Versant Media Group, Inc. Full-Year 2025 Conference Call

March 3, 2026

Operator:

Greetings, welcome to Versant Media's Full Yar 2025 Operating and Financial Results Conference Call. At this time, all participants are in listen-only mode. The question and answer session will follow the formal presentation. (Operator Instructions)

Please note this conference is being recorded.

At this time, I'll turn the conference over to Wylie Collins, Executive Vice President of Investor Relations and Treasury.

Thank you. You may now begin.

Wylie Collins:

Thank you, and good morning, everyone. Welcome to Versant Media's Fourth Quarter and Full Year 2025 Operating and Financial Results conference call.

Joining us today are Mark Lazarus, Chief Executive Officer; and Anand Kini, Chief Financial Officer and Chief Operating Officer. Also with us are Jordan Fasbender, General Counsel; and Natalie Candela, VP of Investor Relations.

Before we begin, I'd like to remind you that certain statements made during this call may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements reflect management's current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied.

For discussion of these risks and uncertainties, please refer to Versant Media's filings with the SEC in today's earnings release.

All forward-looking statements are made as of today, March 3, 2026, and we undertake no obligation to update them.

During today's call, we may refer to certain non-GAAP financial measures. Reconciliations of these measures to the most directly comparable GAAP measures are included in today's earnings release and in the materials posted in the Investor Relations section of our website.

With that, I'll turn the call over to Mark.

Mark Lazarus:

Thank you, Wylie, and good morning. We are pleased to report Versant's 2025 Operating and Financial Results as an independent, well-positioned media and entertainment company.

2025 was a pivotal year for Versant. We completed our transition to a standalone public company while advancing our clear and deliberate strategy, continuing to win with premium content, extending the reach of our iconic brands, and accelerating the growth of our digital platforms.

We operate in four large and growing markets, business news and personal finance, political news and opinion, golf and athletics participation and sports and genre entertainment. In each, our brands hold leadership positions with clear opportunities to extend beyond Pay TV.

Versant enters this next phase with meaningful scale, reaching an average of approximately 100 million people every month. Our live news, live sports, and premium entertainment programming continue to

attract large, engaged audiences and generate robust advertiser demand. Approximately 60% of our audience comes from news and sports, which is most valued by audiences and advertisers.

In 2025, CNBC solidified its position as the number one global business media brand, delivering exclusive breaking news and more than 6,000 hours of live on-air coverage. That leadership was on full display in Davos last month, where viewership surged across all three days of coverage as CNBC was at the center of the world's most consequential business conversations.

We built on that position of strength in 2025 with a multi-year partnership with Kalshi, integrating real-time prediction market data directly into CNBC's editorial coverage. This important commercial relationship introduces new revenue streams and connects us with a younger, highly engaged, and data-driven investor audience.

We're extending that strategy even further. CNBC will launch a next-generation direct-to-consumer subscription service tailored to retail investors, a fully integrated platform combining CNBC editorial insights, investment recommendations, portfolio tracking, advanced charting, AI-powered analysis, and powerful decision-making tools, all built on a brand and talent that investors trust. We believe this service addresses a significant market need with a product only CNBC can deliver.

On election night in 2025, MS NOW was the most watched network across all of cable, reinforcing the strength of the brand at the most consequential moments in politics. Since the rebrand to MS NOW in the fourth quarter, that momentum has not only held, it has accelerated with double-digit growth in total viewers since November.

That momentum extends well beyond traditional television as well. In 2025, MS NOW generated nearly 8 billion views across TikTok and YouTube, along with more than 140 million podcast downloads, demonstrating the depth and demand of a highly engaged audience.

To build on that engagement, later this year, we will launch a new MS NOW direct-to-consumer platform centered on community, access, and exclusive content, extending the breadth and depth of MS NOW's audience reach.

The Golf Channel is the number one golf media outlet, and in 2025, we aired over 2,000 hours of live coverage across more than 200 events, accounting for 35% of all hours watched for golf. The inaugural Golf Channel Games aired in December, and we also extended our USGA partnership through 2032 and our PGA of America partnership, including the Ryder Cup, through 2033, securing long-term rights and reinforcing our leadership in golf for years to come.

