

SPORTS TECH INDUSTRY UPDATE

SEPTEMBER 2021



Gregory Bedrosian
CEO & Managing Partner



Eric Ward
Partner



Michael Metzger
Partner

D R A K E



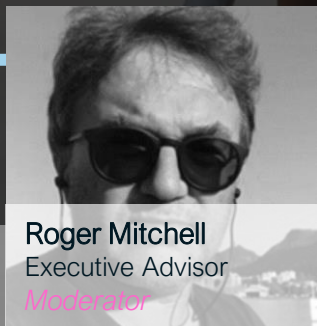
S T A R
P A R T N E R S

NORTHRIDGE

TRACK

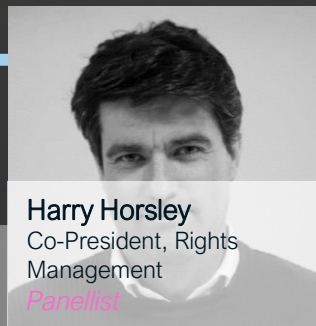
Beyond the Game: NEW SPORTS FORMATS

WEDNESDAY, 20TH OCTOBER 3PM BST | 4PM CET | 10 AM EST



Roger Mitchell
Executive Advisor

Moderator



Harry Horsley
Co-President, Rights
Management

Panelist



Charlie Dewhurst
Commercial Strategy
Director

Panelist



Yanni Andreopoulos
CEO at SeaBird, CCO &
CMO at E1 Series

Panelist



SPORTS TECH MARKET MAP

SEPTEMBER 2021



B2C B2B

Rights Owners 	
Digital Media Platforms / Content 	
Sports OTT Content Owners 	Sports Service Providers
Fan Engagement Content Providers 	Fan Engagement Service Providers
Venue / CRM / Organisational Software 	
Commerce 	
Data / Analytics 	
Performance Analytics 	
Digital Sports Agencies 	
Sponsorship Measurements 	Wearables
Esports / Fantasy Sports 	Consumer Sports

In the USA, all securities are transacted through Drake Star Securities LLC. In the USA, Drake Star Securities LLC is regulated by FINRA and is a member of SIPC. Drake Star UK Limited (FRN 942020) is an appointed representative of Kession Capital Ltd (FRN582160) which is authorised and regulated by the Financial Conduct Authority. © 2016 Drake Star Partners Limited.

SPORTS TECH KEY HEADLINES

SEPTEMBER 2021



M&A AND SECTOR VALUATIONS

- M&A activity gained momentum in September with **15 deals** announced and **\$1.2bn in disclosed deal activity**, now totaling **90 deals** and **\$11.0bn in disclosed deal activity for 2021¹**
 - **Endeavor** entered into a definitive agreement to acquire **OpenBet Technologies** for **\$1.2bn**
 - **WHOOB** acquired **PUSH** for an undisclosed amount
 - **Slinger Bag** entered into a definitive agreement to acquire **GAMEFACE.AI** for **\$24m**



FUNDRAISING

- Fundraising activity continues to soar through September with a total of **22 deals** and **\$1.7bn in disclosed funding**, totaling already **216 rounds** and **\$7.2bn in disclosed funding for 2021¹**
 - **Sorare** raised **\$680m** of Series B funding from **SoftBank Group** at a pre-money valuation of **\$3.6bn**
 - **Dapper Labs** raised **\$250m** at a pre-money valuation of **\$7.4bn** in a round led by **Coatue**
 - **Mobile Premier League** raised **\$150m** at a pre-money valuation of **\$2.3bn** in a Series E round led by **Legatum Group**



SPORTS TECH INDUSTRY NEWS

- **SeventySix Capital** eyes sports betting and esports with new **\$50m** VC fund
- **ESPN** Launches **ESPN Edge Innovation Center** to explore new technologies and innovative ways to approach sports media
- Iker Casillas' **Sportboost** startup accelerator gets **La Liga** backing



