



DraftKings Reports Second Quarter Revenue Growth of 37% to \$1,513 Million

Sets Company Records for Revenue, Net Income, and Adjusted EBITDA  
Maintains 2025 Revenue and Adjusted EBITDA Guidance Ranges

**Boston, MA – August 6, 2025** — DraftKings Inc. (Nasdaq: DKNQ) (“DraftKings” or the “Company”) today announced its second quarter 2025 financial results. The Company also posted a second quarter 2025 business update and a slide presentation on the Investor Relations section of its website at investors.draftkings.com.

**Second Quarter 2025 Highlights**

For the three months ended June 30, 2025, DraftKings reported revenue of \$1,513 million, an increase of \$408 million, or 37%, compared to \$1,104 million during the same period in 2024. The increase in the Company’s second quarter 2025 revenue was driven primarily by continued healthy customer engagement, efficient acquisition of new customers, higher structural Sportsbook hold percentage, and sportsbook-friendly outcomes. Revenue of \$1,513 million, net income of \$158 million, and Adjusted EBITDA of \$301 million in the second quarter set new records for the company.

“We set records for revenue, net income and Adjusted EBITDA in the second quarter, driven by an acceleration in revenue growth to 37% year-over-year,” said Jason Robins, DraftKings’ Chief Executive Officer and Co-founder. “We are pleased to be maintaining our fiscal year 2025 guidance, with revenue expected to be closer to the high end of our range, highlighting the strength of our platform as we prepare for an exciting new state launch.”

“We remain focused on investing in key growth initiatives across the organization to maximize shareholder returns over the long-term,” said Alan Ellingson, DraftKings’ Chief Financial Officer. “In addition to our investments, we repurchased 6.5 million shares through our stock repurchase program in the first two quarters of this year.”

**Continued Healthy Growth in Customer Retention, Acquisition, and Engagement**

- Monthly Unique Payers (“MUPs”) increased to 3.3 million average monthly unique paying customers in the second quarter of 2025, representing an increase of 6% compared to the second quarter of 2024. This increase reflects strong unique payer retention and acquisition across DraftKings’ Sportsbook and iGaming product offerings and the impact of the acquisition of Jackpocket. Excluding the impact of the acquisition of Jackpocket, MUPs increased by 5% compared to the second quarter of 2024.
- Average Revenue per MUP (“ARPMUP”) increased to \$151 in the second quarter of 2025, representing a 29% increase compared to the same period in 2024. The increase was primarily due to improvement in our Sportsbook hold percentage and improved promotional reinvestment for Sportsbook. Excluding the impact of the acquisition of Jackpocket, ARPMUP increased 30% compared to the second quarter of 2024.
- Detailed financial data and other operational information for the second quarter of 2025 is available in the financial statements set forth below under the caption “Financial and Operational Results.”

**Fiscal Year 2025 Guidance**

- DraftKings is maintaining its fiscal year 2025 revenue guidance of \$6.2 billion to \$6.4 billion, which the Company previously announced on May 8, 2025. The Company is on track to deliver revenue closer to the high end of this range due to sportsbook-friendly outcomes in the second quarter as well as continuing strength across our core value drivers. Fiscal year 2025 revenue guidance equates to 32% year-over-year growth based on the Company’s fiscal year 2024 revenue and the midpoint of the Company’s fiscal year 2025 revenue guidance range.



- DraftKings is maintaining its fiscal year 2025 Adjusted EBITDA guidance of \$800 million to \$900 million, which the Company previously announced on May 8, 2025. The Company is on track to deliver Adjusted EBITDA near the midpoint of this range.
- The Company's guidance now includes anticipated financial impacts from DraftKings launching mobile sports betting in Missouri later this year.
- In addition, the Company's guidance now includes anticipated financial impacts from higher tax rates in New Jersey, Louisiana, and Illinois.
- The Company's guidance for fiscal year 2025 does not include the potential launch of a Prediction Markets offering.

