



DraftKings Merger with SBTech and Diamond Eagle

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Fall 2020

Agenda

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Industry Overview

Company Profiles

Strategic Rationale

Risk Factors

II. Quantitative Analysis

Stock Chart

Discounted Cash Flow

Comparable Companies Analysis

Precedent Transaction Analysis

Valuation Football Field

I. Qualitative Analysis

Industry

Overview	Revenue	Opportunities
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The sports betting market is projected to witness considerable growth primarily on account of the inclination of the governments of numerous countries towards the legalization of sports betting. Furthermore, the rising penetration of various legal online platforms in some countries is also further supplementing the sports betting market growth in the near future.

1. Player Entrance Fees
2. Commission Revenue
3. Pooled Remainder

In the immediate term, we will see sports betting and online gaming serve as vehicles for human connection. Functionalities such as peer-to-peer wagering, competitive video gaming, and social casino play, as well as loyalty programs that resemble those of airlines and hotel chains, may serve as conduits for the breaking of this trend.

Major Players	Recent Deals
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“Flutter Entertainment, the parent company of Paddy Power Betfair and FanDuel, has announced the completion of its acquisition of and merger with **The Stars Group** (TSG).”
– May 2020

“William Hill US Buys **CG Tech**, Ponders Caesars Deal”
– Sept 2020



DraftKings

Overview



Founded in 2012 by Jason Robins, Matthew Kalish, and Paul Liberman, gained notoriety via partnerships and acquisitions within the gaming and fantasy sports industry

Financials

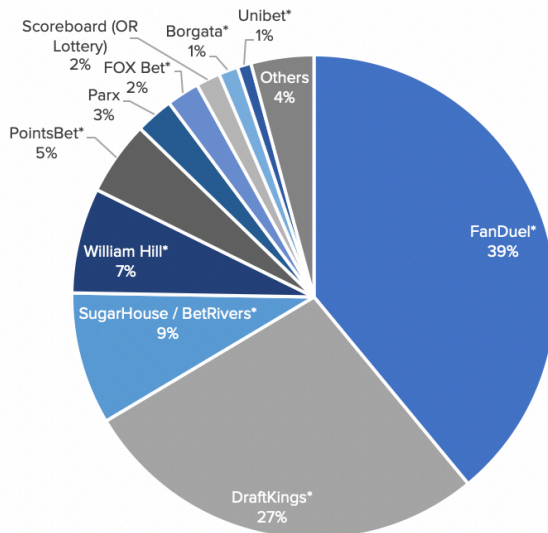


Strong balance sheet with \$2.5 billion in assets and only \$3.25M in liabilities points to future growth



Reported \$323M in Revenue for the fiscal year of 2019, recorded a net loss of \$143M.

Competitors/Market Share



Business Model



Main revenue source is from online gaming bets. DraftKings takes a 10% commission on every bet made, and charges entry fees



Secondary source of revenue through simulations and selling ads; 7 states and 26 countries

Outlook

- Anticipated to close the market share gap with FanDuel by the end of 2020 and surpass it in 2021
- Will rapidly move closer to profitability as online gambling is legalized in the United States
- Shown to be “pandemic proof” through revenue generating simulations

Industry

DraftKings

SB Tech

DEA

Strategy

Risks

SB Tech

Overview



Founded in 2007, CEO is Richard Carter, Based in Douglas, Isle of Man, Originally privately held but merging with DraftKings to become Public.



Sportsbook technology provider that develops virtual sports platforms like Chamelon360, which provides real time analytics and chat support

Competitors



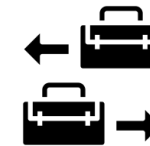
Financials



- Revenue \$108.4 M before 2019 merger
- Increased headcount and exits from dot.com markets led to much lower profit
- Revenue-related outgoings were the largest expense at \$60.6 M, up 20.2%, attributed to IT infrastructure
- \$190,000 income expense
- Operating profit of \$6.5 M, down 76.6% year-on-year



Outlook



Acquisition by DraftKings will diversify revenues giving DraftKings access to B2B and B2C capacities



With extensive operations in many parts of Europe and in Israel, SBTech's platforms will allow DraftKings to expand while growing its presence domestically

Industry

DraftKings

SB Tech

DEA

Strategy

Risks

Diamond Eagle

Overview



Publicly traded special purpose acquisition company founded by Harry Sloan and Jeff Sagansky in 2019



Diamond Eagle is the 5th blank check company founded by Sagansky, and raised \$350 million when it went public in mid-2019, and merged with DraftKings

Performance

Diamond Eagle (DEACU) went public on May 10, 2019, trading at \$10 per share. Official confirmation of the DraftKings deal on December 23 caused a much bigger and more sudden jump, with share values rising 12% to a peak of \$11.85 before settling back down.

