



SPORTS TECH MARKET Q3 2022

NEW YORK | LONDON | LOS ANGELES | PARIS | MUNICH

SAN FRANCISCO | BERLIN | SINGAPORE | DUBAI



Exclusive Interviews



DEV BAJAJ

HEAD, DREAM CAPITAL
CSO, DREAM SPORTS



JEFF ROTH

PARTNER



PROVEN TRACK RECORD IN SPORTS TECH M&A AND GROWTH FINANCING ADVISORY

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WILDMOKA
 SALE TO

BACKLIGHT
 a portfolio company of

PSG
 Sports Tech / Enterprise SaaS
 


spikeTrap
 SALE TO

reddit
 Audience AI / SaaS



LIGHTSTREAM
 SALE TO

CS
 CREATIVE SOLUTIONS

THE VITEC GROUP
 Video Game / Content Live Streaming
 


CODEMASTERS
 FORMERLY
DIRT (SERIES)
 AAA Game Developer
 HAS ACQUIRED

SLIGHTLYMAD STUDIOS
 


WGT MEDIA
 SALE TO

TOPGOLF
 SportsTech



ECHTRA
 SALE TO

T2

zynga
 Gaming / Esports


PRIVATESPORTSHOP
 PRIVATE PLACEMENT

pechelINDUSTRIES
 Online Sports Retail





Onefit
 SALE TO

URBAN SPORTS CLUB
 a portfolio company of
 
partech **IVENTURES**
 Sports and Fitness Marketplace
 


elgato
 GAMING
 SALE TO

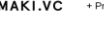
CORSAIR
 CAPITAL
 Content Streaming / Esports
 


CLEENG
 Sell your videos. Live & On-Demand
 PRIVATE PLACEMENT

WALVIS
 Video eCommerce



BLAST
 PRIVATE PLACEMENT

VEKSTFONDEN





CREANDUM

MAKI.VC + Private Investors
 Esports
 






newmoove
 SALE TO

FitnessFirst
 Online Fitness & Healthy Living
 


nWay
 Power Rangers
 SALE TO

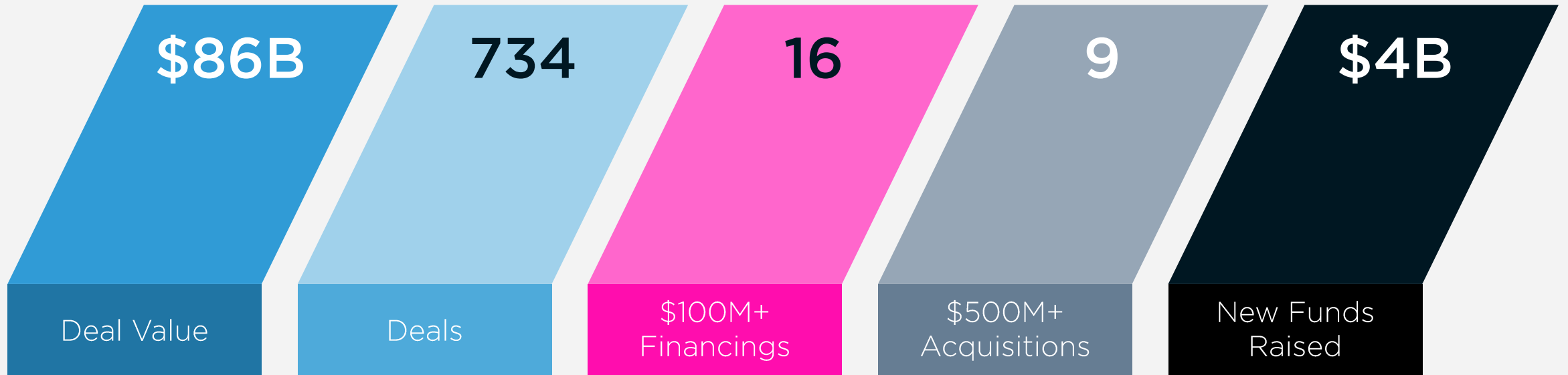
animoca BRANDS
 Gaming / Esports
 


chillingo
 SALE TO

EA
 Gaming / Esports
 


OUYA
 SALE TO

RAZER
 Sports/Gaming Hardware
 

RECORD DEAL ACTIVITY IN SPORTS TECH

YTD SEPTEMBER 2022

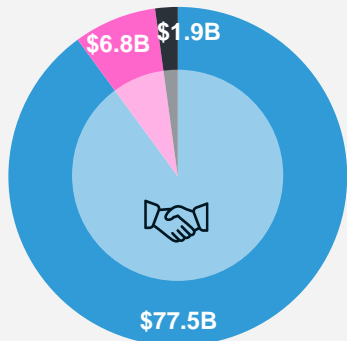


RECORD DEAL-MAKING IN SPORTS TECH

FAN ENGAGEMENT TECHNOLOGY CONSOLIDATION UP 10X THIS YEAR

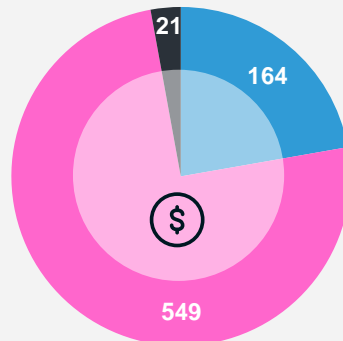
YTD DEAL VALUE

Total - \$86.2B



YTD DEAL COUNT

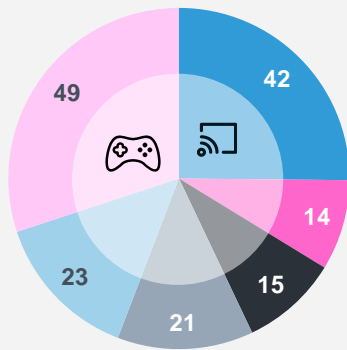
Total - 734



- M&A
- Private Placements
- Public Markets

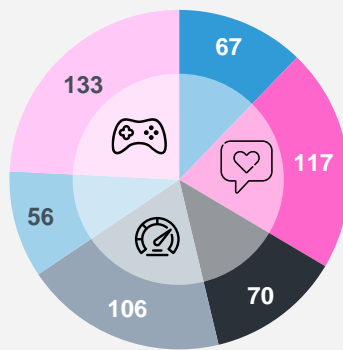
M&A

YTD - 164



PRIVATE PLACEMENTS

YTD - 549



- Media & Broadcasting
- Fan Engagement/Experience
- Data Analytics
- Wearables & Performance Enhancement
- Sponsorship & Venues
- Esports, Fantasy & Betting

9 MTH 2022 SUMMARY

- 2022 has been an unprecedented year in sports tech with **record \$86B in disclosed deal value** across 734 announced and or closed deals during the first 9 months of the year, **already 3x of the full year 2021 \$ value**.
- **\$77.5B in disclosed M&A activity** with one of the largest ever deals – the acquisition of Activision by Microsoft. Media & Broadcasting and Esports, Fantasy & Betting segments reported **strong consolidation**. Entain, Playmaker, TGI and Kore Software continue to be **highly acquisitive** and led the consolidation in the market.
- **Staggering \$6.8B in private financings** through 549 deals including **16 large \$100M+ raises**. Investors continue to invest across Sports Tech verticals and the **most active VCs** included **FJ Labs, Animoca, SeventySix Capital, and HBSE Ventures**.
- While public markets are still weathering the global macroeconomic slowdown fears, **FL Entertainment** went public on Euronext Amsterdam at a valuation of **\$7.6B** through a SPAC, while **FaZe Clan** listed on Nasdaq at a **\$725M** valuation through B Riley SPAC. PlayUp announced their plans to go public through IG Acquisition Corp SPAC at a **\$350M** valuation, while Group One Holdings (One Championship) is considering an IPO.