**Mobile Sports Betting and iGaming Footprint**

- DraftKings is live with mobile sports betting in 25 states and Washington, D.C., which collectively represent approximately 49% of the U.S. population. DraftKings expects to launch its Sportsbook product in Missouri pending market access, licensure, regulatory approvals, and contractual approvals where applicable.
- DraftKings is also live with iGaming in 5 states, which represents approximately 11% of the U.S. population.
- DraftKings is live with its Sportsbook and iGaming products in Ontario, Canada, which represents approximately 40% of Canada's population.

**Webcast and Conference Call Details**

As previously announced, DraftKings will host a conference call and audio webcast tomorrow, Thursday, August 7, 2025, from 8:30 a.m. to 9:15 a.m. ET, during which management will discuss the Company's results and provide commentary on business performance. A question-and-answer session will follow the prepared remarks.

To listen to the audio webcast and live question and answer session, please visit DraftKings' investor relations website at [investors.draftkings.com](https://investors.draftkings.com). A live audio webcast of the earnings conference call will be available on the Company's website at [investors.draftkings.com](https://investors.draftkings.com), along with a copy of this earnings press release, the Company's Quarterly Report on Form 10-Q, a second quarter 2025 business update and a slide presentation. The audio webcast will be available on the Company's investor relations website until 11:59 p.m. ET on September 30, 2025.

**Financial and Operational Results**

DraftKings' second quarter 2025 financial results, as well as the financial results for each comparative period, and certain operational results are presented below:



DRAFTKINGS INC.  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(Amounts in thousands, except par value)

