Spotify

Q2 2026 Update

August 4th, 2026

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Executive Summary

Our business performed well in Q2, led by strength in Subscribers and profitability. Similar to last quarter, MAUs grew 12% Y/Y, with net additions of 16 million slightly below guidance for 17 million. Subscribers outperformed to reach 300 million during the quarter, reflecting 7 million net additions vs. guidance for 6 million. Revenue was in-line with guidance and grew at an accelerated 15% Y/Y on a constant currency* basis. Gross Margin of 33.4% exceeded guidance and expanded 193 bps Y/Y, while Operating Income of €655 million outperformed guidance due to Gross Margin strength and lower Social Charges. Social Charges were €9 million below forecast due to share price movement during the quarter. Free Cash Flow* reached €797 million in Q2, bringing LTM*** Free Cash Flow to €3.3 billion.

Overall, we view the business as well positioned to deliver improved growth and margins in 2026 as we reinvest to support our long-term potential.

USER & FINANCIAL SUMMARY	Q2 2025	Q1 2026	Q2 2026	Y/Y	Q/Q
USERS (M)					
Total Monthly Active Users ("MAUs")	696	761	777	12%	2%
Premium Subscribers	276	293	300	9%	2%
Ad-Supported MAUs	433	483	494	14%	2%
FINANCIALS (€M)					
Premium**	3,753	4,148	4,331	15%	4%
Ad-Supported**	440	385	446	1%	16%
Total Revenue	**4,193**	**4,533**	**4,777**	**14%**	**5%**
Gross Profit	1,320	1,495	1,596	21%	7%
Gross Margin	**31.5%**	**33.0%**	**33.4%**	**--**	**--**
Operating Income	**406**	**715**	**655**	**61%**	**-8%**
Operating Margin	9.7%	15.8%	13.7%	--	--
Net Cash Flows From Operating Activities	709	836	816	15%	-2%
Free Cash Flow*	**700**	**824**	**797**	**14%**	**-3%**

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* Constant Currency adjusted measures and Free Cash Flow are non-IFRS measures. See "Use of Non-IFRS Measures" and "Reconciliation of IFRS to Non-IFRS Results" for additional information.
** Effective January 1, 2026, certain revenue-generating activities previously reported within the Ad-Supported segment were transferred to the Premium segment to reflect changes in the financial information presented to the Group's new Co-Chief Executive Officers, who serve as the joint chief operating decision makers. Prior period amounts have been reclassified to conform to current period presentation.
*** Last Twelve Months (LTM) represents annual performance covering the preceding 12 months relative to the last day of the quarter.

Key Highlights

Reaching 300 million Subscriber milestone alongside healthy MAU growth

- Premium Subscribers grew 9% Y/Y to 300 million, reflecting 7 million net adds and Y/Y and Q/Q growth across all regions
- MAUs grew 12% Y/Y to 777 million, reflecting 16 million net additions and Y/Y and Q/Q growth across all regions

Accelerating revenue growth with expanding profitability

- Total Revenue of €4.8 billion accelerated to 14% Y/Y or 15% Y/Y on a constant currency* basis
- Gross Margin finished at an all-time record high of 33.4% (up 193 bps Y/Y)
- Operating Income finished at €655 million (13.7% margin)
- Free Cash Flow* finished at €797 million

Powering the next generation of music, podcast and audiobook engagement

- Launched Reserved in the U.S., offering an artist's most dedicated fans exclusive early access to concert tickets
- Introduced Personal Podcasts, enabling users to generate personalized AI-powered audio episodes, with a set number of monthly credits included in Premium and the option to purchase more
- Announced new Audiobooks+ add-on tiers launching soon, followed by Family and Student plans later this year
- Launched four new DJ languages: French, German, Italian and Brazilian Portuguese

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Key Highlights: Actuals vs. Guidance

Users

	Results	Q2 2026 Actuals	Guidance
Monthly Active Users (M)	Below	777	778
Premium Subscribers (M)	Above	300	299

Financials

	Results	Q2 2026 Actuals	Guidance
Total Revenue (€B)	In-Line	€4.8	€4.8
Gross Margin	Above	33.4%	33.1%
Operating Income (€M)*	Above	€655	€630

* Includes €1 million of Social Charges which were €9 million below forecast / guidance driven by share price movement during the quarter. As a reminder, we do not incorporate share price movements into our forecast since they are beyond our control.

FINANCIAL SUMMARY

Financial Summary

USER, FINANCIAL & LIQUIDITY SUMMARY	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Y/Y	Y/Y FXN*
USERS (M)							
Total Monthly Active Users ("MAUs")	696	713	751	761	777	12%	--
Premium Subscribers	276	281	290	293	300	9%	--
Ad-Supported MAUs	433	446	476	483	494	14%	--
FINANCIALS (€M)							
Premium*	3,753	3,835	4,020	4,148	4,331	15%	16%
Ad-Supported*	440	437	511	385	446	1%	3%
Total Revenue	**4,193**	**4,272**	**4,531**	**4,533**	**4,777**	**14%**	**15%**
Gross Profit	1,320	1,351	1,499	1,495	1,596	21%	21%
Gross Margin	**31.5%**	**31.6%**	**33.1%**	**33.0%**	**33.4%**	**--**	**--**
Total Operating Expenses	**914**	**769**	**798**	**780**	**941**	**3%**	**4%**
Operating Income	**406**	**582**	**701**	**715**	**655**	**61%**	**59%**
Operating Margin	9.7%	13.6%	15.5%	15.8%	13.7%	--	--
FREE CASH FLOW & LIQUIDITY (€M, unless otherwise denoted)							
Net Cash Flows From Operating Activities	709	829	856	836	816	15%	--
Free Cash Flow**	**700**	**806**	**834**	**824**	**797**	**14%**	--
Cash & Cash Equivalents, Restricted Cash & Short Term Investments (€B)	8.4	9.1	9.5	8.8	9.4	--	--

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Financial Summary

Revenue

Revenue of €4,777 million grew 14% Y/Y in Q2 (or 15% Y/Y constant currency*), reflecting:

- Premium Revenue growth of 15% Y/Y (or 16% Y/Y constant currency*), driven by subscriber and ARPU gains; and
- Ad-Supported Revenue growth of 1% Y/Y (or 3% Y/Y constant currency*)
- Unfavorable currency movements slowed Total Revenue Y/Y growth by ~70 bps vs. guidance of ~80 bps

Profitability

Gross Margin was 33.4% in Q2, up 193 bps Y/Y reflecting:

- Premium gains driven by Revenue growth outpacing music costs net of marketplace programs, audiobooks costs and video podcast costs; and
- Ad-Supported gains driven by favorable podcast and tax impacts, which more than offset music costs and Other Costs of Revenue

Operating Income was €655 million in Q2 and reflected the above, along with:

- Growth in Operating Expenses driven by temporary investments in marketing and cloud/AI spend (excluding Social Charges)
- Operating Expenses included €1 million in Social Charges on share-based compensation

At the end of Q2, our workforce consisted of 7,302 full-time employees globally

Free Cash Flow & Liquidity

Free Cash Flow* was €797 million in Q2. Our liquidity and balance sheet remained strong, with €9.4 billion in cash and cash equivalents, restricted cash and short term investments.