ESPORTS INDUSTRY NEWS

- Twitch viewership hours watched falls this month, down 6.4% vs. August

(1) Pitchbook and Drake Star Proprietary Research

SPORTS TECH KEY HEADLINES

BY SUBSECTOR



SPONSORSHIP

- **Philadelphia 76ers** to release first NFTs in Crypto.com jersey patch deal
[SportsProMedia, Sep 23, 2021](#)
- **Crypto.com** enters esports with \$15m Fnatic sponsorship
[SportsProMedia, Sep 17, 2021](#)
- **Horizm** launches AI-powered Marketplace for sports sponsorships
[SportsProMedia, Sep 16, 2021](#)



OTT PROVIDERS

- Entertainment streaming giant **Netflix** is considering a bid for **Formula One** broadcast rights in the US
[SportsProMedia, Sep 23, 2021](#)
- **LaLigaSportsTV** to launch premium subscription tier
[SportsProMedia, Sep 22, 2021](#)
- Golf's **PGA Tour** has struck a deal with **Netflix** for a new docuseries
[SportsProMedia, Sep 3, 2021](#)
- **DAZN** lifts UK and Ireland monthly subscription cost to £7.99
[SportsProMedia, Sep 1, 2021](#)



FAN ENGAGEMENT

- **Leeds United** claim global first with **TikTok** ecommerce partnership
[SportsProMedia, Sep 10, 2021](#)
- **Square's** POS software to allow fans to make rapid transactions and contactless payments from their seats
[SportsProMedia, Sep 10, 2021](#)
- **Facebook** makes fantasy sports play with prediction games rollout
[SportsProMedia, Sep 2, 2021](#)
- Fantasy sports market to grow 9.5% to \$22.3bn in 2021
[SportsProMedia, Sep 1, 2021](#)



SPORTS TECH KEY HEADLINES

BY SUBSECTOR



BETTING

- **NFL** opening weekend delivers 58.2m legal betting transactions
SportsProMedia, Sep 14, 2021
- **Genius Sports** doubles Q2 revenue but losses climb
SportsProMedia, Sep 9, 2021
- New York **Jets** onboard for **Fubo Sportsbook's** first sports betting sponsor
SportsProMedia, Sep 9, 2021
- **Sportradar** targets \$8.3bn valuation from IPO
SportsProMedia, Sep 8, 2021



DATA & ANALYTICS

- **AWS** to build new UCI Track Champions League data platform for Discovery
SportsProMedia, Sep 15, 2021
- **Abios** secures Fragleague data partnership
eSports Insider, Sep 8, 2021
- **Excel** bolsters data and analytics offering with **Block Six** acquisition
SportsProMedia, Sep 2, 2021



ESPORTS

- **eFuse** to produce upcoming **Esports Collegiate** season
eSports Insider, Sep 23, 2021
- **Drone Racing League** pens \$100m blockchain deal with **Algorand**
SportsProMedia, Sep 14, 2021
- **Mobalytics** partners with **Cloud9's Perkz**
eSports Insider, Sep 7, 2021



