Q2 2024 EARNINGS PRESENTATION

August 2, 2024

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 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 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 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 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 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. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not rely on forward-looking statements as predictions of future events. Our forward-looking statements do not reflect the potential impact of any future mergers, acquisitions, dispositions or investments.

Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures, including Adjusted EBITDA, 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. 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. A reconciliation of Adjusted EBITDA to its most directly comparable financial measure calculated in accordance with GAAP is provided in the Appendix of this presentation.

Q2 and current business highlights

1 **Achieving strong and efficient new customer acquisition; Q2 new customers increased nearly 80% YoY while CAC[(1)] declined more than 40% YoY**

2 **Raising[(2)] FY 2024 revenue guidance midpoint from $4.9B to $5.15B, implying YoY growth of 41%; revising[(2)] Adj. EBITDA[(3)] guidance midpoint from $500M to $380M**

3 **Implementing a gaming tax surcharge in high tax states[(4)] beginning 1/1/25, which could add Adj. EBITDA[(3)] upside in 2025 and beyond**

4 **Continuing[(5)] to expect FY 2025 Adj. EBITDA[(3)] in the range of $900M to $1.0B due to our underlying business momentum (and excluding the gaming tax surcharge)**

5 **Announcing that our Board authorized the repurchase of up to $1.0B of our common stock, reflecting our conviction in the strong trajectory of our business**

(1) Customer acquisition cost (CAC) is defined as external marketing spend divided by new customers. We include all external marketing spend allocated to OSB and iGaming, including national spending, team and league deals, and product-agnostic spending, and divide by new OSB and iGaming customers. We do not credit customer acquisition for customers who were previously acquired to DFS.

(2) Reflects the midpoint FY 2024 revenue and Adjusted EBITDA guidance that DraftKings provided on August 1, 2024 compared to the midpoints of FY 2024 revenue and Adjusted EBITDA guidance that DraftKings provided on May 2, 2024.

(3) Adjusted EBITDA is a non-GAAP financial measure. We define and calculate Adjusted EBITDA as net income (loss), the most directly comparable GAAP financial measure, 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.

(4) A high tax state is defined as a state that has multiple sports betting operators and a tax rate above 20% of gross gaming receipts. As of August 1, 2024, these states include Illinois, New York, Pennsylvania, and Vermont.

(5) DraftKings provided guidance for $900M to $1.0B of Adjusted EBITDA in FY 2025 on an existing state basis at its Investor Day on November 14, 2023.

Raising FY 2024 revenue guidance and lowering FY 2024 Adj. EBITDA[1] guidance

Updated FY 2024 Guidance vs. Prior FY 2024 Guidance
$ Millions

	FY 2024 Guidance Provided 5/2/2024[2]	Illinois Tax Rate Increase	Unfavorable Sport Outcomes[3]	Jackpocket and Launching OSB in Washington D.C.	Stronger Customer Acquisition, Retention and Engagement	FY 2024 Guidance Provided 8/1/2024[4]
Revenue	**$4,900**	$0	($17)	$90	$177	**$5,150**
Adj. EBITDA[1]	**$500**	($50)	($12)	($35)	($23)	**$380**

Note: Structural sportsbook hold percentage is trending in line with expectations, and we continue to expect it to approach 10.5% in fiscal year 2024.

(1) Adjusted EBITDA is a non-GAAP financial measure. 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.

(2) Reflects the midpoints of FY 2024 revenue and Adjusted EBITDA guidance that DraftKings provided on May 2, 2024. Excludes unfavorable sport outcomes that occurred in April 2024 which were included in the guidance bridge that DraftKings provided on May 2, 2024.

(3) Excludes unfavorable sport outcomes that occurred in April 2024 which were already included in the revenue and Adjusted EBITDA guidance that DraftKings provided on May 2, 2024.

