



TKO Group Holdings (NYSE: TKO)

UIG Media & Telecom, April 2025, 18.5% upside at \$180.50 price target



TKO Holdings Overview



- Iconic and most established professional wrestling promotion
- Recently started the first year of its major Netflix deal, with hopes to truly break into the mainstream



- Rapidly growing and industry leading Mixed Martial Arts promotion
- Actively negotiating a major media rights renewal, with underpriced expectations for major AAV bump



- Sole scaled manager and promoter of a growing sport
- Recent creation of an official league system expected to significantly boost attendance and profitability



- Global provider of live event ticketing, event production, and logistics
- Constant innovation in product offerings affirms best-in-class status
- Covers 1.2K+ annual live events



- Leader in sports rights management, production, and digital content
- Serves 200+ premium sports rightsholders
- Extremely complementary to original TKO media properties

\$4,994mm
2025E Revenue

\$1,565mm
2025E EBITDA

45%
2024 EBITDA Margin

218
2024 Live Events







170
Countries Reached

23%
'19-'24 Rev. CAGR



Sources: TKO Company 10-K, Company investor presentations, management commentary stemming from earnings calls

Growth From Regional Niche to a Global Presence

Early Stages		Global Giants		Household Name	
1997 – 2005		2005 – 2025		2025 – Future	
	Turned around in 2001 via a purchase by Dana White and the Fertitta brothers; broke out with UFC 40 and The Ultimate Fighter series		Massive pay-per-view events with stars like McGregor and Rousey brought in global expansion, TV deals, and a sale to Endeavor in 2016		Due for a record media rights deal, looking to expand into the Middle East, Latin America, and finding tailored sponsorships and partners
	Dominated the wrestling atmosphere with the Attitude Era, won the Monday Night Wars, and bought out WCW in 2001		Transitioned into the PG Era and the New Era, focusing on global expansion through the rise of stars like Cena and the launch of WWE Network		Will continue to use Netflix's global customer base to expand internationally for its PLEs, and attract sponsors under its new ownership

Total Sales for Each Business Throughout Different Eras



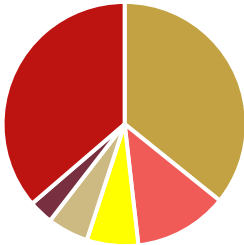
Expanding International Reach

Key Highlights

- The UFC has recognized talent development as a growth source internationally, starting programs such as Performance Institutes, international *The Ultimate Fighter* competitions, etc.
 - This comes after stars such as Conor McGregor and Khabib Nurmagomedov grew popularity of the sport in their respective countries
- Global sponsorships have fueled further expansion for the UFC, with local brands helping to integrate the UFC in new markets
- Expansion into new markets has been successful, with the UFC establishing partnerships with governments such as the UAE for yearly events, sparking management to identify opportunities to take advantage of underserved regions
- WWE has increased the amount of PLEs in international areas, with events such as *The Royal Rumble* coming to Saudi Arabia in 2026
- The recent Raw media rights deal with Netflix is expected to further push the WWE to attracting fans in new regions via Netflix’s global platform

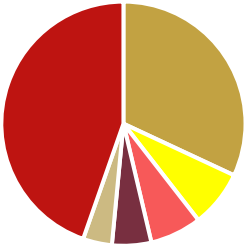
Notable Statistics

WWE Fan Breakdown By Country




■ United States
■ Canada
■ India
■ United Kingdom
■ Germany
■ Other¹

UFC Fan Breakdown By Country



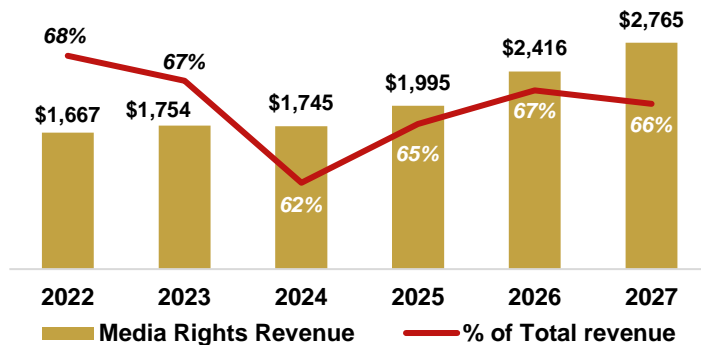
■ United States
■ United Kingdom
■ Australia
■ Canada
■ Germany
■ Other²

	Countries Traveled To	Countries Broadcast is Available	Percentage of Fans International
UFC	30	170	60-70%
	50	180	40-45%

Best-in-Class Monetization Across Multiple Business Lines

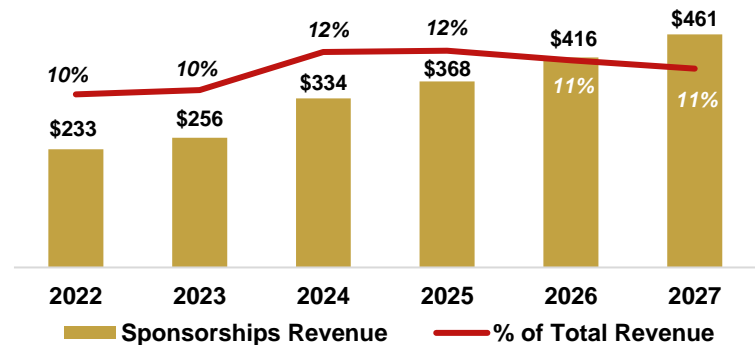
Media Rights

The UFC and WWE have agreements in place with major cable providers and streaming services such as Netflix and Disney to air live content, with future deals due in 2025 and 2026 that will drive growth and directly improve overall margins.



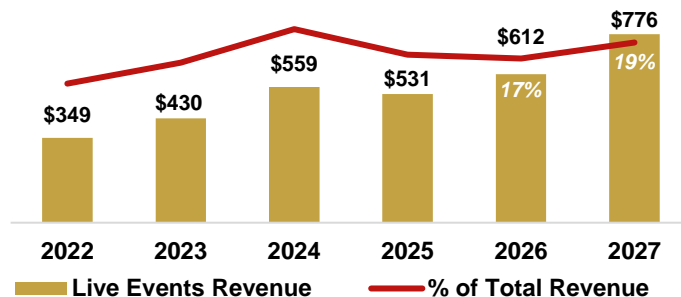
Sponsorships

TKO partners with companies looking for advertising opportunities during live events. These deals are usually between companies in adjacent industries and target markets, such as Monster Energy and DraftKings, with the WWE looking to expand this segment going forward.



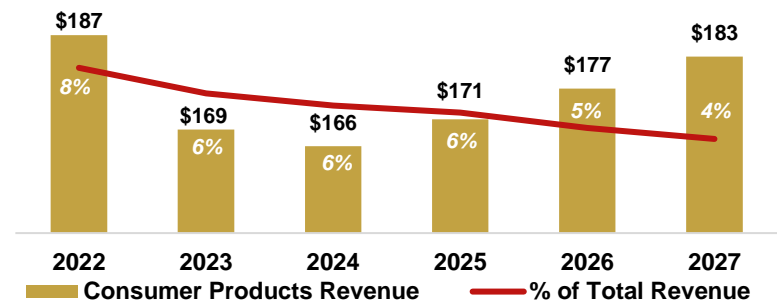
Live Events

The UFC and WWE generate revenue from their live events through ticket sales and other experiences complementary to live events. UFC has seen major recent growth due to pricing power with premier live events and is cyclical based on the number of events in a year.



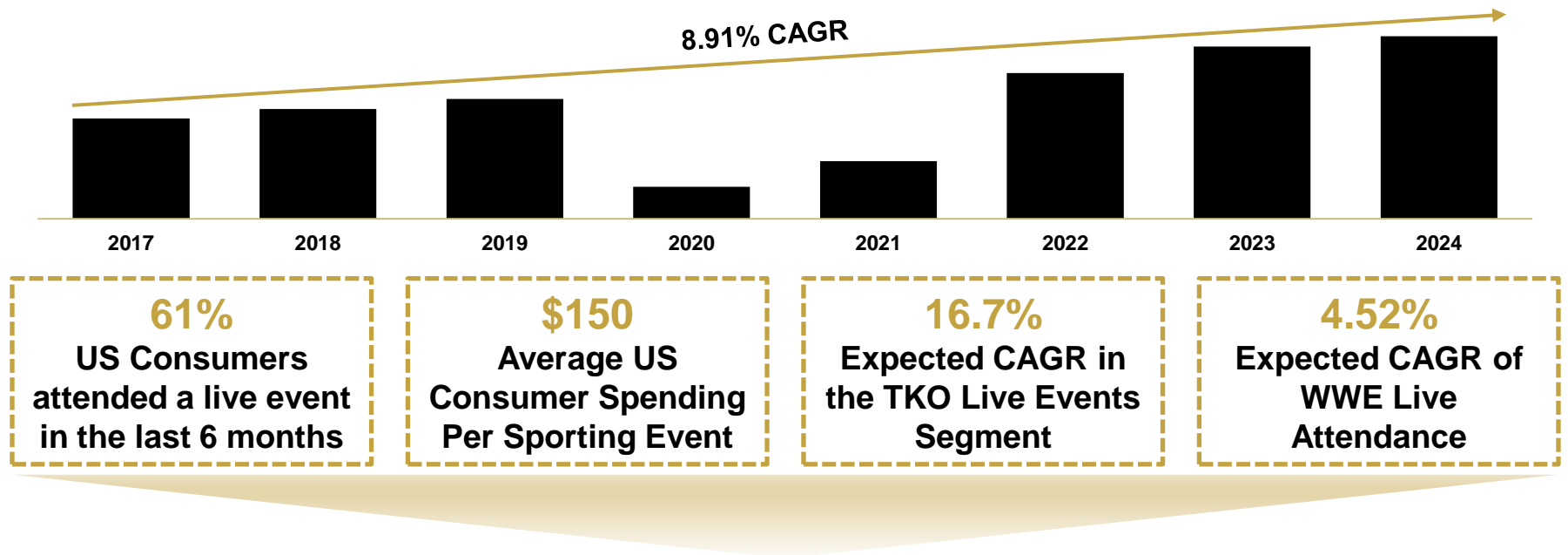
Consumer Products

Consumer products is the smallest revenue segment for TKO, inclusive of merchandise sales, licensing, and digital products and services. With the growth in the fanbase of the UFC internationally, local fans have grown the stream by purchasing items to support their stars.



Experiential Economy Expected to Remain Strong

Live Event Market Size



TKO Attendance Records

72,755 WrestleMania XL	70,309 Super Show-Down
57,127 UFC 243	56,214 UFC 193

“2025 is shaping up to be even bigger... with more stadium shows on the books than ever before” – **Michael Rapino, President and CEO, Live Nation Entertainment**

“... Fan enthusiasm for live sports remains strong and the popularity of our leagues continues to grow...” – **Jamaal T. Lesane COO, Madison Square Garden Sports Corp**

Demand for Premium Sports Content is Unmatched

Trends Attracting Fans

- Leagues across the board have established programs globally to attract diverse fanbases
- Premium live experiences such as exclusive access and special events have provided fans with a never-ending chase for more
- Social media engagement has provided fans new ways to interact with league content

34%

Of Americans
Watch Live Sports
on Social Media

44%

Of Americans
Watch Highlights
on Social Media

88%

Of Sports Fans
Watch Weekly
Live Events

80%

Of Sports Fans
Use Social Media
While Watching

70%

Of Gen Z Prefers
Social Media for
Engagement

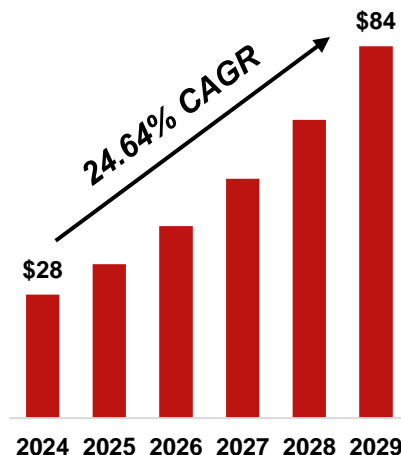
30%

Engagement
Increase in Sports
Social Posts

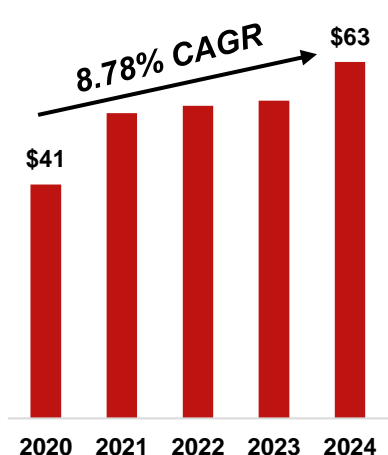
Trends Attracting Content Providers

- Live sports is the most engaging form of content for consumers, with unpredictable moments in live play continuing to drive demand for real-time engagement
- Streaming services attract viewers cutting cords who desire subscription-based services to watch sports content without paying for unused cable channels
- Exclusive rights, special content, and premium sponsorships and advertisements have rapidly increased pricing for sports assets in the past five years

