



Q2 2025 EARNINGS PRESENTATION

August 6, 2025

Legal Disclaimer

Forward-Looking Statements

This presentation contains 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, including statements about DraftKings Inc. ("DraftKings", the "Company", "we", "us" and "our") and its industry that involve substantial risks and uncertainties. All statements, other than statements of historical fact, contained in this presentation, including statements regarding guidance, our future results of operations or financial condition, strategic plans and focus, user growth and engagement, product initiatives, and the objectives and expectations of management for future operations (including launches in new jurisdictions and the expected timing thereof), are forward-looking statements.

In some cases, you can identify forward-looking statements because they contain words such as "anticipate," "believe," "confident," "contemplate," "continue," "could," "estimate," "expect," "forecast," "going to," "intend," "may," "plan," "poised," "potential," "predict," "project," "propose," "should," "target," "will," or "would" or the negative thereof or other similar terms or expressions, or by statements 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 primarily on our current expectations and projections about future events and trends, including the current macroeconomic environment, that we believe may affect our business, financial condition, results of operations, and prospects. These forward-looking statements are not guarantees of future performance, conditions or results, and involve a number of known and unknown risks, uncertainties, assumptions and other important factors, including those described in "Risk Factors" in our filings with the Securities and Exchange Commission (the "SEC"), which are available on the SEC's website at www.sec.gov. Additional information will be made available in other filings that we make from time to time with the SEC.

In addition, the forward-looking statements contained in this presentation are based on management's current expectations and beliefs and speak only as of the date hereof. We undertake no obligation to update or publicly release any revisions to 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, except as required by law.

Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures, including Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Earnings (Loss) Per Share, Adjusted Operating Expenses and Free Cash Flow, which we use to supplement our results presented in accordance with U.S. generally accepted accounting principles ("GAAP"). These non-GAAP financial measures, which may not be comparable to other similarly titled measures of performance 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 GAAP. For more information on these non-GAAP measures, including reconciliations to most directly comparable GAAP measure, as applicable, see "Non-GAAP Financial Measures" below and the Appendix of this presentation.

Current business highlights

1

We set records for revenue and Adj. EBITDA⁽¹⁾ as our second quarter revenue growth accelerated to 37% YoY

2

We are maintaining our FY 2025 revenue and Adj. EBITDA guidance⁽²⁾ ranges, as continuing momentum positions us to absorb an exciting new state launch

3

We are positioned for success this fall as we continue to innovate our Sportsbook app to deliver an experience that moves at the speed of sports

4

We continue to monitor events surrounding federally-regulated Prediction Markets and are actively exploring ways to enhance shareholder value through this opportunity

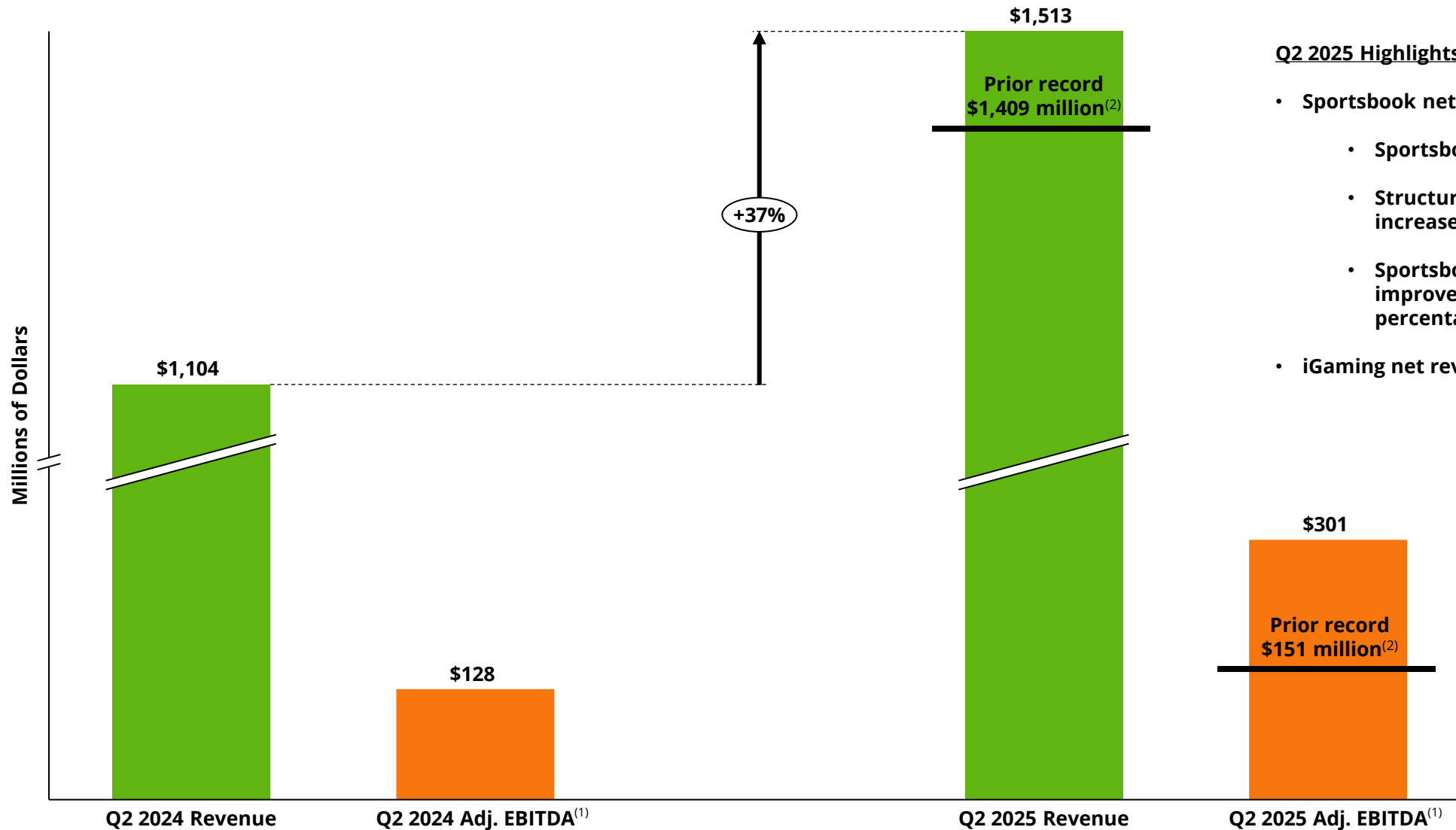
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We continue to allocate capital to maximize shareholder returns over the long-term; in the first two quarters of this year, we repurchased 6.5 million shares