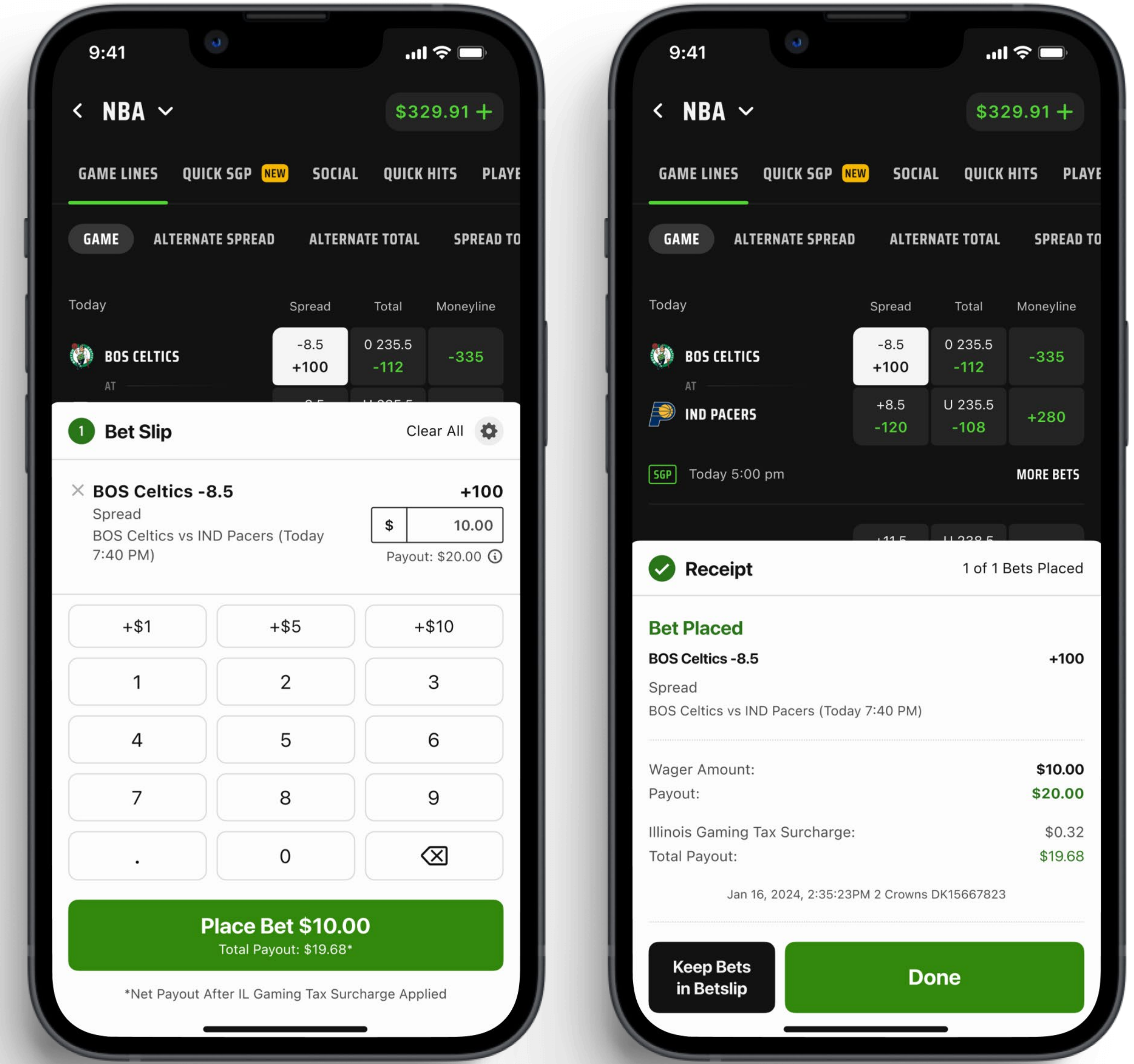
(4) Reflects the midpoints of FY 2024 revenue and Adjusted EBITDA guidance that DraftKings provided on August 1, 2024.

Implementing a gaming tax surcharge in certain high tax states beginning 1/1/2025

Gaming Tax Surcharge Description

- **Implementing in high tax OSB states that have multiple operators** (Illinois, New York, Pennsylvania, and Vermont) to ensure an operational effective tax rate[(1)] of approximately 20%
- **Integrating seamlessly** into our existing OSB app
- **Gaming tax surcharge only applies to winning bets**
- **Treated as a separate transaction** when paying out customer winnings
- **Ensuring transparency** by identifying the gaming tax surcharge directly in the bet slip

