-income tax consequences or any state, local or non-U.S. tax consequences.

For purposes of this section, a "**U.S. holder**" is a beneficial owner of the Delaware common stock that is, for U.S. federal income tax purposes, (i) an individual who is a citizen or resident of the United States; (ii) a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia; (iii) an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) a trust, if (a) a court within the United States is able to exercise primary jurisdiction over its administration and one or more U.S. persons have the authority to control all of its substantial decisions, or (b) it has a valid election in place under applicable Treasury Regulations to be treated as a U.S. person.

If a partnership (including any entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds shares of the Delaware common stock, the tax treatment of a partner in the partnership will generally depend upon the status of the partner, the activities of the partnership and certain determinations made at the partner level. Partnerships holding the Delaware common stock and the partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them of the Nevada Reincorporation.

Treatment of the Nevada Reincorporation

We intend the Nevada Reincorporation, for U.S. federal income tax purposes, to qualify as a tax-free "reorganization" within the meaning of Section 368(a)(1)(F) of the Code. Assuming the Nevada Reincorporation qualifies as a "reorganization" within the meaning of Section 368(a)(1)(F) of the Code, then, for U.S. federal income tax purposes:

- No gain or loss will be recognized by a U.S. holder of the Delaware common stock upon the conversion of such Delaware common stock into the Nevada common stock in connection with the Nevada Reincorporation;
- The aggregate tax basis of the shares of the Nevada common stock received by a U.S. holder of shares of the Delaware common stock in connection with the Nevada Reincorporation will equal the aggregate tax basis of the shares of the Delaware common stock converted into such shares of the Nevada common stock; and
- The holding period of the shares of the Nevada common stock received by a U.S. holder of the Delaware common stock in connection with the Nevada Reincorporation will include the holding period of the Delaware common stock converted into such shares of the Nevada common stock.

Stockholders that have acquired different blocks of the Delaware common stock at different times or at different prices should consult their tax advisors regarding the allocation of their aggregate tax basis among, and the holding period of, shares of Nevada common stock received in the Nevada Reincorporation.

Information Reporting

A U.S. holder of the Delaware common stock that owns at least 5% of the outstanding stock of the Company (by vote or value) immediately before the Nevada Reincorporation will generally be required to attach to such holder's U.S. federal income tax return for the year in which the Nevada Reincorporation occurs a statement setting forth certain information relating to the Nevada Reincorporation, including the aggregate fair market value and tax basis of the stock of such holder converted in connection with the Nevada Reincorporation. Holders of the Delaware common stock should consult their tax advisors to determine whether they are required to provide the foregoing statement.

THE U.S. FEDERAL INCOME TAX DISCUSSION ABOVE IS INCLUDED FOR GENERAL INFORMATION PURPOSES ONLY AND IS NOT A COMPLETE ANALYSIS OR DISCUSSION OF ALL POTENTIAL TAX CONSEQUENCES THAT MAY BE RELEVANT TO A PARTICULAR HOLDER OF THE DELAWARE COMMON STOCK. EACH U.S. HOLDER SHOULD CONSULT THEIR TAX ADVISORS AS TO THE SPECIFIC TAX CONSEQUENCES RESULTING FROM THE NEVADA REINCORPORATION.

Transactions with Related Persons

We enter into ordinary course commercial dealings with companies that we consider arms-length on terms that are consistent with similar transactions with similar vendors. The ACC has determined that none of our directors had or currently has any direct or indirect material interest in the transaction described below:

Ms. Mastantuono, one of our directors, serves as the Chief Financial Officer of ServiceNow, Inc., which is a vendor. We recognized approximately $720,000 in expenses payable to ServiceNow, Inc. or its subsidiaries since January 1, 2024.

Additionally, a child of Mr. David Baszucki and a child of Mr. Reinstra are employed by the Company. The ACC approved the employment of each of these individuals. The employment terms for each of these individuals is consistent with the employment terms of similarly situated employees. In 2024, the annual compensation for each of these individuals in these engineering and product management positions consisted of annual cash base salary of less than $180,000, standard progression equity grants with an intended value of less than $30,000 which vest over two years and annual refresh equity grants with an intended value of less than $120,000 which vests over three years**.**

Policies and Procedures for Related Person Transactions

Our ACC has the primary responsibility for reviewing and approving or disapproving "related party transactions," which are transactions between us and related persons in which the aggregate amount involved exceeds or may be expected to exceed $120,000 and in which a related person has or will have a direct or indirect material interest. Our policy regarding transactions between us and related persons provides that a related person is defined as a director, executive officer, nominee for director or greater than 5% beneficial owner of our Class A common stock or Class B common stock, in each case since the beginning of the most recently completed year, and any of their immediate family members. Our ACC charter provides that our ACC shall review and approve or disapprove any related party transactions.

Under this policy, all related person transactions may be consummated or continued only if approved or ratified by our ACC. In determining whether to approve or ratify any such proposal, our ACC will take into account, among other factors it deems appropriate, (i) whether the transaction is on terms no less favorable than terms generally available to an unaffiliated third party and (ii) the extent of the related person's interest in the transaction.

The policy grants standing pre-approval of certain transactions, including (i) executive compensation governed by our standard compensation and benefits policies, (ii) director compensation arrangements governed by our standard director compensation policies, (iii) transactions with another company at which a related person's only relationship is as an employee, other than an executive officer or director, or beneficial owner of less than 10% equity interest of that company, if the aggregate amount involved does not exceed the greater of $200,000 or 2% of the recipient's consolidated gross revenues, (iv) charitable contributions, grants or endowments by us to a charitable organization, foundation or university where the related person's only relationship is as an employee, other than an executive officer or director, if the aggregate amount involved does not exceed the lesser of $1,000,000 or 2% of the charitable organization's total annual receipts, (v) any transaction available to all U.S. employees generally, (vi) transactions where a related person's interest arises solely from the ownership of our common stock and all holders of our common stock received the same benefit on a pro rata basis and (vii) any indemnification or advancement of expenses made pursuant to our charter or bylaws and any agreement.

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth certain information with respect to the beneficial ownership of our common stock as of February 28, 2025 for:

- each of our directors;
- each of our NEOs;
- all of our current directors and executive officers as a group; and
- each person or group known by us to be the beneficial owner of more than 5% of our Class A common stock or Class B common stock.

We have determined beneficial ownership in accordance with the rules of the SEC, and thus it represents sole or shared voting or investment power with respect to our securities. Unless otherwise indicated below, to our knowledge, the persons and entities named in the table have sole voting and sole investment power with respect to all shares that they beneficially owned, subject to community property laws where applicable.

We have based percentage ownership of our common stock on 628,477,206 shares of our Class A common stock and 48,293,658 shares of our Class B common stock outstanding as of February 28, 2025. We have deemed shares of our common stock subject to stock options that are currently exercisable or exercisable within 60 days of February 28, 2025 or issuable pursuant to RSUs which are subject to vesting and settlement conditions expected to occur within 60 days of February 28, 2025 to be outstanding and to be beneficially owned by the person holding the stock option or RSU for the purpose of computing the percentage ownership of that person. We did not deem these shares outstanding, however, for the purpose of computing the percentage ownership of any other person.

Unless otherwise indicated, the address of each beneficial owner is c/o Roblox Corporation, 3150 South Delaware Street, San Mateo, California 94403. The information provided in the table is based on our records, information filed with the SEC and information provided to us, except where otherwise noted.

	Shares beneficially owned				
	Class A		Class B †		Total Voting
	Shares	%	Shares	%	%+
Named Executive Officers and Directors:					
David Baszucki (1)	8,314,636	1.3	48,293,658	100.0	60.9
Michael Guthrie (2)	1,623,187	*			*
Manuel Bronstein (3)	315,296	*			*
Arvind Chakravarthy	—	*			*
Mark Reinstra (4)	604,546	*			*
Gregory Baszucki (5)	13,637,089	2.2			*
Christopher Carvalho (6)	1,258,413	*			*
Jason Kilar (7)	9,655	*			*
Anthony P. Lee (8)	13,103,525	2.1			*
Gina Mastantuono (9)	26,253	*			*
Andrea Wong (10)	45,827	*			*
All executive officers and directors as group (13 persons) (11)	39,170,597	6.1	48,293,658	100.0	62.7
Greater than 5% Stockholders:					
FMR LLC (12)	39,628,126	6.3			2.5
The Vanguard Group (13)	46,264,278	7.4			2.9

† The Class B common stock is convertible at any time by the holder into shares of Class A common stock on a share-for-share basis, such that each holder of Class B common stock beneficially owns an equivalent number of Class A common stock.

+ Percentage of total voting power represents voting power with respect to all shares of Class A common stock and Class B common stock as one class. Each holder of our Class A common stock is entitled to one vote per share, each holder of our Class B common stock is entitled to 20 votes

per share. Holders of our Class A common stock and Class B common stock will vote together as one class on all matters submitted to a vote of our stockholders, except as expressly provided in our amended and restated certificate of incorporation or required by applicable law.

* Less than 1%

(1) Includes 23,624 shares of Class A common stock held directly by Mr. Baszucki, 96,534 shares of Class A common stock and 12,781,474 shares of Class B common stock held of record by the 2020 David Baszucki Gift Trust for which Mr. Baszucki's spouse serves as the party who exercises voting and investment control, 1,697,070 shares of Class A common stock and 23,105,695 shares of Class B common stock held of record by The Freedom Revocable Trust dated February 28, 2017, as amended for which Mr. Baszucki serves as trustee and exercises voting and investment control, 846,519 shares of Class A common stock and 12,406,489 shares of Class B common stock held of record by the 2020 Jan Baszucki Gift Trust for which Mr. Baszucki serves as the party who exercises voting and investment control. Also includes 5,650,889 shares of Class A common stock subject to outstanding options which are exercisable within 60 days of February 28, 2025.

(2) Includes 139,375 shares of Class A common stock held directly by Mr. Guthrie and 61,422 shares of Class A common stock held by the Guthrie Family Irrevocable GST Exempt Trust. Also includes 1,422,390 shares of Class A common stock subject to outstanding options which are exercisable within 60 days of February 28, 2025.

(3) Consists of 315,296 shares of Class A common stock held directly by Mr. Bronstein.

(4) Includes 149,864 shares of Class A common stock held directly by Mr. Reinstra, 115,472 shares of Class A common stock held of record by the San Domenico Trust, for which Mr. Reinstra serves as trustee, 35,359 shares of Class A common stock held of record by each of the Mark L. Reinstra 2023 Annuity Trust and the Susan P. Reinstra 2023 Annuity Trust, for which Mr. Reinstra serves as trustee, and 18,482 shares of Class A common stock held of record by each of the Mark L. Reinstra 2022 Annuity Trust and the Susan P. Reinstra 2022 Annuity Trust, for which Mr. Reinstra serves as trustee. Also includes 231,528 shares of Class A common stock subject to outstanding options which are exercisable within 60 days of February 28, 2025.

(5) Includes 9,220 shares of Class A common stock held directly by Mr. Baszucki. 1,319,500 shares of Class A common stock held of record by Morgan Stanley Roth IRA as custodian for the Greg Baszucki IRA, 9,389,338 shares of Class A common stock held of record by the Greg and Christina Baszucki Living Trust Agreement dated August 18, 2006, for which Mr. Baszucki serves as trustee, 869,250 shares of Class A common stock held of record by Bessemer Trust Company of Delaware, N.A., as trustee of the Crossbow Dynasty Trust, dated November 13, 2020 and 869,250 shares of Class A common stock held of record by Bessemer Trust Company of Delaware, N.A., as trustee of the Morningstar Dynasty Trust, dated November 13, 2020. Mr. Baszucki exercises voting and investment control over all of these shares. Also includes 1,168,650 shares of Class A common stock subject to outstanding options which are exercisable within 60 days of February 28, 2025 and 11,881 shares of Class A common stock subject to vested RSU awards which were deferred under the Company's Deferred Compensation Plan.

(6) Includes 980,579 shares of Class A common stock held directly by Mr. Carvalho and 160,968 shares of Class A common stock held by the Christopher P. Carvalho Revocable Trust UTD 10/11/2017 for which Mr. Carvalho is the trustee and exercises voting and investment control. Also includes 116,866 shares of Class A common stock subject to outstanding options which are exercisable within 60 days of February 28, 2025.

(7) Includes 5,440 shares of Class A common stock held directly by Mr. Kilar and 642 shares of Class A common stock held of record by the Jason Kilar Trust for which Mr. Kilar is the trustee and exercises voting and investment control. Also includes 3,573 shares of Class A common stock subject to vested RSU awards which were deferred under the Company's Deferred Compensation Plan and held by our executive officers and directors.

(8) Based solely on a Schedule 13G/A filed with the SEC on February 14, 2025 by Altos Ventures IV L.P. reporting stock ownership as of December 31, 2024 and updated by Forms 4 filed by Mr. Lee with the SEC through February 12, 2025, consists of 1,080,617 Altos Ventures IV, LP, 1,948,958 Altos Ventures IV Liquidity Fund, L.P., 778,627 Altos Roblox SPV 1, LLC, 181,520 Altos Roblox SPV 2, LLC, 42,273 Altos Ventures IV Reserve Fund, L.P, 903,795 Altos Roblox SPV 2020, LLC, 24,090 Altos Hybrid 2, LP, 111,112 Altos Hybrid 4, LP (collectively, the "**Altos Funds**"), 6,610,957 shares of Class A common stock held of record by the Fallen Leaf Revocable Trust for which Mr. Lee serves as trustee, 821,576 shares of Class A common stock held of record by the Fallen Leaf LLC - Sub Fund No. 1 for which Mr. Lee serves as managing member, and 300,000 shares of Class A common stock held of record by each of the individual trusts for the benefit of Mr. Lee's son and daughter and for which Mr. Lee serves as trustee. The general partner of Altos Hybrid 2, L.P. is Altos Hybrid 2, GP, LLC; the general partner of Altos Hybrid 4, L.P. is Altos Hybrid 4 GP, LLC; the general partner of Altos Ventures IV, L.P., Altos Ventures IV Liquidity Fund, L.P., and Altos Ventures IV Reserve Fund, L.P. is Altos Management Partners IV, LLC (collectively, the "**General Partners**"). The manager of Altos Roblox SPV 1, LLC, and Altos Roblox SPV 2, LLC is Altos Roblox Management Partners, LLC; the manager of Altos Roblox SPV 2020, LLC is Altos Roblox 2020 Management Partners, LLC (collectively, the "**Managers**"). The general partner of Altos Hybrid 2, L.P. is Altos Hybrid 2, GP, LLC; the general partner of Altos Hybrid 4, L.P. is Altos Hybrid 4 GP, LLC; the general partner of Altos Ventures IV, L.P., Altos Ventures IV Liquidity Fund, L.P., and Altos Ventures IV Reserve Fund, L.P. is Altos Management Partners IV, LLC (collectively, the "**General Partners**"). The manager of Altos Roblox SPV 1, LLC, and Altos Roblox SPV 2, LLC is Altos Roblox Management Partners, LLC; the manager of Altos Roblox SPV 2020, LLC is Altos Roblox 2020 Management Partners, LLC (collectively, the "**Managers**"). As a managing member of each the General Partners and Managers, Mr. Lee shares voting and dispositive power with respect to the shares held by the Altos Funds and disclaims beneficial ownership of these shares. The address of Mr. Lee and the Altos Funds is 250 California Drive, Floor 4, Burlingame, California 94010.

(9) Includes 14,372 shares of Class A common stock held directly by Ms. Mastantuono and 11,881 shares of Class A common stock subject to vested RSU awards which were deferred under the Company's Deferred Compensation Plan.

(10) Consists of 45,827 shares of Class A common stock held by the Andrea L Wong Living Trust and for which Ms. Wong serves as trustee.

(11) Includes 30,511,605 shares of Class A common stock and 48,293,658 shares of Class B common stock beneficially owned by our executive officers and directors. Also includes 8,631,657 shares of Class A common stock subject to outstanding options which are exercisable within 60 days of February 28, 2025 and held by our executive officers and directors and 27,335 shares of Class A common stock subject to vested RSU awards which were deferred under the Company's Deferred Compensation Plan and held by our executive officers and directors.

(12) Based on a Schedule 13G filed with the SEC on February 12, 2025 reporting stock ownership as of December 31, 2024, the reported shares of Class A common stock are held of record by FMR LLC, certain of its subsidiaries and affiliates, and other companies and over which shares FMR LLC has sole dispositive power. FMR LLC has sole voting power with respect to 38,671,788 shares and sole dispositive power with respect to all reported shares. Abigail P. Johnson is a Director, the Chairman, and the Chief Executive Officer of FMR LLC. Members of the Johnson family, including Abigail P. Johnson, are the predominant owners, directly or through trusts, of Series B voting common shares of FMR LLC, representing 49% of the voting power of FMR LLC. The Johnson family group and all other Series B stockholders have entered into a stockholders' voting agreement under which all Series B voting common shares will be voted in accordance with the majority vote of Series B voting common shares. Accordingly, through their ownership of voting common shares and the execution of the stockholders' voting agreement, members of the Johnson family may be deemed, under the Investment Company Act of 1940, to form a controlling group with respect to FMR LLC. Neither FMR LLC nor Ms. Johnson has the sole power to vote or direct the voting of the shares owned directly by the various investment companies registered under the Investment Company Act of 1940 (the Fidelity Funds), advised by Fidelity Management & Research Company LLC (FMR Co), a wholly owned subsidiary of FMR LLC, which power resides in the Fidelity Funds' Boards of Trustees. FMR Co carries out the voting of the shares under written guidelines established by the Fidelity Funds' Boards of Trustees. The address for FMR LLC is 245 Summer Street, Boston, Massachusetts 02210.

(13) Based solely on a Schedule 13G/A filed on February 19, 2024 reporting stock ownership as of December 29, 2023. The Vanguard Group reported that it has sole voting power over no shares of Class A common stock, sole dispositive power with respect to 45,221,399 shares of Class A common stock, shared voting power of 329,939 shares of Class A common stock and shared dispositive power of 1,042,879 shares of Class A common stock. The address of the Vanguard Group is 100 Vanguard Blvd., Malvern, Pennsylvania 19355.

Questions and Answers About the Proxy Materials and 2025 Annual Meeting

Roblox Corporation
Proxy Statement
For 2025 Annual Meeting of Stockholders
to be held at 8:00 a.m. Pacific Time on Thursday, May 29, 2025

This proxy statement and the enclosed form of proxy are furnished in connection with the solicitation of proxies by our Board for use at the Annual Meeting. The Annual Meeting will be held on Thursday, May 29, 2025 at 8:00 a.m. Pacific Time. The Annual Meeting will be conducted virtually via live audio webcast. You will be able to attend the Annual Meeting virtually by visiting https://web.lumiconnect.com/215721927 (password: roblox2025), where you will be able to listen to the meeting live, submit questions, and vote online. For stockholders of record, to vote in the Annual Meeting, you will need the control number included on your Notice or proxy card. If you are a street name stockholder you, you will need to obtain a legal proxy from your broker, bank, or other nominee in order to vote your shares at the Annual Meeting. The Notice containing instructions on how to access this proxy statement and our annual report is first being mailed on or about April 17, 2025 to all stockholders entitled to vote at the Annual Meeting. These proxy materials and our annual report can be accessed by following the instructions in the Notice.

The information provided in the "question and answer" format below is for your convenience only and is merely a summary of the information contained in this proxy statement. You should read this entire proxy statement carefully. Information contained on, or that can be accessed through, our website is not intended to be incorporated by reference into this proxy statement and references to our website address in this proxy statement are inactive textual references only.

What matters am I voting on?

You are being asked to vote on:

- the election of two Class I directors to serve until the 2028 annual meeting of stockholders and until their successors are duly elected and qualified;
- a proposal to approve, on an advisory basis, the compensation of our NEOs;
- a proposal to ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2025;
- a proposal to approve the reincorporation of Roblox to the State of Nevada by conversion; and
- any other business as may properly come before the Annual Meeting.

How does the board of directors recommend I vote on these proposals?

Our Board recommends a vote:

- "FOR" the election of the Class I director nominees named in this proxy statement;
- "FOR" the approval, on an advisory basis, of the compensation of our NEOs;
- "FOR" the approval of the reincorporation of Roblox to the State of Nevada by conversion; and
- "FOR" the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2025.

Who is entitled to vote?

Holders of our Class A common stock and Class B common stock as of the close of business on April 11, 2025, the record date for the Annual Meeting, may vote at the Annual Meeting. As of the record date, there were 629,950,536 shares of our Class A common

stock outstanding and 48,293,658 shares of our Class B common stock outstanding. Our Class A common stock and Class B common stock will vote as a single class on all matters described in this proxy statement for which your vote is being solicited. Stockholders are not permitted to cumulate votes with respect to the election of directors. Each share of Class A common stock is entitled to one vote on each proposal and each share of Class B common stock is entitled to 20 votes on each proposal. Our Class A common stock and Class B common stock are collectively referred to in this proxy statement as our "common stock."

Registered Stockholders. If shares of our common stock are registered directly in your name with our transfer agent, Equiniti Trust Company LLC ("**Equiniti**"), you are considered the stockholder of record with respect to those shares, and the Notice was provided to you directly by us. As the stockholder of record, you have the right to grant your voting proxy directly to the individuals listed on the proxy card or to vote live at the Annual Meeting. Throughout this proxy statement, we refer to these registered stockholders as "stockholders of record."

Street Name Stockholders. If shares of our common stock are held on your behalf in a brokerage account or by a bank or other nominee, you are considered to be the beneficial owner of shares that are held in "street name," and the Notice was forwarded to you by your broker or nominee, who is considered the stockholder of record with respect to those shares. As the beneficial owner, you have the right to direct your broker, bank or other nominee as to how to vote your shares. Beneficial owners are also invited to attend the Annual Meeting. However, since a beneficial owner is not the stockholder of record, you may not vote your shares of our common stock live at the Annual Meeting unless you follow your broker's procedures for obtaining a legal proxy. If you request a printed copy of our proxy materials by mail, your broker, bank or other nominee will provide a voting instruction form for you to use. Throughout this proxy statement, we refer to stockholders who hold their shares through a broker, bank or other nominee as "street name stockholders."

Are a certain number of shares required to be present at the annual meeting?

A quorum is the minimum number of shares required to be present at the Annual Meeting to properly hold an annual meeting of stockholders and conduct business under our amended and restated bylaws and Delaware law. The presence in person, virtually or by proxy, of a majority of the voting power of all issued and outstanding shares of our common stock entitled to vote at the Annual Meeting will constitute a quorum at the Annual Meeting. Abstentions, withhold votes, and broker non-votes are counted as shares present and entitled to vote for purposes of determining a quorum.

How do I vote?

If you are a stockholder of record, there are four ways to vote:

- by Internet prior to the Annual Meeting at www.voteproxy.com, 24 hours a day, seven days a week, until 11:59 p.m. Eastern time on May 28, 2025 and follow the on-screen instructions (have your proxy card in hand when you visit the website, and use the Company Number and Account Number shown to the right);
- by toll-free telephone at 1-800-PROXIES (1-800-776-9437) in the United States and Canada or 1-718-921-8500 from other countries from any touch-tone telephone and follow the instructions, until 11:59 p.m. Eastern time on May 28, 2025 (have your proxy card in hand when you call and use the Company Number and Account Number shown to the right);
- by completing and mailing your proxy card (if you received printed proxy materials); or
- by attending the Annual Meeting virtually by visiting https://web.lumiconnect.com/215721927 (password: roblox2025), where, if you are a stockholder of record, you may vote and submit questions during the meeting (please have your Notice and proxy card in hand when you visit the website and use the Control Number shown to the right), but if you are a street name stockholder, you will need to obtain a legal proxy from your broker, bank or other nominee in order to vote your shares at the Annual Meeting.

Even if you plan to attend the Annual Meeting, we recommend that you also vote by proxy so that your vote will be counted if you later decide not to attend the Annual Meeting.

If you are a street name stockholder, you will receive voting instructions from your broker, bank or other nominee. You must follow the voting instructions provided by your broker, bank or other nominee in order to direct your broker, bank, or other nominee on how to vote your shares. Street name stockholders should generally be able to vote by returning a voting instruction form, or by telephone or on the Internet. However, the availability of telephone and Internet voting will depend on the voting process of your

broker, bank or other nominee. As discussed above, if you are a street name stockholder, you may attend, listen and ask questions in the Annual Meeting but you may not vote your shares live at the Annual Meeting unless you obtain a legal proxy from your broker, bank or other nominee.

How may my brokerage firm or other intermediary vote my shares if I fail to provide timely directions?

Brokerage firms and other intermediaries holding shares of our common stock in street name for their customers are generally required to vote such shares in the manner directed by their customers. In the absence of timely directions, your broker will generally have discretion to vote your shares on our sole "routine" matter: the proposal to ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for our fiscal year ending December 31, 2025. Your broker will not have discretion to vote on any other proposals, which are "non-routine" matters, absent direction from you (and failure to provide instructions on these matters will result in a "broker non-vote").

Can I change my vote?

Yes. If you are a stockholder of record, you can change your vote or revoke your proxy any time before the Annual Meeting by:

- entering a new vote by Internet or by telephone; completing and returning a later-dated proxy card; notifying the Corporate Secretary of Roblox Corporation, in writing, at Roblox Corporation, 3150 South Delaware Street, San Mateo, California 94403; or attending and voting at the Annual Meeting (although attendance at the Annual Meeting will not, by itself, revoke a proxy).
- if you are a street name stockholder, your broker, bank or other nominee can provide you with instructions on how to change your vote.

What do I need to do to attend the annual meeting?

If you are a stockholder of record, you will be able to attend the Annual Meeting virtually, submit your questions during the meeting and vote your shares electronically at the meeting by visiting https://web.lumiconnect.com/215721927 (password: roblox2025). To participate in the Annual Meeting, you will need the control number included on your Notice or proxy card.

If you are a street name stockholder and your voting instruction form or Notice indicates that you may vote your shares through the www.voteproxy.com website, then you may access and participate in the annual meeting with the control number indicated on that voting instruction form or Notice. Otherwise, street name stockholders will need to obtain a legal proxy from their broker, bank, or other nominee in order to vote their shares at the Annual Meeting. Street name stockholders who do not obtain a legal proxy will still be able to attend, listen and ask questions in the Annual Meeting as a guest live by visiting https://web.lumiconnect.com/215721927 (password: roblox2025) and entering the requested information, but will not be able to vote their shares.

The Annual Meeting webcast will begin promptly at 8:00 a.m. Pacific Time. We encourage you to access the meeting prior to the start time. Online check-in will begin at 7:00 a.m. Pacific Time, and you should allow ample time for the check-in procedures.

What is the effect of giving a proxy?

Proxies are solicited by and on behalf of our Board. David Baszucki and Arvind Chakravarthy have been designated as proxy holders by our Board. When proxies are properly dated, executed and returned, the shares represented by such proxies will be voted at the Annual Meeting in accordance with the instructions of the stockholder. If the proxy is dated and signed, but no specific instructions are given, the shares will be voted in accordance with the recommendations of our Board as described above. If any matters not described in this proxy statement are properly presented at the Annual Meeting, the proxy holders will use their own judgment to determine how to vote the shares. If the Annual Meeting is adjourned, the proxy holders can vote the shares on the new Annual Meeting date as well, unless you have properly revoked your proxy, as described above.

Why did I receive a notice of internet availability of proxy materials instead of a full set of proxy materials?

In accordance with the rules of the SEC, we have elected to furnish our proxy materials, including this proxy statement and our annual report, primarily via the Internet. The Notice containing instructions on how to access our proxy materials is first being mailed on or about April 17, 2025 to all stockholders entitled to vote at the Annual Meeting. Stockholders may request to receive all future proxy materials in printed form by mail or electronically by e-mail by following the instructions contained in the Notice. We encourage stockholders to take advantage of the availability of our proxy materials on the Internet to help reduce the environmental impact and cost of our annual meetings of stockholders.

How are proxies solicited for the annual meeting?

Our Board is soliciting proxies for use at the Annual Meeting. All expenses associated with this solicitation will be borne by us. We will reimburse brokers or other nominees for reasonable expenses that they incur in sending our proxy materials to you if a broker, bank, or other nominee holds shares of our common stock on your behalf. In addition, our Board and employees may also solicit proxies by telephone, by electronic communication or by other means of communication. Our Board and employees will not be paid any additional compensation for soliciting proxies.

Where can I find the voting results of the annual meeting?

We will announce preliminary voting results at the Annual Meeting. We will also disclose voting results on a Current Report on Form 8-K that we will file with the SEC within four business days after the Annual Meeting. If final voting results are not available to us in time to file a Current Report on Form 8-K within four business days after the Annual Meeting, we will file a Current Report on Form 8-K to publish preliminary results and will provide the final results in an amendment to the Current Report on Form 8-K as soon as they become available.

I share an address with another stockholder, and we received only one paper copy of the proxy materials. How may I obtain an additional copy of the proxy materials?

We have adopted a procedure called "householding," which the SEC has approved. Under this procedure, we deliver a single copy of the Notice and, if applicable, our proxy materials, to multiple stockholders who share the same address, unless we have received contrary instructions from one or more of such stockholders. This procedure reduces our printing costs, mailing costs, and fees. Stockholders who participate in householding will continue to be able to access and receive separate proxy cards. Upon written or oral request, we will deliver promptly a separate copy of the Notice and, if applicable, our proxy materials, to any stockholder at a shared address to which we delivered a single copy of any of these materials. To receive a separate copy, or, if a stockholder is receiving multiple copies, to request that we only send a single copy of the Notice and, if applicable, our proxy materials, such stockholder may contact us at:

Roblox Corporation
Attention: Corporate Secretary
3150 South Delaware Street,
San Mateo, California 94403
(888) 858-2569

Street name stockholders may contact their broker, bank or other nominee to request information about householding.

What is the deadline to propose actions for consideration at next year's annual meeting of stockholders or to nominate individuals to serve as directors?

Stockholder Proposals

Stockholders may present proper proposals for inclusion in our proxy statement and for consideration at next year's annual meeting of stockholders by submitting their proposals in writing to our Corporate Secretary in a timely manner. For a stockholder proposal to be considered for inclusion in our proxy statement for the 2026 annual meeting of stockholders, our Corporate Secretary must

receive the written proposal at our principal executive offices not later than December 11, 2025. In addition, stockholder proposals must comply with the requirements of Rule 14a-8 regarding the inclusion of stockholder proposals in company-sponsored proxy materials. The address of our principal executive offices is:

Roblox Corporation
Attention: Corporate Secretary
3150 South Delaware Street
San Mateo, California 94403

Our amended and restated bylaws also establish an advance notice procedure for stockholders who wish to present a proposal before an annual meeting of stockholders but do not intend for the proposal to be included in our proxy statement. Our amended and restated bylaws provide that the only business that may be conducted at an annual meeting of stockholders is business that is (i) specified in our proxy materials with respect to such annual meeting, (ii) otherwise properly brought before such annual meeting by or at the direction of our Board, or (iii) properly brought before such meeting by a stockholder of record entitled to vote at such annual meeting who has delivered timely written notice to our Corporate Secretary, which notice must contain the information specified in our amended and restated bylaws. To be timely for the 2026 annual meeting of stockholders, our Corporate Secretary must receive the written notice at our principal executive offices:

- not earlier than January 29, 2026; and
- not later than February 28, 2026.

In the event that we hold the 2026 annual meeting of stockholders more than 25 days from the one-year anniversary of the Annual Meeting, a notice of a stockholder proposal that is not intended to be included in our proxy statement must be received by the Corporate Secretary at our principal executive offices:

- not earlier than the 120th day prior to the 2026 annual meeting of stockholders; and
- not later than the 10th day following the day on which public announcement of the date of the 2026 annual meeting of stockholders is first made by us.

If a stockholder who has notified us of his, her or its intention to present a proposal at an annual meeting of stockholders does not appear to present his, her or its proposal at such annual meeting, we are not required to present the proposal for a vote at such annual meeting.

Recommendation or Nomination of Director Candidates
Holders of 1% of our fully diluted capitalization for at least 12 months prior to the submission of the recommendation may recommend director candidates for consideration by our NCGC. Any such recommendations should include the nominee's name and qualifications for membership on our Board and should be directed to our Chief Legal Officer or legal department at the address set forth above. For additional information regarding stockholder recommendations for director candidates, see the section titled *"Board of Directors—Corporate Governance—Stockholder Recommendations and Nominations to the Board of Directors."*

In addition, our amended and restated bylaws permit stockholders to nominate directors for election at an annual meeting of stockholders. To nominate a director, the stockholder must provide the information required by our amended and restated bylaws. In addition, the stockholder must give timely notice to our Corporate Secretary in accordance with our amended and restated bylaws, which, in general, require that the notice be received by our Corporate Secretary within the time periods described above under the section titled *"Stockholder Proposals"* for stockholder proposals that are not intended to be included in a proxy statement.

In addition to satisfying the requirements of our amended and restated bylaws, stockholders who intend to nominate directors other than the directors we have nominated, must also comply with the additional requirements of Rule 14a-19 under the Exchange Act.

Availability of bylaws

A copy of our amended and restated bylaws is available via the SEC's website at http://www.sec.gov or on our investor relations website at http://ir.roblox.com/governance/governance-documents. You may also contact our Corporate Secretary at the address set forth above for a copy of the relevant bylaw provisions regarding the requirements for making stockholder proposals and nominating director candidates.

Other Matters

Delinquent Section 16(a) Reports

Section 16(a) of the Exchange Act requires that our executive officers and directors, and persons who own more than 10% of our common stock, file reports of ownership and changes of ownership with the SEC. Such directors, executive officers and 10% stockholders are required by SEC regulation to furnish us with copies of all Section 16(a) forms they file.

SEC regulations require us to identify in this proxy statement anyone who filed a required report late during the most recent fiscal year. Based solely on our review of copies of such forms that we have received, or written representations from reporting persons, we believe that during the fiscal year ended December 31, 2024, all executive officers, directors and greater than 10% stockholders complied with all applicable SEC filing requirements, except a Form 4 reflecting a distribution to Anthony Lee on November 8, 2024, a Form 4 reflecting two distributions to Anthony Lee on May 4, 2024 and August 16, 2024, a Form 4 form reflecting a gift by Gregory Baszucki on August 9, 2024 and a Form 4 reflecting certain transactions inadvertently made on behalf of Manual Bronstein from October 1, 2021 through May 9, 2024.

Fiscal Year 2024 Annual Report and SEC Filings

Our financial statements for our fiscal year ended December 31, 2024 are included in our Annual Report on Form 10-K, which was filed with the SEC and which we will make available to stockholders at the same time as this proxy statement. This proxy statement and our annual report are posted on our website at ir.roblox.com and are available from the SEC on its website at www.sec.gov. You may also obtain a copy of our annual report without charge by sending a written request to Roblox Corporation, Attention: Investor Relations, 3150 South Delaware Street, San Mateo, California 94403.

* * *

The Board does not know of any other matters to be presented at the Annual Meeting. If any additional matters are properly presented at the Annual Meeting, the persons named in the enclosed proxy card will have discretion to vote the shares of our common stock they represent in accordance with their own judgment on such matters.

It is important that your shares of our common stock be represented at the Annual Meeting, regardless of the number of shares that you hold. You are, therefore, urged to vote by telephone or by using the Internet as instructed on the enclosed proxy card or execute and return, at your earliest convenience, the enclosed proxy card in the envelope that has also been provided.

The Board of Directors
San Mateo, California
April 17, 2025

APPENDIX A

Reincorporation Resolutions

Reincorporation of the Company to the State of Nevada by Conversion

WHEREAS, the Board of Directors (the "**Board**") of Roblox Corporation (the "**Company**") previously authorized and empowered the Nominating and Corporate Governance Committee of the Board (the "**NCG Committee**") to consider, evaluate, and determine whether it would be in the best interests of the Company and its stockholders to change the Company's corporate domicile;

WHEREAS, the NCG Committee considered various factors during its evaluation of a potential reincorporation of the Company, including prior and ongoing Delaware law developments, a comparison of pertinent aspects of the corporate laws of Delaware, Nevada, Texas, and Florida, implications for the Company's stockholders as to their economic, governance, and litigation rights, benefits for the Company and its stockholders in a reincorporation and any potential drawbacks, and the predictability and stability of Nevada's statute-based legal approach compared to Delaware's approach;

WHEREAS, following its evaluation of a potential reincorporation of the Company, the NCG Committee reported its conclusions to the Board, determined that a reincorporation of the Company from the State of Delaware to the State of Nevada was in the best interests of the Company and its stockholders, and recommended that the Board approve a reincorporation of the Company from the State of Delaware to the State of Nevada;

WHEREAS, having discussed and considered the NCG Committee's recommendation, the Board has determined that it is in the best interests of the Company and its stockholders to approve and effect a reincorporation of the Company from the State of Delaware to the State of Nevada by way of a conversion pursuant to and in accordance with Section 266 of the General Corporation Law of the State of Delaware, as amended (the "**DGCL**"), Sections 92A.195 and 92A.205 of the Nevada Revised Statutes, as amended (the "**NRS**"), and the proposed Plan of Conversion (the "**Plan of Conversion**"), in substantially the form attached hereto as Exhibit A (such conversion, the "**Nevada Reincorporation**"), which Plan of Conversion includes the proposed Nevada articles of incorporation (the "**Nevada Charter**") and the proposed Nevada bylaws (the "**Nevada Bylaws**" and, together with the Nevada Charter, the "**Nevada Governing Documents**"), substantially in the forms attached hereto as Exhibit B and Exhibit C, respectively, all as further reflected in the draft management proposal (the "**Nevada Reincorporation Proposal**") attached hereto as Exhibit D to be included in the Company's proxy statement for its annual meeting of stockholders to approve the Nevada Reincorporation (including any adjournments or postponements thereof, the "**Annual Meeting**");

WHEREAS, pursuant to the terms of the Plan of Conversion, upon the Nevada Reincorporation, the Company will cease to be governed by the laws of the State of Delaware and its existing amended and restated certificate of incorporation and amended and restated bylaws and will become a corporation governed by the laws of the State of Nevada (the "**Converted Corporation**") and the Nevada Governing Documents;

WHEREAS, upon receipt of stockholder approval of the Nevada Reincorporation Proposal and the Nevada Reincorporation (including the Plan of Conversion and the Nevada Governing Documents) and these resolutions approving the Nevada Reincorporation at the Annual Meeting, the Nevada Reincorporation will become effective at the date and time (the "**Effective Time**") specified in each of (i) the articles of conversion meeting the requirements of Section NRS 92A.205 and 92A.230 (the "**Articles of Conversion**") to be properly executed and filed in accordance with such sections and (ii) a certificate of conversion meeting the requirements of Section 266 of the DGCL (the "**Certificate of Conversion**") to be properly executed and filed in accordance with such section;

WHEREAS, at the Effective Time, (i) each share of Class A Common Stock, par value $0.0001 per share, of the Company issued and outstanding or held in treasury immediately prior to the Effective Time will be automatically converted into one share of the Class A Common Stock, par value $0.0001 per share, of the Converted Corporation; and (ii) each share of Class B Common Stock, par value $0.0001 per share, of the Company issued and outstanding or held in treasury immediately prior to the Effective Time will be automatically converted into one share of the Class B Common Stock, par value $0.0001 per share, of the Converted Corporation;

WHEREAS, any warrant, option, restricted stock unit, equity or equity-based award, or other right to acquire any shares of, or of any instrument to convert into or based on the value of, the Class A Common Stock or Class B Common Stock of the Company or other equity security of the Company, whether vested or unvested, which is outstanding immediately prior to the Effective Time (each, a "**Convertible Security**"), shall, from and after the Effective Time, constitute a warrant, option, restricted stock unit, equity or

equity-based award or other right to acquire any shares of, or of any instrument to convert into or based on the value of, the same amount of the Class A Common Stock or Class B Common Stock of the Converted Corporation or other equity securities of the Converted Corporation, respectively, and, if applicable, with the same exercise or purchase price per share, and shall, to the extent permitted by law and otherwise reasonably practicable, have the same term, exercisability, vesting schedule, status, and all other terms and conditions of the applicable Convertible Security immediately prior to the Effective Time; and

WHEREAS, all shares of Class A Common Stock and Class B Common Stock of the Company reserved for issuance pursuant to the terms of any Convertible Security shall, from and after the Effective Time, constitute shares of Class A Common Stock and Class B Common Stock of the Converted Corporation reserved for issuance pursuant thereto.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby unanimously determines that the Nevada Reincorporation, the Plan of Conversion, and the Nevada Governing Documents are in the best interests of the Company and its stockholders and approves and adopts the Nevada Reincorporation, the Plan of Conversion, and the Nevada Governing Documents.

RESOLVED FURTHER, that the form, terms, provisions, and conditions of the Plan of Conversion and the Nevada Governing Documents be, and the same hereby are, in all respects approved and adopted.

RESOLVED FURTHER, that, in accordance with the Plan of Conversion, at the Effective Time, the board of directors of the Converted Corporation shall consist of the same directors as the Board immediately prior to the Effective Time, having the same director classes and the same terms as follows, each director to serve until his or her successor has been duly elected or appointed and qualified or until his or her earlier death, resignation or removal.

Christopher Carvalho	Class I
Jason Kilar	Class I
Gina Mastantuono	Class I
David Baszucki	Class II
Gregory Baszucki	Class II
Anthony P. Lee	Class III
Andrea Wong	Class III

RESOLVED FURTHER, that the initial term of office of the Class II directors shall expire at the Converted Corporation's first annual meeting of stockholders following the Effective Time, the initial term of office of the Class III directors shall expire at the Converted Corporation's second annual meeting of stockholders following the Effective Time, the initial term of office of the Class I directors shall expire at the Converted Corporation's third annual meeting of stockholders following the Effective Time, and at each annual meeting of stockholders following the Effective Time, directors elected to succeed those directors of the class whose terms then expire shall be elected for a term of office to expire at the third succeeding annual meeting of stockholders after their election.

RESOLVED FURTHER, that, in accordance with the Plan of Conversion, at the Effective Time, David Baszucki shall continue to serve as the chair of the board of directors of the Converted Corporation and Anthony P. Lee shall continue to serve as the lead independent director of the board of directors of the Converted Corporation, in each case at the pleasure of the board of directors of the Converted Corporation.

RESOLVED FURTHER, that effective as of the Effective Time, each committee of the Board as of immediately prior to the Effective Time shall be constituted as a committee of the board of directors of the Converted Corporation on the same terms and with the same powers and authority as the applicable committee of the Board as of immediately prior to the Effective Time and for the avoidance of doubt, the charter of the applicable committee of the Board as of immediately prior to the Effective Time shall be the charter of such committee of the board of directors of the Converted Corporation unless and until such charter is amended in accordance with the Nevada Governing Documents and applicable law, and the members of each committee of the Board as of

immediately prior to the Effective Time shall be the members of each such committee of the board of directors of the Converted Corporation, each director to serve at the pleasure of the board of directors of the Converted Corporation.

RESOLVED FURTHER, that the Board hereby directs that the Nevada Reincorporation (including the Plan of Conversion and the Nevada Governing Documents) and these resolutions approving the Nevada Reincorporation be submitted for approval and adoption, respectively, by the stockholders of the Company at the Annual Meeting.

RESOLVED FURTHER, that the Board hereby unanimously recommends a vote "FOR" the Nevada Reincorporation Proposal, including, without limitation, the Nevada Reincorporation (including the Plan of Conversion and the Nevada Governing Documents), and that the Company's stockholders approve the Nevada Reincorporation (including the Plan of Conversion and the Nevada Governing Documents) and adopt these resolutions at the Annual Meeting.

RESOLVED FURTHER, that upon receipt of stockholder approval of the Nevada Reincorporation Proposal at the Annual Meeting, including, without limitation, the approval of the Nevada Reincorporation (including the Plan of Conversion and the Nevada Governing Documents) and the adoption of these resolutions, at the Annual Meeting, the officers of the Company (together, the "**Authorized Officers**" and each, an "**Authorized Officer**") be, and each of them hereby is, authorized, empowered, and directed, in the name and on behalf of the Company and without further action by the Board, to prepare, execute, file, and deliver all agreements, documents, notices, certificates, consents, approvals, or other instruments and take all such actions that such Authorized Officer deems necessary, desirable or appropriate in order to perform the Company's obligations under the Plan of Conversion and to consummate the Nevada Reincorporation, including, without limitation, (a) the execution and filing of the Certificate of Conversion; (b) the execution and filing of the Articles of Conversion and the Nevada Charter; (c) the filing of the annual franchise tax reports required by the Secretary of State of the State of Delaware and the payment of the applicable franchise taxes; (d) the payment of any fees that may be necessary in connection with the Nevada Reincorporation; (e) the submission of all required notifications to the New York Stock Exchange or any other applicable stock exchange; and (f) the filing of Current Reports on Form 8-K and any other regulatory filings that may be necessary, desirable, or appropriate in connection with the Nevada Reincorporation.

RESOLVED FURTHER, that, notwithstanding approval by the stockholders of the Company at the Annual Meeting of the Nevada Reincorporation (including the Plan of Conversion and the Nevada Governing Documents) and the adoption of these resolutions, the Board or any duly authorized committee thereof may, at any time prior to the Effective Time, abandon the Nevada Reincorporation and the Plan of Conversion without further action by the stockholders of the Company.

RESOLVED FURTHER, that pursuant to the Plan of Conversion, at the Effective Time, any outstanding stock certificates that immediately prior to the Effective Time represented issued and outstanding shares of Class A Common Stock or Class B Common Stock of the Company shall be deemed for all purposes to evidence ownership of and to represent shares of Class A Common Stock or Class B Common Stock, as applicable, of the Converted Corporation.

RESOLVED FURTHER, that notwithstanding the foregoing resolutions, any shares of Class A Common Stock or Class B Common Stock of the Converted Corporation may be issued as uncertificated shares, whether upon original issuance, re-issuance or subsequent transfer.

APPENDIX B

PLAN OF CONVERSION
OF
ROBLOX CORPORATION

This Plan of Conversion (this "**Plan of Conversion**") is adopted as of [•], 2025 to convert Roblox Corporation, a Delaware corporation (the "**Converting Entity**"), to a Nevada corporation to be known as "Roblox Corporation" (the "**Converted Entity**").

1. Converting Entity. The Converting Entity is a corporation organized under the General Corporation Law of the State of Delaware (the "**DGCL**").

2. Converted Entity. The Converted Entity shall be a corporation organized under Chapter 78 of the Nevada Revised Statutes (the "**NRS**"). The name of the Converted Entity shall be Roblox Corporation.

3. The Conversion. The Converting Entity shall be converted to the Converted Entity (the "**Conversion**") pursuant to NRS 92A.195 and Section 266 of the DGCL.

4. Filing of Conversion Documents; Effective Time. As soon as practicable following the satisfaction of the conditions set forth in Section 9, if this Plan of Conversion shall not have been terminated prior thereto as provided in Section 12, the Converting Entity shall cause (i) articles of conversion meeting the requirements of NRS 92A.205 and NRS 92A.230 (the "**Articles of Conversion**") and articles of incorporation of the Converted Entity (the "**Articles of Incorporation**") to be properly executed and filed in accordance with such sections and (ii) a certificate of conversion meeting the requirements of Section 266 of the DGCL (the "**Certificate of Conversion**") to be properly executed and filed in accordance with such section, and otherwise make all other filings or recordings as required by the NRS or DGCL in connection with the Conversion. The Conversion shall become effective at the time of filing or at such later time as is set forth in the Articles of Conversion and Certificate of Conversion as the effective date and time of the Conversion (the "**Effective Time**").

5. Articles of Incorporation and Bylaws. At the Effective Time, the Articles of Incorporation and Bylaws of the Converted Entity, in the forms attached hereto as Exhibit A and Exhibit B, respectively, shall govern the Converted Entity until amended in accordance with their respective terms and applicable law.

6. Directors and Officers. At the Effective Time, by virtue of the Conversion and without any further action on the part of the Converting Entity or Converted Entity, or their respective stockholders, (i) the Board of Directors of the Converted Entity will consist of the same directors as the Converting Entity as of immediately prior to the Effective Time, having the same director classes and the same terms, each director to serve until his or her successor has been duly elected or appointed and qualified or until his or her earlier death, resignation or removal; (ii) the chair of the Board of Directors of the Converting Entity and the lead independent director of the Board of Directors of the Converting Entity as of immediately prior to the Effective Time shall be the chair of the Board of Directors of the Converted Entity and the lead independent director of the Board of Directors of the Converted Entity, respectively, each to serve at the pleasure of the Board of Directors of the Converted Entity; (iii) each committee of the Board of Directors of the Converting Entity as of immediately prior to the Effective Time shall be constituted as a committee of the Board of Directors of the Converted Entity on the same terms and with the same powers and authority as the applicable committee of the Board of Directors of the Converting Entity as of immediately prior to the Effective Time, and the members of each committee of the Board of Directors of the Converting Entity as of immediately prior to the Effective Time shall be the members of each such committee of the Board of Directors of the Converted Entity, each to serve at the pleasure of the Board of Directors of the Converted Entity; and (iv) the officers of the Converted Entity shall be the same officers as the Converting Entity as of immediately prior to the Effective Time (and any designation as an "executive officer" under Rule 3b-7 of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), or "officer" for purposes of Section 16 of the Exchange Act shall remain in effect), each to serve until his or her successor has been duly elected or appointed and qualified or until his or her earlier death, resignation or removal.

7. Effect on Capital Stock of Converting Entity. At the Effective Time, by virtue of the Conversion and without any further action on the part of the Converting Entity, the Converted Entity or any other person, (i) each share of Class A Common Stock, par value $0.0001 per share, of the Converting Entity issued and outstanding or held in treasury immediately prior to the Effective Time shall be automatically converted into one (1) share of Class A Common Stock, par value $0.0001 per share, of the Converted Entity; and (ii) each share of Class B Common Stock, par value $0.0001 per share, of the Converting Entity issued and outstanding or held in treasury immediately prior to the Effective Time shall be automatically converted into one (1) share of Class B Common Stock, par value $0.0001 per share, of the Converted Entity. At and after the Effective Time: (x) all of the outstanding certificates that immediately prior to the Effective Time represented issued and outstanding shares of Class A Common Stock or Class B Common Stock of the Converting Entity shall be deemed for all purposes to evidence ownership of and to represent shares of Class A Common Stock or Class B Common Stock, as applicable, of the Converted Entity and shall be so registered on the books and records of the Converted Entity and its transfer agent; and (y) all of the issued and outstanding shares of Class A Common Stock and Class B Common Stock of the Converting Entity that are in uncertificated book-entry form shall automatically become the number and class or series of shares of the Converted Entity into which such shares of the Converting Entity have been converted as herein provided in accordance with the customary procedures of the Converting Entity's transfer agent.

8. Effect on Other Securities of Converting Entity. At the Effective Time, any warrant, option, restricted stock unit, equity or equity-based award, or other right to acquire any shares of, or of any instrument to convert into or based on the value of, the Class A Common Stock or Class B Common Stock of the Converting Entity or other equity security of the Converting Entity, whether vested or unvested, which is outstanding immediately prior to the Effective Time (each, a "**Convertible Security**"), shall from and after the Effective Time, constitute a warrant, option, restricted stock unit, equity or equity-based award or other right to acquire any shares of, or of any instrument to convert into or based on the value of, the same amount of the Class A Common Stock or Class B Common Stock of the Converted Entity or other equity securities of the Converted Entity, respectively, and, if applicable, with the same exercise or purchase price per share, and shall, to the extent permitted by law and otherwise reasonably practicable, have the same term, exercisability, vesting schedule, status and all other terms and conditions of the applicable Convertible Security immediately prior to the Effective Time.

9. Conditions Precedent. Completion of the Conversion is subject to the following conditions:

(a) the resolution of the Board of Directors of the Converting Entity (the "**Board of Directors**") approving the conversion of the Converting Entity to the Converted Entity pursuant to and in accordance with applicable law and this Plan of Conversion following consideration of various factors, including prior and ongoing Delaware law developments, a comparison of pertinent aspects of the corporate laws of Delaware and other states, implications for the Company's stockholders as to their economic, governance and litigation rights, and the predictability and stability of Nevada's statute-based legal approach, shall have been adopted and approved by the affirmative vote of a majority of the aggregate voting power of the shares of the Class A Common Stock and Class B Common Stock of the Converting Entity outstanding and entitled to vote thereon, voting together as a single class; and

(b) other than the filing of the Articles of Conversion, the Articles of Incorporation and the Certificate of Conversion provided for under Section 4, any other regulatory or contractual approvals that the Board of Directors or any duly authorized committee thereof (in its sole discretion) determines to obtain shall have been so obtained and be in full force and effect.

All of the foregoing conditions are non-waivable, except that the condition set forth in Section 9(b) may be waived by the Board of Directors or any duly authorized committee thereof, and any determination by the Board of Directors or any duly authorized committee thereof prior to the Effective Time concerning the satisfaction or waiver of any condition set forth in this Section 9 shall be final and conclusive.

10. Effect of Conversion. From and after the Effective Time, the Conversion shall, for all purposes of the laws of the State of Delaware, have the effects set forth in Section 266(h) of the DGCL and shall, for all purposes of the laws of the State of Nevada, have the effects set forth in NRS 92A.250(3).

11. Record of Conversion. A copy of this Plan of Conversion will be kept at the principal place of business of the Converted Entity and, upon the request of any stockholder of the Converting Entity, a copy of this Plan of Conversion shall promptly be delivered to such stockholder.

12. Termination; Abandonment. At any time before the Effective Time, whether before or after approval of the Conversion by the requisite stockholders of the Converting Entity as described above, this Plan of Conversion may be terminated and the Conversion may be abandoned, or the consummation of the Conversion may be deferred for a reasonable period of time if, in the opinion of the Board of Directors or any duly authorized committee thereof, such action would be in the best interests of the Converting Entity and its stockholders. In the event of termination of this Plan of Conversion, this Plan of Conversion shall become void and of no effect.

13. Plan of Reorganization. It is intended that the Conversion qualify as a "reorganization" within the meaning of Section 368(a)(1)(F) of the Internal Revenue Code of 1986, as amended (the "**Code**") (and any similar provision of state or local law). This Plan of Conversion shall constitute, and is adopted as, a "plan of reorganization" within the meaning of Sections 1.368-2(g) and 1.368-3(a) of the U.S. Treasury Regulations promulgated under the Code.

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This Plan of Conversion has been adopted by the Board of Directors as of the date set forth above.

Roblox Corporation

By: _____
Name:
Its:

APPENDIX C

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF

ROBLOX CORPORATION

a Delaware corporation

Roblox Corporation, a corporation organized and existing under the laws of the State of Delaware (the "**Company**"), does hereby certify as follows:

A. The original Certificate of Incorporation of the Company was filed with the Secretary of State of the State of Delaware on March 23, 2004.

B. This Amended and Restated Certificate of Incorporation was duly adopted in accordance with Sections 242 and 245 of the General Corporation Law of the State of Delaware (the "**DGCL**") by the Board of Directors of the Company (the "**Board of Directors**") and has been duly approved by the written consent of the stockholders of the Company in accordance with Section 228 of the DGCL.

C. The text of the Amended and Restated Certificate of Incorporation is hereby amended and restated in its entirety to read as follows:

ARTICLE I

The name of the Company is Roblox Corporation.

ARTICLE II

The address of the Company's registered office in the State of Delaware is 3500 South DuPont Highway, in the City of Dover, County of Kent, Delaware 19901. The name of its registered agent at such address is Incorporating Services, Ltd.

ARTICLE III

The nature of the business or purposes to be conducted or promoted by the Company is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

ARTICLE IV

Section 1. This Company is authorized to issue two classes of stock, to be designated, respectively, Common Stock and Preferred Stock. The total number of shares of stock that the Company shall have authority to issue is 5,100,000,000 shares. The total number of shares of Common Stock authorized to be issued is 5,000,000,000 shares, $0.0001 par value per share, of which 4,935,000,000 shares are designated as a series of Common Stock denominated Class A Common Stock, $0.0001 par value per share (the "**Class A Common Stock**"), and 65,000,000 shares of which are designated as a series of Common Stock denominated Class B Common Stock, $0.0001 par value per share (the "**Class B Common Stock**"). The total number of shares of Preferred Stock authorized to be issued is 100,000,000 shares, $0.0001 par value per share.

Section 2. Except as otherwise expressly provided herein or as required by law, the holders of Class A Common Stock and Class B Common Stock will vote together and not as separate series or classes. Each holder of shares of Class A Common Stock will be entitled to one (1) vote for each share thereof held at the record date for the determination of the stockholders entitled to vote on such matters. Each holder of shares of Class B Common Stock will be entitled to twenty (20) votes for each share thereof held at the record date for the determination of the stockholders entitled to vote on such matters.

Section 3. The Preferred Stock may be issued from time to time in one or more series pursuant to a resolution or resolutions providing for such issue duly adopted by the Board of Directors (authority to do so being hereby expressly vested in the Board of Directors). The Board of Directors is further authorized, subject to limitations prescribed by law, to fix by resolution or resolutions the designations, powers, preferences and rights, and the qualifications, limitations or restrictions thereof, of any series of

Preferred Stock, including, without limitation, authority to fix by resolution or resolutions the dividend rights, dividend rate, conversion rights, voting rights, rights and terms of redemption (including sinking fund provisions), redemption price or prices, and liquidation preferences of any such series, and the number of shares constituting any such series and the designation thereof, or any of the foregoing. The Board of Directors is further authorized to increase (but not above the total number of authorized shares of the class) or decrease (but not below the number of shares of any such series then outstanding) the number of shares of any series, subject to the powers, preferences and rights, and the qualifications, limitations and restrictions thereof stated in this Amended and Restated Certificate of Incorporation or the resolution of the Board of Directors originally fixing the number of shares of such series. Except as may be otherwise specified by the terms of any series of Preferred Stock, if the number of shares of any series of Preferred Stock is so decreased, then the Company shall take all such steps as are necessary to cause the shares constituting such decrease to resume the status which they had prior to the adoption of the resolution originally fixing the number of shares of such series.

Section 4. Except as otherwise required by law or provided in this Amended and Restated Certificate of Incorporation, holders of Common Stock shall not be entitled to vote on any amendment to this Amended and Restated Certificate of Incorporation (including any certificate of designation filed with respect to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together as a class with the holders of one or more other such series, to vote thereon by law or pursuant to this Amended and Restated Certificate of Incorporation (including any certificate of designation filed with respect to any series of Preferred Stock).

Section 5. The number of authorized shares of Preferred Stock or Common Stock may be increased or decreased (but not below (i) the number of shares thereof then outstanding or, in the case of a series of Common Stock, such series, then outstanding plus (ii) with respect to Class A Common Stock, the number of shares reserved for issuance pursuant to Section 10 of this ARTICLE IV) by the affirmative vote of the holders of a majority of the voting power of all the then-outstanding shares of capital stock of the Company entitled to vote thereon, without a separate vote of the holders of the class or classes the number of authorized shares of which are being increased or decreased, unless a vote of any holders of one or more series of Preferred Stock is required pursuant to the terms of any certificate of designation relating to any series of Preferred Stock, irrespective of the provisions of Section 242(b)(2) of the DGCL.

Section 6. Except as otherwise provided in this Amended and Restated Certificate of Incorporation or required by applicable law, shares of Class A Common Stock and Class B Common Stock shall have the same rights and powers, rank equally (including as to dividends and distributions, and any liquidation, dissolution or winding up of the Company but excluding voting and other matters as described in Section 2 of ARTICLE IV above), share ratably and be identical in all respects as to all matters, including as follows:

(a) Subject to the prior rights of holders of all classes and series of stock at the time outstanding having prior rights as to dividends, the holders of the Common Stock shall be entitled to receive, when, as and if declared by the Board of Directors, out of any assets of the Company legally available therefor, such dividends as may be declared from time to time by the Board of Directors. Any dividends paid to the holders of shares of Class A Common Stock and Class B Common Stock shall be paid pro rata, on an equal priority, pari passu basis, unless different treatment of the shares of any such series is approved by the affirmative vote of the holders of a majority of the voting power of the outstanding shares of such applicable series of Common Stock treated adversely, voting separately as a class.

(b) The Company shall not declare or pay any dividend or make any other distribution to the holders of Class A Common Stock or Class B Common Stock payable in securities of the Company unless the same dividend or distribution with the same record date and payment date shall be declared and paid on all shares of Common Stock; *provided, however*, that (i) dividends or other distributions payable in shares of Class A Common Stock or rights to acquire shares of Class A Common Stock may be declared and paid to the holders of Class A Common Stock without the same dividend or distribution being declared and paid to the holders of the Class B Common Stock if, and only if, a dividend payable in shares of Class B Common Stock, or rights to acquire shares of Class B Common Stock, are declared and paid to the holders of Class B Common Stock at the same rate and with the same record date and payment date; and (ii) dividends or other distributions payable in shares of Class B Common Stock or rights to acquire shares of Class B Common Stock may be declared and paid to the holders of Class B Common Stock without the same dividend or distribution being declared and paid to the holders of the Class A Common Stock if, and only if, a dividend payable in shares of Class A Common Stock, or rights to acquire shares of Class A Common Stock, are declared and paid to the holders of Class A Common Stock at the same rate and with the same record date and payment date; and *provided, further*, that nothing in the foregoing shall prevent the Company from declaring and paying dividends or other distributions payable in shares of one series of Common Stock or rights to acquire one series of Common Stock to holders of all series of Common Stock, or, with the approval of holders of a majority

of the outstanding shares of each of the Class A Common Stock and the Class B Common Stock, each voting separately as a class, from providing for different treatment of the shares of Class A Common Stock and Class B Common Stock.

(c) If the Company in any manner subdivides or combines the outstanding shares of Class A Common Stock or Class B Common Stock, then the outstanding shares of all Common Stock will be subdivided or combined in the same proportion and manner, unless different treatment of the shares of Class A Common Stock and Class B Common Stock is approved by the affirmative vote of the holders of a majority of the outstanding shares of each of the Class A Common Stock and Class B Common Stock, each voting separately as a class.

Section 7. The Class B Common Stock will be convertible into Class A Common Stock as follows:

(a) Each outstanding share of Class B Common Stock will automatically convert into one fully paid and nonassessable share of Class A Common Stock on the Final Conversion Date.

(b) With respect to any holder of Class B Common Stock, each share of Class B Common Stock held by such holder will automatically be converted into one fully paid and nonassessable share of Class A Common Stock, as follows:

(i) on the affirmative election, in writing or by electronic transmission, of such holder to convert such share of Class B Common Stock or, if later, at the time or the happening of a future event specified in such written election (which election may be revoked by such holder prior to the date on which the automatic conversion would otherwise occur unless otherwise specified by such holder);

(ii) on the occurrence of a Transfer of such share of Class B Common Stock, other than a Permitted Transfer; or

(iii) with respect to Class B Common Stock over which the spouse of the Founder has Voting Control, upon the earlier of (i) the legal dissolution or termination of the marriage, or (ii) the effectiveness of a marital settlement agreement, in either case of clause (i) or (ii) if and only if the Founder's spouse receives or retains sole and exclusive Voting Control of such shares of Class B Common Stock, and not if the spouse of the Founder has granted a proxy or otherwise entered into a voting trust, agreement or arrangement granting exclusive Voting Control with respect to such shares to the Founder, and such proxy or other arrangement continues in full force and effect.

Section 8. The Company may, from time to time, establish such policies and procedures relating to the conversion of the Class B Common Stock to Class A Common Stock and the general administration of this dual class stock structure, including the issuance of stock certificates with respect thereto, as it may deem necessary or advisable, and may from time to time request that holders of shares of Class B Common Stock furnish certifications, affidavits or other proof to the Company as it deems necessary to verify the ownership of Class B Common Stock and to confirm that a conversion to Class A Common Stock has not occurred. A determination by the Company as to whether or not a Transfer has occurred and results in a conversion to Class A Common Stock shall be conclusive and binding.

Section 9. In the event of and upon a conversion of shares of Class B Common Stock to shares of Class A Common Stock pursuant to Section 7 of this ARTICLE IV, such conversion(s) shall be deemed to have been made at the time that the event described in Section 7(b) of this ARTICLE IV, as applicable, occurred or immediately upon the Final Conversion Date, subject in all cases to any transition periods specifically provided for in this Amended and Restated Certificate of Incorporation. Upon any conversion of Class B Common Stock to Class A Common Stock in accordance with this Amended and Restated Certificate of Incorporation, all rights of the holder of shares of Class B Common Stock shall cease and the person or persons in whose name or names the certificate or certificates representing the shares of Class A Common Stock are to be issued shall be treated for all purposes as having become the record holder or holders of such shares of Class A Common Stock.

Section 10. The Company will at all times reserve and keep available out of its authorized but unissued shares of Class A Common Stock, solely for the purpose of effecting the conversion of the shares of the Class B Common Stock, such number of its shares of Class A Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of Class B Common Stock; and if at any time the number of authorized but unissued shares of Class A Common Stock will not be sufficient to effect the conversion of all then-outstanding shares of Class B Common Stock, the Company will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Class A Common Stock to such number of shares as will be sufficient for such purpose.

Section 11. No share or shares of Class B Common Stock acquired by the Company by reason of redemption, purchase, conversion or otherwise shall be reissued, and all such shares shall be cancelled, retired and eliminated from the shares that the Company shall be authorized to issue.

Section 12. The following terms, where capitalized in this Amended and Restated Certificate of Incorporation, shall have the meanings ascribed to them in this Section.

(a) "**Acquisition**" means (A) any consolidation or merger of the Company with or into any other corporation or other entity or person, or any other corporate reorganization, other than any such consolidation, merger or reorganization in which the shares of capital stock of the Company immediately prior to such consolidation, merger or reorganization continue to represent a majority of the voting power of the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its Parent) immediately after such consolidation, merger or reorganization (provided that, for the purpose of this Section 12(a) of Article IV, all stock, options, warrants, purchase rights or other securities exercisable for or convertible into Common Stock outstanding immediately prior to such merger or consolidation shall be deemed to be outstanding immediately prior to such merger or consolidation and, if applicable, converted or exchanged in such merger or consolidation on the same terms as the actual outstanding shares of capital stock are converted or exchanged); or (B) any transaction or series of related transactions to which the Company is a party in which shares of the Company are transferred such that in excess of fifty percent (50%) of the Company's voting power is transferred; provided that an Acquisition shall not include any transaction or series of transactions principally for bona fide equity financing purposes in which cash is received by the Company or any successor or indebtedness of the Company is cancelled or converted or a combination thereof.

(b) "**Asset Transfer**" means a sale, lease, exclusive license or other disposition of all or substantially all of the assets of the Company.

(c) "**Disability**" means, with respect to David Baszucki, an event that results in Mr. Baszucki's inability to perform the material duties of his employment by reason of any medically determinable physical or mental impairment that can be expected to result in death within nine months or can be expected to last for a continuous period of not less than nine months, as determined by a licensed physician jointly selected by a majority of the Company's Independent Directors and Mr. Baszucki. If Mr. Baszucki is incapable of selecting a licensed physician, then Mr. Baszucki's spouse shall make the selection on his behalf, or in the absence or incapacity of Mr. Baszucki's spouse, Mr. Baszucki's parents shall make the selection on his behalf, or in the absence of parents of Mr. Baszucki, a natural person then acting as the successor trustee of a revocable living trust which was created by Mr. Baszucki and which holds more shares of all classes of capital stock of the Company than any other revocable living trust created by Mr. Baszucki shall make the selection on his behalf, or in absence of any such successor trustee, the legal guardian or conservator of the estate of Mr. Baszucki shall make the selection on his behalf.

(d) "**Final Conversion Date**" means:

(i) the date fixed by the Board of Directors that is no less than 61 days and no more than 180 days following the first time after the effectiveness of this Amended and Restated Certificate of Incorporation that the number of outstanding shares of Class B Common Stock is less than 17,186,191 (as adjusted for any stock splits, stock dividends, combinations, subdivisions, recapitalizations or the like);

(ii) the close of business on the date that is the fifteen (15) year anniversary of the first day of trading of shares of capital stock of the Company on any Securities Exchange pursuant to an effective registration statement under the Securities Act (or a registration statement under similar securities laws of any foreign jurisdiction, to the extent applicable);

(iii) the date (including a date or time determined by the happening of a future event) specified by written consent or agreement of the holders of at least 66 2/3% of the then outstanding shares of Class B Common Stock;

(iv) the close of business on the date that is nine (9) months after the Founder's voluntarily resignation from any and all positions he may hold as an officer or director of the Company; or

(v) the close of business on the date that is nine (9) months after the death or Disability of the Founder.

(e) "**Founder**" means David Baszucki.

(f) "**Independent Directors**" means the members of the Board of Directors designated as independent directors in accordance with the Listing Standards.

(g) "**Liquidation Event**" means any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary, or any Acquisition or Asset Transfer.

(h) "**Listing Standards**" means (i) the requirements of any Securities Exchange under which the Company's equity securities are listed for trading that are generally applicable to companies with common equity securities listed thereon or (ii) if the Company's equity securities are not listed for trading on a national stock exchange, the requirements of the New York Stock Exchange generally applicable to companies with equity securities listed thereon.

(i) "**Parent**" of an entity means any entity that directly or indirectly owns or controls a majority of the voting power of the voting securities of such entity.

(j) "**Permitted Entity**" means, with respect to any Qualified Stockholder, any trust, account, plan, corporation, partnership, limited liability company or charitable organization, foundation or similar entity specified in Section 12(k)(ii) of this ARTICLE IV with respect to such Qualified Stockholder, so long as such Permitted Entity meets the requirements of the exception set forth in Section 12(k) of this ARTICLE IV applicable to such Permitted Entity.

(k) "**Permitted Transfer**" means

(i) with respect to the Founder, any Transfer of a share of Class B Common Stock from the Founder, from the Founder's Permitted Entities, or from the Founder's Permitted Transferees, to the Founder's estate as a result of the Founder's death, to any Permitted Entity of the Founder or to any Permitted Transferee of the Founder; and

(ii) any Transfer of a share of Class B Common Stock by a Qualified Stockholder to any of the Permitted Entities listed below and from any of the Permitted Entities listed below to such Qualified Stockholder or to such Qualified Stockholder's other Permitted Entities:

(A) a trust for the benefit of such Qualified Stockholder or persons other than the Qualified Stockholder so long as a Qualified Stockholder and/or a spouse of the Founder, if applicable, collectively have sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such trust; provided that in the event a Qualified Stockholder and/or a spouse of the Founder, if applicable, no longer collectively have sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such trust, each such share of Class B Common Stock then held by such trust shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock;

(B) a trust under the terms of which a Qualified Stockholder has retained a "qualified interest" within the meaning of Section 2702(b)(1) of the Internal Revenue Code or a reversionary interest so long as a Qualified Stockholder and/or a spouse of the Founder, if applicable, collectively have sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such trust; provided that in the event a Qualified Stockholder and/or a spouse of the Founder, if applicable, no longer collectively have sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such trust, each such share of Class B Common Stock then held by such trust shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock;

(C) an Individual Retirement Account, as defined in Section 408(a) of the Internal Revenue Code, or a pension, profit sharing, stock bonus or other type of plan or trust of which such Qualified Stockholder is a participant or beneficiary and which satisfies the requirements for qualification under Section 401 of the Internal Revenue Code; provided that in each case such Qualified Stockholder has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held in such account, plan or trust, and provided, further, that in the event the Qualified Stockholder no longer has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such account, plan or trust, each such share of Class B Common Stock then held by such account, plan or trust shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock;

(D) a corporation in which such Qualified Stockholder directly, or indirectly through one or more Permitted Entities, owns shares with sufficient Voting Control in such corporation, or otherwise has legally enforceable rights, such that the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such corporation; provided that in the event the Qualified Stockholder no longer owns sufficient shares or no longer has sufficient legally enforceable rights to ensure the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such corporation, each such share of Class B Common Stock then held by such corporation shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock;

(E) a partnership in which such Qualified Stockholder directly, or indirectly through one or more Permitted Entities, owns partnership interests with sufficient Voting Control in the partnership, or otherwise has legally enforceable rights, such that the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such partnership; provided that in the event the Qualified Stockholder no longer owns sufficient partnership interests or no longer has sufficient legally enforceable rights to ensure the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such partnership, each such share Class B Common Stock then held by such partnership shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock;

(F) a limited liability company in which such Qualified Stockholder directly, or indirectly through one or more Permitted Entities, owns membership interests with sufficient Voting Control in the limited liability company, or otherwise has legally enforceable rights, such that the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such limited liability company; provided that in the event the Qualified Stockholder no longer owns sufficient membership interests or no longer has sufficient legally enforceable rights to ensure the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such limited liability company, each such share of Class B Common Stock then held by such limited liability company shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock; or

(G) any charitable organization, foundation or similar entity established by a Qualified Stockholder directly, or indirectly through one or more Permitted Entities, so long as a Qualified Stockholder and/or a spouse of the Founder, if applicable, collectively have sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such entity; provided such Transfer does not involve any payment of cash, securities, property or other consideration (other than an interest in such entity) to such Qualified Stockholder; provided, further, that in the event a Qualified Stockholder and/or a spouse of the Founder, if applicable, collectively, no longer have sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such entity, each share of Class B Common Stock then held by such entity shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock.

For the avoidance of doubt, to the extent any shares are deemed to be held by a trustee of a trust described in (A), (B) or (C) above, the Transfer shall be a Permitted Transfer and the trustee shall be deemed a Permitted Entity so long as the other requirements of (A), (B) or (C) above, as the case may be, are otherwise satisfied.

(l) "**Permitted Transferee**" means a transferee of shares of Class B Common Stock, or rights or interests therein, received in a Transfer that constitutes a Permitted Transfer.

(m) "**Qualified Stockholder**" means (a) each registered holder of any shares of Class B Common Stock that are outstanding as of the effectiveness of this Amended and Restated Certificate of Incorporation; and (b) each Permitted Transferee.

(n) "**Securities Exchange**" means the New York Stock Exchange, the Nasdaq Stock Market, or other nationally or internationally-recognized securities exchange as approved by the Board of Directors.

(o) "**Transfer**" of a share of Class B Common Stock means, directly or indirectly, any sale, assignment, transfer, conveyance, hypothecation or other transfer or disposition of such share or any legal or beneficial interest in such share, whether or not for value and whether voluntary or involuntary or by operation of law (including by merger, consolidation or otherwise), including, without limitation, a transfer of a share of Class B Common Stock to a broker or other nominee (regardless of whether there is a corresponding change in beneficial ownership), or the transfer of, or entering into a binding agreement with respect to the transfer of, Voting Control over such share by proxy or otherwise. A "Transfer" will also be deemed to have occurred with respect to all shares

of Class B Common Stock beneficially held by an entity that is a Qualified Stockholder if there is a Transfer of the voting power of the voting securities of such entity or any direct or indirect Parent of such entity, such that the holders of such voting power as of the effectiveness of this Amended and Restated Certificate of Incorporation no longer retain sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such entity. Notwithstanding the foregoing, the following will not be considered a "**Transfer**":

(i) granting a revocable proxy to officers or directors of the Company at the request of the Board of Directors in connection with (i) actions to be taken at an annual or special meeting of stockholders, or (ii) any other action of the stockholders permitted by this Amended and Restated Certificate of Incorporation;

(ii) entering into a voting trust, agreement or arrangement (with or without granting a proxy) solely with stockholders who are holders of Class B Common Stock, which voting trust, agreement or arrangement (i) is disclosed either in a Schedule 13D filed with the Securities and Exchange Commission or in writing to the Secretary of the Company, (ii) either has a term not exceeding one year or is terminable by the holder of the shares subject thereto at any time and (iii) does not involve any payment of cash, securities, property or other consideration to the holder of the shares subject thereto other than (if applicable) the mutual promise to vote shares in a designated manner;

(iii) pledging shares of Class B Common Stock by a stockholder that creates a mere security interest in such shares pursuant to a bona fide loan or indebtedness transaction for so long as such stockholder continues to exercise Voting Control over such pledged shares; provided, however, that a foreclosure on such shares or other similar action by the pledgee will constitute a "Transfer" unless such foreclosure or similar action qualifies as a "Permitted Transfer" at such time;

(iv) granting a proxy by the Founder, the Founder's Permitted Entities or the Founder's Permitted Transferees to a person designated by the Board of Directors to exercise Voting Control of shares of Class B Common Stock owned directly or indirectly, beneficially and of record, by the Founder, the Founder's Permitted Entities or the Founder's Permitted Transferees, or over which the Founder has Voting Control pursuant to proxy or voting agreements then in place, effective either (i) on the death of the Founder or (ii) during any Disability of the Founder, including the exercise of such proxy by the person designated by the Board of Directors;

(v) entering into a trading plan pursuant to Rule 10b5-1 under the Securities Exchange Act of 1934, as amended, with a broker or other nominee; provided, however, that a sale of such shares of Class B Common Stock pursuant to such plan shall constitute a "Transfer" at the time of such sale;

(vi) the fact that the spouse of any Qualified Stockholder possesses or obtains an interest in such holder's shares of Class B Common Stock arising solely by reason of the application of the community property laws of any jurisdiction, so long as no other event or circumstance shall exist or have occurred that constitutes a "Transfer" that is not a "Permitted Transfer"; and

(vii) entering into a support, voting, tender or similar agreement, arrangement or understanding (with or without granting a proxy) in connection with a Liquidation Event or consummating the actions or transactions contemplated therein (including, without limitation, tendering shares of Class B Common Stock or voting such shares in connection with a Liquidation Event, the consummation of a Liquidation Event or the sale, assignment, transfer, conveyance, hypothecation or other transfer or disposition of shares of Class B Common Stock or any legal or beneficial interest in shares of Class B Common Stock in connection with a Liquidation Event), provided that such Liquidation Event was approved by a majority of the Independent Directors then in office.

(p) "**Voting Control**" means, with respect to a share of capital stock or other security, the power (whether exclusive or shared) to vote or direct the voting of such security, including by proxy, voting agreement or otherwise.

ARTICLE V

Section 1. Subject to the rights of holders of Preferred Stock, the number of directors that constitutes the entire Board of Directors of the Company shall be fixed only by resolution of the Board of Directors acting pursuant to a resolution adopted by a majority of the Whole Board. For the purposes of this Amended and Restated Certificate of Incorporation, the term "**Whole Board**" shall mean the total number of authorized directorships whether or not there exist any vacancies or other unfilled seats in previously authorized directorships. At each annual meeting of stockholders, directors of the Company shall be elected to hold office until the expiration of the term for which they are elected and until their successors have been duly elected and qualified or until their earlier resignation or removal; except that if any such meeting shall not be so held, such election shall take place at a stockholders' meeting called and held in accordance with the DGCL.

Section 2. From and after the effectiveness of this Amended and Restated Certificate of Incorporation, the directors of the Company (other than any who may be elected by holders of Preferred Stock under specified circumstances) shall be divided into three classes as nearly equal in size as is practicable, hereby designated Class I, Class II and Class III. Directors already in office shall be assigned to each class at the time such classification becomes effective in accordance with a resolution or resolutions adopted by the Board of Directors. At the first annual meeting of stockholders following the date hereof, the term of office of the Class I directors shall expire and Class I directors shall be elected for a full term of three years. At the second annual meeting of stockholders following the date hereof, the term of office of the Class II directors shall expire and Class II directors shall be elected for a full term of three years. At the third annual meeting of stockholders following the date hereof, the term of office of the Class III directors shall expire and Class III directors shall be elected for a full term of three years. At each succeeding annual meeting of stockholders, directors shall be elected for a full term of three years to succeed the directors of the class whose terms expire at such annual meeting. If the number of directors is changed, any newly created directorships or decrease in directorships shall be so apportioned hereafter among the classes as to make all classes as nearly equal in number as is practicable, *provided that* no decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

ARTICLE VI

Section 1. From and after the effectiveness of this Amended and Restated Certificate of Incorporation, only for so long as the Board of Directors is classified and subject to the rights of holders of Preferred Stock, any director or the entire Board of Directors may be removed from office at any time, but only for cause, and only by the affirmative vote of the holders of at least a majority of the voting power of the issued and outstanding capital stock of the Company entitled to vote in the election of directors.