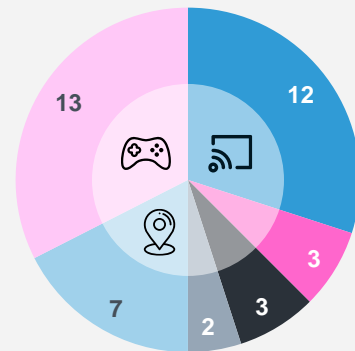
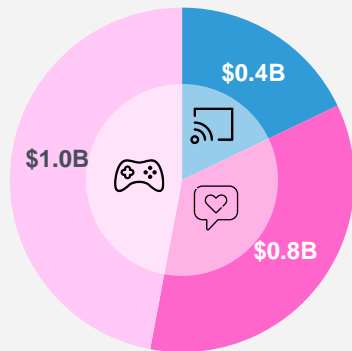
Q3 2022 OVERVIEW

HEALTHY DEAL ACTIVITY DESPITE GLOBAL MACROECONOMIC HEADWINDS

M&A

Deal Value - \$2.2B

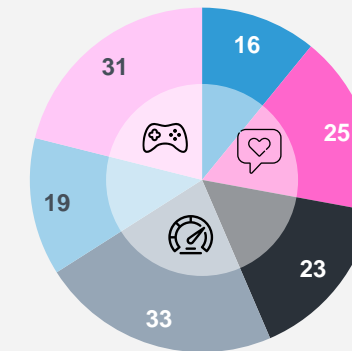
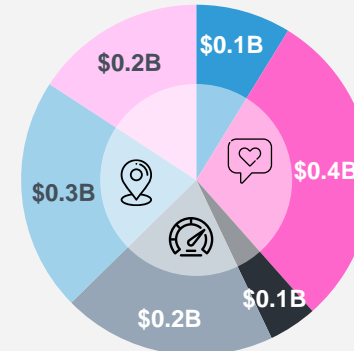
Deal Count - 40



PRIVATE PLACEMENTS

Deal Value - \$1.3B

Deal Count - 147



- Media & Broadcasting
- Fan Engagement/Experience
- Data Analytics
- Wearables & Performance Enhancement
- Sponsorship & Venues
- Esports, Fantasy & Betting


















Q3 2022 SUMMARY

- While the first half the year saw very strong deal activity, Q3 remained resilient despite global macroeconomic slowdown fears and reported healthy deal activity.
- \$2.2B** in disclosed M&A deal value across **40 announced deals** including high-profile deals such as Entain's acquisition of SuperSport (\$936M), Redbird Capital's sale of OneTeam Partners to Atlantic Park (\$760M) which yielded a very strong return, and Eleven Sports' acquisition by DAZN (undisclosed).

- \$1.3B** raised by private companies through **147 deals** with some sizable growth/late stage raises including SeatGeek (\$238M), LootMogul (\$200M), Therabody (\$165M), and Overtime (\$100M).
- After a cautious first half the public markets saw some uptick with FL Entertainment and FazeClan going public through SPACs. PlayUp announced their plan to go public via IG Acquisition Corp SPAC at **\$350M** in Q1 2023, and Group One Holdings, the company behind mixed martial arts brand One Championship, is considering going public via an IPO after a careful consideration of SPACs earlier this year.

SPORTS TECH KEY HEADLINES

Q3 2022

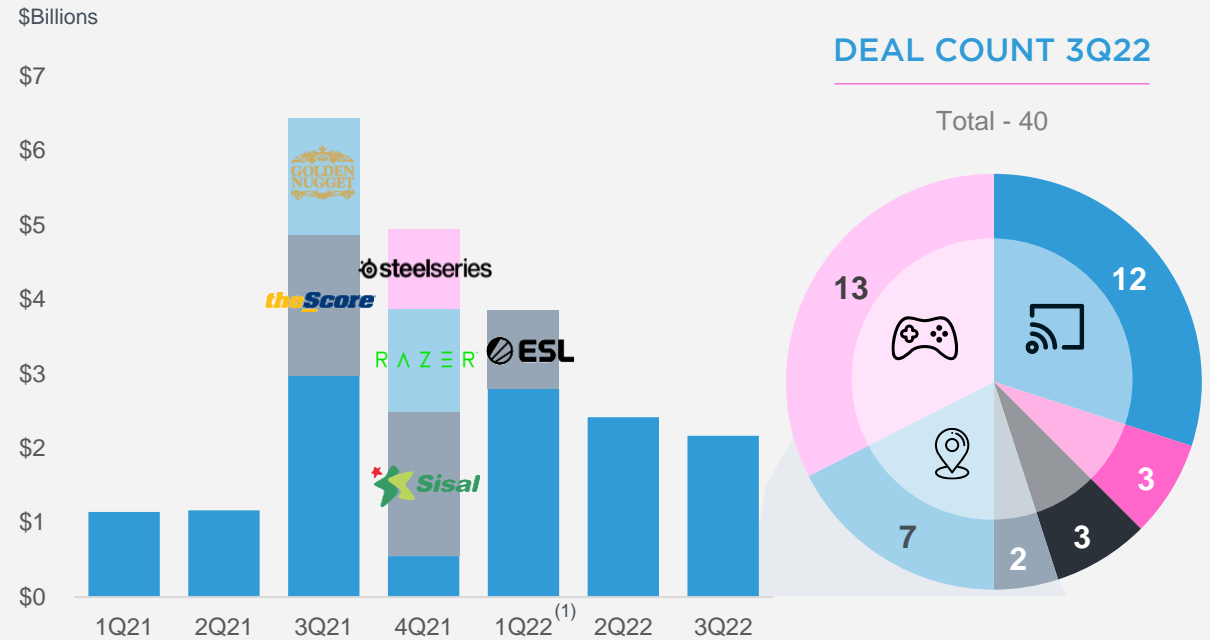
<p>M&A</p> 	<p>TARGET</p>      <p>INVESTOR</p>    	<ul style="list-style-type: none"> • DAZN acquired ELEVEN Group's global sports media business to add new geographic territories, new social media revenues streams, and expanded football rights • TGI Sport executed 3 acquisitions in September: Interregional Sports Group, Brand Brigade, Sportseen • Infinite Reality acquired ReKTGlobal, esports entertainment conglomerate, in a \$470M deal worth \$2B pre-money • Penn Entertainment acquired the remaining stake of Barstool Sports for \$387M, furthering its position in sports content and betting
<p>FUNDRAISING</p> 	    <p>Accel</p> <p>CapitalG</p> <p>COUNTERPOINT GLOBAL</p> <p>8x investors</p>	<ul style="list-style-type: none"> • SeatGeek raised \$238M in a Series E with a pre-money valuation of \$1B led by Accel after abandoning SPAC plans • Whatnot, a live stream platform and marketplace, raised \$260M of Series D venture funding in a deal led by CapitalG and DST Global, putting the company's pre-money valuation at \$3.9B • Overtime, publisher of sports content intended to empower athletes, raised \$100M of Series D venture funding in a deal led by Liberty Media and Counterpoint Global, putting the company's pre-money valuation at \$500M • Athletes Unlimited raised \$30M from investors including Kevin Durant and Philadelphia 76ers owner David Blitzer
<p>PUBLIC MARKETS</p> 	<p>FL/ENTERTAINMENT</p>  <p>PLAYUP</p> <p>ONE</p> <p>Pegasus Entrepreneurs</p> <p>B. Riley Principal 150 Merger Corp. IG Acquisition Corp.</p> <p>--</p>	<ul style="list-style-type: none"> • Global content production and sports betting giant FL Entertainment entered into an agreement to combine with Pegasus Entrepreneurs and trade on Euronext Amsterdam, at a valuation of \$7.5B • FaZe Clan went public via a SPAC merger deal with B. Riley Principal 150 Merger Corp. at a valuation of \$725M • PlayUp, a sports fantasy and betting platform, reached a definitive agreement to go public via SPAC at a \$350M valuation • Group One Holdings, the company behind mixed martial arts brand One Championship, is gearing up for a US IPO