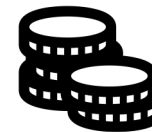
Financials



Net income = Gross income – expenses roughly 479,411 as of March 31, 2020



\$304 million in Class A common stock with \$400 million currently held in the trust account



Stock price is at an estimated \$19.37 with roughly 40.00 M shares outstanding and a market cap of 857.50 M market cap

Industry

DraftKings

SB Tech

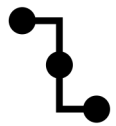
DEA

Strategy

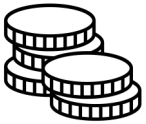
Risks

Merger Analysis

Strategic Rationale	Outlook
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“The first **vertically integrated** sports betting and online gambling operator based in the US”



Strong cost synergies will materialize largely due to owning its own platform for investing – SBTech



It will allow DraftKings a degree of **customization** that it might find difficult when using software provided by a fully independent third party



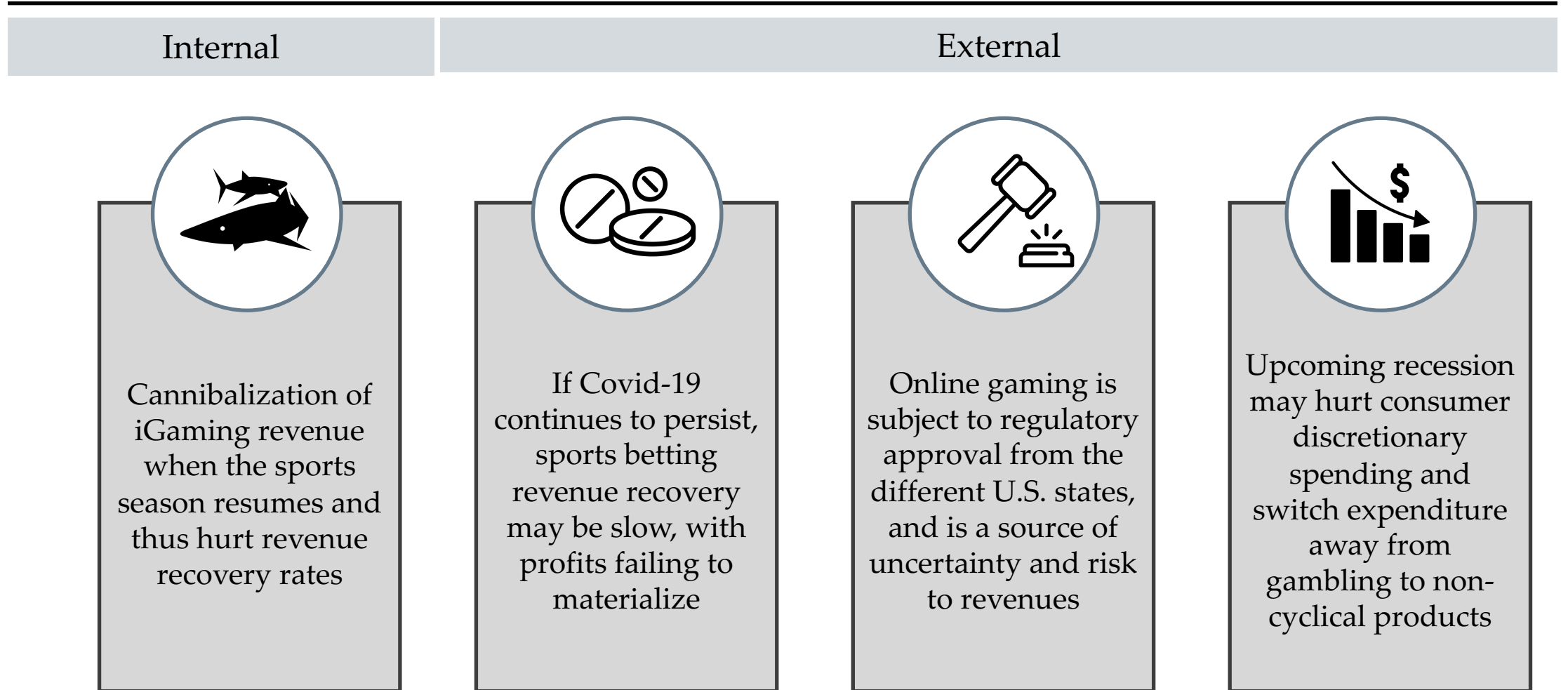
Due to the emphasis on cost synergies, it's much easier to predict the outcome and future of this type of M&A deal



