REFINITIV

# DELTA REPORT

## 10-Q

ABNB - AIRBNB, INC.

10-Q - JUNE 30, 2024 COMPARED TO 10-Q - MARCH 31, 2024

The following comparison report has been automatically generated

| TOTAL DELTAS | 1012 |
| --- | --- |
| CHANGES | 165 |
| DELETIONS | 549 |
| ADDITIONS | 298 |



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

# FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2024 June 30, 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: 001-39778

ABNBLogo.jpg

## Airbnb, Inc.

(Exact Name of Registrant as Specified in Its Charter)

| | |
|---|---|
| **Delaware** | **26-3051428** |
| (State or Other Jurisdiction of Incorporation or Organization) | (I.R.S. Employer Identification No.) |

**888 Brannan Street**
**San Francisco, California 94103**
(Address of Principal Executive Offices) (Zip Code)
**(415) 510-4027**
(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 $0.0001 per share | ABNB | The Nasdaq Stock Market |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|---|---|---|---|
| Large accelerated filer | ☒ | 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. ☐



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

As of April 22, 2024 July 22, 2024, 441,500,418 440,002,134 shares of the registrant's Class A common stock were outstanding, 193,343,397 192,421,331 shares of the registrant's Class B common stock were outstanding, no shares of the registrant's Class C common stock were outstanding, and 9,200,000 shares of the registrant's Class H common stock were outstanding.

**AIRBNB, INC.**
**Form 10-Q**

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**Special Note Regarding Forward-Looking Statements**

This Quarterly Report on Form 10-Q contains forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this Quarterly Report on Form 10-Q, including statements regarding our strategy, future financial condition, future operations, projected costs, prospects, plans, objectives of management, and expected market growth, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “shall,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” “goal,” “objective,” “seeks,” 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 Quarterly Report on Form 10-Q include, but are not limited to, statements about:

- the effects of macroeconomic conditions, including inflation, slower growth or recession, higher interest rates, high unemployment, and foreign currency fluctuations, on the demand for travel or similar experiences;
- the effects of fluctuations in demand for host homes, including lower demand in certain areas or as a result of oversupply in others;
- the effects of supply constraints on availability of host homes;
- our ability to attract and retain hosts and guests;
- our ability to effectively manage our exposure to fluctuations in foreign currency exchange rates;
- the impact of the ongoing armed conflicts around the world on our business;
- our expectations regarding our financial performance, including our revenue, costs, Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization, and Free Cash Flow;
- our expectations regarding future operating performance, including Nights and Experiences Booked, Gross Booking Value (“GBV”), Average Daily Rate, and GBV per Night and Experience Booked;
- our ability to successfully compete in our industry;
- our expectations regarding the resilience of our model, including in areas such as domestic travel, short-distance travel, travel outside of top cities, and long-term stays;
- our expectations regarding lodging tax obligations and other non-income tax matters;
- our ability to stay in compliance with laws and regulations that currently apply or may become applicable to our business, both in the United States and internationally, and our expectations regarding various laws and restrictions that relate to our business;
- seasonality and the effects of seasonal trends on our results of operations;
- our expectations regarding the impact of our marketing strategy, and our ability to continue to attract guests and hosts to our platform through direct and unpaid channels;
- anticipated trends, developments, and challenges in our industry, business, and the highly competitive markets in which we operate;
- our ability to anticipate market needs or develop new or enhanced offerings and services to meet those needs;
- our ability to manage expansion into international markets and new businesses;
- laws, regulations, and rules that affect the short-term rental, long-term rental, and home sharing business that have limited and may continue to limit the ability or willingness of hosts to share their spaces over our platform and expose our hosts or us to significant fees or penalties;
- the impact on our income as a result of the release of valuation allowances on deferred tax assets;
- our expectations regarding lodging tax obligations and other non-income tax matters;
- our expectations regarding our income tax liabilities, including anticipated increases in foreign taxes, valuation allowances, and the adequacy of our reserves;
- our expectations regarding settlement discussions related to tax audits;
- our expectations regarding the impact of the recently enacted Corporate Alternative Minimum Tax;
- our ability to effectively manage our growth and expand our infrastructure and our ability to maintain our corporate culture, and our employee initiatives;
- the safety, affordability, and convenience of our platform and our offerings;
- our ability to successfully defend litigation brought against us;
- the sufficiency of our cash, cash equivalents, and investments to meet our liquidity needs;
- our ability to maintain, protect, and enhance our intellectual property; and
- our ability to make required payments under our credit agreement and to comply with the various requirements of our indebtedness.

We caution you that the foregoing list does not contain all of the forward-looking statements made in this Quarterly Report on Form 10-Q. You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Quarterly Report on Form 10-Q primarily on our current expectations, estimates, forecasts, and projections about future events and trends that we believe may affect our business, results of operations, financial condition, and prospects. Although we believe that we have a reasonable basis for each forward-looking statement contained in this Quarterly Report on Form 10-Q, we cannot guarantee that the future results, levels of activity, performance, or events and circumstances reflected in the forward-looking statements will be achieved or occur at all. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, and other factors. Risks that contribute to the uncertain nature of the forward-looking statements include, among others, the Company’s ability to retain existing hosts and guests and add new hosts and guests; any decline or disruption in the travel and hospitality industries or economic downturn; the Company’s ability to compete successfully; changes to the laws and regulations that may limit hosts’ ability and willingness to provide their listings, and/or result in significant fines, liabilities, and penalties to the Company; the effect of extensive regulation and oversight, litigation, and other proceedings related to the Company’s business in a variety of areas; the effects of the COVID-19 pandemic on the Company’s business, including as a result of new strains or variants of the virus, the travel industry, travel trends, and the global economy generally; the Company’s ability to maintain its brand and reputation, and effectively drive traffic to its platform; the effectiveness of the Company’s strategy and business initiatives, including measures to improve trust and safety; the Company’s operations in international markets; the



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Company's indebtedness; the Company's final closing procedures, final adjustments, and other developments that may arise in the course of audit and review procedures; and changes in political, business, and economic conditions; as well as other risks listed or described from time to time in the Company's filings with the Securities and Exchange Commission (the "SEC"), including our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. Moreover, we operate in a highly 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 Quarterly Report on Form 10-Q. The results, events, and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

The forward-looking statements made in this Quarterly Report on Form 10-Q relate only to events as of the date on which the statements are made available. We undertake no obligation to update any forward-looking statements made in this Quarterly Report on Form 10-Q to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q 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.

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

You should read this Quarterly Report on Form 10-Q and the documents that we reference in this Quarterly Report on Form 10-Q and have filed as exhibits to this Quarterly Report on Form 10-Q, completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of the forward-looking statements in this Quarterly Report on Form 10-Q by these cautionary statements.

## PART I - FINANCIAL INFORMATION

### Item 1. Condensed Consolidated Financial Statements

# Airbnb, Inc.

**Condensed Consolidated Balance Sheets**

(in millions, except par value)

(unaudited)

| | December 31, 2023 | December 31, 2023 | March 31, 2024 | December 31, 2023 | June 30, 2024 |
|---|---|---|---|---|---|
| Assets | | | | | |
| Current assets: | | | | | |
| Current assets: | | | | | |
| Current assets: | | | | | |
| Cash and cash equivalents | | | | | |
| Cash and cash equivalents | | | | | |
| Cash and cash equivalents | | | | | |
| Short-term investments (including assets reported at fair value of $2,507 and $2,524, respectively) | | | | | |
| Short-term investments (including assets reported at fair value of $2,507 and $2,629, respectively) | | | | | |
| Funds receivable and amounts held on behalf of customers | | | | | |
| Prepaids and other current assets (including customer receivables of $249 and $212 and allowances of $44 and $37, respectively) | | | | | |
| Prepaids and other current assets (including customer receivables of $249 and $207 and allowances of $44 and $32, respectively) | | | | | |
| Total current assets | | | | | |
| Deferred tax assets, net | | | | | |
| Deferred tax assets, net | | | | | |
| Deferred tax assets, net | | | | | |
| Goodwill and intangible assets, net | | | | | |



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| | | |
|---|---|---|
| Other assets, noncurrent | | |
| Total assets | | |
| Liabilities and Stockholders' Equity | | |
| Current liabilities: | | |
| Current liabilities: | | |
| Current liabilities: | | |
| Accrued expenses, accounts payable, and other current liabilities | | |
| Accrued expenses, accounts payable, and other current liabilities | | |
| Accrued expenses, accounts payable, and other current liabilities | | |
| Funds payable and amounts payable to customers | | |
| Unearned fees | | |
| Total current liabilities | | |
| Long-term debt | | |
| Other liabilities, noncurrent | | |
| Other liabilities, noncurrent | | |
| Other liabilities, noncurrent | | |
| Total liabilities | | |
| Commitments and contingencies (Note 9) | Commitments and contingencies (Note 9) | Commitments and contingencies (Note 9) |
| Stockholders' equity: | | |
| Common stock, $0.0001 par value:<br>Class A - authorized 2,000 shares; 438 and 443 shares issued & outstanding, respectively;<br>Class B - authorized 710 shares; 200 and 193 shares issued & outstanding, respectively;<br>Class C - authorized 2,000 shares; zero shares of Class C common stock issued & outstanding, respectively; and<br>Class H - authorized 26 shares; 9 shares issued and zero shares outstanding, respectively | | |
| Common stock, $0.0001 par value:<br>Class A - authorized 2,000 shares; 438 and 443 shares issued & outstanding, respectively;<br>Class B - authorized 710 shares; 200 and 193 shares issued & outstanding, respectively;<br>Class C - authorized 2,000 shares; zero shares of Class C common stock issued & outstanding, respectively; and<br>Class H - authorized 26 shares; 9 shares issued and zero shares outstanding, respectively | | |
| Common stock, $0.0001 par value:<br>Class A - authorized 2,000 shares; 438 and 443 shares issued & outstanding, respectively;<br>Class B - authorized 710 shares; 200 and 193 shares issued & outstanding, respectively;<br>Class C - authorized 2,000 shares; zero shares of Class C common stock issued & outstanding, respectively; and<br>Class H - authorized 26 shares; 9 shares issued and zero shares outstanding, respectively | | |
| Common stock, $0.0001 par value:<br>Class A - authorized 2,000 shares; 438 and 442 shares issued & outstanding, respectively;<br>Class B - authorized 710 shares; 200 and 192 shares issued & outstanding, respectively;<br>Class C - authorized 2,000 shares; zero shares issued & outstanding, respectively; and<br>Class H - authorized 26 shares; 9 shares issued and zero shares outstanding, respectively | | |
| Common stock, $0.0001 par value:<br>Class A - authorized 2,000 shares; 438 and 442 shares issued & outstanding, respectively;<br>Class B - authorized 710 shares; 200 and 192 shares issued & outstanding, respectively;<br>Class C - authorized 2,000 shares; zero shares issued & outstanding, respectively; and<br>Class H - authorized 26 shares; 9 shares issued and zero shares outstanding, respectively | | |
| Common stock, $0.0001 par value:<br>Class A - authorized 2,000 shares; 438 and 442 shares issued & outstanding, respectively;<br>Class B - authorized 710 shares; 200 and 192 shares issued & outstanding, respectively;<br>Class C - authorized 2,000 shares; zero shares issued & outstanding, respectively; and<br>Class H - authorized 26 shares; 9 shares issued and zero shares outstanding, respectively | | |
| Additional paid-in capital | | |
| Accumulated other comprehensive loss | | |
| Accumulated deficit | | |
| Total stockholders' equity | | |
| Total liabilities and stockholders' equity | | |



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The accompanying notes are an integral part of these condensed consolidated financial statements.

# Airbnb, Inc.

**Condensed Consolidated Statements of Operations**

(in millions, except per share amounts)

(unaudited)

| | **Three Months Ended March 31,** | | **Three Months Ended March 31,** | | **Three Months Ended March 31,** | | | |
|---|---|---|---|---|---|---|---|---|
| | | Three Months Ended June 30, | | **Six Months Ended June 30,** | | | | |
| | **2023** | | **2023** | **2024** | **2023** | **2024** | **2023** | **2024** |
| Revenue | | | | | | | | |
| Costs and expenses: | | | | | | | | |
| Cost of revenue | | | | | | | | |
| Cost of revenue | | | | | | | | |
| Cost of revenue | | | | | | | | |
| Operations and support | | | | | | | | |
| Product development | | | | | | | | |
| Sales and marketing | | | | | | | | |
| General and administrative | | | | | | | | |
| Total costs and expenses | | | | | | | | |
| Total costs and expenses | | | | | | | | |
| Total costs and expenses | | | | | | | | |
| Income (loss) from operations | | | | | | | | |
| Income from operations | | | | | | | | |
| Interest income | | | | | | | | |
| Other expense, net | | | | | | | | |
| Other expense, net | | | | | | | | |
| Other expense, net | | | | | | | | |
| Income before income taxes | | | | | | | | |
| Provision for income taxes | | | | | | | | |
| Net income | | | | | | | | |
| Net income per share attributable to Class A and Class B common stockholders: | | | | | | | | |
| Basic | | | | | | | | |
| Basic | | | | | | | | |
| Basic | | | | | | | | |
| Diluted | | | | | | | | |



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| | |
|---|---|
| Weighted-average shares used in computing net income per share attributable to Class A and Class B common stockholders: | |
| Basic | |
| Basic | |
| Basic | |
| Diluted | |

The accompanying notes are an integral part of these condensed consolidated financial statements.

# Airbnb, Inc.

## Condensed Consolidated Statements of Comprehensive Income

(in millions)

(unaudited)

| | Three Months Ended March 31, | |
|---|---|---|
| | **2023** | **2024** |
| Net income | $ 117 | $ 264 |
| Other comprehensive income: | | |
| Net unrealized income (loss) on available-for-sale marketable securities, net of tax | 3 | (3) |
| Net unrealized income (loss) on cash flow hedges, net of tax | (4) | 48 |
| Foreign currency translation adjustments | 3 | (5) |
| Other comprehensive income | 2 | 40 |
| Comprehensive income | $ 119 | $ 304 |

| | Three Months Ended June 30, | | **Six Months Ended June 30,** | |
|---|---|---|---|---|
| | **2023** | **2024** | **2023** | **2024** |
| Net income | $ 650 | $ 555 | $ 767 | $ 819 |
| Other comprehensive income (loss): | | | | |
| Net unrealized loss on available-for-sale marketable securities, net of tax | (6) | (2) | (4) | (5) |
| **Net unrealized gain (loss) on cash flow hedges, net of tax** | 2 | 14 | (2) | 62 |
| Foreign currency translation adjustments | 1 | (8) | 5 | (13) |
| Other comprehensive income (loss) | (3) | 4 | (1) | 44 |
| Comprehensive income | $ 647 | $ 559 | $ 766 | $ 863 |

The accompanying notes are an integral part of these condensed consolidated financial statements.



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# Airbnb, Inc.

**Condensed Consolidated Statements of Stockholders' Equity**

(in millions)

(unaudited)

| | Three Months Ended March 31, 2023 | | | | | | | | Three and Six Months Ended June 30, 2023 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Common Stock | | Common Stock | | Additional Paid-In Capital | Accumulated Other Comprehensive Loss | Accumulated Deficit | Total Stockholders' Equity | Common Stock | Additional Paid-In Capital | Accumulated Other Comprehensive Loss | Accumulated Deficit | Total Stockholders' Equity |
| | Shares | Shares | Amount | Total Stockholders' Equity | Amount | | | | | | | | |
| **Balances as of December 31, 2022** | | | | | | | | | | | | | |
| Net income | | | | | | | | | | | | | |
| Other comprehensive income | | | | | | | | | | | | | |
| Exercise of common stock options | | | | | | | | | | | | | |
| Issuance of common stock upon settlement of RSUs, net of shares withheld for taxes | | | | | | | | | | | | | |
| Stock-based compensation | | | | | | | | | | | | | |
| Stock-based compensation | | | | | | | | | | | | | |
| Stock-based compensation | | | | | | | | | | | | | |
| Repurchases of common stock | | | | | | | | | | | | | |
| **Balances as of March 31, 2023** | | | | | | | | | | | | | |
| Net income | | | | | | | | | | | | | |
| Other comprehensive loss | | | | | | | | | | | | | |
| Exercise of common stock options, net of shares withheld for taxes | | | | | | | | | | | | | |



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| | Three Months Ended March 31, 2024 | | | | | |
|---|---|---|---|---|---|---|
| | Common Stock | | Additional Paid-In Capital | Accumulated Other Comprehensive Loss | Accumulated Deficit | Total Stockholders' Equity |
| | Shares | Amount | | | | |
| **Balances as of December 31, 2023** | 638 | $ — * | $ 11,639 | $ (49) | $ (3,425) | $ 8,165 |
| Net income | — | — | — | — | 264 | 264 |
| Other comprehensive income | — | — | — | 40 | — | 40 |
| Exercise of common stock options | 1 | — * | 46 | — | — | 46 |
| Issuance of common stock upon settlement of RSUs, net of shares withheld for taxes | 2 | — * | (168) | — | — | (168) |
| Stock-based compensation | — | — | 302 | — | — | 302 |
| Repurchases of common stock | (5) | — * | — | — | (753) | (753) |
| **Balances as of March 31, 2024** | 636 | — | $ 11,819 | $ (9) | $ (3,914) | $ 7,896 |

* Amounts round to zero and do not change rounded totals.

# Airbnb, Inc.

**Condensed Consolidated Statements of Stockholders' Equity**

(in millions)

(unaudited)

| | Three and Six Months Ended June 30, 2024 | | | | |
|---|---|---|---|---|---|
| | Common Stock | Additional Paid-In Capital | Accumulated Other | Accumulated Deficit | Total Stockholders' Equity |
| Issuance of common stock upon settlement of RSUs, net of shares withheld for taxes | | | | | |
| Issuance of common stock under employee stock purchase plan | | | | | |
| Stock-based compensation | | | | | |
| Repurchases of common stock | | | | | |
| **Balances as of June 30, 2023** | | | | | |



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| | Shares | Amount | | Comprehensive Loss | | |
|---|---|---|---|---|---|---|
| **Balances as of December 31, 2023** | 638 $ | — $ | 11,639 $ | (49) $ | (3,425) $ | 8,165 |
| Net income | — | — | — | — | 264 | 264 |
| Other comprehensive income | — | — | — | 40 | — | 40 |
| Exercise of common stock options | 1 | — * | 46 | — | — | 46 |
| Issuance of common stock upon settlement of RSUs, net of shares withheld for taxes | 2 | — * | (168) | — | — | (168) |
| Stock-based compensation | — | — | 302 | — | — | 302 |
| Repurchases of common stock | (5) | — * | — | — | (753) | (753) |
| **Balances as of March 31, 2024** | 636 | — | 11,819 | (9) | (3,914) | 7,896 |
| Net income | — | — | — | — | 555 | 555 |
| Other comprehensive income | — | — | — | 4 | — | 4 |
| Exercise of common stock options | 1 | — * | 16 | — | — | 16 |
| Shares issued upon net settlement of warrants exercised | 1 | — * | — | — | — | — |
| Issuance of common stock upon settlement of RSUs, net of shares withheld for taxes | 1 | — * | (141) | — | — | (141) |
| Issuance of common stock under employee stock purchase plan | — | — * | 37 | — | — | 37 |
| Stock-based compensation | — | — | 385 | — | — | 385 |
| Repurchases of common stock | (5) | — * | — | — | (750) | (750) |
| **Balances as of June 30, 2024** | 634 $ | — $ | 12,116 $ | (5) $ | (4,109) $ | 8,002 |

* Amounts round to zero and do not change rounded totals.

The accompanying notes are an integral part of these condensed consolidated financial statements.

# Airbnb, Inc.

## Condensed Consolidated Statements of Cash Flows

(in millions)

(unaudited)

| | Three Months Ended March 31, | | | Six Months Ended June 30, | |
|---|---|---|---|---|---|
| | 2023 | 2023 | 2024 | 2023 | 2024 |
| **Cash flows from operating activities:** | | | | | |
| Net income | | | | | |
| Net income | | | | | |
| Net income | | | | | |
| Adjustments to reconcile net income to cash provided by operating activities: | | | | | |
| Depreciation and amortization | | | | | |
| Depreciation and amortization | | | | | |
| Depreciation and amortization | | | | | |
| Stock-based compensation expense | | | | | |
| Stock-based compensation expense | | | | | |
| Stock-based compensation expense | | | | | |



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| |
|---|
| Deferred income taxes |
| Other, net |
| Other, net |
| Other, net |
| Changes in operating assets and liabilities: |
| Prepaids and other assets |
| Prepaids and other assets |
| Prepaids and other assets |
| Accrued expenses and other liabilities |
| Accrued expenses and other liabilities |
| Accrued expenses and other liabilities |
| Unearned fees |
| Unearned fees |
| Unearned fees |
| Net cash provided by operating activities |
| **Cash flows from investing activities:** |
| Purchases of short-term investments |
| Purchases of short-term investments |
| Purchases of short-term investments |
| Sales and maturities of short-term investments |
| Other investing activities, net |
| Net cash used in investing activities |
| **Cash flows from financing activities:** |
| Taxes paid related to net share settlement of equity awards |
| Taxes paid related to net share settlement of equity awards |
| Taxes paid related to net share settlement of equity awards |
| Proceeds from exercise of equity awards |
| Proceeds from exercise of equity awards and employee stock purchase plan |
| Proceeds from exercise of equity awards |
| Proceeds from exercise of equity awards and employee stock purchase plan |
| Proceeds from exercise of equity awards |
| Proceeds from exercise of equity awards and employee stock purchase plan |
| Repurchases of common stock |
| Change in funds payable and amounts payable to customers |
| Change in funds payable and amounts payable to customers |
| Change in funds payable and amounts payable to customers |
| Net cash provided by financing activities |
| Net cash provided by financing activities |
| Net cash provided by financing activities |
| Effect of exchange rate changes on cash, cash equivalents, and restricted cash |
| Net increase in cash, cash equivalents, and restricted cash |
| Cash, cash equivalents, and restricted cash, beginning of period |
| **Cash, cash equivalents, and restricted cash, end of period** |
| ***Supplemental disclosures of cash flow information:*** |
| Cash paid for income taxes, net of refunds |



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| | |
|---|---|
| Cash paid for income taxes, net of refunds | |
| Cash paid for income taxes, net of refunds | |

The accompanying notes are an integral part of these condensed consolidated financial statements.

