



Houlihan
Lokey



Houlihan Lokey's Sports Market Update



Fall 2024

Executive Summary

Houlihan Lokey is pleased to present its latest edition of the Sports Market Update.

We look forward to discussing our growing excitement for the sports technology space, investment in which is fueled by several transformational tailwinds driving growth across the broader sports ecosystem. We are encouraged by increasing investment from leading venture capital firms and private equity firms in key areas of sports and sports technology, including teams and leagues, youth sports platforms, as well as the growing interest in women’s sports and e-sports. And of course, AI’s transformational impact on the world of sports technology is still in the early innings. We look forward to having the opportunity to discuss the contents of this report with you. Please reach out to a team member listed on the right to schedule a call.

Topics Covered in This Report



Overview of Houlihan Lokey and our team’s credentials, including our deal track record and relevant industry expertise.



Key observations driving growth across the sports ecosystem, including selected high growth areas ripe for further investment.



Detailed sports investor landscape highlighting the most active financial investors and strategic dealmakers.



Current market and valuation environment, including public market performance and recent M&A/financing dashboard.



Updated professional sports franchise valuation data and M&A transactions.

M&A Team Members



John Lambros
Managing Director
Co-Head of U.S. Technology
+1 212.497.4207
John.Lambros@HL.com



Daniel Gossels
Managing Director
Co-Head of Digital Media
+1 212.497.7979
DGossels@HL.com



Jared Shaber
Senior Vice President
+1 212.331.8173
JShaber@HL.com



Adrian Schlegtendal
Senior Vice President
+44 (0) 20 7484 4143
Adrian.Schlegtendal@HL.com

Financial and Valuation Advisory Team Members



Brian Marler
Director
+1 310.712.6548
BMarler@HL.com



Conrad Kolasa
Senior Vice President
+1 310.789.5713
CKolasa@HL.com



Kaivan Doshi
Vice President
+1 310.789.5768
KaivanHemantkumar.Doshi@HL.com



Table of Contents

04

Introduction to
Houlihan Lokey

13

Key Sports Market
Observations

24

Selected Growth Verticals
and Opportunities

37

Sports Investor
Landscape

43

Public Markets, M&A,
and Financings

51

Professional Sports
Franchise Valuation and
M&A Detail

About Our Firm

Houlihan Lokey, Inc. (NYSE:HLI) is a leading global investment bank with expertise in mergers and acquisitions, capital markets, financial restructuring, and financial and valuation advisory.

Our firm is the trusted advisor to more top decision-makers than any other independent global investment bank.

CORPORATE FINANCE

2023 M&A Advisory Rankings
All Global Transactions

Advisor	Deals
1 Houlihan Lokey	352
2 Rothschild & Co	349
3 Goldman Sachs & Co	300
3 JP Morgan	300
5 Morgan Stanley	253

Source: LSEG (formerly Refinitiv).
Excludes accounting firms and brokers.

No. 1

Global M&A Advisor

Leading

Capital Markets Advisor

FINANCIAL RESTRUCTURING

2023 Global Distressed Debt &
Bankruptcy Restructuring Rankings

Advisor	Deals
1 Houlihan Lokey	73
2 PJT Partners Inc	64
3 Rothschild & Co	51
4 Lazard	37
5 Evercore Partners	27

Source: LSEG (formerly Refinitiv).

No. 1

Global Restructuring Advisor

1,700+

Transactions Completed Valued at
More Than \$3.5 Trillion Collectively

FINANCIAL AND VALUATION ADVISORY

1999–2023 Global M&A
Fairness Advisory Rankings

Advisor	Deals
1 Houlihan Lokey	1,247
2 JP Morgan	1,035
3 Duff & Phelps, A Kroll Business	977
4 UBS	884
5 Morgan Stanley	716

Source: LSEG (formerly Refinitiv).
Announced or completed transactions.

No. 1

Global M&A Fairness Opinion
Advisor Over the Past 25 Years

2,000+

Annual Valuation Engagements



Learn more about
how our advisors can
serve your needs

Corporate Finance →

Financial Restructuring →

Financial and
Valuation Advisory →

Our Industry Coverage →

Global M&A Capabilities Bolstered By Local Presence



36
Offices in the Americas, Europe, the Middle East, and Asia-Pacific

600+
Cross-Border Deals Since 2011

- AMERICAS**
- Atlanta
 - Baltimore
 - Boston
 - Charlotte
 - Chicago
 - Dallas
 - Houston
 - Los Angeles
 - Miami
 - Minneapolis
 - New York
 - San Francisco
 - São Paulo
 - Washington, D.C.

- EUROPE AND MIDDLE EAST**
- Amsterdam
 - Antwerp
 - Dubai
 - Frankfurt
 - London
 - Madrid
 - Manchester
 - Milan
 - Munich
 - Paris
 - Stockholm
 - Tel Aviv
 - Zurich

- ASIA-PACIFIC**
- Beijing
 - Fukuoka
 - Gurugram
 - Hong Kong SAR
 - Mumbai
 - Shanghai
 - Singapore
 - Sydney
 - Tokyo

Fully Integrated Global Capital Markets and Financial Sponsor Coverage Teams

Global Capital Markets

170+

Professionals Across 14 Offices in Six Countries

~\$19B+

Capital Raised and Advised in FY2024

Senior Level

Contact Into All Major Credit Investors

Financial Sponsor Coverage

29

Senior Officers Dedicated to the Sponsor Community in the Americas and Europe

1,100+

Sponsors Covered, Providing Critical Knowledge of Buyer Behavior

800+

Companies Sold to Financial Sponsors Over the Past Five Years

Houlihan Lokey Is the No. 1 Global Technology Advisor

LEADING GLOBAL M&A ADVISOR

2023 M&A Advisory Rankings
All Global Transactions

Advisor	Deals
1 Houlihan Lokey	352
2 Rothschild	349
3 Goldman Sachs	300
3 JP Morgan	300
5 Morgan Stanley	253

Source: LSEG (formerly Refinitiv).
Excludes accounting firms and brokers.

2023 M&A Advisory Rankings
Global Transactions Under \$1 Billion

Advisor	Deals
1 Houlihan Lokey	346
2 Rothschild	308
3 Lazard	200
4 JP Morgan	187
5 Goldman Sachs	176

Source: LSEG (formerly Refinitiv). Excludes accounting firms and brokers.

PREMINEENT TECHNOLOGY M&A FRANCHISE

2023 M&A Advisory Rankings
All Global Technology Transactions

Advisor	Deals
1 Houlihan Lokey	89
2 Rothschild	76
3 JP Morgan	68
4 Goldman Sachs	63
5 Morgan Stanley	59

Source: LSEG (formerly Refinitiv).
Excludes accounting firms and brokers.

2023 M&A Advisory Rankings
U.S. Technology Transactions Under \$1 Billion

Advisor	Deals
1 Houlihan Lokey	36
2 Canaccord Genuity Grp	31
3 Lincoln International	25
4 Raymond James Financial	24
5 Generational Equity	20

Source: LSEG (formerly Refinitiv).

No. 1
M&A Advisor
Globally

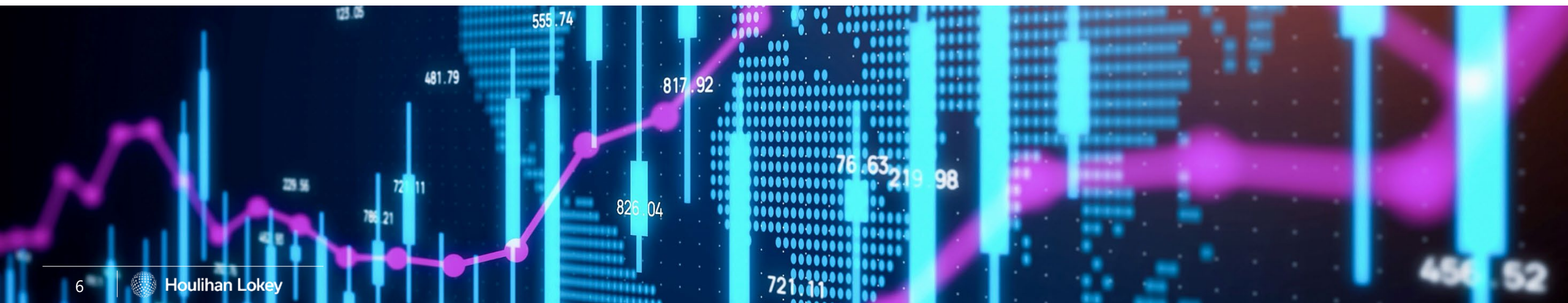
No. 1
M&A Advisor to Privately Held
Mid-Cap Companies

1,500+
M&A Transactions
Under \$1 Billion in the
Past Five Years

No. 1
Technology M&A
Advisor Globally

170+
Technology Finance
Professional Globally

35
Subverticals
Covered



Houlihan Lokey Is the **Leading Advisor to Companies Across the Global Sports Ecosystem**

Houlihan Lokey has a successful track record representing clients across sports media, sports technology, and professional sports franchises, delivering optimal results for our clients throughout the sports ecosystem.

 has received a significant minority investment from Sellside Advisor	 has received senior debt financing from Exclusive Advisor	 has received a growth investment from Financial Advisor	 has been acquired by a portfolio company of Financial Advisor	 has been acquired by an Investor Group led by entrepreneur and collector Nat Turner, D1 Capital Partners L.P., and Cohen Private Ventures, LLC Sellside Advisor & Fairness Opinion	 a subsidiary of has acquired Financial Advisor	 We rendered valuation opinions for financial reporting purposes to Arcetos Sports Partners regarding its effective ownership interest in various sports franchises and clubs Valuation Opinion	 has been acquired by Sellside Advisor*
 has been acquired by a wholly-owned subsidiary of Financial Advisor & Fairness Opinion	 has been acquired by Company Advisor	 We rendered a valuation opinion for financial reporting purposes to Yankee Entertainment & Sports Network Financial Opinion	Add-on Acquisition a portfolio company of join forces with Financing Advisor*	 a subsidiary of has been acquired by Sellside Advisor	 has been acquired by Sellside Advisor	 has been acquired by Sellside Advisor*	 has been acquired by Sellside Advisor
 a subsidiary of has been acquired by Sellside Advisor	 Provided financial advisory services and a valuation opinion in connection with the purchase of Tribune Media's 5% interest in Chicago Entertainment Ventures, LLC Financial Opinion	 has received significant investments from and Sellside Advisor	 We rendered a valuation opinion for tax & financial reporting purposes to The Topps Company regarding its sports & entertainment business Financial Opinion	 \$28 million financing led by Financial Advisor	 has been acquired by a portfolio company of Sellside Advisor	 has been acquired by Sellside Advisor	 parent company of has received financing from Sellside Advisor
 Strategic Advisory Services Strategic Advisor	 has acquired Financial Advisor*	 has been acquired by Sellside Advisor	 has received an investment from EQT VI Financial Advisor*	 a subsidiary of has been acquired by Sellside Advisor	 \$70,000,000 Series D Preferred Stock Placement Agent*	 has been acquired by Sellside Advisor	 has been acquired by Sellside Advisor*

Extensive Experience With Professional Sports Franchises Globally

Houlihan Lokey has performed extensive valuation work and other financial advisory services to numerous sports franchises and sports-related entities across all major U.S. leagues and internationally. These engagements and the experience of our finance professionals have enabled us to develop strong relationships with professional sports team owners.



Houlihan Lokey Global Tech Conference 2024

October 23 | Lotte New York Palace



WHAT TO EXPECT AT THE EVENT

- **Panel Discussions With CEOs at Innovative, High-Growth Companies:** A wide range of speakers will share their insights about navigating current market conditions and positioning their companies for future success across a variety of technology sectors.
- **Featured Speakers:** The conference will feature high-profile speakers and candid panel discussions with distinguished tech thought leaders, discussing a variety of topical themes.
- **Targeted One-on-One Meetings:** Houlihan Lokey will arrange targeted, one-on-one meetings for presenting companies over the course of the conference, advising on prospects, meeting structure, and materials and coordinating any follow-up.
- **Networking Opportunities:** Join an audience of strategic, financial, and institutional investors as well as other capital providers for lunch and end-of-day cocktails.

Previous Conference Highlights

70+
Participating
Companies

8 to 10
Targeted One-on-One
Meetings per
Presenting Company

600+
Conference
Attendees

18
Panel Discussions



AGENDA

OCTOBER 22

Evening Pre-Conference
VIP Reception

OCTOBER 23

CONFERENCE:
Panels and One-on-Ones

Interested in presenting your
company at GTC 2024 in NYC?

