



WEEK ENDING AUGUST 1, 2025

Before turning to the markets, I wanted to take a moment to recognize the innocent lives and families affected by this week's tragic attack. It hit close to home for many of us and our broader LionTree community and our hearts go out to everyone impacted. If there are any ways that we can be of support, please don't hesitate to reach out.

It was a very active week in the sector and the markets, with earnings season in full swing. Investors were also digesting a slew of trade developments alongside softer labor data. The S&P 500 declined -2.4%, while the Nasdaq fell -2.2%.

According to FactSet, 66% of S&P 500 companies have now reported results. Of those, 82% have posted a positive EPS surprise, and 79% have reported a positive revenue surprise. The blended y/y earnings growth rate for the S&P 500 stands at 10.3%.

Given the volume of earnings releases, we had to pick our spots. We focused on the below themes this week:

1. Earnings Scorecard – Week 3
2. Meta Earns Investor's Benefit Of The Doubt
3. Is Amazon Falling Behind In GenAI? Investor's Remain Focused On AWS Growth Accelerating In H2
4. Comcast: Signs Of Broadband Stabilization & Theme Park Strength Were Key Highlights
5. Spotify Is Still Working On Execution During Its Year Of Accelerating Execution
6. It's Official, Battlefield 6's Release Is Oct 10th! EA Is On Track For Its Upcoming Inflection Point...
7. Booking Is Seeing Some Softness In The Low End Of The US Consumer Market But Seq Improvement
8. QUICK TAKES – Microsoft, Apple, Roblox, UMG, Reddit, & Roku

It has been a long week and I hope that you all can take a breath this weekend.

Best,
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This weekly product is aimed at helping our key corporate and investor clients stay in front of major themes and developments driving the TMT and consumer-oriented sector. Please don't hesitate to reach out with any questions or comments!



1) Earnings Scorecard – Week 3

We are in the eye of the earnings storm, and this week we had 37 companies in our LionTree Universe report their second quarter numbers (up from last week's 22). Unlike last week, stock reactions actually skewed negative, with 21 companies (57%) trading up in reaction to their results and 16 (43%) trading down. The best performer was eBay, which surged +18.3% post its print, and the worst performer was Coinbase, which fell -16.7%.

After Alphabet kicked off the Big Tech reports last week, this week **Meta** followed suit and was up +11.3% after its report (see **Theme #2**), followed by **Amazon**, which went the other direction and fell -8.3% (see **Theme #3**).

Also, as a follow up post Charter's earnings report last week, **Comcast** reported this week and was up +2.2% (see **Theme #4**). We also got some reads into music with Spotify, which fell -7.9% (see **Theme #5** for more on why), online travel with **Booking**, up +0.4% (see **Theme #7**), and gaming with **Electronic Arts**, up +5.7% (see **Theme #6**).

Finally, we took a quick look at **Roku**, down -15.1%, **Apple**, down -2.5%, **UMG**, down -0.6%, **Microsoft**, up +3.9%, **Roblox**, up +10.3%, and **Reddit**, up +17.5% (see **Theme #8**).

The table below includes select mid- and large-cap TMT and consumer companies in our LionTree stock universe that reported this week.

LIONTREE EARNINGS SCORECARD					
SECTOR	Stk Reaction*	SECTOR	Stk Reaction*	SECTOR	Stk Reaction*
AdTech		Internet/Advertising		Semis	
Criteo SA	0.7%	Meta	11.3%	Arm Holdings	-13.4%
E-Commerce		Reddit	17.5%	Qualcomm	-7.7%
Amazon.com	-8.3%	Media Entertainemnt		Software & IT Services	
Etsy	2.8%	Stagwell	11.0%	Microsoft	3.9%
eBay	18.3%	Music		Telecom Infrastructure	
EdTech		Spotify	-11.6%	American Tower	-4.2%
Udemy	8.9%	SiriusXM	-7.9%	Equinix	-1.5%
Employment Marketplace		Universal Music Group	-0.6%	Theaters	
Fiverr	-11.9%	Online Travel		Cinemark	-3.7%
European Media		Booking Holdings	0.4%	US Media/Video	
Prosiebensat 1 Media SE	-0.7%	Out of Home Advertising		Roku	-15.1%
European Telco		JCDecaux SA	-5.3%	US Print Media/Publishing	
Telefonica SA	-0.2%	Payments/FinTech		Gannett Co.	4.4%
Liberty Global	5.0%	Coinbase	-16.7%	US Telco/Wireless	
Hardware/Handsets		PayPal	-8.7%	Lumen	-16.6%
Apple	-2.5%	Robinhood	-2.9%	Video Games	
HealthTech		Visa	-0.1%	Electronic Arts	5.7%
Teladoc Health	-1.7%	Mastercard	1.3%	Roblox	10.3%
		PayTV/Broadband			
		Comcast	2.2%		
		Cable One	6.9%		

Source: FactSet

*Day post earnings



2) Meta Earns Investor's Benefit Of The Doubt

Meta has dominated headlines in recent weeks, particularly following CEO Mark Zuckerberg's launch of a new Superintelligence lab, which was an initiative that included a \$14bn investment for a 49% stake in data-labeling startup Scale AI and the hiring of its CEO, Alexandr Wang, along with other top AI researchers. Amid these ambitious efforts, it's especially important to see continued strength in the core business, and, on that, Meta did not disappoint, beating Street expectations across the board in Q2.

Total revenue accelerated from +16% y/y growth in Q1 to +22% growth in Q2, and while Reality Labs' performance came in slightly below consensus, it was easily offset by much stronger revenue in Family of Apps. Q2 op income, EPS, and FCF also beat by a significant +20%, +21%, and +35% respectively.

CapEx is always of particular interest, and Meta's trajectory on that front remains higher. The Co raised the low end of the 2025 CapEx guidance from \$64-\$72bn to \$66-72bn (the mid-pt is up +\$30bn y/y) and currently expects "another year of similarly significant CapEx dollar growth in 2026" (i.e., will reach ~\$100bn). Investors have become a lot more accepting of the higher spending given the strong returns the company is seeing in the core business.

More specifically, FOA advertising rev growth accelerated from +16% y/y in Q1 to +22% y/y in Q2 (all regions saw seq accelerations), and op margin of 53.0% was well ahead of cons 49.5%. AI is unlocking greater monetization efficiency across Meta's ad systems. Key initiatives right now are leveraging AI to optimize the levels of ads within organic engagement and improve marketing performance. Results are already showing, with an example being their Generative Ads Recommendation System (GEM) increasing ad conversions by ~5% on Instagram and 3% on Facebook Feed and Reels in Q2.

Meta AI is also importantly gaining scale and has surpassed the 1bn+ MAUs milestone and AI glasses are building momentum as well. The % of people using the glasses for Meta AI is growing. And bringing it back to the Co's superintelligence efforts, AI glasses are expected to be the main way Meta integrates superintelligence into day-to-day lives,

Overall, it was a strong quarter all around and as long as the Co can continue to show strong returns from its spending efforts, investors are likely to give Zuckerberg the benefit of the doubt.

See below for more on our thoughts regarding key takeaways from Meta's results and earnings commentary.

Also digital advertising related, see **Theme #8** for a quick take on Reddit's Q2

-> Meta jumped +11.3% after its report and ended the week up +5.2%; YTD, the stock is up +28.1%

Q2 - Top-Line Acceleration & Robust Profitability

- **Q2 total revs BEAT cons by +6.0% & grew +21.6% y/y (a accel from +16% y/y in Q1)**
 - Family of Apps (FoA) revs BEAT w/ ad revs ~6% better than expected and Other was +16% ahead
 - Reality Labs revs MISSED by -3%
- **Q2 adj op income BEAT by a notable +19.8% (margin of 53% easily beat cons 49.5%) w/ upside in both FoA & Reality Labs**
- **Q2 EPS of \$7.14 came in well AHEAD of cons \$5.88**
- **FCF BEAT by +35.1% despite CapEx slightly higher than expected**

Meta	Q2 2025 Results		
	Actual	Cons Est	% Surp
Revenue (mn)	\$47,516	\$44,810	6.0%
Y/Y % Chg	21.6%	14.69%	
Adj Operating Income (mn)	\$20,441	\$17,060	19.8%
Adj Operating Margin (%)	43.0%	38.0%	
Adj EPS	\$7.14	\$5.88	21.4%
CapEx (mn)	\$16,540	\$16,480	Higher
Free Cash Flow (mn)	\$8,549	\$6,330	35.1%
Segment Revenue (mn)			
Family of Apps	\$47,146	\$44,450	6.1%
Advertising	\$46,563	\$43,970	5.9%
Other	\$583	\$504	15.7%
Reality Labs	\$370	\$381	-2.9%
Segment Adj. Operating Income (mn)			
Family of Apps	\$24,971	\$22,010	13.5%
Adj. Operating Margin (%)	53.0%	49.5%	
Reality Labs	-\$4,530	-\$4,980	9.9%
Adj. Operating Margin (%)	-1224.3%	-1280.2%	

Source: FactSet, StreetAccount



Q3 Revenue Outlook = Well Ahead Of Cons Though Annual Op Expenses Are Going UP

- **Q3 & Q4 revenue outlook / comments**
 - **Q3 revenue guidance TOPPED expectations**... expected to be in the range of \$47.5-50.5bn (+20.1% at the mid pt vs Q2's 21.6%) which was +6% above cons
 - FX is expected to provide a ~1% tailwind y/y
 - **Expect the Q4 y/y rev growth rate to be slower than Q3 given tough comps**
- **2025 & 2026 expense outlook**
 - **Full year 2025 expense guidance slightly narrowed to \$114-\$118bn from prior \$113-\$118bn** (implies growth rate of 20-24% y/y)
 - **Expect 2026 y/y expense growth to be ABOVE 2025 levels** w/ infrastructure costs the largest driver (accel in depreciation expense growth and higher op costs), followed by employee compensation

CapEx Has Not Peaked...2026 Approaches ~\$100bn

- **Q2 CapEx came in slightly HIGHER than expected...: \$16.54bn vs cons \$ \$16.48bn**
 - The spending was mainly due to new investments in servers, network infrastructure and data centers
- **Raised the low-end of 2025 CapEx guidance to a range of \$66-72bn, from prev \$64-72bn (and above cons \$66.26bn)**
 - Represents ~\$30bn increase y/y at the mid-pt
- **2026 CapEx \$ growth is guided to be similar to 2025, i.e., up another ~\$30bn y/y to ~\$100bn**
 - The biggest driver is to scale GenAI capacity & invest in core AI
 - Expect to finance a large share themselves but are looking for partners as well for data center projects
 - The infrastructure spend is for internal use, vs providing external capacity
- **Mgmt continues to see “very compelling returns from our AI capacity investments in our core ads and organic engagement initiatives”**

The Core Advertising Business Is Firing On All Cylinders

- **Family of App ad rev grew +22% y/y (accel from +16% y/y in Q1) and beat cons by +6.1%: FOA adj op margins of 53.0% came in ahead of cons 49.5%**
 - **Vertical callout - online commerce was the largest contributor to y/y growth** (similar to last 3 qtrs)
 - **All regions saw seq accelerations in y/y growth**
 - Europe +24% y/y (vs +14% y/y in Q1)
 - RoW +23% y/y (vs +19% y/y in Q1)

- N. Amer +21% y/y (vs +18% y/y in Q1)
- APAC +18% y/y (vs +12% y/y in Q1)
- **Pricing growth slowed “modestly” from Q1 due to accelerated impression growth in Q2**
 - **Total impressions incr’d +11% (vs +5% in Q1)**, w/ growth mainly driven by APAC (similar to last 2 qtrs); Impression growth accelerated across all regions due primarily to engagement tailwinds on both Facebook and Instagram and to a lesser extent, ad load optimizations on Facebook
 - **Avg price per ad incr’d +9% (vs +10% in Q1)**, benefiting from increased ad demand, largely driven by improved ad performance

AI Continues To Unlock Greater Monetization Efficiency Across Meta’s Ad System...But Lots Of Room For More

- **First key initiative to increase monetization efficiency - optimizing the level of ads within organic engagement**
 - **On Threads – as of May, advertisers globally can run video and image ads to Threads users in most countries, including US**
 - Ad supply remains low and Threads is not expected to be a meaningful contributor to overall impression growth in the near-term...
 - ...BUT are “optimistic” about the longer-term opportunity with Threads as the community and engagement grow and monetization scales
 - **On WhatsApp – rolling out ads in status and channels, along with channel subscriptions and the updates tab to help bizs reach the 1.5bn+ daily actives who visit that part of the app**
 - Ads in Status will roll out gradually through this year and next, with limited supply at first
 - WhatsApp Status ads are expected to earn less than Facebook or Instagram ads due to limited targeting data and a user base in lower-monetizing markets
 - Therefore, do NOT expect ads in status to be a meaningful contributor to total impression or rev growth for the next few years
- **Second key initiative to increase monetization efficiency – improving marketing performance**
 - **Improving ad systems: Innovating in both the ads retrieval and ranking stages to serve more relevant ads to people**
 - **Enhancements to Andromeda model architecture** in Q2 drove ~4% higher conversions on Facebook Mobile Feed and Reels
 - **Improvements to Generative Ads Recommendation System (GEM)** increased ad conversions by ~5% on Instagram and 3% on Facebook Feed and Reels in Q2
 - **Expanded coverage of Lattice model architecture** in Q2 drove a ~4% increase in ad conversions across Facebook Feed and Reels in Q2
 - **Advancing ad products, including by building tools that assist in ads creation**
 - Completed rollout of streamlined campaign creation flow for Advantage+ sales and app campaigns in Q2
 - Started testing AI-powered translation so that advertisers can automatically translate the caption of their ads to 10 different languages
 - **Evolving ads platform to drive results that are optimized for each business’ objective**
 - Completed the global rollout of our incremental attribution feature in Q2
 - Launched omnichannel ads globally in Q2 which enable advertisers to optimize for incremental sales, both in store and online with just one campaign
 - In tests, advertisers using omnichannel ads have seen a median 15% reduction in total cost per purchase compared to website-only optimization

Improved Recommendation System & Product Experience Is Driving More User Engagement...Esp W/ Video

- **3.4bn+ people use at least one app daily (similar to last qtr) and strong engagement across the board**
 - DAUS continue to grow across FB, Instagram, and WhatsApp as recommendation system and product experiences improve
- **Continue to see momentum w/ video engagement, in particular, driven by ongoing optimizations to ranking system to better identify the most relevant content to show**
 - Instagram video time was up 20%+ y/y in Q2
 - Seeing strong traction on Facebook as well, particularly in the US, where video time spent was also up 20%+ y/y
 - **“Expect to deliver additional improvements throughout the year as we further scale up our models and make recommendations more adaptive to a person’s interest within their session”**

- **Exploring how to extend the use of LLMs in recommendation systems across apps**
 - Incorporation of LLMs are now driving a “meaningful” share of the ranking related time spent gains on Threads
- **Seeing “good” progress w/ AI for ad creative w/ “meaningful” % of ad rev now coming from campaigns using one of their genAI features**
 - “This is going to be especially valuable for smaller advertisers with limited budgets, while agencies will continue the important work to help larger brands apply these tools strategically”
- **“A lot of potential” for AI to drive better content:** Seeing early progress w/ the launch of AI video editing tools across Meta AI and their new Edits app
 - **“And there’s a lot more to do here”**

Meta	Q2 2025 Results		
	Actual	Cons Est	% Surp
Facebook User Metrics			
Family Daily Active People (mn)	3,480	3,450	0.9%
Family Average Revenue per Person	\$13.65	\$12.87	6.1%
Advertising Metrics			
Ad Impressions Delivered (y/y)	11.0%	No Consensus Estimate	
Avg Price Per Ad (y/y)	9.0%	No Consensus Estimate	
Revenue (mn)			
US & Canada	\$20,371	\$19,500	4.5%
Advertising	\$20,045	\$19,030	5.3%
Asia-Pacific	\$9,366	\$8,760	6.9%
Advertising	\$9,148	\$8,640	5.9%
Europe	\$11,532	\$10,580	9.0%
Advertising	\$11,366	\$10,370	9.6%
Rest of World	\$6,247	\$5,870	6.4%
Advertising	\$6,004	\$5,650	6.3%