# Airbnb, Inc.

## Notes to Condensed Consolidated Financial Statements (unaudited)

### Note 1. Description of Business

Airbnb, Inc. (the “Company” or “Airbnb”) was incorporated in Delaware in June 2008 and is headquartered in San Francisco, California. The Company operates a global platform for unique stays and experiences. The Company’s marketplace model connects hosts and guests (collectively referred to as “customers”) online or through mobile devices to book spaces and experiences around the world.

### Note 2. Summary of Significant Accounting Policies

***Basis of Presentation***

The accompanying unaudited condensed consolidated financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America (“U.S. GAAP”) and the applicable rules and regulations of the Securities and Exchange Commission (the “SEC”) regarding interim financial information. Certain information and note disclosures normally included in the consolidated financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. As such, the information included in this Quarterly Report on Form 10-Q should be read in conjunction with the audited consolidated financial statements and the related notes thereto as of and for the year ended December 31, 2023, included in the Company’s Annual Report on Form 10-K, filed with the SEC on February 16, 2024. The results for the interim periods are not necessarily indicative of results for the full year. Certain immaterial amounts in prior periods have been reclassified to conform with current period presentation.

In the opinion of management, these unaudited condensed consolidated financial statements reflect all adjustments, consisting only of normal recurring adjustments, which are necessary for the fair statement of the unaudited condensed consolidated financial position, results of operations and cash flows for these interim periods.

***Principles of Consolidation***

The accompanying unaudited condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries in accordance with consolidation accounting guidance. All intercompany transactions have been eliminated in consolidation.

***Use of Estimates***

The preparation of the Company’s unaudited condensed consolidated financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the amounts reported in the unaudited condensed consolidated financial statements and accompanying notes. The Company regularly evaluates its estimates, including those related to bad debt reserves, fair value of investments, useful lives of long-lived assets and intangible assets, valuation of goodwill and intangible assets from acquisitions, contingent liabilities, insurance reserves, revenue recognition, valuation of common stock, stock-based compensation, and income and non-income taxes, among others. Actual results could differ materially from these estimates.

As the impact of the uncertain macroeconomic conditions, including inflation and rising interest rates, continues to evolve, estimates and assumptions about future events and their effects cannot be determined with certainty and therefore require increased judgment. These estimates and assumptions may change in future periods and will be recognized in the unaudited condensed consolidated financial statements as new events occur and additional information becomes known. To the extent the Company’s actual results differ materially from those estimates and assumptions, the Company’s future unaudited condensed consolidated financial statements could be affected.

***Recently Adopted Accounting Standards***

In June 2022, the Financial Accounting Standards Board (the “FASB”) issued guidance related to the fair value measurement of an equity security subject to contractual sale restrictions that prohibit the sale of the equity security. The new guidance also introduced new disclosure requirements for equity securities subject to contractual sale restrictions that are measured at fair value. The Company adopted the guidance effective January 1, 2024. There was no impact to the Company’s unaudited condensed consolidated financial statements or disclosures upon adoption.

***Recently Issued Accounting Standards Not Yet Adopted***



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In December 2023, the FASB issued an update which expands income tax disclosure in an entity's income tax rate reconciliation table and regarding cash taxes paid both in the U.S. and foreign jurisdictions. The update is effective for public companies in fiscal years beginning after December 15, 2024 on a prospective basis, with the option to apply the update retrospectively. Early adoption is permitted. The Company does not expect the adoption of the new guidance to have a material impact on its unaudited condensed consolidated financial statements other than the expanded footnote disclosure.

In November 2023, the FASB issued an update to improve disclosure of reportable segments on an annual and interim basis, primarily through enhanced disclosures about significant segment expenses. The update is effective for public companies in fiscal years beginning after December 15, 2023, and for interim periods beginning after December 15, 2024, on a retrospective basis with early adoption permitted. The Company does not expect the adoption of the new guidance to have a material impact on its unaudited condensed consolidated financial statements other than the expanded footnote disclosure.

There are other new accounting pronouncements issued by the FASB that the Company has adopted or will adopt, as applicable, and the Company does not believe any of these accounting pronouncements have had, or will have, a material impact on its unaudited condensed consolidated financial statements or disclosures.

# Airbnb, Inc.

## Notes to Condensed Consolidated Financial Statements (unaudited)

### Note 3. Supplemental Financial Statement Information

***Cash, Cash Equivalents, and Restricted Cash***

The following table reconciles cash, cash equivalents, and restricted cash reported on the Company's unaudited condensed consolidated balance sheets to the total amount presented in the unaudited condensed consolidated statements of cash flows (in millions):

| | December 31, 2023 | December 31, 2023 | March 31, 2024 | December 31, 2023 | June 30, 2024 |
|---|---|---|---|---|---|
| Cash and cash equivalents | | | | | |
| Cash and cash equivalents included in funds receivable and amounts held on behalf of customers | | | | | |
| Restricted cash included in prepaids and other current assets | | | | | |
| Total cash, cash equivalents, and restricted cash presented in the unaudited condensed consolidated statements of cash flows | | | | | |

***Supplemental Disclosures of Cash Flow Information***

Supplemental cash flow information consisted of the following (in millions):

| | Six Months Ended June 30, | |
|---|---|---|
| | 2023 | 2024 |
| Cash paid for income taxes, net of refunds | $ 50 | $ 127 |
| ***Non-cash financing activities:*** | | |
| Net settlement of cashless stock options exercised | $ 36 | $ — |
| Net settlement of cashless warrants exercised | $ — | $ 22 |

***Supplemental disclosures of balance sheet information***

Supplemental balance sheet information consisted of the following (in millions):

| | December 31, 2023 | March 31, 2024 |
|---|---|---|
| ***Other assets, noncurrent:*** | | |
| Property and equipment, net | $ 160 | $ 171 |
| Operating lease right-of-use assets | 119 | 111 |
| Other | 184 | 190 |
| Other assets, noncurrent | $ 463 | $ 472 |



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| | | |
|---|---|---|
| ***Accrued expenses, accounts payable, and other current liabilities:*** | | |
| Indirect taxes payable and withholding tax reserves | $ 1,119 | $ 1,455 |
| Compensation and employee benefits | 436 | 346 |
| Accounts payable | 141 | 184 |
| Operating lease liabilities, current | 61 | 61 |
| Other | 897 | 922 |
| Accrued expenses, accounts payable, and other current liabilities | $ 2,654 | $ 2,968 |
| ***Other liabilities, noncurrent:*** | | |
| Operating lease liabilities, noncurrent | $ 252 | $ 237 |
| Other liabilities, noncurrent | 287 | 273 |
| Other liabilities, noncurrent | $ 539 | $ 510 |

| | December 31, 2023 | June 30, 2024 |
|---|---|---|
| ***Other assets, noncurrent:*** | | |
| Property and equipment, net | $ 160 | $ 170 |
| Operating lease right-of-use assets | 119 | 103 |
| Other | 184 | 187 |
| Other assets, noncurrent | $ 463 | $ 460 |
| ***Accrued expenses, accounts payable, and other current liabilities:*** | | |
| Indirect taxes payable and withholding tax reserves | $ 1,119 | $ 1,400 |
| Compensation and employee benefits | 436 | 353 |
| Accounts payable | 141 | 163 |
| Operating lease liabilities, current | 61 | 59 |
| Other | 897 | 890 |
| Accrued expenses, accounts payable, and other current liabilities | $ 2,654 | $ 2,865 |
| ***Other liabilities, noncurrent:*** | | |
| Operating lease liabilities, noncurrent | $ 252 | $ 222 |
| Other liabilities, noncurrent | 287 | 275 |
| Other liabilities, noncurrent | $ 539 | $ 497 |

***Payments to Customers***

The Company makes payments to customers as part of its incentive programs (composed of referral programs and marketing promotions) and refund activities. The payments are generally in the form of coupon credits to be applied toward future bookings or as cash refunds.

The following table summarizes total payments made to customers (in millions):

| | Three Months Ended March 31, | |
|---|---|---|
| | 2023 | 2024 |
| Reductions to revenue | $ 77 | $ 87 |
| Charges to operations and support | 22 | 20 |
| Charges to sales and marketing expense | 13 | 9 |
| Total payments made to customers | $ 112 | $ 116 |



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The following table summarizes total payments made to customers (in millions):

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2024 | 2023 | 2024 |
| Reductions to revenue | $ 78 | $ 118 | $ 155 | $ 205 |
| Charges to operations and support | 24 | 30 | 46 | 50 |
| Charges to sales and marketing expense | 16 | 10 | 29 | 19 |
| Total payments made to customers | $ 118 | $ 158 | $ 230 | $ 274 |

***Revenue Disaggregated by Geographic Region***

The following table presents revenue disaggregated by listing location (in millions):

| | Three Months Ended March 31, | Three Months Ended March 31, | Three Months Ended March 31, | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Three Months Ended June 30, | | Six Months Ended June 30, | | | | | |
| | 2023 | | 2023 | 2024 | | 2023 | 2024 | 2023 | 2024 |
| North America | | | | | | | | | |
| Europe, the Middle East, and Africa | | | | | | | | | |
| Latin America | | | | | | | | | |
| Asia Pacific | | | | | | | | | |
| Total revenue disaggregated by geographic region | | | | | | | | | |

## Note 4. Investments

The following tables summarize the Company's investments by major security type (in millions):

| | December 31, 2023 | | | |
|---|---|---|---|---|
| | Amortized Cost | Gross Unrealized Gains | Gross Unrealized Losses | Total Estimated Fair Value |
| **Short-term investments** | | | | |
| **Debt securities:** | | | | |
| Certificates of deposit | $ 172 | $ — | $ — | $ 172 |
| Government bonds | 332 | 1 | — | 333 |
| Commercial paper | 366 | — | — | 366 |
| Corporate debt securities | 1,490 | 4 | (3) | 1,491 |
| Mortgage-backed and asset-backed securities | 148 | 1 | (4) | 145 |
| Total debt securities | 2,508 | 6 | (7) | 2,507 |




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| | | | | |
|---|---|---|---|---|
| **Time deposits** | 690 | — | — | 690 |
| **Total short-term investments** | $ 3,198 | $ 6 | $ (7) | $ 3,197 |
| | | | | |
| **Long-term investments** (1) | | | | |
| **Debt securities:** | | | | |
| Corporate debt securities | $ 13 | $ — | $ (9) | $ 4 |

| | March 31, 2024 | | | |
|---|---|---|---|---|
| | Amortized Cost | Gross Unrealized Gains | Gross Unrealized Losses | Total Estimated Fair Value |
| **Short-term investments** | | | | |
| **Debt securities:** | | | | |
| Certificates of deposit | $ 13 | $ — | $ — | $ 13 |
| Government bonds | 345 | — | — | 345 |
| Commercial paper | 500 | — | — | 500 |
| Corporate debt securities | 1,480 | 3 | (4) | 1,479 |
| Mortgage-backed and asset-backed securities | 191 | — | (4) | 187 |
| Total debt securities | 2,529 | 3 | (8) | 2,524 |
| **Time deposits** | 740 | — | — | 740 |
| **Total short-term investments** | $ 3,269 | $ 3 | $ (8) | $ 3,264 |
| **Long-term investments** (1) | | | | |
| **Debt securities:** | | | | |
| Corporate debt securities | $ 13 | $ — | $ (9) | $ 4 |

(1) Classified within other assets, noncurrent on the unaudited condensed consolidated balance sheets.

# Airbnb, Inc.

## Notes to Condensed Consolidated Financial Statements (unaudited)

| | June 30, 2024 | | | |
|---|---|---|---|---|
| | Amortized Cost | Gross Unrealized Gains | Gross Unrealized Losses | Total Estimated Fair Value |
| **Short-term investments** | | | | |
| **Debt securities:** | | | | |
| Certificates of deposit | $ 11 | $ — | $ — | $ 11 |
| Government bonds | 353 | — | (1) | 352 |
| Commercial paper | 364 | — | — | 364 |
| Corporate debt securities | 1,688 | 1 | (4) | 1,685 |
| Mortgage-backed and asset-backed securities | 221 | — | (4) | 217 |
| Total debt securities | 2,637 | 1 | (9) | 2,629 |



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| | | | | |
|---|---|---|---|---|
| **Time deposits** | 740 | — | — | 740 |
| **Total short-term investments** | $ 3,377 | $ 1 | $ (9) | $ 3,369 |
| **Long-term investments** (1) | | | | |
| **Debt securities:** | | | | |
| Corporate debt securities | $ 13 | $ — | $ (9) | $ 4 |

(1) Classified within other assets, noncurrent on the unaudited condensed consolidated balance sheets.

As of December 31, 2023 and March 31, 2024 June 30, 2024, the Company did not have any available-for-sale debt securities for which the Company recorded credit-related losses.

Unrealized gains and losses, net of tax before reclassifications from accumulated other comprehensive loss ("AOCI") to other expense, net, were not material for the three and six months ended March 31, 2023 June 30, 2023 and 2024. Realized gains and losses reclassified from AOCI to other expense, net, were not material for the three and six months ended March 31, 2023 June 30, 2023 and 2024.

Debt securities in an unrealized loss position had an estimated fair value of $777 million and $1.1 billion $1.6 billion, and unrealized losses of $16 million and $18 million $19 million as of December 31, 2023 and March 31, 2024 June 30, 2024, respectively. A total of $283 million and $479 million $475 million of these securities, with unrealized losses of $14 million and $16 million $17 million, were in a continuous unrealized loss position for more than twelve months as of December 31, 2023 and March 31, 2024 June 30, 2024, respectively.

The following table summarizes the contractual maturities of the Company's available-for-sale debt securities (in millions):

| | March 31, 2024 | | | June 30, 2024 | |
|---|---|---|---|---|---|
| | Amortized Cost | Amortized Cost | Estimated Fair Value | Amortized Cost | Estimated Fair Value |
| Due within one year | | | | | |
| Due after one year through five years | | | | | |
| Due after five years | | | | | |
| Total | | | | | |

Equity Investments Without Readily Determinable Fair Value

The Company holds investments in privately-held companies in the form of equity securities without readily determinable fair values and in which the Company does not have a controlling interest or significant influence. These investments had a net carrying value of $83 million and $38 million as of December 31, 2023 and June 30, 2024, respectively, and are classified within other assets, noncurrent on the unaudited condensed consolidated balance sheets.

For the three and six months ended June 30,2024, the Company recorded a non-cash impairment charge of $45 million due to a downward adjustment for an observable price change. There were no upward or downward adjustments for observable price changes or impairment charges recorded for the three and six months ended June 30, 2023 in the comparative period. As of June 30, 2024, the cumulative impairment and downward adjustments for observable price changes were $101 million.

# Airbnb, Inc.

## Notes to Condensed Consolidated Financial Statements (unaudited)

### Note 5. Fair Value Measurements and Financial Instruments

The following table summarizes the Company's financial assets and liabilities measured at fair value on a recurring basis (in millions):

| | December 31, 2023 | | | |
|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total |
| **Assets** | | | | |
| **Cash and cash equivalents:** | | | | |



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| | | | | |
|---|---|---|---|---|
| Money market funds | $ 2,018 | $ — | $ — | $ 2,018 |
| Certificates of deposit | — | 1 | — | 1 |
| Government bonds | — | 115 | — | 115 |
| Commercial paper | — | 223 | — | 223 |
| Corporate debt securities | — | 12 | — | 12 |
| | 2,018 | 351 | — | 2,369 |
| **Short-term investments:** | | | | |
| Certificates of deposit | — | 172 | — | 172 |
| Government bonds | — | 333 | — | 333 |
| Commercial paper | — | 366 | — | 366 |
| Corporate debt securities | — | 1,491 | — | 1,491 |
| Mortgage-backed and asset-backed securities | — | 145 | — | 145 |
| | — | 2,507 | — | 2,507 |
| **Funds receivable and amounts held on behalf of customers:** | | | | |
| Money market funds | 1,360 | — | — | 1,360 |
| **Prepaids and other current assets:** | | | | |
| Foreign exchange derivative assets | — | 27 | — | 27 |
| **Other assets, noncurrent:** | | | | |
| Corporate debt securities | — | — | 4 | 4 |
| **Total assets at fair value** | $ 3,378 | $ 2,885 | $ 4 | $ 6,267 |
| **Liabilities** | | | | |
| **Accrued expenses, accounts payable, and other current liabilities:** | | | | |
| Foreign exchange derivative liabilities | $ — | $ 55 | $ — | $ 55 |
| **Other liabilities, noncurrent:** | | | | |
| Foreign exchange derivative liabilities | — | 5 | — | 5 |
| **Total liabilities at fair value** | $ — | $ 60 | $ — | $ 60 |

# Airbnb, Inc.

## Notes to Condensed Consolidated Financial Statements (unaudited)

| | March 31, 2024 | | | | | June 30, 2024 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Level 1 | Level 1 | Level 2 | Level 3 | Total | Level 1 | Level 2 | Level 3 | Total |
| **Assets** | | | | | | | | | |
| **Cash and cash equivalents:** | | | | | | | | | |
| **Cash and cash equivalents:** | | | | | | | | | |
| **Cash and cash equivalents:** | | | | | | | | | |
| Money market funds | | | | | | | | | |
| Money market funds | | | | | | | | | |
| Money market funds | | | | | | | | | |
| Government bonds | | | | | | | | | |
| Government bonds | | | | | | | | | |
| Government bonds | | | | | | | | | |



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| | |
|---|---|
| Commercial paper | |
| Corporate debt securities | |
| | 2,144 |
| | 1,446 |
| **Short-term investments:** | |
| Certificates of deposit | |
| Certificates of deposit | |
| Certificates of deposit | |
| Government bonds | |
| Commercial paper | |
| Corporate debt securities | |
| Mortgage-backed and asset-backed securities | |
| | — |
| | — |
| | — |
| | — |
| | — |
| **Funds receivable and amounts held on behalf of customers:** | |
| Money market funds | |
| Money market funds | |
| Money market funds | |
| **Prepaids and other current assets:** | |
| **Prepaids and other current assets:** | |
| **Prepaids and other current assets:** | |
| Foreign exchange derivative assets | |
| Foreign exchange derivative assets | |
| Foreign exchange derivative assets | |
| **Other assets, noncurrent:** | |
| Foreign exchange derivative assets | |
| Foreign exchange derivative assets | |
| Foreign exchange derivative assets | |
| Corporate debt securities | |
| Corporate debt securities | |
| Corporate debt securities | |
| **Total assets at fair value** | |
| **Liabilities** | |
| **Accrued expenses, accounts payable and other current liabilities:** | |
| **Accrued expenses, accounts payable and other current liabilities:** | |
| **Accrued expenses, accounts payable and other current liabilities:** | |
| Foreign exchange derivative liabilities | |
| Foreign exchange derivative liabilities | |
| Foreign exchange derivative liabilities | |
| **Total liabilities at fair value** | |
| **Total liabilities at fair value** | |
| **Total liabilities at fair value** | |



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There were no material changes in unrealized losses included in other comprehensive income (loss) relating to investments measured at fair value for which the Company has utilized Level 3 inputs to determine fair value during the three six months ended March 31, 2023 June 30, 2023 and 2024.

There were no transfers of financial instruments into or out of Level 3 during the three six months ended March 31, 2023 June 30, 2023 and 2024.

### Note 6.6. Derivative Instruments and Hedging

The Company has a portion of its business denominated and transacted in foreign currencies, which subjects the Company to foreign exchange risk, and uses derivative instruments to manage financial exposures that occur in the normal course of business. The Company does not hold or issue derivatives for trading or speculative purposes.

The Company may elect to designate certain derivatives to partially offset its business exposure to foreign exchange risk. However, the Company may choose not to hedge certain exposures for a variety of reasons including accounting considerations or the prohibitive economic cost of hedging particular exposures. There can be no assurance the hedges will offset more than a portion of the financial impact resulting from movements in foreign exchange rates.

*Foreign Exchange Risk*

To protect revenue from fluctuations in foreign currency exchange rates, the Company may enter into forward contracts, option contracts, or other instruments, and may designate these instruments as cash flow hedges. The Company generally hedges portions of its forecasted foreign currency exposure associated with revenue, for up to 18 months.

The Company may also enter into derivative instruments that are not designated as accounting hedges to offset a portion of the foreign currency exchange gains and losses generated by the remeasurement of certain assets and liabilities denominated in non-functional currencies.

## Airbnb, Inc.

**Notes to Condensed Consolidated Financial Statements (unaudited)**

The following table summarizes the effect of derivative instruments on the Company's unaudited condensed consolidated balance sheets (in millions):

| | | | | Derivative Assets(1) | |
|---|---|---|---|---|---|
| | Location | | | | |
| | Location | | | | |
| | Location | December 31, 2023 | March 31, 2024 | December 31, 2023 | June 30, 2024 |
| **Derivatives designated as hedging instruments:** | | | | | |
| Foreign exchange contracts (current) | | | | | |
| Foreign exchange contracts (current) | | | | | |
| Foreign exchange contracts (current) | | | | | |
| Foreign exchange contracts (noncurrent) | | | | | |
| **Total derivatives designated as hedging instruments** | | | | | |
| **Derivatives not designated as hedging instruments:** | | | | | |
| **Derivatives not designated as hedging instruments:** | | | | | |
| **Derivatives not designated as hedging instruments:** | | | | | |
| Foreign exchange contracts (current) | | | | | |
| Foreign exchange contracts (current) | | | | | |
| Foreign exchange contracts (current) | | | | | |

| | | | | Derivative Liabilities(1) | |
|---|---|---|---|---|---|
| | Location | | | | |
| | Location | | | | |
| | Location | December 31, 2023 | March 31, 2024 | December 31, 2023 | June 30, 2024 |
| **Derivatives designated as hedging instruments:** | | | | | |



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| | |
|---|---|
| Foreign exchange contracts (current) | |
| Foreign exchange contracts (current) | |
| Foreign exchange contracts (current) | |
| Foreign exchange contracts (noncurrent) | |
| **Total derivatives designated as hedging instruments** | |
| **Derivatives not designated as hedging instruments:** | |
| **Derivatives not designated as hedging instruments:** | |
| **Derivatives not designated as hedging instruments:** | |
| Foreign exchange contracts (current) | |
| Foreign exchange contracts (current) | |
| Foreign exchange contracts (current) | |

(1) Derivative assets and derivatives liabilities are measured using Level 2 inputs.