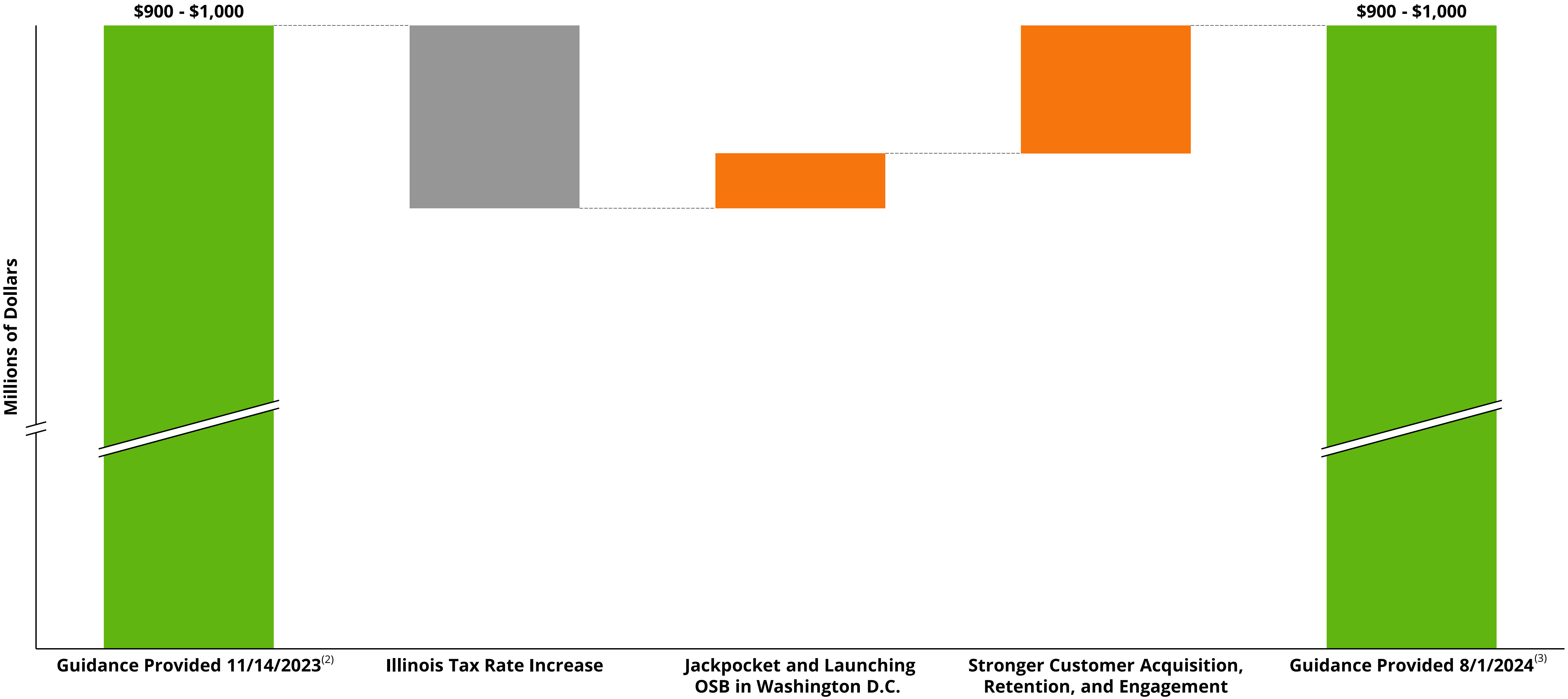
For illustrative purposes only



(1) We define operational effective tax rate as: (Gaming taxes less gaming tax surcharge revenue) / gross gaming revenue.

We continue to expect FY 2025 Adj. EBITDA[1] of $900M to $1.0 billion

Updated FY 2025 Adj. EBITDA[1] Compared to Prior Guidance



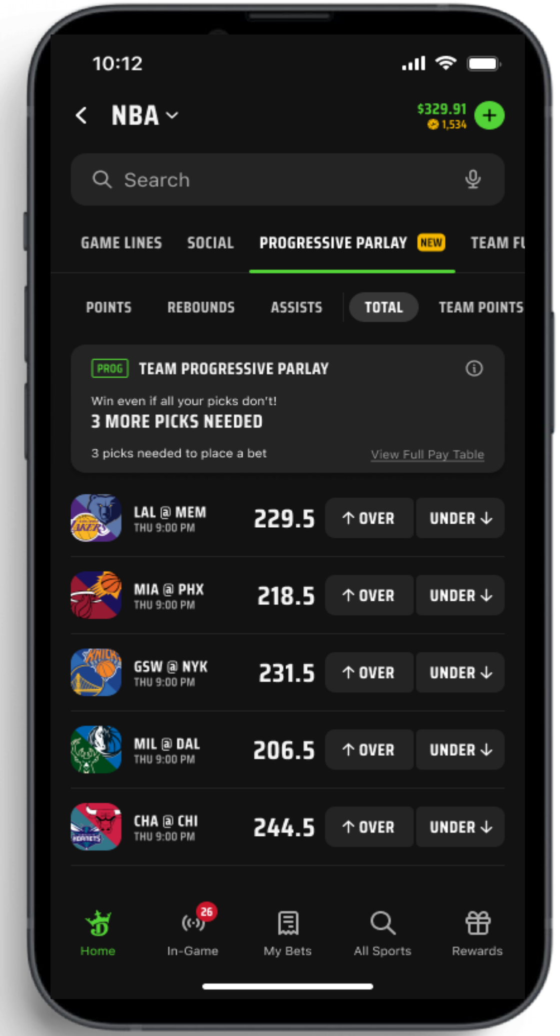
(1) Adjusted EBITDA is a non-GAAP financial measure. We define and calculate Adjusted EBITDA as net income (loss) before the impact of interest income or expense (net), income tax provision or benefit, and depreciation and amortization, and further adjusted for the following items: stock-based compensation; 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.