Section 2. Except as otherwise provided for or fixed by or pursuant to the provisions of ARTICLE IV hereof in relation to the rights of the holders of Preferred Stock to elect directors under specified circumstances or except as otherwise provided by resolution of a majority of the Whole Board, newly created directorships resulting from any increase in the number of directors, created in accordance with the Bylaws of the Company, and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be filled only by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors, or by a sole remaining director, and not by the stockholders. A person so elected by the Board of Directors to fill a vacancy or newly created directorship shall hold office until the next election of the class for which such director shall have been chosen until his or her successor shall have been duly elected and qualified, or until such director's earlier death, resignation or removal. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

ARTICLE VII

Section 1. The Company is to have perpetual existence.

Section 2. The business and affairs of the Company shall be managed by or under the direction of the Board of Directors. In addition to the powers and authority expressly conferred upon them by statute or by this Amended and Restated Certificate of Incorporation or the Bylaws of the Company, the directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Company.

Section 3. In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to adopt, alter, amend or repeal the Bylaws of the Company. The affirmative vote of at least a majority of the Whole Board shall be required in order for the Board of Directors to adopt, amend, alter or repeal the Company's Bylaws. The Company's Bylaws may also be adopted, amended, altered or repealed by the stockholders of the Company. Notwithstanding the above or any other

provision of this Amended and Restated Certificate of Incorporation, the Bylaws of the Company may not be amended, altered or repealed except in accordance with the provisions of the Bylaws relating to amendments to the Bylaws. No Bylaw hereafter legally adopted, amended, altered or repealed shall invalidate any prior act of the directors or officers of the Company that would have been valid if such Bylaw had not been adopted, amended, altered or repealed.

Section 4. The election of directors need not be by written ballot unless the Bylaws of the Company shall so provide.

Section 5. No stockholder will be permitted to cumulate votes at any election of directors.

ARTICLE VIII

Section 1. From and after the closing of a firm commitment underwritten initial public offering of securities of the Company pursuant to an effective registration statement filed under the Securities Act of 1933, as amended, and subject to the rights of holders of Preferred Stock, from and after the Final Conversion Date, any action required or permitted to be taken by the stockholders of the Company must be effected at a duly called annual or special meeting of stockholders of the Company and may not be effected by any consent in writing by such stockholders. Subject to the rights of the holders of any series of Preferred Stock, before the Final Conversion Date, any action required or permitted to be taken by the stockholders of the Company may be taken without a meeting only if the action is first recommended or approved by the Board of Directors.

Section 2. Subject to the terms of any series of Preferred Stock, special meetings of stockholders of the Company may be called only by the Chairperson of the Board of Directors, the Chief Executive Officer, the President or the Board of Directors acting pursuant to a resolution adopted by a majority of the Whole Board, but a special meeting may not be called by any other person or persons and any power of stockholders to call a special meeting of stockholders is specifically denied. Only such business shall be considered at a special meeting of stockholders as shall have been stated in the notice for such meeting.

Section 3. Advance notice of stockholder nominations for the election of directors and of business to be brought by stockholders before any meeting of the stockholders of the Company shall be given in the manner and to the extent provided in the Bylaws of the Company.

ARTICLE IX

Section 1. To the fullest extent permitted by the DGCL as the same exists or as may hereafter be amended from time to time, a director of the Company shall not be personally liable to the Company or its stockholders for monetary damages for breach of fiduciary duty as a director. If the DGCL is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Company shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended.

Section 2. Subject to any provisions in the Bylaws of the Company related to indemnification of directors of the Company, the Company shall indemnify, to the fullest extent permitted by applicable law, any director of the Company who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (a "**Proceeding**") by reason of the fact that he or she is or was a director of the Company or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any such Proceeding. The Company shall be required to indemnify a person in connection with a Proceeding (or part thereof) initiated by such person only if the Proceeding (or part thereof) was authorized by the Board of Directors.

Section 3. The Company shall have the power to indemnify, to the extent permitted by applicable law, any officer, employee or agent of the Company who was or is a party or is threatened to be made a party to any Proceeding by reason of the fact that he or she is or was a director, officer, employee or agent of the Company or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any such Proceeding.

Section 4. Neither any amendment nor repeal of any Section of this ARTICLE IX, nor the adoption of any provision of this Amended and Restated Certificate of Incorporation or the Bylaws of the Company inconsistent with this ARTICLE IX, shall eliminate or reduce the effect of this ARTICLE IX in respect of any matter occurring, or any Proceeding accruing or arising or that, but for this ARTICLE IX, would accrue or arise, prior to such amendment, repeal or adoption of an inconsistent provision.

ARTICLE X

Meetings of stockholders may be held within or outside of the State of Delaware, as the Bylaws may provide. The books of the Company may be kept (subject to any provision of applicable law) outside of the State of Delaware at such place or places or in such manner or manners as may be designated from time to time by the Board of Directors or in the Bylaws of the Company.

ARTICLE XI

The Company reserves the right to amend or repeal any provision contained in this Amended and Restated Certificate of Incorporation in the manner prescribed by the laws of the State of Delaware and all rights conferred upon stockholders are granted subject to this reservation; *provided*, *however*, that notwithstanding any other provision of this Amended and Restated Certificate of Incorporation or any provision of law that might otherwise permit a lesser vote, the Board of Directors acting pursuant to a resolution adopted by a majority of the Whole Board and the affirmative vote of 66 2/3% of the voting power of the then outstanding voting securities of the Company, voting together as a single class, shall be required for the amendment, repeal or modification of the provisions of Section 3 of ARTICLE IV, Section 2 of ARTICLE V, Section 1 of ARTICLE VI, Section 2 of ARTICLE VI, Section 5 of ARTICLE VII, Section 1 of ARTICLE VIII, Section 2 of ARTICLE VIII, Section 3 of ARTICLE VIII or this ARTICLE XI of this Amended and Restated Certificate of Incorporation.

IN WITNESS WHEREOF, Roblox Corporation has caused this Amended and Restated Certificate of Incorporation to be signed by the President and Chief Executive Officer of the Company on this 2nd day of March 2021.

By: /s/ David Baszucki
David Baszucki
President and Chief Executive Officer

APPENDIX D

AMENDED AND RESTATED BYLAWS OF

ROBLOX CORPORATION

(initially adopted on April 6, 2004)

(as amended on September 14, 2023)

TABLE OF CONTENTS

BYLAWS
OF
ROBLOX CORPORATION

ARTICLE I - CORPORATE OFFICES

1.1 REGISTERED OFFICE

The registered office of Roblox Corporation (the "**Company**") shall be fixed in the Company's certificate of incorporation, as the same may be amended from time to time.

1.2 OTHER OFFICES

The Company may at any time establish other offices.

ARTICLE II - MEETINGS OF STOCKHOLDERS

2.1 PLACE OF MEETINGS

Meetings of stockholders shall be held at a place, if any, within or outside the State of Delaware, determined by the board of directors of the Company (the "**Board of Directors**"). The Board of Directors may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211(a)(2) of the Delaware General Corporation Law or any successor legislation (the "**DGCL**"). In the absence of any such designation or determination, stockholders' meetings shall be held at the Company's principal executive office.

2.2 ANNUAL MEETING

The annual meeting of stockholders shall be held each year. The Board of Directors shall designate the date and time of the annual meeting. At the annual meeting, directors shall be elected and any other proper business, brought in accordance with Section 2.4 of these bylaws, may be transacted. The Board of Directors acting pursuant to a resolution adopted by a majority of the Whole Board may cancel, postpone or reschedule any previously scheduled annual meeting at any time, before or after the notice for such meeting has been sent to the stockholders. For the purposes of these bylaws, the term "**Whole Board**" shall mean the total number of authorized directorships whether or not there exist any vacancies or other unfilled seats in previously authorized directorships.

2.3 SPECIAL MEETING

(a) A special meeting of the stockholders, other than as required by statute, may be called at any time by (i) the Board of Directors acting pursuant to a resolution adopted by a majority of the Whole Board, (ii) the chairperson of the Board of Directors, (iii) the chief executive officer or (iv) the president, but a special meeting may not be called by any other person or persons and any power of stockholders to call a special meeting of stockholders is specifically denied. The Board of Directors acting pursuant to a resolution adopted by a majority of the Whole Board may cancel, postpone or reschedule any previously scheduled special meeting at any time, before or after the notice for such meeting has been sent to the stockholders.

(b) The notice of a special meeting shall include the purpose for which the meeting is called. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting by or at the direction of a majority of the Whole Board, the chairperson of the Board of Directors, the chief executive officer or the president. Nothing contained in this Section 2.3(b) shall be construed as limiting, fixing or affecting the time when a meeting of stockholders called by action of the Board of Directors may be held.

2.4 ADVANCE NOTICE PROCEDURES

(a) *Annual Meetings of Stockholders.*

(i) Nominations of persons for election to the Board of Directors or the proposal of other business to be transacted by the stockholders at an annual meeting of stockholders may be made only (1) pursuant to the Company's notice of meeting (or any supplement thereto); (2) by or at the direction of the Board of Directors, or any committee thereof that has been formally delegated authority to nominate such persons or propose such business pursuant to a resolution adopted by a majority of the Whole Board; (3) as may be provided in the certificate of designations for any class or series of preferred stock; or (4) by any stockholder of the Company who (A) is a stockholder of record at the time of giving of the notice contemplated by Section 2.4(a)(ii); (B) is a stockholder of record on the record date for the determination of stockholders entitled to notice of the annual meeting; (C) is a stockholder of record on the record date for the determination of stockholders entitled to vote at the annual meeting; (D) is a stockholder of record at the time of the annual meeting; and (E) complies with the procedures set forth in this Section 2.4(a).

(ii) For nominations or other business to be properly brought before an annual meeting of stockholders by a stockholder pursuant to clause (4) of Section 2.4(a)(i), the stockholder must have given timely notice in writing to the secretary of the Company (the "**Secretary**") and any such nomination or proposed business must constitute a proper matter for stockholder action. To be timely, a stockholder's notice must be received by the Secretary at the principal executive offices of the Company no earlier than 8:00 a.m., Pacific time, on the 120th day and no later than 5:00 p.m., Pacific time, on the 90th day prior to the day of the first anniversary of the preceding year's annual meeting of stockholders as first specified in the Company's notice of such annual meeting (without regard to any adjournment, rescheduling, postponement or other delay of such annual meeting occurring after such notice was first sent). However, if no annual meeting of stockholders was held in the preceding year, or if the date of the annual meeting for the current year has been changed by more than 25 days from the first anniversary of the preceding year's annual meeting, then to be timely such notice must be received by the Secretary at the principal executive offices of the Company no earlier than 8:00 a.m., Pacific time, on the 120th day prior to the day of the annual meeting and no later than 5:00 p.m., Pacific time, on the later of the 90th day prior to the day of the annual meeting or, if the first public announcement of the date of such annual meeting is less than 100 days prior to the date of such annual meeting, the 10th day following the day on which public announcement of the date of the annual meeting was first made by the Company. In no event will the adjournment, rescheduling, postponement or other delay of any annual meeting, or any announcement thereof, commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. In no event may a stockholder provide notice with respect to a greater number of director candidates than there are director seats subject to election by stockholders at the annual meeting. If the number of directors to be elected to the Board of Directors is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors at least 10 days before the last day that a stockholder may deliver a notice of nomination pursuant to the foregoing provisions, then a stockholder's notice required by this Section 2.4(a)(ii) will also be considered timely, but only with respect to any nominees for any new positions created by such increase, if it is received by the Secretary at the principal executive offices of the Company no later than 5:00 p.m., Pacific time, on the 10th day following the day on which such public announcement is first made. "**Public announcement**" means disclosure in a press release reported by a national news service or in a document publicly filed by the Company with the Securities and Exchange Commission pursuant to Section 13, Section 14 or Section 15(d) of the Securities Exchange Act of 1934 (as amended and inclusive of rules and regulations thereunder, the "**1934 Act**") or by such other means as is reasonably designed to inform the public or stockholders of the Company in general of such information, including posting on the Company's investor relations website.

(iii) A stockholder's notice to the Secretary must set forth:

(1) as to each person whom the stockholder proposes to nominate for election as a director:

(A) such person's name, age, business address, residence address and principal occupation or employment;

(B) the class and number of shares of the Company that are held of record or are beneficially owned by such person and any (i) Derivative Instruments (as defined below) held or beneficially owned by such person, including the full notional amount of any securities that, directly or indirectly, underlie any Derivative Instrument; and (ii) other agreement, arrangement or understanding that has been made the effect or intent of which is to create or mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of such person with respect to the Company's securities;

(C) all information relating to such person that is required to be disclosed in connection with solicitations of proxies for the contested election of directors, or is otherwise required, in each case pursuant to Section 14 of the 1934 Act;

(D) such person's written consent (x) to being named as a nominee of such stockholder, (y) to being named in the Company's form of proxy pursuant to Rule 14a-19 under the 1934 Act and (z) to serving as a director of the Company if elected;

(E) any direct or indirect compensatory, payment, indemnification or other financial agreement, arrangement or understanding that such person has, or has had within the past three years, with any person or entity other than the Company (including the amount of any payment or payments received or receivable thereunder), in each case in connection with candidacy or service as a director of the Company (such agreement, arrangement or understanding, a "**Third-Party Compensation Arrangement**"); and

(F) a description of any other material relationships between such person and such person's respective affiliates and associates, or others acting in concert with them, on the one hand, and such stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination is made, and their respective affiliates and associates, or others acting in concert with them, on the other hand, including all information that would be required to be disclosed pursuant to Item 404 under Regulation S-K if such stockholder, beneficial owner, affiliate or associate were the "registrant" for purposes of such rule and such person were a director or executive officer of such registrant;

(2) as to any other business that the stockholder proposes to bring before the annual meeting:

(A) a brief description of the business desired to be brought before the annual meeting;

(B) the text of the proposal or business (including the text of any resolutions proposed for consideration and, if applicable, the text of any proposed amendment to these bylaws);

(C) the reasons for conducting such business at the annual meeting;

(D) any material interest in such business of such stockholder giving the notice and the beneficial owner, if any, on whose behalf the proposal is made, and their respective affiliates and associates, or others acting in concert with them; and

(E) all agreements, arrangements and understandings between such stockholder and the beneficial owner, if any, on whose behalf the proposal is made, and their respective affiliates or associates or others acting in concert with them, and any other persons (including their names) in connection with the proposal of such business by such stockholder; and

(3) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made:

(A) the name and address of such stockholder (as they appear on the Company's books), of such beneficial owner, and of their respective affiliates or associates or others acting in concert with them;

(B) for each class or series, the number of shares of stock of the Company that are, directly or indirectly, held of record or are beneficially owned by such stockholder, such beneficial owner or their respective affiliates or associates or others acting in concert with them;

(C) any agreement, arrangement or understanding between such stockholder, such beneficial owner or their respective affiliates or associates or others acting in concert with them, and any other person or persons (including, in each case, their names) in connection with the proposal of such nomination or other business;

(D) any (i) agreement, arrangement or understanding (including, regardless of the form of settlement, any derivative, long or short positions, profit interests, forwards, futures, swaps, options, warrants, convertible securities, stock appreciation or similar rights, hedging transactions and borrowed or loaned shares) that has been entered into by or on behalf of such stockholder, such beneficial owner or their respective affiliates or associates or others acting in concert with them with respect to the Company's securities (any of the foregoing, a "**Derivative Instrument**") including the full notional amount of any securities that, directly or indirectly, underlie any Derivative Instrument; and (ii) other agreement, arrangement or understanding that has been made the effect or intent of which is to create or mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of, such stockholder, such beneficial owner or their respective affiliates or associates or others acting in concert with them with respect to the Company's securities;

(E) any proxy, contract, arrangement, understanding or relationship pursuant to which such stockholder, such beneficial owner or their respective affiliates or associates or others acting in concert with them has a right to vote any shares of any security of the Company;

(F) any rights to dividends on the Company's securities owned beneficially by such stockholder, such beneficial owner or their respective affiliates or associates or others acting in concert with them that are separated or separable from the underlying security;

(G) any proportionate interest in the Company's securities or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such stockholder, such beneficial owner or their respective affiliates or associates or others acting in concert with them is a general partner or, directly or indirectly, beneficially owns an interest in a general partner of such general or limited partnership;

(H) any performance-related fees (other than an asset-based fee) that such stockholder, such beneficial owner or their respective affiliates or associates or others acting in concert with them is entitled to based on any increase or decrease in the value of the Company's securities or Derivative Instruments, including any such interests held by members of the immediate family of such persons sharing the same household;

(I) any significant equity interests or any Derivative Instruments in any principal competitor of the Company that are held by such stockholder, such beneficial owner or their respective affiliates or associates or others acting in concert with them;

(J) any direct or indirect interest of such stockholder, such beneficial owner or their respective affiliates or associates or others acting in concert with them in any contract with the Company, any affiliate of the Company or any principal competitor of the Company (in each case, including any employment agreement, collective bargaining agreement or consulting agreement);

(K) any material pending or threatened legal proceeding in which such stockholder, such beneficial owner or their respective affiliates or associates or others acting in concert with them is a party or material participant involving the Company or any of its officers, directors or affiliates;

(L) any material relationship between such stockholder, such beneficial owner or their respective affiliates or associates or others acting in concert with them, on the one hand, and the Company or any of its officers, directors or affiliates, on the other hand;

(M) a representation and undertaking that the stockholder is a holder of record of stock of the Company as of the date of submission of the stockholder's notice and intends to appear in person or by proxy at the annual meeting to bring such nomination or other business before the annual meeting;

(N) a representation and undertaking as to whether such stockholder, such beneficial owner or their respective affiliates or associates or others acting in concert with them intends, or is part of a group that intends, to (x) deliver a proxy statement or form of proxy to holders of at least the percentage of the voting power of the Company's then-outstanding stock required to approve or adopt the proposal or to elect each such nominee (which representation and undertaking must include a statement as to whether such stockholder, such beneficial owner or their respective affiliates or associates or others acting in concert with them intends to solicit the requisite percentage of the voting power of the Company's stock under Rule 14a-19 of the 1934 Act); or (y) otherwise solicit proxies from stockholders in support of such proposal or nomination;

(O) any other information relating to such stockholder, such beneficial owner or their respective affiliates or associates or others acting in concert with them, or director nominee or proposed business, that, in each case, would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies in support of such nominee (in a contested election of directors) or proposal pursuant to Section 14 of the 1934 Act; and

(P) such other information relating to any proposed item of business as the Company may reasonably require to determine whether such proposed item of business is a proper matter for stockholder action.

(iv) In addition to the requirements of this Section 2.4, to be timely, a stockholder's notice (and any additional information submitted to the Company in connection therewith) must further be updated and supplemented (1) if necessary, so that the information provided or required to be provided in such notice is true and correct as of the record date(s) for determining the stockholders entitled to notice of, and to vote at, the annual meeting and as of the date that is 10 business days prior to the annual meeting or any adjournment, rescheduling, postponement or other delay thereof; and (2) to provide any additional information that the Company may reasonably request. Any such update and supplement or additional information (including, if requested pursuant to Section 2.4(a)(iii)(3)(P)) must be received by the Secretary at the principal executive offices of the Company (A) in the case of a request for additional information, promptly following a request therefor, which response must be received by the Secretary not later than such reasonable time as is specified in any such request from the Company; or (B) in the case of any other update or supplement of any information, not later than five business days after the record date(s) for the annual meeting (in the case of any update and supplement required to be made as of the record date(s)), and not later than eight business days prior to the date for the annual meeting or any adjournment, rescheduling, postponement or other delay thereof (in the case of any update or supplement required to be made as of 10 business days prior to the annual meeting or any adjournment, rescheduling, postponement or other delay thereof). No later than five business days prior to the annual meeting or any adjournment, rescheduling, postponement or other delay thereof, a stockholder nominating individuals for election as a director will provide the Company with reasonable evidence that such stockholder has met the requirements of Rule 14a-19. The failure to timely provide such update, supplement, evidence or additional information shall result in the nomination or proposal no longer being eligible for consideration at the annual meeting. If the stockholder fails to comply with the requirements of Rule 14a-19 (including because the stockholder fails to provide the Company with all information or notices required by Rule 14a-19), then the director nominees proposed by such stockholder shall be ineligible for election at the annual meeting and any votes or proxies in respect of such nomination shall be disregarded, notwithstanding that such proxies may have been received by the Company and counted for the purposes of determining quorum. For the avoidance of doubt, the obligation to update and supplement, or provide additional information or evidence, as set forth in these bylaws shall not limit the Company's rights with respect to any deficiencies in any notice provided by a stockholder, extend any applicable deadlines pursuant to these bylaws or enable or be deemed to permit a stockholder who has previously submitted notice pursuant to these bylaws to amend or update any nomination or to submit any new nomination. No disclosure pursuant to these bylaws will be required with respect to the ordinary course business activities of any broker, dealer, commercial bank, trust company or other nominee who is the stockholder submitting a notice pursuant to this Section 2.4 solely because such broker, dealer, commercial bank, trust company or other nominee has been directed to prepare and submit the notice required by these bylaws on behalf of a beneficial owner.

(b) *Special Meetings of Stockholders*. Except to the extent required by the DGCL, and subject to Section 2.3(a), special meetings of stockholders may be called only in accordance with the Company's certificate of incorporation and these bylaws. Only such business will be conducted at a special meeting of stockholders as has been brought before the special meeting pursuant to the Company's notice of meeting. If the election of directors is included as business to be brought before a special meeting in the Company's notice of meeting, then nominations of persons for election to the Board of Directors at such special meeting may be made by any stockholder who (i) is a stockholder of record at the time of giving of the notice contemplated by this Section 2.4(b); (ii) is a stockholder of record on the record date for the determination of stockholders entitled to notice of the special meeting; (iii) is a stockholder of record on the record date for the determination of stockholders entitled to vote at the special meeting; (iv) is a stockholder of record at the time of the special meeting; and (v) complies with the procedures set forth in this Section 2.4(b) (with such procedures that the Company deems to be applicable to such special meeting). For nominations to be properly brought by a stockholder before a special meeting pursuant to this Section 2.4(b), the stockholder's notice must be received by the Secretary at the principal executive offices of the Company no earlier than 8:00 a.m., Pacific time, on the 120th day prior to the day of the special meeting and no later than 5:00 p.m., Pacific time, on the 10th day following the day on which public announcement of the date of the special meeting was first made. In no event will any adjournment, rescheduling, postponement or other delay of a special meeting or any announcement thereof commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. A stockholder's notice to the Secretary must comply with the applicable notice requirements of Section 2.4(a)(iii), with references therein to "annual meeting" deemed to mean "special meeting" for the purposes of this final sentence of this Section 2.4(b).

(c) *Other Requirements and Procedures.*

(i) To be eligible to be a nominee of any stockholder for election as a director of the Company, the proposed nominee must provide to the Secretary, in accordance with the applicable time periods prescribed for delivery of notice under Section 2.4(a)(ii) or Section 2.4(b):

(1) a signed and completed written questionnaire (in the form provided by the Secretary at the written request of the nominating stockholder, which form will be provided by the Secretary within 10 days of receiving such request) containing information regarding such nominee's background and qualifications and such other information as may reasonably be required by the Company to determine the eligibility of such nominee to serve as a director of the Company or to serve as an independent director of the Company;

(2) a written representation and undertaking that, unless previously disclosed to the Company, such nominee is not, and will not become, a party to any voting agreement, arrangement, commitment, assurance or understanding with any person or entity as to how such nominee, if elected as a director, will vote on any issue;

(3) a written representation and undertaking that, unless previously disclosed to the Company, such nominee is not, and will not become, a party to any Third-Party Compensation Arrangement;

(4) a written representation and undertaking that, if elected as a director, such nominee would be in compliance, and will continue to comply, with the Company's corporate governance, conflict of interest, confidentiality, stock ownership and trading guidelines, and other policies and guidelines applicable to directors and in effect during such person's term in office as a director (and, if requested by any candidate for nomination, the Secretary will provide to such proposed nominee all such policies and guidelines then in effect); and

(5) a written representation and undertaking that such nominee, if elected, intends to serve a full term on the Board of Directors.

(ii) At the request of the Board of Directors, any person nominated by the Board of Directors for election as a director must furnish to the Secretary the information that is required to be set forth in a stockholder's notice of nomination pertaining to such nominee.

(iii) No person will be eligible to be nominated by a stockholder for election as a director of the Company, or to be seated as a director of the Company, unless nominated and elected in accordance with the procedures set forth in this Section 2.4. No business proposed by a stockholder will be conducted at a stockholder meeting except in accordance with this Section 2.4.

(iv) The chairperson of the applicable meeting of stockholders will, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the procedures prescribed by these bylaws or that other proposed business was not properly brought before the meeting. If the chairperson of the meeting should so determine, then the chairperson of the meeting will so declare to the meeting and the defective nomination will be disregarded or such business will not be transacted, as the case may be.

(v) Notwithstanding anything to the contrary in this Section 2.4, unless otherwise required by law, if the stockholder (or a qualified representative of the stockholder) does not appear in person at the meeting to present a nomination or other proposed business, such nomination will be disregarded or such business will not be transacted, as the case may be, notwithstanding that proxies in respect of such nomination or business may have been received by the Company and counted for purposes of determining a quorum. For purposes of this Section 2.4, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting, and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting.

(vi) Without limiting this Section 2.4, a stockholder must also comply with all applicable requirements of the 1934 Act with respect to the matters set forth in this Section 2.4, it being understood that (1) any references in these bylaws to the 1934 Act are not intended to, and will not, limit any requirements applicable to nominations or proposals as to any other business

to be considered pursuant to this Section 2.4; and (2) compliance with clause (4) of Section 2.4(a)(i) and with Section 2.4(b) are the exclusive means for a stockholder to make nominations or submit other business (other than as provided in Section 2.4(c)(vii)).

(vii) Notwithstanding anything to the contrary in this Section 2.4, the notice requirements set forth in these bylaws with respect to the proposal of any business pursuant to this Section 2.4 will be deemed to be satisfied by a stockholder if (1) such stockholder has submitted a proposal to the Company in compliance with Rule 14a-8 under the 1934 Act; and (2) such stockholder's proposal has been included in a proxy statement that has been prepared by the Company to solicit proxies for the meeting of stockholders. Subject to Rule 14a-8 and other applicable rules and regulations under the 1934 Act, nothing in these bylaws will be construed to permit any stockholder, or give any stockholder the right, to include or have disseminated or described in the Company's proxy statement any nomination of a director or any other business proposal.

2.5 NOTICE OF STOCKHOLDERS' MEETINGS

Whenever stockholders are required or permitted to take any action at a meeting, a notice of the meeting shall be given in accordance with Section 232 of the DGCL, and such notice shall state the place, if any, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, the record date for determining the stockholders entitled to vote at the meeting, if such date is different from the record date for determining stockholders entitled to notice of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Except as otherwise provided in the DGCL, the certificate of incorporation or these bylaws, the notice of any meeting of stockholders shall be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting as of the record date for determining the stockholders entitled to notice of the meeting.

2.6 QUORUM

The holders of a majority of the voting power of the capital stock of the Company issued and outstanding and entitled to vote, present in person or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of the stockholders, unless otherwise required by law, the certificate of incorporation, these bylaws or the rules of any applicable stock exchange on which the Company's securities are listed. Where a separate vote by a class or series or classes or series is required, a majority of the voting power of the outstanding shares of such class or series or classes or series, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to that vote on that matter, except as otherwise required by law, the certificate of incorporation, these bylaws or the rules of any applicable stock exchange on which the Company's securities are listed.

If, however, such quorum is not present or represented at any meeting of the stockholders, then either (a) the chairperson of the meeting, or (b) the stockholders entitled to vote at the meeting, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present or represented. At such adjourned meeting at which a quorum is present or represented, any business may be transacted that might have been transacted at the original meeting.

2.7 ADJOURNED MEETING; NOTICE

Unless these bylaws otherwise require, when a meeting is adjourned to another time or place (including an adjournment taken to address a technical failure to convene or continue a meeting using remote communication), notice need not be given of the adjourned meeting if the time, place, if any, thereof, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting are (i) announced at the meeting at which the adjournment is taken, (ii) displayed, during the time scheduled for the meeting, on the same electronic network used to enable stockholders and proxy holders to participate in the meeting by means of remote communication or (iii) set forth in the notice of meeting given in accordance with Section 222(a) of the DGCL. At the adjourned meeting, the Company may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for stockholders entitled to vote is fixed for the adjourned meeting, the Board of Directors shall fix a new record date for notice of such adjourned meeting in accordance with Section 213(a) of the DGCL and Section 2.11 of these bylaws, and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at such adjourned meeting as of the record date fixed for notice of such adjourned meeting.

2.8 CONDUCT OF BUSINESS

The chairperson of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of business and discussion as seem to the chairperson in order. The chairperson of any meeting of stockholders shall be designated by the Board of Directors; in the absence of such designation, the chairperson of the Board of Directors, if any, or the chief executive officer (in the absence of the chairperson of the Board of Directors) or the president (in the absence of the chairperson of the Board of Directors and the chief executive officer), or in their absence any other executive officer of the Company, shall serve as chairperson of the stockholder meeting. The chairperson of any meeting of stockholders shall have the power to adjourn the meeting to another place, if any, date or time, whether or not a quorum is present.

2.9 VOTING

The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of Section 2.11 of these bylaws, subject to Section 217 (relating to voting rights of fiduciaries, pledgors and joint owners of stock) and Section 218 (relating to voting trusts and other voting agreements) of the DGCL.

Except as may be otherwise provided in the certificate of incorporation, each stockholder shall be entitled to one vote for each share of capital stock held by such stockholder as of the applicable record date that has voting power upon the matter in question.

Except as otherwise provided by law, the certificate of incorporation, these bylaws or the rules of any applicable stock exchange on which the Company's securities are listed, in all matters other than the election of directors, the affirmative vote of a majority of the voting power of the shares present in person or represented by proxy at the meeting and entitled to vote on the subject matter shall be the act of the stockholders. Except as otherwise required by law, the certificate of incorporation or these bylaws, directors shall be elected by a plurality of the voting power of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. Except as otherwise provided by law, the certificate of incorporation, these bylaws or the rules of any applicable stock exchange on which the Company's securities are listed, where a separate vote by a class or series or classes or series is required, in all matters other than the election of directors, the affirmative vote of the majority of the voting power of the outstanding shares of such class or series or classes or series present in person or represented by proxy at the meeting and entitled to vote on the subject matter shall be the act of such class or series or classes or series.

2.10 STOCKHOLDER ACTION BY WRITTEN CONSENT WITHOUT A MEETING

Unless otherwise provided in the Company's certificate of incorporation and subject to the rights of holders of preferred stock of the Company, any action required or permitted to be taken by the stockholders of the Company must be effected at a duly called annual or special meeting of stockholders of the Company and may not be effected by any consent in writing by such stockholders.

2.11 RECORD DATES

In order that the Company may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors and which record date shall not be more than 60 nor less than 10 days before the date of such meeting. If the Board of Directors so fixes a date for determining the stockholders entitled to notice of a meeting of stockholders or any adjournment thereof, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination.

If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of and to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided, however*, that the Board of Directors may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to

notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance with the provisions of Section 213 of the DGCL and this Section 2.11 at the adjourned meeting.

In order that the Company may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

2.12 PROXIES

Each stockholder entitled to vote at a meeting of stockholders, or such stockholder's authorized officer, director, employee or agent, may authorize another person or persons to act for such stockholder by proxy authorized by a document or by a transmission permitted by law filed in accordance with the procedure established for the meeting, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. The authorization of a person to act as a proxy may be documented, signed and delivered in accordance with Section 116 of the DGCL; *provided* that such authorization shall set forth, or be delivered with information enabling the Company to determine, the identity of the stockholder granting such authorization. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Section 212 of the DGCL.

2.13 LIST OF STOCKHOLDERS ENTITLED TO VOTE

The Company shall prepare, no later than the tenth day before each meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting; *provided, however,* if the record date for determining the stockholders entitled to vote is less than 10 days before the meeting date, the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. The Company shall not be required to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder for any purpose germane to the meeting for a period of 10 days ending on the day before the meeting date: (a) on a reasonably accessible electronic network, *provided* that the information required to gain access to such list is provided with the notice of the meeting, or (b) during ordinary business hours, at the Company's principal place of business. In the event that the Company determines to make the list available on an electronic network, the Company may take reasonable steps to ensure that such information is available only to stockholders of the Company.

2.14 INSPECTORS OF ELECTION

Before any meeting of stockholders, the Company shall appoint an inspector or inspectors of election to act at the meeting or its adjournment. The Company may designate one or more persons as alternate inspectors to replace any inspector who fails to act.

Such inspectors shall:

(a) ascertain the number of shares outstanding and the voting power of each;

(b) determine the shares represented at the meeting and the validity of proxies and ballots;

(c) count all votes and ballots;

(d) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors; and

(e) certify their determination of the number of shares represented at the meeting, and their count of all votes and ballots.

The inspectors of election shall perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical. If there are multiple inspectors of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all. Any report or certificate made by the inspectors of election is *prima facie* evidence of the facts stated therein.

ARTICLE III - DIRECTORS

3.1 POWERS

The business and affairs of the Company shall be managed by or under the direction of the Board of Directors, except as may be otherwise provided in the DGCL or the certificate of incorporation.

3.2 NUMBER OF DIRECTORS

The Board of Directors shall consist of one or more members, each of whom shall be a natural person. Unless the certificate of incorporation fixes the number of directors, the number of directors shall be determined from time to time by resolution of a majority of the Whole Board. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

3.3 ELECTION, QUALIFICATION AND TERM OF OFFICE OF DIRECTORS

Except as provided in Section 3.4 of these bylaws, each director, including a director elected to fill a vacancy or newly created directorship, shall hold office until the expiration of the term for which elected and until such director's successor is elected and qualified or until such director's earlier death, resignation or removal. Directors need not be stockholders unless so required by the certificate of incorporation or these bylaws. The certificate of incorporation or these bylaws may prescribe other qualifications for directors.

If so provided in the certificate of incorporation, the directors of the Company shall be divided into three classes.

3.4 RESIGNATION AND VACANCIES

Any director may resign at any time upon notice given in writing or by electronic transmission to the Company. A resignation is effective when the resignation is delivered unless the resignation specifies a later effective date or an effective date determined upon the happening of an event or events. A resignation which is conditioned upon the director failing to receive a specified vote for reelection as a director may provide that it is irrevocable. Unless otherwise provided in the certificate of incorporation or these bylaws, when one or more directors resign from the Board of Directors, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective.

Unless otherwise provided in the certificate of incorporation or these bylaws or permitted in the specific case by resolution of the Board of Directors, and subject to the rights of holders of preferred stock of the Company, vacancies and newly created directorships resulting from any increase in the authorized number of directors elected by all of the stockholders having the right to vote as a single class may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director, and not by stockholders. If the directors are divided into classes, a person so chosen to fill a vacancy or newly created directorship shall hold office until the next election of the class for which such director shall have been chosen and until his or her successor shall have been duly elected and qualified.

3.5 PLACE OF MEETINGS; MEETINGS BY TELEPHONE

The Board of Directors may hold meetings, both regular and special, either within or outside the State of Delaware.

Unless otherwise restricted by the certificate of incorporation or these bylaws, members of the Board of Directors may participate in a meeting of the Board of Directors by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

3.6 REGULAR MEETINGS

Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall from time to time be determined by the Board of Directors.

3.7 SPECIAL MEETINGS; NOTICE

Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the chairperson of the Board of Directors, the chief executive officer, the president, or the Secretary or by a majority of the Whole Board; *provided* that the person(s) authorized to call a special meeting of the Board of Directors may authorize another person or persons to send notice of such meeting.

Notice of the time and place of special meetings shall be:

(a) delivered personally by hand, by courier or by telephone;

(b) sent by United States first-class mail, postage prepaid;

(c) sent by facsimile;

(d) sent by electronic mail; or

(e) otherwise given by electronic transmission (as defined in Section 232 of the DGCL),

directed to each director at that director's address, telephone number, facsimile number, electronic mail address or other contact for notice by electronic transmission, as the case may be, as shown on the Company's records.

If the notice is (i) delivered personally by hand, by courier or by telephone, (ii) sent by facsimile, (iii) sent by electronic mail or (iv) otherwise given by electronic transmission, it shall be delivered, sent or otherwise directed to each director, as applicable, at least 24 hours before the time of the holding of the meeting. If the notice is sent by United States mail, it shall be deposited in the United States mail at least four days before the time of the holding of the meeting. Any oral notice of the time and place of the meeting may be communicated to the director in lieu of written notice if such notice is communicated at least 24 hours before the time of the holding of the meeting. The notice need not specify the place of the meeting (if the meeting is to be held at the Company's principal executive office) nor the purpose of the meeting, unless required by statute.

3.8 QUORUM; VOTING

At all meetings of the Board of Directors, a majority of the Whole Board shall constitute a quorum for the transaction of business. If a quorum is not present at any meeting of the Board of Directors, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

The affirmative vote of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute, the certificate of incorporation or these bylaws.

If the certificate of incorporation provides that one or more directors shall have more or less than one vote per director on any matter, except as may otherwise be expressly provided herein or therein and denoted with the phrase "notwithstanding the final paragraph of Section 3.8 of the bylaws" or language to similar effect, every reference in these bylaws to a majority or other proportion of the directors shall refer to a majority or other proportion of the votes of the directors.

3.9 BOARD ACTION BY WRITTEN CONSENT WITHOUT A MEETING

Unless otherwise restricted by the certificate of incorporation or these bylaws, (i) any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent thereto in writing or by electronic transmission and (ii) a consent may be documented, signed and delivered in any manner permitted by Section 116 of the DGCL. Any person (whether or not then a director) may provide, whether through instruction to an agent or otherwise, that a consent to action will be effective at a future time (including

a time determined upon the happening of an event), no later than 60 days after such instruction is given or such provision is made and such consent shall be deemed to have been given for purposes of this Section 3.9 at such effective time so long as such person is then a director and did not revoke the consent prior to such time. Any such consent shall be revocable prior to its becoming effective. After an action is taken, the consent or consents relating thereto shall be filed with the minutes of the proceedings of the Board of Directors, or the committee thereof, in the same form as the minutes are maintained.

3.10 FEES AND COMPENSATION OF DIRECTORS

Unless otherwise restricted by the certificate of incorporation or these bylaws, the Board of Directors shall have the authority to fix the compensation of directors.

3.11 REMOVAL OF DIRECTORS

Any director or the entire Board of Directors may be removed from office by stockholders of the Company in the manner specified in the certificate of incorporation and applicable law. No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of such director's term of office.

ARTICLE IV - COMMITTEES

4.1 COMMITTEES OF DIRECTORS

The Board of Directors may, by resolution passed by a majority of the Whole Board, designate one or more committees, each committee to consist of one or more of the directors of the Company. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board of Directors or in these bylaws, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Company, and may authorize the seal of the Company to be affixed to all papers that may require it; but no such committee shall have the power or authority to (a) approve or adopt, or recommend to the stockholders, any action or matter (other than the election or removal of directors) expressly required by the DGCL to be submitted to stockholders for approval, or (b) adopt, amend or repeal any bylaw of the Company.

4.2 COMMITTEE MINUTES

Each committee and subcommittee shall keep regular minutes of its meetings.

4.3 MEETINGS AND ACTION OF COMMITTEES

Unless otherwise specified by the Board of Directors, meetings and actions of committees and subcommittees shall be governed by, and held and taken in accordance with, the provisions of:

(a) Section 3.5 (place of meetings and meetings by telephone);

(b) Section 3.6 (regular meetings);

(c) Section 3.7 (special meetings and notice);

(d) Section 3.8 (quorum; voting);

(e) Section 3.9 (action without a meeting); and

(f) Section 7.4 (waiver of notice)

with such changes in the context of those bylaws as are necessary to substitute the committee or subcommittee and its members for the Board of Directors and its members. *However*, (i) the time and place of regular meetings of committees or subcommittees may be

determined either by resolution of the Board of Directors or by resolution of the committee or subcommittee; (ii) special meetings of committees or subcommittees may also be called by resolution of the Board of Directors or the committee or the subcommittee; and (iii) notice of special meetings of committees and subcommittees shall also be given to all alternate members who shall have the right to attend all meetings of the committee or subcommittee. The Board of Directors or a committee or subcommittee may also adopt other rules for the government of any committee or subcommittee.

Any provision in the certificate of incorporation providing that one or more directors shall have more or less than one vote per director on any matter shall apply to voting in any committee or subcommittee, unless otherwise provided in the certificate of incorporation or these bylaws.

4.4 SUBCOMMITTEES

Unless otherwise provided in the certificate of incorporation, these bylaws or the resolutions of the Board of Directors designating the committee, a committee may create one or more subcommittees, each subcommittee to consist of one or more members of the committee, and delegate to a subcommittee any or all of the powers and authority of the committee.

ARTICLE V - OFFICERS

5.1 OFFICERS

The officers of the Company shall be a president and a secretary. The Company may also have, at the discretion of the Board of Directors, a chairperson of the Board of Directors, a vice chairperson of the Board of Directors, a chief executive officer, a chief financial officer or treasurer, one or more vice presidents, one or more assistant vice presidents, one or more assistant treasurers, one or more assistant secretaries and any such other officers as may be appointed in accordance with the provisions of these bylaws. Any number of offices may be held by the same person.

5.2 APPOINTMENT OF OFFICERS

The Board of Directors shall appoint the officers of the Company, except such officers as may be appointed in accordance with the provisions of Section 5.3 of these bylaws, subject to the rights, if any, of an officer under any contract of employment.

5.3 SUBORDINATE OFFICERS

The Board of Directors may appoint, or empower any officer to appoint, such other officers as the business of the Company may require. Each of such officers shall hold office for such period, have such authority, and perform such duties as are provided in these bylaws or as determined from time to time by the Board of Directors or, for the avoidance of doubt, any duly authorized committee or subcommittee thereof or by any officer who has been conferred such power of determination.

5.4 REMOVAL AND RESIGNATION OF OFFICERS

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by the Board of Directors or, for the avoidance of doubt, any duly authorized committee or subcommittee thereof or by any officer who has been conferred such power of removal.

Any officer may resign at any time by giving notice, in writing or by electronic transmission, to the Company. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in the notice of resignation, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Company under any contract to which the officer is a party.

5.5 VACANCIES IN OFFICES

Any vacancy occurring in any office of the Company shall be filled by the Board of Directors or as provided in Section 5.3.

5.6 REPRESENTATION OF SECURITIES OF OTHER ENTITIES

The chairperson of the Board of Directors, the chief executive officer, the president, any vice president, the treasurer, the secretary or assistant secretary of the Company or any other person authorized by the Board of Directors or the chief executive officer, the president or a vice president, is authorized to vote, represent and exercise on behalf of the Company all rights incident to any and all shares or other securities of, or interests in, or issued by, any other entity or entities, and all rights incident to any management authority conferred on the Company in accordance with the governing documents of any entity or entities, standing in the name of the Company, including the right to act by written consent. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by such person having the authority.

5.7 AUTHORITY AND DUTIES OF OFFICERS

Each officer of the Company shall have such authority and perform such duties in the management of the business of the Company as may be designated from time to time by the Board of Directors or, for the avoidance of doubt, any duly authorized committee or subcommittee thereof or by any officer who has been conferred such power of designation and, to the extent not so provided, as generally pertain to such office, subject to the control of the Board of Directors.

ARTICLE VI - STOCK

6.1 STOCK CERTIFICATES; PARTLY PAID SHARES

The shares of the Company shall be represented by certificates, provided that the Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Company. Unless otherwise provided by resolution of the Board of Directors, every holder of stock represented by certificates shall be entitled to have a certificate signed by, or in the name of, the Company by any two officers of the Company representing the number of shares registered in certificate form. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Company with the same effect as if such person were such officer, transfer agent or registrar at the date of issue. The Company shall not have power to issue a certificate in bearer form.

The Company may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate issued to represent any such partly-paid shares, or upon the books and records of the Company in the case of uncertificated partly-paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. Upon the declaration of any dividend on fully-paid shares, the Company shall declare a dividend upon partly-paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

6.2 SPECIAL DESIGNATION ON CERTIFICATES

If the Company is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the Company shall issue to represent such class or series of stock; *provided, however*, that, except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements, there may be set forth on the face or back of the certificate that the Company shall issue to represent such class or series of stock, a statement that the Company will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Within a reasonable time after the issuance or transfer of uncertificated stock, the registered owner thereof shall be given a notice, in writing or by electronic transmission, containing the information required to be set forth or stated on certificates pursuant to this Section 6.2 or Sections 151, 156, 202(a), 218(a) or 364 of the DGCL or with respect to this Section 6.2 a statement that the Company will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights. Except as otherwise expressly provided by law, the rights and obligations of the holders of uncertificated stock and the rights and obligations of the holders of certificates representing stock of the same class and series shall be identical.

6.3 LOST CERTIFICATES

Except as provided in this Section 6.3, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the Company and cancelled at the same time. The Company may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Company may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to give the Company a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

6.4 DIVIDENDS

The Board of Directors, subject to any restrictions contained in the certificate of incorporation or applicable law, may declare and pay dividends upon the shares of the Company's capital stock. Dividends may be paid in cash, in property, or in shares of the Company's capital stock, subject to the provisions of the certificate of incorporation. The Board of Directors may set apart out of any of the funds of the Company available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve.

6.5 TRANSFER OF STOCK

Transfers of record of shares of stock of the Company shall be made only upon its books by the holders thereof, in person or by an attorney duly authorized, and, subject to Section 6.3 of these bylaws, if such stock is certificated, upon the surrender of a certificate or certificates for a like number of shares, properly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer.

6.6 STOCK TRANSFER AGREEMENTS

The Company shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes or series of stock of the Company to restrict the transfer of shares of stock of the Company of any one or more classes or series owned by such stockholders in any manner not prohibited by the DGCL.

6.7 REGISTERED STOCKHOLDERS

The Company:

(a) shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and notices and to vote as such owner; and

(b) shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE VII - MANNER OF GIVING NOTICE AND WAIVER

7.1 NOTICE OF STOCKHOLDERS' MEETINGS

Notice of any meeting of stockholders shall be given in the manner set forth in the DGCL.

7.2 NOTICE TO STOCKHOLDERS SHARING AN ADDRESS

Except as otherwise prohibited under the DGCL, without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the Company under the provisions of the DGCL, the certificate of incorporation or these bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Any such consent shall be revocable by the stockholder by written notice to the Company. Any stockholder who fails to object in writing to the Company, within 60 days of having been given written notice by the Company of its intention to send the single notice, shall be deemed to have consented to receiving such single written notice. This Section 7.2 shall not apply to Sections 164, 296, 311, 312 or 324 of the DGCL.

7.3 NOTICE TO PERSON WITH WHOM COMMUNICATION IS UNLAWFUL

Whenever notice is required to be given, under the DGCL, the certificate of incorporation or these bylaws, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the Company is such as to require the filing of a certificate under the DGCL, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

7.4 WAIVER OF NOTICE

Whenever notice is required to be given under any provision of the DGCL, the certificate of incorporation or these bylaws, a written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the certificate of incorporation or these bylaws.

ARTICLE VIII - INDEMNIFICATION

8.1 INDEMNIFICATION OF DIRECTORS AND OFFICERS IN THIRD PARTY PROCEEDINGS

Subject to the other provisions of this Article VIII, the Company shall indemnify, to the fullest extent permitted by the DGCL, as now or hereinafter in effect, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (a "**Proceeding**") (other than an action by or in the right of the Company) by reason of the fact that such person is or was a director or officer of the Company, or is or was a director or officer of the Company serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such Proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. The termination of any Proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful.

8.2 INDEMNIFICATION OF DIRECTORS AND OFFICERS IN ACTIONS BY OR IN THE RIGHT OF THE COMPANY

Subject to the other provisions of this Article VIII, the Company shall indemnify, to the fullest extent permitted by the DGCL, as now or hereinafter in effect, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed Proceeding by or in the right of the Company to procure a judgment in its favor by reason of the fact that such person is or was a director or officer of the Company, or is or was a director or officer of the Company serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such Proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Company; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Company unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

8.3 SUCCESSFUL DEFENSE

To the extent that a present or former director or officer (for purposes of this Section 8.3 only, as such term is defined in Section 145(c)(1) of the DGCL) of the Company has been successful on the merits or otherwise in defense of any Proceeding described in Section 8.1 or Section 8.2, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith. The Company may indemnify any other person who is not a present or former director or officer of the Company against expenses (including attorneys' fees) actually and reasonably incurred by such person to the extent he or she has been successful on the merits or otherwise in defense of any Proceeding described in Section 8.1 or Section 8.2, or in defense of any claim, issue or matter therein.

8.4 INDEMNIFICATION OF OTHERS

Subject to the other provisions of this Article VIII, the Company shall have power to indemnify its employees and agents, or any other persons, to the extent not prohibited by the DGCL or other applicable law. The Board of Directors shall have the power to delegate to any person or persons identified in subsections (1) through (4) of Section 145(d) of the DGCL the determination of whether employees or agents shall be indemnified.

8.5 ADVANCED PAYMENT OF EXPENSES

Expenses (including attorneys' fees) actually and reasonably incurred by an officer or director of the Company in defending any Proceeding shall be paid by the Company in advance of the final disposition of such Proceeding upon receipt of a written request therefor (together with documentation reasonably evidencing such expenses) and an undertaking by or on behalf of the person to repay such amounts if it shall ultimately be determined that the person is not entitled to be indemnified under this Article VIII or the DGCL. Such expenses (including attorneys' fees) actually and reasonably incurred by former directors and officers or other employees and agents of the Company or by persons serving at the request of the Company as directors, officers, employees or agents of another corporation, partnership, joint venture, trust or other enterprise may be so paid upon such terms and conditions, if any, as the Company deems appropriate. The right to advancement of expenses shall not apply to any Proceeding (or any part of any Proceeding) for which indemnity is excluded pursuant to these bylaws, but shall apply to any Proceeding (or any part of any Proceeding) referenced in Section 8.6(b) or 8.6(c) prior to a determination that the person is not entitled to be indemnified by the Company.

Notwithstanding the foregoing, unless otherwise determined pursuant to Section 8.8, no advance shall be made by the Company to an officer of the Company (except by reason of the fact that such officer is or was a director of the Company, in which event this paragraph shall not apply) in any Proceeding if a determination is reasonably and promptly made (a) by a vote of the directors who are not parties to such Proceeding, even though less than a quorum, or (b) by a committee of such directors designated by the vote of the majority of such directors, even though less than a quorum, or (c) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion, that facts known to the decision-making party at the time such determination is made demonstrate clearly and convincingly that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the Company.

8.6 LIMITATION ON INDEMNIFICATION

Subject to the requirements in Section 8.3 and the DGCL, the Company shall not be obligated to indemnify any person pursuant to this Article VIII in connection with any Proceeding (or any part of any Proceeding):

(a) for which payment has actually been made to or on behalf of such person under any statute, insurance policy, indemnity provision, vote or otherwise, except with respect to any excess beyond the amount paid;

(b) for an accounting or disgorgement of profits pursuant to Section 16(b) of the 1934 Act, or similar provisions of federal, state or local statutory law or common law, if such person is held liable therefor (including pursuant to any settlement arrangements);

(c) for any reimbursement of the Company by such person of any bonus or other incentive-based or equity-based compensation or of any profits realized by such person from the sale of securities of the Company, in either case as required under any clawback or compensation recovery policy adopted by the Company, applicable securities exchange and association listing requirements, including those adopted in accordance with Rule 10D-1 under the 1934 Act and/or the 1934 Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of

2002 (the "**Sarbanes-Oxley Act**"), or the payment to the Company of profits arising from the purchase and sale by such person of securities in violation of Section 306 of the Sarbanes-Oxley Act), if such person is held liable therefor (including pursuant to any settlement arrangements);

(d) initiated by such person, including any Proceeding (or any part of any Proceeding) initiated by such person against the Company or its directors, officers, employees, agents or other indemnitees, unless (i) the Board of Directors authorized the Proceeding (or the relevant part of the Proceeding) prior to its initiation, (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law, (iii) otherwise required to be made under Section 8.7 or (iv) otherwise required by applicable law; or

(e) if prohibited by applicable law.

8.7 DETERMINATION; CLAIM

If a claim for indemnification or advancement of expenses under this Article VIII is not paid in full within 90 days after receipt by the Company of the written request therefor, the claimant shall be entitled to an adjudication by a court of competent jurisdiction of his or her entitlement to such indemnification or advancement of expenses. The Company shall indemnify such person against any and all expenses that are actually and reasonably incurred by such person in connection with any action for indemnification or advancement of expenses from the Company under this Article VIII, to the extent such person is successful in such action, and to the extent not prohibited by law. In any such suit, the Company shall, to the fullest extent not prohibited by law, have the burden of proving that the claimant is not entitled to the requested indemnification or advancement of expenses.

8.8 NON-EXCLUSIVITY OF RIGHTS

The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VIII shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the certificate of incorporation or any statute, bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office. The Company is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advancement of expenses, to the fullest extent not prohibited by the DGCL or other applicable law.

8.9 INSURANCE

The Company may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Company would have the power to indemnify such person against such liability under the provisions of the DGCL.

8.10 SURVIVAL

The rights to indemnification and advancement of expenses conferred by this Article VIII shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

8.11 EFFECT OF REPEAL OR MODIFICATION

A right to indemnification or to advancement of expenses arising under a provision of the certificate of incorporation or a bylaw shall not be eliminated or impaired by an amendment to or repeal or elimination of the certificate of incorporation or these bylaws after the occurrence of the act or omission that is the subject of the Proceeding for which indemnification or advancement of expenses is sought, unless the provision in effect at the time of such act or omission explicitly authorizes such elimination or impairment after such action or omission has occurred.

8.12 CERTAIN DEFINITIONS

For purposes of this Article VIII, references to the "**Company**" shall include, in addition to the resulting entity, any constituent company (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent entity, or is or was serving at the request of such constituent entity as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article VIII with respect to the resulting or surviving entity as such person would have with respect to such constituent entity if its separate existence had continued. For purposes of this Article VIII, references to "**other enterprises**" shall include employee benefit plans; references to "**fines**" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "**serving at the request of the Company**" shall include any service as a director, officer, employee or agent of the Company which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "**not opposed to the best interests of the Company**" as referred to in this Article VIII.

ARTICLE IX - GENERAL MATTERS

9.1 EXECUTION OF CORPORATE CONTRACTS AND INSTRUMENTS

Except as otherwise provided by law, the certificate of incorporation or these bylaws, the Board of Directors may authorize any officer or officers, or agent or agents, or employee or employees, to enter into any contract or execute any document or instrument in the name of and on behalf of the Company; such authority may be general or confined to specific instances. Unless so authorized or ratified by the Board of Directors or within the agency power of an officer, agent or employee, no officer, agent or employee shall have any power or authority to bind the Company by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

9.2 FISCAL YEAR

The fiscal year of the Company shall be fixed by resolution of the Board of Directors and may be changed by the Board of Directors.

9.3 SEAL

The Company may adopt a corporate seal, which shall be adopted and which may be altered by the Board of Directors. The Company may use the corporate seal by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

9.4 CONSTRUCTION; DEFINITIONS

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the DGCL shall govern the construction of these bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "**person**" includes a corporation, partnership, limited liability company, joint venture, trust or other enterprise, and a natural person. Any reference in these bylaws to a section of the DGCL shall be deemed to refer to such section as amended from time to time and any successor provisions thereto.

9.5 FORUM SELECTION

Unless the Company consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall, to the fullest extent permitted by law, be the sole and exclusive forum for (a) any derivative action or proceeding brought on behalf of the Company, (b) any action asserting a claim of breach of a fiduciary duty owed by any director, stockholder, officer or other employee of the Company to the Company or the Company's stockholders, (c) any action arising pursuant to any provision of the DGCL or the certificate of incorporation or these bylaws (as either may be amended from time to time) or (d) any action asserting a claim governed by the internal affairs doctrine, except for, as to each of (a) through (d) above, any claim as to which such court determines that there is an indispensable party not subject to the jurisdiction of such court (and the indispensable party does not consent to the personal jurisdiction of such court within 10 days following such determination).

Unless the Company consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the sole and exclusive forum for the resolution of any claim asserting a cause of action arising under the Securities Act of 1933, as amended, against any person in connection with any offering of the Company's securities, including, for the avoidance of doubt, any auditor, underwriter, expert, control person or other defendant.

Any person or entity purchasing, holding or otherwise acquiring any interest in any security of the Company shall be deemed to have notice of and consented to the provisions of this Section 9.5. This provision shall be enforceable by any party to a claim covered by the provisions of this Section 9.5. For the avoidance of doubt, nothing contained in this Section 9.5 shall apply to any action brought to enforce a duty or liability created by the 1934 Act or any successor thereto.

ARTICLE X - AMENDMENTS

These bylaws may be adopted, amended or repealed by the stockholders entitled to vote; provided, however, that the affirmative vote of the holders of at least 66 2/3% of the total voting power of outstanding voting securities, voting together as a single class, shall be required for the stockholders of the Company to alter, amend or repeal, or adopt any bylaw inconsistent with, the following provisions of these bylaws: Article II, Section 3.1, Section 3.2, Section 3.4, Section 3.11, Article VIII, Section 9.5 or this Article X (including any such Article or Section as renumbered as a result of any amendment, alteration, change, repeal, or adoption of any other bylaw). The Board of Directors shall also have the power to adopt, amend or repeal bylaws; provided, however, that a bylaw amendment adopted by stockholders which specifies the votes that shall be necessary for the election of directors shall not be further amended or repealed by the Board of Directors.

APPENDIX E

ARTICLES OF INCORPORATION
OF
ROBLOX CORPORATION
a Nevada corporation

ARTICLE I

The name of the company is Roblox Corporation (the "**Company**"). The Company is the resulting entity in the conversion of Roblox Corporation, a Delaware corporation, into a Nevada corporation and is the continuation of the existence thereof pursuant to Nevada Revised Statutes (as amended from time to time, the "**NRS**") Chapter 92A.

ARTICLE II

The registered office of the Company shall be the street address of its registered agent in the State of Nevada. The Company may, from time to time, in the manner provided by law, change the registered agent and registered office within the State of Nevada. The Company may also maintain an office or offices for the conduct of its business, either within or without the State of Nevada.

ARTICLE III

The nature of the business or purposes to be conducted or promoted by the Company is to engage in any lawful act or activity for which corporations may be organized under the NRS.

ARTICLE IV

Section 1. This Company is authorized to issue two classes of stock, to be designated, respectively, Common Stock and Preferred Stock. The total number of shares of stock that the Company shall have authority to issue is 5,100,000,000 shares. The total number of shares of Common Stock authorized to be issued is 5,000,000,000 shares, $0.0001 par value per share, of which 4,935,000,000 shares are designated as a series of Common Stock denominated Class A Common Stock, $0.0001 par value per share (the "**Class A Common Stock**"), and 65,000,000 shares of which are designated as a series of Common Stock denominated Class B Common Stock, $0.0001 par value per share (the "**Class B Common Stock**"). The total number of shares of Preferred Stock authorized to be issued is 100,000,000 shares, $0.0001 par value per share.

Section 2. Except as otherwise expressly provided herein or as required by law, the holders of Class A Common Stock and Class B Common Stock will vote together and not as separate series or classes. Each holder of shares of Class A Common Stock will be entitled to one (1) vote for each share thereof held at the record date for the determination of the stockholders entitled to vote on such matters. Each holder of shares of Class B Common Stock will be entitled to twenty (20) votes for each share thereof held at the record date for the determination of the stockholders entitled to vote on such matters.

Section 3. The Preferred Stock may be designated and established from time to time in one or more series pursuant to a resolution or resolutions providing for the same duly adopted by the board of directors of the Company (the "**Board of Directors**") (authority to do so being hereby expressly vested in the Board of Directors) and the filing of a certificate of designation in the office of the Nevada Secretary of State. The Board of Directors is further authorized, subject to any limitations prescribed by law, to fix the designations, powers, preferences and rights, and the qualifications, limitations or restrictions thereof, of any series of Preferred Stock, including, without limitation, the dividend rights, dividend rate, conversion rights, voting rights, rights and terms of redemption (including sinking fund provisions), redemption price or prices, and liquidation preferences of any such series, and the number of shares constituting any such series and the designation thereof, or any of the foregoing. The Board of Directors is further authorized to increase (but not above the total number of authorized shares of the class) or decrease (but not below the number of shares of any such series then outstanding) the number of authorized shares of any series, subject to the powers, preferences and rights, and the qualifications, limitations and restrictions thereof stated in these articles of incorporation (as amended and/or restated from time to time, these "**Articles of Incorporation**"), including any certificate of designation originally fixing the number of authorized shares of such series. Except as may be otherwise specified by the terms of any series of Preferred Stock, if the number of authorized shares of any series of Preferred Stock is so decreased, then the Company shall take all such steps as are necessary to cause the shares constituting such decrease to be retired and restored to the status of authorized but unissued shares of Preferred Stock, without designation as to series.

Section 4. Except as otherwise required by law or provided in these Articles of Incorporation, holders of Common Stock shall not be entitled to vote on any amendment to these Articles of Incorporation (including any certificate of designation filed with respect to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together as a class with the holders of one or more other such series, to vote thereon by law or pursuant to these Articles of Incorporation (including any certificate of designation filed with respect to any series of Preferred Stock).

Section 5. The number of authorized shares of Preferred Stock or Common Stock may be increased or decreased (but not below (i) the number of shares thereof then outstanding or, in the case of a series of Common Stock, such series, then outstanding plus (ii) with respect to Class A Common Stock, the number of shares reserved for issuance pursuant to Section 10 of this ARTICLE IV) by the affirmative vote of the holders of a majority of the voting power of all the then-outstanding shares of capital stock of the Company entitled to vote thereon, without a separate vote of the holders of the class or classes the number of authorized shares of which are being increased or decreased, unless a vote of any holders of one or more series of Preferred Stock is required pursuant to the terms of any certificate of designation relating to such series of Preferred Stock, irrespective of the provisions of NRS 78.2055(3), 78.207(3) and 78.390(2) (and any separate class vote in this regard pursuant to such sections of the NRS is hereby specifically denied).

Section 6. Except as otherwise provided in these Articles of Incorporation or required by applicable law, shares of Class A Common Stock and Class B Common Stock shall have the same rights and powers, rank equally (including as to dividends and other distributions, and any liquidation, dissolution or winding up of the Company, but excluding voting and other matters as described in Section 2 of ARTICLE IV above), share ratably and be identical in all respects as to all matters, including as follows:

(a) Subject to the prior rights of holders of all classes and series of stock at the time outstanding having prior rights as to dividends and other distributions, the holders of the Common Stock shall be entitled to receive, when, as and if declared by the Board of Directors, out of any assets of the Company legally available therefor, such dividends and other distributions as may be declared from time to time by the Board of Directors. Any dividends paid to the holders of shares of Class A Common Stock and Class B Common Stock shall be paid pro rata, on an equal priority, pari passu basis, unless different treatment of the shares of any such series is approved by the affirmative vote of the holders of a majority of the voting power of the outstanding shares of such applicable series of Common Stock treated adversely, voting separately as a class.

(b) The Company shall not declare or pay any dividend or make any other distribution to the holders of Class A Common Stock or Class B Common Stock payable in securities of the Company unless the same dividend or distribution with the same record date and payment date shall be declared and paid on all shares of Common Stock; *provided, however*, that (i) dividends or other distributions payable in shares of Class A Common Stock or rights to acquire shares of Class A Common Stock may be declared and paid to the holders of Class A Common Stock without the same dividend or distribution being declared and paid to the holders of the Class B Common Stock if, and only if, a dividend payable in shares of Class B Common Stock, or rights to acquire shares of Class B Common Stock, are declared and paid to the holders of Class B Common Stock at the same rate and with the same record date and payment date; and (ii) dividends or other distributions payable in shares of Class B Common Stock or rights to acquire shares of Class B Common Stock may be declared and paid to the holders of Class B Common Stock without the same dividend or distribution being declared and paid to the holders of the Class A Common Stock if, and only if, a dividend payable in shares of Class A Common Stock, or rights to acquire shares of Class A Common Stock, are declared and paid to the holders of Class A Common Stock at the same rate and with the same record date and payment date; and *provided, further*, that nothing in the foregoing shall prevent the Company from declaring and paying dividends or other distributions payable in shares of one series of Common Stock or rights to acquire one series of Common Stock to holders of all series of Common Stock, or, with the approval of holders of a majority of the outstanding shares of each of the Class A Common Stock and the Class B Common Stock, each voting separately as a class, from providing for different treatment of the shares of Class A Common Stock and Class B Common Stock.

(c) If the Company in any manner subdivides or combines the outstanding shares of Class A Common Stock or Class B Common Stock, then the outstanding shares of all Common Stock will be subdivided or combined in the same proportion and manner, unless different treatment of the shares of Class A Common Stock and Class B Common Stock is approved by the affirmative vote of the holders of a majority of the outstanding shares of each of the Class A Common Stock and Class B Common Stock, each voting separately as a class.

Section 7. The Class B Common Stock will be convertible into Class A Common Stock as follows:

(a) Each outstanding share of Class B Common Stock will automatically convert into one fully paid and nonassessable share of Class A Common Stock on the Final Conversion Date.

(b) With respect to any holder of Class B Common Stock, each share of Class B Common Stock held by such holder will automatically be converted into one fully paid and nonassessable share of Class A Common Stock, as follows:

(i) on the affirmative election, in writing, of such holder to convert such share of Class B Common Stock or, if later, at the time or the happening of a future event specified in such written election (which election may be revoked by such holder prior to the date on which the automatic conversion would otherwise occur unless otherwise specified by such holder);

(ii) on the occurrence of a Transfer of such share of Class B Common Stock, other than a Permitted Transfer; or

(iii) with respect to Class B Common Stock over which the spouse of the Founder has Voting Control, upon the earlier of (i) the legal dissolution or termination of the marriage, or (ii) the effectiveness of a marital settlement agreement, in either case of clause (i) or (ii) if and only if the Founder's spouse receives or retains sole and exclusive Voting Control of such shares of Class B Common Stock, and not if the spouse of the Founder has granted a proxy or otherwise entered into a voting trust, agreement or arrangement granting exclusive Voting Control with respect to such shares to the Founder, and such proxy or other arrangement continues in full force and effect.

Section 8. The Company may, from time to time, establish such policies and procedures relating to the conversion of the Class B Common Stock to Class A Common Stock and the general administration of this dual class stock structure, including the issuance of stock certificates with respect thereto, as it may deem necessary or advisable, and may from time to time request that holders of shares of Class B Common Stock furnish certifications, affidavits or other proof to the Company as it deems necessary to verify the ownership of Class B Common Stock and to confirm that a conversion to Class A Common Stock has not occurred. A determination by the Company as to whether or not a Transfer has occurred and results in a conversion to Class A Common Stock shall be conclusive and binding.

Section 9. In the event of and upon a conversion of shares of Class B Common Stock to shares of Class A Common Stock pursuant to Section 7 of this ARTICLE IV, such conversion(s) shall be deemed to have been made at the time that the event described in Section 7(b) of this ARTICLE IV, as applicable, occurred or immediately upon the Final Conversion Date, subject in all cases to any transition periods specifically provided for in these Articles of Incorporation. Upon any conversion of Class B Common Stock to Class A Common Stock in accordance with these Articles of Incorporation, all rights of the holder of shares of Class B Common Stock shall cease and the person or persons in whose name or names the certificate or certificates representing the shares of Class A Common Stock are to be issued shall be treated for all purposes as having become the record holder or holders of such shares of Class A Common Stock.

Section 10. The Company will at all times reserve and keep available out of its authorized but unissued shares of Class A Common Stock, solely for the purpose of effecting the conversion of the shares of the Class B Common Stock, such number of its shares of Class A Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of Class B Common Stock; and if at any time the number of authorized but unissued shares of Class A Common Stock will not be sufficient to effect the conversion of all then-outstanding shares of Class B Common Stock, the Company will take such corporate action as may be necessary under the NRS to increase its authorized but unissued shares of Class A Common Stock to such number of shares as will be sufficient for such purpose.

Section 11. No share or shares of Class B Common Stock acquired by the Company by reason of redemption, purchase, conversion or otherwise shall be reissued, and all such shares shall be and hereby are automatically cancelled, retired and eliminated from the shares that the Company shall be authorized to issue.

Section 12. The following terms, where capitalized in these Articles of Incorporation, shall have the meanings ascribed to them in this Section.

(a) "**Acquisition**" means (A) any consolidation or merger of the Company with or into any other corporation or other entity or person, or any other corporate reorganization, other than any such consolidation, merger or reorganization in which the shares of capital stock of the Company immediately prior to such consolidation, merger or reorganization continue to represent a majority of the voting power of the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its Parent) immediately after such consolidation, merger or reorganization (provided that, for the purpose of this Section 12(a) of ARTICLE IV, all stock, options, warrants, purchase rights or other securities exercisable for or convertible into Common Stock outstanding

immediately prior to such merger or consolidation shall be deemed to be outstanding immediately prior to such merger or consolidation and, if applicable, converted or exchanged in such merger or consolidation on the same terms as the actual outstanding shares of capital stock are converted or exchanged); or (B) any transaction or series of related transactions to which the Company is a party in which shares of the Company are transferred such that in excess of fifty percent (50%) of the Company's voting power is transferred; provided that an Acquisition shall not include any transaction or series of transactions principally for bona fide equity financing purposes in which cash is received by the Company or any successor or indebtedness of the Company is cancelled or converted or a combination thereof.

(b) "**Asset Transfer**" means a sale, lease, exclusive license or other disposition of all or substantially all of the assets of the Company.

(c) "**Disability**" means, with respect to David Baszucki, an event that results in Mr. Baszucki's inability to perform the material duties of his employment by reason of any medically determinable physical or mental impairment that can be expected to result in death within nine months or can be expected to last for a continuous period of not less than nine months, as determined by a licensed physician jointly selected by a majority of the Company's Independent Directors and Mr. Baszucki. If Mr. Baszucki is incapable of selecting a licensed physician, then Mr. Baszucki's spouse shall make the selection on his behalf, or in the absence or incapacity of Mr. Baszucki's spouse, Mr. Baszucki's parents shall make the selection on his behalf, or in the absence of parents of Mr. Baszucki, a natural person then acting as the successor trustee of a revocable living trust which was created by Mr. Baszucki and which holds more shares of all classes of capital stock of the Company than any other revocable living trust created by Mr. Baszucki shall make the selection on his behalf, or in absence of any such successor trustee, the legal guardian or conservator of the estate of Mr. Baszucki shall make the selection on his behalf.

(d) "**Final Conversion Date**" means:

(i) the date fixed by the Board of Directors that is no less than 61 days and no more than 180 days following the first time that the number of outstanding shares of Class B Common Stock is less than 17,186,191 (as adjusted for any stock splits, share dividends, combinations, subdivisions, recapitalizations or the like);

(ii) the close of business on March 10, 2036;

(iii) the date (including a date or time determined by the happening of a future event) specified by written consent or agreement of the holders of at least 66 2/3% of the then outstanding shares of Class B Common Stock;

(iv) the close of business on the date that is nine (9) months after the Founder's voluntarily resignation from any and all positions he may hold as an officer or director of the Company; or

(v) the close of business on the date that is nine (9) months after the death or Disability of the Founder.

(e) "**Founder**" means David Baszucki.

(f) "**Independent Directors**" means the members of the Board of Directors designated as independent directors in accordance with the Listing Standards.

(g) "**Liquidation Event**" means any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary, or any Acquisition or Asset Transfer.

(h) "**Listing Standards**" means (i) the requirements of any Securities Exchange under which the Company's equity securities are listed for trading that are generally applicable to companies with common equity securities listed thereon or (ii) if the Company's equity securities are not listed for trading on a national stock exchange, the requirements of the New York Stock Exchange generally applicable to companies with equity securities listed thereon.

(i) "**Parent**" of an entity means any entity that directly or indirectly owns or controls a majority of the voting power of the voting securities of such entity.

(j) "**Permitted Entity**" means, with respect to any Qualified Stockholder, any trust, account, plan, corporation, partnership, limited liability company or charitable organization, foundation or similar entity specified in Section 12(k)(ii) of this ARTICLE IV with respect to such Qualified Stockholder, so long as such Permitted Entity meets the requirements of the exception set forth in Section 12(k) of this ARTICLE IV applicable to such Permitted Entity.

(k) "**Permitted Transfer**" means

(i) with respect to the Founder, any Transfer of a share of Class B Common Stock from the Founder, from the Founder's Permitted Entities, or from the Founder's Permitted Transferees, to the Founder's estate as a result of the Founder's death, to any Permitted Entity of the Founder or to any Permitted Transferee of the Founder; and

(ii) any Transfer of a share of Class B Common Stock by a Qualified Stockholder to any of the Permitted Entities listed below and from any of the Permitted Entities listed below to such Qualified Stockholder or to such Qualified Stockholder's other Permitted Entities:

(A) a trust for the benefit of such Qualified Stockholder or persons other than the Qualified Stockholder so long as a Qualified Stockholder and/or a spouse of the Founder, if applicable, collectively have sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such trust; provided that in the event a Qualified Stockholder and/or a spouse of the Founder, if applicable, no longer collectively have sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such trust, each such share of Class B Common Stock then held by such trust shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock;

(B) a trust under the terms of which a Qualified Stockholder has retained a "qualified interest" within the meaning of Section 2702(b)(1) of the Internal Revenue Code or a reversionary interest so long as a Qualified Stockholder and/or a spouse of the Founder, if applicable, collectively have sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such trust; provided that in the event a Qualified Stockholder and/or a spouse of the Founder, if applicable, no longer collectively have sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such trust, each such share of Class B Common Stock then held by such trust shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock;

(C) an Individual Retirement Account, as defined in Section 408(a) of the Internal Revenue Code, or a pension, profit sharing, stock bonus or other type of plan or trust of which such Qualified Stockholder is a participant or beneficiary and which satisfies the requirements for qualification under Section 401 of the Internal Revenue Code; provided that in each case such Qualified Stockholder has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held in such account, plan or trust, and provided, further, that in the event the Qualified Stockholder no longer has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such account, plan or trust, each such share of Class B Common Stock then held by such account, plan or trust shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock;

(D) a corporation in which such Qualified Stockholder directly, or indirectly through one or more Permitted Entities, owns shares with sufficient Voting Control in such corporation, or otherwise has legally enforceable rights, such that the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such corporation; provided that in the event the Qualified Stockholder no longer owns sufficient shares or no longer has sufficient legally enforceable rights to ensure the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such corporation, each such share of Class B Common Stock then held by such corporation shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock;

(E) a partnership in which such Qualified Stockholder directly, or indirectly through one or more Permitted Entities, owns partnership interests with sufficient Voting Control in the partnership, or otherwise has legally enforceable rights, such that the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such partnership; provided that in the event the Qualified Stockholder no longer owns sufficient partnership interests or no longer has sufficient legally enforceable rights to ensure the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such partnership, each such share Class B Common Stock then held by such partnership shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock;

(F) a limited liability company in which such Qualified Stockholder directly, or indirectly through one or more Permitted Entities, owns membership interests with sufficient Voting Control in the limited liability company, or otherwise has legally enforceable rights, such that the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such limited liability company; provided that in the event the Qualified Stockholder no longer owns sufficient membership interests or no longer has sufficient legally enforceable rights to ensure the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such limited liability company, each such share of Class B Common Stock then held by such limited liability company shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock; or

(G) any charitable organization, foundation or similar entity established by a Qualified Stockholder directly, or indirectly through one or more Permitted Entities, so long as a Qualified Stockholder and/or a spouse of the Founder, if applicable, collectively have sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such entity; provided such Transfer does not involve any payment of cash, securities, property or other consideration (other than an interest in such entity) to such Qualified Stockholder; provided, further, that in the event a Qualified Stockholder and/or a spouse of the Founder, if applicable, collectively, no longer have sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such entity, each share of Class B Common Stock then held by such entity shall automatically convert into one (1) fully paid and nonassessable share of Class A Common Stock.

For the avoidance of doubt, to the extent any shares are deemed to be held by a trustee of a trust described in (A), (B) or (C) above, the Transfer shall be a Permitted Transfer and the trustee shall be deemed a Permitted Entity so long as the other requirements of (A), (B) or (C) above, as the case may be, are otherwise satisfied.

(l) "**Permitted Transferee**" means a transferee of shares of Class B Common Stock, or rights or interests therein, received in a Transfer that constitutes a Permitted Transfer.

(m) "**Qualified Stockholder**" means (a) each registered holder of any shares of Class B Common Stock that are outstanding as of the effectiveness of these Articles of Incorporation; and (b) each Permitted Transferee.

(n) "**Securities Exchange**" means the New York Stock Exchange, the Nasdaq Stock Market, or other nationally or internationally-recognized securities exchange as approved by the Board of Directors.

(o) "**Transfer**" of a share of Class B Common Stock means, directly or indirectly, any sale, assignment, transfer, conveyance, hypothecation or other transfer or disposition of such share or any legal or beneficial interest in such share, whether or not for value and whether voluntary or involuntary or by operation of law (including by merger, consolidation or otherwise), including, without limitation, a transfer of a share of Class B Common Stock to a broker or other nominee (regardless of whether there is a corresponding change in beneficial ownership), or the transfer of, or entering into a binding agreement with respect to the transfer of, Voting Control over such share by proxy or otherwise. A "Transfer" will also be deemed to have occurred with respect to all shares of Class B Common Stock beneficially held by an entity that is a Qualified Stockholder if there is a Transfer of the voting power of the voting securities of such entity or any direct or indirect Parent of such entity, such that the holders of such voting power as of the effectiveness of these Articles of Incorporation no longer retain sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such entity. Notwithstanding the foregoing, the following will not be considered a "Transfer":

(i) granting a revocable proxy to officers or directors of the Company at the request of the Board of Directors in connection with (i) actions to be taken at an annual or special meeting of stockholders, or (ii) any other action of the stockholders permitted by these Articles of Incorporation;

(ii) entering into a voting trust, agreement or arrangement (with or without granting a proxy) solely with stockholders who are holders of Class B Common Stock, which voting trust, agreement or arrangement (i) is disclosed either in a Schedule 13D filed with the Securities and Exchange Commission or in writing to the Secretary of the Company, (ii) either has a term not exceeding one year or is terminable by the holder of the shares subject thereto at any time and (iii) does not involve any payment of cash, securities, property or other consideration to the holder of the shares subject thereto other than (if applicable) the mutual promise to vote shares in a designated manner;

(iii) pledging shares of Class B Common Stock by a stockholder that creates a mere security interest in such shares pursuant to a bona fide loan or indebtedness transaction for so long as such stockholder continues to exercise

Voting Control over such pledged shares; provided, however, that a foreclosure on such shares or other similar action by the pledgee will constitute a "Transfer" unless such foreclosure or similar action qualifies as a "Permitted Transfer" at such time;

(iv) granting a proxy by the Founder, the Founder's Permitted Entities or the Founder's Permitted Transferees to a person designated by the Board of Directors to exercise Voting Control of shares of Class B Common Stock owned directly or indirectly, beneficially and of record, by the Founder, the Founder's Permitted Entities or the Founder's Permitted Transferees, or over which the Founder has Voting Control pursuant to proxy or voting agreements then in place, effective either (i) on the death of the Founder or (ii) during any Disability of the Founder, including the exercise of such proxy by the person designated by the Board of Directors;

(v) entering into a trading plan pursuant to Rule 10b5-1 under the Securities Exchange Act of 1934, as amended, with a broker or other nominee; provided, however, that a sale of such shares of Class B Common Stock pursuant to such plan shall constitute a "Transfer" at the time of such sale;

(vi) the fact that the spouse of any Qualified Stockholder possesses or obtains an interest in such holder's shares of Class B Common Stock arising solely by reason of the application of the community property laws of any jurisdiction, so long as no other event or circumstance shall exist or have occurred that constitutes a "Transfer" that is not a "Permitted Transfer"; and

(vii) entering into a support, voting, tender or similar agreement, arrangement or understanding (with or without granting a proxy) in connection with a Liquidation Event or consummating the actions or transactions contemplated therein (including, without limitation, tendering shares of Class B Common Stock or voting such shares in connection with a Liquidation Event, the consummation of a Liquidation Event or the sale, assignment, transfer, conveyance, hypothecation or other transfer or disposition of shares of Class B Common Stock or any legal or beneficial interest in shares of Class B Common Stock in connection with a Liquidation Event), provided that such Liquidation Event was approved by a majority of the Independent Directors then in office.