To limit credit risk, the Company generally enters into master netting arrangements with the respective counterparties to the Company's derivative contracts, under which the Company is allowed to settle transactions with a single net amount payable by one party to the other. As of March 31, 2024 June 30, 2024, the potential effect of these rights of off-set associated with the Company's derivative contracts would be a reduction to both derivative assets and liabilities of $15 million $13 million, resulting in net derivative assets of $22 million $51 million.

The effect of derivative instruments designated as hedging instruments on the unaudited condensed consolidated statements of operations was not material for the three and six months ended March 31, 2024 June 30, 2024.

*Effect of derivative Derivative instruments designated as hedging instruments on AOCI*

The following table summarizes presents the activity impact of derivative instruments designated as cash flow hedges and the impact of these derivative contracts on AOCI, net of tax (in millions):

| | Gain (Loss) Recognized in Other Comprehensive Income | | Gain (Loss) Recognized in Other Comprehensive Income | | Gain (Loss) Recognized in Other Comprehensive Income | | Gain (Loss) Reclassified from AOCI into Revenues | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Three Months Ended March 31, | | | | | | | |
| | Gain (Loss) Recognized in Other Comprehensive Income (Loss) | | | | | | Gain Reclassified from AOCI into Revenue | | | | | | | |
| | Three Months Ended June 30, | | Six Months Ended June 30, | | | | Three Months Ended June 30, | | Six Months Ended June 30, | | | | | |
| | 2023 | | 2023 | 2024 | | | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 |
| **Derivatives designated as cash flow hedges:** | | | | | | | | | | | | | | |
| Foreign exchange contracts | | | | | | | | | | | | | | |
| Foreign exchange contracts | | | | | | | | | | | | | | |



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| |
|---|
| Foreign exchange contracts |

As of March 31, 2024 June 30, 2024, cumulative unrealized gains recorded in AOCI, net of tax related to derivative instruments designated as hedging instruments were $17 $62 million.

*Effect of derivative instruments not designated as hedging instruments on the unaudited condensed consolidated statements of operations*

The following table presents the activity of derivative instruments not designated as hedging instruments and the impact of these derivative contracts on the unaudited condensed consolidated statements of operations (in millions):

# Airbnb, Inc.

**Notes to Condensed Consolidated Financial Statements (unaudited)**

*Derivative instruments not designated as hedging instruments*

| | Realized Loss on Derivatives | | Unrealized Gain (Loss) on Derivatives | |
|---|---|---|---|---|
| | Three Months Ended March 31, | | Three Months Ended March 31, | |
| | **2023** | **2024** | **2023** | **2024** |
| **Derivatives not designated as hedging instruments:** | | | | |
| Foreign exchange contracts | $ (20) | $ (21) | $ (1) | $ 11 |

The following table presents the impact of activity of derivative instruments not designated as hedging instruments on the unaudited condensed consolidated statements of operations (in millions):

| | Realized Gain (Loss) on Derivatives | | | | Unrealized Gain on Derivatives | | | |
|---|---|---|---|---|---|---|---|---|
| | Three Months Ended June 30, | | Six Months Ended June 30, | | Three Months Ended June 30, | | Six Months Ended June 30, | |
| | **2023** | **2024** | **2023** | **2024** | **2023** | **2024** | **2023** | **2024** |
| **Derivatives not designated as hedging instruments:** | | | | | | | | |
| Foreign exchange contracts | $ (64) | $ 2 | $ (84) | $ (19) | $ 13 | $ 23 | $ 12 | $ 34 |

The total notional amount of outstanding derivatives not designated as hedging instruments was $2.4 billion and $2.2 billion as of December 31, 2023 and June 30, 2024, respectively.

*Cash flow hedges*

The total notional amount of outstanding foreign currency derivatives designated as cash flow hedges was $2.0 billion and $2.2 billion as of December 31, 2023 and March 31, 2024 June 30, 2024, respectively.

As of March 31, 2024 June 30, 2024, approximately $16 million $25 million of deferred net gains on both outstanding and matured derivatives in AOCI are expected to be reclassified to revenue during the next 12 months concurrent with the underlying hedged transactions which will be recorded in revenue. Actual amounts ultimately reclassified to revenue are dependent on the exchange rates in effect when derivative contracts currently outstanding mature.

## Derivatives not designated as hedging instruments

The total notional amount of outstanding derivatives not designated as hedging instruments was $2.4 billion and $3.1 billion as of December 31, 2023 and March 31, 2024, respectively.

### Note 7. 7. Debt

***Convertible Senior Notes***

In 2021, the Company issued $2.0 billion aggregate principal amount of 0% convertible senior notes due 2026 (the "2026 Notes") pursuant to an indenture, dated March 8, 2021 (the "Indenture"), between the Company and U.S. Bank National Association, as trustee.

As of both December 31, 2023 and March 31, 2024 June 30, 2024, total outstanding debt, net of unamortized debt discount and debit issuance costs, was $2.0 billion. Interest expense was immaterial for both the three and six months ended March 31, 2023 June 30, 2023 and 2024.



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As of March 31, 2024 June 30, 2024, the if-converted value of the 2026 Notes did not exceed the outstanding principal amount.

As of March 31, 2024 June 30, 2024, the total estimated fair value of the 2026 Notes was $1.9 $1.8 billion and was determined based on a market approach using actual bids and offers of the 2026 Notes in an over-the-counter market on the last trading day of the period, or Level 2 inputs.

***2022 Credit Facility***

In 2022, the Company entered into a five-year unsecured Revolving Credit Agreement, which provides for initial commitments by a group of lenders led by Morgan Stanley Senior Funding, Inc. of $1.0 billion ("2022 Credit Facility"). The 2022 Credit Facility provides a $200 million sub-limit for the issuance of letters of credit.

The 2022 Credit Facility contains customary events of default, affirmative and negative covenants, including restrictions on the Company's and certain of its subsidiaries' ability to incur debt and liens, undergo fundamental changes, as well as certain financial covenants. The Company was in compliance with all financial covenants as of March 31, 2024 June 30, 2024.

As of March 31, 2024 June 30, 2024, no amounts were drawn under the 2022 Credit Facility and outstanding letters of credit totaled $25 million.

## Note 8. Stock-Based Compensation

***Stock-Based Compensation Expense***

The following table summarizes total Total stock-based compensation expense (in millions):

| | Three Months Ended March 31, | |
|---|---|---|
| | 2023 | 2024 |
| Operations and support | $ 15 | $ 19 |
| Product development | 149 | 185 |
| Sales and marketing | 28 | 35 |
| General and administrative | 48 | 56 |
| Stock-based compensation expense | $ 240 | $ 295 |

was $304 million and $382 million for the three months ended June 30, 2023 and 2024, and $544 million and $677 million for the six months ended June 30, 2023 and 2024, respectively.

# Airbnb, Inc.

### Notes to Condensed Consolidated Financial Statements (unaudited)

***Stock Option and Restricted Stock Unit Activity***

A summary of stock option and restricted stock unit ("RSU") activity under the Company's equity incentive plans was as follows (in millions, except per share amounts):

| | Outstanding Stock Options | | | Outstanding Stock Options | | | Outstanding RSUs | | Outstanding Stock Options | Outstanding RSUs |
|---|---|---|---|---|---|---|---|---|---|---|
| | Shares Available for Grant | Number of Shares | Weighted-Average Exercise Price | Number of Shares | Weighted-Average Grant Date Fair Value | Shares Available for Grant | Number of Shares | Weighted-Average Exercise Price | Number of Shares | Weighted-Average Grant Date Fair Value |
| As of December 31, 2023 | | | | | | | | | | |
| Granted | | | | | | | | | | |
| Increase in shares available for grant | Increase in shares available for grant 13 | — | — | | — | | | | | |



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Options exercised/RSUs vested(1)

As of March 31, 2024

As of March 31, 2024

As of March 31, 2024

Canceled

As of June 30, 2024

(1) RSUs vested are net of shares withheld for taxes.

| | Number of Shares | Weighted-Average Exercise Price | Weighted-Average Remaining Contractual Life (Years) | Aggregate Intrinsic Value |
|---|---|---|---|---|
| Options outstanding as of March 31, 2024 | 6 | $ 80.12 | 5.87 | $ 541 |
| Options exercisable as of March 31, 2024 | 5 | $ 66.85 | 5.12 | $ 484 |

* Shares round to zero and do not change rounded totals.

The Company recorded stock-based compensation expense related to RSUs of $286 million and $358 million for the three months ended June 30, 2023 and 2024, and $509 million and $629 million for the six months ended June 30, 2023 and 2024, respectively.

In May 2023, 11.2 million stock options were exercised in cashless transactions pursuant to which the Company withheld and retired 5.7 million shares of common stock, valued at their fair market value on the exercise date, to cover the related $567 million of employee withholding tax and $36 million of exercise cost.

The following table summarizes options outstanding and exercisable as of June 30, 2024 (in millions):

| | Number of Shares | Weighted-Average Exercise Price | Weighted-Average Remaining Contractual Life (Years) | Aggregate Intrinsic Value |
|---|---|---|---|---|
| Options outstanding | 6 | $ 87.61 | 5.85 | $ 425 |
| Options exercisable | 5 | $ 71.11 | 4.95 | $ 391 |

The Company recorded stock-based compensation expense related to stock options of $11 million and $14 million for the three months ended June 30, 2023 and 2024, and $21 million and $27 million for the six months ended June 30, 2023 and 2024, respectively.

***Employee Stock Purchase Plan ("ESPP")***

Activities related to the Company's ESPP were not material for the three and six months ended June 30, 2023 and 2024.

***Restricted Stock Awards ("RSAs")***

Activities related to the Company's RSAs were not material for the three and six months ended June 30, 2023 and 2024.

## Note 9. Commitments and Contingencies

***Commitments***

The Company has commitments including purchase obligations for web-hosting services and other commitments for brand marketing. As of March 31, 2024 June 30, 2024, there were no material changes outside the ordinary course of business to the Company's commitments, as disclosed in its Annual Report on Form 10-K for the year ended December 31, 2023.



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***Lodging Tax Obligations and Other Non-Income Tax Matters***

***Platform Related Taxes and Collection Obligations***

Some states and localities in the United States and elsewhere in the world impose transient occupancy or lodging accommodations taxes ("Lodging Taxes") on the use or occupancy of lodging accommodations or other traveler services. As of March 31, 2024 June 30, 2024, the Company collects and remits Lodging Taxes in approximately 33,000 jurisdictions around the world on behalf of its hosts. Such Lodging Taxes are generally remitted to tax jurisdictions within a 30 to 90-day period following the end of each month.



As of December 31, 2023 and March 31, 2024 June 30, 2024, the Company had an obligation to remit Lodging Taxes collected from guests on bookings in these jurisdictions totaling $274 million and $508 million $400 million, respectively. These payables were recorded in accrued expenses, accounts payable, and other current liabilities on the unaudited condensed consolidated balance sheets.

In jurisdictions where the Company does not collect and remit Lodging Taxes, hosts are primarily responsible for such taxes. The Company has estimated Lodging Tax liabilities in a certain number of jurisdictions with respect to state, city, and local taxes where management believes it is probable that the Company can be held jointly liable with hosts for taxes and the related amounts can be reasonably estimated. As of December 31, 2023 and March 31, 2024 June 30, 2024, accrued obligations related to these estimated taxes, including estimated penalties and interest, totaled $114 million and $124 million $160 million, respectively. As of March 31, 2024 June 30, 2024, the Company estimates that the reasonably possible loss related to certain Lodging Taxes that can be determined in excess of the amounts accrued is between $38 $41 million to $48 $51 million; however, no assurance can be given as to the outcomes and the Company could be subject to significant additional tax liabilities. With respect to all other jurisdictions' Lodging Taxes for which a loss is probable or reasonably possible, the Company is unable to determine an estimate of the possible loss or range of loss beyond the amounts already accrued.

The Company's potential obligations with respect to Lodging Taxes could be affected by various factors, which include, but are not limited to, whether the Company determines or any tax authority asserts that the Company has a responsibility to collect lodging and related taxes on either historical or future transactions, or by the introduction of new ordinances and taxes that subject the Company's operations to such taxes. Accordingly, the ultimate resolution of Lodging Taxes may be greater or less than the reserve amounts that the Company has recorded.

The Company is currently involved in disputes brought by certain domestic and international states and localities involving the payment of Lodging Taxes. These jurisdictions are asserting that the Company is liable or jointly liable with hosts to collect and remit Lodging Taxes. These disputes are in various stages and the Company continues to vigorously defend these claims. The Company believes that the statutes


# Airbnb, Inc.

**Notes to Condensed Consolidated Financial Statements (unaudited)**


at issue impose a Lodging Tax obligation on the person exercising the taxable privilege of providing accommodations, or the Company's hosts.

The imposition of such taxes on the Company could increase the cost of a guest booking and potentially cause a reduction in the volume of bookings on the Company's platform, which would adversely impact the Company's results of operations. The Company will continue to monitor the application and interpretation of lodging and related taxes and ordinances and will adjust accruals based on any new information or further developments.

The Company is under audit and inquiry by various domestic and foreign tax authorities with regard to non-income tax matters. The subject matter of these contingent liabilities primarily arises from the Company's transactions with its customers, as well as the tax treatment of certain employee benefits and related employment taxes. In jurisdictions with disputes connected to transactions with customers, customers. Such disputes involve the applicability of transactional taxes (such as sales, value-added, business, and similar taxes) to services provided, as well as the applicability of withholding tax on payments made to such hosts.

As of June 30, 2024, the Company accrued $23 million related to the Canada Digital Services Tax that was enacted on June 28, 2024, which was retroactive to January 1, 2022. The amount accrued related to years 2022 and 2023 was $20 million. In addition, the Company has identified reasonably possible exposures related to transactional taxes and business taxes and has not accrued for these amounts since the likelihood of the contingent liability is less than probable. As of June 30, 2024, the Company estimates that the reasonably possible loss related to these matters in excess of the amounts accrued is between $355 million and $375 million; however, no assurance can be given as to the outcomes and the Company could be subject to significant additional tax liabilities.

As of December 31, 2023 and March 31, 2024 June 30, 2024, the Company accrued a total of $521 million and $428 million $445 million of estimated tax liabilities, including interest and penalties, related to hosts' withholding tax obligations, respectively. As of March 31, 2024 June 30, 2024, the Company estimates that the reasonably possible loss related to withholding income taxes that can be determined in excess of the amounts accrued is between $95 $145 million to $115 $155 million; however, no assurance can be given as to the outcomes and the Company could be subject to significant additional tax liabilities. Due to the inherent complexity and uncertainty of these matters and judicial processes in certain jurisdictions, the final outcomes may exceed the estimated liabilities recorded.

The Company has identified reasonably possible exposures related to transactional taxes and business taxes and has not accrued for these amounts since the likelihood of the contingent




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liability is less than probable. As of March 31, 2024, the Company estimates that the reasonably possible loss related to these matters in excess of the amounts accrued is between $320 million and $340 million; however, no assurance can be given as to the outcomes and the Company could be subject to significant additional tax liabilities.

In 2017, Italy passed a law purporting to require short-term rental platforms that process payments to withhold and remit host income tax and collect and remit tourist tax, amongst other obligations ("2017 Law"). The Company challenged this law before the Italian courts and the Court of Justice of the European Union ("CJEU"). In December 2022, the CJEU found that European law does not prohibit member states from passing legislation requiring short-term rental platforms to withhold income taxes from their hosts, however a requirement to appoint a tax representative, on which the 2017 Law and the withholding obligations are based, is contrary to European Union ("EU") law. In October 2023, the Italian national court upheld the ruling of the CJEU. The Company's subsidiary in Italy and subsidiary in Ireland continue to be, or could be in the future, subject to tax audits in Italy, including in relation to permanent establishment, transfer pricing, and withholding obligations.

In May 2023, the Guardia di Finanza de Milano ("GdF") issued a Tax Audit Report recommending to the Italian tax authorities a formal tax assessment of 779 million Euro on Airbnb's subsidiary in Ireland relating to the 2017 Law and associated withholding tax obligations. On December 13, 2023, without admitting any liability, Airbnb Ireland signed an agreement with the Italian Revenue Agency ("ITA") in settlement of the 2017-2021 audit period for an aggregate payment of 576 million Euro ($621 million). Such agreement settles a dispute about Airbnb Ireland's obligations to withhold and remit host income tax, including taxes, interest, and penalties, for those relevant periods. The GdF conducted a withholding tax audit of Airbnb Ireland UC for the 2022 and 2023 tax years and issued a report to the ITA in March 2024. The Company expects to begin began settlement discussions with the ITA in June 2024 and expects to reconvene with the second ITA in the third quarter of 2024.

With respect to all other transactional taxes and withholding tax on payments made to hosts and transactional taxes for which a loss is probable or reasonably possible, the Company is unable to determine an estimate of the possible loss or range of loss beyond the amounts already accrued.



***Payroll Taxes***

The Company is subject to regular payroll tax examinations by various international, state and local jurisdictions. Although management believes its tax withholding remittance practices are appropriate, the Company may be subject to additional tax liabilities, including interest and penalties, if any tax authority disagrees with the Company's withholding and remittance practices, or if there are changes in laws, regulations, administrative practices, principles or interpretations related to payroll tax withholding in the various international, state and local jurisdictions.

In addition, as of December 31, 2023 and March 31, 2024 June 30, 2024, the Company accrued a total of $43 million and $45 million $63 million of estimated tax liabilities related to employment taxes on certain employee benefits, respectively.

***Legal and Regulatory Matters***

The Company has been and is currently a party to various legal and regulatory matters arising in the normal course of business. Such proceedings and claims, even if not meritorious, can require significant financial and operational resources, including the diversion of management's attention from the Company's business objectives.

***Regulatory Matters***

The Company operates in a complex legal and regulatory environment and its operations are subject to various U.S. and foreign laws, rules, and regulations, including those related to: Internet activities; short-term rentals, long-term rentals and home sharing; real estate, property rights, housing and land use; travel and hospitality; privacy and data protection; intellectual property; competition; health and safety; protection of minors; consumer protection; employment; payments, money transmission, economic and trade sanctions, anti-corruption and anti-bribery; taxation; and others. In addition, the nature of the Company's business exposes it to inquiries and potential claims related to the compliance of the business with applicable law and regulations. In some instances, applicable laws and regulations do not yet exist or are being applied, interpreted or implemented to address aspects of the Company's business, and such adoption or interpretation could


## Airbnb, Inc.

**Notes to Condensed Consolidated Financial Statements (unaudited)**


further alter or impact the Company's business.

In certain instances, the Company has been party to litigation with municipalities relating to or arising out of certain regulations. In addition, the implementation and enforcement of regulation can have an impact on the Company's business.

*Intellectual Property*




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The Company has been and is currently subject to claims relating to intellectual property, including alleged patent infringement. Adverse results in such lawsuits may include awards of substantial monetary damages, costly royalty or licensing agreements, or orders preventing the Company from offering certain features, functionalities, products, or services, and may also cause the Company to change its business practices or require development of non-infringing products or technologies, which could result in a loss of revenue or otherwise harm its business. To date, the Company has not incurred any material costs as a result of such cases and has not recorded any material liabilities in its consolidated financial statements related to such matters.

*Litigation and Other Legal Proceedings*

The Company is currently involved in, and may in the future be involved in, legal proceedings, claims, and government investigations in the ordinary course of business. These include proceedings, claims, and investigations relating to, among other things, regulatory matters, commercial matters, intellectual property, competition, tax, employment, pricing, discrimination, consumer rights, personal injury, and property rights.

Depending on the nature of the proceeding, claim, or investigation, the Company may be subject to monetary damage awards, fines, penalties, and/or injunctive orders. Furthermore, the outcome of these matters could materially adversely affect the Company's business, results of operations, and financial condition. The outcomes of legal proceedings, claims, and government investigations are inherently unpredictable and subject to significant judgment to determine the likelihood and amount of loss related to such matters. While it is not possible to determine the outcomes, the Company believes based on its current knowledge that the resolution of all such pending matters will not, either individually or in the aggregate, have a material adverse effect on the Company's business, results of operations, financial condition, or cash flows.

The Company establishes an accrued liability for loss contingencies related to legal matters when a loss is both probable and reasonably estimable. These accruals represent management's best estimate of probable losses. Such currently accrued amounts are not material to the Company's unaudited condensed consolidated financial statements. However, management's views and estimates related to these matters may change in the future, as new events and circumstances arise and the matters continue to develop. Until the final resolution of legal matters, there may be an exposure to losses in excess of the amounts accrued. With respect to outstanding legal matters, based on current knowledge, the amount or range of reasonably possible loss will not, either individually or in the aggregate, have a material adverse effect on the Company's business, results of operations, financial condition, or cash flows. Legal fees are expensed as incurred.



***Host Protections***

The Company offers AirCover coverage, which includes but is not limited to, the Company's Host Damage Protection program that provides protection of up to $3 million for direct physical loss or damage to a host's covered property caused by guests during a confirmed booking and when the host and guest are unable to resolve the dispute. The Company retains risk and also maintains insurance from third parties on a per claim basis to protect the Company's financial exposure under this program. In addition, through third-party insurers and self-insurance mechanisms, including a wholly-owned captive insurance subsidiary, the Company provides insurance coverage for third-party bodily injury or property damage liability claims that occur during a stay. The Company's Host Liability Insurance and Experiences Liability Insurance consists of a commercial general liability policy, with hosts and the Company as named insureds and landlords of hosts as additional insureds. The Host Liability Insurance and Experiences Liability Insurance provides primary coverage for up to $1 million per occurrence, subject to a $1 million cap per listing location, and includes various market standard conditions, limitations, and exclusions.