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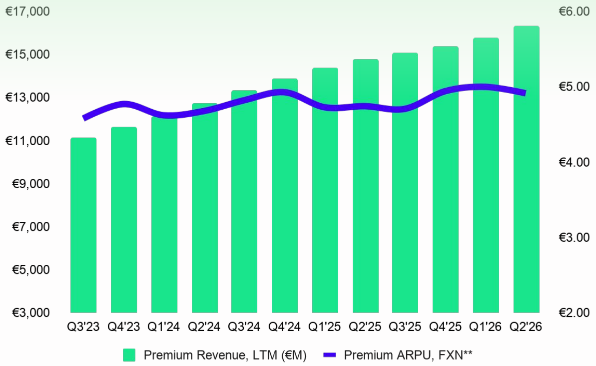
Revenue

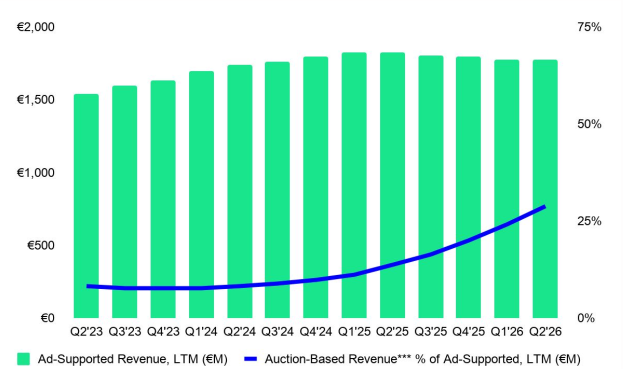
Premium growth driven by Subscriber and ARPU gains

Premium Revenue* grew 15% Y/Y to €4,331 million (or 16% Y/Y constant currency**), reflecting 9% Y/Y Subscriber growth and Premium Average Revenue per User (ARPU) of €4.89, up 7% Y/Y (or 7.4% Y/Y constant currency**). Excluding the impact of FX, ARPU growth was driven by price increase benefits, partially offset by product/market mix.



Advertising business transformation continues

Ad-Supported Revenue* grew 1% Y/Y (or 3% Y/Y constant currency**). On a constant currency basis, music advertising performance was driven by growth in impressions sold, partially offset by softness in pricing. Podcasting growth was led by sponsorship gains within our Owned & Licensed portfolio. Automated sales channels remained the largest contributors to overall advertising growth.



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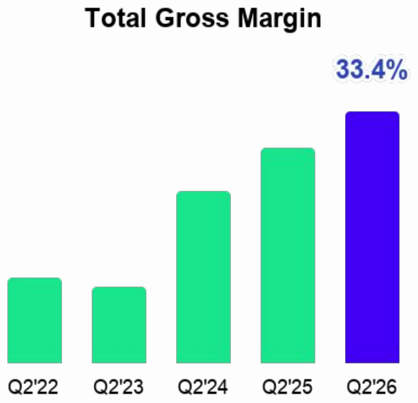
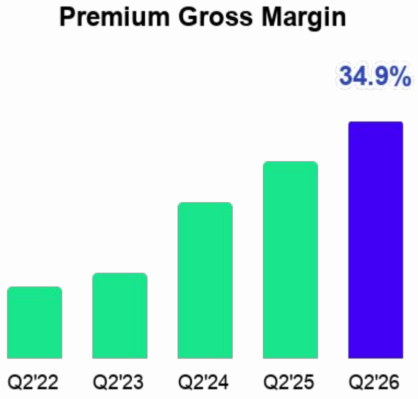
** Constant Currency (FXN) adjusted measures are non-IFRS measures. See "Use of Non-IFRS Measures" and "Reconciliation of IFRS to Non-IFRS Results" for additional information.

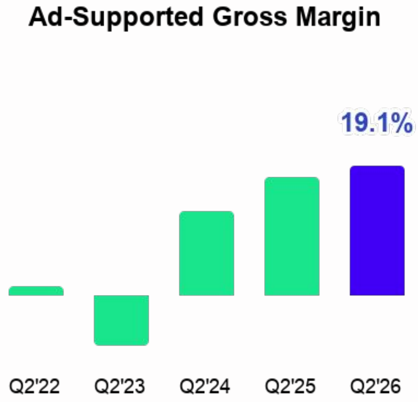
*** Auction-Based Revenue includes biddable sales within the Spotify Ad Exchange and Spotify Ads Manager.

Gross Margin

Y/Y improvement driven by Premium and Ad-Supported gains







Gross Margin finished at 33.4% in Q2, up 193 bps Y/Y. The Y/Y trend was driven by improvement in both the Premium and Ad-Supported segments.

Premium Gross Margin* was 34.9% in Q2, up 174 bps Y/Y. The Y/Y trend was driven by Revenue growth outpacing music costs net of marketplace programs, audiobooks costs and video podcast costs.

Ad-Supported Gross Margin* was 19.1% in Q2, up 179 bps Y/Y. The Y/Y trend was driven by favorable podcast and tax impacts, which more than offset music costs and Other Costs of Revenue.

