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Q1 2020 EARNINGS PRESENTATION

MAY 15, 2020

LEGAL DISCLAIMER

Forward-Looking Statements and Non-GAAP and Non-IFRS Financial Measures

This presentation, and the accompanying oral presentation, contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this presentation, including statements regarding guidance, our future results of operations or financial condition, business strategy and plans, user growth and engagement, product initiatives, and objectives of management for future operations, and the impact of COVID-19 on our business and the economy as a whole, are forward-looking statements.

In some cases, you can identify forward-looking statements because they contain words such as “anticipate,” “believe,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “forecast,” “going to,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “propose,” “should,” “target,” “will,” or “would” or the negative of these words or other similar terms or expressions. We caution you that the foregoing may not include all of the forward-looking statements made in the presentation.

You should not rely on forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this presentation on our current expectations and projections about future events and trends, including the ongoing COVID-19 pandemic, that we believe may affect our business, financial condition, results of operations, and prospects. These forward-looking statements are subject to risks, uncertainties, and other factors, including those described in DraftKings’ and SBTech’s “Management’s Discussion and Analysis of Financial Condition and Results of Operations” filed in our Current Report on Form 8-K/A with the SEC, which is available on the SEC’s website at www.sec.gov. Additional information and “Risk Factors” are available in other filings that we make from time to time with the SEC.

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This presentation includes certain non-GAAP and non-IFRS financial measures. These non-GAAP and non-IFRS financial measures, which may be different than similarly titled measures used by other companies, are presented to enhance investors’ overall understanding of our financial performance and should not be considered a substitute for, or superior to, the financial information prepared and presented in accordance with U.S. generally accepted accounting principles (“GAAP”) or International Financial Reporting Standards (“IFRS”). A reconciliation of GAAP to non-GAAP and IFRS to non-IFRS measures is provided in the appendix of this presentation.