***Indemnifications***

The Company has entered into indemnification agreements with certain of its employees, officers and directors. The indemnification agreements and the Company's Amended and Restated Bylaws (the "Bylaws") require the Company to indemnify its directors and officers and those employees who have entered into indemnification agreements to the fullest extent not prohibited by Delaware law. Subject to certain limitations, the indemnification agreements and Bylaws also require the Company to advance expenses incurred by its directors and officers and those employees who have entered into indemnification agreements. No demands have been made upon the Company to provide indemnification or advancement under the indemnification agreements or the Bylaws, and thus, there are no indemnification or advancement claims that the Company is aware of that could have a material adverse effect on the Company's business, results of operations, financial condition, or cash flows.

In the ordinary course of business, the Company has included limited indemnification provisions in certain agreements with parties with whom the Company has commercial relations, which provisions are of varying scope and terms with respect to indemnification of certain matters, which may include losses arising out of the Company's breach of such agreements or out of intellectual property infringement claims made by third parties. It is not possible to determine the maximum potential loss under these indemnification provisions due to the limited history of prior indemnification claims and the unique facts and circumstances involved in each particular provision. To date, no significant costs have been incurred, either individually or collectively, in connection with the Company's indemnification provisions.



**Note 10. Income Taxes**




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The Company's tax provision for interim periods is determined by using an estimated annual effective tax rate, adjusted for discrete items arising in that quarter. In each quarter, the Company updates the estimated annual effective tax rate and makes a year-to-date adjustment to the provision. The estimated annual effective tax rate is subject to significant volatility due to several factors, including accurately predicting the Company's pre-tax and taxable income and loss and the mix of jurisdictions to which they relate, intercompany transactions, audit-related developments, and changes in statutes, regulations, case law, and administrative actions.

The Company recorded income tax expense of $13 million $26 million and $29 million $126 million for the three months ended March 31, 2023 June 30, 2023 and 2024, and $39 million and $155 million for the six months ended June 30, 2023 and 2024, respectively, which were primarily driven by related to current and deferred tax on U.S. and foreign earnings, the accrual of interest on certain uncertain tax positions, and the income tax benefit from excess tax benefits on stock-based compensation arising during the quarter. The increase in tax expense was driven by deferred tax expense on the utilization of U.S. deferred tax assets due to the lack of a valuation allowance in the current period.

The Company's significant tax jurisdictions include the United States, California, and Ireland. The Company is currently under examination for income taxes by the Internal Revenue Service ("IRS") for the 2013, 2016, 2017, and 2018 tax years. The primary issue under examination in the 2013 audit is the valuation of the Company's international intellectual property which was sold to a subsidiary in 2013. In the year ended December 31, 2019, new information became available which required the Company to remeasure its reserve for unrecognized tax benefits. The Company recorded additional tax expense of $196 million during the year ended December 31, 2019. In December 2020, the Company received a Notice of Proposed Adjustment ("NOPA") from the IRS which proposed an increase to the Company's U.S. taxable income that could result in additional income tax expense and cash liability of $1.3 billion, plus penalties and interest, which exceeds its current reserve recorded in its consolidated financial statements by more than $1.0 billion. The Company disagrees with the proposed adjustment and continues to vigorously contest it. In February 2021, the Company submitted a protest to the IRS describing its disagreement with the proposed adjustment and requesting the case be transferred to the IRS Independent Office of Appeals ("IRS Appeals"). In December 2021, the Company received a rebuttal from the IRS with the same proposed adjustments that were in the NOPA. In January 2022, the Company entered into an administrative dispute process with IRS Appeals. An acceptable outcome is was not expected to be reached with IRS Appeals, and in May 2024, the Company expects to receive received a Statutory Notice of Deficiency ("Notice") from the IRS related to the aforementioned valuation of its international intellectual property consistent with the previously received NOPA, claiming property. The Notice claims that the Company owes $1.3 billion in tax, plus penalties and interest. The Company will continue to pursue all available remedies to resolve this dispute, including petitioning dispute. In July 2024, the Company petitioned the U.S. Tax Court ("Tax Court") for redetermination, and if necessary, appealing the Company will appeal the Tax Court's decision to the appropriate appellate court. The Company believes that adequate amounts have been reserved for any adjustments that may ultimately result from these examinations. If the IRS prevails in the assessment of additional tax due based on its position and such tax and related interest and penalties, if any, exceeds the Company's current reserves, such outcome could have a material adverse impact on the Company's financial position and results of operations, and any assessment of additional tax could require a significant cash payment and have a material adverse impact on the Company's unaudited condensed consolidated statements of cash flow.

# Airbnb, Inc.

## Notes to Condensed Consolidated Financial Statements (unaudited)

On August 16, 2022, the Inflation Reduction Act was signed into law, with tax provisions primarily focused on implementing a 15% minimum tax known as the Corporate Alternative Minimum Tax ("CAMT") on global adjusted financial statement income and a 1% excise tax on net share repurchases. The Inflation Reduction Act became effective beginning in fiscal year 2023. The Company anticipates paying a material amount of additional federal taxes in 2024 due to the CAMT. The additional CAMT will result in tax credits that are expected to offset the Company's federal tax in subsequent years, thus there is no impact to the overall tax provision.

### Note 11. Net Income per Share

The following table sets forth the computation of basic and diluted net income per share attributable to common stockholders for the periods indicated (in millions, except per share amounts):

| | Three Months Ended March 31, | | Three Months Ended March 31, | | Three Months Ended March 31, | | | |
|---|---|---|---|---|---|---|---|---|
| | Three Months Ended June 30, | | Six Months Ended June 30, | | | | | |
| | 2023 | | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 |
| Net income | | | | | | | | |
| Add: convertible notes interest expense, net of tax | | | | | | | | |
| Net income - diluted | | | | | | | | |
| Weighted-average shares in computing net income per share attributable to Class A and Class B common stockholders: | | | | | | | | |
| Basic | | | | | | | | |
| Basic | | | | | | | | |
| Basic | | | | | | | | |



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| | |
|---|---|
| Effect of dilutive securities | |
| Diluted | |
| Net income per share attributable to Class A and Class B common stockholders: | |
| Basic | |
| Basic | |
| Basic | |
| Diluted | |

As of both March 31, 2023 June 30, 2023 and 2024, 9.6 million shares of RSUs were excluded from the table below because they are subject to performance conditions that were not achieved as of such date.

# Airbnb, Inc.

## Notes to Condensed Consolidated Financial Statements (unaudited)

Additionally, the following securities were not included in the computation of diluted shares outstanding because the effect would be anti-dilutive (in millions):

| | Three Months Ended March 31, | Three Months Ended March 31, | Three Months Ended March 31, | Three Months Ended June 30, | Six Months Ended June 30, | | Six Months Ended June 30, | | |
|---|---|---|---|---|---|---|---|---|---|
| | 2023 | | 2023 | 2023 | | 2024 | 2023 | 2024 |
| Stock options | | | | | | | | |
| Stock options | | | | | | | | |
| Stock options | | | | | | | | |
| RSUs | | | | | | | | |
| Total | | | | | | | | |
| Total | | | | | | | | |
| Total | | | | | | | | |

***Share Repurchase Program***

In May 2023 and February 2024, the Company announced that its board of directors approved share repurchase programs to purchase up to $2.5 billion and $6.0 billion of the Company's Class A common stock, respectively.

Share repurchases under these share repurchase programs may be made through a variety of methods, such as open market purchases, privately negotiated transactions, block trades or accelerated share repurchase transactions or by any combination of such methods. Any such repurchases will be made from time to time subject to market and economic conditions, applicable legal requirements and other relevant factors. These share repurchase programs do not obligate the Company to repurchase any specific number of shares and may be modified, suspended or terminated at any time at the Company's discretion.

During the three and six months ended March 31, 2024 June 30, 2024, the Company repurchased and subsequently retired 4.7 million 4.9 million and 9.6 million shares of Class A common stock for $750 million, which$749 million and $1.5 billion, respectively. The Company completed the repurchases authorized under the share repurchase program announced in May 2023. 2023 during the first quarter of 2024. As of March 31, 2024 June 30, 2024, the Company had $6.0 billion $5.3 billion available to repurchase shares of Class A common stock under its share repurchase program.

***Class A Common Stock Warrants***



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As of December 31, 2023, the Company had warrants outstanding to purchase 0.8 million shares of Class A common stock with an exercise price of $28.355 per share, subject to adjustment upon the occurrence of certain specified events. During the three months ended June 30, 2024, the warrants were exercised to purchase 0.8 million shares of Class A common stock. The warrants were exercised on a cashless basis, resulting in the issuance of 0.7 million shares of the Class A common stock. As of June 30, 2024, there were no outstanding warrants.

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## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

*You should read the following discussion and analysis of our financial condition and results of operations together with our unaudited condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q and with our audited consolidated financial statements included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 (the "2023 Annual Report"). This discussion contains forward-looking statements based upon current expectations that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under the section titled "Risk Factors" of our 2023 Annual Report. Our historical results are not necessarily indicative of the results that may be expected for any period in the future.*

### Overview

We are a community based on connection and belonging—a community that was born in 2007 when two hosts welcomed three guests to their San Francisco home, and has since grown to over 5 million hosts who have welcomed over 1.5 billion guest arrivals in almost every country and region across the globe. Every day, hosts offer unique stays and experiences that make it possible for guests to connect with communities in a more authentic way.

We have five stakeholders and we have designed our Company with all of them in mind. Along with employees and shareholders, we serve hosts, guests, and the communities in which they live. We intend to make long-term decisions considering all of our stakeholders because their collective success is key for our business to thrive.

### First Second Quarter Financial Highlights

For the three months ended March 31, 2024 June 30, 2024, revenue grew by 18% 11% to $2.1 billion $2.7 billion, compared to the same period in the prior year, year. The increase was primarily due to a 9.5% 9% increase in Nights and Experiences Booked of 11.5 10.0 million, driving a 12% an 11% increase in Gross Booking Value ("GBV") of $2.5 billion $2.1 billion, a modest increase in Average Daily Rate ("ADR"), and the shift in timing of Easter from the second quarter of 2023 to the first quarter of 2024. The growth in revenue demonstrated the continued strong travel demand.

Net income for the three months ended March 31, 2024 increased June 30, 2024 decreased by 126% 15% to $264 million $555 million, compared to the same period in the prior year, driven by an increase in income tax expense of $100 million, primarily due to additional deferred tax expense resulting from last year's valuation allowance release on our U.S. deferred tax assets and the utilization of some of those assets in the current year. The decrease was largely offset by our revenue growth and increased interest income, and discipline in managing our cost structure. income.

Adjusted EBITDA[1] for the three months ended March 31, 2024 June 30, 2024 increased 62% 9% to $424 million $894 million, compared to the same period in the prior year, demonstrating the continued strength of our business and a modest increase in ADR, and discipline in managing our cost structure. ADR.

Our net cash Cash provided by operating activities was $1.9 billion $1.1 billion for the three months ended March 31, 2024 June 30, 2024, compared to $1.6 billion $909 million, in the same period in the prior year. We generated Free Cash Flow[1] of $1.9 billion $1.0 billion for the three months ended March 31, 2024 June 30, 2024, compared to $1.6 billion $900 million, in the same period in the prior year. The increase was primarily driven by our revenue growth and increase in net income, and accrued expenses and other liabilities. deferred revenue for unearned fees.

During the three months ended March 31, 2024 June 30, 2024, we repurchased 4.7 million 4.9 million shares of Class A common stock for $750 million $749 million, leaving $6.0 billion $5.3 billion available to repurchase under our share repurchase program.

### Key Business Metrics and Non-GAAP Financial Measures

We track the following key business metrics and financial measures that are not calculated and presented in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP") ("non-GAAP financial measures") to evaluate our operating performance, identify trends, formulate financial projections, and make strategic decisions. Accordingly, we believe that these key business metrics and non-GAAP financial measures provide useful information to investors and others in understanding and evaluating our results of operations in the same manner as our management team. We believe that non-GAAP financial information, when taken collectively, may be helpful to investors because it provides consistency and comparability with past financial performance, and assists in comparisons with other companies, some of which use similar non-GAAP financial information to supplement their U.S. GAAP results.

These key business metrics and non-GAAP financial measures are presented for supplemental informational purposes only, should not be considered a substitute for financial information presented in accordance with U.S. GAAP, and may be different from similarly titled metrics or measures presented by other companies. A reconciliation of each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with U.S. GAAP is provided under the subsection titled "— Adjusted EBITDA Reconciliation" and "— Free Cash Flow



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Reconciliation" below. Investors are encouraged to review the related U.S. GAAP financial measures and the reconciliation of these non-GAAP financial measures to their most directly comparable U.S. GAAP financial measures.

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[1] A reconciliation of non-GAAP financial measures to the most comparable U.S. GAAP financial measures is provided under the subsection titled "Key Business Metrics and Non-GAAP Financial Measures— Adjusted EBITDA Reconciliation" and "— Free Cash Flow Reconciliation" below.

***Nights and Experiences Booked***

Nights and Experiences Booked is a key measure of the scale of our platform, which in turn drives our financial performance. Nights and Experiences Booked on our platform in a period represents the sum of the total number of nights booked for stays and the total number of seats booked for experiences, net of cancellations and alterations that occurred in that period. For example, a booking made on February 15 would be reflected in Nights and Experiences Booked for our quarter ended March 31. If, in the example, the booking were canceled on

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[1] A reconciliation of non-GAAP financial measures to the most comparable U.S. GAAP financial measures is provided under the subsection titled "Key Business Metrics and Non-GAAP Financial Measures— Adjusted EBITDA Reconciliation" and "— Free Cash Flow Reconciliation" below.

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May 15, Nights and Experiences Booked would be reduced by the cancellation for our quarter ended June 30. A night can include one or more guests and can be for a listing with one or more bedrooms. Nights and Experiences Booked grows as we attract new customers to our platform and as repeat guests increase their activity on our platform. A seat is booked for each participant in an experience. Substantially all of the bookings on our platform to date have come from nights. We believe Nights and Experiences Booked is a key business metric to help investors and others understand and evaluate our results of operations in the same manner as our management team, as it represents a single unit of transaction on our platform.

For the three months ended March 31, 2024 June 30, 2024, we had 132.6 million 125.1 million Nights and Experiences, a 9% increase from 115.1 million for the same period in the prior year. For the six months ended June 30, 2024, we had 257.7 million Nights and Experiences Booked, a 9.5% 9% increase from 121.1 million 236.2 million for the same period in the prior year. The increase was driven by growth across all regions, with the strongest growth percentages in Asia Pacific and Latin America, as we continue to focus on international expansion.

***Gross Booking Value***

GBV represents the dollar value of bookings on our platform in a period and is inclusive of host earnings, service fees, cleaning fees, and taxes, net of cancellations and alterations that occurred during that period. The timing of recording GBV and any related cancellations is similar to that described in the subsection titled "— Key Business Metrics and Non-GAAP Financial Measures — Nights and Experiences Booked" above. Revenue from the booking is recognized upon check-in; accordingly, GBV is a leading indicator of revenue. The entire amount of a booking is reflected in GBV during the quarter in which booking occurs, whether the guest pays the entire amount of the booking upfront or elects to use our Pay Less Upfront program. Growth in GBV reflects our ability to attract and retain customers and reflects growth in Nights and Experiences Booked.

For the three months ended March 31, 2024 June 30, 2024, our GBV was $22.9 billion $21.2 billion, a 11% increase from $19.1 billion for the same period in the prior year. For the six months ended June 30, 2024, our GBV was $44.1 billion, a 12% increase from $20.4 billion $39.5 billion for the same period in the prior year. The increase was primarily due to an increase in Nights and Experiences Booked, combined with a modest increase in ADR. We saw GBV growth across all regions, with the strongest growth percentages in Asia Pacific and Latin America and Asia Pacific. America.

***Non-GAAP Financial Measures***

Our non-GAAP financial measures include Adjusted EBITDA and Free Cash Flow, which are described below. A reconciliation of each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with U.S. GAAP is provided below. Investors are encouraged to review the related U.S. GAAP financial measures and the reconciliation of these non-GAAP financial measures to their most directly comparable U.S. GAAP financial measures. Adjusted EBITDA has limitations as a financial measure, should be considered as supplemental in nature, and is not meant as a substitute for the related financial information prepared in accordance with U.S. GAAP. Because of these limitations, you should consider Adjusted EBITDA alongside other financial performance measures, including net income and our other U.S. GAAP results. Free Cash Flow has limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of other U.S. GAAP financial measures, such as net cash provided by operating activities. Free Cash Flow does not reflect our ability to meet future contractual commitments and may be calculated differently by other companies in our industry, limiting its usefulness as a comparative measure.



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| Non-GAAP Measure | Definition | Purpose of Non-GAAP Measure |
|---|---|---|
| ***Adjusted EBITDA & Adjusted EBITDA Margin*** | *Adjusted EBITDA*: Net income adjusted for:<br>• provision for income taxes,<br>• other expense, net,<br>• interest income;<br>• depreciation and amortization,<br>• stock-based compensation expense,<br>• acquisition-related impacts consisting of gains (losses) recognized on changes in the fair value of contingent consideration arrangements, and<br>• lodging taxes for which management believes it is probable that we may be held jointly liable with hosts for collecting and remitting such taxes, and the applicability of withholding taxes on payments made to such hosts.<br><br>*Adjusted EBITDA Margin*: Adjusted EBITDA divided by revenue. | • Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business.<br><br>• Used by management to make operating decisions such as evaluating performance, performing strategic planning, and budgeting. |
| ***Free Cash Flow*** | Net cash provided by operating activities less purchases of property and equipment. | • Indicator of liquidity that provides information to our management and investors about the amount of cash generated from operations, after purchases of property and equipment, that can be used for strategic initiatives. |

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The following table summarizes our non-GAAP financial measures, along with the most directly comparable U.S. GAAP measure, for each period presented below (in millions) millions, except percentages):

| | | Three Months Ended March 31, | Three Months Ended March 31, | Three Months Ended March 31, | | | |
|---|---|---|---|---|---|---|---|
| | | 2023 | | | | | |
| | | 2023 | | | | | |
| | | | Three Months Ended June 30, | | Six Months Ended June 30, | | |
| | 2023 | | | 2023 | 2024 | 2023 | 2024 |
| Net income | | | | | | | |
| Net income | | | | | | | |
| Net income | | | | | | | |
| Net income as a percentage of revenue | Net income as a percentage of revenue | | 26 % | 20 % | 18 % | 17 % | |
| Net income as a percentage of revenue | | | | | | | |
| Net income as a percentage of revenue | | | | | | | |
| Adjusted EBITDA | | | | | | | |
| Adjusted EBITDA | | | | | | | |
| Adjusted EBITDA | | | | | | | |
| Adjusted EBITDA as a percentage of revenue | | | | | | | |
| Adjusted EBITDA as a percentage of revenue | | | | | | | |



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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Adjusted EBITDA as a percentage of revenue | Adjusted EBITDA as a percentage of revenue | 33 | % | 33 | % | 25 | % | 27 | % |
| Net cash provided by operating activities | | | | | | | | | |
| Net cash provided by operating activities | | | | | | | | | |
| Net cash provided by operating activities | | | | | | | | | |
| Net cash provided by operating activities as a percentage of revenue | Net cash provided by operating activities as a percentage of revenue | 37 | % | 38 | % | 58 | % | 61 | % |
| Net cash provided by operating activities as a percentage of revenue | | | | | | | | | |
| Net cash provided by operating activities as a percentage of revenue | | | | | | | | | |
| Free Cash Flow | | | | | | | | | |
| Free Cash Flow | | | | | | | | | |
| Free Cash Flow | | | | | | | | | |
| Free Cash Flow as a percentage of revenue | Free Cash Flow as a percentage of revenue | 36 | % | 38 | % | 58 | % | 60 | % |
| Free Cash Flow as a percentage of revenue | | | | | | | | | |
| Free Cash Flow as a percentage of revenue | | | | | | | | | |

***Adjusted EBITDA Reconciliation***

The following is a reconciliation of Adjusted EBITDA to the most comparable U.S. GAAP measure, net income (in millions, except percentages):

| | | | | | | |
|---|---|---|---|---|---|---|
| | **Three Months Ended March 31,** | | | | | |
| | **Three Months Ended March 31,** | | | | | |
| | **Three Months Ended March 31,** | | | | | |
| | **2023** | | | | | |
| | **2023** | | | | | |
| | | **Three Months Ended June 30,** | | | **Six Months Ended June 30,** | |
| | **2023** | | **2023** | **2024** | | **2023** | **2024** |
| Revenue | | | | | | | |
| Revenue | | | | | | | |
| Revenue | | | | | | | |
| Net income | | | | | | | |
| Net income | | | | | | | |
| Net income | | | | | | | |
| Adjusted to exclude the following: | | | | | | | |
| Adjusted to exclude the following: | | | | | | | |
| Adjusted to exclude the following: | | | | | | | |
| Provision for income taxes | | | | | | | |
| Provision for income taxes | | | | | | | |
| Provision for income taxes | | | | | | | |
| Other expense, net | | | | | | | |
| Other expense, net | | | | | | | |
| Other expense, net | | | | | | | |
| Interest income | | | | | | | |



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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Interest income | | | | | | | | |
| Interest income | | | | | | | | |
| Depreciation and amortization | | | | | | | | |
| Depreciation and amortization | | | | | | | | |
| Depreciation and amortization | | | | | | | | |
| Stock-based compensation expense(1) | | | | | | | | |
| Stock-based compensation expense(1) | | | | | | | | |
| Stock-based compensation expense(1) | | | | | | | | |
| Acquisition-related impacts | | | | | | | | |
| Acquisition-related impacts | | | | | | | | |
| Acquisition-related impacts | | | | | | | | |
| Lodging tax reserves and reserves for host withholding taxes | | | | | | | | |
| Lodging tax reserves and reserves for host withholding taxes | | | | | | | | |
| Lodging tax reserves and reserves for host withholding taxes | | | | | | | | |
| Adjusted EBITDA | | | | | | | | |
| Adjusted EBITDA | | | | | | | | |
| Adjusted EBITDA | | | | | | | | |
| Adjusted EBITDA as a percentage of revenue | Adjusted EBITDA as a percentage of revenue | 33 | % | 33 | % | 25 | % | 27 % |
| Adjusted EBITDA as a percentage of revenue | | | | | | | | |
| Adjusted EBITDA as a percentage of revenue | | | | | | | | |

(1) Stock-based compensation expense, which has been, and will continue to be for the foreseeable future, a significant recurring expense in our business and an important part of our compensation strategy.