**Sports OTT Streaming
Market**



**Sports Media Rights
Annual Value**



Entry of New Bidders Drives Up Media Right Value

- **Sports is Favored by Advertisers:** The wide demographic group drawn by sports events has led to it being favored by advertisers, expanding the overall value of sports media rights
- **Demand from Traditional Broadcasters:** Consistent viewership has maintained high bids from traditional broadcasters
- **Predictable Viewers:** The long-running nature of a sports season guarantees consistent and predictable viewership for broadcasters
- **Anti-Churn Quality:** Streaming services struggling with subscriber churn recognized the value in predictability of sports media
- **Initial Entry:** Hulu launched their live sports platform in 2017, being the first major streaming service to do so, becoming a huge success
- **Major Success:** In the years following, other streamers rushed to enter the sports media space and add sports into their offering
- **Impact on Bidding:** The combination of more bidders and the high value-add attributed to live sports has translated to a major uptick in the competition for live sports, **greatly driving up valuations**

Competition is Higher than Ever



New Entrants

Live sports are a key offering for streaming services, with this demand already translating to results⁽¹⁾



26.5M

Viewers drawn to NFL Christmas Day games aired on Netflix



3.5M

Subscribers added to Paramount+ from UEFA Champions League



43%





Of all sports viewers signed up to watch a specific event



105M

US viewers watched live sports digitally in 2024

Limited Threat of Losing Market Share to New Entrants

	Competitor	Perceived Strengths	Inferiority to TKO
Mixed Martial Arts		<ul style="list-style-type: none"> • Singapore-based promotion founded in 2011 with significant investor base • Has gotten a jumpstart on drawing a fanbase from the Asian continent • Made a fighter trade⁽¹⁾ with UFC in 2018 which was expected to draw UFC fans 	<ul style="list-style-type: none"> ✗ UFC has quickly developed multiple stars from key Asian geographies ✗ Fighter trade only briefly drew UFC audience, Ben Askren's loss to Jorge Masvidal resulted in creation of star ✗ Casual viewers see ONE as a supplement
		<ul style="list-style-type: none"> • Highly publicized poaching of UFC champion Francis Ngannou • PFL has promised to provide higher compensation to its athletes than the UFC • League-like format provides a familiar environment for new fans 	<ul style="list-style-type: none"> ✗ Francis Ngannou's first fight brought in just 2% of the average UFC PPV Buys⁽²⁾ ✗ Lack in audience penetration prevents athletes from developing their own brands ✗ League format stops PFL from having year-round shows, leading to churn
		<ul style="list-style-type: none"> • Affordable ticket prices provide better exposure to low-income consumer • Ties to areas can develop talent with devoted regional fanbases • Magnitude of promotions may collectively draw away viewers 	<ul style="list-style-type: none"> ✗ Affordable tickets translate to lower production quality and weaker talent ✗ Any regional talents take the first possible chance to move to a recognized brand ✗ Significant overlap in viewer base with TKO viewers, mostly used as a supplement
Pro Wrestling		<ul style="list-style-type: none"> • Drawn some recognizable WWE talent in an effort to draw away fans • "Flashier" match styles have potential to draw a different type of fan • Ratings crept up to about half of Raw's average weekly ratings 	<ul style="list-style-type: none"> ✗ Much of poached talent is in the twilight of careers, translating to worse match quality ✗ Flashier styles criticized for becoming too repetitive and predictable ✗ Ratings have faced a steady decline, recently widening gap with NXT

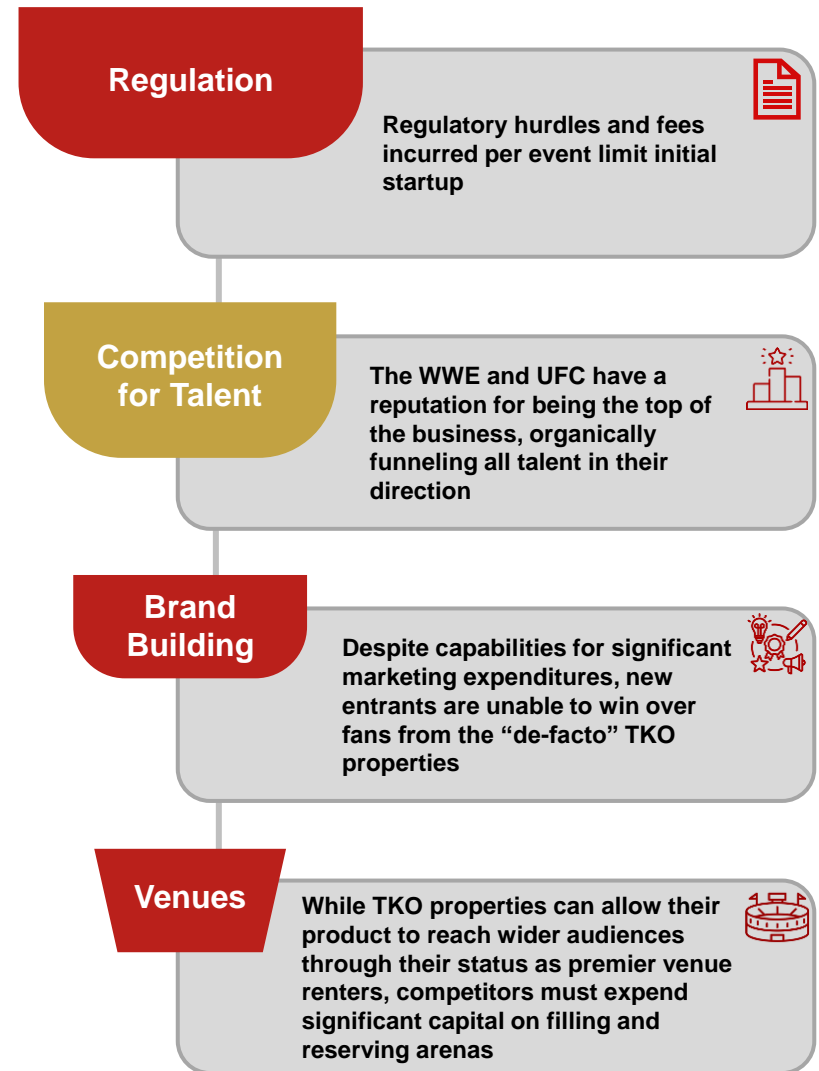


Notes: (1) The "trade" had One FC and the UFC agree to each release athletes Ben Askren and Demetrious Johnson, respectively, with the promise that each athlete would subsequently sign with the other promotion
 (2) Average UFC PPV results in ~447,000 PPV buys, PFL "Battle of the Giants" generated 10,000

Barriers to Entry Protect Industry Leader Status

Significant barriers to entry create a “funnel” that filters out **high-scale** competition before it grows enough to compete

- **Regulation:** Due to the dangerous nature of combat sports, costly regulatory considerations provide an initial barrier
 - Promoter required to have a license from state athletic commission
 - Significant liability insurance coverage required
 - Judges and referees must be certified by commission
 - Hefty event fees paid to state athletic commission
- **Competition for Talent:** Due to the relative novelty of the sport, the quantity of high-level professional wrestlers and MMA athletes remains limited
 - For all athletes, the end goal is to make to the UFC or WWE, resulting in most other organization being used as steppingstones
 - The low-level scene is extremely competitive, but none of those organizations are ever able to retain enough quality talent to truly rival TKO's properties
- **Brand Building:** Much like the NBA is to Basketball, the UFC and WWE are the genericized properties for MMA and Pro Wrestling
 - Provides difficulty in taking mind-share from casual fans
- **Venue:** Stringent fees and competition for venues
 - Existing relationships with municipalities and venue ownership allows TKO properties to gain a competitive advantage



Leading Position Allows for Monetization of a Typical Cost



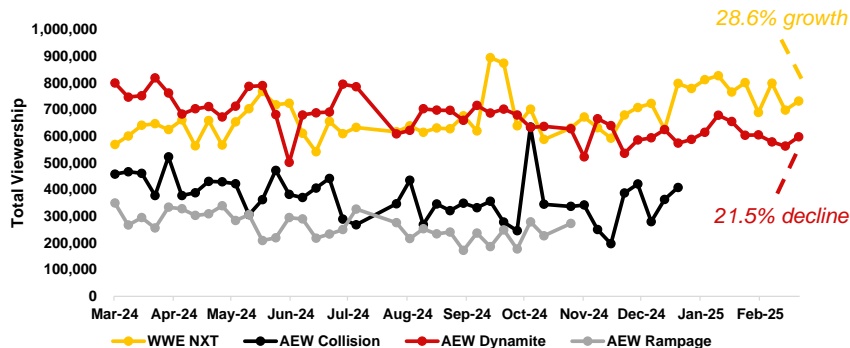
NXT is the WWE's developmental show that airs on CW every Tuesday. Launching in 2011, it has grown to be a premier way for the show to develop both promotional and in-ring ability of rising talent, often resulting in significant followings prior to a talent's main roster debut.



Dana White's Contender Series ("DWCS") is a show where MMA prospects get the opportunity to compete for a UFC contract awarded by UFC CEO Dana White. The show was launched in 2018 and has quickly expanded to be an exciting way to discover talent.

The premier status of TKO assets has allowed for significant monetization of developmental programming, which is typically a major cost for competitors

NXT's Popularity Continues to Grow⁽¹⁾



DWCS⁽²⁾

29%

Of the active roster earned their spot by competing on the show. This represents **196 out of the 650** total athletes, despite only being **on the air for 7 years**

77%

Increase in **percentage of ranked fighters** that came from the show in the **past 2 years**, showcasing continued momentum of DWCS graduates

68%

Of all fighters awarded a contract on the show **currently remain on the roster**, demonstrating that the show is able to continuously find high-level talent

The WWE's developmental program has overtaken the primary show of its main competitor



Notes: (1) Ratings Cited from Nielsen & Wrestlenomics; includes both live and same day viewers, data only shown for programs airing in their normal time slot and normal network
(2) Sourced from TKO company fillings, UFC company website

Favorable Advertising Demographics Drive Value

UFC/WWE Demographic Breakdown

With live sports being the greatest driver of advertising, the UFC's demographics have shifted to becoming even more favorable for advertisers, with female viewers accounting for 36% of UFC fans and 31% of WWE fans

TKO's advertising has been very targeted at younger viewers, such as sponsorship deals with DraftKings and Monster Energy due to the large percentage of viewers falling below the age of 30

The median household income of each around \$50,000, about 50% lower than the U.S. average, brings advertising success for companies in this target market

TKO Sponsorships vs. Major American Sports

The major American sports on average have a median household income of \$80,333 with a median age of 45. These demographics have allowed for higher returns on advertisements for TKO's partnerships by attracting younger viewers who fall into the income bracket that TKO's sponsors target, increasing the value of the company's future deals based on its track record

Demographic Breakdown

31%

Of UFC Fanbase
Identifies as
Female

36%

Of WWE Fanbase
Identifies as
Female

37

UFC Fan Median
Age

35

WWE Fan Median
Age

19.5%

Of UFC Fans Earn
More Than \$100k

\$52,200

WWE Fan Median
Household Income

TKO vs. Big 4 American Sports Leagues

35%

Lower Median
Household Income
for TKO vs Big 4

9

Year Lower Median
Fanbase Age for
TKO vs Big 4

WWE Netflix Deal Represents a Major Growth Driver

The Netflix deal serves as an indicator that the WWE is ready to take the next step in mainstream adoption, representing the first primary sports rights owned by the streaming company