Beyond Pay TV, our tee time platform, GolfNow, delivered a record year, with 40 million tee times booked, over 9,000 courses globally, demonstrating Versant's scale in the broader golf ecosystem.

Across our broader sports portfolio, USA Sports added Pac-12 football and basketball and expanded our leadership in women's sports through long-term agreements with the WNBA and League One Volleyball.

Last month, we also brought the Olympic Winter Games from Milan-Cortina to audiences nationwide on USA Network and CNBC, and we'll provide more on that during our first quarter call.

In Entertainment, USA delivered the number one scripted cable original premiere of 2025 with The Rainmaker, and it has already been renewed for a second season, reinforcing our ability to launch and develop premium franchises.

We also broadcast the Critics' Choice Awards, which delivered their strongest rating since 2022, a reminder of the enduring appeal of live, unscripted entertainment.

At Fandango, we will launch new ad-supported streaming service later this year, enabling audiences to watch films and television series for free, leveraging Fandango's broad distribution footprint, scaled customer base, and Versant's strong library of content. This is a natural extension for the Fandango platform, growing audience and deepening engagement while driving incremental monetization.

In addition, we completed the acquisition of INDY Cinema Group, expanding our offering for cinema operators with a cloud-based operating system now deployed across theaters worldwide.

We also added Free TV Networks to our portfolio with national over-the-air distribution, expanding our presence in the fast-growing free ad-supported market and extending our footprint beyond traditional pay television.

These acquisitions reinforce our strategy of building on our leadership in our core markets by expanding distribution, deepening engagement, and developing new audience touchpoints through both existing and new platforms.

We view revenue mix as a critical indicator of our strategic transformation. In 2024, 17% of our revenue came from non-Pay TV platforms. In 2025, that increased to 19%, and that was achieved without the benefit of the new initiatives launching this year. Our target is 33% over the next three to five years and over time to get closer to 50%, positioning Versant to a platform for growth over time.

We are committed to continue investing in the business and returning capital to shareholders. Our board has declared the company's first dividend and has also approved a $1 billion share repurchase authorization. This program reflects our confidence in the business and our strong balance sheet, which provides us the flexibility to invest in growth while also delivering meaningful shareholder returns.

As we move forward, we have a clear strategy and the infrastructure, operating discipline, and leadership required to win. We enter this next chapter from a position of strength, profitable, scaled, and disciplined.

None of this would be possible without our team. Across every part of our company, our people executed in a complex separation while continuing to deliver for audiences, partners, and shareholders. I am incredibly proud of what we have built and even more confident in what we will accomplish next.

With that, let me turn it over to Anand.

Anand Kini:

Thanks, Mark, and good morning, everyone.

As Mark noted, we are focused on disciplined execution and positioning the company for long-term value creation.

I'll review our full year 2025 results, discuss key performance drivers, and provide our outlook for 2026.

Unless otherwise noted, all comments reflect standalone results, meaning a view of 2025 and 2024 as if we were already operating as an independent company aligned with how we presented at Investor Day and how we will report going forward.

2025 performance is consistent with the forecast we shared in December, with strong profitability, healthy margins, and significant free cash flow generation.

Total revenue was approximately $6.7 billion, down 5% year-over-year. The decline primarily reflects ongoing secular pressure in Pay TV and advertising normalization following the prior year's presidential election cycle, partially offset by growth in our platform's businesses.

Standalone adjusted EBITDA, which excludes transaction and separation-related costs, was about $2.2 billion, down 9% year-over-year. Standalone adjusted EBITDA margins remained above 30%, consistent with the framework outlined at Investor Day.

An estimated standalone free cash flow totaled a healthy $1.5 billion for the year.

Turning now to revenue details.

Linear Distribution revenue was $4.1 billion, down 5% year over year, driven by continued moderate cord cutting, partially offset by contractual rate increases. Importantly, more than half of our Pay TV subscribers are under agreements not subject to renewal until 2028 and beyond, providing meaningful revenue visibility.