The above items are excluded from our Adjusted EBITDA measure because they are non-cash in nature, or because the amount and timing of these items are unpredictable, not driven by core results of operations, and renders comparisons with prior periods and competitors less meaningful.

Adjusted EBITDA increased by $162 million $75 million to $424 million and $894 million while Adjusted EBITDA Margin increased from 14% to 20% remained consistent at 33% for the three months ended March 31, 2024 June 30, 2024 and 2023. Adjusted EBITDA increased by $237 million to $1.3 billion and Adjusted EBITDA margin increased from 25% to 27% for the six months ended June 30, 2024, compared to the same period in the prior year. The improvements in Adjusted EBITDA and Adjusted EBITDA Margin were primarily driven by the continued strength in our business and a modest increase in ADR, and discipline in managing our cost structure. ADR.

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**Free Cash Flow Reconciliation**

The following is a reconciliation of Free Cash Flow to the most comparable U.S. GAAP cash flow measure, net cash provided by operating activities (in millions, except percentages):

| | | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|---|
| | | 2023 | 2024 | 2023 | 2024 |
| Revenue | | | | | |
| Revenue | | | | | |
| Revenue | | | | | |
| Net cash provided by operating activities | | | | | |
| Net cash provided by operating activities | | | | | |



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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Net cash provided by operating activities | | | | | | | | |
| Purchases of property and equipment | | | | | | | | |
| Purchases of property and equipment | | | | | | | | |
| Purchases of property and equipment | | | | | | | | |
| Free Cash Flow | | | | | | | | |
| Free Cash Flow | | | | | | | | |
| Free Cash Flow | | | | | | | | |
| Free Cash Flow as a percentage of revenue | Free Cash Flow as a percentage of revenue | 36 | % | 38 | % | 58 | % | 60 | % |
| Free Cash Flow as a percentage of revenue | | | | | | | | |
| Free Cash Flow as a percentage of revenue | | | | | | | | |
| Other cash flow components: | | | | | | | | |
| Other cash flow components: | | | | | | | | |
| Other cash flow components: | | | | | | | | |
| Net cash used in investing activities | | | | | | | | |
| Net cash used in investing activities | | | | | | | | |
| Net cash used in investing activities | | | | | | | | |
| Net cash provided by financing activities | | | | | | | | |
| Net cash provided by financing activities | | | | | | | | |
| Net cash provided by financing activities | | | | | | | | |

Our Free Cash Flow is impacted by the timing of GBV because we collect our service fees at the time of booking, which is generally before a stay or experience occurs. Funds held on behalf of our customers and amounts payable to our customers do not impact Free Cash Flow, except interest earned on these funds. The increase in Free Cash Flow for the three and six months ended March 31, 2024 June 30, 2024, compared to the same period periods in the prior year, was primarily driven by growth in net stock-based compensation expense, deferred income taxes, and accrued expenses and other liabilities.

### Seasonality

Our business is seasonal, reflecting typical travel behavior patterns over the course of the calendar year. In a typical year, the first, second, and third quarters have higher Nights and Experiences Booked than the fourth quarter, as guests plan for travel during the peak travel season, which is in the third quarter for North America and EMEA.

Our key business metrics, including GBV and Adjusted EBITDA, can also be impacted by the timing of holidays and other events. We experience seasonality in our GBV that is generally consistent with the seasonality of Nights and Experiences Booked. Revenue and Adjusted EBITDA have historically been, and are expected to continue to be, highest in the third quarter when we have the most check-ins, which is the point at which we recognize revenue. Seasonal trends in our GBV impact Free Cash Flow for any given quarter. A significant portion of our costs are relatively fixed across quarters or vary in line with the volume of transactions, and we historically achieve our highest GBV in the first and second quarters of the year with comparatively lower check-ins. As a result, increases in unearned fees typically make our Free Cash Flow and Free Cash Flow as a percentage of revenue the highest in the first two quarters of the year. We typically see a slight decline in GBV and a peak in check-ins in the third quarter, which results in a decrease in unearned fees, a lower sequential decrease in Free Cash Flow, and a greater decline in GBV in the fourth quarter, where Free Cash Flow is typically lower.

### Results of Operations

The following table sets forth our results of operations for the periods presented (in millions):

| | Three Months Ended March 31, | Three Months Ended March 31, |
|---|---|---|



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| | Three Months Ended March 31, | | | | | |
|---|---|---|---|---|---|---|
| | 2023 | | | | | |
| | 2023 | | | | | |
| | | Three Months Ended June 30, | | | Six Months Ended June 30, | |
| | 2023 | | 2023 | 2024 | 2023 | 2024 |
| Revenue | | | | | | |
| Revenue | | | | | | |
| Revenue | | | | | | |
| Costs and expenses: | | | | | | |
| Costs and expenses: | | | | | | |
| Costs and expenses: | | | | | | |
| Cost of revenue | | | | | | |
| Cost of revenue | | | | | | |
| Cost of revenue | | | | | | |
| Operations and support(1) | | | | | | |
| Operations and support(1) | | | | | | |
| Operations and support(1) | | | | | | |
| Product development(1) | | | | | | |
| Product development(1) | | | | | | |
| Product development(1) | | | | | | |
| Sales and marketing(1) | | | | | | |
| Sales and marketing(1) | | | | | | |
| Sales and marketing(1) | | | | | | |
| General and administrative(1) | | | | | | |
| General and administrative(1) | | | | | | |
| General and administrative(1) | | | | | | |
| Total costs and expenses | | | | | | |
| Total costs and expenses | | | | | | |
| Total costs and expenses | | | | | | |
| Income (loss) from operations | | | | | | |
| Income (loss) from operations | | | | | | |
| Income (loss) from operations | | | | | | |
| Interest income | | | | | | |
| Interest income | | | | | | |
| Income from operations | | | | | | |
| Interest income | | | | | | |
| Other expense, net | | | | | | |
| Other expense, net | | | | | | |
| Other expense, net | | | | | | |
| Income before income taxes | | | | | | |
| Income before income taxes | | | | | | |
| Income before income taxes | | | | | | |



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| |
|---|
| Provision for income taxes |
| Provision for income taxes |
| Provision for income taxes |
| Net income |
| Net income |
| Net income |

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(1) Includes stock-based compensation expense as follows (in millions):

| | Three Months Ended March 31, | Three Months Ended March 31, | Three Months Ended March 31, |
|---|---|---|---|
| | 2023 | | |
| | 2023 | | |

| | Three Months Ended June 30, | | | Six Months Ended June 30, | |
|---|---|---|---|---|---|
| | 2023 | 2023 | 2024 | 2023 | 2024 |
| Operations and support | | | | | |
| Operations and support | | | | | |
| Operations and support | | | | | |
| Product development | | | | | |
| Product development | | | | | |
| Product development | | | | | |
| Sales and marketing | | | | | |
| Sales and marketing | | | | | |
| Sales and marketing | | | | | |
| General and administrative | | | | | |
| General and administrative | | | | | |
| General and administrative | | | | | |
| Stock-based compensation expense | | | | | |
| Stock-based compensation expense | | | | | |
| Stock-based compensation expense | | | | | |

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

| | Three Months Ended March 31, | |
|---|---|---|
| | 2023 | 2024 |
| Revenue | 100 % | 100 % |
| Costs and expenses: | | |



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| | | |
|---|---|---|
| Cost of revenue | 24 | 22 |
| Operations and support | 15 | 14 |
| Product development | 23 | 22 |
| Sales and marketing | 25 | 24 |
| General and administrative | 13 | 13 |
| Total costs and expenses | 100 | 95 |
| Income (loss) from operations | — | 5 |
| Interest income | 7 | 9 |
| Other expense, net | — | (1) |
| Income before income taxes | 7 | 13 |
| Provision for income taxes | 1 | 1 |
| Net income | 6 % | 12 % |

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2024 | 2023 | 2024 |
| Revenue | 100 % | 100 % | 100 % | 100 % |
| Costs and expenses: | | | | |
| Cost of revenue | 17 | 19 | 20 | 21 |
| Operations and support | 13 | 12 | 14 | 13 |
| Product development | 18 | 19 | 20 | 20 |
| Sales and marketing | 20 | 21 | 22 | 22 |
| General and administrative | 11 | 11 | 12 | 12 |
| Total costs and expenses | 79 | 82 | 88 | 88 |
| Income from operations | 21 | 18 | 12 | 12 |
| Interest income | 7 | 8 | 8 | 9 |
| Other expense, net | (1) | (1) | (1) | (1) |
| Income before income taxes | 27 | 25 | 19 | 20 |
| Provision for income taxes | 1 | 5 | 1 | 3 |
| Net income | 26 % | 20 % | 18 % | 17 % |

**Comparison of the Three and Six Months Ended March 31, 2024 June 30, 2024 with the Same Periods in 2023**

***Revenue***

| | Three Months Ended June 30, | | | Six Months Ended June 30, | | |
|---|---|---|---|---|---|---|
| | 2023 | 2024 | % Change | 2023 | 2024 | % Change |
| | (in millions, except percentages) | | | | | |
| Revenue | $ 2,484 | $ 2,748 | 11 % | $ 4,302 | $ 4,890 | 14 % |

*Three Months Ended June 30, 2024 Compared with the Same Period in 2023*



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***Revenue***

| | Three Months Ended March 31, | | |
|---|---|---|---|
| | 2023 | 2024 | % Change |
| | (in millions, except percentages) | | |
| Revenue | $ 1,818 | $ 2,142 | 18 % |

Revenue increased $324 million $264 million, or 18% 11%, for the three months ended March 31, 2024 June 30, 2024, compared to the same period in the prior year, primarily due to a 9.5% 9% increase in Nights and Experiences Booked driving a 11% increase in GBV, and a modest increase in ADR.

*Six Months Ended June 30, 2024 Compared with the Same Period in 2023*

Revenue increased $588 million, or 14%, for the six months ended June 30, 2024, compared to the same period in the prior year, primarily due to a 9% increase in Nights and Experiences Booked driving a 12% increase in GBV, and a modest increase in ADR, and the shift in timing of Easter from the second quarter of 2023 to the first quarter of 2024. ADR.

***Cost of Revenue***

| | | Three Months Ended March 31, | | | | Three Months Ended March 31, | | | | Three Months Ended March 31, | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Three Months Ended June 30, | | | | | | | | | | | |
| | | 2023 | | | | | | | | | | | |
| | | 2023 | | | | | | | | | | | |
| | | 2023 | 2024 | % Change | | 2023 | 2024 | % Change | | 2023 | 2024 | % Change | |
| | | (in millions, except percentages) | | | | (in millions, except percentages) | | | | (in millions, except percentages) | | | |
| | | (in millions, except percentages) | | | | | | | | | | | |
| | | (in millions, except percentages) | | | | | | | | | | | |
| Cost of revenue | Cost of revenue | $ 432 | $ 506 | 17 | 17 % | $ 860 | $ 986 | 15 | 15 % | | | | |
| Percentage of revenue | | | | | | | | | | | | | |
| Percentage of revenue | | | | | | | | | | | | | |
| Percentage of revenue | | | | | | | | | | | | | |

*Three Months Ended June 30, 2024 Compared with the Same Period in 2023*

Cost of revenue increased $52 million $74 million, or 12% 17%, for the three months ended March 31, 2024 June 30, 2024, compared to the same period in the prior year, primarily due to an increase in merchant fees of $56 million $67 million, largely due to an increase in pay-in volumes and the impact of certain one-time incentives in 2023, and an increase in cloud computing costs of $8 million $6 million due to increased server and data storage usage. These increases were partially offset by a reduction in chargebacks of $7 million.

*Six Months Ended June 30, 2024 Compared with the Same Period in 2023*

Cost of revenue increased $126 million, or 15%, for the six months ended June 30, 2024, compared to the same period in the prior year, primarily due to an increase in merchant fees of $123 million, due to an increase in pay-in volumes and the impact of certain one-time incentives in 2023, and an increase in cloud computing costs of $14 million, due to increased server and data storage usage. These increases were partially offset by a reduction in chargebacks of $13 million $21 million.



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***Operations and Support***

| | Three Months Ended March 31, | | |
|---|---|---|---|
| | 2023 | 2024 | % Change |
| | (in millions, except percentages) | | |
| Operations and support | $ 282 | $ 285 | 1 % |
| Percentage of revenue | 15 % | 14 % | |

| | Three Months Ended June 30, | | | Six Months Ended June 30, | | |
|---|---|---|---|---|---|---|
| | 2023 | 2024 | % Change | 2023 | 2024 | % Change |
| | (in millions, except percentages) | | | | | |
| Operations and support | $ 317 | $ 338 | 7 % | $ 599 | $ 623 | 4 % |
| Percentage of revenue | 13 % | 12 % | | 14 % | 13 % | |

*Three and Six Months Ended June 30, 2024 Compared with the Same Periods in 2023*

Operations and support expense was relatively flat compared to the same period periods in the prior year.

***Product Development***

| | *Three Months Ended March 31,* | | |
|---|---|---|---|
| | *2023* | *2024* | *% Change* |
| | *(in millions, except percentages)* | | |
| *Product development* | *$ 420* | *$ 475* | *13 %* |
| *Percentage of revenue* | *23 %* | *22 %* | |

| | Three Months Ended June 30, | | | Six Months Ended June 30, | | |
|---|---|---|---|---|---|---|
| | 2023 | 2024 | % Change | 2023 | 2024 | % Change |
| | (in millions, except percentages) | | | | | |
| Product development | $ 451 | $ 519 | 15 % | $ 871 | $ 994 | 14 % |
| Percentage of revenue | 18 % | 19 % | | 20 % | 20 % | |

*Three Months Ended June 30, 2024 Compared with the Same Period in 2023*

Product development expense increased $55 million $68 million, or 13% 15%, for the three months ended March 31, 2024 June 30, 2024, compared to the same period in the prior year, primarily due to a $51 million $60 million increase in payroll-related expenses expenses.



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*Six Months Ended June 30, 2024 Compared with the Same Period in 2023*

Product development expense increased $123 million, or 14%, for the six months ended June 30, 2024, compared to the same period in the prior year, primarily due to growth a $111 million increase in headcount and increased compensation costs. payroll-related expenses.

***Sales and Marketing***

| | ***Three Months Ended March 31,*** | | |
|---|---|---|---|
| | ***2023*** | ***2024*** | ***% Change*** |
| | *(in millions, except percentages)* | | |
| *Brand and performance marketing* | *$ 307* | *$ 370* | *21 %* |
| *Field operations and policy* | *143* | *144* | *1 %* |
| *Total sales and marketing* | *$ 450* | *$ 514* | *14 %* |
| *Percentage of revenue* | *25 %* | *24 %* | |

| | **Three Months Ended June 30,** | | | **Six Months Ended June 30,** | | |
|---|---|---|---|---|---|---|
| | **2023** | **2024** | **% Change** | **2023** | **2024** | **% Change** |
| | (in millions, except percentages) | | | | | |
| Brand and performance marketing | $ 361 | $ 384 | 6 % | $ 668 | $ 754 | 13 % |
| Field operations and policy | 125 | 189 | 51 % | 268 | 333 | 24 % |
| Total sales and marketing | $ 486 | $ 573 | 18 % | $ 936 | $ 1,087 | 16 % |
| Percentage of revenue | 20 % | 21 % | | 22 % | 22 % | |

*Three Months Ended June 30, 2024 Compared with the Same Period in 2023*

Sales and marketing expense increased $64 million $87 million, or 14% 18%, for the three months ended March 31, 2024 June 30, 2024, compared to the same period in the prior year. The increase was primarily due to a $60 million $64 million increase in marketing activities associated with ongoing marketing campaigns and search engine marketing. marketing, and a $13 million increase in payroll-related expenses.

*Six Months Ended June 30, 2024 Compared with the Same Period in 2023*

Sales and marketing expense increased $151 million, or 16%, for the six months ended June 30, 2024, compared to the same period in the prior year. The increase was primarily due to a $118 million increase in marketing activities associated with ongoing marketing campaigns and search engine marketing, and a $26 million increase in payroll-related expenses.

***General and Administrative***

| | **Three Months Ended March 31,** | | | | | |
|---|---|---|---|---|---|---|
| | **Three Months Ended March 31,** | | | | | |
| | **Three Months Ended March 31,** | | | | | |
| **Three Months Ended June 30,** | | | | | | |
| | **2023** | | | | | |
| | **2023** | | | | | |
| | **2023** | **2024** | **% Change** | **2023** | **2024** | **% Change** |
| | (in millions, except percentages) | | | (in millions, except percentages) | | |
| | (in millions, except percentages) | | | | | |



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| | | (in millions, except percentages) | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| General and administrative | General and administrative | $ 275 | $ 315 | 15 | 15 % | $ 518 | $ 602 | 16 | 16 % | | |
| Percentage of revenue | | | | | | | | | | | |
| Percentage of revenue | | | | | | | | | | | |
| Percentage of revenue | | | | | | | | | | | |

*Three Months Ended June 30, 2024 Compared with the Same Period in 2023*

General and administrative expense increased $44 million $40 million, or 18% 15%, for the three months ended March 31, 2024 June 30, 2024, compared to the same period in the prior year, primarily due to a $21 million $54 million increase in non-income taxes, including a $27 million increase in digital services taxes, primarily related to Canada's Digital Services Tax enacted in June of 2024, which was retroactive to 2022. These increases were partially offset by a reduction in professional service fees of $13 million.

*Six Months Ended June 30, 2024 Compared with the Same Period in 2023*

General and administrative expense increased $84 million, or 16%, for the six months ended June 30, 2024, compared to the same period in the prior year, primarily due to a $73 million increase in non-income taxes, including an increase of $30 million in digital services taxes, primarily related to Canada's Digital Services Tax enacted in June of 2024, which was retroactive to 2022, a $17 million increase in non-recurring employee taxes, and a $15 million increase in non-recurring employee taxes. payroll-related expenses. These increases were partially offset by a reduction in professional service fees of $18 million.

***Interest Income***

| | | **Three Months Ended March 31,** | | | | **Three Months Ended March 31,** | | | | **Three Months Ended March 31,** | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | **Three Months Ended June 30,** | | | | | | | | | | | |
| | | **2023** | | | | | | | | | | | |
| | | **2023** | | | | | | | | | | | |
| | | **2023** | **2024** | **% Change** | | **2023** | **2024** | **% Change** | | | | | |
| | | (in millions, except percentages) | | | | | | | | | | | |
| | | (in millions, except percentages) | | | | | | | | | | | |
| | | (in millions, except percentages) | | | | (in millions, except percentages) | | | | | | | |
| Interest income | Interest income | $ 191 | $ 226 | 18 | 18 % | $ 337 | $ 428 | 27 | 27 % | | | | |

*Three and Six Months Ended June 30, 2024 Compared with the Same Periods in 2023*

Interest income increased $56 million $35 million, or 38% 18%, for the three months ended March 31, 2024 June 30, 2024, and $91 million, or 27%, for the six months ended June 30, 2024, compared to the same period periods in the prior year, primarily due to higher cash and investment balances and higher interest rates.

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***Other Expense, Net***



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| | | Three Months Ended March 31, | Three Months Ended March 31, | Three Months Ended March 31, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Three Months Ended June 30, | | | | | | | | | | | |
| | | 2023 | | | | | | | | | | | |
| | | 2023 | | | | | | | | | | | |
| | | 2023 | 2024 | % Change | | | 2023 | 2024 | % Change | | | | |
| | | (in millions, except percentages) | | | | | (in millions, except percentages) | | | | | | |
| | | (in millions, except percentages) | | | | | | | | | | | |
| | | (in millions, except percentages) | | | | | | | | | | | |
| Other expense, net | Other expense, net | $ (38) | $ (42) | 11 | 11 | % | $ (49) | $ (52) | 6 | 6 | % | | |

*Three and Six Months Ended June 30, 2024 Compared with the Same Periods in 2023*

Other expense, net was relatively flat increased $4 million and $3 million for the three and six months ended June 30, 2024, respectively, compared to the same period periods in the prior year. year, primarily due to an impairment charge on an investment in a privately-held company of $45 million, partially offset by foreign exchange gains.

***Provision for Income Taxes***

| | | Three Months Ended March 31, | Three Months Ended March 31, | Three Months Ended March 31, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Three Months Ended June 30, | | | | | | | | | | | |
| | | 2023 | | | | | | | | | | | |
| | | 2023 | | | | | | | | | | | |
| | | 2023 | 2024 | % Change | | | 2023 | 2024 | % Change | | | | |
| | | (in millions, except percentages) | | | | | (in millions, except percentages) | | | | | | |
| | | (in millions, except percentages) | | | | | | | | | | | |
| | | (in millions, except percentages) | | | | | | | | | | | |
| Provision for income taxes | Provision for income taxes | $ 26 | $ 126 | 385 | 385 | % | $ 39 | $ 155 | 297 | 297 | % | | |

*Three and Six Months Ended June 30, 2024 Compared with the Same Periods in 2023*

The provision for income taxes increased primarily due to increased profitability and additional deferred tax expense resulting from last year's valuation allowance release on our U.S. deferred tax assets and the utilization of some of those assets in the current year, the accrual of interest on certain uncertain tax positions, partially offset by the income tax benefit from excess tax benefits on stock-based compensation arising during the quarter. three and six months ended June 30, 2024.