|                                                                                                                                                                                                                                              | June 30, 2025<br>(Unaudited) | December 31, 2024   |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|---------------------|
| <b>Assets</b>                                                                                                                                                                                                                                |                              |                     |
| <b>Current assets:</b>                                                                                                                                                                                                                       |                              |                     |
| Cash and cash equivalents                                                                                                                                                                                                                    | \$ 1,261,969                 | \$ 788,287          |
| Restricted cash                                                                                                                                                                                                                              | 4,616                        | 16,499              |
| Cash reserved for users                                                                                                                                                                                                                      | 297,369                      | 525,407             |
| Receivables reserved for users                                                                                                                                                                                                               | 67,623                       | 62,542              |
| Accounts receivable                                                                                                                                                                                                                          | 68,950                       | 57,839              |
| Prepaid expenses and other current assets                                                                                                                                                                                                    | 86,172                       | 83,187              |
| <b>Total current assets</b>                                                                                                                                                                                                                  | <b>1,786,699</b>             | <b>1,533,761</b>    |
| Property and equipment, net                                                                                                                                                                                                                  | 53,214                       | 50,550              |
| Intangible assets, net                                                                                                                                                                                                                       | 879,996                      | 933,121             |
| Goodwill                                                                                                                                                                                                                                     | 1,555,116                    | 1,555,116           |
| Operating lease right-of-use assets                                                                                                                                                                                                          | 69,066                       | 74,917              |
| Equity method investments                                                                                                                                                                                                                    | 13,882                       | 13,200              |
| Deposits and other non-current assets                                                                                                                                                                                                        | 116,329                      | 123,060             |
| <b>Total assets</b>                                                                                                                                                                                                                          | <b>\$ 4,474,302</b>          | <b>\$ 4,283,725</b> |
| <b>Liabilities and Stockholders' equity</b>                                                                                                                                                                                                  |                              |                     |
| <b>Current liabilities:</b>                                                                                                                                                                                                                  |                              |                     |
| Accounts payable and accrued expenses                                                                                                                                                                                                        | \$ 553,162                   | \$ 661,245          |
| Liabilities to users                                                                                                                                                                                                                         | 724,969                      | 979,453             |
| Operating lease liabilities, current portion                                                                                                                                                                                                 | 11,361                       | 10,993              |
| Other current liabilities                                                                                                                                                                                                                    | 45,061                       | 3,300               |
| <b>Total current liabilities</b>                                                                                                                                                                                                             | <b>1,334,553</b>             | <b>1,654,991</b>    |
| Convertible notes, net of issuance costs                                                                                                                                                                                                     | 1,257,751                    | 1,256,429           |
| Term B Loan, net of issuance costs                                                                                                                                                                                                           | 578,499                      | —                   |
| Operating lease liabilities                                                                                                                                                                                                                  | 62,332                       | 67,660              |
| Warrant liabilities                                                                                                                                                                                                                          | 14,205                       | 22,033              |
| Long-term income tax liabilities                                                                                                                                                                                                             | 84,328                       | 76,375              |
| Other long-term liabilities                                                                                                                                                                                                                  | 133,006                      | 195,611             |
| <b>Total liabilities</b>                                                                                                                                                                                                                     | <b>\$ 3,464,674</b>          | <b>\$ 3,273,099</b> |
| <b>Commitments and contingent liabilities</b>                                                                                                                                                                                                |                              |                     |
| <b>Stockholders' equity:</b>                                                                                                                                                                                                                 |                              |                     |
| Class A common stock, \$0.0001 par value; 900,000 shares authorized as of June 30, 2025 and December 31, 2024; 520,537 and 504,722 shares issued and 496,051 and 489,071 outstanding as of June 30, 2025 and December 31, 2024, respectively | \$ 48                        | \$ 48               |
| Class B common stock, \$0.0001 par value; 900,000 shares authorized as of June 30, 2025 and December 31, 2024; 393,014 shares issued and outstanding as of June 30, 2025 and December 31, 2024                                               | 39                           | 39                  |
| Treasury stock, at cost; 24,486 and 15,651 shares as of June 30, 2025 and December 31, 2024, respectively                                                                                                                                    | (907,739)                    | (563,146)           |
| Additional paid-in capital                                                                                                                                                                                                                   | 8,197,948                    | 7,978,425           |
| Accumulated deficit                                                                                                                                                                                                                          | (6,317,156)                  | (6,441,228)         |
| Accumulated other comprehensive income                                                                                                                                                                                                       | 36,488                       | 36,488              |
| <b>Total stockholders' equity</b>                                                                                                                                                                                                            | <b>\$ 1,009,628</b>          | <b>\$ 1,010,626</b> |
| <b>Total liabilities and stockholders' equity</b>                                                                                                                                                                                            | <b>\$ 4,474,302</b>          | <b>\$ 4,283,725</b> |



DRAFTKINGS INC.  
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(Unaudited)  
(Amounts in thousands, except per share data)

|                                                                | Three Months Ended June 30, |              | Six Months Ended June 30, |              |
|----------------------------------------------------------------|-----------------------------|--------------|---------------------------|--------------|
|                                                                | 2025                        | 2024         | 2025                      | 2024         |
| Revenue                                                        | \$ 1,512,507                | \$ 1,104,441 | \$ 2,921,313              | \$ 2,279,437 |
| Cost of revenue                                                | 854,559                     | 663,414      | 1,698,362                 | 1,373,483    |
| Sales and marketing                                            | 233,187                     | 215,676      | 576,867                   | 556,375      |
| Product and technology                                         | 108,417                     | 92,655       | 211,677                   | 181,470      |
| General and administrative                                     | 165,700                     | 165,084      | 330,094                   | 339,335      |
| Income (loss) from operations                                  | 150,644                     | (32,388)     | 104,313                   | (171,226)    |
| Other income (expense):                                        |                             |              |                           |              |
| Interest income                                                | 12,305                      | 14,212       | 21,794                    | 29,279       |
| Interest expense                                               | (11,640)                    | (678)        | (16,734)                  | (1,327)      |
| Gain (loss) on remeasurement of warrant liabilities            | (5,851)                     | 9,791        | (3,356)                   | (8,303)      |
| Other gain (loss), net                                         | 24,459                      | (446)        | 24,481                    | (1,181)      |
| Income (loss) before income tax and equity method investments  | 169,917                     | (9,509)      | 130,498                   | (152,758)    |
| Income tax provision (benefit)                                 | 11,790                      | (73,570)     | 6,190                     | (73,921)     |
| (Gain) loss from equity method investments                     | 191                         | 239          | 236                       | (91)         |
| Net income (loss) attributable to common stockholders          | \$ 157,936                  | \$ 63,822    | \$ 124,072                | \$ (78,746)  |
| Earnings (loss) per share attributable to common stockholders: |                             |              |                           |              |
| Basic                                                          | \$ 0.32                     | \$ 0.13      | \$ 0.25                   | \$ (0.17)    |
| Diluted                                                        | \$ 0.30                     | \$ 0.10      | \$ 0.23                   | \$ (0.17)    |