Advertising revenue was approximately $1.6 billion, down 9% year over year, reflecting ratings declines and post-election normalization in news. Quarterly growth trends were affected by sports timing differences and certain assumptions related to the impact of the 2024 Paris Olympics on our standalone results.

Platform's revenue, primarily GolfNow and Fandango, increased 4% to approximately $826 million. GolfNow delivered another strong year with growth in bookings, payment volumes, and subscriptions. Fandango performance reflected a softer than expected theatrical slate, particularly in the second half.

We expect platforms to return to high single-digit revenue growth organically in 2026, supported by a stronger box office slate and continued growth at GolfNow. Additionally, we anticipate favorable contributions from our recent INDY Cinema acquisition.

Content licensing and other revenue was approximately $193 million, down 9% year over year, primarily due to timing of entertainment licensing agreements.

On expenses, cost of revenues declined by about $130 million in 2025, driven by programming cost savings, including from a new long-term NASCAR agreement.

SG&A, excluding transaction and separation-related costs, was slightly lower year over year and reflects the resources required to operate as a standalone public company.

Turning now to the fourth quarter, results were broadly consistent with the full-year trends. Revenue was $1.6 billion, down 7% year over year. Standalone adjusted EBITDA was $521 million, down 19%, impacted by production tax benefit in the prior year quarter.

Full-year results better reflect the underlying financial profile. We begin the year with approximately $850 million of cash and total liquidity of approximately $1.6 billion, including availability under our $750 million revolving credit facility.

Gross debt totaled approximately $3 billion, resulting in net leverage of one times trailing 12-month standalone adjusted EBITDA, providing substantial financial flexibility.

With respect to capital allocation, returning capital to shareholders remains a top priority for us, alongside disciplined investing to support long-term growth. As Mark noted, the Board has authorized a share repurchase program of up to $1 billion and has declared a $0.375 per share quarterly cash dividend, representing an expected annualized dividend of $1.50 per share.

Our 2026 outlook remains consistent with the framework provided at Investor Day. We expect revenue between $6.15 billion and $6.4 billion, supported by midterm political advertising and new product

initiatives. We expect adjusted EBITDA between $1.85 billion and $2 billion as we continue to invest in growth, with some quarterly volatility caused by sports rights timing, particularly in second half.

Depreciation and amortization will remain elevated in 2026, largely due to amortization of intangibles related to the 2011 Comcast acquisition of NBCUniversal. This amortization will be substantially complete by year-end 2026.

We anticipate our cash tax rate for 2026 to be approximately 26%, excluding the impact of intangibles on the balance sheet.

From a capital expenditure standpoint, we expect 2026 CapEx to be modestly above standalone 2025 levels. The increase primarily reflects the build-out of our new Manhattan headquarters and targeted investments in our platforms and other growth businesses. Over the medium term, we expect capital intensity to normalize following completion of these projects.

We continue to expect free cash flow between $1 billion and $1.2 billion in 2026. Free cash flow conversion will be modestly lower in 2025, reflecting working capital timing, one-time cash tax benefits in 2025, and the incremental capital expenditures I just outlined.

On working capital, we anticipate quarterly variability, particularly in the fourth quarter. This is principally caused by separation-related timing effects including NBCUniversal's pre-funding of certain receivables at separation, which increased our opening cash balance with a corresponding Q1 working capital impact.

With that, I'll hand it back to the operator to open the line for Q&A.

Q&A:

Operator:

Thank you. At this time, we'll be conducting a question-and-answer session. (Operator Instructions)

Thank you. And the first question comes from the line of Michael Ng with Goldman Sachs. Please proceed to your questions.

Michael Ng: Hey, good morning. Congratulations on your first quarter as a standalone public company. I just have two questions, if I could.

First, platforms is obviously a critical part of getting to your revenue diversification goals. Can you talk a little bit about your confidence in achieving that one-third of revenue from non-Pay TV over the next three to five years? Key new product launches and features that you expect to be the most meaningful in the next couple of years here? Thank you.

Mark Lazarus: Yes, sure, Michael, thanks.