(p) "**Voting Control**" means, with respect to a share of capital stock or other security, the power (whether exclusive or shared) to vote or direct the voting of such security, including by proxy, voting agreement or otherwise.

ARTICLE V

Section 1. Subject to the rights of holders of Preferred Stock, the number of directors that constitutes the entire Board of Directors of the Company shall be fixed only by resolution of the Board of Directors acting pursuant to a resolution adopted by a majority of the Whole Board. For the purposes of these Articles of Incorporation, the term "**Whole Board**" shall mean the total number of authorized directorships whether or not there exist any vacancies or other unfilled seats in previously authorized directorships. At each annual meeting of stockholders, directors of the Company shall be elected to hold office until the expiration of the term for which they are elected and until their successors have been duly elected and qualified or until their earlier death, resignation or removal; except that if any such meeting shall not be so held, such election shall take place at a stockholders' meeting called and held in accordance with the NRS.

Section 2. The directors of the Company (other than any who may be elected by holders of Preferred Stock under specified circumstances) shall be divided into three classes as nearly equal in size as is practicable, hereby designated Class I, Class II and Class III. At each annual meeting of stockholders, directors shall be elected for a full term of three years to succeed the directors of the class whose terms expire at such annual meeting. If the number of directors is changed, any newly created directorships or decrease in directorships shall be so apportioned hereafter among the classes as to make all classes as nearly equal in number as is practicable, *provided that* no decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

Section 3. As of the effective date of these Articles of Incorporation, the Board of Directors comprises the seven individuals set forth below:

Christopher Carvalho	Class I
Jason Kilar	Class I
Gina Mastantuono	Class I
David Baszucki	Class II
Gregory Baszucki	Class II
Anthony P. Lee	Class III
Andrea Wong	Class III

As of the effective date of these Articles of Incorporation, each director (i) is classified as indicated above opposite such director's name and (ii) has the following as his or her business address with respect to the Corporation: 3150 South Delaware Street, San Mateo, CA 94403 USA.

ARTICLE VI

Section 1. For so long as the Board of Directors is classified and subject to the rights of holders of Preferred Stock, any director or the entire Board of Directors may be removed from office at any time, but only for cause, and only by the affirmative vote of the holders of not less than two-thirds (2/3) of the voting power of the issued and outstanding capital stock of the Company entitled to vote in the election of directors.

Section 2. Except as otherwise provided for or fixed by or pursuant to the provisions of ARTICLE IV hereof in relation to the rights of the holders of Preferred Stock to elect directors under specified circumstances or except as otherwise provided by resolution of a majority of the Whole Board, newly created directorships resulting from any increase in the number of directors, created in accordance with the Bylaws of the Company, and any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other cause shall be filled only by the affirmative vote of a majority of the remaining directors then in office, even though less than a quorum of the Board of Directors, or by a sole remaining director, and not by the stockholders. A person so elected by the Board of Directors to fill a vacancy or newly created directorship shall hold office until the next election of the class for which such director shall have been chosen until his or her successor shall have been duly elected and qualified, or until such director's earlier death, resignation or removal. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

ARTICLE VII

Section 1. The Company is to have perpetual existence.

Section 2. The business and affairs of the Company shall be managed by or under the direction of the Board of Directors. In addition to the powers and authority expressly conferred upon them by statute or by these Articles of Incorporation or the Bylaws of the Company, the directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Company.

Section 3. In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to adopt, alter, amend or repeal the Bylaws of the Company. The affirmative vote of at least a majority of the Whole Board shall be required in order for the Board of Directors to adopt, amend, alter or repeal the Company's Bylaws. The Company's Bylaws may also be adopted, amended, altered or repealed by the stockholders of the Company. Notwithstanding the above or any other provision of these Articles of Incorporation, however, the Bylaws of the Company may not be amended, altered or repealed except in accordance with the provisions of the Bylaws relating to amendments to the Bylaws. No Bylaw hereafter legally adopted, amended, altered or repealed shall invalidate any prior act of the directors or officers of the Company that would have been valid if such Bylaw had not been adopted, amended, altered or repealed.

Section 4. The election of directors need not be by written ballot unless the Bylaws of the Company shall so provide.

Section 5. No stockholder will be permitted to cumulate votes at any election of directors.

ARTICLE VIII

Section 1. From and after March 2, 2021, and subject to the rights of holders of Preferred Stock, from and after the Final Conversion Date, any action required or permitted to be taken by the stockholders of the Company must be effected at a duly called annual or special meeting of stockholders of the Company and may not be effected by any consent in writing by such stockholders. Subject to the rights of the holders of any series of Preferred Stock, before the Final Conversion Date, any action required or permitted to be taken by the stockholders of the Company may be taken by written consent without a meeting only if the action is first recommended or approved by the Board of Directors.

Section 2. Subject to the terms of any series of Preferred Stock, special meetings of stockholders of the Company may be called only by the Chairperson of the Board of Directors, the Chief Executive Officer, the President or the Board of Directors acting pursuant to a resolution adopted by a majority of the Whole Board, but a special meeting may not be called by any other person or persons and any power of stockholders to call a special meeting of stockholders is specifically denied. Only such business shall be considered at a special meeting of stockholders as shall have been stated in the notice for such meeting.

Section 3. Advance notice of stockholder nominations for the election of directors and of business to be brought by stockholders before any meeting of the stockholders of the Company shall be given in the manner and to the extent provided in the Bylaws of the Company.

ARTICLE IX

Section 1. To the fullest extent permitted by the NRS, a director or officer of the Company shall not be individually liable to the Company or its stockholders or creditors for any damages as a result of any act or failure to act in his or her capacity as a director or officer, including for any breach of fiduciary duties. If the NRS is amended to authorize corporate action further eliminating or limiting the individual liability of directors and officers, then the liability of a director and officer of the Company shall be eliminated or limited to the fullest extent permitted by the NRS, as so amended.

Section 2. Subject to any provisions in the Bylaws of the Company related to indemnification of directors of the Company, the Company shall indemnify, to the fullest extent permitted by applicable law (including, without limitation, NRS 78.7502, NRS 78.751 and NRS 78.752), any director of the Company who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (a "**Proceeding**") by reason of the fact that he or she is or was a director of the Company or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any such Proceeding. The Company shall be required to indemnify a person in connection with a Proceeding (or part thereof) initiated by such person only if the Proceeding (or part thereof) was authorized by the Board of Directors.

Section 3. The Company shall have the power to indemnify, to the extent permitted by applicable law, any officer, employee or agent of the Company who was or is a party or is threatened to be made a party to any Proceeding by reason of the fact that he or she is or was a director, officer, employee or agent of the Company or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with any such Proceeding.

Section 4. Neither any amendment nor repeal of any Section of this ARTICLE IX, nor the adoption of any provision of these Articles of Incorporation or the Bylaws of the Company inconsistent with this ARTICLE IX, shall eliminate or reduce the effect of this ARTICLE IX in respect of any matter occurring, or any Proceeding accruing or arising or that, but for this ARTICLE IX, would accrue or arise, prior to such amendment, repeal or adoption of an inconsistent provision.

ARTICLE X

Meetings of stockholders may be held within or outside of the State of Nevada, as the Bylaws may provide. The books of the Company may be kept (subject to any provision of applicable law) outside of the State of Nevada at such place or places or in such manner or manners as may be designated from time to time by the Board of Directors or in the Bylaws of the Company.

ARTICLE XI

The Company reserves the right to amend or repeal any provision contained in these Articles of Incorporation in the manner prescribed by the laws of the State of Nevada and all rights conferred upon stockholders are granted subject to this reservation; *provided*, *however*, that notwithstanding any other provision of these Articles of Incorporation or any provision of law that might otherwise permit a lesser vote, the Board of Directors acting pursuant to a resolution adopted by a majority of the Whole Board and the affirmative vote of 66 2/3% of the voting power of the then outstanding voting securities of the Company, voting together as a single class, shall be required for the amendment, repeal or modification of the provisions of Section 3 of ARTICLE IV, Section 2 of ARTICLE V, Section 1 of ARTICLE VI, Section 2 of ARTICLE VI, Section 5 of ARTICLE VII, Section 1 of ARTICLE VIII, Section 2 of ARTICLE VIII, Section 3 of ARTICLE VIII or this ARTICLE XI of these Articles of Incorporation.

ARTICLE XII

The Company shall not be subject to, and hereby expressly elects not to be governed by, any of the provisions of NRS 78.411 to 78.444, inclusive (or any successor statutes thereto).

ARTICLE XIII

To the fullest extent permitted by the NRS and not inconsistent with any applicable laws of the United States, any and all internal actions (as defined in NRS 78.046(4)(c)) to be tried in any court of the State of Nevada must be tried before the presiding judge as the trier of fact, and not before a jury. The foregoing requirement, upon and during its effectiveness, shall conclusively operate as a waiver of the right of trial by jury by each party to any internal action to which such requirement applies.

ARTICLE XIV

Section 1. If any provision or provisions of these Articles of Incorporation shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever: (i) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of these Articles of Incorporation (including, without limitation, each portion of any paragraph of these Articles of Incorporation containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) shall not, to the fullest extent permitted by applicable law, in any way be affected or impaired thereby and (ii) to the fullest extent permitted by applicable law, the provisions of these Articles of Incorporation (including, without limitation, each such portion of any paragraph of these Articles of Incorporation containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to permit the Company to protect its directors, officers, employees and agents from individual liability to the fullest extent permitted under Nevada law.

Section 2. To the fullest extent permitted by law, each and every natural person, corporation, general or limited partnership, limited liability company, joint venture, trust, association or any other entity purchasing or otherwise acquiring any interest (of any nature whatsoever) in any shares of the capital stock of the Company shall be deemed, by reason of and from and after the time of such purchase or other acquisition, to have notice of and to have consented to all of the provisions of (a) these Articles of Incorporation, (b) the Bylaws and (c) any amendment to the Articles of Incorporation or the Bylaws enacted or adopted in accordance with the Articles of Incorporation, the Bylaws and applicable law.

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APPENDIX F

BYLAWS OF ROBLOX CORPORATION

(Adopted as of [●], 2025)

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BYLAWS
OF
ROBLOX CORPORATION

ARTICLE I - CORPORATE OFFICES

1.1 REGISTERED OFFICE

The registered office of Roblox Corporation (the "**Company**") shall be the office address of the registered agent of the Company in the State of Nevada.

1.2 OTHER OFFICES

The Company may at any time establish other offices either within or outside of the State of Nevada.

ARTICLE II - MEETINGS OF STOCKHOLDERS

2.1 PLACE OF MEETINGS

Meetings of stockholders shall be held at a physical location, if any, within or outside the State of Nevada, determined by the board of directors of the Company (the "**Board of Directors**"). The Board of Directors may, in its sole discretion, determine that a meeting of stockholders shall be held solely and exclusively and not at any physical location, or simultaneously with the conduct of the meeting at a physical location, by means of remote communication as authorized by Nevada Revised Statutes (as amended from time to time, the "**NRS**") 78.320(4)-(6). Participation in a meeting by remote communication constitutes presence in person at the meeting. In the absence of any such designation or determination, stockholders' meetings shall be held at the Company's principal executive office.

2.2 ANNUAL MEETING

The annual meeting of stockholders shall be held on such date and at such time as may be designated by the Board of Directors. At the annual meeting, directors shall be elected and any other proper business, brought in accordance with Section 2.4 of these bylaws (as amended from time to time, these "**Bylaws**"), may be transacted. The Board of Directors acting pursuant to a resolution adopted by a majority of the Whole Board may cancel, postpone or reschedule any previously scheduled annual meeting at any time, before or after the notice for such meeting has been sent to the stockholders. For the purposes of these Bylaws, the term "**Whole Board**" shall mean the total number of authorized directorships whether or not there exist any vacancies or other unfilled seats in previously authorized directorships.

2.3 SPECIAL MEETING

(a) A special meeting of the stockholders, other than as required by statute, may be called at any time by (i) the Board of Directors acting pursuant to a resolution adopted by a majority of the Whole Board, (ii) the chairperson of the Board of Directors, (iii) the chief executive officer or (iv) the president, but a special meeting may not be called by any other person or persons and any power of stockholders to call a special meeting of stockholders is specifically denied. The Board of Directors acting pursuant to a resolution adopted by a majority of the Whole Board may cancel, postpone or reschedule any previously scheduled special meeting at any time, before or after the notice for such meeting has been sent to the stockholders.

(b) The notice of a special meeting shall include the purpose for which the meeting is called. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting by or at the direction of a majority of the Whole Board, the chairperson of the Board of Directors, the chief executive officer or the president. Nothing contained in this Section 2.3(b) shall be construed as limiting, fixing or affecting the time when a meeting of stockholders called by action of the Board of Directors may be held.

PROXY

2.4 ADVANCE NOTICE PROCEDURES

(a) *Annual Meetings of Stockholders.*

(i) Nominations of persons for election to the Board of Directors or the proposal of other business to be transacted by the stockholders at an annual meeting of stockholders may be made only (1) pursuant to the Company's notice of meeting (or any supplement thereto); (2) by or at the direction of the Board of Directors, or any committee thereof that has been formally delegated authority to nominate such persons or propose such business pursuant to a resolution adopted by a majority of the Whole Board; (3) as may be provided in the certificate of designations for any class or series of preferred stock; or (4) by any stockholder of the Company who (A) is a stockholder of record at the time of giving of the notice contemplated by Section 2.4(a)(ii); (B) is a stockholder of record on the record date for the determination of stockholders entitled to notice of the annual meeting; (C) is a stockholder of record on the record date for the determination of stockholders entitled to vote at the annual meeting; (D) is a stockholder of record at the time of the annual meeting; and (E) complies with the procedures set forth in this Section 2.4(a).

(ii) For nominations or other business to be properly brought before an annual meeting of stockholders by a stockholder pursuant to clause (4) of Section 2.4(a)(i), the stockholder must have given timely notice in writing to the secretary of the Company (the "**Secretary**") and any such nomination or proposed business must constitute a proper matter for stockholder action. To be timely, a stockholder's notice must be received by the Secretary at the principal executive offices of the Company no earlier than 8:00 a.m., Pacific time, on the 120th day and no later than 5:00 p.m., Pacific time, on the 90th day prior to the day of the first anniversary of the preceding year's annual meeting of stockholders as first specified in the Company's notice of such annual meeting (without regard to any adjournment, rescheduling, postponement or other delay of such annual meeting occurring after such notice was first sent). However, if no annual meeting of stockholders was held in the preceding year, or if the date of the annual meeting for the current year has been changed by more than 25 days from the first anniversary of the preceding year's annual meeting, then to be timely such notice must be received by the Secretary at the principal executive offices of the Company no earlier than 8:00 a.m., Pacific time, on the 120th day prior to the day of the annual meeting and no later than 5:00 p.m., Pacific time, on the later of the 90th day prior to the day of the annual meeting or, if the first public announcement of the date of such annual meeting is less than 100 days prior to the date of such annual meeting, the 10th day following the day on which public announcement of the date of the annual meeting was first made by the Company. In no event will the adjournment, rescheduling, postponement or other delay of any annual meeting, or any announcement thereof, commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. In no event may a stockholder provide notice with respect to a greater number of director candidates than there are director seats subject to election by stockholders at the annual meeting. If the number of directors to be elected to the Board of Directors is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors at least 10 days before the last day that a stockholder may deliver a notice of nomination pursuant to the foregoing provisions, then a stockholder's notice required by this Section 2.4(a)(ii) will also be considered timely, but only with respect to any nominees for any new positions created by such increase, if it is received by the Secretary at the principal executive offices of the Company no later than 5:00 p.m., Pacific time, on the 10th day following the day on which such public announcement is first made. "**Public announcement**" means disclosure in a press release reported by a national news service or in a document publicly filed by the Company with the Securities and Exchange Commission pursuant to Section 13, Section 14 or Section 15(d) of the Securities Exchange Act of 1934 (as amended and inclusive of rules and regulations thereunder, the "**1934 Act**") or by such other means as is reasonably designed to inform the public or stockholders of the Company in general of such information, including posting on the Company's investor relations website.

(iii) A stockholder's notice to the Secretary must set forth:

(1) as to each person whom the stockholder proposes to nominate for election as a director:

(A) such person's name, age, business address, residence address and principal occupation or employment;

(B) the class and number of shares of the Company that are held of record or are beneficially owned by such person and any (i) Derivative Instruments (as defined below) held or beneficially owned by such person, including the full notional amount of any securities that, directly or indirectly, underlie any Derivative Instrument; and (ii) other agreement, arrangement or understanding that, to the knowledge of such stockholder, has been made the effect or intent of which is to create or mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of such person with respect to the Company's securities;

(C) all information relating to such person that is required to be disclosed in connection with solicitations of proxies for the contested election of directors, or is otherwise required, in each case pursuant to Section 14 of the 1934 Act;

(D) such person's written consent (x) to being named as a nominee of such stockholder, (y) to being named in the Company's form of proxy pursuant to Rule 14a-19 under the 1934 Act and (z) to serving as a director of the Company if elected;

(E) any direct or indirect compensatory, payment, indemnification or other financial agreement, arrangement or understanding that such person has, or has had within the past three years, with any person or entity other than the Company (including the amount of any payment or payments received or receivable thereunder), in each case in connection with candidacy or service as a director of the Company (such agreement, arrangement or understanding, a "**Third-Party Compensation Arrangement**"); and

(F) a description of any other material relationships, to the knowledge of such stockholder, between such person and such person's respective affiliates and associates, or others acting in concert with them, on the one hand, and such stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination is made, and their respective affiliates and associates, or others acting in concert with them, on the other hand, including all information that would be required to be disclosed pursuant to Item 404 under Regulation S-K if such stockholder, beneficial owner, affiliate or associate were the "registrant" for purposes of such rule and such person were a director or executive officer of such registrant;

(2) as to any other business that the stockholder proposes to bring before the annual meeting:

(A) a brief description of the business desired to be brought before the annual meeting;

(B) the text of the proposal or business (including the text of any resolutions proposed for consideration and, if applicable, the text of any proposed amendment to these bylaws);

(C) the reasons for conducting such business at the annual meeting;

(D) any material interest in such business of such stockholder giving the notice and the beneficial owner, if any, on whose behalf the proposal is made, and, to the knowledge of such stockholder and beneficial owner, their respective affiliates and associates, or others acting in concert with them; and

(E) all agreements, arrangements and understandings between such stockholder and the beneficial owner, if any, on whose behalf the proposal is made, and, to the knowledge of such stockholder and beneficial owner, their respective affiliates or associates or others acting in concert with them, and any other persons (including their names) in connection with the proposal of such business by such stockholder; and

(3) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made:

(A) the name and address of such stockholder (as they appear on the Company's books), of such beneficial owner, and, to the knowledge of such stockholder and beneficial owner, of their respective affiliates or associates or others acting in concert with them;

(B) for each class or series, the number of shares of stock of the Company that are, directly or indirectly, held of record or, to the knowledge of such stockholder and beneficial owner, are beneficially owned by such stockholder, such beneficial owner or their respective affiliates or associates or others acting in concert with them;

(C) any agreement, arrangement or understanding between such stockholder, such beneficial owner or, to the knowledge of such stockholder and beneficial owner, their respective affiliates or associates or others acting in concert with them, and any other person or persons (including, in each case, their names) in connection with the proposal of such nomination or other business;

(D) any (i) agreement, arrangement or understanding (including, regardless of the form of settlement, any derivative, long or short positions, profit interests, forwards, futures, swaps, options, warrants, convertible securities, stock appreciation or similar rights, hedging transactions and borrowed or loaned shares) that has been entered into by or on behalf of such stockholder, such beneficial owner or, to the knowledge of such stockholder and beneficial owner, their respective affiliates or associates or others acting in concert with them with respect to the Company's securities (any of the foregoing, a "**Derivative Instrument**") including the full notional amount of any securities that, directly or indirectly, underlie any Derivative Instrument; and (ii) other agreement, arrangement or understanding that has been made the effect or intent of which is to create or mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of, such stockholder, such beneficial owner or, to the knowledge of such stockholder and beneficial owner, their respective affiliates or associates or others acting in concert with them with respect to the Company's securities;

(E) any proxy, contract, arrangement, understanding or relationship pursuant to which such stockholder, such beneficial owner or, to the knowledge of such stockholder and beneficial owner, their respective affiliates or associates or others acting in concert with them has a right to vote any shares of any security of the Company;

(F) any rights to dividends and other distributions on the Company's securities owned beneficially by such stockholder, such beneficial owner or, to the knowledge of such stockholder and beneficial owner, their respective affiliates or associates or others acting in concert with them that are separated or separable from the underlying security;

(G) any proportionate interest in the Company's securities or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such stockholder, such beneficial owner or, to the knowledge of such stockholder and beneficial owner, their respective affiliates or associates or others acting in concert with them is a general partner or, directly or indirectly, beneficially owns an interest in a general partner of such general or limited partnership;

(H) any performance-related fees (other than an asset-based fee) that such stockholder, such beneficial owner or, to the knowledge of such stockholder and beneficial owner, their respective affiliates or associates or others acting in concert with them is entitled to based on any increase or decrease in the value of the Company's securities or Derivative Instruments, including any such interests held by members of the immediate family of such persons sharing the same household;

(I) any significant equity interests or any Derivative Instruments in any principal competitor (as defined below) of the Company that are held by such stockholder, such beneficial owner or, to the knowledge of such stockholder and beneficial owner, their respective affiliates or associates or others acting in concert with them;

(J) any direct or indirect interest of such stockholder, such beneficial owner or, to the knowledge of such stockholder and beneficial owner, their respective affiliates or associates or others acting in concert with them in any contract with the Company, any affiliate of the Company or any principal competitor of the Company (in each case, including any employment agreement, collective bargaining agreement or consulting agreement);

(K) any material pending or threatened legal proceeding in which such stockholder, such beneficial owner or, to the knowledge of such stockholder and beneficial owner, their respective affiliates or associates or others acting in concert with them is a party or material participant involving the Company or any of its officers, directors or affiliates;

(L) any material relationship between such stockholder, such beneficial owner or, to the knowledge of such stockholder and beneficial owner, their respective affiliates or associates or others acting in concert with them, on the one hand, and the Company or any of its officers, directors or affiliates, on the other hand;

(M) a representation and undertaking that the stockholder is a holder of record of stock of the Company as of the date of submission of the stockholder's notice and intends to appear in person or by proxy at the annual meeting to bring such nomination or other business before the annual meeting;

(N) a representation and undertaking as to whether such stockholder, such beneficial owner or, to the knowledge of such stockholder and beneficial owner, their respective affiliates or associates or others acting in concert with them intends, or is part of a group that intends, to (x) deliver a proxy statement or form of proxy to holders of at least the percentage of the voting power of the Company's then-outstanding stock required to approve or adopt the proposal or to elect

each such nominee (which representation and undertaking must include a statement as to whether such stockholder, such beneficial owner or, to the knowledge of such stockholder and beneficial owner, their respective affiliates or associates or others acting in concert with them intends to solicit the requisite percentage of the voting power of the Company's stock under Rule 14a-19 of the 1934 Act); or (y) otherwise solicit proxies from stockholders in support of such proposal or nomination;

(O) any other information relating to such stockholder, such beneficial owner or, to the knowledge of such stockholder and beneficial owner, their respective affiliates or associates or others acting in concert with them, or director nominee or proposed business, that, in each case, would be required to be disclosed in a proxy statement or other filing required to be made in connection with the solicitation of proxies in support of such nominee (in a contested election of directors) or proposal pursuant to Section 14 of the 1934 Act; and

(P) such other information relating to any proposed item of business as the Company may reasonably require to determine whether such proposed item of business is a proper matter for stockholder action.

For purposes of these bylaws, "**principal competitor**" shall mean any entity that develops or provides products or services that compete with or are alternatives to the principal products developed or produced or services provided by the Company or its affiliates. For the avoidance of doubt, any reference in this Section 2.4 to a person "acting in concert" with another person shall mean a person acting in concert with such other person with respect to a nomination or proposal to be brought before the applicable meeting of stockholders, as applicable.

(iv) In addition to the requirements of this Section 2.4, to be timely, a stockholder's notice (and any additional information submitted to the Company in connection therewith) must further be updated and supplemented (1) if necessary, so that the information provided or required to be provided in such notice is true and correct as of the record date(s) for determining the stockholders entitled to notice of, and to vote at, the annual meeting and as of the date that is 10 business days prior to the annual meeting or any adjournment, rescheduling, postponement or other delay thereof; and (2) to provide any additional information that the Company may reasonably request. Any such update and supplement or additional information (including, if requested pursuant to Section 2.4(a)(iii)(3)(P)) must be received by the Secretary at the principal executive offices of the Company (A) in the case of a request for additional information, promptly following a request therefor, which response must be received by the Secretary not later than such reasonable time as is specified in any such request from the Company; or (B) in the case of any other update or supplement of any information, not later than five business days after the record date(s) for the annual meeting (in the case of any update and supplement required to be made as of the record date(s)), and not later than eight business days prior to the date for the annual meeting or any adjournment, rescheduling, postponement or other delay thereof (in the case of any update or supplement required to be made as of 10 business days prior to the annual meeting or any adjournment, rescheduling, postponement or other delay thereof). No later than five business days prior to the annual meeting or any adjournment, rescheduling, postponement or other delay thereof, a stockholder nominating individuals for election as a director will provide the Company with reasonable evidence that such stockholder has met the requirements of Rule 14a-19. The failure to timely provide such update, supplement, evidence or additional information shall result in the nomination or proposal no longer being eligible for consideration at the annual meeting. If the stockholder fails to comply with the requirements of Rule 14a-19 (including because the stockholder fails to provide the Company with all information or notices required by Rule 14a-19), then the director nominees proposed by such stockholder shall be ineligible for election at the annual meeting and any votes or proxies in respect of such nomination shall be disregarded, notwithstanding that such proxies may have been received by the Company and counted for the purposes of determining quorum. For the avoidance of doubt, the obligation to update and supplement, or provide additional information or evidence, as set forth in these bylaws shall not limit the Company's rights with respect to any deficiencies in any notice provided by a stockholder, extend any applicable deadlines pursuant to these bylaws or enable or be deemed to permit a stockholder who has previously submitted notice pursuant to these Bylaws to amend or update any nomination or to submit any new nomination. No disclosure pursuant to these Bylaws will be required with respect to the ordinary course business activities of any broker, dealer, commercial bank, trust company or other nominee who is the stockholder submitting a notice pursuant to this Section 2.4 solely because such broker, dealer, commercial bank, trust company or other nominee has been directed to prepare and submit the notice required by these Bylaws on behalf of a beneficial owner.

(b) *Special Meetings of Stockholders*. Except to the extent required by the NRS, and subject to Section 2.3(a), special meetings of stockholders may be called only in accordance with the Company's articles of incorporation (as amended from time to time, the "**Articles of Incorporation**") and these Bylaws. Only such business will be conducted at a special meeting of stockholders as has been brought before the special meeting pursuant to the Company's notice of meeting. If the election of directors is included as business to be brought before a special meeting in the Company's notice of meeting, then nominations of persons for election to the Board of Directors at such special meeting may be made by any stockholder who (i) is a stockholder of record at the time of giving

of the notice contemplated by this Section 2.4(b); (ii) is a stockholder of record on the record date for the determination of stockholders entitled to notice of the special meeting; (iii) is a stockholder of record on the record date for the determination of stockholders entitled to vote at the special meeting; (iv) is a stockholder of record at the time of the special meeting; and (v) complies with the procedures set forth in this Section 2.4(b) (with such procedures that the Company deems to be applicable to such special meeting). For nominations to be properly brought by a stockholder before a special meeting pursuant to this Section 2.4(b), the stockholder's notice must be received by the Secretary at the principal executive offices of the Company no earlier than 8:00 a.m., Pacific time, on the 120th day prior to the day of the special meeting and no later than 5:00 p.m., Pacific time, on the 10th day following the day on which public announcement of the date of the special meeting was first made. In no event will any adjournment, rescheduling, postponement or other delay of a special meeting or any announcement thereof commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. A stockholder's notice to the Secretary must comply with the applicable notice requirements of Section 2.4(a)(iii), with references therein to "annual meeting" deemed to mean "special meeting" for the purposes of this final sentence of this Section 2.4(b).

(c) *Other Requirements and Procedures.*

(i) To be eligible to be a nominee of any stockholder for election as a director of the Company, the proposed nominee must provide to the Secretary, in accordance with the applicable time periods prescribed for delivery of notice under Section 2.4(a)(ii) or Section 2.4(b):

(1) a signed and completed written questionnaire (in the form provided by the Secretary at the written request of the nominating stockholder, which form will be provided by the Secretary within five days of receiving such request) containing information regarding such nominee's background and qualifications and such other information as may reasonably be required by the Company to determine the eligibility of such nominee to serve as a director of the Company or to serve as an independent director of the Company;

(2) a written representation and undertaking that, unless previously disclosed to the Company, such nominee is not, and will not become, a party to any voting agreement, arrangement, commitment, assurance or understanding with any person or entity as to how such nominee, if elected as a director, will vote on any issue;

(3) a written representation and undertaking that, unless previously disclosed to the Company, such nominee is not, and will not become, a party to any Third-Party Compensation Arrangement;

(4) a written representation and undertaking that, if elected as a director, such nominee would be in compliance, and will continue to comply, with the Company's corporate governance, conflict of interest, confidentiality, stock ownership and trading guidelines, and other policies and guidelines applicable to directors and in effect during such person's term in office as a director (and, if requested by any candidate for nomination, the Secretary will provide to such proposed nominee all such policies and guidelines then in effect); and

(5) a written representation and undertaking that such nominee, if elected, intends to serve a full term on the Board of Directors.

(ii) At the request of the Board of Directors, any person nominated by the Board of Directors for election as a director must furnish to the Secretary the information that is required to be set forth in a stockholder's notice of nomination pertaining to such nominee.

(iii) No person will be eligible to be nominated by a stockholder for election as a director of the Company, or to be seated as a director of the Company, unless nominated and elected in accordance with the procedures set forth in this Section 2.4. No business proposed by a stockholder will be conducted at a stockholder meeting except in accordance with this Section 2.4.

(iv) The chairperson of the applicable meeting of stockholders will, if the facts warrant, determine and declare to the meeting that a nomination was not made in accordance with the procedures prescribed by these Bylaws or that other proposed business was not properly brought before the meeting. If the chairperson of the meeting should so determine, then the chairperson of the meeting will so declare to the meeting and the defective nomination will be disregarded or such business will not be transacted, as the case may be.

(v) Notwithstanding anything to the contrary in this Section 2.4, unless otherwise required by law, if the stockholder (or a qualified representative of the stockholder) does not appear in person at the meeting to present a nomination or other proposed business, such nomination will be disregarded or such business will not be transacted, as the case may be, notwithstanding that proxies in respect of such nomination or business may have been received by the Company and counted for purposes of determining a quorum. For purposes of this Section 2.4, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or must be authorized by a writing executed by such stockholder or a communication by electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting, and such person must produce such writing or electronic communication, or a reliable reproduction of the writing or electronic communication, at the meeting.

(vi) Without limiting this Section 2.4, a stockholder must also comply with all applicable requirements of the 1934 Act with respect to the matters set forth in this Section 2.4, it being understood that (1) any references in these Bylaws to the 1934 Act are not intended to, and will not, limit any requirements applicable to nominations or proposals as to any other business to be considered pursuant to this Section 2.4; and (2) compliance with clause (4) of Section 2.4(a)(i) and with Section 2.4(b) are the exclusive means for a stockholder to make nominations or submit other business (other than as provided in Section 2.4(c)(vii)).

(vii) Notwithstanding anything to the contrary in this Section 2.4, the notice requirements set forth in these Bylaws with respect to the proposal of any business pursuant to this Section 2.4 will be deemed to be satisfied by a stockholder if (1) such stockholder has submitted a proposal to the Company in compliance with Rule 14a-8 under the 1934 Act; and (2) such stockholder's proposal has been included in a proxy statement that has been prepared by the Company to solicit proxies for the meeting of stockholders. Subject to Rule 14a-8 and other applicable rules and regulations under the 1934 Act, nothing in these Bylaws will be construed to permit any stockholder, or give any stockholder the right, to include or have disseminated or described in the Company's proxy statement any nomination of a director or any other business proposal.

2.5 NOTICE OF STOCKHOLDERS' MEETINGS

Whenever stockholders are required or permitted to take any action at a meeting, a notice of the meeting shall be given in accordance with NRS 78.370, and such notice shall state the physical location, if any, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, the record date for determining the stockholders entitled to vote at the meeting, if such date is different from the record date for determining stockholders entitled to notice of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Except as otherwise provided in the NRS, the Articles of Incorporation or these Bylaws, the notice of any meeting of stockholders shall be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting as of the record date for determining the stockholders entitled to notice of the meeting. The notice shall contain or be accompanied by such additional information as may be required by the NRS, including, without limitation, NRS 78.379, 92A.120 or 92A.410.

2.6 QUORUM

The holders of a majority of the voting power of the capital stock of the Company issued and outstanding and entitled to vote, present in person or represented by proxy, shall constitute a quorum for the transaction of business at all meetings of the stockholders, unless otherwise required by law, the Articles of Incorporation, these Bylaws or the rules of any applicable stock exchange on which the Company's securities are listed. Where a separate vote by a class or series or classes or series is required, a majority of the voting power of the outstanding shares of such class or series or classes or series, present in person or represented by proxy, shall constitute a quorum entitled to take action with respect to that vote on that matter, except as otherwise required by law, the Articles of Incorporation, these Bylaws or the rules of any applicable stock exchange on which the Company's securities are listed.

If, however, such quorum is not present or represented at any meeting of the stockholders, then either (a) the chairperson of the meeting, or (b) the stockholders entitled to vote at the meeting, present in person or represented by proxy, shall have power to adjourn the meeting from time to time until a quorum is present or represented. At such adjourned meeting at which a quorum is present or represented, any business may be transacted that might have been transacted at the original meeting.

2.7 ADJOURNED MEETING; NOTICE

Unless these Bylaws otherwise require, when a meeting is adjourned to another time or physical location (including an adjournment taken to address a technical failure to convene or continue a meeting using remote communication), notice need not be

given of the adjourned meeting if the time, physical location, if any, thereof, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting are (i) announced at the meeting at which the adjournment is taken, (ii) displayed, during the time scheduled for the meeting, on the same electronic network used to enable stockholders and proxy holders to participate in the meeting by means of remote communication or (iii) set forth in the notice of meeting given in accordance with NRS 78.370. At the adjourned meeting, the Company may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 60 days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for stockholders entitled to vote is fixed for the adjourned meeting, the Board of Directors shall fix a new record date for notice of such adjourned meeting in accordance with NRS 78.350(5) and Section 2.11 of these Bylaws, and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at such adjourned meeting as of the new record date fixed for notice of such adjourned meeting.

2.8 CONDUCT OF BUSINESS

The chairperson of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of business and discussion as seem to the chairperson in order. The chairperson of any meeting of stockholders shall be designated by the Board of Directors; in the absence of such designation, the chairperson of the Board of Directors, if any, or the chief executive officer (in the absence of the chairperson of the Board of Directors) or the president (in the absence of the chairperson of the Board of Directors and the chief executive officer), or in their absence any other executive officer of the Company, shall serve as chairperson of the stockholder meeting. The chairperson of any meeting of stockholders shall have the power to adjourn the meeting to another physical location, if any, date or time, whether or not a quorum is present.

2.9 VOTING

The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of Section 2.11 of these Bylaws, subject to NRS 78.352 (relating to voting rights of fiduciaries, pledgors and joint owners of stock) and NRS 78.365 (relating to voting trusts and other voting agreements).

Except as may be otherwise provided in the Articles of Incorporation, each stockholder shall be entitled to one vote for each share of capital stock held by such stockholder as of the applicable record date that has voting power upon the matter in question.

Except as otherwise provided by law, the Articles of Incorporation, these Bylaws or the rules of any applicable stock exchange on which the Company's securities are listed, in all matters other than the election of directors, action by the stockholders entitled to vote on a matter is approved and is the act of the stockholders if the number of votes cast in favor of the action exceeds the number of votes cast in opposition to the action. Except as otherwise required by law, the Articles of Incorporation or these Bylaws, directors shall be elected by a plurality of the votes cast by the voting power of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. Except as otherwise provided by law, the Articles of Incorporation, these Bylaws or the rules of any applicable stock exchange on which the Company's securities are listed, where a separate vote by a class or series or classes or series is required, in all matters other than the election of directors, action by the stockholders entitled to vote on a matter is approved and is the act of such stockholders if the number of votes cast in favor of the action by the voting power of the outstanding shares of each such class or series exceeds the number of votes cast in opposition to the action by the voting power of the outstanding shares of each such class or series.

2.10 STOCKHOLDER ACTION BY WRITTEN CONSENT WITHOUT A MEETING

Unless otherwise provided in the Articles of Incorporation and subject to the rights of holders of preferred stock of the Company, any action required or permitted to be taken by the stockholders of the Company must be effected at a duly called annual or special meeting of stockholders of the Company and may not be effected by any consent in writing by such stockholders.

2.11 RECORD DATES

In order that the Company may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors and which record date shall not be more than 60 nor less than 10 days before the date of such meeting. If the Board of Directors so fixes a date for determining the stockholders entitled to notice

of a meeting of stockholders or any adjournment thereof, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination.

If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of and to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment or postponement of the meeting; *provided* that the Board of Directors may fix a new record date for determination of stockholders entitled to vote at the adjourned or postponed meeting and must fix a new record date if the meeting is adjourned or postponed to a date more than 60 days later than the date set for the original meeting.

In order that the Company may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

2.12 PROXIES

Each stockholder entitled to vote at a meeting of stockholders, or such stockholder's authorized officer, director, employee or agent, may authorize another person or persons to act for such stockholder by proxy authorized by a document or by a transmission permitted by law filed in accordance with the procedure established for the meeting, but no such proxy shall be voted or acted upon after six months from the date of its creation unless the stockholder specifies in it the length of time which it is to continue in force, which may not exceed 7 years from the date of its creation, unless the proxy is deemed irrevocable in accordance with the NRS. The authorization of a person to act as a proxy may be documented, signed and delivered in accordance with NRS 78.355; *provided* that such authorization shall set forth, or be delivered with information enabling the Company to determine, the identity of the stockholder granting such authorization. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of NRS 78.355(5).

2.13 INSPECTORS OF ELECTION

Before any meeting of stockholders, the Company shall appoint an inspector or inspectors of election to act at the meeting or its adjournment. The Company may designate one or more persons as alternate inspectors to replace any inspector who fails to act.

Such inspectors shall:

(a) ascertain the number of shares outstanding and the voting power of each;

(b) determine the shares represented at the meeting and the validity of proxies and ballots;

(c) count all votes and ballots;

(d) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors; and

(e) certify their determination of the number of shares represented at the meeting, and their count of all votes and ballots.

The inspectors of election shall perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical. If there are multiple inspectors of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all. Any report or certificate made by the inspectors of election is *prima facie* evidence of the facts stated therein.

ARTICLE III - DIRECTORS

3.1 POWERS

The business and affairs of the Company shall be managed by or under the direction of the Board of Directors, except as may be otherwise provided in the NRS or the Articles of Incorporation.

3.2 NUMBER OF DIRECTORS

The Board of Directors shall consist of one or more members, each of whom shall be a natural person. Unless the Articles of Incorporation fixes the number of directors, the number of directors shall be determined from time to time by resolution of a majority of the Whole Board. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

3.3 ELECTION, QUALIFICATION AND TERM OF OFFICE OF DIRECTORS

Except as provided in Section 3.4 of these Bylaws, each director, including a director elected to fill a vacancy or newly created directorship, shall hold office until the expiration of the term for which elected and until such director's successor is elected and qualified or until such director's earlier death, resignation or removal. Directors need not be stockholders unless so required by the Articles of Incorporation or these Bylaws. The Articles of Incorporation or these Bylaws may prescribe other qualifications for directors.

If so provided in the Articles of Incorporation, the directors of the Company shall be classified, with respect to the time for which they shall hold their respective offices, by dividing them into three classes.

3.4 RESIGNATION AND VACANCIES

Any director may resign at any time upon notice given in writing or by a communication sent by electronic transmission to the Company. A resignation is effective when the resignation is delivered unless the resignation specifies a later effective date or an effective date determined upon the happening of an event or events. A resignation which is conditioned upon the director failing to receive a specified vote for reelection as a director may provide that it is irrevocable. Unless otherwise provided in the Articles of Incorporation or these Bylaws, when one or more directors resign from the Board of Directors, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective.

Unless otherwise provided in the Articles of Incorporation or these Bylaws or permitted in the specific case by resolution of the Board of Directors, and subject to the rights of holders of preferred stock of the Company, vacancies and newly created directorships resulting from any increase in the authorized number of directors elected by all of the stockholders having the right to vote as a single class may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director, and not by stockholders. If the directors are divided into classes, a person so chosen to fill a vacancy or newly created directorship shall hold office until the next election of the class for which such director shall have been chosen and until his or her successor shall have been duly elected and qualified, or until his or her earlier death, resignation or removal.

3.5 PLACE OF MEETINGS; MEETINGS BY REMOTE COMMUNICATIONS

The Board of Directors may hold meetings, both regular and special, either within or outside the State of Nevada.

Unless otherwise restricted by the Articles of Incorporation or these Bylaws, members of the Board of Directors may participate in a meeting of the Board of Directors by means of electronic communications, videoconference, conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting. If any such means are utilized, the Company shall, to the extent required under the NRS, implement reasonable measures to (a) verify the identity of each person participating through such means as a director, and (b) provide the directors a reasonable opportunity to participate in the meeting and to vote on matters submitted to the directors, including an opportunity to communicate, and to read or hear the proceedings of the meeting in a substantially concurrent manner with such proceedings.

3.6 REGULAR MEETINGS

Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall from time to time be determined by the Board of Directors.

3.7 SPECIAL MEETINGS; NOTICE

Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the chairperson of the Board of Directors, the lead independent director of the Board of Directors, the chief executive officer, the president, or the Secretary or by a majority of the Whole Board; *provided* that the person(s) authorized to call a special meeting of the Board of Directors may authorize another person or persons to send notice of such meeting.

Notice of the time and place of special meetings shall be:

(a) delivered personally by hand, by courier or by telephone;

(b) sent by United States first-class mail, postage prepaid;

(c) sent by facsimile;

(d) sent by electronic mail; or

(e) otherwise given by electronic transmission (as defined in NRS 75.050),

directed to each director at that director's address, telephone number, facsimile number, electronic mail address or other contact for notice by electronic transmission, as the case may be, as shown on the Company's records.

If the notice is (i) delivered personally by hand, by courier or by telephone, (ii) sent by facsimile, (iii) sent by electronic mail or (iv) otherwise given by electronic transmission, it shall be delivered, sent or otherwise directed to each director, as applicable, at least 24 hours before the time of the holding of the meeting. If the notice is sent by United States mail, it shall be deposited in the United States mail at least four days before the time of the holding of the meeting. Any oral notice of the time and place of the meeting may be communicated to the director in lieu of written notice if such notice is communicated at least 24 hours before the time of the holding of the meeting. The notice need not specify the place of the meeting (if the meeting is to be held at the Company's principal executive office) nor the purpose of the meeting, unless required by statute.

3.8 QUORUM; VOTING

At all meetings of the Board of Directors, a majority of the Whole Board shall constitute a quorum for the transaction of business. If a quorum is not present at any meeting of the Board of Directors, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

The affirmative vote of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors, except as may be otherwise specifically provided by the NRS, the Articles of Incorporation or these Bylaws.

If the Articles of Incorporation provide that one or more directors shall have more or less than one vote per director on any matter, except as may otherwise be expressly provided herein or therein and denoted with the phrase "notwithstanding the final paragraph of Section 3.8 of the Bylaws" or language to similar effect, every reference in these Bylaws to a majority or other proportion of the directors shall refer to a majority or other proportion of the votes of the directors.

3.9 BOARD ACTION BY WRITTEN CONSENT WITHOUT A MEETING

Unless otherwise restricted by the Articles of Incorporation or these Bylaws, (i) any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent thereto in writing or a communication sent by electronic transmission and (ii) a consent may be documented, signed and delivered in any manner permitted by NRS 78.315. Any person (whether or not then a director) may provide, whether through instruction to an agent or otherwise, that a consent to action will be effective at a future time

(including a time determined upon the happening of an event), no later than 60 days after such instruction is given or such provision is made and such consent shall be deemed to have been given for purposes of this Section 3.9 at such effective time so long as such person is then a director and did not revoke the consent prior to such time. Any such consent shall be revocable prior to its becoming effective. After an action is taken, the consent or consents relating thereto shall be filed with the minutes of the proceedings of the Board of Directors, or the committee thereof, in the same form as the minutes are maintained.

3.10 FEES AND COMPENSATION OF DIRECTORS

Unless otherwise restricted by the Articles of Incorporation or these Bylaws, the Board of Directors shall have the authority to fix the compensation of directors.

3.11 REMOVAL OF DIRECTORS

Any director or the entire Board of Directors may be removed from office by stockholders of the Company in the manner specified in the Articles of Incorporation and applicable law. No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of such director's term of office.

ARTICLE IV - COMMITTEES

4.1 COMMITTEES OF DIRECTORS

The Board of Directors may, by resolution passed by a majority of the Whole Board, designate one or more committees, each committee to consist of one or more of the directors of the Company. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board of Directors or in these Bylaws, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Company, and may authorize the seal of the Company (if any) to be affixed to all papers that may require it.

4.2 COMMITTEE MINUTES

Each committee and subcommittee shall keep regular minutes of its meetings.

4.3 MEETINGS AND ACTION OF COMMITTEES

Unless otherwise specified by the Board of Directors, meetings and actions of committees and subcommittees shall be governed by, and held and taken in accordance with, the provisions of:

(a) Section 3.5 (place of meetings and meetings by remote communications);

(b) Section 3.6 (regular meetings);

(c) Section 3.7 (special meetings and notice);

(d) Section 3.8 (quorum; voting);

(e) Section 3.9 (action without a meeting); and

(f) Section 7.4 (waiver of notice)

with such changes in the context of those bylaws as are necessary to substitute the committee or subcommittee and its members for the Board of Directors and its members. *However*, (i) the time and physical location of regular meetings of committees or subcommittees may be determined either by resolution of the Board of Directors or by resolution of the committee or subcommittee; (ii) special meetings of committees or subcommittees may also be called by resolution of the Board of Directors or the committee or

the subcommittee; and (iii) notice of special meetings of committees and subcommittees shall also be given to all alternate members who shall have the right to attend all meetings of the committee or subcommittee. The Board of Directors or a committee or subcommittee may also adopt other rules for the government of any committee or subcommittee.

Any provision in the Articles of Incorporation providing that one or more directors shall have more or less than one vote per director on any matter shall apply to voting in any committee or subcommittee, unless otherwise provided in the Articles of Incorporation or these Bylaws.

4.4 SUBCOMMITTEES

Unless otherwise provided in the Articles of Incorporation, these Bylaws or the resolutions of the Board of Directors designating the committee, a committee may create one or more subcommittees, each subcommittee to consist of one or more members of the committee, and delegate to a subcommittee any or all of the powers and authority of the committee.

ARTICLE V - OFFICERS

5.1 OFFICERS

The officers of the Company shall be a chief executive officer, president, secretary and chief financial officer or the equivalents thereof. The Company may also have, at the discretion of the Board of Directors, a chairperson of the Board of Directors, a vice chairperson of the Board of Directors, one or more vice presidents, one or more assistant vice presidents, one or more assistant secretaries and any such other officers as may be appointed in accordance with the provisions of these Bylaws. Any number of offices may be held by the same person.

5.2 APPOINTMENT OF OFFICERS

The Board of Directors shall appoint the officers of the Company, except such officers as may be appointed in accordance with the provisions of Section 5.3 of these Bylaws, subject to the rights, if any, of an officer under any contract of employment.

5.3 SUBORDINATE OFFICERS

The Board of Directors may appoint, or empower any officer to appoint, such other officers as the business of the Company may require. Each of such officers shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as determined from time to time by the Board of Directors or, for the avoidance of doubt, any duly authorized committee or subcommittee thereof or by any officer who has been conferred such power of determination.

5.4 REMOVAL AND RESIGNATION OF OFFICERS

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by the Board of Directors or, for the avoidance of doubt, any duly authorized committee or subcommittee thereof or by any officer who has been conferred such power of removal.

Any officer may resign at any time by giving notice, in writing or by communication sent by electronic transmission, to the Company. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in the notice of resignation, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Company under any contract to which the officer is a party.

5.5 VACANCIES IN OFFICES

Any vacancy occurring in any office of the Company shall be filled by the Board of Directors or as provided in Section 5.3.

5.6 REPRESENTATION OF SECURITIES OF OTHER ENTITIES

The chairperson of the Board of Directors, the chief executive officer, the president, any vice president, the treasurer, the secretary or assistant secretary of the Company or any other person authorized by the Board of Directors or the chief executive officer, the president or a vice president, is authorized to vote, represent and exercise on behalf of the Company all rights incident to any and

all shares or other securities of, or interests in, or issued by, any other entity or entities, and all rights incident to any management authority conferred on the Company in accordance with the governing documents of any entity or entities, standing in the name of the Company, including the right to act by written consent. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by such person having the authority.

5.7 AUTHORITY AND DUTIES OF OFFICERS

Each officer of the Company shall have such authority and perform such duties in the management of the business of the Company as may be designated from time to time by the Board of Directors or, for the avoidance of doubt, any duly authorized committee or subcommittee thereof or by any officer who has been conferred such power of designation and, to the extent not so provided, as generally pertain to such office, subject to the control of the Board of Directors.

ARTICLE VI - STOCK

6.1 STOCK CERTIFICATES; PARTIALLY PAID SHARES

The shares of the Company shall be represented by certificates, provided that the Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Company. Unless otherwise provided by resolution of the Board of Directors, every holder of stock represented by certificates shall be entitled to have a certificate signed by, or in the name of, the Company by any two officers of the Company representing the number of shares registered in certificate form. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Company with the same effect as if such person were such officer, transfer agent or registrar at the date of issue. The Company shall not have power to issue a certificate in bearer form.

The Company may issue the whole or any part of its shares as partially paid and subject to call for the remainder of the consideration to be paid therefor. Upon the books and records of the Company in the case of uncertificated partially paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. No certificate shall be issued until the shares represented thereby are fully paid. Upon the declaration of any dividend or other distribution on fully paid shares, the Company shall declare a dividend or other distribution upon partially paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

6.2 SPECIAL DESIGNATION ON CERTIFICATES

Each certificate representing shares shall state the following upon the face thereof: the name of the state of the Company's organization; the name of the person to whom issued; the number and class of shares and the designation of the series, if any, which such certificate represents; the par value of each share, if any, represented by such certificate or a statement that the shares are without par value. Certificates of stock shall be in such form consistent with law as shall be prescribed by the Board of Directors. In addition to the foregoing, all certificates evidencing shares of the Company's stock or other securities issued by the Company shall contain such legend or legends as may from time to time be required by the NRS or such other federal, state or local laws or regulations then in effect. Within a reasonable time after the issuance or transfer of uncertificated shares on the books of the Company, the Company shall send to the registered holder thereof a written statement certifying the number and class (and the designation of the series, if any) of the shares owned by such stockholder in the Company and any restrictions on the transfer or registration of such shares imposed by the Articles of Incorporation, these Bylaws, any agreement among stockholders or any agreement between the stockholders and the Company, and, within ten (10) days after receipt of a written request therefor from the stockholder of record, the Company shall provide to such stockholder of record holding uncertificated shares, a written statement confirming the information contained in such written statement previously sent to the stockholder of record. Except as otherwise expressly provided by the NRS, the rights and obligations of the stockholders of the Company shall be identical whether or not their shares of stock are represented by certificates.

6.3 LOST CERTIFICATES

Except as provided in this Section 6.3, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the Company and cancelled at the same time. The Company may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the

Company may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to give the Company a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

6.4 DISTRIBUTIONS

The Board of Directors, subject to any restrictions contained in the Articles of Incorporation or applicable law, may declare and pay dividends or other distributions upon the shares of the Company's capital stock. Dividends and other distributions may be paid in cash, in property, in shares of the Company's capital stock or any other medium not prohibited under applicable law, subject to the provisions of the Articles of Incorporation. The Board of Directors may set apart out of any of the funds of the Company available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve.

6.5 TRANSFER OF STOCK

Transfers of record of shares of stock of the Company shall be made only upon its books by the holders thereof, in person or by an attorney duly authorized, and, subject to Section 6.3 of these Bylaws, if such stock is certificated, upon the surrender of a certificate or certificates for a like number of shares, properly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer.

6.6 STOCK TRANSFER AGREEMENTS

The Company shall have power to enter into and perform its obligations under any agreement with any number of stockholders of any one or more classes or series of stock of the Company to restrict the transfer of shares of stock of the Company of any one or more classes or series owned by such stockholders in any manner not prohibited by the NRS.

6.7 REGISTERED STOCKHOLDERS

The Company:

(a) shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive distributions and notices and to vote as such owner; and

(b) shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Nevada.

ARTICLE VII - MANNER OF GIVING NOTICE AND WAIVER

7.1 NOTICE OF STOCKHOLDERS' MEETINGS

Notice of any meeting of stockholders shall be given in the manner set forth in the NRS.

7.2 NOTICE TO STOCKHOLDERS SHARING AN ADDRESS

Except as otherwise prohibited under the NRS, without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the Company under the provisions of the NRS, the Articles of Incorporation or these Bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Any such consent shall be revocable by the stockholder by written notice to the Company. Any stockholder who fails to object in writing to the Company, within 60 days of having been given written notice by the Company of its intention to send the single notice, shall be deemed to have consented to receiving such single written notice.

7.3 NOTICE TO PERSON WITH WHOM COMMUNICATION IS UNLAWFUL

Whenever notice is required to be given, under the NRS, the Articles of Incorporation or these Bylaws, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall

be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the Company is such as to require the filing of a certificate under the NRS, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

7.4 WAIVER OF NOTICE

Whenever notice is required to be given under any provision of the NRS, the Articles of Incorporation or these Bylaws, a written waiver, signed by the person entitled to notice, or a waiver sent by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice or any waiver sent by electronic transmission unless so required by the Articles of Incorporation or these Bylaws.

ARTICLE VIII - INDEMNIFICATION

8.1 INDEMNIFICATION OF DIRECTORS AND OFFICERS IN THIRD PARTY PROCEEDINGS

Subject to the other provisions of this Article VIII, the Company shall indemnify, to the fullest extent permitted by the NRS, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (a "**Proceeding**") (other than an action by or in the right of the Company) by reason of the fact that such person is or was a director or officer of the Company, or is or was a director or officer of the Company serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such Proceeding if such person either is not liable pursuant to NRS 78.138 or acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. The termination of any Proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful.

8.2 INDEMNIFICATION OF DIRECTORS AND OFFICERS IN ACTIONS BY OR IN THE RIGHT OF THE COMPANY

Subject to the other provisions of this Article VIII, the Company shall indemnify, to the fullest extent permitted by the NRS, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed Proceeding by or in the right of the Company to procure a judgment in its favor by reason of the fact that such person is or was a director or officer of the Company, or is or was a director or officer of the Company serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such Proceeding if such person either is not liable pursuant to NRS 78.138 or acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Company; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Company or for any amounts paid in settlement to the Company unless and only to the extent that the court in which the Proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

8.3 SUCCESSFUL DEFENSE

To the extent that a present or former director or officer of the Company has been successful on the merits or otherwise in defense of any Proceeding described in Section 8.1 or Section 8.2, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith. The Company may indemnify any other person who is not a present or former director or officer of the Company against expenses

(including attorneys' fees) actually and reasonably incurred by such person to the extent he or she has been successful on the merits or otherwise in defense of any Proceeding described in Section 8.1 or Section 8.2, or in defense of any claim, issue or matter therein.

8.4 INDEMNIFICATION OF OTHERS

Subject to the other provisions of this Article VIII, the Company shall have power to indemnify its employees and agents, or any other persons, to the extent not prohibited by the NRS or other applicable law. The Board of Directors shall have the power to delegate to any person or persons identified in NRS 78.7502(3) the determination of whether employees or agents shall be indemnified.

8.5 ADVANCED PAYMENT OF EXPENSES

Expenses (including attorneys' fees) actually and reasonably incurred by an officer or director of the Company in defending any Proceeding shall be paid by the Company as such expenses are incurred and in advance of the final disposition of such Proceeding upon receipt of a written request therefor (together with documentation reasonably evidencing such expenses) and an undertaking by or on behalf of the person to repay such amounts if it shall ultimately be determined that the person is not entitled to be indemnified under this Article VIII or the NRS. Such expenses (including attorneys' fees) actually and reasonably incurred by former directors and officers or other employees and agents of the Company or by persons serving at the request of the Company as directors, officers, employees or agents of another corporation, partnership, joint venture, trust or other enterprise may be so paid upon such terms and conditions, if any, as the Company deems appropriate. The right to advancement of expenses shall not apply to any Proceeding (or any part of any Proceeding) for which indemnity is excluded pursuant to these Bylaws, but shall apply to any Proceeding (or any part of any Proceeding) referenced in Section 8.6(b) or 8.6(c) prior to a determination that the person is not entitled to be indemnified by the Company.

Notwithstanding the foregoing, unless otherwise determined pursuant to Section 8.8, no advance shall be made by the Company to an officer of the Company (except by reason of the fact that such officer is or was a director of the Company, in which event this paragraph shall not apply) in any Proceeding if a determination is reasonably and promptly made (a) by a vote of the directors who are not parties to such Proceeding, even though less than a quorum, or (b) by a committee of such directors designated by the vote of the majority of such directors, even though less than a quorum, or (c) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion, that facts known to the decision-making party at the time such determination is made demonstrate clearly and convincingly that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the Company.

8.6 LIMITATION ON INDEMNIFICATION

Subject to the requirements in Section 8.3 and the NRS, the Company shall not be obligated to indemnify any person pursuant to this Article VIII in connection with any Proceeding (or any part of any Proceeding):

(a) for which payment has actually been made to or on behalf of such person under any statute, insurance policy, indemnity provision, vote or otherwise, except with respect to any excess beyond the amount paid;

(b) for an accounting or disgorgement of profits pursuant to Section 16(b) of the 1934 Act, or similar provisions of federal, state or local statutory law or common law, if such person is held liable therefor (including pursuant to any settlement arrangements);

(c) for any reimbursement of the Company by such person of any bonus or other incentive-based or equity-based compensation or of any profits realized by such person from the sale of securities of the Company, in either case as required under any clawback or compensation recovery policy adopted by the Company, applicable securities exchange and association listing requirements, including those adopted in accordance with Rule 10D-1 under the 1934 Act and/or the 1934 Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "**Sarbanes-Oxley Act**"), or the payment to the Company of profits arising from the purchase and sale by such person of securities in violation of Section 306 of the Sarbanes-Oxley Act), if such person is held liable therefor (including pursuant to any settlement arrangements);

(d) initiated by such person, including any Proceeding (or any part of any Proceeding) initiated by such person against the Company or its directors, officers, employees, agents or other indemnitees, unless (i) the Board of Directors authorized the

Proceeding (or the relevant part of the Proceeding) prior to its initiation, (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law, (iii) otherwise required to be made under Section 8.7 or (iv) otherwise required by applicable law; or

(e) if prohibited by applicable law.

8.7 DETERMINATION; CLAIM

If a claim for indemnification or advancement of expenses under this Article VIII is not paid in full within 90 days after receipt by the Company of the written request therefor, the claimant shall be entitled to an adjudication by a court of competent jurisdiction of his or her entitlement to such indemnification or advancement of expenses. The Company shall indemnify such person against any and all expenses that are actually and reasonably incurred by such person in connection with any action for indemnification or advancement of expenses from the Company under this Article VIII, to the extent such person is successful in such action, and to the extent not prohibited by law. In any such suit, the Company shall, to the fullest extent not prohibited by law, have the burden of proving that the claimant is not entitled to the requested indemnification or advancement of expenses.

8.8 NON-EXCLUSIVITY OF RIGHTS

The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VIII shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the Articles of Incorporation or any statute, bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office. The Company is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advancement of expenses, to the fullest extent not prohibited by the NRS or other applicable law.

8.9 INSURANCE

The Company may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Company would have the power to indemnify such person against such liability under the provisions of the NRS.

8.10 SURVIVAL

The rights to indemnification and advancement of expenses conferred by this Article VIII shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

8.11 EFFECT OF REPEAL OR MODIFICATION

A right to indemnification or to advancement of expenses arising under a provision of the Articles of Incorporation or a bylaw shall not be eliminated or impaired by an amendment to or repeal or elimination of the Articles of Incorporation or these Bylaws after the occurrence of the act or omission that is the subject of the Proceeding for which indemnification or advancement of expenses is sought, unless the provision in effect at the time of such act or omission explicitly authorizes such elimination or impairment after such action or omission has occurred.

8.12 CERTAIN DEFINITIONS

For purposes of this Article VIII, references to the "**Company**" shall include, in addition to the resulting entity, any constituent company (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent entity, or is or was serving at the request of such constituent entity as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article VIII with respect to the resulting or surviving entity as such person would have with respect to such constituent entity if its separate existence had continued. For purposes of this Article VIII, references to "**other enterprises**"

shall include employee benefit plans; references to "**fines**" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "**serving at the request of the Company**" shall include any service as a director, officer, employee or agent of the Company which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "**not opposed to the best interests of the Company**" as referred to in this Article VIII.

ARTICLE IX - GENERAL MATTERS

9.1 EXECUTION OF CORPORATE CONTRACTS AND INSTRUMENTS

Except as otherwise provided by law, the Articles of Incorporation or these Bylaws, the Board of Directors may authorize any officer or officers, or agent or agents, or employee or employees, to enter into any contract or execute any document or instrument in the name of and on behalf of the Company; such authority may be general or confined to specific instances. Unless so authorized or ratified by the Board of Directors or within the agency power of an officer, agent or employee, no officer, agent or employee shall have any power or authority to bind the Company by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

9.2 FISCAL YEAR

The fiscal year of the Company shall be fixed by resolution of the Board of Directors and may be changed by the Board of Directors.

9.3 SEAL

The Company may adopt a corporate seal, which shall be adopted and which may be altered by the Board of Directors. The Company may use the corporate seal by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

9.4 CONSTRUCTION; DEFINITIONS

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the NRS shall govern the construction of these Bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "**person**" includes a corporation, partnership, limited liability company, joint venture, trust or other enterprise, and a natural person. Any reference in these Bylaws to a section of the NRS shall be deemed to refer to such section as amended from time to time and any successor provisions thereto.

9.5 FORUM SELECTION

Unless the Company consents in writing to the selection of an alternative forum, the Eighth Judicial District Court of Clark County, Nevada, shall, to the fullest extent permitted by law, be the sole and exclusive forum for any action, suit or proceeding, whether civil, administrative or investigative, (a) brought derivatively on behalf of the Company, (b) asserting a claim for breach of a fiduciary duty or other duty owed by any current or former director, stockholder, officer, or other employee or fiduciary of the Company to the Company or the Company's stockholders, (c) for any internal action (as defined in NRS 78.046) including any action asserting a claim against the Company arising pursuant to any provision of NRS Chapters 78 or 92A, the Articles of Incorporation or these Bylaws, any agreement entered into pursuant to NRS 78.365 or as to which the NRS confers jurisdiction on the district court of the State of Nevada, (d) to interpret, apply, enforce or determine the validity of the Articles of Incorporation or these Bylaws or (e) asserting a claim governed by the internal affairs doctrine, except for, as to each of (a) through (e) above, any claim as to which such court determines that there is an indispensable party not subject to the jurisdiction of such court (and the indispensable party does not consent to the personal jurisdiction of such court following such determination); *provided* that such exclusive forum provisions will not apply to suits brought to enforce any direct claim asserted under the 1934 Act. In the event that the Eighth Judicial District Court of Clark County, Nevada does not have jurisdiction over any such action, suit or proceeding, then any other state district court located in the State of Nevada shall be the sole and exclusive forum therefor.

Unless the Company consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the sole and exclusive forum for the resolution of any claim asserting a cause of action arising under the Securities Act of 1933, as amended, against any person in connection with any offering of the Company's securities, including, for the

avoidance of doubt, any auditor, underwriter, expert, control person, or other defendant, which person shall have the right to enforce this clause.

ARTICLE X - AMENDMENTS

These Bylaws may be adopted, amended or repealed by the stockholders entitled to vote; provided, however, that the affirmative vote of the holders of at least 66 2/3% of the total voting power of outstanding voting securities, voting together as a single class, shall be required for the stockholders of the Company to alter, amend or repeal, or adopt any bylaw inconsistent with, the following provisions of these Bylaws: Article II, Section 3.1, Section 3.2, Section 3.4, Section 3.11, Article VIII, Section 9.5 or this Article X (including any such Article or Section as renumbered as a result of any amendment, alteration, change, repeal, or adoption of any other bylaw). The Board of Directors shall also have the power to adopt, amend or repeal bylaws; provided, however, that a bylaw amendment adopted by stockholders which specifies the votes that shall be necessary for the election of directors shall not be further amended or repealed by the Board of Directors.

ARTICLE XI - DEEMED NOTICE AND CONSENT

To the fullest extent permitted by law, each and every person or entity purchasing or otherwise acquiring any interest (of any nature whatsoever) in any shares of the capital stock or other securities of the Company shall be deemed, by reason of and from and after the time of such purchase or other acquisition, to have notice of and to have consented to all of the provisions of (a) these Bylaws (including, without limitation, Section 9.5 and this Article XI), (b) the Articles of Incorporation and (c) any amendment to these Bylaws or the Articles of Incorporation enacted or adopted in accordance with these Bylaws, the Articles of Incorporation and applicable law.

ARTICLE XII - INAPPLICABILITY OF ACQUISITION OF CONTROLLING INTEREST STATUTES

Notwithstanding any other provision in these Bylaws to the contrary, and in accordance with the provisions of NRS 78.378, the provisions of NRS 78.378 to 78.3793, inclusive (or any successor statutes thereto), relating to acquisitions of controlling interests in the Company, do not apply to the Company or to any acquisition of any shares of the Company's capital stock.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended December 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from to .

Commission file number 001-04321

Roblox Corporation

(Exact name of registrant as specified in its charter)

Delaware	**20-0991664**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
3150 South Delaware Street, San Mateo, CA	**94403**
(Address of Principal Executive Offices)	(Zip Code)

(888) 858-2569
Registrant's telephone number, including area code

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

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Class A common stock, par value of $0.0001 per share	RBLX	New York Stock Exchange

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

None
(Title of class)

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 and post 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. (Check one):

Large accelerated filer	☒	Accelerated filer	☐
Non-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 has 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 Act). Yes ☐ No ☒

The aggregate market value of voting Class A common stock held by non-affiliates of the Registrant on June 28, 2024, the last business day of the Registrant's most recently completed second fiscal quarter (based on a closing price of $37.21 per share on June 28, 2024 as reported on the New York Stock Exchange) was approximately $17.4 billion. Solely for purposes of this disclosure, shares of Class A common stock held by executive officers, directors, and holders of more than 10% of our common stock of the Registrant as of such date have been excluded in that such persons may be deemed to be affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

As of February 3, 2025, the Registrant had 618,997,327 shares of Class A common stock and 48,302,658 of Class B common stock, each with a par value of $0.0001 per share, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrants' definitive proxy statement relating to its 2025 annual meeting of shareholders (the "2025 Proxy Statement") are incorporated by reference into Part III of this Annual Report on Form 10-K where indicated. The 2025 Proxy Statement will be filed with the U.S. Securities and Exchange Commission within 120 days after the end of the fiscal year to which this report relates.

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SPECIAL NOTE REGARDING 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 "expect," "anticipate," "should," "believe," "hope," "target," "project," "plan," "goals," "estimate," "potential," "predict," "may," "will," "might," "could," "would," "intend," "shall," "contemplate," "opportunity," 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, but are not limited to, statements about:

- our expectations regarding future financial performance, including but not limited to our expectations regarding revenue, cost of revenue, changes in the estimated average lifetime of a paying user, operating expenses, operating losses, operating leverage and our key metrics, and our ability to achieve and maintain future profitability;
- our ability to successfully execute our business and growth strategy, including our potential to scale and grow our advertising business, our international users, developers, and creators, and our ability to create new revenue opportunities;
- the sufficiency of our cash and cash equivalents to meet our liquidity needs;
- economic, seasonal, and industry trends;
- the functionality and economics of our platform on operating systems and through distribution channels and software application stores;
- the demand for our platform in general;
- our ability to retain and increase our number of users, developers, and creators;
- the impact of inflation and global economic conditions on our operations;
- our ability to develop enhancements to our platform, and bring them to market in a timely manner;
- our beliefs about and objectives for future operations;
- our ability to attract and retain employees and key personnel and maintain our corporate culture;
- future acquisitions or investments, including infrastructure investments to increase capacity;
- the ability for developers to build, launch, scale, and monetize experiences for users;
- our expectations regarding our ability to generate revenue from our users;
- our ability to convert users into developers and creators;
- our expectations regarding new target demographics;
- our ability to continue to provide a safe and civil online environment, particularly for children;
- our ability to develop and protect our brand;
- our ability to maintain the security and availability of our platform;
- our ability to detect and minimize unauthorized use of our platform
- the impact of disruption in supply chains on our ability to expand or increase the capacity of the platform or replace defective equipment;
- our business model and expectations and management of future growth, including for headcount growth rate, expansion in international markets and expenditures associated with such growth;
- our ability to compete with existing and new competitors;
- our expectations regarding outstanding litigation and legal and regulatory matters;
- the impact and effects of inaccurate or unfavorable third-party reports, including reports of short sellers, about us, our business or our market;
- our expectations regarding the effects of existing and developing laws and regulations, including with respect to privacy, data protection, online safety, and the regulation of Robux as a security, both in the U.S. and internationally, including how such laws and regulations may interfere with user, developer and creator access to our platform and experiences;
- our expectations surrounding Robux as an attractive virtual currency;
- our goal to increase developer and creator earnings as much as possible;

- the impact of geopolitical events, including the war in Ukraine, the conflict in the Middle East stemming from Hamas' attack against Israel, and their impacts on economies globally;
- our expectations regarding new accounting standards;
- our ability to achieve and maintain effective control over financial reporting;
- the impact of foreign currency exchange rates and interest rates on results of operations;
- our estimates related to stock-based compensation expenses; and
- generating sufficient cash to service our debt and other obligations that apply to our indebtedness.

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, mergers, dispositions, joint ventures or investments we may make.

SPECIAL NOTE REGARDING OPERATING METRICS

We manage our business by tracking several operating metrics, including average daily active users ("DAUs"), hours engaged, bookings, average bookings per DAU ("ABPDAU"), average new and returning monthly unique payers, monthly repurchase rate, and average bookings per monthly unique payer. As a management team, we believe each of these operating metrics provides useful information to investors and others. For information concerning these metrics as measured by us, see "Management's Discussion and Analysis of Financial Condition and Results of Operations."

While these metrics 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 how our platform is used. These metrics are determined by using internal data gathered on an analytics platform that we developed and operate and have not been validated by an independent third party. This platform tracks user account and session activity. If we fail to maintain an effective analytics platform, our metrics calculations may be inaccurate. These metrics are also determined by certain demographic data provided to us by the user, such as age or gender. If our users provide us with incorrect or incomplete information, then our estimates may be inaccurate. Our estimates also may change as our methodologies and platform evolve, including through the application of new data sets or technologies or as our platform changes with new features and enhancements.

We believe that these metrics are reasonable estimates of our user base for the applicable period of measurement, and that the methodologies we employ and update from time-to-time to create these metrics are reasonable bases to identify trends in user behavior. Because we update the methodologies we employ to create metrics, our current period daily active users or other metrics may not be comparable to those in prior periods. For example, in the first quarter of 2023, we revised the methodology we use to calculate average monthly unique payers for payers who purchased prepaid cards through one of our specified distributors (the impact to average new and returning monthly unique payers and average bookings per monthly unique payer in periods prior to the first quarter of 2023 was not significant). Similarly, our metrics may differ from estimates published by third parties or from similarly-titled metrics from other companies due to differences in methodology.

Finally, the accuracy of these metrics may be affected by certain factors relating to user activity and systems and our ability to identify and detect attempts to replicate legitimate user activity, often referred to as botting. See the section titled "Risk Factors—Our user metrics and other estimates are subject to inherent challenges in measurement, and real or perceived inaccuracies in those metrics may significantly harm and negatively affect our reputation and our business."

DAUs

We define a DAU as a user who has logged in and visited Roblox through our website or application on a unique registered account on a given calendar day. If a registered, logged in user visits Roblox more than once within a 24-hour period that spans two calendar days, that user is counted as a DAU only for the first calendar day. We believe this method better reflects global engagement on the platform compared to a method based purely on a calendar-day cutoff. DAUs for a specified period is the average of the DAUs for each day during that period. As an example, DAUs for the month of September would be an average of DAUs during that 30 day period.

Other companies, including companies in our industry, may calculate DAUs differently.

We track DAUs as an indicator of the size of the audience engaged on our platform. DAUs are also broken out by geographic region to help us understand the global engagement on our platform.

The geographic location data collected is based on the IP address associated with the account when an account is initially registered on Roblox. The IP address may not always accurately reflect a user's actual location at the time they engaged with our platform. Historically, we have grouped Xbox users into Rest of World for the purposes of our reporting (we note that since the fourth quarter of 2020, Xbox users have represented less than 2% of our total quarterly DAUs and quarterly hours engaged). Beginning in the fourth quarter of 2023, Xbox users are reported in their respective geographies.

Because DAUs measure account activity and an individual user may actively use our platform within a particular day on multiple accounts for which that individual registered, our DAUs are not a measure of unique individuals accessing Roblox. References to "user" or our "user base" in this report refer to users as described in our definition of DAUs. Additionally, if undetected, fraud and unauthorized access to our platform may contribute, from time to time, to an overstatement of DAUs. In many cases, fraudulent accounts are created by bots to inflate user activity for a particular developer's content on our platform, thus making the developer's experience (which refer to the titles that have been created by developers) or other content appear more popular than it really is. We strive to detect and minimize fraud and unauthorized access to our platform. See the sections titled "Risk Factors—Our user metrics and other estimates are subject to inherent challenges in measurement, and real or perceived inaccuracies in those metrics may significantly harm and negatively affect our reputation and our business," and "Risk Factors—Some developers, creators, and users on our Platform may make unauthorized, fraudulent, or illegal use of Robux and other digital goods or experiences on our Platform, including through unauthorized third-party websites or "cheating" programs."

Hours engaged

We define hours engaged as the time spent by our users on the platform. We calculate total hours engaged as the aggregate of user session lengths in a given period. We estimate this length of time using internal company systems that track user activity on our platform as discrete events, and aggregate these discrete activities into a user session. A given user session on our platform may include, among other things, time spent in experiences, in Roblox Studio, in platform features such as chat and avatar personalization, in the Creator Store, and some amount of non-active time due to limits within the tracking systems and our estimation methodology. As we continue to develop new features and products, we expect that our user session calculation will continue to evolve. We continue to review our user session calculation methodologies and may develop alternative calculation methods to increase consistency and accuracy in future periods.

We track hours engaged as an indicator of the user engagement on our platform. Hours engaged are also broken out by geographic region to help us understand the global engagement on our platform.

We continuously strive to increase the sophistication of our company systems to detect different user activities, including botting, non-active time and other activities across all devices. As we continue to improve our ability to detect and deter certain user behaviors on the Platform and different devices, including unauthorized use of our Platform, we may see an impact to our overall hours engaged as our measurement systems evolve and our efforts to reduce botting become more successful.

See the section titled "Risk Factors—Our user metrics and other estimates are subject to inherent challenges in measurement, and real or perceived inaccuracies in those metrics may significantly harm and negatively affect our reputation and our business."

Bookings

Bookings represent the sales activity in a given period without giving effect to certain non-cash adjustments, as detailed below. Substantially all of our bookings are generated from sales of virtual currency, which can ultimately be converted to virtual items on the platform. Sales of virtual currency reflected as bookings include one-time purchases or monthly subscriptions purchased via payment processors or through prepaid cards. Bookings are initially recorded in deferred revenue and recognized as revenues over the estimated period of time the virtual items purchased with the virtual currency are available on the platform (estimated to be the average lifetime of a paying user) or as the virtual items purchased with the virtual currency are consumed. Bookings also include an insignificant amount from advertising and licensing arrangements.

We believe bookings provide a timelier indication of trends in our operating results that are not necessarily reflected in our revenue as a result of the fact that we recognize the majority of revenue over the estimated average lifetime of a paying user, which was 27 months as of December 31, 2024. The change in deferred revenue constitutes the vast majority of the reconciling difference from revenue to bookings. By removing these non-cash adjustments, we are able to measure and monitor our business performance based on the timing of actual transactions with our users and the cash that is generated from these transactions. Over the long-term, the factors impacting our revenue and bookings trends are the same. However, in the short-term, there are factors that may cause revenue and bookings trends to differ.

We use this non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that this non-GAAP financial information may be helpful to investors because it provides consistency and comparability with past financial performance. However, non-GAAP financial measures have limitations in their usefulness to investors because they have no standardized meaning prescribed by GAAP and are not prepared under any comprehensive set of accounting rules or principles. In addition, other companies, including companies in our industry, may calculate similarly titled non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial information as a tool for comparison. As a result, our non-GAAP financial information is presented for supplemental informational purposes only and should not be considered in isolation from, or as a substitute for financial information presented in accordance with GAAP.

Bookings are also broken out by geographic region based on the billing country of our payers, to help us understand the global engagement and monetization on our platform. The billing address may not always accurately reflect a payer's actual location at the time of their purchase.

ABPDAU

We define ABPDAU as bookings in a given period divided by the DAUs for such period. We primarily use ABPDAU as a way to understand how we are monetizing across all of our users. ABPDAU is also broken out by geographic region to help us understand the global monetization on our platform.

Average New and Returning Monthly Unique Payers and Monthly Repurchase Rate

We define new monthly unique payers as user accounts that made their first payment on the platform, or via redemption of prepaid cards, during a given month. Average new monthly unique payers for a specified period is the average of the new monthly unique payers for each month during that period. Because we do not always have the data necessary to link an individual who has paid under multiple user accounts, an individual may be counted as multiple new monthly unique payers.

We define returning monthly unique payers as user accounts that have made a payment on the platform, or via redemption of prepaid cards, in the current month and in any prior month. Average returning monthly unique payers for a specified period is the average of the returning monthly unique payers for each month during that period. Because we do not always have the data necessary to link an individual who has paid under multiple user accounts, an individual may be counted as multiple returning monthly unique payers.