(1) Non-GAAP financial measure. Please refer to the end of this document for the definition of such non-GAAP financial measure and, if applicable, a reconciliation of such non-GAAP financial measure to its most directly comparable GAAP measure.

(2) As of August 6, 2025 we are maintaining our revenue guidance to \$6.2 billion to \$6.4 billion and our Adjusted EBITDA guidance of \$800 million to \$900 million. These ranges are unchanged relative to the guidance provided on May 8, 2025.

We set record revenue and Adjusted EBITDA⁽¹⁾ in Q2 2025



Q2 2025 Highlights:

- Sportsbook net revenue increased 45% YoY
 - Sportsbook handle increased 6% YoY
 - Structural Sportsbook hold percentage increased 100 bps YoY
 - Sportsbook promotional reinvestment improved nearly 600 bps YoY as a percentage of GGR
- iGaming net revenue increased 23% YoY

(1) Non-GAAP financial measure. Please refer to the end of this document for the definition of such non-GAAP financial measure and, if applicable, a reconciliation of such non-GAAP financial measure to its most directly comparable GAAP measure.

(2) Our prior quarterly record for revenue was Q1 2025 and our prior quarterly record for Adjusted EBITDA was Q4 2023.

We innovate to deliver an experience that moves uniquely at the speed of sports

Sportsbook Product Pillars

Live Betting

Build capabilities that match the speed of sports — lightning-fast, immersive, and always within reach

Recent achievements

- Improving our already industry-leading live betting availability; more uptime, more successful bet attempts, more satisfied customers; we have achieved over 90% availability for MLB and NBA live markets
- Releasing better, more intuitive micro betting UX so that customers can feel more confident in their selections
- Introduced Live Bet Tracking through Live Activities to give customers more ways to track their action in real time; over 1.5 million customers have engaged with this tool in 2025

Authentic and Relevant

Offer authentic and relevant betting experiences; meeting fans where they are, in the moments that matter

Deliver content that feels natural, timely, and deeply connected to how fans consume sports

Recent achievements

- Expanding content cards; over half of all Sportsbook customers have wagered on our content cards in the last 12 months
- Built in-house live merchandising platform, leveraging data science and real-time stats to amplify the most relevant betting options

Community

Share moments because sports are better together, and so is betting

Transform individual picks into collective experiences and build a platform where betting feels connected and expressive