M&A ACTIVITY

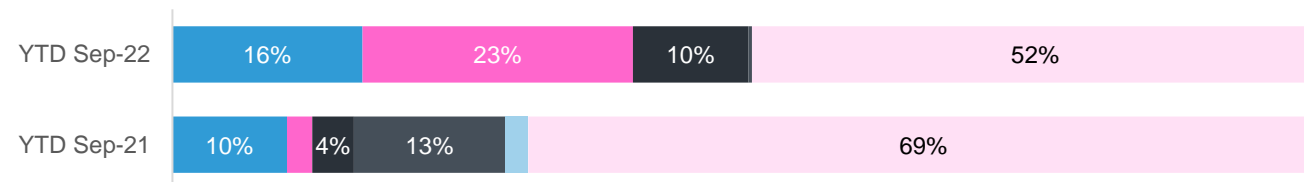
CONTINUED CONSOLIDATION LED BY STRATEGICS AS WELL AS PE SPONSORS

\$2.2B DISCLOSED VALUE FOR 3Q22 M&A ACTIVITY

- Steady deal volumes in 3Q22 with 40 announced M&A deals.
- Some of the notable strategic acquisitions included DAZN’s acquisition of **ELEVEN Sports** to increase geographic reach, generate new revenue streams, and expand its football rights, and Entain’s acquisition of **SuperSport**, the largest betting and gaming brand in Croatia, to expand in Central and Eastern Europe.
- PE buyers were actively acquiring companies through their platforms. Bruin Capital acquired 3 companies through **TGI Sports** and Serent Capital-funded KORE Software acquired **Sports Alliance**.
- In one of the largest exits, RedBird Capital sold its 40% stake in OneTeam to a consortium of PE buyers led by Atlantic Capital, valuing the player IP licensing business at about **\$1.9B**.
- As part of its ongoing PlayStation-focused esports expansion, Sony acquired the esports tournament platform **Repeat.gg**.



DEAL VALUE BY SEGMENT ⁽¹⁾



- Media & Broadcasting
- Fan Engagement/Experience
- Data Analytics
- Wearables & Performance Enhancement
- Sponsorship & Venues
- Esports, Fantasy, & Betting

SELECT M&A DEALS: Q3 2022

40 DEALS AND \$2.2B IN DISCLOSED DEAL ACTIVITY







Undisclosed ACQUISITION BY

- TGI Sport acquired 3 companies in September:
 - Sportseen, a rights buying firm for digital advertising at televised sports events
 - Brand Brigade, a product placement and virtual advertising firm for events including sports
 - Interregional Sports Group, virtual media company to connect sports entities and fans

September 2022





\$760M ACQUISITION BY

- OneTeam Partners, a premier athlete licensing and marketing company, was acquired by Atlantic Park, HPS and Morgan Stanley for an undisclosed amount
- The recapitalisation of what was previously RedBird Capital's stake positions OneTeam for its next chapter of growth, with significant opportunities to diversify the business and expand into new areas

September 2022




Undisclosed ACQUISITION BY

- Eleven Sports, a sports media content provider, was acquired by DAZN Group, provider of a sports streaming service, for an undisclosed amount
- The acquisition expands DAZN's capabilities in the live sports streaming sector and adds \$300M to its annual revenue

September 2022




Undisclosed ACQUISITION BY

- TouchLynk, a sports analytics platform for athletes of all ages, was acquired by 14Ten Sports, parent company of GG8 Sports, a global sports data company, for an undisclosed amount
- The acquisition adds an established data centre that processes game film to GG8 Sports and will complement its youth sports data arm



August 2022




\$387M ACQUISITION BY

- Existing investor Penn⁽¹⁾ acquired the remaining shares (64%) of Barstool Sports for \$387m at an EV of \$605m after exercising rights obtained during an earlier investment round
- Barstool's branding is utilised in Penn's sports betting efforts at its casinos and in a betting app

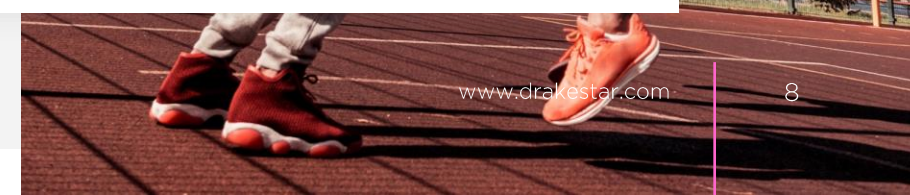
August 2022

Undisclosed ACQUISITION BY

- Sports Alliance, a fan relation software, was acquired by KORE Software, business management software for the sports and entertainment sectors, for an undisclosed amount
- The acquisition marks an expansion for KORE Software in the EMEA market as it inherits more than 140 clients

July 2022



TOP 10 DISCLOSED M&A TRANSACTIONS

YTD SEPTEMBER 2022

164 DEALS FOR A TOTAL OF \$77.5B

COMPANY	COUNTRY	SUBSECTOR	DEAL SIZE	EV/REV.	EV/EBITDA	ACQUIRER	ACQUIRER COUNTRY	DATE
		Fantasy, Esports & Betting	\$68.7B	7.8x	19.4x	 Microsoft		Jan-22
		Fantasy, Esports & Betting	\$1.1B	7.3x	--	 SAVVY GAMING GROUP 		Jan-22
		Fantasy, Esports & Betting	\$935M	--	--	 Zentain		Aug-22
		Fantasy, Esports & Betting	\$900M	--	--	 Zentain		Jun-22
		Media & Broadcasting	\$850M	4.5x	--	 BainCapital  Nextalia		Jun-22
		Fan Engagement / Experience	\$760M	--	--	 ATLANTIC PARK  HPS Morgan Stanley		Sep-22
		Media & Broadcasting	\$550M	8.5x	--	 The New York Times		Jan-22
		Fantasy, Esports & Betting	\$500M	15.2x	--	 SAVVY GAMING GROUP 		Jan-22
		Fan Engagement / Experience	\$500M	--	--	 Fanatics		Jan-22
		Fantasy, Esports & Betting	\$470M	--	--	 INFINITE REALITY		Apr-22

EXCLUSIVE INTERVIEW WITH JEFF ROTH

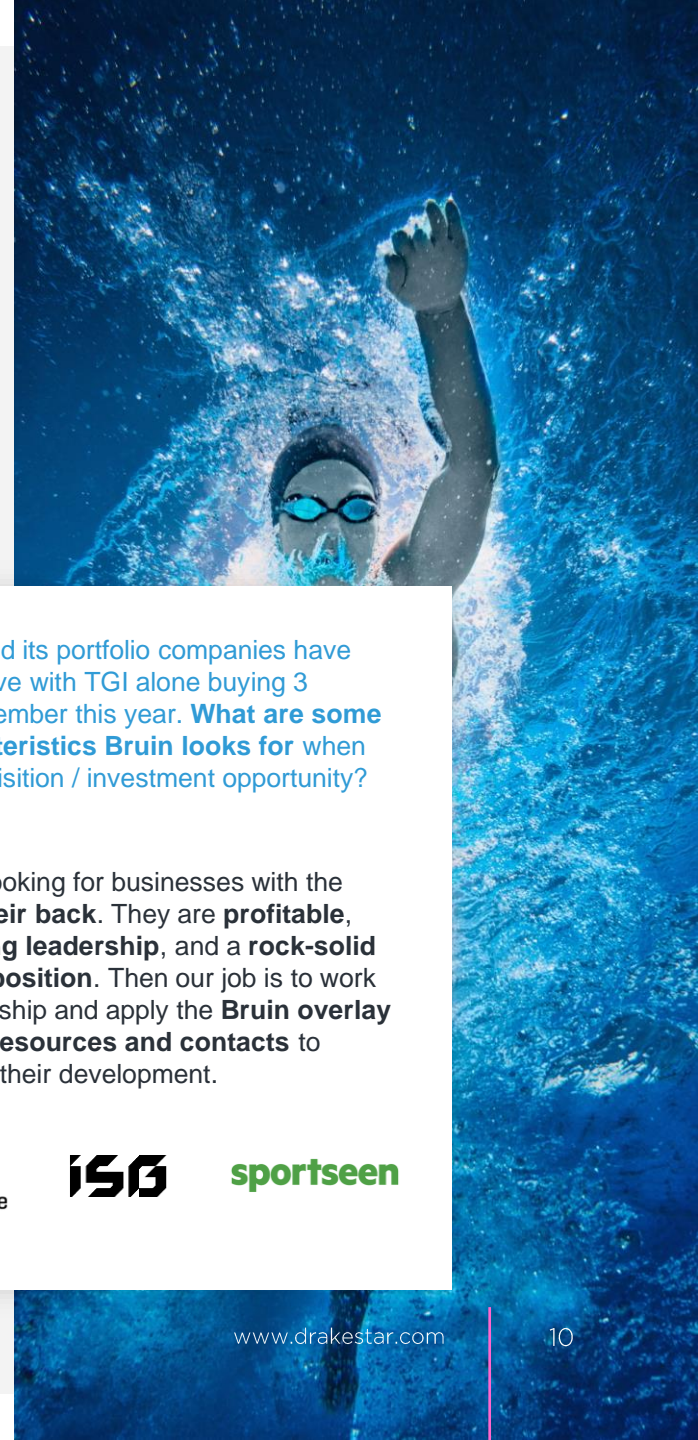
BRUIN CAPITAL



JEFF ROTH
PARTNER



Bruin Capital is a **sports, media, entertainment,** and **technology investment platform** that partners with management teams to build best-in-class global businesses. Bruin uses its **industry relationships, sector knowledge,** and **operational experience** to identify investment opportunities and help drive the growth of its companies



