

Forward-Looking Statements & Non-GAAP Financial Measures

Forward-Looking Statements

This presentation contains “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to, statements regarding our product development, investment strategy, business strategy and plans. These forward-looking statements are made as of the date they were first issued and were based on current expectations, estimates, forecasts, and projections as well as the beliefs and assumptions of management. Words such as “expect,” “anticipate,” “should,” “believe,” “hope,” “target,” “project,” “plan,” “goals,” “estimate,” “potential,” “predict,” “may,” “will,” “might,” “could,” “intend,” “shall,” and variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond our control. Our actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to risks detailed in our filings with the Securities and Exchange Commission (the “SEC”), including in our registration statement on Form S-1 as filed with, and declared effective by, the SEC. In particular, the following factors, among others, could cause results to differ materially from those expressed or implied by such forward-looking statements: our ability to successfully execute our business and growth strategy; the sufficiency of our cash and cash equivalents to meet our liquidity needs; the demand for our platforms in general; our ability to increase our number of new users and revenue generated from users; our ability to retain and expand our user base; the impact of the COVID 19 pandemic restrictions on our business; the fluctuation of our results of operations and our key business measures on a quarterly basis in future periods; our ability to successfully develop and deploy new technologies to address the needs of our users; our ability to maintain and enhance our brand and reputation; our ability to hire and retain talent; news or social media coverage of the Company, including but not limited to coverage that presents, or relies on, inaccurate, misleading, incomplete, or otherwise damaging information; and any breach or access to user or third-party data. Additional information regarding these and other risks and uncertainties that could cause actual results to differ materially from the Company’s expectations is included in our registration statement on Form S-1.

The forward-looking statements included in this presentation represent our views as of the date of this presentation. We anticipate that subsequent events and developments will cause our views to change. We undertake no intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this presentation. Past performance is not necessarily indicative of future results.

Forward-Looking Statements & Non-GAAP Financial Measures

Non-GAAP Financial Measures

This presentation contains the non-GAAP financial measures bookings and free cash flow. 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. Bookings is defined as revenue plus the change in deferred revenue during the period and other non-cash adjustments. Bookings is equal to the amount of virtual currency purchased by users in a given period of time. 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. Free cash flow represents the net cash provided by operating activities less purchases of property, equipment, and intangible assets. 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 generated from our core operations that, after the purchases of property, equipment, and intangible assets, can be used for strategic initiatives, including investing in our business, making strategic acquisitions, and strengthening our balance sheet.

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.

A reconciliation table of the most comparable GAAP financial measure to each non-GAAP financial measure used in this presentation is included at the end of this presentation. We encourage investors and others to review our business, results of operations, and financial information in their entirety, not to rely on any single financial measure, and to view these non-GAAP measures in conjunction with the most directly comparable GAAP financial measure.

Revenue, Deferred Revenue, and Bookings Illustration

The following example illustrates GAAP revenue recognition for bookings on the Roblox platform.

- User spends **\$25** on the Roblox platform to purchase 2,500 Robux
- User spends Robux (on average, within 3 days¹) on the platform to purchase:

Durable Virtual Items² = 2,300 Robux, or **\$23**

GAAP Revenue Recognition

Revenue is recognized over lifetime of paying user³

\$23 bookings / 23 months³ = \$1 per month



Recognized in Month 1

Bookings recognized = \$25

Revenue recognized = \$1
(associated with durable items)

Deferred Revenue at end of Month 1 = \$22
(to be recognized as revenue in months 2-23)

Consumable Virtual Items² = 200 Robux, or **\$2**

GAAP Revenue Recognition

Revenue is recognized immediately upon consumption

\$2 bookings in month of purchase

Revenue recognized = \$2
(associated with consumable items)

Recognized in Month 1: Total Revenue recognized (\$3) + Deferred Revenue (\$22) = Bookings (\$25)

¹Average number of days it takes our users to spend Robux upon purchase

²For the three months ended March 31, 2021, durable virtual items accounted for 87% of Roblox platform revenue and consumable virtual items accounted for 13%. For the purpose of the example, we did not apply these exact percentages.