Email GTConference@HL.com

Houlihan Lokey Is at the Forefront of Thought Leadership Across Sports, Media, and Technology

Houlihan Lokey is highly active and up to date with the latest market trends across the sports and broader media and entertainment ecosystem.

IPL Valuation Study (2024)

The IPL Valuation Study (2024) report cover features a photograph of a cricket player celebrating with a trophy. The title is "IPL Valuation Study 2024" with the subtitle "BRAND VALUATION OF IPL AND FRANCHISES". The cover includes a bar chart showing a 165% increase in value from 2023 to 2024. The report contains several pages of text, charts, and tables, including a table titled "IPL Franchise Valuation" and a section on "Franchise Valuation".

Digital Video/OTT Update (2023)

The Digital Video/OTT Update (2023) report cover features a dark blue background with logos for Roku, Amazon Prime Video, Netflix, Hulu, and YouTube. The title is "Digital Video/OTT Update" with the subtitle "THE STREAMING WARS CONTINUE". The cover includes a bar chart showing "U.S. SVOD Subscriptions Growth is Slowing in the U.S." and a section on "Competing All Leading Streaming Platforms". The report contains several pages of text, charts, and tables, including a table titled "U.S. SVOD Subscriptions by Platform" and a section on "Global Production Competition - Independent Studios".

Sports Market Update (2022)

The Sports Market Update (2022) report cover features a photograph of a stadium at night. The title is "Houlihan Lokey Digital Media Update" with the subtitle "INDUSTRY FOCUS: SPORTS". The cover includes a bar chart showing "Increasing Reach of Streaming Platforms" and a section on "Key Digital Media Verticals". The report contains several pages of text, charts, and tables, including a table titled "Key Digital Media Verticals" and a section on "Select Engagement Metrics".

Case Study

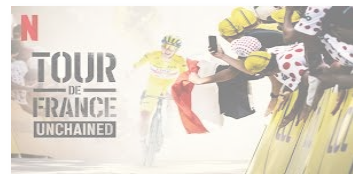
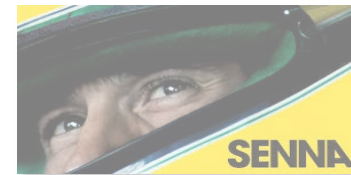
Houlihan Lokey Advises Box To Box Films on the Strategic Investment From Bruin Capital



Founded in 2016 by Academy Award®-winning producer James Gay-Rees and Emmy-winning producer Paul Martin, Box To Box has created an entirely new category in sports content creation.

With its groundbreaking international hit series "Formula 1: Drive-to-Survive," Box To Box has rejuvenated an entire sports league, attracting millions of fans to the racetracks and in front of screens around the globe. This success has been replicated across a broad range of sports such as Golf, Cycling, Tennis and Surfing.

Box To Box is based in London, Los Angeles, and Paris and specializes in high-end sports and culture documentaries, documentary series, and formatted factual entertainment, becoming the benchmark for premium sports documentaries. Box To Box's insightful, behind-the-scenes storytelling challenges the norms of the traditional documentary format—both in the sports world and beyond.



- Houlihan Lokey served as the exclusive financial advisor to Box to Box, supporting all aspects of the transaction, including marketing, structuring of a competitive process, coordinating due diligence, and negotiating key deal terms.
- Bruin Capital, led by George Pyne, emerged as the preferred investor and will support Box To Box's expansion into self-financed projects as well as new verticals while also exploring strategic M&A opportunities.



"Sports as an asset class is exploding,"
says Bruin Capital CEO George Pyne.

Case Study

Houlihan Lokey* Advises TeamSnap on the Sale to Waud Capital



Founded in 2009 by Andrew Berkowitz, Eric Jens, and Dave DuPont, TeamSnap is an industry-leading sports management and communication software for amateur sports.

Backed by its easy-to-use app platform, TeamSnap assists sports coaches, administrators, players, and parents in keeping track of rosters, schedules, games, availability, statistics, and payment schedules. Users are now enabled to play conveniently while focusing on their game and save time by staying informed with updates through email, text, and instant alerts.

TeamSnap is based in Chicago, Illinois, and is one of the most recognized names in sports technology due to its innovative approach to sports management, engaged and loyal user base, and established national presence. Waud Capital's Peter Frintzilas will join TeamSnap as CEO and looks to help the firm take advantage of the rocket growth in the youth sports market.



Club, League, or Tournament Administrators



Coaches, Players, and Fans



Marketers, Sponsors, and Agencies



- Houlihan Lokey* served as the exclusive financial advisor to TeamSnap, supporting all aspects of the transaction, including marketing, structuring of a competitive process, coordinating diligence, and negotiating key deal terms.
- Waud Capital, a leading growth-oriented middle-market PE firm, emerged as the preferred investor and will support TeamSnap's expansion of its technology platform while also accelerating the company's growth in the sports industry.



"Youth sports market is rapidly growing,"
says TeamSnap CEO Peter Frintzilas.

Tombstone included herein represents a transaction closed from 2021 forward.

**Selected transaction was executed by Houlihan Lokey professionals while at other firms acquired by Houlihan Lokey or by professionals from a Houlihan Lokey joint venture company.*

Multiple Attractive Market Themes Fueling Investment in Sports and Sports Tech



The global sports market is massive and rapidly growing.



Big tech is diving deep into the sports ecosystem.



Live sports is a key battleground for streamers.



Global sports media rights reach record values.



Premium North American sports properties are still achieving record media rights deals.



Rights owners are looking to capture more value through tech solutions and platforms.



Professional sports franchises are commanding record value.

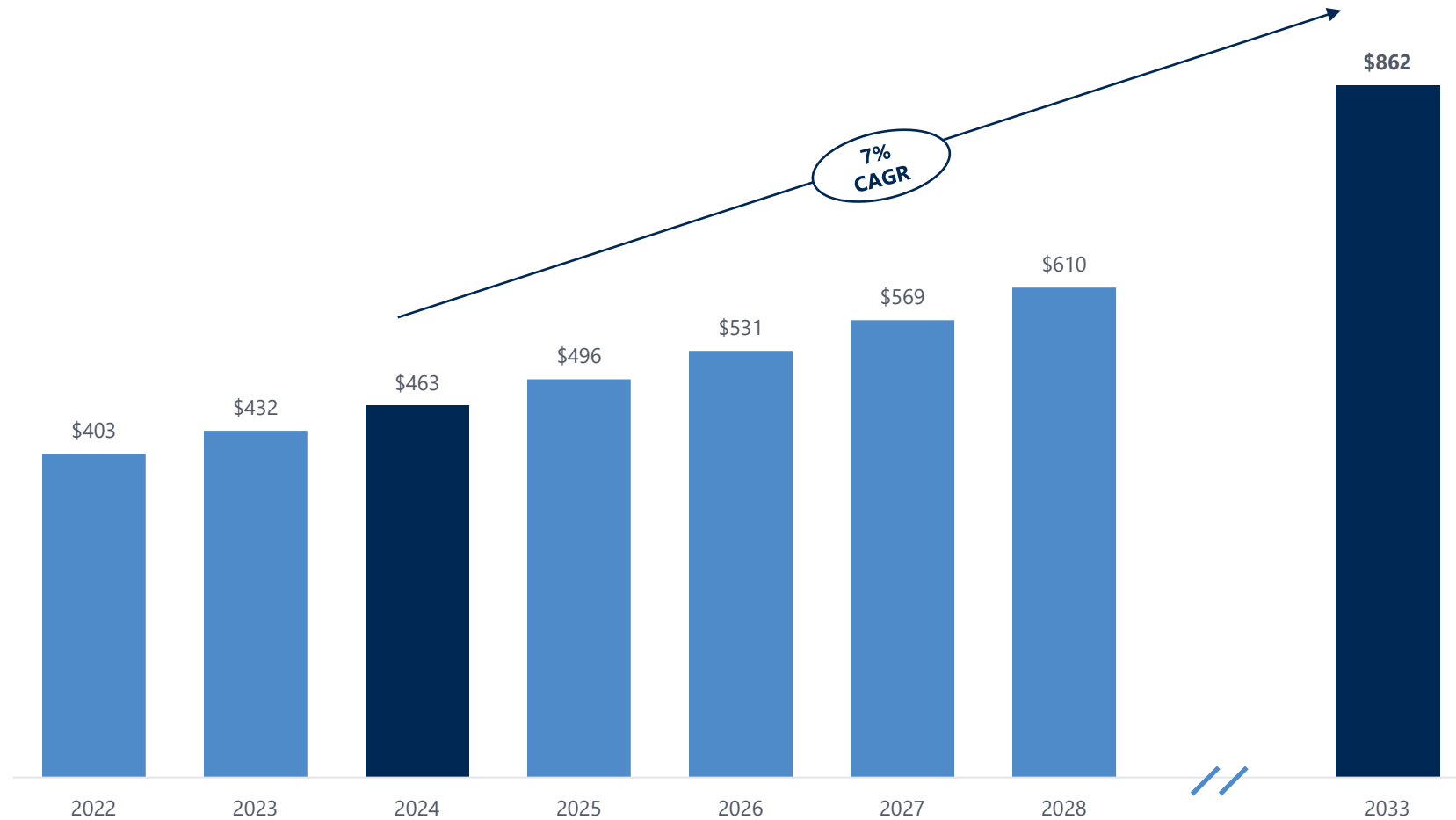


Recent landmark franchise transactions are driving outsized returns for investors.

The Global Sports Market Is Massive and Rapidly Growing

The sports market is an attractive, high-growth, \$460+ billion global market that is expected to surpass \$860 billion over the next decade.

Global Sports Market Revenue (\$B)



Featured Submarkets

See pg. 18

\$62B+
Global Value of Media Rights (2024)

See pg. 26

\$4B+
Global E-Sports Market Revenue (2024)

See pg. 27



\$1B+
Women's Elite Sports Revenue (2024)

See pg. 33

\$37B+
Global Youth Sports Market (2022)

Big Tech Is Diving Deep Into the Sports Ecosystem

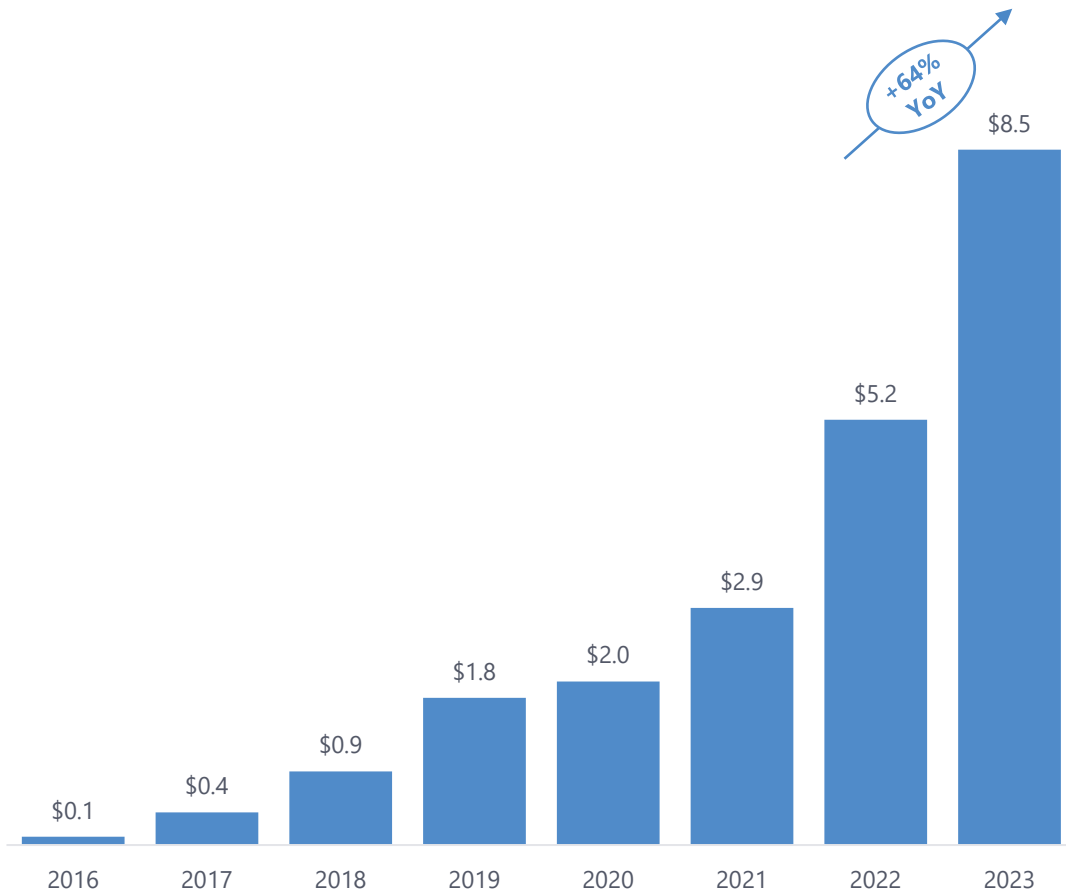
As interest in sports intensifies, multiple big tech players have established a presence across the broader ecosystem.