Q: Bruin Capital is a global investment firm that focuses on sports, media and entertainment. Can you please provide more details on Bruin Capital and **how you differentiate in your investment approach?**



A: Bruin invests in companies that **operate in and around the sports ecosystem.** Our **unique operational capabilities and global network** help us identify attractive investment opportunities and can truly accelerate a company's growth trajectory. We look for platforms to scale and develop through **business development, aggressive M&A,** and **operational discipline.**

Q: Tech is reshaping the sports industry, from how sports lovers consume content and engage with sports/personalities to the way athletes train and make money. **What is your view on the innovation in the sports industry and what are some of the trends that are exciting for you?**



A: The sector is in **complete disruption,** which is an opportunity for new players to enter the space. What was once a broadcast industry built around the living room is **quickly becoming a D2C business** driven by the advent of new technologies and data analysis becoming more sophisticated. **It's a great time to be an investor** and to evaluate opportunities through our unique perspective as builders and operators of global sports businesses.

Q: Bruin Capital and its portfolio companies have been very acquisitive with TGI alone buying 3 companies in September this year. **What are some of the key characteristics Bruin looks for** when evaluating an acquisition / investment opportunity?



A: We're looking for businesses with the **wind at their back.** They are **profitable,** have **strong leadership,** and a **rock-solid value proposition.** Then our job is to work with leadership and apply the **Bruin overlay of global resources and contacts** to accelerate their development.



EXCLUSIVE INTERVIEW WITH JEFF ROTH (CONT.)

BRUIN CAPITAL

Q: You recently had a **very successful exit in Deltatre despite a very challenging broader market sentiment**. Can you please shed some light on **how Bruin helped Deltatre develop into a major streaming tech provider** in the Sports industry and what are some of the **key learnings** for Bruin Capital?



A: Deltatre was a great business with tremendous leadership but completely **under the radar outside of Europe**. Together we developed an aggressive strategy to **expand them into the US and Asia** and **diversify** its core competencies. It was the company's first strategic plan, and with that, we brought operational focus that allowed us to scale quickly and integrate new capabilities seamlessly. On top of that, **we opened doors** to showcase their capabilities to new clients worldwide, particularly in the US, where the company became **one of the most important in the world**. If there is any key learning it's that in disruption, **focus is crucial**. You can serve many clients and grow quickly with discipline and rigor.

deltatre

Q: For 2023 and beyond, what are some of the **key trends** within the broader Sports Tech market that you are most **bullish** and **bearish** on?



A: Bullish: data-driven approach to everything from **data rich content**, to **data informing commercial and front office decisions**; customization / personalization (across sponsorship/advertising, content, etc.); massively improved in venue experience (wait times, in stadium engagement, etc.).

Bearish: **profitless growth** and/or **meaningful investments without a clear and tangible outcome** in sight. Investments for the future are still important, but companies across all stages need to have an actionable path to profitability, especially given current market conditions (unless you're a truly differentiated start-up with existing users/traction, a massive global TAM, and existing investors with deep pockets).

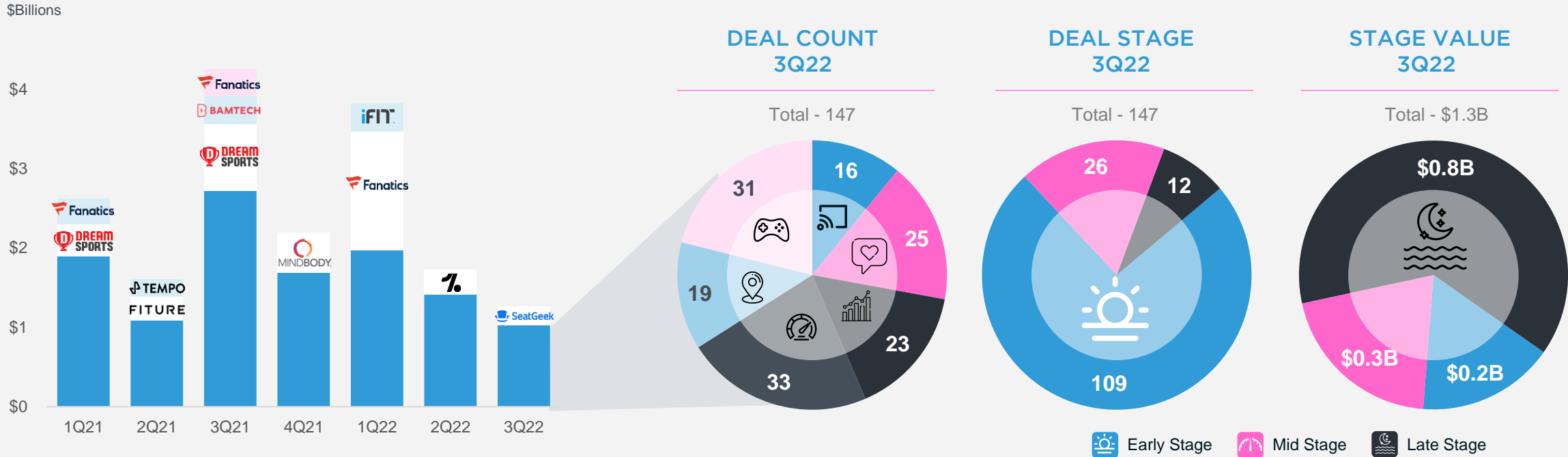
Q: As a leading Sports Tech acquirer / investor, what are some of the **key areas** within Sports Tech that Bruin would **focus on from an M&A and investment standpoint** for 2023 and beyond?



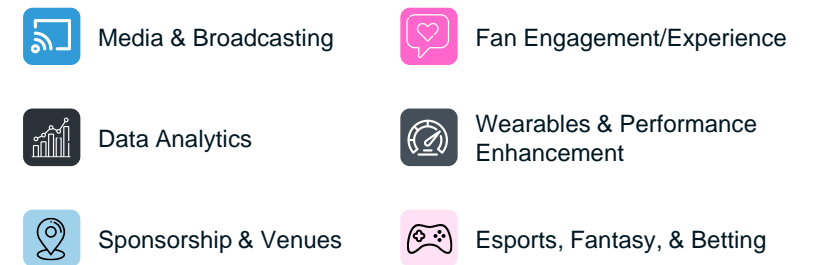
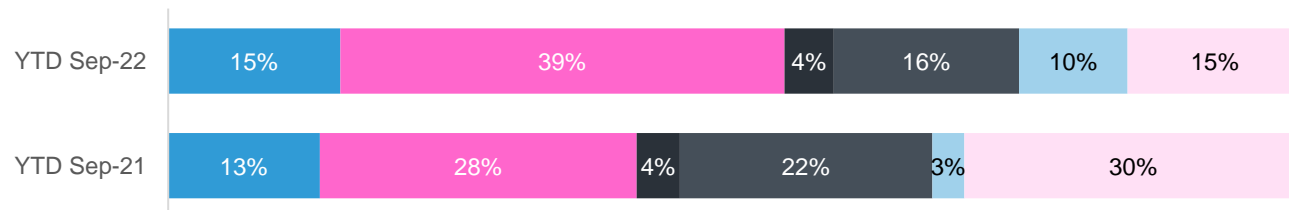
A: Anything and everything. This is a great time for a company like ours to be investing. Because we ran businesses in the sector and our team is operational-focused, **we see things beyond the financial data**. We're fast in our decision-making process and probably see more than most because of our network.