TWITCH ESPORTS VIEWERSHIP

HOURS WATCHED FALLS THIS MONTH, DOWN 6.4% VS. AUGUST



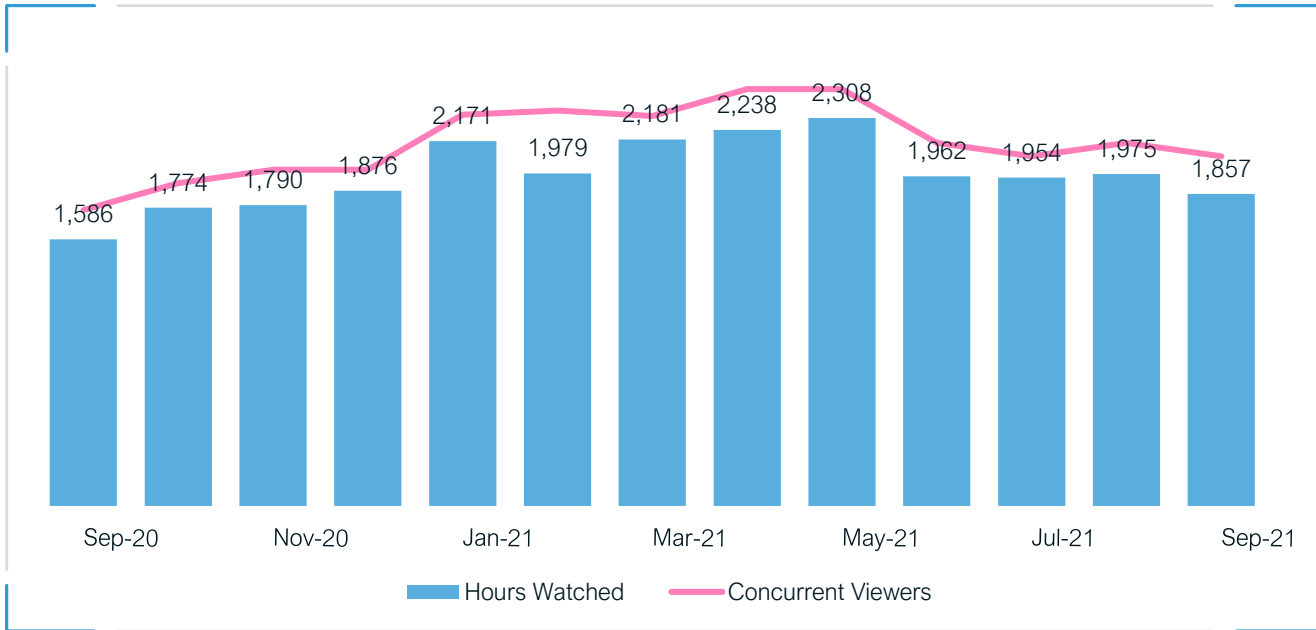
-2.9%↑
2.6m
 Average Concurrent Viewers

-6.4%↑
1.9bn
 Hours Watched

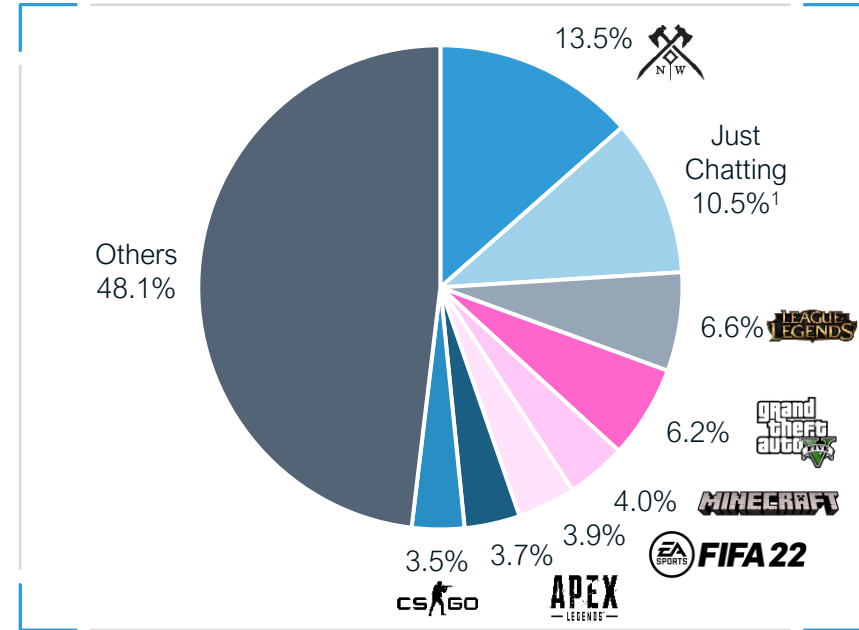
-5.4%↑
95K
 Average Concurrent Channels

-8.4%↑
7.4m
 Active Streamers

Concurrent Viewers (m) & Hours Watched (m)
 Sep 2020 – Sep 2021



Hours Watched by Game/Esport
 (Last 7 Days)





















Source: Twitch Tracker, as of October 6, 2021

(1) The 'Just Chatting' category is intended for casual streams that don't fall under 'talk shows', or between gameplay when a streamer is taking a break to chat to their viewers