We define monthly repurchase rate as the returning monthly unique payers in the current month, divided by the sum of the prior month's new monthly unique payers and returning monthly unique payers. Average monthly repurchase rate for a specified period is the average of the monthly repurchase rates for each month during that period.

Average Bookings per Monthly Unique Payer

We define average bookings per monthly unique payer as bookings in the specified period divided by the average monthly unique payers for the same specified period.

Part I

Item 1. BUSINESS

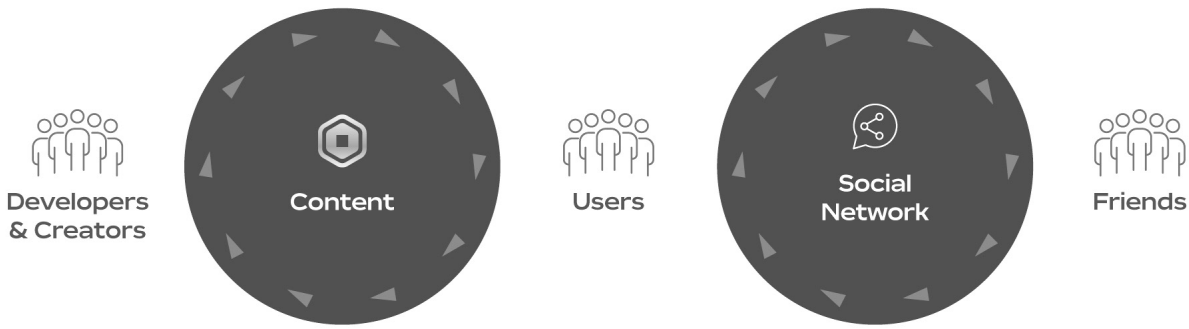
Overview

Roblox operates a free to use immersive platform for connection and communication (the "Roblox Platform" or "Platform"), where every day, millions of users come to create, play, work, learn, and connect with each other in experiences built by our global community of creators. Our vision is to reimagine the way people come together – in a world that is safe, civil, and optimistic. To achieve this vision, we are building an innovative company that, together with the Roblox community, has the ability to strengthen our social fabric and support economic growth for people around the world.

Our Platform consists of the Roblox Client, the Roblox Studio, and the Roblox Cloud. Roblox Client is the application that allows users to seamlessly explore 3D immersive experiences. Roblox Studio is the free toolset that allows developers and creators to build, publish, and operate 3D immersive experiences and other content accessed with the Roblox Client. Roblox Cloud includes the services and infrastructure that power our Platform.

Our mission is to connect a billion users with optimism and civility. We are constantly improving the ways in which our Platform supports shared experiences, ranging from how these experiences are built by an engaged community of developers and creators to how they are enjoyed and safely accessed by users across the globe.

Growth at Roblox has been driven primarily by a significant investment in technology and two mutually reinforcing network effects: content and social.



First, user-generated content, built by our community of developers and creators, powers our Platform. As developers and creators build increasingly high-quality content, more users are attracted to our Platform. With more users on our Platform, greater engagement and monetization opportunities exist, which in turn, makes Roblox more attractive to developers and creators, incentivizing them to design increasingly engaging content and encouraging new developers and creators to start building on our Platform.

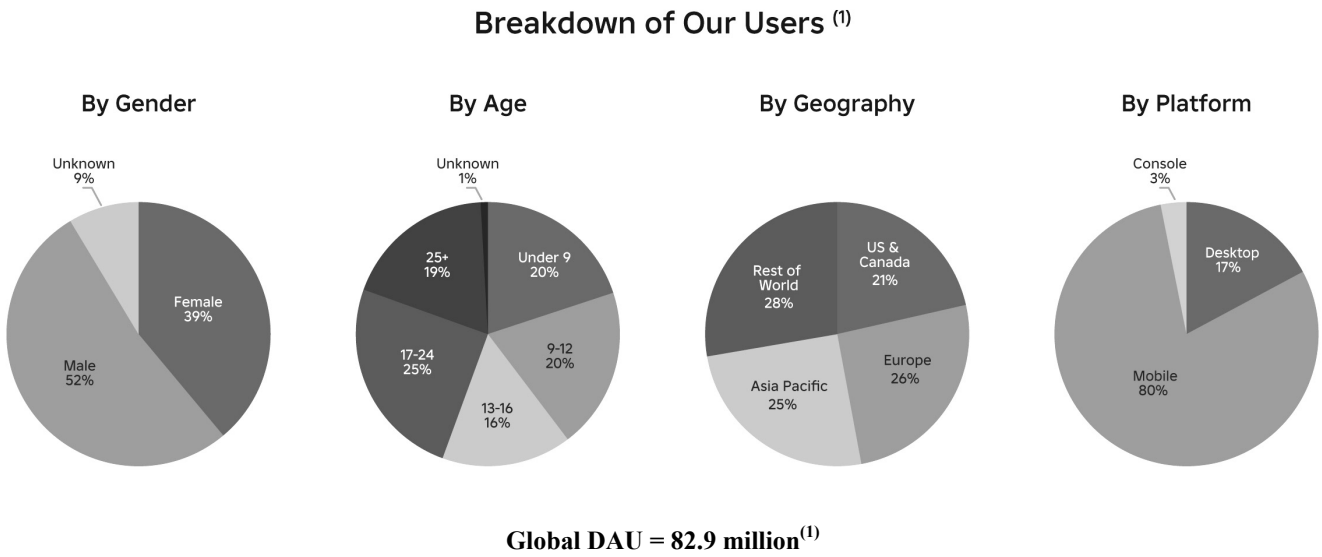
Second, our Platform is social. When users join, they typically interact with friends, which inspires them to invite more friends, who in turn, invite their friends, driving organic growth. The more friends that each of our users have interacting on the Platform, the more valuable and engaging the Platform becomes. This drives more users to our Platform through word of mouth from their existing friends on the Platform.

Our User and Creator Community

Roblox is powered by content from our community of developers and creators who build immersive and engaging experiences found only on Roblox, as well as the vast majority of the items for customizing avatars. This content attracts our users to immerse themselves in the millions of experiences found on the Platform. Many of our users may also eventually become developers and creators, and nearly all developers and creators started as users.

Our Users

In the year ended December 31, 2024, 82.9 million average DAUs across over 180 countries enjoyed experiences on Roblox across mobile, desktop, and console platforms, of which on average, approximately 1.0 million were daily unique paying users. Our users are diversified across multiple dimensions, including age, geography, platform, and gender. Each day, users express themselves through their avatars, explore different worlds, and engage with others in the Roblox community. During the year ended December 31, 2024, users spent 73.5 billion hours engaged on our Platform, or an average of 2.4 hours per DAU each day. Over the same period, our users explored an average of over 21 different experiences on the Roblox Platform per month.



Global DAU = 82.9 million(1)

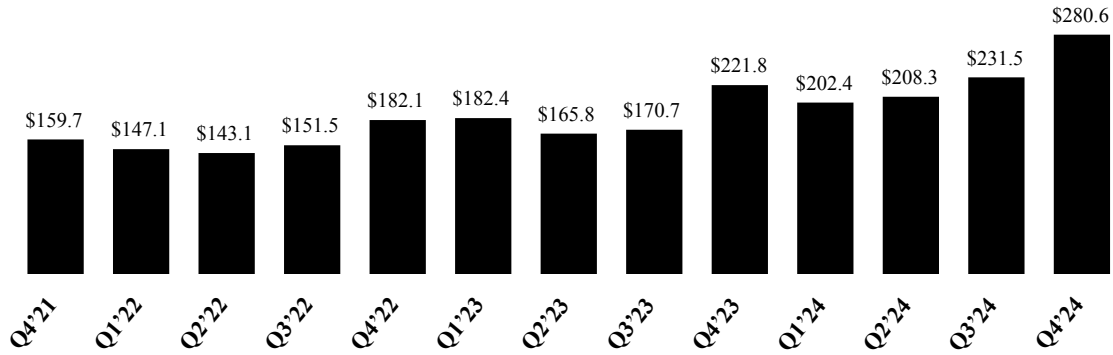
(1) Represents the average during the year ended December 31, 2024. Refer to "Special Note Regarding Operating Metrics" for details on operating metrics used. Percentages presented are calculated from the underlying numbers in thousands and may not add to their respective totals due to rounding.

Our Developers and Creators

We offer developers and creators the ability to build engaging, immersive experiences and marketplace items that they can easily share with the Roblox community. We refer to users who create experiences and marketplace items as creators, while developers represent a subset of the creator community that create experiences on the Platform or build and sell custom tools to help other developers create experiences. In this way, our developers and creators enable us to offer a wide variety of experiences and avatar items and cost-effectively crowd-source our experiences, marketplace content, and developer tool ecosystem. In the year ended December 31, 2024, we had millions of active developers with hours engaged in their experiences across more than 170 countries on the Roblox Platform. Our developer and creator community includes individuals with a wide spectrum of professional capabilities and team sizes, ranging from young students and independent hobbyists, all the way to full-time studios.

We measure the health and success of our developer and creator community based on their earnings and the user engagement in their experiences. As our Platform has scaled, our monetizing developers and creators have enjoyed meaningful earnings expansion over time, reflecting the increasing popularity and opportunities for monetization of our Platform and driving a growing incentive for our developers and creators to continue to build high-quality content.

Quarterly Developer Exchange Fees ($ in millions)



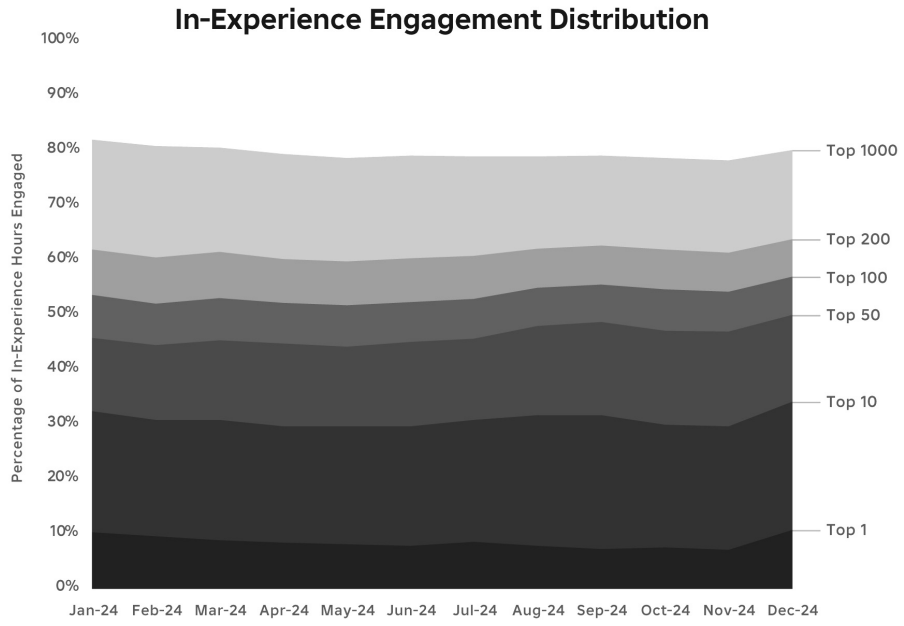
We offer our creator and developer community several economic models to help support their goals. Specifically, developers and creators can generate earnings (either in Robux or in some circumstances, directly in fiat currency) through the following methods:

1. *Monetizing a developed experience:* Developers qualified for our Developer Exchange Program can earn Robux through:
    a. *In-experience purchases,* which consist of microtransactions generated from the sale of in-experience virtual items, subscription-based offerings (including access to private servers), access to certain experiences (referred to as paid access), and/or passes granting special in-experience privileges.
    b. *Engagement-Based Payouts*, which allows developers to earn Robux based on the share of time that Roblox Premium subscribers engage in their experience.
    c. *Advertisements ("ads")*, which include a range of high-quality, programmatically served ad units through which developers can earn Robux from impressions and/or teleports generated.
2. *Creating and selling or reselling avatar items:* Creators can create and sell entire avatars, accessories, clothes, bodies, and heads for avatars in the Marketplace or inside experiences.
3. *Creating and selling Roblox Studio plugins:* Through the Creator Store, developers and creators can sell Roblox Studio plugins in fiat currency, which are extensions that add additional features or functionality to Roblox Studio and help improve creator workflows.
4. *Affiliate Programs:* Influencers and creators can earn a share of Robux from purchases made by users they direct to Roblox.

As of December 31, 2024, over 24,500 developers and creators qualified for and were registered in our Developer Exchange Program, of which over 7,500 were newly qualified and registered during 2024. In order to be qualified for our Developer Exchange Program and eligible to exchange earned Robux for fiat currency, developers and creators must meet certain conditions, such as having earned the minimum amount of Robux required to qualify for the program, a verified developer account, and an account in good standing. On January 31, 2022, we reduced the minimum amount of earned Robux required to qualify for the program from 100,000 Robux to 50,000 Robux and subsequently on January 31, 2023, we further reduced the minimum requirement from 50,000 Robux to 30,000 Robux. We believe these reductions in the minimum amounts required incentivize our developer and creator community, and promote the long term growth and health of such community. For the year ended December 31, 2024, over 17,000 developers and creators actually exchanged their earned Robux for fiat currency through our Developer Exchange Program.

We invest in our developers and creators by providing a comprehensive set of free tools and services through Roblox Studio, the Roblox Open Cloud, and a range of other creator resources that enable them to easily build, publish, analyze, grow, and monetize experiences. We empower developers and creators to get started with minimal upfront costs as we cover hosting, storage, customer support, localization, certain regulatory requirements, payment processing, and platform fees. We provide appropriate support for all developers and creators to promote engagement and growth in our developer and creator community. This includes managing and moderating our online developer and creator forums and operating special programs for aspiring and top developers and creators such as our annual Roblox Developers Conference. With Roblox Open Cloud, developers and creators can leverage a suite of backend APIs to seamlessly build and scale their experiences.

The investment in our developer community has resulted in an ever-changing offering of diverse content for our users to explore and engage in. The chart below provides detail on the diversity of content our users engage in within experiences. Specifically, this chart reflects the distribution of in-experience hours engaged within the top 1,000 experiences by month from January to December 2024.



Our Products and Technology

The Roblox Platform is the underlying technology and infrastructure that supports shared experiences and is composed of three elements:

- **Roblox Client**—The free application that allows users to explore 3D immersive experiences.
- **Roblox Studio**—The free toolset that allows developers and creators to build, publish, and operate 3D immersive experiences and other content accessed with the Roblox Client.
- **Roblox Cloud**—The services and infrastructure that power the Roblox Client and Roblox Studio.

Since our founding, we have invested heavily in building the Roblox Platform, and as of December 31, 2024, 77% of our employees were dedicated to maintaining, improving, and expanding it. Our technology supports the following key characteristics of the Roblox Platform: Identity, Connection and Communication, Immersive, Low Friction, Variety of Content, Anywhere, Economy, and Safety.

Identity

The Roblox avatar system allows users to create and personalize their unique 3D identities. Our avatar technology supports a wide variety of character styles, ranging from classic avatars with blocky body shapes, to ones with more human proportions, from anime characters, to fantasy avatars, and more. Avatars can also be animated and mirror a user's movements and facial expressions on the avatar in real time, allowing more interactive and authentic communication. Creators can also build avatar creation tools in their experiences, allowing users to create more personalized avatars.

The Roblox Client features the Avatar Editor, which enables users to manipulate the size and body shape of their avatars as well as equip their avatar with clothing, gear, animations, simulated gestures, or emotes, and other accessories from the Marketplace. Our avatar system allows users to attach practically any accessory to any avatar maximizing the combinatorial variety of avatar configurations supported by the Platform. Users manipulate their avatar through a consistent set of controls for emotes, basic movement, and tap-to-move functionality which adapts to dynamically changing virtual environments. The Roblox Client normalizes camera and avatar control inputs from different device form factors, including mobile, tablet, desktop, and game console, to simplify the process of building multi-user, multi-platform, and avatar-based experiences.

Within most experiences, avatars appear exactly how they were configured in the Avatar Editor, creating a sense of persistent identity. However, developers, when designing experiences, have the freedom to dynamically reconfigure all or part of the participating avatars to meet the specific needs of the developer's experience.

Connection and Communication

The Roblox Client allows users to easily connect with real life friends (through features such as contact importer) and meet new friends (by matching users with similar characteristics, such as country location, for example). The social graph created by these connections is stored in the Roblox Cloud and requires mutual opt-in to avoid unwanted communications.

The social graph is central to human connection and communication. When a user chooses to join an experience, the Roblox Cloud is designed to automatically place that user into the same virtual environment as others connected through the social graph. In addition, most developers allow users to purchase private servers that allow groups of friends to share an exclusive, invite-only instance of a 3D immersive experience.

Additionally, the Roblox Platform facilitates communication with in-experience text-based chat amongst users of all ages joining the same 3D immersive experience. For safety, every text message passes through filters that block content which violates applicable Roblox Community Standards (e.g. personally identifiable information or directing users off platform). Using advanced pattern matching and machine learning, our chat filters are constantly evolving and process billions of messages per day.

We have also expanded our communication features through voice chat, now available in over 30 countries around the world and in several supported languages, allowing users aged 13 and over to communicate using their voice in Roblox experiences. This proximity-based feature simulates realistic communication through lip sync and is based on how close users are in an experience to other users who are speaking in that experience. In addition, avatar animation allows all users to use their camera to animate their avatar with their movement, allowing them to communicate and express themselves in more natural, real-time, and immersive ways.

Recently, we launched Party, a new way to connect and coordinate with friends. With Party, up to six friends can easily join the same instance of an experience and even move together from one experience to another. Users aged 13 and older can also use Party chat to text chat with one another.

Immersive

The Roblox Platform allows developers to build deeply immersive 3D environments where users can share synchronous experiences with others, independent of where they may be physically. The Roblox Client provides users with intuitive camera and input controls that are tuned for each device's form factor. By abstracting these controls from developers, the process of building cross platform 3D immersive experiences is greatly simplified.

Developers use Roblox Studio to easily build 3D immersive experiences that are then rendered and simulated on the Roblox Platform. The Roblox Client leverages efficient low-level hardware-specific device APIs, such as Vulkan for Android devices and Metal for Apple devices, to efficiently render those experiences. Each experience combines thousands of meshes, textures, 3D models, and animations. Using Roblox Studio, developers can also insert immersive ads into their experiences, which are native and 3D ad units that can programmatically serve ads in image, video, and portal ad formats.

Each 3D immersive experience is simulated in the Roblox Cloud with a custom physics engine built for rigid body and constraint-based physics. Using a combination of novel mathematical formulations and aggressive optimization, the engine can simulate a large number of complex mechanisms at high levels of fidelity. To achieve an optimal balance between latency, scale, and consistency, computations for the simulation are distributed across Roblox Clients and the Roblox Cloud.

Assets that make up the 3D immersive experience are stored in a persistent tree hierarchy that is the foundation for collaborative editing and interactive multi-user experiences. The hierarchy can be modified through APIs which serve as a powerful abstraction layer making it easy to create experiences that are consistent across all Roblox Clients, regardless of device type. During simulation, this data is dynamically replicated within the Roblox Cloud and selectively transmitted to Roblox Clients. The Roblox Client then constructs and renders its own view of the 3D immersive experience.

Low Friction

The Roblox Platform gives users the ability to interact with experiences almost instantly, on most popular client devices, and from anywhere in the world over existing broadband and cellular networks. As of December 31, 2024, the Roblox Client operates on iOS, Android, PC, Mac, Xbox, PlayStation, and virtual reality ("VR") hardware such as Meta Quest, and supports VR experiences on PC. With the Roblox Platform, developers can build an experience once and then expect that experience to operate consistently on all supported devices to both take advantage of the capabilities of high end systems and also scale down the experience to work on lower end devices. We continually focus on improving frame rates, increasing stability, and enhancing graphics quality.

The Roblox Client is designed for the rapid movement of users between experiences. Almost immediately upon launching a new experience, the Roblox Client will begin simulating and rendering the virtual world using a partial representation of the environment at a low level of detail. As more and higher fidelity assets are received by the Roblox Client, the fidelity of the experience automatically improves.

Assets are delivered to the Roblox Client through geographically distributed content delivery networks. The Roblox Cloud determines the format, level of detail, and priority of each asset sent in order to optimize for the capabilities and bandwidth available to the client device. The Roblox Client can dynamically load and unload instances and assets as the player moves throughout the experience without waiting for long content preloads, in a process otherwise referred to as streaming. All else being equal, streaming enables faster join times and larger, more complex experiences that can be joined synchronously on different devices regardless of device memory capacity.

The Roblox Cloud enables low-latency, responsive interactivity between millions of concurrent users within 3D environments. When a user joins a 3D immersive experience, the Roblox Cloud assigns that user to a particular game instance based on, among other considerations, the user's social graph, geographic location, spoken language, and age group. Roblox Cloud is designed to automatically scale up and down the number and size of server instances to effectively serve the current user demand for an experience, thereby allowing the Platform to scale up to handle the most popular experiences while also scaling down when demand reduces. Developers can choose to allow up to 200 users within an instance, but may choose fewer to optimize their experience.

Developers have access to high-speed data stores in the Roblox Cloud where information about users and each simulated environment can be persisted. This, along with other services hosted in the Roblox Cloud, make it possible for a developer to build, launch, scale and monetize a 3D immersive experience without any additional tools or services.

The majority of services operated by the Roblox Cloud are hosted in Roblox managed data centers. For some of our high-speed databases, scalable object storage, and message queuing services we leverage Amazon Web Services. Nearly all of the servers tasked with simulating the virtual environment and optimizing assets for Roblox Clients are owned by Roblox and operate from data centers and regional edge data centers widely distributed across 23 cities in North America, Asia-Pacific, and Europe. As of December 31, 2024, the Roblox Cloud uses over 140,000 servers. The Roblox Cloud is designed to be fault tolerant and prepared for disaster recovery and we continue to expand into multiple data centers within and across geographic regions to improve reliability and fault tolerance.

Data centers in the Roblox Cloud are linked through a high-performance dedicated backbone network bypassing the public internet for traffic within and between our data centers and we operate under an open peering policy where we have direct interconnection with Internet providers globally. Operating our own network maximizes performance, security, and increases the immersiveness experienced by our users.

Variety of Content

Developers and creators build nearly all of the content for the Roblox Platform, including a variety of experiences from gaming, to education, to entertainment, and beyond. Their efforts contribute to an expanding content library that included over 14 million active experiences and millions of available Marketplace items during the year ended December 31, 2024.

Developers build, publish, and operate 3D immersive experiences with Roblox Studio, a free suite of tools accessible to all skill levels. Teams can work together using built-in access control management and collaborative editing. Once content is built, it can be replicated and shared across multiple experiences, giving developers the ability to scale their efforts and make rapid updates.

In addition to constructing 3D objects and environments, developers can script complex behaviors into their experience with Roblox Luau. Based on Lua, an interpreted light-weight programming language popular in the gaming industry, Roblox Luau adds an optional static type system and a highly optimized interpreter that maximizes performance on Roblox Clients and in the Roblox Cloud. Using scripts, developers can modify the environment, control object behavior, and create new ways for users to interact with the virtual environment. Within Roblox Studio, developers have access to a powerful script editor which supports autocomplete, debugging, and the ability to emulate the Roblox Client running on supported devices.

Roblox Studio also leverages artificial intelligence ("AI") to help reduce friction for creators and developers, making it easier to build content on the Platform. These AI tools help developers and creators with varying levels of experience. For example, AI tools such as Assistant help beginner developers and creators by answering common questions, while AI tools such as Code Assist or Materials Generator help developers and creators with some coding experience learn how to write and improve code and easily create more complex materials. Finally, AI tools like Avatar Auto-Setup save creators time by turning 3D avatar models into animated avatar technology.

Creators can share their work with other creators through the Creator Store. The Creator Store drives collaboration within our developer community, accelerates creation of new experiences, and provides additional ways for creators to monetize their work. As of December 31, 2024, the Creator Store contained millions of models, meshes, textures, scripts, audio clips, developer tools, and packaged combinations of these items.

We provide developers with reference material, tutorials, community forums, and analytics to build their creations. Creator Hub includes reference material, API documentation, and tutorials for developers. Developer Forum is a private forum for qualified developers which provides insight on new features, community initiatives, recruitment opportunities, bug reporting, and direct engagement with our employees. Edu Hub provides content for educators, students, and parents who are using Roblox as a tool to learn coding, 3D design, and digital civility. All developers on the Roblox Platform have access to dashboards that show daily visits to their experience, as well as earned Robux generated from their experience and Marketplace items.

Within the Roblox Client, users find experiences through personalized content recommendations, curated homepage sorts and search. Personalized AI-driven content recommendations are based on past user behavior, the social graph, and demographic information collected at signup. An emphasis is always placed on experiences where someone you are connected with is present. Additionally, we curate our homepage to highlight experiences from up-and-coming creators, recently updated experiences and new genres helping our users to try more experiences and increasing the diversity of the content with which they engage. The search engine automatically learns user intent, accounting for misspellings, slang, and multilingual queries.

Anywhere

The Roblox Platform serves a global audience. In the year ended December 31, 2024, developers from over 170 countries and users spanning over 180 countries accessed our Platform.

Localization systems embedded within the Roblox Client and Roblox Cloud help to lower cultural barriers and enable our developers to meet certain regional requirements with little to no additional effort.

Developers can build experiences in their native language and then, using machine translation and advanced pattern recognition, the Roblox Cloud automatically translates those experiences into 16 languages including simplified Chinese, traditional Chinese, English, French, German, Indonesian, Italian, Japanese, Korean, Polish, Portuguese, Russian, Spanish, Thai, Turkish, and Vietnamese. Developers also have the ability to customize all or part of their translations if needed.

The Roblox Client can adjust a user's experience and available content based on their age, device type, current location and where the client application was obtained. This allows Roblox to dynamically apply relevant content filters, anti-addiction rules, payment limits, parental consent requirements, and certain other regional requirements.

Economy

Roblox has a vibrant economy built on a virtual currency called Robux, which can be purchased through the Roblox Client and Roblox website or through prepaid cards purchased via online and physical retailers. Roblox works with multiple payment and prepaid card processors including Apple, Blackhawk, Google, Incomm, and Stripe, amongst others. Roblox relies on payment processor partners to store account information.

Users can also acquire Robux through a monthly subscription to Roblox Premium. With a subscription, users receive discounted Robux along with access to exclusive or discounted items in the Marketplace. Developers may also choose to offer additional benefits to active Roblox Premium subscribers in the form of discounted virtual merchandise or access to exclusive in-experience features.

Developers and creators earn Robux by selling virtual content or access to virtual content (including through subscriptions), as well as through the incorporation of immersive ads into their experiences, which are ad units that developers can insert into their experience for Roblox to programmatically serve ad content from advertisers.

Developers can also earn Robux through Engagement-Based Payouts based on the share of time that Roblox Premium users engage in their experiences. Engagement-Based Payouts incentivize developers to invest in the engagement of their experiences. The payout system is designed to protect against fraud and computes a developer's earnings potential on a daily basis.

Roblox allows developers and creators to convert earned Robux into the fiat currency of their choice through our Developer Exchange Program. All Developer Exchange Program requests are reviewed on a risk-based approach to mitigate fraud and money laundering. Developers and creators participating in the program are required to create an account with our third party vendor which collects tax information, conducts certain "know your customer" related diligence, and executes the payouts. Their systems are designed to comply with various global regulatory requirements for monetary transactions. Additionally, developers and creators aged 13 and up can convert earned Robux into ad credits to purchase ads on the Platform.

Safety

Multiple systems are integrated into the Roblox Platform to promote the safety and civility of our users. These systems are designed to enforce our policies, protect users' personal information, and abide by local laws. We leverage text-filtering, voice moderation, content moderation, and other automated systems that proactively identify content and behaviors that may violate our policies.

Content submitted by developers and creators, including images, audio, and video, goes through a multi-step review process before appearing on the Platform. Images and videos are evaluated for Child Sexual Abuse Material using PhotoDNA and Google's Content Safety API with flagged content automatically reported to the National Center for Missing and Exploited Children upon review. Audio files are scanned for IP infringement. Finally, all assets are subject to review by humans or AI trained on our Community Standards. During the year ended December 31, 2024, including automated reviews, we evaluated over 400 million assets. Assets refer to images, audio files, and video files that developers upload to the Roblox Platform to include in their experiences and in the Marketplace.

When experiences are published or updated on the Roblox Platform, they are evaluated by a suite of AI driven tools that identify problematic language, potential bypasses to our safety systems, and content that falls outside our policies. A human review team is continuously operating to evaluate flagged experiences. The Roblox Platform includes a suite of anti-intruder technology leveraging machine learning, throttles, and circuit breakers designed to block automated bot attacks and mitigate the impact of humans who attempt to spam users and disrupt the service. We also leverage targeted penetration testing, a bug bounty program, code reviews, secure by design principles, targeted security testing, and vulnerability scanning to promote the security of the Platform.

Roblox operates a customer service portal that provides self-help information along with ways to contact Roblox via email or from within the Roblox Client. In the year ended December 31, 2024, Roblox responded to millions of customer inquiries and had a human respond to actionable safety issues on average within 18 minutes of their submission.

Safety and Digital Civility

Our highest priority is to create a safe and civil online environment for our users. Because our Platform includes children aged 5 and over, our safety and civility policies are purpose-built to be strict. We have a multi-layered moderation system that is designed to assess all content uploaded to Roblox for potential safety and civility issues. Our safety and civility policies, which include our Community Standards, define acceptable content and communication, and coupled with user behavior, inform a wide range of AI algorithms that automatically moderate content. Those algorithms are backed up by a team of thousands of moderators focused on improving quality and handling the most difficult decisions. On top of that, we have robust user reporting that provide additional coverage. We have no tolerance on our Platform for content or behavior that violates our Community Standards.

We work closely with regulators, authorities, and safety groups in many countries. We endeavor to promptly report any suspected child exploitation or abuse materials to the relevant authorities. Our Platform is designed to comply with the Children's Online Privacy Protection Act ("COPPA") and we regularly monitor and evaluate compliance with other U.S. federal and state and foreign laws and regulations regarding privacy and data protection, including the General Data Protection Regulation ("GDPR").

We partner with leading global organizations focused on child and internet safety, including the WeProtect Global Alliance, Digital Wellness Lab, Family Online Safety Institute, UK Safer Internet Centre, Internet Matters, the Internet Watch Foundation, and kidSAFE, among others. We are also a member of various organizations, such as the Association for United Kingdom Interactive Entertainment and the Technology Coalition, with a goal of cross-industry collaboration, knowledge and technology exchange in areas of user safety, and child safety. As a member of the Technology Coalition and a founding member of its cross-platform signal sharing Lantern program, we are committed to providing transparency and promoting child safety online. We also nominate the board chair position of the Family Online Safety Institute where we educate and provide balanced perspectives to policy makers to help draft thoughtful online safety legislation. We continue to work diligently with other digital platforms to report bad actors and inappropriate content so that they can also take appropriate actions on their platforms.

Our Trust & Safety Systems

We use AI and a dedicated team of human moderators to review content, including images, audio, and video, uploaded into our Platform. Our scanning algorithms also review and monitor communications that flow through Roblox to proactively block and protect users from inappropriate behavior, such as questions about personal information and instructions on how to connect on less protective third-party chat applications. The algorithms in our chat filters are age-sensitive: they monitor both what users can say and see based on their ages.

Throughout our site and in-experience, we provide our users with the ability to report activity that they find objectionable. Users can also block or mute other users with whom they do not want to interact. We also provide parents with customizable parental controls, which allow them to limit access to features like chat, control screen time, and view their child's friends list. In addition, parents can restrict access to experiences based on their content maturity levels. In 2024, we introduced significant updates to our safety systems and parental controls. As part of this launch, we introduced remote management, which allows parents and caregivers to adjust controls and review their child's activity even if they aren't physically together. We also updated the naming of our content labels to give parents greater clarity and restricted access to certain experiences for our youngest users based on user behavior sometimes found in those experiences.

We have a dedicated team and thousands of trust & safety agents whose role is to protect our users by focusing on detecting inappropriate content and behavior 24/7 through a combination of AI and human moderation. We take swift action to address any content, developer, creator, or user that violates our terms of use once detected. We have a Safety Advisory Board, made up of global industry experts that advise on the best practices to protect our community.

We continue to innovate and release new safety features and policies and invest in technology and people to combat bad actors who attempt to undermine our efforts to connect millions of people. Our priority remains the safety and digital civility of our community.

The Roblox Economy

We support our developer and creator community by providing the tools to build, publish, operate, drive discovery, and monetize content. Our economy enables developers and creators to generate income through Roblox. As of December 31, 2024, over 24,500 developers qualified for and were registered in our Developer Exchange Program and therefore met certain conditions, such as having earned the minimum amount of Robux required to qualify, having a verified developer account, and having an account in good standing, and were therefore eligible to exchange their earned Robux for fiat currency. Of such developers and creators, for the year ended December 31, 2024, over 17,000 developers and creators actually exchanged their earned Robux for fiat currency through our Developer Exchange Program.

Business Model

When users sign up for Roblox, they can create an avatar and explore the vast majority of our experiences for free, although the business model for any given experience is ultimately up to its developer. Most free experiences allow users to spend Robux by purchasing experience-specific enhancements. Users can also use Robux to obtain items such as clothing, accessories, and emotes from our Marketplace or within an experience. Roblox retains a portion of every Robux transaction and distributes the rest to developers and creators. Robux can only be purchased from us at a price set by us, and can only be spent within our Platform. Robux have no monetary or intrinsic value outside of our Platform and can only be converted to fiat currency through our Developer Exchange Program. We are aware that some users seek to use unauthorized third-party websites to exchange Robux for fiat currency which is not permitted under our terms of use. We regularly monitor and screen usage of our Platform with the aim of identifying and preventing these activities, as well as regularly send cease-and desist letters to operators of third-party websites offering fraudulent Robux or digital goods offers.

Consistent with our free to use business model, a small portion of our users have historically been payers. For example, in the year ended December 31, 2024, of our average 82.9 million DAUs, only approximately 1.0 million represented our average daily unique paying users. Similarly, in the year ended December 31, 2024, our average daily bookings per DAU was $0.14, whereas our average daily bookings per daily unique paying user was $11.48. We believe that maintaining and growing our overall number of users, including the number of users who may not purchase and spend Robux, is important to the success of our business. As a result, we believe that the number of users who choose to purchase and spend Robux will continue to constitute a small portion of our overall users.

Roblox also allows developers, creators, and brands to reach their audiences by purchasing ads. Further, Roblox offers sponsored experiences and sponsored items, whereby developers and creators can pay to purchase ads to increase discoverability of their creations, which appear where experiences and items are discovered, including through search.

How Users Purchase Robux

Users can generally purchase Robux in two ways: as one-time purchases or via Roblox Premium, a subscription service that is billed monthly and includes discounted Robux, access to exclusive in-experience benefits, exclusive and discounted marketplace items and the ability to buy, sell, and trade certain Avatar items. Roblox accepts payments through app stores, credit cards, and prepaid cards. The average price for a Robux for the year ended December 31, 2024 was $0.01.

How Developers and Creators Earn Robux

Robux are considered "earned" if a developer or creator receives them as payments for a bona fide third-party transaction through the Roblox Platform. We offer developers and creators the following mechanisms to earn Robux:

- sale of access to their experiences and enhancements in their experiences, which may be one-time or recurring;
- Engagement-Based Payouts, which reward developers for the amount of time that Roblox Premium subscribers spend in their experiences;
- generating impressions for ad units within their experiences and teleporting users to other experiences through ad portals; and
- sale of Avatar items to users (through the Marketplace or directly within experiences).

Generally, as users purchase and subsequently spend Robux on Roblox, creators of the virtual item receive 30% of the Robux, the seller or distributor of the virtual item receives 40% of the Robux, and the Platform receives 30% of the Robux. Oftentimes, the creator of the virtual item is also the seller of that item. Creators that sell their own creations within their experiences receive 70% of the Robux spent, as they are acting both as the creator and the seller. Creators that make their virtual items available through the Marketplace receive 30% of the Robux spent, as Roblox is both the seller and the Platform for these transactions. As it relates to generating impressions for ads units and portals, developers earn Robux based on the number of impressions and teleports that occur within their experience.

Earned Robux are deposited into the virtual accounts of the developers and creators, who can convert Robux into fiat currency at an exchange rate which is determined by Roblox in its sole discretion of 1 Robux to $0.0035 as of December 31, 2024, if they qualify for and are registered in our Developer Exchange Program. In order to be qualified for our Developer Exchange Program and eligible to exchange earned Robux for fiat currency, developers and creators must meet certain conditions, such as having earned the minimum amount of Robux required to qualify for the program, a verified developer account, and an account in good standing. On January 31, 2022, we reduced the minimum amount of earned Robux required to qualify for the program from 100,000 Robux to 50,000 Robux and subsequently on January 31, 2023, we further reduced the minimum requirement from 50,000 Robux to 30,000 Robux. We believe these reductions in the minimum amounts required incentivize our developer and creator community, and promote the long term growth and health of such community. As of December 31, 2024 and 2023, over 24,500 and 16,500 developers and creators were qualified and registered in our Developer Exchange Program, respectively. For the years ended December 31, 2024 and 2023, developers and creators earned $922.8 million and $740.8 million, respectively.

Our developers and creators do not always exchange their Robux into fiat currency. Some choose to purchase ad credits to promote their experiences on the Platform or spend the Robux as any other user would.

Our Growth Strategies

We are continually innovating the Roblox Platform, including making significant investments in high fidelity avatars, more realistic experiences, AI tools, and other social features, as well as more diverse opportunities for monetization. We believe that these innovations have the potential to transform how people express themselves, socialize, communicate, play, learn, work, and transact together around the world. We are focused on the following key growth strategies:

- **Roblox Everywhere**: We want to give users the ability to interact with experiences almost instantly across the most popular client devices. As of December 31, 2024, the Roblox Client operates on iOS, Android, PC, Mac, Xbox, PlayStation, and VR hardware, such as Meta Quest, and supports VR experiences on PC. We believe the investments we are making will facilitate a high quality, intuitive experience for users across all devices, and enable developers and creators to publish once and instantly on all supported devices across a global audience.
- **Platform for Everyone**: As we expand the diversity of content, experiences, and communications that people can have on Roblox, we believe there is significant potential to increase our penetration and engagement across all demographics. We ultimately aim to be a brand that serves everyone. We also look to continue expanding new verticals such as brand partnerships, education, and communication.
- **International Expansion**: We believe there is significant potential for us to grow the global reach of our Platform. We believe some of that will occur by the same organic, word of mouth user, creator, and developer growth that we have seen in markets like the U.S., Canada, and the United Kingdom. In addition, we are investing in technology that will also enhance our growth around the world. For example, we believe that features such as automated translation and built-in regional compliance will enable us to scale usage in global markets, allowing developers to publish in multiple languages and allowing users to communicate with each other even when they speak different languages.
- **Vibrant Economy**: We believe there is significant potential to increase monetization on our Platform and we are constantly investing in new ways to empower our developer and creator community. We are actively working on empowering our creator community through initiatives such as User-Generated Content ("UGC") for all and dynamic price floors in the avatar marketplace. We are also supporting our developer community's monetization efforts through in-experience price optimization recommendations, higher revenue shares for paid access experiences, and our Creator Affiliate Program. At the platform-level, we are continuously investing in our Search and Discovery algorithms to advance personalization and drive engagement and spending. Finally, we expect to continue working with leading brands to build unique commerce opportunities and help them reach their audiences at scale within Roblox experiences through immersive ads. Our immersive ads system is designed to be native to the experience in which it is placed and will provide unique commerce opportunities for brands on the Platform. Immersive ads also provide developers and creators with another monetization method on the Platform.
- **Gaming Market Expansion:** We believe there is a strong potential to capture a greater percentage of global gaming revenue within the Roblox ecosystem. According to Newzoo's 2024 Global Games Market Report, it is estimated that 3 billion people will have played games in 2024. We believe our UGC approach, combined with several key differentiators like personalized expressive avatars, a vibrant social graph, and immersive 3D communication provide a unique value proposition to make traditional gaming experiences more social and support new experiences unique to our Platform. Additionally, we continue to innovate behind the scenes to improve the raw performance, quality, and cost-to-serve efficiency of our core Platform, with the goal of making it as easy as possible for creators to build better experiences, including games, and reach more users. Within the traditional gaming ecosystem, we also have a tremendous opportunity to expand content into new genres. Today, genres such as Avatar Roleplay, Simulation, and Survival are popular on our Platform, and we want to help our creators grow into untapped areas of demand such as Shooter, Sports & Racing and RPG experiences.

Brand and Marketing

Our go-to-market approach is driven by the strength and continued enhancement of our brand, organic adoption across our user, creator and developer communities, and an influencer-based marketing strategy, with a goal to demonstrate the Platform's wide-ranging appeal across demographics, geographies, and interests.

Users build a direct relationship with the Roblox brand by establishing an identity and creating their social graph. Users are able to navigate across an integrated universe of experiences on our Platform and engage on the Platform with other users in their social graph. We believe this approach helps to create a flywheel that brings new users to the Platform, and promotes loyalty and engagement.

We have millions of experiences to choose from on Roblox, and developers continue to build new experiences on the Platform and publish them daily. As experiences on the Platform grow in popularity, this success accrues to the Roblox brand and serves to draw in new audiences. Our approach is to amplify these experiences on both earned and owned channels which builds awareness and affinity for Roblox. This approach includes educating our creators, users, and brands on the Platform's capabilities and innovations, all of which elevates each stakeholder's experience.

We operate a highly efficient marketing model. Our approach is highly organic, with our user, creator and developer adoption driven by mutually reinforcing content and social network effects. We also leverage our influencer community to increase brand awareness and our reach across all age demographics. In 2024, we launched an Affiliate Program whereby influencers and creators can earn a share of Robux from purchases made by users they direct to Roblox.

We believe safety and civility is an integral and differentiating part of our brand. We have invested heavily in creating a safe and civil platform, which has allowed us to both grow and retain our user base.

Competition

We compete for both users, developers, and creators. We compete to attract and retain our users' attention on the basis of our content and user experiences. We compete for users and their engagement hours with global technology leaders such as Amazon, Apple, Meta Platforms, Google, Microsoft, and Tencent, global entertainment companies such as Comcast, Disney, ViacomCBS, and Warner Bros Discovery, global gaming companies such as Activision Blizzard (now owned by Microsoft), Electronic Arts, Take-Two, Epic Games, Krafton, and Valve, online content platforms including Netflix, Spotify, and YouTube, as well as social platforms such as Facebook, TikTok, Instagram, Pinterest, X (formerly known as Twitter), Reddit, Discord, and Snap. We are able to compete for these users based on our variety of content, personalized user experience, and various engaging and social features.

We rely on developers and creators to create the content that leads to and maintains user engagement (including maintaining the quality of experiences). We compete to attract and retain developers and creators by providing them with the free tools to easily build, publish, operate, and monetize content. We compete for developers and creators and engineering talent with gaming platforms such as Epic Games, Unity, Meta Platforms, and Valve Corporation, who provide developers and creators the ability to create or distribute interactive content. We are able to compete for these developers and creators because of our comprehensive offering to build, publish, and operate experiences on our Platform, our free and easy-to-use technology, our broad user reach, our economic rewards system, our brand, our reputation for innovation, our developer and creator-centric culture, and our mission.

Seasonality

We have historically experienced seasonality in monetization on our Platform and tend to generate higher levels of bookings in the fourth quarter of the year primarily due to the end-of-year holiday season. We also typically see higher levels of engagement in the months of June, July, and August, which are summer periods in the northern hemisphere, and lower levels of engagement in the post-summer months of September, October, and November. Other periods of seasonality include holidays such as Lunar New Year, Easter, and Ramadan, each of which may differ in timing year-over-year. While bookings are typically strongest in the fourth quarter, this trend may not be reflected in the revenue recognized in the same period due to the timing of our revenue recognition (see section "Revenue Recognition" within Item 8. Consolidated Financial Statements and Supplementary Data, Note 1, "Overview and Summary of Significant Accounting Policies", for further discussion on the Company's revenue recognition policy). These seasonal impacts may be more or less pronounced in the future or different altogether.

Security, Privacy, Data Protection and Regulatory Matters

We are subject to a number of U.S. federal and state and foreign laws and regulations that involve matters central to our business. These laws and regulations may involve privacy, data protection, security, rights of publicity, content regulation, intellectual property, use of AI, online safety, gambling, loot boxes, ratings, competition, protection of minors, including verified parental consent, consumer protection, communication, credit card processing, taxation, anti-bribery, anti-money laundering and corruption, economic or other trade prohibitions or sanctions or securities law compliance or other subjects. Many of these laws and regulations are still evolving and being tested in courts and could be interpreted and applied in a manner that is inconsistent from country to country or state to state and inconsistent with our current policies and practices and in ways that could harm our business. In addition, the application and interpretation of these laws and regulations often are uncertain, particularly in the new and rapidly evolving industry in which we operate. The costs of complying with these laws and regulations are high and likely to increase in the future, particularly as the degree of regulation increases, our business grows and our geographic scope expands. Further, the impact of these laws and regulations may disproportionately affect our business in comparison to our peers in the technology sector that have greater resources. Any failure on our part to comply with these laws and regulations may subject us to significant liabilities or penalties, or otherwise adversely affect our business, financial condition or operating results. It is imperative that we secure the creative assets, performance and user data that are critical to our business. We devote considerable resources to our security program with the intent to continually improve our services and how we securely store and separate user assets. Our intent is to make it easy for our developers and creators to securely build and distribute their content on our Platform.

We rely on a variety of statutory and common-law frameworks and defenses relevant to the content available on our service, including the Digital Millennium Copyright Act ("DMCA"), the Communications Decency Act, and the fair-use doctrine in the U.S., and the Digital Services Act in the European Union ("EU"). However, each of these statutes and regulations are subject to uncertain or evolving judicial interpretation, regulatory guidance and enforcement, and legislative amendments. In addition, pending or recently adopted legislation globally imposes additional obligations or liability on us associated with user behavior and content uploaded by users to our Platform, requires us to publish transparency reports, and requires us to carry out risk assessments and mitigate risks we identify. If the rules, doctrines or currently available defenses change, if international jurisdictions refuse to apply protections similar to those that are currently available, or if a court were to disagree with our application of those rules to our service, we could be required to expend significant resources to try to comply with the new rules or incur liability, and our business, revenue and financial results could be harmed.

We are also subject to U.S. federal and state and foreign laws and regulations regarding privacy and data protection, including with respect to the collection, storage, sharing, use, processing, transfer, disclosure, and protection of personal data. For example, the California Consumer Privacy Act ("CCPA"), went into effect on January 1, 2020. The CCPA requires covered companies to, among other things, provide new disclosures to California consumers, and afford such consumers new abilities to opt-out of the sale of personal information. Additionally, the California Privacy Rights Act ("CPRA") became effective on January 1, 2023. The CPRA significantly modifies the CCPA, potentially resulting in further uncertainty and requiring us to incur additional costs and expenses in an effort to comply. Similar legislation has been proposed or adopted in other states. Aspects of the CCPA and these other state laws and regulations, as well as their enforcement, remain unclear, and we may be required to modify our practices in an effort to comply with them. California has also enacted the California Age-Appropriate Design Code Act ("ADCA"), which originally was scheduled to take effect on July 1, 2024. The ADCA would have implemented into law certain principles taken from the U.K.'s Age Appropriate Design Code ("AADC"), which went into effect in September 2021, and imposed substantial new obligations upon companies that offer online services, products, or features "likely to be accessed" by children, defined under the ADCA as anyone under 18 years of age. Due to legal challenges, the ADCA has not yet gone into effect.

In addition, foreign data protection, privacy, consumer protection, communication, content regulation, and other laws and regulations may be more restrictive and burdensome. For example, GDPR imposes stringent operational requirements for entities processing personal information and significant penalties for non-compliance. Under GDPR, fines up to 20 million Euros or up to 4% of the annual global revenues of the infringer, whichever is greater, can be imposed for violations. In addition, the EU's Digital Services Act ("DSA"), which became fully applicable on February 17, 2024 imposes new content moderation obligations, notice and transparency obligations, advertising restrictions and other requirements on digital platforms to protect consumers and their rights online. Noncompliance with the DSA could result in fines of up to 6% of annual global revenues, which are in addition to the ability of civil society organizations and non-governmental organizations to lodge class action lawsuits. The United Kingdom's Online Safety Act ("OSA") was enacted in October 2023 and will gradually be fully implemented as Ofcom publishes its guidance and codes of practice with the first set of obligations in force in March 2025. The OSA introduces, among other things, duties to protect children online, complete risk assessments, and remove illegal content. Noncompliance with the OSA could lead to investigations and other proceedings, substantial fines of up to £18 million or 10% of global revenues of the previous year and possible criminal liability on senior managers and company officers, and the imposition of business disruption measures such as access restriction orders. The evolving regulatory landscape internationally results in uncertainty and could require us to incur additional costs and expenses to comply.

Children's privacy and online safety has also been a focus of recent enforcement activity and subjects our business to potential liability that could adversely affect our business, financial condition or operating results. The Federal Trade Commission and state attorneys general in the U.S. have in recent years increased enforcement of relevant legal frameworks, including COPPA, which requires companies to obtain parental consent before collecting personal information from children under the age of 13. The FTC released final amendments to its Children's Online Privacy Protection Rule ("COPPA Rule") on January 16, 2025, that, among other things, expand the scope of covered information, provide for revised notices, and impose new data retention and information security obligations. Following an executive order that froze all then-pending federal regulations as of January 20, 2025, the amended COPPA Rule is pending further review and may be subject to additional modifications. In addition, GDPR prohibits certain processing of personal information of children under the age of 13-16 (depending on the country) without parental consent. The CCPA requires companies to obtain the consent of children in California under the age of 16 (or parental consent for children under the age of 13) before selling their personal information. Also, actual or perceived noncompliance with the AADC may result in audits or other proceedings by the United Kingdom's Information Commissioner Office, the body set up to uphold information rights in the United Kingdom, and other regulators in the EEA or Switzerland, as noncompliance with the AADC may indicate noncompliance with applicable data protection law. Although we take reasonable efforts to comply with these laws and regulations, we may in the future face claims under COPPA, the GDPR, the CCPA, the ADCA, the AADC, DSA and OSA or other laws or actual or asserted obligations relating to children's privacy. There are also a number of legislative proposals pending before the U.S. Congress, various state legislative bodies and foreign governments concerning content regulation and data protection that could affect us if enacted in the future.

We take a variety of technical and organizational security measures and other measures designed to protect our data, including data pertaining to our users, employees and business partners. Despite measures we put in place, we may be unable to anticipate or prevent unauthorized access to such data.

Non-compliance with any applicable laws and regulations could result in penalties or significant legal liability. Although we take reasonable efforts to comply with applicable laws and regulations, there can be no assurance that we will not be subject to regulatory action, including fines, in the event of an incident or as the result of a regulatory investigation. We or our third-party service providers could be adversely affected if legislation or regulations are expanded to require changes in our or our third-party service providers' business practices or if governing jurisdictions interpret or implement their legislation or regulations in ways that negatively affect our or our third-party service providers' business, results of operations, or financial condition.

Government authorities outside the U.S. may also seek to restrict access to or block our Platform, prohibit or block the hosting of certain content available through our Platform or impose other restrictions that may affect the accessibility or usability of our Platform in that country for a period of time or even indefinitely. In addition, some countries have enacted laws that allow websites to be blocked for hosting certain types of content or may require websites to remove certain restricted content. Our privacy policy and terms and conditions of use describe our practices concerning, the use, transmission, and disclosure of user information and are posted on our website.

For additional information, please see the sections titled "Risk Factors—Risks Related to Our Business—If the security of our Platform is compromised, it could compromise our and our developers', creators', and users' private information, disrupt our internal operations, and harm public perception of our Platform, which could cause our business and reputation to suffer," "Risk Factors—Risks Related to Our Business—Some developers, creators, and users on our Platform may make unauthorized, fraudulent, or illegal use of Robux and other digital goods or experiences on our Platform, including through unauthorized third-party websites or "cheating" programs," and "Risk Factors—Risks Related to Government Regulations—Because we store, process, and use data, some of which contains personal information, we are subject to complex and evolving federal, state, and international laws and regulations regarding privacy, cybersecurity, data protection, and other matters. Many of these laws and regulations are subject to change and uncertain interpretation, and could result in investigations, claims, changes to our business practices, increased cost of operations, and declines in user growth, retention, or engagement, any of which could significantly harm our business."

Intellectual Property

Our intellectual property is an important aspect of our business, and our success depends in part on our ability to enforce and defend our intellectual property rights. We rely on a combination of patents, copyrights, trademarks, trade secrets, know-how, license agreements, contractual provisions, non-disclosure agreements, and confidentiality procedures to establish and protect our intellectual property rights. In addition to the protection provided by our intellectual property rights, we maintain a policy requiring our employees, consultants, and other third parties to enter into confidentiality and proprietary rights agreements to control access to our intellectual property.

As of December 31, 2024, we owned more than 180 U.S. patents relating to aspects of our actual or contemplated operations and technologies. Our issued patents are scheduled to expire between 2025 and 2043. We also had more than 260 pending patent applications in the U.S. and abroad. There can be no assurance that each of our patent applications will result in the issuance of a patent. In addition, any resulting issued patents may have claims narrower than those in our patent applications. We seek to protect our proprietary inventions relevant to our business through patent protection; however, we are not dependent on any particular patent or application for the operation of our business.

We have registered "Roblox," "Robux," and our corporate logo as trademarks in the U.S. and other jurisdictions. In total (including our subsidiary entities), we are the owner of over 460 trademark filings and have over 20 trademark applications in the U.S. and foreign countries as of December 31, 2024. There can be no assurance that each of our trademark applications will result in the issuance of a trademark or that each resulting trademark registration will be able to be maintained. As of December 31, 2024, we were the registered holder of over 790 domestic and international domain names. We continually monitor the registration of our domain names, trademarks, and service marks in the U.S. and in certain locations outside the U.S.

Despite our efforts, we may not be able to obtain or maintain sufficient protection for or successfully enforce our intellectual property. Any current and future patents, trademarks and other intellectual property or other proprietary rights we own or license, or otherwise have a right to use, may be contested, circumvented or found unenforceable or invalid. Our existing and future patents, copyrights, trademarks, trade secrets, domain names and other intellectual property rights may not provide us with competitive advantages, distinguish our products from those of our competitors or prevent competitors from launching comparable products. We may also be dependent on third-party content, technology and intellectual property in connection with our business. Further, we may not be able to prevent third parties from infringing, diluting or otherwise misappropriating or violating our intellectual property rights, and we may face challenges to the validity or enforceability of our intellectual property rights. We cannot guarantee that our business does not and will not infringe or misappropriate the rights of third parties. We expect to continue to face allegations from third parties, including our competitors and "non-practicing entities," that we have infringed or otherwise violated their intellectual property rights. While we do not anticipate that these allegations, if they were to result in litigation against us, would have a materially adverse impact on our business, financial condition or operating results, there can be no guarantee that such lawsuits would not have a materially adverse impact on us. Further, certain federal statutes in the U.S. may apply to us with respect to various activities of our users, including the DMCA, provide immunity from monetary damages for online service providers such as us from, among other things, infringing content uploaded to our Platform by our users provided we comply with certain statutory requirements. The immunity is part of a statutory safe harbor. To enjoy the benefits of the safe harbor and be immune from monetary damages for infringing content uploaded by our users, we have to register a designated agent with the U.S. Copyright Office and maintain that filing on a periodic basis with the U.S. Copyright Office. We must also expeditiously remove any infringing content upon acquiring actual knowledge of such infringement or, in the absence of actual knowledge, if we become aware of facts or circumstances from which infringing activity is apparent. We must also adopt, reasonably implement, and inform users of our Platform about a policy that provides for the termination in appropriate circumstances of users who are repeat infringers of the copyrights of third parties. If we fail to comply with the conditions for qualifying for safe harbor protection, we may be subject to monetary damages for infringing content on our Platform. The damages for copyright infringement can range from $750 to $30,000 per work infringed and, in the case of willful infringement, up to $150,000 per work infringed. Alternatively, copyright owners could seek to recover their actual damages and our profits. As we host millions of user uploaded works, we could be subject to significant damages claims if we are determined not to comply with the DMCA safe harbors. Intellectual property disputes are common in our sector, and, as we face increasing competition or grow our business, there is an ongoing risk that we may become involved in legal disputes involving intellectual property claims. In addition to the protection provided by our intellectual property rights, we maintain a policy requiring our employees, consultants, and other third parties to enter into confidentiality and proprietary rights agreements to control access to our intellectual property.

For additional information on risks relating to intellectual property, please see the sections titled "Risk Factors—Risks Related to Intellectual Property—Claims by others that we infringe their proprietary technology or other rights, the activities of our users, or the content of the experiences on our Platform could subject us to liability and harm our business," "Risk Factors—Risks Related to Intellectual Property—Failure to protect or enforce our intellectual property rights or the costs involved in such enforcement would harm our business," and "Risk Factors—Risks Related to Intellectual Property—We use open source software as part of, and in connection with certain experiences on, our Platform, which may pose particular intellectual property and security risks to and could have a negative impact on our business."

Human Capital

As of December 31, 2024, we employed 2,474 full time employees. In addition, we had thousands of trust & safety agents across the globe. In order to continue to evolve the Roblox Platform, we must continue to invest in attracting and retaining key talent, especially those focused on product and engineering. We monitor our progress with human capital metrics such as turnover, time to fill open roles, ratio of internally developed talent to external hires, ratio of technical talent to overall employees, and employee engagement. Our brand, market position, reputation for innovation, and developer and creator-centric culture support our ability to recruit best-in-class engineering talent. As of December 31, 2024, we had over 1,800 employees in product and engineering functions, accounting for approximately 77% of our total full time employees, and over 100 of our full time employees were located outside of the U.S.

We completed the Company's return-to-office ("RTO") plan in the summer of 2024, which required a subset of the Company's remote employees to begin working from our San Mateo headquarters for three days a week in an effort to further promote engaging, collaborative, and productive team environments.

We have embraced four core values since we founded Roblox and focus on incorporating them into our daily actions:

- **Respect the Community.** We consider our impact on the world, strive to respect everyone's best interests, and communicate authentically. We prioritize community before company, company before team, and team before individual.
- **We are Responsible.** We are responsible for both the intended and unintended consequences of our actions.

- **Take the Long View.** We set a long term vision, even when making short term decisions. Challenge the status quo, think big, and look for innovation in whatever we do.
- **Get Stuff Done.** We drive execution by taking initiative and relentlessly iterating towards the long term goal.

To help focus our core values and to promote and support fairness, belonging and diversity, we have established several affinity groups. Our affinity groups are inclusive, voluntary, and employee-led whose aim is to promote inclusion at the Company and allow networking, mentorships, and other opportunities for professional and personal development. They include groups for women, racial and ethnic minorities, and people who identify as LGBTQIA+.

Corporate Information

We were incorporated in 2004. Our principal executive offices are located at 3150 South Delaware Street, San Mateo, California 94403, and our telephone number is (888) 858-2569. Our website address is www.corp.roblox.com. Information contained on, or that can be accessed through, our website is not incorporated by reference into this Annual Report on Form 10-K. "Roblox," "Robux," 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 Roblox Corporation. Other trademarks and trade names referred to in this Annual Report on Form 10-K are the property of their respective owners. Solely for convenience, trademarks and trade names referred to in this Annual Report on Form 10-K, including logos, artwork and other visual displays, may appear without a trademark symbol, but such references are not intended to indicate in any way that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensor to these trademarks and trade names. We do not intend our use or display of other entities' trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, any other entity.

Available Information

We file electronically with the U.S. Securities and Exchange Commission ("SEC"), our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act. We make available on our website at ir.roblox.com, free of charge, copies of these reports and other information as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC.

Investors, the media and others should note that we intend to announce material information to the public through filings with the SEC, the investor relations page on our website, at www.ir.roblox.com, press releases, public conference calls and webcasts. We use these channels, as well as social media, our blog at https://blog.roblox.com/ and our Creator Hub page at https://create.roblox.com/docs, including our Developer Forum at https://devforum.roblox.com/, to communicate with our developers and creators, users, and the public about our company, our Platform and other issues, and the information disclosed by the foregoing channels could be deemed to be material information. As such, we encourage investors, the media and others to follow the channels listed above and to review the information disclosed through such channels. However, information contained on, or that can be accessed through, these channels does not constitute a part of this prospectus and is not incorporated by reference herein. 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

RISK FACTORS

A description of the risks and uncertainties associated with our business is set forth below. You should carefully consider the risks described below, as well as the other information in this Annual Report on Form 10-K, including our consolidated financial statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations." The occurrence of any of the events or developments described below could materially and adversely affect our business, financial condition, results of operations, and growth prospects. In such an event, the market price of our Class A common stock could decline, and you may lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently believe are not material may also impair our business, financial condition, results of operations, and growth prospects.

Risk Factors Summary

Below is a summary of the principal factors that make an investment in our Class A common stock speculative or risky:

- We have a history of net losses and we may not be able to achieve or maintain profitability in the future.
- Our business is affected by seasonal demands, and our financial condition and results of operations will fluctuate from quarter to quarter, which makes our financial results difficult to predict and may not fully reflect our underlying performance.
- If our business becomes constrained by changing legal and regulatory requirements, including with respect to online safety, privacy, cybersecurity and data protection, AI, online platform liability, communication, verifiable parental consent and user-generated content, or enforcement by government regulators, including fines, orders, or consent decrees in the US or other jurisdictions in which we operate, our operating results will suffer.
- We experienced rapid growth in prior periods and our prior growth may not be indicative of our future growth or the growth of our market.
- We depend on effectively operating with third-party operating systems, hardware, and networks that we do not control; changes to any of these or our Platform may significantly harm our user retention, growth, engagement, and monetization, or require us to change our data collection and privacy, cybersecurity, and data protection practices, business models, operations, practices, advertising activities or application content, which could restrict our ability to maintain our Platform through these systems, hardware, and networks and would adversely impact our business.
- The success of our business model is contingent upon our ability to provide a safe online environment for our users, many of whom are children, to experience and if we are not able to provide such an environment, our business will suffer dramatically.
- If we are not able to provide sufficiently reliable services to our developers, creators, and users and maintain the performance of our Platform in the event of outages, constraints, disruptions, degradations or regulatory actions in our services and our Platform, our business and reputation will suffer.
- If the security of our Platform is compromised, it could compromise our and our developers', creators', and users' private information, disrupt our internal operations and harm public perception of our Platform, which could cause our business and reputation to suffer.
- Because we recognize revenue from bookings over the estimated average lifetime of a paying user or as the virtual items are consumed, changes in our business may not be immediately reflected in our operating results.
- We may incur liability as a result of content published using our Platform or as a result of claims related to content generated by our developers, creators, and users, including copyright infringement, and legislation regulating content on our Platform may require us to change our Platform or business practices.
- We must continue to attract and retain highly qualified personnel in very competitive markets to support out growth, and the loss of one or more of the members of our senior management team or other key personnel (or the inability to attract senior management or other key personnel) could significantly harm our business.
- The public trading price of our Class A common stock is volatile and may decline.
- The dual class stock structure of our common stock has the effect of concentrating voting control in our Founder, which may limit or preclude your ability to influence corporate matters, including the election of directors and the approval of any change of control transaction.
- Securities or industry analysts or other third parties may publish inaccurate or unfavorable research about us, our business or our market which may cause the market price and trading volume of our Class A common stock to decline.

Risks Related to Our Business

We have a history of net losses and we may not be able to achieve or maintain profitability in the future.

We have incurred net losses since our inception, and we expect to continue to incur net losses in the foreseeable future. We incurred net losses attributable to common stockholders of $935.4 million, $1,151.9 million and $924.4 million for the years ended December 31, 2024, 2023, and 2022, respectively. As of December 31, 2024, we had an accumulated deficit of $3,995.6 million. We also expect our operating expenses to continue to increase, and if our growth does not increase to offset these anticipated increases in our operating expenses, our business, results of operations, and financial condition will be harmed, and we may not be able to achieve or maintain profitability. We expect our costs and investments to continue to increase in future periods as we intend to continue to make investments to grow our business, including an expected increase in infrastructure and stock-based compensation expenses. These efforts may be more costly than we expect and may not result in increased revenue or growth of our business. In addition to the expected costs to grow our business, we have incurred and expect to continue to incur significant additional legal, accounting, and other expenses as a public company. Compliance with these rules and regulations continues to increase our legal and financial compliance costs and demand on our systems, and requires significant attention from our senior management that could divert their attention away from the day-to-day management of our business. If we fail to increase our revenue to sufficiently offset the increases in our operating expenses, we will not be able to achieve or maintain profitability in the future.

Our business is affected by seasonal demands, and our financial condition and results of operations will fluctuate from quarter to quarter, which makes our financial results difficult to predict and may not fully reflect our underlying performance.

Historically, our business has been highly seasonal, with the highest percentage of our bookings occurring in the fourth quarter when holidays permit our users to spend increased time on our Platform and lead to increased spend on pre-paid Robux gift cards, and we expect this trend to continue. We also typically see higher levels of engagement in the months of June, July, and August, which are summer periods in the northern hemisphere, and lower levels of engagement in the post-summer months of September, October, and November. Other periods of seasonality include holidays such as Lunar New Year, Easter, and Ramadan, each of which may differ in timing year over year and therefore have impacted and may continue to impact our quarterly results. We may also experience fluctuations due to factors that may be outside of our control that affect user, developer, or creator engagement with our Platform.

Accordingly, our quarterly results of operations have fluctuated in the past and will fluctuate in the future, both based on the seasonality of our business as well as external factors impacting the global economy, our industry and our company. Our results of operations and financial condition in any given quarter can be influenced by numerous factors, many of which we are unable to predict or are outside of our control, including, but not limited to: our ability to maintain and grow our user base, user engagement, developer base and developer engagement; the level of demand for our Platform; the ability of our developers to monetize their experiences; increased competition; our pricing model including any discounts that we offer; the maturation of our business; our ability to introduce new revenue streams such as advertising; legislative or regulatory changes; macroeconomic conditions, such as high inflation, recessionary or uncertain environments, and fluctuating foreign currency exchange rates; our ability to maintain operating margins, cash used in operating activities, and free cash flow; system failures or actual or perceived breaches or other incidents relating to privacy or cybersecurity; adverse litigation judgments, settlements, or other litigation and dispute-related costs; adverse media coverage or unfavorable publicity; the effectiveness of our internal control over financial metric reporting; the amount and timing of our stock-based compensation expenses; changes in our effective tax rate; and changes in accounting standards, policies, guidance, interpretations, or principles. As a result, you should not rely on our past quarterly results of operations as indicators of future performance. You should take into account the risks and uncertainties frequently encountered by companies in rapidly evolving market segments.

We are subject to laws and regulations worldwide, many of which are unsettled and still developing, which could increase our costs or adversely affect our business, including preventing our ability to operate our Platform in certain jurisdictions.

As a global platform with users, developers and creators in over 170 countries, we are subject to a myriad of laws and regulations that affect our business, including but not limited to, laws and regulations regarding online gaming, online safety, online platform liability, content moderation, intellectual property ownership and infringement, consumer protection, protection of minors, including the use of verifiable parental consent, privacy, biometrics, cybersecurity, data protection and data localization requirements, the use of prepaid cards, subscriptions, advertising, electronic marketing, AI, anti-competition, freedom of speech, labor, real estate, taxation, escheatment, export and national security, tariffs, anti-corruption, campaign finance, gambling, loot boxes, ratings and telecommunications, all of which are continuously evolving and developing. We have policies and procedures designed to promote compliance with applicable laws and regulations, but we cannot assure you that we will not experience violations of such laws and regulations or our policies and procedures.

The widespread availability of 3D user-generated content online is relatively new, and the regulatory framework is new and continuously evolving with increased legislative initiatives and agency focus on areas including the protection of minors online and users' personal information, among other areas. The scope and interpretation of these laws and regulations that are or may be applicable to us, are often uncertain and may be conflicting from jurisdiction to jurisdiction and compliance with laws, regulations and similar requirements may be burdensome and expensive. Moreover, in some cases these new regulations can be enforced by private parties in addition to governmental agencies.

There are a suite of global laws focusing on the area of online safety and content moderation, including notice and transparency obligations. The United Kingdom's Online Safety Act ("OSA") will gradually be fully implemented as the Office of Communications ("Ofcom") publishes its guidance and codes of practice with the first set of obligations in force in March 2025. The OSA introduces, among other things, duties to protect children and other users online, complete risk assessments, and remove illegal content. Noncompliance with the OSA could lead to investigations and other proceedings, substantial fines of up to £18 million or 10% of the prior year's global revenues and possible imposition of criminal liability on senior managers and company officers, and the imposition of business disruption measures such as access restriction orders. The EU's Digital Services Act ("DSA") imposes new content moderation obligations, notice and transparency obligations, advertising restrictions and other requirements on digital platforms to protect consumers and their rights online. Noncompliance with the DSA could result in fines of up to 6% of annual global revenues, which are in addition to the ability of civil society organizations and non-governmental organizations to commence class action lawsuits. Australia's Online Safety Act of 2021 has recently been amended to require certain social media platforms, which may include our Platform, take reasonable steps by the end of 2025 to prevent Australians under the age of 16 from having accounts.

Additionally, we are subject to regulations with respect to advertising, in particular, advertising to minors, and advertising regulations could differ based on the jurisdiction of a user. For example, in the U.S. the Federal Trade Commission ("FTC") and other regulators restrict deceptive or unfair commercial activities, including in relation to targeted advertising and advertising to minors. As we evolve our advertising products, we may not be able to implement an advertising model that is compliant with regulations in all jurisdictions in which we operate, and advertising regulations could differ based on the jurisdiction of our users.

In the U.S. we are subject to both federal and state legislative initiatives and regulations, such as the proposed Kids Online Safety Act and various state safety regulations, which have and may continue to vary significantly. For example, in 2024 the State of Texas enacted new restrictions on purchasing by minors, including requiring verified parental consent for minors to purchase digital items, including on our Platform. These additional restrictions will likely have an adverse impact on our revenue and bookings from users in Texas in the near term.

In addition, there are ongoing academic, political, and regulatory discussions in the U.S., Canada, European Union, United Kingdom, Australia and other jurisdictions regarding whether certain mechanisms that may be included in experiences on our Platform, such as features commonly referred to as "loot boxes," and certain genres of experiences, such as social casino, that may reward gambling-like behavior, should be subject to a higher level or different type of regulation than other genres of experiences to protect consumers, in particular minors and persons susceptible to addiction, and, if so, what such regulation should include. In some countries such as Belgium and the Netherlands, "loot box" mechanics may be considered gambling, and are restricted as a result. In Australia gaming content containing "loot boxes" requires a mature age rating (age 15+). Other jurisdictions are considering similar limitations or bans on "loot boxes."

Governmental agencies in any of the countries in which we, our users, developers, or creators are located from time to time have sought and continue to seek to and could in the future seek to impose restrictions on our Platform, our website, operating system platforms, application stores or the internet generally. Compliance with these existing and new regulations, uncertainty over changes in laws and regulations, uncertainty over the scope and interpretation of laws and regulations that may be applicable to us, and conflicting laws and obligations, have led to, and will continue to lead to increases in the cost of compliance, moderation and doing business and exposes us to possible litigation, fines or other injunctive and monetary penalties. We have been required to and could in the future be required to modify or remove certain content in the experiences on our Platform, change the default settings of our Platform, and modify or disable certain features on our Platform in various jurisdictions. These requirements may impact user engagement, the functionality and effectiveness of our Platform, our ability to operate across demographics and geographies, our developer's ability to monetize their experiences in some geographies and reduce the overall use or demand for our Platform, which would harm our business, financial condition, and results of operations. We have been required to and could in the future be required to change our business model for specific jurisdictions or subsets of our users, take on more onerous obligations, including, but not limited to, applying for government-issued licenses to operate, establishing a local presence in certain jurisdictions, developing localized product offerings, and storing user information on servers in a country within which we operate. The costs of compliance with, and other burdens imposed by, these laws, regulations, standards, and obligations, could be prohibitively expensive. Requirements to change age ratings of our Platform or of specific content on our Platform may make our Platform less attractive for the younger users and harm our business, financial condition and results of operations. Furthermore, any inability to adequately address these burdens, has led to, and in the future could lead to suspension of our Platform in certain jurisdictions. Restrictions on our ability to offer our Platform or on users' ability to engage with others on our Platform may have a significant adverse impact on the revenue and bookings that we derive from those jurisdictions, which could materially adversely affect our operating results and our business. We may be required to expend substantial resources or to modify our Platform substantially to comply with evolving laws and regulations, which would harm our business, financial condition and results of operations. In addition, the increased attention upon liability issues as a result of lawsuits and legislative proposals could harm our reputation or otherwise impact the growth of our business.

Moreover, the adoption of any laws or regulations adversely affecting the growth, popularity or use of the internet, including laws impacting Internet neutrality, could decrease the demand for our Platform and increase our operating costs. The legislative and regulatory landscape regarding the regulation of the internet and, in particular, internet neutrality, in the U.S and internationally is subject to uncertainty. Users generally need to access the internet, including in geographically diverse areas, and also mobile platforms such as the Apple App Store and the Google Play Store, to engage with experiences on our Platform. If governmental or other entities block, limit or otherwise restrict developers, creators, and users from accessing our Platform, or users from engaging with experiences on our Platform, we may need to take on more onerous obligations, limit the functionality of our Platform, and/or establish certain local entities, each of which could adversely affect our results of operations or subject us to additional fines and penalties.

We experienced rapid growth in prior periods, and our prior growth rates may not be indicative of our future growth or the growth of our market.

We experienced rapid growth in prior periods relative to our quarterly forecast and historic trends, which may not be indicative of our financial and operating results in future periods. The activity levels experienced in prior periods were attributed in part to the impact of the COVID-19 lockdowns in 2020 and 2022, which led to increased demand for our business, were not sustainable, and our growth rates have moderated in most markets. The long-term impact to our business, operations, and financial results will depend on numerous evolving factors that we may not be able to accurately predict. For example, our bookings increased 171% from the year ended December 31, 2019 to the year ended December 31, 2020, while our bookings increased 24% from the year ended December 31, 2023 to the year ended December 31, 2024. Our revenue, bookings, and user base growth rates have slowed and may continue to slow, and we may not experience any growth in bookings or our user base during periods where we are comparing against historical periods. We believe our overall market acceptance, revenue growth, and increases in bookings depend on a number of factors, some of which are not within our control. There can be no assurance that users will not reduce their usage or engagement with our Platform or reduce their discretionary spending on our Platform, which would adversely impact our revenue and financial condition. If we are unable to continue to maintain the attractiveness of our Platform to developers, creators, and users, they may no longer seek new experiences in our Platform, which would result in decreased market acceptance, fewer bookings, and lower revenue and could harm our operations.

We depend on effectively operating with third-party operating systems, hardware, and networks that may make changes affecting our operating costs, as well as our ability to maintain our Platform which would hurt our ability to operate our business.

For the year ended December 31, 2024, 30% of our revenue was attributable to Robux sales through the Apple App Store and 16% of our revenue was attributable to Robux sales through the Google Play Store. Because of the significant use of our Platform on mobile devices, our application must remain interoperable with these and other popular mobile app stores and platforms, and related hardware. We are subject to the standard policies and terms of service of these operating systems, as well as policies and terms of service of the various software application stores that make our application and experiences available to our developers, creators, and users. These policies and terms of service govern the availability, promotion, distribution, content, and operation of applications and experiences on such operating systems and stores. Each provider of these operating systems and stores has broad discretion to change and interpret its terms of service and policies with respect to our Platform and those changes may be unfavorable to us and our developers', creators', and users' use of our Platform. If an operating system provider or application store limits or discontinues access to, or changes the terms governing, its operating system or store for any reason, it could adversely affect our business, financial condition, or results of operations.

Additionally, an operating system provider or application store could also limit or discontinue our access to its operating system or store if it establishes more favorable relationships with one or more of our competitors, launches a competing product itself, or it otherwise determines that it is in its business interests to do so. If competitors control the operating systems and related hardware our application runs on, they could make interoperability of our Platform more difficult or display their competitive offerings more prominently than ours. There is no guarantee that new devices, platforms, systems and software application stores will continue to support our Platform or that we will be able to maintain the same level of service on these new systems. If it becomes more difficult for our users, developers or creators to access and engage with our Platform, our business and user retention, growth, and engagement could be significantly harmed.

Similarly, at any time, our operating system providers or application stores can change their policies on how we operate on their operating system or in their application stores by, for example, applying content moderation for applications and advertising or imposing technical or code requirements. These actions by operating system providers or application stores may affect our ability to collect, process, and use data as desired and could negatively impact our ability to leverage data about the experiences our developers create which in turn could impact our resource planning and feature development planning for our Platform.

We rely on third-party distribution channels and third-party payment processors to facilitate purchases by our Platform users. If we are unable to maintain a good relationship with such providers, if their terms and conditions change, or fail to process or ensure the safety of users' payments, our business will suffer.

Purchases of Robux and other products (e.g., prepaid gift cards) or services on our Platform are facilitated through third-party online distribution channels and third-party payment processors. We utilize these distribution channels, such as Amazon, Apple, Blackhawk, ePay, Google, Incomm, PayPal, Stripe, Microsoft, Sony's PlayStation Network and Xsolla, to receive cash proceeds from purchases of Robux. For our experiences accessed through mobile platforms such as the Apple App Store and the Google Play Store and consoles, we are required to share a portion of the proceeds from in-game sales with the platform and console providers. For operations through the Apple App Store and Google Play Store, we are obligated to pay up to 30% of any money paid by users on our Platform to Apple and Google and this amount could increase. For operations through console providers, such as Microsoft Xbox and Sony PlayStation, we are obligated to pay around 30% of any money paid by users on our Platform, and these amounts could also increase. These costs are expected to remain a significant operating expense for the foreseeable future. If the amount these platform providers charge increases, it could have a material impact on our ability to pay developers and our results of operations. Each provider of an operating system, application store or console may also change its fee structure or add fees associated with access to and use of its operating system, which could have an adverse impact on our business. There has been litigation, as well as governmental inquiries over application store fees, and Apple or Google could modify their platform in response to such litigation and inquiries in a manner that may harm us. Any scheduled or unscheduled interruption in the ability of our users to transact with these distribution channels could adversely affect our payment collection and, in turn, our revenue and bookings.

Additionally, we do not directly process purchases made on our Platform or the exchange of earned Robux for fiat currency through our Developer Exchange Program. Information on those purchases or exchanges (e.g., debit and credit card numbers and expiration dates, personal information, and billing addresses) is disclosed to the third-party online platform and service providers facilitating purchases or exchanges of Robux for fiat currency by users (such as Stripe, Xsolla, and Tipalti). We do not have control over the security measures of those providers, and their security measures may not be adequate. We could be exposed to litigation and possible liability if our users' (including our developers') transaction information involving their purchases or exchanges for fiat currency are compromised, which could harm our reputation and our ability to attract users and may materially adversely affect our business.

We also rely on the stability of such distribution channels and their payment transmissions, and third-party payment processors for the continued payment services provided to our users. If any of these providers fail to process or ensure the security of users' payments for any reason, our reputation may be damaged and we may lose our paying users and developers interested in our Developer Exchange Program, developers may be discouraged from creating on our Platform, and users may be discouraged from making purchases on our Platform in the future, which, in turn, would materially and adversely affect our business, financial condition, and prospects.