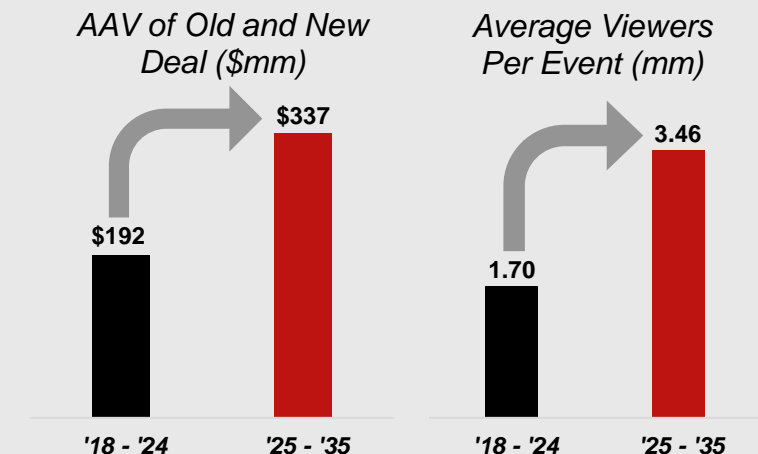
Situation Overview

- **WWE previously had a six-year contract with NBCUniversal's USA Network and Fox valued at around \$1B**
 - This included the broadcasting rights for Monday Night Raw on USA Network and SmackDown on Fox
- **WWE had identified Netflix as a potential partner years prior, and the deal was struck within a couple of weeks**
 - The process began with initial discussions about WWE's NXT brand but expanded to include Monday Night Raw and other WWE content
 - COO Shapiro emphasized the importance of convincing Netflix executives who had limited exposure to live sports content in the past

Results

- ✓ **\$5B deal over 10 years, with Netflix having the option to renew for 10 more years after year 5 or drop the contract**
- ✓ **WWE can expand its reach globally through Netflix's established platform**

Dramatically Improved AAV and Customer Reach Opportunities



UFC Product is Crucial for ESPN+

ESPN+ Aided by UFC

ESPN+ subscribers went from 6.6m to 7.6m in the aftermath of UFC 246, emphasizing the growth in the platform driven by the UFC

“15% of Americans watched ESPN that day. Speaks to the strength of ESPN’s brand and the UFC rights we acquired” – Disney CEO Bob Iger

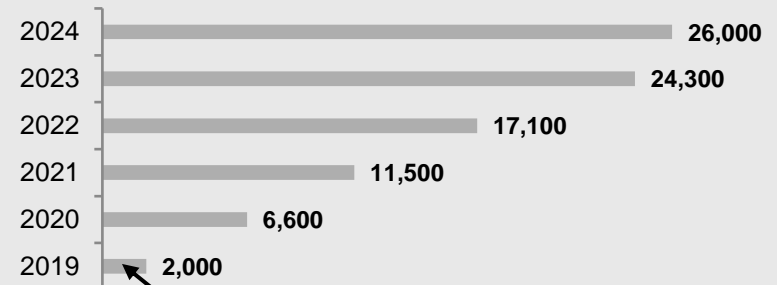
“Fighters mention how cool it was to be on ESPN. It made me swell with pride it’s on our network” – ESPN Post Producer John Bartmon

UFC Helps ESPN+ Reduce Churn

With main card events every week and other PLEs, ESPN’s PPV subscriber churn numbers have shrunk 20% from before UFC 236

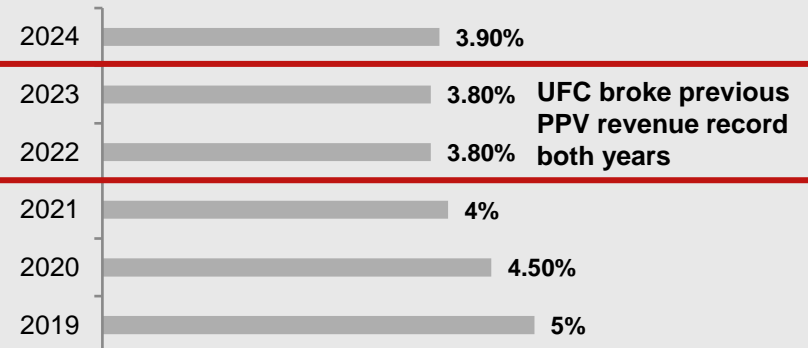
Because of the frequent demand for UFC events, the fans have taken advantage of other sporting options such as soccer and college sports

ESPN+ Subscriber Count Since UFC 236 (April 2019) (mm)



UFC 236 grew ESPN+ subscribers by over 50%

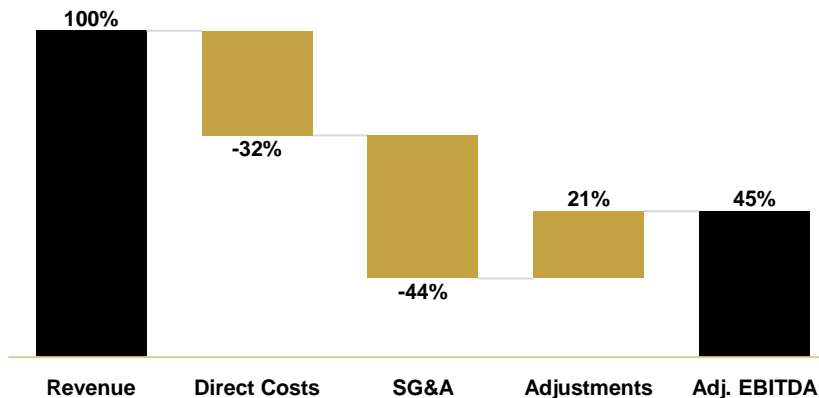
ESPN+ Subscriber Churn Numbers Since UFC 236 (April 2019)



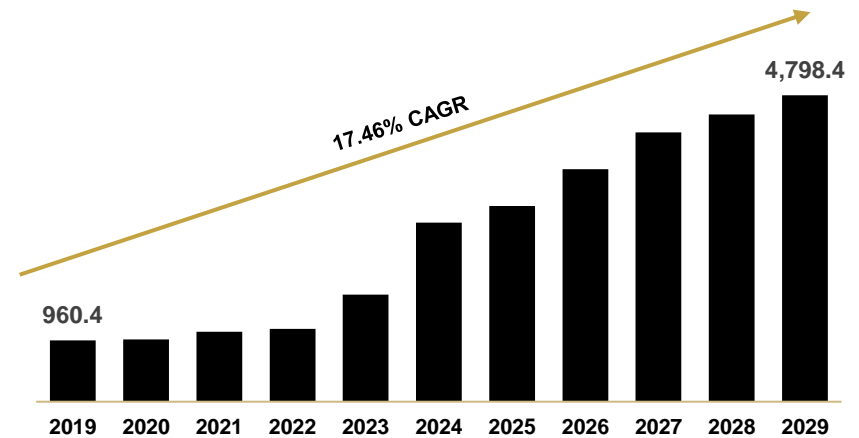
TKO Has Both Significant Growth and Abundant Cash Flow

WWE & UFC have consistently demonstrated their ability to generate cash, further strengthening it through synergies from the merger

Walk to Adj. EBITDA



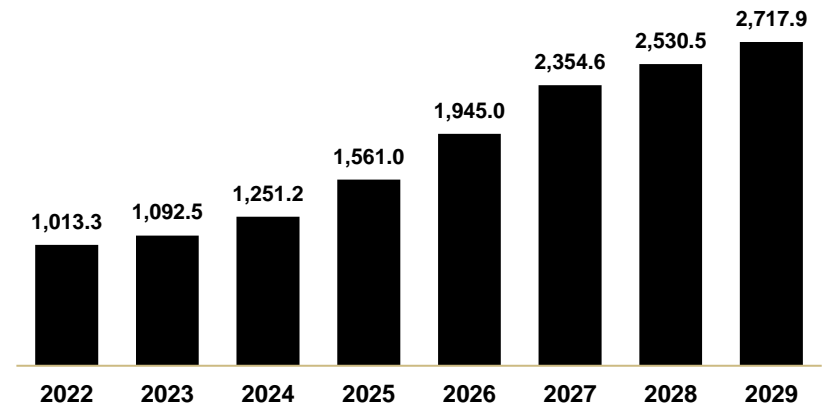
Robust WWE & UFC Revenue Growth



Financial Highlights

- TKO, post-merger, has recognized synergies between UFC and WWE, improving its EBITDA margin
- As demand for TKO's high-end offerings grows, EBITDA and EBITDA margin will improve accordingly
- New revenue streams from media rights deals and site fees will further enhance TKO's financial performance

Strong Adj. EBITDA Growth



44.6%
Adj. EBITDA Margin

15.5%
Revenue CAGR



Lever #1 – NBA & NFL Recent Renewals

Renewals in other sports show heavy levels of demand for premium sports content, with properties like the NBA able to get significant AAV jumps despite decreasing viewership numbers, setting the stage for rapidly growing TKO properties

Momentum for UFC & WWE

Adam Silver was **laughed at** when he proposed \$75B, but he ended up **exceeding** that at \$76B

Major networks like ESPN, Fox, NBC, CBS, and others **drove up the media rights deal by \$10B**

Netflix and Amazon, among others, have begun entering negotiations for sports assets

Movements in Media Rights Marketplace

Providers wanted **longer-term contracts**, demonstrating demand from outside competitors

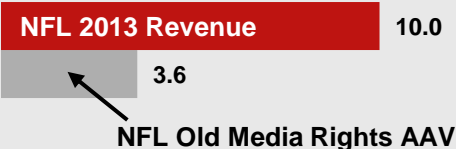
NFL and NBA packages including Amazon demonstrate long-term **shift towards streaming**

Strict commissioner price demands show the **negotiating leverage** sports leagues now have

NBA Media Rights AAV Jump vs. Negotiating Revenue



NFL Media Rights AAV Jump vs. Negotiating Revenue



UFC ESPN+ and WWE PLE Have Upcoming Renewals



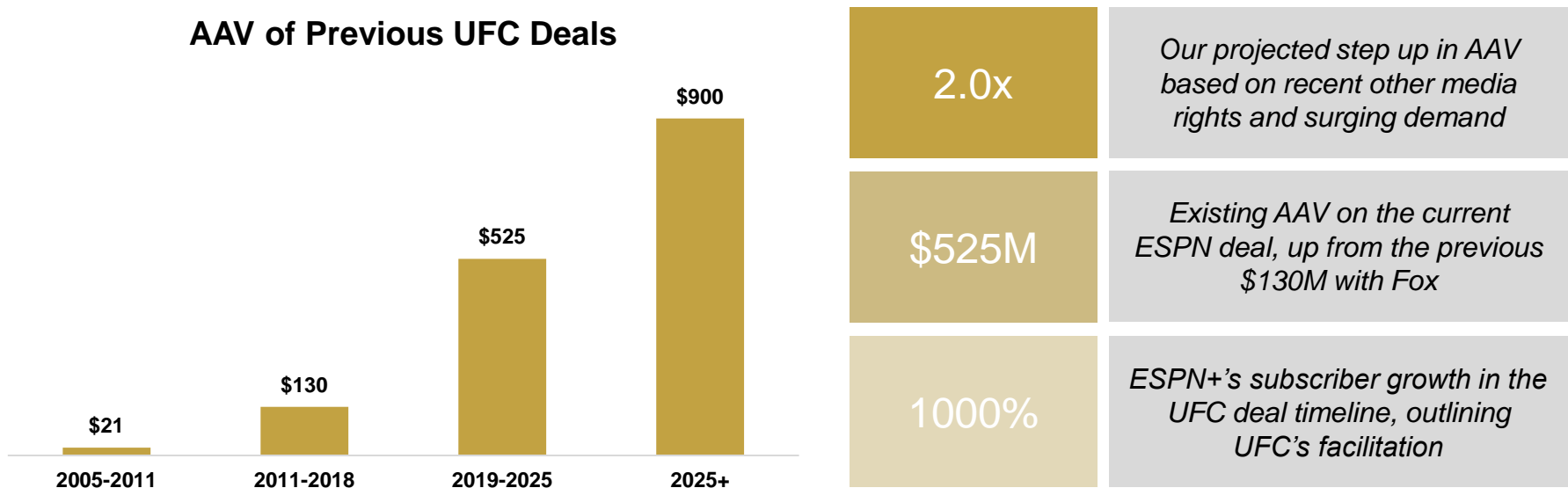
NXT and the PLE Streaming media rights for the WWE are due for renewal in 2025 and 2026. The WWE's year-round showcase of events, expanding global audience, and premium live sports content has driven demand, allowing providers like Netflix to join the bidding sweepstakes after agreeing to terms with Raw for the next 10 years.