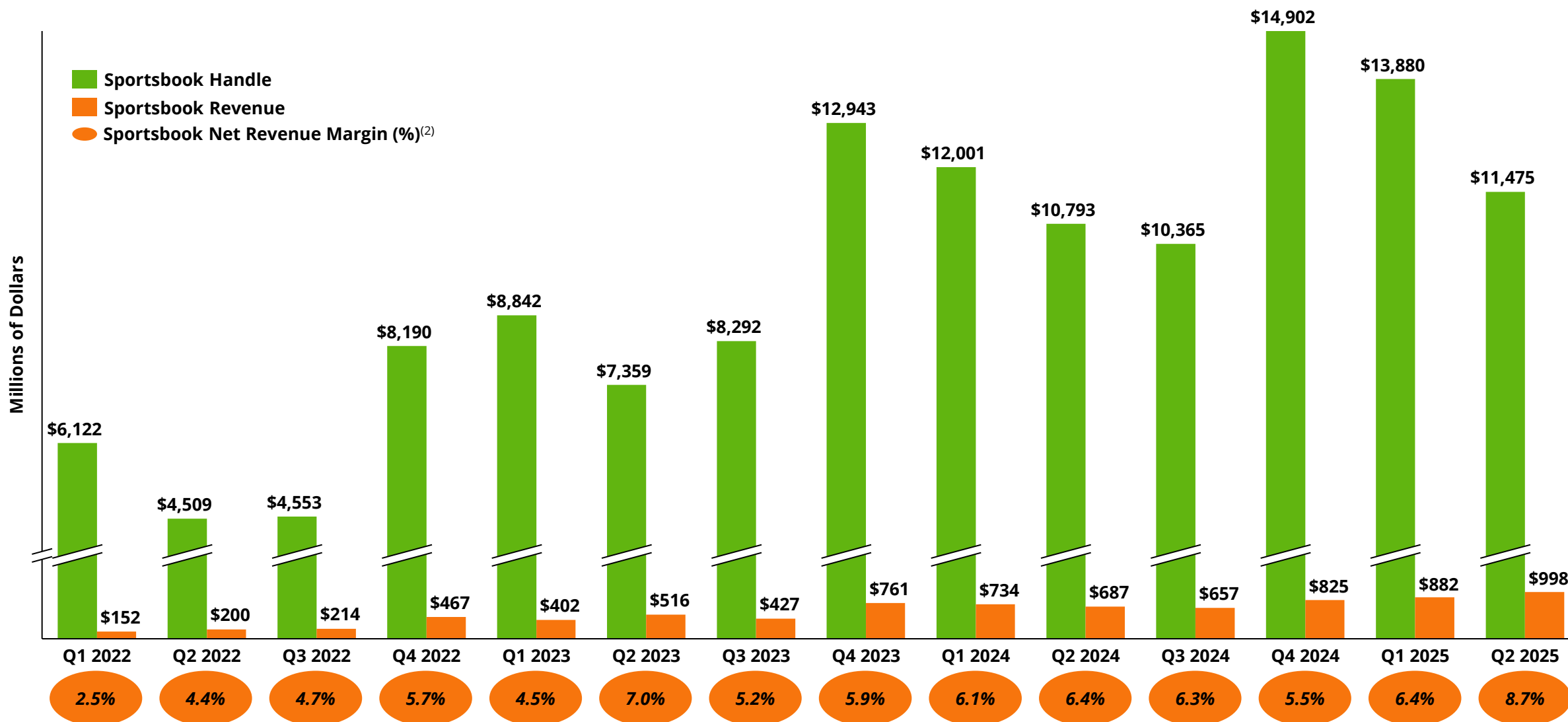
Recent achievements

- Growing our unique social product; have reached 25 million tailed social bets from 600k+ unique customers in 2025 YTD
- Extending social to enable additional platform sharing; increased handle on our Social platform 180% YoY in the first two quarters of this year
- Engagement across social media handles increased over 200% YoY in Q2 2025, combining Facebook, Instagram, X, and TikTok; our Discord community membership has grown over 400% YoY



APPENDIX

Our Sportsbook handle⁽¹⁾ and Sportsbook revenue continue to increase on a YoY basis