Source: FactSet, StreetAccount



Meta AI Is Gaining Scale

- **Focused on making Meta AI the leading personal AI**
- **Meta AI reached 1bn+ MAUs (vs “almost 1bn” in Q1 and 700mn in Q4)**
 - “As we continue improving our models, we see engagement grow”
- **Meta AI is now available in 200+ countries and territories - drivers of MetaAI queries?**
 - WhatsApp remains the largest driver of queries as people message MetaAI directly regarding tasks
 - MetaAI is also helping with content discovery as FB users are asking about posts they see in a feed and to find content across the platform
 - Automatic translation and dubbing will also help w/ content discovery

Business Messaging Will Drive Another Leg Of Growth

- **Believe that every biz will soon have a biz AI**, just like having an e-mail address, social media account, and website
- **Starting to see some product market fit in “a number of countries” where they are testing these agents**
 - Integrating these business AIs into ads on Facebook and Instagram, as well as directly into e-commerce website
- **Seeing “good momentum” in Business Messaging, particularly in the US, where click-to-message rev grew 40%+ y/y in Q2**

Reality Labs - AI Glasses Are Building Momentum And “Continue To Think That Glasses Are Basically Going To Be The Ideal Form Factor For AI”

- **Q2 Reality Labs rev was up +5% y/y (vs -6%% y/y in Q1), due to – incr'd sales of AI glasses, partially offset by lower Quest sales**
- **Q2 Reality Labs op loss was -\$4.53bn**, which was above cons -\$4.98bn
- **Ray-Ban Meta glasses sales continue to show strong growth and accelerated in Q2 w/ demand outstripping supply for popular SKUs**
 - They are working to ramp supply
- **Building on that success by launching new performance AI glasses w/ the Oakley Meta HSTNs**, which have longer battery life, higher resolution camera, and are designed for sports
- **% of people using the glasses for Meta AI is growing, and new user AI retention is increasing too, “which is a good sign for that continued use”**
- **Looking ahead – AI glasses are expected to be the main way they integrate superintelligence into day-to-day lives**
 - **“And I think in the future, if you don’t have glasses that have AI or some way to interact with AI, I think you’re [...] probably be at a pretty significant cognitive disadvantage compared to other people who you’re working with or competing against”**
- **Quick Quest update - seeing continued increase in time spent with the Quest ecosystem and the community continues to grow steadily**
 - Launched Meta Quest 3S Xbox edition last month and seeing “record” interest in cloud gaming
 - Beyond gaming, continue to see a broader set of use cases with media and web browsing contributing a significant portion of engagement
 - **Will share more updates at Meta Connect happening Sept 17-18**

3) Is Amazon Falling Behind In GenAI? Investor’s Remain Focused On AWS Growth Accelerating In H2

Microsoft Azure grew revenue +34% y/y **this qtr, up from +33% last** to reach ~\$19bn. Google Cloud grew revenue +32% y/y, up from +28% in Q1 to reach \$13.6bn. Amazon’s AWS grew revenue +17.5% y/y, up from +17% in Q1 to reach \$30.9bn.

Investors are questioning why AWS is not growing faster. Is the company falling behind? Amazon CEO Andy Jassy spent a lot of time on the earnings call painting a picture of its strong competitive positioning. “AWS has significantly broader functionality, stronger security, and operational performance, a much deeper experience helping enterprises modernize their infrastructure.” The Co also has much larger scale. But supply constraints continue to weigh on AWS’ top line growth. These constraints will take “several” quarters to balance out but are expected to “get better each quarter”, making this a key bogey looking ahead.

Another point of investor concern was the lower-than-expected Q3 operating income, which was also the case last quarter. Interestingly, CapEx was not as much of a focal area as has been the case in the past. While spending levels increased from \$23.4bn in Q1 to \$31.4bn in Q2, they are expected to remain steady sequentially for the remaining quarters of the year.

On the plus side, Amazon’s core Online business performed exceptionally well, posting accelerated growth from +6% to +10% ex-FX. Tariffs have not had much of an impact thus far, though mgmt continues to view it as a wildcard in H2. International profitability continued its upward trajectory, with margins rising 320bps y/y, while advertising rose a strong +22% y/y, bolstered by retail and media strength.

See below for more on the above, in addition to more updates on advertising, Alexa+, Project Kuiper among other key areas.

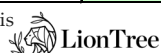
-> Amazon shares closed the day post results down -8.3% and ended the week down -7.2%; The stock is down -2.1% YTD

Q2 Beat Esp On Online Revs & Overall Profitability But AWS Disappointed & Weaker Q3 Op Income Guidance, Again, Spooked Investors

- **Q2 = Op income beat lowered expectations (by +13.9%), with inline revs...EPS was well ahead**
 - **Total revs BEAT:** Up +12% y/y ex-FX (vs +10% ex-FX in Q1)
 - **Op income BEAT:** Up +30% y/y (margins reached 11.4% vs cons 10.4%) and beat cons by +13.9%
 - **Adj EPS BEAT:** +26.3% ahead of cons
- **Q2 by segment – every segment came in higher than cons expected**
 - **Online stores grew +10% y/y OR +6% Y/Y ex-FX in Q1**
- **Q2 by region – N. Amer & Intl revs were both better than expected while AWS operating income missed cons**
 - **N. Amer - BEAT w/ higher rev and op income:** Revs rose +11% y/y (vs +8% y/y in Q1) w/ 7.5% op margins
 - **Intl – BEAT w/ higher rev and MUCH higher op income:** Revs rose +11% y/y ex-FX (vs +8% y/y in Q1), w/ 4.1% op margins
 - **AWS – MIXED w/ rev beating cons but op income missing:** Revs grew +17% y/y and op margins hit 32.9%
- **Worldwide paid units incr'd +12% y/y (vs +8% y/y) and WW 3P selling unit mix was 62% in Q2, 1% higher than Q2 of last year**
- **CapEx came in at \$31.4bn in Q2**

Amazon	Q2 2025 Results		
	Actual	Cons Est	% Surp
Revenue (\$mn)	\$167,702	\$162,190	3.4%
Operating Income (\$mn)	\$19,200	\$16,860	13.9%
Operating Margin (%)	11.4%	10.4%	
Adj EPS	\$1.68	\$1.33	26.3%
Segment Results (\$mn)			
North America Revenue	\$100,068	\$97,650	2.5%
Operating Income	\$7,517	\$5,620	33.8%
International Revenue	\$36,761	\$34,260	7.3%
Operating Income	\$1,494	\$589	153.6%
AWS Revenue	\$30,873	\$30,800	0.2%
Operating Income	\$10,160	\$10,920	-7.0%
Segment Metrics (\$mn)			
Online Stores	\$61,485	\$58,980	4.2%
Physical Stores	\$5,595	\$5,500	1.7%
Third-Party Seller Services	\$40,348	\$38,740	4.2%
Advertising Services	\$15,694	\$14,990	4.7%
Subscription Services	\$12,208	\$11,970	2.0%
Other	\$1,499	\$1,330	12.7%

Source: Amazon Filings; FactSet Data & Analysis



- **Q3 op income GUIDANCE at the mid was -7.6% below the Street, while Q3 rev guidance was +2% above cons**
 - Assumes a 130bp FX headwind to revs

AWS's Underwhelming Revenue Growth Reflects Capacity Constraints Vs Competitive Positioning / Mgmt Remains Very Optimistic About The Oppty

- **AWS Q2 underwhelmed w/ revenue growth of +17.5% y/y ex-FX, vs +17% in Q1 (& roughly in-line w/ expectations) & op income was -7% below cons (margin of 32.9% fell from 39.5% in Q1 due to SBC & depreciation)**
 - **Backlog of \$195bn, was up +25% y/y**

- **Highlighted new agreements:** PepsiCo, Airbnb, Peloton, NASDAQ, London Stock Exchange, Nissan Motor, GitLab, SAP, Warner Bros, Discovery, TwelveLabs, FICO, Iberia Airlines, SK Telecom and NatWest
- **AWS remains capacity constrained BUT mgmt guided that it will get better each qtr**
 - Power is the single biggest constraint at the moment
 - **It will take “several” quarter to resolve the capacity constraints but AWS trends are expected to “get better each quarter and I’m optimistic about that”**
- **CapEx of \$31.4bn in Q2 was up meaningfully from \$23.4bn in Q1**
 - **Outlook - quarterly CapEx should be at a similar rate for the back half of the year**
- **Is AWS falling behind in GenAI? Peers are growing faster?** In response to the question, mgmt cited AWS’ scale given “the second player is ~65% of the size of AWS”
 - “AWS has significantly broader functionality, stronger security, and operational performance, a much deeper experience helping enterprises modernize their infrastructure”
- **Mgmt remains VERY bullish on the AWS opportunity**
 - “85% to 90% of the global IT spend is still on premises... if you believe that equation is going to flip... AWS is well-positioned.”
 - “I’m optimistic about the AWS business”

Key AWS Product Updates & Launches In The Qtr

- **Silicon & compute**
 - **Trainium2:** It is now deployed at scale and serves as the backbone for Anthropic’s Claude models & Amazon Bedrock
 - Offers 30-40% better price-performance than other GPU providers
 - Work is already underway on Trainium3
 - **Launched new EC2 Instances:** Powered by NVIDIA Grace Blackwell Superchips, AWS’s most powerful GPU-accelerated offering
- **Bedrock & AI models**
 - **Claude 4:** Was recently added to Bedrock and is now the fastest-growing model on the platform
 - **Amazon Nova:** Is now the second most popular in Bedrock
- **Agent development tools**
 - **Launched Strands:** An open-source framework for building AI agents; Already received 2,500 GitHub stars & over 300k+ downloads
 - **Just released AgentCore:** A secure serverless runtime for deploying agents; “Customers are excited about AgentCore as it frees them up to start deploying agents more expansively”
- **AI applications**
 - **AWS Transform:** Is a new AWS agent that -
 - Reduces mainframe modernization from years to months
 - Accelerates VMware to EC2 conversions up to 80x
 - Enables migration from .NET Windows to .NET Linux, reducing licensing costs by up to 40%
- **Developer tools**
 - **Launched Kiro:** New agentic IDE for “Vibe Coding” using natural language

The Core Online Business Is Performing Better Than Expected, Though Tariffs Remain A Wildcard

- **Amazon’s core Online stores business grew +10% y/y ex-FX in Q2 (vs +6% y/y ex-FX in Q1) and beat cons by a strong +4.2%**
- **Tariffs have not had an impact thus far...**
 - “Through H1, we haven’t yet seen diminishing demand nor is price meaningfully appreciating”
 - “And we haven’t seen any kind of broad scale ASP increases. So that could change in H2”
- **“...but it does remain a wildcard”:** “As we said before, it’s impossible to know what will happen”

- “We also have such diversity of sellers in our marketplace, over 2 million sellers in total with differing strategies of whether to pass on higher cost to consumers”
- **Pricing, selection, and speed of delivery remain the main KPI drivers for the core online business, coupled with operational efficiency**
 - **Selection:** Nike returned to Amazon’s retail site and the Co added brands like Away, Aveda, Marc Jacobs fragrances & brands from Saks in Amazon like Dolce&Gabbana, Etro, Stella McCartney, Rosetta Getty and La Prairie
 - Expanding their Perishables Pilot... 75% of customers who have used this service this year are first-time shoppers for perishables on Amazon
 - **Pricing -**
 - “Our prices continue to be low and sharp for customers”
 - Everyday Essentials growth outpaced the rest of the business globally & represented one out of every three units sold
 - **Delivery speed & fulfillment -**
 - Incr’d the share of orders moving through direct lanes by 40%+ y/y
 - Reduced the avg distance packages travel by 12%
 - Lowered handling touches per unit by ~15%
 - Delivered 30% more items same day or next day y/y
 - **Operational efficiency -**
 - Order consolidation helped drive higher units per box & improved overall cost to serve
 - Strategic inventory placement drives multiple benefits, including better in-stock availability, shorter delivery routes, and faster customer delivery times”
- **Cited a successful Prime Day**
 - “This year’s Prime Day was our biggest ever with record sales, number of items sold and number of prime sign-ups”
 - “Independent sellers... saw their best sales performance of any Prime Day event yet”

Updates On Other Key Businesses / Initiatives...Intl Profitability, Advertising, Alexa+, Prime Video, Project Kuiper

- **Progress w/ International profitability should continue - margins rose +320bp y/y to 4.1% in Q2:** Over the last 10 qtrs, incr’d margins almost 700bp
 - **Established markets:** A greater contribution of established countries like UK, Germany & Japan, which are already at similar margin profiles to the US, helps drive overall margins
 - **Emerging markets:** The eight countries launched in the last five years are at varied stages of investment & profitability, but all are showing q/q improvements
 - **Outlook:** The Co feels “very good” about the trajectory of international profitability
- **Advertising (high margin) grew +22% y/y to \$15.5bn (up from +19% y/y in Q1) w/ strong performance in retail & media and driven by sponsored products and strong traffic in stores**
 - “Excited” about Amazon’s DSP
 - **Annc’d a “momentous” Roku partnership in June:** Gives advertisers exclusive access via Amazon DSP to ~80M US CTV households, boosting audience reach and TV ad performance
- **Alexa+...“It’s still very early days, but we’re very encouraged by the experience we’re providing and you can bet we’re going to be iterating on it constantly”**
 - **More functionality:** Alexa+ is significantly more intelligent & action-oriented than previous versions, going beyond Q&A to perform complex tasks via natural language
 - **Strong early adoption:** “Millions” of U.S. users have adopted Alexa+
 - **Positive consumer reactions**
 - “Customers really like the experience”
 - “The ratings are very high”
 - Usage is much higher than before
 - “People do a lot of shopping”
 - **Engagement is strong:** Ratings, usage, & call volume have all incr’d meaningfully
 - **More roll-outs coming:**
 - The rest of the US rollout will be in the “next couple months”

- The international rollout more broadly will be “later in the year”
- **Monetization will include advertising and addtl subscription elements over time**
 - Today, Prime members get Alexa+ for free and non-Prime members pay \$19.99/mo
- **Prime Video's first NASCAR season avg'd ~ 2mn viewers per race:** Attracting the youngest NASCAR audience in over a decade
- **Project Kuiper:**
 - Commercial beta is expected later this year or early next year, pending satellite deployment amid minor rocket provider delays
 - Signed multiple enterprise & government agreements
 - Pricing will be “very compelling” for customers
- **Amazon Pharmacy:** Up +50% y/y

4) Comcast: Signs Of Broadband Stabilization & Theme Park Strength Were Key Highlights

Comcast's results this week concluded the Connectivity sector's earnings season (Verizon, AT&T, T-Mobile, and Charter were all last week) and gave us a first look into Media/Entertainment trends. Overall, the Co reported modest beats across headline financials, with total revenue up +2.1% y/y, adj EBITDA up +1.1% y/y, and adj EPS up +3.3% y/y. FCF was a standout, reaching \$4.5bn, +22% above consensus, helped by lower-than-expected CapEx.

On the Connectivity side, broadband subscriber losses were a focus and they worsened from Q1 levels BUT were not as negative as expected and management noted signs of stabilization. Also, wireless bundling is gaining traction w/ a “record” 378k net additions in the quarter. A big focus on the call was regarding the Co's new and simplified broadband pricing strategy, which is seeing strong early adoption, though ARPU growth is expected to moderate in the near term as customers adopt and migrate to these new plans. This was a bit of a hot button. It is also worth mentioning that Business Services grew revenue by +6% and EBITDA by nearly +5% (though it was aided by the Nitel acquisition) and mgmt is bullish on the potential from the new MVNO agreement with T-Mobile.