ESPN's contract with UFC for PPV and media rights expires in 2025 following its subscription growth driven by UFC's PLEs. The UFC's rapid growth has driven demand from larger platforms to steal ESPN's rights. The UFC currently has exclusivity in negotiations with Disney and has stated they intend to work together to find an agreement.

UFC's rapid, global growth in viewership, more profitable PPV model, stronger sponsorship demand, and non-scripted entertainment have driven its media rights value to be the crown jewel of media rights between the two.

AAV of Previous UFC Deals



Lever #2A – Live Event Growth – Margin Improvement

Growing Tickets Sales + New Premium Offerings = Increased Margin Growth

- Since the COVID-19 pandemic, the UFC has steadily increased its attendance, returning to pre-pandemic levels
- WWE has seen a slight decrease in attendance initially, but is now focused on expanding international offerings and monetizing existing events
- TKO's global expansion and media rights deals are expected to boost attendance in the coming years

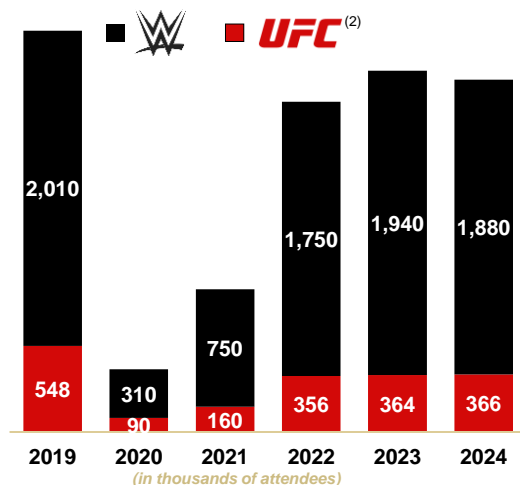
- Both the WWE & UFC have begun to roll out more premium offering for fans, that are willing to pay a higher price
- The UFC has already rolled out UFC X and the WWE has rolled out WWE Priority pass, as part of both promotion's plan on expanding their offerings

- With rising ticket sales and higher prices driven by premium offerings, TKO is expected to continue expanding its EBITDA margin
- Expansion into global markets for both UFC and WWE will drive ticket revenue growth as demand for higher-priced tickets increases
- New Media rights deals with Netflix will further attract a larger audience to higher yielding events

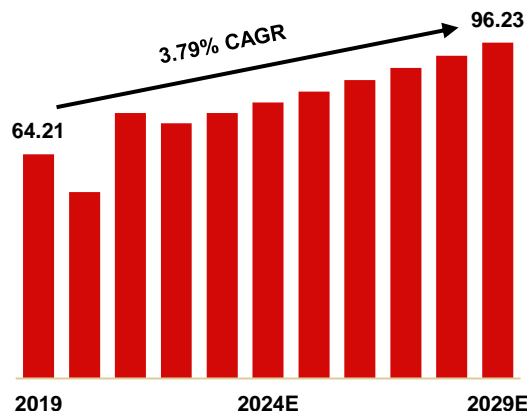
Current VIP Offerings



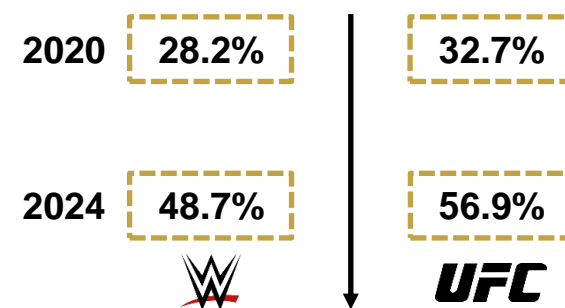
WWE & UFC Attendee Growth⁽¹⁾



Average WWE Ticket Price



EBITDA Margin Growth



- Following the merger, WWE and UFC have capitalized on existing synergies, resulting in increased EBITDA margins



Notes: (1) WWE's attendance adjustments resulted from a strategic shift towards fewer, higher-attendance events

Notes: (2) UFC Live Gate attendance figures were not disclosed for several events between 2022 and 2024, meaning the total attendance is likely understated

Lever #2B – Live Event Growth – Site Fees

Municipalities are recognizing significant economic impact from WWE & UFC events, leading them to bid millions for Premium Live Events

Domestic

- Municipalities have increased spending on large entertainment events to capture the economic impact these events bring
- The WWE alone has generated over \$12.1 million from domestic site fee contracts in 2025
- As demand rises due to recent media distribution deals, cities' demand for events will likely increase, along with the price paid for them
- As municipalities continue to recognize the economic impact of live events, many are committing to multi-year contracts for Premium Live Events

Economic Impact⁽¹⁾

\$215 million
Los Angeles

>\$200 million
Las Vegas

\$36 million
Perth

\$206 million
Dallas

International

- WWE and UFC attract a global audience, allowing foreign governments to invest in tourism through TKO site fees
- Many developed countries are paying upwards of \$50 million per event to promote tourism and economic impact within their own countries
- As many foreign governments also cover various costs associated with the events, this will lead to an increase in margins going forward
- With ~52% of WWE and UFC viewers being international, there is a significant opportunity to monetize future events

Major Events with Site Fees



\$16 million
Melbourne, AU



\$2.8 million
Tampa, FL



\$2.8 million
Melbourne, AU



\$2.8 million
Cardiff, UK



\$50 million
Saudi Arabia



Notes: (1) Economic Impact is defined as of local spending which is directly attributed to through the surge in tourism from events

Lever #3 – Additional Sponsorship Opportunities

The UFC has mastered how to monetize every aspect of their broadcast

Roster of Blue Chip and High-Growth Sponsors



Enhanced Utilization of Advertising Space



The WWE Represents a New Opportunity for Sponsorship Growth



The WWE has just placed the first sponsor logo, PRIME Hydration, inside their wrestling ring

Management plans to have match announcers and commentators mention that certain matches are “brought to you by ____”

Certain replays of major match events may include a “sponsored by” introduction, with social media reposts of viral moments providing additional value to the sponsor

International expansion has provided a major opportunity to harness advertisers in previously underrepresented markets

Sum of the Parts Discounted Free Cash Flow Analysis

Commentary

Illustrative Unlevered Free Cash Flow

- Valuation date of 04/01/2025
- Terminal value based on extrapolation through 2029E
- Discount rate range of 7.0% to 8.0% derived from CAPM WACC calculation utilizing key comps and indicative capital structure (see appendix for additional info)
- Terminal value calculated via a sum of the parts analysis, separating the business into 3 segments: Media (PBR, WWE, UFC), Rights Management (IMG), and Venue Services (OLE). See appendix for additional info
- Base case assumes a 2.0x AAV renewal for UFC and a 1.8x AAV renewal for WWE
- Significant margin expansion realized through AAV, Sponsorship, and Live Event revenue growth stemming primarily from modest pricing power
- Live event growth expected from expanded municipal partnerships and site fees, which accrete directly to the bottom line

		Fiscal Year Ending 12/31				
\$ in millions		2025E	2026E	2027E	2028E	2029E
UFC Revenue		1,449.0	1,885.8	2,013.9	2,143.3	2,279.2
WWE Revenue		1,615.4	1,757.2	2,201.5	2,356.7	2,519.2
PBR Revenue		218.9	228.8	308.1	332.8	354.4
OLE Revenue		1,125.9	1,255.3	1,424.8	1,439.0	1,554.2
IMG Revenue		713.3	791.7	857.4	900.3	945.3
Total Revenue		5,122.5	5,918.8	6,805.9	7,172.1	7,652.3
Growth %			15.5%	15.0%	5.4%	6.7%
UFC EBITDA		830.3	1,140.9	1,220.4	1,301.0	1,385.7
WWE EBITDA		798.0	869.8	1,155.8	1,239.6	1,327.6
PBR EBITDA		47.1	49.2	79.2	88.2	98.5
IMG EBITDA		145.1	159.1	177.5	187.3	203.2
OLE EBITDA		58.0	75.1	121.1	125.2	146.1
Corporate EBITDA		(317.4)	(349.2)	(399.4)	(410.7)	(443.4)
Combined EBITDA		1,561.0	1,945.0	2,354.6	2,530.5	2,717.9
% Margin		30.5%	32.9%	34.6%	35.3%	35.5%
Less: D&A		(312.3)	(302.9)	(275.9)	(270.5)	(276.3)
EBIT		1,248.7	1,642.1	2,078.8	2,260.1	2,441.6
(-) Taxes 22.0%		(274.7)	(361.3)	(457.3)	(497.2)	(537.2)
(+) D&A		312.3	302.9	275.9	270.5	276.3
(+) Noncash Expenses & NWC		272.5	292.9	222.3	240.4	219.8
(-) Capital Expenditures		(98.3)	(145.1)	(143.9)	(93.3)	(98.0)
Unlevered Free Cash Flow		1,460.5	1,731.5	1,975.7	2,180.5	2,302.5
% Margin		28.5%	29.3%	29.0%	30.4%	30.1%
% Growth			18.6%	14.1%	10.4%	5.6%

Sensitivity Analysis

Median "Media" Multiple					UFC New Deal AAV					Revenue CAGR¹				
		12.3x	12.8x	13.3x			1.80x	2.00x	2.20x			10.0%	10.5%	11.0%
WACC	7.0%	\$178.96	\$184.35	\$189.74	WACC	7.0%	\$180.50	\$184.35	\$188.20	Y5 EBITDA Margin	35.9%	\$177.59	\$180.64	\$183.74
	7.3%	\$177.16	\$182.50	\$187.83		7.3%	\$178.68	\$182.50	\$186.31		35.7%	\$176.72	\$179.77	\$182.85
	7.5%	\$175.38	\$180.66	\$185.94		7.5%	\$176.89	\$180.66	\$184.44		35.5%	\$175.86	\$178.89	\$181.95
	7.8%	\$173.63	\$178.86	\$184.08		7.8%	\$175.11	\$178.86	\$182.60		35.3%	\$175.00	\$178.01	\$181.06
	8.0%	\$171.90	\$177.07	\$182.24		8.0%	\$173.37	\$177.07	\$180.77		35.1%	\$174.14	\$177.13	\$180.16



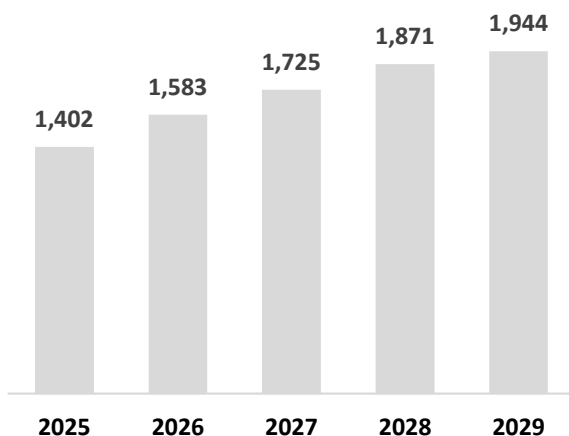
Notes: (1) Enterprise value extrapolated assuming a WACC of 7.5%; terminal value calculated through a sum of the parts multiple method analysis. More information available in appendix

Implied Premiums Through Various Situations

Downside Case

- WWE and UFC renewals come in at AAV's of 1.7x and 1.7x respectively
- Minimal margin expansion, limited site fees, slower sponsorship growth

UFCF Projections

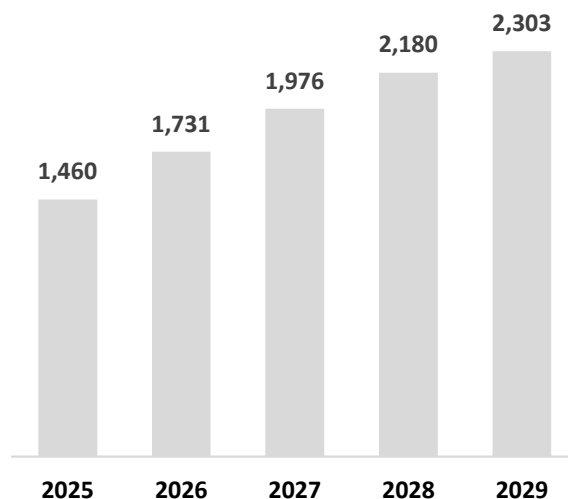


(1.5)% – 0.5% premium

Base Case

- WWE and UFC renewals come in at AAV's of 1.9x and 2.0x respectively
- Live event margin expansion driven by site fees and VIP offerings, on-track sponsorship growth