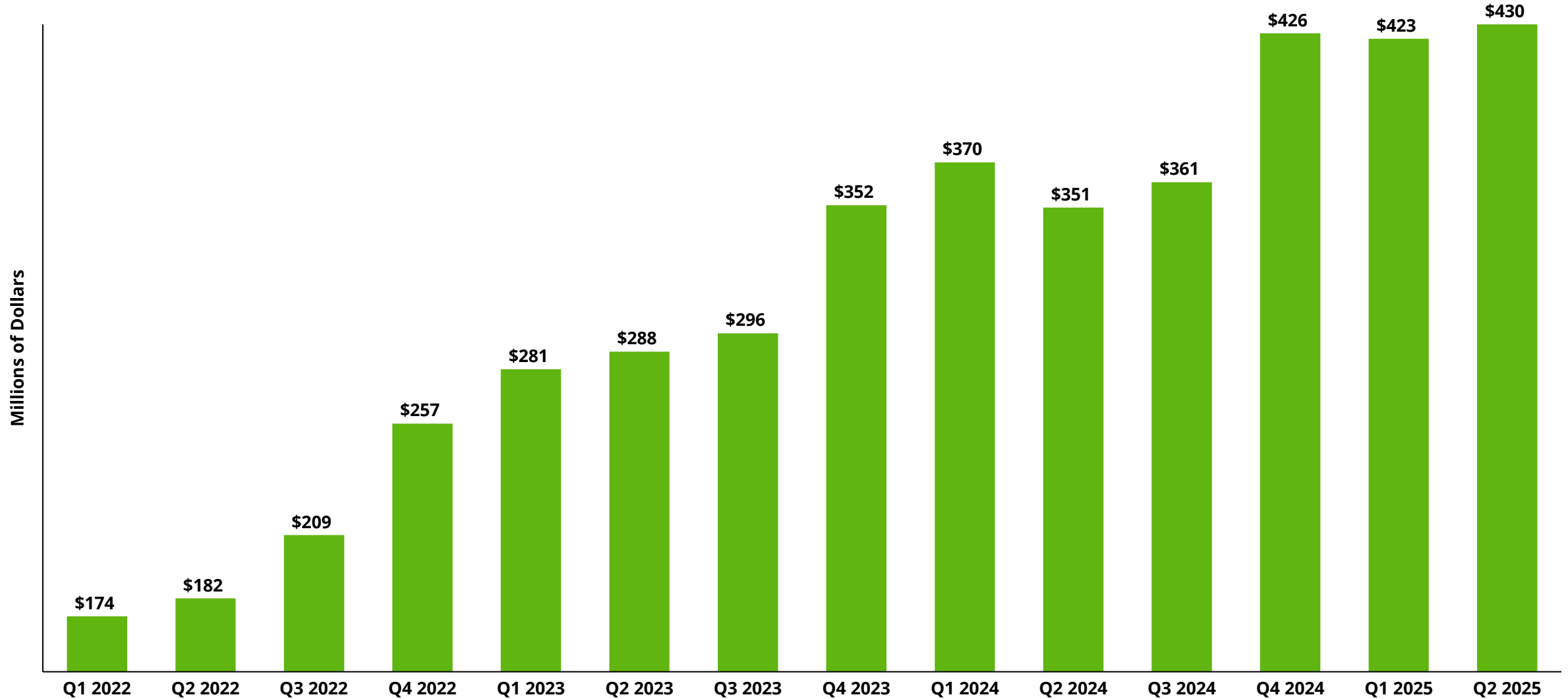


(1) We define Sportsbook handle as the total amount of settled customer wagers on our Sportsbook product offering.

(2) We define Sportsbook net revenue margin as Sportsbook revenue as a percentage of Sportsbook handle.

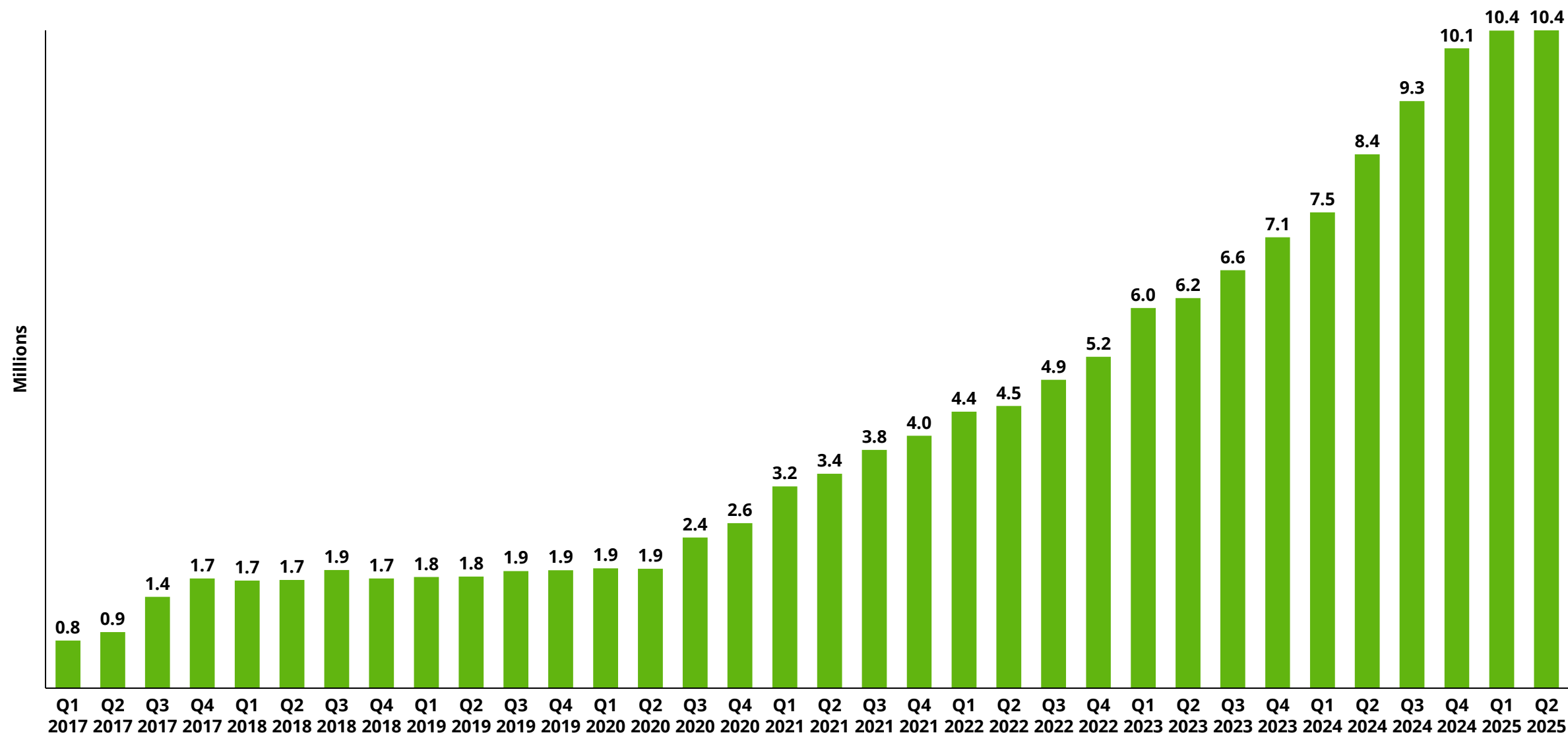
Our iGaming revenue is continuing to grow on a YoY basis