Increased Net Income

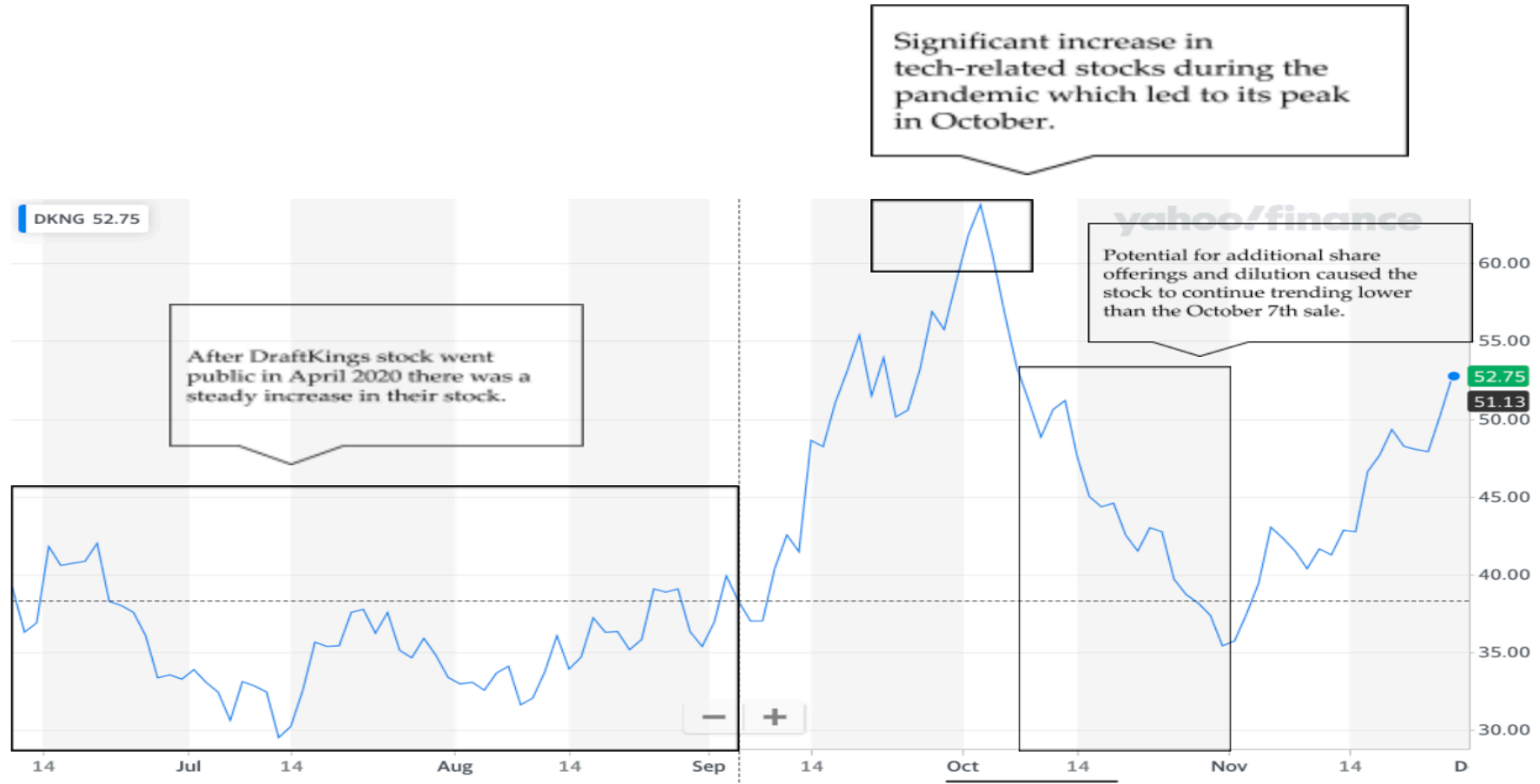


Risks



II. Quantitative Analysis

Annotated Stock Chart



Stock Chart

DCF

Public Comps

Deal Comps

Football Field

Income Statement Assumptions

Income Statement Drivers	Projected										
	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
Revenue Drivers											
Revenue	582.1	832.5	1,148.8	1,539.4	2,001.2	2,501.5	3,126.9	3,752.2	4,315.1	4,746.6	4,983.9
% Growth	80.0%	43.0%	38.0%	34.0%	30.0%	25.0%	25.0%	20.0%	15.0%	10.0%	5.0%
Expense Drivers											
Cost of Sales	262.0	194.8	268.8	360.2	468.2	585.3	731.6	877.9	1,009.6	1,110.5	1,166.1
COS % Revenue	45.0%	23.4%	23.4%	23.4%	23.4%	23.4%	23.4%	23.4%	23.4%	23.4%	23.4%
Research & Development	157.2	117.5	162.2	186.6	202.5	203.1	191.4	229.7	264.1	290.5	305.1
R&D % Revenue	27.0%	14.1%	14.1%	12.1%	10.1%	8.1%	6.1%	6.1%	6.1%	6.1%	6.1%
SG&A	510.3	663.1	823.2	979.9	1,113.8	1,192.2	1,240.1	1,488.1	1,711.3	1,882.4	1,976.5
SG&A % Revenue	87.7%	79.7%	71.7%	63.7%	55.7%	47.7%	39.7%	39.7%	39.7%	39.7%	39.7%
Interest Income/(Expense)	(7.5)	-	(3.9)	-	-	-	-	-	-	-	-
Tax Rate	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%

Stock Chart

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Deal Comps

Football Field

Projected Income Statement

Income Statement	Projected											
	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30	
Revenue	\$ 582.1	\$ 832.5	\$ 1,148.8	\$ 1,539.4	\$ 2,001.2	\$ 2,501.5	\$ 3,126.9	\$ 3,752.2	\$ 4,315.1	\$ 4,746.6	\$ 4,983.9	
Cost of Sales	262.0	194.8	268.8	360.2	468.2	585.3	731.6	877.9	1,009.6	1,110.5	1,166.1	
Research & Development	157.2	117.5	162.2	186.6	202.5	203.1	191.4	229.7	264.1	290.5	305.1	
SG&A	510.3	663.1	823.2	979.9	1,113.8	1,192.2	1,240.1	1,488.1	1,711.3	1,882.4	1,976.5	
Operating Income	(347.3)	(143.0)	(105.4)	12.7	216.6	520.9	963.8	1,156.6	1,330.1	1,463.1	1,536.3	
Net Interest Income/ (Expense)	(7.5)	-	(3.9)	-	-	-	-	-	-	-	-	
Other Income/(Loss)	-	-	-	-	-	-	-	-	-	-	-	
Pretax Income	(354.8)	(143.0)	(109.3)	12.7	216.6	520.9	963.8	1,156.6	1,330.1	1,463.1	1,536.3	
Income Taxes/(Rebate)	(74.5)	(30.0)	(22.9)	2.7	45.5	109.4	202.4	242.9	279.3	307.3	322.6	
Net Income	(280.3)	(113.0)	(86.3)	10.0	171.1	411.5	761.4	913.7	1,050.8	1,155.9	1,213.7	