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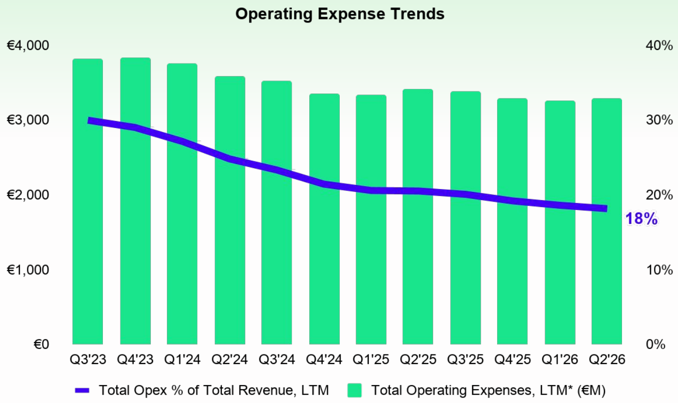
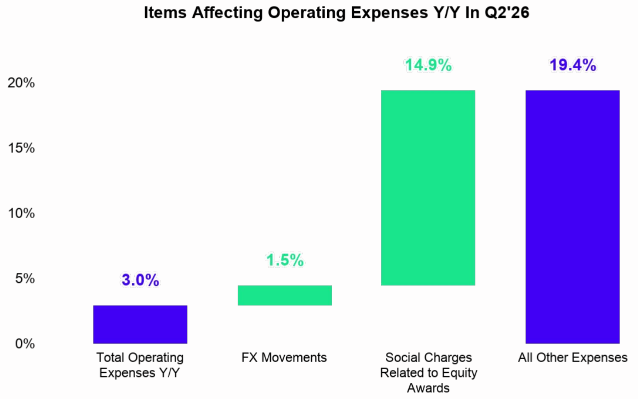
Operating Expenses

Y/Y trend led by marketing and cloud spend

Operating Expenses increased 3% Y/Y in Q2. Absent the effects of Y/Y movements in currency and Social Charges, the 19% Y/Y increase in Operating Expenses was primarily driven by an increase in marketing alongside cloud and AI spend in support of growth initiatives.

As a reminder, Social Charges are payroll taxes associated with employee salaries and benefits in select countries where we operate. Since a portion of these taxes is tied to the intrinsic value of share-based compensation awards, movements in our stock price can lead to fluctuations in the taxes we accrue. Share price movements this quarter resulted in Social Charges on share-based compensation coming in €9 million below forecast at €1 million in current period Operating Expenses. Prior year period Operating Expenses included €115 million in Social Charges.





* Last Twelve Months (LTM) represents annual performance covering the preceding 12 months relative to the last day of the quarter.

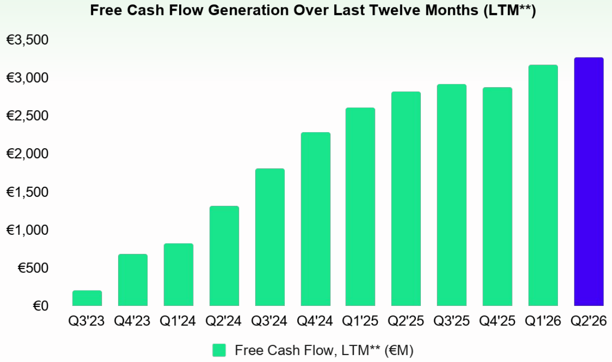
Free Cash Flow

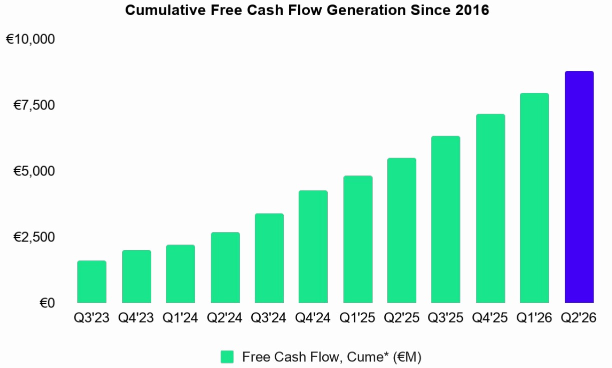
Record Q2 performance aids balance sheet strength

Free Cash Flow* was €797 million in Q2, a record high Q2 as a result of higher Net Income adjusted for non-cash items, partially offset by movements in net working capital. Capital expenditures increased €11 million Y/Y to €21 million.

In Q2, trailing 12 month Free Cash Flow expanded to €3.3 billion. On a cumulative basis, we have generated €8.8 billion of Free Cash Flow since the beginning of 2016, supporting our strong balance sheet and €9.4 billion in cash and cash equivalents, restricted cash and short term investments balance.

We have repurchased $662 million in shares year-to-date through August 3rd, representing a 30% increase over 2025 levels. In aggregate, we have bought back nearly 2.2 million shares since we resumed repurchase activity in 2025, or approximately 1% of shares outstanding.





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** Last Twelve Months (LTM) represents annual performance covering the preceding 12 months relative to the last day of the quarter.

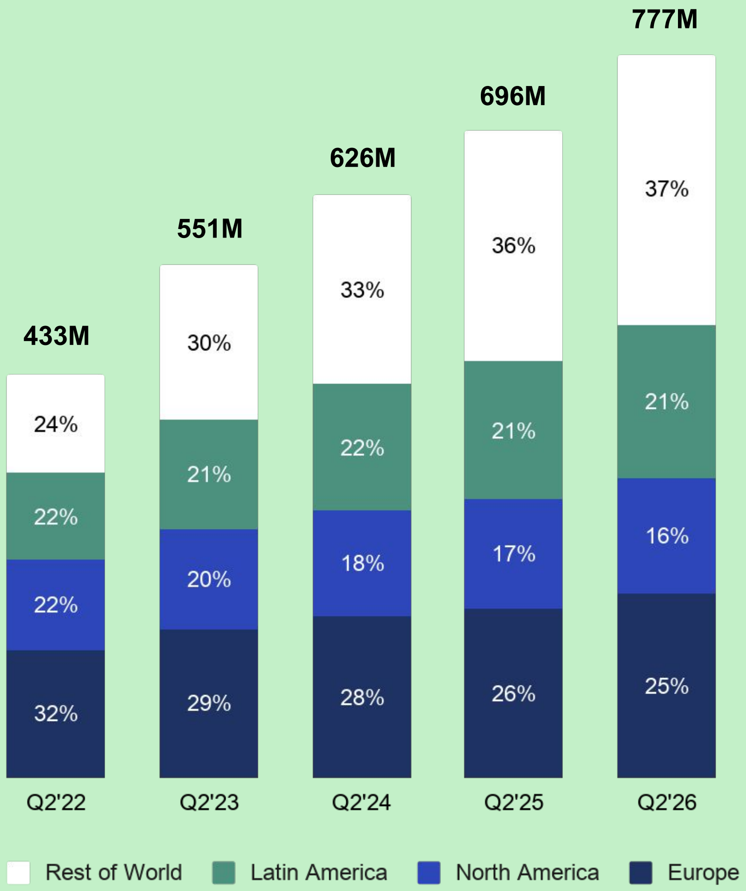
MAUS

& SUBSCRIBERS

Monthly Active Users (MAUs)