³For the three months ended March 31, 2021 the average lifetime for a paying user was 23 months.

Revenue

(\$ in millions, unaudited)

— Year over year growth %



Four Main Expense Buckets

Cost of
Revenue

Developer
Exchange Fees

Personnel
Costs excl.
Stock-Based
Compensation¹

Certain
Infrastructure
and
Trust & Safety²

¹Costs exclude stock-based compensation expense

²Costs exclude personnel, stock-based compensation and depreciation expenses.

Cost of Revenue

(\$ in millions, unaudited)

— Year over year growth %



Developer Exchange Fees

(\$ in millions, unaudited)

— Year over year growth %



¹Bookings is a non-GAAP financial measure that we believe is useful in evaluating our performance and is presented for supplemental information purposes only and should not be considered in isolation from, or as a substitute for, financial information presented in accordance with GAAP. For further information, please refer to reconciliation slides within the presentation and our annual and quarterly SEC filings.

Personnel Costs excl. Stock-Based Compensation

(\$ in millions, unaudited)

— Year over year growth %



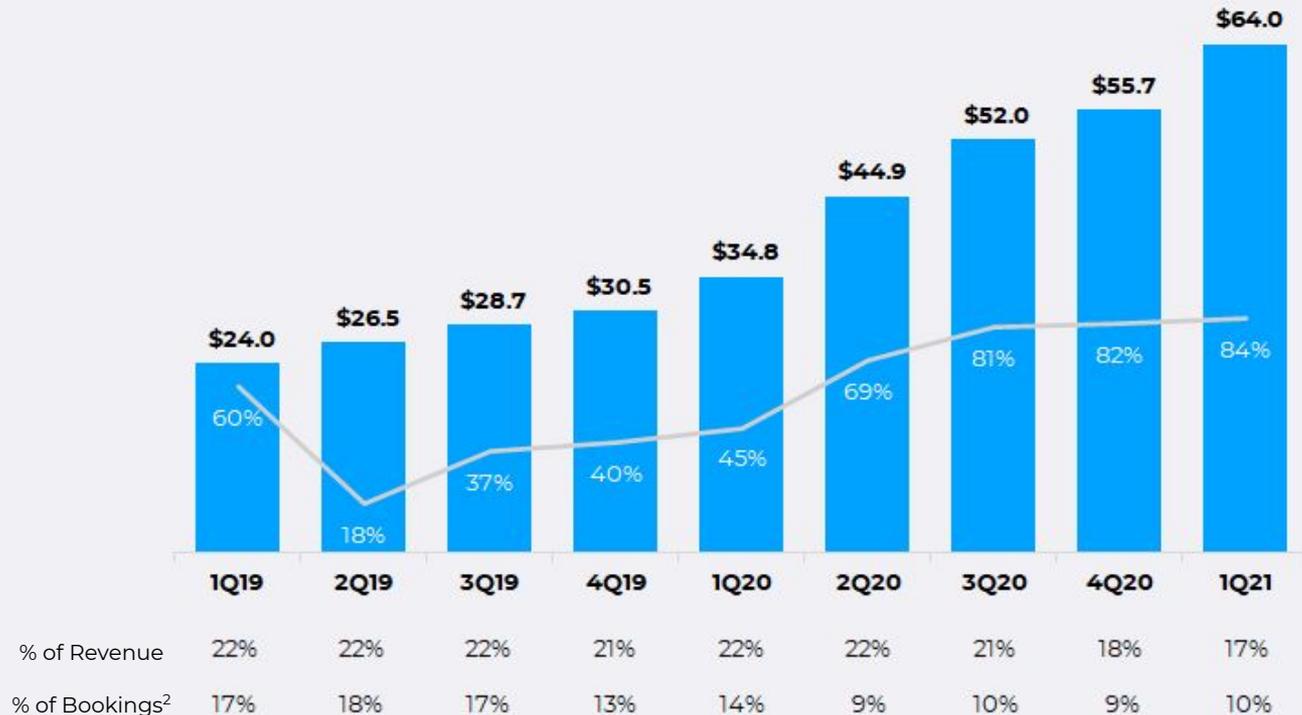
¹1Q21 expenses includes roughly \$13.0 million in employer taxes associated with transactions performed in connection with our Direct Listing. Excluding this item, Personnel expenses excl. Stock-Based Compensation would be \$76.5 million for the period (80% year on year).