iGaming Revenue



The number of unique customers on our platform is rising on a YoY basis

Unique Customers in the Prior Twelve Months⁽¹⁾



(1) Includes customers who engaged only with the Jackpocket brand (and not the DraftKings or Golden Nugget Online Gaming brands) after DraftKings closed the acquisition of Jackpocket.

Non-GAAP Financial Measures

This presentation includes Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Earnings (Loss) Per Share, Adjusted Operating Expenses and Free Cash Flow, which are non-GAAP financial measures that DraftKings uses to supplement its results presented in accordance with GAAP. The Company believes Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Earnings (Loss) Per Share, Adjusted Operating Expenses and Free Cash Flow are useful in evaluating its operating performance, similar to measures reported by its publicly-listed U.S. competitors, and regularly used by security analysts, institutional investors and other interested parties in analyzing operating performance and prospects. Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Earnings (Loss) Per Share, Adjusted Operating Expenses and Free Cash Flow are not intended to be substitutes for any GAAP financial measures, and, as calculated, may not be comparable to other similarly titled measures of performance of other companies in other industries or within the same industry.

We define and calculate Adjusted EBITDA as net income (loss) before the impact of interest income or expense (net), income tax provision or benefit, and depreciation and amortization, and further adjusted for the following items: stock-based compensation; transaction-related costs; litigation, settlement and related costs; advocacy and other related legal expenses; gain or loss on remeasurement of warrant liabilities; and other non-recurring and non-operating costs or income. We define Adjusted EBITDA Margin as Adjusted EBITDA divided by net revenue. We define and calculate Adjusted Earnings (Loss) Per Share as diluted earnings (loss) per share attributable to common stockholders before the impact of amortization of acquired intangible assets; stock-based compensation; transaction-related costs; litigation, settlement and related costs; advocacy and other related legal expenses; gain or loss on remeasurement of warrant liabilities; and other non-recurring and non-operating costs or income and the tax impact of adjusting items. DraftKings defines and calculates Adjusted Operating Expenses as the sum of sales and marketing expense, product and technology expense, and general and administrative expense before the impact of depreciation and amortization, and further adjusted for the following items: stock-based compensation; transaction-related costs; litigation, settlement, and related costs; advocacy and other related legal expenses; and other non-recurring and non-operating costs or income. DraftKings defines and calculates Free Cash Flow as Adjusted EBITDA less investments into property and equipment and capitalized software, adjusted for sources or uses of cash from changes in net working capital and sources or uses of cash from net cash interest, and less corporate cash taxes paid.

DraftKings includes these non-GAAP financial measures because they are used by management to evaluate the Company's core operating performance and trends and to make strategic decisions regarding the allocation of capital and new investments. Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Earnings (Loss) Per Share, Adjusted Operating Expenses and Free Cash Flow exclude certain expenses that are required in accordance with GAAP because they are non-recurring items (for example, in the case of transaction-related costs and advocacy and other related legal expenses), non-cash expenditures (for example, in the case of amortization of acquired intangible assets, depreciation and amortization, remeasurement of warrant liabilities and stock-based compensation), or non-operating items which are not related to the Company's underlying business performance (for example, in the case of interest income and expense and litigation, settlement and related costs).

Information reconciling forward-looking Adjusted EBITDA and Free Cash Flow to each of their most directly comparable GAAP financial measure, as applicable, is unavailable to DraftKings without unreasonable effort due to, among other things, certain items required for such reconciliations being outside of DraftKings' control and/or not being able to be reasonably predicted. Preparation of such reconciliations would require a forward-looking balance sheet, statement of income and statement of cash flow, prepared in accordance with GAAP, and such forward-looking financial statements are unavailable to the Company without unreasonable effort. DraftKings provides a range for its Adjusted EBITDA and Free Cash Flow forecasts that it believes will be achieved; however, the Company cannot provide any assurance that it can predict all of the components of the Adjusted EBITDA and Free Cash Flow calculations. DraftKings provides forecasts for Adjusted EBITDA and Free Cash Flow because it believes that Adjusted EBITDA and Free Cash Flow, when viewed with DraftKings' results calculated in accordance with GAAP, provides useful information for the reasons noted above. However, Adjusted EBITDA and Free Cash Flow are not measures of financial performance or liquidity under GAAP and, accordingly, should not be considered alternatives to net income (loss) or cash flow from operating activities or as an indicator of operating performance or liquidity.