Stock Chart

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Football Field

Balance Sheet Assumptions

Balance Sheet Drivers	Projected										
	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
Receivables % Revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Prepaid Expenses % SG&A	7.1%	7.3%	7.5%	7.7%	7.9%	8.1%	8.3%	8.5%	8.7%	8.9%	9.1%
Other Current Assets % Revenue	8.2%	7.9%	7.4%	7.8%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%
Accounts Payable % COS	27.0%	26.0%	25.0%	24.0%	23.0%	22.0%	21.0%	20.0%	19.0%	18.0%	17.0%
Accrued Expenses % SG&A	22.9%	24.9%	26.9%	28.9%	30.9%	32.9%	34.9%	36.9%	38.9%	40.9%	42.9%
Other Liabilities % Total OpEx	50.3%	50.3%	49.4%	50.0%	49.9%	49.7%	49.8%	49.8%	49.8%	49.8%	49.8%



Projected Balance Sheet

Balance Sheet	Projected										
	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
Assets											
Current Assets:											
Cash & Equivalents	111.2	100.0	113.5	248.2	520.3	978.4	1,740.8	2,838.2	4,064.6	5,371.3	6,695.5
Accounts Receivables	-	-	-	-	-	-	-	-	-	-	-
Prepaid Expenses	36.4	48.7	62.0	75.8	88.4	97.0	103.4	127.0	149.5	168.2	180.6
Other Current Assets	47.6	65.9	85.1	120.6	154.5	191.5	241.9	289.1	332.2	366.1	384.0
Total Current Assets	195.2	214.5	260.6	444.7	763.2	1,266.9	2,086.1	3,254.3	4,546.3	5,905.6	7,260.1
Property, Plant & Equipment	51.0	80.9	120.4	168.9	228.9	298.3	381.7	474.8	571.3	663.2	741.1
Goodwill	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7	4.7
Intangible Assets	15.5	7.4	3.7	1.9	1.0	0.6	0.3	0.2	0.1	0.1	0.1
Other	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Total Assets	271.4	312.5	394.4	625.1	1,002.7	1,575.5	2,477.8	3,738.9	5,127.4	6,578.5	8,010.9
Liabilities and Equity											
Current liabilities:											
Total Payables	70.8	50.7	67.2	86.5	107.8	128.9	153.8	175.7	192.0	200.1	198.4
Accrued Expenses	116.7	164.9	221.1	282.9	343.8	391.8	432.3	548.6	665.1	769.2	847.2
Other Current Liabilities	335.4	392.3	486.4	582.7	656.3	693.8	713.5	855.5	983.6	1,082.4	1,136.3
Total Current Liabilities	522.9	607.8	774.8	952.1	1,107.8	1,214.4	1,299.6	1,579.8	1,840.6	2,051.7	2,182.0
Total Debt	-	38.7	-	-	-	-	-	-	-	-	-
Other Non Current Liabilities	56.9	56.9	56.9	56.9	56.9	56.9	56.9	56.9	56.9	56.9	56.9
Total Liabilities	579.7	703.5	831.7	1,008.9	1,164.7	1,271.3	1,356.4	1,636.7	1,897.5	2,108.6	2,238.8
Total Equity	(308.3)	(390.9)	(437.3)	(383.8)	(161.9)	304.2	1,121.4	2,102.2	3,229.9	4,469.9	5,772.0
Total Liabilities and Equity	271.4	312.5	394.4	625.1	1,002.7	1,575.5	2,477.8	3,738.9	5,127.4	6,578.5	8,010.9

Stock Chart

DCF

Public Comps

Deal Comps

Football Field

Cash Flow Statement Assumptions

Cash Flow Statement Drivers	Projected										
	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
Depreciation % Previous Year PP&E	29.3%	29.3%	29.3%	29.3%	29.3%	29.3%	29.3%	29.3%	29.3%	29.3%	29.3%
Amortization % Previous Year Intangible Assets	54.3%	52.3%	50.3%	48.3%	46.3%	44.3%	42.3%	40.3%	38.3%	36.3%	34.3%
SBC % SG&A	3.7%	4.3%	4.6%	4.2%	4.4%	4.4%	4.3%	4.4%	4.4%	4.4%	4.4%
CapEx % Revenue	(5.6%)	(5.4%)	(5.5%)	(5.4%)	(5.5%)	(5.5%)	(5.5%)	(5.5%)	(5.5%)	(5.5%)	(5.5%)