²Bookings is a non-GAAP financial measure that we believe is useful in evaluating our performance and is presented for supplemental information purposes only and should not be considered in isolation from, or as a substitute for, financial information presented in accordance with GAAP. For further information, please refer to reconciliation slides within the presentation and our annual and quarterly SEC filings.

Certain Infrastructure and Trust & Safety¹

(\$ in millions, unaudited)

— Year over year growth %



¹Excludes personnel, stock-based compensation, and depreciation expense.

²Bookings is a non-GAAP financial measure that we believe is useful in evaluating our performance and is presented for supplemental information purposes only and should not be considered in isolation from, or as a substitute for, financial information presented in accordance with GAAP. For further information, please refer to reconciliation slides within the presentation and our annual and quarterly SEC filings.

GAAP Net Loss

ROBLOX

Q1 | 2021

(\$ in thousands, unaudited)

	3 Months ended	
	3/31/2021	3/31/2020
Revenue	\$386,976	\$161,570
Cost of revenue	97,937	41,793
Developer exchange fees	118,938	44,499
Infrastructure & trust and safety	94,136	52,620
Research and development	96,644	49,409
General and administrative	94,375	30,558
Sales and marketing	20,002	15,657
Total cost and expenses	522,032	234,536
Loss from operations	(135,056)	(72,966)
Interest income	5	1,247
Other expense	(1,050)	(3,157)
Loss before provision for income taxes	(136,101)	(74,876)
Provision (benefit) for income taxes	2	1
Consolidated net loss	(136,103)	(74,877)
Net loss attributable to the noncontrolling interest	(1,886)	(498)
Net loss attributable to common stockholders	\$ (134,217)	\$ (74,379)

Non-GAAP Financial Discussion

Non-GAAP Financial Measures Reconciliation

Revenue to Bookings

ROBLOX

Q1 | 2021

	3 Months ended			YoY %	
	3/31/2021	3/31/2020	3/31/2019	2020 to 2021	2019 to 2021 CAGR
<i>(in thousands, unaudited)</i>					
Revenue	\$ 386,976	\$ 161,570	\$ 110,457	140%	87%
Add (deduct):					
Change in deferred revenue	269,439	88,769	32,138	204%	190%
Other	(4,138)	(763)	(335)	442%	251%
Bookings	\$ 652,277	\$ 249,576	\$ 142,260	161%	114%

Note: Bookings is a non-GAAP financial measure that we believe is useful in evaluating our performance and is presented for supplemental information purposes only and should not be considered in isolation from, or as a substitute for, financial information presented in accordance with GAAP. For further information, please refer to reconciliation slides within the presentation and our annual and quarterly SEC filings.