Content & Experiences was a key contributor to growth, particularly Theme Parks where revenue was +11% above cons, supported by the successful launch of Epic Universe in Orlando. The new park is already driving higher per capita spending and attendance across the resort. Also, Media segment performance was supported by Peacock's +18% revenue growth and steady subscriber levels, with the upcoming NBA rights expected to drive further engagement. Advertising trends were mixed, but upfronts were strong, and the Studio segment saw solid box office results from tentpole releases, though profitability was impacted by launch costs.

See below for more on the points we viewed as most incremental from results and the call.

-> *The stock was up +2.3% on the day of earnings but ended the week down -3.4%; The stock is still down -13.4% YTD*

Headline Financials BEAT Expectation, W/ Higher Margins &, More Significantly, FCF As The Standouts

- **Headline financials BEAT consensus**
 - Total revs, adj EBITDA, and adj EPS beat cons by +1.7%, +2.8%, and +7.8%, respectively: Adj EBITDA margins of 33.9% topped cons 33.6%
 - Total revs grew +2.1% y/y, adj EBITDA grew +1.1% y/y, & adj EPS grew +3.3% y/y
 - FCF at \$4.50bn was also +22% above Street projections w/ CapEx spend -10% lower than expected
 - Shareholder returns = \$2.9bn through \$1.2bn in dividend payments & \$1.7bn in share repurchase
- **Content & Experiences drove more of the upside given better trends in Theme Parks & in Media profitability**
 - **Connectivity & Platform – slightly BEAT:** Rev growth of +1.2% & adj EBITDA growth of +1.4% (margins 41.8%)
 - **Content & Experiences – More materially BEAT esp on profitability:** Rev growth of +5.6% and adj. EBITDA growth of +3.6% beat consensus expectations
 - **Theme Parks** was the biggest source of revenue upside
 - **Media profitability** was much better than anticipated (offsetting weaker Studio EBITDA)

Comcast	Q2 2025 Results		
	Actual	Cons Est	% Surp
Revenue (\$mn)	\$30,313	\$29,800	1.7%
Adj EBITDA (\$mn)	\$10,283	\$10,000	2.8%
Adj EBITDA Margin (%)	33.9%	33.6%	
Adj EPS	\$1.25	\$1.16	7.8%
CapEx (\$mn)	\$2,679	\$2,980	Lower
Free Cash Flow (\$mn)	\$4,501	\$3,680	22.3%
Revenue by Division (\$mn)			
Connectivity & Platforms	\$20,389	\$20,140	1.2%
Domestic Broadband	\$6,530	\$6,500	0.5%
Video	\$6,722	\$6,630	1.4%
International Connectivity	\$1,219	\$1,160	5.1%
Wireless	\$1,195	\$1,170	2.1%
Business Services	\$2,572	\$2,550	0.9%
Advertising	\$935	\$919	1.7%
Other	\$1,213	\$1,200	1.1%
Content & Experiences	\$10,625	\$10,350	2.7%
Media	\$6,440	\$6,390	0.8%
Studios	\$2,432	\$2,380	2.2%
Theme Parks	\$2,349	\$2,120	10.8%
Adj EBITDA by Division (\$mn)			
Connectivity & Platforms	\$8,526	\$8,410	1.4%
Content & Experiences	\$2,019	\$1,890	6.8%
Media	\$1,482	\$1,320	12.3%
Studios	\$85	\$109	-22.0%
Theme Parks	\$658	\$637	3.3%

Source: FactSet, StreetAccount



Broadband Subscriber Trends Are Showing Some Signs Of Stabilization & W-Less Bundles Are Working

- **Broadband subs loss of -226k in Q2 was not as bad as expected and mgmt. is seeing some signs of stabilization (Q1 was a loss of-199k)**
 - **Q2 drivers:** Competitive environment & negative seasonality
 - “The competitive environment remains intense... fixed wireless remains very active... fiber competitors continue to build more passing”
 - **Seeing some stabilization:** “We’re also seeing stabilization in voluntary churn and overall connect activity in broadband”
 - **Mgmt cited that it did not see the same spike in non-pay churn that Charter saw:** “We’ve seen a slight uptick [in non-pay disconnects] at this point... but not material”
- **Wireless posted the “best quarterly results on record”...+378k vs cons +345k as bundling w/ broadband is gaining traction**
 - Mgmt sees a lot of room to grow wireless penetration from the current 14% of domestic residential broadband customers
- **“Convergence revenue sustained healthy growth... up 3.7% in the quarter.”**

Comcast	Q2 2025 Results		
	Actual	Cons Est	% Surp
Net Add Subscriber Metrics (mn)			
Wireless	378	345	9.5%
Broadband Net Adds	-226	-257	13.7%
Video	-325	-378	16.4%

Source: FactSet, StreetAccount



Simplifying Customer Touch Points & Focusing On Seven Key Elements Of Its New Broadband Pricing Strategy...Seeing Strong Early Adoption Of New Offerings

- **Focused on simplifying every touchpoint with customers...whether through their website, phone support, chat, or mobile app**
 - “We are incredibly focused on reducing friction across all of our channels... and making every customer interaction an excellent and personalized experience”
 - Improving the digital buy flow by removing steps led to a 20%+ increase in conversion rates
- **The Co details its 7-pronged pricing strategy to turn around the broadband business**
 - A shift from local offers to national pricing
 - Simplification to four main broadband speed tiers
 - Unlimited data & advanced gateways included in all plans
 - Lower everyday prices
 - One-year & five-year price guarantees with no contracts
 - ~50% of eligible new customer connects chose the 5-yr price guarantee in Q2
 - One free Xfinity Mobile line for all customers (new and existing)
 - The launch of a premium unlimited mobile plan
- **Seeing strong early adoption of new offerings, including gig+ speeds & premium mobile bundles**
 - Saw a 20% increase in the share of new connects choosing premium gig-plus speed

The New Pricing Plans Will Impact Broadband ARPU Growth Over The “Next Couple Of Quarters”

- **Domestic resi broadband ARPU grew +3.5% y/y, following +3.3% y/y growth in Q1...driven by -**
 - The 20% increase in new customers choosing gig+ speed tiers, which carry higher pricing
 - The introduction of long-term price guarantees (1- and 5-year), which some customers are opting into at a premium for stability
- **Expect ARPU growth “to moderate” over the next couple of quarters on the back of the new pricing structure at the end of Q2**
- **BUT “if you fast forward a year or two years out, we’ve got a substantial portion of our base migrated... we still expect a healthy ARPU growth in this timeframe, but moderated a little bit from where we are right now”**

T-Mobile Partnership Will Bolster Business Services Performance

- **Business Services revs inc’d +6% & EBITDA grew nearly +5%**
 - The Nitel acq added a few hundred bp to rev growth & ~100bp to EBITDA growth
 - **Outlook:** Expect a similar benefit over the next few qtrs until the deal is lapped next year
- **The segment is material - Business Services is ~25% of total connectivity business**
 - Continue to see “solid” growth in SMB (despite incr’d competitive intensity) & “even stronger growth” in enterprise...mid-mkt is a key focus
 - In SMB, seeing higher adoption of their suite of advanced services, incl cybersecurity and Comcast Business Mobile
- **Mgmt was bullish on the new MVNO agreement w/ T-Mobile (in partnership with Charter) with respect to expanding their mobile product offer to business customers**
 - ...but “continue to value our strong partnership with Verizon”

Epic Universe Opening Is Off To A Strong Start & Was Highlight Of The Qtr

- **Q2 Theme Parks – BEAT by +10.8%:** Up +18.9% y/y (vs down -5% y/y in Q1)
 - Driven by the successful opening of Epic Universe on May 22
- **Q2 Theme Parks adj EBITDA – BEAT by +3.2%:** Up +4.1% y/y (vs down -32% y/y in Q1)
 - Due to soft opening costs at the new park
- **Successfully opened Epic Universe in Orlando in May – “trending in line with our expectations and well on its way to transforming Universal Orlando into a true weeklong destination”**
 - **“Pleased” w/ early results -**
 - **Already driving higher per cap spending and attendance** across the entirety of Universal Orlando Resort with “strong” food and merchandise sales
 - **Seeing minimal impact on attendance at Universal Studios Florida and Islands of Adventure**
 - **Near-term focus is on expanding ride throughput** to reduce early attendance constraints
 - **Looking ahead - expect Epic to continue to scale over the course of the yr,** w/ higher attendance and per caps, as well as “significantly improved” operating leverage
- **Quick updates on other parks –**
 - **International Parks performance remains “strong”**
 - **Continue to experience pressure in Hollywood** and think it will be “a couple more qtrs” until they lap that
- **Universal Horror Unleashed opens in Las Vegas next month, and a second year-round horror experience in Chicago is in development,** “tapping into one of the country’s top tourist markets”
- **Universal Kids 2026 is moving towards a 2026 opening**
- **Continuing the planning process for new park outside of London slated to open in 2031**

Media Segment Tops Expectations / NBA Rights Poised to Drive Next Leg Of Growth At Peacock

- **Q2 total Media rev – BEAT by +0.8%:** Grew +1.8% y/y, vs +1% y/y in Q1
 - **Domestic ad rev fell -7.2%,** primarily due to lower rev at our networks, partially offset by an increase in rev at Peacock
 - **Domestic distribution rev grew +1.7%,** primarily due to higher revenue at Peacock, partially offset by lower rev at their networks
 - **International networks rev grew +14.9%,** primarily due to an increase in rev associated with the distribution of sports networks and the positive impact of FX
- **Q2 total Media adj EBITDA – BEAT by +12.3%:** Up +9.3% y/y in Q2, vs +22% y/y in Q1
 - Growth primarily driven by y/y improvement at Peacock
- **Q2 Peacock rev growth reaccelerated / Subscribers stayed steady**
 - **Peacock rev incr’d +18% y/y to \$1.2bn,** which is an accel from +16% y/y in Q1 and in-line w/ +18% y/y in Q4
 - **Peacock subs remained seq steady at 41mn,** “despite a seasonally light sports qtr, driven in part b y the success of Love Island USA”
- **Love Island USA was the top streaming reality series for the entirety of its Season 7 run**
 - Appeared exclusively on Peacock
 - **Attracted a “significant” number of first-time subscribers and two-thirds of those new paying customers went on to engage with addtl content,** driving a lift in overall consumption across the platform
- **Impact of recent \$3 price increase for Peacock + “strong” upfront results will help position them in Q4 as they launch the NBA and take on higher sports programming expenses**
 - Particularly in the first year of the NBA contract when they absorb the full impact of adding these new rights

- **Addition of NBA coverage this fall will strengthen Peacock position** as it “continues to differentiate itself with one of the most robust live sports offerings of any streamer”
 - Will give them a full yr of sports programming
 - **In 2026, Peacock will stream more live sports hours than any other streaming entertainment svcs**

Very Positive On Advertising Post Strong Upfronts Performance

- **Q2 total ad rev fell -7% y/y (in-line w/ Q1)**, due to the volume and timing of sports and tough political comparisons
 - Declined low-single digits excluding these items
- **Had a “record-breaking” upfront:** Driven by an “extraordinary” mix of live events, sports and entertainment across NBC and Peacock
 - Saw “record” total sales and largest sports commitments to-date
 - Peacock was a “standout”, up 20%+ y/y and representing over one-third of NBCU’s total volume
 - Upfront results reflect “unparalleled” 2026 lineup of tentpole events, including –
 - Milan Cortina Olympics
 - Super Bowl LX
 - NBA All-Star game in February
 - FIFA World Cup on Telemundo in June
 - Elections and BravoCon in November
 - Along with a “robust” slate of entertainment and sports content throughout the year

2 Tentpole Releases Were Highlights Of Studio Segment / Hit In Q2 Profitability From Releases Will Be Offset In Q3

- **Q2 Studios rev – BEAT by +2.2%:** Up +8.0% y/y (vs +3% y/y in Q1)
 - Reflects the successful opening of How to Train Your Dragon
- **Q2 Studios adj EBITDA – MISSED by -22.2%:** Down -31% y/y (vs +22% y/y in Q1)
 - Impacted by costs of launching two tentpole releases back-to-back: How to Train Your Dragon and Jurassic World Rebirth
- **How to Train Your Dragon has grossed \$600mn+ in worldwide box office YTD, driving the franchise past the \$2bn mark**
 - Saw a “strong” performance from the successful theatrical launch of the movie on June 13th
- **Jurassic World Rebirth has surpassed \$700mn+ at the worldwide box office**
 - Opened on July 2nd and is the seventh installment of the \$6bn franchise
- **Impact to Q2 and Q3 financials of the two releases –**
 - Investments to launch two tentpole releases back-to-back impacted Q2 results and profitability
 - Therefore, benefit of Jurassic's theatrical performance will land in Q3
- **Several releases coming in Q3, including –**
 - The Bad Guys 2
 - Nobody 2
 - Downton Abbey: The Grand Finale
 - HIM
 - Gabby's Dollhouse: The Movie

5) Spotify Is Still Working On Execution During Its Year Of Accelerating Execution

Spotify has been one of the best performing stocks in our LionTree Universe YTD but Q2 was the second tough qtr in row, as FX headwinds and front-end loading investments like marketing and R&D weighed on results (operating income missed consensus by a hefty -16%), and Q3 will be more of the same (Q3 revenue and op income guidance missed consensus by -6% & -13%, respectively). It is not turning out to be the year of “accelerating execution” that mgmt had initially outlined but with that said, the long-term fundamentals for Spotify remain intact, underpinned by the strong user growth (both total MAUs & Premium subs exceeded expectations in Q3) coupled with strong engagement and several legs of upside opportunity as one looks ahead. And as a vote of confidence, mgmt. doubled its buyback authorization (though was not specific about a time frame).

However, one clear work-in-progress is Spotify's advertising business where Q2 revenue missed consensus by -4.5%, growing +5% y/y ex-FX. Peeling back the onion, excluding the near-term impact from strategic initiatives, the segment would have grown low double-digits y/y ex-FX. Also on the plus side, ad-supported margins expanded from 15.3% in Q1 to 18.3% in Q2 (and easily beat cons 16.1%) due to an improved contribution from podcast and music. The Co remains firmly committed to turning the ad business around but acknowledged its mis-execution. "We're moving too slowly, and improvements are taking longer to show up" BUT mgmt is "confident in the ambitions we've laid out and we're moving fast to fix it." The Co rebuilt its tech stack and made some recent mgmt changes. The focus now is on driving adoption (grew advertisers 40%+ y/y in Q2), launching "even more" new tools for advertisers, and improving the performance of all their inventory to fully monetize their new billable channels.

Other key highlights or interesting updates from results include: 1) strong growth in video consumption (has grown 20x faster than audio-only consumption since 2024); 2) details about how GenAI is reshaping the user experience and product development; 3) more work to do w/ partners regarding the SuperTier; 4) the EPIC court case opening the door for a la carte transactional opportunities; and 5) the Co believes the business can reach penetration of 10-15% of the world's population, up from 3% today.

See below for more details on what we thought was most interesting from Spotify's earnings and results and see **Theme #8** for a quick take on Universal Music Group's results as well.