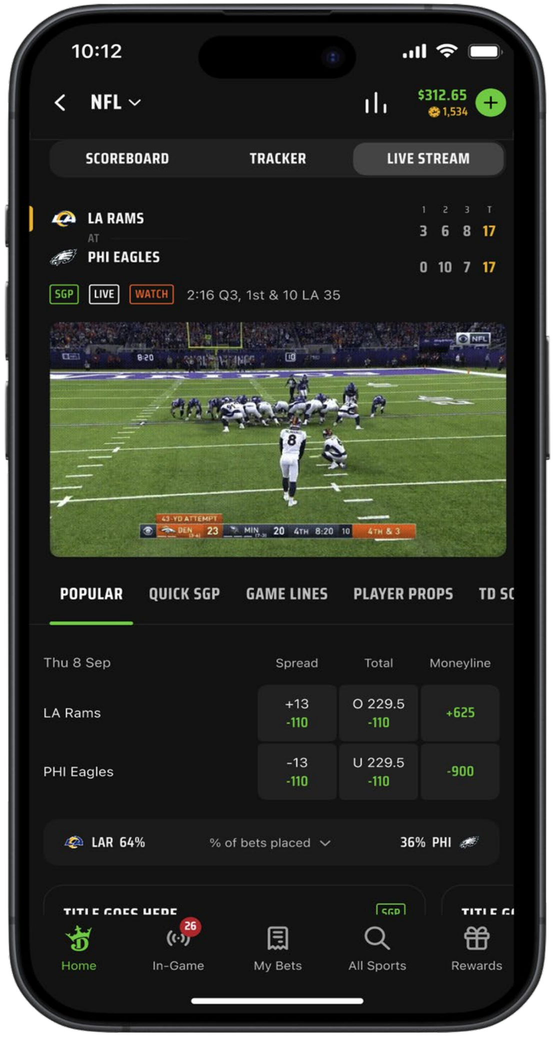
(2) DraftKings provided guidance for $900M to $1.0B of Adjusted EBITDA in FY 2025 on an existing state basis at its Investor Day on November 14, 2023.

(3) Our FY 2025 Adj. EBITDA guidance provided August 1, 2024 does not include any benefit from the gaming tax surcharge that we plan to launch in high tax states with multiple sports betting operators on January 1, 2025.

Investing in features and functionality to differentiate DraftKings with OSB customers

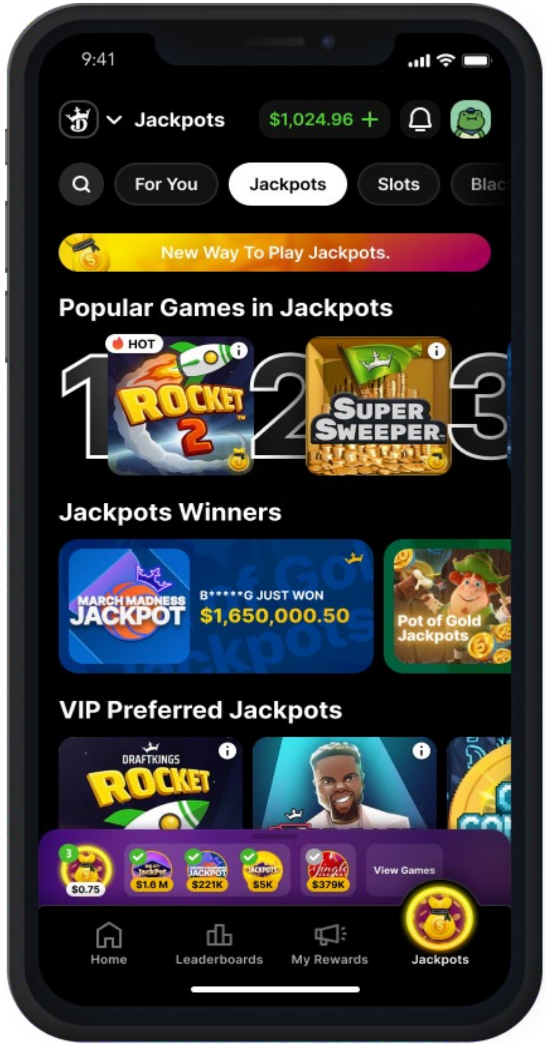
- **Powering Our Own Sports Betting Content**
  - Launched in-house player props for NFL, NBA, MLB, NHL, CFB, CBB, and Tennis
  - Broadened Progressive Parlays to include spreads and totals
- **Differentiating Our Live Betting Experience**
  - Planning to integrate bet-and-watch experience with NFL streaming
  - Added cash out functionality across more betting markets
  - Automated merchandising of real-time trending bets
  - Added real-time scores and wagering stats
- **Optimizing In-house Trading Capabilities**
  - Launched a new risk platform to drive efficiency and improve hold
  - Improved trading tools related to evolving game and player dynamics