Total MAUs grew 12% Y/Y to 777 million, up from 761 million last quarter and 1 million below our guidance. Quarterly performance reflected:

- Y/Y and Q/Q growth across all regions
- Growth was driven by Q/Q gains in Rest of World, Europe, North America and Latin America



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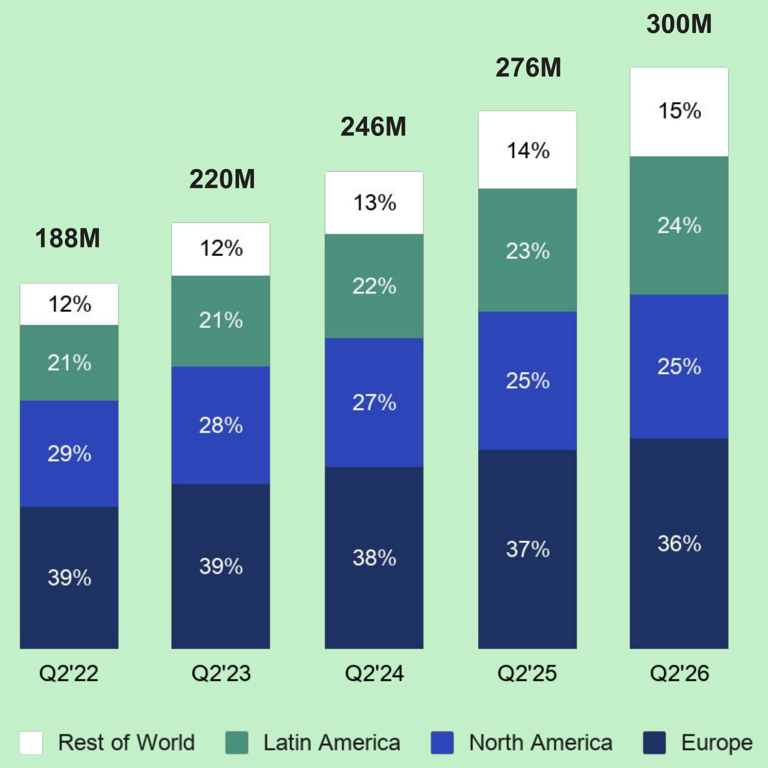
Premium Subscribers

Our Premium Subscribers grew 9% Y/Y to 300 million, up from 293 million last quarter and 1 million above our guidance. Quarterly performance reflected:

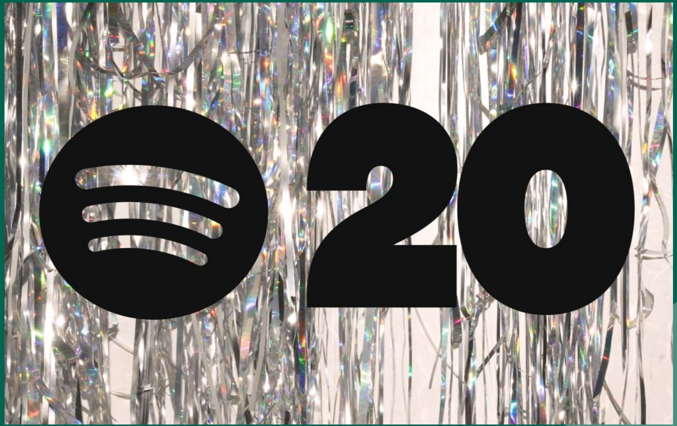
- Y/Y and Q/Q growth across all regions
- Growth was driven by Q/Q gains in Europe, Rest of World, Latin America and North America
- Strong global promotional campaign intake



PRODUCT

& PLATFORM

Powering the next generation of music fandom, listening and discovery

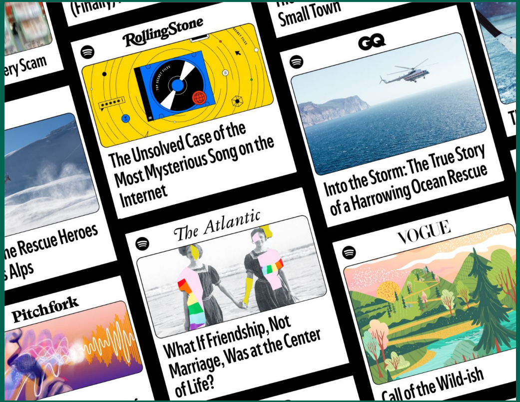


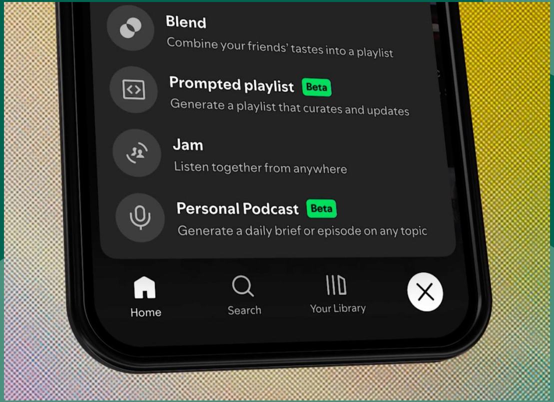
Reserved launched in the U.S., giving artists' most dedicated fans early access to concert tickets. Since launching with Live Nation, nearly 100,000 tickets have been reserved through Spotify across multiple tours.

Unveiled a special in-app experience to celebrate Spotify's 20th anniversary, giving users a nostalgic look back at their listening journey - including their first day on Spotify, first streamed song, top artist, a playlist of their all-time top songs and more. In its first six days, nearly 100 million users engaged with the experience, helping drive Spotify's biggest single day of subscriber intake ever.

Expanded DJ to four new languages - French, German, Italian and Brazilian Portuguese. Since its 2023 launch, DJ has delivered a more personalized listening experience to nearly 100 million Premium users, combining tailored music recommendations with AI-generated commentary to drive discovery and deeper artist engagement.

Deepening podcast and audiobook engagement through new formats and tiers





Launched Narrated Articles, bringing hundreds of narrated long-form magazine stories from publishers including Rolling Stone, The Atlantic, Vogue, Variety, Billboard and Wired to markets where audiobooks are available. Articles are included within Premium users' monthly audiobooks allowance.