-> Spotify shares fell as much as -13.9% in reaction to earnings (closed down -11.6%) but the stock is still up a huge +40.2% YTD and has materially outperformed the labels (WMG down -7.7% and UMG down -2.7% YTD)

Spotify's Q2 Reflects A Big Miss On Op Margins, Coupled W/ A Modest Revenue Miss

- **Q2 total revenue missed cons by -1.6% but grew +10% y/y (or +15% y/y FXN)**, from Q1's +15% y/y (reported and FXN)
- **Q2 operating income missed cons by -15.6% due to** temporary pressure, particularly from social charges stemming from share price appreciation
- **Q2 gross margin was in-line w/ cons and finished at 31.5%:** Mrgns expanded by +230bp y/y, driven by strong premium revenue growth, which outpaced costs from music and audiobooks but was offset by the Spotify Partnership Program
- **FCF came in strong at €700mn, up +43% y/y**

Spotify	Q2 2025 Results		
	Actual	Cons Est	% Surp
Total Revenue (mn)	€ 4,193	€ 4,260	-1.6%
Y/Y % Chg	10.1%	11.9%	
Operating Income	€ 406	€ 481	-15.6%
Operating Margin (%)	9.7%	11.3%	
Gross Margin (%)	31.5%	31.5%	In-Line

Source: FactSet, StreetAccount



Q3 Guidance Also Disappointed As FX-Headwinds & Higher Investment Levels Weighed On Near Term Performance / But Spotify Stays Confident On Long-Term Execution & Doubles Its Buyback Authorization

- **Q3 rev outlook MISSED cons by -6.0%:** Includes an FX headwind of €200m
- **Q3 op income outlook MISSED cons by -13.3%:** Impacted by elevated operating expenses due to timing factors
- **Q3 gross margin outlook MISSED cons (31.1% vs cons 31.6%)**
 - **BUT reaffirmed full-year gross margin expansion**, despite near-term variability and a 40bps regulatory charge baked into Q3 guidance
- **Raised buyback authorization to \$2bn from \$1bn**
 - To be used opportunistically...no set timeframe

Spotify	Q3 2025 Guidance		
	Actual	Cons Est	% Surp
Total Revenue (mn)	€ 4,200	€ 4,470	-6.0%
Y/Y % Chg	10.3%	17.4%	
Operating Income	€ 485	€ 559	-13.3%
Operating Margin (%)	11.5%	12.5%	
Gross Margin	31.1%	31.6%	

Source: FactSet, StreetAccount



Subscriber Growth Momentum Remains A Key Positive

- **Total MAUs of 696mn BEAT consensus by +1% (and grew +11% y/y)**, with growth across both Premium & Ad-Supported segments
 - All regions saw y/y growth, with RoW, Latam, & Europe leading

Spotify	Q2 2025 Results		
	Actual	Cons Est	% Surp
Total MAUs (mn)	696	689	1.0%
Premium Subs (mn)	276	273	1.1%
Ad-Supported MAUs (mn)	433	429	0.8%

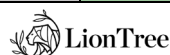
Source: FactSet, StreetAccount



- **Q3 total MAUs guidance of 710mn, was a modest +0.6% beat vs cons:** Implies ~14mn net new MAU in the qtr

Spotify	Q3 2025 Guidance		
	Actual	Cons Est	% Surp
Total MAUs (mn)	710	706	0.6%
Premium Subs (mn)	281	279.1	0.7%

Source: FactSet, StreetAccount

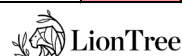


Premium Subs Beat Offsets ARPU Pressure In Premium Segment

- **Q2 Premium revenue grew +12% y/y (or +16% y/y FXN)**, missing consensus by -1.1%, given lower ARPU (FX hit) offset higher subs growth
- **Q2 Premium subscribers reached 276m, beating estimates by 1.0% up 12% y/y...** supported by a “strong global promotional campaign intake”
 - **Better outlook - Q3 Premium subs guidance of 281mn topped consensus by +0.7%** and implies ~5mn net new subs in the qtr
- **Q2 Premium ARPU fell to €4.57, missing cons of €4.65 (-1.7%) but up +3% y/y CC:** Despite the ARPU decline, ARPU performance was boosted by price increase benefits, though this was partially offset by changes in product and market mix

Spotify	Q2 2025 Results		
	Actual	Cons Est	% Surp
Breakdown by Segment			
Premium			
Premium Revenue (mn)	€ 3,740	€ 3,780	-1.1%
Premium Gross Margin	33.1%	33.4%	
Premium Subs (mn)	276	273	1.0%
Premium ARPU	€ 4.57	€ 4.65	-1.7%

Source: FactSet, StreetAccount



Advertising Is Underperforming But “It’s An Execution Issue, Not A Strategic Flaw”

- **Q2 ad-supported rev came in below expectations (strategic initiatives dragged down growth):** Fell -1% y/y (or +5% y/y ex-FX, which was consistent w/ Q1) and missed cons by -4.5% BUT ex near-term impacts from strategic initiatives had LDD ex-FX growth
 - **Music and podcast advertising** was driven by growth in impressions sold, partially offset by softness in pricing and optimization of podcasting inventory in their Owned & Licensed portfolio
 - **Automated sales channels** were the largest contributors to overall ad growth
- **Q2 ad-supported ARPU also missed:** €0.35 vs cons €0.36
- **BUT Q2 ad-supported margins expanded from 15.3% in Q1 to 18.3% in Q2, ahead of cons 16.1%**
 - Gains driven by improved contribution from podcast and music
- **Q2 ad-supported MAUs at 433mn BEAT cons 429mn**
- **“We’re moving too slowly, and improvements are taking longer to show up” BUT “confident in the ambitions we’ve laid out and we’re moving fast to fix it”**
 - “Recalibrating” b/c “we have to move faster to accelerate its contributions to our financials”
- **Have grown monthly active advertisers by 40%+ y/y and will continue to build on this growth in H2:25**
- **“2025 is very much a transition year on to a new tech stack” - with “heavy lifting” in their ad tech “largely complete”, focus is now on –**
 - Driving adoption
 - Launching “even more” new tools for advertisers
 - Improving the performance of all their inventory to fully monetize their new billable channels
- **“Seeing some promising signs” in their programmatic biz**
 - Expected to “set up nicely for 2026”

Spotify	Q2 2025 Results		
	Actual	Cons Est	% Surp
Breakdown by Segment			
Ad-Supported (mn)			
Ad-Supported Revenue (mn)	€ 453	€ 474	-4.5%
Ad-Supported Gross Margin	18.3%	16.1%	
Ad-Supported MAUs (mn)	433	429	0.8%
Ad-Supported ARPU	€ 0.35	€ 0.36	-2.8%

Source: FactSet, StreetAccount



Optimizing Long-Term With Short-Term Investments – Still Have “Enormous” Runway Ahead

- **Sizeable oppty still ahead –**
 - 3% of the world’s population subscribes to Spotify and “it’s not implausible” to get to 10% or 15%
 - Have 45% market share and 65% of all music streams are on Spotify
- **NOT operating in a “steady state” environment:** The business environment is fluid, with “lot of puts and calls that are happening”
- **For the first time, they are considering cost trade-off b/w head-count-driven expenses & compute-driven expenses**
 - Shift in investment from people (headcount) to compute resources (i.e., AI infrastructure, tooling)
 - Engineers are now considering compute usage as a factor in new product and/or internal tool development — a new behavior at Spotify
- **Remain actively focused on driving lifetime value (LTV)**
 - Are not optimizing the biz around fixed or arbitrary short-term targets but rather SAC-to-LTV (Subscriber Acquisition Cost to Lifetime Value) to assess where to invest
 - I.e., if a \$1 investment in marketing yields \$5 in return, Spotify will spend despite near-term expense increases

- **“Sometimes...efficiency may mean that the right thing is to actually spend more in the short term to then get it back in the long term, and you should expect us to always focus on what's right to grow the franchise over time”**

GenAI Enables More Understanding Of Consumer Behavior's & Will Drive Enhancements To The User Experience

- **On productivity and product delivery:** The Co is seeing adoption across business units, similar to other companies
 - Mgmt called out being able to prototype products more quickly & see if it actually works
- **GenAI is enabling a whole new valuable dataset of consumer behavior:** Previous AI was like a “blunt signal”...and Spotify was “confined to user signals such as skips, plays, and saves” ...now w/ genAI, users can speak conversationally to Spotify and the Co is getting a new dataset regarding all their playlists
 - Before, the signal was someone skipping a song, but now it is about WHY they skipped it (they hate the song, they like it but just don't want to hear it then, etc)
 - Spotify will be able to understand things like what songs people like together
 - “It's a very, very valuable dataset that we are collecting very quickly. So, this is the big change for us”
- **Mgmt anticipates the user experience to change a lot and be more interactive**
 - “This technology allows you to go from what is today largely predicted user experiences...to where you actually reason over the users' listening history”
 - “The user experiences will change quite a lot in the coming years. I'm not going to tell you how. I don't actually think that would be in the interest of the shareholders for me to reveal that right now”

Rebuilt Tech Stack Is Helping Improve User Engagement

- **Have rebuilt their tech stack for the GenAI age and to “bring personalization to a whole new level”**
- **User engagement with Spotify's DJ has “nearly doubled” over the last yr**
 - **Improvements to DJ include –**
 - Taking music requests and serving up suggestions using AI as well as insights from Spotify's global editorial experts
 - Asking questions that require DJ to “understand the wider world” – i.e., “play me that song where Bruce Springsteen invites up that fan on stage in a music video, and DJ will understand that you are requesting Dancing in the Dark”
 - **Improvements have resulted in a ~45% increase in DJ streams globally, driving “tens of millions of interactions-to-date”:** “The more people interact with DJ, the better and longer their sessions get”
- **Continue to expand AI Playlist to Premium listeners and leverage genAI to better understand and serve user intent:** Now in 40+ new markets and “millions” of users have responded by creating playlists w/ the tool
 - **Integrated AI into algorithmic playlists** (see genAI section)
 - **Performance improvement through preference optimization:** Can now optimize experiences post-launch using user-intent data in a virtuous loop, which takes away the need for new product or feature development
 - **First round of optimizations has resulted in “clear jumps in performance”:** Including people listening longer to the resulting playlist or saving them more often

No Material Update On “Superfan” Tier

- **Follow “very high” value standards around what and when to release a product and making progress BUT “it's taking time”**
 - In music specifically - “we're reliant on our partners to a certain degree”
- **“Superfans are everywhere... across music, podcasts and video. And we continue to just see great demand from our different superfan segments”**
 - I.e., audiobook add-on subscription

Video Continues To Outperform And Remains “A Very Exciting Opportunity”

- **Have 430k+ video podcasts on Spotify and 350mn+ users have streamed a video podcast on the platform (up +65% y/y)**

- Consumption continues to trend higher, growing 20x faster than audio-only consumption since 2024
- Video isn't "critical, it's just very exciting" ... "why wouldn't we go for it?"
 - "Want to talk about video as an opportunity rather than a threat"

Spotify Will See Strong Benefits From The EPIC Court Decision, Including The Ability To Offer A La Carte Products

- **The EPIC decision had positive effects with US conversion in the qtr**
 - The ruling allows Spotify to directly communicate w/ customers about subscription status & provide an in-app call to action where it was not able to do that before
 - Subscribers were sometimes downgraded to the ad-tier and didn't know why
- **It now opens the door for SPOT to offer a la carte products, enabling a new revenue stream:** "We simply think that the big media platforms of the future will be the ones that have advertising, subscription, and a la carte as methods. And for that in-app payments is a very important part"
- **The Co hopes to see similar benefits in the US through the DMA & DMCC regulation**

6) It's Official, Battlefield 6's Release Is Oct 10th! EA Is On Track For Its Upcoming Inflection Point...

Electronic Arts (EA) kicked off video game earnings on a strong note. Net bookings growth of +3% y/y topped consensus by almost 4% (driven by upside in both Live Services as well as Full Game sales) and operating margin reached 5.9%, more than double consensus. Among the key positives were that Global Football's mid-single digit FQ1 net bookings growth exceeded mgmt's internal guidance with FC Mobile posting a "record" qtr (50mn+ installs & DAU growth y/y) and FC Online net bookings growing double digits y/y. FC 26's expected worldwide launch on Sept 26th is a catalyst looking ahead. Also notable was that Apex Legends performed "well" with sequential growth and engagement (given past underperformance).

Regarding the outlook, investors shrugged off the lower-than-expected FQ2 guidance (net bookings -9.3% below cons) given that it was due to timing shifts, tough comps in American Football, and a late FC 26 launch and that, more importantly, mgmt reiterated its FY26 outlook. And equally paramount was early feedback pointing to a strong Battlefield 6 launch which is now officially set to be released on Oct 10th. GTA 6 moving out of the window created a wider open field and the player response to the initial reveal trailer released last week was very encouraging. This week, EA also showcased multi-player game play which was followed by top creators streaming the game live.

Net net, the Co is on track for the upcoming inflection in its business and quoting mgmt, the Co is "entering the most exciting release cycle in EA's history". Aside from Battlefield 6, the upcoming release slate includes Madden NFL 26, FC 26, NHL 26, and Skate. It should be a busy fiscal 2026 for the Co.

See more on what we found most incremental from EA's earnings and call. Also, note that Roblox also reported this week and see **Theme #8** for a Quick Take on their print.

-> EA shares rallied +5.7% on the back of results and is up +7.7% YTD; Take-Two shares are up +19.8% YTD

EA Delivers Stronger Than Expected FQ1

- **FQ1 Net Bookings BEAT by +3.8%:** It grew +3% y/y vs +8% y/y in FQ4
 - **Live Services & Other net bookings (83% of total net bookings) - BEAT:** Decl'd -1% y/y (but grew low single digits ex Apex Legends) which was a slow-down vs +0.6% in FQ4 but still exceeded cons by +1.9%
 - Strength came from EA SPORTS FC Ultimate Team, The Sims, and ongoing retention from FIFA players
 - **Full Game net bookings (17% of total net bookings) - BEAT:** Grew +27% y/y, exceeding cons by a strong +16.3%
 - Growth reflected ongoing momentum from Split Fiction and a resurgence in Star Wars Battlefront II and legacy FIFA title purchases during promotion

- **Non-GAAP op margin of 5.9% was more than double cons' 2.5%**

Electronic Arts	FQ1 2026 Results		
	Actual	Cons Est	% Surp
Net Bookings (\$mn)	\$1,298	\$1,250	3.8%
Non-GAAP Gross Margin	79.5%	79.0%	
Non-GAAP Op Margin	5.9%	2.5%	
Adj EPS	\$0.79	\$0.57	38.6%
Cash From Operations	\$17	-\$2.9	666.7%
Bookings By Segment (\$mn)			
Live Services & Other	\$1,080	\$1,060	1.9%
Full Game	\$214	\$184	16.3%

Source: EA Filings; StreetAccount



And The Co Reiterated The FY26 Outlook Despite Weaker Than Expected FQ2 Guidance

- **FQ2 Net Bookings guidance MISSED, coming in -9.3% below cons...implies a decline of -9% to -13% y/y**
 - “This is a lighter quarter, but consistent with our typical release cadence”
- **FQ2 guidance assumes -**
 - A 4-pt headwind from the timing shift of EA SPORTS FC Deluxe Edition content, which will mostly be recognized in FQ3
 - A 8-pt headwind from American Football (see more color below)
 - A limited contribution from FC 26 as it will be launched in the final week of the qtr
 - Cont'd momentum for the non-sports portfolio incl Apex Legends & catalog titles
 - A 1pt tailwind from FX, assuming current rates hold

Electronic Arts	FQ2 2026 Guidance		
	Actual	Cons Est	% Surp
Net Bookings (\$mn)	\$1,800-\$1,900	\$2,040	-9.3%
Net Revenue (\$mn)	\$1,750-\$1,850	No Consensus Estimate	
Cost of Revenue (\$mn)	\$430-\$450	No Consensus Estimate	
GAAP EPS	\$0.29 - \$0.46	No Consensus Estimate	
GAAP Operating Expenses	~\$1,215-\$1,235	No Consensus Estimate	

Source: FactSet, StreetAccount



- **FY26 guidance was largely a reiteration of EA's prior outlook**
 - And assumes no increase in prices