SELECTED M&A DEALS OF THE MONTH

15 DEALS AND \$1.2BN IN DISCLOSED DEAL ACTIVITY IN SEP-21



 <p>\$1.2bn ACQUISITION by ENDEAVOR</p>	<p>DATE September 28th, 2021</p> <p>DEAL DESCRIPTION Endeavor reached a definitive agreement to acquire OpenBet Technologies for \$1.2bn via a combination of cash (\$1bn) and stock (\$200m). The deal will enhance Endeavor's position within the sports betting ecosystem, currently secured by subsidiary IMG ARENA</p>	<p> 1996</p> <p> 319</p> <p> Sports Betting</p> <p> B2C</p>	<p> LONDON</p> <p>BUSINESS DESCRIPTION Provider of integrated gaming and betting software products intended for bookmakers, casinos and lotteries. The company's platform enables operators to provide their customers with the ability to bet and play in various languages and currencies across channels including web, mobile devices, retail outlets, call centres and interactive digital television</p>	<p>KEY PERSONNEL Jordan Levin – CEO Huw Thomas – CMO</p> <p>KEY SHAREHOLDERS n.a.</p>
 <p>Undisclosed ACQUISITION by WHOOP</p>	<p>DATE September 3rd, 2021</p> <p>DEAL DESCRIPTION WHOOP acquired PUSH for an undisclosed amount via a combination of cash and stock. The addition of PUSH will allow WHOOP to create a "more enhanced and robust system of hardware, software and analytics" for users to get data on fitness and health</p>	<p> 2013</p> <p> 15</p> <p> Wearables</p> <p> B2C / B2B</p>	<p> TORONTO</p> <p>BUSINESS DESCRIPTION Developer of a coaching platform designed to empower coaches to plan, track, assess, and improve athlete performance. The company's integrated hardware/software platform empowers coaches to accurately prescribe training loads, drive athlete intent through live output feedback and create dynamic reports</p>	<p>KEY PERSONNEL Paul Schiffner - CEO Rami Alhamad – Founder & CPO Vahid B. Zadeh – CTO</p> <p>KEY SHAREHOLDERS n.a.</p>
 <p>\$24m ACQUISITION by Slinger</p>	<p>DATE September 28th, 2021</p> <p>DEAL DESCRIPTION Slinger Bag entered into a definitive agreement to acquire GAMEFACE.AI for \$24m via a combination of stock and earnouts. Slinger Bag acquired GAMEFACE.AI as part of a move into software ahead of its upcoming NASDAQ listing</p>	<p> 2015</p> <p> 14</p> <p> Data Analytics</p> <p> B2B</p>	<p> SYDNEY</p> <p>BUSINESS DESCRIPTION Developer of an artificial intelligence platform designed to offer sports analytics. The company's platform analyses footage of sports events in real-time for player behaviour to provide intelligent insights to make strategic decisions, enabling athletes to improve game performance</p>	<p>KEY PERSONNEL Jalal Shaik – Co-Founder & CEO James Ebenezer – Co-Founder & CTO</p> <p>KEY SHAREHOLDERS n.a.</p>