So, we're really confident in our platforms business. As we mentioned earlier, though the results for 2025 were a little bit impacted by a slightly softer film slate for the industry. And Anand mentioned, we expect high single-digit revenue growth for 2026, which is consistent with the history that we have with these businesses. So, we're very bullish on strong growth, both top and bottom line, long off into the future.

When you think about those core businesses, GolfNow and Fandango are established leaders. They're really strong, you'd say, preeminent brands in their respective markets. And they still have a lot of room to grow organically and to grow penetration.

GolfNow, for example, represents less than 10% of the total rounds booked, and it's very early on in the international expansion trajectory that we've undertaken.

We can extend these businesses very easily into adjacent markets. We're launching a free AVOD service as part of Fandango, which will complement the movie ticketing and the home rental business. And we purchased INDY Cinema, which we mentioned, which enables us to offer the industry's best operating software to the same cinema operators who already use our partners in the ticketing business.

So, there's many more expansion opportunities for Fandango and GolfNow.

Now, we'll also launch brand-new platforms associated with our brands. CNBC's D2C is targeted to the retail investor. MS NOW D2C will be offering community insights perspective relevant to that brand.

These are big, powerful brands. We've got big existing audiences, and we're in a great position for these to be adopted at scale around D2C, places we have not really invested before.

Anand Kini: Yes, the only thing I would just add is, I think as Mark mentioned, Michael, it's a good question. And for us, it's a combination, as you saw, of organic investment, where we're making quite a bit, as we just talked about the different brands.

And then also M&A, our bar is high. I think INDY Cinema is a good example of an M&A opportunity that we found very compelling, very good use of capital, significant value creation, fits with our brands, fits with Fandango. It's kind of an opportunity to add incremental value right away, because we already have a sales channel to those exhibitors who buy our Fandango ticketing products.

So I think that, between the organic investment and then selective inorganic, just kind of reinforces how confident and how bullish we are about our platform's business.

Michael Ng: Wonderful. Thank you for that. And just as a follow-up, could you just provide an update on the SportsEngine strategic review process and on the M&A point to support platforms? Just some clarity on kind of tuck-ins versus maybe something more midsize. Thank you very much.

Anand Kini: Sure. I'll start with SportsEngine.

So as we discussed, we're evaluating kind of value-maximizing alternatives for that business. So just to be very clear, we see a lot of consolidation in youth sports market-wide, so we think it's the right time for this review, but we haven't made a decision yet.

Just to be very clear, we like SportsEngine. It's been a very good business for us. It is a very good business. And so we're only going to pursue opportunities that genuinely maximize value for the long term.

Broadly on M&A, we will consider, obviously, all opportunities that add value. I think INDY Cinema is a very good example of a tuck-in, as you called it. And we think there very well may be more.

I mean, for example, GolfNow, we built Golf Now over time. It was really a roll-up of a lot of independent operators. You could kind of consider that, in some ways, a tuck-in type as well. So, definitely we'll look at those.

Could there be something bigger? Sure. But I think the key point is our thresholds here are very high. As part of our capital allocation, M&A is one area. But the brand fit, the ability to drive value right away, and the synergies are something that we obviously consider very carefully. And so it has to kind of satisfy all those thresholds and make sure it delivers premium returns. And we'll continue to be very disciplined in pursuing that.

Michael Ng: Great. Thanks, Mark. Thanks, Anand.

Anand Kini: Thank you.

Operator: Our next questions are from the line of Brent Penter with Raymond James. Please proceed with your questions.

Brent Penter: Hey. Good morning, everyone. Thanks for taking the questions.

First one for me, good to see the shareholder return plans and the buyback authorization. What's your philosophy going to be on buybacks? Do you plan on being pretty opportunistic, or should we expect them to be pretty regular? And is there a 10b5-1 program in place already?

Mark Lazarus: Yes. At this point, we're going to be opportunistic. We're going to be thinking through the total capital allocation program sort of holistically, and we'll handle it that way.

Brent Penter: Okay. And then realize it's very early into your journey as a standalone company, and majority of your renewals are beyond '26 and '27. But can you just update us on your confidence on the affiliate fee trajectory and what you might be hearing from distribution partners at this point?