In addition, from time to time, we or our partners encounter fraudulent use of payment methods, which could impact our results of operations and if not adequately controlled and managed could create negative consumer perceptions of our Platform services. If we are unable to maintain our fraud and chargeback rate at acceptable levels, card networks may impose fines, our users' card approval rate may be impacted and we may be subject to additional card authentication requirements. The termination of our ability to process payments on any major payment method would significantly impair our ability to operate our business. Further, the Consumer Financial Protection Bureau ("CFPB") has issued a regulation to exercise authority to conduct supervisory examinations over large nonbank technology companies offering digital funds transfer and payment wallet apps. Accordingly, the third-party online distribution channels and third-party payment processors on which we rely, to the extent they are covered by the CFPB's regulation, may face external pressures that could impose additional compliance costs, impact their ability to offer digital payment services, and affect our relationships with them over time or have other adverse impacts upon our business and our ability to serve users and developers.

The success of our business model is contingent upon maintaining a strong reputation and brand, including our ability to provide a safe online environment for our users, many of whom are children, to experience, and if we are not able to provide such an environment, our business will suffer dramatically.

Our Platform hosts a number of experiences intended for audiences of varying ages, a significant percentage of which are designed to be experienced by children. As a user-generated content platform, it is relatively easy for developers, creators, and users to upload content that can be viewed broadly. We continue to make significant efforts to provide a safe, civil and enjoyable experience for users of all ages. Although illicit activities are in violation of our terms and policies, and we attempt to block objectionable material and ban bad actors from our Platform, we are unable to prevent all such violations from occurring and banned actors have, at times, been able to evade our detection systems and regain access to our Platform through alternative accounts.

We invest significant technical and human resources to prevent inappropriate content on our Platform by using a range of tools and policies, including several designed to review all images, audio, and video at the time of upload in order to block inappropriate content before users have a chance to encounter it on our Platform. Notwithstanding our efforts, from time to time, inappropriate content is successfully uploaded onto our Platform and can be viewed by others prior to being identified and removed by us. Additionally, in some of our experiences users are able to generate in-experience content which may not be detectable by our automated moderation systems.

Moreover, measures intended to make our Platform more attractive to an older, age verified audience, such as less highly moderated or unmoderated chat and the introduction of experiences with mature content, and new methods of communication could fail to gain sufficient market acceptance by its intended audience and may create the perception that our Platform is not safe for younger users. This in turn has caused and may continue to cause some operating system providers, application stores, or regulatory agencies to require a higher age rating for our Platform, which could cause us to become less available to younger users and harm our business, financial condition, and results of operations. For example, USK, who are responsible for game ratings in Germany, increased our age rating from USK12 to USK16 in January 2025. We have at times experienced negative media coverage related to content that is age-restricted on our Platform but is mischaracterized in the media as being accessible to younger users and therefore has impacted our reputation as a safe online environment for children. At times, content that is age-restricted, but not violative of our terms for teenagers, may still be in poor taste or considered crude, and therefore lead to negative media attention.

Further, children may attempt to evade our age verification system, which could lead them to be exposed to inappropriate content or behavior by participating in experiences that are not age-appropriate or gaining access to features we have restricted to older users. While we have introduced Content Maturity Labels that enable users to make informed decisions about the experiences they interact with and we have introduced additional parental controls that help parents and caregivers manage their child's experience on our Platform, users from time to time, notwithstanding our efforts, have been able to evade our systems, and have been exposed to content that may not be age-appropriate. In addition, as more of our brand partners, developers, and creators offer physical products for sale through our Platform, younger users may be able to purchase products that may not be age-appropriate. Unintentional access to content or physical products could cause harm to our audience and to our reputation of providing a safe environment for younger users. If we are unable to sufficiently limit, or are perceived as not being able to sufficiently limit, all or substantially all age-inappropriate content and physical products to only users who have been verified as being the appropriate age for such content or goods, then parents and children could lose their trust in the safety of our Platform, which would harm our overall acceptance by these audiences and would likely result in significantly reduced revenue, bookings, profitability, and ultimately, our ability to continue to successfully operate our Platform.

In addition to limiting content to age-appropriate audiences and blocking other inappropriate content, we have statutory obligations under U.S. federal law to block or remove child pornography and report apparent offenses to the National Center for Missing and Exploited Children. While we have dedicated technology and trained human moderator staff that can detect and remove sexual content involving children, there have been instances where such content has been uploaded, and any unforeseen future non-compliance by us or allegations of non-compliance by us with respect to U.S. federal laws on child pornography or the sexual exploitation of children could significantly harm our reputation, create criminal liability, and could be costly and time consuming to address or defend. We may also be subject to additional criminal liability related to child pornography or child sexual exploitation under other domestic and international laws and regulations.

We believe that maintaining, protecting, and enhancing our reputation and brand is critical to grow the number of developers, creators, and users on our Platform, especially given the safe and civil atmosphere that we strive to achieve for our users, many of whom are children. Maintaining, protecting, and enhancing our brand will depend largely on our ability to continue to provide reliable high-quality, engaging, and shared experiences on our Platform. If users, developers, or creators do not perceive our Platform to be reliable or of high quality, the value of our brand could diminish, thereby decreasing the attractiveness of our Platform. Further, we have faced and are currently defending allegations that our Platform has been used by criminal offenders to identify and communicate with children and to possibly entice them to interact off-Platform, outside of the restrictions of our moderated chat, content blockers, and other on-Platform safety measures. While we devote considerable resources to prevent this from occurring, we are unable to prevent all such interactions from taking place. We have also received and expect to continue to receive a high degree of media coverage alleging the use of our Platform for illicit or objectionable ends. For example, we have experienced negative media publicity from traditional media sources and self-described short seller investors, related to the age of some of our developers, the content that developers produce, our operating metrics and disclosures, the strength of our moderation practices, and the conduct of users on our Platform that may be deemed illicit, explicit, profane, or otherwise objectionable. Additional unfavorable publicity has covered our privacy, cybersecurity or data protection practices, terms of service, product changes, product quality, litigation or regulatory activity, our use of generative AI, the actions of our users, and the actions of our developers or creators whose products are integrated with our Platform.

Our reputation and brand could also be negatively affected by the actions of developers, contractors and users that are hostile, inappropriate, or illegal, whether on or off our Platform. Actual or perceived incidents or misuses of user data or other privacy or security incidents, the substance or enforcement of our community standards, the quality, integrity, characterization and age-appropriateness of content shared on our Platform, or the actions of other companies that provide similar services to ours, have and could adversely affect our reputation and lead to scrutiny and inquiries from governments and regulators. Any criminal incidents or allegations involving Roblox, whether or not we are directly responsible, could adversely affect our reputation as a safe place for children and hurt our business. Any negative publicity could create the perception that we do not provide a safe online environment and may have an adverse effect on the size, engagement, and loyalty of our developer, creator, and user community, which would adversely affect our business and financial results. Maintaining, protecting, and enhancing our reputation and brand may require us to make substantial investments, and these investments may not be successful.

If we fail to retain users or add new users, or if our users decrease their level of engagement with our Platform, revenue, bookings, and operating results will be harmed.

We view DAUs as a critical measure of our user engagement, and adding, maintaining, and engaging users has been and will continue to be necessary to our continued growth. Our DAU growth rate has fluctuated in the past and may slow in the future due to various factors including: the introduction of new or updated experiences or virtual items on our Platform; our ability to personalize and feature relevant experiences to our users; performance issues with our Platform; the removal of popular experiences or virtual items on our Platform including due to copyright or other legal violations that may or may not be within our control; the availability of our Platform across markets and user demographics, which may be impacted by regulatory or legal requirements, including the use of verifiable parental consent; changes to the default settings on our Platform overall or for specific user groups; higher market penetration rates and competition from a variety of entertainment sources for our users and their time. In addition, our strategy seeks to expand the age groups and geographic markets that make up our users. If and when we achieve maximum market penetration rates among any particular user cohort overall and in particular geographic markets, future growth in DAUs will need to come from other age or geographic cohorts, which may be difficult, costly, or time consuming for us to achieve. Accessibility to the internet and bandwidth or connectivity limitations as well as regulatory requirements, may also affect our ability to further expand our user base in a variety of geographies. If the growth rate in our key metrics such as DAUs or hours engaged slows or becomes stagnant, or we have a decline in one of our key metrics such as DAUs or hours engaged, or we fail to effectively monetize new or existing users, our financial performance could be significantly harmed.

Our business plan assumes that the demand for interactive entertainment offerings will increase for the foreseeable future. However, if this market shrinks or grows more slowly than anticipated or if demand for our Platform does not grow as quickly as we anticipate, whether as a result of competition, product obsolescence, budgetary constraints of our developers, creators, and users, technological changes, unfavorable economic conditions, uncertain geopolitical or regulatory environments or other factors, we may not be able to increase our revenue and bookings sufficiently to ever achieve profitability and our stock price would decline.

Moreover, a large number of our users are under the age of 13. This demographic may be less brand loyal and more likely to follow trends, including viral trends, than other demographics. These and other factors may lead users to switch to another entertainment option rapidly, which can interfere with our ability to forecast usage or DAUs and would negatively affect our user retention, growth, and engagement. We also may not be able to penetrate other demographics in a meaningful manner to compensate for the loss of DAUs in this age group. Falling user retention, growth, or engagement rates could seriously harm our business.

We depend on our developers to create digital content that our users find compelling, and if we fail to properly incentivize our developers and creators to develop and monetize content, our business will suffer.

Our Platform relies on our developers and creators to create experiences and virtual items on our Platform for our users, and we believe the interactions between and within the developer, creator, and user communities on our Platform create a thriving and organic ecosystem, and this network effect drives our growth. To facilitate and incentivize the creation of experiences and virtual items by developers, our Platform offers developers an opportunity to earn Robux, a virtual currency on our Platform, which, as described in our terms of use, is a license to engage in experiences and/or obtain virtual items. When virtual items are acquired on our Platform, the originating developer or creator earns a portion of the Robux paid for the item. Developers are able to exchange their accumulated earned Robux for fiat currency under certain conditions outlined in our Developer Exchange Program. In addition, we have paid access experiences where developers can offer access to their experiences to users for a set price in fiat currency and in exchange earn a higher revenue share of these user purchases. While we have millions of developers and creators on our Platform, 50% of in-experience hours engaged in experiences were spent in the top 50 experiences in the month ending December 31, 2024. We continuously review and revise our Platform policies to enhance regulatory compliance and the trust and safety of our Platform. Changes to our Platform policies may reduce the ability of developers to monetize their experience. The loss of any of our top developers could have a material impact on our business, financial condition, and operations. If we fail to provide a sufficient return to developers, they may elect to develop user-generated content on other platforms, which would result in a loss of revenue.

We spend substantial amounts of time and money to research, develop, and enhance versions of our Platform to incorporate additional features, improve functionality or other enhancements and prioritize user safety and security in order to meet the rapidly evolving demands of our developers, creators, and users. Developments and innovations on our Platform may rely on new or evolving technologies which may at times be still in development and may never be fully developed. Maintaining adequate research and development resources, such as the appropriate personnel and development technology, to meet the demands of the market is essential. Despite our efforts, users, developers, or creators may become dissatisfied with our Platform technology, billing or payment policies, our handling of personal data, or other aspects of our Platform. If we fail to adequately address these or other user, developer, or creator complaints, negative publicity about us or our Platform could diminish confidence in and the use of our Platform. If we do not provide the right technologies, education or financial incentives to our developers and creators, they may develop fewer experiences or virtual items or be unable to or choose not to monetize their experiences, and our users may elect to not participate in the experiences or acquire the virtual items, and, thus, our Platform, revenue, and bookings could be adversely affected. Additionally, if we fail to anticipate developers' and creators' needs, the quality of the content they create may not attract users to engage with experiences and result in a decline of users on our Platform. When we develop new or enhanced features for our Platform, we typically incur expenses and expend resources upfront to develop, market, promote, and sell new features, and we may not be able to realize some or all of the anticipated benefits of these investments.

If we experience outages, constraints, disruptions, or degradations in our services, Platform support and/or technological infrastructure, our ability to provide sufficiently reliable services to our customers and maintain the performance of our Platform could be negatively impacted, which could harm our relationships with our developers, creators, and users, and, consequently, our business.

Our users expect fast, reliable, and resilient systems to enhance their experience and support their activity on our Platform, which depends on the continuing operation and availability of our Platform from our global network of data centers controlled and operated by us and our external service providers, including third-party "cloud" computing services. We also provide services to our developer and creator community through our Platform, including DevForum and Creator Hub for tutorials, hosting, customer service, regulatory compliance, and translation, among many others. The experiences and technologies on our Platform are complex software products and maintaining the sophisticated internal and external technological infrastructure required to reliably deliver these experiences and technologies is expensive and complex. The reliable delivery and stability of our Platform has been, and could in the future be, adversely impacted by outages, disruptions, failures, or degradations in our network and related infrastructure or those of our partners or service providers, including those stemming from vulnerabilities in authentication mechanism, service spoofing, or the complexities of managing micro-systems architecture.

We have experienced outages from time to time since our inception when the Platform is unavailable for all or some of our users, developers, and creators, including in October 2024, May 2022, October 2021, and at other times during our history. In addition, there may be times when access to our Platform for users, developers, and creators may be temporarily unavailable or limited. This could be due to proactive actions we take while we provide critical updates or as an unexpected outcome of routine maintenance, which most recently occurred in July 2023. Outages can be caused by a number of factors, including a move to a new technology or security vulnerabilities in new or existing technologies, the demand on our Platform exceeding the capabilities of our technological infrastructure, delays or failures resulting from natural disasters, manmade disasters, or other catastrophic events, the migration of data among data centers and to third-party hosted environments, a cyber event or act of terrorism, and issues relating to our reliance on third-party software, third-party application stores, and third parties that host our Platform in areas where we do not operate our own data centers. The unavailability of our Platform, particularly if outages should become more frequent or longer in duration, could cause our users to seek other entertainment options, including those provided by our competitors, which may adversely affect our financial results. If we or our partners or third party service providers experience outages and our Platform is unavailable or if our developers, creators, and users are unable to access our Platform within a reasonable amount of time or at all, as a result of any such events, our reputation and brand may be harmed, developer, creator and user engagement with our Platform may be reduced, and our revenue, bookings and profitability could be, and has been in the past, negatively impacted. We may also experience a negative impact to our financial results as a result of decreased usage on our Platform or decrease of payouts to developers and creators. We may not have full redundancy for all of our systems at all times and our disaster recovery planning may not be sufficient to mitigate the risks posed by technological exploitation used by threat actors and to address all aspects of any consequence or incident or allow us to maintain business continuity at profitable levels or at all. Further, in the event of damage or service interruption, our business interruption insurance policies will not adequately compensate us for losses that we may incur. These factors in turn could further reduce our revenues, subject us to liability, or otherwise harm our business, financial condition, or results of operations.

In addition to the events described above, our data and our technological infrastructure may also be subject to government laws, administrative actions or regulations, changes to legal or permitting requirements, and litigation that could stop, limit, or delay operations. Despite a reliability program focused on anticipating and solving issues that may impact the availability of our Platform and precautions taken at our data centers, such as disaster recovery and business continuity arrangements, the occurrence of spikes in usage volume, the occurrence of a natural disaster, a cyber event or act of terrorism, a decision to close the facilities without adequate notice, our inability to secure additional or replacement data center capacity as needed, or other unanticipated problems at our data centers could result in interruptions or delays on our Platform, impede our ability to scale our operations or have other adverse impacts upon our business and adversely impact our ability to serve our developers, creators, and users.

Customer support personnel and technologies are critical to resolve issues and to allow developers, creators, and users to realize the full benefits that our Platform provides and provide an excellent customer experience. High-quality support is important for the retention of our existing developers, creators, and users and to encourage the expansion of their use of our Platform. We rely on third party service providers to assist in our customer support. Our third party providers, employees, developers or users have been and may in the future be a source of exploitation for bad actors to attempt to compromise our systems and information. If a threat actor is successful in using one or more of our third party service providers, employees, developers, or users to compromise our systems or personal information of our users, it could impact our business and results of operation as well as our reputation.

We must continue to invest in the infrastructure required to support our Platform. If we do not help our developers, creators, and users quickly resolve issues and provide effective ongoing support, our ability to maintain and expand our Platform to existing and new developers, creators, and users could suffer. In addition, if we do not make sufficient investments in servers, software or personnel in support of our infrastructure, to scale effectively and accommodate increased demands placed on our infrastructure, the reliability of our underlying infrastructure will be harmed and our ability to provide a quality experience for our developers, creators, and users will be significantly harmed. This would lead to a reduction in the number of developers, creators, and users on our Platform, a reduction in our revenues, bookings, and ability to compete, and our reputation with existing or potential developers, creators, or users could suffer.

The lack of comprehensive encryption for communications on our Platform may increase the impact of a security breach or incident.

Communications on our Platform are not comprehensively encrypted at this time. As such, any security breach or incident that involves unauthorized access, acquisition, disclosure, or use of communications on our Platform may be particularly impactful to our business. We may experience greater incident response forensics, data recovery, legal fees, and costs of notification related to any such potential incident or vulnerabilities, and we may face an increased risk of reputational harm, regulatory enforcement, and consumer litigation, which could further harm our business, financial condition, results of operations, and future business opportunities.

If the security of our Platform is compromised, it could compromise our and our developers', creators', and users' private information, disrupt our internal operations, and harm public perception of our Platform, which could cause our business and reputation to suffer.

We collect and store personal data and certain other sensitive and proprietary information in the operation of our business, including developer, creator, user and employee information, and other confidential data. While we have implemented measures designed to prevent unauthorized access to or loss of our confidential data, malware, ransomware, viruses, hacking, social engineering, spam, and phishing attacks across our organization, these types of attacks have occurred and may occur on our Platform, our systems, and those of our third-party service providers again in the future. Because of the popularity of our Platform, we believe that we are an attractive target for these sorts of attacks and have seen the frequency of these types of attacks increase over time.

The techniques used by malicious actors to obtain unauthorized access to, or to sabotage our systems or networks, or to utilize our systems maliciously, are constantly evolving and generally are not recognized in the industry until launched against a target. Despite the measures we have taken, we at times have not been able to anticipate these techniques, detect, or react in a timely manner, or implement preventive measures, which has resulted in and could continue to result in, delays in our detection or remediation of, or other responses to, security breaches and other security-related incidents. In addition, the use of open source software in our Platform has exposed us to security vulnerabilities in the past and will likely continue to expose us to security vulnerabilities in the future. For example, in December 2021, a vulnerability in popular logging software, Log4j, was publicly announced, and while we have taken steps to patch these and similar vulnerabilities in our systems, we cannot guarantee that all vulnerabilities have been patched in every system upon which we are dependent or that additional critical vulnerabilities of open source software which we rely upon will not be discovered. Our use of AI in our products and business practices may increase or create additional cybersecurity and privacy risks, including risks of security breaches and incidents.

Our Platform and services operate in conjunction with, and we are dependent upon, third-party products, services, and components. Our ability to monitor our third-party service providers' cybersecurity is limited, and in any event, attackers may be able to circumvent our third-party service providers' cybersecurity measures. There have been and may continue to be significant attacks on certain of our third-party providers, and we cannot guarantee that our or our third-party providers' systems and networks have not been breached or that they do not contain exploitable defects or bugs that could result in a breach of or disruption to our systems and networks or the systems and networks of third parties that support us and our Platform and service. Security vulnerabilities, errors, or other bugs in these third-party products, services, or components, and security exploits targeting them or even simply the allegation of a vulnerability or security exploit targeting one of these third-party products, services, or components, has at times and could continue to cause us to face increased costs, claims, liability, 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 incident in a timely manner, or implement adequate preventative measures.

If any unauthorized access to our network, systems or data, including our sensitive and proprietary information, personal data from our users, developers, or creators, or other data, or any other loss or unavailability of, or unauthorized use, modification, disclosure, or other processing of personal data or any other security breach or incident, occurs or is believed to have occurred, whether as a result of third-party action, employee negligence, error or malfeasance, defects, social engineering techniques, ransomware attacks, or otherwise, our reputation, brand and competitive position could be damaged, our and our users', developers' and creators' data and intellectual property could potentially be lost or compromised, and we could be required to spend capital and other resources to alleviate problems caused by such actual or perceived breaches or incidents and remediate our systems. In the past, we have experienced social engineering and phishing attacks, and if similar attacks occur and are successful, this could have a negative impact on our business or result in unfavorable publicity. Additionally, we contract with certain third parties to store and process certain data for us, including our distribution channels, and these third parties face similar risks of actual and potential security breaches and incidents, which could present similar risks to our business, reputation, financial condition, and results of operations.

We incur significant costs in an effort to detect and prevent security breaches and other security-related incidents, including those to secure our product development, test, evaluation, and deployment activities, and we expect our costs will increase as we make improvements to our systems and processes to prevent future breaches and incidents. The economic costs to us to reduce cyber or other security problems, such as spammers, errors, bugs, flaws, "cheating" programs, defects or corrupted data, could be significant and may be difficult to anticipate or measure. Even the perception of these issues may cause developers, creators, and users to use our Platform less or stop using it altogether, and the costs could divert our attention and resources, any of which could result in claims, demands, and legal liability to us, regulatory investigations and other proceedings, and otherwise harm our business, reputation, financial condition, or results of operations. There could also be regulatory fines or other remedies imposed in connection with certain data breaches that take place around the world. Further, certain laws and regulations relating to privacy, biometrics, cybersecurity, and data protection, such as the California Consumer Privacy Act ("CCPA"), allow for a private right of action, which may lead to consumer litigation for certain data breaches that relate to specified categories of personal information. From time to time, we do identify product vulnerabilities, including through our bug bounty program. Although we have policies and procedures in place designed to promptly characterize the potential impact of such vulnerabilities and develop appropriate patching or upgrade recommendations and also maintain policies and procedures related to vulnerability scanning and management of our internal corporate systems and networks, such policies and procedures may not be followed or detect every issue, and from time to time, we have, and may in the future again, need to proactively disable access to our Platform in order to provide necessary patching or upgrades.

Although we maintain cyber and privacy insurance, subject to applicable deductibles and policy limits, such coverage may not extend to all types of incidents relating to privacy, data protection, or cybersecurity, and it may be insufficient to cover all costs and expenses associated with such incidents. 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 adverse effect on our business, including our financial condition, operating results, and reputation.

The expansion of our Platform outside the United States exposes us to risks inherent in international operations.

We operate our Platform throughout the world and are subject to risks and challenges associated with international business. For the year ended December 31, 2024, approximately 79% of our DAUs and 37% of our revenue was derived from outside the U.S. and Canada region. We intend to continue to expand internationally, and this expansion is a critical element of our future business strategy. However, as we continue to expand internationally, including into developing countries where consumer discretionary spending is relatively weak, while our DAUs increase, the growth rate of our bookings could decelerate due to weaker spending by users from those regions, and our ABPDAU has been and may continue to be negatively impacted. While we have a number of developers, creators, and users outside of the U.S., we have limited offices located outside of the U.S. and Canada, and there is no guarantee that our international expansion efforts will be successful. The risks and challenges associated with expanding our international presence and operations include:

- greater difficulty in enforcing contracts and accounts receivable collection, and longer collection periods;
- higher costs of doing business internationally, including increased accounting, travel, infrastructure, legal and compliance costs;
- double taxation of our international earnings and potentially adverse tax consequences due to changes in the tax laws of the U.S. or the foreign jurisdictions in which we operate;
- compliance with multiple, ambiguous, or evolving laws and regulations, including those relating to employment, tax, content regulation, online safety, privacy, data protection, anti-corruption, import/export, customs, anti-boycott, sanctions and embargoes, antitrust, data transfer, storage and security, content monitoring, preclusion, and removal, online entertainment offerings, advertising and consumer protection in general, and industry-specific laws and regulations, particularly as these rules apply to interactions with users under the age of 18;
- uncertainty regarding the imposition of and changes in the U.S.' and other governments' trade regulations, trade wars, tariffs, other restrictions or other geopolitical events, including, without limitation, the evolving relations between the U.S. and China, evolving relations with Russia due to Russia's invasion of Ukraine, and the conflict in the Middle East stemming from Hamas' attack against Israel;
- expenses related to monitoring and complying with differing labor and employment regulations, especially in jurisdictions where labor and employment laws may be more favorable to employees than in the U.S.;
- increased exposure to fluctuations in exchange rates between the U.S. dollar and foreign currencies in markets where we do business;
- challenges inherent to efficiently recruiting and retaining qualified employees in foreign countries and maintaining our company culture and employee programs across all of our offices;
- management communication and integration problems resulting from language or cultural differences and geographic dispersion;
- the uncertainty of protection for intellectual property in some countries;
- the uncertainty of our exposure to third-party claims of intellectual property infringement and the availability of statutory safe harbors in some countries;
- foreign exchange controls that might prevent us from repatriating cash earned outside the U.S.;
- risks associated with trade restrictions and foreign legal requirements, and greater risk of unexpected changes in regulatory requirements, tariffs and tax laws, trade laws, and export and other trade restrictions;
- risks relating to the implementation of exchange controls, including restrictions promulgated by the Office of Foreign Asset Control ("OFAC"), and other similar trade protection regulations and measures;
- exposure to regional or global public health issues, and to travel restrictions and other measures undertaken by governments in response to such issues;
- general economic and political conditions in these foreign markets, including political and economic instability in some countries and regions;
- localization of our services, including translation into foreign languages and associated expenses and the ability to monitor our Platform in new and evolving markets and in different languages to confirm that we maintain standards, including trust and safety standards, consistent with our brand and reputation;
- regulatory frameworks or business practices favoring local competitors;
- changes in the perception of our Platform by governments in the regions where we operate or plan to operate; and

- natural disasters, acts of war, and terrorism, and resulting changes to laws and regulations, including changes oriented to protecting local businesses.

These and other factors could harm our ability to generate revenue and bookings outside of the U.S. and, consequently, adversely affect our business, financial condition and results of operations. We may not be able to expand our business and attract users in international markets and doing so will require considerable management attention and resources. International expansion is subject to the particular challenges of supporting a business in an environment of multiple languages, cultures, customs, legal systems, alternative dispute systems, regulatory systems and commercial infrastructures. We may not be able to offer our Platform in certain countries, and expanding our international focus may subject us to risks that we have not faced before or increase risks that we currently face. For example, in August 2024 we learned that our Platform was blocked in the Republic of Türkiye and we are working with the local authorities with the goal of resolving it.

If we are unable to successfully grow our user base, compete effectively with other platforms, and further monetize our Platform, our business will suffer.

We have made, and are continuing to make, investments to enable our developers and creators to design and build compelling content and deliver it to our users on our Platform. Existing and prospective developers may not be successful in creating content that leads to and maintains user engagement (including maintaining the quality of experiences); they may fail to expand the types of experiences that they can build for users; or our competitors may entice our developers, users and potential users away from, or to spend less time with, our Platform, each of which could adversely affect users' interest in our Platform and lead to a loss of revenue opportunities and harm our results of operations. The multitude of other entertainment options, online gaming, and other interactive experiences is high, making it difficult to retain users who are dissatisfied with our Platform and seek other entertainment options.

Additionally, we may not succeed in further monetizing our Platform and user base. As a result, our user growth, user engagement, financial performance and ability to grow revenue could be significantly harmed if we fail to increase or maintain DAUs; our user growth outpaces our ability to monetize our users, including if our user growth occurs in markets that are not profitable; we fail to provide the tools and education to our developers and creators to enable them to monetize their experiences and developers do not create engaging or new experiences for users; we fail to increase the overall number of developers and creators on our Platform; we fail to establish a successful advertising model; we fail to increase or maintain the amount of time spent on our Platform, the number of experiences, or variety of genres of experiences, that our users engage with, or the usage of our technology for our developers; we fail to increase the features of our Platform, allowing it to more broadly serve the entertainment, education, communication and business markets; we fail to increase penetration and engagement across all demographics, including our goal of reaching ten percent of the global gaming software market, or measures intended to make our Platform more attractive to older-age verified users create the perception that our Platform is not safe for young users; or the experiences on our Platform do not maintain or gain popularity.

Continuing to manage our growth effectively may require expanding our internal IT systems, technological operations infrastructure, financial infrastructure, and operating and administrative systems and controls. In addition, we have expended in the past and may in the future expend significant resources to launch new features and changes on our Platform that we are unable to monetize, which may significantly harm our business. Any future growth would add more complexity to our organization and require effective coordination across our organization, and an inability to do so would adversely affect our business, financial conditions, and results of operations.

Only a small portion of our users regularly purchase Robux compared to all users who use our Platform in any period. Our ability to continue to attract and retain paying users will depend in part on our ability to consistently provide our paying users with a quality experience and features. If our users do not perceive our offerings, or the offerings of our developers and creators, to be of value, or if we introduce new or adjust existing features or pricing in a manner that is not favorably received by them, we may not be able to attract and retain payers or be able to convince users to become paying users of such additional service offerings, and we may not be able to increase the amount of revenue from our user base. If users fail to purchase Robux at rates similar to or greater than they have historically and if we fail to attract new paying users, or if our paying users fail to continue interacting with the Platform and purchasing Robux as they increase in age, our revenue will suffer. Users may reduce their spend on our Platform for many reasons, including a perception that they do not use the service sufficiently, the need to reduce household expenses, competitive services that provide a better value or experience or as a result of changes in pricing. If our efforts to attract and retain paying users are not successful, our business, operating results, and financial condition may be adversely impacted.

If we are not successful in our efforts to develop virtual platform-wide events or live experiences on our Platform, our business could suffer.

We have undergone efforts to develop the live and limited time events and experiences available on our Platform, such as virtual platform-wide events, concerts, classrooms, and other meeting types, and to offer commercial partners with branding opportunities in conjunction with key events, such as a product launch. There is no guarantee that these efforts will be successful or that users will engage with these experiences. New features or enhancements and changes to the existing features of our Platform, such as virtual reality applications, could fail to attain sufficient market acceptance for many reasons, including failure to predict market demand accurately in terms of functionality and to supply features that meet this demand in a timely fashion; defects, errors, or failures; negative publicity about performance, safety, privacy, or effectiveness; delays in releasing new features or enhancements on our Platform; and introduction or anticipated introduction of competing products by competitors. The failure to obtain market acceptance for these live experiences would negatively affect our business, financial condition, results of operations, and brand.

Introduction of new technology could harm our business and results of operations.

The market for an immersive platform for connection and communication is a new and evolving market characterized by rapid, complex, and disruptive changes in technology and user, developer, and creator demands that could make it difficult for us to effectively compete. The expectations and needs of our users, developers, and creators are constantly evolving. Our future success depends on a variety of factors, including our continued ability to innovate, introduce new products and services efficiently, enhance and integrate our products and services in a timely and cost-effective manner, extend our core technology into new applications, and anticipate technological developments. If we are unable to react quickly to new technology trends—for example the continued growth of generative AI solutions which affects the ways developers create experiences or may affect the way users consume virtual goods—it may harm our business and results of operation. The expertise in AI, as well as other emerging technologies, can be difficult and costly to obtain given the increasing focus on AI development and competition for talent. Further, social and ethical issues relating to the use of new and evolving technologies such as AI in our offerings, may result in reputational harm and liability, and may cause us to incur additional research and development costs to resolve such issues. AI presents emerging ethical issues and if we enable or offer solutions that draw controversy due to their perceived or actual impact on society, we may experience brand or reputational harm, competitive harm, or legal liability. Failure to address AI ethics issues by us or others in our industry could undermine public confidence in our use of AI.

We have incorporated, and are continuing to develop and deploy, AI in our products and the operations of our business. Our use of generative AI in aspects of our Platform may present risks and challenges that could increase as AI solutions become more prevalent. The Roblox Cloud may be more relied upon in the future to facilitate increasingly complex decision-making as it integrates hardware and accelerated machine learning AI, including generative AI, for a broad range of compute tasks, including enhanced non-player characters, improved personalization, synthetic content generation, and enhanced automation of the player experience. However, AI algorithms may be flawed. Datasets may be insufficient or contain biased information. It is possible that at some point the Roblox Cloud may make decisions unpredictably or autonomously, which can raise new or exacerbate existing ethical, technological, legal, and other challenges, and may negatively affect the performance of the Roblox Platform and the user, developer, and creator experience. While we have and will continue to implement safeguards, these deficiencies and other failures of AI systems could subject us to competitive harm, regulatory action, legal liability, and brand or reputational harm.

There are also many new and evolving laws and regulations focused on the use of AI. For example, on May 21, 2024, the Council of the European Union approved the latest draft of the Artificial Intelligence Act ("AI Act") which was published in the Official Journal of the EU on July 12, 2024. The AI Act proposes a framework of prohibitions as well as disclosure, transparency and other regulatory obligations based on various levels of risk for businesses introducing AI systems in the EU. Once the AI Act becomes effective, certain provisions could require us to alter or restrict our use of AI both in features or products available to our users and in our systems that interact with our users, depending on respective levels of risk-categorization, types of systems, and manner of use, under the AI Act. The AI Act also may require us to comply with monitoring and reporting requirements. As a result, we may need to devote substantial time and resources to evaluate our obligations under the AI Act and to develop and execute a plan designed to promote compliance. Noncompliance with the AI Act could result in fines of up to €35 million or 7% of annual global turnover for the previous year, whichever is higher. There have been numerous other laws and bills proposed at the U.S. federal and state level, as well as internationally, aimed at regulating the deployment or provision of AI systems and services. This includes the Colorado AI Act, which was passed and will become effective February 1, 2026, and, similar to the AI Act, provides for a regulatory risk-based framework.

Our user metrics and other estimates are subject to inherent challenges in measurement, and real or perceived inaccuracies in those metrics may significantly harm and negatively affect our reputation and our business.

We regularly review metrics, including our DAUs, hours engaged, unique payers, user demographics, and ABPDAU to evaluate growth trends, measure our performance, and make strategic decisions. These metrics are calculated using internal data gathered on an analytics platform that we developed and operate and have not been validated by an independent third party. Our metrics are based on estimates and may also differ from estimates published by third parties or from similarly titled metrics of our competitors due to differences in methodology or underlying assumptions. If our metrics, which are based on estimates, are inaccurate, then investors will have less confidence in our company and our prospects, which could cause the market price of our Class A common stock to decline, and our reputation and brand could be harmed.

These metrics are based on what we believe to be reasonable estimates and underlying assumptions for the applicable period of measurement, but there are inherent challenges in measuring how our Platform is used. As a result, the metrics may misstate the number of DAUs, monthly unique payers, average monthly repurchase rate, hours engaged, ABPDAU, and average bookings per monthly unique payer. The methodologies used to measure these metrics require significant judgment and are also susceptible to algorithm or other technical errors. In addition, we are continually seeking to improve our metrics, which are based on estimates, and such metrics may change due to improvements or changes in our methodology or underlying assumptions. We regularly review our processes and assumptions for calculating these metrics, and from time to time we discover inaccuracies in our metrics or make adjustments to improve their accuracy, which can result in our use of updated metrics in a current period and corresponding adjustments to our historical metrics. Our ability to recalculate our historical metrics to reflect any change in methodology of a metric in a current period may be impacted by data limitations, limitations in functionality of and user behaviors on different platforms, or other factors that require us to apply different methodologies for such adjustments over current and historic periods.

Additionally, there are users who have multiple accounts, fake user accounts, or fraudulent accounts created by bots to inflate user activity for a particular user, developer or creator on our Platform. These actions may be to make the developer's or creator's experience or other content appear more popular than it really is or they may be to enable users to level up or otherwise progress in an experience more rapidly. Detecting and taking action with respect to such issues requires considerable judgment and is technically challenging. We strive to detect and minimize fraud, the use of bots, and unauthorized use of our Platform, and while these practices are prohibited in our terms of service and we implement measures to detect and suppress that behavior, when we are unsuccessful, our operating results may be negatively affected.

In addition, some of our demographic data may also be incomplete or inaccurate. For example, because users self-report their dates of birth, our age demographic data may differ from our users' actual ages. If our users provide us with incorrect or incomplete information regarding their age or other attributes, then our estimates may prove inaccurate.

Errors or inaccuracies in our metrics or data could also result in incorrect business decisions and inefficiencies. For instance, if a significant understatement or overstatement of active users or hours engaged were to occur, we may expend resources to implement unnecessary business measures or fail to take required actions to attract a sufficient number of users to satisfy our growth strategies. If our investors or developers do not perceive our user, geographic, or other demographic metrics to be accurate representations of our user base, or if we discover material inaccuracies in our user, geographic, or other demographic metrics, our reputation may be seriously harmed. Our estimates also may change as our methodologies and Platform evolve, including through the application of new data sets, the introduction of new metrics or technologies, or as our Platform changes with new features and enhancements. Such changes could lead to investor confusion or the perception that our estimates, methodologies and underlying assumptions are unreliable, which could also cause our developers, creators, and brand and other partners to be less willing to allocate their budgets or resources to our Platform, which could seriously harm our business.

We rely on suppliers for data center capacity and certain components of the equipment we use to operate our Platform and any disruption in the availability of data center capacity or components could delay our ability to expand or increase the capacity of our Platform or replace defective equipment.

We rely on suppliers for data center capacity and several components of the equipment we use to operate our Platform. Our reliance on these suppliers exposes us to risks, including reduced control over costs and constraints based on the current availability, terms, and pricing of these components and data center capacity. While the network equipment and servers we purchase generally are commodity equipment and we believe an alternative supply source for network equipment and servers on substantially similar terms could be identified quickly, our business could be adversely affected until those efforts are completed. In addition, the technology equipment industry has experienced component shortages and delivery delays, and we have and may in the future experience shortages or delays, including as a result of increased demand in the industry, such as due to rapid growth in AI demand, natural disasters, export and import control restrictions, or our suppliers lacking sufficient rights to supply the components in all jurisdictions in which we have data centers and edge data centers that support our Platform. For example, supply chain constraints for servers and other networking equipment required for our operations has resulted and could in the future result in disruptions and delays for these components and the delivery and installation of such components at our data centers and edge data centers. If our supply of certain components is disrupted or delayed, there can be no assurance that additional supplies or components can serve as adequate replacements for the existing components or that supplies will be available on terms that are favorable to us, if at all. Any disruption or delay in the supply of hardware components or data center availability may delay the opening of new data centers, edge data centers, co-location facilities or the creation of fully redundant operations, limit capacity expansion, or replacement of defective or obsolete equipment at existing data centers and edge data centers or cause other constraints on our operations that could damage our ability to serve our developers, creators, and users.

Some developers, creators, and users on our Platform may make unauthorized, fraudulent, or illegal use of Robux and other digital goods or experiences on our Platform, including through unauthorized third-party websites or "cheating" programs.

Robux and digital goods on our Platform have no monetary value outside of our Platform, but users have made and may in the future make unauthorized, fraudulent, or illegal sales and/or purchases of Robux, other digital goods and Roblox accounts on or off of our Platform, including through unauthorized third-party websites in exchange for fiat currency or to facilitate online wagers. For example, some users have made fraudulent use of credit cards owned by others to purchase Robux and offer the purchased Robux for sale at a discount on third-party websites. For the year ended December 31, 2024, total chargebacks to us from all fraud was approximately 3.41% of bookings.

While we regularly monitor and screen usage of our Platform with the aim of identifying and preventing these activities, and regularly monitor third-party websites for fraudulent Robux or digital goods offers as well as regularly send cease-and-desist letters to operators of these third-party websites, we are unable to control or stop all unauthorized, fraudulent, or illegal transactions in Robux or other digital goods that occurs on or off of our Platform. Although we are not responsible for such unauthorized, fraudulent, and/or illegal activities conducted by these third parties, our user experience may be adversely affected, and users and/or developers may choose to leave our Platform if these activities are pervasive. These activities have and may in the future result in negative publicity, disputes, and legal claims, and measures we take in response may be expensive, time consuming, and disruptive to our operations.

In addition, unauthorized, fraudulent, and/or illegal purchases and/or sales of Robux, Roblox accounts, or other digital goods on or off of our Platform, including through third-party websites, bots, fake accounts, or "cheating" or malicious programs that enable users to exploit vulnerabilities in the experiences on our Platform or our partners' websites and platforms, and could reduce our revenue and bookings by, among other things, decreasing revenue from authorized and legitimate transactions, increasing chargebacks from unauthorized credit card transactions, or causing us to lose revenue and bookings from dissatisfied users who stop engaging with the experiences on our Platform. Additionally, such prohibited activity could increase costs that we incur to develop technological measures to curtail unauthorized transactions and other malicious programs, or could reduce other operating metrics.

Under our community rules for our Platform, which developers, creators, and users are obligated to comply with, we reserve the right to temporarily or permanently ban individuals for breaching our Terms of Use or Community Standards, including by engaging in any illegal activity on the Platform. We have banned individuals as a result of unauthorized, fraudulent, or illegal use of our Platform, Robux or other digital goods on our Platform. We have also employed technological measures to help detect unauthorized Robux transactions and continue to develop additional methods and processes through which we can identify unauthorized transactions and block such transactions. However, there can be no assurance that our efforts to prevent or minimize these unauthorized, fraudulent, or illegal transactions will be successful.

We have made and are continuing to make investments in privacy, data protection, user safety, cybersecurity, and content review efforts to combat misuse of our services and user data by third parties, including investigations of individuals we have determined to have attempted to access and, in some cases, have accessed, user data without authorization. Our internal teams also continually monitor and address any unauthorized attempts to access data stored on servers that we own or control or data available to our third-party customer service providers. As a result of these efforts, we have discovered and disclosed, and anticipate that we will continue to discover and disclose, additional incidents of misuse of or unauthorized access of user data or other undesirable activity by third parties. We have taken steps to protect the data that we have access to, but despite these efforts, our security measures, or those of our third-party service providers, could be insufficient or breached as a result of third-party action, malfeasance, employee errors, service provider errors, technological limitations, defects or vulnerabilities in our Platform or otherwise. Additionally, many of our employees and third-party service providers with access to user data currently are and may in the future be working remotely, which may increase our employees' or our third-party service providers' risk of security breaches or incidents. Moreover, the risk of state-supported and geopolitical-related cyber-attacks may increase with geopolitical events. We have sometimes failed to discover and in the future may not discover all such incidents or activity or be able to respond to or otherwise address them, promptly, in sufficient respects or at all. Such incidents and activities have in the past, and may in the future, involve the use of user data or our systems in a manner inconsistent with our terms, contracts or policies, the existence of false or undesirable user accounts, theft of in-game currency or virtual items in valid user accounts, and activities that threaten people's safety on- or offline. We may also be unsuccessful in our efforts to enforce our policies or otherwise remediate any such incidents. Any of the foregoing developments, whether actual or perceived, may negatively affect user trust and engagement, harm our reputation and brands, require us to change our business practices in a manner adverse to our business, and adversely affect our business and financial results. Any such developments have and may continue to subject us to future litigation and regulatory inquiries, investigations, and proceedings, including from data protection authorities in countries where we offer services and/or have users, which could subject us to monetary penalties and damages, divert management's time and attention, and lead to enhanced regulatory oversight.

We focus our business on our developers, creators, and users, and acting in their interests in the long-term may conflict with the short-term expectations of analysts and investors.

A significant part of our business strategy and culture is to focus on long-term growth and developer, creator, and user experience over short-term financial results. We expect our expenses to continue to increase in the future as we broaden our developer, creator, and user community, as developers, creators, and users increase the amount and types of experiences and virtual items they make available on our Platform and the content they consume, as we continue to seek ways to increase payments to our developers and as we develop and further enhance our Platform, expand our technical infrastructure and data centers, and hire additional employees to support our expanding operations. As a result, in the near- and medium-term, we may continue to operate at a loss, or our near- and medium-term profitability may be lower than it would be if our strategy were to maximize near- and medium-term profitability. We expect to continue making significant expenditures to grow our Platform and develop new features, integrations, capabilities, and enhancements to our Platform for the benefit of our developers, creators, and users. We will also be required to invest in our internal IT systems, technological operations infrastructure, financial infrastructure, and operating, compliance and administrative systems and controls. Such expenditures may not result in improved business results or profitability over the long-term. If we are ultimately unable to achieve or improve profitability at the level or during the time frame anticipated by securities or industry analysts, investors and our stockholders, the trading price of our Class A common stock may decline.

We may require additional capital to meet our financial obligations and support business growth, and this capital might 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, improve our Platform and operating infrastructure or acquire complementary businesses, personnel, and technologies. Accordingly, we may need to engage in additional equity or debt financings. If we raise additional funds through future issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences, and privileges superior to those 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. General market conditions including trading volatility affecting technology companies may reduce our ability to access capital on favorable terms or at all. Also, to the extent outstanding additional shares subject to options and warrants to purchase our capital stock are authorized and exercised, there will be further dilution. The amount of dilution could be substantial depending on the size of the issuance or exercise. 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 may be harmed.

The popularity of our Lua scripting language is a key driver of content creation and engagement with our Platform, and if other programming languages or platforms become more popular with our developers, it may affect engagement with and content creation for our Platform.

Roblox experiences are programmed using our Lua scripting language on the Roblox Platform. In order to enhance the attractiveness of our Platform to potential developers, we have made our Lua scripting language available without charge. Lua scripting language permits developers on the Roblox Platform to develop customized add-on features for their own or others' use, and we have provided education to our developers on how to write add-on programs using Lua scripting language. As part of this strategy, we have encouraged the development of an active community of Lua programmers similar to those which have emerged for other software platforms. The widespread use and popularity of our Lua scripting language is critical to creating engaging content on and demand for our Platform. If developers do not find our Lua scripting language or our Platform simple and attractive for developing content or determine that our Lua scripting language or other features of our Platform are undesirable or inferior to other scripting languages or platforms, or Lua scripting language becomes unavailable for use by the developers for any reason, they may shift their resources to developing content on other platforms, and our business may be harmed.

We rely on Amazon Web Services for a portion of our cloud infrastructure in certain areas, and as a result any disruption of AWS would negatively affect our operations and significantly harm our business.

We rely on Amazon Web Services ("AWS") as a third-party provider for a portion of our backend services, including for some of our high-speed databases, scalable object storage, and message queuing services, as well as virtual cloud infrastructure. For location-based support areas, we outsource certain aspects of the infrastructure relating to our cloud-native Platform. As a result, our operations depend, in part, on AWS' ability to protect their services against damage or interruption from natural or manmade disasters. Our developers, creators, and users need to be able to access our Platform at any time, without interruption or degradation of performance. Although we have disaster recovery plans that utilize multiple AWS availability zones to support our cloud infrastructure, any incident affecting their infrastructure that may be caused by natural or manmade disasters and other similar events beyond our control, could adversely affect our cloud-native Platform. Any disruption of or interference with our use of AWS could impair our ability to deliver our Platform reliably to our developers, creators, and users.

Additionally, if AWS were to experience a hacking attack or other security incident, it could result in unauthorized access to, damage to, disablement or encryption of, use or misuse of, disclosure of, modification of, destruction of, or loss of our data or our developers', creators', and users' data or disrupt our ability to provide our Platform or service. A prolonged AWS service disruption affecting our cloud-native Platform for any of the foregoing reasons would adversely impact our ability to serve our users, developers, and creators and could damage our reputation with current and potential users, developers, and creators, expose us to liability, result in substantial costs for remediation, cause us to lose users, developers, and creators, or otherwise harm our business, financial condition, or results of operations. We may also incur significant costs for using alternative hosting cloud infrastructure services or taking other actions in preparation for, or in reaction to, events that damage or interfere with the AWS services we use.

We have entered into an enterprise agreement with AWS and a supplemental private pricing addendum that will remain in effect until June 2026. In the event that our AWS service agreements are terminated, or there is a lapse of service, elimination of AWS services or features that we utilize, we could experience interruptions in access to our Platform as well as significant delays and additional expense in arranging for or creating new facilities or re-architecting our Platform for deployment on a different cloud infrastructure service provider, which would adversely affect our business, financial condition, and results of operations.

We must continue to attract and retain users, developers, and creators, and highly qualified personnel in very competitive markets to continue to execute on our business strategy and growth plans, and the loss of key personnel or failure to attract and retain users, developers, and creators could significantly harm our business.

We compete for users, developers, and creators. We compete to attract and retain our users' attention and their hours engaged with other global technology leaders such as Amazon, Apple, Meta Platforms, Google, Microsoft, and Tencent, global entertainment companies such as Comcast, Disney, ViacomCBS, and Warner Bros Discovery, global gaming companies such as Activision Blizzard (now owned by Microsoft), Electronic Arts, Take-Two, Epic Games, Krafton, NetEase, and Valve, online content platforms including Netflix, Spotify, and YouTube, as well as social platforms such as Facebook, TikTok, Instagram, WhatsApp, Pinterest, X, Reddit, Discord and Snap.

We also rely on developers and creators to create the content that leads to and maintains user engagement (including maintaining the quality of experiences). We compete to attract and retain developers and engineering talent with gaming and metaverse platforms such as Epic Games, Unity, Meta Platforms, and Valve Corporation, which also give developers the ability to create or distribute interactive content. We do not have any agreements with our developers that require them to continue to use our Platform for any time period. Some of our developers have developed attractive businesses in developing content, including games, on our Platform. While we have millions of developers and creators on our Platform, 50% of in-experience hours engaged in experiences were spent in the top 50 experiences in the month ending December 31, 2024. In the future, if we are unable to continue to provide value to these developers and they have alternative methods to publish and commercialize their offerings, they may not continue to provide content to our Platform. Should we fail to provide compelling advantages to continued use of our ecosystem to developers, they may elect to develop content on competing interactive entertainment platforms. Should we fail to control botting and other forms of automated play on our Platform, developers, creators and users may find our Platform less attractive and may elect to engage on competing interactive entertainment platforms. If a significant number of our developers no longer provide content, we fail to increase the number of developers using our Platform, or developers and creators whose experiences account for a substantial portion of our Hours Engaged choose to leave our Platform, we may experience an overall reduction in the quantity and quality of our experiences, which could adversely affect users' interest in our Platform and lead to a loss of revenue opportunities and harm our results of operations.

We expect competition to continue to increase in the future. Many of our existing competitors have, and some of our potential competitors could have, substantial competitive advantages, such as larger sales and marketing budgets and resources; broader and more established relationships with users, developers, and creators; greater resources to make acquisitions and enter into strategic partnerships; lower labor and research and development costs; larger and more mature intellectual property portfolios; and substantially greater financial, technical, and other resources.

Additionally, we depend on the continued services and performance of our Founder, President, CEO and Chair of our Board of Directors, David Baszucki, members of our senior management team, and other key personnel. David Baszucki has been responsible for our strategic vision, and should he stop working for us for any reason, it is unlikely that we would be able to immediately find a suitable replacement. We do not maintain key man life insurance for David Baszucki, and do not believe any amount of key man insurance would allow us to recover from the harm to our business if David Baszucki were to leave the Company for any reason. Similarly, members of our senior management team and other key personnel are highly sought after and others may attempt to encourage these individuals to leave the Company. The loss of one or more of the members of the senior management team or other key personnel for any reason, or the inability to attract new or replacement members of our senior management team, other key personnel, or highly qualified employees could disrupt our operations, create uncertainty among investors, adversely impact employee retention and morale, and significantly harm our business.

Our business and results of operations are affected by fluctuations in currency exchange rates.

As we continue to expand our international operations, we become more exposed to the effects of fluctuations in currency exchange rates. We generally collect revenue from our international markets in the local currency. For the year ended December 31, 2024, approximately 79% our DAUs and 37% of our revenue was derived from outside the U.S. and Canada region. While we periodically adjust the price of Robux to account for the relative value of this local currency to the U.S. dollar, these adjustments are not immediate nor do they typically exactly track the underlying currency fluctuations. As a result, rapid appreciation of the U.S. dollar against these foreign currencies has harmed and may in the future harm our reported results and cause the revenue derived from our foreign users and overall revenue to decrease. In addition, even if we do adjust the cost of our Robux in foreign markets to fluctuations in the U.S. dollar, such fluctuations could change the costs of purchasing Robux to our users outside of the U.S., which may adversely affect our business, results of operations and financial condition, or improve our financial performance.

We also incur expenses for employee compensation and other operating expenses at our non-U.S. locations in the local currency. Additionally, global events as well as geopolitical developments, and inflation have caused, and may in the future cause, global economic uncertainty, and uncertainty about the interest rate environment, which could amplify the volatility of currency fluctuations. Fluctuations in the exchange rates between the U.S. dollar and other currencies could result in the dollar equivalent of our expenses being higher which may not be offset by additional revenue earned in the local currency. This could impact our reported results of operations. To date, we have not engaged in any hedging strategies and any such strategies, such as forward contracts, options, and foreign exchange swaps related to transaction exposures that we may implement in the future to mitigate this risk may not eliminate our exposure to foreign exchange fluctuations. Moreover, the use of hedging instruments may introduce additional risks if we are unable to structure effective hedges with such instruments.

We plan to continue to make acquisitions and investments in other companies, which could require significant management attention, disrupt our business, dilute our stockholders, and significantly harm our business.

As part of our business strategy, we have made and intend to make acquisitions and investments to add or access specialized employees and complementary companies, features, and technologies. Our ability to acquire and successfully integrate larger or more complex companies, features, and technologies is unproven. In the future, we may not be able to find other suitable acquisition or investment candidates, and we may not be able to complete acquisitions, investments or similar strategic transactions on favorable terms, if at all. The pursuit of potential acquisitions or investments may divert the attention of management and cause us to incur significant expenses related to identifying, investigating, and pursuing suitable targets, whether or not they are consummated. Our previous and future acquisitions and investments may not achieve our goals, and any future acquisitions or investments we complete could be viewed negatively by users, developers, creators, partners, or investors. In addition, if we fail to successfully close transactions or integrate new teams into our corporate culture, or fail to integrate the features and technologies associated with acquisitions or investments, our business could be significantly harmed. Any integration process may require significant time and resources, and we may not be able to manage the process successfully. We may not successfully evaluate or use the acquired products, technology, and personnel, or accurately forecast the financial impact of an acquisition, including accounting charges which could be recognized as a current period expense. We also may not achieve the anticipated benefits of synergies from the target business, may encounter challenges with incorporating the acquired features and technologies into our Platform while maintaining quality and security standards consistent with our brand, or may fail to identify security vulnerabilities in acquired technology prior to integration with our technology and Platform. We may also incur unanticipated liabilities that we assume as a result of acquiring companies, including claims related to the acquired company, its offerings or technologies or potential violations of applicable law or industry rules and regulations arising from prior or ongoing acts or omissions by the acquired business that were not discovered during diligence. We will pay cash, incur debt, or issue equity securities to pay for any acquisitions or investments, any of which could significantly harm our financial results. In addition, it generally takes several months after the closing of an acquisition to finalize the purchase price allocation. Therefore, it is possible that our valuation of an acquisition may change and result in unanticipated write-offs or charges, impairment of our goodwill, or a material change to the fair value of the assets and liabilities associated with a particular acquisition, any of which could significantly harm our business. Selling equity to finance any such acquisition would also dilute our stockholders. Incurring debt would increase our fixed obligations and could also include covenants or other restrictions that would impede our ability to manage our operations.

The U.S. government recently introduced regulations that require notification of or prohibit certain transactions by U.S. persons with entities in China or with linkages to China (the "Outbound Investment Rules"). The Outbound Investment Rules could apply to certain intracompany activities between Roblox and Roblox China Holding Corp or Luobu, as well as other Roblox investments or activities with entities in China or with linkages to China. The Outbound Investment Rules regulations could also limit the ability of others to transact certain business with the Company if those transactions involve or benefit, directly or indirectly Roblox China Holding Corp, Luobu or other Company operations in China. Where the Outbound Investment Rules apply to a given transaction, it might limit our ability to carry out our long-term business strategy.

Our acquisition and investment strategy may not succeed if we are unable to remain attractive to target companies or expeditiously close transactions. If we develop a reputation for being a difficult acquirer or having an unfavorable work environment, or if target companies view our Class A common stock unfavorably, we may be unable to consummate key acquisition transactions essential to our corporate strategy and our business may be significantly harmed.

Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited, each of which could significantly harm our business.

As of December 31, 2024, we had federal net operating loss carryforwards of $2,382.3 million, which do not expire, federal net operating loss carryforwards of $10.7 million, which begin to expire in 2037, state net operating loss carryforwards of $1,433.7 million, which begin to expire in 2025, and foreign net operating loss carryforwards of $64.8 million, which begin to expire in 2025. Utilization of our net operating loss carryforwards and other tax attributes may be subject to limitations on utilization or benefit due to the ownership change limitations provided by Sections 382 and 383 of the Internal Revenue Code of 1986, as amended (the "Code"), and other similar provisions. All of the $2,382.3 million of federal net operating losses are carried forward indefinitely but the deductibility of these losses is generally limited to 80% of current year taxable income. Our net operating loss carryforwards may also be subject to limitations under state law. For example, California legislation enacted in June 2024 limits the use of state net operating loss carryforwards and tax credits for tax years beginning on or after January 1, 2024 and before January 1, 2027. If our net operating loss carryforwards and other tax attributes expire before utilization or are subject to limitations, our business and financial results could be harmed.

If our estimates or judgments relating to our critical accounting policies are based on assumptions that change or prove to be incorrect, our results of operations could fall below expectations of securities analysts and investors or our publicly announced guidance, and changes in our business may not be immediately reflected in our operating results.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in our financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as described in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations." For example, the majority of the virtual items available on our Platform are durable virtual items, which, when acquired, are recognized ratably over the estimated period of time the virtual items are available to the user (estimated to be the average lifetime of a paying user). Every quarter, we complete an assessment of our estimated average lifetime of a paying user, which is used for revenue recognition of durable virtual items and calculated based on historical monthly retention data for each paying user cohort to project future participation on our Platform. We calculate the average historical monthly retention data by determining the weighted average of monthly paying users that have spent time on our Platform. In 2021, our estimated average lifetime of a paying user was 23 months. In the first quarter of 2022, we updated our estimated average lifetime of a paying user from 23 months to 25 months and in the third quarter of 2022 we increased the estimated average lifetime of a paying user from 25 months to 28 months. The estimated average lifetime of a paying user remained at 28 months through the first quarter of 2024. In the second quarter of 2024, the estimated average lifetime of a paying user decreased to 27 months. Based on the carrying amount of deferred revenue and deferred cost of revenue as of March 31, 2024, the change resulted in an increase in our fiscal year 2024 revenue and cost of revenue by $98.0 million and $20.4 million, respectively.

Much of the revenue we report in each quarter is the result of purchases of Robux during previous periods. Consequently, a decline in purchases of Robux in any one quarter will not be fully reflected in our revenue and operating results for that quarter. Any such decline, however, will negatively impact our revenue and operating results in future quarters. Accordingly, the effect of significant near-term downturns in purchases of Robux for a variety of reasons may not be fully reflected in our results of operations until future periods.

In addition to revenue recognition and estimates of the average lifetime of a paying user, our accounting policies that involve judgment include those related to assumptions used for estimating the fair value of common stock to calculate stock-based compensation, capitalization of internal-use software costs, valuation of goodwill and intangible assets, certain accrued liabilities, and valuation allowances associated with income taxes. If our assumptions change or if actual circumstances differ from those in our assumptions, our results of operations could be adversely affected, which could cause our results of operations to fall below the expectations of securities analysts and investors, resulting in a decline in the market price of our Class A common stock.

Our results of operations may be harmed if we are required to collect sales, value added, or other similar taxes for the purchase of our virtual currency, for the sale of digital content, or purchase of physical goods, between our developers, creators, and users.

Although we, either directly or through our third-party distribution channels, collect and remit taxes from users in certain countries and regions on the sale of our virtual currency, there are some jurisdictions in which we operate where we do not currently collect taxes from users. The application of tax laws pertaining to the collection of sales, value added, and similar taxes to e-commerce businesses, such as ours, is a complex and evolving area. For example, many countries have recently enacted tax laws that require non-resident providers to register for and levy value added taxes on electronically provided services to such country's residents. This would require us to calculate, collect, and remit value added taxes in some jurisdictions, even if we have no physical presence in such jurisdictions. Further, we may need to invest substantial amounts to modify our solutions or our business model to be able to collect and remit sales, value added, or similar taxes under such tax laws in the future.

Further, many jurisdictions have also adopted or are considering adopting marketplace facilitator laws that shift the burden of tax collection to online marketplaces. In certain states, we may be characterized as a marketplace facilitator for the sale of digital content or physical goods between our developers, creators, and users, and in such instances, we may need to invest substantial amounts to modify our solutions or business model to be able to meet any reporting and collection obligations with respect to sales, value added, or similar taxes. A successful assertion by a jurisdiction that we should have been or should be collecting additional sales, value added, or other taxes for the sale of content or physical goods between our developers, creators, and users, could, among other things, result in substantial tax payments, create significant administrative burdens for us, discourage potential users, developers, or creators from subscribing to our Platform, or otherwise harm our business, results of operations, and financial condition.

We may not realize the benefits expected through our China joint venture.

In February 2019, we entered into a joint venture agreement with Songhua River Investment Limited, referred to as Songhua, an affiliate of Tencent Holdings Limited ("Tencent Holdings"), under which we created Roblox China Holding Corp (the "China JV"), of which we own a 51% ownership interest. Through a wholly-owned subsidiary based in Shenzhen, branded as "Luobu," the China JV is engaged in the development, localization, and licensing to Chinese creators of a Chinese version of Roblox Studio. Luobu also develops and oversees relations with local Chinese developers and helps them build and publish experiences and content for our global Platform. In December 2020, Shenzhen Tencent Computer Systems Co. Ltd ("Tencent"), received a required publishing license from the Chinese government, which enabled Tencent to publish a localized version of the Roblox Client as a game in China under the name "Luobulesi." The license could be withdrawn if Tencent fails to comply with applicable existing or future regulations. Such withdrawal could significantly impair or eliminate the ability to publish and operate Luobulesi in China. The Luobulesi app is not currently available to users in China while we and Tencent build the next version of Luobulesi.

Tensions between the U.S. and China have resulted in trade restrictions that could harm our ability to participate in Chinese markets and numerous additional such restrictions have been threatened by both countries. Sustained uncertainty about, or worsening of, current global economic conditions and further escalation of trade tensions between the U.S. and China could result in a global economic slowdown and long-term changes to global trade, including retaliatory trade restrictions that could restrict our ability to participate in the China JV. We may find it difficult or impossible to comply with these or other conflicting regulations in the U.S. and China, which could make it difficult or impossible to achieve our business objectives in China or realize a return on our investment in this market.

Relations may also be compromised if the U.S. pressures the Chinese government regarding its monetary, economic, or social policies. Changes in political conditions in China and changes in the state of China-U.S. relations are difficult to predict and could adversely affect the operations or financial condition of the China JV. In addition, because of our proposed involvement in the Chinese market, any deterioration in political or trade relations might result in our products being perceived as less attractive in the U.S. or elsewhere. In January 2025, the U.S. Department of Defense ("DOD") added Tencent Holdings to its list of Chinese military companies operating directly or indirectly in the United States under section 1260H of the National Defense Authorization Act for Fiscal Year 2021 ("1260H List"). Beginning in June 2026, this may restrict our ability to resell goods and services of Tencent Holdings to the DOD. The designation may also result in negative publicity for us and the China JV. Further regulatory changes adding Tencent Holdings to additional lists or export and sanctions related restricted or prohibited parties or further controls on entities viewed as connected to the Chinese military could impact our ability to work with Tencent Holdings. The Committee on Foreign Investment in the U.S. ("CFIUS") has continued to apply a more stringent review of certain foreign investment in U.S. companies, including investment by Chinese entities, and has made inquiries to us with respect to Tencent Holding's equity investment in us and involvement in the China JV. We cannot predict what effect any further inquiry by CFIUS into our relationship with Tencent and Tencent Holdings, developments with respect to the 1260H List, or changes in China-U.S. relations overall may have on our ability to effectively support the China JV or on the operations or success of the China JV.

The Chinese economic, legal, and political landscape also differs from other countries in many respects, including the level of government involvement and regulation, control of foreign exchange, and uncertainty regarding the practical enforceability of intellectual property rights. The laws, regulations and legal requirements in China are also subject to frequent changes and the exact obligations under and enforcement of laws and regulations are often subject to unpublished internal government interpretations and policies which makes it challenging to ascertain compliance with such laws. We may incur increased operating expenses related to cybersecurity and data protection in China, including with respect to access to Chinese user data and confidential company information as well as any network interconnections and cross border system integrations.

In addition to market and regulatory factors, any future success of the China JV will require a collaborative effort with Tencent to build and operate Luobu and Luobulesi as together, they will form the exclusive basis for growing our penetration in the China market. In addition, upon the occurrence of certain events, such as a termination of certain of the contractual relationships applicable to Luobu, a change of control of us, or the acquisition of 20% of our outstanding securities by certain specified Chinese industry participants, we may be required to purchase Songhua's interest in the China JV at a fair market value determined at the time of such purchase. Any future requirement to purchase the interest in China JV from Songhua may have a material adverse effect upon our liquidity, financial condition, and results of operations both as a result of the purchase of such interests and the fact that we would need to identify and partner with an alternative Chinese partner in order for operations to continue in the China market.

Risks Related to Government Regulations

Because we store, process, and use data, some of which contains personal information, we are subject to complex and evolving federal, state, and international laws and regulations regarding privacy, cybersecurity, data protection, and other matters. Many of these laws and regulations are subject to change and uncertain interpretation, and could result in investigations, claims, changes to our business practices, increased cost of operations, and declines in user growth, retention, or engagement, any of which could significantly harm our business.

We are subject to a variety of laws and regulations in the U.S. and other countries that involve matters central to our business, including privacy, cybersecurity, and data protection. The regulatory frameworks for these matters worldwide are rapidly evolving and are likely to remain uncertain for the foreseeable future.

Certain privacy, biometrics, cybersecurity, and data protection laws and regulations have placed and will continue to place significant privacy, data protection, and cybersecurity obligations on organizations such as ours and may require us to continue to change our policies and procedures. For example, the European Union's ("EU") General Data Protection Regulation ("GDPR") imposes stringent data protection requirements regarding EU personal data, and its provisions include increasing the maximum level of fines that EU regulators may impose for the most serious breaches of noncompliance of €20 million or 4% of annual global revenues of the previous year, whichever is greater. Such fines would be in addition to (i) the rights of individuals to sue for damages in respect of any data privacy breach which causes them to suffer harm, (ii) the right of individual member states to impose additional sanctions over and above the administrative fines specified in the GDPR, and (iii) the ability of supervisory authorities to impose orders requiring companies to modify their practices. If we are found not to be compliant with GDPR or similar requirements, including obligations to comply with data protection requirements when transferring personal data from the European Economic Area ("EEA"), Switzerland, and the United Kingdom ("U.K.") to the U.S., we may be subject to significant fines and the risk of civil litigation.

The United Kingdom maintains the Data Protection Act of 2018 and the UK GDPR, which collectively implement and complement the GDPR and provide for penalties for noncompliance of up to the greater of £17.5 million or 4% of annual global revenues of the previous year. On June 28, 2021, the European Commission announced a decision of "adequacy" concluding that the United Kingdom ensures an equivalent level of data protection to the GDPR, which provides some relief regarding the legality of continued personal data flows from the EEA to the U.K. Such adequacy decision must, however, be renewed after four years and may be modified or revoked in the interim. We cannot fully predict how the Data Protection Act, the UK GDPR of 2018 and other United Kingdom data protection laws or regulations may develop in the medium to longer term, nor the effects of divergent laws and guidance regarding how data transfers to and from the United Kingdom will be regulated.

In addition, various local, national, and foreign laws and regulations apply to our operations, including the Children's Online Privacy Protection Act ("COPPA"), in the U.S., Article 8 of the GDPR and similar regulations in other jurisdictions. COPPA imposes strict requirements on operators of websites or online services directed to children under 13 years of age (or 16 years of age under other regulatory regimes). We estimate that approximately 40% of our DAUs were under the age of 13 during the year ended December 31, 2024. COPPA requires companies to obtain verifiable parental consent before collecting personal information from children under the age of 13. Both the U.S. federal government and the states can enforce COPPA and violations of COPPA can lead to significant fines. The FTC released final amendments to its COPPA Rule on January 16, 2025, that, among other things, expand the scope of covered information, provide for revised notices, and impose new data retention and information security obligations. Following an executive order that froze all then-pending federal regulations as of January 20, 2025, the amended COPPA Rule is pending further review and may be subject to additional modifications. No assurances can be given that our compliance efforts will be sufficient to avoid allegations of COPPA violations, and any non-compliance or allegations of non-compliance could expose us to significant liability, penalties and loss of revenue, significantly harm our reputation, and could be costly and time consuming to address or defend. To the extent we rely on consent for processing personal data under the GDPR, consent or authorization from the holder of parental responsibility is required in certain cases for the processing of personal data of children under the age of 16, and member states may enact laws that lower that age to 13. Additionally, in certain jurisdictions the law may allow minors to disaffirm their contracts, including our Terms of Use. If minors on our Platform are able to avoid enforcement of our Terms of Use under applicable law, it could have a material adverse impact on our business, financial condition, results of operations, and cash flow.

We continue to monitor updated guidance from the United Kingdom's Information Commissioner Office ("ICO") on the Age Appropriate Design Code ("AADC"), which focuses on online safety and protection of children's privacy online. The AADC became enforceable on September 2, 2021. Noncompliance with the AADC may result in publicized investigations, substantial fines, audits or other proceedings by the ICO, and other regulators in the EEA or Switzerland, as noncompliance with the AADC may indicate noncompliance with applicable data protection law. We may incur liabilities, expenses, costs, and other operational losses under the GDPR and laws and regulations of applicable EU Member States and the United Kingdom relating to privacy, cybersecurity, and data protection in connection with any measures we take to comply with them.

Other jurisdictions have adopted laws and regulations addressing privacy, data protection, and cybersecurity, many of which share similarities with the GDPR. For example, Law no. 13.709/2018 of Brazil, the Lei Geral de Proteção de Dados Pessoais or LGPD, entered into effect on September 18, 2020, authorizing a private right of action for violations. Penalties may include fines of up to 2% of the organization's revenue in Brazil in the previous year or 50M reais (approximately $9.5 million U.S. dollars). The LGPD applies to businesses (both inside and outside Brazil) that process the personal data of users who are located in Brazil. The LGPD provides users with the similar rights as the GDPR regarding their data. A Brazilian Data Protection Authority, Brazilian National Data Protection Authority (Autoridade Nacional de Proteção de Dados) has been established to provide rules and guidance on how to interpret and implement the LGPD's requirements, including regarding notice of processing, data transfer requirements, and other compliance obligations, such as security measures, recordkeeping, training, and governance. Additionally, the Personal Information Protection Law, ("PIPL") of the People's Republic of China ("PRC"), was adopted on August 20, 2021, and went into effect on November 1, 2021. The PIPL shares similarities with the GDPR, including extraterritorial application, data minimization, data localization, and purpose limitation requirements, and obligations to provide certain notices and rights to citizens of the PRC. The PIPL allows for fines of up to 50 million renminbi or 5% of a covered company's revenue in the prior year. Our approach with respect to regimes such as the LGPD, PIPL, and other foreign legislation may be subject to further evaluation and change, our compliance measures may not be fully adequate and may require modification, we may expend significant time and cost in developing and maintaining a privacy governance program, data transfer or localization mechanisms, or other processes or measures to comply with such regimes, and any implementing regulations or guidance under these regimes, and we may potentially face claims, litigation, investigations, or other proceedings or liability regarding such regimes and may incur liabilities, expenses, costs, and other operational losses under such regimes and any measures we take to comply with them.

In addition, the CCPA, which established a new privacy framework for covered businesses in California, such as ours, went into effect in January 2020, requiring us to modify our data processing practices and policies and incur compliance related costs and expenses. The CCPA provides for civil penalties for violations, as well as a private right of action for data breaches, which may increase the likelihood and cost of data breach litigation. The CCPA was significantly modified and supplemented by the California Privacy Rights Act ("CPRA"), which was approved in November 2020. The CPRA went into effect on January 1, 2023 and, among other things, gives California residents the ability to limit the use of their sensitive information, provides for penalties for CPRA violations concerning California residents under the age of 16, and establishes a new agency to implement and enforce the law. Further, the CCPA has prompted similar legislative developments in other states in the U.S., including laws enacted in Virginia, Colorado, Utah, Connecticut, Florida, Iowa, Indiana, Montana, Tennessee, Oregon, Delaware, Texas, New Hampshire, New Jersey, Kentucky, Maryland, Nebraska, Rhode Island and Minnesota. These developments create the potential for a patchwork of overlapping but different state laws. Other states, including California, Utah and Arkansas, have passed legislation imposing substantial new obligations upon companies that offer online services, products, or features "likely to be accessed" by children 17 years of age or under, or certain types of social media and digital services, respectively. The California legislation includes certain requirements and principles from the AADC including, among other things, data protection impact assessments and the implementation of privacy by design. The laws in Utah, Florida, and Arkansas impose restrictions and obligations in connection with users who are, or are deemed to be, under 18, including access restrictions and restrictions on abilities for minors to create accounts. Many states have also passed their own laws that require verifiable parental consent before allowing children to create an account or that otherwise impact companies that process children's personal data. In June 2024, the New York governor signed a bill into law that prohibits covered social media companies from providing individuals under 18 with "addictive feeds," as a significant part of their services and imposes obligations on such companies that prohibits the collection, use, sharing, and sale personal data of individuals under 18 unless it is strictly necessary, or where informed consent is obtained. Some countries also are considering or have passed legislation requiring local storage and processing of data, or similar requirements, which could increase the cost and complexity of operating our products and services and other aspects of our business. The impact of these recent regulations and potential future regulations related to privacy, cybersecurity, data protection, and related matters, such as age verification, are far-reaching, create a patchwork of overlapping but different laws, and have required and may continue to require us to, modify practices, policies, features and Platform defaults, incur substantial costs and expenses, and at times restrict our operations. Additionally, requirements for verified parental consent before allowing children to create an account may limit the use of our Platform or reduce our overall demand for our Platform, which could harm our business, financial condition, and results of operations.

We believe we take reasonable efforts to comply with all applicable laws, regulations, and other legal obligations and certain industry codes of conduct relating to privacy, cybersecurity, and data protection. However, it is possible that the obligations imposed on us by applicable laws and regulations, industry codes of conduct or other actual or asserted obligations relating to privacy, cybersecurity, data protection, or related matters may be interpreted and applied in inconsistent manners and may conflict with other rules or our practices in certain jurisdictions. Additionally, due to the nature of our service, we are unable to maintain complete control over cybersecurity or the implementation of measures that reduce the risk of a security breach or incident. For example, our customers may accidentally disclose their passwords or store them on a mobile device that is "SIM swapped," lost, or stolen, creating the perception that our systems are not secure against third-party access. Any failure or perceived failure by us to comply with our privacy policies, our obligations to users or other third parties relating to privacy, cybersecurity, data protection, or related matters, or our other policies or actual or asserted obligations relating to privacy, cybersecurity, data protection, or related matters, or any actual or perceived compromise of security, including any such compromise that results in the unauthorized loss, unavailability, modification, release, transfer, or other processing of personal information or other user, developer or creator data, may result in governmental investigations and enforcement actions, litigation, claims or public statements against us by consumer advocacy groups or others and could cause our developers, creators, and users to lose trust in us, any or all of which could have an adverse effect on our business, financial condition, or results of operations.

Legal and regulatory restrictions on virtual currencies like Robux, prepaid gift cards and payment-related activities may adversely affect our Platform, experiences, and virtual items on our Platform, which may negatively impact our revenue, bookings, business, and reputation.

The regulations that apply to virtual currencies in the jurisdictions in which we operate are subject to change. It is possible that regulators in the U.S. or elsewhere may take regulatory actions in the future that restrict our ability to license Robux, allow users to acquire or use other digital goods available on our Platform, or that prohibit developers or creators on our Platform from earning Robux. In addition, we make prepaid gift cards available for sale internationally that may be used to redeem Robux and our Developer Exchange Program allows developers to exchange their accumulated earned Robux for fiat currency under certain conditions. We are or may be subject to a variety of laws and regulations globally, including those governing anti-money laundering and prepaid cards. Regulators may impose restrictions or bans on our ability to operate our Developer Exchange Program or on the sale of prepaid gift cards. Any such restrictions or prohibitions may adversely affect our Platform, business, revenue, bookings and our developers. In the United States, the SEC, its staff, and similar state regulators have deemed certain virtual currencies to be securities subject to regulation under the federal and state securities laws. While we do not consider Robux to be a security, if Robux were subject to the federal or state securities laws of the U.S., we may be required to redesign our Platform considerably, in a manner that would be disruptive to operations and costly to implement, which may threaten the viability of the Platform. We may also be subject to enforcement or other regulatory actions by federal or state regulators, as well as private litigation, which could be costly to resolve. For example, some existing laws regarding the regulation of currency, money transmitters and other financial institutions, and unclaimed property have been interpreted to cover virtual currencies, like Robux.

The increased use of interactive entertainment offerings like ours by consumers, including younger consumers, have prompted and may continue to prompt calls for more stringent consumer protection laws and regulations throughout the world that may impose additional burdens on companies such as ours making virtual currencies like Robux available for sale. The U.S. Consumer Financial Protection Bureau ("CFPB") has announced that it is monitoring business practices in video gaming marketplaces and gaming currencies for compliance with federal consumer financial protection laws, and has proposed new interpretations of existing law that would regulate both under the Electronic Funds Transfer Act. Increased regulatory scrutiny may increase compliance obligations and require us to devote legal and other resources and make changes to our Platform to address such regulation, which may negatively impact our revenue and profitability. Any inability, or perceived inability, to comply with existing or new compliance obligations issued by the CFPB or any other regulatory authority could lead to regulatory investigations, or result in administrative or enforcement action, such as fines, penalties, and/or enforceable undertakings and adversely affect us and our results of operations.

Although we have structured our virtual currency, prepaid gift cards and the Developer Exchange Program with applicable laws and regulations in mind, in some jurisdictions, the application or interpretation of applicable laws and regulations is not clear and a regulator could subject us to monetary fines or other penalties such as a cease and desist order, or we may be required to make product changes, any of which could have an adverse effect on our business and financial results. If a relevant regulator disagreed with our analysis of and compliance with applicable laws, we may be required to seek licenses, authorizations, or approvals from those regulators, which may be dependent on us meeting certain capital and other requirements and may subject us to additional regulation and oversight, all of which could significantly increase our operating costs.

Regulatory scrutiny, changes in current laws or regulations or the imposition of new laws and regulations in the U.S. or elsewhere that prohibit us from making Robux available on our Platform would require us to make significant changes to our Platform or require us to take on more onerous compliance obligations, which would materially impair our business, financial condition, and operating results.

We are subject to various governmental export control, trade sanctions, and import laws and regulations that require our compliance and may subject us to liability if we violate these controls.

In some cases, our software and experiences are subject to export control laws and regulations, including the Export Administration Regulations administered by the U.S. Department of Commerce and trade and economic sanctions, including those administered by OFAC, which we collectively refer to as Trade Control Laws and Regulations. Thus, we are subject to laws and regulations that could limit our ability to offer access or full access to our Platform and experiences to certain persons and in certain countries or territories. For example, certain U.S. laws and regulations administered and enforced by OFAC, may limit our ability to give certain users, developers, and creators access to aspects of our Platform and experiences. Trade Control Laws and Regulations are complex and dynamic, and monitoring and ensuring compliance can be challenging. In addition, we rely on our payment processors for compliance with certain of these Trade Control Laws and Regulations, including preventing paid activity by users, developers, and creators that attempt to access our Platform from various jurisdictions comprehensively sanctioned by OFAC, including Cuba, Iran, North Korea, Syria, and sanctioned regions of Ukraine. Users, developers, and creators from certain of these countries and territories have access to our Platform and experiences and there can be no guarantee we will be found to have been in full compliance with Trade Control Laws and Regulations during all relevant periods. Any failure by us or our payment processors to comply with the Trade Control Laws and Regulations may lead to violations of the Trade Control Laws and Regulations that could expose us to liability. Additionally, following Russia's invasion of Ukraine, the United States and other countries imposed certain economic sanctions and severe export control restrictions against Russia and Belarus and have continued to strengthen these controls. These countries could impose even broader sanctions and additional export restrictions or take other actions that could impact our business. Any failure to comply with applicable laws and regulations could have negative consequences for us, including reputational harm, government investigations, and monetary penalties.