DRAFTKINGS INC.  
NON-GAAP FINANCIAL MEASURES  
(Unaudited)  
(Amounts in thousands, except per share data)

|                                    | Three Months Ended June 30, |            | Six Months Ended June 30, |            |
|------------------------------------|-----------------------------|------------|---------------------------|------------|
|                                    | 2025                        | 2024       | 2025                      | 2024       |
| Adjusted EBITDA                    | \$ 300,644                  | \$ 127,967 | \$ 403,273                | \$ 150,357 |
| Adjusted Earnings (Loss) Per Share | \$ 0.38                     | \$ 0.22    | \$ 0.50                   | \$ 0.27    |



DRAFTKINGS INC.  
REVENUE DISAGGREGATION  
(Unaudited)  
(Amounts in thousands, except percentages)

| (amounts in thousands)        | Three Months Ended June 30, |               |            |          |
|-------------------------------|-----------------------------|---------------|------------|----------|
|                               | 2025                        | 2024          | \$ Change  | % Change |
| Sportsbook Handle             | \$ 11,474,841               | \$ 10,793,014 | \$ 681,827 | 6.3 %    |
| Sportsbook Revenue            | 997,872                     | 686,889       | 310,983    | 45.3 %   |
| Sportsbook Net Revenue Margin | 8.7%                        | 6.4%          | N/A        | N/A      |

|                    |              |              |            |        |
|--------------------|--------------|--------------|------------|--------|
| Sportsbook Revenue | \$ 997,872   | \$ 686,889   | \$ 310,983 | 45.3 % |
| iGaming Revenue    | 429,660      | 350,552      | 79,108     | 22.6 % |
| Other Revenue      | 84,975       | 67,000       | 17,975     | 26.8 % |
| Total Revenue      | \$ 1,512,507 | \$ 1,104,441 | \$ 408,066 | 36.9 % |

| (amounts in thousands)        | Six Months Ended June 30, |               |              |          |
|-------------------------------|---------------------------|---------------|--------------|----------|
|                               | 2025                      | 2024          | \$ Change    | % Change |
| Sportsbook Handle             | \$ 25,355,232             | \$ 22,794,438 | \$ 2,560,794 | 11.2 %   |
| Sportsbook Revenue            | 1,879,829                 | 1,420,943     | 458,886      | 32.3 %   |
| Sportsbook Net Revenue Margin | 7.4%                      | 6.2%          | N/A          | N/A      |

|                    |              |              |            |        |
|--------------------|--------------|--------------|------------|--------|
| Sportsbook Revenue | \$ 1,879,829 | \$ 1,420,943 | \$ 458,886 | 32.3 % |
| iGaming Revenue    | 853,131      | 720,549      | 132,582    | 18.4 % |
| Other Revenue      | 188,353      | 137,945      | 50,408     | 36.5 % |
| Total Revenue      | \$ 2,921,313 | \$ 2,279,437 | \$ 641,876 | 28.2 % |



