



THE GAME
INSIDE
THE GAME.

INVESTOR PRESENTATION

- **DRAFTKINGS (“DKNG”) ACQUISITION OF GOLDEN NUGGET ONLINE GAMING (“GNOG”) THROUGH AN ALL-STOCK MERGER**
- **COMMERCIAL AGREEMENT WITH GOLDEN NUGGET RETAIL CASINOS, FERTITTA ENTERTAINMENT (“FEI”) PROPERTIES AND HOUSTON ROCKETS**

AUGUST 9, 2021

LEGAL DISCLAIMER

Forward-Looking Statements and Non-GAAP Financial Measures

This presentation, and the accompanying oral presentation, contain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, about DraftKings Inc. ("DraftKings", "DKNG", "we", "us" or "our") 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, the anticipated effects of the transactions described herein and the likelihood and timing of completion, business strategy and plans, user growth and engagement, product initiatives, objectives of management for future operations, and the impact of the COVID-19 pandemic 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 thereof or comparable terminology, or by discussions of vision, strategy or outlook. We caution you that the foregoing may not include all of the forward-looking statements made in this 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 our filings with the Securities and Exchange Commission (the "SEC"), which are available on the SEC's website at www.sec.gov.

In addition, the forward-looking statements in this presentation relate only to events as of the date on which the statements are made and are based on information available to us as of the date of this presentation. We undertake no obligation to update any forward-looking statements made in this presentation to reflect events or circumstances after the date of this presentation or to reflect new information or the occurrence of unanticipated events, including future developments related to the COVID-19 pandemic, except as required by law. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions or investments (apart from the transaction discussed herein).

This presentation includes certain non-GAAP financial measures. These non-GAAP 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").

TRANSACTION RATIONALE

1

Adding GNOG **enables greater iGaming market share potential**, while being **more efficient with marketing**; multiple brands serving different customer segments

2

GNOG has **very strong live dealer operational capabilities** which are difficult to develop and an important and **growing part of the iGaming portfolio**; **DKNG will now have in-house**

3

In addition to the acquisition, entering into a strategic **commercial agreement with Golden Nugget Retail Casinos, Landry's, and the Houston Rockets**; includes access to large customer databases and market access rights

4

Resulting **synergies of \$300M+ in EBITDA expected at maturity** from revenue uplift, COGS improvement, marketing efficiency, and corporate overhead scale

5

All-stock deal **preserves balance sheet strength** and enhances the DKNG board with the addition of Tilman J. Fertitta

6

GNOG shareholders benefit by being part of DraftKings due to its competitive advantages, including: **leading market position, digital DNA, vertically integrated technology and marketing prowess**

DEAL BRINGS A NEW iGAMING BRAND, LIVE DEALER CAPABILITIES, AND A SUITE OF ADDITIONAL BENEFITS

Increase iGaming Market Share

- Leverage Golden Nugget brand in dual brand strategy targeting both Sportsbook and iGaming
- Access to Golden Nugget existing online gaming userbase across New Jersey and Michigan



Bring Live Dealer In-House

- DraftKings to operate Golden Nugget Online Gaming's ("GNOG") best-in-class, in-house live dealer operations
- GNOG's live dealer product has been first-to-market in New Jersey (2016) and is currently undergoing major studio expansion



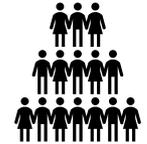
Access to Skins

- Preferred market access rates through existing Golden Nugget Casinos



Leverages Databases

- DraftKings to receive access to the databases of Golden Nugget 24K Club and Landry's Select Club, with 5.5mm+ members, providing a base of customers to complement DraftKings' existing DFS database for new state launches



Launch Integrated Marketing

- Integrations of rewards programs across Golden Nugget and Landry's properties and digital and physical ad inventory



Rebrand Retail Sportsbooks

- Retail sportsbooks at current and future Golden Nugget casinos to be rebranded as DraftKings



Deepen Relationship with Houston Rockets

- Access to assets controlled by the Houston Rockets (e.g., sponsorship, media integration, signage, hospitality)