Electronic Arts	FY26 Guidance		
	Actual	Cons Est	% Surp
Net Bookings (\$mn)	\$7,600 - \$8,000	\$7,600 - \$8,000	In-Line
Net Revenue (\$mn)	\$7,100 - \$7,500	No Consensus Estimate	
Cost of Revenue (\$mn)	\$1,475 - \$1,515	No Consensus Estimate	
GAAP EPS	\$3.09 - \$3.79	\$3.09 - \$3.79	In-Line
Operating Cash Flow	~\$2,200 - \$2,400	No Consensus Estimate	
CapEx	\$226	No Consensus Estimate	
GAAP Operating Expenses	~\$4,470-4,570	~\$4,470-4,570	In-Line

Source: FactSet, StreetAccount, Bloomberg



Global Football Was Ahead Of FQ1 Expectations While College Football 26 Will See More “Normalized” Demand When Launched / Apex Legends Showed Some Signs Of Improvement In The Qtr

- **Global Football FQ1 net bookings grew mid-single digits y/y, ahead of internal expectations:** Global Football player engagement remains “healthy”; Expect strong contributions from **HD console**, **FC Mobile**, and **FC Online**

- **FC Mobile posted a “record” qtr:** Outperformed due to expanded geographic reach, new features, and deeper engagement
 - **Strong engagement w/ 50mn+ installs & DAU growth y/y** as they scale live content and grow globally across platforms
 - **Integrated Apple’s MLS Season Pass into FC Mobile**
 - **FC Online net bookings was up double digits y/y**
 - **FC 26 worldwide launch on Sept 26th is a catalyst:** Early indicators are very “positive” (will contribute more starting in FQ3)
- **American Football - expect College Football 26 game sales to be a headwind in the qtr, partially offset by growth of Madden NFL 26** (as noted above, American Football is expected to have an 8-pt headwind to FQ2 net bookings)
 - **College Football 26 has strong early reviews & reception but expect to see a “more normalized” demand curve:** This is due to the 2025 title reintroduction being met with “a decade of pent-up demand” (50% of units were sold in the 1st week) but mgmt expects this 26 title to follow more historical sales patterns of other sports titles
 - **The next Madden NFL is launching worldwide August 14th:** This will be powered by AI and will bring adaptive QB/coaching strategies, enhanced gameplay, & deeper more authentic experiences
 - **Expect American Football to return to growth in H2 of FY26**
- **EA Sports F1 25 grew net bookings +27% y/y**
 - Are fusing real world sports action, blockbuster storytelling, & immersive gameplay
- **Apex Legends performed “well” in FQ1:** Saw seq growth & engagement driven by strong player retention
 - Apex Legend Showdown is launching next week w/ an all-new way to play

Battlefield 6 Will Officially Be Launched Oct 10th... Creating A Path For A Big Inflection In The Business

- **Details were provided this week on Battlefield 6 upcoming release...its Oct 10th:** It is “poised to become a cornerstone of our vision for dynamic, continually expanding experiences where community engagement shapes the future of play”
 - **Last week (July 24th) the first trailer was officially revealed** showing single player gameplay scenes and games setting
 - “There was incredible player response”
 - **On Thursday of this week (July 31st) the Co revealed another trailer** showcasing multi-player game play and top creators have had the ability to stream the game live
 - **Aug 4th will be the pre-load date for the open beta and it will be playable on Aug 7th** (playable for 2 weeks)
 - **Oct. 10th is the official release date for the game**
- **Skate play test has reached 1mn+ registered players as they prepare for launch**

7) Booking Is Seeing Some Softness In The Low End Of The US Consumer Market But Seq Improvement

Booking Holdings delivered a strong Q2 print, with a clean sweep of beats across revenue, gross bookings, and adj EBITDA, as well as key KPIs, with room nights, rental car days, and airline ticket sales all exceeding expectations. EPS and FCF also materially outperformed.

While Q3 guidance mostly underwhelmed investors, with gross bookings ahead but revenue, room nights, and EBITDA tracking below consensus due to tougher comps and conservatism given broader geopolitical and macro uncertainties, mgmt reiterated its confidence in underlying demand trends and raised FY25 guidance ranges.

Looking into travel trends, the Co has seen lower ADRs and shorter lengths of stay in the US, with the low-end traveler exhibiting more careful behavior, but Q2 US travel trends were better than Q1. That said, Booking emphasized its global diversification as a core strength of the business, noting that travel trends out of Europe remain resilient, while Asia saw a sequential acceleration in room night growth from Q1. Asia remains a key focus area and is described as “central” to Booking’s long-term strategy.

On the product side, it was interesting to hear that mgmt characterizes the Co's alternative accommodations biz as "reaching a level of maturity" with 8.4mn listings, which Booking estimates as ~75% of the room night volume of the category's largest player. The company continues to see meaningful engagement with both its Genius loyalty program and Connected Trips offering, with the latter now representing a LDD share of total transactions (vs HSD in Q1). GenAI also continues to be a major area of focus that the Co is continuing to double down on.

Overall, it was good news, bad news, good news. Q2 trends were strong, though there is still a level of cautiousness on the part of investors looking ahead.

See below for more.

-> Booking shares were essentially flat in reaction to earnings but is still up +8.4% YTD, modestly outperforming the S&P 500's 6.0%; It is more significantly outperforming Expedia (-4.4%) and Airbnb (-2.6%) YTD

Bookings Posted Strong Results Across The Board In Q2

- **Q2 rev, gross bookings, and adj. EBITDA growth accelerated q/q**
 - **Rev** was up +16% y/y or +12% y/y ex-FX (vs +8% y/y or +10% y/y ex-FX in Q1) and beat cons by +3.8%; FX favorably impacted growth rates by ~4pp, consistent with Co expectations
 - When normalizing for the y/y impacts of the Easter calendar shift, CC rev growth was ~10% in Q2
 - **Gross booking** grew +13% or +9% y/y ex-FX (vs +7% or +10% y/y ex-FX in Q1) and beat cons by +1.0%; FX favorably impacted growth rates by ~4pp, consistent with Co expectations
 - **Adj EBITDA** was up +28% y/y (vs +21% y/y in Q1) and topped cons by +8.6%
- **Q2 adj. EPS of \$55.40 was easily above cons \$50.32**
- **Q2 FCF was up +32% (on top of +23% in Q1) and beat cons by a significant +51.5%**

Booking	Q2 2025 Results		
	Actual	Cons Est	% Surp
Gross Bookings (\$mn)	\$46,700	\$46,240	1.0%
Revenue (\$mn)	\$6,800	\$6,550	3.8%
Adj EBITDA (\$mn)	\$2,400	\$2,210	8.6%
Adj EBITDA Margin (%)	35.3%	33.7%	
Adj EPS	\$55.40	\$50.32	10.1%
Free Cash Flow (\$mn)	\$3,137	\$2,070	51.5%
Gross Bookings By Segment (\$mn)			
Merchant	\$32,300	\$31,200	3.5%
Agency	\$14,400	\$14,950	-3.7%
Revenue By Segment (\$mn)			
Merchant	\$4,457	\$4,220	5.6%
Agency	\$2,044	\$2,030	0.7%
Advertising & Other	\$297	\$287	3.5%

Source: Booking Filings; FactSet Data & Analysis



Clean Sweep Of Beats Across Q2 Room Nights, Rental Car Days, & Airline Ticket Growth

- **Q2 Gross Bookings growth - accelerated q/q and BEAT expectations:** Rose +13% y/y (vs +7.2% y/y in Q1) & beat by +1.0%
 - **Global avg length of stay was similar to last yr, and global booking window expanded y/y**
- **Q2 Room Nights growth – accelerated q/q and BEAT expectations, driven by stronger-than-expected performance in Europe and Asia:** Incr'd +7.7% y/y in Q2 (vs +7.2% y/y in Q1) and beat cons by +1.6% (see region-specific comments below)
- **Q2 Airline Tickets growth – decelerated q/q and BEAT expectations:** Up +44.2% y/y (vs +44.8% y/y in Q1) and beat cons by +1.4%, driven by the continued growth of our flight offerings at Booking.com and Agoda
- **Q2 Rental Car Days growth – accelerated q/q and BEAT expectations:** Up +9.0% y/y (vs +7.7% y/y in Q1) and beat cons by +1.1%

- **Q2 ADR in CC was down -1% y/y vs +1% y/y in Q1**, impacted by a higher mix of room nights from Asia and a lower mix from the US
 - **Excl regional mix, constant currency ADRs were ~in-line w/ Q2:24**
- **Q2 non-accommodation verticals continue to show growth:** “While the direct financial impact from attractions is minimal today, we believe this vertical allows us to offer our travelers compelling in-destination experiences”
 - **Flight tickets are up +44%**
 - **Attractions ticket growth “more than doubled” y/y, “although from a modest base”:** Vs +92% y/y in Q1

Booking	Q2 2025 Results		
	Actual	Cons Est	% Surp
Key Operating Metrics			
Room Nights	309.0	304.2	1.6%
Y/Y Growth	7.7%	6.0%	
Rental Car Days	24.0	23.73	1.1%
Y/Y Growth	9.0%	7.8%	
Airline Tickets	16.0	15.8	1.4%
Y/Y Growth	44.2%	43.4%	

Source: Booking Filings; FactSet Data & Analysis



BUT Q3 Guidance Mostly Disappointed As Challenging Comps Are Expected In Aug And Sept

- Have seen “steady” travel demand trends globally across the biz so far in Q3 BUT recognize that comps w/ prior yr will be higher in Aug and Sept
- Also remain “mindful” that geopolitical dynamics and uncertainty in the broader macroeconomic environment could potentially impact consumer behavior, as has been seen in the Middle East most recently
 - “We’ll continue to closely monitor the travel environment for any change”
- **Q3 gross booking outlook BEAT Street expectations:** Projected to increase +8-10% y/y (decelerating from 13% y/y in Q2), beating cons +8.7% at the midpt
 - Expected to grow +4-6% y/y on a CC basis
- **Q3 room nights growth outlook MISSED the Street’s forecasts:** Expected to grow +3.5-5.5% y/y (vs +7.7% y/y in Q2), falling short of cons +5.7% at the midpt
 - **Asia:** “We remain optimistic about our long-term outlook for the region”
- **Q3 rev growth outlook MISSED consensus estimates:** Forecast to rise +7-9% y/y (vs +16% y/y in Q2), coming in below cons +8.8% at the midpt
- **Q3 adj EBITDA outlook MISSED expectations:** \$3.9-4bn vs cons \$4bn

Booking	Q3 2025 Guidance (Mid-Pt)		
	Actual	Cons Est	% Surp
Gross Bookings Growth (Y/Y)	9.0%	8.7%	
Room Night Growth (Y/Y)	4.5%	5.7%	
Revenue (Y/Y)	8.0%	8.8%	
Adj EBITDA (\$mn)	\$3,950	\$4,000	-1.3%

Source: Booking Filings; FactSet Data & Analysis



Despite The Weaker Q3 Outlook, The Co Incr’d FY25 Guidance Ranges

- “Recognize there is still elevated uncertainty in the macroeconomic and geopolitical environment” BUT “global travel demand trends continue to be steady so far in the third quarter”
- **FY25 gross bookings and rev are forecast to grow +HSD% y/y ex-FX (vs previous +MSD-HSD%)**
 - Expected to be +LDD% ex-FX

- **FY25 adj EBITDA anticipated to rise in the mid-teen %s (vs previous ~+HSD-LDD%)**
- **Key focus areas looking ahead include:**
 - Expanding alt common
 - Enhance genius loyalty program
 - Grow Asian presence
 - Pushing forward connected trip vision
 - And develop AI capabilities

Booking	FY2025 Guidance		
	Actual	Cons Est	% Surp
Gross Bookings Growth (Y/Y)	+HSD% (or +LDD% ex-FX)	No Consensus Estimate	
Revenue Growth (Y/Y)	+HSD% (or +LDD% ex-FX)	No Consensus Estimate	
Adj EBITDA Growth (Y/Y)	Mid-Teens %	No Consensus Estimate	

Source: FactSet, StreetAccount



Regional Bookings Trends – Weakness In The US Continues At The Low End But It Is Slowly Improving / Asia Is A Central Part Of Long-Term Strategy

- **Where are people traveling?**
 - **Inbound travel to the US was down y/y in Q2**, particularly from bookers in Canada and to a lesser extent from bookers in Europe
 - **BUT saw “strong” growth in other travel corridors**, including Canada to Mexico and Europe to Asia, contributing to accelerating room night growth overall
- **US consumers traveling patterns are still mixed:** Room nights were up +~lsd (in-line w/ Q1)
 - Observed lower ADRs and shorter length of stay and booking window in Q2
 - Domestic travel was up, but was up less than intl travel
 - **Divergence in low-end vs high-end US travelers –**
 - **Top end of the US consumer market is “a little stronger”**, spending more in the 5-star hotel category, spending more on intl travel, including Europe
 - **At the lower end, more careful behavior of US consumer:** “That is more where we see the pressure on the domestic travel, on the lower star rated hotels”
 - **“US continues to be our slowest-growing region” but growth in Q2 improved “slightly” from Q1**, “and likely outpaces the broader US accommodation industry”
 - “Another quarter where we have gained a little bit of market share in the US”
 - **Long-term strategy in the US? “A lot of small initiatives that ultimately add up to us every period gaining a little bit of market share”**
- **Europe is “holding up quite well”:** Room nights were up ~+hsd (in-line w/ Q1)
 - Europeans are booking earlier and at higher prices than a year ago
 - Also clearly continue to prioritize travel as a part of their discretionary spend over other categories
- **Asia is a key focus area:** Room nights were up ~+ldd (up from ~+hsd in Q1), w/ seq accel mostly coming from some of the impact seen in Q1 around the political aviation and earthquake events in Q1
 - “Reflecting the strength of our two-brand approach with Agoda and Booking.com”
 - “Success comes from localizing the user experience, expanding flights and attractions, tailoring payment methods, and ensuring travelers can engage with us in their own language”
 - **Incremental color on China –**
 - **“Don’t really think much of China as an area we’re going to be able to compete well domestically... a decade ago [...] we had higher hopes of us being able to be a major, major player there for outbound business. We are no longer in that kind of thinking”**
 - **BUT “we still enjoy a benefit of inbound to China** because we have many Europeans or other parts of the world who want to travel to China. We have a nice business there”
 - **“Asia remains central to our long-term strategy”:** “Its size and economic momentum make it an attractive travel market, and our strong position there allows us to benefit from that growth”
 - **Expected to see the fastest growth amongst Booking’s major mkts:** Industry growth in the HSDs over the medium-term

- **RoW felt some impacts from events in ME:** Room nights were up ~+HSD (down from ~+1dd in Q1)
 - Saw impact in June from events in the Middle East, which impacted global growth by ~1% in June and one-third of a percentage point overall in Q2

Alternative Accommodations Business Is Starting To Mature

- **Q2 alternative accommodation room nights growth cont'd to decel (but outpaces core hotel biz):** Incr'd +10% y/y (vs +12% y/y in Q1 and +19% y/y in Q4) and accounted for ~37% of global room nights (in-line w/ Q1)
- **Supply increased on a qtrly basis:** Total alternative accommodation listings were up +8% y/y to 8.4mn (vs up +9% y/y in Q1 to 8.1mn)
 - **Biz is “reaching a level of maturity”:** ~75% of the largest player in the space with respect to room nights
- **“Constantly working to make the alternative accommodation experience even better for both sides of the marketplace” –**
 - Strengthened payment capabilities to deliver partners a “faster, simpler, and more efficient” experience
 - Further rolling out request-to-book functionality w/ prebooking messaging through an API

Connected Trips Drive Higher Loyalty as Share of Transactions Expands / Genius Tiers & Direct Mix Hold Steady

