SCIENCE / RESULTS REVIEW

Robinhood: Can Prediction Markets Become a Durable Revenue Engine?

ROBINHOOD

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COVERAGE	LENS	STANDARD
Science & diagnostics	Catalyst to commercial impact	Evidence before narrative

EXECUTIVE SUMMARY

Robinhood Markets, Inc. (NASDAQ: HOOD) Reporting period: Quarter ended June 30, 2026 Primary sources: Robinhood Q2 2026 results and Robinhood Q2 2026 Form 10-Q

THESIS SNAPSHOT

Robinhood

REPORTED SIGNAL

Revenue growth and test volume are moving in the same direction.

WHAT TO TEST NEXT

Whether operating leverage converts the catalyst into durable cash generation.

EVIDENCE & ASSESSMENT

Testing the commercial thesis

What the reported evidence supports today - and what remains unproven.

THESIS

Robinhood’s prediction-market business has moved from product experiment to a material revenue line. In Q2 2026, event contracts generated $156 million of revenue, increased more than tenfold year over year, and accounted for approximately 12% of total net revenue and 20% of transaction-based revenue.

The open question is whether that revenue can remain economically durable as the product mix changes, customer activity normalizes, and regulatory scrutiny develops. Q2 establishes materiality. It does not yet establish normalized demand, standalone margins, customer retention, or long-term regulatory stability.

THE NUMERICAL CASE

Robinhood reported record Q2 total net revenue of $1.31 billion, up 32% year over year. Transaction-based revenue increased 44% to $776 million, driven by:

| Transaction category | Q2 2026 revenue | Year-over-year change | |---|---:|---:| | Options | $342 million | +29% | | Event contracts | $156 million | More than 10x | | Equities | $129 million | +95% | | Cryptocurrency | $100 million | -38% |

Event contracts were therefore the second-largest disclosed transaction-revenue category in the quarter, behind options and ahead of equities and cryptocurrency.

Robinhood also reported 13.6 billion event contracts traded, up more than tenfold year over year. Dividing $156 million of event-contract revenue by 13.6 billion contracts produces approximately 1.15 cents of revenue per contract.

That figure is author arithmetic, not company guidance. It should not be treated as a disclosed fee schedule, profit per contract, or forecast. Robinhood defines event contracts traded as the total number bought or sold through its Prediction Markets Hub, and the company does not disclose the product’s standalone expenses, customer-acquisition cost, incentive spending, clearing economics, or contribution margin.

PRIMARY SOURCE

www.sec.gov/Archives/edgar/data/1783879/000178387926000113/q22026robinhoodexhibit991.htm

Robinhood to depend solely on equities, options, cryptocurrency, or interest rates.

That diversification is already visible. Cryptocurrency revenue fell 38% year over year to $100 million, while event-contract revenue reached $156 million. The new category more than offset the