DRAFTKINGS INC.  
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
(Unaudited)  
(Amounts in thousands)

|                                                                                                          | Six Months Ended June 30, |                     |
|----------------------------------------------------------------------------------------------------------|---------------------------|---------------------|
|                                                                                                          | 2025                      | 2024                |
| <b>Cash Flows from Operating Activities:</b>                                                             |                           |                     |
| Net income (loss) attributable to common stockholders                                                    | \$ 124,072                | \$ (78,746)         |
| Adjustments to reconcile net income (loss) to net cash flows provided by (used in) operating activities: |                           |                     |
| Depreciation and amortization                                                                            | 135,415                   | 114,803             |
| Non-cash interest income                                                                                 | (1,285)                   | (2,798)             |
| Non-cash interest expense                                                                                | 2,224                     | 1,327               |
| Stock-based compensation                                                                                 | 163,547                   | 183,755             |
| (Gain) loss on remeasurement of warrant liabilities                                                      | 3,356                     | 8,303               |
| (Gain) loss from equity method investment                                                                | 236                       | (91)                |
| Deferred income taxes                                                                                    | 96                        | (79,762)            |
| Other non-cash (gain) loss, net                                                                          | (16,422)                  | 1,920               |
| Change in operating assets and liabilities, net of effect of acquisitions:                               |                           |                     |
| Receivables reserved for users                                                                           | (5,081)                   | 73,531              |
| Accounts receivable                                                                                      | (11,111)                  | (14,494)            |
| Prepaid expenses and other current assets                                                                | (2,544)                   | (22,698)            |
| Deposits and other non-current assets                                                                    | 2,759                     | (179)               |
| Operating leases, net                                                                                    | —                         | 168                 |
| Accounts payable and accrued expenses                                                                    | (98,441)                  | (82,154)            |
| Liabilities to users                                                                                     | (254,484)                 | (148,107)           |
| Long-term income tax liability                                                                           | 7,953                     | (1,171)             |
| Other long-term liabilities                                                                              | 4,615                     | 5,387               |
| <b>Net cash flows provided by (used in) operating activities</b>                                         | <b>\$ 54,905</b>          | <b>\$ (41,006)</b>  |
| <b>Cash Flows from Investing Activities:</b>                                                             |                           |                     |
| Purchases of property and equipment                                                                      | (6,963)                   | (5,446)             |
| Cash paid for internally developed software costs                                                        | (60,414)                  | (44,072)            |
| Cash paid for gaming market access and licenses                                                          | (2,234)                   | (12,695)            |
| Cash paid for acquisitions, net of cash acquired                                                         | —                         | (392,013)           |
| Other investing activities                                                                               | (4,667)                   | (2,308)             |
| <b>Net cash flows provided by (used in) investing activities</b>                                         | <b>\$ (74,278)</b>        | <b>\$ (456,534)</b> |
| <b>Cash Flows from Financing Activities:</b>                                                             |                           |                     |
| Proceeds from Term B Loan, net                                                                           | 588,116                   | —                   |
| Repayment of Term B Loan principal                                                                       | (1,500)                   | —                   |
| Purchase of treasury stock for RSU withholding                                                           | (101,852)                 | (57,912)            |
| Purchase of treasury stock under Stock Repurchase Program                                                | (242,741)                 | —                   |
| Proceeds from exercise of stock options                                                                  | 6,304                     | 5,443               |
| Proceeds from shares issued under Employee Stock Purchase Plan                                           | 6,900                     | —                   |
| Other financing activities                                                                               | (2,093)                   | —                   |
| <b>Net cash flows provided by (used in) financing activities</b>                                         | <b>\$ 253,134</b>         | <b>\$ (52,469)</b>  |
| Net increase (decrease) in cash and cash equivalents, restricted cash, and cash reserved for users       | 233,761                   | (550,009)           |
| Cash and cash equivalents, restricted cash, and cash reserved for users at the beginning of period       | 1,330,193                 | 1,623,493           |
| <b>Cash and cash equivalents, restricted cash, and cash reserved for users at the end of period</b>      | <b>\$ 1,563,954</b>       | <b>\$ 1,073,484</b> |
| <b>Disclosure of cash and cash equivalents, restricted cash, and cash reserved for users</b>             |                           |                     |
| Cash and cash equivalents                                                                                | \$ 1,261,969              | \$ 815,880          |
| Restricted cash                                                                                          | 4,616                     | 12,844              |
| Cash reserved for users                                                                                  | 297,369                   | 244,760             |
| <b>Cash and cash equivalents, restricted cash, and cash reserved for users at the end of period</b>      | <b>\$ 1,563,954</b>       | <b>\$ 1,073,484</b> |
| <b>Supplemental Disclosure of Noncash Investing and Financing Activities:</b>                            |                           |                     |
| Investing activities included in accounts payable and accrued expenses                                   | \$ 1,084                  | \$ 1,709            |
| Equity consideration issued in connection with acquisitions                                              | \$ —                      | \$ 331,557          |
| Decrease of warrant liabilities from cashless exercise of warrants                                       | \$ 11,185                 | \$ 46,398           |
| Shares issued for contingent consideration                                                               | \$ 4,962                  | \$ —                |
| <b>Supplemental Disclosure of Cash Activities:</b>                                                       |                           |                     |
| (Decrease) increase in cash reserved for users                                                           | \$ (228,038)              | \$ (96,530)         |
| Cash paid for interest                                                                                   | \$ 9,421                  | \$ —                |