- **Y/Y growth at Connected Trips is decelerating seq, but its share of total transactions is growing:** Q2 Connected Trip transactions were up 30%+ y/y (vs +35% y/y in Q1 and +45% y/y in Q4), and now represent a LDD %age of Booking.com's total transactions (vs ~HSD share in Q1)
 - **See “great” loyalty in customers who purchase a Connected Trip:** Travelers who booked a Connected Trip directly w/ Booking more frequently choose to book directly again w/ Booking in the future
- **Continue to see more travelers move into higher Level 2 and 3 Genius tiers,** which now represent 30%+ of active travelers (same as last 2 qtrs) and book a mid-50% of Booking.com's total room nights (consistent w/ last 5 qtrs)
 - **Continue to extend Genius program beyond accommodations into other travel verticals,** “bringing these benefits to more elements of travel”
 - **Genius travelers exhibit “meaningfully higher” direct booking rates and a higher booking frequency than Booking's other travelers**
- **Sustained growth in direct & mobile booking mix**
 - **Similar commentary on direct bookings mix:** Over the last 4 qtrs, B2C direct mix was in the mid-60% range, which was up from the low-60% range one year ago (same stats provided last qtr)
 - **Similar commentary on mobile app mix:** Mobile app mix of Q2 room nights was in the mid-50% range over the last four qtrs, which was up from the yr-ago low-50% range (same stats provided last qtr)
 - **“Significant majority” of bookings received from mobile apps came through the direct channel**

Continue To Actively Invest In Advanced AI Capabilities

- **Priceline's AI assistant Penny** saw “multiple” enhancements, including expanded voice capabilities, leading to increasing engagement rates and improved conversion metrics
- **KAYAK.ai** continued to improve its products to be more personalized and conversational
- **OpenTable's AI Concierge** draws from OpenTable's extensive restaurant data, including menus, reviews and descriptions to offer more tailored recommendations
 - **Launched earlier this month**
- **On the customer svcs side - genAI has “notably” reduced live agent contact rates across Booking's brands**
- **Continue to collaborate with AI Cos such as OpenAI, Microsoft, Amazon, and others on their agentic developments but still very early days**
- **Long-term goal is to recreate the “old-time human travel agent” experience** using natural language search, personalization, and proprietary data

- Wants to combine what Bookings knows about a customer (i.e., family makeup, trip type, preferences) with real-time conversation to surface the best potential trip options

8) QUICK TAKES – Microsoft, Apple, Roblox, UMG, Reddit, & Roku

Microsoft: It was a solid quarterly beat (FQ4) across all segments on both the top and bottom line and accelerated growth at Azure and AI monetization were standouts; The CapEx trajectory was also upward (\$21.4bn in FQ3 to \$24.2bn in FQ4 to guidance of \$30bn in FQ1); Q1 rev guidance was ahead and OpEx was below

-> Microsoft shares rallied 4% on the back of results; The stock is up +25% YTD

Microsoft	Q4 FY2025 Results		
	Actual	Cons Est	% Surp
Revenue (mn)	\$76,400	\$73,860	3.4%
*Y/Y % Chg	18.0%	14.1%	
Adjusted Operating Income (mn)	\$34,300	\$32,770	4.7%
Adj Operating Margin (%)	44.9%	44.4%	
Adj EPS	\$3.65	\$3.37	8.3%
Segment Revenue (mn)			
Productivity & Business	\$33,112	\$32,120	3.1%
Intelligent Cloud	\$29,878	\$28,920	3.3%
More Personal Computing	\$13,451	\$12,680	6.1%
Operating Income (mn)			
Productivity & Business	\$18,993	\$17,840	6.5%
Intelligent Cloud	\$12,140	\$11,870	2.3%
More Personal Computing	\$3,190	\$3,060	4.2%

Source: FactSet, StreetAccount



Apple: FQ3 beat expectations on the back of stronger Services and Product revenue, though weaker Product gross margins were a drag, partially offsetting stronger Services gross margins; Wearables disappointed; On the outlook, Q3 revs were ahead (\$99.37bn vs cons \$97.62bn) as was adj EPS (\$1.69 vs \$1.65); The tariff impact in Q4 will be ~\$1.1bn, up from ~\$800mn in Q3) but the situation remains fluid; Apple's AI positioning (or lack thereof) remains a hot button

-> Apple shares fell -2.5% on the back of results; The stock is down -19% YTD

Apple	FQ3 Results		
	Actual	Cons Est	% Surp
Revenue (mn)	\$94,040	\$89,350	5.2%
Gross Margin (%)	46.5%	46.0%	1.1%
Operating Margin (%)	30.0%	28.8%	4.2%
Adj EPS	\$1.57	\$1.43	9.8%
Segment Metrics			
Services Revenue (mn)	\$27,420	\$26,830	2.2%
Gross Margin (%)	75.6%	74.5%	
Products Revenue (mn)	\$66,610	\$62,520	6.5%
Gross Margin (%)	34.5%	33.7%	
iPhone (mn)	\$44,580	\$40,290	10.6%
Mac (mn)	\$8,050	\$7,310	10.1%
iPad (mn)	\$6,580	\$7,190	-8.5%
Wearables, Home, and Accessories (mn)	\$7,400	\$7,720	-4.1%

Source: FactSet, StreetAccount



Roblox: The Co posted a blow-out Q2 with net bookings +12.3% ahead of cons and adj EBITDA +50% above of the Street; DAUs and avg daily bookings per DAU were also both better than expected; Q3 bookings guidance topped estimates (\$1.59-1.64bn vs cons \$1.42bn) and FY 2025 bookings beat (\$5.87bn vs cons \$5.6bn)

-> Roblox shares rallied 10.3% on the back of results; The stock is up +42% YTD

Roblox	Q2 2025 Results		
	Actual	Cons Est	% Surp
Net Bookings (mn)	\$1,438	\$1,280	12.3%
Deferred Revenue (mn)	\$5,110	\$4,890	4.5%
Short-Term	\$3,370	\$3,280	2.7%
Long-Term	\$1,750	\$1,610	8.7%
Adj EBITDA (mn)	\$320	\$213	50.4%
Free Cash Flow (mn)	\$177	\$135	31.4%
Other Key Metrics			
Daily Active Users (mn)	111.8	106.0	5.5%
Avg Daily Bookings Per DAU	\$12.86	\$11.97	7.4%
Hours Engaged (mn)	27,400	No Consensus Given	

Source: Roblox Filings; FactSet Data & Analysis



Universal Music Group It was a mixed Q2 with a headline beat (revs and adj EBITDA topping cons by +5.3% and +3.3%, respectively) but margins were lower than expected and Subscription revenue fell short of expectations; On the positive side, ad-supported streaming revs were better than expected (but a smaller part of the business); UMG expects 8-10% subscription growth in the medium term

-> Universal Music Group shares fell -5.2% on the back of results; The stock is down -2% YTD

Universal Music Group	Q2 2025 Results		
	Actual	Cons Est	% Surp
Total Revenue (mn)	€ 2,980	€ 2,830	5.3%
Adj EBITDA (mn)	€ 676	€ 654	3.3%
Adj EBITDA Margin	22.7%	23.1%	
Segment Revenue			
Recorded Music (mn)	€ 2,224	€ 2,240	-0.7%
Subscription & Streaming	€ 1,555	€ 1,560	-0.3%
Subscription	€ 1,197	€ 1,220	-1.9%
Streaming (Ad-Supported)	€ 358	€ 341	5.0%
Music Publishing (mn)	€ 570	€ 562	1.4%
Merchandising & Others (mn)	€ 192	€ 200	-3.9%

Source: FactSet; StreetAccount



Reddit: It was also a blowout qtr with Q2 headline numbers significantly above expectations due to much better ARPU (+47% y/y); While users were only slightly ahead and growth decelerated, there was commentary about improving trends exiting the qtr which was a plus; Q3 guidance was also well above the Street

-> Reddit shares rallied +17.5% on the back of results; The stock is up +15.4% YTD

Reddit	Q2 2025 Results		
	Actual	Cons Est	% Surp
Revenue (\$ mn)	\$500.0	\$425.7	17.5%
US	\$409.0	\$335.2	22.0%
International	\$91.0	\$89.3	1.9%
Adj EBITDA (\$ mn)	\$167.0	\$128.9	29.6%
Adj EBITDA Margin (%)	33.4%	30.3%	
Gross Margin (%)	90.8%	90.8%	In-Line
EPS	\$0.48	\$0.19	152.6%
Free Cash Flow (\$ mn)	\$111.0	\$111.2	-0.2%
ARPU	\$4.53	\$3.90	16.2%
US	\$7.87	\$6.55	20.2%
International	\$1.73	\$1.48	16.9%
DAU (mn)	110.4	109.0	1.3%
US	50.3	50.5	-0.4%
International	60.1	59.0	1.9%

Source: FactSet, StreetAccount



Reddit	Q3 2025 Guidance (Mid-pt)		
	Actual	Cons Est	% Surp
Revenue (\$ mn)	\$540.0	\$473.3	14.1%
Adj EBITDA (\$ mn)	\$190.0	\$160.0	18.8%

Source: FactSet, StreetAccount



Roku: Q2 was stronger than expected, especially on adj EBITDA margins; Q3 guidance was slightly ahead (rev \$1.2bn vs cons \$1.17bn and adj EBITDA \$110mn vs cons \$106.9mn), while FY25 adj EBITDA guidance was raised from \$350mn to \$375mn; Streaming hours were also slightly better (+18% y/y); We'll have to dig into this one further to explain the strong negative price reaction...

-> Roku shares fell -15% on the back of results; The stock is up +7.6% YTD

Roku	Q2 2025 Results		
	Actual	Cons Est	% Surp
Revenue (mn)	\$1,111.1	\$1,073.1	3.5%
Platform	\$975.5	\$942.4	3.5%
Devices	\$135.6	\$130.7	3.7%
Adj EBITDA (mn)	\$78.2	\$71.6	9.2%
Adj EBITDA Margin (%)	7.0%	6.6%	
Gross Margin (%)	44.8%	43.6%	
Platform	51.0%	51.4%	
Devices	-6.2%	-7.8%	
User Metrics			
Streaming Hours (b)	35.4	35	0.6%

Source: FactSet, StreetAccount



Stock Market Check

Market Changes the Past Week

Benchmark	Abs. Value	W/W Change
S&P 500	6,238	(2.4%)
NASDAQ	20,650	(2.2%)
Dow Jones	43,589	(2.9%)
Gold	\$3,416	2.4%
WTI Crude	\$67.26	3.2%
10-Year Treasury Yield	4.21%	(17.1) bps
Bitcoin	\$114,250	(1.1%)
Ether	\$3,553	(3.4%)

LionTree TMT Universe Performance (~220 stocks)

Best-Performing Stocks	+	Worst-Performing Stocks	-
Reddit, Inc.	26.0%	Skillz Inc.	(21.4%)
Prosiebensat 1 Media SE	13.5%	GoPro, Inc.	(20.5%)
eBay Inc.	12.7%	Chegg Inc.	(20.3%)
ThredUp Inc.	10.1%	Coinbase Global, Inc.	(19.7%)
Gannett Co Inc.	8.9%	Opendoor Technologies Inc	(17.3%)
Hims & Hers	8.5%	ARM Holdings PLC ADR	(15.7%)
Compass Inc.	8.3%	Teladoc Health Inc	(15.4%)
Meta Inc	5.2%	Vivid Seats Inc	(14.7%)
Roblox Corp.	5.2%	Charter Communications Inc	(14.5%)
Liberty Global PLC	5.1%	Fiverr International Ltd	(14.3%)

Best-Performing Sub-Industries	+	Worst-Performing Sub-Industries	-
Internet/Advertising	1.2%	Employment Marketplace	(11.3%)
Consumer Retail	0.8%	Space	(11.1%)
Software & IT Services	0.6%	Music	(10.6%)
Semis	(0.6%)	Entertainment Facilities/Theme Parks	(7.7%)
Ad Tech	(0.8%)	Pay-TV / Broadband	(7.3%)
Digital Real Estate	(0.9%)	e-Commerce	(6.5%)
US Print Media / Publishing	(1.0%)	Advertising Agencies	(6.0%)
Smart Home Security/Automation	(2.0%)	Online Travel	(5.7%)
US Media/Video	(2.7%)	Payments / Fintech	(5.5%)
Sports & Sports Betting	(3.0%)	Hardware/Handsets	(5.2%)

This Week's Other Curated News

Advertising/Ad Agencies/Ad Tech

- **Disney said its upfront ad volume was flat vs. last yr, despite strong gains in sports and streaming.** Sports ad spend hit nearly \$4bn, w/ NBA, "Monday Night Football," and women's sports seeing high-single to double-digit % growth. Streaming made up >40% of total volume. ([Variety](#))
- **Amazon fully withdrew from Google Shopping ads globally between Jul 21–Jul 23, slashing its impression share from 60%+ to 0% across US, UK, Germany, and Japan.** The move, likely strategic, follows a 50% US ad spend cut in May and may aim at margin optimization, incrementality testing, and AI-led customer control. ([PPC Land](#))

Artificial Intelligence/Machine Learning

- **OpenAI doubled rev in 7 months, hitting \$12bn annualized, per The Information.** The Co sees ~\$1bn/month rev and 700mn weekly ChatGPT users. Backed by Microsoft, OpenAI raised its 2025 cash burn forecast to \$8bn. Investors incl. Sequoia, Tiger Global, and SoftBank are backing a \$30bn funding round, w/\$7.5bn in commitments nearly finalized. ([Yahoo Finance](#))
- **Google annnc'd ML-powered age estimation rollout in the US, using signals like search history, YouTube views & account age to detect if users are under 18.** If flagged, protections auto-enable across svcs: YouTube wellbeing tools, Maps Timeline off, ad restrictions, & Play app limits. Adults can verify age via ID, credit card, or selfie. No extra data collected; rollout starts w/~small user set. ([9to5Google](#))
- **Amazon annnc'd a multiyear AI licensing deal w/ the New York Times worth ~\$20mn–\$25mn/yr, ~1% of the Times's 2024 rev.** The pact grants Amazon access to news, cooking, and Athletic content for AI training and integration into svcs like Alexa. It marks the first AI deal for both cos. ([The Wall Street Journal](#))
- **Rakuten annnc'd full-scale launch of Rakuten AI, integrating it into Rakuten Link and as a web app.** Free to use, it offers AI chat, search, translation, coding & more. Rollout on Rakuten Ichiba is set for Autumn 2025. ([Rakuten Mobile](#))
- **AI chipmaker Groq slashed its 2025 rev forecast from over \$2bn to \$500mn, per docs seen by The Information.** The Co had earlier shared the higher figure while securing a \$1.5bn Saudi deal. COO Sundeep Madra denied both numbers, calling them “wrong.” The cut signals possible struggles in securing data center space as Groq aims to sell its hardware to large cos and foreign govts. ([Investing.com](#))
- **Google is expanding AI Mode w/ 4 new features: image & PDF uploads (w/ web context), Canvas for dynamic planning, Search Live video input via Google Lens, and desktop Chrome integration.** Canvas helps build study guides or trip plans across sessions. ([9to5Google](#))
- **Apple lost its 4th AI researcher in a month as Bowen Zhang, from the Apple Foundation Models (AFM) group, exited to join Meta's superintelligence team.** Zhang was key to Apple's multimodal AI efforts. The departure marks another blow to Apple's AI ambitions, led by execs John Giannandrea and Craig Federighi, as the Co struggles to retain top talent amid intensifying tech competition. ([Bloomberg](#))
- **A new AP-NORC poll shows 60% of U.S. adults — incl 74% under 30 — use AI to search info, but fewer use it for work, email, or shopping. ~40% use AI for work tasks; ~25% for**

shopping. Brainstorming sees a sharp age divide: 60% of under-30s vs. 20% of 60+. AI companionship is rare but more common among young adults. ([AP News](#))