Reconciliation of GAAP Expenses to Non-GAAP Expenses

GAAP to Non-GAAP Expense Reconciliation

\$ Millions

	30-Jun-25	31-Mar-25	31-Dec-24	30-Sep-24	30-Jun-24	31-Mar-24	31-Dec-23	30-Sep-23	30-Jun-23	31-Mar-23
GAAP Expenses										
Cost of Revenue	\$855	\$844	\$835	\$742	\$663	\$710	\$717	\$543	\$510	\$522
Operating Expenses:										
Sales and Marketing	\$233	\$344	\$369	\$340	\$216	\$341	\$291	\$313	\$207	\$389
Product and Technology	\$108	\$103	\$112	\$104	\$93	\$89	\$88	\$89	\$90	\$88
General and Administrative	\$166	\$164	\$217	\$208	\$165	\$174	\$179	\$131	\$136	\$160
Total	\$1,362	\$1,455	\$1,532	\$1,394	\$1,137	\$1,314	\$1,275	\$1,077	\$944	\$1,159
Non-GAAP Expense Adjustments										
Cost of Revenue	(a) (\$0)	(\$0)	(\$0)	(\$0)	(\$0)	(\$1)	(\$1)	(\$1)	(\$0)	(\$1)
	(b) (\$36)	(\$43)	(\$39)	(\$56)	(\$36)	(\$29)	(\$29)	(\$29)	(\$29)	(\$30)
	(d) (\$25)	(\$23)	(\$23)	(\$29)	(\$20)	(\$18)	(\$20)	(\$16)	(\$14)	(\$14)
	(f) \$0	\$0	\$0	\$0	\$21	\$0	\$0	\$0	\$0	\$0
Operating Expense Adjustments:										
Sales and Marketing	(a) (\$9)	(\$10)	(\$14)	(\$10)	(\$8)	(\$5)	(\$10)	(\$8)	(\$8)	(\$11)
	(d) (\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)	(\$1)
Product and Technology	(a) (\$19)	(\$14)	(\$32)	(\$23)	(\$24)	(\$18)	(\$31)	(\$23)	(\$25)	(\$28)
	(d) (\$2)	(\$2)	(\$2)	(\$2)	(\$2)	(\$2)	(\$2)	(\$2)	(\$2)	(\$2)
General and Administrative	(a) (\$56)	(\$55)	(\$64)	(\$54)	(\$59)	(\$70)	(\$72)	(\$47)	(\$56)	(\$78)
	(c) \$0	\$0	(\$2)	(\$1)	(\$19)	(\$5)	(\$2)	(\$1)	(\$0)	\$0
	(d) (\$2)	(\$2)	(\$2)	(\$2)	(\$2)	(\$3)	(\$2)	(\$2)	(\$2)	(\$2)
	(e) \$0	\$0	(\$41)	(\$20)	(\$11)	(\$9)	(\$24)	(\$4)	(\$4)	(\$3)
	(f) \$0	\$0	(\$10)	(\$41)	\$0	(\$0)	(\$0)	\$0	\$0	\$0
Total	(\$150)	(\$149)	(\$229)	(\$240)	(\$160)	(\$161)	(\$195)	(\$133)	(\$142)	(\$168)
Adjusted Expenses										
Cost of Revenue	\$794	\$778	\$773	\$657	\$628	\$662	\$666	\$498	\$467	\$477
Adjusted Operating Expenses:										
Sales and Marketing	\$223	\$333	\$354	\$329	\$207	\$335	\$280	\$305	\$199	\$378
Product and Technology	\$88	\$87	\$78	\$79	\$67	\$69	\$55	\$64	\$63	\$58
General and Administrative	\$108	\$108	\$98	\$89	\$75	\$87	\$79	\$77	\$74	\$78
Total	\$1,212	\$1,306	\$1,303	\$1,154	\$976	\$1,153	\$1,080	\$943	\$802	\$991

- (a) Stock-based compensation expense
- (b) Amortization of acquired intangible assets
- (c) Transaction expenses
- (d) Depreciation & amortization
- (e) Litigation
- (f) Other

Totals may not add due to rounding.