**Non-GAAP Financial Measures**

This press release includes Adjusted EBITDA and Adjusted Earnings (Loss) Per Share, which are non-GAAP financial measures that DraftKings uses to supplement its results presented in accordance with U.S. generally accepted accounting principles (“GAAP”). The Company believes Adjusted EBITDA and Adjusted Earnings (Loss) Per Share 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 and Adjusted Earnings (Loss) Per Share 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.

DraftKings defines and calculates 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 below.

DraftKings defines and calculates 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; other non-recurring and non-operating costs or income; and the tax impact of adjusting items, as described in the reconciliation below.

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 and Adjusted Earnings (Loss) Per Share 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).



The unaudited table below presents the Company's Adjusted EBITDA reconciled to its net income (loss), which is the most directly comparable financial measure calculated in accordance with GAAP, for the periods indicated:

| (amounts in thousands)                                                    | Three Months Ended June 30, |          |      |          | Six Months Ended June 30, |          |      |          |
|---------------------------------------------------------------------------|-----------------------------|----------|------|----------|---------------------------|----------|------|----------|
|                                                                           | 2025                        |          | 2024 |          | 2025                      |          | 2024 |          |
| Net income (loss)                                                         | \$                          | 157,936  | \$   | 63,822   | \$                        | 124,072  | \$   | (78,746) |
| Adjusted for:                                                             |                             |          |      |          |                           |          |      |          |
| Depreciation and amortization <sup>(1)</sup>                              |                             | 65,299   |      | 61,623   |                           | 135,415  |      | 114,803  |
| Interest income                                                           |                             | (12,305) |      | (14,212) |                           | (21,794) |      | (29,279) |
| Interest expense                                                          |                             | 11,640   |      | 678      |                           | 16,734   |      | 1,327    |
| Income tax provision (benefit)                                            |                             | 11,790   |      | (73,570) |                           | 6,190    |      | (73,921) |
| Stock-based compensation <sup>(2)</sup>                                   |                             | 84,701   |      | 90,220   |                           | 163,547  |      | 183,755  |
| Transaction-related costs <sup>(3)</sup>                                  |                             | —        |      | 18,585   |                           | —        |      | 23,493   |
| Litigation, settlement, and related costs <sup>(4)</sup>                  |                             | —        |      | 10,804   |                           | —        |      | 20,124   |
| Advocacy and other related legal expenses <sup>(5)</sup>                  |                             | —        |      | —        |                           | —        |      | 285      |
| (Gain) loss on remeasurement of warrant liabilities                       |                             | 5,851    |      | (9,791)  |                           | 3,356    |      | 8,303    |
| Other non-recurring costs and non-operating (income) costs <sup>(6)</sup> |                             | (24,268) |      | (20,192) |                           | (24,247) |      | (19,787) |
| Adjusted EBITDA                                                           | \$                          | 300,644  | \$   | 127,967  | \$                        | 403,273  | \$   | 150,357  |