PRIVATE PLACEMENTS ACTIVITY

\$6.8B INVESTED IN OVER 700 DEALS DURING THE FIRST 9 MONTHS



DEAL VALUE BY SEGMENT



SELECT PRIVATE PLACEMENTS: Q3 2022

147 DEALS AND \$1.3B IN DISCLOSED FUNDING

 **\$200M**
FUNDRAISE
LED BY

 Gem Global
Yield

- LootMogul, operator of an athlete-led sports metaverse powered by virtual real estate and NFTs, raised \$200m of funding from Gem Global Yield
- The funding will be used to support the building of virtual sports cities around the world

September 2022

 **Undisclosed**
FUNDRAISE
LED BY

 TLVSEED
Angel group

- Pico, a data-driven fan marketing platform intended to help sports teams, raised an undisclosed amount of venture funding from TLV Seed
- The funding will allow Pico to further invest in development and expansion

September 2022

 **\$37M**
FUNDRAISE
LED BY

 ARES

- aXiomatic, developer of esports software, raised \$37m in a funding round led by Ares Management, with participation from 4 other investors
- The funding will be used to spur inorganic growth in areas that could take the company into new verticals

August 2022

 **\$100M**
FUNDRAISE
LED BY

 COUNTERPOINT GLOBAL

- Overtime, a sports content company, raised \$100m of Series D funding in a deal led by Counterpoint Global and Liberty Media, alongside participation from 13 other investors
- The funds will be used to create new sports leagues, expand into key business verticals, and invest in digital content across sports


August 2022


 **\$30M**
FUNDRAISE
LED BY

 CORNER
VENTURES

- Ludeo, an AI-driven esports software designed to enhance gamers' cognitive skills, raised \$30m of Series A funding in a deal led by Corner Ventures, alongside participation from 5 other investors
- The funding will be used to build out its tools for its 'Playables' sharable game clips

July 2022

 PlayReplay **Undisclosed**
FUNDRAISE
LED BY

 NJORD VENTURES






















- PlayReplay, a tracking system for racket sports designed to improve athlete's performance, raised an undisclosed amount of venture funding from Njord Ventures
- The funds will allow PlayReplay to further invest in its sports tracking system

July 2022

TOP 10 DISCLOSED FUNDING ROUNDS

YTD SEPTEMBER 2022

549 DEALS FOR A TOTAL OF \$6.8B

COMPANY	SUBSECTOR	COUNTRY	DEAL AMOUNT	VALUATION ⁽¹⁾	SELECT INVESTOR(S)	DATE
 Fanatics	Fan Engagement/Experience		\$1.5B	\$25.5B	 BlackRock. 	Mar-22
 iFit	Wearables & Perf. Enhancement		\$355M	\$2.6B ⁽²⁾	 CATTERTON Scott Watterson	Feb-22
 ONEFOOTBALL	Media & Broadcasting		\$315M	\$684M ⁽²⁾	 LIBERTY CITY VENTURES  animoca BRANDS Dapper Labs	Apr-22
 SEAT GEEK	Sponsorships & Venues		\$240M	\$1.0B	 Accel ARCTOS WELLINGTON MANAGEMENT ²	Aug-22
 IMMUTABLE	Fantasy, Esports & Betting		\$200M	\$2.3B	TEMASEK Tencent FABRICVENTURES	Mar-22
 LOOTMOGUL	Fan Engagement/Experience		\$200M	\$1.8B	 gem global emerging markets  SL2 CAPITAL	Sep-22
 Autograph	Fan Engagement / Experience		\$170M	\$3.0B	andressen.horowitz KLEINER PERKINS	Jan-22
 Therabody	Wearables & Perf. Enhancement		\$165M	--	 North Castle Partners  HARTBEAT RX3	Sep-22
 Pixellot	Media & Broadcasting		\$161M	\$339M	PSG  ALTITUDE GROUP Israeli Secondary Fund	May-22
 HB	Sponsorships & Venues		\$150M	\$2.8B ⁽²⁾	ARCTOS	Jun-22



SPORTS TECH LEAGUE TABLES

TOP 10 INVESTORS YTD SEPTEMBER 2022

LEAGUE TABLE - EARLY TO LATE

INVESTOR	DEALS	SELECT INVESTMENTS	STAGE	LOCATION
SEVENTYSIX CAPITAL	11	ASENSEI KYX [®] LUDIS ANALYTICS	Early to Late	
FJ LABS	11	 Pikkit simplebet	Seed to Late	
animoca	11	CALAXY FCF IGNITE TOURNAMENTS [®]	Early to Late	
ACIES INVESTMENTS	11	ANGSTROM UNDERDOG FANTASY	Early to Late	
HBSE VENTURES	8	ERGATTA PROTEUS [®]	Early to Late	
thirty5 VENTURES	8	NY NY GOTHAM FC ATHLETES UNLIMITED	Early to Late	
ANDRESEN HOROWITZ	6	Autograph <i>GM CLASS</i>	Seed to Late	
Bullpen.	6	Rei do Pitaco THE EDGE MARKETS	Seed to Late	
SEQUOIA	4	STEP N NDRAFTEA	Seed to Late	
TIGERGLOBAL	4	metafy FanCraze	Seed to Late	

LEAGUE TABLE - SEED FOCUSED

INVESTOR	DEALS	SELECT INVESTMENTS	STAGE	LOCATION
305 VENTURES	10	SHARP SPORTS ULT Odds	Seed to Early	
ELYSIAN PARK	10	SPORTSBOX AI VAUNT [™]	Seed to Early	
SHIMA CAPITAL	9	Betswap.gg UBET	Seed to Early	
10X CAPITAL	8	ALLSTAR THRIVE FANTASY	Seed to Early	
kb PARTNERS	8	SIQ Stadium LIVE	Seed to Early	
SHARP ALPHA ADVISORS	8	Griip SHARP SPORTS	Seed to Early	
BTG	7	FCF Players' Lounge	Seed to Early	
DRIVE	6	EHRV NEXTILES	Seed to Early	
Dapper Labs	5	THE FOOTBALL CLUB ONEFOOTBALL	Seed to Early	
6MV	4	STEP N FCF	Seed to Early	

SPORTS TECH LEAGUE TABLES

TOP 10 STRATEGIC BUYERS YTD SEPTEMBER 2022

LEAGUE TABLE - STRATEGIC BUYERS

COMPANY	DISCLOSED DEAL VALUE (\$M)	DEALS	SELECT ACQUISITIONS			LOCATION
 Entain	\$2,077	4	 BETCITY	 SuperSport <small>King of Champions</small>	 Totolotek	
 PLAYMAKER	--	4	 juanfutbol	 WORLD SOCCER TALK	 SPORTSDROP	
 TGI / BRUIN <small>SPORTS CAPITAL</small>	--	3	 Brand Brigade	 ISG	 sportseen	
 KORE / Serent <small>SOFTWARE CAPITAL</small>	--	3	 hookit	 SSB	 SportsAlliance	
 hudl	--	3	 wimu	 InStat	 BLUEFRAME TECHNOLOGY	
 SAVY GAMING GROUP	\$1,552	2	 ESL	 FACEIT		
 Fanatics	\$750	2	 TEPPS	 Mitchell & Ness		
 LIGHT & WONDER	\$147	2	 playzido	 HOUSE ADVANTAGE		
 BC BETTER COLLECTIVE	\$139	2	 canadian SPORTS BETTING	 FUTBIN		
 DMG GROUP ⁽¹⁾	--	2	 ESPORTS HEADLINES	 GAMER HEADLINES		
 GENERATION ESPORTS	--	2	 TGI	 WIZARD BETA		







SPORTS TECH LEAGUE TABLES

FINANCIAL INVESTORS AND BUYERS

SELECT ACTIVE FINANCIAL SPONSORS

PRIVATE EQUITY GROUP	ACTIVE PLATFORMS	TOTAL ACQUISITIONS
 BainCapital	3	32
 BRUIN SPORTS CAPITAL	6	16
 REDBIRD CAPITAL PARTNERS	8	9
 Serent CAPITAL	3	8
 Blackstone	1	6
 ARES	5	5
	2	4

RECENT SPORTS TECH FUNDS

FUND	FUND AMOUNT (\$M)	DATE	FOCUS	LOCATION
 ARES	\$3,700	Sep-22	Sports Media & Tech	
 WILL VENTURES	\$150	Mar-22	Esports	
 venturerock.	\$75	Open	Sports Media & Tech	



EXCLUSIVE INTERVIEW WITH DEV BAJAJ

DREAM SPORTS GROUP



DEV BAJAJ

HEAD, DREAM CAPITAL
CSO, DREAM SPORTS



Dream Sports is **India's largest sports technology company**, with a strong portfolio of subsidiaries engaged in solving various issues for sports fans. Dream Sports' CVC and M&A arm, **Dream Capital**, was created to facilitate and support innovation in the sports tech arena.