BENEFITS OF HAVING MULTIPLE BRANDS



Addition of Golden Nugget user base will **enhance DraftKings' reach across diverse customer demographics**



Combined company has **more efficient marketing** due to scale, combined capabilities and focused brand strategies



DraftKings' **broad market footprint** allows GNOG to quickly replicate its **iGaming success** in NJ and MI in WV, PA and other iGaming states as they come online



Combination of online presence and physical properties creates **expanded opportunities for customer acquisition**

EXCITING COMMERCIAL AGREEMENT WITH A COLOSSAL HOSPITALITY EMPIRE

RENOWNED
NAME
IN GAMING



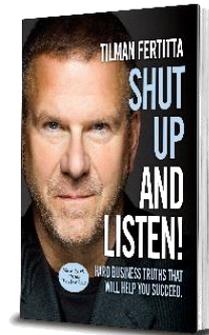
BEST-IN-CLASS
RESTAURANT
PORTFOLIO



ICONIC FOUNDER AND CEO



Billion Dollar Buyer was
CNBC's "most
watched premiere hour
ever"⁽¹⁾



New York Times Best-
Selling Author
"Fertitta shares the
commonsense
principles that have
rocketed his
worldwide hospitality
empire to the top"⁽²⁾



Owner of Houston
Rockets

(1) Per Houston Business Journal.
(2) Per The New York Times.

MEANINGFUL SYNERGIES ACROSS REVENUE AND COST CATEGORIES

Revenue Synergies

- Uplift from cross-promotion, with additional synergies from tech (e.g., innovation, time to market), game expansion (e.g., live dealer) and enhanced loyalty programs
-

Elimination of Platform Costs

- Brings Golden Nugget onto DraftKings' in-house technology and eliminates Golden Nugget third-party platform costs over time
-

Skin Fee Savings

- Skins acquired via Golden Nugget-owned properties and existing third-party agreements reduces market access costs in certain states
-

Marketing Efficiency

- Leverages our proprietary marketing analytics and scale to optimize customer acquisition strategies
-

Overhead Reduction

- Reduces expenses driven by overlap in corporate functions
-

EXPECTED SYNERGIES OF \$300+ MILLION AT MATURITY

TRANSACTION OVERVIEW

- GNOG shareholders to receive 0.365 DraftKings Class A Common shares for each existing GNOG share
 - Offer price of \$18.83 per share based on DraftKings' closing price of \$51.59 on August 6
 - Implied equity market valuation of approximately \$1.56 billion
- Offer value implies a **7.6x 2022E⁽¹⁾** revenue multiple for GNOG and represents a **51% premium to 60-day VWAP** as of August 6
- At close, existing DraftKings shareholders will own **93.4%** of the pro forma company⁽²⁾
- As part of the combination, DraftKings and Fertitta Entertainment have entered into an extensive commercial agreement, which **provides enhanced market access, database access and integration with retail/restaurants/retail sportsbooks**
- Anticipated closing in Q1 2022

(1) Revenue metrics for multiples calculation per Capital IQ consensus estimates as of 8/6/2021.

(2) Reflects Treasury Stock Method (TSM) at current prices. Does not include DraftKings Class B shares, which have no economic or participating rights.

TRANSACTION BENEFITS FOR FERTITTA ENTERTAINMENT

1

As one of DraftKings' largest shareholders, Fertitta Entertainment / FAST Acquisition (NYSE: FST) will benefit from the **long-term growth prospects** of the combination of DraftKings and GNOG

2

Long-term partnership with DraftKings **diversifies FEI's core gaming and hospitality demographic**

3

Ability for FEI to leverage DraftKings' customer database **to increase traffic flow and profitability** into FEI properties

4

Opportunity for FEI to create a **differentiated sports-oriented DraftKings restaurant** concept within the Landry's network