Mark Lazarus: Well, we were able to execute a bunch of deals last year when we were long announced as a standalone company, and we were able to do that on terms that worked for us and worked for the distribution partners. We have a few deals up later on in this year, and we anticipate being able to have very productive and similar discussions with them at that time.

Our live portfolio of news and sports, we think, plays into what people are still looking to watch on linear television, and that's a big part of our asset play.

Brent Penter: Okay, got it. And then final question for me, the Warner Brothers discovery process, obviously kind of moving into the next phase now. Watching from the sidelines, what have you all learned from this process in terms of industry, in terms of some of your competitors, in terms of valuations? What does all of this mean for Versant?

Mark Lazarus: Well, we have our plan to go as an independent company. We have a strong set of assets. We're very focused on our vertical markets. And the wider view was, it was interesting because the assets from Warner Brothers were interesting to a couple of people in a couple of different ways, and we look at that as being reinforcing of the value of our company.

Anand Kini: I think the later thing I'd add is I think maybe what we learned is, as you kind of went through that process, the assets that had a tremendous amount of value often were around news and sports. And I think you've heard us say before that that's about 60% of our audience is news and sports.

So we think, in many ways, that process validates, A, the quality of our brands and our portfolio, and the strategy that we're pursuing to kind of continue to drive those businesses, which are supremely positioned within the Pay TV ecosystem. And it also gives us the opportunity then to extend them outside of it. So we think it, in many ways, kind of validated the approach that we have.

Brent Penter: Okay. Thanks, guys.

Operator: Our next question is from the line of Peter Supino with Wolfe Research. Pleasure, proceed with your question.

Peter Supino: Good morning. A couple of questions about the way your brands go to market. First, I wondered if you could talk about the size of the audience that you're reaching in linear Pay TV. We obviously can see ratings data on individual shows. But I wonder how many households are engaging with your news and sports content every month and with enough frequency to be important to your negotiations with Pay TV distributors. And the background on that question is we just hear in our conversations with clients an enormous preoccupation with the possibility that you all might have -- might someday lose a distributor.

And then a second go-to-market question relates to your brand's DTC Opportunity. Can you talk about your economics, streaming CNBC and MS NOW, direct-to-consumer, and whether someday a partnership with a third-party streamer with a massive audience might be interesting? Thank you.

Mark Lazarus: So on the audience engagement, we have big brands that are well-known and ubiquitously known to the marketplace. We reach around, as we stated earlier, 100 million people each and every month with our brands. If you look at some of them individually, MS NOW has doubled its audience in primetime in the last 10 years, reaching over a million people on average, 1.2 million people on average in primetime on MS NOW each and every day.

So, that's a massive scale. And those people are watching with huge engagement. They're watching roughly eight to nine hours a week, which is the second-highest engagement across the entire media TV landscape.

CNBC, similarly, has a large, loyal following in the financial sector and with retail investors. And you'll see that as we talk about the DTC and eventually launch that in the future.

Across our sports, primarily WWE, NASCAR, WNBA, the Olympics, we were reaching two, three, four million people at a time with USA Network over the last few weeks. So, we have scale. And we do it by both on individual networks and the accumulation of the total audience across our portfolio.

On the DTC programs, on the economic profile, we feel very confident that we already have an infrastructure. So, the build-out of these is not massively capital-intensive. We're creating product suites that will appeal for CNBC to the retail investor and MS NOW to that highly engaged audience.

Anand Kini: Yes, that's right, Mark. I think, Peter, what part of that also kind of may be implicit or embedded in your question is, would we go to market in different ways?

I think that answer is yes. So sure, we're going to offer it directly to consumers. But clearly, we're open to different opportunities to distribute through other partners, whether that's bundling or patching or other distributors. And we will, in fact, be active in kind of striking that.

I mean, it's all about kind of. driving value and driving scale. And there's actually a lot of folks that are interested, frankly, in working with us on that. And those conversations, we'll discuss them at the right time. But they're ongoing.

Peter Supino: Thanks, gentlemen.