Q: Dream Sports owns the **world's largest fantasy sports platform 'Dream11'** with **over 130 million active users**. While Dream11 is a key part of Dream Sports, it is much more than that. Can you please provide more details on Dream Sports and its key business segments?



A: Dream Sports was founded in 2008 by Harsh Jain and Bhavit Sheth with a vision to **'Make Sports Better'**. As **India's largest sports technology company**, Dream Sports' strong portfolio companies solve a multitude of sports fan problems including **access to sports** beyond cricket; **in-stadium experiences**; **engagement** amongst fans, to name a few.

Dream Capital was launched in 2020 as the CVC and M&A arm to **enable the sports ecosystem** and which in turn brought into the portfolio brands like FanCode which offers holistic sports content, access to merchandise and statistics; DreamPay - a payments solutions platform; and DreamSetGo - a sports experiences and travel platform.

Q: Dream Capital has already invested in **10 portfolio companies** across the Sports Tech ecosystem. Please shed some light on **key investment thesis** and **investment focus** for Dream Capital? What are some of the **key attributes** that you are looking for when evaluating an investment opportunity?



A: We have a simple approach to investments: **understand the needs of our existing and potential users** and **bring them the best-in-class products** to meet those needs and increase engagement. Our focus to date has been sports and sports-tech, gaming, esports and Web3, contextual fintech products for our users, and fitness-tech.

We have a founder-first approach and are looking to invest in startups run by entrepreneurs who have **disruptive ideas**, **significant experience** and skill-sets required to scale a business. Dream Capital portfolio includes Dream Sports incubated businesses FanCode, DreamPay, and DreamSetGo, along with Dream Game Studios (formerly known as Rolocule) - a mobile gaming studio building best-in-class sports games, Rario - creators of the world's first cricket NFT platform, SoStronk - an online B2C Esports platform, Fittr - one of the world's largest community-based fitness brands, Elevar - a D2C performance sports footwear and equipment brand, and KheloMore - an online sports venue booking platform.

EXCLUSIVE INTERVIEW WITH DEV BAJAJ (CONT.)

DREAM SPORTS GROUP



DEV BAJAJ

HEAD, DREAM CAPITAL
CSO, DREAM SPORTS



Q: The Sports Tech market is **rapidly evolving**. What is your view on the **innovation in the sports industry** and what are some of the **trends** that are exciting for Dream Sports? For 2023 and beyond, what are some of the key trends within the broader Sports Tech market that you are **most bullish and bearish on**?



A: Technology has been the biggest disruptor for sports in India. **It has helped increase access and engagement**. Today, **metaverse, blockchain, NFTs, big data, cloud computing** and **augmented reality** are some of the innovations that are re-defining sports consumption. The opportunities to use these advanced tools in sports and the business of sport are numerous, from **data insights in game strategy, contracts, ticketing** and **merchandising** to **on-ground analysis, recruitment** and **fan engagement** just to name a few. Dream11 was founded **14 years ago**, when the intersection of sports and tech was still unimaginable for many, and here we are, today, excited to be a part of this **pivotal moment that will revolutionize sports and fan engagement**. We have our eyes across the board, but specially focused on **blockchain startups** that do not have any crypto element to it.

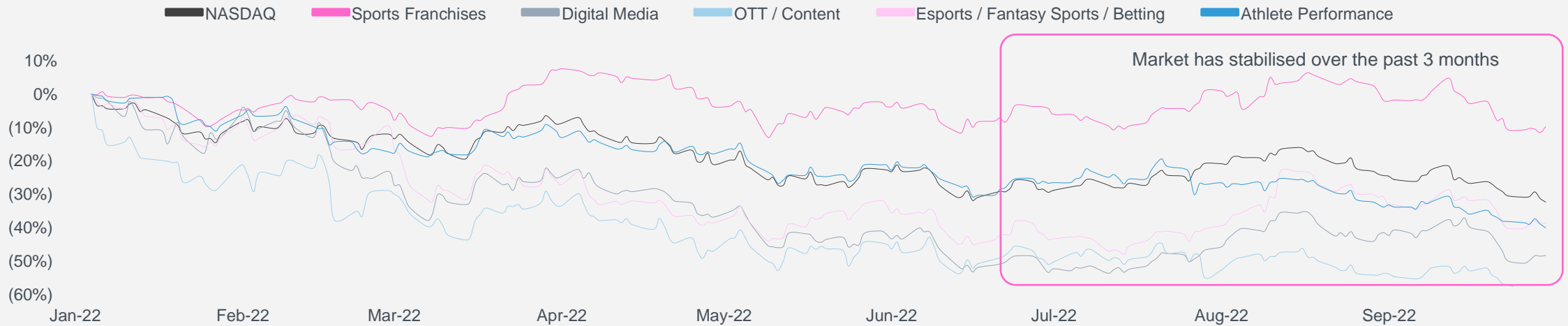
Q: Dream Sports with an **\$8B** staggering valuation and **150M users**, is sitting at the forefront of the sports industry innovation. **Where do you go from here** in building Dream Sports further and **what are the areas you want to focus on** going forward? What are some of the **key areas** within sports tech that Dream Capital would focus on from an M&A and investment standpoint for 2023 and beyond?



A: So far, our cheque sizes were largely ranging between **\$10M-100M**, but our focus now is going to make **larger strategic investments** in startups that are closely tied to our narrative of sports, gaming, fintech, and futuristic consumer tech.

PUBLIC MARKETS

SPORTS FRANCHISES HAVE PERFORMED THE BEST THROUGHOUT 2022



SELECTED SPAC MERGERS & PIPE RAISES

Jul-22⁽¹⁾: FaZe Holdings, gaming-focused lifestyle and media platform, raised **\$60M** in a reverse merger with B. Riley Principal 150 Merger Corp. SPAC at a valuation of **\$725M**

Jul-22: FL Entertainment, France-based sports betting platform, went public in a **\$4.2B** SPAC deal by merging with Pegasus Entrepreneurial Acquisition

Mar-22: Novibet, operator of a sports betting platform, merged with Artemis Strategic Investment in a **\$690M** SPAC deal

Jan-22: Super Group, holding company for global online sports betting and gaming businesses, went public in a SPAC deal by merging with Sports Entertainment Acquisition Corp. at a valuation of **\$4.8B**

Past performance does not guarantee future results. This is not a recommendation to buy or sell any specific security.

