



**Part II** Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ 368(a)(2)(D), 354, 356, 358

Horizontal lines for listing Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ No.

Horizontal lines for providing information regarding loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ \_\_\_\_\_

Horizontal lines for providing other necessary information.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

DocuSigned by:  Signature ▶ \_\_\_\_\_ Date ▶ 6/18/2024 | 14:53 PDT

Print your name ▶ Alan Ellingson Title ▶ CFO

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no.			

DraftKings Inc.

EIN: 87-2764212

Attachment to Form 8937

**Form 8937, Part II, Box 14**

Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.

On May 22, 2024, DraftKings Inc. ("DraftKings") issued 7,507,817 shares of its Class A Common Stock (the "DraftKings Common Stock"), in connection with the consummation of the transactions contemplated by the Agreement and Plan of Merger and Plan of Reorganization, dated as of February 11, 2024, pursuant to which DraftKings, through its direct wholly owned subsidiary, DraftKings Holdings Inc. ("DK HoldCo"), acquired all of the issued and outstanding shares of capital stock of JackPocket Inc. ("JackPocket") through a merger of Fortune Merger Sub Inc., a wholly owned subsidiary of DK HoldCo ("Merger Sub I"), with and into JackPocket (the "Initial Merger") with JackPocket continuing as the surviving corporation and a wholly owned subsidiary of DK HoldCo and, promptly following the Initial Merger, a merger of JackPocket with and into Fortune Merger Sub LLC, a wholly owned subsidiary of DK HoldCo ("Merger Sub II"), with Merger Sub II continuing as the surviving company (such merger, the "Subsequent Merger," and together with the Initial Merger, the "Transactions"). As a result of the Transactions, (x) each outstanding share of JackPocket's common and preferred stock held by accredited investors was converted into (i) approximately 0.052 shares of DraftKings Common Stock, with a cash payment in lieu of fractional shares, *plus* (ii) approximately \$2.85 in cash, less any applicable withholding tax, and (y) each outstanding share of JackPocket's common and preferred stock held by non-accredited investors was converted into approximately \$5.09 in cash, less any applicable withholding tax. The expected tax treatment of the Transactions is a tax-free reorganization under Section 368(a)(2)(D) of the Internal Revenue Code of 1986.

Immediately after the Transactions, DraftKings stockholders continued to own their existing shares of DraftKings common stock, the form of which was not changed by the Transactions.