Announced the expansion of Audiobooks+ with new add-on tiers launching soon, giving our most engaged listeners greater flexibility through higher-hour plans. Also this summer, Prompted Playlist will expand to audiobooks, making audiobook discovery even more personalized. Later this year, Audiobooks+ Family and Student plans will extend the experience to the entire household.

Introduced Personal Podcasts, a tool that allows listeners to generate and schedule AI-powered audio episodes tailored to their interests and listening habits. We also introduced Studio by Spotify Labs, a standalone desktop app that uses your web browser and connected apps to create personalized audio experiences.

OUTLOOK

Outlook for Q3’26

The following forward-looking statements reflect Spotify’s expectations for Q3 2026 as of August 4, 2026 and are subject to substantial uncertainty.

Total MAUs	**788 million**	Implies the addition of approximately 11 million net new MAUs in the quarter
Total Premium Subscribers	**305 million**	Implies the addition of approximately 5 million net new subscribers in the quarter
Total Revenue	**€5.0 billion**	Assumes ~200 bps tailwind to growth Y/Y (vs. ~70 bps headwind in Q1) due to foreign exchange rate movements; based on currency rates as of Q2 close (e.g. USD:Euro of 0.8756 as of June 30, 2026)
Gross Margin	**32.9%**	Primarily driven by Y/Y favorability within the Premium and Ad-Supported segments
Operating Income	**€670 million**	Incorporates €9 million in Social Charges based on a Q2 close share price of $459.13

Webcast Information
We will host a live question and answer session starting at 8:00 a.m. ET today on investors.spotify.com. Alex Norström and Gustav Söderström, our Co-Chief Executive Officers, and Christian Luiga, our Chief Financial Officer will be on hand to answer questions. Questions can be submitted by going to slido.com and using the code #SpotifyEarningsQ226. Participants also may join using the listen-only conference line by registering through the following site: https://app.webinar.net/24zaxYZl1G3.

We use investors.spotify.com and newsroom.spotify.com websites as well as other social media listed in the "Resources – Social Media" tab of our Investors website to disclose material company information.

Use of Non-IFRS Measures
To supplement our financial information presented in accordance with IFRS, we use the following non-IFRS financial measures: Revenue excluding foreign exchange effect, Premium revenue excluding foreign exchange effect, Ad-Supported revenue excluding foreign exchange effect, gross profit excluding foreign exchange effect, Operating Income excluding foreign exchange effect, Operating expense excluding foreign exchange effect, and Free Cash Flow. Management believes that Revenue excluding foreign exchange effect, Premium revenue excluding foreign exchange effect, Ad-Supported revenue excluding foreign exchange effect, gross profit excluding foreign exchange effect, and Operating expense excluding foreign exchange effect, are useful to investors because they present measures that facilitate comparison to our historical performance. However, these should be considered in addition to, not as a substitute for or superior to, Revenue, Premium revenue, Ad-Supported revenue, Gross Profit, Operating Income, Operating expense, or other financial measures prepared in accordance with IFRS. Management believes that Free Cash Flow is useful to investors because it presents a measure that approximates the amount of cash generated that is available to repay debt obligations, to make investments, and for certain other activities that exclude certain infrequently occurring and/or non-cash items. However, Free Cash Flow should be considered in addition to, not as a substitute for or superior to, net cash flows (used in)/from operating activities or other financial measures prepared in accordance with IFRS. For more information on these non-IFRS financial measures, please see "Reconciliation of IFRS to Non-IFRS Results" section below.

Forward Looking Statements
This shareholder update contains estimates and forward-looking statements. All statements other than statements of historical fact are forward-looking statements. The words "may," "might," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "seek," "believe," "estimate," "predict," "potential," "continue," "contemplate," "possible," and similar words are intended to identify estimates and forward-looking statements. Our estimates and forward-looking statements are mainly based on our current expectations and estimates of future events and trends, which affect or may affect our businesses and operations. Although we believe that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to numerous risks and uncertainties and are made in light of information currently available to us. Many important factors may adversely affect our results as indicated in forward-looking statements. These factors include, but are not limited to: our ability to attract prospective users, retain existing users, and monetize our products and services; competition for users, their time, and advertisers; risks associated with our international operations and our ability to manage our growth and the scope and complexity of our business; risks associated with our new products or services and our emphasis on long-term user engagement over short-term results; our ability to provide personalized content that our users enjoy; our ability to sustain our revenue growth rate; our ability to convince advertisers of the benefits of our advertising offerings; our ability to forecast, optimize, or sell advertising inventory amid evolving industry trends in digital advertising; our ability to successfully monetize and generate revenues from podcasts, audiobooks, and other non-music content; potential disputes or liabilities associated with content made available on our premium service and ad-supported service (collectively, the "Service"); risks relating to acquisitions, investments, and divestitures; our dependence upon third-party licenses for most of the content we stream; our lack of control over third-party content providers who are concentrated and can unilaterally affect our access to content; our ability to comply with complex license agreements; our ability to accurately estimate royalty payments under our license agreements and relevant statutes; the limitations on our operating flexibility due to financial commitments required under certain of our license agreements; our ability to identify the compositions embodied in sound recordings and audiovisual works and ownership thereof in order to obtain licenses or comply with existing license agreements; assertions by third parties of infringement or other violations by us of their intellectual property rights; our ability to protect our intellectual property; the dependence of streaming on operating systems, online platforms, hardware, networks, regulations, and standards that we do not control; our ability to maintain the integrity of our technology infrastructure and systems or the security of confidential information; undetected errors, misconfigurations, bugs, or vulnerabilities in our products and services; interruptions, delays, or discontinuations in service arising from our systems or systems of third parties; changes in laws or regulations affecting us; risks relating to privacy and data security, content moderation, use of artificial intelligence, and third parties' intentional misuse of our products and services; our ability to maintain, protect, and enhance our brand; our ability to meet evolving stakeholder expectations relating to environmental, social, and governance matters; payment acceptance-related risks; our dependence on key personnel and ability to attract, retain, and motivate highly skilled employees; our ability to access additional capital to support strategic objectives; risks relating to currency exchange rate fluctuations and foreign exchange controls; the impact of economic, social, or political conditions, including slower growth or recession, inflation, changes in interest rates, changes in trade and tax policies, geopolitical conflicts, and related market uncertainty; our ability to accurately estimate user metrics and other estimates; our ability to manage and remediate attempts to manipulate streams and attempts to gain or provide unauthorized access to certain features of our Service; risks related to our indebtedness, including risks related to our Exchangeable Notes; fluctuation of our operating results and fair market value of ordinary shares; tax-related risks; the concentration of voting power among our founders, which limits shareholders' ability to influence our governance and business; and risks related to our status as a foreign private issuer and a Luxembourg company. A detailed discussion of these and other risks and uncertainties that could cause actual results and events to differ materially from our estimates and forward-looking statements is included in our filings with the U.S. Securities and Exchange Commission ("SEC"), including our Annual Report on Form 20-F filed with the SEC on February 10, 2026, as updated by subsequent reports filed with the SEC. We undertake no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of this shareholder update.