Projected Cashflow Statement

Cash Flow Statement	Projected										
	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
CASH FLOW FROM OPERATIONS											
Net Income	\$ (280.3)	\$ (113.0)	\$ (86.3)	\$ 10.0	\$ 171.1	\$ 411.5	\$ 761.4	\$ 913.7	\$ 1,050.8	\$ 1,155.9	\$ 1,213.7
Depreciation	7.6	14.9	23.7	35.3	49.5	67.0	87.4	111.8	139.1	167.4	194.3
Amortization	18.4	8.1	3.7	1.8	0.9	0.5	0.2	0.1	0.1	0.0	0.0
Stock Based Compensation	19.1	28.5	38.2	41.4	48.9	52.7	53.9	65.2	75.0	82.3	86.5
Other Non Cash	2.5	1.8	1.8	2.0	1.9	1.9	1.9	1.9	1.9	1.9	1.9
Changes In Working Capital:											
Receivables	-	-	-	-	-	-	-	-	-	-	-
Other Assets & Liabilities	122.8	26.4	61.5	47.0	27.1	(8.1)	(37.1)	71.3	62.4	46.2	23.6
Accounts Payable	54.2	(20.1)	16.6	19.3	21.3	21.1	24.9	22.0	16.3	8.1	(1.7)
Accrued Expenses	54.2	48.2	56.3	61.7	60.9	48.0	40.5	116.2	116.5	104.2	78.0
Net Cash fom Operations	(1.6)	(5.1)	115.4	218.5	381.5	594.6	933.2	1,302.3	1,462.0	1,565.9	1,596.3
CASH FLOW FROM INVESTING ACTIVITIES											
CapEx (PP&E)	(32.7)	(44.8)	(63.2)	(83.8)	(109.5)	(136.5)	(170.8)	(204.9)	(235.7)	(259.2)	(272.2)
Other Investing Activities	-	-	-	-	-	-	-	-	-	-	-
Net Cash fom Investing Activities	(32.7)	(44.8)	(63.2)	(83.8)	(109.5)	(136.5)	(170.8)	(204.9)	(235.7)	(259.2)	(272.2)
CASH FLOW FROM FINANCING											
Stock Issuances	-	-	-	-	-	-	-	-	-	-	-
Pref Stock Issuances	-	-	-	-	-	-	-	-	-	-	-
Repurchasing Pref Stock	-	-	-	-	-	-	-	-	-	-	-
Debt Issued/(Repaid)	(75.1)	38.7	(38.7)	-	-	-	-	-	-	-	-
Net Cash fom Financing	(75.1)	38.7	(38.7)	-	-	-	-	-	-	-	-
Net Change In Cash	(109.4)	(11.2)	13.5	134.7	272.0	458.1	762.4	1,097.4	1,226.4	1,306.7	1,324.2
Beginning Cash	220.5	111.2	100.0	113.5	248.2	520.3	978.4	1,740.8	2,838.2	4,064.6	5,371.3
Ending Cash	111.2	100.0	113.5	248.2	520.3	978.4	1,740.8	2,838.2	4,064.6	5,371.3	6,695.5

Stock Chart

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Deal Comps

Football Field

Debt Schedule

Debt Schedule	Projected										
	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
Min Cash	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Actual Liquidity before additional funding	186.29	61.26	152.22	248.22	520.27	978.40	1,740.77	2,838.20	4,064.55	5,371.29	6,695.47
Borrowing Required	-	38.7	-	-	-	-	-	-	-	-	-
Cash Flow Available for Revolver Repayment	186.3	-	52.2	134.7	272.0	458.1	762.4	1,097.4	1,226.4	1,306.7	1,324.2
Debt Drawn	75.1	-	38.7	-	-	-	-	-	-	-	-
(+) Debt Borrowing Required	-	38.7	-	-	-	-	-	-	-	-	-
(-) Debt Repayment	(75.1)	-	(38.7)	-	-	-	-	-	-	-	-
Debt Drawn Ending	-	38.7	-	-	-	-	-	-	-	-	-

Interest Rates

Historical Interest Rates

Subordinated Notes Rate	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Interest Expense	7.5	-	3.9	-	-	-	-	-	-	-	-

Stock Chart

DCF

Public Comps

Deal Comps

Football Field

Discounted Cash Flow

DCF Analysis	Projected										
	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
EBITDA	(321.3)	(119.9)	(78.0)	49.7	267.0	588.4	1,051.5	1,268.6	1,469.3	1,630.5	1,730.6
NOPAT	(274.4)	(113.0)	(83.3)	10.0	171.1	411.5	761.4	913.7	1,050.8	1,155.9	1,213.7
Unlevered Free Cash Flow (UFCF)	(35.7)	(43.5)	74.7	173.3	329.9	539.6	877.2	1,235.0	1,385.0	1,481.7	1,507.9
<i>Unlevered FCF Growth Rate</i>	<i>(50.3%)</i>	<i>22.0%</i>	<i>(271.8%)</i>	<i>131.8%</i>	<i>90.4%</i>	<i>63.6%</i>	<i>62.6%</i>	<i>40.8%</i>	<i>12.1%</i>	<i>7.0%</i>	<i>1.8%</i>
Discount Period	0.10	1.10	2.10	3.10	4.10	5.10	6.10	7.10	8.10	9.10	10.10
Discount Period - Mid Year Convention	0.05	0.60	1.60	2.60	3.60	4.60	5.60	6.60	7.60	8.60	9.60
Present Value of Free Cash Flows	(35.4)	(40.2)	60.7	123.6	206.6	296.9	423.8	524.1	516.2	485.0	433.5

Stock Chart

DCF

Public Comps

Deal Comps

Football Field

DCF - Implied Share Price

Terminal Value - Perpetuity Growth Method:

Baseline Terminal FCF Growth Rate:	2.0%
Baseline Terminal Value:	13,837.7 ▲
Implied Terminal EBITDA Multiple:	8.0 x ▲
(+) PV of Terminal Value:	3,728.2 ▲
(+) Sum of PV of Free Cash Flows:	2,994.8
Implied Enterprise Value:	6,723.0

% of Implied EV from Terminal Value: 55.5%

(+) Cash & Cash-Equivalents:	1,140.9
(+) Equity Investments:	-
(+) Other Non-Core Assets, Net:	-
(+) Net Operating Losses:	-
(-) Total Debt & Capital Leases:	-
(-) Preferred Stock:	-
(-) Noncontrolling Interests:	-
(-) Unfunded Pension Obligations:	-
(-) Restructuring & Other Liabilities:	-
Implied Equity Value:	7,863.88

Diluted Shares Outstanding: 391.714

Implied Share Price from DCF:	\$ 20.08
Premium / (Discount) to Current:	(58.4%)

Terminal Value - Multiples Method:

Baseline Terminal EBITDA Multiple:	8.0 x
Baseline Terminal Value:	13,837.7 ▲
Implied Terminal FCF Growth Rate:	2.0% ▲
(+) PV of Terminal Value:	3,728.2
(+) Sum of PV of Free Cash Flows:	2,994.8
Implied Enterprise Value:	6,723.0

% of Implied EV from Terminal Value: 55.5%

(+) Cash & Cash-Equivalents:	1,140.9
(+) Equity Investments:	-
(+) Other Non-Core Assets, Net:	-
(+) Net Operating Losses:	-
(-) Total Debt & Capital Leases:	-
(-) Preferred Stock:	-
(-) Noncontrolling Interests:	-
(-) Unfunded Pension Obligations:	-
(-) Restructuring & Other Liabilities:	-
Implied Equity Value:	7,863.88

Diluted Shares Outstanding: 391.714

Implied Share Price from DCF:	\$ 20.08
Premium / (Discount) to Current:	(58.4%)

Stock Chart

DCF

Public Comps

Deal Comps

Football Field

Sensitivity Analysis

		Weighted Average Cost of Capital (WACC):									
		10.00%	11.00%	12.00%	13.00%	13.86%	14.00%	15.00%	16.00%	17.00%	
Terminal FCF Growth Rate (Gordon Growth Method)	(1.0%)	\$ 26.50	\$ 23.69	\$ 21.35	\$ 19.38	\$ 17.93	\$ 17.71	\$ 16.28	\$ 15.03	\$ 13.95	
	(0.5%)	27.23	24.25	21.80	19.74	18.23	18.00	16.51	15.22	14.11	
	0.0%	28.04	24.87	22.28	20.12	18.54	18.31	16.76	15.43	14.27	
	0.5%	28.93	25.55	22.81	20.54	18.88	18.64	17.02	15.64	14.45	
	1.0%	29.92	26.30	23.38	20.99	19.25	18.99	17.31	15.87	14.64	
	1.5%	31.03	27.13	24.01	21.47	19.65	19.37	17.61	16.12	14.84	
	2.0%	32.28	28.04	24.70	22.00	20.08	19.79	17.94	16.39	15.06	
	2.5%	33.69	29.07	25.47	22.59	20.54	20.24	18.30	16.67	15.29	
	3.0%	35.30	30.22	26.31	23.23	21.05	20.73	18.68	16.98	15.53	

		Weighted Average Cost of Capital (WACC):									
		10.00%	11.00%	12.00%	13.00%	13.86%	14.00%	15.00%	16.00%	17.00%	
Terminal EV / EBITDA Multiple (Terminal Value Calculated Using the Multiples Method):	6.00 x	\$ 22.74	\$ 21.26	\$ 19.91	\$ 18.68	\$ 17.70	\$ 17.55	\$ 16.51	\$ 15.56	\$ 14.69	
	6.50 x	23.59	22.03	20.62	19.32	18.29	18.13	17.05	16.05	15.14	
	7.00 x	24.43	22.80	21.32	19.96	18.89	18.72	17.59	16.55	15.59	
	7.50 x	25.27	23.57	22.02	20.61	19.49	19.31	18.12	17.04	16.04	
	8.00 x	26.12	24.34	22.73	21.25	20.08	19.90	18.66	17.53	16.49	
	8.50 x	26.96	25.11	23.43	21.89	20.68	20.49	19.20	18.02	16.95	
	9.00 x	27.80	25.88	24.13	22.53	21.27	21.07	19.74	18.52	17.40	
	9.50 x	28.65	26.65	24.83	23.18	21.87	21.66	20.28	19.01	17.85	
	10.00 x	29.49	27.42	25.54	23.82	22.46	22.25	20.82	19.50	18.30	