In addition, various foreign governments may also impose controls, export license requirements, and/or restrictions applicable to our Platform and experiences. Compliance with such applicable regulatory requirements may create delays in the introduction of our Platform in some international markets or prevent certain international users from accessing our Platform.

Changes in tax laws and unclaimed property audits by governmental authorities could have a material adverse effect on our business, cash flow, results of operations or financial conditions.

We are subject to tax laws, regulations, and policies of several taxing jurisdictions. Changes in tax laws, as well as other factors, could cause us to experience fluctuations in our tax liability and reporting obligations and effective tax rates and otherwise adversely affect our tax positions, cost of compliance, and/or our tax liabilities. Certain jurisdictions, such as Canada, the United Kingdom and France, have enacted a digital services tax on certain digital revenue streams. Other jurisdictions, such as Brazil, have proposed indirect tax reform which may impose value added tax on the sales of electronically supplied services. Such laws and other attempts to impose taxes on e-commerce activities would likely increase the cost to us of operating our business, discourage potential customers from subscribing to our Platform, or otherwise adversely affect our business, results of operations or financial conditions. In addition, a number of U.S. states, the U.S. federal government, and foreign jurisdictions have implemented and may impose reporting or recording-keeping obligations for digital platforms. These new requirements may require us to modify our data processing and reporting practices and policies, which may cause us to incur substantial costs and expenses to comply.

In addition, the Organization for Economic Cooperation and Development has proposed the Pillar One framework as part of the OECD/G20 Base Erosion and Profit Shifting Project, which would revise existing profit allocation and nexus rules to require profit allocation based on location of sales versus physical presence for certain large multinational businesses, but if implemented, could result in the removal of unilateral digital services tax initiatives described above.

Any developments or changes in federal, state, or international tax laws or tax rulings could adversely affect our compliance costs, effective tax rate, and our operating results.

In addition, we are subject to unclaimed property escheat laws which require us to turn over to certain government authorities the property of others held by us that has been unclaimed for a specified period of time. We are subject to state audits with regard to our escheatment practices. The legislation and regulations related to unclaimed property matters tend to be complex and subject to varying interpretations by government authorities. Although we believe that the positions we have taken are reasonable, authorities may challenge certain of the positions we have taken, which may also potentially result in additional liabilities for unclaimed property, interest and penalties in excess of accrued liabilities. An unfavorable resolution of assessments by a governmental authority could have a material adverse effect on our financial condition, results of operations and cash flows in future periods.

We are subject to the Foreign Corrupt Practices Act and similar anti-corruption and anti-bribery laws, and anti-money laundering laws, and non-compliance with such laws can subject us to criminal or civil liability and harm our business, financial condition and results of operations.

We are subject to the Foreign Corrupt Practices Act, U.S. domestic bribery laws, the UK Bribery Act and other anti-corruption and anti-bribery laws, and anti-money laundering laws in the countries in which we conduct activities. Anti-corruption and anti-bribery laws have been enforced aggressively in recent years and are interpreted broadly to generally prohibit companies, their employees, agents, representatives, business partners, and third-party intermediaries from authorizing, offering or providing, directly or indirectly, improper payments or benefits to recipients in the public or private sector in order to influence official action, direct business to any person, gain any improper advantage, or obtain or retain business. These laws also require that we keep accurate books and records and maintain internal controls and compliance procedures designed to prevent any such actions.

With regard to our international business, we have engaged with business partners and third-party intermediaries to market our solutions and obtain necessary permits, licenses, and other regulatory approvals. We or our employees, agents, representatives, business partners or third-party intermediaries have had direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities. We can be held liable for the corrupt or other illegal activities of our employees, agents, representatives, business partners or third-party intermediaries, even if we do not authorize such activities and notwithstanding having policies, training, and procedures designed to address compliance with these laws, we cannot assure you that no violations of our policies or these laws will occur.

Detecting, investigating, and resolving actual or alleged violations of anti-corruption and anti-bribery laws and anti-money laundering laws can require a significant diversion of time, resources, and attention from senior management, as well as significant defense costs and other professional fees. In addition, noncompliance with these laws could subject us to whistleblower complaints, investigations, sanctions, settlements, prosecution, enforcement actions, fines, damages, other civil or criminal penalties or injunctions against us, our officers, or our employees, disgorgement of profits, suspension or debarment from contracting with the U.S. government or other persons, reputational harm, adverse media coverage, and other collateral consequences. If any subpoenas or investigations are launched, or governmental or other sanctions are imposed, or if we do not prevail in any possible civil or criminal proceeding, our reputation, business, financial condition, prospects and results of operations and the price of our Class A common stock could be harmed. Responding to any investigation or action will likely result in a materially significant diversion of management's attention and resources and significant defense costs and other professional fees.

We may incur liability as a result of content published using our Platform or as a result of claims related to content generated by our developers, creators, and users, including copyright infringement, and legislation regulating content on our Platform may require us to change our Platform or business practices.

Our success relies in part on the ability of developers and creators to drive engagement with content that is challenging, engaging, fun, interesting, and novel. Developers and creators are responsible for clearing the rights to all of the content they upload to our service or physical goods that they make available for sale, but some developers or creators may upload content or link goods that infringes the rights or violates the terms of use of third parties in violation of our Terms of Use. We rely upon legal protections in various jurisdictions to protect us from claims of monetary damages for content that is uploaded to and stored on our system at the direction of our users, or counterfeit goods and copyright-infringing material made available for sale, but those protections may change or disappear over time, increasing our exposure for claims of copyright or other intellectual property infringement. If we should lose or fail to qualify for statutory or other legal protections that immunize us from monetary damages for intellectual property infringement, the damages could be significant and have a material impact on our business. While we have implemented measures designed to limit our exposure to claims of intellectual property infringement, intellectual property owners may allege that we failed to take appropriate measures to prevent infringing activities on our systems, that we turned a blind eye to infringement, or that we facilitated, induced or contributed to infringement.

Even though we are not required to monitor uploaded content for copyright infringement in the U.S., we have chosen to do so through the services of a third-party audio monitoring service. We now monitor all uploaded sound recordings to exclude recordings owned or controlled by the major record labels and any other record labels who provide their music to the third-party audio monitoring service. These record labels register certain of their content with our service provider. When audio is uploaded to our Platform, we check the service provider's system to exclude recordings owned or controlled by these record labels from being published on our Platform. If our monitoring proves ineffective or we cease to rely upon a third-party monitoring service to exclude certain content from our Platform, our risk of liability may increase.

In the past, certain record companies and music publishers, either directly or through their authorized representatives, claimed that we are subject to liability for allegedly infringing content that was uploaded and may continue to exist on our Platform. We vigorously disputed such claims of infringement by such labels and publishers and reached settlements. However, we could be subject to additional claims in the future. An adverse judgment against us in any such lawsuit could require us to settle any claims for an undetermined amount which could have a material impact on our business, financial condition, or results of operations.

We may also be required to enter into license agreements with various licensors, including record labels, music publishers, performing rights organizations, and collective management organizations, to obtain licenses that authorize the storage and use of content uploaded by our users. We may not be able to develop technological solutions to comply with these license agreements on economically reasonable terms and there is no guarantee that we will be able to enter into agreements with all relevant rights holders on terms that we deem reasonable. Compliance may therefore negatively impact our financial prospects.

The EU enacted copyright laws such as the Copyright Directive that came into effect on June 6, 2019, that may require us to use best efforts in accordance with the high industry standards of professional diligence to exclude infringing content from our Platform that may be uploaded by our users. In addition, the monitoring and reporting obligations of the DSA may apply also with respect to copyright infringements that would fall outside the scope of the Copyright Directive.

Risks Related to Intellectual Property

Claims by others that we infringe their proprietary technology or other rights, the activities of our users, or the content of the experiences on our Platform could subject us to liability and harm our business.

We have been and may in the future become subject to intellectual property disputes, costs, and awards of damages and/or injunctive relief as a result of these disputes, and we are subject to liability for our intellectual property that we license to third parties. Our success depends, in part, on our ability to develop and commercialize our Platform without infringing, misappropriating, or otherwise violating the intellectual property rights of third parties. However, there is no assurance that our technologies or Platform will not be found to infringe, misappropriate, or otherwise violate the intellectual property rights of third parties. We also have entered into agreements with third parties to manufacture and distribute merchandise based on user content on our Platform, and there is a possibility that such content could be found to be infringing. Lawsuits are time-consuming and expensive to resolve and they divert management's time and attention. Further, because of the substantial amount of discovery required in connection with intellectual property litigation, we risk compromising our confidential information during this type of litigation. Companies in the internet, technology, and gaming industries own large numbers of patents, copyrights, trademarks, domain names, and trade secrets and frequently enter into litigation based on allegations of infringement, misappropriation, or other violations of intellectual property or other rights. As we face increasing competition and gain a higher profile, the possibility of intellectual property rights and other claims against us grows. Our technologies may not be able to withstand any third-party claims against their use. In addition, many companies have the capability to dedicate substantially greater resources to enforce their intellectual property rights and to defend claims that may be brought against them.

We have a number of issued patents. We have also filed a number of additional U.S. and foreign patent applications, but these applications may not successfully result in issued patents. Any patent litigation against us may involve patent holding companies or other adverse patent owners that have no relevant product revenue, and therefore, our patents and patent applications may provide little or no deterrence as we would not be able to reach meaningful damages if we assert them against such entities or individuals. If a third party is able to obtain an injunction preventing us from exercising intellectual property rights, or if we cannot license or develop alternative technology for any infringing aspect of our business, we could be forced to limit or cease access to our Platform or cease business activities related to such intellectual property. In addition, we may need to settle litigation and disputes on terms that are unfavorable to us. We may be required to make substantial payments for legal fees, settlement fees, damages, royalties, license, or other fees in connection with a claimant securing a judgment against us. Although we carry general liability insurance, our insurance may not cover potential claims of this type or may not be adequate to cover all liability that may be imposed. We cannot predict the outcome of lawsuits and cannot ensure that the results of any such actions will not have an adverse effect on our business, financial condition, or results of operations. Any intellectual property claim asserted against us, or for which we are required to provide indemnification, may require us to cease selling or using or to recall products that incorporate the intellectual property rights that we allegedly infringe, misappropriate, or violate; make substantial payments for legal fees, settlement payments, or other costs or damages; obtain a license, which may not be available on reasonable terms or at all, to sell or use the relevant technology; or redesign or rebrand the allegedly infringing products to avoid infringement, misappropriation, or violation, which could be costly, time-consuming, or impossible.

Furthermore, certain federal statutes in the U.S. may apply to us with respect to various activities of our users, including the Digital Millennium Copyright Act of 1998 ("DMCA") and Section 230 of the Communications Decency Act ("CDA"). For example, we filter communications to eliminate speech we determine to be offensive based on our objective of creating a civil and safe place for all users. Bills have recently been proposed in Congress calling for a range of changes to Section 230 of the CDA which include a complete repudiation of the statute to modifications of it in such a way as to remove certain social media companies from its protection. The FCC may also consider reforms to Section 230 of the CDA, which could include taking action to limit the scope of Section 230 of the CDA and certain liability protections provided to online service providers and other entities. The U.S. Supreme Court has also heard two cases in its most recent term that may result in substantial changes to the scope of protection provided to interactive computer services such as Roblox. If Section 230 of the CDA were so repealed, amended, or modified by judicial determination we could potentially be subject to liability if we continue to censor speech, even if that speech were offensive to our users, or we could experience a decrease in user activity and revenues if we are unable to maintain a safe environment for our users if certain blocking and screening activities are prohibited by law. In addition, certain states have either passed or are debating laws that would create potential liability for moderating or removing certain user content. While we believe these laws are of dubious validity under the U.S. Constitution and in light of Section 230 of the CDA, they nevertheless present some risk to our content-moderation efforts going forward.

While we rely on a variety of statutory and common-law frameworks and defenses, including those provided by the DMCA, the CDA, the fair-use doctrine in the U.S. and the DSA in the EU, differences between statutes, limitations on immunity, requirements to maintain immunity, and moderation efforts in the many jurisdictions in which we operate may affect our ability to rely on these frameworks and defenses, or create uncertainty regarding liability for information or content uploaded by developers, creators, or users or otherwise contributed by third parties to our Platform. As an example, Article 17 of the Directive on Copyright in the Digital Single Market was passed in the EU, which affords copyright owners some enforcement rights that may conflict with U.S. safe harbor protections afforded to us under the DMCA. Member states in the EU are in the process of determining how Article 17 will be implemented in their particular country. In addition, the EU's DSA became fully applicable on February 17, 2024. The DSA imposes additional obligations as provided under the E-Commerce Directive and includes new content moderation obligations, notice and transparency obligations, advertising restrictions and other requirements on digital platforms to protect consumers and their rights online. In countries in Asia and Latin America, generally there are no similar statutes to the CDA or the DSA. The laws of countries in Asia and Latin America generally provide for direct liability if a platform is involved in creating such content or has actual knowledge of the content without taking action to take it down. Further, laws in some Asian countries also provide for primary or secondary liability, which can include criminal liability, if a platform fails to take sufficient steps to prevent such content from being uploaded. Although these and other similar legal provisions provide limited protections from liability for platforms like ours, if we are found not to be protected by the safe harbor provisions of the DMCA, CDA or other similar laws, or if we are deemed subject to laws in other countries that may not have the same protections or that may impose more onerous obligations on us, including Article 17, we may owe substantial damages, and our brand, reputation, and financial results may be harmed.

Additionally, any content used to create, or created by using, generative AI tools may not be subject to copyright protection, the determination of which may adversely affect our intellectual property rights in, or ability to commercialize or use, such tools or the content. In the United States, a number of civil lawsuits have been initiated related to the foregoing and other issues, the outcome of any one of which may, amongst other things, require us to limit the ways in which we use AI in our business. While AI-related lawsuits to date have generally focused on the AI service providers themselves, our use of any output produced by generative AI tools may expose us to claims, increasing our risks of liability.

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 harm our business and operating results. Moreover, there could be public announcements of the results of hearings, motions, or other interim proceedings or developments, and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our Class A common stock. We expect that the occurrence of asserted infringement claims will grow as the market for our Platform grows. Accordingly, our exposure to damages resulting from infringement claims could increase, and this could further exhaust our financial and management resources.

Indemnity provisions in various agreements potentially expose us to substantial liability for intellectual property infringement and other losses.

Some of our agreements with third parties include indemnification provisions under which we agree to indemnify these third parties for losses suffered or incurred as a result of claims of intellectual property infringement, or other liabilities relating to or arising from our software, services, Platform, or other contractual obligations. Large indemnity payments could harm our business, results of operations, and financial condition. Although we typically contractually limit our liability with respect to such indemnity obligations, those limitations may not be fully enforceable in all situations, and we may still incur substantial liability under the applicable agreements. Any dispute with a third-party with respect to such obligations could have adverse effects on our relationship with such a party and harm our business and results of operations.

Failure to protect or enforce our intellectual property rights or the costs involved in such enforcement would harm our business.

Our success depends to a significant degree on our ability to obtain, maintain, protect, and enforce our intellectual property rights, including our proprietary software technology, our know-how, and our brand. We rely on a combination of trademarks, trade secret laws, patents, copyrights, service marks, contractual restrictions, and other intellectual property laws and confidentiality procedures to establish and protect our proprietary rights. However, the steps we take to obtain, maintain, protect, and enforce our intellectual property rights may be inadequate. We will not be able to protect our intellectual property rights if we are unable to enforce our rights or if we do not detect unauthorized use of our intellectual property rights. If we fail to protect our intellectual property rights adequately, or fail to continuously innovate and advance our technology, our competitors could gain access to our proprietary technology and develop and commercialize substantially identical products, services, or technologies. In addition, defending our intellectual property rights might entail significant expense and may not ultimately be successful.

Further, any patents, trademarks, or other intellectual property rights that we have or may obtain may be challenged or circumvented by others or invalidated or held unenforceable through administrative processes, including re-examination, inter partes review, interference and derivation proceedings, and equivalent proceedings in foreign jurisdictions, such as opposition proceedings or litigation. In addition, despite our pending patent applications, there is no assurance that our patent applications will result in issued patents. Even if we continue to seek patent protection in the future, we may be unable to obtain or maintain patent protection for our technology. In addition, any patents issued from pending or future patent applications or licensed to us in the future may not provide us with competitive advantages or may be successfully challenged by third parties. Furthermore, legal standards relating to the validity, enforceability, and scope of protection of intellectual property rights are uncertain. Despite our precautions, it may be possible for unauthorized third parties to copy our Platform and use information that we regard as proprietary to create products that compete with ours. Patent, trademark, copyright, and trade secret protection may not be available to us in every country in which our products are available. The value of our intellectual property could diminish if others assert rights in or ownership of our trademarks and other intellectual property rights, or trademarks that are similar to our trademarks. We may be unable to successfully resolve these types of conflicts to our satisfaction. In some cases, litigation or other actions may be necessary to protect or enforce our trademarks and other intellectual property rights. In addition, the laws of some foreign countries may not be as protective of intellectual property rights as those in the U.S., and mechanisms for enforcement of intellectual property rights may be inadequate. As we expand our global activities, our exposure to unauthorized copying and use of our Platform and proprietary information will likely increase.

We rely, in part, on trade secrets, proprietary know-how, and other confidential information to maintain our competitive position. While we enter into confidentiality and invention assignment agreements with our employees and consultants and enter into confidentiality agreements with other third parties, including suppliers and other partners, we cannot guarantee that we have entered into such agreements with every entity that has or may have had access to our proprietary information, know-how, and trade secrets or that has or may have developed intellectual property in connection with an engagement with us. Moreover, there are no assurances that these agreements will be effective in controlling access to, distribution, use, misuse, misappropriation, reverse engineering, or disclosure of our proprietary information, know-how, and trade secrets. Further, these agreements may not prevent our competitors from independently developing technologies that are substantially equivalent or superior to our Platform. These agreements may be breached, and we may not be able to detect any such breach and may not have adequate remedies for any such breach even if we know about it.

We use open source software as part of, and in connection with certain experiences on, our Platform, which may pose particular intellectual property and security risks to and could have a negative impact on our business.

We have in the past and may in the future continue to use open source software in our codebase and our Platform. Some open source software licenses require users who make available open source software as part of their proprietary software to publicly disclose all or part of the source code to such proprietary software or make available any derivative works of such software free of charge, under open source licensing terms. The terms of various open source licenses have not been interpreted by courts, and there is a risk that such licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our use of the open source software. Enforcement activity for open source licenses can also be unpredictable. Were it determined that our use was not in compliance with a particular license, we may be required to release our proprietary source code, defend claims, pay damages for breach of contract or copyright infringement, grant licenses to our patents, re-engineer our games or products, discontinue distribution in the event re-engineering cannot be accomplished on a timely basis, or take other remedial action that may divert resources away from our game development efforts, any of which could negatively impact our business. Open source compliance problems can also result in damage to reputation and challenges in recruitment or retention of engineering personnel. Although we have certain policies and procedures in place to monitor our use of open-source software that are designed to avoid subjecting our Platform to open source licensing conditions, those policies and procedures may not be effective to detect or address all such conditions.

Additionally, although we devote significant resources to ensuring the security of our use of open source software on our Platform, we cannot ensure that these security measures will be sufficient to prevent or mitigate the damage caused by a cybersecurity incident or network disruption, and our open source software may be vulnerable to hacking, insider threats, employee error or manipulation, theft, system malfunctions, or other adverse events.

Risks Related to Ownership of our Class A Common Stock

The public trading price of our Class A common stock is volatile and could decline regardless of our operating performance.

To date, the public trading price of our Class A common stock has been volatile, similar to other newly public companies that have historically experienced highly volatile trading prices. The public trading price of our Class A common stock may fluctuate in response to various factors, including those listed in this financial report, some of which are beyond our control. These fluctuations could cause you to lose all or part of your investment in our Class A common stock since you might be unable to sell your shares at or above the price you paid. Factors that could cause fluctuations in the public trading price of our Class A common stock include the following:

- the number of shares of our Class A common stock made available for trading;
- sales or expectations with respect to sales of shares of our Class A common stock by holders of our Class A common stock including our directors, officers, and significant holders;
- price and volume fluctuations in the overall stock market from time to time;
- volatility in the trading prices 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;
- failure of securities analysts to maintain coverage of us, changes in financial estimates by securities analysts who follow us or our failure to meet these estimates or the expectations of investors;
- any plans we may have to provide or not provide disclosure about certain key metrics, financial guidance, or projections, which may increase the probability that our financial results are perceived as not in line with analysts' expectations;
- if we do provide disclosure about certain key metrics, financial guidance, or projections, any changes to such reported items due to changes in our methodology or underlying assumptions for those items and with respect to timing or our failure to meet those projections;
- announcements by us or our competitors of new services or Platform features;
- the public's reaction to our press releases, other public announcements, and filings with the SEC;
- rumors, market speculation, and media reports involving us or other companies in our industry;
- actual or anticipated changes in our results of operations or fluctuations in our results of operations;
- actual or anticipated developments in our business, our competitors' businesses, or the competitive landscape generally;
- litigation involving us, our industry or both, or investigations by regulators into our operations or those of our competitors;
- actual or perceived privacy or security breaches or other incidents;

- developments or disputes concerning our intellectual property or other proprietary rights;
- announced or completed acquisitions of businesses, services, or technologies by us or our competitors;
- new laws or regulations, public expectations regarding new laws or regulations or new interpretations of existing laws or regulations applicable to our business;
- changes in accounting standards, policies, guidelines, interpretations, or principles;
- any significant change in our management or other key personnel;
- other events or factors, including those resulting from war, such as Russia's invasion of Ukraine and the conflict in the Middle East stemming from Hamas' attack against Israel, incidents of terrorism, pandemics, or wildfires, earthquakes or severe weather and power outages or responses to these events; and
- general economic conditions and slow or negative growth of our markets.

In addition, stock markets, and the market for technology companies in particular, have experienced price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. Stock prices of many companies, including technology companies, have fluctuated in a manner often unrelated to the operating performance of those companies. In the past, following periods of volatility in the overall market and the market price of a particular company's securities, securities class action litigation has often been instituted against these companies. This litigation, if instituted against us, could result in substantial costs and a diversion of our management's attention and resources. In addition, we may be subject to stockholder activism, which can lead to additional substantial costs, distract management, and impact the manner in which we operate our business in ways we cannot currently anticipate.

The dual class stock structure of our common stock has the effect of concentrating voting control in David Baszucki, our Founder, President, CEO, and Chair of our Board of Directors, which limits or precludes your ability to influence corporate matters, including the election of directors and the approval of any change of control transaction.

Our Class B common stock has 20 votes per share, and our Class A common stock has one vote per share. Our Founder, President, CEO, Chair of our Board of Directors, and largest stockholder, David Baszucki, and his affiliates, beneficially own 100% of our outstanding Class B common stock, together as a single class, representing a substantial percentage of the voting power of our capital stock, which voting power may increase over time as Mr. Baszucki exercises or vests in his equity awards. Mr. Baszucki and his affiliates could exert substantial influence over matters requiring approval by our stockholders. This concentration of ownership may limit or preclude your ability to influence corporate matters for the foreseeable future, including the election of directors, amendments of our organizational documents, and any merger, consolidation, sale of all or substantially all of our assets, or other major corporate transaction requiring stockholder approval. In addition, this may prevent or discourage unsolicited acquisition proposals or offers for our capital stock that you may believe are in your best interest as one of our stockholders. We believe we are eligible for, but do not intend to take advantage of, the "controlled company" exemption to the corporate governance rules for NYSE-listed companies. We cannot predict whether our dual class structure will result in a lower or more volatile trading price of our Class A common stock, in adverse publicity, or other adverse consequences. The dual class structure of our common stock may trigger actions or publications by stockholder advisory firms or institutional investors critical of our corporate governance practices or capital structure, which could result in the trading price of our Class A common stock being adversely affected. Delaware law and 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.

If securities or industry analysts or other third parties do not publish research or publish inaccurate or unfavorable research about us, our business, or our market, or if they change their recommendation regarding our Class A common stock adversely, the market price and trading volume of our Class A common stock could decline.

The market price and trading volume for our Class A common stock will depend in part on the research and reports that securities or industry analysts and other third parties publish about us, our business, our market or our competitors. The analysts' estimates are based upon their own opinions and are often different from our estimates or expectations or incorrect. If any of the analysts who cover us change their recommendation regarding our Class A common stock adversely, provide more favorable relative recommendations about our competitors or publish inaccurate or unfavorable research about our business, the price of our Class A common stock would likely decline. If few securities analysts commence coverage of us, or if one or more of these analysts cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the financial markets and demand for our securities could decrease, which could cause the price and trading volume of our Class A common stock to decline. In addition, third parties regularly publish data about us and other mobile, gaming, and social platform companies with respect to DAUs, revenue, bookings, top experience, or game charts, hours engaged and other information concerning social game application usage. These metrics are proprietary to the provider, and in many cases do not accurately reflect the actual levels of bookings, revenue, or usage of our experiences across all platforms. There is a possibility that third parties could change their methodologies for calculating these metrics in the future. For example, short sellers have and may in the future publish reports relying in part on such metrics. These reports appear intended to decrease the price of our Class A common stock and have resulted in and may result in claims, litigation, or investigations due to any published allegations by shareholders, regulators, and others. To the extent that securities analysts or investors base their views of our business or prospects on such third-party data, including reports of short sellers, the price of our Class A common stock may be volatile and may not reflect the performance of our business.

Delaware law and 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 status as a Delaware corporation and the anti-takeover provisions of the Delaware General Corporation Law may discourage, delay, or prevent a change in control by prohibiting us from engaging in a business combination with an interested stockholder for a period of three years after the date of the transaction in which the person became an interested stockholder, even if a change of control would be beneficial to our existing stockholders. In addition, our amended and restated certificate of incorporation and amended and restated bylaws will contain provisions that may make the acquisition of our company more difficult, including the following:

- any amendments to our amended and restated certificate of incorporation or our amended and restated bylaws will require the approval of at least 66 2/3% of our then-outstanding voting power;
- our Board of Directors is classified into three classes of directors with staggered three-year terms and stockholders will only be able to remove directors from office for cause;
- upon the conversion of our Class A common stock and Class B common stock into a single class of common stock, 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;
- our amended and restated certificate of incorporation does not provide for cumulative voting;
- vacancies on our Board of Directors will be able to be filled only by our Board of Directors and not by stockholders;
- a special meeting of our stockholders may only be called by the chairperson of our Board of Directors, our CEO, our President, or a majority of our Board of Directors;
- certain litigation against us can only be brought in Delaware;
- our amended and restated certificate of incorporation authorizes 100 million shares of undesignated preferred stock, the terms of which may be established and shares of which may be issued without further action by our stockholders; and
- advance notice procedures apply for stockholders to nominate candidates for election as directors or to bring matters before an annual meeting of stockholders.

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 price that some investors are willing to pay for our Class A common stock.

Our amended and restated bylaws provide that the Court of Chancery of the State of Delaware and the federal district courts of the United States will be the exclusive forums for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees.

Our amended and restated bylaws provide that the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, another State court in Delaware or the federal district court for the District of Delaware) is the exclusive forum for the following (except for any claim as to which such court determines that there is an indispensable party not subject to the jurisdiction of such court (and the indispensable party does not consent to the personal jurisdiction of such court within ten days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than such court or for which such court does not have subject matter jurisdiction):

- any derivative action or proceeding brought on behalf of us;
- any action asserting a claim of breach of a fiduciary duty;
- any action asserting a claim against us arising under the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws (as either may be amended from time to time); and
- any action asserting a claim against us that is governed by the internal affairs doctrine.

This provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act, or any other claim for which the U.S. federal courts have exclusive jurisdiction.

Our amended and restated bylaws further provide that the federal district courts of the U.S. will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. These exclusive-forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, or other employees, which may discourage lawsuits against us and our directors, officers, and other employees. Any person or entity purchasing or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to these provisions. There is uncertainty as to whether a court would enforce such provisions, and the enforceability of similar choice of forum provisions in other companies' charter documents has been challenged in legal proceedings. We also note that stockholders cannot waive compliance (or consent to noncompliance) with the federal securities laws and the rules and regulations thereunder. It is possible that a court could find these types of provisions to be inapplicable or unenforceable, and if a court were to find either exclusive-forum provision in our amended and restated bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could significantly harm our business.

We do not expect to pay dividends in the foreseeable future.

We have never declared nor paid cash dividends on our capital stock. We currently intend to retain any future earnings to finance the operation and expansion of our business, and we do not anticipate declaring or paying any dividends to holders of our capital stock in the foreseeable future. Consequently, you may need to rely on sales of our Class A common stock after price appreciation, which may never occur, as the only way to realize any future gains on your investment.

Risks Related to our Indebtedness

We may not be able to generate sufficient cash to service our debt and other obligations, including our obligations under the 2030 Notes.

Our ability to make payments on our indebtedness, including the 2030 Notes, and our other obligations will depend on our financial and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business, and other factors beyond our control. We cannot assure you that we will maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness, including the 2030 Notes, and other obligations.

If we are unable to service our debt and other obligations from cash flows, we may need to refinance or restructure all or a portion of our debt obligations prior to maturity. Our ability to refinance or restructure our debt and other obligations will depend on various factors, including the condition of the capital markets and our financial condition at such time. Any refinancing or restructuring could be at higher interest rates, less favorable terms, or may require us to comply with more onerous covenants, which could further restrict our business operations. If our cash flows are insufficient to service our debt and other obligations, we may not be able to refinance or restructure any of these obligations on commercially reasonable terms or at all. Any refinancing or restructuring could have a material adverse effect on our business, results of operations, or financial condition.

If our cash flows are insufficient to fund our debt and other obligations and we are unable to refinance or restructure these obligations, we could face substantial liquidity problems and may be forced to reduce or delay investments and capital expenditures, or to sell material assets or operations to meet our debt and other obligations. We cannot assure you that we would be able to implement any of these alternative measures on satisfactory terms (if at all) or that the proceeds from such alternatives would be adequate to meet any debt or other obligations then due. If it becomes necessary to implement any of these alternative measures, our business, results of operations, or financial condition could be materially and adversely affected.

Our indebtedness could have adverse consequences to us.

Our indebtedness could have adverse consequences to us, including the following:

- making it more difficult for us to satisfy our obligations with respect to the 2030 Notes and our other indebtedness;
- requiring us to dedicate a substantial portion of our cash flow from operations to debt service payments on our and our subsidiaries' debt, which reduces the funds available for working capital, capital expenditures, acquisitions, and other general corporate purposes;
- requiring us to comply with restrictive covenants in the Indenture, which limit the manner in which we conduct our business;
- limiting our flexibility in planning for, or reacting to, changes in the industry in which we operate;
- placing us at a competitive disadvantage compared to any of our less leveraged competitors;
- increasing our vulnerability to both general and industry-specific adverse economic conditions; and
- limiting our ability to obtain additional debt or equity financing to fund future working capital, capital expenditures, acquisitions or other general corporate requirements and increasing our cost of borrowing.

General Risks

If we are unable to maintain effective disclosure and internal controls over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable regulations may be impaired.

We are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended ("the Exchange Act"), the Sarbanes-Oxley Act, and the rules and regulations of the listing standards of the NYSE. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. Our disclosure controls and other procedures 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.

Our current controls and any new controls that we develop may become inadequate because of changes in conditions in our business. In addition, changes in accounting principles or interpretations could also challenge our internal controls and require that we establish new business processes, systems, and controls to accommodate such changes. If these new systems, controls, or standards and the associated process changes do not operate as intended, it could adversely affect our financial reporting systems and processes, our ability to produce timely and accurate financial reports, or the effectiveness of internal control over financial reporting. Moreover, our business may be harmed if we experience problems with any new systems and controls that result in delays in their implementation or increased costs to correct any post-implementation issues that may arise. We have identified in the past, and may identify in the future, deficiencies in our controls, which could harm 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. If we are not able to, or if we are perceived as being unable to, comply with the requirements of the Sarbanes-Oxley Act in a timely manner, or if we are unable to, or if we are perceived as being unable to, maintain proper and effective internal controls over financial reporting, we may not be able to produce timely and accurate financial statements. If that were to happen, our investors could lose confidence in our reported financial information, the trading price of our Class A common stock could decline, and we have been and could be subject to increased regulatory scrutiny, including sanctions or investigations by the SEC or other regulatory authorities. 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.

Any legal proceedings or claims against us could be costly and time-consuming to defend and could harm our reputation regardless of the outcome.

We are and/or may in the future become subject to legal proceedings and claims that arise in the ordinary course of business, including intellectual property, privacy, biometrics, cybersecurity, data protection, product liability, consumer protection, false and misleading advertising, employment, class action, whistleblower, contract, securities, tort, civil Racketeer Influenced and Corrupt Organizations Act, human trafficking, unfair competition, and other litigation claims, including claims related to our advertising practices and use of generative AI, and governmental and other regulatory investigations and proceedings. As a result of disclosure of information in filings required of a public company, our business and financial condition will become more visible, which may result in threatened or actual litigation, including by competitors. We are and may continue to be subject to legal proceedings asserting claims arising from allegations that we have facilitated gambling by users of our Platform including by minors, that we have misrepresented the safety of our Platform, that our Platform is addictive or otherwise unsafe, that we unlawfully or unfairly benefit from child labor, and that we have misrepresented information about our user base, that we have engaged in copyright infringement, that we have engaged in unlawful employment practices, and suits related to our refund policies. In lawsuits brought on behalf of child users, the court may allow minors to disaffirm or avoid enforcement of our Terms of Use, depending on the circumstances. We have and may continue to be subject to legal proceedings asserting claims on behalf of shareholders related to allegations that discussions of our growth prospects have been misleading and unsustainable due to concerns related to safety and our implementation of parental controls on the Platform and claims that our leadership has engaged in insider trading. In particular, on August 1, 2023, a putative class action was filed against us in the United States District Court for the Northern District of California captioned *Colvin v. Roblox* asserting various claims arising from allegations that minors used third-party virtual casinos to gamble Robux and on March 14, 2024, *Gentry v. Roblox* was filed in the United States District Court for the Northern District of California premised on substantially identical allegations as *Colvin v. Roblox*. The two cases were consolidated on April 18, 2024. Such matters can be time-consuming, divert management's attention and resources, cause us to incur significant expenses or liability, or require us to change our business practices. The expense of litigation and the timing of this expense from period to period are difficult to estimate, subject to change, and could adversely affect our financial condition and results of operations. Because of the potential risks, expenses, and uncertainties of litigation, we may, from time to time, settle disputes, even where we have meritorious claims or defenses, by agreeing to settlement agreements. Any of the foregoing could adversely affect our business, financial condition, and results of operations.

Catastrophic events may disrupt our business.

Natural disasters or other catastrophic events may cause damage or disruption to our operations, international commerce, and the global economy, and thus could harm our business. We have our headquarters and a large employee presence in San Mateo, California, an area which in recent years has been increasingly susceptible to fires, severe weather events, and power outages, any of which could disrupt our operations, and which contains active earthquake zones. In the event of a major earthquake, hurricane, or catastrophic event such as fire, power loss, rolling blackouts or power loss, telecommunications failure, pandemic, geopolitical conflict such as the Russian invasion of Ukraine and the conflict in the Middle East stemming from Hamas' attack against Israel, cyber-attack, war, other physical security threats or terrorist attack, we may be unable to continue our operations and may endure system interruptions, reputational harm, delays in our Platform development, lengthy interruptions in our Platform, breaches of security, and loss of critical data, all of which would harm our business, results of operations, and financial condition. Acts of terrorism and similar events would also cause disruptions to the internet or the economy as a whole. Global climate change could also result in natural disasters occurring more frequently or with more intense effects, which could cause business interruptions. The long-term effects of the COVID-19 pandemic and recovery from it on society and developer, creator, and user engagement remain uncertain, and a subsequent health crisis or pandemic, as well as the actions taken by various governmental, business and individuals in response, will impact our business, operations and financial results in ways that we may not be able to accurately predict. In addition, the insurance we maintain would likely not be adequate to cover our losses resulting from disasters or other business interruptions. Our disaster recovery plan may not be sufficient to address all aspects of any unanticipated consequence or incident, we may not be able to maintain business continuity at profitable levels or at all, and our insurance may not be sufficient to compensate us for the losses that could occur.

Our operations are subject to the effects of changing inflation rates and volatile global economic conditions.

The United States, Europe, and other key global markets have recently experienced historically high levels of inflation. If the inflation rate continues to increase, it will likely affect all of our expenses, including, but not limited to, employee compensation expenses and energy expenses and it may reduce consumer discretionary spending, which could affect the buying power of our users, developers, and creators and lead to a reduced demand for our Platform.

Geopolitical developments, such as the war in Ukraine, the conflict in the Middle East stemming from the Hamas attack against Israel, and tensions with China, and the responses by central banking authorities to control inflation, can increase levels of political and economic unpredictability globally and increase the volatility of global financial markets. Adverse macroeconomic conditions, including lower consumer confidence, persistent unemployment, wage and income stagnation, slower growth or recession, changes to fiscal and monetary policy, inflation, changes in interest rates, currency fluctuations, economic and trade sanctions, the availability and cost of credit, and the strength of the economies in which we and our users are located, have adversely affected and may continue to adversely affect our consolidated financial condition and results of operations.

Additionally, we maintain cash balances at third-party financial institutions in excess of the Federal Deposit Insurance Corporation (the "FDIC") insurance limit. If the financial conditions affecting the banking industry and financial markets cause additional banks and financial institutions to enter receivership or become insolvent, our ability to access our existing cash, cash equivalents and investments, or to draw on our existing lines of credit, may be threatened and could have a material adverse effect on our business and financial condition.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

We have an enterprise-wide information security program that is designed to identify, protect, detect, and respond to significant cybersecurity risks and threats and we have integrated this program into our overall enterprise risk management systems and processes. We routinely assess material risks from cybersecurity threats, including taking reasonable steps to detect any potential unauthorized occurrence on or behaviors 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 maintain an incident response plan designed to identify, evaluate, respond to, and recover from a cybersecurity incident. The plans are designed to be flexible so that they may be adapted to an array of potential scenarios, and provide for the creation of cross-functional incident response teams in the event of a cybersecurity incident. We also periodically conduct testing, simulations, and tabletop exercises to help support our overall preparedness for a cybersecurity incident.

Risk Management and Strategy

We conduct periodic risk assessments to identify significant cybersecurity threats that may affect information systems that are vulnerable to such cybersecurity threats and regularly review these risk assessments for changes in our business practices and the external cybersecurity landscape as well as the impacts of our security processes. These risk assessments include identification of reasonably foreseeable internal and external risks and evaluation of the likelihood and potential damage that could result from the realization of such risks.

Following our risk assessments, we evaluate when and how to design, implement, and maintain reasonable safeguards to minimize the identified risks and address any identified gaps in existing safeguards, and proceed with such design, implementation, and maintenance as deemed appropriate. We devote significant resources and designate high-level personnel, including our Chief Information Security Officer ("CISO") who reports to our Chief People and Systems Officer, to manage the risk assessment and mitigation process. Our CISO has served in various roles in information technology and information security for over 15 years, including leading information security initiatives and incident response at two other large public companies and serving as the Chief Security Officer for the Arkansas Department of Human Services and working for the United States Department of Defense. He has an MS in Information Assurance from the University of Advanced Technology in Arizona and a BS in Computer Science from the University of Arkansas at Little Rock.

All employees receive cybersecurity training during their onboarding. In addition, we have implemented a cybersecurity awareness program designed to educate employees on best security practices, emerging risk areas, and how to identify and report security threats. We include security expectations in employee performance management systems. We also engage third-party service providers in connection with our risk assessment process and certain risk management processes. Our collaboration with these third-party service providers includes threat assessments, risk analyses, assessments of the effectiveness of our cybersecurity program, policies and practices, and consultations on opportunities and potential enhancements to strengthen our cybersecurity program.

We perform risk-tiered information security risk reviews for certain third-party service providers who have access to sensitive Company, user or employee information, reviewing areas such as data protection, endpoint management and protection, phishing, business continuity, and incident response management. We contractually require certain third-party service providers with access to our information technology systems, sensitive business data, and/or personal information to implement and maintain appropriate security controls and provide for contractual restrictions on their ability to use our data. Certain of our service providers are contractually required to notify us promptly of information security incidents that may affect our systems or data, including personal information.

We also share and receive threat intelligence with federal, state, and local government agencies, peers and other organizations, information sharing and analysis centers, and cybersecurity associations.

Governance

Our Board of Directors has the ultimate responsibility for the oversight of our risk management framework, which is designed to identify, assess, and manage risks to which our Company is exposed, as well as to foster a corporate culture of integrity. Management is responsible for the day-to-day oversight and management of strategic, operational, legal and compliance, cybersecurity, and financial risks.

The Audit and Compliance Committee (the "ACC") is central to the Board of Directors' oversight of cybersecurity risks and has been delegated the primary responsibility for this domain. The ACC is composed of independent board members with diverse expertise including risk management, technology, and finance, equipping them to oversee cybersecurity risks effectively. The ACC has also engaged a cybersecurity advisor to assist them in cybersecurity matters. In overseeing the Company's cybersecurity risks and mitigation strategies, at least quarterly the CISO, members of management, and the ACC's cybersecurity advisor, review and discuss with the ACC guidelines, practices and policies to identify, monitor, and address enterprise risks, including cybersecurity risks. The ACC then oversees and monitors management's plans to address such risks.

Our CISO, and management committee on cybersecurity consisting of our Chief People and Systems Officer, General Counsel, Chief Financial Officer, and CISO, are primarily responsible for assessing and managing our material risks from cybersecurity threats and overseeing our cybersecurity policies and processes, including those described in "Risk Management and Strategy" above. The processes by which our CISO, and our management committee on cybersecurity, are informed about and monitor the prevention, detection, mitigation, and remediation of cybersecurity incidents includes both manual reviews and automated reviews of our systems and data, a bug bounty program, self-reporting, participation in information sharing forums on cybersecurity, proactive education of our service providers and product and application security reviews.

In the event of a cybersecurity incident, the CISO is equipped with a well-defined incident response plan to guide response actions. This incident response plan includes immediate actions to assess and mitigate the impact of the incident, long-term strategies for remediation and prevention of future incidents, and provides for internal notification of the incident functional areas (e.g. legal) as well as senior leadership and the ACC of the Board of Directors, as appropriate.

Our CISO provides briefings to the ACC at least quarterly regarding, among other topics, recent notable cybersecurity incidents, even if immaterial, and the Company's response, cybersecurity systems testing results, the Company's cybersecurity threat landscape, which includes emerging risks and threats, compliance with regulatory requirements and industry standards.

Notwithstanding the extensive approach we take to cybersecurity, including managing associated risks, we may not be successful in managing risks from cybersecurity threats, including identifying, preventing, or mitigating a cybersecurity incident that could have a material adverse effect on us. While we maintain cybersecurity insurance, the costs related to cybersecurity threats or disruptions may not be fully insured.

During the last fiscal year, we did not identify any risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, that materially affected the Company, including its business strategy, results of operations, or financial condition. However, we face ongoing and increasing cybersecurity risks, including those from threat actors who are becoming more sophisticated and effective over time. If realized, these risks may materially affect the Company.

For additional information regarding the cybersecurity risks we face, please refer to Item 1A, "Risk Factors," in this annual report on Form 10-K, including the risk factors entitled "Risks Related to Our Business: If the security of our Platform is compromised, it could compromise our and our developers', creators', and users' private information, disrupt our internal operations, and harm public perception of our Platform, which could cause our business and reputation to suffer."

Item 2. Properties

On January 1, 2025, we relocated our corporate headquarters to a new leased office complex in San Mateo, California. As of December 31, 2024, all of our San Mateo-based employees had been re-located to the new corporate headquarters, which consists of approximately 752,546 square feet, with lease terms expiring between 2029 and 2035.

In addition, we continue to lease approximately 427,271 square feet of office space at our prior corporate headquarters in San Mateo, California, with lease terms expiring between 2027 and 2031. We have sub-leased approximately 140,684 square feet of the office space from our prior corporate headquarters to various sub-lessees, with sub-lease terms expiring in 2027.

We lease additional office space internationally in Canada, the United Kingdom, China, South Korea, and India. We also operate several data centers in the U.S. in Florida, Georgia, Illinois, New Jersey, Texas, Virginia, California, and Washington and around the world including in France, Germany, Hong Kong, Japan, Singapore, the Netherlands, India, Australia, and the United Kingdom pursuant to various lease agreements.

We believe our existing facilities are adequate to meet our current requirements and for our operations in the foreseeable future.

Item 3. Legal Proceedings

The information set forth under the heading “Legal Proceedings” in Note 9, Commitments and Contingencies, in Part II, Item 8 of this Annual Report on Form 10-K is incorporated herein by reference.

Item 4. Mine Safety Disclosures

None.

Part II

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

Our Class A common stock, par value $0.0001 per share, is listed on the New York Stock Exchange ("NYSE"), under the symbol "RBLX" and began trading on March 10, 2021. Prior to that date, there was no public trading market for our Class A common stock.

Our Class B common stock is not listed nor traded on any stock exchange, but is convertible into shares of our Class A common stock on a one-for-one basis.

Holders of Record

As of February 3, 2025, there were 1,689 stockholders of record of our Class A common stock. The actual number of holders of our Class A common stock is greater than the number of record holders and includes stockholders who are beneficial owners, but whose shares are held in street name by brokers or other nominees. The number of holders of record presented here also does not include stockholders whose shares may be held in trust by other entities.

As of February 3, 2025, there were 3 holders of record of our Class B common stock. All shares of our Class B common stock are beneficially owned by David Baszucki.

Dividend Policy

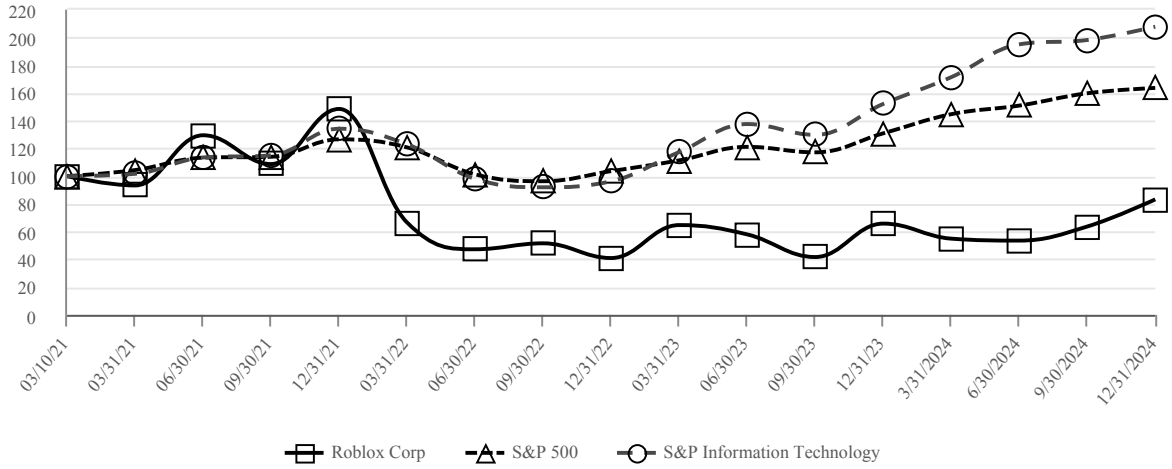
We have never declared or paid any cash dividends on our capital stock. We currently intend to retain any future earnings and do not expect to pay any dividends in the foreseeable future. Any future determination to declare cash dividends will be made at the discretion of our Board of Directors, subject to applicable laws, and will depend on a number of factors, including our financial condition, results of operations, capital requirements, contractual restrictions, general business conditions and other factors that our Board of Directors may deem relevant.

Stock Performance Graph

The performance graph below shall not be deemed "soliciting material" or to be "filed" with the SEC, for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by reference into any of our filings under the Securities Act.

The performance graph below shows the cumulative total return to our stockholders between March 10, 2021 (the date that our Class A common stock commenced trading on the NYSE) through December 31, 2024, in comparison to the S&P 500 Index and the S&P 500 Information Technology Index. The graph assumes (i) that $100 was invested in our Class A common stock at its closing price on March 10, 2021 and in each of the S&P 500 Index and the S&P 500 Information Technology Index at their respective closing prices on February 28, 2021, and (ii) reinvestment of gross dividends. The stock price performance shown in the graph represents past performance and should not be considered an indication of future stock price performance.

Comparison of Cumulative Total Return for Roblox Corp, S&P 500, and S&P Information Technology*



*$100 invested on March 10, 2021 in Roblox Class A common stock or February 28, 2021 in index, including reinvestment of dividends. Fiscal year ending December 31.

Unregistered Sales of Equity Securities

Other than any sales that were already disclosed under a Current Report on Form 8-K or Quarterly Report on Form 10-Q , there have been no other sales of unregistered securities by the Company during the years ended December 31, 2024, 2023, and 2022.

Issuer Purchases of Equity Securities

None.

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, results of operations, and cash flows should be read in conjunction with the consolidated financial statements, and the related notes appearing under "Consolidated Financial Statements and Supplementary Data" in Item 8 of this filing. This discussion and analysis and other parts of this Annual Report on Form 10-K contain forward-looking statements, such as those relating to our plans, objectives, expectations, intentions, and beliefs, that involve risks, uncertainties and assumptions. Our actual results could differ materially from these forward-looking statements as a result of many factors, including those discussed in the section titled "Risk Factors," "Special Note Regarding Forward-Looking Statements," and "Special Note Regarding Operating Metrics" included elsewhere in this Annual Report on Form 10-K. Our historical results are not necessarily indicative of the results that may be expected for any periods in the future. Unless the context otherwise requires, all references in this report to "Roblox," the "Company", "we," "our," "us," or similar terms refer to Roblox Corporation and its subsidiaries.

This section of our Annual Report on Form 10-K discusses our financial condition as of and results of operations for the fiscal years ended December 31, 2024 and 2023, as well as year-to-year comparisons between fiscal years 2024 and 2023. A discussion of our financial condition as of and results of operations for the fiscal year ended 2022 and year-to-year comparisons between fiscal years 2023 and 2022 that is not included in this Annual Report on Form 10-K can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the year ended December 31, 2023.

Amounts reported in millions are rounded based on the amounts in thousands. As a result, the sum of the components reported in millions may not equal the total amount reported in millions due to rounding. In addition, percentages presented are calculated from the underlying numbers in thousands and may not add to their respective totals due to rounding.

Overview

People from around the world come to Roblox every day to connect with friends. Together they create, play, work, learn, and connect with each other in experiences built by our global community of creators. Our Platform is powered by user-generated content and draws inspiration from gaming, entertainment, social media, and even toys.

Our free to use immersive platform for connection and communication consists of the Roblox Client, the Roblox Studio, and the Roblox Cloud (collectively, the "Roblox Platform" or the "Platform"). Roblox Client is the free application that allows users to explore 3D immersive experiences. Roblox Studio is the free toolset that allows developers and creators to build, publish, and operate 3D immersive experiences and other content accessed with the Roblox Client. Roblox Cloud includes the services and infrastructure that power our Platform. We are continually innovating our Platform by investing in high fidelity avatars, more realistic experiences, artificial intelligence ("AI") tools, and other social features.

Our mission is to connect a billion users with optimism and civility. We are constantly improving the ways in which our Platform supports shared experiences, ranging from how these experiences are built by an engaged community of developers and creators to how they are enjoyed and safely accessed by users across the globe. We also believe there is a strong potential to capture a greater percentage of global gaming revenue within the Roblox ecosystem. Our goal is to make it as easy as possible for creators and developers to build better experiences, including games, expand content into new genres, and ultimately reach more users.

Consistent with our free to play business model, a small portion of our users have historically been payers. For example, in the year ended December 31, 2024, of our 82.9 million average DAUs, only approximately 1.0 million represented our average daily unique paying users. Similarly, in the year ended December 31, 2024, our average daily bookings per DAU was $0.14, whereas our average daily bookings per daily unique paying user was $11.48. We believe that maintaining and growing our overall number of DAUs, including the number of DAUs who may not purchase and spend Robux, is important to the success of our business. As a result, we believe that the number of DAUs who choose to purchase and spend Robux will continue to constitute a small portion of our overall users.

In the second half of 2024 and into 2025, we have implemented, and expect to continue to implement, certain Platform policy and other changes in anticipation of and in response to regulatory requirements and evolving guidance from leading global organizations focused on child and internet safety in the United States and abroad. These changes could impact user engagement, revenue, and bookings, particularly from younger users.

Our primary areas of investment have been, and we expect will continue to be, our developer and creator community, and the people, technology, and infrastructure, including our trust and safety systems, required to keep improving the Roblox Platform while maintaining and building a safe and civil online community. These areas of focus are how we drive the business, and along with payment processing fees, represent our primary operating costs.

Key Metrics

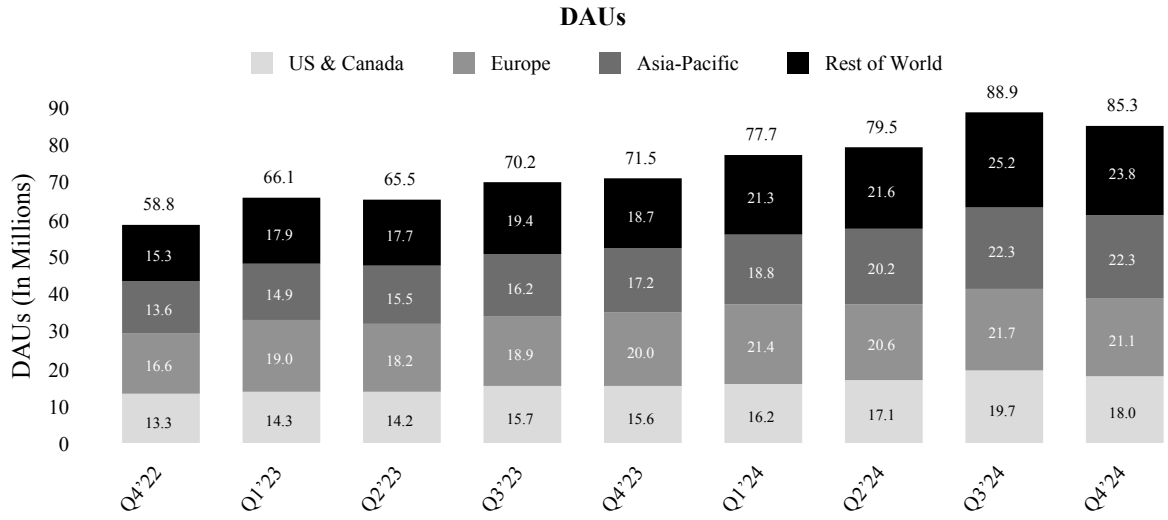
We believe our performance is dependent upon many factors, including the key metrics described below that we track and review to measure our performance, identify trends, formulate financial projections, and make strategic decisions.

Operating Metrics

We manage our business by tracking several operating metrics, including those outlined below. As a management team, we believe each of these operating metrics provides useful information to investors and others. For complete definitions and limitations of these metrics, refer to the section titled "Special Note Regarding Operating Metrics" of this Annual Report on Form 10-K.

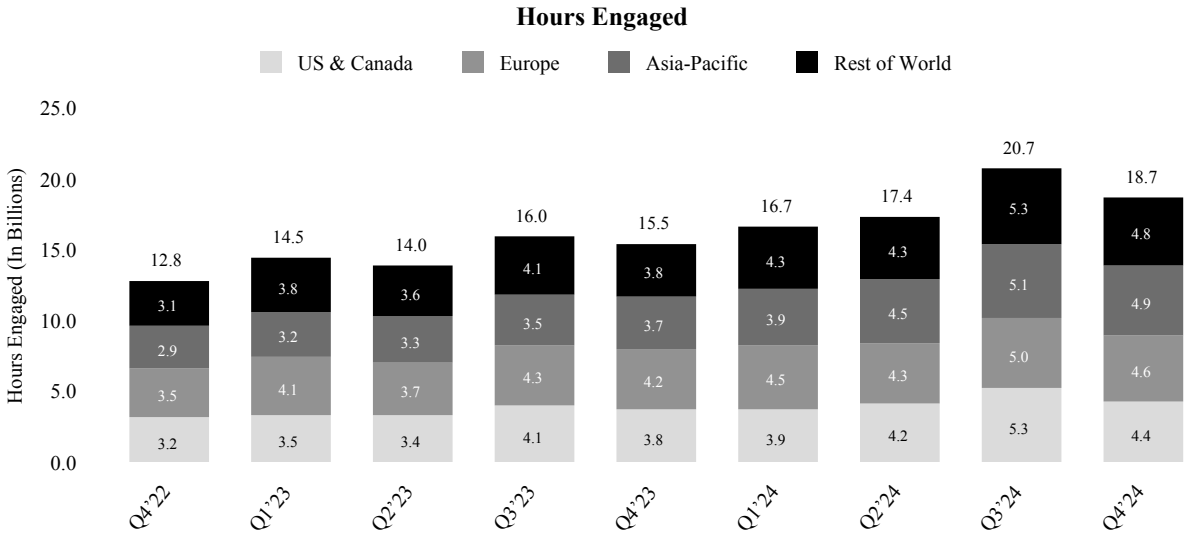
Average Daily Active Users ("DAUs")

We define a DAU as a user who has logged in and visited Roblox through our website or application on a unique registered account on a given calendar day. If a registered, logged in user visits Roblox more than once within a 24-hour period that spans two calendar days, that user is counted as a DAU only for the first calendar day. We track DAUs as an indicator of the size of the audience engaged on our Platform. We believe that the long-term growth in DAUs reflects the increasing value of our Platform.



Hours engaged

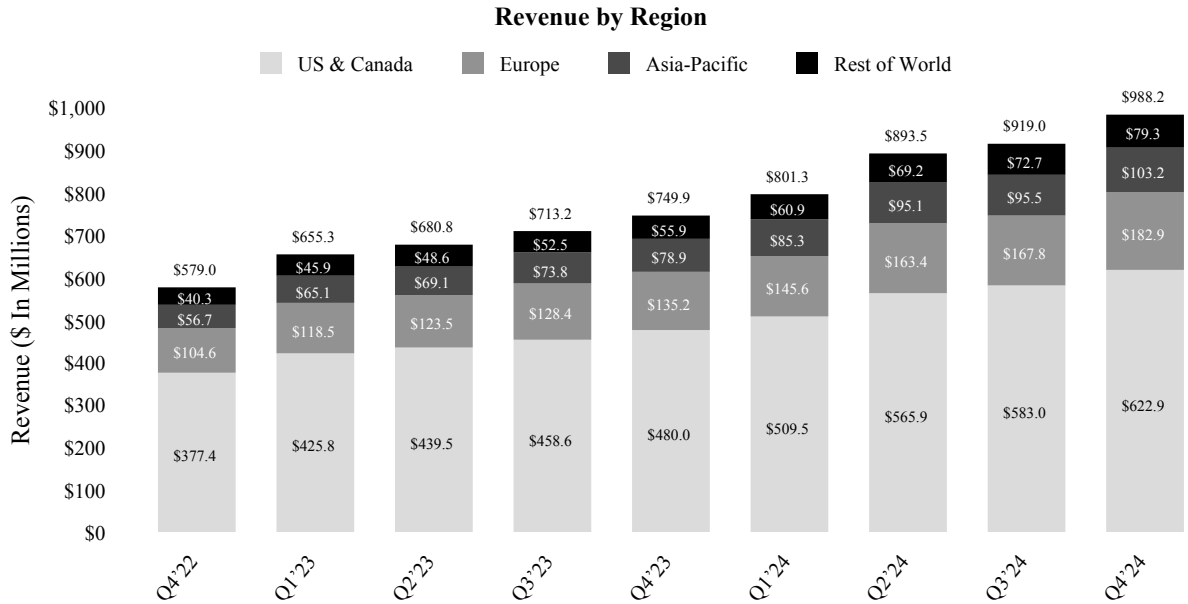
We define hours engaged as the time spent by our users on the Platform. We calculate total hours engaged as the aggregate of user session lengths in a given period. We estimate this length of time using internal company systems that track user activity on our Platform as discrete events, and aggregate these discrete activities into a user session. A given user session on our Platform may include, among other things, time spent in experiences, in Roblox Studio, in Platform features such as chat and avatar personalization, in the Creator Store, and some amount of non-active time due to limits within the tracking systems and our estimation methodology. We believe that the growth in hours engaged reflects the increasing value of our Platform.

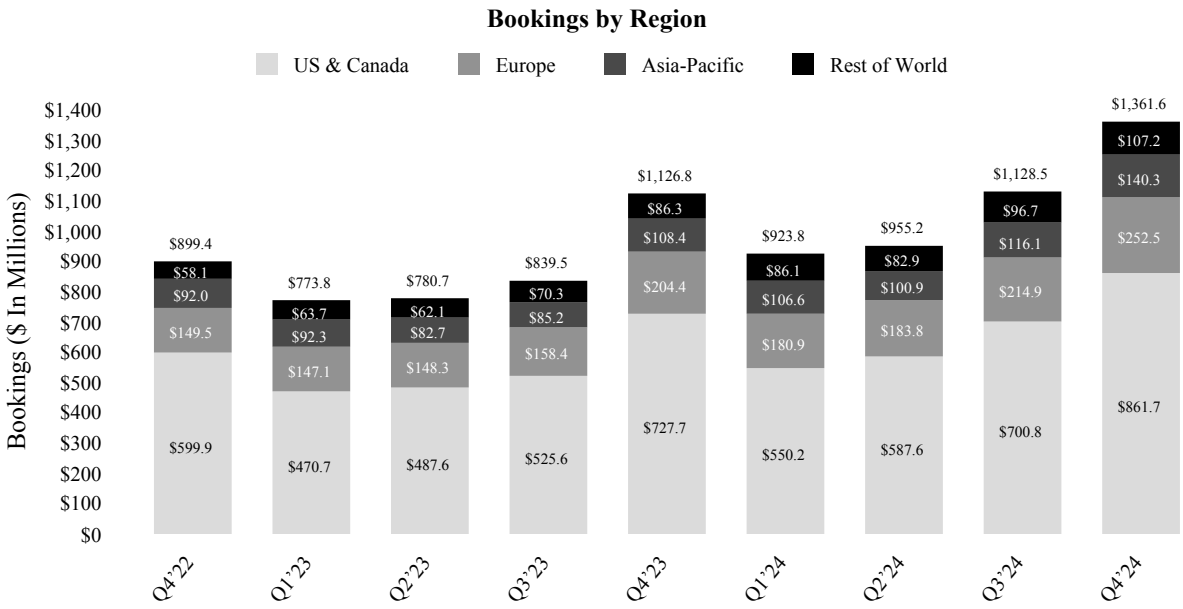


Bookings

Bookings is a non-GAAP financial measure and represents the sales activity in a given period without giving effect to certain non-cash adjustments. Bookings is presented for supplemental informational purposes only and should not be considered in isolation from, or as a substitute for, financial information presented in accordance with GAAP. Refer to the section "Non-GAAP Financial Measures" below for further discussion on this measure, including its limitations.

Below we also include revenue calculated in accordance with GAAP, the most directly comparable financial measure to bookings.





We believe that DAUs, hours engaged, and bookings are highly correlated and over long periods of time, we would expect hours engaged to grow slightly faster than DAUs, and bookings to grow faster than hours engaged. There are many reasons, but generally over long periods of time, as the content on our Platform improves and DAUs increase in tenure, hours engaged tends to go up. Similarly, over time as the content improves and our Platform functionality gets better, we expect more users to become payers and for payers, on average, to increase their purchase of Robux which drives up both average bookings per monthly unique payer and overall bookings per hour engaged. Further, we expect growth in our payers and monetization to lead to growth in revenue and bookings. Within any given month or quarter, the behavior of the metrics has not been, and will not always be, consistent.

Average Bookings per DAU ("ABPDAU")

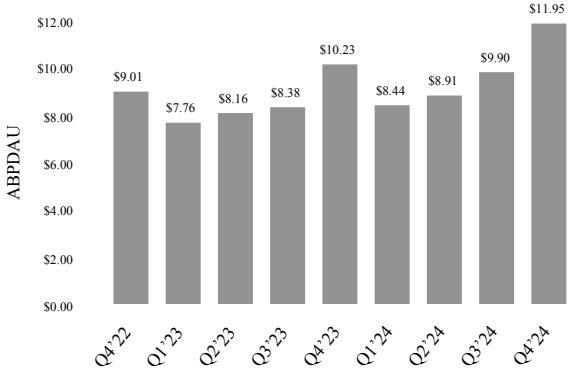
We define ABPDAU as bookings in a given period divided by the DAUs for the same period. We use ABPDAU as a way to understand our monetization across our users.

Refer to the section titled "Non-GAAP Financial Measures" for the definition of and discussion on bookings, including its limitations as a non-GAAP financial measure.

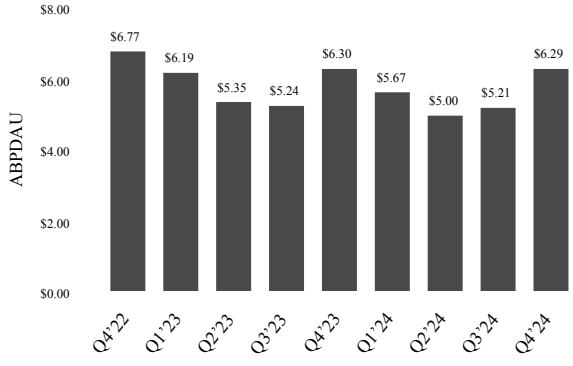
ABPDAU
Global

ABPDAU
US & Canada

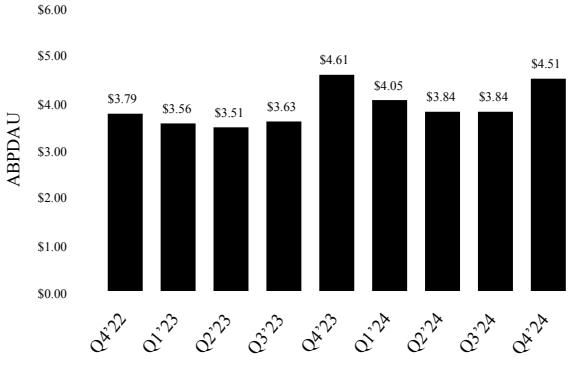
ABPDAU
Europe



ABPDAU
Asia-Pacific



ABPDAU
Rest of World



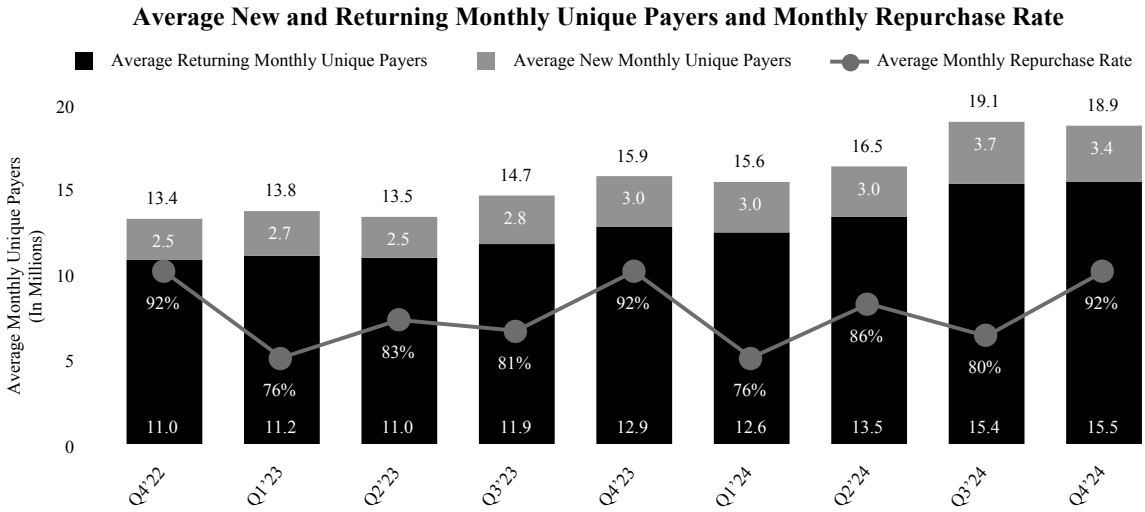
Average New and Returning Monthly Unique Payers and Monthly Repurchase Rate

We define new monthly unique payers as user accounts that made their first payment on the Platform, or via redemption of prepaid cards, during a given month. Average new monthly unique payers for a specified period is the average of the new monthly unique payers for each month during that period.

We define returning monthly unique payers as user accounts that have made a payment on the Platform, or via redemption of prepaid cards, in the current month and in any prior month. Average returning monthly unique payers for a specified period is the average of the returning monthly unique payers for each month during that period.

We define monthly repurchase rate as the returning monthly unique payers in the current month, divided by the sum of the prior month's new monthly unique payers and returning monthly unique payers. Average monthly repurchase rate for a specified period is the average of the monthly repurchase rates for each month during that period.

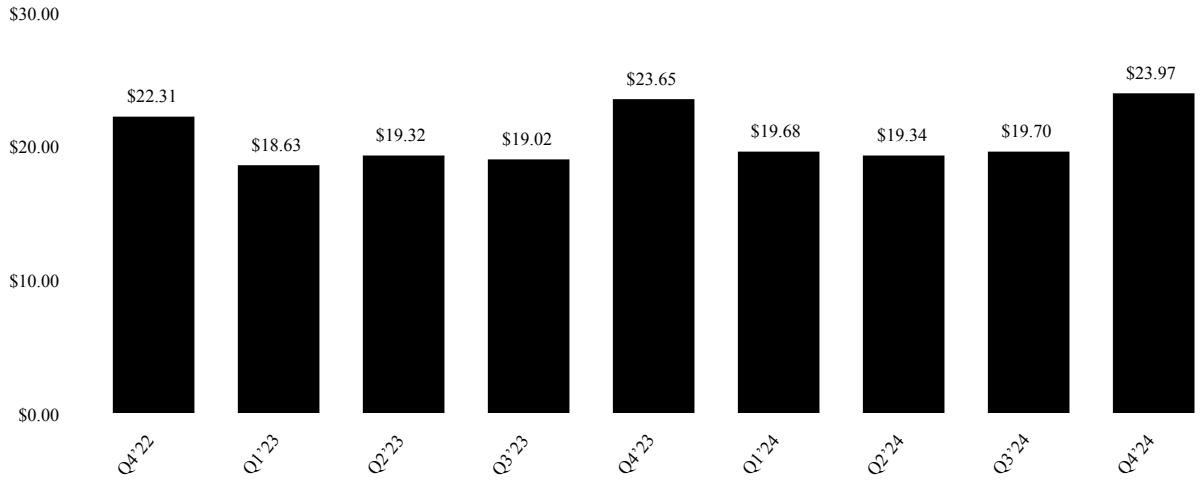
We use these measures to understand our monetization across our payers.



Average Bookings per Monthly Unique Payer

We define average bookings per monthly unique payer as bookings in the specified period divided by the average monthly unique payers for the same specified period. We use this measure to understand our monetization across our payers through the sale of virtual currency and subscriptions. Refer to the section titled "Non-GAAP Financial Measures" for the definition of and discussion on bookings, including its limitations as a non-GAAP financial measure.

Average Bookings Per Monthly Unique Payer



Non-GAAP Financial Measures

In addition to our results determined in accordance with GAAP, we believe the following non-GAAP financial measures are useful in evaluating our performance. We use this non-GAAP financial information to evaluate our ongoing operations, for internal planning and forecasting purposes, and to evaluate our operating performance. We believe that this non-GAAP financial information may be helpful to investors because it provides consistency and comparability with past financial performance. However, non-GAAP financial measures have limitations in their usefulness to investors because they have no standardized meaning prescribed by GAAP and are not prepared under any comprehensive set of accounting rules or principles. In addition, other companies, including companies in our industry, may calculate similarly titled non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial information as a tool for comparison. As a result, our non-GAAP financial information is presented for supplemental informational purposes only and should not be considered in isolation from, or as a substitute for financial information presented in accordance with GAAP.

Bookings

Bookings represent the sales activity in a given period without giving effect to certain non-cash adjustments, as detailed below. Substantially all of our bookings are generated from sales of virtual currency, which can ultimately be converted to virtual items on the Roblox Platform. Sales of virtual currency reflected as bookings include one-time purchases or monthly subscriptions purchased via payment processors or through prepaid cards. Bookings are initially recorded in deferred revenue and recognized as revenues over the estimated period of time the virtual items purchased with the virtual currency are available on the Roblox Platform (estimated to be the average lifetime of a paying user) or as the virtual items purchased with the virtual currency are consumed. Bookings also include an insignificant amount from advertising and licensing arrangements.

We believe bookings provide a timelier indication of trends in our operating results that are not necessarily reflected in our revenue as a result of the fact that we recognize the majority of revenue over the estimated average lifetime of a paying user. The change in deferred revenue constitutes the vast majority of the reconciling difference from revenue to bookings. By removing these non-cash adjustments, we are able to measure and monitor our business performance based on the timing of actual transactions with our users and the cash that is generated from these transactions. Over the long-term, the factors impacting our revenue and bookings trends are the same. However, in the short-term, there are factors that may cause revenue and bookings trends to differ.

The following table presents a reconciliation of revenue, the most directly comparable financial measure calculated in accordance with GAAP, to bookings, for each of the periods presented (in thousands):

	Year Ended December 31,	
	2024	2023
Reconciliation of revenue to bookings:		
Revenue	$ 3,601,979	$ 2,799,274
Add (deduct):		
Change in deferred revenue	792,434	742,308
Other	(25,317)	(20,802)
Bookings	$ 4,369,096	$ 3,520,780

Adjusted EBITDA

Adjusted EBITDA represents our GAAP consolidated net loss, excluding interest income, interest expense, other (income)/expense, provision for/(benefit from) income taxes, depreciation and amortization expense, stock-based compensation expense, and certain other nonrecurring adjustments and differs from Covenant Adjusted EBITDA which is used in certain covenant calculations specified in the indenture governing our senior notes due 2030 (the "Indenture"). Refer to the section titled "Liquidity and Capital Resources" for the definition of and discussion on Covenant Adjusted EBITDA.

We believe that, when considered together with reported GAAP amounts, Adjusted EBITDA is useful to investors and management in understanding our ongoing operations and ongoing operating trends. Our definition of Adjusted EBITDA may differ from the definition used by other companies and therefore comparability may be limited.

The following table presents a reconciliation of consolidated net loss, the most directly comparable financial measure calculated in accordance with GAAP, to Adjusted EBITDA, for each of the periods presented (in thousands):

	Year Ended December 31,	
	2024	2023
Reconciliation of consolidated net loss to Adjusted EBITDA:		
Consolidated net loss	$ (940,614)	$ (1,158,937)
Add (deduct):		
Interest income	(179,531)	(141,818)
Interest expense	41,184	40,707
Other (income)/expense, net	11,530	527
Provision for/(benefit from) income taxes	4,114	454
Depreciation and amortization expense[(1)]	226,437	208,142
Stock-based compensation expense	1,015,794	867,967
RTO severance charge[(2)]	1,274	5,228
Other non-cash charges[(3)]	—	6,988
Adjusted EBITDA	$ 180,188	$ (170,742)

(1) For the twelve months ended December 31, 2024, includes a one-time charge of $17.9 million related to the re-assessment of the estimated useful life of certain software licenses, resulting in the acceleration of their remaining depreciation within infrastructure and trust & safety expenses in the third quarter of 2024.

(2) Relates to cash severance costs associated with the Company's return-to-office ("RTO") plan announced in October 2023, which required a subset of the Company's remote employees to begin working from the San Mateo headquarters for three days a week, beginning in the summer of 2024.

(3) Includes impairment expense related to certain operating lease right-of-use assets and related property and equipment.

Free cash flow

We define free cash flow as net cash and cash equivalents provided by operating activities less purchases of property, equipment, and intangible assets acquired through asset acquisitions. We believe that free cash flow is a useful indicator of our unit economics and liquidity that provides information to management and investors about the amount of cash and cash equivalents generated from our core operations that, after the purchases of property, equipment, and intangible assets, can be used for strategic initiatives.

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

	Year Ended December 31,	
	2024	2023
Reconciliation of net cash and cash equivalents provided by operating activities to free cash flow:		
Net cash and cash equivalents provided by operating activities	$ 822,316	$ 458,180
Deduct:		
Acquisition of property and equipment	(179,646)	(320,667)
Purchases of intangible assets	(1,370)	(13,500)
Free cash flow	$ 641,300	$ 124,013

Acquisition of property and equipment primarily includes tenant improvements related to our leased office spaces and data centers, servers, infrastructure equipment, and capitalized software licenses.

Changes in Accounting Estimate

At the onset of each quarter, we complete an assessment of our estimated average lifetime of a paying user, which is used for revenue recognition of durable virtual items and calculated based on historical monthly retention data for each paying user cohort to project future participation on the Roblox Platform. Following that assessment and effective April 1, 2024, we updated our estimated paying user life from 28 months to 27 months, where it remained through December 31, 2024. The decrease was partially attributed to COVID-19 impacted payer cohorts dropping out of the estimated average lifetime of a paying user calculation (as we consider historical monthly retention data), whose average lives generally trended higher than more recent payer cohorts, along with the other qualitative factors including macroeconomic factors, competition, and availability of the Platform. Based on the carrying amount of deferred revenue and deferred cost of revenue as of March 31, 2024, the change resulted in an increase in our fiscal year 2024 revenue and cost of revenue by $98.0 million and $20.4 million, respectively.

The estimated paying user life was 28 months throughout the year ended December 31, 2023.

Refer to the heading “Critical Accounting Policies and Estimates — Revenue Recognition” below for a complete discussion on the Company’s revenue recognition policies.

Components of Results of Operations

Revenue

We generate substantially all of our revenue through the sale of virtual content or access to virtual content to users, enabling them to enhance their social experience on the Roblox Platform. We recognize revenue over the estimated period of time the virtual items are available to the user on the Roblox Platform (estimated average lifetime of a paying user) or at the time the virtual item is consumed. The estimated average lifetime of a paying user is calculated based on the monthly retention data for each paying user cohort. We then calculate the average retention period by determining the weighted-average period paying users have spent on the Platform and are projected to participate in the Roblox environment.

Other revenue streams include an insignificant amount of revenue from advertising and licensing arrangements. We plan to invest in and expand our advertising business for the foreseeable future.

All of our revenue is recorded net of taxes assessed by a government authority that are both imposed on and concurrent with specific revenue transactions between us and our users, and estimated chargebacks and refunds.

Costs and expenses

We allocate shared costs, such as certain facilities (including rent and depreciation on equipment and leasehold improvements shared by all departments), software costs, and certain other operating expenses, to all departments based on headcount. As such, allocated shared costs are reflected in each expense category, with the exception of cost of revenue and developer exchange fees expense.

Personnel costs generally include employee expenses (salaries, benefits, and stock-based compensation expense) and contractor expenses, and are reflected in each expense category, with the exception of cost of revenue and developer exchange fees. In the years ended December 31, 2024 and 2023, personnel costs were $1,849.2 million and $1,654.9 million, respectively.

Cost of revenue

Cost of revenue primarily consists of third-party payment processing fees charged by the various distribution channels in connection with sales of our virtual currency. We initially defer payment processing fees and recognize them as expense over the same period as the respective revenue. Cost of revenue also includes sales tax expense for jurisdictions where the Company does not collect sales tax from the purchaser at the time of the sale and costs associated with the printing of prepaid cards.