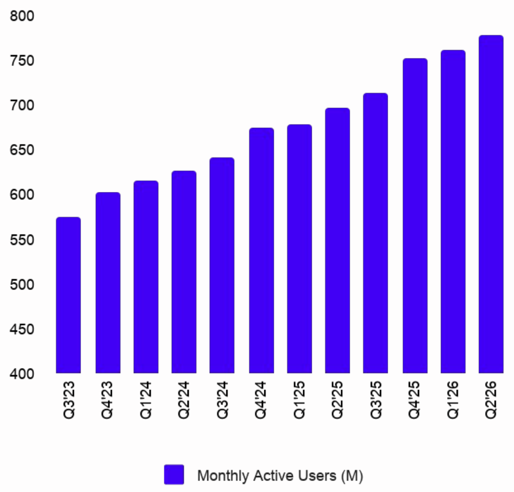
Rounding
Certain monetary amounts, percentages, and other figures included in this update have been subject to rounding adjustments. The sum of individual metrics may not always equal total amounts indicated due to rounding.

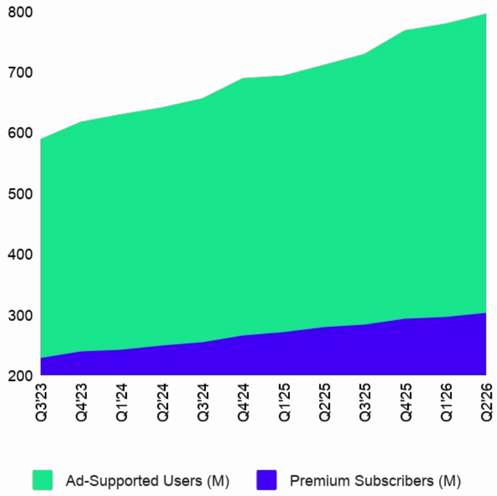
FINANCIAL

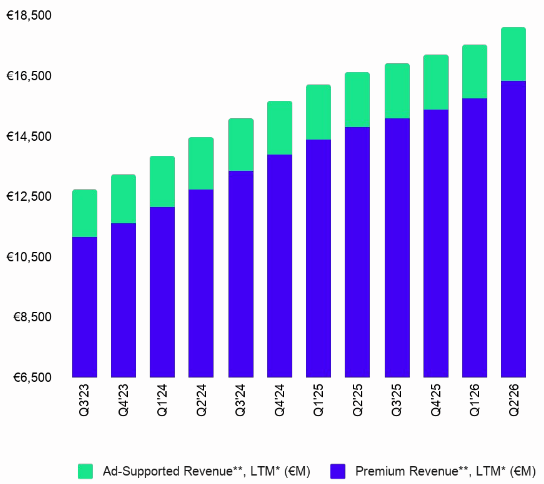
STATEMENTS

Trending Charts

MAUs, Ad-Supported Users, Premium Subscribers & Revenue By Segment







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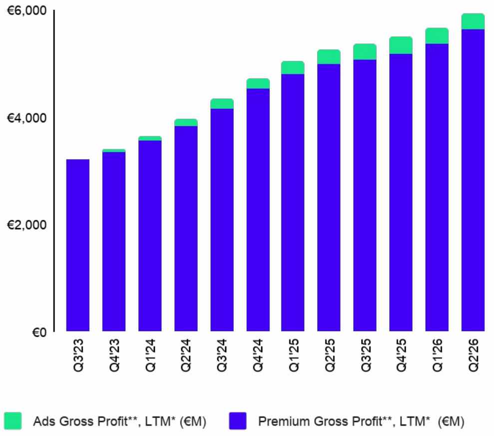
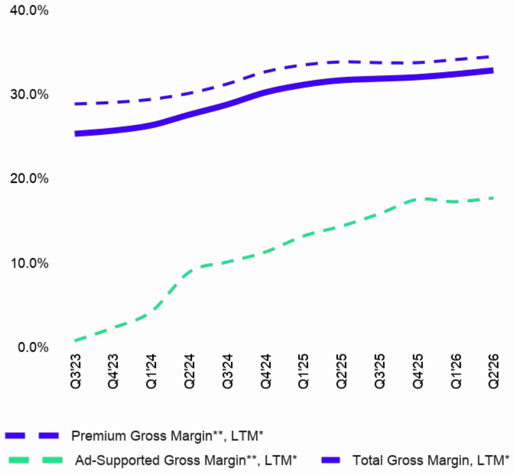
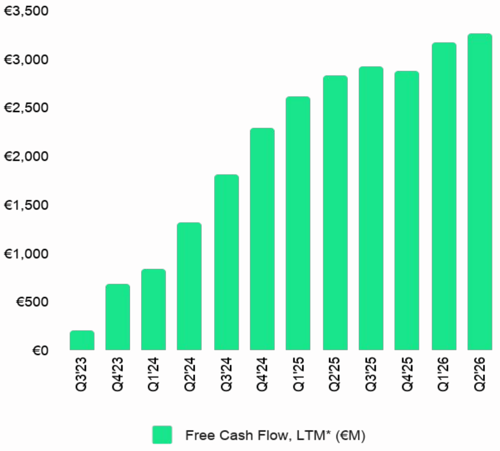
Trending Charts

Gross Profit by Segment, Gross Margin by Segment & Free Cash Flow*







* Free Cash Flow is a non-IFRS measure. See "Use of Non-IFRS Measures" and "Reconciliation of IFRS to Non-IFRS Results" for additional information. Last Twelve Months (LTM) represents annual performance covering the preceding 12 months relative to the last day of the quarter.