Source: Capital IQ as of September 30, 2022. Market Cap weighted

(1) Represents the Stock Price Change Between June 30, 2022 – September 30, 2022

Digital Media = Catena Media, Better Collective, Genius Sports

OTT/Content = WWE, The Madison Square Garden Sports Corp, Roku, FuboTV

Sports Franchises = Manchester United, Ajax, Juventus, Borussia Dortmund, Formula One Group

Athlete Performance = Catapult Sports, Garmin

Esports / Fantasy Sports = Enthusiast Gaming Holdings, DraftKings, Scout Gaming, Flutter Entertainment, Gfinity, Super League Gaming, FaZe Holdings, PENN Entertainment, Skillz

PUBLICLY TRADED COMPS (I/II)

Company	Country	LTM	Price	Mcap	EV	Rev.	EBITDA	EV/Revenue		EV/EBITDA		Price/Earnings		Rev. Growth		EBITDA Growth		EBITDA %
						LTM	LTM	LTM	NTM	LTM	NTM	LTM	NTM	LTM	NTM	LTM	NTM	LTM
Digital Media																		
Genius Sports	GB	30-Jun-22	\$3.67	\$712	\$589	\$310.2	-\$185.8	1.9x	1.6x	NM	22.1x	NM	NM	57%	18%	NA	114%	-59.9%
Better Collective	DK	30-Jun-22	\$12.72	\$700	\$911	\$231.7	\$63.7	4.3x	3.2x	15.2x	9.6x	26.0x	11.5x	66%	31%	29%	59%	27.5%
Catena Media	MT	30-Jun-22	\$2.14	\$155	\$210	\$145.4	\$58.0	1.6x	1.5x	3.8x	3.5x	NM	6.0x	13%	3%	-9%	10%	39.9%
Median								1.9x	1.6x	9.5x	9.6x	26.0x	8.8x	57%	18%	10%	59%	27.5%
OTT / Content																		
Roku	US	30-Jun-22	\$56.40	\$7,779	\$6,450	\$3,043.4	\$174.6	2.1x	1.9x	25.7x	NM	NM	NM	31%	9%	-42%	146%	5.7%
WWE	US	30-Jun-22	\$70.17	\$5,220	\$5,406	\$1,227.7	\$365.5	4.4x	4.0x	14.5x	13.6x	26.8x	26.0x	24%	9%	25%	9%	29.8%
MSG Sports	US	30-Jun-22	\$136.66	\$3,311	\$4,215	\$821.4	\$90.9	5.1x	5.3x	26.1x	NM	NM	NM	98%	-3%	NA	29%	11.1%
fuboTV	US	30-Jun-22	\$3.55	\$658	\$719	\$851.7	-\$407.2	0.8x	0.7x	NM	NM	NM	NM	NA	26%	NA	14%	-47.8%
Median								3.3x	3.0x	25.7x	13.6x	26.8x	26.0x	31%	9%	-8%	22%	8.4%
Sports Franchises																		
Formula One Group	US	30-Jun-22	\$58.50	\$13,472	\$15,509	\$2,559.0	\$579.0	6.1x	5.5x	27.1x	23.2x	NM	NM	45%	10%	211%	16%	22.6%
Manchester United	GB	30-Jun-22	\$13.27	\$2,164	\$2,795	\$708.7	\$96.5	3.9x	4.2x	28.3x	22.7x	NM	NM	18%	2%	-16%	39%	13.6%
Juventus Football Club	IT	30-Jun-22	\$0.28	\$718	\$856	\$463.5	-\$48.6	2.0x	2.0x	NM	7.1x	NM	NA	-6%	0%	NA	365%	-10.5%
Borussia Dortmund	DE	30-Jun-22	\$3.26	\$360	\$367	\$432.3	\$65.3	0.9x	0.9x	5.7x	3.4x	NM	NM	18%	-4%	89%	74%	15.1%
AFC Ajax	NL	30-Jun-22	\$11.77	\$216	\$317	\$197.8	-\$4.8	1.7x	1.7x	NM	4.2x	NM	26.1x	51%	1%	NA	1764%	-2.4%
Median								2.0x	2.0x	27.1x	7.1x	NM	26.1x	18%	1%	89%	74%	13.6%

PUBLICLY TRADED COMPS (II/II)

Company	Country	LTM	Price	Mcap	EV	Rev.	EBITDA	EV/Revenue		EV/EBITDA		Price/Earnings		Rev. Growth		EBITDA Growth		EBITDA %
						LTM	LTM	LTM	NTM	LTM	NTM	LTM	NTM	LTM	NTM	LTM	NTM	LTM
Athlete Performance																		
Garmin	CH	25-Jun-22	\$80.31	\$15,488	\$12,734	\$4,997.1	\$1,282.1	2.5x	2.5x	9.6x	10.1x	15.3x	16.8x	3%	NA	-12%	NA	25.7%
Catapult Group	AU	31-Mar-22	\$0.53	\$122	\$102	\$77.0	-\$25.8	1.5x	1.2x	NM	NM	NM	NM	15%	72%	NA	65%	-33.6%
Median								2.0x	1.9x	9.6x	10.1x	15.3x	16.8x	9%	72%	-12%	65%	-3.9%
Esports / Fantasy Sports / Betting																		
Flutter Entertainment	IE	30-Jun-22	\$110.81	\$19,472	\$22,608	\$7,742.8	\$1,006.9	3.2x	2.5x	23.0x	15.3x	NM	NA	7%	26%	-25%	60%	13.0%
DraftKings	US	30-Jun-22	\$15.14	\$6,791	\$6,592	\$1,569.5	-\$1,562.6	4.2x	2.6x	NM	NM	NM	NM	47%	60%	NA	60%	-99.6%
Penn Entertainment	US	30-Jun-22	\$27.51	\$4,317	\$15,610	\$6,275.4	\$1,566.7	2.5x	2.4x	7.8x	8.0x	22.5x	14.9x	26%	2%	23%	25%	25.0%
FL Entertainment	FR	30-Jun-22	\$10.34	\$4,257	\$7,038	\$3,959.2	\$681.6	1.8x	1.8x	10.3x	11.6x	NM	7.7x	NA	1.5%	NA	-11.1%	17.2%
FaZe Clan	US	30-Jun-22	\$9.68	\$702	\$824	\$62.2	-\$32.7	13.2x	NA	NM	NA	NM	NA	NA	NA	NA	NA	-52.5%
Skillz	CN	30-Jun-22	\$1.02	\$428	\$135	\$377.7	-\$343.4	0.4x	0.6x	NM	NM	NM	NM	26%	-39%	NA	64%	-90.9%
Enthusiast Gaming	CA	30-Jun-22	\$0.86	\$129	\$127	\$154.2	-\$34.5	0.9x	0.7x	NM	NM	NM	NM	58%	26%	NA	87%	-22.4%
Super League Gaming	US	30-Jun-22	\$0.68	\$25.3	\$22.2	\$17.8	-\$25.6	1.2x	0.9x	NM	NM	NM	NM	430%	35%	NA	11%	-143.3%
Gfinity	GB	31-Dec-21	\$0.01	\$13.4	\$11.8	\$8.0	-\$4.4	1.8x	1.9x	NM	NM	NM	NA	49%	-4%	NA	38%	-54.6%
Scout Gaming Group	CN	30-Jun-22	\$0.06	\$1.4	\$0.7	\$4.1	-\$8.5	0.2x	NA	NM	NA	NM	NA	-18%	NA	NA	NA	-206.4%
Median								1.8x	1.9x	10.3x	11.6x	22.5x	11.3x	37%	14%	-1%	49%	-53.6%