Company	Wearables	Live Sports	Innovation Initiative/Partnerships	Fan Experiences
			Digital Athlete  × 	AWS Broadcasting Data or Bundesliga, NFL, F1 AI Game for NFL
	Watch, Vision Pro			VR Broadcasting With NBA, MLB, PGA Tour New Sports App
	Pixel Watch			
	Oculus			VR Broadcasting on Xtadium (NBA, NASCAR, UFC, DAZN)
Others	SAMSUNG — Watch	NETFLIX —  		SAMSUNG — Infinity Screens at Multiple Stadiums ORACLE — Web3 Fan Loyalty Program for Sail GP, Match Insights for Premier League IBM — AI Commentary for Wimbledon (WatsonX), PGA Masters

Live Sports Is a Key Battleground for Streamers

Most major streaming platforms have been augmenting live sports content to drive subscriber growth and retention as big tech and media giants compete for viewership on their respective OTT platforms—live sports content spend in 2023 eclipsed \$8.5 billion, a 64% YoY increase.

OTT Platform Sports Media Rights Spend (\$B)



Selected Live Sports Programming at U.S. Streaming Services⁽¹⁾

ESPN+	AO, BUNDESLIGA, EUROPA LEAGUE, Emirates FA CUP, LALIGA, NCAA, NFL, NHL, TR, UFC, us open, NBA
peacock Premium	INDYCAR, NASCAR, NCAA, NFL, PGA TOUR, SIX NATIONS, SMX, JOY France, WWE, NBA
prime video	NFL, ONE Championship, WNBA, NBA, beIN SPORTS, LIGUE 1 Uber Eats, CHAMPIONS LEAGUE
Paramount+	AFC ASIAN CUP, CHAMPIONS LEAGUE, BELLATOR MMA, BRAZIL SERIE A, NCAA, NFL, WRESTLING, PGA TOUR, SERIE A, CHAMPIONS LEAGUE, EUROPA LEAGUE, FOOTBALL EUROPEAN CUP
max / BLEACHER REPORT	24/7 MMA, NFL, USA
Apple TV / Apple TV+	NFL, MLS
YouTubeTV	SUNDAY TICKET

Several Watershed Events Mark the Start of a New Streaming-Led Era in Live Sports

Streamers' entrance into the sports arena displaces several legacy rights winners, signaling a major strategic shift in the industry.

Netflix Announces Exclusive Rights Package for NFL Games

- In May 2024, Netflix announced the acquisition of exclusive rights to two NFL Christmas Day games in 2024 for \$150 million, representing the company's most aggressive move into live sports yet.
- This follows Netflix's announcement of a 10-year, \$5 billion deal with WWE to stream its flagship weekly show, Raw, beginning in January 2025.
- Netflix's first foray into live sports included exhibitions such as the Netflix Cup in 2023 and the Netflix Slam in early 2024, featuring athletes from golf, F1, and tennis.

Amazon Prime Video Secures Landmark NBA Media Rights Deal

- In May 2024, the NBA signed record-setting 11-year media agreements with Amazon Prime Video, Disney, and NBCUniversal through the 2035/2036 season.
- The new contract, worth ~\$76 billion, will begin with the 2025/2026 NBA season.
- For the first time since the 1980s (~40 years), Warner Bros. Discovery (through TNT network) will no longer have broadcast rights to NBA games, marking a seismic shift in the live sports landscape in favor of well-capitalized, big tech players.

Fox, Disney, and Warner Bros. Discovery Announce Joint Streaming Platform

- In February 2024, Fox, Disney, and Warner Bros. Discovery announced the formation of Venu Sports, a sports streaming platform, to be operated as a joint venture amongst the companies.
- Originally scheduled to launch by Fall 2024, Venu Sports was developed to allow the three media giants to compete more effectively around sports rights versus big tech.
- In February 2024, Fubo filed a lawsuit against the three JV partners seeking to block Venu Sports alleging antitrust violations; in August, a judge issued a temporary injunction blocking the service from launching, with a jury trial possible as early as February 2025.

“Last year, we decided to take a big bet on live—tapping into massive fandoms across comedy, reality TV, sports, and more... There are no live annual events, sports, or otherwise, that compare with the audiences NFL football attracts. We're so excited that the NFL's Christmas Day games will be only on Netflix.”

NETFLIX



Ted Sarandos
Co-CEO, Netflix

“When combined with our original films and shows; partner streaming services; licensed content; and rent or buy titles—our sports offering is a major driver of Prime Video's evolution into a genuine one-stop shop for everything our customers want in video.”

prime video



Mike Hopkins
Head of Prime Video and Amazon
MGM Studios

“This new sports service exemplifies our ability as an industry to drive innovation and provide consumers with more choice, enjoyment and value and we're thrilled to deliver it to sports fans.”

venu
SPORTS



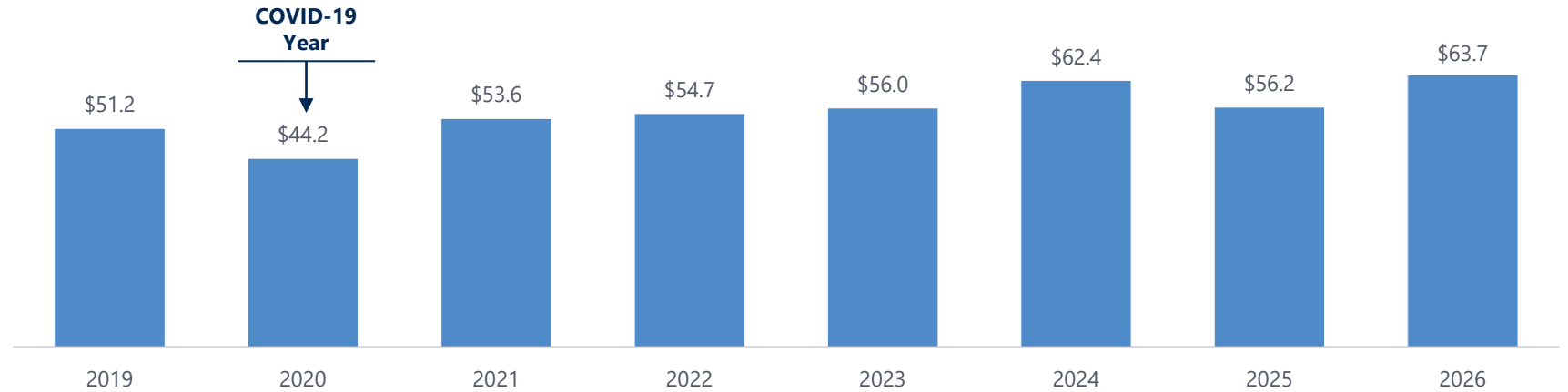
David Zaslav
CEO, Warner Bros. Discovery

Global Sports Media Rights Reach Record Values

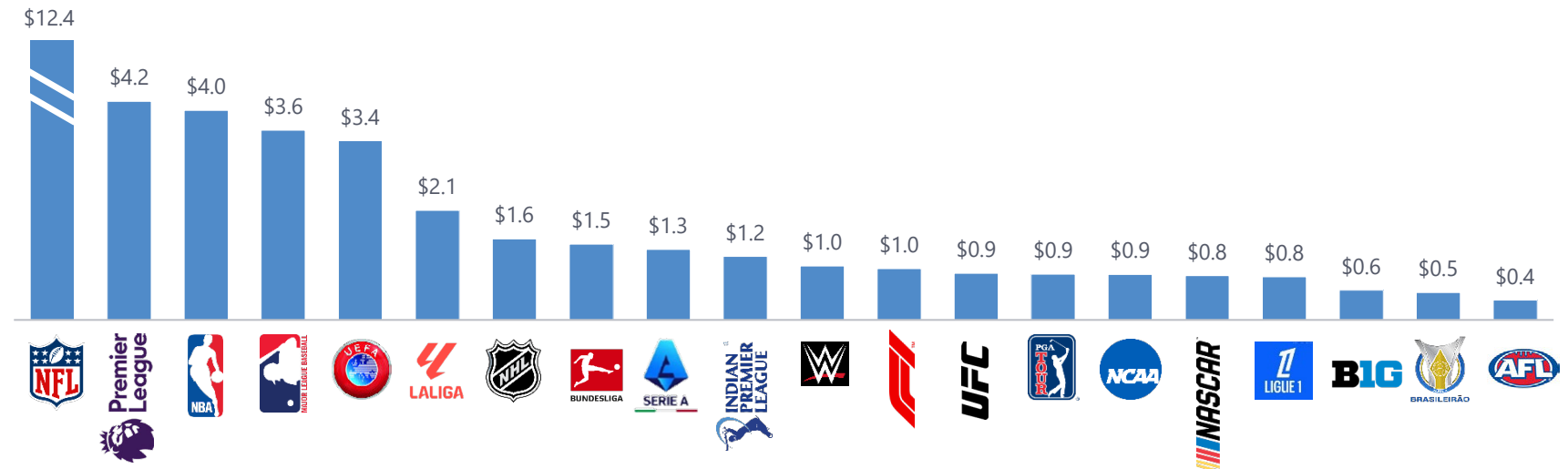
The value of sports media rights globally is expected to surpass \$60 billion in 2024 (4% 2019–2024 CAGR).

- The global sports media rights industry has displayed remarkable resiliency over the past several years despite macroeconomic headwinds.
- Football (i.e., soccer) remains by far the most valuable sport globally by media rights revenues (~\$19 billion), with particular growth apparent in the U.S. market as it gears up to co-host the 2026 FIFA World Cup.
- Additionally, the 2024 Olympics Games in Paris and 2024 UEFA European Championship are contributing to the record value.
- The National Football League (NFL) is the most lucrative media rights property globally (~\$12 billion annually), representing 3x the value of the next largest properties, the English Premier League, and National Basketball Association (NBA) (~\$4 billion each).