Source: Similar Web, Capital IQ, Pitchbook, LinkedIn, Company Websites

 Year founded  Employees  Sub-sector  Client focus

SELECTED FUNDRAISING DEALS OF THE MONTH

22 DEALS AND \$1.7BN IN DISCLOSED FUNDRAISING ACTIVITY IN SEP-21



 <p>\$680m PRIVATE PLACEMENT <i>Led By</i></p> 	<p>DATE September 21st, 2021</p> <p>DEAL DESCRIPTION Sorare raised \$680m of Series B funding from SoftBank Group at a pre-money valuation of \$3.6bn. Sorare will use the funding to open a US office, make key hires, and move into other sports outside of soccer</p>	<p> 2018</p> <p> 50</p> <p> Fantasy Sports</p> <p> B2C</p>	<p> PARIS</p> <p>BUSINESS DESCRIPTION Developer of a blockchain-based fantasy football platform designed to let managers trade official digital collectibles. The company's platform allows users to collect virtual player cards, trade them via real-life cryptocurrencies and play fantasy football on the platform's gaming arena, enabling users to buy, sell and play with official football crypto-goods</p>	<p>KEY PERSONNEL Nicolas Julia – Co-Founder & CEO Adrien Montfort – Co-Founder & CTO</p> <p>KEY SHAREHOLDERS    </p>
 <p>\$250m PRIVATE PLACEMENT <i>Led By</i></p> 	<p>DATE September 23rd, 2021</p> <p>DEAL DESCRIPTION Dapper Labs raised \$250m at a pre-money valuation of \$7.4bn in a round led by Coatue. The funds will be used to scale and support additional brand-drive sports, entertainment and music-based products being developed on the Flow blockchain</p>	<p> 2018</p> <p> 285</p> <p> Esports</p> <p> B2C</p>	<p> VANCOUVER</p> <p>BUSINESS DESCRIPTION Developer of an online gaming platform that offers games built upon blockchain technology. The company's platform uses blockchain-enabled applications to bring fans closer to brands, give people a real stake in the communities they contribute to and create new ways for consumers to become creators themselves</p>	<p>KEY PERSONNEL Roham Gharegozlou – Co-Founder & CEO Dieter Shirley – Co-Founder & CTO</p> <p>KEY SHAREHOLDERS    </p>
 <p>\$150m PRIVATE PLACEMENT <i>Led By</i></p> 	<p>DATE September 15th, 2021</p> <p>DEAL DESCRIPTION Mobile Premier League raised \$150m at a pre-money valuation of \$2.3bn in a Series E round led by Legatum Group. The funds will be used to scale the business internationally, invest in home-grown technology and drive continued growth in the Indian market</p>	<p> 2018</p> <p> 859</p> <p> Esports</p> <p> B2C</p>	<p> BENGALURU</p> <p>BUSINESS DESCRIPTION Developer of an eSports platform designed to offer cash prizes on games. The company's application offers a variety of games from simple skill-based games, like arcades, sports, and adventure games, to more immersive experiences, like pool and cricket, thereby enabling game enthusiasts to showcase their talent, win prizes and enjoy with their friends</p>	<p>KEY PERSONNEL Sai Srinivas Kiran – Co-Founder & CEO Shubh Malhotra – Co-Founder & Board Member</p> <p>KEY SHAREHOLDERS    </p>

Source: Similar Web, Capital IQ, Pitchbook, LinkedIn, Company Websites

 Year founded  Employees  Sub-sector  Client focus

TOP 10 DISCLOSED M&A TRANSACTIONS

YTD 2021

90 Deals for a total of \$11.0bn

Company	Country	Subsector	Deal amount	Acquirer	Acquirer Country	Date
 MOONTON		Esports	\$4.0bn	 字节跳动		Mar-21
 theScore		Digital Media	\$2.0bn	 PENN NATIONAL GAMING, INC.		Aug-21
 GOLDEN NUGGET		Esports & Betting	\$1.56bn	 DRAFT KINGS		Aug-21
 OpenBet		Sports Betting	\$1.2bn	ENDEAVOR		Sep-21
 enlabs		Esports	\$436m	 Entain		Mar-21
 LiveU		OTT	\$400m+	 THE CARLYLE GROUP GLOBAL ALTERNATIVE ASSET MANAGEMENT		Jul-21
 SWEAT		Athlete Performance	\$300m	 iFIT		Jul-21
 ACTION		Sports Betting	\$240m	 BC BETTER COLLECTIVE		May-21
 oddschecker GLOBAL MEDIA		Sports Betting	\$215m	 BRUIN CAPITAL		Jul-21
 Second Spectrum		Data & Analytics	\$200m	 genius sports GROUP		May-21


















Note: Month to month discrepancy due to Pitchbook backdating and re-categorisations