Bookings

(\$ in millions, unaudited)

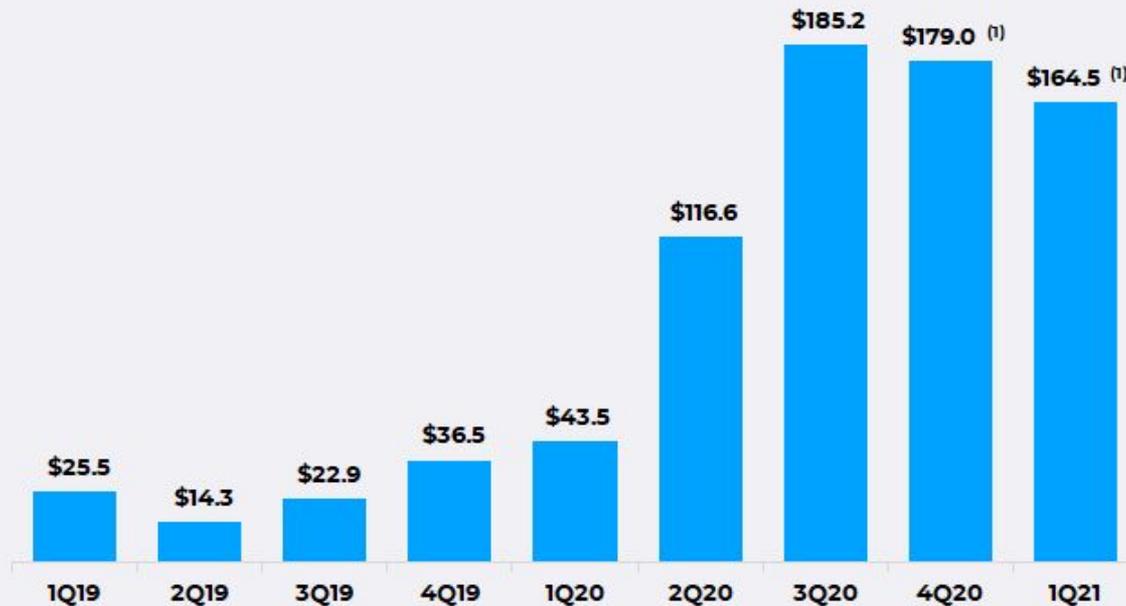
— Year over year growth %



Note: Bookings is a non-GAAP financial measure that we believe is useful in evaluating our performance and is presented for supplemental information purposes only and should not be considered in isolation from, or as a substitute for, financial information presented in accordance with GAAP. For further information, please refer to reconciliation slides within the presentation and our annual and quarterly SEC filings.

Net cash provided by (used in) operating activities

(\$ in millions, unaudited)



¹The 4Q20 and 1Q21 periods includes one-time Direct Listing expenses of roughly \$3.3 million and \$51.9 million, respectively. Excluding these one-time costs, our operating cash flow would be approximately \$182.3 million and \$216.4 million for the periods, respectively.

Non-GAAP Financial Measures Reconciliation

Operating Cash Flow to Free Cash Flow

ROBLOX

Q1 | 2021

	3 Months ended			YoY %	
	3/31/2021	3/31/2020	3/31/2019	2020 to 2021	2019 to 2021 CAGR
<i>(in thousands, unaudited)</i>					
Net cash provided by operating activities	\$ 164,469	\$ 43,529	\$ 25,497	278%	154%
Add (deduct):					
Acquisition of property and equipment	(22,133)	(8,921)	(19,937)	148%	5%
Purchases of intangible assets	(256)	-	-	n/a	n/a
Free Cash Flow	<u>\$ 142,080</u>	<u>\$ 34,608</u>	<u>\$ 5,560</u>	311%	406%

Free Cash Flow

(\$ in millions, unaudited)



We define free cash flow as net cash provided by operating activities less purchases of property and equipment and intangible assets.

¹The 4Q20 and 1Q21 periods includes one-time Direct Listing expenses of roughly \$3.3 million and \$51.9 million, respectively. Excluding these one-time costs, our free cash flow would be approximately \$121.9 million and \$194.0 million for the periods, respectively.

We manage our business by tracking several operating metrics, including: daily active users, or DAUs, hours engaged, and average bookings per daily active user, or ABPDAU. 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 “Note Regarding Operating Metrics” in the Appendix of this document.

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 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, so 30 days, for example, in the month of September. 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.