Reconciliation of Net Income (Loss) to Adjusted EBITDA

Net Income (Loss) to Non-GAAP Adjusted EBITDA Reconciliation \$ Thousands

■ Adjusted EBITDA

- We define and calculate Adjusted EBITDA as Net Income (Loss) before the impact of interest income and expense, income tax provision or benefit, and depreciation and amortization, and further adjusted for the following items: stock-based compensation; transaction-related costs; litigation, settlement and related costs; advocacy and other related legal expenses; gain or loss on remeasurement of warrant liabilities; and other non-recurring and non-operating costs or income; as described in the reconciliation.

■ Adjusted EBITDA Margin

- We define Adjusted EBITDA Margin as Adjusted EBITDA divided by net revenue.

	Three months ended June 30,	
	2025	2024
Revenue	\$ 1,512,507	\$ 1,104,441
Cost of revenue	854,559	663,414
Sales and marketing	233,187	215,676
Product and technology	108,417	92,655
General and administrative	165,700	165,084
Income (loss) from operations	150,644	(32,388)
Other income (expense):		
Interest income	12,305	14,212
Interest expense	(11,640)	(678)
Gain (loss) on remeasurement of warrant liabilities	(5,851)	9,791
Other gain (loss), net	24,459	(446)
Income (loss) before income tax and equity method investments	169,917	(9,509)
Income tax provision (benefit)	11,790	(73,570)
(Gain) loss from equity method investment	191	239
Net income (loss) attributable to common stockholders	\$ 157,936	\$ 63,822
<i>Adjusted for:</i>		
Depreciation and amortization ⁽¹⁾	65,299	61,623
Interest income	(12,305)	(14,212)
Interest expense	11,640	678
Income tax provision (benefit)	11,790	(73,570)
Stock-based compensation ⁽²⁾	84,701	90,220
Transaction-related costs ⁽³⁾	—	18,585
Litigation, settlement, and related costs ⁽⁴⁾	—	10,804
Advocacy and other related legal expenses ⁽⁵⁾	—	—
(Gain) loss on remeasurement of warrant liabilities	5,851	(9,791)
Other non-recurring, special project and non-operating (income) costs ⁽⁶⁾	(24,268)	(20,192)
Adjusted EBITDA	\$ 300,644	\$ 127,967
Adjusted EBITDA Margin	19.9%	11.6%

(1) The amounts include the amortization of acquired intangible assets of \$36.4 million and \$36.4 million for the three months ended June 30, 2025 and 2024, respectively.

(2) Reflects stock-based compensation expenses resulting from the issuance of awards under incentive plans.

(3) Includes capital markets advisory, consulting, accounting and legal expenses related to the evaluation, negotiation, and consummation of transactions and offerings that are under consideration, pending, or completed, as well as integration costs related to acquisitions.

(4) Primarily includes external legal costs related to litigation and litigation settlement costs deemed unrelated to our ordinary-course business operations.

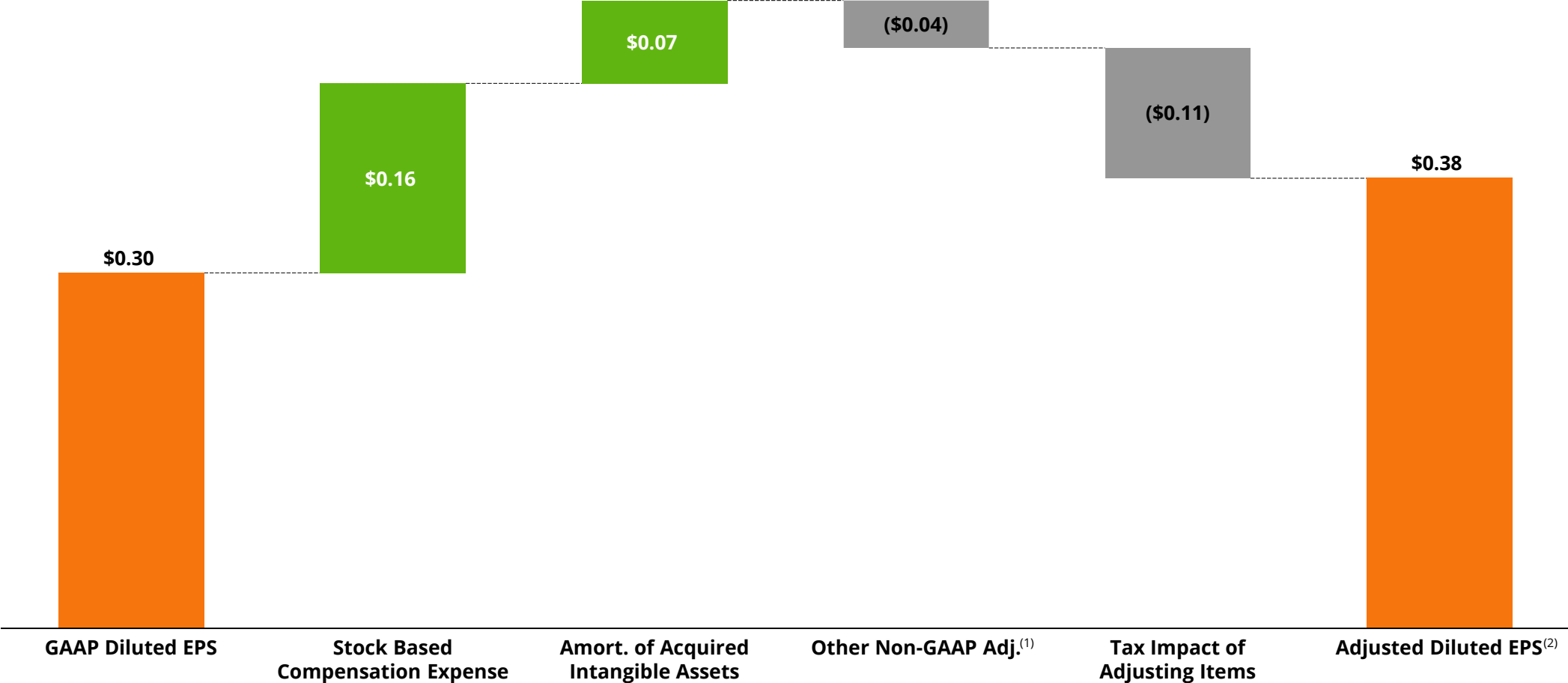
(5) Reflects non-recurring and non-ordinary course costs relating to advocacy efforts and other legal expenses in jurisdictions where we do not operate certain product offerings and are actively seeking licensure, or similar approval, for those product offerings. This adjustment excludes (i) costs relating to advocacy efforts and other legal expenses in jurisdictions where we do not operate that are incurred in the ordinary course of business and (ii) costs relating to advocacy efforts and other legal expenses incurred in jurisdictions where related legislation has been passed and we currently operate.