Global Value of Media Rights (\$B)⁽¹⁾



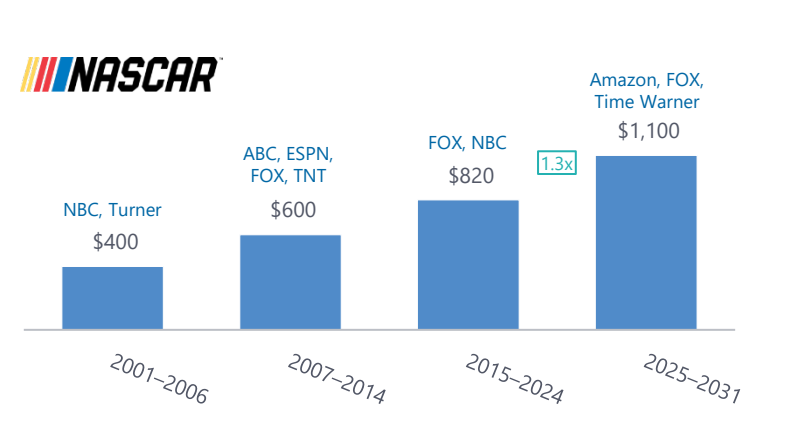
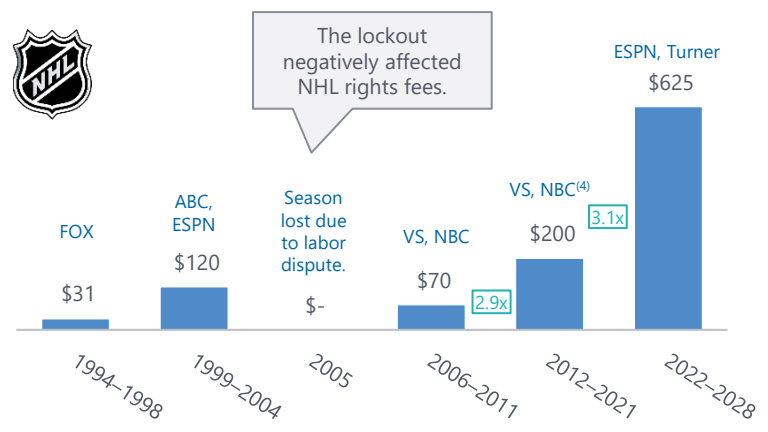
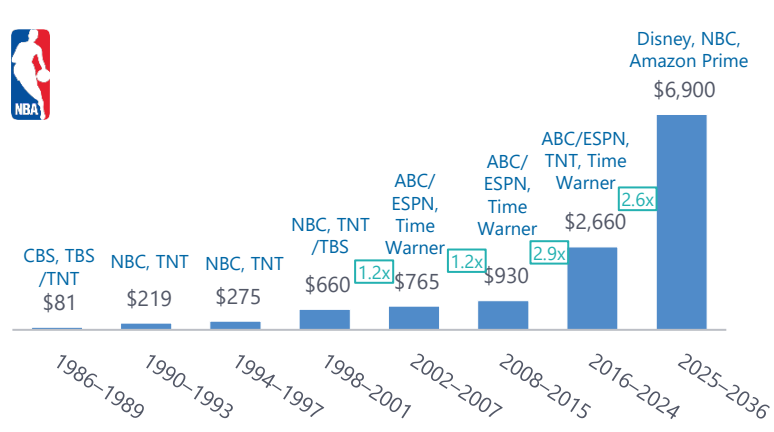
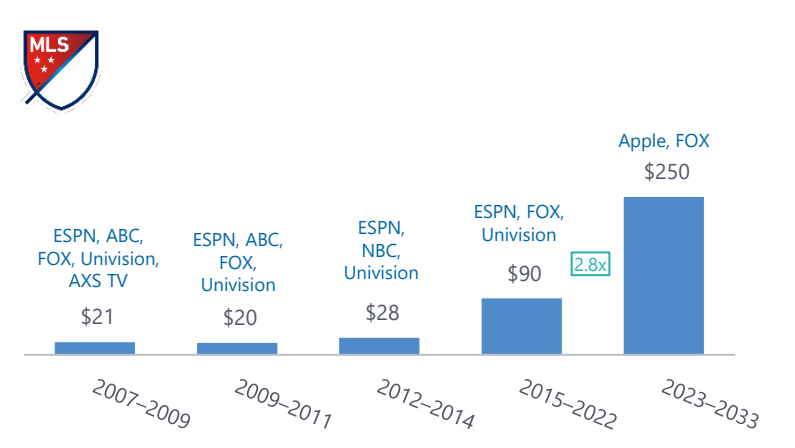
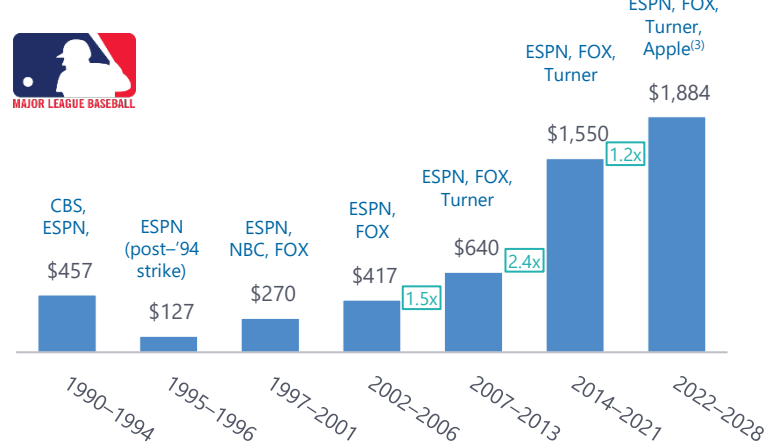
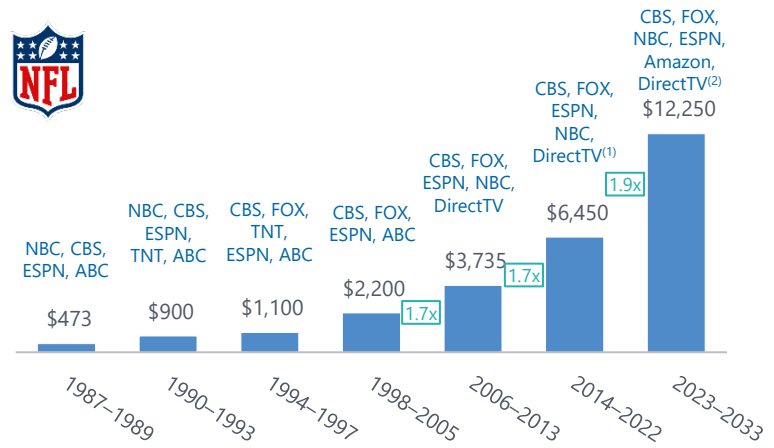
Top 20 Properties by Global Media Rights Value (2023, \$B)⁽¹⁾



Premium North American Sports Properties Still Achieving Record Media Rights Deals

Top-tier North American sports properties are achieving record media rights contracts as competition between big tech and media giants intensifies.

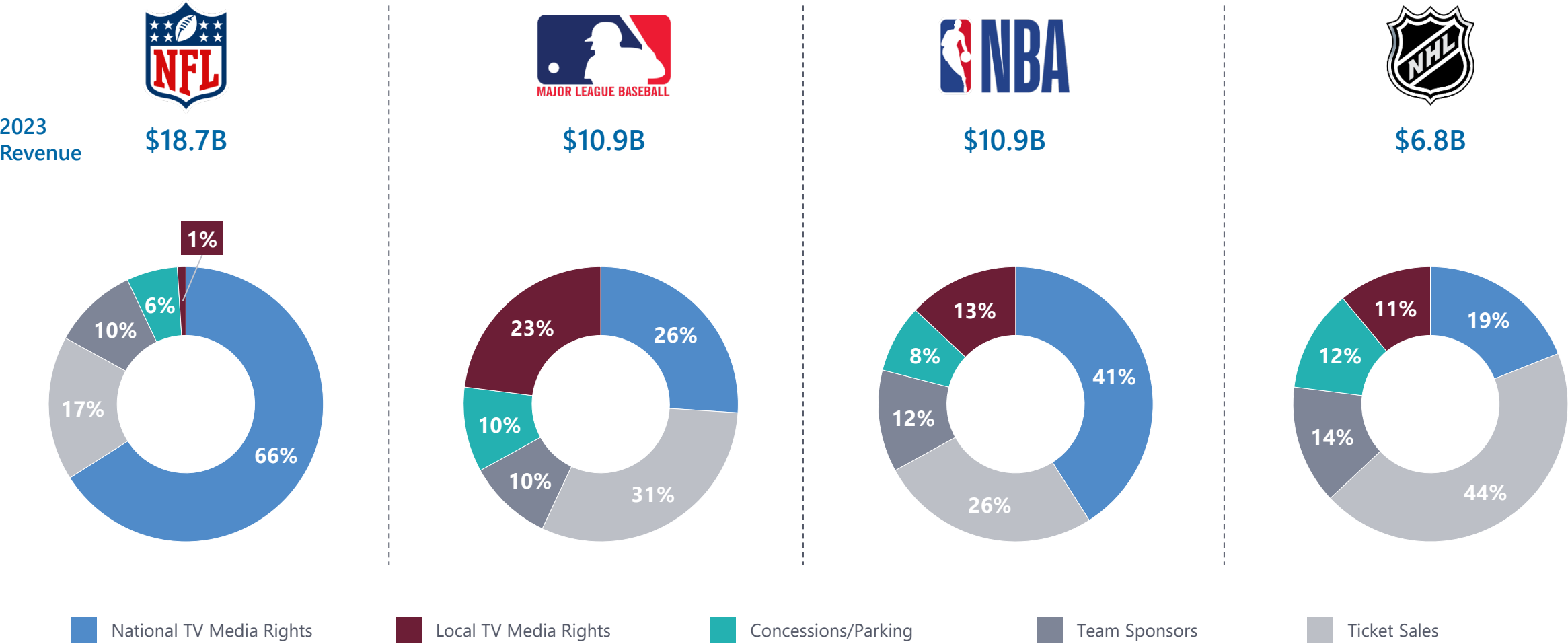
(\$M, Represents Average Annual Value, or AAV)



Sources: SportsBusiness Journal, SportsBusiness.com, NASCAR, PwC, USA Today, and Wall Street research.
 (1) Excludes AAV rights of \$1,175, representing rights to Amazon (\$65), Verizon (\$450), and Fox Thursday games (\$660).
 (2) Excludes AAV rights of \$150, representing rights to Netflix for Christmas Day games.
 (3) Excludes AAV rights of \$10, representing rights to Roku which replaced Peacock in 2024.
 (4) Excludes AAV rights of \$100 from streaming partners.

Largest Monetization Streams Across the 'Big Four' Sports Leagues Differ

Major leagues have several key revenue streams, but proportional variations showcase differences in viewer consumption of each sport.



Rights Owners Are Looking to Capture More Value Through Tech Solutions and Platforms



Data Analytics and Monetization

- Utilize digital analytics to drive greater insight into fan behavior as well as spending to tailor offerings.
- Potential for new revenue streams via data exchanges, shared data utility, personal data/device ID sales, and media activation based on customer contextual data.
- Monetization of data and analytics through partnerships with sports betting platforms, leading to new revenue streams for rights owners.



Content Distribution and Fan Engagement

- Personalization of live sports offering/highlights based on user interests and history.
- Multi-platform, immersive digital experience to reach fans in their preferred media space.
- Leveraging digital media to build direct connection with fans through O&O platforms and third-party services.
- Potential for mixed reality technology to drive behavioral analytics as well as unique customer experiences.
- Use of influencers and social media to distribute content and drive fan engagement and brand-building.



Advertising and Sponsorship Innovation

- Platforms tracking and providing insights via data analytics across social, digital, and over-the-top media platforms help measure engagement and brand reach.
- Enables faster distribution of content through streamlining development/editing and innovative broadcast solutions.
- In-depth data on fan behaviour and spending patterns that can create actionable insights for further reach and advertising efficacy, including in-game delivery of marketing.



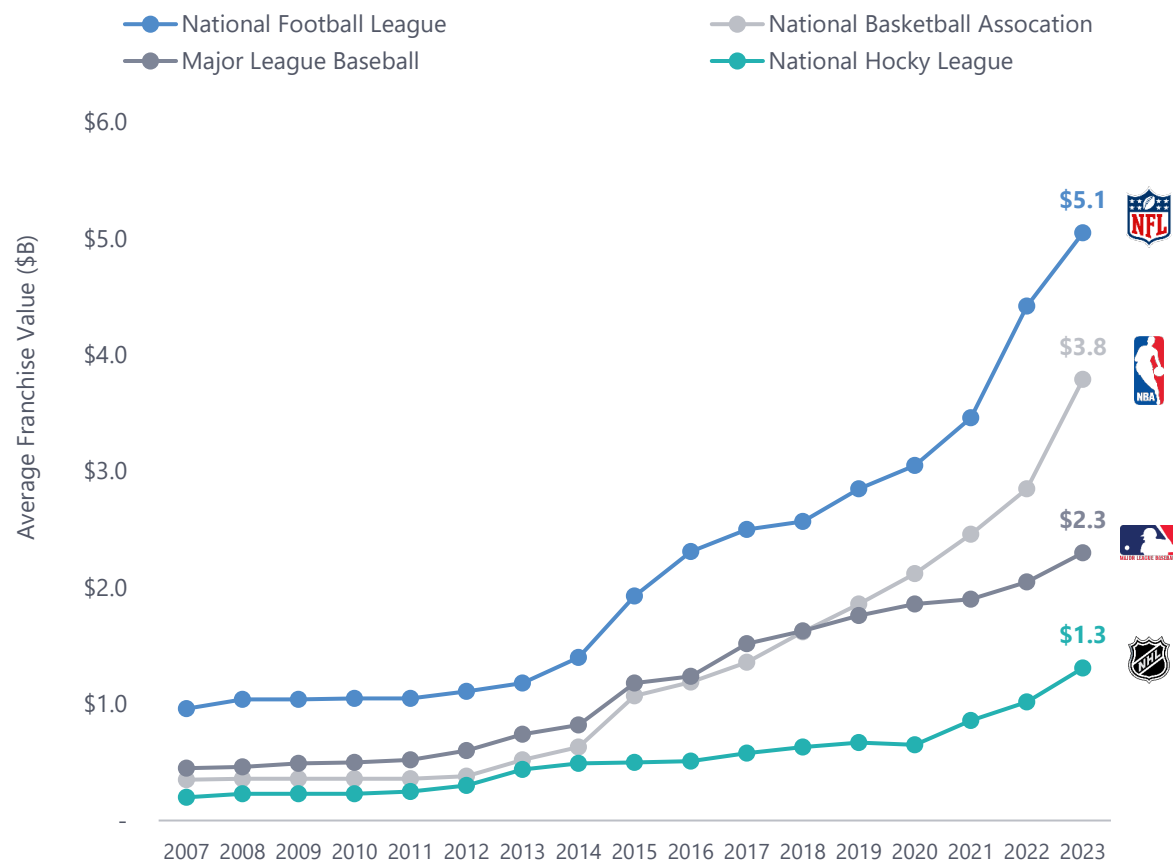
Digital Assets/ NFTs

- Potential incremental revenue streams for leagues, teams, and athletes from creation of NFTs.
- Limited edition digital collectibles.
- Digital trading cards.
- Unique digital experiences.
- Ability to drive brand-building and create revenue opportunities for athletes through partnerships with NFT platforms and video game publishers.