** Effective January 1, 2026, certain revenue-generating activities previously reported within the Ad-Supported segment were transferred to the Premium segment to reflect changes in the financial information presented to the Group's new Co-Chief Executive Officers, who serve as the joint chief operating decision makers. Prior period amounts since 2023 have been reclassified to conform to current period presentation. Comparative amounts for 2022 have not been recast.

Interim condensed consolidated statement of operations

(Unaudited)
(in € millions, except share and per share data)

	Three months ended		
	June 30, 2026	**March 31, 2026**	**June 30, 2025**
Revenue	4,777	4,533	4,193
Cost of revenue	3,181	3,038	2,873
Gross profit	**1,596**	**1,495**	**1,320**
Research and development	403	331	415
Sales and marketing	390	342	364
General and administrative	148	107	135
	941	**780**	**914**
Operating income	**655**	**715**	**406**
Finance income	86	248	89
Finance costs	(21)	(26)	(447)
Finance income/(costs) - net	**65**	**222**	**(358)**
Income before tax	**720**	**937**	**48**
Income tax expense	175	216	134
Net income/(loss) attributable to owners of the parent	**545**	**721**	**(86)**
Earnings/(loss) per share attributable to owners of the parent			
Basic	2.65	3.50	(0.42)
Diluted	2.61	3.45	(0.42)
Weighted-average ordinary shares outstanding			
Basic	205,788,241	205,716,853	205,426,999
Diluted	208,858,469	209,280,449	205,426,999

Interim condensed consolidated statement of financial position

(Unaudited)
(in € millions)

	June 30, 2026	December 31, 2025
Assets		
Non-current assets		
Lease right-of-use assets	225	234
Property and equipment	193	188
Goodwill	1,110	1,083
Intangible assets	36	41
Long term investments	1,118	2,181
Restricted cash and other non-current assets	56	61
Finance lease receivables	71	69
Deferred tax assets	563	662
	3,372	**4,519**
Current assets		
Trade and other receivables	780	802
Income tax receivable	92	116
Short term investments	3,450	4,209
Cash and cash equivalents	5,938	5,258
Other current assets	116	111
	10,376	**10,496**
Total assets	**13,748**	**15,015**
Equity and liabilities		
Equity		
Share capital	—	—
Other paid in capital	6,624	6,496
Treasury shares	(1,248)	(701)
Other reserves	2,588	3,366
Retained earnings/(accumulated deficit)	421	(832)
Equity attributable to owners of the parent	**8,385**	**8,329**
Non-current liabilities		
Lease liabilities	404	433
Accrued expenses and other liabilities	2	2
Provisions	13	3
Deferred tax liabilities	30	163
	449	**601**
Current liabilities		
Trade and other payables	1,325	1,194
Income tax payable	171	72
Deferred revenue	778	711
Accrued expenses and other liabilities	2,573	2,589
Exchangeable Notes	—	1,458
Provisions	45	51
Derivative liabilities	22	10
	4,914	**6,085**
Total liabilities	**5,363**	**6,686**
Total equity and liabilities	**13,748**	**15,015**

Interim condensed consolidated statement of cash flows

(Unaudited)
(in € millions)

	Three months ended		
	June 30, 2026	March 31, 2026	June 30, 2025
Operating activities			
Net income/(loss)	545	721	(86)
Adjustments to reconcile net income/(loss) to net cash flows			
Depreciation of property and equipment and lease right-of-use assets	24	20	20
Amortization of intangible assets	5	6	6
Impairment charge on real estate assets	—	4	1
Share-based compensation expense	86	56	73
Finance income	(86)	(248)	(89)
Finance costs	21	26	447
Income tax expense	175	216	134
Other	1	(2)	8
Changes in working capital:			
(Increase)/decrease in trade receivables and other assets	(80)	91	(19)
Increase/(decrease) in trade and other liabilities	150	(94)	201
Increase in deferred revenue	25	35	12
(Decrease)/increase in provisions	(6)	(3)	8
Interest paid	(7)	(8)	(6)
Interest received	48	52	57
Income tax paid	(85)	(36)	(58)
Net cash flows from operating activities	**816**	**836**	**709**
Investing activities			
Payment of deferred consideration pertaining to business combinations	—	—	(2)
Purchases of property and equipment	(20)	(5)	(10)
Purchases of short term investments	(7,301)	(6,740)	(4,643)
Sales and maturities of short term investments	7,351	7,484	4,228
Change in restricted cash	2	1	1
Dividends received	29	—	22
Other	1	(8)	—
Net cash flows from/(used in) investing activities	**62**	**732**	**(404)**
Financing activities			
Proceeds from exercise of stock options	64	64	92
Repurchases of ordinary shares	(232)	(306)	—
Payments of lease liabilities	(16)	(20)	(22)
Repayment of Exchangeable Notes	—	(1,304)	—
Payments for employee taxes withheld from restricted stock unit releases	(34)	(45)	(59)
Net cash flows (used in)/from financing activities	**(218)**	**(1,611)**	**11**
Net increase/(decrease) in cash and cash equivalents	**660**	**(43)**	**316**
Cash and cash equivalents at beginning of the period	5,255	5,258	5,019
Net foreign exchange gains/(losses) on cash and cash equivalents	23	40	(174)
Cash and cash equivalents at period end	**5,938**	**5,255**	**5,161**

Calculation of basic and diluted earnings/(loss) per share

(Unaudited)
(in € millions, except share and per share data)

	Three months ended		
	June 30, 2026	March 31, 2026	June 30, 2025
Basic earnings/(loss) per share			
Net income/(loss) attributable to owners of the parent	545	721	(86)
Shares used in computation:			
Weighted-average ordinary shares outstanding	205,788,241	205,716,853	205,426,999
Basic earnings/(loss) per share attributable to owners of the parent	**2.65**	**3.50**	**(0.42)**
Diluted earnings/(loss) per share			
Net income/(loss) attributable to owners of the parent	545	721	(86)
Net earnings/(loss) used in the computation of diluted earnings/(loss) per share	**545**	**721**	**(86)**
Shares used in computation:			
Weighted-average ordinary shares outstanding	205,788,241	205,716,853	205,426,999
Stock options	2,396,155	2,772,641	—
Restricted stock units	674,073	787,102	—
Other contingently issuable shares	—	3,853	—
Diluted weighted-average ordinary shares	**208,858,469**	**209,280,449**	**205,426,999**
Diluted earnings/(loss) per share attributable to owners of the parent	**2.61**	**3.45**	**(0.42)**