UFCF Projections

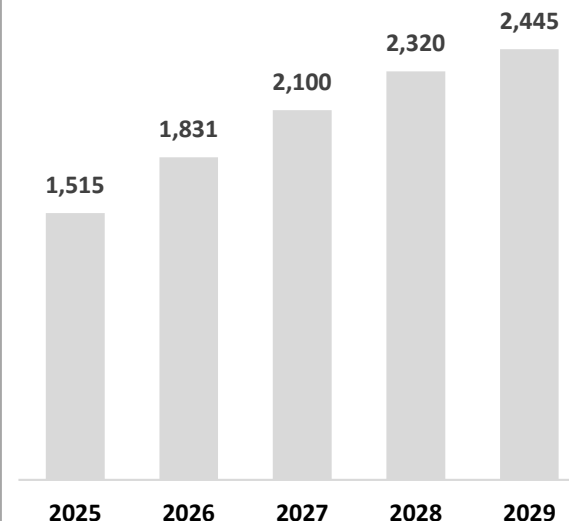


17.0% – 20.0% premium

Upside Case

- WWE and UFC renewals come in at AAV's of 2.0x and 2.1x respectively
- Significant margin expansion, accelerated sponsorships, and major site fees

UFCF Projections



25.0% – 27.0% premium

TKO provides unrecognized upside opportunity, with downside protected by contractually guaranteed cash flows

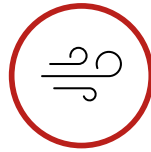


TKO – Best-in-Class Assets in Rapidly Growing Sector



1. Strong Revenue Escalator

- Media rights opportunities for UFC and WWE are being undervalued, as projections do not match what has happened in the current sports market
- Shift towards larger providers like Netflix and Amazon Prime can unlock even further global growth opportunities for both brands



2. Massive Industry Tailwinds

- Between social media content, OTT platforms, and sponsorship agreements, revenue streams continue to grow across sports
- New technologies and in-person ways to engage with league content have grown all sports, with the UFC and WWE especially taking advantage



3. Cash Printing Machine

- With EBITDA margins of 45%, the company continues to find ways to convert this to cash
- With a current conversion rate of 40% that can easily be stretched to 60% by growing its higher margin media rights and sponsorship agreement revenue streams, which will only help fuel future growth



4. Mix of Growth and Security

- Between media rights growth, increasing global fandom, and heightened sponsorship opportunities, TKO's attractive growth is protected with its recurring revenue streams and returns
- Investors are undervaluing the moat this company has built to protect its future growth opportunities

TKO represents the best opportunity to take advantage of sports tailwinds, growing revenue, and improving cash conversion rates all with additional security tied into the business structure



Appendix Part A



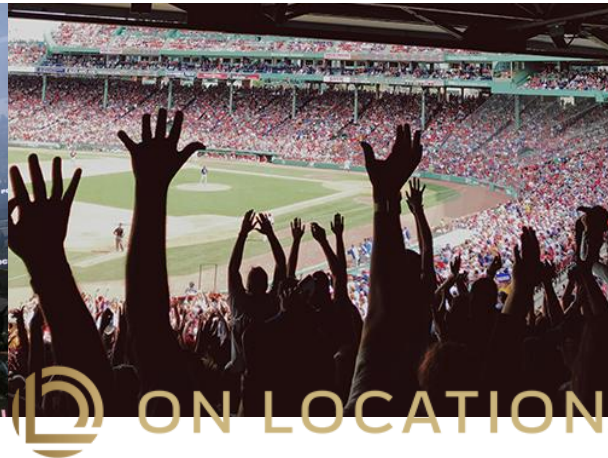
Industry Leading Assets That Enhance TKO's Portfolio



Professional Bull Riding
League Synonymous With
Western Lifestyle

Scarce league level asset
Significant growth opportunity
across:

Media Rights	Team Expansion
Live Events	Brand Partnerships / Sponsorships
Site Fees	



Premium Hospitality and Live
Experiences Leader

Exceptional scale and expertise
across ticketing, event
production, and logistics

1.2K+ annual live events

1M annual ticket packages sold



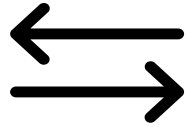
Global Sports Rights
Industry Leader

Leader in sports rights
management, production,
and digital content

200+ premium sports
rightsholders

Operations in 35 countries

Illegal Streaming



Adjusting PPV Pricing

"They took the price down, if you will, in terms of offering a new marketing promotion where if you buy by a certain date, well in advance of the numbered fights, you are going to get a discount and then the price of course increases once you pass that date. They're seeing good success with that." – Mark Shapiro, TKO COO

How It Works

- ESPN offers a reduced price well in advance of an event for a fan purchasing PPV, with the price slowly increasing as the events get closer
- This allowed the UFC to achieve positive results and help to fight off the illegal PPV distribution
- The UFC and ESPN work in tandem with employees to monitor live event streaming sites to take down illegal distributions

\$300M Annual PPV Licensing Fee
paid to TKO annually, with an increase expected based on their new rights deal in 2025



Problem for Advertisers, Not TKO

"ESPN and Disney were very aggressive, if you will, on pricing the pay-per-views and they have full control over that, but they have control given what they're paying us for those rights." – Mark Shapiro, TKO COO

How It Works

- ESPN+ pays a license fee for the rights to distribute UFC PPV events, meaning ESPN assumes the risk associated with the PPV sales fluctuations, such as losses due to piracy
- UFC gets a guaranteed, recurring revenue stream from the licensing fee from ESPN
- Shapiro noted ESPN's aggressive pricing strategy led to increased piracy rates

35% of US Sports Fans Use Pirate Streams¹

which underestimates the amount that use it for the UFC due to the higher individual prices on PPV

Site Fees Represent A Major Growth Opportunity

Site Fees Are Just Now Beginning to Impact TKO

Considerations



Saudi Arabia

Potential for Mass Deals with Key Geographies



The WWE signed an agreement with Saudi Arabia that will pay TKO \$100m annually in exchange for 2 annual shows held in the country. This represents a major opportunity to create lucrative and consistent site fee partnerships



GOVERNMENT OF
WESTERN AUSTRALIA

Development of Consistent Long-Term Partnerships



Long-term partnerships with new municipalities not only expand the sport to major geographies, but provide potential to further demonstrate economic impact of TKO events



Competition will drive individual site fee growth



Minneapolis and Las Vegas drive-up a bidding over the right to host WrestleMania this year. This represents an opportunity to further drive-up site fees as a function of increased demand

Site fees represent a sustainable source of added income for TKO, with protection regardless of the current economic environment

Economic Stimulation

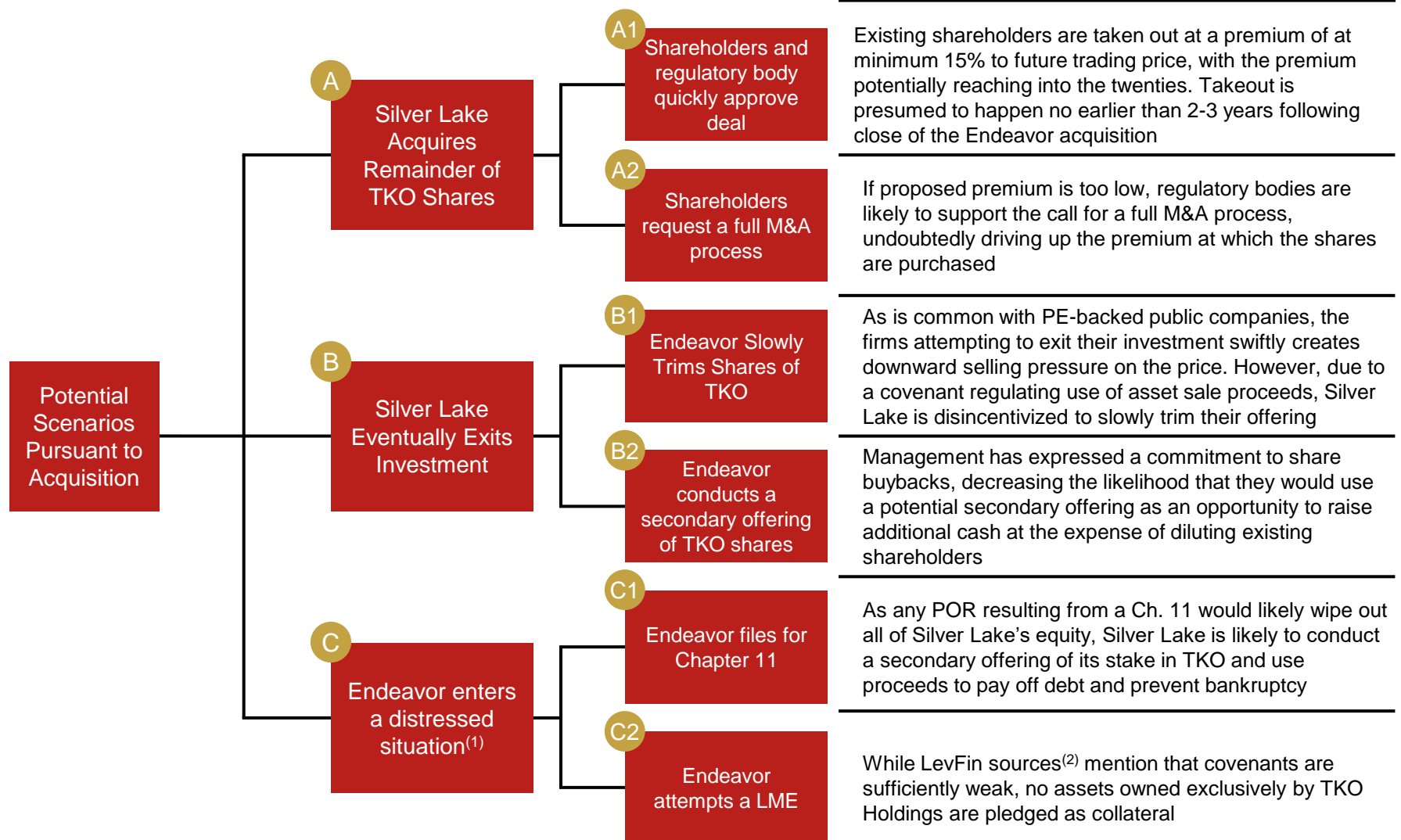
State governments facing local economic slowdowns may turn to site fees as a method of stimulating the local economy, providing some levels of downside protection.