- **The White House’s new “AI Action Plan” has ignited debate among marketers, as it emphasizes deregulation to accelerate innovation in AI-driven advertising.** While some embrace the opportunity to refine processes, others warn of legal risks around intellectual property, data privacy, and brand safety. ([Digiday](#))
- **A study by Outcomes Rocket found 89.5% of marketers use GenAI, mainly for content creation, w/ ChatGPT leading at 94.8%.** However, only 33.3% have tried agentic AI, which can autonomously run campaigns. ([Digital Information World](#))
- **AT&T has trained 50,000+ staff in AI, achieving 2x ROI on gen AI investments and targeting \$3bn in annual savings by 2027.** The Co runs 600+ AI/ML models and explores 1,000s of gen AI use cases, enhancing ops like fraud detection and dispatch. ([Phone Arena](#))
- **Google ann’c’d AI-powered store summaries in Chrome for U.S. desktop users aiming to enhance shopping safety and efficiency.** The feature, accessible via an icon near the address bar, uses reviews from partners like Trustpilot and Yotpo to rate stores on product quality, pricing, svcs, and returns. ([TechCrunch](#))
- **AI has rekindled San Francisco’s tech buzz, with firms now occupying 5.7M sq ft of office space.** Startups and Big Tech are battling for talent with high salaries, driving venture funding toward \$74.6B in H1 2025, while overwhelming the housing market and intensifying affordability challenges. ([News India Times](#))
- **Wall Street’s use of generative AI is accelerating, with firms like JPMorgan and Robeco integrating LLMs into research, risk analysis, and investment strategy.** JPMorgan’s Spectrum flags stock patterns, while Robeco tracks thematic shifts. Despite concerns over explainability, ~30% of institutional investors have adopted or are deploying GenAI tools. ([AdvisorHub](#))

Cable/Pay-TV/Wireless

- **T-Mobile finalized its \$4.4bn acquisition of UScellular’s wireless ops, incl. \$2.4bn cash + \$2bn debt, effective Fri., Aug. 1.** Deal adds 4mn customers, retail stores, and 30% of UScellular’s spectrum, boosting T-Mobile’s rural 5G reach. UScellular rebrands as Array Digital Infrastructure, led by interim CEO Douglas Chambers, focusing on 4,400 towers and retained spectrum. A \$22.50–\$23.75/share dividend was ann’c’d. ([Cord Cutters News](#))
- **AT&T will pay \$177mn to settle class-action suits over 2019 & 2024 data breaches.** Affected current/former customers may get up to \$5K (2019 breach) or \$2.5K (2024 breach via

Snowflake). Payouts prioritize those w/ provable damages. Claims open Aug. 4–Nov. 18, 2025; final approval hearing set for Wed., Dec. 3. ([CNET](#))

- **A new Optimum survey shows 1/3 of consumers increased internet use in the past yr, averaging 10+ hrs/day online.** Nearly 50% don't know their internet speed, though 80% say it's sufficient. When choosing an ISP, Americans prioritize affordability, value, and reliability. ([Synopsis](#))
- **Vodafone & Digi secured RCC approval for Telekom Romania Mobile (TKRM) takeover.** The 2-step deal includes Digi acquiring TKRM's prepaid biz, some spectrum rights & tower assets. Vodafone will then acquire TKRM shares (minus 7 held by S.N. Radiocomunicatii). OTE exits TKRM ownership. ([Romania-Insider.com](#))
- **Telefónica posted Q2 rev of €8.95bn (down 3.7% YoY, but +1.5% organic) and adj EBITDA of €2.92bn (down 4.8%, but +1.2% organic).** FCF rose €718mn QoQ to €505mn. Net debt fell 5.5% to €27.6bn. Strategic exits from Hispam (incl. Argentina, Colombia, Peru) totaled ~€3bn. ([Investing.com](#))
- **Verizon's bid to acquire Frontier faces hurdles from California PUC over its scrapping of DEI policies to gain FCC approval.** The California PUC, which hasn't approved the Verizon-Frontier deal, has raised concerns about the DEI policy changes made to appease the FCC. ([Light Reading](#))
- **Orange achieved 3.8% H1 2025 EBITDA growth to €5.66 b, meeting analyst consensus.** CEO Christel Heydemann confirmed that Orange is open to consolidation talks with French rival SFR, pending Altice's debt restructuring. The company also boosted its full-year EBITDA growth target to above 3%. ([Reuters](#))
- **Telefonica is in exclusive talks to sell its Mexican unit to Beyond ONE, owner of Virgin Mobile Mexico, as part of its strategy to exit low-profit LatAm mkts and focus on Brazil, Britain, Germany & Spain.** The Mexican biz may be worth €520mn (\$609.28mn). Regulatory delays are possible due to Mexico's proposed antitrust body. Telefonica has already annnc'd sales in Argentina (\$1.245bn), Uruguay (\$440mn), and is exploring exits in Chile & Ecuador. ([Yahoo Finance](#))
- **TalkTalk secured £100mn funding from Ares, adding to ~£50mn in asset sales and debt tweaks to capitalize interest.** All maturities extended to 2028 via PIK notes. The deal boosts funding capacity by £200mn+ amid liquidity concerns. ([MSN](#))

Cloud/DataCenters/IT Infrastructure

- **OpenAI annnc'd its first European data centre, Stargate Norway, in Narvik under its "OpenAI for Countries" initiative.** In partnership w/ UK's Nscale and Norway's Aker, the site

will run on renewable energy and feature advanced cooling tech. It's among Europe's most ambitious AI infra projects, aiming to support devs, researchers, and start-ups. ([Silicon Republic](#))

- **Global cellular IoT revenue rose 12% to €14.2B in 2024, despite a 5% ARPU drop to €0.33.** Top 10 operators held 3.3B of 3.8B connections, led by China Mobile (1.42B). Vodafone ranked 1st in the West. IoT MSPs like KORE, emnify & Wireless Logic managed 200M+ connections, earning €1.8B. Berg projects €22.4B revenue by 2029. ([IoT Business News](#))
- **KKR is in talks to acquire ST Telemedia Global Data Centres in a deal valued over \$5bn.** KKR, which already owns 14.1% of STT GDC, had invested \$1.4bn last yr w/Singtel. STT GDC operates data centres across 13 countries. ([Capacity Media](#))

Crypto/Blockchain/web3/NFTs

- **Coinbase shares fell after Q2 rev of \$1.5bn missed estimates.** Net income surged to \$1.43bn (\$5.14/share) aided by gains from Circle and crypto investments. Adj earnings hit \$1.96/share vs. \$1.26 expected. Trading rev dropped to \$764mn, while retail volume rose 16% YoY to \$43bn, below forecasts. Stablecoin rev grew 38% YoY to \$332.5mn. ([CNBC](#))
- **Coinbase annnc'd plans to expand its core app into an "everything exchange," adding tokenized stocks, derivatives, prediction mkts & early-stage token sales.** Launch begins in U.S. in coming months, w/ global rollout based on approvals. ([CNBC](#))
- **SEC annnc'd "Project Crypto" to modernize securities rules for crypto-based trading amid rising interest in tokenization.** Chair Paul Atkins emphasized updating outdated regs, enabling "super apps," and avoiding offshore shifts due to rigid policies. The move aligns w/ Trump admin's push for U.S. dominance in digital asset mkts. ([CNBC](#))
- **Robinhood beat Q2 estimates w/ adj EPS of 42¢ vs. 31¢ est. and rev of \$989mn (+45% YoY).** Funded customers rose by 2.3mn to 26.5mn. Platform assets hit \$279bn (+99%). Options trading led w/ \$265mn; crypto and equities missed. Adj EBITDA surged 82% to \$549mn. Robinhood teased Robinhood Banking for fall and expanded into betting mkts. ([CNBC](#))
- **Trump's crypto task force released its first report, urging Congress to pass broad crypto legislation like the Clarity Act.** The White House called for SEC action, CFTC oversight of spot mkts, and rules enabling tokenization. It also backed safe harbors and sandboxes for innovation. ([Reuters](#))
- **eToro will launch tokenized US stocks as ERC20 tokens on Ethereum, enabling 24/7 trading and transfers between eToro wallets.** The rollout, starting in Europe, includes 100

US-listed stocks and ETFs. A 24/5 trading option will also be offered. The Co didn't specify a launch date but aims to expand access to equity mkts via blockchain. ([Bloomberg](#))

eCommerce/Social Commerce/Retail

- **A Bank of America survey found that 64% of Gen Z aim to cut spending, w/ 51% saving and 24% paying debt.** High living costs hinder financial success for 51%, w/ groceries (63%) and rent/utilities (47%) cited. Despite efforts, 57% buy weekly “treats,” often leading to overspending (59%). Still, 90% take action when stressed. ([Chain Storage](#))
- **JD.com annnc'd a €2.2bn takeover bid for Germany's Ceconomy, parent of MediaMarkt and Saturn, offering €4.60/share—a 23% premium.** Deal, backed by Ceconomy's boards, is set to close H1 2026 pending approvals. JD.com will retain Ceconomy's structure, HQ, and staff for 3–5 yrs. ([Retail Systems](#))
- **eBay annnc'd Q2 profit of \$368mn (79¢/share), up from \$224mn (45¢/share) YoY, driven by strong gross merchandise volume.** Adj EPS hit \$1.37, beating est. of \$1.30. For Q3, the Co expects EPS of 97¢–\$1.02. Shares fell 1.2%. ([The Wall Street Journal](#))
- **Carvana reported record used-car sales and a sixfold profit jump in Q2, w/ EPS at \$1.28 and rev up 42% YoY.** Loan sales drove \$274mn of its \$308mn profit. Shares rose 17% post-earnings. CEO Garcia noted 41% sales growth and 50% inventory boost. Operating cost/unit fell by ~\$150. Carvana maintained its FY EBITDA outlook of \$2bn–\$2.2bn. ([Yahoo Finance](#))
- **WSJ reported a 5% avg. price hike on 2,500 Amazon essentials since Trump's Jan. inauguration, linking it to tariff plans.** Amazon refuted the claim, calling the analysis “fundamentally flawed” and citing dynamic pricing and expired promos. ([TechCrunch](#))
- **Luxury cos like LVMH and Chanel face pressure post-EU-U.S. trade deal imposing 15% tariffs on EU goods.** Though spared harsher levies, brands must tread carefully w/ price hikes amid weak demand. From 2019–2023, prices rose 33%, but 50mn customers exited in 2024. ([Reuters](#))
- **European Commission preliminarily found Temu in breach of the DSA for failing to assess risks of illegal products on its platform.** A mystery shopping exercise revealed high chances of finding non-compliant items like baby toys and electronics. Temu's Oct. 2024 risk review was deemed flawed. If confirmed, the Co may face fines up to 6% of global turnover and enhanced supervision. ([European Commission](#))
- **Ulta Beauty, following a 3-year tech overhaul, is laying the groundwork for agentic AI to improve customer and employee experiences.** CTO Mike Maresca said AI agents will enhance operations, marketing, and personalization. CEO Kecia Steelman is driving broader

transformation through AI governance, workforce upskilling, and ethical implementation. ([Retail Dive](#))

- **Walmart unveiled a unified AI framework featuring four “super agents”: Sparky (customers), Marty (partners), plus agents for associates and developers.** The system consolidates fragmented AI tools and already supports 900K associates, cutting support resolution time by 40% and fashion product timelines by 18 weeks. ([Retail Dive](#))
- **LVMH posted first-half revenue of €39.8 billion, down 4% y/y, while recurring operating profit fell 15% to €9.01 billion and net profit declined 22% to €5.7 billion.** Its Fashion & Leather Goods division dropped 8%, with brands like Dior and Loewe under pressure amid soft demand. The results reflect broader macro headwinds including weakened tourism and trade tensions. ([Fashion Dive](#))
- **Shein has sharply raised prices in the US after the US eliminated the “de minimis” tariff exemption on low-value imports on May 2, making goods formerly duty-free subject to tariffs around 30%.** Reuters tracked nearly 200 items and found average price increases of ~12.5% by late May—with cumulative increases up to 123% seen in some low-cost items tested. ([Reuters](#))

Electric & Autonomous Vehicles

- **Waymo annnc’d plans to launch robotaxi svcs in Dallas next yr, partnering w/ Avis to manage its fleet of autonomous Jaguar I-Pace EVs.** Avis will oversee charging, maintenance & depot ops. This marks the first collab w/ a rental car Co, aiming to scale tech across mkts. Testing began earlier this yr; ([TechCrunch](#))
- **WeRide and Uber annnc’d Robotaxi expansion to Al Reem & Al Maryah Islands in Abu Dhabi, aiming to double ride volumes.** Fleet tripled since Dec. 2024 launch; plans to grow to hundreds of vehicles. ([StreetAccount](#))
- **Pony AI annnc’d that it received a permit to operate fully driverless robotaxi svcs in Shanghai’s Pudong financial district.** The Co will begin w/ ride-hailing in Jinqiao and Huamu biz zones, aiming to expand across the city. ([Reuters](#))

Film/Studio/Content/IP/Talent

- **Warner Bros Discovery had a strong weekend as DC’s “Superman” hit \$502mn and Apple’s “F1” reached \$509mn globally.** “F1” became Apple’s top film ever, surpassing “Napoleon” (\$221mn). ([CNBC](#))

- **Marvel Studios' Fantastic Four: First Steps** opened to **\$118mn in the U.S. and \$218mn globally, marking a major win for the co after recent misses (excl. Deadpool & Wolverine)**. It helped Disney cross \$3bn in 2025 global ticket sales. ([The Hollywood Reporter](#))

FinTech/InsurTech/Payments

- **MasterCard posted a 14% rise in Q1 profit as card usage grew.** Global purchase volume hit \$759bn, w/ U.S. at \$268bn. Net income rose to \$870mn (73¢/share) vs. \$766mn (62¢) last yr. CEO Ajay Banga cited strong start & new deals. Shares rose 0.6% to \$74. ([CNBC](#))
- **Klarna plans to revive its US IPO as early as Sept. , targeting a \$15–20bn valuation after pausing in Apr. due to tariff-driven mkts volatility.** Boosted by 24% rev growth in 2024, AI and crypto integration, and strong retail ties (e.g., Walmart), the Co aims to capitalize on improved sentiment. ([WebProNews](#))
- **PayPal annnc'd Q2 results w/ 5% rev growth to \$8.3bn, beating estimates.** Adj profit hit \$1.40/share vs. \$1.30 expected. Venmo rev rose 20%, TPV growth hit 3-yr high. Adj margins expanded to 19.8%. Despite raising 2025 profit forecast to \$5.15–\$5.30/share, stock fell 8% due to branded volume softness & tariff concerns. ([Reuters](#))
- **JPMorgan is close to taking over Apple's credit-card program from Goldman Sachs, which holds ~\$20bn in balances.** Talks began in early 2024, but challenges remain, including high subprime exposure (34% vs. JPM's 15%) and no late fees, which deterred other issuers. Visa offered Apple ~\$100mn to replace Mastercard as the network. ([The Wall Street Journal](#))
- **Visa shares fell after Q3 results beat estimates but FY outlook remained unchanged.** The Co still expects EPS to rise by a low-teens % and rev to grow by low double digits. Despite strong performance, investors reacted to the lack of upward revision. ([Bloomberg](#))
- **SoFi stock plunged 6.6% after-hours on Tue, Jul. 29 following a \$1.5bn public offering priced at \$20.85–\$21.50/share, erasing earlier gains.** Goldman Sachs is underwriting the deal. Proceeds will fund general corp. purposes. Despite upbeat Q2 earnings and bullish retail sentiment, traders speculate an acquisition may follow. ([Stockwits](#))
- **PayPal annnc'd Pay with Crypto, enabling U.S. merchants to accept 100+ cryptocurrencies w/ wallets like Coinbase & MetaMask.** The platform offers near-instant settlement, 0.99% fees (vs. intl. card fees), and access to a \$3tn+ crypto mkt. Merchants can earn 4% on PYUSD held w/ PayPal. ([PayPal](#))

Handheld Devices & Accessories/Connected Home

- **Amazon's long-awaited AI-powered Alexa is finally getting hands-on testing nearly two years after its revamp was announced.** Once a go-to assistant, Alexa lost user favor amid lagging performance. The new version shows clear improvement but still trails top chatbots in conversational depth—raising questions about its ability to revive user engagement or drive meaningful revenue. ([Fortune](#))