5

Accelerates FEI's next stage of growth



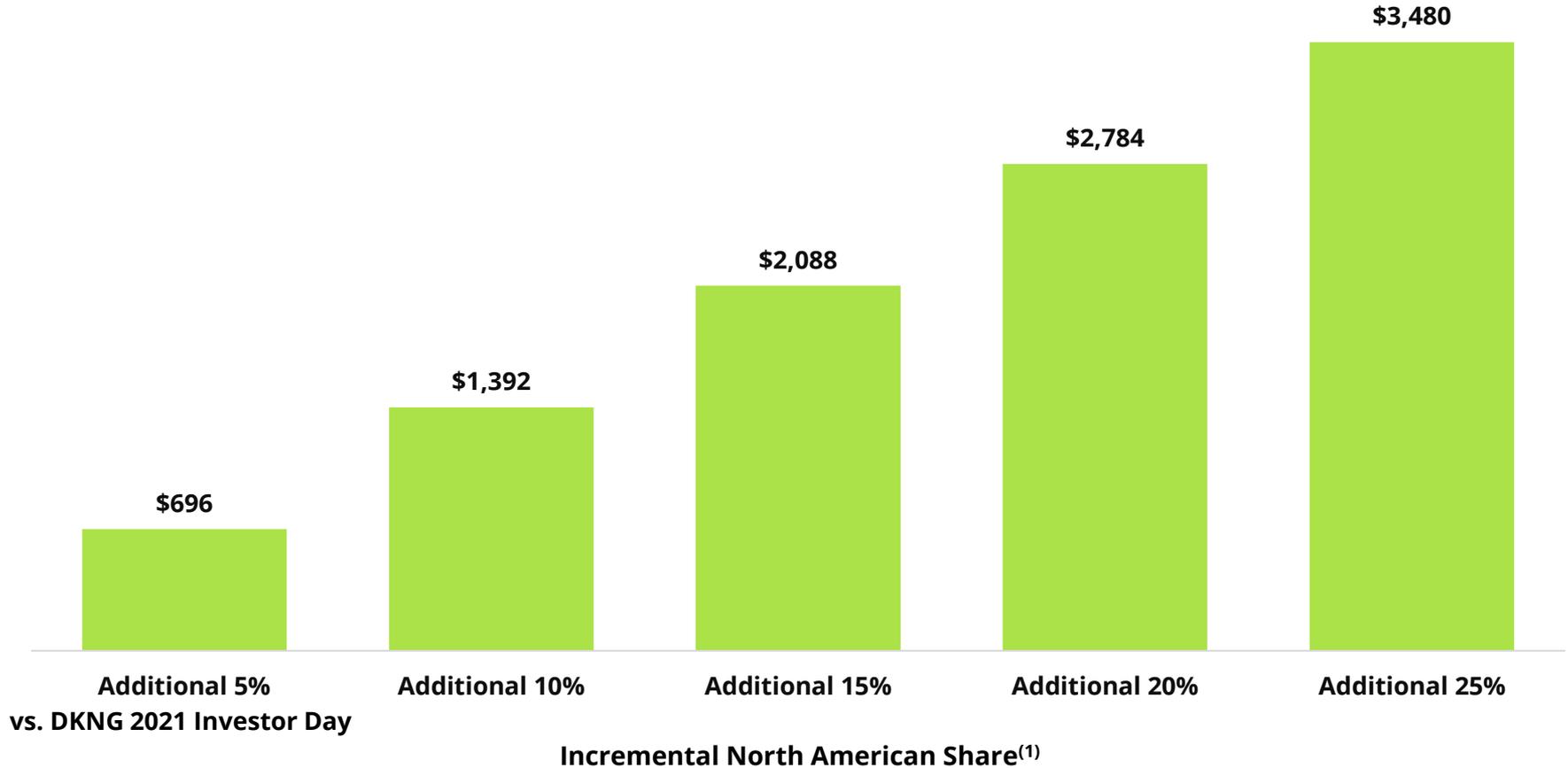
THE GAME
INSIDE
THE GAME.