TOP 10 DISCLOSED FUNDING ROUNDS

YTD 2021



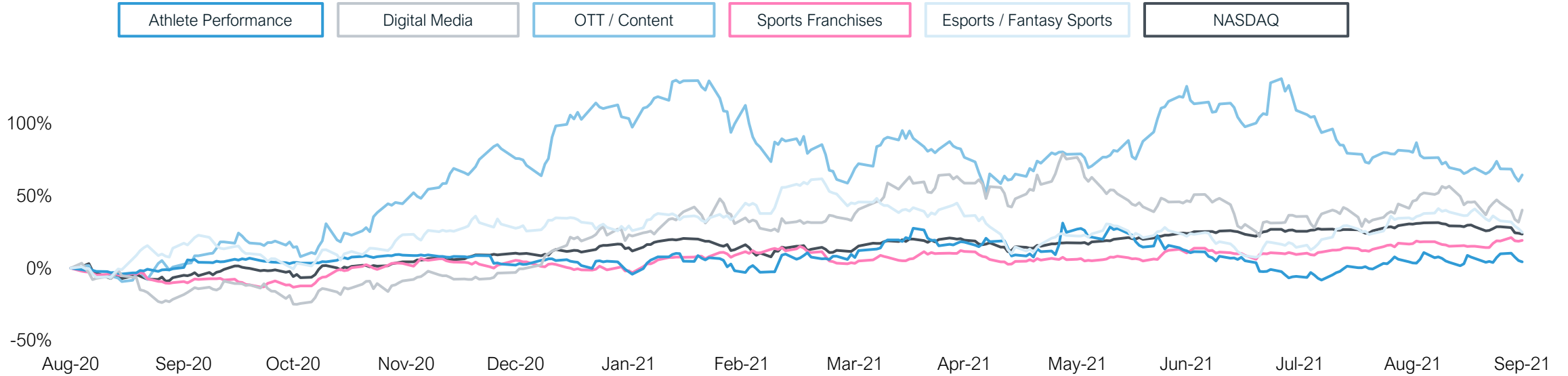
216 Deals for a total of \$7.2bn

Company	Subsector	Country	Deal amount	Lead Investor(s)	Date
	Esports		\$1bn Later Stage VC	Sony, Park West Asset Management, KKR	Apr-21
	Fantasy Sports		\$680m Series B	Softbank	Sep-21
	Fantasy Sports		\$400m	TCV, D1 Capital, Falcon Edge Capital	Mar-21
	Coaching & Preparation		\$360m Series F	Softbank Group, Vision Fund	Jan-21
	B2C Commerce		\$350m	Silver Lake, Endeavor, Insight Partners	Sep-21
	B2C Commerce		\$337m PE Growth	Softbank Group, Vision Fund	Aug-21
	Fan Engagement		\$305m Later Stage VC	Coatue Management	Mar-21
FUTURE	Athlete Performance		\$300m Series B	All-Stars Investments	Apr-21
TONAL	Athlete Performance		\$250m Series E	L Catterton, Cobalt Capital, Delta-V Capital	Mar-21
TEMPO	Athlete Performance		\$220m Series C	Softbank Group, Vision Fund 2	Apr-21

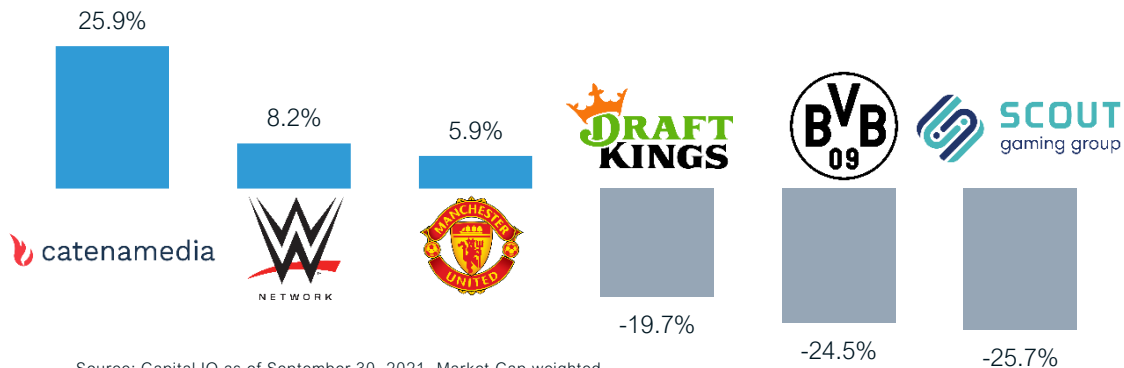
Note: Month to month discrepancy due to Pitchbook backdating and re-categorisations