Developing in-house content and improving content delivery to differentiate in iGaming

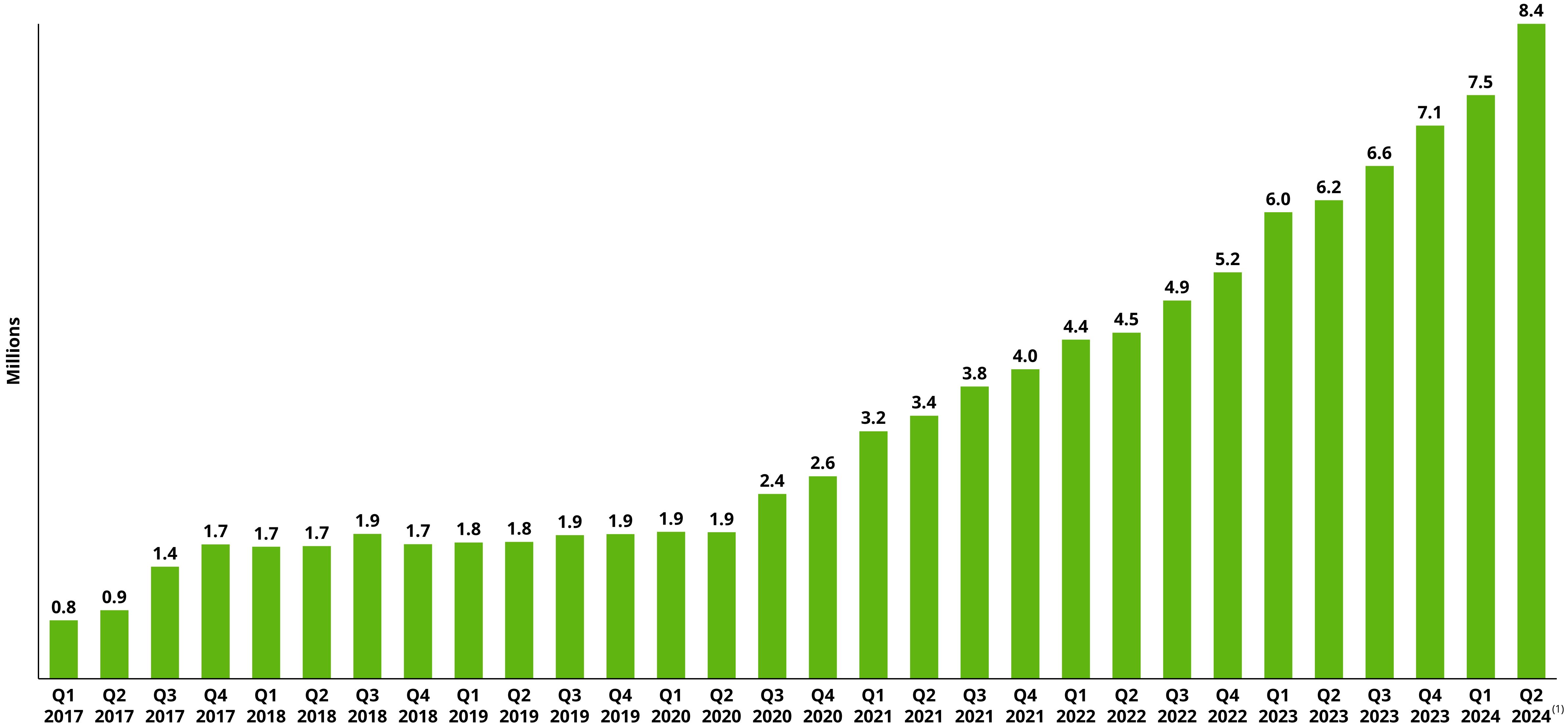
- **Developing New In-house Content**
  - Launched ‘Rocket 2’ earlier this year and are trending to double new games released in FY 2024 vs. FY 2023
  - Introducing new game mechanics including persistent player collections (‘Sauce Boss’) and a blackjack variant (Pick ‘n Flick 21)
- **Improving Content Delivery**
  - Launched suite of merchandising and content delivery mechanisms
  - Personalized experience with flexible editorial tooling
- **Earning Loyalty with Jackpot Offering**
  - Expanded jackpot capabilities to include multi-game jackpots and Must Hit By mechanics
  - Improved interface to promote discoverability