Competitive Advantage

Leading status of TKO properties limits competitors for vying towards site fees. The WWE and UFC have years of data supporting their economic impact on municipalities, which has allowed them to lobby for site fees in the first place

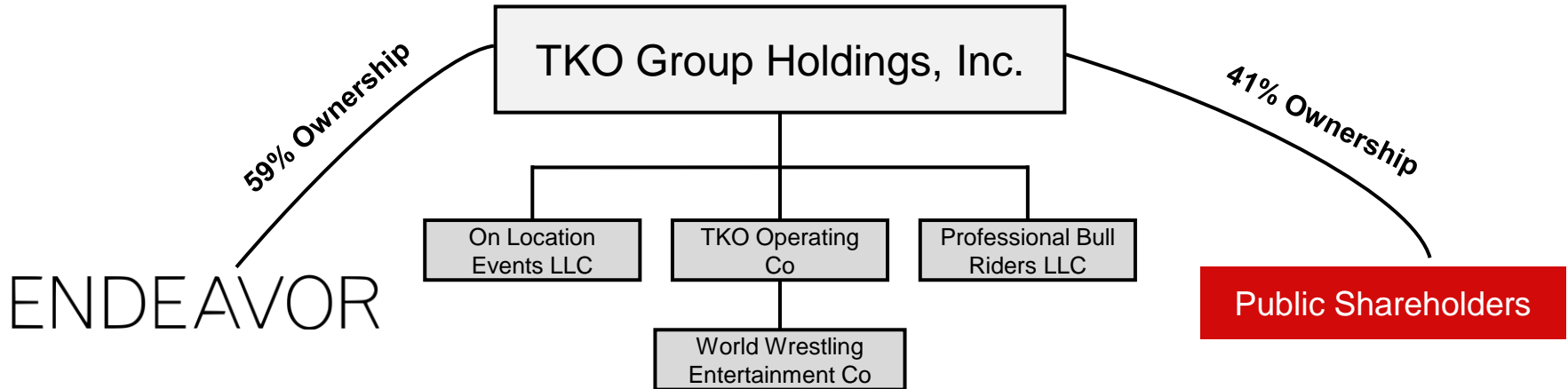
Site Fees Represent a Major Source of Growth Accruing Directly to TKO's Bottom Line

Illustrative Situation Tree of Effects Stemming from Silver Lake's Acquisition of Endeavor



Endeavor Entity Analysis

TKO Ownership Structure



Post-LBO Capital Structure

\$ in millions

Instrument	Funding	Maturity Date
Revolving Credit Facility	0 (250 Available)	Jan-30
Term Loan A	1,250	Jan-28
Term Loan B	3,000	Jan-32
Margin Loan	3,000	N/A
Total Debt	7,250	

- While specific information is limited, Endeavor is issuing a \$3B Margin Loan facility as part of its LBO
- The margin loan will be exclusively secured by **shares** in TKO owned by Endeavor
- We do not expect the margin loan to maintain a set maturity date, providing Silver Lake with significant flexibility

Endeavor Bankruptcy Scenario Protects TKO Shareholders

Memo: Market Cap as of 03/31/25	26,006.1
--	-----------------

TKO Market Cap	26,006.1	20,804.9	15,603.7	10,402.4	5,201.2
<i>% Decrease from Current</i>		(20%)	(40%)	(50%)	(67%)
Endeavor Share	15,343.6	12,274.9	9,206.2	6,137.4	3,068.7

\$ Cushion Over Margin Loan	12,344	9,275	6,206	3,137	69
% Cushion Over Margin Loan	411%	309%	207%	105%	2%

- In order for the value of shares secured by the margin loan to reach the value of the \$3B loan, TKO shares would have to decline by 67%, or **\$21B**
- TKO's media rights business provides contractually guaranteed revenues that almost entirely accrue to the bottom line, lessening the
- It is incredibly unlikely to find any situation in which TKO will lose **\$21B** in value, reassuring equity holders that 59% of voting shares will not be sold off to creditors
- Furthermore, Endeavor creditors do not have a priority claim on any TKO Assets, and would gain an equity position pari passu to that of existing public equityholders

Drive to Survive Case Study

NETFLIX

Drive To Survive

- In-depth coverage of the F1 season with exclusive interviews, team insights, and storytelling
- Behind-the-scenes access to understand the relationships between drivers and the pressure within each competition
- Unique perspectives on specific events with strategies and tactics unfolding on the track
- Driver stories explore their struggles, triumphs, rivalries, and other behind-the-scenes information

56

Countries found
Season 4 in
Netflix's Top 10

1.02m

Unique viewers
the first 2 days of
Season 4

50%

Increase in
viewership from
Season 2 to 3

57.07m

Hours viewed in
first two weeks of
Season 4

27th

Inaugural Netflix
ranking during
release week

16.9m

Average episode
views between
2/23 – 6/24



Impact to F1

- F1's audience has grown 40% since the show premiered in 2019
- Digital engagement by 50% in 2019, the same year the show premiered on Netflix
- By 2021, nearly half of all new F1 fans attributed their fandom to Drive To Survive, before Season 3 and 4, its best seasons, aired on Netflix
- The 2023 F1 season was a 100% increase in average viewership compared to 2018

40%

Of the league's
fanbase was
women by 2021

9%

More people
reached globally
vs 2018

26m

U.S. fans said it
sparked their
interest in 2022

826.5m

Global fans of
the sport
in 2024

86%

Revenue growth
in 2021 after
Season 2 aired

28%

Increase in
monitored
markets vs 2019

Appendix – UFC X and Other Premium Experiences



UFC X

UFC X

- UFC X is an event that is aimed at bringing together fans, fighters, and various aspects of mixed martial arts. It includes a variety of interactive experiences, such as meet-and-greets with fighters, fighter panels, live events, exhibitions, and other fan-centric activities.
- Along with that most UFC events are a one-day array of fighters. UFC X is involved in UFC's Ultimate Fight Week which is a full week experience allowing you to watch all your favorite fighters.



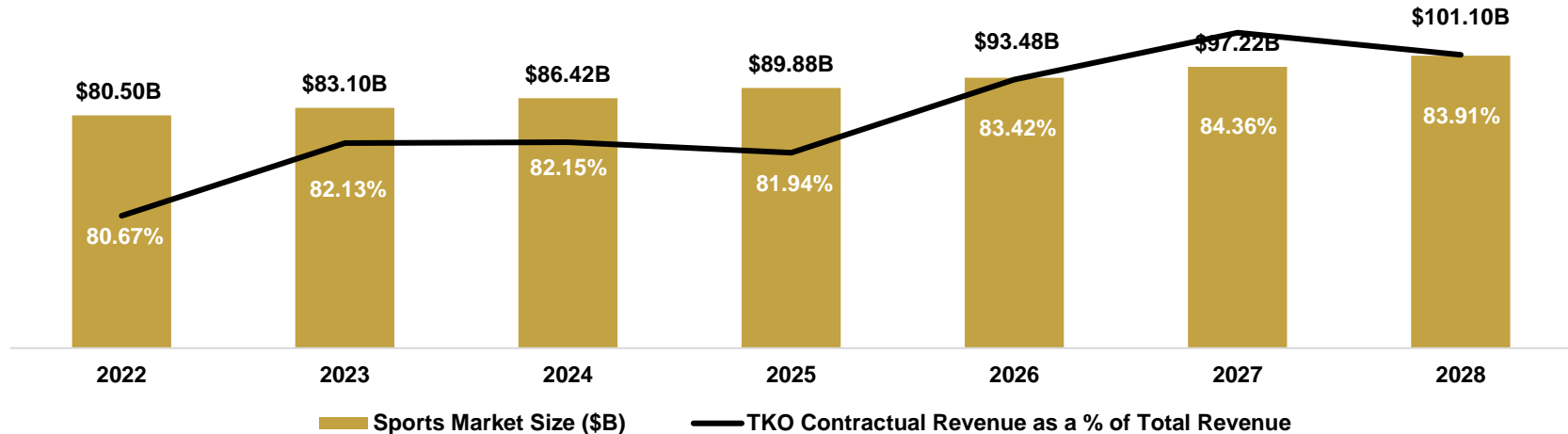
UFC VIP EXPERIENCE

UFC VIP Experience

- UFC VIP allows fans to experience the event like never before with exclusive tours of fighter locker rooms, pre-fight warm-up areas, and restricted zones, giving you an insider's view of the action.
- UFC VIP also gives fans the opportunity to meet UFC stars up close, take photos, get autographs, and attend private events with fighters and celebrities.

Cyclicality Misconception

TKO's Contractual Revenue In Tandem With Overall Sports Market Growth



Sports' Long-Standing Stability

"Sports franchises have proven time and time again that they are recession-resistant assets. Even during the 2008 financial crisis, the average value of an NBA team grew by 3.4% annually, and since then, we've seen an incredible 15% year-over-year increase, with the Golden State Warriors now valued at \$9.14 billion. In fact, sports viewership continues to rise, with TV ratings for major events like the Super Bowl and NBA Finals only seeing minor drops during economic downturns. This consistent growth, even in tough times, makes sports a reliable and sustainable investment."

— Gerry Cardinale, Founder of RedBird Capital Partners

TKO's Maintained Industry Standing

"Going through COVID definitely didn't hurt us. There were no sports on TV except for us. Fights that should have been doing 300,000 buys were doing a million. Our fanbase is incredibly loyal, and when we came back, we filled the void that was left by all other sports being canceled. People still wanted to watch live sports, and we were the only ones delivering it, which created huge demand."

— Dana White, UFC President

UFC Revenue Overview

\$ in millions		2025E	2026E	2027E	2028E	2029E
1	Media Rights	914.6	1,282.1	1,352.6	1,427.0	1,505.5
2	Live Events	202.3	245.6	279.5	309.0	339.1
3	Sponsorships	276.5	301.4	324.0	348.3	374.5
	Consumer Licensing	55.6	56.7	57.8	59.0	60.1
Total Revenue		1,449.0	1,885.8	2,013.9	2,143.3	2,279.2
4	UFC EBITDA	830.3	1,140.9	1,220.4	1,301.0	1,385.7
	<i>Margin</i>	<i>57.3%</i>	<i>60.5%</i>	<i>60.6%</i>	<i>60.7%</i>	<i>60.8%</i>

Commentary

- 1 UFC is currently negotiation a major renewal of its broadcasting rights, with the new deal expected to kick in at the beginning of 2026. We believe there is a legitimate chance that the UFC awards its rights for “Fight Nights” and PLEs to separate buyers
- 2 The UFC is aggressively expanding into international markets, which leads to sold out shows, additional site fees, and new high margin VIP offerings and packages
- 3 While the UFC has filled in many of the possible ad space, it has shown significant growth in the prices it is able to charge sponsors, especially as the sport becomes more mainstream and continues gaining an audience
- 4 Sponsorship growth and media right renewals almost directly accrue to the bottom line, leading to major margin increases

WWE Revenue Overview

\$ in millions		2025E	2026E	2027E	2028E	2029E
1	Media Rights	1,080.3	1,134.3	1,406.3	1,490.7	1,580.1
2	Live Events	328.3	391.3	536.6	575.7	615.5
3	Sponsorships	91.3	111.4	133.6	160.4	188.4
	Consumer Licensing	115.5	120.2	125.0	130.0	135.2
Total Revenue		1,615.4	1,757.2	2,201.5	2,356.7	2,519.2
4	WWE EBITDA	798.0	869.8	1,155.8	1,239.6	1,327.6
	<i>Margin</i>	<i>49.4%</i>	<i>49.5%</i>	<i>52.5%</i>	<i>52.6%</i>	<i>52.7%</i>

Commentary

- 1 PLE business renewal expected to happen in 2027. Base case assumes a 1.90 AAV renewal with the customary 5% annual step up. We believe increased competition between media buyers and international expansion will drive the AAV upward
- 2 Site fees expected to be a major driver of live event growth, as shown by existing fees from Saudi Arabia. Additionally, Netflix deal expected to allow WWE to continue increasing ticket prices at rates beyond inflation
- 3 The WWE is not fully monetizing their sponsorship capabilities. TKO management tripled UFC sponsorship revenue during its holding period and has set a target of \$200m in WWE sponsorship revenue in the coming 5 years.
- 4 Almost all revenue increases in sponsorships and media rights accrue directly to the bottom line, leading to what we believe to be a conservative 330bps margin expansion



TKO Weighted Average Cost of Capital Analysis

Cost of Equity

Risk-Free Rate	4.33%
Levered Beta	0.80
Equity Risk Premium	4.33%
Cost of Equity	7.80%

Cost of Debt

Pre-tax Cost of Debt	6.27%
Marginal Tax Rate	24.00%
After-tax Cost of Debt	4.77%
Net Debt / Equity	10.60%
Weighted Average Cost of Capital	7.51%

Source

Ten year U.S. Government bond yield as of March 24, 2025

Represents historical median of unlevered betas of comparables levered at the Company's current capital structure.