Professional Sports Franchises Commanding Record Value

The stability and continued engagement of sports worldwide have contributed to sports becoming coveted asset class; teams with strong fundamentals and growth opportunities command premium valuations—especially those situated within key markets.

Major North American Sports Leagues by Average Franchise Value⁽¹⁾






Sources:
 (1) Statista.
 (2) Sportico.

Top 15 Most Valuable Professional Sports Teams⁽²⁾

Rank	Team	Sport	Most Recent 🏆	Est. Valuation (\$B)	YoY Growth	Three-Year CAGR
1	Dallas Cowboys		1996	\$10.3	12.2%	14.3%
2	Golden State Warriors		2022	\$8.3	9.5%	16.7%
3	New York Yankees		2009	\$7.9	11.2%	5.50%
4	Los Angeles Rams		2022	\$7.8	12.2%	18.5%
5	New York Giants		2012	\$7.7	8.7%	18.2%
6	New York Knicks		1973	\$7.4	12.9%	11.1%
7	Los Angeles Lakers		2020	\$7.3	14.0%	12.6%
8	New England Patriots		2019	\$7.3	9.1%	11.0%
9	San Francisco 49ers		1995	\$6.9	11.5%	17.1%
10	New York Jets		1969	\$6.8	11.3%	18.6%
11	Miami Dolphins		1973	\$6.8	29.0%	24.2%
12	Philadelphia Eagles		2017	\$6.8	13.4%	20.4%
13	Las Vegas Raiders		1984	\$6.7	16.1%	28.2%
14	Washington Commanders		1992	\$6.3	4.1%	14.0%
15	Los Angeles Dodgers		2020	\$6.3	20.2%	10.9%

= Team has won a league championship in the past five years.

Recent Landmark Franchise Transactions Driving Outsized Returns for Investors

Team	Sport	Investor ⁽¹⁾	Transaction Date	Valuation (\$M)	Revenue Multiple	Previous Transaction Date	Previous Valuation (\$M)	Valuation Growth (%)	S&P 500 Growth (%)
 Angel City FC		Bob Iger and Willow Bay	Jul-24	\$250	8.1x	Feb-22	\$180	39%	24%
 Arizona Coyotes		Ryan Smith	Apr-24	\$1,200	10.0x	Jul-19	\$300	300%	66%
 Baltimore Orioles		Rubenstein Ownership Group	Mar-24	\$1,725	5.3x	Oct-93	\$173	897%	1,023%
 Dallas Mavericks		Adelson Family	Dec-23	\$3,500	8.2x	Jan-00	\$285	1,128%	242%
 Ottawa Senators		Andlauer Group	Sep-23	\$950	6.1x	Aug-03	\$92	933%	334%
 Washington Commanders		Harris Ownership Group	Jul-23	\$6,050	11.1x	May-99	\$800	656%	253%
 Charlotte Hornets		Gabe Plotkin and Rick Schnall	Jun-23	\$3,000	11.2x	Feb-10	\$275	991%	303%
 Milwaukee Bucks		 HSG HASLAM SPORTS GROUP	Apr-23	\$3,200	20.0x	May-14	\$550	482%	119%
 Phoenix Suns		Matt Ishbia ⁽²⁾	Dec-22	\$4,000	13.2x	Jun-04	\$401	898%	271%
 Denver Broncos		Walton-Penner Family Ownership Group	Jun-22	\$4,650	8.8x	Apr-84	\$78	5,862%	2,296%
 Chelsea Football Club		 CLEARLAKE	May-22	\$3,220	-	Jul-03	\$233	1,282%	333%

Sources: S&P Capital IQ, PitchBook.

(1) Investors listed led the investment; others who are not listed also participated.

(2) Investment housed under newly formed Player 15 investment group as of February 2024.

League Ownership Rules Change Expected to Drive Increased Private Equity Investment

Though ownership rules vary by league, private equity investment facilitates liquidity for majority owners while also offering leagues a larger pool of potential minority owners. The opening up of the NFL's ownership rules is expected to drive further opportunities for sports investing.

Private Equity Investment Rules for Selected U.S. Sports

						
Year Allowed	2024	2021	2019	2021	2020	2020
Maximum Equity a Team Can Sell to Funds	10%	30%	30%	30%	30%	30%
Maximum Equity a Single Fund Can Own Per Team	10%	20%	15%	20%	20%	15%
Maximum Number of Teams a Fund Can Own	6	5	Unlimited	5	4	3
Minimum Investment	3%	1%	Unknown	\$20M	\$20M	5%

NFL Owners Vote in Favor of Private Equity Investment



- In August 2024, NFL owners passed a landmark resolution allowing private equity funds to purchase up to 10% of any franchise for passive ownership.
- The league provisionally approved eight funds as four potential groups of buyers of any available franchise stakes: Arctos Partners, Sixth Street Partners, Ares Management, and a consortium comprised of Dynasty Equity, Blackstone, the Carlyle Group, CVC Capital Partners, and Ludis, a platform founded by Hall of Fame running back Curtis Martin.
- Factors for selecting these funds included preferred hold times in an investment, hearing from principles of firms, and understanding the commitment to the investment throughout the organization.



We've been very deliberate on this private equity...I think it's an access to capital that...has been of interest for a long time. Other leagues have been doing it; we're doing it with a cap at 10 percent. So [it's a] much less significant position (than other leagues). I think it's an appropriate thing to give teams that liquidity to reinvest in the game, into their teams. I think it's a positive development for us.



Roger Goodell
Commissioner, NFL

New Emerging Leagues Also Gaining Heightened Attention From Investors

Venture capital, private equity, and strategic dollars have been deployed to support the continued growth of new emerging sports leagues and teams globally.

Thirty-5 Capital Becomes a Leader in the Pickleball Space



- Thirty-5 Capital, LLC, is a family office and private equity firm focused on sports technology and innovation companies.
- In January 2024, Thirty-5 Capital announced the creation of United Pickleball Paddles (UPP), a combination of their three investments: Paddletek, Boundless Pickleball, and ProXR Pickleball.
- United Pickleball Paddles' mission is to advance the sport of pickleball through the creation of top-notch paddles, apparel, and equipment for players around the world.
- Thirty-5 Capital is not the first company to buy into the pickleball craze—athletes, including LeBron James, Tom Brady, Michael Phelps, and Naomi Osaka, have also invested in the space.

“

Becoming part of United Pickleball Paddles significantly augments our efforts to expand globally. Not only do they have a considerable amount of experience in manufacturing and logistics, but **their help supporting our growth and innovation will ensure we remain at the forefront of the pickleball industry well into the future.**



Curtis Smith
Paddletek, CEO

Liberty Global Takes Controlling Stake in Formula E



- Founded in 2014, Formula E is in its 10th season of racing and is the top ESG sport as the only net zero carbon sport from inception.
- In June 2024, Liberty Global acquired shares of the international electric car racing series Formula E from Warner Bros. Discovery, bringing Liberty Global's ownership to 65%.
- At the most recent Monaco E-Prix, the new Formula E car, Gen3 Evo, was unveiled, accelerating to 60 mph in 1.82 seconds, which is 30% faster than a Formula 1 car.
- Between seasons nine and 10, TV viewership of races increased by 40%, and the total fanbase expanded by 47%, signifying the growth potential and available viewership whitespace.

“

We're excited to take a controlling interest in Formula E, a business we first invested in nearly 10 years ago. **Formula E has a massive potential for further growth while integrating the most advanced sustainability standards in sports.** The investment continues our approach of disciplined capital rotation across our Ventures portfolio and our strategy of making long-term investments in highly attractive businesses.



Mike Fries
Liberty Global, CEO

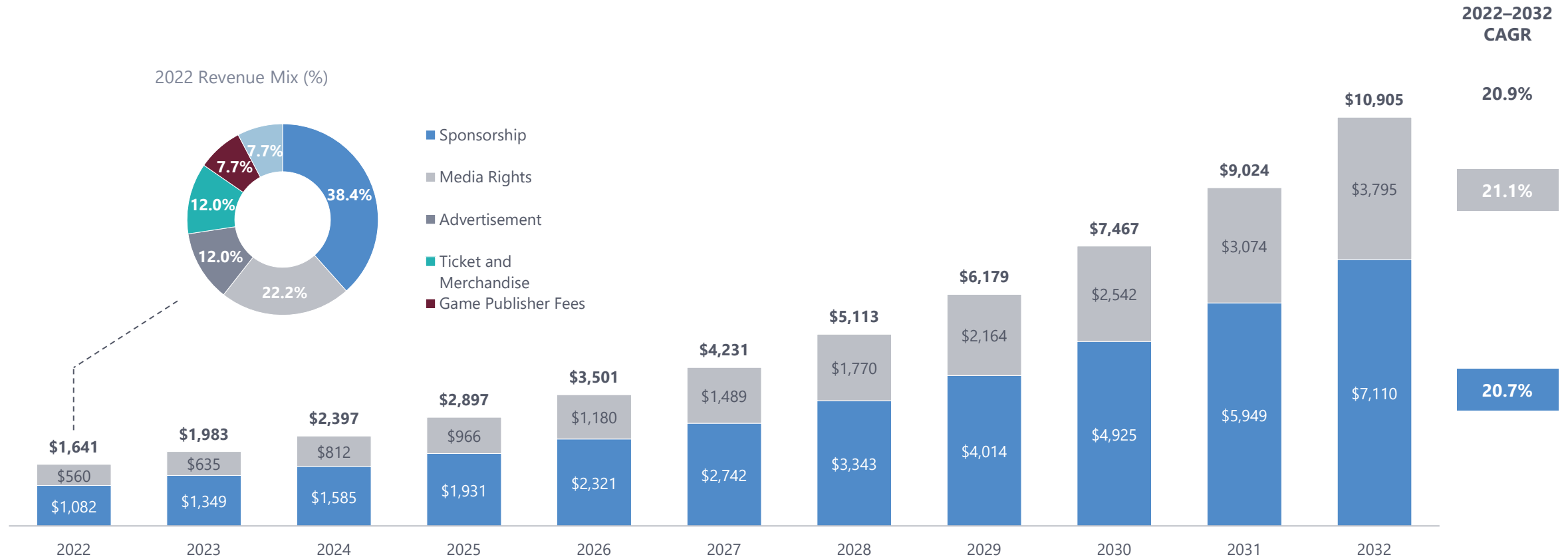
E-Sports Ripe for Continued Investment as Global Momentum Picks Up

The expanding e-sports market signals opportunity for participants, viewers, and investors.

E-Sports Global Market Revenue (\$M)

Revenue by Streaming Type, 2022–2032

■ Live ■ On-Demand



Women's Sports Experiencing Unparalleled Growth

Women's sports is a multifaceted landscape that is commanding never-before-seen coverage, attention, capital interest, and valuations.

Female-Focused Media Outlets Leveling the Coverage Playing Field



Several Women's Teams Valued Above \$100 Million in 2024



Viewership Growth Proves Public Demand



Recent occasions where women's sporting events drew larger TV audiences than men's (see page 28).