- (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, and \$79.1 million and \$65.7 million for the six 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.

The unaudited table below presents the Company's Adjusted Earnings (Loss) Per Share reconciled to its diluted earnings (loss) per share attributable to common stockholders, which is the most directly comparable financial measure calculated in accordance with GAAP, for the periods indicated:

|                                                                                      | Three Months Ended June 30, |        |      |        | Six Months Ended June 30, |        |      |        |
|--------------------------------------------------------------------------------------|-----------------------------|--------|------|--------|---------------------------|--------|------|--------|
|                                                                                      | 2025                        |        | 2024 |        | 2025                      |        | 2024 |        |
| Diluted earnings (loss) per share attributable to common stockholders                | \$                          | 0.30   | \$   | 0.10   | \$                        | 0.23   | \$   | (0.17) |
| Adjusted for:                                                                        |                             |        |      |        |                           |        |      |        |
| Amortization of acquired intangible assets <sup>(1)</sup>                            |                             | 0.07   |      | 0.07   |                           | 0.15   |      | 0.14   |
| Discrete tax benefit attributed to the acquisition of Jackpocket Inc. <sup>(2)</sup> |                             | —      |      | (0.15) |                           | —      |      | (0.16) |
| Stock-based compensation <sup>(3)</sup>                                              |                             | 0.16   |      | 0.17   |                           | 0.31   |      | 0.39   |
| Transaction-related costs <sup>(4)</sup>                                             |                             | —      |      | 0.04   |                           | —      |      | 0.05   |
| Litigation, settlement, and related costs <sup>(5)</sup>                             |                             | —      |      | 0.02   |                           | —      |      | 0.04   |
| Advocacy and other related legal expenses <sup>(6)</sup>                             |                             | —      |      | —      |                           | —      |      | 0.00   |
| (Gain) loss on remeasurement of warrant liabilities                                  |                             | 0.00   |      | 0.00   |                           | 0.00   |      | 0.02   |
| Other non-recurring and non-operating costs (income)                                 |                             | (0.04) |      | (0.04) |                           | (0.04) |      | (0.04) |
| Tax impact of adjusting items <sup>(7)</sup>                                         |                             | (0.11) |      | —      |                           | (0.16) |      | —      |
| Adjusted Earnings (Loss) Per Share*                                                  | \$                          | 0.38   | \$   | 0.22   | \$                        | 0.50   | \$   | 0.27   |



\* Weighted average diluted number of shares used to calculate Adjusted Earnings (Loss) Per Share for the three months ended June 30, 2025 and 2024 was 529.5 million and 518.8 million, respectively, and 529.6 million and 476.8 million for the six months ended June 30, 2025 and 2024, respectively; totals may not add due to rounding.

- (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, and \$79.1 million and \$65.7 million for the six months ended June 30, 2025 and 2024, 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 the evaluation, negotiation, and consummation of transactions and offerings that are under consideration, pending, or completed, as well as integration costs related to acquisitions.
- (5) Primarily includes external legal costs related to litigation and litigation settlement costs deemed unrelated to our ordinary-course 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) Beginning in the first quarter of the 2025, the Company began applying an estimated non-GAAP effective tax rate of 25%. The non-GAAP effective tax rate reflects the non-GAAP tax provision commensurate with the Company's level of non-GAAP profitability, which was determined after adjusting for the non-GAAP adjustments presented above and excluding the impact of changes in the valuation allowance.