APPENDIX

EACH 5% OF INCREMENTAL iGAMING MARKET SHARE IS WORTH \$675MM+ IN GROSS REVENUE AT MATURITY

VALUE FROM INCREMENTAL NORTH AMERICA iGAMING MARKET SHARE SCENARIOS, NON-GAAP GROSS REVENUE

(\$ in millions)



Note: Based on \$43bn North American iGaming TAM at 100% legalization (i.e. \$40bn and \$3bn for the U.S. and Canada, respectively). Assumes 30% and 64% iGaming legalization, of the U.S. population and Canadian population, respectively. For further details, refer to our public Investor Day presentation (March 2021). Any non-GAAP 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").

Source: NJ Department of Gaming Enforcement; U.S. Census Bureau; U.S. Bureau of Economic Analysis.

(1) Reflects illustrative incremental share above DraftKings share as illustrated in our public Investor Day presentation (March 2021).

PRO FORMA ENTERPRISE VALUE BUILD

(in millions, except for share prices)

	GNOG STANDALONE	DKNG STANDALONE	ISSUED SHARES	PRO FORMA TEV
Diluted Shares Outstanding ⁽¹⁾	82.861	430.444	30.244	460.688
(x) Share Price ⁽²⁾	\$18.83	\$51.59		\$51.59
Equity Value	\$1,560	\$22,207		\$23,767
(-) Cash ⁽³⁾	(154)	(2,647)		(2,800)
(+) Debt	139	1,265		1,404
Total Enterprise Value	\$1,546	\$20,825		\$22,371
<i>EV / 21E Revenue⁽⁴⁾</i>	<i>11.4x</i>	<i>16.2x</i>		
<i>EV / 22E Revenue⁽⁴⁾</i>	<i>7.6x</i>	<i>12.4x</i>		
<i>EV / 23E Revenue⁽⁴⁾</i>	<i>4.9x</i>	<i>9.1x</i>		

(1) Reflects Treasury Stock Method (TSM) at current prices. Does not include DraftKings Class B shares, which have no economic or participating rights.

(2) Acquisition price for GNOG; as of 8/6/2021 for DKNG.

(3) Excludes transaction fees and payments related to shares settlements.

(4) Revenue metrics for multiples calculation per Capital IQ consensus estimates as of 8/6/2021.

PRO FORMA SHARE COUNT BUILD

(Shares in thousands)

Total Capitalization

Existing DKNNG Common Shares Outstanding	402,493
---	----------------

Vested Stock Options @ TSM ⁽¹⁾	26,577
---	--------

<i>Memo: Vested Stock Options</i>	28,334
-----------------------------------	--------

Existing DKNNG Diluted Shares Outstanding (With Vested Stock Options @ TSM)	429,070
--	----------------

DraftKings Outstanding Warrants @ TSM ⁽²⁾	1,375
--	-------

<i>Memo: DraftKings Outstanding Warrants</i>	1,769
--	-------

Existing DKNNG Fully Diluted Shares Outstanding (With Vested Stock Options @ TSM)	430,444
--	----------------

DKNNG Common Shares issued to GNOG Common Stockholders	28,533
--	--------

GNOG Warrants as-Converted @ TSM ⁽³⁾	836
---	-----

<i>Memo: GNOG Warrants as-Converted</i>	2,147
---	-------

GNOG Restricted Stock Units	855
-----------------------------	-----

Diluted Shares Outstanding (With Vested Stock Options @ TSM)	460,688
---	----------------

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

(1) Based on Treasury Stock Method ("TSM"); assumes DKNNG share price of \$51.59 as of 8/6/2021.

(2) Based on TSM; assumes DKNNG's share price of \$51.59 as of 8/6/2021 and warrant strike price of \$11.50.

(3) Based on TSM; assumes DKNNG's share price of \$51.59 as of 8/6/2021 and warrant strike price of \$31.51.

INTEGRATED PLATFORM CREATES COMPETITIVE ADVANTAGES

LAND-BASED GAMING



Las Vegas

Laughlin

Lake Charles

Atlantic City

Biloxi

Illinois (2022)⁽¹⁾

UPSCALE RESTAURANTS



CASUAL RESTAURANTS AND OTHER



Source: GN, LLC management.

(1) Entering market through a Joint Venture.