(6) Primarily includes the change in fair value of certain financial assets, as well as our equity method share of investee's losses and other costs relating to non-recurring and non-operating items.



Non-GAAP Adjusted Earnings (Loss) Per Share Reconciliation

Adjusted Earnings (Loss) Per Share Reconciliation: Three Months Ended June 30, 2025
Dollars



Note: Weighted average number of shares used to calculate Adjusted Diluted Earnings (Loss) Per Share for Q2 2025 was 529 million; totals may not add due to rounding.
(1) Includes adjustments for transaction-related costs, litigation, settlement, and related costs, advocacy and other related legal expenses, (gain) loss on remeasurement of warrant liabilities, and other non-recurring and non-operating costs (income).
(2) Adjusted Diluted Earnings (Loss) per share is a non-GAAP financial measure.

DraftKings Share Count Detail

Share Count as of June 30, 2025
Thousands

Common Shares Outstanding (30-June-25)	496,051
Vested Stock Options @ TSM ⁽¹⁾	15,218
Memo: Vested Stock Options	18,438
Diluted Shares Outstanding (With Vested Stock Options @ TSM)	511,269
GNOG Private Placement Warrants ⁽²⁾	321
Fully Diluted Shares Outstanding	511,590

Table is not reflective of GAAP diluted share count given GAAP diluted share count includes unvested restricted stock units and out-of-the-money shares underlying DraftKings' convertible notes.

Table does not include shares of Class B common stock, which have no economic or participating rights.

(1) Based on Treasury Stock Method ("TSM"); assumes DraftKings Class A share price as of 05-August-2025 and a weighted average strike price of \$8.57 per stock option.

(2) Based on TSM; assumes DraftKings Class A share price as of 05-August-2025 and strike price of \$31.50 per warrant.

Comparison of Monthly Unique Payers and Average Revenue per MUP

Key Performance Indicators
Millions; Dollars

■ **Monthly Unique Payers (“MUPs”)**

- We define MUPs as the number of unique paid users per month who had one or more real-money, paid engagements across one or more of our Sportsbook, iGaming, DFS, or other consumer product offerings via our technology. For reported periods longer than one month, we average the MUPs for the months in the reported period.
- MUPs is a key indicator of the scale of our online gaming user base and awareness of our brand.
- We believe that year-over-year growth in MUPs is generally indicative of the long-term revenue growth potential of our online gaming product offerings, although MUPs in individual periods may be less indicative of our longer-term expectations.

■ **Average Revenue per MUP (“ARPMUP”)**

- We define and calculate ARPMUP as the average monthly revenue, excluding revenue from gaming software services, for a reporting period, divided by the average number of MUPs 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 June 30,	
	2025 ⁽¹⁾	2024
Average Monthly Unique Payers (“MUPs”) (in millions)	3.3	3.1
Average Revenue per MUP (“ARPMUP”) (in whole dollars)	\$151	\$117

(1) Excluding the impact of DraftKings' acquisition of Jackpocket, average monthly unique payers (“MUPs”) increased 5% year-over-year to 2.9 million and average revenue per MUP (“ARPMUP”) increased 30% year-over-year to \$169 in the second quarter of 2025.