Hours Engaged. We define hours engaged as the time spent by our users on the platform, which includes time spent in experiences, which refer to the titles that have been created by developers, and within platform features such as chat and avatar personalization. Users can personalize the size and body shape of their avatars as well as equip their avatars with items acquired from the Avatar Marketplace, a marketplace that allows users to acquire items such as clothing, gear, simulated gestures, or emotes, and other accessories.

Average Bookings per Daily Active User (ABPDAU). We define average bookings per DAU, or ABPDAU, as bookings in a given period divided by the DAUs for such period. We use ABPDAU as a way to understand how we are monetizing across all of our users through the sale of virtual currency and subscriptions.

Daily Active Users (DAUs)

(in millions)

— Year over year growth %



DAUs by Region and Age

(in millions)

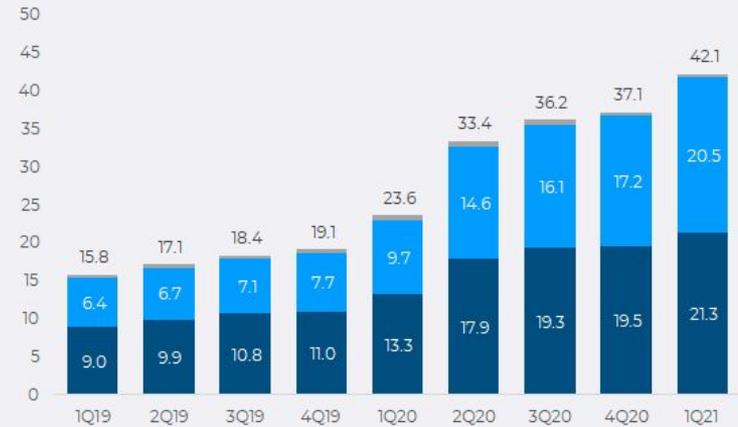
By Region

■ US & Canada ■ Europe ■ APAC ■ ROW



By Age Group

■ U13 ■ 130 ■ Unknown



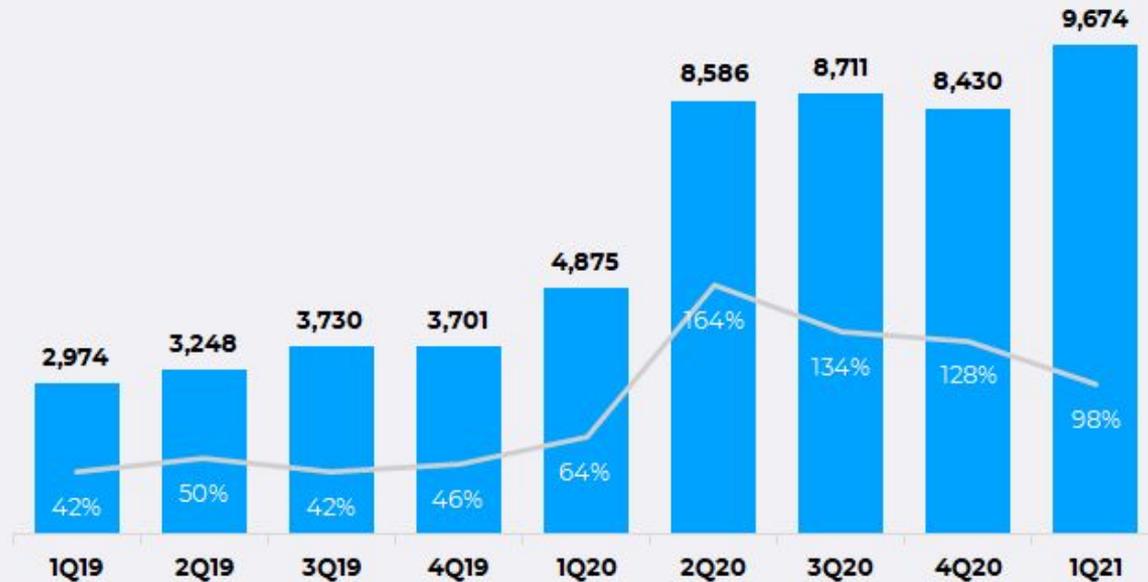
	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21
US & Canada	28%	30%	33%	26%	36%	90%	70%	78%	62%
Europe	81%	79%	56%	48%	52%	106%	113%	97%	79%
APAC	71%	64%	52%	51%	58%	68%	92%	77%	77%
ROW	62%	54%	46%	45%	59%	109%	126%	129%	104%
Total	53%	52%	44%	40%	49%	95%	97%	94%	79%