HealthTech/Wellness

- **Apple, Google, OpenAI, Amazon, and others pledged to work w/federal agencies to improve US health data sharing.** The voluntary initiative aims to enhance patient-provider data exchange and expand consumer health apps. Goals include easier plan sign-ups, AI-assisted scheduling, and seamless access to records. ([NDTV Profit](#))

Last Mile Transportation/Delivery

- **Lyft finalized its ~\$197mn acquisition of EU-based Freenow, marking its 1st expansion outside North America.** The deal, annnc'd in Apr. w/ BMW & Mercedes-Benz, enables cross-app taxi booking across 180 EU cities. Freenow's svs remain unchanged; users will be prompted to switch apps when traveling. ([Engadget](#))
- **Uber Eats annnc'd new AI tools to enhance menus, food photos, and reviews.** Features include AI-generated item descriptions, review summaries, and image enhancements like lighting and re-plating. Customers can upload food pics for potential in-app credit rewards. ([The Verge](#))
- **Grab reported 23% rev growth to \$819mn for the Jun. qtr, beating ests on cont'd ride-hailing & delivery demand.** Adj EBITDA hit \$109mn. It added ~2mn users, reaching 46mn, aided by new affordable & premium svs. Despite speculation, Grab denied current talks to acquire rival GoTo, though a \$7bn deal structure had been explored. ([The Edge Malaysia](#))
- **Uber lost its UK Supreme Court appeal, meaning rival private-hire operators outside London won't face a 20% VAT on margins.** The Court upheld that these operators don't contract directly w/ passengers. Delta Taxis and Veezu welcomed the ruling, citing avoided fare hikes. ([Reuters](#))
- **UPS posted a 2.7% rev drop to \$21.22bn in Q2 2025, citing weak consumer sentiment and fewer package deliveries.** The Co withheld FY guidance due to poor economic visibility, despite broader U.S. resilience. Executives flagged prolonged challenges in the small package markets. ([The Wall Street Journal](#))

Live Entertainment/Theme Parks/Concerts/Experiential

- **Live Nation will acquire an additional 24% stake in Mexican promoter OCESA for \$646mn, raising its ownership to 75%.** CIE retains 25% stake; CEO Alejandro Soberón to remain through 2032. ([Billboard](#))

M&A

- **Dealmakers shrugged off trade/geopolitical fears, driving nearly \$100bn in US industrials M&A in Jul. , per Bloomberg.** Global M&A hit \$2.2tn YTD, up ~20%. Despite summer lulls, activity surged as cos seek scale and efficiency. ([Bloomberg](#))

Macro Updates

- **The Fed voted 9-2 to keep rates at 4.25%-4.5%, despite Trump's push for cuts.** Governors Bowman and Waller dissented, urging easing. Powell said no decision yet for Sept. mkts meeting. Inflation is easing, labor mkts remain solid. GDP grew 3% in Q2, core inflation hit 2.5%. ([CNBC](#))
- **US GDP rose 3% in Q2, beating the 2.3% est. and reversing a 0.5% Q1 drop.** Consumer spending grew 1.4%, w/imports plunging 30.3% and exports down 1.8%. Inflation eased: core PCE at 2.5%. Trump annnc'd fresh Fed rate cut demands post-report. Despite tariff tensions, mkts held steady. ([CNBC](#))
- **US consumer confidence rose in Jul. , w/ the Conference Board index up 2 pts to 97.2, beating the 96 forecast.** The gain reflects easing concerns over the economy and job mkts. The data, released suggests improving sentiment despite broader economic uncertainties. ([Bloomberg](#))
- **US job openings fell to 7.44mn in Jun. from 7.71mn in May, per BLS data, after two months of gains.** The figure, slightly below the 7.5mn forecast, signals stable but cooling labor demand. The decline coincided w/ a rise in consumer confidence, suggesting resilience in the broader economy despite a softer job mkts outlook. ([Bloomberg](#))
- **US home-price growth slowed for the 4th straight month in May, rising just 2.3% YoY per S&P CoreLogic Case-Shiller data—smallest gain since Jul. 2023.** Apr. had seen a 2.7% rise. High mortgage rates and elevated prices have kept many potential buyers sidelined, signaling continued pressure on the housing mkts. ([Bloomberg](#))
- **Spring 2025 marked the weakest US housing season since 2012, w/ high mortgage rates, tariffs, and AI job fears dampening buyer confidence.** Sellers slashed prices or pulled listings, limiting inventory and averting a crash. Rentals gained as affordability hit 1980s lows. ([Cred Daily](#))

Media Conglomerates

- **Warner Bros has laid off 10% of its Motion Picture Group staff following its split from Discovery, forming two separate cos.** The layoffs affect marketing, distribution, production,

strategy, ops, and theatre ventures. Leadership cited a shift to a global model as the reason. ([Cord Cutter News](#))

- **Comcast will spin off Fandango, Rotten Tomatoes, and NBCUniversal networks (e. g., MSNBC, USA, Syfy) into a new Co led by Mark Lazarus.** The entity, expected to close in 2025, will generate ~\$7bn rev and reach 70mn U.S. homes. ([Cord Cutters News](#))
- **Warner Bros. Discovery announced its post-split entities will be named Warner Bros. and Discovery Global, signaling a strategic reversal of the 2022 WBD merger.** The split aims to restore distinct brand identities, streamline operations, and allow each business to focus on its core strengths—content creation for Warner Bros. and global distribution for Discovery. ([Axios](#))
- **Paramount Global will complete its \$8–8.4 billion merger with Skydance Media on August 7, 2025, forming Paramount Skydance Corp.** (ticker: PSKY). ([Variety](#))

Metaverse/AR & VR

- **EssilorLuxottica posted stronger-than-expected first-half results, driven by surging demand for its AI-powered smart glasses as the Franco-Italian eyewear giant leverages artificial intelligence to transform its business.** ([Perplexity](#))

Online Travel

- **US travel demand rebounded sharply in July, with airlines like United and Southwest and hotel chains such as Hilton and Wyndham reporting strong August bookings and a lift in consumer sentiment.** Corporate travel slowly thawed, especially mid-western demand. ([Yahoo Finance](#))

Regulatory

- **The Trump admin is weighing a radical patent system overhaul to raise rev.** Commerce may charge 1–5% of patent value, replacing or adding to current flat fees. Critics call it a tax on innovation, warning of backlash from cos and foreign patent holders. The plan, backed by Sec. Lutnick, could raise tens of bn, but faces legal, political, and global hurdles. ([The Wall Street Journal](#))
- **FCC Chair Carr urged EchoStar to sell AWS-4 spectrum in a “best and final” offer, amid FCC probes into its 5G obligations.** SpaceX seeks access, claiming Dish underused the band. Analyst Burnett says Band 66 spectrum could fetch \$15–\$20bn. ([Light Reading](#))

Social/Digital Media

- **TikTok annnc'd new features, incl. enhanced parental controls in Family Pairing, "Creator Care Mode" to auto-filter offensive comments, and a "Creator Inbox" w/ starred/unread folders.** It also launched "Well-being Missions" for digital balance and "Content Check Lite" to preview content eligibility. ([TechCrunch](#))
- **TikTok may go dark in the U.S. if China doesn't approve a selloff deal by Sept. 17, per Commerce Sec. Lutnick.** Trump's admin cont'd push for a sale, citing national security. Despite promises of a deal, tariffs stalled progress. A key buyer has backed out, and deadlines loom. ([MediaPost](#))
- **Yelp launched nationwide AI-stitched videos on iOS, blending user photos/videos w/ AI-generated scripts, voiceovers (via ElevenLabs), and captions (via Amazon Transcribe).** ([The Verge](#))
- **Meta will halt all political, electoral & social issue ads in the EU by early Oct, citing "unworkable" new rules under the bloc's Transparency & Targeting of Political Advertising regs.** The Co said the rules pose legal uncertainty & complex obligations. Violations may incur fines up to 6% of global rev. ([LA Times](#))

Software

- **Figma surged 250% in its IPO debut, closing at \$115.50 vs. \$33 offer, raising \$1.2bn.** The Co's market cap hit \$56.3bn, fully diluted to ~\$65bn—far above the \$20bn Adobe merger value scrapped in 2023. CEO Dylan Field's stake is worth ~\$6bn, w/ a 10-yr "moon-shot" comp plan. The IPO was 40x oversubscribed. ([Yahoo Finance](#))
- **Microsoft's mkt cap hit ~\$4.1tn after an 8% share surge post-earnings, joining Nvidia in the exclusive \$4tn club.** The Co reported 18% rev growth—its fastest in 3+ yrs—driven by Azure, which topped \$75bn in annual rev, up 34% YoY. ([CNBC](#))
- **Microsoft posted Q4 FY2025 results w/ \$76.4bn rev (+18%) & \$27.2bn net income (+24%).** Azure rev rose 39% YoY, hitting \$75bn for the yr. Xbox content & svcs rev grew 13%, but hardware rev fell 22%. Microsoft 365 Consumer rev rose 20% w/ 89mn subs. LinkedIn rev +9%, Bing ad rev +21%. Co plans to spend \$30bn next quarter on AI infra. ([The Verge](#))
- **Figma annnc'd a raised IPO price range of \$30–\$32/share, targeting ~\$1.2bn at a valuation of up to \$18.8bn.** The Co saw 46% rev growth in Q1 2025 to \$228mn and returned to profitability in late 2024. Adobe's failed \$20bn acquisition boosted investor confidence. Figma's IPO marks a key moment for SaaS mkts, signaling resilience and strong demand. ([Startup Wired](#))

Sports/Sports Betting

- **The Premier League is using AI tools from Microsoft and Adobe to deepen fan engagement, especially internationally.** New features like AI fantasy football assistants and custom kit design aim to attract its 1.8B global fans. ([FT](#))

Tech Hardware

- **Tim Cook revealed Apple shipped its 3bnth iPhone since 2007, marking a major milestone.** The 1bnth unit was shipped in Jul. 2016; analysts estimate the 2bnth around Sept. 2021. The figure is notable because Apple stopped reporting unit sales for its hardware products in November 2018. ([9to5 Mac](#))
- **Samsung posted Q2 rev of ₩74.6tn (~\$53.5bn), slightly up YoY, but op. profit plunged to ₩4.7tn due to a 93.8% drop in its chip biz.** Device Solutions rev fell amid inventory adjustments and China export issues. Foundry biz eyes H2 rebound via 2nm chips and a \$16.5bn Tesla deal. ([CNBC](#))
- **Arm Holdings matched Jun. -qtr. estimates w/adj. EPS of 35¢ on \$1.05bn rev, flat vs. FactSet forecasts.** YoY, EPS fell from 40¢, rev rose from \$939mn. Licensing rev dipped 1% to \$468mn, while royalties rose 25% to \$585mn. Despite strong Neoverse chip traction, weak Q2 guidance (33¢ EPS vs. est. 35¢) led to an 8% stock drop post-close on Jul 30 ([MSN](#))
- **Nvidia placed new orders for 300,000 H20 chips w/ TSMC, reversing its plan to rely on stockpiles due to strong China demand.** This adds to an inventory of ~600,000–700,000 units. The Trump admin. recently cont'd H20 sales to China, reversing an Apr. ban. Nvidia awaits U.S. export licenses. ([Reuters](#))
- **India overtook China as the top source of US smartphone shipments in Q2, driven by Apple's shift to Indian assembly.** India accounted for 44% of shipments, while China dropped to 25% from over 60% last yr. Apple's US iPhone shipments fell 11% due to prior stockpiling. The move reflects cos' efforts to diversify production amid tariff/geopolitical risks. ([Yahoo Finance](#))
- **Apple will shut its Parkland Mall store in Dalian, China, marking its first-ever retail exit in the country.** The move follows other retailers' departures and China's weak consumption, deflation, and falling home prices. Apple has 56 stores in Greater China and plans new openings in Shenzhen, Beijing, and Shanghai. Q2 China rev fell 2.3% to \$16bn, missing forecasts. ([Yahoo Finance](#))
- **US smartphone mkts grew 1% in Q2 2025 as vendors frontloaded inventory amid tariff risks.** "Made-in-India" shipments surged 240% YoY, now 44% of US imports vs. 13% in Q2 2024. Apple's iPhone shipments fell 11% to 13.3mn, while Samsung rose 38% to 8.3mn. Motorola, Google, and TCL followed. Apple leads India shift; Samsung, Motorola lag. ([Canalys](#))

Video Games/Interactive Entertainment

- **Nintendo annnc'd Switch 2 sales topped 6mn units globally in the seven weeks after launch.** As of 30th Jun., Nintendo had sold 5.82mn Switch 2s (3.5mn in the first four days) along with 5.63mn copies of Mario Kart World, including the digital downloads included in the popular Mario Kart hardware bundle. ([Nintendo Life](#))
- **Microsoft annnc'd Xbox Game Pass rev of ~\$5bn for the fiscal yr, w/ 500mn active users.** Total Co rev hit \$76.4bn, up 18%, despite 9,000 layoffs & studio closures. Gaming rev rose 9% to \$2bn, driven by Xbox content/svs, offset by a 25% drop in hardware. ([Kotaku](#))
- **Nintendo's Direct showcased 25+ third-party titles for Switch & Switch 2, incl Monster Hunter Stories 3 (2026), Persona 3 Reload (Oct. 23), Dragon Ball Sparking Zero (Nov. 14), Star Wars Outlaws (Sept. 4), Apex Legends (Aug. 5), Madden 2026 (Aug. 14), Final Fantasy Tactics (Sept. 30), Octopath Traveler 0 (Dec. 4), & more.** ([Kotaku](#))

Video Streaming

- **Roku annnc'd OS updates to enhance content discovery.** New features include Top 10 Movies/TV Shows rows, "In Theaters Now" previews, Surf Mode for short clips, and a revamped Live TV Channel Guide w/ newly added channels. Premium subs will appear in top recommendations. Updates will roll out to users automatically over the coming wks. ([Cord Cutters News](#))
- **Netflix annnc'd a major Roku app update, revamping its UI to spotlight Originals and upcoming content.** Features include larger ad screens, dedicated rows for Originals, and a "Coming Soon" section. The update, live on most Roku devices, enhances discovery and engagement w/ tailored recommendations. ([Cord Cutters News](#))
- **Fubo expects Q2 revenue to exceed \$365M in North America and \$8.5M internationally, with subs topping 1.35M (NA) and 340K (ROW).** Net loss improves YoY by \$18M to ~\$8M; adj. EBITDA ≥ \$20M, marking first positive quarter. Ends Q2 with ≥ \$285M cash. Pauses guidance amid Hulu + Live TV merger. ([StreetAccount](#))
- **Fubo seeks shareholder approval for its merger w/ Hulu + Live TV, annnc'd in Jan. as part of a litigation settlement w/ Disney, ESPN, FOX & Warner Bros. Discovery.** Disney to own ~70% of the combined Co, but Fubo retains its name. ([Cord Cutters News](#))
- **Canal+ reported €370mn free cash flow in H1 2025 (vs. €128mn YoY), despite a 3.3% rev drop to €3.09bn and 21.6% fall in adj EBIT to €246mn.** Gains came from tax normalization

and cash optimization. CEO Saada highlighted global expansion via a Netflix deal in 24 African nations. Wholesale subs fell by 353K, but D2C grew 0.2%. The \$2bn MultiChoice deal is on track to close by Oct 8. ([Reuters](#))

- **YouTube overtook ITV as the UK's 2nd-most watched TV channel, per Ofcom's report.** Gen Alpha prefers YouTube on TV, while over-55s doubled usage. Despite growth in online video, linear TV viewing fell 4% in 2024. Only 25% of 16–34s watch broadcaster content vs. 90% of 75+. Broadcasters face pressure to boost digital svcs as streaming subs plateaued in Q1 2025. ([Financial Times](#))

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