Q1 AND CURRENT BUSINESS HIGHLIGHTS

1 Old DraftKings generated \$89M of Net Revenue⁽¹⁾

30%
YoY Increase

60%
YoY Increase
Pre-COVID⁽³⁾

2 SBTech generated €23M of Net Revenue⁽²⁾

3%
YoY Increase

19%
YoY Increase
Pre-COVID⁽³⁾

3 DKNNG has quickly created new content to keep players engaged during COVID

Launched
eSports, such as eNASCAR, Counter Strike, and Rocket League

Launched
New sports, such as Table Tennis and Korean Baseball

4 DKNNG is well positioned to build on already strong presence in a rapidly growing market

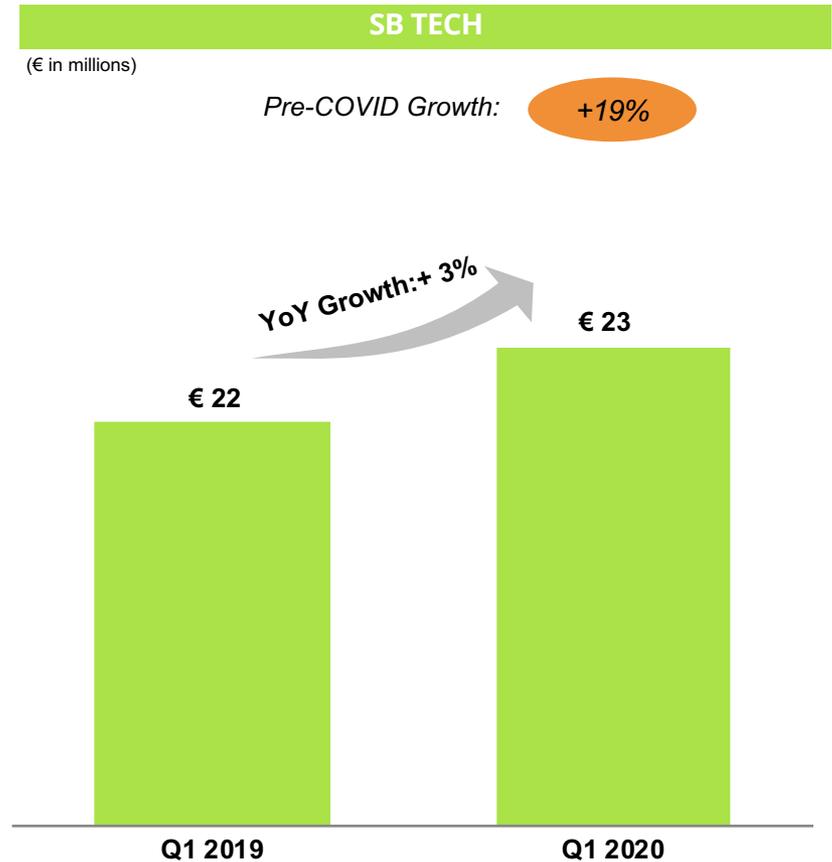
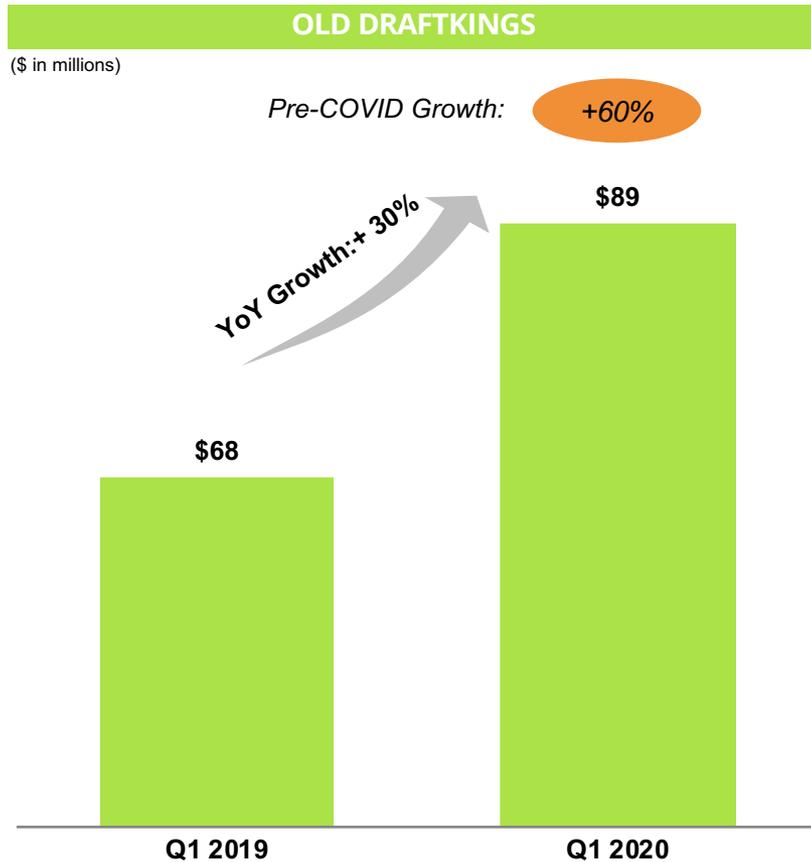
\$450M+
Cash on the balance sheet⁽⁴⁾

\$15-20M
Monthly cash burn with no major sports

(1) Represents results of DraftKings Inc. as a private company ("Old DraftKings" or "Old DK"), prior to the consummation of the Business Combination.
(2) Represents results of SBTech (Global) Limited as a private company ("SBTech" or "SBT"), prior to the consummation of the Business Combination.
(3) Pre-COVID period is defined as January 1, 2020 through March 10, 2020.
(4) As of Business Combination close on April 23, 2020.

POSITIVE Q1 REVENUE GROWTH DESPITE COVID HEADWINDS

- Both Old DraftKings and SBTech grew revenues YoY despite headwinds from COVID
 - Old DK Net Revenue was pacing at **+60% YoY** prior to March 11
 - Old SBT Net Revenue was pacing at **+19% YoY** prior to March 11



LAUNCHED NEW CONTENT TO KEEP PLAYERS ENGAGED

REPRESENTATIVE CONTENT CREATED POST-COVID⁽¹⁾



** Represents content launched post-COVID*

DKNG has quickly pivoted to create new content and potential new growth avenues

(1) Post-COVID period is defined as after March 10, 2020.

WELL POSITIONED TO BUILD ON OUR ALREADY STRONG PRESENCE



Successfully closed Business Combination on April 23, now publicly listed as “DKNG”



\$450M+ of cash⁽¹⁾ on balance sheet with no debt



Ability to manage monthly cash burn to \$15-20M with no major sports



Well-capitalized to expand online sports betting and iGaming offering as more states legalize

(1) As of Business Combination close on April 23, 2020.