Cost of revenue as a percentage of revenue is affected by shifts in user purchasing preferences and trends. While in recent years, we saw a shift of our sales toward prepaid card distribution channels and credit card sales directly through our website, which are subject to lower processing fees compared to other distribution channels, such as the Apple App Store, Google Play Store, and consoles such as Xbox and PlayStation, we have seen this trend moderate over the last several quarters with some seasonal variations. We expect to see the overall distribution channel mix shift based on user purchasing preferences, including those influenced by Robux offerings made by the Company, demographics, and seasonal variations in future periods.

We intend to use nearly all of any efficiencies earned in this area over time to increase earnings for our developers and creators.

Developer exchange fees

Developer exchange fees expense represent the amount earned by developers and creators on the Roblox Platform that are qualified and registered in the Developer Exchange Program. Developers and creators are able to exchange their earned Robux for fiat currency under certain conditions outlined in our Developer Exchange Program. Developers and creators can generally earn Robux through the sale of access to their experiences and enhancements in their experiences, the incorporation of immersive ads, the sale of content and tools between developers through the Creator Store, and the sale of items to users through the Marketplace. Developers can also earn Robux through our engagement-based reward program that rewards developers based on the number of hours spent in their experiences by Roblox Premium subscribers (the "Engagement-Based Payouts" program).

In order to be qualified for our Developer Exchange Program and eligible to exchange earned Robux for fiat currency, developers and creators must meet certain conditions, such as having earned the minimum amount of Robux required to qualify for the program, a verified developer account, and an account in good standing. On January 31, 2022, we reduced the minimum amount of earned Robux required to qualify for the program from 100,000 Robux to 50,000 Robux and subsequently on January 31, 2023, we further reduced the minimum requirement from 50,000 Robux to 30,000 Robux. We believe these reductions in the minimum amounts required further incentivize our developer and creator community, and promote the long term growth and the health of such community. As of December 31, 2024, over 24,500 developers and creators qualified for and were registered in our Developer Exchange Program.

Over the next few years, a major goal is to increase our developer and creator earnings by (i) creating new earnings methods and enhancing existing ones and (ii) passing on efficiencies realized in other areas of our business, while maintaining reasonable margins.

Infrastructure and trust & safety

Infrastructure and trust & safety expenses consist primarily of expenses related to the operation of our data centers and technical infrastructure. These costs include third-party service provider costs, such as cloud computing or other hosting and data storage, facilities-related expenses for our co-located data centers and edge data centers that we lease and operate, and network and bandwidth costs, as well as depreciation and associated support and maintenance costs of our servers and infrastructure equipment. In the years ended December 31, 2024 and 2023, depreciation and amortization expense related to infrastructure and trust & safety was $195.3 million and $179.9 million, respectively.

We plan to continue increasing the capacity, capability, and reliability of our infrastructure to support more sophisticated content, more users, and increased engagement. Through the end of 2023, we invested heavily in our infrastructure, and as a result, we were able to moderate our investment in infrastructure throughout fiscal year 2024, but expect to increase our investment over the long-term to support our global infrastructure. We intend to achieve scalability by building and maintaining our own technical infrastructure, while generating operating leverage over the long-term.

Infrastructure and trust & safety expenses also include personnel costs, moderation and customer support related costs, and allocated overhead expenses. We have been and expect to continue investing in AI and automation to increase the accuracy and efficiency of our safety moderation and customer support related efforts, which has increased the quality of our safety and civility systems and led to a decrease in safety moderation and customer support costs in recent periods.

Research and development

Research and development expenses consist primarily of personnel costs and allocated overhead expenses for our engineering, design, product management, data science, and other employees engaged in maintaining and enhancing the functionality of the Platform. Research and development expenses also include costs associated with our Game Fund program, which funds certain developers upfront to develop new experience types for the Platform. We plan to increase research and development expenses for the foreseeable future primarily driven by increased headcount to develop new features, functionality, and innovation of our product. However, we moderated our headcount growth rate throughout 2024 and expect to continue generating operating leverage generally through the end of fiscal year 2025.

General and administrative

General and administrative expenses consist primarily of personnel costs and allocated overhead for our finance and accounting, legal, human resources, talent acquisition, and other administrative teams. General and administrative expenses also include professional services fees such as outside legal, accounting, audit, and outsourcing services, and other corporate expenses, as well as certain accruals and settlements associated with legal proceedings. We generally expect to increase general and administrative expenses for the foreseeable future, primarily to support the growth of our business.

Sales and marketing

Sales and marketing expenses consist primarily of personnel costs and allocated overhead for our marketing, business development, brand partnerships, and developer relations functions, as well as user acquisition expenses. Other expenses include those associated with market research, branding, public relations, and developer relations programs, including our annual Roblox Developer Conference. We plan to increase our sales and marketing expenses for the foreseeable future, primarily to support the growth of our business.

Interest income

Interest income consists primarily of interest earned and net accretion/(amortization) of our short-term investments, long-term investments, and cash equivalents.

Interest expense

Interest expense consists primarily of contractual interest and amortization of debt issuance costs on our 3.875% Senior Notes due 2030 (the "2030 Notes").

Other income/(expense), net

Other income/(expense), net primarily includes foreign currency exchange gains/(losses) and realized gains/(losses) on our short-term and long-term investments, as well as certain insurance recoveries (if any).

Provision for/(benefit from) income taxes

Provision for/(benefit from) income taxes consists primarily of income taxes in foreign jurisdictions and U.S. federal and state income taxes. We maintain a full valuation allowance on our federal, state, and certain foreign deferred tax assets as we have concluded that it is not likely that the deferred assets will be utilized.

Results of Operations

The following tables set forth our results of operations for the periods presented in dollars and as a percentage of our revenue for each period presented (in thousands, except per share data and percentages):

	Year Ended December 31,			
	2024		2023	
Revenue	$ 3,601,979	100 %	$ 2,799,274	100 %
Costs and expenses:				
Cost of revenue [1]	801,162	22 %	649,115	23 %
Developer exchange fees	922,821	26 %	740,752	27 %
Infrastructure and trust & safety [2]	915,418	25 %	878,361	31 %
Research and development [2]	1,444,207	40 %	1,253,598	45 %
General and administrative [2]	407,507	11 %	390,055	14 %
Sales and marketing [2]	174,181	5 %	146,460	5 %
Total costs and expenses	4,665,296	130 %	4,058,341	145 %
Loss from operations	(1,063,317)	(30)%	(1,259,067)	(45)%
Interest income	179,531	5 %	141,818	5 %
Interest expense	(41,184)	(1)%	(40,707)	(1)%
Other income/(expense), net	(11,530)	— %	(527)	— %
Loss before income taxes	(936,500)	(26)%	(1,158,483)	(41)%
Provision for/(benefit from) income taxes	4,114	— %	454	— %
Consolidated net loss	(940,614)	(26)%	(1,158,937)	(41)%
Net loss attributable to noncontrolling interest [3]	(5,230)	— %	(6,991)	— %
Net loss attributable to common stockholders	$ (935,384)	(26)%	$ (1,151,946)	(41)%
Net loss per share attributable to common stockholders, basic and diluted	$ (1.44)		$ (1.87)	
Weighted-average shares used in computing net loss per share attributable to common stockholders—basic and diluted	647,482		616,445	

(1) Depreciation of servers and infrastructure equipment included in infrastructure and trust & safety.

(2) Includes stock-based compensation expense as follows (in thousands):

	Year Ended December 31,	
	2024	2023
Infrastructure and trust & safety	$ 113,708	$ 92,147
Research and development	723,326	607,593
General and administrative	138,444	131,577
Sales and marketing	40,316	36,650
Total stock-based compensation expense	$ 1,015,794	$ 867,967

(3) Our consolidated financial statements include our majority-owned subsidiary Roblox China Holding Corp. The ownership interest of a minority investor, Songhua River Investment Limited, is recorded as a noncontrolling interest.

Comparison of the Years Ended December 31, 2024 and 2023

Revenue

	Year Ended December 31,		2023 to 2024
	2024	2023	% Change
	(dollars in thousands)		
Revenue	$ 3,601,979	$ 2,799,274	29 %

Revenue in the year ended December 31, 2024 increased $802.7 million, or 29%, compared to the year ended December 31, 2023. The increase is primarily due to an increase in bookings and higher amortization of prior period deferred revenue in the current period. The increase in bookings was primarily driven by a higher average number of daily unique paying users during 2024, which increased from approximately 852,000 in 2023 to approximately 1,040,000 in 2024. The average number of daily unique paying users represents the number of user accounts that made a payment on the Platform, including via redemption of prepaid cards for Robux, on an average daily basis during the respective period.

The increase in the amortization of prior period deferred revenue was supplemented by the decrease of the estimated average lifetime of a paying user to 27 months in the second quarter of 2024. Refer to the heading “Changes in Accounting Estimate” earlier in this section for more information on the change in paying user life estimate in fiscal year 2024.

Cost of revenue

	Year Ended December 31,		2023 to 2024
	2024	2023	% Change
	(dollars in thousands)		
Cost of revenue	$ 801,162	$ 649,115	23 %

Cost of revenue increased $152.0 million, or 23%, for the year ended December 31, 2024 compared to the year ended December 31, 2023. The increase was primarily due to a net increase of $156.8 million in expense for payment processing fees, primarily driven by an increase in current period payment processing fees from the related growth in bookings and higher amortization of prior period deferred cost of revenue. The increase in the amortization of prior period deferred cost of revenue was supplemented by the decrease of the estimated average lifetime of a paying user to 27 months in the second quarter of 2024, as payment processing fees are amortized over the estimated paying user life. Refer to the heading “Changes in Accounting Estimate” earlier in this section for more information on the change in paying user life estimate in fiscal year 2024.

Developer exchange fees

	Year Ended December 31,		2023 to 2024
	2024	2023	% Change
	(dollars in thousands)		
Developer exchange fees	$ 922,821	$ 740,752	25 %

Developer exchange fees increased $182.1 million, or 25%, for the year ended December 31, 2024 compared to the year ended December 31, 2023. The increase was primarily driven by an increase in amounts earned by developers and creators due to the growth in bookings over the same period.

Infrastructure and trust & safety

	Year Ended December 31,		2023 to 2024
	2024	2023	% Change
	(dollars in thousands)		
Infrastructure and trust & safety	$ 915,418	$ 878,361	4 %

Infrastructure and trust & safety expenses increased $37.1 million, or 4%, for the year ended December 31, 2024 compared to the year ended December 31, 2023. The increase was primarily driven by an increase of $30.5 million in personnel costs, which includes an increase of $21.6 million in stock-based compensation expense, primarily due to an increase in headcount to support our infrastructure growth, $22.3 million related to data center, hosting, and other hardware and software costs (including depreciation and amortization expense), which includes $17.9 million of accelerated depreciation expense related to the re-assessment of the estimated useful life of certain software licenses in the third quarter of 2024, and $5.3 million in facilities-related costs, primarily driven by higher rent expense associated with our office leases.

The overall increase was offset by a decrease of $25.7 million in moderation and customer support related costs, primarily due to internal efficiency gains and automation from AI-driven tools.

Research and development

	Year Ended December 31,		2023 to 2024
	2024	2023	% Change
	(dollars in thousands)		
Research and development	$ 1,444,207	$ 1,253,598	15 %

Research and development expenses increased $190.6 million, or 15%, for the year ended December 31, 2024 compared to the year ended December 31, 2023. The increase was primarily due to an increase of $154.3 million in personnel costs, which includes an increase of $115.7 million in stock-based compensation expense, primarily due to continued growth in headcount supporting our engineering, design, and product teams. The increase was further supplemented by an increase of $28.1 million in facilities-related costs, primarily driven by higher rent expense associated with our office leases.

General and administrative

	Year Ended December 31,		2023 to 2024
	2024	2023	% Change
	(dollars in thousands)		
General and administrative	$ 407,507	$ 390,055	4 %

General and administrative expenses increased $17.5 million, or 4%, for the year ended December 31, 2024 compared to the year ended December 31, 2023. The increase was primarily due to an increase of $10.7 million in professional services-related expense, $9.1 million of indirect taxes, of which $3.6 million relates to a newly enacted digital services tax in Canada, $4.9 million in facilities-related costs, and $3.6 million of withholding-related taxes. The increase was offset by an impairment charge of $7.0 million related to the operating lease right-of-use asset and related leasehold improvements of a portion of our San Mateo headquarters for which a sub-lease agreement was executed during the first quarter of 2023, as well as a decrease of $2.6 million in personnel costs, primarily due to a decrease in headcount. For more information regarding the sub-lease transaction, refer to Note 3, “Leases” to the notes to consolidated financial statements.

Sales and marketing

	Year Ended December 31,		2023 to 2024
	2024	2023	% Change
	(dollars in thousands)		
Sales and marketing	$ 174,181	$ 146,460	19 %

Sales and marketing expenses increased $27.7 million, or 19%, for the year ended December 31, 2024 compared to the year ended December 31, 2023. The increase was primarily due to an increase of $12.1 million in personnel costs, which includes an increase in stock-based compensation expense of $3.7 million, primarily due to continued growth in headcount to support our sales and marketing teams, $10.1 million in advertising and promotional expenses, and $2.4 million in facilities-related costs, primarily driven by higher rent expense associated with our office leases.

Interest income, interest expense, other income/(expense), net, and provision for/(benefit from) income taxes

	Year Ended December 31,		2023 to 2024
	2024	2023	% Change
	(dollars in thousands)		
Interest income	$ 179,531	$ 141,818	27 %
Interest expense	$ (41,184)	$ (40,707)	1 %
Other income/(expense), net	$ (11,530)	$ (527)	2,088 %
Provision for/(benefit from) income taxes	$ 4,114	$ 454	806 %

Interest income increased by $37.7 million for the year ended December 31, 2024 compared to the year ended December 31, 2023. The increase was primarily due to higher average investments in debt securities and higher average interest rates.

Other income/(expense), net changed by $11.0 million for the year ended December 31, 2024 compared to the year ended December 31, 2023. The change was primarily driven by foreign currency exchange losses.

The changes in interest expense and provision for/(benefit from) income taxes were both relatively insignificant (in terms of amount) for the year ended December 31, 2024 as compared to the year ended December 31, 2023.

Liquidity and Capital Resources

As of December 31, 2024 and 2023, our principal sources of liquidity were cash and cash equivalents and short-term and long-term investments of $4.0 billion and $3.2 billion, respectively, which were primarily held for working capital purposes, capital expenditures, and acquisitions. Our investment policy and strategy are focused on the preservation of capital and supporting our liquidity requirements. We do not enter into investments for trading or speculative purposes.

Since our inception, we have financed our operations primarily through cash generated from operations and, to a lesser extent, sales of convertible preferred stock, borrowings under our credit facilities, and the sale of our 2030 Notes. We require payment upfront for substantially all of our bookings.

On October 29, 2021, we issued the 2030 Notes, which will mature on May 1, 2030, unless earlier repurchased or redeemed. Interest is payable semi-annually in arrears on May 1 and November 1 of each year, commencing on May 1, 2022. The net proceeds from the 2030 Notes issuance were approximately $987.5 million and we intend to use the net proceeds for general corporate purposes, which may include working capital purposes, capital expenditures, and acquisitions.

The 2030 Notes are unsecured obligations and the Indenture contains covenants limiting the Company and its subsidiaries' ability to: (i) create certain liens and enter into sale and lease-back transactions; (ii) create, assume, incur or guarantee indebtedness; or (iii) consolidate or merge with or into, or sell or otherwise dispose of all of substantially all of the Company and its subsidiaries' assets to another person, all of which are limited to amounts not to exceed the greater of $4.0 billion and 3.5x "Consolidated EBITDA" (as defined in the Indenture and referred to as "Covenant Adjusted EBITDA" throughout this section). Non-compliance with these covenants may result in the acceleration of repayment of the 2030 Notes and any accrued and unpaid interest.

Accordingly, the Company presents Covenant Adjusted EBITDA calculated in accordance with "Consolidated EBITDA" as that term is defined in the Indenture, which is not calculated in accordance with GAAP and may not conform to the calculation of Adjusted EBITDA by other companies. Covenant Adjusted EBITDA should not be considered as a substitute for a measure of our financial performance or other liquidity measures prepared in accordance with GAAP and is also not indicative of income or loss calculated in accordance with GAAP. Management believes that this calculation is useful to investors for purposes of analyzing our compliance with certain covenants specified in the Indenture.

The following table presents the calculation of Covenant Adjusted EBITDA in accordance with the terms of the Indenture, for each of the periods presented (in thousands):

	Year Ended December 31,	
	2024	2023
Calculation of Covenant Adjusted EBITDA:		
Consolidated net loss	$ (940,614)	$ (1,158,937)
Add (deduct):		
Interest income	(179,531)	(141,818)
Interest expense	41,184	40,707
Other (income)/expense, net	11,530	527
Provision for/(benefit from) income taxes	4,114	454
Depreciation and amortization expense[(1)]	226,437	208,142
Stock-based compensation expense	1,015,794	867,967
RTO severance charge[(2)]	1,274	5,228
Other non-cash charges[(3)]	—	6,988
Change in deferred revenue	792,434	742,308
Change in deferred cost of revenue	(164,909)	(139,879)
Covenant Adjusted EBITDA	$ 807,713	$ 431,687

(1) For the twelve months ended December 31, 2024, includes a one time charge of $17.9 million related to the re-assessment of the estimated useful life of certain software licenses, resulting in the acceleration of their remaining depreciation within infrastructure and trust & safety expenses in the third quarter of 2024.

(2) Relates to cash severance costs associated with the Company's return-to-office ("RTO") plan announced in October 2023, which required a subset of the Company's remote employees to begin working from the San Mateo headquarters for three days a week, beginning in the summer of 2024.

(3) Includes impairment expense related to certain operating lease right-of-use assets and related property and equipment.

As of December 31, 2024, contractual obligations related to the 2030 Notes are remaining payments of $38.8 million each year from 2025 through 2029 and $1,019.4 million due in 2030. These amounts represent principal and interest cash payments over the term of the 2030 Notes based on the stated maturity date. Any future redemption of the 2030 Notes could impact the amount or timing of our cash payments. For more information regarding the 2030 Notes, refer to Note 8, "Debt" to the notes to consolidated financial statements.

For all periods presented, we have generated losses from our operations and positive cash flows from operating activities. A substantial source of our net cash and cash equivalents provided by operating activities is our deferred revenue, which is included in our consolidated balance sheet as a liability. Deferred revenue consists of the unearned portion of bookings for which we have not yet satisfied our performance obligations. Our deferred revenue obligation is recognized as revenue over the estimated average lifetime of a paying user or as the virtual items are consumed.

We also expect to continue making investments in our business, including, but not limited to, capital expenditures related to our technology infrastructure.

We believe our existing cash and cash equivalents and short-term investments, together with expected cash to be provided by future operations, will be sufficient to meet our needs for the next 12 months. Our future capital requirements, however, will depend on many factors, including our growth rate, investment in our headcount, capital expenditures to build out new facilities and purchase hardware for infrastructure, timing and extent of spending to support our efforts to develop our Platform, amongst other factors. We may in the future enter into arrangements to acquire or invest in complementary businesses, services, and technologies, including intellectual property rights. In the event that additional financing is required from outside sources, we may seek to raise additional funds at any time through equity, equity-linked arrangements, or debt. If we are unable to raise additional capital when desired and at reasonable rates, our business, results of operations, and financial condition would be adversely affected. See Part 1, Item 1A. "Risk Factors" for more information.

Cash Flows

The following table summarizes our cash flows for the periods presented (in thousands):

	Year Ended December 31,	
	2024	2023
Consolidated Statements of Cash Flow Data:		
Net cash and cash equivalents provided by operating activities	$ 822,316	$ 458,180
Net cash and cash equivalents used in investing activities	$ (852,072)	$ (2,825,099)
Net cash and cash equivalents provided by financing activities	$ 65,894	$ 67,176

Operating activities

Our largest source of operating cash is cash collection from sales of Robux and monthly subscriptions. Our primary uses of net cash and cash equivalents from operating activities are for payment processing fees, personnel-related expenses, data center and infrastructure-related operations, developer exchange fees, and other operating expenses.

During the year ended December 31, 2024, cash and cash equivalents provided by operating activities was $822.3 million, which consisted of a consolidated net loss of $940.6 million, adjusted by non-cash charges of $1,282.0 million and net cash inflows from the change in net operating assets and liabilities of $481.0 million. The non-cash charges were primarily comprised of stock-based compensation expense of $1,015.8 million and depreciation and amortization expense of $226.4 million. The net cash and cash equivalents inflow from the change in our net operating assets and liabilities was primarily due to a $795.4 million increase in deferred revenue, primarily due to bookings generated in the current period, a $31.2 million increase in other long-term liabilities, primarily driven by non-income tax-related accruals, and a $24.7 million increase in our developer exchange liability, primarily driven by the increase in bookings generated in the current period, coupled with the timing of payments. The overall increase was offset by a $165.7 million increase in deferred cost of revenue, primarily due to payment processing fees associated with bookings generated in the current period, a $110.5 million increase in our accounts receivable balance, net due to the timing of cash receipts on bookings generated in the current period and collection of prior period bookings and a $77.4 million decrease in our operating lease liabilities.

Investing activities

During the year ended December 31, 2024, cash and cash equivalents used in investing activities was $852.1 million, primarily consisting of $668.2 million of investment purchases – net of sales and maturities and $179.6 million of capital expenditures.

Financing activities

During the year ended December 31, 2024, cash and cash equivalents provided by financing activities was $65.9 million, primarily consisting of $70.3 million from the exercise of stock options and purchase of shares under our employee stock purchase plan, offset by $4.5 million of financing payments related to acquisitions.

Off-Balance Sheet Arrangements

As of December 31, 2024 and December 31, 2023, we had letters of credit related to office facilities in San Mateo, California and data center facilities in Ashburn, Virginia and Chicago, Illinois of $8.3 million and $11.6 million, respectively, which are not reflected in the Company's consolidated balance sheets. We did not have any relationships with unconsolidated entities or financial partnerships, such as structured finance or special purpose entities that were established for the purpose of facilitating off-balance sheet arrangements or other purposes.

Contractual Obligations and Commitments

As of December 31, 2024, we have non-cancellable lease arrangements for office facilities and space for data center operations expiring in various years through 2035. As of December 31, 2024, the Company had fixed lease payment obligations of $1,028.3 million, with $144.4 million payable within 12 months. For more information regarding the operating lease commitments, refer to Note 3, "Leases" to the notes to consolidated financial statements.

Our other purchase obligations primarily consist of non-cancellable obligations with our data center hosting providers and software vendors. As of December 31, 2024, we had other purchase obligations of $325.9 million, with $233.1 million payable within 12 months. For more information regarding our contractual obligations, refer to Note 9, "Commitments and Contingencies" to the notes to consolidated financial statements.

Critical Accounting Policies and Estimates

The preparation of these financial statements in accordance with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts in our consolidated financial statements and related notes. Our estimates are based on various factors that we believe are reasonable. Actual results may differ from these estimates. To the extent that there are differences between our estimates and actual results, our future financial statement presentation, financial condition, results of operations, and cash flows will be affected.

An accounting policy is considered to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, and if different estimates that reasonably could have been used, or changes in the accounting estimates that are reasonably likely to occur periodically, could materially impact the consolidated financial statements.

Refer to Note 1, "Overview and Summary of Significant Accounting Policies", to our consolidated financial statements included in this Annual Report on Form 10-K for a full description of our revenue recognition and stock-based compensation expense policies.

Revenue Recognition

Roblox Platform

The Company operates the Roblox Platform as live services that allow users to play and socialize with others for free. However, users can purchase virtual currency ("Robux") to ultimately obtain virtual items to enhance their social experience. Proceeds from the sale of Robux are initially recorded in deferred revenue and recognized as revenue as a user purchases and uses virtual items. The Company classifies deferred revenue as short-term or long-term based on when the Company expects to recognize the revenue. The Company's identified performance obligation is to provide users with the ability to acquire, use, and hold virtual items on the Roblox Platform over the estimated period of time the virtual items are available to the user or until the virtual items are consumed.

Users can purchase Robux as one-time purchases or through monthly subscriptions via payment processors or through prepaid cards. The Company offers prepaid cards through online and physical retailers, as well as on the Company website. The Company estimates expected breakage on prepaid card sales by taking into consideration historical patterns of redemption and escheatment laws as applicable.

Payments from users are non-refundable and relate to non-cancellable contracts for a fixed price that specify Company's obligations. Revenue is recorded net of taxes assessed by government authorities that are both imposed on and concurrent with specific revenue transactions between the Company and its users, and estimated chargebacks and refunds.

The satisfaction of the Company's performance obligation is dependent on the nature of the virtual item purchased and as a result, the Company categorizes its virtual items as either consumable or durable.

- Consumable virtual items represent items that can be consumed by a specific user action (e.g., a one-time boost or the ability to skip or redo an action). Common characteristics of consumable virtual items may include items that are no longer displayed on the user's inventory after a short period of time or do not provide the user any continuing benefit following consumption. For the sale of consumable virtual items, the Company recognizes revenue as the items are consumed.
- Durable virtual items represent items which result in a persistent change to a users' character or item set (e.g., virtual hat, pet, or house). These items are generally available to the customer to hold, use, or display for as long as they are on the Roblox Platform. The Company recognizes revenue from the sale of durable virtual items ratably over the estimated period of time the items are available to the user which is estimated as the average lifetime of a paying user.

To separately account for consumable and durable virtual items, the Company specifically identifies each purchase for the majority of virtual items purchased on the Roblox Platform. For the remaining population, the Company estimates the amount of consumable and durable virtual items purchased based on data from specifically identified purchases and the expected behavior of the users within similar experiences. The estimation of consumable and durable virtual items purchased for the population of purchases not specifically identified requires management's judgment as the Company evaluates and estimates the expected behavior of users in the population using information from known purchases in similar experiences.

At the onset of each quarter, the average lifetime of a paying user estimate is calculated based on historical monthly retention data for each user cohort to project future participation on the Roblox Platform. Determining the estimated average lifetime of a paying user requires management's judgment as the Company analyzes the most recent trends in player cohort activity and other qualitative factors, including changes to paying user behavior influenced by broader product changes and/or content virality, the availability of the Roblox Platform across markets and user demographics, impacts due to macroeconomic factors such as COVID-19, existing and new competition from a variety of entertainment resources for our users, and other factors. The Company also considers results from prior analyses in determining the estimated average lifetime of a paying user. The Company believes this estimate is the best representation of the average life of the durable virtual items.

The estimated average paying user life was 28 months from the third quarter of 2022 through the first quarter of 2024 and decreased to 27 months in the second quarter of 2024. The decrease in the estimated average lifetime of a paying user from 28 months to 27 months was partially attributed to COVID-19 impacted payer cohorts dropping out of the estimated average lifetime of a paying user calculation (as we consider historical monthly retention data), whose average lives generally trended higher than more recent payer cohorts, along with the other qualitative factors including macroeconomic factors, competition, and availability of the Platform. Refer to the heading "Changes in Accounting Estimate" for discussion on the quantitative amount of the change in accounting estimates for the respective periods impacted.

Stock-Based Compensation Expense

The Company measures and recognizes stock-based compensation expense for all stock-based awards, including stock options, unregistered restricted stock awards ("RSAs"), restricted stock units ("RSUs"), and performance stock units ("PSUs") granted to employees, directors, and non-employees, and stock purchase rights granted under the 2020 Employee Stock Purchase Plan (the "2020 ESPP") to employees, based on the estimated grant date fair value of the awards. The Company records forfeitures when they occur for all stock-based awards.

The fair value of each stock option and stock purchase right granted is estimated using the Black-Scholes option-pricing model and is recognized as compensation expense on a straight-line basis over the requisite service period of the awards. The Black-Scholes option pricing model requires certain subjective inputs and assumptions, including the fair value of the Company's Class A common stock, the expected term, risk-free interest rates, expected stock price volatility, and expected dividend yield of our Class A common stock. The assumptions used to determine the fair value of the option awards represent management's best estimates. These estimates involve inherent uncertainties and the application of management's judgment. These assumptions and estimates are as follows:

- Fair value of Class A common stock—Prior to the direct listing of our Class A common stock on the NYSE (the "Direct Listing"), we estimated the fair value of Class A common stock, as discussed below in the section titled "Common Stock Valuations." After the completion of the Direct Listing, the fair value of our Class A common stock is determined based on the NYSE closing price on the date of grant.
- Expected term—The expected term represents the period that stock-based awards are expected to be outstanding. The expected term assumptions are determined based on the vesting terms, estimated exercise behavior, post-vesting cancellations, and contractual lives of the awards.
- Risk-free interest rates—The risk-free interest rate is based on the implied yields in effect at the time of the grant of U.S. Treasury notes with terms approximately equal to the expected term of the award.
- Expected stock price volatility—Prior to the Direct Listing, we used the historical volatility of the Class A common stock price of similar publicly-traded peer companies. After the completion of the Direct Listing, we continued to use the historical volatility of the stock price of similar publicly traded peer companies until the first quarter of 2024, which is the point at which we believed we had sufficient public trading history.
- Expected dividend yield—We utilize a dividend yield of zero, as we have no history or plan of declaring dividends on its common stock.

The fair value of RSUs is estimated based on the fair value of our common stock on the date of grant. Prior to the Direct Listing, we estimated the fair value of Class A common stock, as discussed below in the section titled "Common Stock Valuations." For RSUs granted subsequent to the Direct listing, the fair value of our Class A common stock is determined based on the NYSE closing price on the date of grant.

Common Stock Valuations

Prior to the Direct Listing, due to the absence of a public trading market for our common stock, and in accordance with the American Institute of Certified Public Accountants Accounting and Valuation Guide: Valuation of Privately-Held Company Equity Securities Issued as Compensation, our Board of Directors along with management exercised its reasonable judgment and considered numerous objective and subjective factors to determine the best estimate of fair value of our common stock, including:

- the prices at which we or other holders sold our common and convertible preferred stock to outside investors in arms-length transactions;
- contemporaneous valuations performed by an unrelated third-party valuation firm;
- our operating and financial performance;
- the lack of marketability of our common stock;
- the valuation of comparable companies;
- the industry outlook;
- the likelihood of achieving a liquidity event, such as an initial public offering or a sale of our company given prevailing market conditions; and
- the U.S. and global economic and capital market conditions and outlook.

We determined the fair value of our common stock using the most observable inputs available to us, including income approaches as well as recent sales of our stock. The income approach estimated the value of our business based on the future cash flows we expected to generate discounted to their present value using an appropriate discount rate to reflect the risk of achieving the expected cash flows.

We also considered any secondary transactions involving our capital stock. In our evaluation of those transactions, we considered the facts and circumstances of each transaction to determine the extent to which they represented a fair value exchange. Factors considered include transaction volume, timing, whether the transactions occurred among willing and unrelated parties, and whether the transactions involved investors with access to our financial information.

CEO Long-Term Performance Award

In February 2021, the Leadership Development and Compensation Committee of the Company's Board of Directors granted the CEO a Long-Term Performance Award ("CEO Long-Term Performance Award"), an RSU award that includes a service and a market condition. The fair value of the CEO Long-Term Performance Award was determined using a Monte Carlo simulation model. The fair value of the common stock underlying the award was determined by the Company's Board of Directors along with management by considering a number of objective and subjective factors. The Company estimated the expected term based on the time period from the valuation date to the end of the performance period. The risk-free interest rate was based on the U.S. Treasury yield curve in effect at the time of grant for zero-coupon U.S. Treasury notes. The expected volatility was derived from the historical stock volatility of selected peers over a period equivalent to the expected term of the CEO Long-Term Performance Award. Prior to its cancellation (as discussed below), the associated stock-based compensation was being recorded over the derived service period, using the accelerated attribution method.

On March 1, 2024, the Leadership Development and Compensation Committee (i) approved the cancellation of the CEO Long-Term Performance Award and (ii) granted our CEO a new PSU award (the "2024 CEO PSU Award") and RSU award (collectively, the "2024 CEO Award"). The Class A common stock price targets under the CEO Long-Term Performance Award were not achieved prior to its cancellation and therefore no shares vested under the CEO Long-Term Performance Award.

For more information regarding this transaction, including the modification accounting impact, refer to Note 10, "Stockholders' Equity" to our consolidated financial statements included in this Annual Report on Form 10-K.

Recent Accounting Pronouncements

See section "Recent Accounting Pronouncements" within Item 8. Financial Statements and Supplementary Information, Note 1, "Overview and Summary of Significant Accounting Policies", for discussion of recent accounting pronouncements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily the result of fluctuations in interest rates and foreign currency exchange rates.

Foreign Currency Exchange Risk

The majority of our revenue is generated in U.S. dollars, with revenue generated in Euros, British pound, Canadian dollars, and Australian dollars primarily comprising the remainder of our revenue. Our expenses are generally denominated in the currencies of the jurisdictions in which we conduct our operations, which are primarily in the U.S., United Kingdom, Canada, Europe, and China. Our results of current and future operations and cash flows are, therefore, subject to fluctuations due to changes in foreign currency exchange rates. We have not entered into derivative or hedging transactions, but we may do so in the future if our exposure to foreign currency becomes more significant.

Due to fluctuations in exchange rates resulting from the current macroeconomic environment, we have, and may in the future, experience negative impacts to our revenue and operating expenses denominated in currencies other than the U.S. dollar.

Interest Rate Risk

As of December 31, 2024, our cash equivalents, short-term investments, and long-term investments primarily consist of debt securities, including corporate debt securities, commercial paper, money market funds, U.S. Treasury securities, and U.S. agency securities totaling $3.9 billion. Our debt securities are subject to market risk due to changes in prevailing interest rates that may cause their fair values to fluctuate in the future. Based on a sensitivity analysis, we have determined that a hypothetical 100 basis points increase in interest rates would have resulted in a decrease in the fair values of our debt securities of approximately $31.1 million as of December 31, 2024. Such losses would only be realized if we sold the investments prior to maturity.

We do not enter into investments for trading or speculative purposes. Our investment policy and strategy are focused on the preservation of capital and supporting our liquidity requirements.

In October 2021, we issued $1.0 billion aggregate principal amount of the 2030 Notes. The 2030 Notes were issued at par and we incurred approximately $12.5 million in debt issuance costs. Interest on the 2030 Notes is payable semiannually in arrears on May 1 and November 1 of each year, beginning on May 1, 2022, and the entire outstanding principal amount of the 2030 Notes is due at maturity on May 1, 2030. The 2030 Notes have a fixed interest rate; therefore, we have no financial statement risk associated with changes in interest rates with respect to the 2030 Notes. Additionally, on our balance sheet we carry the 2030 Notes at face value less unamortized discount and debt issuance cost, and we present the fair value for disclosure purposes only. The fair value of our 2030 Notes will fluctuate with movements in interest rates, increasing in periods of declining rates of interest and declining in periods of increasing rates of interest, as well as from other factors.

Inflation Risk

Inflationary factors, such as increases in overhead costs, may adversely affect our results of operations. We do not believe that inflation has had a material effect on our business, financial condition or results of operations to date. If our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases. Our inability or failure to do so could harm our business, financial condition or results of operations. Additionally, increased inflation rates may reduce consumer discretionary spending, which could affect the buying power of our users, developers, and creators and lead to a reduced demand for our Platform.

Item 8. Consolidated Financial Statements and Supplementary Data

ROBLOX CORPORATION

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Roblox Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Roblox Corporation and subsidiaries (the "Company") as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income/(loss), stockholders' equity, and cash flows, for each of the three years in the period ended December 31, 2024, 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, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, 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, 2024, 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 18, 2025, 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 and Compliance Committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved 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.

Revenue Recognition — Refer to Note 1 to the financial statements

Critical Audit Matter Description

The Company derives substantially all of its revenue from the sale of virtual items on the Roblox platform. The Company's performance obligation when selling virtual items to users is to provide those users with the ability to acquire, use, and hold virtual items on the Roblox platform over the estimated period of time the virtual items are available to the user, which is estimated as the average lifetime of a paying user ("customer life" for durable virtual items) or until the virtual items are consumed (for consumable virtual items). To separately identify, and account for consumable and durable virtual items, the Company specifically categorizes each purchase for the majority of virtual items purchased on the Roblox platform. For the remaining population, the Company estimates the amount of consumable and durable virtual items purchased based on data from specifically categorized purchases and the expected behavior of the users within similar experiences.

Significant judgement is exercised by management when (1) estimating the customer life, which includes analyzing the most recent trends in player cohort activities and (2) estimating the amount of consumable and durable virtual items purchased for the remaining population of purchases that are not specifically categorized ("remaining population allocation"), which includes evaluating and estimating the expected behavior of users in the population using information from known purchases in similar experiences.

Given the complexity of estimating the customer life and the remaining population allocation, auditing these estimates required a high degree of auditor judgement and increased extent of effort when performing audit procedures to evaluate the Company's judgements and conclusions.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the Company's estimated customer life and remaining population allocation included the following, among others:

- We obtained an understanding of the Company's methodology for developing the estimated customer life and remaining population allocation.
- We tested the effectiveness of internal controls related to the review of the methodology and assumptions used in estimating the customer life and remaining population allocation, including the review of inputs and assumptions.
- For the customer life estimate, we (1) tested the accuracy and completeness of the historical monthly retention data for player cohorts, (2) tested the mathematical accuracy of the Company's calculations to project future retention, and (3) assessed the impact of qualitative factors to evaluate management's judgement on future retention utilizing competitor information that is publicly available and most recent historical trends in cohort activity.
- For the remaining population allocation estimate, we (1) tested the underlying data for specifically categorized purchases used in management's analysis by selecting a sample of virtual items that were purchased as well as a sample of items from the Roblox platform and tested that such items were properly categorized between a consumable or a durable virtual item, (2) tested the mathematical accuracy of the percentage of consumable and durable goods for the specifically categorized purchases, (3) compared the composition of the virtual items purchased that were specifically categorized to those that were not specifically categorized to evaluate if the nature of the goods are similar, and (4) tested that the percentage of consumable and durable virtual items for the specifically categorized purchases was applied to the remaining population.

/s/ DELOITTE & TOUCHE LLP

San Jose, California

February 18, 2025

We have served as the Company's auditor since 2019.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Roblox Corporation

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Roblox Corporation and subsidiaries (the "Company") as of December 31, 2024, 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, 2024, 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, 2024, of the Company and our report dated February 18, 2025, 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 18, 2025

ROBLOX CORPORATION
CONSOLIDATED BALANCE SHEETS
(in thousands, except par values)

	As of December 31,	
	2024	**2023**
Assets		
Current assets:		
Cash and cash equivalents	$ 711,683	$ 678,466
Short-term investments	1,697,862	1,514,808
Accounts receivable—net of allowances	614,838	505,769
Prepaid expenses and other current assets	75,415	74,549
Deferred cost of revenue, current portion	628,232	501,821
Total current assets	3,728,030	3,275,413
Long-term investments	1,610,215	1,043,399
Property and equipment—net	659,589	695,360
Operating lease right-of-use assets	665,885	665,107
Deferred cost of revenue, long-term	321,824	283,326
Intangible assets, net	34,153	53,060
Goodwill	141,688	142,129
Other assets	13,619	10,284
Total assets	$ 7,175,003	$ 6,168,078
Liabilities and Stockholders' equity		
Current liabilities:		
Accounts payable	$ 42,885	$ 60,087
Accrued expenses and other current liabilities	275,754	271,121
Developer exchange liability	339,600	314,866
Deferred revenue—current portion	3,004,969	2,406,292
Total current liabilities	3,663,208	3,052,366
Deferred revenue—net of current portion	1,567,007	1,373,250
Operating lease liabilities	670,051	646,506
Long-term debt, net	1,006,371	1,005,000
Other long-term liabilities	59,712	22,330
Total liabilities	6,966,349	6,099,452
Commitments and contingencies (Note 9)		
Stockholders' equity		
Common stock, $0.0001 par value; 5,000,000 authorized as of December 31, 2024 and December 31, 2023, 666,419 and 631,221 shares issued and outstanding as of December 31, 2024 and December 31, 2023, respectively; Class A common stock—4,935,000 shares authorized as of December 31, 2024 and December 31, 2023, 618,116 and 581,135 shares issued and outstanding as of December 31, 2024 and December 31, 2023, respectively; Class B common stock—65,000 shares authorized as of December 31, 2024 and December 31, 2023, 48,303 and 50,086 shares issued and outstanding as of December 31, 2024 and December 31, 2023, respectively	62	61
Additional paid-in capital	4,220,916	3,134,946
Accumulated other comprehensive income/(loss)	(3,895)	1,536
Accumulated deficit	(3,995,637)	(3,060,253)
Total Roblox Corporation Stockholders' equity	221,446	76,290
Noncontrolling interest	(12,792)	(7,664)
Total Stockholders' equity	208,654	68,626
Total Liabilities and Stockholders' equity	$ 7,175,003	$ 6,168,078

The accompanying notes are an integral part of these consolidated financial statements.

ROBLOX CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)

	Year Ended December 31,		
	2024	2023	2022
Revenue	$ 3,601,979	$ 2,799,274	$ 2,225,052
Costs and expenses:			
Cost of revenue [1]	801,162	649,115	547,658
Developer exchange fees	922,821	740,752	623,855
Infrastructure and trust & safety	915,418	878,361	689,081
Research and development	1,444,207	1,253,598	873,477
General and administrative	407,507	390,055	297,317
Sales and marketing	174,181	146,460	117,448
Total costs and expenses	4,665,296	4,058,341	3,148,836
Loss from operations	(1,063,317)	(1,259,067)	(923,784)
Interest income	179,531	141,818	38,842
Interest expense	(41,184)	(40,707)	(39,903)
Other income/(expense), net	(11,530)	(527)	(5,744)
Loss before income taxes	(936,500)	(1,158,483)	(930,589)
Provision for/(benefit from) income taxes	4,114	454	3,552
Consolidated net loss	(940,614)	(1,158,937)	(934,141)
Net loss attributable to noncontrolling interest	(5,230)	(6,991)	(9,775)
Net loss attributable to common stockholders	$ (935,384)	$ (1,151,946)	$ (924,366)
Net loss per share attributable to common stockholders, basic and diluted	$ (1.44)	$ (1.87)	$ (1.55)
Weighted-average shares used in computing net loss per share attributable to common stockholders—basic and diluted	647,482	616,445	595,559

(1) Depreciation of servers and infrastructure equipment included in infrastructure and trust & safety.

The accompanying notes are an integral part of these consolidated financial statements.

ROBLOX CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME/(LOSS)
(in thousands)

	Year Ended December 31,		
	2024	2023	2022
Consolidated net loss	$ (940,614)	$ (1,158,937)	$ (934,141)
Other comprehensive income/(loss), net of tax:			
Foreign currency translation adjustments	(3,507)	1,089	1,287
Net change in unrealized gains/(losses) on available-for-sale marketable securities	(1,822)	94	—
Other comprehensive income/(loss), net of tax	(5,329)	1,183	1,287
Total comprehensive loss, including noncontrolling interest	(945,943)	(1,157,754)	(932,854)
Less: net loss attributable to noncontrolling interest	(5,230)	(6,991)	(9,775)
Less: cumulative translation adjustments attributable to noncontrolling interest	102	318	678
Other comprehensive loss attributable to noncontrolling interest, net of tax	(5,128)	(6,673)	(9,097)
Total comprehensive loss attributable to common stockholders	$ (940,815)	$ (1,151,081)	$ (923,757)

The accompanying notes are an integral part of these consolidated financial statements.

ROBLOX CORPORATION
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(in thousands)

	Class A and Class B Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income/(Loss)	Accumulated Deficit	Non-Controlling Interest	Total Stockholders' Equity
	Shares	Amount					
Balance at December 31, 2021	585,878	$ 58	$ 1,568,638	$ 62	$ (983,941)	$ 8,106	$ 592,923
Issuance of common stock upon exercise of stock options	9,615	1	22,777	—	—	—	22,778
Issuance of unregistered restricted stock awards granted in conjunction with a business combination	385	—	10,138	—	—	—	10,138
Issuance of common stock under Employee Stock Purchase Plan	575	—	22,702	—	—	—	22,702
Vesting of restricted stock units	8,169	—	—	—	—	—	—
Withholding taxes related to net share settlement of restricted stock units	(3)	—	(150)	—	—	—	(150)
Stock-based compensation expense	—	—	589,498	—	—	—	589,498
Other	55	—	—	—	—	—	—
Other comprehensive income/(loss)	—	—	—	609	—	678	1,287
Net loss	—	—	—	—	(924,366)	(9,775)	(934,141)
Balance at December 31, 2022	604,674	$ 59	$ 2,213,603	$ 671	$ (1,908,307)	$ (991)	$ 305,035
Issuance of common stock upon exercise of stock options	10,670	2	23,747	—	—	—	23,749
Issuance of common stock under Employee Stock Purchase Plan	1,065	—	29,629	—	—	—	29,629
Vesting of restricted stock units	14,812	—	—	—	—	—	—
Stock-based compensation expense	—	—	867,967	—	—	—	867,967
Other comprehensive income/(loss)	—	—	—	865	—	318	1,183
Net loss	—	—	—	—	(1,151,946)	(6,991)	(1,158,937)
Balance at December 31, 2023	631,221	$ 61	$ 3,134,946	$ 1,536	$ (3,060,253)	$ (7,664)	$ 68,626
Issuance of common stock upon exercise of stock options	12,498	1	34,409	—	—	—	34,410
Issuance of common stock under Employee Stock Purchase Plan	1,530	—	35,767	—	—	—	35,767
Vesting of restricted stock units	21,170	—	—	—	—	—	—
Stock-based compensation expense	—	—	1,015,794	—	—	—	1,015,794
Other comprehensive income/(loss)	—	—	—	(5,431)	—	102	(5,329)
Net loss	—	—	—	—	(935,384)	(5,230)	(940,614)
Balance at December 31, 2024	666,419	$ 62	$ 4,220,916	$ (3,895)	$ (3,995,637)	$ (12,792)	$ 208,654

The accompanying notes are an integral part of these consolidated financial statements.

ROBLOX CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Twelve Months Ended December 31,		
	2024	**2023**	**2022**
Cash flows from operating activities:			
Consolidated net loss	$ (940,614)	$ (1,158,937)	$ (934,141)
Adjustments to reconcile net loss including noncontrolling interests to net cash and cash equivalents provided by operations:			
Depreciation and amortization expense	226,437	208,142	130,083
Stock-based compensation expense	1,015,794	867,967	589,498
Operating lease non-cash expense	118,119	97,063	69,100
(Accretion)/amortization on marketable securities, net	(82,835)	(73,162)	—
Amortization of debt issuance costs	1,371	1,316	1,261
Impairment expense, (gain)/loss on investments and other asset sales, and other, net	3,072	8,969	361
Changes in operating assets and liabilities, net of effect of acquisitions:			
Accounts receivable	(110,479)	(126,172)	(72,479)
Prepaid expenses and other current assets	(3,140)	(12,770)	(33,769)
Deferred cost of revenue	(165,697)	(139,879)	(101,719)
Other assets	(3,376)	(5,961)	(1,221)
Accounts payable	(7,527)	(3,475)	10,302
Accrued expenses and other current liabilities	(2,705)	8,680	19,560
Developer exchange liability	24,734	83,162	67,798
Deferred revenue	795,422	742,294	662,378
Operating lease liabilities	(77,428)	(50,454)	(47,875)
Other long-term liabilities	31,168	11,397	10,159
Net cash and cash equivalents provided by operating activities	822,316	458,180	369,296
Cash flows from investing activities:			
Acquisition of property and equipment	(179,646)	(320,667)	(426,163)
Payments related to business combination, net of cash acquired	(2,840)	(3,859)	(13,388)
Purchases of intangible assets	(1,370)	(13,500)	(1,500)
Purchases of investments	(4,642,540)	(4,591,974)	—
Maturities of investments	3,351,970	1,642,719	—
Sales of investments	622,354	462,182	—
Net cash and cash equivalents used in investing activities	(852,072)	(2,825,099)	(441,051)
Cash flows from financing activities:			
Proceeds from issuance of common stock	70,344	53,226	45,752
Payment of withholding taxes related to net share settlement of restricted stock units	—	—	(150)
Financing payments related to acquisitions	(4,450)	(750)	(150)
Proceeds from debt issuances	—	14,700	—
Payment of debt issuance costs	—	—	(154)
Other financing activities	—	—	(1,656)
Net cash and cash equivalents provided by financing activities	65,894	67,176	43,642
Effect of exchange rate changes on cash and cash equivalents	(2,921)	735	1,287
Net increase/(decrease) in cash and cash equivalents	33,217	(2,299,008)	(26,826)
Cash and cash equivalents			
Beginning of year	678,466	2,977,474	3,004,300
End of year	$ 711,683	$ 678,466	$ 2,977,474
Supplemental disclosure of cash flow information:			
Cash paid for interest	$ 38,750	$ 38,750	$ 38,965
Cash paid for income taxes, net	$ 1,141	$ 3,145	$ 953
Supplemental disclosure of noncash investing and financing activities:			
Property and equipment additions in accounts payable, accrued expenses and other current liabilities, and other long-term liabilities	$ 26,748	$ 31,340	$ 57,199
Intangible asset purchases in accounts payable	—	$ 1,200	—
Fair value of unregistered restricted stock awards issued as consideration for a business combination	—	—	$ 10,138

The accompanying notes are an integral part of these consolidated financial statements.

1. Overview and Summary of Significant Accounting Policies

Organization and Description of Business—Roblox Corporation (the "Company" or "Roblox") was incorporated under the laws of the state of Delaware in March 2004. The Company operates a free to use immersive platform for connection and communication (the "Roblox Platform" or "Platform") where people come to create, play, work, learn, and connect with each other in experiences built by our global community of creators. Users are free to immerse themselves in experiences on the Roblox Platform and can acquire experience-specific enhancements or avatar items by using purchased Robux, our virtual currency. Any user can be a developer or creator on the Platform using Roblox Studio, a set of free software tools. Developers and creators build the experiences that are published on Roblox and can earn Robux by monetizing their experience, creating and selling or reselling avatar items, or creating and selling Roblox Studio plugins.

Direct Listing—On March 10, 2021, the Company completed a direct listing of its Class A common stock ("Direct Listing") on the New York Stock Exchange ("NYSE").

Basis of Presentation and Summary of Significant Accounting Policies

Fiscal Year—The Company's fiscal year ends on December 31.

Basis of Presentation—The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"), and applicable rules and regulations of the Securities and Exchange Commission ("SEC").

Principles of Consolidation—The consolidated financial statements include the accounts of the Company and subsidiaries over which the Company has control. All intercompany transactions and balances have been eliminated. The consolidated financial statements include 100% of the accounts of wholly owned and majority owned subsidiaries, and the ownership interest of minority investors is recorded as noncontrolling interest.

Use of Estimates—The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Significant estimates and assumptions reflected in the consolidated financial statements include, but are not limited to, the estimated period of time the virtual items are available to the user, which is estimated as the average lifetime of a paying user, and the estimated amount of consumable and durable virtual items purchased for which the Company lacks specific information that is used for revenue recognition, the estimated amount of expected breakage related to prepaid card sales, useful lives of property and equipment and intangible assets, fair value of assets and liabilities acquired through acquisitions, accrued liabilities (including accrued developer exchange fees), contingent liabilities, valuation of deferred tax assets and liabilities, stock-based compensation expense, the discount rate used in measuring our operating lease liabilities, the carrying value of operating lease right-of-use assets, evaluation of recoverability of goodwill, intangible assets and long-lived assets, and as necessary, estimates of fair value to measure impairment losses. Management believes that the estimates, and judgments upon which they rely, are reasonable based upon information available to them at the time that these estimates and judgments are made. Actual results could differ from those estimates and any such differences may be material to the consolidated financial statements. To the extent that there are material differences between these estimates and actual results, the Company's consolidated financial statements will be affected.

Revenue Recognition

Roblox Platform

The Company operates the Roblox Platform as live services that allow users to play and socialize with others for free. However, users can purchase virtual currency ("Robux") to ultimately obtain virtual items to enhance their social experience. Proceeds from the sale of Robux are initially recorded in deferred revenue and recognized as revenue as a user purchases and uses virtual items. The Company classifies deferred revenue as short-term or long-term based on when the Company expects to recognize the revenue. The Company's identified performance obligation is to provide users with the ability to acquire, use, and hold virtual items on the Roblox Platform over the estimated period of time the virtual items are available to the user or until the virtual items are consumed.

Users can purchase Robux as one-time purchases or through monthly subscriptions via payment processors or through prepaid cards. The Company offers prepaid cards through online and physical retailers, as well as on the Company website. The Company estimates expected breakage on prepaid card sales by taking into consideration historical patterns of redemption and escheatment laws as applicable.

Payments from users are non-refundable and relate to non-cancellable contracts for a fixed price that specify Company's obligations. Revenue is recorded net of taxes assessed by government authorities that are both imposed on and concurrent with specific revenue transactions between the Company and its users, and estimated chargebacks and refunds.

The satisfaction of the Company's performance obligation is dependent on the nature of the virtual item purchased and as a result, the Company categorizes its virtual items as either consumable or durable.

- Consumable virtual items represent items that can be consumed by a specific user action (e.g. a one-time boost or the ability to skip or redo an action). Common characteristics of consumable virtual items may include items that are no longer displayed on the user's inventory after a short period of time or do not provide the user any continuing benefit following consumption. For the sale of consumable virtual items, the Company recognizes revenue as the items are consumed.
- Durable virtual items represent items which result in a persistent change to a users' character or item set (e.g., virtual hat, pet, or house). These items are generally available to the customer to hold, use, or display for as long as they are on the Roblox Platform. The Company recognizes revenue from the sale of durable virtual items ratably over the estimated period of time the items are available to the user which is estimated as the average lifetime of a paying user.

To separately account for consumable and durable virtual items, the Company specifically identifies each purchase for the majority of virtual items purchased on the Roblox Platform. For the remaining population, the Company estimates the amount of consumable and durable virtual items purchased based on data from specifically identified purchases and the expected behavior of the users within similar experiences. The estimation of consumable and durable virtual items purchased for the population of purchases not specifically identified requires management's judgment as the Company evaluates and estimates the expected behavior of users in the population using information from known purchases in similar experiences.

At the onset of each quarter, the average lifetime of a paying user estimate is calculated based on historical monthly retention data for each user cohort to project future participation on the Roblox Platform. Determining the estimated average lifetime of a paying user requires management's judgment as the Company analyzes the most recent trends in player cohort activity and other qualitative factors, including changes to paying user behavior influenced by broader product changes and/or content virality, the availability of the Roblox Platform across markets and user demographics, impacts due to macroeconomic factors such as COVID-19, existing and new competition from a variety of entertainment resources for our users, and other factors. The Company also considers results from prior analyses in determining the estimated average lifetime of a paying user. The Company believes this estimate is the best representation of the average life of the durable virtual items.

In the second quarter of 2024, the Company updated its estimated paying user life from 28 months to 27 months, where it remained through December 31, 2024. Based on the carrying amount of deferred revenue and deferred cost of revenue as of March 31, 2024, the change resulted in an increase in revenue and cost of revenue of $98.0 million and $20.4 million, respectively, during fiscal year 2024.

The estimated paying user life was 28 months during fiscal year 2023.

In the first quarter of 2022, the Company updated its estimated paying user life from 23 months to 25 months, which was subsequently updated again to 28 months in the third quarter of 2022. Based on the carrying amount of deferred revenue and deferred cost of revenue as of December 31, 2021, these changes in estimates resulted in a decrease in revenue and cost of revenue of $344.9 million and $79.3 million, respectively, during the year ended December 31, 2022.

Principal Agent Considerations

The Company evaluates the sales of Robux via third-party payment processors to determine whether its revenues should be reported gross or net of fees either retained by the payment processor or paid to the developers and creators ("Developer Exchange Fees"). The Company is the principal in the transaction with the end user as a result of controlling, hosting, and integrating the delivery of the virtual items to the end user. The Company records revenue gross as a principal and records fees paid to payment processors as a component of cost of revenue and fees paid to developers and creators as a component of developer exchange fees expense.

Other Revenue

Other revenue primarily consists of revenue from advertising, licenses, and royalties. The Company recognizes revenue based on the performance obligations of the underlying agreements, in an amount that reflects the consideration that the Company expects to be entitled to.

Cost of Revenue—Cost of revenue primarily consists of third-party payment processing fees charged by various distribution channels in connection with sales of our virtual currency. Cost of revenue also includes sales tax expense for jurisdictions where the Company does not collect sales tax from the purchaser at the time of the sale and costs associated with the printing of prepaid cards.

Deferred Cost of Revenue—The Company defers contract costs that are direct and incremental to obtaining user contracts (i.e., sales of Robux). Deferred cost of revenue consists of payment processing fees charged by third-party payment processors. Payment processing fees are amortized over the estimated period of time the virtual items are available to the user on the Roblox Platform (based on the nature of the virtual item as either consumable or durable) in proportion to the revenue recognized. The Company classifies deferred cost of revenue as short-term or long-term based on when the Company expects to recognize the expense.

Concentration of Credit Risk and Significant Customers—Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents, short-term investments, long-term investments and accounts receivables. Cash is deposited with high quality financial institutions and may, at times, exceed federally insured limits. Management believes that the financial institutions that hold the Company's cash deposits are financially creditworthy and, accordingly, minimal credit risk exists with respect to those balances. Generally, these deposits may be redeemed upon demand and therefore, bear minimal interest rate risk. As it relates to cash equivalents, short-term investments, and long-term investments, the Company's investment policy limits the amount of credit exposure in its portfolio by imposing credit rating minimums and limiting purchases by security type.

The Company uses various distribution channels to collect and remit payments from users. As of December 31, 2024 and 2023, one distribution channel accounted for 29% and 30% of our accounts receivable, respectively, while a second distribution channel accounted for 26% and 26% of our accounts receivable, respectively.

For the years ended December 31, 2024, 2023, and 2022, one distribution channel processed 30%, 30%, and 32% of our overall revenue transactions, respectively, and a second distribution channel processed 16%, 17%, and 18% of our overall revenue transactions, respectively.

Fair Value Hierarchy—Assets and liabilities recorded at fair value in the consolidated financial statements are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Hierarchical levels, which are directly related to the amount of subjectivity, associated with the inputs to the valuation of these assets or liabilities are as follows:

Level 1—Inputs that are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2—Inputs (other than quoted prices included in Level 1) that are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date and for the duration of the instrument's anticipated life.

Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities and which reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model.

In determining fair value, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible as well as considers counterparty credit risk in its assessment of fair value.

Cash, Cash Equivalents and Restricted Cash—Cash and cash equivalents primarily consist of cash in hand and money market instruments with maturities of 90 days or less from the date of purchase.

We had no restricted cash balances as of December 31, 2024 and 2023.

Short-Term and Long-Term Investments—Realized gains and losses for all investments are determined using the specific-identification method and are reflected as a component of other income/(expense), net in the consolidated statements of operations.

Debt Securities

Short-term and long-term investments generally include corporate debt securities, commercial paper, U.S. Treasury securities, and U.S. agency securities. Based on our intentions, all debt investments are classified as available-for-sale and are reported at fair value with unrealized gains and losses recorded as a separate component of other comprehensive income, net of tax. The Company determines the appropriate classification of its investments as short-term or long-term at the time of purchase and reevaluates such determination at each reporting period based on their respective maturity dates and the Company's reasonable expectation with regard to those investments (e.g. expectations of future sales or redemptions).

For debt securities in an unrealized loss position, we first consider whether we intend to or it is more likely than not that we will be required to sell the individual security prior to recovery of its amortized cost basis and if so, we adjust the carrying value of security down to its fair value, with the amount of the write-down recorded as a realized loss within other income/(expense), net.

Otherwise, we determine whether a decline in fair value is attributable to a partial or full credit loss by reviewing factors such as the extent to which the fair value is less than the amortized cost basis, changes in interest rates since the purchase of the security, the financial condition of the issuer, including changes in credit ratings, the remaining payment terms of the security, as well as any adverse conditions specifically related to the security, the issuer's industry or its geographic area. If a credit loss exists, we adjust the carrying value by recording expense within other income/(expense), net equal to the amount of the credit loss, with such amount limited to the amount of the unrealized loss. Subsequent recoveries of fair value originally attributed to a credit loss are subsequently recognized as income within other income/(expense), net. Finally, any unrealized loss not deemed to be attributable to a credit loss is recognized as a component of other comprehensive income/(loss), net of tax. The Company has not experienced any material credit losses to date.

For purposes of identifying and measuring credit losses, the Company excludes any related accrued interest from both the fair value and amortized cost basis of the investment. Accrued interest receivable, net of the allowance for credit losses (if any), is recorded as a component of prepaid expenses and other current assets in our consolidated financial statements.

Equity Securities with Readily Determinable Fair Value

Short-term investments include mutual fund investments related to the Company's nonqualified deferred compensation plan, which are held in a rabbi trust. The Company classifies these investments as trading securities as the rabbi trust actively manages the asset allocation to match the participants' hypothetical fund allocations. The Company considers investments held in the rabbi trust to be restricted given their withdrawal and general use is legally restricted.

All equity investments are reported at fair value, with unrealized gains and losses recorded within other income/(expense), net in our consolidated statement of operations.

Deferred Compensation Plan—The Company established the Roblox Corporation Nonqualified Deferred compensation Plan (as amended, the "NQDC Plan") for its non-employee directors and a select group of management employees. Eligible participants may voluntarily elect to participate in the NQDC Plan. Unless otherwise determined by the committee that administers the NQDC Plan, eligible employee participants may elect annually to defer up to 90% of their base salary, up to 100% of their cash bonus compensation (if any), and up to 65% of any RSUs or PSUs granted under the Company's 2020 Plan (if any), and eligible non-employee director participants may elect annually to defer up to 100% of their cash director fees and any RSUs granted under the Company's 2020 Plan. Obligations of the Company under the NQDC Plan represent at all times unsecured general obligations of the Company to pay deferred compensation in the future in accordance with the terms of the NQDC Plan.

Cash amounts deferred under the plan may only later be settled in cash and are credited or charged with the performance of investment options offered under the NQDC Plan as elected by the participants. The amount credited or charged to each participant's cash deferrals are based on the performance of a hypothetical portfolio of investments which are tracked by an administrator, with such credits or charges included as a component of operating expenses in the Company's consolidated statements of operations. The cash obligations due to participants are presented as other long-term liabilities on the Company's consolidated balance sheet.

The Company generally funds the cash obligations associated with the NQDC Plan by purchasing investments that match the hypothetical investment choices made by the plan participants. The investments (and any uninvested cash) are held in a rabbi trust in order to receive certain tax benefits. The rabbi trust is subject to creditor claims in the event of insolvency, but the assets held in the rabbi trust are not available for general corporate purposes. The investments held in the rabbi trust are presented as short-term investments and any uninvested cash is presented as cash and cash equivalents on the Company's consolidated balance sheet.

As it relates to any deferred RSUs and PSUs, the Company ensures enough shares of its Class A common stock are reserved to settle all obligations under the NQDC Plan. These obligations are settled on the date(s) elected by the participant. The accounting for the RSUs and PSUs deferred under the NQDC Plan is consistent with the accounting for non-deferred RSUs and PSUs.

Accounts Receivable and Related Allowances—Accounts receivable represent amounts due to us based on contractual obligations with our customers. Payments made by the Company's users are collected by payment processors and remitted to the Company generally within 30 days of invoicing. The Company maintains allowances for potential credit losses when deemed necessary. The Company has not experienced any material credit losses to date. In cases where the Company is aware of circumstances that may impair a specific customer's ability to meet its financial obligations, it records a specific allowance as a reduction to the accounts receivable balance to reduce it to its net realizable value. In addition, the Company holds a reserve for chargebacks and refunds based on historical data and current trends and projections. Specific allowances, chargeback, and refund reserves have not been material for any of the periods presented.

Property and Equipment—Net—Property and equipment are recorded at historical cost less accumulated depreciation and amortization. Depreciation and amortization are recorded on a straight line basis over the estimated useful lives of the respective assets. Repair and maintenance costs are expensed as incurred. The estimated useful life for each asset category is as follows:

Property and Equipment	Estimated Useful Life
Servers and related equipment	5 years
Computer hardware and software	2 - 5 years
Furniture and fixtures	2 years
Leasehold improvements	Shorter of remaining lease term or estimated useful life

Goodwill and Intangible Assets—Goodwill represents the excess of the purchase price over the fair value of net assets acquired in a business combination and is allocated to reporting units expected to benefit from the business combination. Goodwill is not amortized but rather tested for impairment annually in the fourth quarter, or more frequently if events or changes in circumstances indicate that goodwill may be impaired. When conducting our annual goodwill impairment assessment, we perform a quantitative evaluation by comparing the estimated fair value of our single reporting unit, determined using the Company's market capitalization as of the testing date, to its carrying value. Goodwill impairment is recognized when the quantitative assessment results in the carrying value exceeding the fair value, in which case an impairment charge is recorded to the extent the carrying value exceeds the fair value. There were no impairment charges to goodwill during any of the periods presented.

Intangible assets with finite lives are carried at cost, less accumulated amortization. Intangible assets with finite lives are generally amortized on a straight-line basis over the estimated useful life of the respective asset, generally up to 5 years, or in the case of acquired patents, up to 10 years.

Business Combinations and Asset Acquisitions —To determine whether a transaction is accounted for as an asset acquisition or business combination, 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 group of similar identifiable assets. If the screen test does not result in substantially all of the fair value concentrated in a single identifiable asset or group of similar identifiable assets, the Company performs a second test to evaluate whether the assets and activities transferred include inputs and substantive processes that together, significantly contribute to the ability to create outputs, which would constitute a business. If the result of the second test indicates that the acquired assets and activities constitute a business, the Company accounts for the transaction as a business combination.

For business combinations, the purchase consideration is allocated to the tangible assets acquired, liabilities assumed, and intangible assets acquired based on their respective estimated fair values. The excess of the fair value of purchase consideration over their fair values is recorded as goodwill. The Company'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. As a result, during the measurement period, which may be up to one year following the acquisition date, if new information is obtained about facts and circumstances that existed as of the acquisition date, the Company may record adjustments to the fair value of these assets and liabilities, with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded within the accompanying consolidated statements of operations.

The Company accounts for a transaction as an asset acquisition when substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets, or otherwise does not meet the definition of a business. Asset acquisition-related costs are capitalized as part of the asset or assets acquired.

Software Development Costs—The Company incurs costs related to developing the Roblox Platform and related support systems. The Company capitalizes development costs, such as salaries and wages, stock-based compensation expense, and other direct compensation-related costs, once the preliminary project stage is completed, management has authorized and committed project funding, and it is probable that the project will be completed and the software will be used as intended. Development costs meeting the Company's capitalization criteria were not material during any of the periods presented.

Impairment of Long-Lived Assets—The Company periodically evaluates the carrying value of long-lived assets to be held and used when indicators of impairment exist. The carrying value of a long-lived asset to be held and used is considered impaired when the estimated separately identifiable undiscounted cash flows expected to result from the use of the asset and its eventual disposition are less than the carrying value of the asset. In that event, an impairment loss is recognized based on the amount by which the carrying value exceeds the fair value of the long-lived asset.

Significant judgment is required to assess the appropriate asset grouping(s) and estimate the amount and timing of future cash flows and the relative risk of achieving those cash flows. Assumptions and estimates about future values and remaining useful lives are complex and often subjective. They can be affected by a variety of factors, including external factors such as industry and economic trends, and internal factors such as changes in the Company's business strategy and internal forecasts.

Developer Exchange Fees Expense —The Company has established an incentive program for developers and creators to build and operate virtual experiences within the Roblox environment. Developers and creators can primarily earn Robux through the sale of access to their experiences and enhancements in their experiences, the incorporation of immersive ads, the sale of content and tools between developers through the Creator Store, and the sale of items to users through the Marketplace. Developers can also earn Robux through our engagement-based reward program that rewards developers based on the number of hours spent in their experiences by Roblox Premium subscribers. Under certain conditions, and in compliance with applicable law, these developers and creators are eligible to receive a fiat currency payout based on the amount of accumulated earned Robux through our Developer Exchange Program. In order to be qualified for our Developer Exchange Program and eligible to exchange earned Robux for fiat currency, developers and creators must meet certain conditions, such as having earned the minimum amount of Robux required to qualify for the program, a verified developer account, and an account in good standing. On January 31, 2022, we reduced the minimum amount of earned Robux required to qualify for the program from 100,000 Robux to 50,000 Robux and subsequently on January 31, 2023, we further reduced the minimum requirement from 50,000 Robux to 30,000 Robux.

The Company recognizes the expense associated with the Developer Exchange Program as Robux are earned by developers and creators that are qualified and registered in the Developer Exchange Program.

Infrastructure and Trust & Safety Expense—Infrastructure and trust & safety expense consists primarily of costs related to the operation of our data centers and technical infrastructure in order to deliver our Platform to our users and are expensed as incurred. Infrastructure and trust & safety expenses also include personnel costs, moderation and customer support related costs, and allocated overhead expenses.

Research and Development Cost— Research and development costs consist primarily of personnel costs and allocated overhead expenses for our engineering, design, product management, data science, and other employees engaged in maintaining and enhancing the functionality of the Platform and are expensed as incurred. Research and development costs also include expenses associated with the Game Fund program, which funds certain developers up front to develop new types of experiences for the Platform.

Stock-Based Compensation Expense—The Company measures and recognizes stock-based compensation expense for all stock-based awards, including stock options, unregistered restricted stock awards ("RSAs"), restricted stock units ("RSUs"), and performance stock units ("PSUs") granted to employees, directors, and non-employees, and stock purchase rights granted under the 2020 Employee Stock Purchase Plan (the "2020 ESPP") to employees, based on the estimated grant date fair value of the awards. The Company records forfeitures when they occur for all stock-based awards.

The fair value of each stock option and stock purchase right granted is estimated using the Black-Scholes option-pricing model and is recognized as compensation expense on a straight-line basis over the requisite service period of the awards. The Black-Scholes option pricing model requires certain subjective inputs and assumptions, including the fair value of the Company's Class A common stock, the expected term, risk-free interest rates, expected stock price volatility, and expected dividend yield of our Class A common stock. The assumptions used to determine the fair value of the option awards represent management's best estimates. These estimates involve inherent uncertainties and the application of management's judgment. These assumptions and estimates are as follows:

- Fair value of Class A common stock— Prior to the Direct Listing, the fair value of the shares of Class A common stock underlying the stock options and RSUs was historically determined by the Company's Board of Directors along with management as there was no public market for the underlying common stock. The Company's Board of Directors along with management determined the fair value of the Company's common stock by considering a number of objective and subjective factors including: contemporaneous third-party valuations of its common stock, the valuation of comparable companies, sales of the Company's common and convertible preferred stock to outside investors in arms-length transactions, the Company's operating and financial performance, the lack of marketability, and the general and industry specific economic outlook, amongst other factors. After the completion of the Direct listing, the fair value of the Company's Class A common stock is determined based on the NYSE closing price on the date of grant.
- Expected term—The expected term represents the period that stock-based awards are expected to be outstanding. The expected term assumptions are determined based on the vesting terms, estimated exercise behavior, post-vesting cancellations and contractual lives of the awards.
- Risk-free interest rates—The risk-free interest rate is based on the implied yields in effect at the time of the grant of U.S. Treasury notes with terms approximately equal to the expected term of the award.
- Expected stock price volatility— Prior to the Direct Listing, the Company used the historical volatility of the Class A common stock price of similar publicly-traded peer companies. After the completion of the Direct Listing, the Company continued to use the historical volatility of the stock price of similar publicly traded peer companies until the first quarter of 2024, which is the point at which the Company believed it had sufficient public trading history.
- Expected dividend yield—The Company utilizes a dividend yield of zero, as it has no history or plan of declaring dividends on its common stock.

RSUs granted by the Company prior to March 2021 vest upon the satisfaction of both a service-based vesting condition, which is typically four years, and a liquidity event-related performance vesting condition. The liquidity event-related performance vesting condition was satisfied on March 2, 2021 (the "Effective Date") and the Company recorded a cumulative stock-based compensation expense as of the Direct Listing date for those RSUs for which the service-based vesting condition has been satisfied. Stock-based compensation related to the remaining service-based period after the liquidity event-related performance vesting condition was satisfied is recorded over the remaining requisite service period using the accelerated attribution method. For RSUs granted subsequent to the Direct Listing, we recognize stock-based compensation expense based on grant date fair value on a straight-line basis over the requisite service period for the entire award. The grant date fair value of our Class A common stock associated with our RSUs granted subsequent to the Direct Listing is determined based on the NYSE closing price on the date of grant.

Advertising Expense—Costs for advertising are primarily expensed as incurred and are included in sales and marketing expense in our consolidated statement of operations. Advertising costs totaled $45.4 million, $38.3 million, and $36.2 million during the years ended December 31, 2024, 2023, and 2022, respectively.

Basic and Diluted Net Loss Per Common Share—Basic net loss per share is computed by dividing net loss attributable to common stockholders by the weighted-average number of shares of common stock outstanding during the period. Diluted net loss per share is computed by giving effect to all potentially dilutive common stock equivalents to the extent they are dilutive. For purposes of this calculation, convertible preferred stock, stock options, RSUs, PSUs, RSAs, convertible preferred stock warrants, and common stock warrants, as applicable, are considered to be common stock equivalents but have been excluded from the calculation of diluted net loss per share attributable to common stockholders as their effect is anti-dilutive for all periods presented.

Income Taxes—The Company accounts for income taxes using the asset and liability method. Deferred income taxes are recognized by applying enacted statutory tax rates applicable to future years to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the statement of operations in the period that includes the enactment date. The measurement of deferred tax assets is reduced, if necessary, by a valuation allowance for any tax benefit for which the future realization is uncertain.

The tax effects of a position are recognized only if it is more likely than not to be sustained based solely on its technical merits as of the reporting date. The Company considers many factors when evaluating and estimating its tax positions and tax benefits, which may require periodic adjustments.

The Company recognizes interest and penalties related to income taxes as components of interest expense and other expense, respectively.

Leases—The Company accounts for lessee and lessor arrangements as follows:

Lessee Arrangements

The Company leases facilities under non-cancellable operating lease agreements primarily for real estate and co-located data centers. These leases have varying terms up to 12 years and generally contain leasehold improvement incentives, rent holidays, and escalation clauses. In addition, some of these leases have renewal options for up to five years after expiration of the initial term. The Company determines if an arrangement contains a lease at inception. The Company determines if a contract contains a lease based on whether we have the right to obtain substantially all of the economic benefits from the use of an identified asset and whether we have the right to direct the use of an identified asset in exchange for consideration.

Operating lease right-of-use ("ROU") assets represent our right to use an underlying asset for the lease term. Operating lease liabilities represent our obligation to make lease payments arising from the lease at the commencement date and are recognized based on the present value of lease payments over the lease term at the lease commencement date. Operating lease ROU assets are recognized as the lease liability, adjusted for lease incentives received, initial direct costs, and prepayments made, if any.

In determining the present value of lease payments, the Company discounts future lease payments using its incremental borrowing rate ("IBR") since the implicit rate in our various leases is unknown. The IBR represents the rate of interest the Company would have to pay to borrow on a collateralized basis over a similar term at an amount equal to the lease payments in a similar economic environment. The Company utilizes a market-based approach to estimate the IBR, which requires significant judgment. The Company primarily considers the current economic environment, lease term and currency in which the lease is denominated, as well as (i) yields on corporate bond with a credit rating similar to the Company; (ii) yields on our outstanding unsecured debt; and (iii) indicative pricing on both secured and unsecured debt received from potential lenders (if any).

Certain lease agreements include options to renew or early terminate the lease, and we include such extension periods when it is reasonably certain that they will be exercised and include such periods beyond the early termination date when it is reasonably certain the early terminations will not be exercised.

Lease expense is recognized on a straight-line basis over the lease term.

Variable lease payments are expensed when the underlying uncertainty is resolved, which is generally when the obligation for those costs are incurred and are excluded from the measurement of the right-of-use assets and lease liabilities. Variable lease payments primarily include common-area maintenance, utilities, taxes or other operating costs, which are generally based on a percentage of actual expenses incurred or a fluctuating rate which is unknown at the inception of the contract.

Leases with an initial term of 12 months or less ("short-term leases") are not recognized on the balance sheet. The Company recognizes lease expense for short-term leases on a straight-line basis over the lease term. The Company does not account for lease components (e.g., fixed payments including rent) separately from the non-lease components (e.g., common-area maintenance costs).

Lessor Arrangements

The Company has subleased office space in its former San Mateo, California corporate headquarters. The Company does not separate lease components from non-lease components and therefore allocates the entire consideration in its contracts to the lease components. All of the lease and non-lease components qualify for accounting under *ASC Topic 842 Leases*. The Company presents sublease income as a reduction to lease expense.

Foreign Currency Transactions—Beginning January 1, 2024, the functional currency of certain non-U.S. dollar functional currency international subsidiaries was re-assessed from the U.S. dollar to the local currency that the international subsidiary operates in. Prior to January 1, 2024, the functional currency of the Company's international subsidiaries was primarily the U.S. dollar. The effects of the changes in functional currency were not significant to our consolidated financial statements.

The Company translates the financial statements of non-U.S. dollar functional currency subsidiaries to U.S. dollars using the period-end exchange rate for assets and liabilities and the average exchange rate for the period for revenues and expenses. The effects of foreign currency translation are included in stockholders' equity and periodic movements are summarized as a line item in the consolidated statements of comprehensive loss.

The Company reflects foreign exchange transaction gains and (losses) resulting from the conversion of the transaction currency to the functional currency, which includes gains and losses from the remeasurement of assets and liabilities, as a component of other income/(expense), net. Net foreign exchange losses totaled $14.1 million, $2.0 million, and $5.1 million for the years ended December 31, 2024, 2023, and 2022, respectively.

Reportable Segments—Roblox derives revenue globally and manages its business activities on a consolidated basis, resulting in a single operating and reportable segment, which is at the consolidated level. The technology used in its customer arrangements is primarily based on a similar software application that is available on various platforms, such as mobile devices, consoles, and computers, that is used by customers in a similar manner.

The chief operating decision maker ("CODM") of the Company is its chief executive officer ("CEO") who assesses performance of our single operating segment and decides how to allocate resources based on consolidated net loss that is reported on the consolidated statement of operations, as well as through other performance measures. The CODM considers consolidated net loss in deciding how to reinvest profits into the Company, including to its developer and creator community, people, and technology and infrastructure, including its trust and safety systems, and other areas such as for acquisitions.

The measure of segment assets is reported on the consolidated balance sheet as total assets.

Accounting Pronouncements

Accounting Pronouncements Recently Adopted

In November 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures," which requires public entities to disclose expanded information about their reportable segment(s)' significant expenses and other segment items on an interim and annual basis. The Company adopted the ASU retrospectively on January 1, 2024 and the adoption did not have a material impact on the Company's consolidated financial statements, outside of the enhanced disclosures under the "Reportable Segments" header above and Note 17, "Reportable Segments".

Accounting Pronouncements Not Yet Adopted

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures," which requires public entities to disclose specific tax rate reconciliation categories, as well as income taxes paid disaggregated by jurisdiction, amongst other disclosure enhancements. The ASU is effective for financial statements issued for annual periods beginning after December 15, 2024, with early adoption permitted. The ASU can be adopted on a prospective or retrospective basis. The Company is evaluating the disclosure requirements related to the new standard.