Reconciliation of IFRS to non-IFRS results

Revenue on a constant currency basis

(Unaudited)
(in € millions, except percentages)

	Three months ended	
	June 30, 2026	June 30, 2025
IFRS Revenue	4,777	4,193
Foreign exchange effect on 2026 revenue using 2025 rates	30	
Revenue excluding foreign exchange effect	4,807	
IFRS Revenue year-over-year change %	14 %	
Revenue excluding foreign exchange effect year-over-year change %	15 %	
IFRS Premium revenue	4,331	3,753
Foreign exchange effect on 2026 Premium revenue using 2025 rates	22	
Premium revenue excluding foreign exchange effect	4,353	
IFRS Premium revenue year-over-year change %	15 %	
Premium revenue excluding foreign exchange effect year-over-year change %	16 %	
IFRS Ad-Supported revenue	446	440
Foreign exchange effect on 2026 Ad-Supported revenue using 2025 rates	8	
Ad-Supported revenue excluding foreign exchange effect	454	
IFRS Ad-Supported revenue year-over-year change %	1 %	
Ad-Supported revenue excluding foreign exchange effect year-over-year change %	3 %	

Gross profit on a constant currency basis

(Unaudited)
(in € millions, except percentages)

	Three months ended	
	June 30, 2026	June 30, 2025
IFRS Revenue	4,777	4,193
IFRS Cost of revenue	3,181	2,873
IFRS Gross profit	1,596	1,320
Foreign exchange effect on 2026 gross profit using 2025 rates	6	
Gross profit excluding foreign exchange effect	1,602	
IFRS Gross profit year-over-year change %	21 %	
Gross profit excluding foreign exchange effect year-over-year change %	21 %	

Reconciliation of IFRS to non-IFRS results

Operating expense on a constant currency basis

(Unaudited)
(in € millions, except percentages)

	Three months ended	
	June 30, 2026	June 30, 2025
IFRS Operating expense	941	914
Foreign exchange effect on 2026 operating expense using 2025 rates	14	
Operating expense excluding foreign exchange effect	955	
IFRS Operating expense year-over-year change %	3 %	
Operating expense excluding foreign exchange effect year-over-year change %	4 %	

	Three months ended	
	June 30, 2026	June 30, 2025
IFRS Research and development expense	403	415
Foreign exchange effect on 2026 expense using 2025 rates	6	
Research and development expense excluding foreign exchange effect	409	
IFRS Research and development expense year-over-year change %	(3)%	
Research and development expense excluding foreign exchange effect year-over-year change %	(1)%	

	Three months ended	
	June 30, 2026	June 30, 2025
IFRS Sales and marketing expense	390	364
Foreign exchange effect on 2026 expense using 2025 rates	6	
Sales and marketing expense excluding foreign exchange effect	396	
IFRS Sales and marketing expense year-over-year change %	7 %	
Sales and marketing expense excluding foreign exchange effect year-over-year change %	9 %	

	Three months ended	
	June 30, 2026	June 30, 2025
IFRS General and administrative expense	148	135
Foreign exchange effect on 2026 expense using 2025 rates	2	
General and administrative expense excluding foreign exchange effect	150	
IFRS General and administrative expense year-over-year change %	10 %	
General and administrative expense excluding foreign exchange effect year-over-year change %	11 %	

Reconciliation of IFRS to non-IFRS results

Operating income on a constant currency basis

(Unaudited)
(in € millions, except percentages)

	Three months ended	
	June 30, 2026	June 30, 2025
IFRS Operating income	655	406
Foreign exchange effect on 2026 operating income using 2025 rates	(8)	
Operating income excluding foreign exchange effect	647	
IFRS Operating income year-over-year change %	61 %	
Operating income excluding foreign exchange effect year-over-year change %	59 %	

Reconciliation of IFRS to non-IFRS results

Free Cash Flow

(Unaudited)
(in € millions)

	Three months ended														
	December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025	June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026	June 30, 2026
Net cash flows from/(used in) operating activities	(70)	59	13	211	397	211	492	715	883	539	709	829	856	836	816
Capital expenditures	(5)	(2)	(2)	(1)	(1)	(5)	(2)	(4)	(6)	(6)	(10)	(23)	(22)	(13)	(21)
Change in restricted cash	2	—	(2)	6	—	1	—	—	—	1	1	—	—	1	2
Free Cash Flow	**(73)**	**57**	**9**	**216**	**396**	**207**	**490**	**711**	**877**	**534**	**700**	**806**	**834**	**824**	**797**

Free Cash Flow

(Unaudited)
(in € millions)

	Last twelve months ended											
	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025	June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026	June 30, 2026
Net cash flows from operating activities	213	680	832	1,311	1,815	2,301	2,629	2,846	2,960	2,933	3,230	3,337
Capital expenditures	(10)	(6)	(9)	(9)	(12)	(17)	(18)	(26)	(45)	(61)	(68)	(79)
Change in restricted cash	6	4	5	7	1	1	1	2	2	2	2	3
Free Cash Flow	**209**	**678**	**828**	**1,309**	**1,804**	**2,285**	**2,612**	**2,822**	**2,917**	**2,874**	**3,164**	**3,261**

Free Cash Flow

(Unaudited)
(in € millions)

	Twelve months ended									
	December 31, 2016	December 31, 2017	December 31, 2018	December 31, 2019	December 31, 2020	December 31, 2021	December 31, 2022	December 31, 2023	December 31, 2024	December 31, 2025
Net cash flows from operating activities	101	179	344	573	259	361	46	680	2,301	2,933
Capital expenditures	(27)	(36)	(125)	(135)	(78)	(85)	(25)	(6)	(17)	(61)
Change in restricted cash	(1)	(34)	(10)	2	2	1	—	4	1	2
Free Cash Flow	**73**	**109**	**209**	**440**	**183**	**277**	**21**	**678**	**2,285**	**2,874**

APPENDIX

Social Charges Sensitivity

Meaningful movements in our stock price can lead to Social Charge variance

Our guidance incorporates the impact of Social Charges on share-based compensation, the vast majority of which appear in Operating Expenses. The amount of Social Charges we accrue for and ultimately pay can be volatile, as they are tied to the value of our share price. Since we do not forecast stock price changes in our guidance, meaningful movements in our stock price over the course of a quarter can lead to meaningful changes in Social Charges. As an example, at the Q2 close, our stock price was $459.13. In Q2, a 10% increase or decrease in our stock price compared to the quarter-end price would have an approximate +/- €21M impact on Social Charges.

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