Operator: Thank you. Our next question is from the line of Jessica Reif Ehrlich with Bank of America. Please proceed with your questions.

Jessica Reif Ehrlich: Thank you. Good morning. Two questions.

First one's on advertising. So, in addition to your existing business, which obviously has a big advertising component, your new businesses, whether direct-to-consumer or free TV, are dependent, at least in part, on advertising. So, could you give us a little bit of color on the market -- current market and talk through

some of the levers that you can control to maybe improve the advertising trajectory in the current year, whether pricing or sell-through, cross-platform packaging measurement, et cetera, data? So, that would be great if you could give some real color.

And then secondly, second completely different topic, but on sports, with the larger media companies facing what's likely a very expensive NFL renewal, does this open the door for you to buy what would be considered secondary or tertiary sports, but growing sports, whether like women's sports or upcoming sports, a maybe bigger picture? I mean, sports is obviously a focus. How do you think that your sports strategy will evolve? Thank you.

Mark Lazarus: So, why don't I take the second one first. And yes, as the NFL comes to market and will discuss new arrangements with some of the other media companies, we believe that there will be -- and one of our competitors actually said, a rebalancing of the sports portfolios. We believe that there will be a rebalancing of the sports portfolios and that that will leave opportunity for us who have a heritage in sports, who have strong sports properties and legacy to begin with, but we also have broad reach.

And with USA Network, in particular, it's -- it has broader reach vehicle as any other cable television asset and/or pay television asset. And we believe that there will be opportunity for us to get involved in properties that we might not have otherwise gotten involved with.

We're open to conversations. We're having ongoing conversations. We've built out our own production unit, and we are prepared for the sports landscape to be shifting, and we will be in the middle of that. It will be disciplined, but we'll be in the middle of that.

As it relates to advertising, I'll start out. I mean, I think we're still, for the next two years, NBCUniversal is representing us. That has been a very strong and proven go-to-market strategy, not just for us, but for them to have the scale of our assets and their assets under one umbrella. That's the way we've done it for the last 15 years, and it's been a very successful model.

We will continue that at least for the next two years, and then they will -- and we will decide on the right future strategy for our ad sales and theirs.

We are moving some of our advertising outside of Pay TV, and you mentioned D2C and free TV networks. That allows us to reach other marketers. It allows us to be involved more in the programmatic sales and the more technology-driven sales with Fandango, with GolfNow. We have a lot of data and information about our customers and whether to use that to target advertising in the free TV and the digital spaces.

Jessica Reif Ehrlich: Thank you.

Operator: Our next question is from the line of Kutgun Maral with Evercore ISI. Please proceed with your questions.

Kutgun Maral: Good morning, and thanks for taking the questions.

I just had a follow-up on linear distribution. I think we're all aware of the secular challenges across the industry along with more skinny and genre-based packages coming to market. But as you go into your future negotiations, do you see any offsets to some of these industry-wide headwinds when it comes to pricing, for example, at networks like MS NOW, which seems quite underpriced in terms of affiliate fees per subscriber as compared to its cable network peers or cable news network peers? And is there anything more specifically you can share on expectations for linear distribution revenue growth in 2026 specifically? Thank you.

Mark Lazarus: Well, on the broader question, I mean, sure, we all believe all of our networks are underpriced, but thank you for recognizing that.

We -- news and sports have been the predominant focus on the new packaging. We are fortunate or we are strategic in having both of those sets of assets. We have two news networks and two networks that are sports with Golf Channel and USA Network, so we're in all of those packages, and that has been very helpful for us in retaining our distribution and our revenues.

I think those kinds of packages will continue, and Anand kind of talked about it a little earlier on the D2C side. We're a new standalone company. We don't have as many competing constituencies as we had in the larger company. So, we will be as flexible and creative as we can be while making sure we retain the value that we are able -- that we think our networks deserve and that the audiences have shown that they deserve.

Anand Kini: And on the 2026 question, we have pretty good visibility here. We have actually very good visibility, I should say. I think we've mentioned that we have about 16% of our subscribers are up for renewal but, obviously, that means 84% are not, that we have kind of security on that.