	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21
U13	59%	60%	52%	43%	47%	80%	79%	78%	60%
O13	49%	46%	37%	38%	53%	117%	126%	124%	111%
Total	53%	52%	44%	40%	49%	95%	97%	94%	79%

Hours Engaged

(in millions)

— Year over year growth %

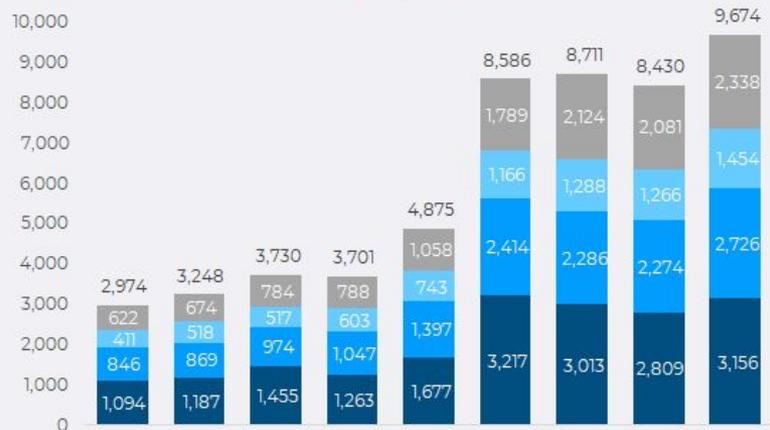


Hours Engaged by Region and Age

(in millions)

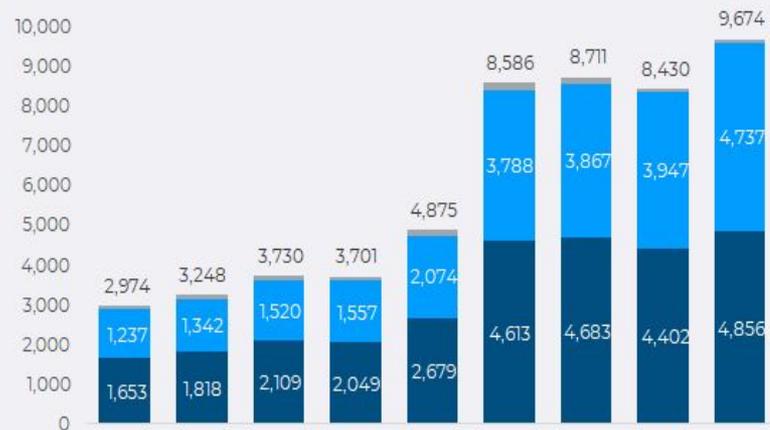
By Region

■ US & Canada ■ Europe ■ APAC ■ ROW



By Age Group

■ U13 ■ 130 ■ Unknown



YoY	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21
US & Canada	19%	31%	33%	37%	53%	171%	107%	122%	88%
Europe	67%	75%	52%	51%	65%	178%	135%	117%	95%
APAC	65%	64%	56%	61%	81%	125%	149%	110%	96%
ROW	46%	49%	38%	46%	70%	166%	171%	164%	121%
Total	42%	50%	42%	46%	64%	164%	134%	128%	98%