Equity risk premium relative to ten year U.S. Government bond yield, sourced from Damodaran estimate as of March 2025

Estimated cost for issuing new debt from comparable companies with similar credit ratings

Based on current capital structure, assumed to be target based off management commentary

Sum of the Parts Analysis

(\$ in millions; Segment EBITDA adjusted for pro-rata share of combined corporate expense)

Company	EV	EBITDA	EBITDA Margin	TEV/ LTM EBITDA	Terminal Value Calculation	
<u>Traditional Media</u>					Median EV/EBITDA (Media)	12.8x
Disney	226,818.1	17,709.0	19.2%	12.8x	Year 5 Sports Media EBITDA	2,513.3
Netflix	426,173.8	25,922.0	66.7%	16.4x	Implied TV of UFC, WWE, and PBR	32,191.1
Amazon	2,088.0	122.2	19.1%	17.1x	Median EV/EBITDA (Media Management)	7.5x
Lionsgate Entertainment	6,013,000.0	843,964.0	39.7%	7.1x	Year 5 IMG EBITDA	113.2
Warner Bros Discovery	59,245.0	7,296.0	18.6%	8.1x	Implied TV of IMG	844.5
Traditional Media Mean			32.7%	12.3x	Median EV/EBITDA (Experiential)	22.2x
Traditional Media Median			19.2%	12.8x	Year 5 OLE EBITDA	91.3
<u>Event Services</u>					Implied TV of OLE	2,031.7
Sphere	2,034.4	75.0	6.6%	27.1x	Combined Terminal Values	35,067.3
MSGE	5,004.7	140.2	14.6%	35.7x	Terminal Discount Factor	0.72
Live Nation Entertainment	30,569.9	1,760.0	7.6%	17.4x	PV of Terminal Values	25,319.6
Vivid Seats A	764.4	98.6	12.7%	7.8x		
Event Services Mean			10.4%	22.0x		
Event Services Median			10.2%	22.2x		
<u>Media Management</u>						
Omnicom Group	19,314.7	2,589.0	16.5%	7.5x		
WPP	11,165.8	2,478.1	13.2%	4.5x		
Publicis Groupe	22,659.7	3,290.0	21.7%	6.9x		
Accenture	192,101.7	11,863.0	17.6%	16.2x		
ICF	1,968.4	220.0	10.9%	8.9x		
Media Management Mean			16.0%	8.8x		
Media Management Median			16.5%	7.5x		

Debt Schedule

	2019A	2020A	2021A	2022A	2023A	2024A	2025E	2026E	2027E	2028E	2029E
SOFR Curve											
January							4.40%	3.73%	3.58%	3.65%	3.72%
December							3.76%	3.58%	3.64%	3.72%	3.78%
Average							4.08%	3.66%	3.61%	3.69%	3.75%
Revolving Credit Facility											
Commitment Fee						0.5%	1.025	1.025	1.025	1.025	1.025
						Principal 205					
Beginning of Period Balance							0	0	0	0	0
Drawdown						you need a formula for this	0	0	0	0	0
Paydown							0	0	0	0	0
End of Period Balance							0	0	0	0	0
Interest Rate (S+2-2.25)						SOFR Spread 2.25%	6.33%	5.91%	5.86%	5.94%	6.00%
Interest Expense							0	0	0	0	0
Revolver Principal							205	205	205	205	205
Available Revolver							205	205	205	205	205
Term Loan Due '31											
						Principal 2750					
Beginning Balance							2750	2722.5	2695	2667.5	2640
Mandatory Amortization						1%	(27.50)	(27.50)	(27.50)	(27.50)	(27.50)
Maturity Payment							0	0	0	0	0
EOP Principal							2722.5	2695	2667.5	2640	2612.5
Interest Expense							174.08	162.39	161.15	163.21	165.00
Interest Rate (S+2.25)						SOFR Spread 2.25%	6.33%	5.91%	5.86%	5.94%	6.00%
Maturity Date							0	0	0	0	0
Secured Commercial Loans Due '28											
						Principal 40					
Beginning Balance							30.3	28.7	27.1	25.5	0.0
Mandatory Amortization						4%	(1.60)	(1.60)	(1.60)	(1.60)	0.00
Maturity Payment							0.00	0.00	0.00	(23.87)	0.00
EOP Principal							28.67	27.07	25.47	0.00	0.00
Interest Expense							1.75	1.54	1.44	1.37	0.00
Interest Rate (S+1.7)						SOFR Spread 1.70%	5.78%	5.36%	5.31%	5.39%	5.45%
Maturity Date							0	0	0	1	0
Total Interest Expense							176.8	164.9	163.6	165.6	166.0
Total Debt Repayment							-29.1	-29.1	-29.1	-53.0	-27.5
Ending Debt							2751.2	2722.1	2693.0	2640.0	2612.5

Management Team

Highly-Experienced Management Team



Ari Emanuel, CEO of TKO Group

- 16 Years as CEO of Endeavor
- Co-founded WME-IMG after merging top talent agencies
- Expanded Endeavor into sports, fashion, and live events



Paul Levesque, CCO at WWE

- 30 Years at WWE
- Key figure in the launch and success of NXT
- Grew WWE's talent development and recruitment strategy



Dana White, CEO of UFC

- 24 years at UFC
- Helped grow UFC to a nationally recognized brand
- Assisted in UFC \$4 billion sale to Endeavor in 2016



Nick Khan, President of the WWE

- Joined WWE in 2020
- Previously worked as the WWE's Chief Revenue Officer
- Previously co-head of Television at CAA



Mark Schapiro, President & COO of TKO

- Poached from Publicis Groupe in April 2024
- Previously the CEO at Six Flags
- Previously the CEO at Dick Clark Productions



Execution Expertise

Long Tenured Industry Veterans

- ✓ Ari Emanuel has previously had success with managing large companies in the Media sector and has been crucial in TKO's growth
- ✓ Executive management is long-tenured within the Media Sector, fully-understanding every driver of the overall business

Successful Capital Allocation Policy

- ✓ TKO's acquisitions of Professional Bull Riders, On Location, and IMG have been accretive
- ✓ Management have shown a commitment to return value shareholders by approving a \$2 Billion share repurchase program

Diversified Revenue Streams

- ✓ Management has diversified TKO's product offerings to make it resilient to Industry headwinds
- ✓ Dana White has helped expand UFC into a Global Mainstream Sport which reaches audiences more desirable by Advertisers



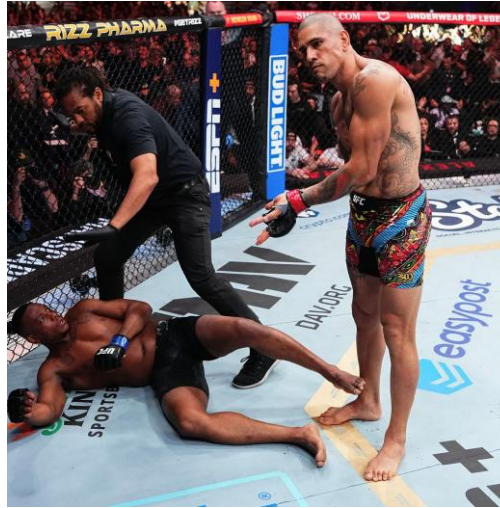
Consistent Generation of Star Power

Legacy Stars



Legacy stars
established popularity

New Idols



Stars like Pereira and
Topuria are becoming
household names

Emerging Talent



Up-and-Comers
appeal to the casual
and hardcore viewer

TKO Properties are a flywheel for star power, minimizing “key-man” risk



Appendix Part B: Additional Model Outputs



UFC Revenue – Downside Case

<i>\$ in millions</i>	2025E	2026E	2027E	2028E	2029E
Media Rights	923.4	1,148.2	1,182.7	1,241.8	1,303.9
Live Events	182.1	198.5	215.5	233.1	251.2
Sponsorships	262.7	275.9	285.5	295.5	305.8
Consumer Licensing	55.6	56.7	57.8	59.0	60.1
Total Revenue	1,423.7	1,679.3	1,741.5	1,829.3	1,921.0
UFC EBITDA	808.7	1,007.6	1,046.7	1,099.4	1,154.5
<i>Margin</i>	<i>56.8%</i>	<i>60.0%</i>	<i>60.1%</i>	<i>60.1%</i>	<i>60.1%</i>

Commentary

- 1 Assumes UFC Media Renewal happens at a 1.7x AAV, lowers annual step-up to 3%
- 2 Assumes UFC event ticket pricing happens at GDP, minimizes site fees
- 3 Assumes that pricing increases stemming from competition between sponsors is minimized
- 4 Limited Site fees take away from the bottom line, additionally accounts for potential fighter pay increases

WWE Revenue – Downside Case

\$ in millions		2025E	2026E	2027E	2028E	2029E
1	Media Rights	1,058.7	1,111.7	1,306.2	1,332.3	1,359.0
2	Live Events	278.3	341.3	411.6	450.7	515.5
3	Sponsorships	87.1	109.5	131.2	157.5	184.9
	Consumer Licensing	113.3	115.6	117.9	120.3	122.7
Total Revenue		1,537.5	1,678.1	1,967.0	2,060.8	2,182.0
4	WWE EBITDA	751.8	822.3	1,022.8	1,073.7	1,139.0
	Margin	48.9%	49.0%	52.0%	52.1%	52.2%

Commentary

- 1 Assumes WWE PLE Renewals happens at 1.7x AAV, despite new Netflix deal
- 2 Assumes complete elimination of Saudi site fees
- 3 Assumes sponsorship revenues scale up at a slower pace, 15% discount to assumed scale up. Current sponsorships underutilization can be traced back to prior management not willing to fully monetize business
- 4 Assumes a 500bps discount to final year EBITDA, stemming from a mix of site fee limitation and general discount

UFC Revenue – Upside Case

\$ in millions		2025E	2026E	2027E	2028E	2029E
1	Media Rights	914.6	1,326.7	1,399.7	1,476.7	1,557.9
2	Live Events	222.5	270.1	307.4	339.9	373.0
3	Sponsorships	304.2	331.6	356.4	383.2	411.9
	Consumer Licensing	55.6	56.7	57.8	59.0	60.1
Total Revenue		1,496.9	1,985.1	2,121.4	2,258.7	2,402.9
4	UFC EBITDA	863.7	1,208.9	1,294.0	1,380.1	1,470.6
	<i>Margin</i>	<i>57.7%</i>	<i>60.9%</i>	<i>61.0%</i>	<i>61.1%</i>	<i>61.2%</i>

Commentary

- 1 Assumes that UFC rights renew at 2.1x AAV, about 0.3. higher than current expectations
- 2 Assumed faster ticketing growth and added site fees, culminating in a ~9.8% yearly overall premium to base case projections
- 3 Represents upside coming from added expansion of the sports popularity stemming from new rights deals
- 4 Assumes 400bps margin expansion, stemming from added site fees and major AAV upside

WWE Revenue – Upside Case

\$ in millions		2025E	2026E	2027E	2028E	2029E
1	Media Rights	1,101.9	1,157.0	1,456.3	1,543.7	1,636.3
2	Live Events	352.5	416.4	562.5	602.3	643.0
3	Sponsorships	93.8	117.2	144.2	177.3	213.7
	Consumer Licensing	117.8	124.8	132.3	140.3	148.7
Total Revenue		1,666.0	1,815.4	2,295.3	2,463.6	2,641.6
4	WWE EBITDA	831.3	907.7	1,216.5	1,308.2	1,405.3
	Margin	49.9%	50.0%	53.0%	53.1%	53.2%

Commentary

- 1 Assumes WWE PLE Renewals happens at 2.0x AAV, driven by the tailwinds from Netflix deal
- 2 Primary growth driven from increased site deals and a \$125m renewal of Saudi Deal
- 3 Assumes TKO Management is able to scale the sponsorship business directly according to their plan
- 4 Represents a 500bps premium, originating from increased site fees and added AAV bump



Discounted Cash Flow Analysis – Downside Case

Commentary

Illustrative Unlevered Free Cash Flow

- Valuation date of 04/01/2025
- Terminal value based on extrapolation through 2029E
- Discount rate range of 7.0% to 8.0% derived from CAPM WACC calculation utilizing key comps and indicative capital structure (see appendix for additional info)
- Assumes media renewals both come in at AAVs of 1.7x, despite significant tailwinds for both media properties
- Shared corporate expenses shrink at slower pace, synergies from 2025 acquisition 15% below original expectations
- Multi-year Saudi Arabia site fees removed
- Worse performance of ancillary properties ,assuming loss of IMG and OLE market share and outsized impacts from post 2026 and 2028 live event spikes
- Margin expansion is limited, despite major potential for operating leverage within the capital structure