And so, in terms of what that kind of trajectory would be, and what we assume is that the pace of cord-cutting is it's not been getting worse. We assume that it's kind of roughly the same that we've seen now for a while, kind of that high single digits, it's been offset by some contractual rate increases. So, that probably dimensionalizes in terms of what we're kind of looking for as you look forward in '26.

Kutgun Maral: Perfect. Thank you both.

Operator: The next question is from the line of David Joyce with Seaport Research. Please proceed with your questions.

David Joyce: Thank you. A couple of clarifications and other questions.

On the affiliate fees, are you starting to negotiate your carriage on your own as they expire, or was there a complete separation already versus the Comcast and NBCUniversal deals?

And then, secondly, on your various other platform companies, do you anticipate providing trends on the data of the users or subscription numbers? Just wondering what we could look for in terms of some more data points and trends there. Thank you.

Mark Lazarus: So, on the distribution question, yes, we have our own distribution negotiation team, and we are handling all of those deals on a going forward basis ourselves. We're already in -- we have an established group of people that came to us, some from NBCU, some from outside, and have strong relationships across the industry, and we're out there in the marketplace building upon those relationships.

Anand Kini: Yes. I think in terms of the kind of the platform's revenue, like right now, we're just -- we're going to continue to report, of course, kind of good visibility in the platform's revenue line, which we think provides a good and meaningful indicator of how that business is scaling. And again, just to be very clear, what's in there is kind of the big businesses are GolfNow, Fandango, SportsEngine, and some of the new D2C initiatives that we just talked about.

And like over time, again, we'll provide a little color commentary as we launch these services. I think Mark referred to earlier, we have a few launching in 2026, so expect to talk a little bit more about them.

But like I said, we think right now that the way we're running the business is really looking at that platform's revenue in total, and also then looking at our revenue mix as well. I mean, we referred to earlier

the percentage of our revenues that come from outside Pay TV, which platforms is a big percentage going from 17% to 19%. And our goal is about getting that to about 33% over three to five years. So, we'll continue to provide visibility on that as well.

David Joyce: Okay. Appreciate that. And one final question.

On the Fandango AVOD service that you're going to be launching, what's the anticipated library availability there? Is there anything that you have exclusive or what are kind of the windowing availabilities that are going to be on there?

Mark Lazarus: Yes. It will be a combination of content we own, content we license. As part of our linear deals, we have licensed content from a lot of different studios, in particular, Universal, and where we will be able to use part of our windows that are -- that were meant for the linear networks to run on the new AVOD service. So, it will be a combination of those and then other third-party deals.

Anand Kini: Yes, that's right. So, some of it will be, as Mark just mentioned, it will be kind of exclusive in a way to Versant sometimes, where it may be available, as you just said, on our television networks as well as in the Fandango AVOD, but you wouldn't be able to watch it anywhere else. And then other types of programming, it may be available also on other platforms, too.

The thing that we've seen on AVOD success is, A, that you don't need to be exclusive for the vast preponderance. The market doesn't really necessarily want that or, I should say, need that. A lot of it's about the brand, and Fandango's a really big brand, having a great user experience, and we're continuing to invest in that so you can actually discover the programming that is there.

And then also, a lot of knowledge of the customer. And one of the big advantages we have in our -- in Fandango AVOD is we already know the customer. These are scaled services where people are logging on to their connected TV, so we can provide recommendations to them.

The advertising will be targeted. And so, we think there's a lot of areas, not only on content but in other features, where we have a real leg up.

Mark Lazarus: I think to enhance one of Anand's points is Fandango is already a big, broad brand. It's already on people's phones and connected TVs because of buying movie tickets, and also it's a top five home video service for buying and renting movies and TV series.

So, we already have a large install base. It's now a matter of converting them and showing them that we have a strong, free AVOD service, something that we have seen the trends across the industry as a growth vehicle. And we believe that the combination of our brand and our content and our large install base will help us grow quickly.

David Joyce: All right. Thank you very much.

Operator: Ladies and gentlemen, this will conclude today's conference. We thank you for your participation. You may disconnect your lines at this time and have a wonderful day.