In 2021, the Organization for Economic Co-operation and Development ("OECD") established an inclusive framework on base erosion and profit shifting and agreed on a two-pillar solution to global taxation, focusing on global profit allocation, known to as Pillar One and a 15% global minimum effective tax rate, known as Pillar Two. On December 15, 2022, the EU member states agreed to implement the OECD's global minimum tax rate of 15%. The OECD issued Pillar Two model rules and continues to release guidance on these rules. The inclusive framework calls for tax law changes by participating countries to take effect in 2024 and 2025. Various countries have enacted or have announced plans to enact new tax laws to implement the global minimum tax. We considered the applicable tax law changes on Pillar Two implementation in the relevant countries, and concluded there was no material impact to our tax provision for the three and six months ended March 31, 2024 June 30, 2024. We will continue to evaluate the impact of these tax law changes on future reporting periods.



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## Liquidity and Capital Resources

***Sources and Conditions of Liquidity***

As of March 31, 2024 June 30, 2024, our principal sources of liquidity were cash, cash equivalents and short-term investments totaling $11.1 billion $11.3 billion. As of March 31, 2024 June 30, 2024, cash and cash equivalents totaled $7.8 billion $7.9 billion, which included $2.2 billion $2.1 billion held by our foreign subsidiaries. Cash and cash equivalents consist of checking and interest-bearing accounts and highly-liquid securities with an original maturity of 90 days or less. As of March 31, 2024 June 30, 2024, short-term investments totaled $3.3 billion $3.4 billion. Short-term investments primarily consist of highly-liquid investment grade corporate debt securities, time deposits, commercial paper, certificates of deposit, U.S. government and government agency debt securities (“government bonds”), and mortgage-backed and asset-backed securities. These amounts do not include funds of $8.7 billion $10.3 billion as of March 31, 2024 June 30, 2024, that we held for bookings in advance of guests completing check-ins that we record separately on our unaudited condensed consolidated balance sheet in funds receivable and amounts held on behalf of customers with a corresponding liability in funds payable and amounts payable to customers.

Our cash and cash equivalents are generally held at large global systemically important banks (or “G-SIBs”) which are subject to high capital requirements and are required to regularly perform stringent stress tests related to their ability to absorb capital losses. Our cash, cash equivalents, and short-term investments held outside the United States may be repatriated, subject to certain limitations, and would be available to be used to fund our domestic operations. However, repatriation of such funds may result in additional tax liabilities. We believe that our existing cash, cash equivalents, and short-term investments balances in the United States are sufficient to fund our working capital needs in the United States.

We have access to $1.0 billion of commitments and a $200 million sub-limit for the issuance of letters of credit under the 2022 Credit Facility. As of March 31, 2024 June 30, 2024, no amounts were drawn under the 2022 Credit Facility and outstanding letters of credit totaled $25 million.

***Material Cash Requirements***

As of March 31, 2024 June 30, 2024, we had outstanding $2.0 billion in aggregate principal amount of indebtedness of our 0% convertible senior notes due in 2026. On March 3, 2021, in connection with the pricing of the 2026 Notes, we entered into privately negotiated capped call transactions (the “Capped Calls”) with certain of the initial purchasers and other financial institutions (the "option counterparties") at a cost of approximately $100 million. The cap price of the Capped Calls was $360.80 per share of Class A common stock, which represented a premium of 100% over the last reported sale price of the Class A common stock of $180.40 per share on March 3, 2021, subject to certain customary adjustments under the terms of the Capped Call Transactions.

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In February 2024, our board of directors approved an additional share repurchase program to purchase up to $6.0 billion of our Class A common stock. During the three and six months ended March 31, 2024 June 30, 2024, we repurchased an aggregate of 4.7 million 4.9 million and 9.6 million shares of Class A common stock for $750 $749 million and $1.5 billion, respectively through our share repurchase programs. As of March 31, 2024 June 30, 2024, we had $6.0 billion $5.3 billion available to repurchase shares of Class A common stock under our share repurchase program.

## Cash Flows

The following table summarizes our cash flows for the periods indicated (in millions):

| | Three Months Ended March 31, | | Six Months Ended June 30, | |
|---|---|---|---|---|
| | 2023 | 2024 | 2023 | 2024 |
| Net cash provided by operating activities | | | | |
| Net cash provided by operating activities | | | | |
| Net cash provided by operating activities | | | | |
| Net cash used in investing activities | | | | |
| Net cash provided by financing activities | | | | |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash | | | | |
| Net increase in cash, cash equivalents, and restricted cash | | | | |



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Net cash provided by operating activities for the three six months ended March 31, 2024 June 30, 2024 was $1.9 billion $3.0 billion, which was primarily due to net income of $264 million $819 million, additional cash provided by a $1.0 billion increase in unearned fees of $1.2 billion, resulting from growth in bookings, and increase from accrued expenses and other liabilities of $325 million $230 million. Additionally, we had adjustments for non-cash charges, primarily consisting of $295 million $677 million of stock-based compensation expense.

Net cash used in investing activities for the three six months ended March 31, 2024 June 30, 2024 was $84 million, $194 million, which was primarily due to purchases of short-term investments, partially offset by proceeds resulting from sales and maturities of short-term investments.

Net cash provided by financing activities for the three six months ended March 31, 2024 June 30, 2024 was $2.1 billion $2.9 billion, primarily due to a decrease an increase in funds payable and amounts payable to customers of $3.0 billion $4.7 billion, partially offset by share repurchases of $750 million $1.5 billion and an increase in taxes paid related to net share settlement of equity awards of $155 million $309 million.

The effect of exchange rate changes on cash, cash equivalents, and restricted cash on our consolidated statements of cash flows relates to certain of our assets, principally cash balances held on behalf of customers, that are denominated in currencies other than the functional currency of certain of our subsidiaries. For the three six months ended March 31, 2024 June 30, 2024, we recorded a decrease of $111 million $202 million in cash, cash equivalents, and restricted cash, primarily due to the strengthening of the U.S. dollar. The impact of exchange rate changes on cash balances can serve as a natural hedge for the effect of exchange rates on our liabilities to our hosts and guests.

We assess our liquidity in terms of our ability to generate cash to fund our short- and long-term cash requirements. As such, we believe that the cash flows generated from operating activities will meet our anticipated cash requirements in the short-term. In addition to normal working capital requirements, we anticipate that our short- and long-term cash requirements will include share repurchases, introduction of new products and offerings, timing and extent of spending to support our efforts to develop our platform, debt repayments, and expansion of sales and marketing activities. Our future capital requirements, however, will depend on many factors, including, but not limited to our growth, headcount, and ability to attract and retain customers on our platform. Additionally, we may in the future raise additional capital or incur additional indebtedness to continue to fund our strategic initiatives. On a long-term basis, we would rely on either our access to the capital markets or our credit facility for any long-term funding not provided by operating cash flows and cash on hand. 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, and/or debt, which may not be available on favorable terms, or at all. If we are unable to raise additional capital when desired and at reasonable rates, our business, results of operations, and financial condition could be materially adversely affected. Our liquidity is subject to various risks including the risks identified in the section titled "Quantitative and Qualitative Disclosures about Market Risk" in Item 3.

### Critical Accounting Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our unaudited condensed consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these unaudited condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, costs and expenses, and related disclosures. See "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2023 Annual Report for a discussion of the assumptions and judgments involved in our critical accounting estimates. On an ongoing basis, we evaluate our estimates and assumptions. Our actual results may differ from these estimates under different assumptions or conditions.

### Recent Accounting Pronouncements

See Note 2, *Summary of Significant Accounting Policies*, to our unaudited condensed consolidated financial statements included in Item 1 of Part 1 of this Quarterly Report on Form 10-Q for a description of recently adopted accounting pronouncements and recently issued accounting pronouncements not yet adopted.

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### Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no material changes in our market risk during the three and six months ended March 31, June 30, 2024. For additional information, see Part II, Item 7A. "*Quantitative and Qualitative Disclosures About Market Risk*" in our Annual Report on Form 10-K for the year ended December 31, 2023.

### Item 4. Controls and Procedures

**Evaluation of Disclosure Controls and Procedures**



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Our management, with the participation of our principal executive officer and principal financial officer, conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on that evaluation, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures were effective as of March 31, 2024 June 30, 2024, the end of the period covered by this Quarterly Report on Form 10-Q, to provide reasonable assurance that information required to be disclosed by us in reports that we file or submit under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in the SEC rules and forms and (ii) accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

**Changes in Internal Control Over Financial Reporting**

There were no changes in our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, during the quarter ended March 31, 2024 June 30, 2024 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**Limitations on Controls**

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

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## PART II - OTHER INFORMATION

### Item 1. Legal Proceedings

We are currently involved in, and may in the future be involved in, legal proceedings, claims, and government investigations in the ordinary course of business. These include proceedings, claims, and investigations relating to, among other things, regulatory matters, commercial matters, intellectual property, competition, tax, employment, pricing, discrimination, consumer rights, personal injury, and property rights. See Note 9, *Commitments and Contingencies,* to our unaudited condensed consolidated financial statements included in Item 1 of Part 1 of this Quarterly Report on Form 10-Q.

Depending on the nature of the proceeding, claim, or investigation, we may be subject to monetary damage awards, fines, penalties, or injunctive orders. Furthermore, the outcome of these matters could materially adversely affect our business, results of operations, and financial condition. The outcomes of legal proceedings, claims, and government investigations are inherently unpredictable and subject to significant judgment to determine the likelihood and amount of loss related to such matters. While it is not possible to determine the outcomes, we believe based on our current knowledge that the resolution of all such pending matters will not, either individually or in the aggregate, have a material adverse effect on our business, results of operations, cash flows, or financial condition.

### Item 1A. Risk Factors

There have been no material changes from the risk factors set forth in Part I, Item IA of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 (the “Annual Report”). Our business, operations, and financial results are subject to various risks and uncertainties that could materially adversely affect our business, results of operations, financial condition, and the trading price of our Class A common stock. You should carefully read and consider the risks and uncertainties included in the Annual Report, together with all of the other information in the Annual Report and this Quarterly Report on Form 10-Q, including the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our unaudited condensed consolidated financial statements and related notes, and other documents that we file with the U.S. Securities and Exchange Commission. The risks and uncertainties described in these reports may not be the only ones we face. The factors discussed in these reports, among others, could cause our actual results to differ materially from historical results and those expressed in forward-looking statements made by us or on our behalf in filings with the SEC, press releases, communications with investors, and oral statements.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

***Issuer Purchases of Equity Securities***

The following table sets forth information relating to repurchases of our equity securities during the three months ended March 31, 2024 June 30, 2024 (in millions, except per share amounts):



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| Period | Total Number of Shares Purchased | Average Price Paid per Share (1) | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs | Approximate Dollar Value of Shares That May Yet be Purchased Under the Plans or Programs (2) |
|---|---|---|---|---|
| January 1 - 31 | — | $ — | — | $ 750 |
| February 1 - 29 | 1.2 | $ 150.25 | 1.2 | $ 6,570 |
| March 1 - 31 | 3.5 | $ 162.87 | 3.5 | $ 6,000 |
| Total | 4.7 | $ 159.65 | 4.7 | |

| Period | Total Number of Shares Purchased | Average Price Paid per Share (1) | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs | Approximate Dollar Value of Shares That May Yet be Purchased Under the Plans or Programs (2) |
|---|---|---|---|---|
| April 1 - 30 | 1.5 | $ 160.40 | 1.5 | $ 5,751 |
| May 1 - 31 | 2.0 | $ 150.42 | 2.0 | $ 5,464 |
| June 1 - 30 | 1.4 | $ 147.33 | 1.4 | $ 5,251 |
| Total | 4.9 | $ 152.67 | 4.9 | |

(1) Includes broker commissions.

(2) On May 9, 2023 and February 13, 2024, we announced that our board of directors approved a share repurchase programs program with authorization to purchase up to $2.5 billion and $6.0 billion of our Class A common stock respectively, at management's discretion. The Company has repurchased the full amount of shares authorized for repurchase under the May 2023 repurchase program. The share repurchase programs do program does not have an expiration date, do does not obligate us to repurchase any specific number of shares, and may be modified, suspended or terminated at any time at our discretion.

### Item 3. Defaults Upon Senior Securities

None.

### Item 4. Mine Safety Disclosures

Not applicable.

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### Item 5. Other Information

***Director and Officer 10b5-1 Trading Plans ("10b5-1 Plans")***

The following table sets forth the material terms of 10b5-1 Plans intended to satisfy the affirmative defense conditions of Rule 10b5–1(c) that were adopted, terminated, or modified by our directors and officers during the three months ended March 31, 2024 June 30, 2024:



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| Name and Title of Director or Officer | Action | Date | Expiration Date | Maximum Number of Shares to be Sold Under the Plan |
|---|---|---|---|---|
| David Bernstein, Nathan Blecharczyk, Chief Accounting Strategy Officer, | Adopt | 2/22/2024 | 1/27/2025 | 41,000 |
| Brian Chesky, Chief Executive Officer Co-Founder, and Director | Adopt | 2/28/ 5/31/2024 | 11/11/2024 8/27/2025 | 1,146,000 869,042 |
| Joseph Gebbia, Director Elinor Mertz, Chief Financial Officer | Adopt | 2/29/2024 | 10/ 5/31/2024 | 1,322,523 8/15/2025 146,533 |

There were no “non-Rule 10b5-1 trading arrangements,” as defined in Item 408(c) of Regulation S-K, adopted, terminated, or modified by our directors or officers during the three months ended March 31, 2024 June 30, 2024.

## Item 6. Exhibits

The documents listed in the Exhibit Index of this Quarterly Report on Form 10-Q are incorporated herein by reference or are filed with this Quarterly Report on Form 10-Q, in each case as indicated herein (numbered in accordance with Item 601 of Regulation S-K).

### Exhibit Index

| Exhibit Number | Exhibit Number | Exhibit Number | Exhibit Description | Form | File Number | Date | Number | Filed Herewith | Exhibit Description | Form | File Number | Date | Number | Filed Herewith |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 3.1 | | | | | | | | | | | | | | |
| 3.2 | | | | | | | | | | | | | | |
| 3.2 | | | | | | | | | | | | | | |
| 3.2 | | | | | | | | | | | | | | |
| 4.1 | | | | | | | | | | | | | | |
| 4.1 | | | | | | | | | | | | | | |
| 4.1 | | | Form of Warrant to Purchase Class A Common Stock | | | | | | X | | | | | |
| 10.1# | | | | | | | | | | | | | | |
| 10.1# | | | | | | | | | | | | | | |
| 10.1# | | | Employment Agreement by and between the Registrant and Elinor Mertz | | | | | | X | | | | | |
| 31.1 | 31.1 | | Certification of Principal Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 | | | | | | X | 31.1 | Certification of Principal Executive Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 | | | | | X |



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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 31.2 | 31.2 | Certification of Principal Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 | | X | 31.2 | Certification of Principal Financial Officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 | | X |
| 32.1* | 32.1* | Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 | | X | 32.1* | Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 | | X |
| 101 | 101 | The following financial statements from the Company's 10-Q, formatted as Inline XBRL: (i) Condensed Consolidated Balance Sheets, (ii) Condensed Consolidated Statements of Operations (iii), Condensed Consolidated Statements of Comprehensive Income, (iv) Condensed Consolidated Statements of Stockholders' Equity, (v) Condensed Consolidated Statements of Cash Flows, and (vi) Notes to Condensed Consolidated Financial Statements | | X | 101 | The following financial statements from the Company's 10-Q, formatted as Inline XBRL: (i) Condensed Consolidated Balance Sheets, (ii) Condensed Consolidated Statements of Operations (iii), Condensed Consolidated Statements of Comprehensive Income, (iv) Condensed Consolidated Statements of Stockholders' Equity, (v) Condensed Consolidated Statements of Cash Flows, and (vi) Notes to Condensed Consolidated Financial Statements | | X |
| 104 | 104 | Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101) | | X | | | | |

# Indicates management contract or compensatory plan.



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* The certifications attached as Exhibit 32.1 that accompany this Quarterly Report on Form 10-Q are deemed furnished and not filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of Airbnb, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Quarterly Report on Form 10-Q, irrespective of any general incorporation language contained in such filing.

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## Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**AIRBNB, INC.**

By: /s/ Brian Chesky
Brian Chesky
Chief Executive Officer
*(Principal Executive Officer)*

Date: May 8, 2024 August 6, 2024

By: /s/ Elinor Mertz
Elinor Mertz
Chief Financial Officer
*(Principal Financial Officer)*

Date: May 8, 2024 August 6, 2024



image_0.jpg

**Exhibit 4.1**

**In accordance with Instruction EXHIBIT 10.1**

**August 2, to Item 601 of Regulation S-K, below is a schedule dated as of May 8, 2024 listing the parties that have executed a separate Warrant to Purchase Class A Common Stock on the form of warrant that follows and details in which the omitted executed warrants differ from the form of warrant that follows: 2024**

| Warrantholder | Number of Shares |
|---|---|
| Goldman Sachs & Co. LLC | 500,000 |

========== Elinor Mertz

**FORM OF WARRANT TO PURCHASE CLASS A COMMON STOCK Re: Chief Financial Officer Promotion Letter**

Dear Ellie,

Congratulations on your recent promotion to Chief Financial Officer. You have played an instrumental role in shaping Airbnb into the company it is today, and we are thrilled for your next chapter here.



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NONE OF THIS INSTRUMENT, THE SECURITIES REPRESENTED BY THIS INSTRUMENT OR THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE This letter is to let you know that the Compensation Committee (the "***ACT Compensation Committee***"), OR THE APPLICABLE SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD OR OTHERWISE DISPOSED OF EXCEPT WHILE A REGISTRATION STATEMENT RELATING THERETO IS IN EFFECT UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE ACT OR SUCH LAWS.

THIS INSTRUMENT, THE SECURITIES REPRESENTED BY THIS INSTRUMENT AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT ARE SUBJECT TO RESTRICTIONS ON TRANSFER SET FORTH HEREIN AND IN THE AGREEMENTS CONTEMPLATED HEREBY, INCLUDING THE TRANSFER RESTRICTIONS AGREEMENT, DATED AS OF APRIL 17, 2020, BETWEEN THE ISSUER OF THESE SECURITIES AND THE INVESTORS REFERRED TO HEREIN, A COPY OF WHICH IS ON FILE WITH THE ISSUER.THIS INSTRUMENT, THE SECURITIES REPRESENTED BY THIS INSTRUMENT AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT MAY NOT BE SOLD OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE WITH THIS INSTRUMENT AND SUCH AGREEMENTS.ANY SALE OR OTHER TRANSFER NOT IN COMPLIANCE WITH THIS INSTRUMENT AND SUCH AGREEMENTS WILL BE VOID.THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY PROPOSED SALE OR TRANSFER IS IN COMPLIANCE WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

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**WARRANT No. [__]**
**to purchase**
**_____ Shares of Class A Common Stock**
**Airbnb, Inc.**
**a Delaware Corporation**

Issue Date: [*Insert Date*]

1. Definitions. Unless the context otherwise requires, when used herein the following terms shall have the meanings indicated.

"Adjustment Factor" has the meaning given to such term in Section 12(ii).

"Affiliate" has the meaning given to such term in the Investor Rights Agreement.

"Appraisal Procedure" means a procedure whereby two independent appraisers, one chosen by the Corporation and one by the Warrantholder (or if there is more than one Warrantholder, a majority in interest of Warrantholders), shall mutually agree upon the determinations then the subject of appraisal. Each party shall deliver a notice to the other appointing its appraiser within 15 days after the Appraisal Procedure is invoked. If within 30 days after appointment of the two appraisers they are unable to agree upon the amount in question, a third independent appraiser shall be chosen within 10 days thereafter by the mutual consent of such first two appraisers or, if such two first appraisers fail to agree upon the appointment of a third appraiser, such appointment shall be made by the American Arbitration Association, or any organization successor thereto, from a panel of arbitrators having experience in appraisal of the subject matter to be appraised. The decision of the third appraiser so appointed and chosen shall be given within 30 days after the selection of such third appraiser. If three appraisers shall be appointed and the determination of one appraiser is disparate from the middle determination by



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more than twice the amount by which the other determination is disparate from the middle determination, then the determination of such appraiser shall be excluded, the remaining two determinations shall be averaged and such average shall be binding and conclusive upon the Corporation and the Warrantholder; otherwise, the average of all three determinations shall be binding and conclusive upon the Corporation and the Warrantholder. Each of the Corporation, on the one hand, and the Warrantholder, on the other hand, shall bear their own costs and expenses in connection with any Appraisal Procedure, including costs and expenses of their respectively appointed appraiser and counsel, if any; provided, that the costs of any third appraiser in connection with conducting any Appraisal Procedure shall be borne equally by the Corporation and the Warrantholder.

"Board of Directors" means the board of directors of the Corporation, including any duly authorized committee thereof.

"Business Day" means any day that is not a Saturday, a Sunday or a day on which the banking institutions in the State of New York or the State of California are authorized or required by law or other governmental action to close.

"Capital Stock" means (A) with respect to any Person that is a corporation or company, any and all shares, interests, participations or other equivalents (however designated) of capital or capital stock of such Person and (B) with respect to any Person that is not a corporation or company, any and all partnership or other equity interests of such Person.

"Class A Common Stock" means the Corporation's Class A Common Stock, $0.0001 par value per share.

"Class B Common Stock" means the Corporation's Class B Common Stock, $0.0001 par value per share.

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"Class C Common Stock" means the Corporation's Class C Common Stock, $0.0001 par value per share.

"Class H Common Stock" means the Corporation's Class H Common Stock, $0.0001 par value per share.

"Common Stock" means shares of Class A Common Stock, Class B Common Stock, Class C Common Stock, and Class H Common Stock.

"Convertible Securities" means any evidences of indebtedness, shares or other securities directly or indirectly convertible into or exchangeable for Common Stock, but excluding Options.

"Corporation" means Airbnb, Inc., a Delaware corporation.