Funds Actioning Women's Sports Investment Theses

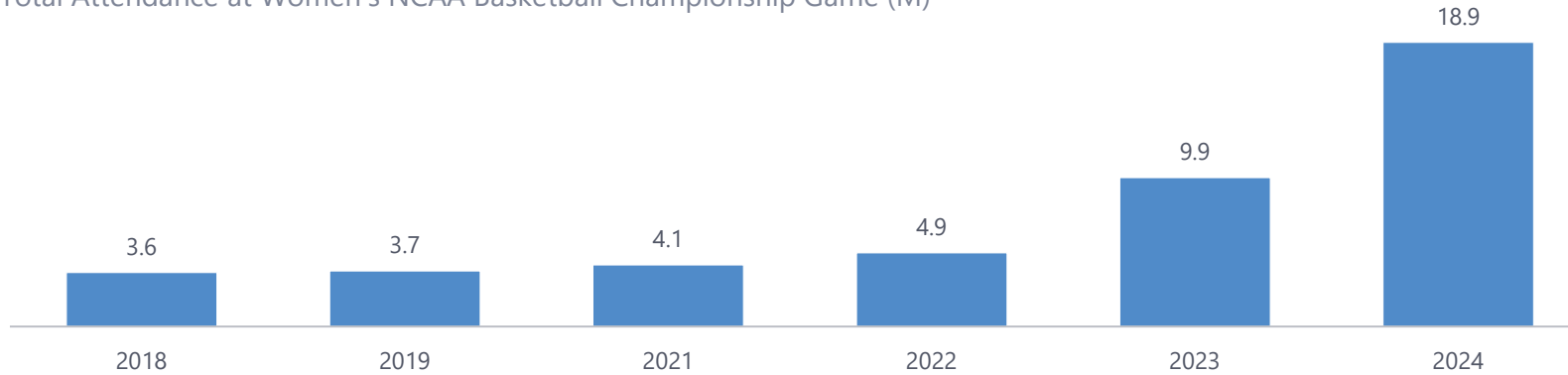


Women's Sports Represents a Compelling Opportunity as Viewership Soars

The popularity of women's sports reached new heights as evidenced by recent record-setting events, including the NCAA women's basketball tournament and the Women's World Cup.

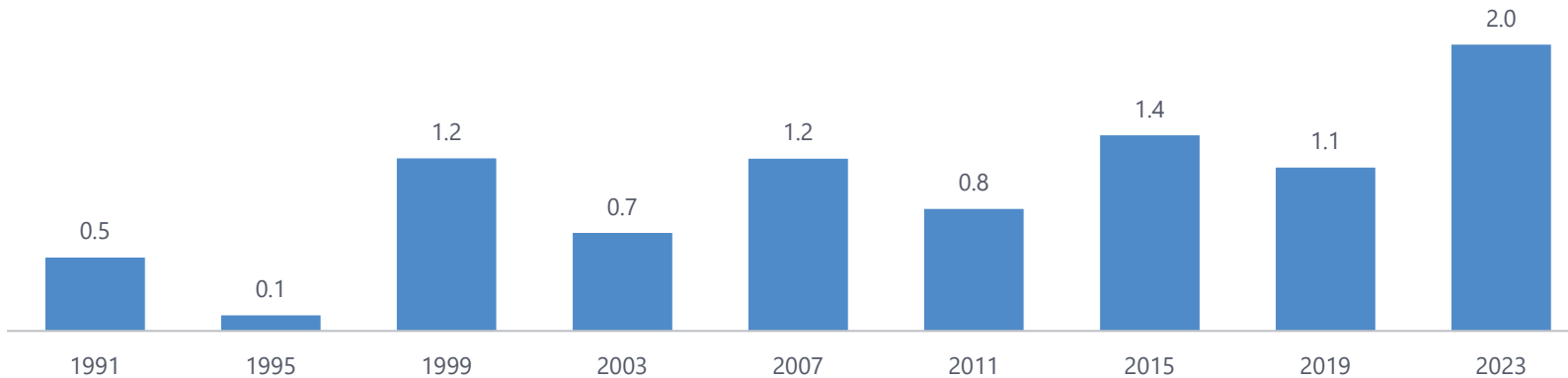
Unprecedented Viewership Growth—NCAA Women's Basketball Championship⁽¹⁾

Total Attendance at Women's NCAA Basketball Championship Game (M)



2023 Women's World Cup Sets Attendance Record⁽²⁾

Total Match Attendance at FIFA Women's World Cups (M)



Sources: Deloitte Research, CNBC, Bacon Magazine, NCAA, Fortune.

(1) ESPN.

(2) FIFA.

Rising Viewership Continues to Drive Revenue and Media Deals

- **Interest in women's basketball continues to grow**; the 2024 NCAA Women's NCAA Basketball Championship saw 18.9 million viewers, over 4 million more viewers than the Men's NCAA Championship (14.8 million viewers).
- The financial health of the WNBA has improved significantly, with overall league revenue up +30% in the 2023/2024 season, as well as a **2,260% increase in revenue from the WNBA's official online store** following the 2024 draft.
- Google recently announced a **multi-year partnership with sports website The Athletic**, promising to double the amount of women's sports coverage with a focus on soccer and the WNBA.
- In 2023, the NWSL landed a **new major TV deal with multiple broadcasters worth \$240 million over four years**, marking the largest media investment in women's sports history.
- By the end of 2024, women's elite sports are estimated to generate more than **\$1 billion in revenue**, a 300% increase versus 2021 revenue.

Growing Popularity of Women's Sports Is a Significant Opportunity for Advertisers



The growing popularity of women's sports presents a significant opportunity for advertisers to reach a large, live audience of women through streaming and cable TV.



Women's sports as a percent of total sports media coverage has grown from 4% in 2018 to 15% in 2023. During that span of time, from 2018 to 2022, the amount of time female viewers spent watching women's sports increased by 39%, far outpacing male viewers (28%).



84% of all sports fans are interested in watching women's sports.



85% of all consumer spending in the United States is controlled by women, and three-quarters of all discretionary spending will be controlled by women by 2028.



Within the next decade, 66% of all consumer wealth is projected to belong to women.




Angel City FC's Landmark Deal

In July 2024, Bob Iger and Willow Bay acquired a controlling stake in Angel City FC (ACFC) at a valuation of \$250 million, making the franchise the world's most valuable women's professional sports team.

Bob Iger and Willow Bay

Acquired



\$250 Million

- Founded in 2020 by entrepreneur Julie Uhrman (CEO of ACFC), venture capitalist Kara Nortman, and actress Natalie Portman, ACFC is a professional women's football club based in Los Angeles, California.
- ACFC's current roster includes former USWNT players Christen Press and Sydney Leroux, New Zealand National Team captain Ali Riley, and local phenoms Alyssa and Gisele Thompson.
- Angel investors Bob Iger, CEO of Disney, and Willow Bay, Dean of the USC Annenberg School for Communication and Journalism, hope to use their resources to accelerate the club's growth.
- The acquisition marks a historic development for the business of women's sports and the beginning of a new era for ACFC.

 **\$11.0M**
Sponsorship Revenue (2023)

 **20,000**
Average Attendance Per Game

 **\$31.0M**
Total Revenue (2023)



“

With this investment of resources and capital, we hope to accelerate the growth of the Club and the NWSL. Working with the team and board, and the incredible community of ACFC fans, we are committed to advancing the Club's mission of driving equity on and off the field.



Willow Bay
Head of ACFC
Board of Directors



Unprecedented Change in College Sports Catalyzing Institutional Investor Focus

As sweeping change takes shape in college sports, private equity firms have begun to find pockets of opportunity.

Nascent NIL and Revenue-Sharing Landscapes Open Window of Opportunity



~\$1.5B

NIL Market (2024–2025)



~\$20M–\$25M

Distributable Revenue per Power Five School

RedBird Capital Partners and Weatherford Capital Form CAS Partnership



- In May 2024, private investment firms RedBird Capital Partners and Weatherford Capital announced the creation of an entity called Collegiate Athletic Solutions (CAS).
- CAS is a purpose-driven platform that lends money and financial guidance to public and private university athletic departments in exchange for a share of the department's future revenue.
- The firm plans to invest \$50 million to \$200 million each into five to 10 public or private athletic departments across top-tier college sports, recouping its money via a share of future athletics revenue.
- The age of the commercialization of college sports has arrived, and the cost of competing at the highest level will increase at a pace at which collegiate leaders are unaccustomed, creating a need for advisors such as CAS.



The impact of conference realignment, diverging media rights deals, and the advent of NIL and revenue sharing is creating a greater financial divide at both the university and conference levels. History has proven that the universities that adeptly invest in their athletic departments consistently win and outpace peer institutions. Our mission at CAS is to offer athletic departments a unique capital solution to invest when and where they need it to compete at the highest level during this tenuous paradigm shift.



Drew Weatherford
Partner, Weatherford Capital

The NIL Era Unlocks a Brand-New Technology Opportunity for Investors

Several NIL marketplaces have raised notable venture capital and, with further maturity, will be primed for private equity support.

Student-Athletes

NIL marketplaces connect student-athletes to brands, allowing them to profit and benefit from their name, image, and likeness.



Find Brand Opportunities



Ensure NCAA Compliance



Manage Earnings



Brands

NIL marketplaces connect brands to student-athletes who serve as potential "influencer" candidates for various campaigns.



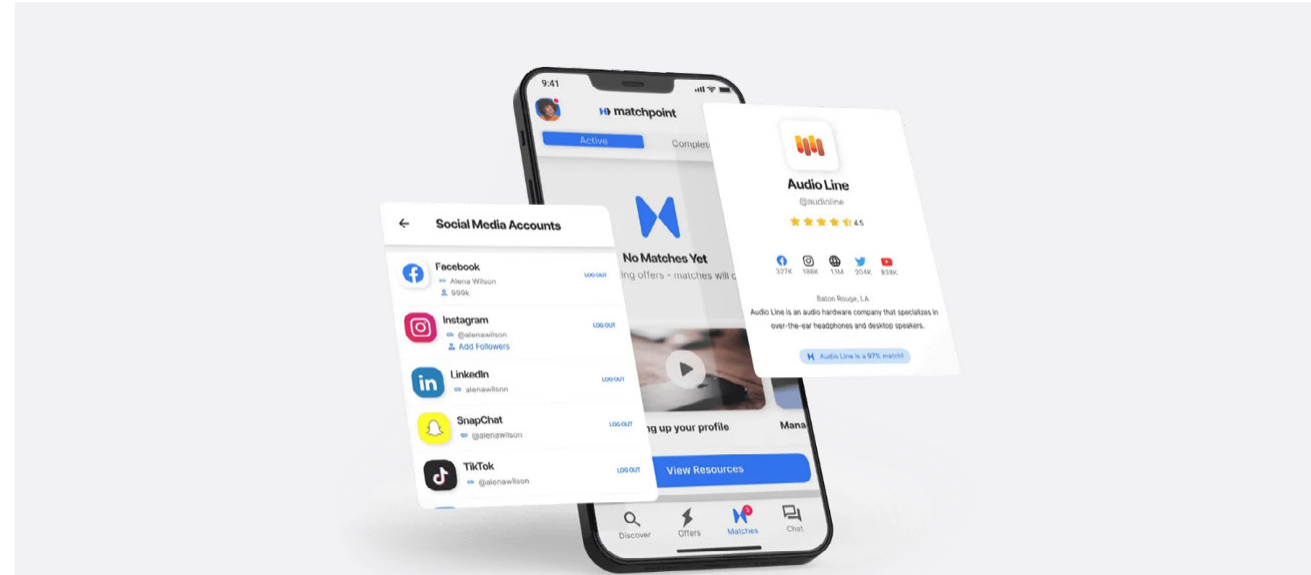
Find Athletes



Manage Campaigns



Review Results



Selected Venture Capital Activity

Marketplace	Investor	Date	Amount (\$M)
MOGL	Magarac Venture Partners and Others	Mar-23	\$5.0
icon source	Brinx and Others	Feb-23	N/A
opendorse™	Nelnet Ventures and Others	Aug-22	\$20.0
NOCAP SPORTS	Florida Funders and Others	Nov-21	\$2.5

Youth Sports Has Significant Tailwinds and Is Primed for Growth

The youth sports market is the foundation of the overall sports ecosystem and is poised for future growth driven by favorable industry dynamics and demographics.