APPENDIX

The number of unique customers on our platform is rising

Unique Customers in the Prior Twelve Months



(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.

Our OSB and iGaming combined share was similar YoY in Q2 2024

Combined OSB and iGaming GGR Share(1)

Sources: State Gaming Reports and DraftKings internal data.

(1) Share denominator includes all U.S. states where DraftKings and/or Golden Nugget Online Gaming are live with OSB and/or iGaming, as applicable, and where state-wide data was available as of July 30, 2024. Poker gross revenue is included in the TAM denominator (DraftKings does not currently offer poker).

Non-GAAP Financial Measures

This presentation includes Adjusted EBITDA, which is a non-GAAP financial measure that DraftKings uses to supplement its results presented in accordance with GAAP. The Company believes Adjusted EBITDA is 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 is 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.

DraftKings includes 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 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 guidance to its most directly comparable GAAP financial measure, net income (loss), 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 these calculations. DraftKings provides forecasts for Adjusted EBITDA and Free Cash Flow because it believes that these measures, when viewed with DraftKings' results calculated in accordance with GAAP, provides useful information for the reasons noted above. However, these measures 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 Operating Expenses to Non-GAAP Operating Expenses

GAAP to Non-GAAP Operating Expense Reconciliation
$ Millions

		30-Jun-24	31-Mar-24	31-Dec-23	30-Sep-23	30-Jun-23	31-Mar-23	31-Dec-22	30-Sep-22	30-Jun-22	31-Mar-22
GAAP Operating Expenses											
Cost of Revenue		$663	$710	$717	$543	$510	$522	$485	$373	$313	$313
Sales and Marketing		$216	$341	$291	$313	$207	$389	$345	$322	$198	$321
Product and Technology		$93	$89	$88	$89	$90	$88	$83	$76	$77	$81
General and Administrative		$165	$174	$179	$131	$136	$160	$173	$186	$188	$217
Total GAAP Operating Expenses		**$1,137**	**$1,314**	**$1,275**	**$1,077**	**$944**	**$1,159**	**$1,087**	**$957**	**$775**	**$933**
Non-GAAP Operating Expense Adjustments											
Cost of Revenue	(a)	($0)	($1)	($1)	($1)	($0)	($1)	($1)	($1)	($1)	($1)
	(b)	($36)	($29)	($29)	($29)	($29)	($30)	($30)	($30)	($27)	($19)
	(d)	($20)	($18)	($20)	($16)	($14)	($14)	($14)	($12)	($10)	($9)
	(f)	$21	$0	$0	$0	$0	$0	$0	$0	$0	$0
Sales and Marketing	(a)	($8)	($5)	($10)	($8)	($8)	($11)	($17)	($10)	($12)	($14)
	(d)	($1)	($1)	($1)	($1)	($1)	($1)	($1)	($1)	($1)	($1)
Product and Technology	(a)	($24)	($18)	($31)	($23)	($25)	($28)	($20)	($23)	($24)	($28)
	(d)	($2)	($2)	($2)	($2)	($2)	($2)	($2)	($1)	($3)	($2)
General and Administrative	(a)	($59)	($70)	($72)	($47)	($56)	($78)	($92)	($92)	($98)	($144)
	(c)	($19)	($5)	($2)	($1)	($0)	$0	($2)	($1)	($11)	($4)
	(d)	($2)	($3)	($2)	($2)	($2)	($2)	($2)	($2)	($2)	($2)
	(e)	($11)	($9)	($24)	($4)	($4)	($3)	($1)	($1)	($2)	($2)
	(f)	$0	($0)	($0)	$0	$0	$0	$0	($17)	$0	($1)
Total Non-GAAP Operating Expense Adjustments		**($160)**	**($161)**	**($195)**	**($133)**	**($142)**	**($168)**	**($182)**	**($191)**	**($191)**	**($226)**
Adjusted Operating Expenses											
Cost of Revenue		$628	$662	$666	$498	$467	$477	$440	$330	$275	$284
Sales and Marketing		$207	$335	$280	$305	$199	$378	$327	$311	$185	$307
Product and Technology		$67	$69	$55	$64	$63	$58	$61	$52	$50	$52
General and Administrative		$75	$87	$79	$77	$74	$78	$77	$74	$75	$64
Total Adjusted Operating Expenses		**$976**	**$1,153**	**$1,080**	**$943**	**$802**	**$991**	**$905**	**$766**	**$584**	**$707**