TWITCH ESPORTS VIEWERSHIP

ON AVERAGE 92,000+ CHANNELS LIVE-STREAMED CONTENT AT THE SAME TIME

1.9B

HOURS Q3
WATCHED

2.6M

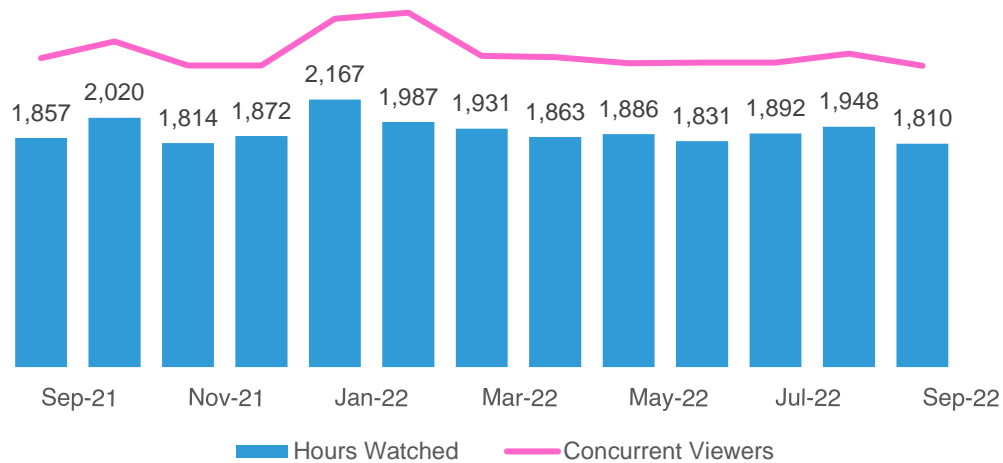
AVERAGE Q3
CONCURRENT VIEWERS

7.7M

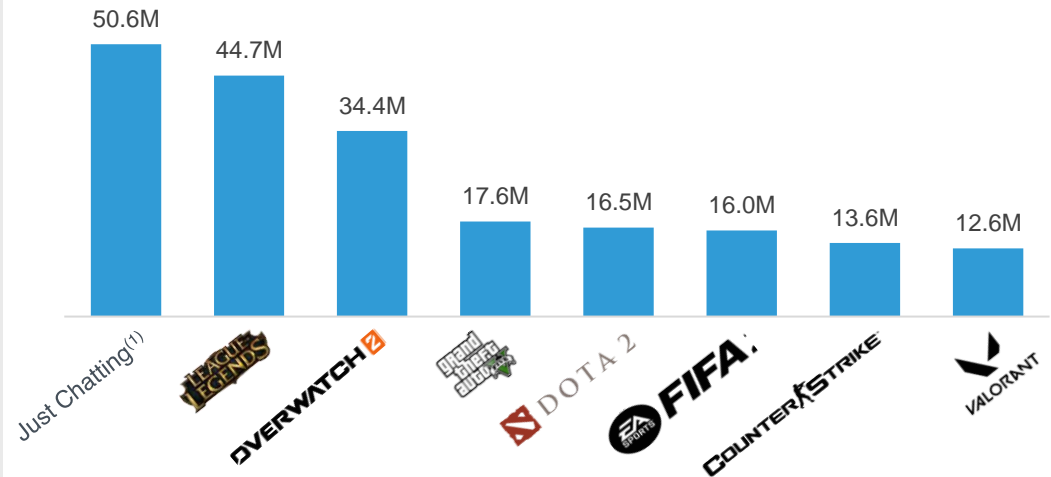
ACTIVE Q3
STREAMERS



CONCURRENT VIEWERS (M) & HOURS WATCHED (M)
SEP. 2021 - SEP. 2022



HOURS WATCHED BY GAME/ESPORT
(LAST 7 DAYS)



SPORTS TECH MARKET MAP

Q3 2022

● B2C

● B2B

RIGHTS OWNERS



DIGITAL MEDIA PLATFORMS / CONTENT



SPORTS OTT CONTENT PROVIDERS



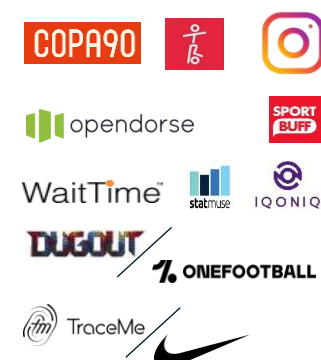
SPONSORSHIP MEASUREMENTS



SPORTS SERVICE PROVIDERS



FAN ENGAGEMENT CONTENT PROVIDERS



FAN ENGAGEMENT SERVICE PROVIDERS



SPORTS TECH MARKET MAP

Q3 2022

VENUE / CRM / ORGANISATIONAL SOFTWARE



PERFORMANCE ANALYTICS



ESPORTS / FANTASY SPORTS



DIGITAL SPORTS AGENCIES



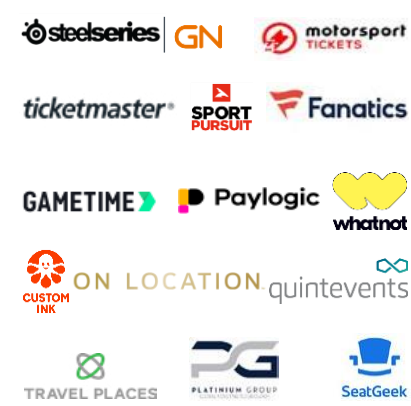
DATA / ANALYTICS



WEARABLES



COMMERCE



CONSUMER SPORTS



A LEADING GLOBAL TECH M&A INVESTMENT BANK

400+

TRANSACTIONS COMPLETED

70%

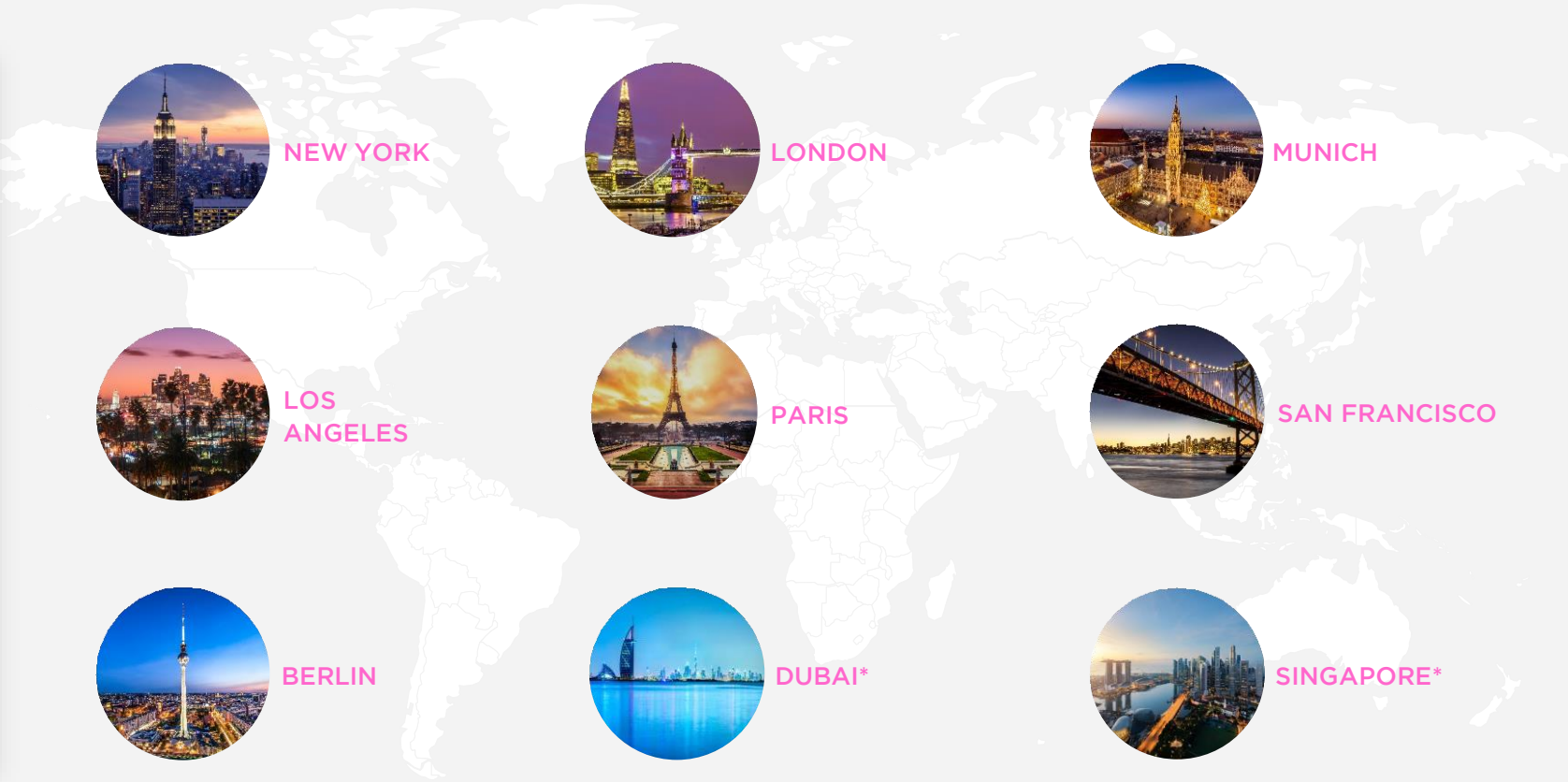
CROSS-BORDER DEALS

100+

BANKERS

9*

OFFICES GLOBALLY



*Including partner officers



SPORTS TECH

Q3 2022 MARKET UPDATE

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DRAKE STAR

BELIEVE IN INNOVATION
CHANGE THE WORLD