\$37.5B⁽¹⁾



2022 Global Market for Youth Sports

\$69B⁽²⁾



Expected Market Value by 2030

128.9M⁽³⁾



of Youth Athletes Playing Multiple Team Sports

39%⁽⁴⁾



% of Youth Sports Market in North America

35%⁽¹⁾



Participation Rate for Girls in Sports

Sources:

(1) Statista & Maia Research.

(2) Yahoo Finance.

(3) SGB Media.

(4) PWC.



Investors Seeking to Capitalize on Fragmentation of Youth Sports Through Tech Solutions

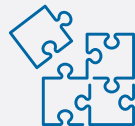
Fragmented industry with a large number of smaller software providers suggests a wave of consolidation may be on the horizon in youth sports.

Participants, Teams, Parents, and Coaches



- Register With Leagues
- Register With NGBs
- Transact With Third-Party Services (Travel/Uniforms)
- Manage Teams

Clubs and Leagues



- Register Participants
- Process Payments
- Organize Tournaments
- Build and Manage Website

National Governing Bodies



- Register With Leagues
- Organize Tournaments
- Process Payments
- Communicate With Membership
- Build and Manage Website
- Manage Compliance, Health, and Safety

Selected Strategic-Backed Investments



GameChanger is owned by Dick's Sporting Goods.

GameChanger is a live score-keeping app and statistics management tool for youth, high school, and college baseball and softball teams. The company offers a mobile app that distributes real-time game updates while also delivering coaching insights and fan updates.



SportsEngine is owned by NBC Sports.

SportsEngine's platform allows local sports organizations and national governing bodies to run their websites, tournaments, leagues, player registrations, and mobile applications, enabling clients to remove the administrative burdens placed on athletes and students.

Selected Private Equity-Backed Investments



PlayMetrics most recently raised a funding round from Blue Star Innovation Partners and PSG (August 2023).

PlayMetrics is a sports club management platform designed to unify curriculum designs and session planning. The company provides a fully integrated club operating system designed specifically for youth soccer and facilitates the development of coaches and players through technology.








LeagueApps most recently raised a \$15 million Series B funding round led by Contour Venture Partners (June 2021).

LeagueApps is a sports management and registration platform designed to scale and monetize sports leagues and events. The company's platform offers features like registration and payments, messaging tools, scheduling and standing, management and reporting, and custom mobile sites.







What AI Could Mean for Sports

AI is continuing to revolutionize all aspects of sports, enhancing performance analysis, optimizing training regimens, and refining strategic decision-making processes for teams and athletes.

Areas of Potential Positive Impact

	Performance Enhancement: Artificial intelligence can analyze vast amounts of data to optimize athlete performance, leading to enhanced training, injury prevention strategies, and personalized development plans based on performance/individual metrics.
	Strategic Decision-Making: Coaches and teams can use predictive modeling by GenAI systems for in-game strategies, opponent analysis, and tactical adjustments. Artificial intelligence algorithms can process real-time data to suggest optimal plays/formations.
	Health Monitoring: Wearable sensors powered by artificial intelligence enable athletes to perform at peak levels with minimized health risks by monitoring health metrics in real-time, potentially preventing injuries and helping improve recovery times.
	Fan Engagement: Artificial intelligence can generate sports content that can create personalized and immersive experiences for audiences. The interactive features can help deepen fan loyalty and increase viewership/engagement.
	Streamlined Operations: Automated content creation helps to enhance reporting and broadcasting efficiency. With artificial intelligence, content and coverage can be expanded into locations where human resources are limited.
	Referee Assistance: Video analysis powered by artificial intelligence can assist referees and officials in making more accurate decisions, reducing human error, and enhancing fairness in officiating.

Areas of Potential Concern

	Privacy Concerns: With the collection and analysis of biometric and tracking data, the use of artificial intelligence in sports raises concerns about athletes' privacy (which teams and organizations must handle securely).
	Inequality: Teams with differing financial situations and resources could have better access to artificial intelligence, creating disparities between teams and athletes and widening the gap in competitive advantage.
	Job Displacement: The usage of artificial intelligence in sports analytics, administration, and scouting may create less of a need for human analysts, reducing job opportunities.
	Cybersecurity: GenAI could present risks of proprietary data being obtained by rival teams if strategies are not properly secured, demonstrating the critical need for cybersecurity when applying GenAI in sports strategy.
	Over-Reliance: An over-reliance on artificial intelligence in decision-making can diminish human expertise and intuition, stripping creativity from sports coaching and strategy.
	Misplaced Trust: Excessive trust in GenAI systems can become harmful as margins of error still exist; to have appropriate levels of trust, it is essential to manage expectations about artificial intelligence's capabilities.

Several AI Use Cases Already Taking Shape

“

The NBA and Fastbreak.ai agree to multi-year partnership for the use of Fastbreak.ai's scheduling platform



Fastbreak.ai's platform offers decades of experience in scheduling optimization with a powerful user interface to analyze every aspect of the NBA season schedule.

“

Formula 1, AWS unveil AI-generated trophy and more generative AI features for Canadian Grand Prix



AWS, the title sponsor of the race, used generative AI to conceive the perfect award for the event. They will also introduce a Statbot and a Root Cause Analysis.

“

AI in football: How new tech can help teams take more effective corner kicks



Google's DeepMind has introduced TacticAI: an AI system that can provide experts with tactical insights, particularly on corner kicks, through predictive and generative AI.

“

AI at the 2024 Paris Olympics takes supporting role



AI was used at the 2024 Paris Olympic Games to defend against cyber abuse, create highlight videos, manage energy use, and will be used for talent identification starting in 2025.

Multiple Categories of Investors Are Highly Active Across the Sports Landscape

Investor Type	Selected Investors
<p>Early Stage/ Venture Capital</p>	
<p>Private Equity</p>	
<p>Corporates/Strategics</p>	
<p>Alternative Capital⁽¹⁾</p>	

★ Denotes presence of corporate VC fund within organization.
 (1) Includes selected family offices, sovereign wealth funds, and asset managers.

Selected Private Equity Dealmakers

The rise in private equity interest across multiple sports verticals is also reinforced by a transforming business model that includes several exciting areas, including streaming, betting, sponsorships, and IP.

Company	Headquarters	Number of Deals	Investments and M&A
ARCTOS	Dallas, Texas	27	
REDBIRD CAPITAL PARTNERS	New York, New York	8	
SILVERLAKE	Menlo Park, California	8	
CVC	Luxembourg	6	
BRUIN ⁽¹⁾ SPORTS CAPITAL	White Plains, New York	5	
ARES	Los Angeles, California	4	
MSP SPORTS CAPITAL	New York, New York	4	
SIXTH STREET	San Francisco, California	4	
DYAL CAPITAL PARTNERS	New York, New York	2	
CLEARLAKE	Santa Monica, California	1	

(1) Bruin Capital has a strategic partnership with CVC and The Jordan Company.

Most Active Private Equity Dealmakers: Q&A With Arctos Partners

01

Arctos pioneered investing in a traditionally inefficient market in sports. How has the market evolved for capital in sports since launch?

The market has continued to institutionalize, and today professional sports ownership is widely recognized as an asset class. In May 2024, we launched the [Ross-Arctos Sports Franchise Index \(RASFI\)](#) in partnership with the University of Michigan Stephen M. Ross School of Business. It is the first-ever purely data-driven benchmark of investment performance of North American sports franchise assets. RASFI serves sports industry investors, asset owners, league and team executives, and the wider sports business community as a universal standard for investment performance in the largest North American leagues. For the investment community, we believe the index brings more scientific rigor to an asset class historically seen as a vanity investment or family business. This builds on the momentum in which we have seen LPs continue to adopt sports as an emerging asset class. For asset owners and league and team executives, we have seen a continued desire for value-add partners like Arctos to provide insights like this and others to help them grow and innovate.

02

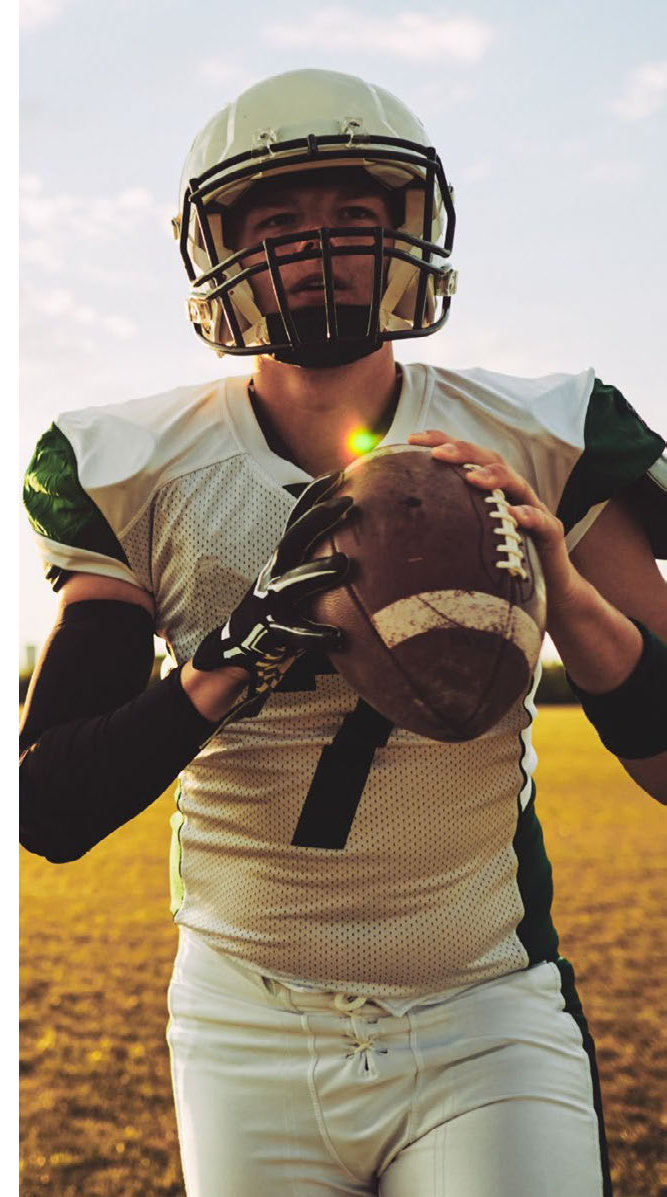
Since Arctos launched, the interest rate environment has materially changed. How has the possible end of “easy money” impacted the initial thesis?

North American professional sports leagues limit the amount of leverage teams are permitted to take on. Across the Big Four leagues in North America, the average debt/TEV is ~10%. Given this, the higher rate environment has had a relatively small impact on professional sports franchises. Moreover, we have not seen higher rates lead to lower valuation growth or fewer transactions—if anything we have seen more of both.

03

Speaking of inefficiencies, since the advent of “Moneyball” teams have been leveraging data analytics in all facets of the game, from reevaluating the value of a three-point shot to going for it on fourth down. How do you utilize data science across your portfolio companies?

We are heavily focused on using data science to inform our investment sourcing, diligence, and post-investment value-added capabilities. Arctos Insights, our proprietary data science and research platform, positions Arctos as a critical thought partner to the industry. We produce unique content, host webinars, create flash reports, and share proprietary tools with our franchise and league partners. Insights, along with our collective expertise and our established network of advisors, owners, and executives, power our Arctos Operating Platform, a purpose-built value-creation engine for our portfolio companies. We have utilized findings from our Arctos Insights platform to deliver targeted data-driven revenue development strategies for global sports brands across local media, ticketing, suites, premium, sponsorship, and venue transformation and experience.



Most Active Private Equity Dealmakers: Q&A With Arctos Partners (cont.)

04

While Arctos has investments all over the world, the bulk of its deployed capital is within the North American sports ecosystem. Could you compare and contrast North America versus the rest of the world?

We have spent considerable time comparing the league models across North America and Europe, as well as identifying the implications for sports investors. We discussed our takeaways in our insights paper on The Value of Cooperation (which can be found [here](#)). Our primary thesis is the design of the North American leagues drives ongoing cooperation among franchises, ensures stronger and more equitable revenue growth across all franchises, and provides shared incentives to deliver sustained profitability, while the European leagues exhibit lower levels of intra-league cooperation. In addition, North American franchise revenue is largely recurring, with national revenues distributed pro rata regardless of market size or team performance. Also, North American leagues are governed by collective bargaining agreements, which creates predictability around expenses. That said, there are certain premier global assets that exhibit many of the characteristics of North American franchises.

