1. Warner Music Group's most recent income statement shows that in the year of 2024, they had a revenue of 6.43 B. The company's fiscal year ended on September 30th, 2024. The net income for WMG was 435.00 M. When I first looked at these numbers, I thought that their report was less money than what I had expected. Originally I had thought that the company would have at least hit triple digits in their revenue and reach in the billions for their net income because of the amount of popular artists that have contracts with Warner Music Group. When compared with one of their competitors, Universal Music Group (UMGNF) in the year 2023, Warner Music Group's net income and revenue is significantly smaller. This could be because despite having popular artists under their label, they do not have an extensive amount of artists (Rucie 2021).

2. Based on the company's annual income statement, WMG's revenue increased by 6.44% and net income increased by 1.16% from the years 2023 to 2024. I would be happy that the performance of the company overall increased. I think I would be upset if anything were to decline. If I were someone who was hoping to see a huge increase in the firm, then I would also be slightly disappointed. I say this because if we were to compare Universal Music Group's net income increase to Warner Music Group's net income increase, Universal Music's net income increased by 61% from the year 2022 to 2023, whereas Warner Music Group's net income decreased by 21.96% from the year 2022 to 2023. Overall, these numbers suggest that Warner Music is slowly, but steadily growing.

3. The stock price for last year's annual report was 31.30 and the earnings per share was 1.26, making the P/E ratio 24.841. This means that WMG was trading 24.8 times its earnings per share by the end of September 30, 2024 (Google Finance). Since the P/E ratio is higher than 16, it could indicate that the company has the potential to grow, but could also mean that it's overvalued. Based on the music industry, WMG is part of the big three music distribution companies. This is important because despite being one of the top three companies, WMG could make business decisions that could change its company's worth dramatically. One recent decision that Warner Music has made that could lead to their company stock value growing more is their partnership with Spotify.

On February 6, 2025, the WMG and Spotify announced that they will have a multi-year agreement where the two will help with songwrite benefits. This business agreement could lead to the company gaining more artists to sign under Warner Music Group (Spotify 2025). Although its P/E ratio is high, I would invest in Warner Music's stock particularly because of the recent business agreement they made with Spotify Music.

4. On a recent news release issued by Warner Music titled, "Warner Music Group Corp. Reports Results For Fiscal Fourth Quarter And Full Year Ended September 30, 2024," CEO Robert Kyncl said, "Our performance this quarter and this year demonstrated our strength and adaptability in a thriving, fast-moving market. We continue to evolve WMG, based on the principle that simplicity and focus drive higher intensity and global impact. This is enhancing our ability to attract original artists and songwriters at all stages of their careers, helping them realize their musical visions, and grow passionate, loyal fanbases" (Warner Music Group Corp. 2024). Based on the news release about the annual report, over the past twelve months prior to the company's year ending, the company saw their total revenue earnings increase overall. The company seems to be optimistic about how the company will do in the future, despite their numbers fluctuating in multiple of their news releases and reports.

5. Throughout the news release about WMG's fiscal fourth quarter and annual report, the company addresses investors multiple times, telling them that they "should not rely on forward-looking statements" and that "Free Cash Flow provides investors an important perspective on the cash available (Warner Music Group Corp. 2024). It is useful for investors to know whether this ability is being enhanced or degraded as a result of our operating performance" (Warner Music Group Corp. 2024). WMG has released their environmental, social and corporate governance (ESG) report for the year 2023, not 2024. In the report, they go over topics about employee wellbeing, DEI, social impact, and workplace experiences (Warner Music Group 2023). As for consumers, they have not been mentioned in the news release that the company published. The only time consumers/fans were mentioned was in CEO Kyncl's quote to help grow growing fan bases (Warner Music Group Corp. 2024). Other than that, there isn't much content that

addresses consumers, a.k.a fans. I think that the company should at least address what their plans are for the future in their business and how it overall affects the fans. For example, when they recently introduced the Warner Music Group and Spotify agreement, they should've put more information about how fans and consumers are affected by this. One question I can think of that many other consumers of Spotify may think about is, "What will happen with the Spotify plans? Will its prices increase or decrease?"

6. There has not been any news stories that particularly cover WMG's recent annual earnings report. However, there have been reports that are about their quarterly earnings. For example, one article points out that the company has shown signs of "some financial stress, but not necessarily a high risk of bankruptcy" (GuruFocus News 2024). The short article then talks about how overall, the company has overall seen revenue growth within the past five years. Another article talks about the same things, where Warner Music Group has seen their revenue increase over their third fiscal quarter (MusicWeek Staff 2024). Based on this information, there aren't that many differences between what the company has stated in their annual report and what organizations have reported. Both reported that WMG has had an increase in their revenue at the end of its two quarters.

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