(a) Stock-based compensation expense

(b) Amortization of acquired intangible assets

(c) Transaction expenses

(d) Depreciation & amortization

(e) Litigation

(f) Other

Totals may not sum due to rounding.

Reconciliation of Net Income (Loss) to Adjusted EBITDA

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

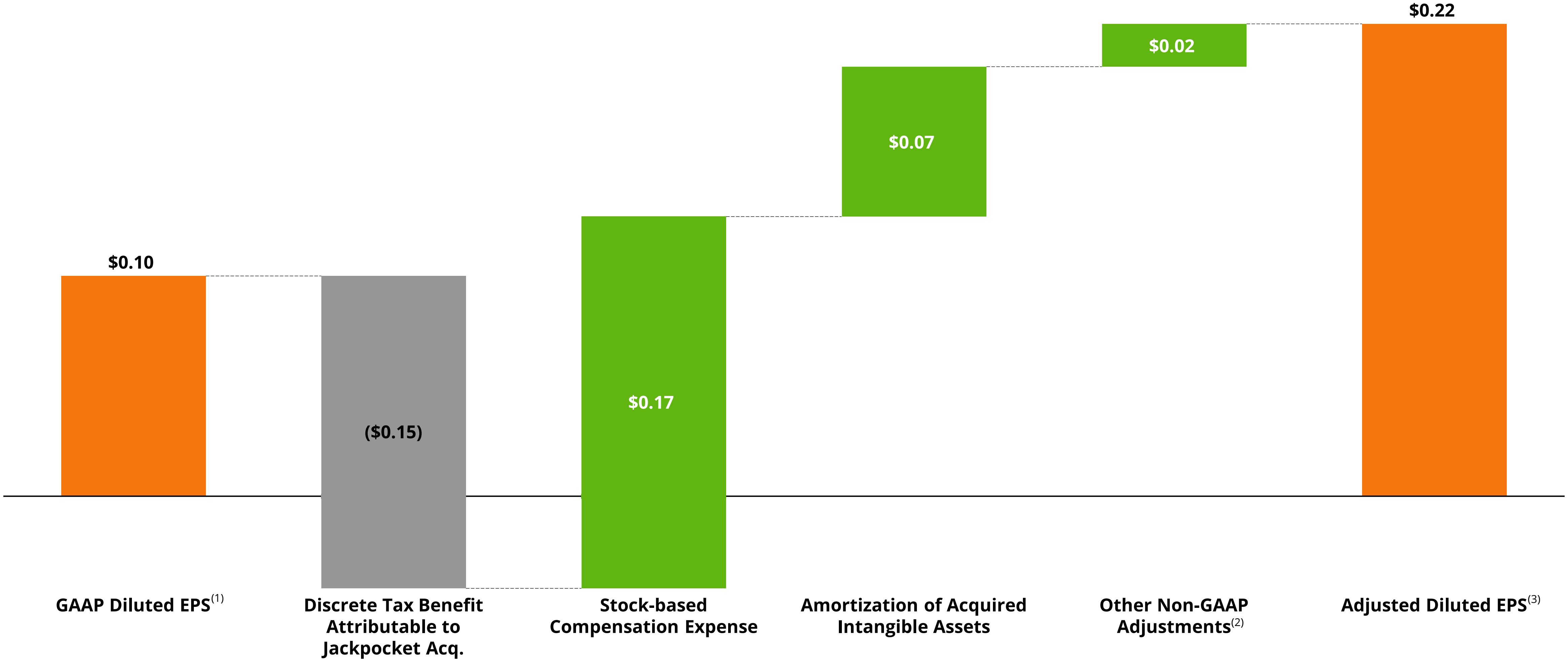
- **Adjusted EBITDA**
  - We define and calculate Adjusted EBITDA as Net Income (Loss) before the impact of interest income or expense (net), income tax provision or benefit, and depreciation and amortization, and further adjusted for the following items: stock-based compensation; transaction-related 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; as described in the reconciliation.