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APPENDIX



OLD DRAFTKINGS STANDALONE P&L AND ADJUSTED EBITDA RECONCILIATION

(\$ in thousands)

	Three months ended March 31,	
	2020	2019
Revenue	\$ 88,542	\$ 68,092
Cost of revenue	43,416	21,552
Sales and marketing	53,706	36,845
Product and technology	18,041	13,089
General and administrative	39,496	26,813
Loss from operations	(66,117)	(30,207)
Interest income (expense), net	(2,351)	661
Loss before income tax expense	(68,468)	(29,546)
Income tax expense	9	8
Loss from equity method investment	203	0
Net loss	\$ (68,680)	\$ (29,554)
<i>Adjusted for:</i>		
Depreciation and amortization	4,704	2,925
Interest (income) expense, net	2,351	(661)
Income tax expense	9	8
Stock-based compensation	4,842	4,831
Transaction-related costs (1)	5,652	-
Litigation, settlement and related costs (2)	1,330	887
Other non-recurring costs and special project costs (3)	129	1,148
Non-operating costs (4)	203	-
Adjusted EBITDA	\$ (49,460)	\$ (20,416)

- (1) Mainly includes advisory, consulting, accounting and legal expenses in connection with the Business Combination, including related evaluation, negotiation and integration costs, and capital-raising activities.
- (2) Includes primarily litigation settlement costs and external legal costs related to litigation deemed unrelated to our core business operations.
- (3) Includes primarily consulting, advisory and other costs relating to non-recurring items and special projects, including, for the three months ended March 31, 2019, the costs of our move to our new Boston headquarters and executive search costs and, for the three months ended March 31, 2020, implementation of internal controls over financial reporting.
- (4) Includes our equity method share of an investee's losses, as the investee's operations are unrelated to our core business operation.

SBTECH STANDALONE P&L AND ADJUSTED EBITDA RECONCILIATION

(€ in thousands)

	Three months ended March 31,			
	2020		2019	
Revenue	€	22,594	€	21,899
Cost of revenue		15,601		12,016
Operating expenses:				
Research and development expenses		5,865		4,014
Selling and marketing expenses		2,734		2,730
General and administrative expenses		4,756		2,258
Profit (loss) from operations		(6,362)		881
Financial income		9		
Financial expense		511		318
Profit (loss) before tax		(6,864)		563
Tax expenses		121		80
Net income (loss)	€	(6,985)	€	483
<i>Adjusted for:</i>				
Depreciation and amortization		4,673		3,458
Financial expense, net		502		318
Income tax expense		121		80
Transaction-related costs (1)		838		
Adjusted EBITDA	€	(851)	€	4,339

(1) Mainly includes consulting and accounting expenses in connection with the Business Combination.

DRAFTKINGS KPI COMPARISON OVER TIME

KEY PERFORMANCE INDICATORS

■ Monthly Unique Payers (“MUPs”)

- We define MUPs as the number of unique paid users (“payers”) per month who had a paid engagement (i.e., participated in a real-money DFS contest, sports bet or casino game) across one or more of our product offerings via our platform
- MUPs is a key indicator of the scale of our user base and awareness of our brand
- We believe that the growth of our MUP base is indicative of our long-term revenue growth potential

■ Average Revenue per MUP (“ARPMUP”)

- We define and calculate ARPMUP as the average monthly revenue for a reporting period, divided by MUPs (i.e., the average number of unique payers) for the same period
- ARPMUP represents our ability to drive usage and monetization of our product offerings
- We use ARPMUP to analyze comparative revenue growth and measure customer monetization and engagement trends

Three months ended March 31,

	2020	2019
Monthly Unique Payers (“MUPs”) (Users in 000s)	720	619
Average Revenue per MUP (“ARPMUP”)	\$41	\$37

DKNG SHARE COUNT BUILD

(Shares in thousands)

Total Capitalization

DraftKings rollover equity – New DraftKings Class A	206,557
SBTech rollover equity	43,984
DEAC public shareholders	39,991
DEAC founders shares	3,659
DEAC shares issued for Convertible Notes	11,255
DEAC shares issued in PIPE Offering	30,471

Diluted Class A Shares Outstanding⁽¹⁾

335,917

Earnout Shares (@ 100% Vest) ⁽²⁾	6,000
DEAC Warrants ⁽³⁾	10,731

Diluted Class A Shares Outstanding (Including Earnout Shares and Warrants)⁽⁴⁾

352,648

Note: Table does not include Class B shares that have no economic or participating rights.

- (1) Does not include shares issued subsequent to closing of the Business Combination for Old DK warrant exercises.
- (2) Based on DKNG share price as of 14-May-2020 and achievement of earnout targets (1/3 @ \$12.50, \$14.00, and \$16.00, respectively).
- (3) Based on treasury stock method; assumes DKNG share price as of 14-May-2020 and strike price of \$11.50 per warrant.
- (4) Doesn't include shares reserved for issuance under equity incentive plans or unvested stock options.