"Deemed Liquidation Event" means each of the following events:

a) a merger or consolidation in which (i) the Corporation is a constituent party or (ii) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such merger or consolidation, except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the capital stock of (1) the surviving or resulting corporation or (2) if the surviving or resulting corporation is a wholly owned subsidiary of another corporation immediately following such merger or consolidation, the parent corporation of such surviving or resulting corporation (provided, that, for the purpose of this definition, all shares of Common Stock issuable upon exercise of Options outstanding immediately prior to such merger or consolidation or upon conversion of Convertible



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Securities 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 Common Stock are converted or exchanged); or

b) the sale, lease, transfer, or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole, or the sale or disposition (whether by merger or otherwise) of one or more subsidiaries of the Corporation if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, or other disposition is to a wholly owned subsidiary of the Corporation.

"Derivative Securities" has the meaning given to such term in the Investor Rights Agreement.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated thereunder.

"Exempted Securities" means:

a) shares of Common Stock or Options to acquire shares of Common Stock (net of repurchase, cancellations, terminations or such shares or Options) issued to employees or directors of, or consultants or advisors to, the Corporation or any of its subsidiaries pursuant to a plan, agreement or arrangement approved by the Board of Directors;

b) shares of Common Stock or Convertible Securities actually issued upon the exercise of Options or shares of Common Stock actually issued upon the conversion or exchange of

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Convertible Securities, in each case provided such issuance is pursuant to the terms of such Option or Convertible Security;

c) shares of Common Stock, Options or Convertible Securities issued to banks, equipment lessors or other financial institutions pursuant to a debt financing or equipment leasing transaction, entered into for primarily non-equity financing purposes, approved by the Board of Directors;

d) shares of Common Stock, Options or Convertible Securities issued (A) pursuant to the acquisition of another entity by the Corporation by merger, purchase of substantially all of the assets, (B) in exchange for the hiring of employees of such other corporation or entity by the Corporation, or (C) pursuant to any other reorganization or to a joint venture agreement, provided, that such issuances are approved by the Board of Directors;

e) shares of Common Stock, Options or Convertible Securities issued in connection with sponsored research, collaboration, technology license, development, OEM, marketing or other similar agreements or strategic partnerships, entered into for primarily non-equity financing purposes, approved by the Board of Directors;

f) shares of Common Stock issued or issuable in a public offering;

g) shares of Class A Common Stock issued or issuable upon conversion of Class B Common Stock or Class H Common Stock;

h) shares of Common Stock issued to any charitable organization; and



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i) shares of Class H Common Stock issued to a subsidiary of the Corporation.

"Exercise Price" means $28.355.

"Expiration Time" has the meaning set forth in Section 3.

"Fair Market Value" means, with respect to any security or other property, the fair market value of such security or other property as determined by the Board of Directors acting (the "***Board***") of Airbnb, Inc. ("***Airbnb***" or the "***Company***")has approved changes in good faith. If your compensation as described below in connection with its formal offer to you of the Warrantholder objects position of Chief Financial Officer.

As Chief Financial Officer, you will continue to report to our Chief Executive Officer and you will be located in writing San Francisco, CA.

**Compensation and Benefits**

Airbnb offers a highly competitive package of compensation and benefits. Effective March 1, 2024, your compensation package includes the following:

**Salary**

Your annual salary ("***Annual Salary***") will be six hundred thousand dollars ($600,000), which amount would be subject to any required tax and other deductions, payable in bi-monthly installments in accordance with Airbnb's normal payroll practices. The Annual Salary shall be reviewed by the Board of Director's calculation of fair market value within 10 days of receipt of written notice thereof and the Warrantholder and the Corporation are unable to agree on fair market value during the 10-day period following the delivery of the Warrantholder's objection, the Appraisal Procedure may be invoked by either party to determine Fair Market Value by delivering written notification thereof not later than the 30th day after delivery of the Warrantholder's objection.

"Governmental Entities" means any Federal, state, foreign or other court or administrative body or agency or any other regulatory or self-regulatory body.

"Investor Rights Agreement" means the Amended and Restated Investors' Rights Agreement of the Corporation, dated July 28, 2016, as amended, restated, supplemented or modified Compensation Committee from time to time in accordance with its terms.

"Major Investor" has the meaning given to such term in the Investor Rights Agreement.

"Market Price" means, with respect to the Class A Common Stock, on any given day, the last sale price, regular way, or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, of the shares of the Class A Common Stock on the New York Stock Exchange or the NASDAQ Stock Market, as applicable, on such day. If the Class A Common Stock is not traded on the New York Stock Exchange on any date of determination, the Market Price of the Class A Common Stock on such date of determination means the closing sale price as reported in the composite transactions for the principal U.S. national or regional securities exchange on which the Class A Common Stock is so listed or quoted, or, if no closing sale price is reported, the last previously-reported sale price on the

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principal U.S. national or regional securities exchange on which the Class A Common Stock is so listed or quoted, or if the Class A Common Stock is not so listed or quoted on a U.S. national or regional securities exchange, the last quoted bid price for the Class A Common Stock in the over-the-counter market as reported by Pink Sheets LLC or similar organization, or, if that bid price is not available, the Market Price of the Class A Common Stock on that date shall mean the Fair Market Value per share as determined in good faith by the Board of Directors. For the purposes of determining the Market Price of the Class A Common Stock on the "trading day" preceding, on or following the occurrence of an event, (i) that trading day shall be deemed to commence immediately after the regular scheduled closing time



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of trading on the New York Stock Exchange or the NASDAQ Stock Market, as applicable, or, if trading is closed at an earlier time, such earlier time and (ii) that trading day shall end at the next regular scheduled closing time, or if trading is closed at an earlier time, such earlier time (for the avoidance of doubt, and as an example, if the Market Price is to be determined as of the last trading day preceding a specified event and the closing time of trading on a particular day is 4:00 p.m. and the specified event occurs at 5:00 p.m. on that day, the Market Price would be determined by reference to such 4:00 p.m. closing price).

"New Securities" has the meaning given to such term in the Investor Rights Agreement.

"Options" means rights, options, restricted stock units, shares of restricted stock, stock appreciation rights, phantom stock units or warrants to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities.

"Original Warrants" means []. Company's ordinary practice.

"Per Share Fair Market Value" has the meaning set forth in Section 12(iii).**2024 Bonus**

" Subject to the terms and conditions of the 2024 Bonus Plan, you will be eligible to earn an annual Company bonus ("***Person 2024 Bonus***" means"). The annual bonus target associated with your new role as Chief Financial Officer is up to 75% of eligible earnings, as defined in the 2024 Bonus Plan. The 2024 Bonus payment, if any, individual, corporation, partnership, trust, limited liability company, association or other entity.

"Pre-Issuance Exercise Price" has the meaning given to such term in Section 12(ii).

"Pro Rata Repurchases" means any purchase of shares of Common Stock by the Corporation or any Affiliate thereof pursuant to (A) any tender offer or exchange offer will be subject to Section 13(e) or 14(e) of the Exchange Act or Regulation 14E promulgated thereunder or (B) any required tax and other offer, in the case of both (A) and (B), available to substantially all holders of Common Stock, whether for cash, shares of Capital Stock of the Corporation, other securities of the Corporation, evidences of indebtedness of the Corporation or any other Person or any other property (including, without limitation, shares of Capital Stock, other securities or evidences of indebtedness of a subsidiary), or any combination thereof, effected while this Warrant is outstanding. The "Effective Date" of a Pro Rata Repurchase shall mean the date of acceptance of shares for purchase or exchange by the Corporation under any tender or exchange offer which is a Pro Rata Repurchase or the date of purchase with respect to any Pro Rata Purchase that is not a tender or exchange offer.

"Regulatory Approvals" means, with respect to the Warrantholder, to the extent applicable and required to permit the Warrantholder to exercise this Warrant for shares of Class A Common Stock and to own such Class A Common Stock without the Warrantholder being in violation of applicable law, rule or regulation, the receipt of any necessary approvals and authorizations of, filings and registrations with, notifications to, or expiration or termination of any applicable waiting periods under, the Hart-Scott Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations thereunder.

"Restated Certificate" means the Restated Certificate of Incorporation filed by the Corporation in connection with the closing of its initial public offering of Class A common stock under the Securities Act of 1933, as amended.

"ROFR and Co-Sale Agreement" means the Amended and Restated Right of First Refusal and Co-Sale Agreement of the Corporation, dated July 28, 2016, as amended, restated, supplemented or modified from time to time deductions, payable in accordance with its terms. Airbnb's normal payroll practices. No amount of the 2024 Bonus is guaranteed, and you must be an employee on the 2024 Bonus payment date to be eligible to earn a 2024 Bonus.

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**" Equity**SEC" means the U.S. Securities

Your outstanding equity awards will continue to vest and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended, or any successor statute, and the rules and regulations promulgated thereunder.



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"Shares" has the meaning set forth in Section 2.

"Stock Split" has the meaning set forth in Section 2.

"Transfer Restrictions Agreement" means the Transfer Restrictions Agreement, each dated April 17, 2020, by and between the Corporation and TAO Finance 1, LLC, Redwood IV Finance 1, LLC, TCS Finance (A), LLC, and TCS Finance 1, LLC, as amended, restated, supplemented or modified from time to time remain outstanding in accordance with their terms.terms based on your service as Chief Financial Officer. You will remain eligible for future grants as determined by the Compensation Committee or Board.

"Warrant" means this Warrant No. [ ].**Airbnb Benefits Plan**
"Warrantholder" has the meaning set forth As a full-time employee, you will continue to be eligible to participate in Section 2.Airbnb's comprehensive benefits programs. This includes access to a variety of benefits, including medical, dental, and vision care; short and long-term disability; life and AD&D insurance; Flexible Spending Accounts; and Employee Assistance Programs.
2. Number
In addition, you may continue to choose to participate in Airbnb's 401k traditional and 401k Roth Plans.

Participation in any of Shares; Exercise Price. The Corporation and the Warrantholder (as defined below) hereby acknowledge that on October 26, 2020, the Corporation effected a 2-for-1 stock split with respect to its issued and outstanding shares of common stock and preferred stock (the "Stock Split"), and as a result, for value received [ ], or its permitted assigns (the "Warrantholder") Airbnb's employee benefit plans is entitled, upon the terms and expressly subject to the written terms and conditions hereinafter set forth herein, to acquire from the Corporation, contained in whole or in part, at any time after the date hereof, up to an aggregate of [ ] fully paid and nonassessable shares of Class A Common Stock at a purchase price per share of Class A Common Stock equal to the Exercise Price. The number of shares of Class A Common Stock (the "Shares") for which the Warrant is exercisable is subject to adjustment as provided herein, and all references to "Class A Common Stock" and "Shares" herein shall be deemed to include any such adjustment or series of adjustments. Notwithstanding any other provision hereof, if an exercise of any portion of this Warrant is to be made in connection with a Deemed Liquidation Event or other transaction by the Corporation, such exercise may at the election of the Warrantholder be conditioned upon the consummation of such transaction, in which case such exercise shall not be deemed to be effective until immediately prior to the consummation of such transaction. The Corporation hereby represents and warrants that as of December 14, 2020, there has not occurred any event of the type that would require an adjustment to the Exercise Price or the number of Shares issuable upon exercise of this Warrant pursuant to Section 12 of the Warrant other than (1) the Stock Split and (2) any event in respect of which the applicable subsection of Section 12 of the Warrant has been waived in accordance with Section 18 of the Warrant.

3. Exercise of Warrant; Term.

(i) Subject to Section 2, to the extent permitted by applicable laws and regulations, the right to purchase the Shares represented by this Warrant is exercisable, in whole or in part by the Warrantholder, at any time after the date hereof, but in no event later than 5:00 p.m., New York City time, April 17, 2030 (the "Expiration Time"), by (A) the surrender of this Warrant and Notice of Exercise annexed hereto, duly completed and executed on behalf of the Warrantholder, at the principal executive office of the Corporation located at 888 Brannan Street Suite 4 San Francisco, CA 94103 (or such other office or agency of the Corporation in the United States as it may designate by notice in writing to the Warrantholder at the address of the Warrantholder appearing on the books of the Corporation), and (B) payment of the Exercise Price in accordance with Section 3(ii).

(ii) The payment of the Exercise Price may be made, at the election of the Warrantholder, (A) by tendering in cash, by certified or cashier's check payable to the order of the Corporation, or by wire transfer of immediately available funds to an account designated by the Corporation or (B) on a "cashless basis," by surrendering Shares for that number of shares of Class A Common Stock equal to the quotient obtained by dividing (x) the product of the number of Shares surrendered, *multiplied by* the difference between the Exercise Price and the Market Price *by* (b) the



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Market Price; provided, that, if the difference between the Exercise Price and the Market Price is equal to zero or a negative number (*i.e.*, the Exercise Price is greater than the Market Price), then the Warrant holder shall not be entitled to receive any Shares pursuant to a "cashless" exercise in accordance with this Section 3(ii). [For the avoidance of doubt, for purposes of clause (x) above, the phrase "number of Shares surrendered" shall mean the number of Shares as to which this Warrant is so exercised.]

(iii) If the Warrantholder does not exercise this Warrant in its entirety, the Warrantholder will be entitled to receive from the Corporation within a reasonable time, and in any event not exceeding three business days, a new warrant in substantially identical form for the purchase of that number of Shares equal to the difference between the number of Shares subject to this Warrant and the number of Shares as to which this Warrant is so exercised. Notwithstanding anything in this Warrant to the contrary, the Warrantholder hereby acknowledges and agrees that its exercise of this Warrant for Shares is subject to the condition that the Warrantholder will have first received any applicable Regulatory Approvals.

4. Issuance of Shares; Authorization; Listing. Certificates for Shares issued upon exercise of this Warrant will be issued in such name or names, subject to compliance with Section 8, as the Warrantholder may designate and will be delivered to such named Person or Persons within a reasonable time, not to exceed two Business Days after the date on which this Warrant has been duly exercised in accordance with the terms of this Warrant. The Corporation hereby represents and warrants that any Shares issued upon the exercise of this Warrant in accordance with the provisions of Section 3 will be duly and validly authorized and issued, fully paid and nonassessable and free from all taxes, liens and charges (other than liens or charges created by the Warrantholder, income and franchise taxes incurred by the Warrantholder in connection with the exercise of the Warrant or taxes incurred by the Warrantholder in respect of any transfer of Shares occurring contemporaneously therewith). The Corporation agrees that the Shares so issued will be deemed for all purposes to have been issued to the Warrantholder as of the close of business on the date on which this Warrant and payment of the Exercise Price are delivered to the Corporation in accordance with the terms of this Warrant, notwithstanding that the stock transfer books of the Corporation may then be closed or certificates representing such Shares may not be actually delivered on such date. The Corporation will at all times reserve and keep available, out of its authorized but unissued Class A Common Stock, solely for the purpose of providing for the exercise of this Warrant, the aggregate number of shares of Class A Common Stock issuable upon exercise of this Warrant, and will not take or permit any action that would result in an increase in the number of Shares issuable upon exercise of this Warrant without first properly authorizing and reserving any additional shares of Class A Common Stock necessary to comply with this Section 4. The Corporation will use its reasonable best efforts to ensure that the Shares may be issued without violation of any applicable law or regulation or of any requirement of any securities exchange on which the Shares are listed or traded, and, to the extent such Shares are listed or traded, to cause the Shares issuable upon exercise of this Warrant, as soon as reasonably practical after such exercise, to be listed on any such securities exchange. The Corporation and the Warrantholder will reasonably cooperate to take such other actions as are necessary to obtain any Regulatory Approvals or other approvals or authorizations of any Governmental Entities applicable to Warrantholder's exercise of its rights hereunder, including those applicable to the Corporation with respect to the issuance of the Shares. Before taking any action which would cause an adjustment pursuant to Section 12 to reduce the Exercise Price below the then par value (if any) of the Class A Common Stock, the Corporation shall take any and all corporate action which may, in the opinion of its counsel, be necessary in order that the Corporation may validly and legally issue fully paid and non-assessable shares of Class A Common Stock at the Exercise Price as so adjusted.

5. No Fractional Shares or Scrip. No fractional Shares or scrip representing fractional Shares shall be issued upon any exercise of this Warrant. In lieu of any fractional Share to which the Warrantholder would otherwise be entitled, the Warrantholder shall be entitled to receive a cash payment equal to (i) the Market Price of one share of Class A Common Stock on the last trading day preceding the date of exercise less the Exercise Price for one such share, multiplied by (ii) the relevant fraction.



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6. No Rights as Stockholders; Transfer Books. This Warrant does not entitle the Warrantholder to any voting rights or other rights as a stockholder of the Corporation prior to the date of exercise hereof. The Corporation will at no time close its transfer books in any manner which interferes with the timely exercise of this Warrant.

7. Charges, Taxes and Expenses. Issuance of certificates for Shares to the Warrantholder upon the exercise of this Warrant shall be made without charge to the Warrantholder for any issue or transfer tax or other incidental expense in respect of the issuance of such certificates, all of which taxes and expenses shall be paid by the Corporation.

8. Transfer/Assignment.

(i) Subject to compliance with clauses (ii) and (iii) of this Section 8, this Warrant and all rights hereunder are transferable, in whole or in part, by the registered holder hereof in person or by duly authorized attorney. Following any transfer that is permissible in accordance with the Transfer Restrictions Agreements, the Warrantholder shall provide the Corporation notice thereof and, if the Warrantholder requests, a new warrant shall be made and delivered by the Corporation, of the same tenor and date as this Warrant but registered in the name of one or more transferees, upon surrender of this Warrant, duly endorsed, to the office or agency of the Corporation described in Section 3. All expenses (other than stock transfer taxes) and other charges payable in connection with the preparation, execution and delivery of the new warrants pursuant to this Section 8 shall be paid by the Corporation.

(ii) Notwithstanding anything herein to the contrary, this Warrant and all rights hereunder, and any Shares issued upon exercise of this Warrant, are subject to the applicable restrictions on transfer and other provisions as set forth in the Transfer Restrictions Agreements, which TAO Finance 1, LLC, TCS Finance (A), LLC, Redwood IV Finance 1, LLC, TCS Finance 1, LLC and the Corporation executed and delivered in connection with the issuance of the Original Warrants.

(iii) If and for so long as required by the Transfer Restrictions Agreements, this Warrant and any Shares issued upon exercise of this Warrant shall contain a legend in the form required by and as set forth in the Transfer Restrictions Agreements.

9. Exchange and Registry of Warrant. This Warrant is exchangeable, upon the surrender hereof by the Warrantholder to the Corporation and without payment of any charge, for a new warrant or warrants of like tenor and representing the right to purchase the same aggregate number of Shares. The Corporation shall maintain a registry showing the name and address of the Warrantholder as the registered holder of this Warrant. This Warrant may be surrendered for exchange or exercise, in accordance with its terms, at the office of the Corporation, and the Corporation shall be entitled to rely in all respects, prior to written notice to the contrary, upon such registry.

10. Loss, Theft, Destruction or Mutilation of Warrant. Upon receipt by the Corporation of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant, and in the case of any such loss, theft or destruction, upon receipt of a bond, indemnity or security reasonably satisfactory to the Corporation, or, in the case of any such mutilation, upon surrender and cancellation of this Warrant, the Corporation shall make and deliver, in lieu of such lost, stolen, destroyed or mutilated Warrant, a new Warrant of like tenor and representing the right to purchase the same aggregate number of Shares as provided for in such lost, stolen, destroyed or mutilated Warrant.

11. Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Business Day, then such action may be taken or such right may be exercised on the next succeeding day that is a Business Day.

12. Adjustments and Other Rights. The Exercise Price and the number of Shares issuable upon exercise of this Warrant shall be subject to adjustment from time to time as follows; provided, that if more than one subsection of this Section 12 is applicable to a single event and the application of more than one subsection would result in duplication of the appropriate adjustment from such event, the Adjustment Notice (as defined below) shall so indicate and the Warrantholder shall elect by written notice



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to the Corporation which subsection of this Section 12 shall apply, with the Corporation and the Warrantholder bound by the Warrantholder's election:

(i) Stock Splits, Subdivisions, Reclassifications or Combinations. If the Corporation shall (i) declare and pay a dividend or make a distribution on its Common Stock in shares of Common Stock, (ii) subdivide or reclassify the outstanding shares of Common Stock into a greater number of shares or (iii) combine or reclassify the outstanding shares of Common Stock into a smaller number of shares, the number of Shares issuable upon exercise of this Warrant at the time of the record date for such dividend or distribution or the effective date of such subdivision, combination or reclassification shall be proportionately adjusted so that the Warrantholder, effective as of the close of business on such date, shall be entitled to receive, upon exercise of this Warrant, the number of shares of Common Stock which such holder would have owned or been entitled to receive in respect of the shares of Common Stock subject to this Warrant after such date had this Warrant been exercised immediately prior to such date. In such event, the Exercise Price in effect at the time of the record date for such dividend or distribution or the effective date of such subdivision, combination or reclassification shall be adjusted to the number obtained by dividing (x) the product of (1) the number of Shares issuable upon the exercise of this Warrant before such adjustment and (2) the Exercise Price in effect immediately prior to the record or effective date, as the case may be, for the dividend, distribution, subdivision, combination or reclassification giving rise to this adjustment by (y) the new number of Shares issuable upon exercise of the Warrant determined pursuant to the immediately preceding sentence.

(ii) Certain Issuances of Common Shares or Convertible Securities. If the Corporation shall issue shares of Common Stock (or rights or warrants or other securities exercisable or convertible into or exchangeable (collectively, a "conversion") for shares of Common Stock) (collectively, "convertible securities") (other than in a Permitted Transaction or a transaction to which subsection (i) of this Section 12 is applicable) at a price per share (or having a conversion or exercise price per share) that is less than the Exercise Price in effect immediately prior to such issuance of such shares (or such convertible securities) (the "Pre-Issuance Exercise Price") then, in such event, (A) there shall be calculated a fraction (I) the denominator of which shall be the sum of (x) the number of shares of Common Stock of the Corporation outstanding on such date and (y) the number of additional shares of Common Stock issued (or into which convertible securities may be exercised or convert) and (II) the numerator of which shall be the sum of (1) the number of shares of Common Stock outstanding on such date and (2) the number of shares of Common Stock which the aggregate consideration receivable by the Corporation for the total number of shares of Common Stock so issued (or into which convertible securities may be exercised or convert) would purchase at the Pre-Issuance Exercise Price (such fraction, the "Adjustment Factor"); and (B) the Exercise Price payable upon exercise of the Warrant shall be adjusted by multiplying such Pre-Issuance Exercise Price by the Adjustment Factor. For the avoidance of doubt, no adjustment shall be implemented under this subsection unless the Adjustment Factor is less than 1.0. For purposes of the foregoing calculations, all shares of Common Stock issuable upon exercise of Options (as defined in the Restated Certificate) outstanding immediately prior to such issuance or upon conversion or exchange of Convertible Securities (as defined in the Restated Certificate) (including the Preferred Stock (as defined in the Restated Certificate)) outstanding(assuming exercise of any outstanding Options (as defined in the Restated Certificate) therefor) immediately prior to such issuance shall be treated as outstanding shares of Common Stock.