		Fiscal Year Ending 12/31				
		2025E	2026E	2027E	2028E	2029E
<i>\$ in millions</i>						
UFC Revenue		1,423.7	1,701.8	1,771.8	1,862.4	1,956.4
WWE Revenue		1,537.5	1,675.4	1,963.8	2,057.0	2,177.6
PBR Revenue		202.9	207.0	248.4	258.3	268.6
OLE Revenue		1,103.0	1,169.2	1,239.3	1,239.3	1,288.9
IMG Revenue		700.1	763.1	811.2	835.5	860.6
Total Revenue		4,967.2	5,516.4	6,034.5	6,252.6	6,552.1
Growth %			11.1%	9.4%	3.6%	4.8%
UFC EBITDA		808.7	1,021.1	1,064.8	1,119.3	1,175.8
WWE EBITDA		751.8	820.9	1,021.2	1,071.7	1,136.7
PBR EBITDA		42.8	43.7	62.8	67.4	73.6
IMG EBITDA		137.5	148.0	162.2	167.9	179.0
OLE EBITDA		54.6	67.6	102.9	105.3	118.6
Corporate EBITDA		(323.4)	(350.8)	(378.6)	(382.4)	(404.3)
Combined EBITDA		1,472.1	1,750.5	2,035.4	2,149.3	2,279.4
% Margin		29.6%	31.7%	33.7%	34.4%	34.8%
Less: D&A		(312.3)	(300.7)	(270.9)	(261.3)	(265.1)
EBIT		1,159.7	1,449.8	1,764.5	1,888.0	2,014.3
(-) Taxes 22.0%		(255.1)	(319.0)	(388.2)	(415.4)	(443.1)
(+) D&A		312.3	300.7	270.9	261.3	265.1
(+) Noncash Expenses & NWC		262.7	264.1	177.5	206.9	184.4
(-) Capital Expenditures		(78.1)	(112.3)	(100.0)	(69.3)	(76.5)
Unlevered Free Cash Flow		1,401.5	1,583.4	1,724.6	1,871.5	1,944.1
% Margin		28.2%	28.7%	28.6%	29.9%	29.7%
% Growth			13.0%	8.9%	8.5%	3.9%

Sensitivity Analysis

Median "Media" Multiple					UFC New Deal AAV					Revenue CAGR¹				
12.3x					1.80x					6.5%				
12.8x					1.90x					7.0%				
13.3x					2.00x					7.5%				
WACC	7.0%	\$149.69	\$154.22	\$158.76	WACC	7.0%	\$150.62	\$152.42	\$154.22	Y5 EBITDA Margin	35.4%	\$149.03	\$151.68	\$154.37
	7.3%	\$148.18	\$152.67	\$157.16		7.3%	\$149.10	\$150.88	\$152.67		35.2%	\$148.30	\$150.94	\$153.61
	7.5%	\$146.69	\$151.13	\$155.57		7.5%	\$147.59	\$149.36	\$151.13		35.0%	\$147.57	\$150.19	\$152.85
	7.8%	\$145.22	\$149.61	\$154.01		7.8%	\$146.11	\$147.86	\$149.61		34.8%	\$146.84	\$149.45	\$152.09
	8.0%	\$143.76	\$148.11	\$152.46		8.0%	\$144.64	\$146.38	\$148.11		34.6%	\$146.11	\$148.70	\$151.33



Notes: (1) Enterprise value extrapolated assuming a WACC of 7.5%; terminal value calculated through a sum of the parts multiple method analysis. More information available in appendix

Discounted Cash Flow Analysis – Upside Case

Commentary

- Valuation date of 04/01/2025
- Terminal value based on extrapolation through 2029E
- Discount rate range of 7.0% to 8.0% derived from CAPM WACC calculation utilizing key comps and indicative capital structure (see appendix for additional info)
- Assumes renewals for both “Crown Jewel” properties come in slightly above expectations
- Increased site fees and sponsorship revenue growth contribute to a greater expansion seen at the EBITDA level
- Ancillary properties benefit from consolidated management and fully embrace industry tailwinds, all seeing successful renewals, client wins, and margin growth
- Cost synergies sited as part of the 2025 acquisition are achieved in full

Illustrative Unlevered Free Cash Flow

	Fiscal Year Ending 12/31				
	2025E	2026E	2027E	2028E	2029E
<i>\$ in millions</i>					
UFC Revenue	1,496.9	1,985.1	2,121.4	2,258.7	2,402.9
WWE Revenue	1,666.0	1,815.4	2,295.3	2,463.6	2,641.6
PBR Revenue	229.6	246.8	339.9	351.8	369.3
OLE Revenue	1,154.4	1,310.3	1,513.4	1,558.8	1,714.6
IMG Revenue	726.4	820.9	905.4	968.8	1,036.6
Total Revenue	5,273.4	6,178.5	7,175.3	7,601.6	8,165.2
Growth %		17.2%	16.1%	5.9%	7.4%
UFC EBITDA	863.7	1,208.9	1,294.0	1,380.1	1,470.6
WWE EBITDA	831.3	907.7	1,216.5	1,308.2	1,405.3
PBR EBITDA	49.8	53.6	88.0	93.9	103.4
IMG EBITDA	150.0	167.5	187.9	201.0	216.1
OLE EBITDA	61.8	81.0	128.0	135.3	150.9
Corporate EBITDA	(315.5)	(352.5)	(407.9)	(421.7)	(458.9)
Combined EBITDA	1,641.1	2,066.2	2,506.5	2,696.8	2,887.5
% Margin	31.1%	33.4%	34.9%	35.5%	35.4%
Less: D&A	(312.3)	(305.0)	(278.8)	(274.3)	(280.5)
EBIT	1,328.7	1,761.2	2,227.7	2,422.5	2,607.0
(-) Taxes 22.0%	(292.3)	(387.5)	(490.1)	(532.9)	(573.5)
(+) D&A	312.3	305.0	278.8	274.3	280.5
(+) Noncash Expenses & NWC	283.4	309.5	237.1	255.1	236.1
(-) Capital Expenditures	(117.6)	(157.7)	(153.8)	(99.2)	(104.7)
Unlevered Free Cash Flow	1,514.6	1,830.5	2,099.8	2,319.7	2,445.4
% Margin	28.7%	29.6%	29.3%	30.5%	29.9%
% Growth		20.9%	14.7%	10.5%	5.4%

Sensitivity Analysis

Median "Media" Multiple					UFC New Deal AAV					Revenue CAGR¹				
12.3x12.8x13.3x					1.90x2.10x2.30x					11.5%12.0%12.5%				
WACC	7.0%	\$190.52	\$196.26	\$201.99	WACC	7.0%	\$194.31	\$198.20	\$202.10	Y5 EBITDA Margin	35.8%	\$192.50	\$195.76	\$199.07
	7.3%	\$188.61	\$194.29	\$199.97		7.3%	\$192.36	\$196.22	\$200.07		35.6%	\$191.57	\$194.81	\$198.10
	7.5%	\$186.73	\$192.35	\$197.96		7.5%	\$190.44	\$194.26	\$198.07		35.4%	\$190.63	\$193.86	\$197.13
	7.8%	\$184.87	\$190.43	\$195.99		7.8%	\$188.54	\$192.32	\$196.10		35.2%	\$189.69	\$192.91	\$196.16
	8.0%	\$183.03	\$188.53	\$194.03		8.0%	\$186.66	\$190.40	\$194.15		35.0%	\$188.76	\$191.95	\$195.19



Notes: (1) Enterprise value extrapolated assuming a WACC of 7.5%; terminal value calculated through a sum of the parts multiple method analysis. More information available in appendix

PBR, IMG, and OLE Base Case Revenues & Growth

\$ in millions		2025E	2026E	2027E	2028E	2029E
1	Media Rights	1,058.7	1,111.7	1,306.2	1,332.3	1,359.0
2	Live Events	278.3	341.3	411.6	450.7	515.5
3	Sponsorships	87.1	109.5	131.2	157.5	184.9
	Consumer Licensing	113.3	115.6	117.9	120.3	122.7
	Total Revenue	1,537.5	1,678.1	1,967.0	2,060.8	2,182.0
4	WWE EBITDA	751.8	822.3	1,022.8	1,073.7	1,139.0
	<i>Margin</i>	<i>48.9%</i>	<i>49.0%</i>	<i>52.0%</i>	<i>52.1%</i>	<i>52.2%</i>

Commentary

- 1 Assumes WWE PLE Renewals happens at 1.7x AAV, despite new Netflix deal
- 2 Assumes complete elimination of Saudi site fees
- 3 Assumes sponsorship revenues scale up at a slower pace, 15% discount to assumed scale up. Current sponsorships underutilization can be traced back to prior management not willing to fully monetize business
- 4 Assumes a 500bps discount to final year EBITDA, stemming from a mix of site fee limitation and general discount

PP&E Build

PPE Schedule	2025E	2026E	2027E	2028E	2029E
Buildings	429.0	491.8	548.0	562.5	575.8
<i>Buildings % of Revenue</i>	14.0%	13.5%	13.0%	12.5%	12.0%
Land & Improvements	50.5	50.5	50.5	50.5	50.5
<i>Land & Improvements % of Revenue</i>	1.6%	1.4%	1.2%	1.1%	1.1%
Construction in Progress	38.0	44.7	51.3	53.5	55.9
<i>Construction in Progress % of PPE</i>	4.5%	4.5%	4.5%	4.5%	4.5%
Leases	261.8	329.4	402.3	451.9	505.9
<i>Leases % of Revenue</i>	8.5%	9.0%	9.5%	10.0%	10.5%
Other Property, Plant & Equipment	223.7	275.0	328.8	362.2	398.3
<i>Other Property, Plant & Equipment</i>	7.3%	7.6%	7.8%	8.1%	8.3%
Operating Lease Right-of-Use Assets	34.6	41.2	47.6	50.8	54.2
<i>Operating Lease Right-of-Use Assets as a % of Revenue</i>	1.1%	1.1%	1.1%	1.1%	1.1%
(Accumulated Depreciation)	(191.7)	(237.3)	(284.0)	(338.0)	(395.3)
Net Property, Plant, & Equipment	846.0	995.3	1,144.6	1,193.6	1,245.3
Buildings BOP	377.5	429.0	491.8	548.0	562.5
(+) Capex	49.8	60.0	56.2	24.1	23.5
(-) Depreciation	(10.8)	(12.3)	(14.1)	(15.7)	(16.1)
Buildings EOP	429.0	491.8	548.0	562.5	575.8
Construction in Progress BOP	36.1	38.0	44.7	51.3	53.5
(+) Capex	14.9	19.3	16.2	14.5	15.1
(-) Depreciation	(18.1)	(19.0)	(14.9)	(17.1)	(17.8)
Construction in Progress EOP	38.0	44.7	51.3	53.5	55.9
Other PP&E BOP	211.3	223.7	275.0	328.8	362.2
(+) Capex	33.6	65.8	71.5	54.7	59.4
(-) Depreciation	(21.1)	(14.4)	(17.7)	(21.2)	(23.4)
Other PP&E EOP	223.7	275.0	328.8	362.2	398.3

Cash Flow Statement

Operating Activities

Net Income / Starting Line	836.0	1,152.2	1,493.8	1,633.7	1,775.0
Depreciation and Depletion	50.0	45.7	46.7	54.0	57.3
Amortization of Intangible Assets	262.4	241.4	209.6	192.9	192.8
SBC	107.6	124.3	142.9	150.6	160.7
Amort of Original Issue Discount	10.4	10.4	10.4	10.4	2.5
Amortization of Content Costs	26.0	28.0	30.0	32.0	34.0
Net provision for allowance for doubtful accounts	2.5	2.5	2.5	2.5	2.5
Changes in Working Capital					
Receivables	(47.6)	(42.2)	(53.8)	(55.6)	(81.9)
Inventories	—	—	—	—	—
Accounts Payable	62.5	85.4	(21.0)	58.6	22.1
Other Assets/Liabilities	111.0	84.4	111.3	41.8	79.9
Net Operating Cash Flow	1,420.9	1,732.1	1,972.4	2,121.0	2,244.9

Investing Activities

Capital Expenditures	(98.3)	(145.1)	(143.9)	(93.3)	(98.0)
Sale of Fixed Assets & Businesses	—	—	—	—	—
Net Investing Cash Flow	(98.3)	(145.1)	(143.9)	(93.3)	(98.0)

Financing Activities

Dividends	(132.3)	(158.7)	(182.8)	(243.3)	(257.6)
Change in Capital Stock	(75.0)	(100.0)	(125.0)	(150.0)	(175.0)
Issuance/Reduction of Debt, Net	(29.1)	(29.1)	(29.1)	(53.0)	(27.5)
Net Financing Cash Flow	(236.4)	(287.8)	(336.9)	(446.3)	(460.1)

Net Change in Cash	1,086.2	1,299.2	1,491.5	1,581.4	1,686.7
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