Comparable Companies Analysis

Company Name	Share Price (\$/share)	Total Enterprise Value (\$M)	LTM Revenues (\$M)	LTM EBITDA (\$M)	EBIT (\$M)	EV/Revenues (x)	EV/EBITDA (x)	EV/EBIT (x)	Price/Earnings (x)
Comparables									
Everi Holdings Inc.	10.85	1,842	409	161	13	4.50x	11.42x	143.94x-	
Scientific Games Corporation	38.83	12,279	2,825	672	\$ 228	4.35x	18.27x	53.86x-	
Accel Entertainment	10.87	1,195	363		33 \$ (10)	3.29x	35.76x	-118.27x-	
Penn National Gaming, Inc.	72.38	20,614	3,893	653	\$ 280	5.30x	31.56x	73.60x-	
MGM Resorts International	28.39	34,525	6,601	(235)	\$ (1,478)	5.23x	-147.04x	-23.36x	9.86x
Wynn Resorts	100.40	19,698	3,063	(138)	\$ (842)	6.43x	-142.33x	-23.41x-	
Mean						4.85x	-32.06x	17.73x	9.86x
Median						4.87x	14.85x	15.25x	9.86x
<i>Min</i>						3.29x	-147.04x	-118.27x	9.86x
<i>Max</i>						6.43x	35.76x	143.94x	9.86x
25th Percentile						3.68x	-118.29x	-84.89x	9.86x
75th Percentile						6.04x	30.53x	112.38x	9.86x

Stock Chart

DCF

Public Comps

Deal Comps

Football Field

Precedent Transactions Analysis

Precedent Transactions Analysis

Announcement Date	Aquirer Name	Target Name	Equity Value	Net Debt	Enterprise Value	Sales	EBITDA	Net Income	EV to Sales	EV to EBITDA	Price to Earnings
9/14/20	Caledonia Investments	Scientific Games Corporation	\$ 12,279	\$ 8,497	\$ 20,776	\$ 2,982.0	\$ 821.0	\$ (391.0)	0.14x	25.31x	(31.40x)
3/22/18	T. Rowe Price Group Inc.	Wynn Resorts	\$ 19,698	\$ 6,674	\$ 26,372	\$ 6,306.4	\$ 1,627.2	\$ 747.2	0.24x	16.21x	26.36x
6/10/11	Ridge Capital Amalgamated Corp.	Great Canadian Gaming Corp.	\$ 3,108	\$ 282	\$ 3,389	\$ 382.5	\$ 129.8	\$ (21.5)	0.11x	26.11x	(144.55x)
5/6/11	Guoco Group Limited	The Rank Group Plc	\$ 1,286	\$ 1,053	\$ 2,339	\$ 537.6	\$ 281.5	\$ 391.0	0.23x	8.31x	3.29x

in millions in millions in millions in millions in millions in millions

Company Being Valued

Last Price \$ -

Equity Value Multiples	Metric	Shares Outstanding	EPS	Implied Price Range		
				1st Quartile	Median	3rd Quartile
Net Income	\$ (607.0)	391.7	\$ (1.55)	\$ 92.50	\$ 21.78	\$ (14.04)

in millions in millions

Min	0.11x	8.31x	(144.55x)
1st Quartile	0.14x	14.23x	(59.69x)
Median	0.19x	20.76x	(14.06x)
3rd Quartile	0.23x	25.51x	9.06x
Max	0.24x	26.11x	26.36x

Enterprise Value Multiples	Metric	Shares Outstanding	Total Debt	Cash & Equivalents	Net Debt	Implied Enterprise Value Range			Implied Price Range		
						1st Quartile	Median	3rd Quartile	1st Quartile	Median	3rd Quartile
Sales	\$ 423.2	391.7	\$ -	\$ 1,141	\$ (1,141)	\$ 57.50	\$ 79.00	\$ 98.25	\$ 3.06	\$ 3.11	\$ 3.16
EBITDA	\$ (530.8)	391.7	\$ -	\$ 1,141	\$ (1,141)	\$ (7,554.68)	\$ (11,017.46)	\$ (13,539.34)	\$ (16.37)	\$ (25.21)	\$ (31.65)

Stock Chart

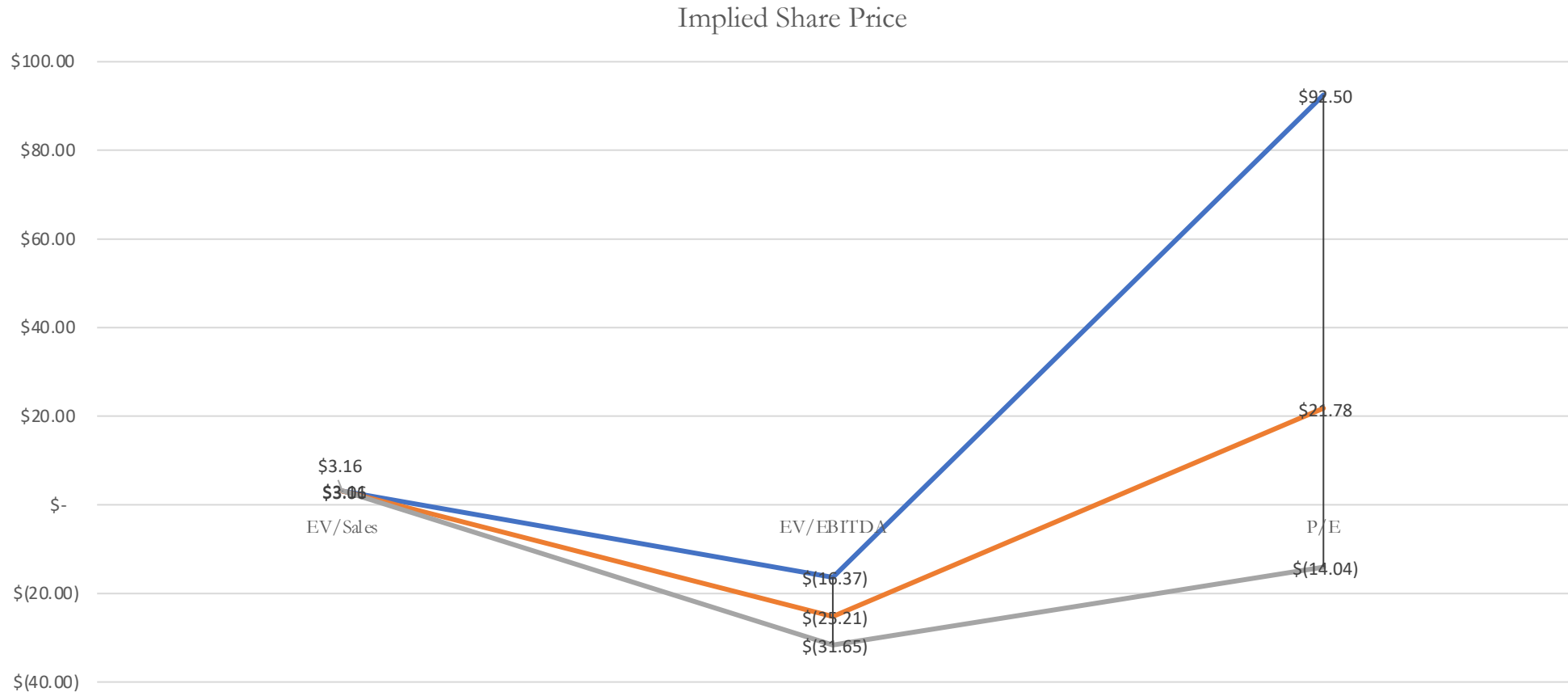
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Public Comps