Information reconciling forward-looking fiscal year 2025 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 forecast 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 calculation. DraftKings provides a forecast for Adjusted EBITDA because it believes that Adjusted EBITDA, when viewed with DraftKings' results calculated in accordance with GAAP, provides useful information for the reasons noted above. However, Adjusted EBITDA is not a measure of financial performance or liquidity under GAAP and, accordingly, should not be considered as an alternative to net income (loss) or cash flow from operating activities or as an indicator of operating performance or liquidity.

About DraftKings

DraftKings Inc. is a digital sports entertainment and gaming company created to be the Ultimate Host and fuel the competitive spirit of sports fans with products that range across daily fantasy, regulated gaming, and digital media. Headquartered in Boston and launched in 2012 by Jason Robins, Matt Kalish and Paul Liberman, DraftKings is the only U.S.-based vertically integrated sports betting operator. DraftKings' mission is to make life more exciting by responsibly creating the world's favorite real-money games and betting experiences. DraftKings Sportsbook is live with mobile and/or retail sports betting operations pursuant to regulations in 28 states, Washington, D.C., and in Ontario, Canada. The Company operates iGaming pursuant to regulations in five states and in Ontario, Canada under its DraftKings brand and pursuant to regulations in four states under its Golden Nugget Online Gaming brand. DraftKings also owns Jackpocket, the leading digital lottery courier app in the United States. DraftKings' daily fantasy sports product is available in 44 states, the District of Columbia, and certain Canadian provinces. DraftKings is both an official sports betting and daily fantasy partner of the NFL, NHL, PGA TOUR, WNBA and UFC, as well as an official daily fantasy partner of NASCAR, an official sports betting partner of the NBA and an authorized gaming operator of MLB. In addition, DraftKings owns and operates DraftKings Network a multi-platform content ecosystem. DraftKings is committed to being a responsible steward of this new era in real-money gaming by developing and promoting educational information and tools to help all players enjoy our games responsibly.



**Forward-Looking Statements**

This press release 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 the Company and its industry that involve substantial risks and uncertainties. All statements, other than statements of historical fact, contained in this press release, including statements regarding guidance, DraftKings’ 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 of these words or other similar terms or expressions, or by statements of vision, strategy or outlook. DraftKings cautions you that the foregoing may not include all of the forward-looking statements made in this press release.

You should not rely on forward-looking statements as predictions of future events. DraftKings has based the forward-looking statements contained in this press release primarily on its current expectations and projections about future events and trends, including the current macroeconomic environment, that it believes may affect its 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, many of which are outside DraftKings’ control and that could cause actual results or outcomes to differ materially from those discussed in the forward-looking statements. Important factors, among others, that may affect actual results or outcomes include, but are not limited to, DraftKings’ ability to manage growth; DraftKings’ ability to execute its business plan and meet its projections; potential litigation involving DraftKings; changes in applicable laws or regulations, particularly with respect to gaming; general economic and market conditions impacting demand for DraftKings’ products and services; economic and market conditions in the media, entertainment, gaming, and software industries in the markets in which DraftKings operates; market and global conditions and economic factors, as well as the potential impact of general economic conditions, and the potential impact of new and existing laws, regulations, or policies, including those relating to tariffs, import/export, or trade restrictions, inflation, rising interest rates and instability in the banking system, on DraftKings’ liquidity, operations and personnel, as well as the risks, uncertainties, and other factors described in “Risk Factors” in DraftKings’ 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 DraftKings makes from time to time with the SEC. The forward-looking statements contained herein are based on management’s current expectations and beliefs and speak only as of the date hereof, and DraftKings makes no commitment to update or publicly release any revisions to forward-looking statements in order to reflect new information or subsequent events, circumstances or changes in expectations, except as required by law.

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