For purposes of the foregoing, (a) "Permitted Transactions" shall mean issuances of Exempted Securities; and (b) in the case of the issuance of shares of Common Stock or convertible securities without consideration, the consideration shall be deemed to be the par value per share of Class A Common Stock. Any adjustment made pursuant to this Section 12(ii) shall become effective immediately upon the date of such issuance.



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Upon the expiration or termination of any unexercised, unconverted or unexchanged convertible security (or portion thereof) the issuance of which resulted in an adjustment pursuant to this Section

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12(ii), the number of Shares issuable upon exercise of this Warrant and the Exercise Price shall be recalculated assuming such convertible security (or portion thereof) had never been issued and such adjustment so recalculated shall become effective immediately upon the date of such expiration or termination.

(iii) Other Distributions. In case the Corporation shall fix a record date for the making of a distribution to all holders of shares of its Common Stock of securities, evidences of indebtedness, assets, cash, rights or warrants (excluding dividends or distributions referred to in Section 12(i)), in each such case, the Exercise Price in effect prior to such record date shall be reduced immediately thereafter to the price determined by multiplying the Exercise Price in effect immediately prior to the reduction by the quotient of (x) the Market Price of the Common Stock on the last trading day preceding the first date on which the Common Stock trades without the right to receive such distribution, minus the amount of cash or publicly traded securities or the Fair Market Value of any non-publicly traded securities, evidences of indebtedness, assets, rights or warrants to be so distributed in respect of one share of Common Stock (the "Per Share Fair Market Value") divided by (y) such Market Price on such date specified in clause (x); such adjustment shall be made successively whenever such a record date is fixed. In such event, the number of Shares issuable upon the exercise of this Warrant shall be increased to the number obtained by dividing (x) the product of (1) the number of Shares issuable upon the exercise of this Warrant before such adjustment, and (2) the Exercise Price in effect immediately prior to the distribution giving rise to this adjustment by (y) the new Exercise Price determined in accordance with the immediately preceding sentence. In the event that such distribution is not so made, the Exercise Price and the number of Shares issuable upon exercise of this Warrant then in effect shall be readjusted, effective as of the date when the Board of Directors determines not to distribute such shares, evidences of indebtedness, assets, rights, cash or warrants, as the case may be, to the Exercise Price that would then be in effect and the number of Shares that would then be issuable upon exercise of this Warrant if such record date had not been fixed.

(iv) Certain Repurchases of Common Stock. In case the Corporation effects a Pro Rata Repurchase of Common Stock, then the Exercise Price shall be adjusted to the price determined by multiplying the Exercise Price in effect immediately prior to the effective date of such Pro Rata Repurchase by a fraction of which the numerator shall be (i) the product of (x) the number of shares of Common Stock outstanding immediately before such Pro Rata Repurchase and (y) the Market Price of a share of Common Stock on the trading day immediately preceding the first public announcement by the Corporation or any of its Affiliates of the intent to effect such Pro Rata Repurchase, minus (ii) the aggregate purchase price of the Pro Rata Repurchase, and of which the denominator shall be the product of (i) the number of shares of Common Stock outstanding immediately prior to such Pro Rata Repurchase minus the number of shares of Common Stock so repurchased and (ii) the Market Price per share of Common Stock on the trading day immediately preceding the first public announcement by the Corporation or any of its Affiliates of the intent to effect such Pro Rata Repurchase. In such event, the number of shares of Common Stock issuable upon the exercise of this Warrant shall be adjusted to the number obtained by dividing (x) the product of (1) the number of Shares issuable upon the exercise of this Warrant before such adjustment, and (2) the Exercise Price in effect immediately prior to the Pro Rata Repurchase giving rise to this adjustment by (y) the new Exercise Price determined in accordance with the immediately preceding sentence.

(v) Deemed Liquidation Event. In the event the Corporation is a party to any Deemed Liquidation Event, the Corporation shall give the Warrantholder at least 10 days' advance written notice (each, a "Transaction Notice") of the anticipated date for such Deemed Liquidation Event. If the Corporation has delivered a Transaction Notice and the Warrantholder has not elected to exercise



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this Warrant under Section 3 in connection with such Deemed Liquidation Event, or if the Expiration Time is set to occur prior the consummation of such Deemed Liquidation Event, then upon the effective date of, and immediately prior to, the consummation of such Deemed Liquidation Event or immediately prior to such Expiration Time, as applicable, this Warrant shall be automatically deemed to be exercised in full on a “cashless basis” pursuant to and in accordance with Section 3(ii) (provided, that the Market Price of one share of Class A Common Stock shall be deemed to be equal to the applicable aggregate consideration in respect of one share of Class A Common Stock that is payable upon the closing of such Deemed Liquidation Event (based on the amount of any such consideration in the form of cash or publicly traded securities and the Fair Market Value of any such consideration in the form of non-publicly traded securities or other property or assets)); provided, that if, at such time such applicable aggregate consideration in respect of one share of Class A Common Stock is less than the Exercise Price, then this Warrant shall instead cease to be exercisable and shall terminate in full for no consideration.

(vi) Liquidation. In the event of any dissolution, liquidation or winding-up, whether voluntary or involuntary, of the Corporation, or if any other dissolution of the Corporation by operation of law is effected, then each Warrantholder shall be entitled to receive any applicable distributions with respect to its Warrant on an equal basis with the holders of Class A Common Stock, as if such Warrant had been exercised immediately prior to such event, less the aggregate applicable Exercise Price. Nothing in this subsection (vi) shall have the effect of requiring a Warrantholder to make any actual payment to the Corporation.

(vii) Certain Events. If any event of the type contemplated by the provisions of this Section 12 but not expressly provided for by such provisions occurs, then the Corporation shall make an appropriate adjustment in the number of Shares issuable upon exercise of this Warrant so as to protect the rights of the Warrantholder in a manner consistent with the provisions of this Section 12; provided, that no such adjustment pursuant to this Section 12(vii) shall decrease the number of Shares issuable pursuant to this Warrant.

(viii) Rounding of Calculations; Minimum Adjustments. All calculations under this Section 12 shall be made to the nearest one-tenth (1/10th) of a cent or to the nearest one-hundred thousandth (1/100,000th) of a share, as the case may be. Any provision of this Section 12 to the contrary notwithstanding, no adjustment in the Exercise Price or the number of Shares into which this Warrant is exercisable shall be made if the amount of such adjustment would be less than the greater of $0.01 or one-ten thousandth (1/10,000th) of a share of Class A Common Stock, but any such amount shall be carried forward and an adjustment with respect thereto shall be made at the time of and together with any subsequent adjustment which, together with such amount and any other amount or amounts so carried forward, shall aggregate $0.01 or 1/10,000th of a share of Class A Common Stock, or more.

(ix) Timing of Issuance of Additional Class A Common Stock Upon Certain Adjustments. In any case in which the provisions of this Section 12 shall require that an adjustment shall become effective immediately after a record date for an event, the Corporation may defer until the occurrence of such event (i) issuing to the Warrantholder of this Warrant exercised after such record date and before the occurrence of such event the additional shares of Class A Common Stock issuable upon such exercise by reason of the adjustment required by such event over and above the shares of Class A Common Stock issuable upon such exercise before giving effect to such adjustment and (ii) paying to such Warrantholder any amount of cash in lieu of a fractional share of Class A Common Stock; provided, however, that the Corporation upon request shall deliver to such Warrantholder a due bill or other



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appropriate instrument evidencing such Warrantholder's right to receive such additional shares, and such cash, upon the occurrence of the event requiring such adjustment.

(x) Statement Regarding Adjustments. Whenever the Exercise Price or the number of Shares into which this Warrant is exercisable shall be adjusted as provided in Section 12, the Corporation shall forthwith file at the principal office of the Corporation a statement showing in reasonable detail the facts requiring such adjustment and the Exercise Price that shall be in effect and the number of Shares or type of other securities or property into which this Warrant shall be exercisable after such adjustment, and the Corporation shall also cause a copy of such statement to be provided to each Warrantholder in the manner described in Section 19.

(xi) Notice of Adjustment Event. In the event that the Corporation shall (x) propose to take any action of the type described in this Section 12 (but only if the action of the type described in this Section 12 would result in an adjustment in the Exercise Price or the number of Shares into which this Warrant is exercisable or a change in the type of securities or property to be delivered upon exercise of this Warrant), the Corporation shall in any such case give prior written notice (an "Adjustment Notice") to the Warrantholder, in the manner set forth in Section 19, which notice shall specify the record date, if any, with respect to any such action, the approximate date on which such action is to take place, and a description of such action in reasonable detail. Such notice shall also set forth the facts with respect thereto as shall be reasonably necessary to indicate the effect on the Exercise Price and the number, kind or class of shares or other securities or property which shall be deliverable upon exercise of this Warrant. In the case of any such action which would require the fixing of a record date, such notice shall be given at least 10 days prior to the date so fixed (provided that, with respect to any applicable stock split, subdivision, reclassification of combination described in Section 12(i), such notice shall be given on the date so fixed), and in case of all other action, such notice shall be given at least 10 days prior to the taking of such proposed action. Failure to give such notice, or any defect therein, shall not affect the legality or validity of any such action.

(xii) Proceedings Prior to Any Action Requiring Adjustment. As a condition precedent to the taking of any action which would require an adjustment pursuant to this Section 12, the Corporation shall take any action which may be necessary, including obtaining regulatory, stock exchange or stockholder approvals or exemptions, in order that the Corporation may thereafter validly and legally issue as fully paid and nonassessable all shares of Common Stock or other securities or property that the Warrantholder is entitled to receive upon exercise of this Warrant pursuant to this Section 12.

(xiii) Adjustment Rules. Any adjustments pursuant to this Section 12 shall be made successively whenever an event referred to herein shall occur. If an adjustment in Exercise Price made hereunder would reduce the Exercise Price to an amount below par value of the Class A Common Stock, then such adjustment in Exercise Price made hereunder shall reduce the Exercise Price to the par value of the Class A Common Stock.

13. [Reserved.][Letter Agreement. In connection with the issuance of the Original Warrant, an affiliate ofthe Warrantholder, TCS Finance (A), LLC ("TCS Finance (A)") and the Corporation have executed and delivered a letter agreement, dated as of April 6, 2020 (as amended, restated, supplemented or modified from time to time, the "Letter Agreement"), pursuant to which, among other things, the Warrantholder TCS Finance (A) and the Corporation executed and delivered amendments to the Investor Rights Agreement and ROFR and Co-Sale Agreement, providing that TCS Finance (A), and the



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Warrantholder, as an Affiliate of TCS Finance (A), may, in certain circumstances, be deemed to be, and may, in certain circumstances, have the rights and obligations of, (i) a “Major Investor” for purposes of the Investor Rights Agreement and (ii) an “Investor” (as defined in the ROFR and Co-Sale Agreement) for purposes of the ROFR and Co-Sale Agreement, in each case upon the terms and subject to the conditions set forth in such amendments, as applicable.]

14. No Impairment. Except for any action that may be taken by the Corporation with the requisite consent of the Major Investors, the Investors (as defined in the Investor Rights Agreement) and/or the Investors (as defined in the ROFR and Co-Sale Agreement), the Corporation shall not, by amendment of its Restated Certificate, Bylaws or any of its other governance documents (including but not limited to the Investor Rights Agreement, the ROFR and Co-Sale Agreement and other agreement governing the rights and obligations of shareholders of the Corporation), or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed by it hereunder, but shall at all times in good faith assist in the carrying out of all the provisions of this Warrant and in the taking of all such action as may reasonably be requested by the Warrantholder in order to protect the exercise rights of the Warrantholder, consistent with the terms of this Warrant.

15. **Governing Law. This Warrant will be governed by and construed in accordance with the laws of the State of Delaware applicable to contracts made and to be performed entirely within such State. Each of the parties hereto agrees (a) to submit to the exclusive personal jurisdiction of the State or Federal courts in the State of Delaware, (b) that exclusive jurisdiction and venue shall lie in the State or Federal courts in the State of Delaware, and (c) that notice may be served upon such party at the address and in the manner set forth for such party in Section 19 hereof. To the extent permitted by applicable law, each of the parties hereto hereby unconditionally waives trial by jury in any legal action or proceeding relating to this Warrant.**

16. Binding Effect. This Warrant shall be binding upon any successors or assigns of the Corporation.

17. Equitable Relief. Each party hereto acknowledges that a breach or threatened breach by it of any of its obligations under this Warrant would give rise to irreparable harm to the other party for which monetary damages would not be an adequate remedy and hereby agrees that in the event of a breach or a threatened breach by such party of any such obligations, the other party shall, in addition to any and all other rights and remedies that may be available to it in respect of such breach, be entitled to seek equitable relief, including a restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction.

18. Amendments. This Warrant may be modified or amended and the observance of any term of this Warrant may be waived, in each case, only with the written consent of the Corporation and the Warrantholder. No failure or delay by either party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

19. Notices. Any notice, request, instruction or other document to be given hereunder by any party to the other will be in writing and will be deemed to have been duly given (a) on the date of delivery if delivered personally, or by facsimile, upon confirmation of receipt, or (b) on the second Business Day following the date of dispatch if delivered by a recognized next day courier service. All notices hereunder shall be delivered as set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice.

If to the Corporation, to:

Airbnb, Inc.



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888 Brannan Street
San Francisco, CA 94103
Attention: General Counsel
Email: ***[ ]

with a copy to (which copy alone shall not constitute notice):

Simpson Thacher & Bartlett LLP
2475 Hanover Street
Palo Alto, CA 94304
Attention: William Brentani; Fred de Albuquerque
Email: ***[ ]; [ ]

If to the Warrantholder, to such holder's name and address as shall appear on the Corporation's register for the Warrants, which if and so long as the Warrantholder is TCS Finance (A), LLC, shall be:

***
[_____]

With a copy to

(which copy alone shall not constitute notice)

[_____]

20. Entire Agreement. This Warrant and the forms attached hereto, the Transfer Restrictions Agreement, the Investor Rights Agreement, and the ROFR and Co-Sale Agreement [and the Letter Agreement], together with the schedules, exhibits, annexes, certificates and other documents referenced in each of the foregoing, contain the entire agreement between the parties with respect to the subject matter hereof and supersede all prior and contemporaneous arrangements or undertakings with respect thereto.

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[Form of Notice of Exercise]

Date:

TO: Airbnb, Inc.

RE: Election to Purchase Class A Common Stock

The undersigned, pursuant to the provisions set forth in the attached Warrant to Purchase Class A Common Stock, hereby elects to exercise the right, represented by such Warrant, to purchase the number of shares of the Class A Common Stock set forth below covered



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by such Warrant. The undersigned, in accordance with Section 3 of such Warrant, hereby tenders payment of the aggregate Exercise Price for such shares of Class A Common Stock [by electing to pay the Exercise Price on a “cashless basis” as described by Section 3(ii)]. The undersigned requests that a certificate for such shares of Class A Common Stock issuable upon this exercise of such Warrant be registered in the name of _____, whose address is _____[, and that such certificate be delivered to _____.] If said number of shares of Class A Common Stock is less than all of the Class A Common Stock purchasable under such Warrant, a new warrant evidencing the remaining shares of Class A Common Stock covered by such Warrant, but not yet subscribed for and purchased, if any, should be issued in the name set forth below.

Number of Shares of Class A Common Stock:

Aggregate Exercise Price:

Holder:

By:

Name:

Title:

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IN WITNESS WHEREOF, the Corporation has caused this Warrant to be duly executed by a duly authorized officer.

**Airbnb, Inc.**

By:
Name:
Title:

**Attest:**

By:
Name:
Title:

[Signature Page to Warrant] plan documents.

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**Airbnb Transit Subsidy**

Agreed and Acknowledged: You will continue to be eligible to participate in Airbnb's monthly transit subsidy program which includes subsidies for parking and/or transit or biking.

**[WARRANTHOLDER] Employee Travel Coupon**

The only way we'll understand our community is if we are genuine Airbnb community members. Therefore, every Airbnb employee is eligible to receive a $500.00 Employee Travel Coupon (ETC) each quarter in a calendar year. We hope you use this coupon to explore new places, meet new people, and connect with hosts and guests around the world.

**Paid Time Off (PTO), Paid Sick Time, Holidays, and Winter Closure**

As a regular, full-time employee, you are eligible to earn fifteen (15) days of PTO per year, which can be used for any purpose, including vacation, sick and safe time. Airbnb also offers five (5) separately designated Paid Sick days so you have an additional opportunity to address health-related or family care needs.

By: In addition, you will receive paid holidays per our Company policy. There is also a Winter Closure tacked
Name:
Title: on at the end of the year so you can plan ahead to spend time with family and friends. The holiday calendar is published annually and is subject to change.

[Signature Page Airbnb reserves the right to Warrant] change or otherwise modify, in its sole discretion, the preceding terms of employment.

**Confidentiality and Protection of Intellectual Property**

You must continue to comply with Airbnb's Employee Invention Assignment and Confidentiality Agreement (Invention and Confidentiality Agreement) that you entered into in connection with your commencement of employment with us.

**Arbitration**

You and Airbnb, Inc. (the "***Parties***") each agree that any and all controversies, disputes or claims arising out of, relating to or concerning your employment relationship or the termination thereof, including without limitation, the validity, enforceability, interpretation of this agreement to arbitrate, and including, but not limited to, claims for unpaid wages, wrongful termination, claims relating to equity interests that may have been granted to you, and/or any other claims arising from your employment whether sounding in tort, contract, federal, state, local or other statutory violation or otherwise, and without regard to legal characterization of theory, shall be brought only in your individual capacity and finally resolved on an individual basis (to the fullest extent permitted under applicable law) through binding arbitration by JAMS under the JAMS Employment Arbitration Rules and Procedures then effect and subject to the JAMS Policy on Employment Arbitration Minimum Standards of Procedural Fairness (the "***JAMS Rules***"), available at www.jamsadr.com or upon request to HR, and in accordance with the Federal Arbitration Act ("***FAA***").

The arbitration shall be before a single arbitrator appointed pursuant to the JAMS Rules and shall occur in San Francisco County California, or alternatively in the county of your primary work location, if you are based outside of San Francisco. The award shall be a reasoned written decision, that states the factual and legal conclusions and legal basis therefore, and shall be in English. The arbitrator's decision shall be final, binding, and conclusive. The agreement to arbitrate does not restrict your right to file administrative claims you may bring before any government agency where you are permitted by law to file such claims (including the National Labor Relations Board, the Equal Opportunity Commission and the Department of Labor), or prevent you from pursuing claims for which this agreement would be invalid as a matter of law. The Parties further agree that this Agreement is intended to be strictly construed to provide for arbitration as the sole and exclusive means for resolution of all disputes hereunder to the fullest extent permitted by law. The Parties expressly waive any entitlement to have such controversies decided by a court or a jury. The Parties agree that judgment on any award in arbitration shall be enforceable in any court with competent jurisdiction. This clause shall not preclude either Party from seeking provisional remedies in aid of arbitration from a court of competent jurisdiction.



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**At-Will Relationship**

As is customary, our employment relationship is at-will. This means either you or Airbnb may terminate the employment relationship at any time and for any reason or no reason, without prior notice. Any modification or change in your at-will employment status may only be made if in writing and signed by you and Airbnb's Chief Executive Officer and Chief Legal Officer.

Once accepted, this letter constitutes the entire agreement between you and Airbnb with respect to the subject matter herein and supersedes all prior offers, negotiations and agreements, if any, whether written or oral, relating to such subject matter.

Should you have anything else that you wish to discuss, please do not hesitate to contact me. Otherwise, please sign this letter via electronic signature as sent through DocuSign. Please retain a copy for your personal records.

Ellie, few have had as meaningful an impact on Airbnb as you, and we're thrilled to have you by our side for this next chapter. We have an incredible journey ahead of us.

Let's change the world together.

Sincerely,
**Airbnb, Inc.**

/s/ Brian Chesky

Brian Chesky
Chief Executive Officer

I have read and understood this letter and acknowledge, accept and agree to its terms and further acknowledge that no other commitments were made to me as part of my promotion except as specifically set forth herein.

/s/ Elinor Mertz Date Signed: 08/02/2024
Elinor Mertz

**Exhibit 31.1**

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER**
**PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a)**
**AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Brian Chesky, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Airbnb, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:



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(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Brian Chesky

Brian Chesky
Chief Executive Officer
*(Principal Executive Officer)*

Date: May 8, 2024 August 6, 2024

**Exhibit 31.2**

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER**
**PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a)**
**AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Elinor Mertz, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Airbnb, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being



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prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Elinor Mertz

Elinor Mertz
Chief Financial Officer
*(Principal Financial Officer)*

Date: May 8, 2024 August 6, 2024

**Exhibit 32.1**

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

I, Brian Chesky, as Chief Executive Officer of Airbnb, Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of Airbnb, Inc. for the quarter ended March 31, 2024 June 30, 2024 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Airbnb, Inc.

/s/ Brian Chesky

Brian Chesky
Chief Executive Officer
*(Principal Executive Officer)*

Date: May 8, 2024 August 6, 2024

I, Elinor Mertz, as Chief Financial Officer of Airbnb, Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of Airbnb, Inc. for the quarter ended March 31, 2024 June 30, 2024 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Airbnb, Inc.



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/s/ Elinor Mertz

Elinor Mertz
Chief Financial Officer
*(Principal Financial Officer)*

Date: May 8, 2024 August 6, 2024



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