SHARE PRICES DOWN VS. AUGUST

WITH ATHLETE PERFORMANCE AND SPORTS FRANCHISES REMAINING STABLE



Top 3 Risers & Fallers September 2021 ⁽¹⁾



KEY HIGHLIGHTS

- Catena Media's (+25.9%) stock rose this month whilst acquiring assets from i15 Media for \$45m in cash and stock
- Manchester United's (+5.9%) share price has increased due to Cristiano Ronaldo signing on 27 August
- Draft King's (-19.7%) stock fell this month as investors raised concerns over their aggressive acquisition strategy. As the company tries to make two large acquisitions, the falling stock price could make deals more difficult

Source: Capital IQ as of September 30, 2021. Market Cap weighted
Represents the Stock Price Change Between August 30th - September 30th

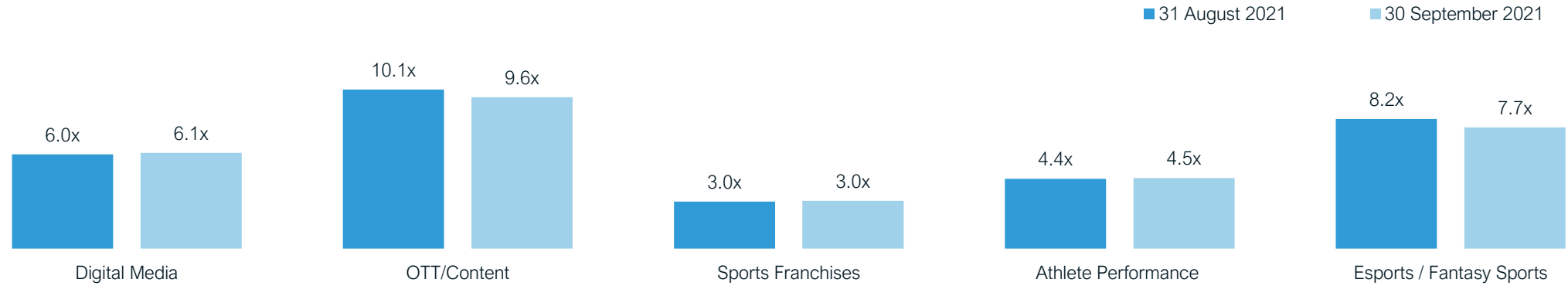
Digital Media = Catena Media, Better Collective, Genius Sports
OTT/Content = WWE, The Madison Square Garden Sports Corp, Roku, FuboTV
Sports Franchises = Manchester United, Ajax, Juventus, Borussia Dortmund, Formula One Group
Athlete Performance = Catapult Sports
Esports / Fantasy Sports = Enthusiast Gaming Holdings, Draft Kings, Scout Gaming, Flutter Entertainment, Gfinity, Super League Gaming