	Three months ended June 30,	
	Q2 2024	Q2 2023
Revenue	**$ 1,104,441**	**$ 874,927**
Cost of revenue	663,414	510,323
Sales and marketing	215,676	207,487
Product and technology	92,655	89,906
General and administrative	165,084	136,256
Loss from operations	**(32,388)**	**(69,045)**
Other income (expense):		
Interest income	14,212	13,411
Interest expense	(678)	(666)
Gain (loss) on remeasurement of warrant liabilities	9,791	(20,041)
Other income, net	(446)	45
Loss before income tax provision (benefit) and loss from equity method investment	**(9,509)**	**(76,296)**
Income tax provision (benefit)	(73,570)	651
(Gain) loss from equity method investment	239	323
Net income (loss) attributable to common stockholders	**$ 63,822**	**$ (77,270)**
Adjusted for:		
Depreciation and amortization[(1)]	61,623	48,264
Interest (income) expense, net	(13,534)	(12,745)
Income tax (benefit) provision[(2)]	(73,570)	651
Stock-based compensation[(3)]	90,220	89,193
Transaction-related costs[(4)]	18,585	425
Litigation, settlement and related costs[(5)]	10,804	4,136
Advocacy and other related legal expenses[(6)]	-	-
(Gain) loss on remeasurement of warrant liabilities	(9,791)	20,041
Other non-recurring costs and non-operating (income) costs[(7)]	(20,192)	277
Adjusted EBITDA	**$ 127,967**	**$ 72,972**

(1) The amounts include the amortization of acquired intangible assets of $36.4 million and $28.9 million for the three months ended June 30, 2024 and 2023, respectively, and $65.7 million and $58.8 million for the six months ended June 30, 2024 and 2023, respectively.
(2) The Company recorded a discrete income tax benefit of $75.8 million during the second quarter of 2024 which was attributable to non-recurring partial releases of the Company's U.S. valuation allowance as a result of the purchase accounting for Jackpocket.
(3) Reflects stock-based compensation expenses resulting from the issuance of awards under incentive plans.
(4) Includes capital markets advisory, consulting, accounting and legal expenses related to evaluation, negotiation and integration costs incurred in connection with transactions under consideration and pending or completed transactions and offerings, including costs relating to our acquisitions of Jackpocket and Sports IQ Analytics Inc. in 2024.
(5) Primarily includes external legal costs related to litigation and litigation settlement costs deemed unrelated to our core business operations.
(6) 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.
(7) 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. In 2024, this amount includes $20.9 million related to product tax credits as a result of audits and appeals related to prior periods.

Non-GAAP Adjusted Diluted Earnings (Loss) Per Share Reconciliation

Adjusted Diluted Earnings (Loss) Per Share Reconciliation: Three Months Ended June 30, 2024
Dollars



Note: Weighted average number of shares used to calculate Adjusted Earnings (Loss) Per Share for Q2 2024 was 519 million; totals may not sum due to rounding.
(1) Refers to DraftKings' loss per share attributable to common stockholders calculated and reported in accordance with GAAP.
(2) Includes adjustments for (i) transaction-related costs, (ii) litigation, settlement, and related costs and (iii) other non-recurring costs and non-operating (income) costs.
(3) Adjusted Diluted Earnings (Loss) Per Share is a non-GAAP financial measure.

DraftKings Share Count Detail

Share Count as of June 30, 2024
Thousands

Common Shares Outstanding (30-June-24)	**485,024**
Vested Stock Options @ TSM[1]	19,690
Memo: Vested Stock Options	*21,822*
Diluted Shares Outstanding (With Vested Stock Options @ TSM)	**504,714**
DEAC Private Placement Warrants[2]	258
GNOG Private Placement Warrants[3]	158
Fully Diluted Shares Outstanding	**505,130**

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 31-July-2024 and strike price of $3.92 per stock option.
(2) Based on TSM; assumes DraftKings Class A share price as of 31-July-2024 and strike price of $11.50 per warrant.
(3) Based on TSM; assumes DraftKings Class A share price as of 31-July-2024 and strike price of $31.50 per warrant.

DraftKings KPI Comparison

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,	
	2024[1]	**2023**
Average Monthly Unique Payers ("MUPs") (in millions)	3.1	2.1
Average Revenue per MUP ("ARPMUP") (in whole dollars)	$117	$137

(1) Excluding the impact of DraftKings' acquisition of Jackpocket, average monthly unique payers ("MUPs") increased 34% year-over-year to 2.8 million in the second quarter of 2024.