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Football Field

Precedent Transactions Analysis



Stock Chart

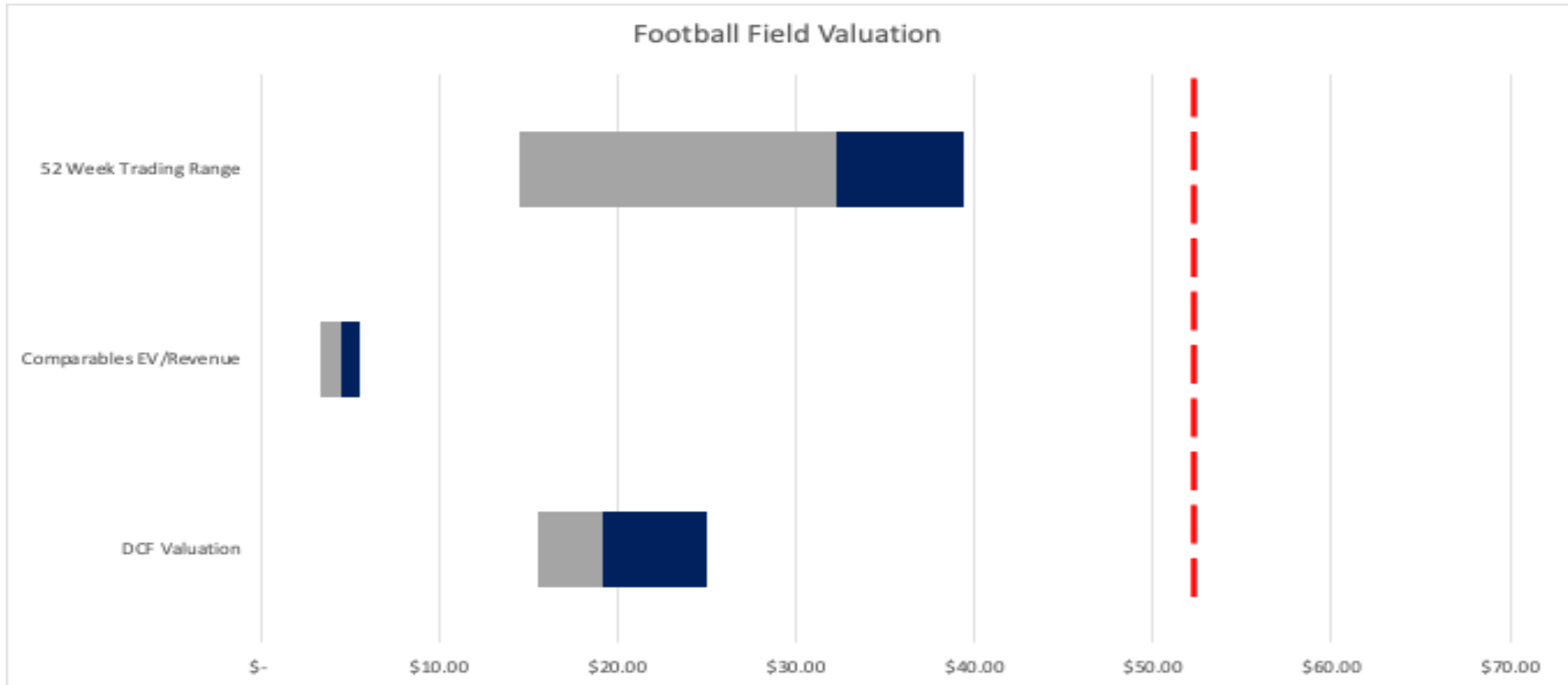
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Valuation Football Field



*Could not include EV/EBITDA or P/E due to negative multiples