In November 2024, the FASB issued ASU 2024-03, "Income Statement: Reporting Comprehensive Income-Expense Disaggregation Disclosures," which requires disclosure of certain costs and expenses in the notes of financial statements, including, amongst others, the amount of employee compensation expense and depreciation and amortization expense within each caption presented on the face of the income statement within continuing operations. Further, the disclosures require a qualitative description of the remaining cost and expense amounts within each relevant expense caption that are not separately disaggregated, as well as a description and the total amount of selling expenses. The ASU is effective for financial statements issued for annual periods beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027. The ASU can be early adopted and should be applied either prospectively or retrospectively. The Company is currently evaluating the disclosure requirements related to the new standard.

2. Revenue from Contracts with Customers

Disaggregation of Revenue

The following table summarizes revenue by region based on the billing country of users (in thousands, except percentages):

	Year Ended December 31,					
	2024		2023		2022	
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage of Revenue
United States and Canada [1]	$ 2,281,319	63%	$ 1,803,812	64%	$ 1,465,955	66%
Europe	659,593	18	505,633	18	404,431	18
Asia-Pacific, including Australia and New Zealand	379,027	11	286,930	10	204,261	8
Rest of world	282,040	8	202,899	7	150,405	7
Total	$ 3,601,979	100%	$ 2,799,274	100%	$ 2,225,052	100%

(1) The Company's revenues in the United States were 59%, 60%, and 62% of consolidated revenues for each of the years ended December 31, 2024, 2023, and 2022, respectively.

No individual country, other than the United States, exceeded 10% of the Company's consolidated revenue for any period presented.

Durable virtual items accounted for 91%, 91%, and 90% of virtual item-related revenue in the years ended December 31, 2024, 2023, and 2022, respectively. Consumable virtual items accounted for 9%, 9%, and 10% of virtual item-related revenue in the years ended December 31, 2024, 2023, and 2022, respectively.

Deferred Revenue

The Company receives payments from its users based on the payment terms established in its contracts. Such payments are initially recorded to deferred revenue and are recognized into revenue as the Company satisfies its performance obligations. The aggregate amount of revenue allocated to unsatisfied performance obligations is included in our deferred revenue balances.

The increase in deferred revenue for the year ended December 31, 2024 was driven by sales during the period exceeding revenue recognized from the satisfaction of our performance obligations, which includes the revenue recognized during the period that was included in the current portion of deferred revenue at the beginning of the period. During the year ended December 31, 2024, we recognized all of the revenue that was included in the $2,406.3 million current deferred revenue balance as of December 31, 2023 and $89.0 million of revenue that was included in the deferred revenue-net of current portion balance as of December 31, 2023.

3. Leases

Lessee Arrangements

In the fourth quarter of 2024, the Company completed the move of its San Mateo, California employees to its new corporate headquarters in San Mateo, California. The Company continues to lease office space at its prior corporate headquarters and has sub-leased certain portions of that office space (refer to "Sublease Arrangements as Lessor" header below). The Company completed its impairment assessment of the non-subleased portion of its prior corporate headquarters in the fourth quarter of 2024, finding no impairment to exist.

The Company took possession of a data center leased space in the first quarter of 2024 and later de-recognized the remaining $70.3 million of right-of-use assets and lease liabilities associated with the lease in the third quarter of 2024 due to an early termination. The early termination did not have a material impact on the results of operations during the fiscal year 2024.

During the year ended December 31, 2023, the Company recognized a $7.0 million impairment loss within general and administrative expenses, which included $4.8 million related to operating lease right-of-use assets and $2.2 million related to property and equipment, net, as a result of the execution of a sub-lease arrangement for a portion of its prior San Mateo, California corporate headquarters.

The components of lease expense were as follows (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Operating lease expense	$ 174,174	$ 139,482	$ 90,933
Variable and short-term lease expense	53,627	31,655	11,586
Net operating lease expense	$ 227,801	$ 171,137	$ 102,519

The following table presents future lease payments under the Company's non-cancellable operating leases, including leases the Company has assigned, as of December 31, 2024 (in thousands):

Year ending December 31,	
2025	$ 144,431
2026	153,386
2027	132,737
2028	115,569
2029	105,194
Thereafter	377,010
Total lease payments	$ 1,028,327
Less: imputed interest [(1)]	(229,419)
Present value of lease liabilities	$ 798,908

(1) Calculated using each lease's incremental borrowing rate.

In addition, the Company has executed operating leases for real estate and co-located data centers which have not commenced as of December 31, 2024, with lease payments totaling $20.9 million and lease terms ranging between 5 to 6 years.

The following table presents the weighted average remaining lease term and discount rates as of December 31, 2024, and December 31, 2023:

	As of December 31,	
	2024	2023
Weighted average remaining lease term (years)	7.5	7.9
Weighted average discount rate	6.3 %	6.3 %

Supplemental cash and noncash information related to operating leases is as follows (in thousands):

	Year ended December 31,		
	2024	2023	2022
Cash paid for amounts included in the measurement of lease liabilities[(1)]	$ 158,381	$ 105,337	$ 70,515
Lease liabilities arising from obtaining new right-of-use assets (noncash)	$ 120,822	$ 256,500	$ 373,844

(1) The years ended December 31, 2024, 2023, and 2022 exclude $31.5 million, $16.6 million, and $1.8 million, respectively, of leasehold incentives received from the landlord.

Sublease Arrangements as Lessor

The Company has executed subleases as sub-lessor pursuant to which it has subleased office space in its former San Mateo, California corporate headquarters with lease terms expiring in 2027. The Company recognized $8.4 million and $3.3 million of sublease income in the years ended December 31, 2024 and 2023, respectively.

The following table presents future sublease payments due to the Company under its subleases as of December 31, 2024 (in thousands):

Year ending December 31,	
2025	$ 9,713
2026	10,530
2027	5,434
Thereafter	—
Total sublease income	$ 25,677

4. Cash Equivalents and Investments

Financial Assets

The following is a summary of the Company's cash equivalents and short-term and long-term investments (in thousands):

	As of December 31, 2024						
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cash Equivalents	Short-Term Investments	Long-Term Investments
Debt Securities							
Level 1							
Money market funds	$ 615,890	$ —	$ —	$ 615,890	$ 615,890	$ —	$ —
U.S. Treasury securities	2,159,558	1,886	(4,446)	2,156,998	—	1,402,694	754,304
Subtotal	2,775,448	1,886	(4,446)	2,772,888	615,890	1,402,694	754,304
Level 2							
U.S. agency securities	293,423	82	(211)	293,294	—	1	293,293
Commercial paper	280,243	—	(1)	280,242	19,818	260,424	—
Corporate debt securities	594,221	2,202	(1,240)	595,183	—	32,565	562,618
Subtotal	1,167,887	2,284	(1,452)	1,168,719	19,818	292,990	855,911
Total Debt Securities	$ 3,943,335	$ 4,170	$ (5,898)	$ 3,941,607	$ 635,708	$ 1,695,684	$ 1,610,215
Equity Securities							
Level 1							
Mutual funds [1]				$ 2,178	$ —	$ 2,178	$ —
Total Equity Securities				$ 2,178	$ —	$ 2,178	$ —
Total Cash Equivalents and Investments	$ 3,943,335	$ 4,170	$ (5,898)	$ 3,943,785	$ 635,708	$ 1,697,862	$ 1,610,215

	As of December 31, 2023						
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Cash Equivalents	Short-Term Investments	Long-Term Investments
Debt Securities							
Level 1							
Money market funds	$ 614,888	$ —	$ —	$ 614,888	$ 614,888	$ —	$ —
U.S. Treasury securities	1,692,700	2,007	(2,547)	1,692,160	—	1,155,218	536,942
Subtotal	2,307,588	2,007	(2,547)	2,307,048	614,888	1,155,218	536,942
Level 2							
U.S. agency securities	286,007	27	(197)	285,837	—	137,151	148,686
Commercial paper	184,465	—	—	184,465	14,827	169,638	—
Corporate debt securities	409,037	2,066	(1,262)	409,841	—	52,070	357,771
Subtotal	879,509	2,093	(1,459)	880,143	14,827	358,859	506,457
Total Debt Securities	$ 3,187,097	$ 4,100	$ (4,006)	$ 3,187,191	$ 629,715	$ 1,514,077	$ 1,043,399
Equity Securities							
Level 1							
Mutual funds [1]				$ 731	$ —	$ 731	$ —
Total Equity Securities				$ 731	$ —	$ 731	$ —
Total Cash Equivalents and Investments	$ 3,187,097	$ 4,100	$ (4,006)	$ 3,187,922	$ 629,715	$ 1,514,808	$ 1,043,399

[1] The equity securities relate to the Company's nonqualified deferred compensation plan and are held in a rabbi trust. Refer to Note 1, "Overview and Summary of Significant Accounting Policies", section titled "Deferred Compensation Plan" to the notes to the consolidated financial statements for more information.

As of December 31, 2024, all of the Company's short-term debt investments have contractual maturities of one year or less and all of the Company's long-term debt investments have contractual maturities between one and five years.

Changes in market interest rates, credit risk of borrowers and overall market liquidity, amongst other factors, may cause our short-term and long-term debt investments to fall below their amortized cost basis, resulting in unrealized losses. For those debt securities in an unrealized loss position as of December 31, 2024, the unrealized losses were primarily driven by increases in interest rates following the date of purchase and the Company does not intend to sell, nor is it more likely than not it will be required to sell, such securities before recovering the amortized cost basis.

The following table presents fair values and gross unrealized losses, aggregated by investment category and the length of time that individual securities have been in a continuous loss position (in thousands):

	As of December 31, 2024					
	Less Than 12 Months		12 Months or Greater		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. Treasury securities	$ 638,363	$ (4,434)	$ 25,891	$ (12)	$ 664,254	$ (4,446)
U.S. agency securities	102,229	(211)	—	—	102,229	(211)
Commercial paper	10,937	(1)	—	—	10,937	(1)
Corporate debt securities	256,629	(1,233)	3,041	(7)	259,670	(1,240)
Total	$ 1,008,158	$ (5,879)	$ 28,932	$ (19)	$ 1,037,090	$ (5,898)

	As of December 31, 2023					
	Less Than 12 Months		12 Months or Greater		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. Treasury securities	$ 486,424	$ (2,547)	$ —	$ —	$ 486,424	$ (2,547)
U.S. agency securities	182,475	(197)	—	—	182,475	(197)
Corporate debt securities	248,287	(1,262)	—	—	248,287	(1,262)
Total	$ 917,186	$ (4,006)	$ —	$ —	$ 917,186	$ (4,006)

5. Acquisitions

Speechly, Inc.

On September 18, 2023 (the "Speechly Acquisition Date"), the Company acquired all outstanding equity interests of Speechly, Inc. and its wholly owned Finnish subsidiary Speechly Oy (together, "Speechly"). Speechly was a privately held company that operated a speech recognition software focused on voice moderation. The acquisition has been accounted for as a business combination. The consideration totaled $10.1 million, which included (i) $4.8 million of cash paid on the Speechly Acquisition Date and (ii) $5.3 million of cash held back until certain post-acquisition conditions are satisfied.

The following table summarizes the Company's allocation of the purchase consideration based on the fair value of assets acquired and liabilities assumed at the Speechly Acquisition Date (in thousands):

	September 18, 2023
Cash and cash equivalents	$ 970
Other current assets acquired	111
Intangible assets, net	
Developed technology, useful life of five years	2,800
Goodwill	7,536
Other current liabilities assumed	$ (1,117)
Other long-term liabilities assumed	(182)
Total purchase price	$ 10,118

Goodwill is attributable to the assembled workforce and anticipated synergies arising from the acquisition. The goodwill recognized is not deductible for income tax purposes.

Byfron Technologies, LLC Acquisition

On October 11, 2022 (the "Byfron Acquisition Date"), the Company acquired all outstanding equity interests of Byfron Technologies, LLC ("Byfron"), a privately-held company that operated a security and anti-cheat software for game publishers. The acquisition has been accounted for as a business combination. The consideration totaled $9.6 million, which included $2.0 million of cash to be held back for 18 months following the Byfron Acquisition Date. The aggregate purchase consideration comprised of the following (in thousands):

	Fair Value
Cash paid	$ 7,603
Cash holdback	2,000
Total purchase price	$ 9,603

In connection with the acquisition, the Company also entered into agreements with the Byfron founders, which provide them $9.6 million over a three year service period following the Byfron Acquisition Date, subject to their continued service with the Company during that period. The agreements were determined to primarily benefit the Company and were recognized separate from the business combination. The expense associated with these agreements is being recognized ratably over the requisite service period of three years as a component of research and development expense.

The following table summarizes the Company's allocation of the purchase consideration based on the fair value of assets acquired and liabilities assumed at the Byfron Acquisition Date (in thousands):

	October 11, 2022
Cash and cash equivalents	$ 380
Goodwill	3,882
Identified intangible assets	5,500
Other assets	169
Other current liabilities	$ (328)
Total purchase price	$ 9,603

The following table presents details of the identifiable assets acquired (in thousands, except estimated useful life):

	Carrying Amount	Estimated Useful Life (Years)
Developed technology	$ 5,500	5
Total	$ 5,500	

Goodwill is primarily attributable to the assembled workforce and anticipated synergies arising from the acquisition. The goodwill recorded in the acquisition is deductible for income tax purposes.

Hamul, Inc. Acquisition

On April 1, 2022 (the "Hamul Acquisition Date"), the Company acquired all outstanding equity interests of Hamul, Inc. ("Hamul") a privately-held company that provided a platform for connecting gaming communities. The acquisition has been accounted for as a business combination. The fair value of the consideration transferred was $19.3 million, which consisted of $9.2 million paid in cash and 0.4 million shares of Class A common stock with a fair value of $4.0 million. The aggregate purchase consideration was comprised of the following (in thousands):

	Fair Value
Cash paid	$ 9,185
Common stock issued	4,009
Replacement awards attributable to pre-acquisition service	6,129
Total purchase price	$ 19,323

In connection with the acquisition, the Company entered into a stock-based consideration revesting agreement with the Hamul founders. The portion of the fair value of the common stock associated with pre-acquisition service of the Hamul founders represented a component of the total purchase consideration, as presented above. The remaining acquisition-date fair value of $7.6 million of these issued shares was excluded from the purchase price. These shares, which are subject to the recipients' continued service with the Company, are being recognized ratably as stock-based compensation expense as a component of research and development expense over the requisite service period of three years following the Hamul Acquisition Date.

The following table summarizes the Company's allocation of the purchase consideration based on the fair value of assets acquired and liabilities assumed at the Hamul Acquisition Date (in thousands):

	April 1, 2022
Cash and cash equivalents	$ 3,020
Goodwill	12,382
Identified intangible assets	4,500
Deferred tax liabilities	(579)
Total purchase price	$ 19,323

The following table presents details of the identifiable assets acquired (in thousands, except estimated useful life):

	Carrying Amount	Estimated Useful Life (Years)
Developed technology	$ 4,500	5
Total	$ 4,500	

Goodwill is attributable to the assembled workforce and anticipated synergies arising from the acquisition. The goodwill recognized is not deductible for income tax purposes.

6. Goodwill and Intangible Assets

Goodwill

The following table represents the changes to goodwill from December 31, 2022 to December 31, 2024 (in thousands):

	Carrying Amount
Balance as of December 31, 2022	$ 134,335
Additions from acquisitions	7,536
Foreign currency translation adjustments	258
Balance as of December 31, 2023	$ 142,129
Foreign currency translation adjustments	(441)
Balance as of December 31, 2024	$ 141,688

There are no accumulated impairment losses for any period presented.

Intangible Assets

The following tables present details of the Company's finite-lived intangible assets as of December 31, 2024 and December 31, 2023 (in thousands):

	As of December 31, 2024		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Developed technology	$ 75,291	$ (54,348)	$ 20,943
Patents	14,200	(2,150)	12,050
Assembled workforce	10,000	(9,750)	250
Trade name	500	(333)	167
Total intangible assets	$ 99,991	$ (66,581)	$ 33,410

	As of December 31, 2023		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Developed technology	$ 75,455	$ (39,411)	$ 36,044
Patents	14,200	(650)	13,550
Assembled workforce	10,000	(7,374)	2,626
Trade name	500	(233)	267
Total intangible assets	$ 100,155	$ (47,668)	$ 52,487

The above tables do not include $0.7 million and $0.6 million of indefinite lived intangible assets as of December 31, 2024 and December 31, 2023, respectively.

As of December 31, 2024, the weighted-average remaining useful lives of our finite-lived intangible assets were 1.4 years for developed technology, 8.2 years for patents, 0.1 years for assembled workforce, 1.7 years for trade names, and 2.2 years in total, for all finite-lived intangible assets.

Amortization expense related to our finite-lived intangible assets was $18.9 million, $19.3 million, and $16.4 million for the years ended December 31, 2024, 2023, and 2022, respectively.

Expected future amortization expenses related to the Company's finite lived intangible assets as of December 31, 2024 are as follows (in thousands):

Year ending December 31:	
2025	$ 15,694
2026	6,660
2027	3,096
2028	1,910
2029	1,500
Thereafter	4,550
Total remaining amortization expense	$ 33,410

7. Other Balance Sheet Components

Prepaid expenses and other current assets

Prepaid expenses and other current assets consisted of the following (in thousands):

	As of December 31,	
	2024	2023
Prepaid expenses	$ 47,919	$ 48,555
Accrued interest receivable	19,690	14,697
Other current assets	7,806	11,297
Total prepaid expenses and other current assets	$ 75,415	$ 74,549

Property and equipment, net

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

	As of December 31,	
	2024	2023
Servers and related equipment and software	$ 898,598	$ 914,989
Computer hardware and software licenses	55,002	43,732
Furniture and fixtures	2,121	520
Leasehold improvements	245,150	101,785
Construction in progress	46,158	77,043
Total property and equipment	1,247,029	1,138,069
Less accumulated depreciation and amortization expense	(587,440)	(442,709)
Property and equipment—net	$ 659,589	$ 695,360

Construction in progress primarily relates to network equipment infrastructure to support the Company's data centers and leasehold improvements for the Company's leased office buildings and data centers.

Property and equipment, net, by geographic area was as follows (in thousands):

	As of December 31,	
	2024	2023
United States	$ 615,665	$ 646,572
Rest of world	43,924	48,788
Total	$ 659,589	$ 695,360

In the third quarter of 2024, the Company re-assessed the estimated useful life of certain software licenses, resulting in the acceleration of their remaining depreciation expense of $17.9 million within infrastructure and trust & safety expenses.

Total depreciation and amortization expense of property and equipment was $207.5 million, $188.9 million, and $113.7 million for years ended December 31, 2024, 2023, and 2022, respectively.

Accrued expenses and other current liabilities

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

	As of December 31,	
	2024	2023
Accrued operating expenses and liabilities	$ 49,478	$ 51,921
Short-term operating lease liabilities	128,857	111,293
Accrued interest on the 2030 Notes	6,458	6,458
Taxes payable	54,609	59,632
Accrued compensation and other employee related liabilities	28,147	32,125
Other current liabilities	8,205	9,692
Total accrued expenses and other current liabilities	$ 275,754	$ 271,121

8. Debt

2030 Notes

On October 29, 2021, the Company issued $1.0 billion aggregate principal amount of its 3.875% Senior Notes due 2030 (the "2030 Notes"). The 2030 Notes mature on May 1, 2030. The 2030 Notes bear interest at a rate of 3.875% per annum. Interest on the 2030 Notes is payable semi-annually in arrears on May 1 and November 1 of each year, commencing on May 1, 2022.

The aggregate proceeds from the offering of the 2030 Notes were approximately $987.5 million, after deducting lenders costs and other issuance costs incurred by the Company. The issuance costs of $12.5 million are amortized into interest expense using the effective interest method over the term of the 2030 Notes.

The Company may voluntarily redeem the 2030 Notes, in whole or in part, under the following circumstances:

(1) Prior to November 1, 2024, the Company could have, on any one or more occasions, redeemed up to 40% of the aggregate principal amount of the 2030 Notes at a redemption price of 103.875% of the principal amount including accrued and unpaid interest, if any, with the net cash proceeds of certain equity offerings; provided that (1) at least 50% of the aggregate principal amount of 2030 Notes originally issued remained outstanding immediately after the occurrence of such redemption (excluding 2030 Notes held by the Company and its subsidiaries); and (2) the redemption occurred within 180 days of the date of the closing of such equity offerings.

(2) On or after November 1, 2024, the Company may voluntarily redeem all or a part of the 2030 Notes at the following redemption prices (expressed as percentages of principal amount), plus accrued and unpaid interest, if any, to, but excluding, the applicable redemption date:

Year	Percentage
2024	101.938 %
2025	100.969 %
2026 and thereafter	100.000 %

(3) Prior to November 1, 2024, the Company could have redeemed all or a part of the 2030 Notes at a redemption price equal to 100% of the principal amount of 2030 Notes redeemed, including accrued and unpaid interest, if any, plus the applicable "make-whole" premium set forth in the indenture governing the 2030 Notes (the "Indenture") as of the date of such redemption; and

(4) In connection with any tender offer for the 2030 Notes, including an offer to purchase (as defined in the Indenture), if holders of not less than 90% in aggregate principal amount of the outstanding 2030 Notes validly tender and do not withdraw such notes in such tender offer and the Company (or any third party making such a tender offer in lieu of the Company) purchases all of the 2030 Notes validly tendered and not withdrawn by such holders, the Company (or such third party) will have the right, upon not less than 10, but not more than 60 days' prior notice, given not more than 30 days following such purchase date to the holders of the 2030 Notes and the trustee, to redeem all of the 2030 Notes that remain outstanding following such purchase at a redemption price equal to the price offered to each holder of 2030 Notes (excluding any early tender or incentive fee) in such tender offer plus to the extent not included in the tender offer payment, accrued and unpaid interest, if any.

In certain circumstances involving a change of control triggering event (as defined in the Indenture), the Company will be required to make an offer to repurchase all, or at the holder's option, any part, of each holder's 2030 Notes at a repurchase price equal to 101% of the principal amount, plus accrued and unpaid interest, if any, to the applicable repurchase date.

The 2030 Notes are unsecured obligations and the Indenture contains covenants limiting the Company and its subsidiaries' ability to: (i) create certain liens and enter into sale and lease-back transactions; (ii) create, assume, incur or guarantee certain indebtedness; or (iii) consolidate or merge with or into, or sell or otherwise dispose of all of substantially all of the Company and its subsidiaries' assets to another person. These covenants are subject to a number of limitations and exceptions set forth in the Indenture and non-compliance with these covenants may result in the accelerated repayment of the 2030 Notes and any accrued and unpaid interest.

As of December 31, 2024, the Company was in compliance with all of its covenants under the Indenture.

The net carrying amount of the 2030 Notes, which is presented as a component of long-term debt in the Company's consolidated financial statements, was as follows (in thousands):

	As of December 31,	
	2024	2023
2030 Notes		
Principal	$ 1,000,000	$ 1,000,000
Unamortized issuance costs	(8,329)	(9,700)
Net carrying amount	$ 991,671	$ 990,300

Interest expense related to the 2030 Notes was as follows (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Contractual interest expense	$ 38,750	$ 38,750	$ 38,642
Amortization of debt issuance costs	1,371	1,316	1,261
Total interest expense	$ 40,121	$ 40,066	$ 39,903

The debt issuance costs for the 2030 Notes are amortized to interest expense over the term of the 2030 Notes using an annual effective interest rate of 4.05%.

As of December 31, 2024, and 2023, the estimated fair value of the 2030 Notes was approximately $901.5 million and $891.8 million, respectively, determined based on the last trading price of the 2030 Notes during the reporting period (a Level 2 input).

Future interest and principal payments related to the 2030 Notes, as of December 31, 2024, were as follows (in thousands):

Year ending December 31,	
2025	$ 38,750
2026	38,750
2027	38,750
2028	38,750
2029	38,750
Thereafter	1,019,370
Total future interest and principal payments related to the 2030 Notes	$ 1,213,120

Joint Venture Financing

Refer to Note 14, “Joint Venture”, in the notes to the consolidated financial statements for additional information on debt issued by the Company’s consolidated subsidiary, Roblox China Holding Corp.

9. Commitments and Contingencies

Purchase Obligations—Non-cancellable contractual purchase obligations, primarily consisting of contracts associated with data center and software vendors, were as follows as of December 31, 2024 (in thousands):

Year ending December 31,	
2025	$ 233,121
2026	89,981
2027	2,458
2028	312
2029	77
Thereafter	—
Total non-cancellable contractual purchase obligations	$ 325,949

Letters of Credit—The Company has letters of credit in connection with its operating leases which are not reflected in the Company’s consolidated balance sheets as of December 31, 2024 and 2023. The Company has not drawn down from the letters of credit and had $8.3 million and $11.6 million available in aggregate as of December 31, 2024 and 2023, respectively.

Legal Proceedings—The Company is and, from time to time may in the future become, involved in legal proceedings, claims and litigation in the ordinary course of business.

As of December 31, 2024 and 2023, the Company accrued for immaterial losses related to litigation matters that the Company believes to be probable and for which an amount of loss can be reasonably estimated. The Company considered the progress of these cases, the opinions and views of its legal counsel and outside advisors, its experience and settlements in similar cases, and other factors in arriving at the conclusion that a potential loss was probable. The Company cannot determine a reasonable estimate of the maximum possible loss or range of loss for all of these matters given that they are at various stages of the litigation process and each case is subject to the inherent uncertainties of litigation. The Company may incur substantial legal fees, which are expensed as incurred, in defending against these legal proceedings. The maximum amount of liability that may ultimately result from any of these matters cannot be predicted with absolute certainty and the ultimate resolution of one or more of these matters could ultimately have a material adverse effect on our operations.

On August 1, 2023, a putative class action was filed against the Company in the United States District Court for the Northern District of California, captioned *Colvin v. Roblox* (the "Colvin matter"), asserting various claims arising from allegations that minors used third-party virtual casinos to gamble Robux. On December 15, 2023, the Company filed a motion to dismiss and on March 26, 2024, the motion to dismiss was granted in part and denied in part, allowing plaintiffs' negligence and California Unfair Competition Law claims to proceed. On March 28, 2024, a supplemental order clarified that plaintiffs' claims for unjust enrichment and equitable relief could proceed as well. On April 9, 2024, plaintiffs filed an amended complaint realleging the California Consumer Legal Remedies Act and New York General Business Law claims that had been dismissed.

Separately, on March 14, 2024, *Gentry v. Roblox* was filed in the United States District Court for the Northern District of California premised on substantially identical allegations as the Colvin matter. On April 18, 2024, the *Gentry v. Roblox* matter was consolidated with the Colvin matter. Plaintiffs filed a consolidated complaint on April 23, 2024. The consolidated complaint seeks monetary damages, including actual, punitive, and statutory damages, restitution, attorneys' fees and costs, and declaratory and injunctive relief. The Company filed a motion to dismiss the consolidated complaint on May 14, 2024, which the court granted in part and denied in part on September 19, 2024. The Court dismissed with prejudice plaintiffs' fraud-based claims and claims for injunctive relief, but allowed plaintiffs' claims under California's Unfair Competition Law and for negligence and unjust enrichment to proceed. On October 30, 2024, the Company filed an answer denying plaintiffs' claims. On November 20, 2024, the Company filed an Amended Answer, again denying Plaintiffs' claims, and adding cross-claims against virtual casino defendants for intellectual property infringement, violation of the Computer Fraud and Abuse Act, breach of contract, tortious interference, and indemnification, among others. Discovery is underway.

The Company intends to defend itself vigorously against all claims asserted. At this time, the Company is unable to reasonably estimate the loss or range of loss, if any, arising from the above-referenced matter.

Indemnification—In the ordinary course of business, the Company enters into agreements that may include indemnification provisions. Pursuant to such agreements, the Company may indemnify, hold harmless and defend an indemnified party for losses suffered or incurred by the indemnified party. Some of the provisions will limit losses to those arising from third-party actions. In some cases, the indemnification will continue after the termination of the agreement. The maximum potential amount of future payments the Company could be required to make under these provisions is not determinable. To date, the Company has not incurred material costs to defend lawsuits or settle claims related to these indemnification provisions.

The Company has also entered into indemnification agreements with its directors and officers that may require the Company to indemnify its directors and officers against liabilities that may arise by reason of their status or service as directors or officers to the fullest extent permitted by Delaware corporate law. To date, the Company has not incurred any material costs and has not accrued any liabilities related to such obligations. The Company also has directors' and officers' insurance.

10. Stockholders' Equity

Preferred Stock —The Company's amended and restated certificate of incorporation authorizes the issuance of 100.0 million shares of convertible preferred stock with a par value of $0.0001 per share.

Common Stock —The Company's amended and restated certificate of incorporation authorizes the issuance of Class A common stock and Class B common stock. As of December 31, 2024, the Company is authorized to issue 4,935.0 million shares of Class A common stock and 65.0 million shares of Class B common stock. Holders of Class A common stock and Class B common stock are entitled to dividends on a pro rata basis, when, as, and if declared by the Company's Board of Directors, subject to the rights of the holders of the Company's convertible preferred stock. Holders of Class A common stock are entitled to one vote per share, and holders of Class B common stock are entitled to 20 votes per share. Each share of our Class B common stock is convertible into one share of our Class A common stock at any time and will convert automatically upon certain transfers and upon the earliest of (i) the date that is specified by the affirmative vote of the holders of two-thirds of the then-outstanding shares of Class B common stock, (ii) the date on which less than 30% of the Class B common stock that was outstanding on March 2, 2021 continues to remain outstanding, (iii) March 10, 2036, (iv) nine months after the death or permanent disability of Mr. David Baszucki, and (v) nine months after the date on which Mr. Baszucki no longer serves as our CEO or as a member of our Board of Directors. Class A common stock and Class B common stock are not redeemable at the option of the holder.

During the years ended December 31, 2024 and 2023, respectively, 1.8 million and 1.3 million shares of Class B common stock held by entities affiliated with Mr. Baszucki, Founder, President, CEO and Chair of our Board of Directors (the "CEO") were converted to Class A common stock.

Class A and Class B common stock are referred to as common stock throughout the notes to the consolidated financial statements, unless otherwise noted.

The Company had reserved shares of common stock for future issuance as follows (in thousands):

	As of December 31,		
	2024	2023	2022
Stock options outstanding	27,458	40,159	51,591
RSUs outstanding	35,012	39,846	30,322
PSUs outstanding [(1)]	2,304	905	415
CEO Long-Term Performance Award [(1)(2)]	—	11,500	11,500
2020 Equity Incentive Plan	91,642	66,114	59,945
2020 Employee Stock Purchase Plan	20,855	16,075	11,093
Stock warrants outstanding	264	264	264
RSAs outstanding	32	149	500
Total	177,567	175,012	165,630

(1) Represents the shares of common stock reserved for future issuance at the maximum achievement levels.

(2) On March 1, 2024, the Leadership Development and Compensation Committee (i) approved the cancellation of the CEO Long-Term Performance Award, which was previously granted to the CEO under the 2017 Amended and Restated Equity Incentive Plan and (ii) granted Mr. Baszucki a new PSU award and RSU award. The PSUs and RSUs granted to Mr. Baszucki on March 1, 2024 are included in those respective rows above as of December 31, 2024. Refer to Note 11, "Stock-Based Compensation Expense", to the notes to the consolidated financial statements for further discussion.

11. Stock-Based Compensation Expense

2004 Incentive Stock Plan

In 2004, the Company approved the 2004 Incentive Stock Plan (the "2004 Plan"), under which the Board of Directors may grant incentive stock options to employees and nonstatutory stock options to employees, members of the Board of Directors and consultants of the Company and its subsidiaries.

Under the 2004 Plan, incentive stock options and nonstatutory stock options may be granted at a price not less than fair value and 85% of the fair value, respectively (110% of fair value for incentive stock options granted to holders of 10% or more of voting stock). Fair value is determined by the Board of Directors. Options are exercisable over periods not to exceed 10 years (five years for incentive stock options granted to holders of 10% or more of the voting stock) from the date of grant.

The 2004 Plan was terminated on the effective date of the 2017 Amended and Restated Equity Incentive Plan, and accordingly, no shares are available for issuance under the 2004 Plan. The 2004 Plan continues to govern outstanding awards granted thereunder.

2017 Amended and Restated Equity Incentive Plan

In 2017, the Company approved the 2017 Amended and Restated Equity Incentive Plan (the "2017 Plan"), under which the Board of Directors may grant incentive stock options to employees and nonstatutory stock options, stock appreciation rights, restricted stock, and RSUs, to employees, members of the Board of Directors and consultants of the Company and its subsidiaries.

Under the 2017 Plan, stock options may be granted at a price not less than fair value (110% of fair value for incentive stock options issued to holders of 10% or more of voting stock). Stock appreciation rights may be granted at a price not less than fair value. Fair value is determined by the Board of Directors. Options are exercisable over periods not to exceed 10 years (five years for incentive stock options granted to holders of 10% or more of the voting stock) from the date of grant.

In connection with the Direct Listing, the 2017 Plan was terminated effective immediately prior to the effectiveness of the 2020 Equity Incentive Plan, and accordingly, no shares are available for issuance under the 2017 Plan. The 2017 Plan continues to govern outstanding awards granted thereunder.

2020 Equity Incentive Plan

In 2020, the Company's Board of Directors adopted, and its stockholders approved, the 2020 Equity Incentive Plan (the "2020 Plan"), which became effective on the business day immediately prior to the effective date of the registration statement for the Company's Direct Listing. Under the 2020 Plan, the Board of Directors may grant incentive stock options to employees and stock appreciation rights, RSAs, and RSUs, performance units and performance shares to employees, members of the Board of Directors and consultants of the Company and its subsidiaries.

Under the 2020 Plan, incentive stock options, nonstatutory stock options, and stock appreciation rights may be granted at a price not less than 100% of the fair market value of the underlying common stock on the date of grant (110% of fair value for incentive stock options issued to holders of 10% or more of voting stock). Options and stock appreciation rights are exercisable over a period not to exceed 10 years (five years for incentive stock options granted to holders of 10% or more of the voting stock) from the date of grant.

Under the 2020 Plan, 60.0 million shares of Class A common stock were initially reserved for future issuance. The number of shares of our Class A common stock reserved for future issuance under our 2020 Plan automatically increases on January 1 of each year by the least of (i) 75.0 million shares; (ii) five percent (5%) of the outstanding shares of all classes of the Company's common stock as of December 31 of the preceding fiscal year; or (iii) a number of shares that may be determined by the Company's Board of Directors. Stock-based awards under the 2020 Plan that expire or are forfeited, cancelled, or repurchased generally are returned to the pool of shares of Class A common stock available for issuance under the 2020 Plan. In addition, subject to the adjustment provisions of the 2020 Plan, the shares reserved for issuance under the 2020 Plan also include (i) any shares that, as of the day immediately prior to the effective date of the registration statement, have been reserved but not issued pursuant to any awards granted under the 2017 Plan and are not subject to any awards thereunder and (ii) any shares subject to stock options, RSUs or similar awards granted under our 2017 Plan and 2004 Plan that, after the effective date of the registration statement, expire or otherwise terminate without having been exercised or issued in full, are tendered to or withheld by the Company for payment of an exercise price or for tax withholding obligations, or are forfeited to or repurchased by the Company due to failure to vest.

Employee Stock Purchase Plan

In 2020, the Company's Board of Directors adopted, and its stockholders approved, the 2020 ESPP, which became effective in connection with the Direct Listing. The 2020 ESPP authorizes the issuance of shares of common stock pursuant to purchase rights granted to employees. At inception, 6.0 million shares of the Company's Class A common stock were reserved for future issuance under the 2020 ESPP. The number of shares of our Class A common stock reserved for future issuance under our 2020 ESPP automatically increases on January 1 of each year by the least of (i) 15.0 million shares; (ii) one percent (1%) of the outstanding shares of all classes of the Company's common stock as of December 31 of the preceding fiscal year; or (iii) a number of shares that may be determined by the Company's Board of Directors

The 2020 ESPP plan is a compensatory plan and includes two components: a component that allows the Company to make offerings intended to qualify under Section 423 of the Internal Revenue Code of 1986 (the "Code") and a component that allows the Company to make offerings not intended to qualify under Section 423 of the Code. Subject to any limitations contained therein, the 2020 ESPP allows eligible employees to contribute (in the form of payroll deductions or otherwise to the extent permitted by the administrator) an amount established by the administrator from time to time in its discretion to purchase Class A common stock at a discounted price per share. The price at which Class A common stock is purchased under the 2020 ESPP is equal to 85% of the fair market value of a share of the Company's Class A common stock on the enrollment date or exercise date, whichever is lower. Offering periods are generally 24 months long and begin on the first trading day on or after February 25 and August 25 of each year with each offering period having four purchase periods of approximately six months each.

Stock-based compensation expense

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

	Year Ended December 31,		
	2024	2023	2022
Infrastructure and trust & safety	$ 113,708	$ 92,147	$ 56,197
Research and development	723,326	607,593	398,899
General and administrative	138,444	131,577	109,607
Sales and marketing	40,316	36,650	24,795
Total stock-based compensation expense	$ 1,015,794	$ 867,967	$ 589,498

Stock Options

The following table summarizes the Company's stock option activity (in thousands, except per option data and remaining contractual term):

	Options Outstanding			
	Number of Shares Subject to Options	Weighted-Average Exercise Price (per Option)	Weighted-Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Balances as of December 31, 2021	63,267	$ 2.82	6.97	$ 6,348,395
Granted	—	—		
Cancelled, forfeited, and expired	(2,061)	$ 4.06		
Exercised	(9,615)	$ 2.37		
Balances as of December 31, 2022	51,591	$ 2.85	6.00	$ 1,321,183
Granted	—	—		
Cancelled, forfeited, and expired	(762)	$ 4.60		
Exercised	(10,670)	$ 2.23		
Balances as of December 31, 2023	40,159	$ 2.98	5.16	$ 1,716,171
Granted	—	—		
Cancelled, forfeited, and expired	(203)	$ 4.80		
Exercised	(12,498)	$ 2.75		
Balances as of December 31, 2024	27,458	$ 3.08	4.24	$ 1,504,261
Exercisable as of December 31, 2024	27,278	$ 3.06	4.23	$ 1,494,815
Vested and expected to vest at December 31, 2024	27,458	$ 3.08	4.24	$ 1,504,261

The aggregate intrinsic value of options exercised for the years ended December 31, 2024, 2023, and 2022 was $530.0 million, $373.4 million, and $423.3 million, respectively. Aggregate intrinsic value represents the difference between the exercise price of the options and the estimated fair value of the Company's Class A common stock at the time of exercise. The aggregate grant-date fair value of options that vested during the years ended December 31, 2024, 2023, and 2022 was $23.5 million, $51.9 million, and $64.1 million, respectively.

As of December 31, 2024, the Company had $2.6 million of unrecognized stock-based compensation related to unvested options, which is expected to be recognized over a weighted-average remaining requisite service period of less than one year.

RSUs and RSAs

The following table summarizes the Company's RSU and RSA activity (in thousands, except per share data):

	RSUs		RSAs	
	Number of Shares	Weighted-Average Grant Date Value per Share	Number of Shares	Weighted-Average Grant Date Value per Share
Unvested as of December 31, 2021	14,684	$ 68.03	468	$ 57.37
Granted	25,540	$ 41.09	298	$ 46.00
Vested and released	(8,169)	$ 57.65	(266)	$ 53.67
Cancelled	(1,733)	$ 57.58	—	—
Unvested as of December 31, 2022	30,322	$ 48.73	500	$ 52.55
Granted	27,377	$ 37.59	—	—
Vested and released	(14,812)	$ 45.97	(351)	$ 55.31
Cancelled	(3,041)	$ 46.79	—	—
Unvested as of December 31, 2023	39,846	$ 42.25	149	$ 46.00
Granted	22,604	$ 40.54	—	—
Vested and released	(21,170)	$ 42.83	(92)	$ 46.00
Cancelled	(6,268)	$ 40.68	(25)	$ 46.00
Unvested as of December 31, 2024	35,012	$ 41.07	32	$ 46.00

As of December 31, 2024, the Company had $1,339.2 million of unrecognized stock-based compensation related to RSUs, which is expected to be recognized over the weighted-average remaining requisite service period of 1.9 years.

RSUs granted prior to our Direct Listing vest upon the satisfaction of both the service condition and a liquidity event-related performance vesting condition which was satisfied on the Effective Date. Stock-based compensation related to the remaining service-based period after the liquidity event-related performance vesting condition was satisfied is being recorded over the remaining requisite service period using the accelerated attribution method.

RSUs granted subsequent to our Direct Listing only have service conditions, which historically have been satisfied generally over four years. For grants made during and subsequent to July 2022, the service condition is satisfied generally over three years.

As of December 31, 2024, the amount of unrecognized stock-based compensation related to RSAs was not material.

CEO PSUs and RSUs

CEO Long-Term Performance Award

In February 2021, the Leadership Development and Compensation Committee of the Company's Board of Directors granted the CEO a Long-Term Performance Award under the 2017 Plan, which provided him the opportunity to earn a maximum number of 11,500,000 shares of Class A common stock. On March 1, 2024 (the "Modification Date"), the Leadership Development and Compensation Committee (i) approved the cancellation of the CEO Long-Term Performance Award and (ii) granted the CEO a new PSU award (the "2024 CEO PSU Award") and RSU award (collectively, the "2024 CEO Award") (refer to "2024 CEO PSUs and RSUs" header below for more information on the modified award). As of the Modification Date, $84.4 million of stock-based compensation expense remained unrecognized related to the CEO Long-Term Performance Award.

The CEO Long-Term Performance Award would have been eligible to vest based upon the satisfaction of a service condition and achievement of certain Class A common stock price targets (referred to as a "Company Stock Price Hurdle") over various performance periods, with the first performance period beginning two years after the Effective Date and ending on the seventh anniversary of the Effective Date. The CEO Long-Term Performance Award was divided into seven performance periods that were eligible to vest based on the achievement of various Company Stock Price Hurdles, measured based on an average of our stock price over a consecutive 90-day trading period applicable to the performance period. In addition, Mr. Baszucki must have remained employed as our CEO through the date a Company Stock Price Hurdle was achieved in order to earn the RSUs that relate to the applicable Company Stock Price Hurdle. The following table summarizes the various Company Stock Price Hurdles and associated RSUs that would have been eligible to vest over each performance period (in thousands, except Company Stock Price Hurdles):

	Company Stock Price Hurdle	Number of RSUs Eligible to Vest	Performance Period Commencement Dates as Measured from the Effective Date
1	$ 165.00	750	2 years
2	$ 200.00	750	3 years
3	$ 235.00	2,000	4 years
4	$ 270.00	2,000	5 years
5	$ 305.00	2,000	5 years
6	$ 340.00	2,000	5 years
7	$ 375.00	2,000	5 years

The Company estimated the grant date fair value of the CEO Long-Term Performance Award using a model based on multiple stock price outcomes developed through the use of a Monte Carlo simulation that incorporates into the valuation the possibility that the Company Stock Price Hurdles may not be satisfied. A Monte Carlo simulation model requires use of various assumptions, including the underlying stock price, volatility, and the risk-free interest rate as of the valuation date, corresponding to the length of time remaining in the performance period, and expected dividend yield. The weighted-average grant date fair value of the CEO Long-Term Performance Award was estimated to be $20.19 per share, and the Company estimated that as of the grant date, it would have recognized total stock-based compensation expense of approximately $232.2 million over the derived service period of each of the seven separate tranches which was between 3.45 – 5.38 years, using the accelerated attribution method.

2024 CEO PSUs and RSUs

The Company determined that the concurrent cancellation of the CEO Long-Term Performance Award and granting of the 2024 CEO Award represented a modification of the CEO Long-Term Performance Award. As of the Modification Date, total subsequent stock-based compensation expense to be recognized was measured as (i) the remaining unrecognized stock-based compensation expense related to the grant date fair value of the CEO Long-Term Performance Award and (ii) the incremental fair value resulting from the modification, if any. To estimate the incremental fair value resulting from the modification (if any), the Company first estimated the fair value of the modified CEO Long-Term Performance Award immediately prior to the Modification Date using a model based on multiple stock price outcomes developed through the use of a Monte Carlo simulation that incorporated into the valuation the possibility that the stock price targets may not be satisfied. A Monte Carlo simulation model requires the use of various assumptions, including the underlying stock price, volatility, and the risk-free interest rate as of the valuation date, corresponding to the length of time remaining in the performance period, and expected dividend yield. On the Modification Date, the estimated fair value of the CEO Long-Term Performance Award immediately prior to the modification was greater than the estimated fair value of the 2024 CEO Award (which was generally estimated based on the Modification Date fair value of the Class A common stock underlying the 2024 CEO Award, with consideration of the probability of achievement against the pre-established performance measures). As a result, the modification did not result in any incremental stock-based compensation expense. As of the Modification Date, total subsequent stock-based compensation expense to be recognized totaled $84.4 million. Of the total estimated stock-based compensation expense, 75% of the value was allocated to the 2024 CEO PSU Award with the remaining 25% allocated to the RSUs, based on the relative value of the two awards on the Modification Date.

Under the 2024 CEO PSU Award, the number of shares that can be earned will range from 0% to 200% of the target number of shares based on the Company's performance against two independent performance measures relative to pre-established thresholds during a two-year performance period ending on December 31, 2025. The two independent performance measures include the Company's cumulative (i) bookings during the performance period, as defined in the grant agreement with the CEO and (ii) Adjusted EBITDA during the performance period, which correlates to the covenant adjusted EBITDA calculation used in certain covenant calculations specified in the indenture governing our 2030 Notes (the "PSU Adjusted EBITDA"). Further, the awards are subject to Mr. Baszucki's continuous service with the Company through each vesting date, with the initial vesting date to occur in the first quarter of 2026 (of which 67% of the award earned, if any, will vest) and the remaining vesting dates to occur in four equal quarterly installments beginning in the second quarter of 2026. The Company will recognize stock-based compensation expense for the 2024 CEO PSU Award on an accelerated attribution method over the requisite service period of each separately vesting tranche. Actual performance against the pre-established threshold under the 2024 CEO PSU Award will have no impact on the subsequent stock-based compensation expense recognized.

The target number of the 2024 CEO PSU Award was 446,534 in aggregate, with 80% of the target number of shares allocated to the cumulative bookings performance measure and 20% of the target number of shares allocated to the cumulative PSU Adjusted EBITDA performance measure.

The Company recorded $32.6 million of stock-based compensation expense related to the 2024 CEO PSU Award and CEO Long-Term Performance Award, in total, during the year ended December 31, 2024 within general and administrative expenses. The Company recorded $48.9 million of stock-based compensation expense related to the CEO Long-Term Performance Award during each of the years ended December 31, 2023 and 2022 within general and administrative expenses. Unrecognized stock-based compensation expense related to the 2024 CEO PSU Award was $38.7 million as of December 31, 2024, which is expected to be recognized over the remaining derived service period of each respective tranche.

The number of RSUs granted under the 2024 CEO Award totaled 148,844 and the RSUs will vest quarterly over a three-year service period beginning March 1, 2024, subject to Mr. Baszucki's continued service with the Company on each vesting date.

Other PSUs

2024 Executive PSU Awards

During the first quarter of 2024, the Leadership Development and Compensation Committee granted PSU awards to certain members of management (the "2024 Executive PSU Awards"). The vesting requirements, performance metrics, and performance period of the 2024 Executive PSU Awards are consistent with those of the 2024 CEO PSU Award.

The target number of 2024 Executive PSU Awards was 353,241 in total, with 80% of the target number of shares allocated to the cumulative bookings performance measure and 20% of the target number of shares allocated to the cumulative PSU Adjusted EBITDA performance measure.

The Company recognizes stock-based compensation expense for the 2024 Executive PSU Awards based upon the per-share grant date fair value of $41.32 on an accelerated attribution method over the requisite service period of each separately vesting tranche. At each reporting period, the amount of stock-based compensation is determined based on the probability of achievement against the pre-established performance measures and if necessary, a cumulative catch-up adjustment is recorded to reflect any revised estimates regarding the probability of achievement.

During the year ended December 31, 2024, $11.3 million of stock-based compensation expense was recorded related to the 2024 Executive PSU Awards. Based on the expected probability of achievement against the pre-established performance measures as of December 31, 2024, unrecognized stock-based compensation expense related to the 2024 Executive PSU Awards was $17.8 million, which is expected to be recognized over the remaining derived service period of each respective tranche.

2023 PSU Awards

During the second quarter of 2023, the Leadership Development and Compensation Committee granted PSU awards to certain members of management (the "2023 PSU Awards"). The number of shares that can be earned will range from 0% to 200% of the target number of shares, based on the Company's performance against two independent performance measures relative to pre-established thresholds during a two-year performance period ending on December 31, 2024. The two independent performance measures include the Company's cumulative (i) bookings during the performance period, as defined in the respective grant agreements with each employee and (ii) PSU Adjusted EBITDA during the performance period. Further, the awards are subject to continuous employment, with the first vesting to occur in the first quarter of 2025 (in which 50% of any awards earned will vest) and the second vesting to occur in the second quarter of 2026 (in which the remaining 50% of any awards earned will vest).

As of December 31, 2024, the target number of shares under the 2023 PSU Awards totaled 213,502, with 80% of the target number of shares allocated to the cumulative bookings performance measure and 20% of the target number of shares allocated to the cumulative PSU Adjusted EBITDA performance measure. Based on actual performance through the end of the performance period ending on December 31, 2024, a total of 373,029 shares were earned under the 2023 PSU Awards, subject to each employees continuous employment through the required vesting dates.

The Company recognizes stock-based compensation expense for the 2023 PSU Awards based upon the per-share grant date fair value of $45.70 on an accelerated attribution method over the requisite service period of each separately vesting tranche. At each reporting period, the amount of stock-based compensation is determined based on the probability of achievement against the pre-established performance measures and if necessary, a cumulative catch-up adjustment is recorded to reflect any revised estimates regarding the probability of achievement.

On August 1, 2024, Michael Guthrie, the Company's Chief Financial Officer, notified Roblox of his intent to resign as Chief Financial Officer. The Company entered into a Separation and Transition Agreement with Mr. Guthrie on September 30, 2024 (the "Transition Agreement"), pursuant to which Mr. Guthrie's employment with the Company will terminate upon the commencement of employment of the Company's next Chief Financial Officer. Following his termination of employment, Mr. Guthrie will continue to serve the Company as an advisor until March 1, 2025, or, if later, the one-month anniversary of his termination date. Pursuant to his agreement, on the determination date (as defined in his applicable PSU agreement and which is expected to occur in the first quarter of 2025), Mr. Guthrie will vest into the first 50% of his 2023 PSUs, contingent upon the Company achievement of performance measures. The Company concluded that the Transition Agreement constitutes a modification of the remaining requisite service period for the modified portion of Mr. Guthrie's 2023 PSU Award and the remaining expense related to the modified tranche was recognized in the fourth quarter of 2024.

The Company recorded $6.7 million and $6.4 million of stock-based compensation expense related to the 2023 PSU Awards during the years ended December 31, 2024 and 2023, respectively. Unrecognized stock-based compensation expense related to the 2023 PSU Awards was $4.0 million as of December 31, 2024, which is expected to be recognized over the remaining derived service period of each respective tranche.

2022 PSU Awards

During the second quarter of 2022, the Leadership Development and Compensation Committee granted PSU awards to certain members of management (the "2022 PSU Awards"). On the grant date, the target number of 2022 PSU Awards was 207,284. The number of shares that can be earned will range from 0% to 200% of the target number of shares, based on the Company's stock price performance and achievement of certain stock price hurdles during the last quarter of the second year through the end of the third year of a three-year performance period (the "2022 PSU Awards Stock Price Hurdles") and subject to continuous employment through such date.

The Company estimated the grant date fair value of the 2022 PSU Awards using a model based on multiple stock price outcomes developed through the use of a Monte Carlo simulation which incorporates into the valuation the possibility that the 2022 PSU Awards Stock Price Hurdles may not be satisfied. The grant date fair value of the 2022 PSU Awards was estimated to be $43.13 per share, and the Company estimates that it will recognize total stock-based compensation expense of approximately $6.0 million using the accelerated attribution method over the derived service period of each tranche which is equal to five measurement periods commencing with the last quarter of the second year and ending with the last quarter of the third year. If the 2022 PSU Awards Stock Price Hurdles are met sooner than the derived service period, the stock-based compensation expense will be adjusted to reflect the cumulative expense associated with the vested award. Stock-based compensation expense will be recognized over the requisite service period if the members of management continue to provide service to the Company, regardless of whether the 2022 PSU Awards Stock Price Hurdles are achieved.

The Company recorded a stock-based compensation benefit of $0.3 million during the year ended December 31, 2024, primarily driven by the departure of an executive in the second quarter of 2024, and stock-based compensation expense of $3.2 million and $3.0 million during the years ended December 31, 2023 and 2022, respectively, related to the 2022 PSU Awards. As of December 31, 2024, unrecognized stock-based compensation expense related to the 2022 PSU awards was not material.

Employee Stock Purchase Plan

The following table presents the assumptions used in estimating the grant date fair value of purchase rights granted under the 2020 ESPP for the offerings made in the respective years including reset and rollover:

	Year Ended December 31,								
	2024			2023			2022		
Risk-free interest rate	3.91%	-	5.34%	4.78%	-	5.61%	0.71%	-	3.35%
Expected volatility	44.43%	-	76.08%	47.92%	-	75.99%	54.16%	-	81.51%
Dividend yield	—%			—%			—%		
Expected terms (in years)	0.50	-	2.00	0.49	-	2.00	0.50	-	2.01

The Company recorded $18.5 million, $32.0 million, and $25.7 million of stock-based compensation expense related to the 2020 ESPP during the years ended December 31, 2024, 2023, and 2022, respectively.

12. Accumulated Other Comprehensive Income (Loss)

The following table shows a summary of changes in accumulated other comprehensive income/(loss) by component for the periods presented (in thousands):

	Foreign Currency Translation	Unrealized Gains/ (Losses) on Available-For-Sale Debt Securities	Total
Balance as of December 31, 2022	$ 671	$ —	$ 671
Other comprehensive income/(loss), net of tax, before reclassifications	771	(1,845)	(1,074)
Amounts reclassified from accumulated other comprehensive income/(loss), net of tax	—	1,939	1,939
Change in accumulated other comprehensive income/ (loss), net of tax	771	94	865
Balance as of December 31, 2023	$ 1,442	$ 94	$ 1,536
Other comprehensive income/(loss), net of tax, before reclassifications	(3,609)	(3,130)	(6,739)
Amounts reclassified from accumulated other comprehensive income/(loss), net of tax	—	1,308	1,308
Change in accumulated other comprehensive income/ (loss), net of tax	(3,609)	(1,822)	(5,431)
Balance as of December 31, 2024	$ (2,167)	$ (1,728)	$ (3,895)

13. Employee Benefits

Defined Contribution Plan

The Company sponsors a 401(k) defined contribution retirement plan for eligible employees. For the years ended December 31, 2024 and 2023, the Company matched 100% of all employee contributions, up to 50% of the Internal Revenue Service ("IRS") deferral limit. For the year ended December 31, 2022, the Company matched 100% of the first 3% of employee contributions and 50% of the next 2% for each employee, subject to the maximum total contribution mandated by the IRS.

The Company made matching contributions in the amounts of $28.0 million, $24.9 million, and $14.6 million for the years ended December 31, 2024, 2023, and 2022, respectively.

14. Joint Venture

Background

In February 2019, the Company entered into a joint venture agreement with Songhua River Investment Limited ("Songhua"), an affiliate of Tencent Holdings Ltd. ("Tencent Holdings"), to create Roblox China Holding Corp. (in which Roblox holds a 51% ownership interest as it relates to the voting shares). Songhua contributed $50.0 million in capital in exchange for a 49% ownership interest in Roblox China Holding Corp. The business of the joint venture (either directly or indirectly through the joint venture's wholly owned subsidiaries) is to engage in the (i) development, localization, and licensing of the Roblox application to Shenzhen Tencent Computer Systems Co., Ltd. for operation and publication as a game in China, and (ii) development, localization, and licensing to creators of a Chinese version of the Roblox Studio and to oversee relations with local Chinese developers.

The joint venture is consolidated into the Company's consolidated financial statements as the Company maintains a controlling financial interest through voting rights, while the minority member of the joint venture does not have substantive participating rights or veto rights. The Company classifies the 49% ownership interest held by Songhua as a noncontrolling interest on its consolidated balance sheet.

Joint Venture Financing

On May 10, 2023, Roblox China Holding Corp. (the "Borrower") issued $30.0 million aggregate principal debt which matures on May 10, 2026 (the "2026 Notes"), unless earlier prepaid by the Borrower or converted by the holders into the Borrower's voting shares. Further, the Borrower, at its sole election, may extend the maturity date by two years.

The 2026 Notes were funded by the Company and Songhua (the "Lenders") in the amounts of $15.3 million and $14.7 million, respectively. The 2026 Notes bear interest at a rate of 6.0% per annum, with accrued interest payable on the final maturity date.

At any point, the Lenders may voluntarily convert the 2026 Notes into voting shares of the Borrower, provided that immediately after such conversion, the Lenders continue to own the same percentage of voting shares in the Borrower as they did immediately prior to the conversion. The conversion ratio will be determined at the time of such conversion (if any), and will be determined by dividing the then fair value of the Borrower's voting shares (as mutually agreed to by the Lenders and Borrower) into the sum of the unpaid principal and accrued interest.

The portion of the 2026 Notes outstanding to Songhua is reflected in the Company's consolidated financial statements as long-term debt, net, at its principal amount, while the portion outstanding to the Company – including any related interest expense – is eliminated upon consolidation. Interest expense related to the 2026 Notes was $0.9 million and $0.5 million for the years ended December 31, 2024 and 2023, respectively.

15. Income Taxes

The components of loss before income taxes were as follows (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Domestic	$ (935,487)	$ (1,151,493)	$ (916,592)
Foreign	(1,013)	(6,990)	(13,997)
Loss before income taxes	$ (936,500)	$ (1,158,483)	$ (930,589)

The components of the provision for/(benefit from) income taxes were as follows (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Current provision:			
Federal	$ —	$ (144)	$ 144
State	2,007	(561)	2,405
Foreign	2,691	1,255	1,582
Total current provision	4,698	550	4,131
Deferred provision:			
Federal	—	—	(474)
State	—	—	(105)
Foreign	(584)	(96)	—
Total deferred provision	(584)	(96)	(579)
Provision for/(benefit from) income taxes	$ 4,114	$ 454	$ 3,552

The provision for/(benefit from) income taxes differs from the amount estimated by applying the statutory income/(loss) before taxes as follows:

	Year Ended December 31,		
	2024	2023	2022
Federal tax at statutory rate	21 %	21 %	21 %
State tax at statutory rate, net of federal benefit	2	2	2
Research and development credits	9	6	2
Change in valuation allowance	(35)	(27)	(21)
Stock-based compensation	3	(3)	(4)
Other	0	1	0
Provision for/(benefit from) income taxes	0 %	0 %	0 %

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The following table presents the components of the Company's deferred tax assets/(liabilities) for the periods presented (in thousands):

	Year Ended December 31,		
	2024	2023	2022
Deferred tax assets:			
Accrued expenses	$ 17,730	$ 14,231	$ 13,593
Intangible assets	2,050	—	—
Deferred revenue	285,033	246,144	198,130
Net operating loss carryforwards	599,380	599,804	490,309
Tax credit carryforwards	234,868	155,246	85,527
Stock-based compensation	31,089	29,083	28,238
Operating lease liabilities	186,229	176,007	130,688
Capitalized research and development	605,278	366,898	178,488
Other	5,650	2,914	1,988
Total gross deferred tax asset	1,967,307	1,590,327	1,126,961
Less: valuation allowance	(1,551,700)	(1,222,211)	(907,226)
Net deferred tax assets	415,607	368,116	219,735
Deferred tax liabilities:			
Fixed assets	(40,178)	(28,645)	(92,009)
Intangible assets	—	(2,735)	(6,694)
Operating lease right-of-use assets	(155,121)	(154,334)	(121,032)
Deferred cost of revenue	(219,859)	(182,495)	—
Total deferred tax liabilities	(415,158)	(368,209)	(219,735)
Net deferred tax assets/(liabilities)	$ 449	$ (93)	$ —

We have not provided U.S. income taxes or foreign withholding taxes on the undistributed earnings of our profitable foreign subsidiaries because we intend to permanently reinvest such earnings in foreign operations. As of December 31, 2024 and 2023, the cumulative amount of earnings upon which income taxes have not been provided is not material.

The Company accounts for deferred taxes under ASC 740, Income Taxes, which requires a reduction of the carrying amounts of deferred tax assets by a valuation allowance if, based on available evidence, it is more likely than not that such assets will not be realized. Accordingly, the need to establish valuation allowances for deferred tax assets is assessed periodically based on the ASC 740 more-likely-than-not realization threshold criterion. This assessment considers matters such as future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies and results of recent operations. The evaluation of the recoverability of the deferred tax assets requires that we weigh all positive and negative evidence to reach a conclusion that it is more likely than not that all or some portion of the deferred tax assets will not be realized. The weight given to the evidence is commensurate with the extent to which it can be objectively verified. Due to our lack of U.S. earnings history, the net U.S. deferred tax assets have been fully offset by a valuation allowance. There are valuation allowances on net deferred tax assets in certain foreign jurisdictions. The deferred tax assets and deferred tax liabilities in other foreign jurisdictions without valuation allowances are immaterial.

The Company's valuation allowance increased by $329.5 million, $315.0 million, and $195.9 million, in the years ended December 31, 2024, 2023, and 2022, respectively.

As of December 31, 2024, we had federal net operating loss carryforwards of $2,382.3 million, which do not expire, federal net operating loss carryforwards of $10.7 million, which begin to expire in 2037, state net operating loss carryforwards of $1,433.7 million, which begin to expire in 2025, and foreign net operating loss carryforwards of $64.8 million, which begin to expire in 2025.

As of December 31, 2024, we had U.S. federal and California research and development tax credits of approximately $304.7 million and $210.0 million, respectively. The federal research and development credits begin to expire in 2030, while California credits do not expire.

Under Internal Revenue Code Section 382 ("Section 382"), an ownership change generally occurs if one or more stockholders or groups of stockholders who own at least 5% of our stock increase their ownership by more than 50 percentage points over their lowest ownership percentage within a rolling three-year period. Similar rules may apply under state tax laws. The Company did experience one or more ownership changes in financial periods ending on or before December 31, 2024. In this regard, the Company has determined that based on the timing of the ownership change and the corresponding Section 382 limitations, none of its net operating losses or other tax attributes appear to expire subject to such limitation.

A reconciliation of the beginning and ending amounts of unrecognized tax benefits is as follows (in thousands):

	As of December 31,		
	2024	2023	2022
Unrecognized tax benefits at beginning of year	$ 172,389	$ 96,372	$ 72,919
Increases related to current year tax positions	89,881	59,917	25,458
Increases related to prior year tax positions	61	16,100	865
Decreases related to prior year tax positions	(1,176)	—	(2,870)
Unrecognized tax benefits at end of year	$ 261,155	$ 172,389	$ 96,372

We classify uncertain tax positions as non-current liabilities unless expected to be paid within one year or otherwise directly related to an existing deferred tax asset, in which case the uncertain tax position is recorded as an offset to the deferred tax asset on the consolidated balance sheet. As of December 31, 2024, we had gross unrecognized tax benefits of approximately $261.2 million, of which $3.1 million would impact income tax expense if recognized. As of December 31, 2023, we had gross unrecognized tax benefits of approximately $172.4 million. The Company does not anticipate any significant change within twelve months of this reporting date.

The Company accrued interest and penalties of $0.7 million, $0.4 million, and $0.2 million in the years ended December 31, 2024, 2023 and 2022, respectively.

The Company is subject to taxation in the United States, various states, and foreign jurisdictions. All tax years for U.S. federal and California tax returns currently remain open for examination by the tax authorities. As of December 31, 2024, we are no longer subject to foreign examinations by tax authorities for years before 2019. As of December 31, 2024, the Company is under examination in a foreign jurisdiction and is not under examination by the Internal Revenue Service or any state tax jurisdictions.

16. Basic and Diluted Net Loss Per Common Share

The following table presents the calculation of basic and diluted net loss per share (in thousands, except per share data):

	Year ended December 31,		
	2024	2023	2022
Basic and diluted net loss per share			
Numerator			
Consolidated net loss	$ (940,614)	$ (1,158,937)	$ (934,141)
Less: net loss attributable to noncontrolling interest	(5,230)	(6,991)	(9,775)
Net loss attributable to common stockholders	$ (935,384)	$ (1,151,946)	$ (924,366)
Denominator			
Weighted-average common shares used in computing net loss per share attributable to common stockholders, based and diluted	647,482	616,445	595,559
Net loss per share attributable to common stockholders, basic and diluted	$ (1.44)	$ (1.87)	$ (1.55)

The potential shares of common stock that were excluded from the computation of diluted net loss per share because including them would have been anti-dilutive are as follows (in thousands):

	As of December 31,		
	2024	2023	2022
Stock options outstanding	27,458	40,159	51,591
RSUs outstanding	35,012	39,846	30,322
2020 ESPP	1,634	3,347	2,311
2023 PSUs Awards based on performance target achievement at period-end[1]	373	9	—
Stock warrants outstanding	264	264	264
RSAs outstanding	32	149	500
Total	64,773	83,774	84,988

(1) Represents the actual or hypothetical number of shares earned under the Company's 2023 PSU Awards, based on actual performance as of the respective balance sheet date.

Except for the 2023 PSU Awards, all other PSUs were excluded from the above table because the respective stock price or performance targets had not been met as of the periods presented.

17. Reportable Segments

The following represents segment information for the Company's single operating segment, for the periods presented (in thousands):

	Year ended December 31,		
	2024	2023	2022
Revenue	$ 3,601,979	$ 2,799,274	$ 2,225,052
Add (deduct):			
Cost of revenue[1]	$ (801,162)	$ (649,115)	$ (547,658)
Developer exchange fees	(922,821)	(740,752)	(623,855)
Adjusted infrastructure expenses[2]	(465,782)	(458,753)	(423,654)
Adjusted trust & safety expenses[2]	(254,300)	(239,711)	(157,412)
Personnel costs, excluding stock-based compensation expense and excluding infrastructure and trust & safety personnel costs	(729,424)	(691,899)	(526,491)
Stock-based compensation expense, excluding infrastructure and trust & safety stock-based compensation expense	(902,086)	(775,820)	(533,301)
Depreciation and amortization expense	(226,437)	(208,142)	(130,083)
Other segment items[3]	(374,814)	(294,676)	(212,126)
Interest income	179,531	141,818	38,842
Interest expense	(41,184)	(40,707)	(39,903)
(Provision for)/benefit from income taxes	(4,114)	(454)	(3,552)
Consolidated net loss	$ (940,614)	$ (1,158,937)	$ (934,141)

(1) Depreciation of servers and infrastructure equipment included in infrastructure and trust & safety expenses in the Company's consolidated statement of operations.

(2) Adjusted infrastructure and adjusted trust & safety expenses exclude depreciation and amortization expense.

(3) Other segment items primarily include expenses for facilities, professional services, advertising and promotions, non-capitalized software and equipment, and other income/(expense), net.

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

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Annual Report on Form 10-K. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the Exchange Act), means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, our management recognizes that disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable assurance that the objectives of the disclosure controls and procedures are met. Based on the evaluation of our disclosure controls and procedures as of December 31, 2024, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

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) of the Exchange Act. Under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer and oversight of our Audit & Compliance Committee, our management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework). Based on this evaluation, management concluded that our internal control over financial reporting was effective as of December 31, 2024. Deloitte & Touche LLP, an independent registered public accounting firm, has issued an audit report with respect to the effectiveness of our internal control over financial reporting as of December 31, 2024, 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 connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the three months ended December 31, 2024, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls and Procedures

In designing and evaluating the disclosure controls and procedures and internal control over financial reporting, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures and internal control over financial reporting must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Item 9B. Other Information

During our most recent fiscal quarter, the below directors and officers, as defined in Rule 16a-1(f), adopted a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement" as defined in Regulation S-K Item 408. Each of these trading arrangements begins trading after the termination of any outstanding prior trading arrangements for the relevant director or officer, as applicable.

On November 4, 2024, David Baszucki, our Chief Executive Officer and member of our Board of Directors, adopted a Rule 10b5-1 trading arrangement as an individual, as trustee of The Baszucki Family Foundation, and as a representative of the Bessemer Trust Company of Delaware who serves as trustee for the 2020 Jan Baszucki Gift Trust, dated April 3, 2020 and the 2020 David Baszucki Gift Trust, dated April 3, 2020. The trading arrangement provides for the sale from time to time of an aggregate of up to 8,781,047 shares of Class A Common Stock at or above specified market prices and the gift of an aggregate of up to 1,914,015 shares of Class A Common Stock to charitable organizations. The trading arrangement expires on February 24, 2026, or earlier if all transactions under the trading arrangement are completed. The trading arrangement was entered into during an open insider trading window and is intended to satisfy the affirmative defense in Rule 10b5-1(c) and the Company's policies regarding insider transactions.

On November 15, 2024, Anthony Lee, a member of our Board of Directors, adopted a Rule 10b5-1 trading arrangement, as a trustee of the Fallen Leaf Revocable Trust. The trading arrangement provides for the sale from time to time of an aggregate of up to 660,000 shares of Class A Common Stock at or above specified market prices. The trading arrangement expires on March 31, 2026, or earlier if all transactions under the trading arrangement are completed. The trading arrangement was entered into during an open insider trading window and is intended to satisfy the affirmative defense in Rule 10b5-1(c) and the Company's policies regarding insider transactions.

On November 14, 2024, Greg Baszucki, a member of our Board of Directors, adopted a Rule 10b5-1 trading arrangement as trustee of the Greg & Christina Baszucki Living Trust, dated August 18, 2016. The trading arrangement provides for the sale from time to time of an aggregate of up to 1,168,650 shares of Class A Common Stock at or above specified market prices and the gift of an aggregate of up to 350,595 shares of Class A Common Stock to a charitable organization. The trading arrangement expires on March 6, 2026, or earlier if all transactions under the trading arrangement are completed. The trading arrangement was entered into during an open insider trading window and is intended to satisfy the affirmative defense in Rule 10b5-1(c). and the Company's policies regarding insider transactions.

On November 12, 2024, Michael Guthrie, our Chief Financial Officer, adopted a Rule 10b5-1 trading arrangement providing for the sale from time to time of an aggregate of up to 500,000 shares of Class A Common Stock at or above specified market prices. The trading arrangement expires on November 21, 2025, or earlier if all transactions under the trading arrangement are completed. The trading arrangement was entered into during an open insider trading window and is intended to satisfy the affirmative defense in Rule 10b5-1(c) and the Company's policies regarding insider transactions.

On November 5, 2024, Arvind Chakravarthy, our Chief People and Systems Officer, adopted a Rule 10b5-1 trading arrangement providing for the sale from time to time of an aggregate of up to 143,194 shares of Class A Common Stock plus an additional number of shares determined based on a written formula that is calculated based on a specified net number of shares of Class A Common Stock resulting from the vesting of RSU granted and ESPP shares purchased after the adoption date of the Rule 10b5-1 trading arrangement at or above specified market prices. The trading arrangement expires on December 31, 2025, or earlier if all transactions under the trading arrangement are completed. The trading arrangement was entered into during an open insider trading window and is intended to satisfy the affirmative defense in Rule 10b5-1(c) and the Company's policies regarding insider transactions.

On November 1, 2024, Mark Reinstra, our Chief Legal Officer and Corporate Secretary, adopted a Rule 10b5-1 trading arrangement providing for the sale from time to time of an aggregate of up to 310,000 shares of Class A Common Stock, with the actual number of shares sold determined based on a written formula at specified market prices. The trading arrangement expires on May 19, 2026, or earlier if all transactions under the trading arrangement are completed. The trading arrangement was entered into during an open insider trading window and is intended to satisfy the affirmative defense in Rule 10b5-1(c) and the Company's policies regarding insider transactions.

Other than as disclosed above, no other officers or directors, as defined in Rule 16a-1(f), adopted 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 Inspection

Not applicable.

Part III

Item 10. Directors, Executive Officers and Corporate Governance

Information responsive to this item is incorporated herein by reference to our definitive proxy statement with respect to our 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K.

Item 11. Executive Compensation

Information responsive to this item is incorporated herein by reference to our definitive proxy statement with respect to our 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K.

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

Information responsive to this item is incorporated herein by reference to our definitive proxy statement with respect to our 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K.

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

Information responsive to this item is incorporated herein by reference to our definitive proxy statement with respect to our 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K.

Item 14. Principal Accounting Fees and Services

Information responsive to this item is incorporated herein by reference to our definitive proxy statement with respect to our 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K.

Part IV

Item 15. Exhibits and Financial Statement Schedules

Exhibits

The exhibits listed below are filed as part of this Annual Report on Form 10-K or are incorporated herein by reference, in each case as indicated below.

Financial Statement Schedules

All financial statement schedules are omitted because the information called for is not required or is shown either in the consolidated financial statements or in the notes thereto.

EXHIBIT INDEX

Exhibit Number	Description	Incorporated by Reference			
		Form	File No.	Exhibit	Filing Date
3.1	Amended and Restated Certificate of Incorporation of the registrant.	10-Q	001-39763	3.1	May 13, 2021
3.2	Amended and Restated Bylaws of the registrant.	8-K	001-39763	3.1	September 14, 2023
4.1	Form of Class A common stock certificate of the registrant.	S-1/A	333-250204	4.1	January 8, 2021
4.2	Amended and Restated Investors' Rights Agreement among the registrant and certain holders of its capital stock, dated as of January 6, 2021.	S-1/A	333-250204	4.2	January 8, 2021
4.3	Form of Common Stock Warrant issued in connection with an acquisition between the registrant, Jerome Boulon and CaliStream, LLC.	S-1/A	333-250204	4.3	January 8, 2021
4.4	Indenture, dated as of October 29, 2021, between the registrant and U.S. Bank National Association, as Trustee.	8-K	001-39763	4.1	October 29, 2021
4.5	Form of 3.875% Senior Notes due 2030 (included in Exhibit 4.4).	8-K	001-39763	4.2	October 29, 2021
4.6	Description of Capital Stock of the registrant.	10-K	001-39763	4.8	February 25, 2022
10.1+	Form of Indemnification Agreement between the registrant and each of its directors and executive officers.	S-1/A	333-250204	10.1	January 8, 2021
10.2+	2020 Equity Incentive Plan and related form agreements.	10-K	001-39763	10.2	February 21, 2024
10.3+	Amended and Restated 2017 Equity Incentive Plan, as amended, and related form agreements.	S-1/A	333-250204	10.4	January 8, 2021
10.4+	2004 Incentive Stock Plan, as amended, and related form agreements.	S-1/A	333-250204	10.5	January 8, 2021
10.5+	2020 Employee Stock Purchase Plan and related form agreements.	S-1/A	333-250204	10.6	January 8, 2021
10.6	Form of Class B Exchange Agreement between the registrant and certain stockholders.	S-1/A	333-250204	10.7	January 8, 2021
10.7+	Form of Change in Control and Severance Agreement, as amended and restated, between the registrant and each of its executive officers.	10-K	001-39763	10.7	February 25, 2022
10.8	Outside Director Compensation Policy, as amended	10-Q	001-39763	10.2	May 10, 2023
10.9+	Confirmatory Offer Letter by and between the registrant and David Baszucki dated March 3, 2021.	10-Q	001-39763	10.6	May 13, 2021
10.10+	Confirmatory Offer Letter by and between the registrant and Michael Guthrie dated November 18, 2020.	S-1/A	333-250204	10.12	January 8, 2021
10.11+	Separation and Transition Agreement by and between the Registrant and Michael Guthrie entered into on September 30, 2024.	10-Q	001-39763	10.1	October 31, 2024
10.12+	Confirmatory Offer Letter by and between the registrant and Mark Reinstra dated November 18, 2020.	S-1/A	333-250204	10.15	January 8, 2021
10.13+	Offer Letter by and between the registrant and Manuel Bronstein dated as of January 31, 2021.	10-Q	001-39763	10.4	May 13, 2021

10.14+	Offer Letter, by and between the registrant and Amy Rawlings dated as of July 15, 2022.	10-Q	001-39763	10.1	November 9, 2022
10.15+*	Offer Letter, by and between the registrant and Arvind K. Chakravarthy dated as of April 30, 2023.				
19.1	Insider Trading Policy of the registrant.	10-K	001-39763	19.1	February 21, 2024
21.1*	List of subsidiaries of the registrant.				
23.1*	Consent of independent registered public accounting firm.				
24.1*	Power of Attorney, Reference is made to the signature page.				
31.1*	Certification of the Principal Executive Officer pursuant to Exchange Act Rule 13a-14 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
31.2*	Certification of the Principal Financial Officer pursuant to Exchange Act Rule 13a-14 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
32.1†	Certification of the 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 of the registrant.	10-K	001-39763	97.1	February 21, 2024
101.INS*	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.				
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.				
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.				
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.				
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.				
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.				
104*	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).				

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* Filed herewith.

\+ Indicates management contract or compensatory plan.

† The certifications furnished in Exhibit 32.1 hereto are deemed to accompany this Annual Report on Form 10-K are not deemed filed with the SEC and are not to be incorporated by reference into any filing of the Registrant under the Securities Act of 1933, as amended (the "Exchange Act"), whether made before or after the date of this Annual Report on Form 10-K.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in San Mateo, California, on the 18th day of February, 2025.

Roblox Corporation

By: /s/ David Baszucki
David Baszucki
Founder, President and Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints David Baszucki, Michael Guthrie, and Mark Reinstra, 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 he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or his or her 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 Annual Report on Form 10-K has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ David Baszucki	Founder, President, Chief Executive Officer and Chair of Board of Directors	
David Baszucki	*(Principal Executive Officer)*	February 18, 2025
/s/ Michael Guthrie	Chief Financial Officer	
Michael Guthrie	*(Principal Financial Officer)*	February 18, 2025
/s/ Amy Rawlings	Chief Accounting Officer	
Amy Rawlings	*(Principal Accounting Officer)*	February 18, 2025
/s/ Gregory Baszucki	Director	
Gregory Baszucki		February 18, 2025
/s/ Christopher Carvalho	Director	
Christopher Carvalho		February 18, 2025
/s/ Jason Kilar	Director	
Jason Kilar		February 18, 2025
/s/ Anthony P. Lee	Director	
Anthony P. Lee		February 18, 2025
/s/ Gina Masantuono	Director	
Gina Mastantuono		February 18, 2025
/s/ Andrea Wong	Director	
Andrea Wong		February 18, 2025

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Roblox Corporation

Copies of Roblox Corporation's Annual Report on Form 10-K, as well as other financial reports and news from us, may be read and downloaded from our website at ir.roblox.com. If you do not have online access, you may request printed materials by contacting Roblox Corporation investor Relations at ir@roblox.com.

Board of Directors

David Baszucki
Gregory Baszucki
Christopher Carvalho
Jason Kilar
Anthony P. Lee
Gina Mastantuono
Andrea Wong

Management Team

David Baszucki
Founder, President and
Chief Executive Officer

Manuel Bronstein
Chief Product Officer

Arvind Chakravarthy
Chief People and
Systems Officer

Michael Guthrie
Chief Financial Officer

Matt Kaufman
Chief Safety Officer

Mark Reinstra
Chief Legal Officer and
Corporate Secretary

Jerret West
Chief Marketing Officer and
Head of Market Expansion

Christina Wootton
Chief Partnerships Officer

Stock Exchange

Roblox Class A common stock is listed for trading on the New York Stock Exchange under the symbol "RBLX".

Stock Transfer Agent and Registrar of Stock

Equiniti Trust Company, LLC
P.O. Box 500
Newark, NJ 07101
phone: (800) 937-5449 or (718) 921-8124

Auditors

Deloitte & Touche LLP
San Jose, California

Corporate Counsel

Wilson Sonsini Goodrich & Rosati, P.C.
Palo Alto, California

Investor Relations Contact Information

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