YoY	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21
U13	45%	53%	46%	47%	62%	154%	122%	115%	81%
O13	40%	49%	39%	46%	68%	182%	154%	153%	128%
Total	42%	50%	42%	46%	64%	164%	134%	128%	98%

Average Bookings per DAU

— Year over year growth %



Appendix

April 2021: Key Metrics

(unaudited)

ROBLOX

Q1 | 2021

43.3M

DAUs

37% YoY growth

3.2B

HOURS ENGAGED

18% YoY growth

\$5.59 - \$5.66

ABPDAU

16% - 17% YoY growth

\$143 - \$145M

REVENUE

136% - 140% YoY growth

\$242 - \$245M

BOOKINGS

59% - 61% YoY growth

Stock-Based Compensation Expense by Department

(\$ in thousands, unaudited)

ROBLOX

Q1 | 2021

	3 Months ended			YoY %	
	3/31/2021	3/31/2020	3/31/2019	2020 to 2021	2019 to 2021 CAGR
Infrastructure and Trust & Safety	\$ 5,688	\$ 2,804	\$ 354	103%	301%
Research and Development	31,594	16,723	1,663	89%	336%
General and Administrative	11,247	18,432	651	-39%	316%
Sales and Marketing	2,215	4,298	451	-48%	122%
Total Stock-Based Compensation	\$ 50,744	\$ 42,257	\$ 3,119	20%	303%

Personnel Costs excl. Stock-Based Compensation by Department

ROBLOX

Q1 | 2021

(\$ in thousands, unaudited)

	3 Months ended			YoY %	
	3/31/2021	3/31/2020	3/31/2019	2020 to 2021	2019 to 2021 CAGR
Infrastructure and Trust & Safety	\$ 10,711	\$ 6,376	\$ 3,563	68%	73%
Research and Development	56,076	26,822	17,312	109%	80%
General and Administrative	14,164	5,819	4,286	143%	82%
Sales and Marketing	8,599	3,605	2,831	138%	74%
Total Personnel Costs excl. Stock-Based Compensation	\$ 89,550	\$ 42,622	\$ 27,993	110%	79%

Depreciation by Department

(\$ in thousands, unaudited)

ROBLOX

Q1 | 2021

	3 Months ended			YoY %	
	3/31/2021	3/31/2020	3/31/2019	2020 to 2021	2019 to 2021 CAGR
Infrastructure and Trust & Safety	\$ 13,694	\$ 8,668	\$ 5,595	58%	56%
Research and Development	2,640	210	105	1157%	401%
General and Administrative	211	172	32	23%	157%
Sales and Marketing	75	35	20	114%	94%
Total Depreciation	<u>\$ 16,620</u>	<u>\$ 9,085</u>	<u>\$ 5,752</u>	83%	70%

Note Regarding Operating Metrics

We manage our business by tracking several operating metrics, including: daily active users, or DAUs, and hours engaged. 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.

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 our metrics, our DAUs or other metrics may not be comparable to those in prior periods. Additionally, 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.

Daily active users, or 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, so 30 days, for example, in the month of September.

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. We do not collect the geographic location of our Xbox users, which are grouped into Rest of World DAUs for the purposes of our reporting.

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 DAU metric is not a measure of unique individuals accessing Roblox. 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 or other content appear more popular than it really is. We strive to detect and minimize fraud and unauthorized access to our platform.

Note Regarding Operating Metrics (cont'd)

Hours engaged

We define hours engaged as the time spent by our users on the platform, which includes time spent in experiences, which refer to the titles that have been created by developers, and within platform features such as chat and avatar personalization. Users can personalize the size and body shape of their avatars as well as equip their avatars with items acquired from the Avatar Marketplace, a marketplace that allows users to acquire items such as clothing, gear, simulated gestures, or emotes, and other accessories.

We calculate total hours engaged as the aggregate of user session lengths in a given period. We determine this length of time using internal company systems that track user activity on our platform, and aggregate discrete activities into a user session.