SECTOR VALUATIONS SLIGHTLY DOWN VS. AUGUST

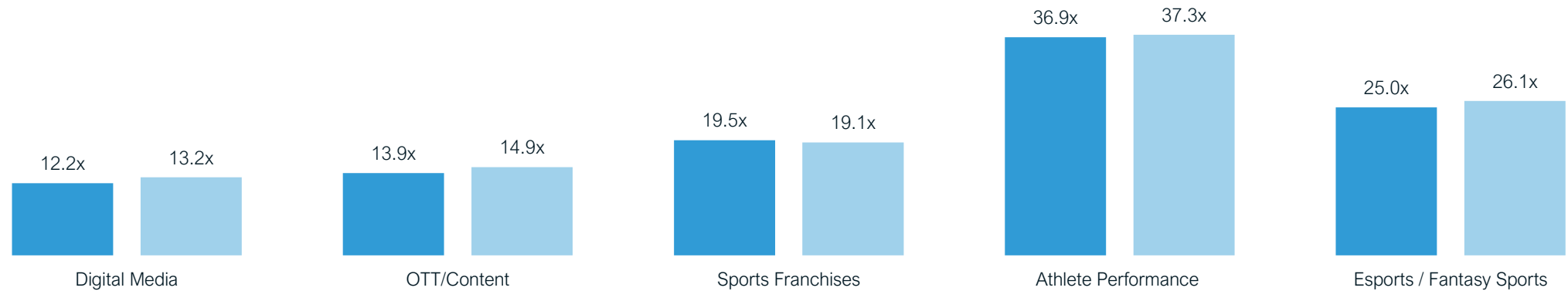
WITH DIGITAL MEDIA AND SPORTS FRANCHISES REMAINING STABLE



Median TEV / 2021E Revenue



Median TEV / 2021E EBITDA



Source: Capital IQ as of September 30th 2021

Digital Media = Cantena 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

Esports / Fantasy Sports = Enthusiast Gaming Holdings, Draft Kings, Scout Gaming, Flutter Entertainment, Gfinity, Super League Gaming

PROVEN TRACK RECORD IN THE SPORTS TECH SECTOR


LIGHTSTREAM

SALE TO

CS **THE VITEC GROUP**

CREATIVE SOLUTIONS

Video Game / Content Live Streaming



BLAST

PRIVATE PLACEMENT

VÆKSTFONDEN **CREANDUM** **HEARTCORE**

MAKI.VC + Private Investors

Esports




CODEMASTERS

AAA Game Developer

HAS ACQUIRED

SLIGHTLYMAD STUDIOS



Onefit

SALE TO

URBAN SPORTS CLUB

a portfolio company of **partech** **VENTURES**

Sports and Fitness Marketplace



CLEENG

Sell your videos, Live & On-Demand

PRIVATE PLACEMENT

WALVIS

Video eCommerce



PRIVATESPORTSHOP

PRIVATE PLACEMENT

pechel INDUSTRIES

Online Sports Retail



new moove

SALE TO

FitnessFirst

Online Fitness & Healthy Living



21 SPORTS GROUP

EQUITY PRIVATE PLACEMENT

Consortium of Select Investors

Online Sports Retail



Contact the Sports Tech Deal Team



Gregory Bedrosian, CEO & Managing Partner

gregory.bedrosian@drakestar.com

+1 212 508 7111

New York



Eric Ward, Partner

eric.ward@drakestar.com

+44 20 7112 7777

London



Michael Metzger, Partner

michael.metzger@drakestar.com

+1 310 696 4001

Los Angeles



Mathilde Deschamps 

mathilde.deschamps@drakestar.com



Edward Page 

edward.page@drakestar.com

In the USA, all securities are transacted through Drake Star Securities LLC. In the USA, Drake Star Securities LLC is regulated by FINRA and is a member of SIPC. Drake Star UK Limited (FRN 942020) is an appointed representative of Kession Capital Ltd (FRN582160) which is authorised and regulated by the Financial Conduct Authority. © 2016 Drake Star Partners Limited.

DRAKE STAR PARTNERS

A LEADING GLOBAL TECH SPECIALIST INVESTMENT BANK

400+
TRANSACTIONS
COMPLETED

70%
CROSS-BORDER
DEALS

95+
BANKERS

8
OFFICES GLOBALLY



NEW YORK



LONDON



MUNICH



SINGAPORE*



SAN
FRANCISCO



DUBAI*



LOS ANGELES



PARIS



BERLIN



GENEVA

In the USA, all securities are transacted through Drake Star Securities LLC. In the USA, Drake Star Securities LLC is regulated by [FINRA](#) and is a member of [SIPC](#). Drake Star UK Limited (FRN 942020) is an appointed representative of Kession Capital Ltd (FRN582160) which is authorised and regulated by the [Financial Conduct Authority](#). © 2016 Drake Star Partners Limited.

*Partner offices