05

We have been seeing a lot of capital being deployed in real property that surrounds sports venues following the success of the LA Live, Atlanta Battery, and other developments. How do these endeavors drive value to sports teams?

Many of our partners are either interested in or have already started building mixed-use real estate projects anchored by their sporting venue. These offerings clearly enhance the fan experience, but they also create an entertainment district that allows the franchise to drive increased foot traffic year-round and activate the area around the arena. Most franchises are either controlling owners or directly invested alongside developers in these projects, in which case these developments can provide a durable, supplemental income stream for a franchise. It also allows franchises to extend fan engagement through pre- and post-game offerings, creating an experience flywheel for fans while allowing the team to capture more wallet share of gameday spend.



Most Active Private Equity Dealmakers: Q&A With Arctos Partners (cont.)

06

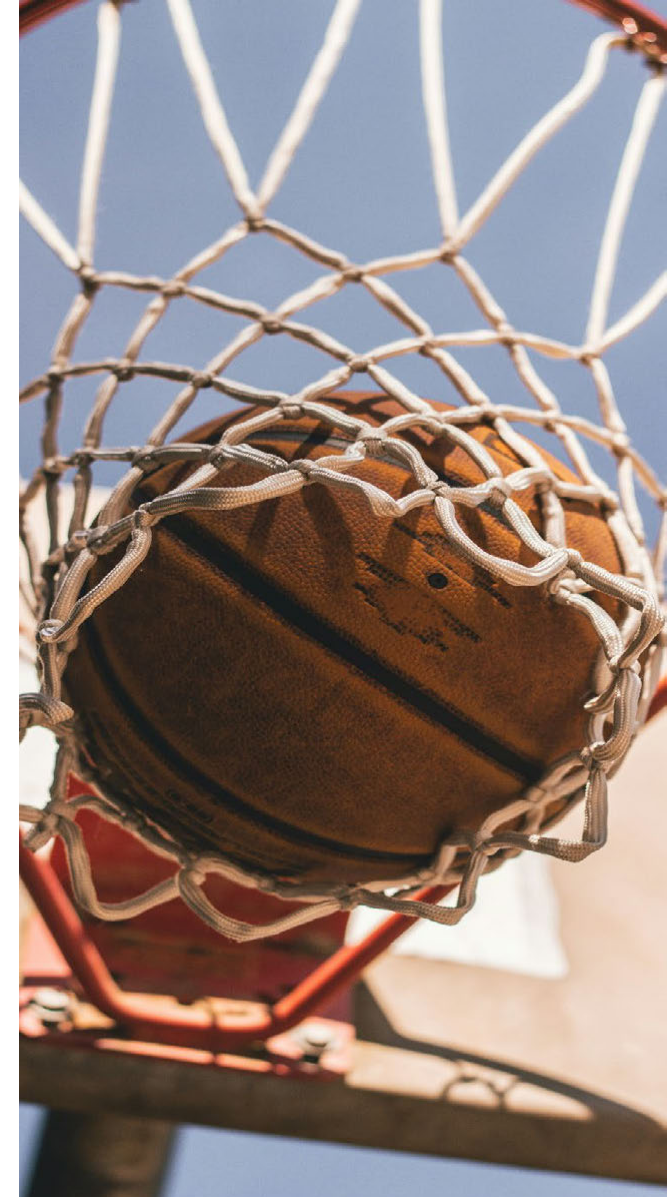
Historically, media rights were a major driver in increasing sports team valuations. In the backdrop of the recent NBA media rights deal and the Diamond Sports proposed restructuring, will media rights continue to be the catalyst for increasing sports teams? Or will the value come elsewhere?

- a) As explored in our white paper on Sports Asset Class Returns of the Long Term (which you can access [here](#)), in short, we identify three major drivers of long-term returns:
 - i. Major, one-time demand shocks, historically driven by media rights renewals and CBA negotiations;
 - ii. Long-term wealth accretion in the economy overall, reflected in aggregate stock price increases over the long-term, though with more muted effects on sports valuations during short-term equity market stress;
 - iii. A long-term live entertainment or “experience economy” industry factor, which tends to outpace economy-wide inflation by a meaningful margin.
- b) To address the question regarding Diamond Sports, we believe that the recent developments will continue to catalyze change for the local media rights market, though the path forward remains unclear. The good news is that sports remains the single greatest aggregator of live content, and sports rights are an increasingly important and strategic asset within the entertainment ecosystem. For a more detailed review of the latest developments, you can access our latest white paper on the Future of Sports Media [here](#).

07

















































































How do you see sports technology transforming fan engagement and experience in the coming years?

- a) Sports technology will play a key role in engaging the next generation of fans, who face a proliferation of content that is competing for their attention. Young sports fans consume content differently, and we observe a shift to short-form entertainment, which has implications for content, media, and distribution technology. In addition, increased visibility into individual customer/fan data is driving the need for personalization and customization across all industries, providing an opportunity for technologies that help franchises identify and cultivate relationships with their most loyal customers and improve the fan experience and monetization opportunities.
- b) Within Arctos, we formed Arctos Sports Innovations (ASI), an innovation- and technology-oriented investment platform that targets multi-stage investments in category-leading companies across several key verticals that Arctos believes will amplify the growth of the sports ecosystem and help solve pain points on the technology and innovation side of sports organizations. The goal is to align our sports ecosystem and be part of the innovation engine for our teams while serving category-leading businesses as their evangelist or scale agents within sports and entertainment, allowing them to access a critical and trusted network of brands and leaders across U.S. and European markets.



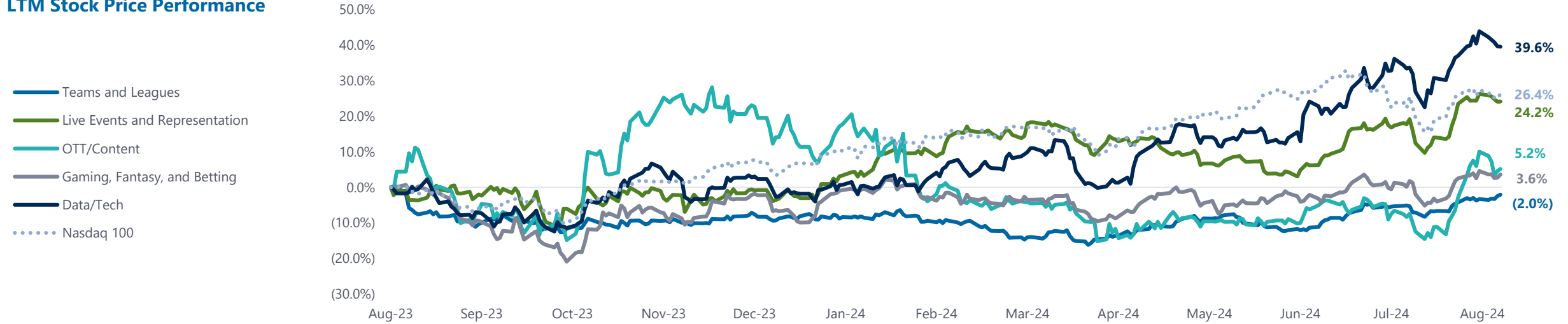
Selected Strategic Dealmakers

Aligning with dynamic tailwinds, strategic investors have placed more bets across the entire sports ecosystem.

Company	Headquarters	Number of Deals (2020–2024)	Acquisitions
 BETTER COLLECTIVE	Copenhagen, Denmark	18	              
ENDEAVOR	Beverly Hills, California	12	          
 Zntain	London, United Kingdom	10	         
 DS+ VENTURES <small>BY DICK'S SPORTING GOODS</small>	Coraopolis, Pennsylvania	7	      
 betsson	Stockholm, Sweden	6 ⁽¹⁾	     
 Fanatics	New York, New York	6	     
 Flutter	New York, New York	5	    
 DRAFT KINGS	Boston, Massachusetts	5	    
 SAVVY GAMES GROUP	Riyadh, Saudi Arabia	4	   
 LIBERTY	Englewood, Colorado	2	 

Public Markets: Stock Price Performance

LTM Stock Price Performance

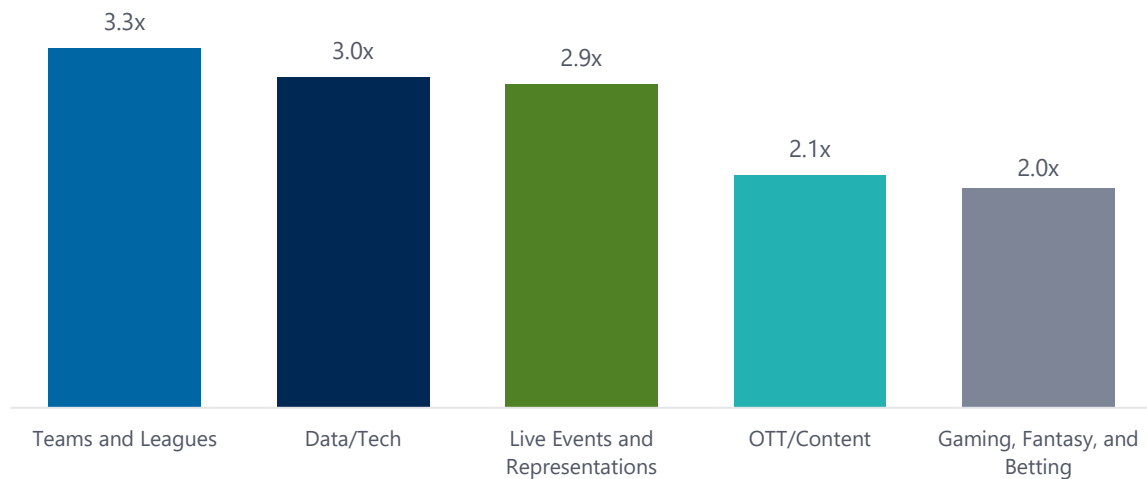


Sports, Sports Tech, and Media Ecosystem

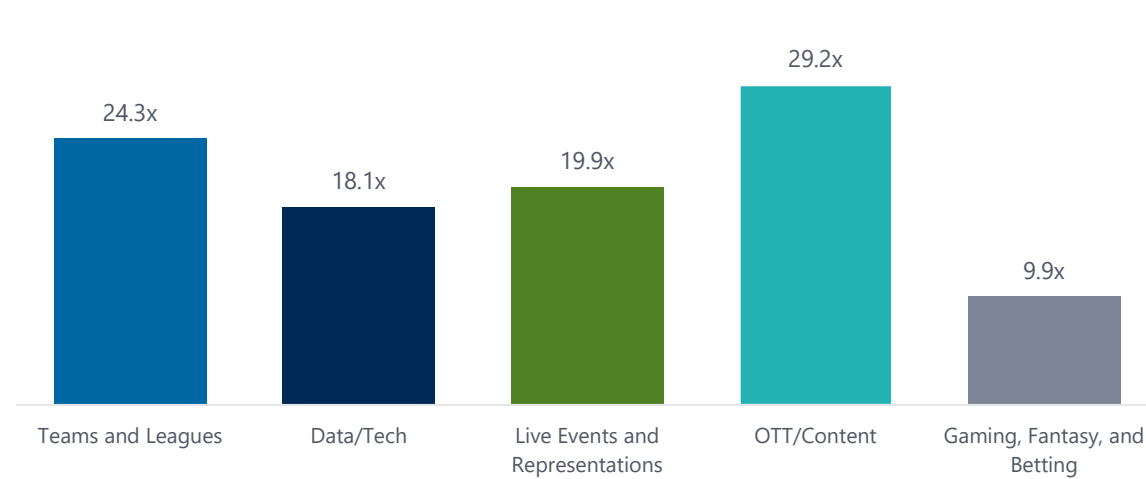


Public Markets: Selected Trading Observations

Enterprise Value/2024E Revenue⁽¹⁾



Enterprise Value/2024E Adj. EBITDA⁽¹⁾























Sports, Sports Tech, and Media Ecosystem



2024E Revenue/2024E Adj. EBITDA Multiple

Highlighted Sports M&A Transactions

Target	Acquirer	Date	Target Description	Enterprise Value (\$M)	Revenue Multiple	EBITDA Multiple
	Bob Iger and Willow Bay	Jul-24	Angel City FC is a professional women's football club based in Los Angeles, California.	\$250.0	8.3x	-
 ZoneIn	 TEAMWORKS	Jul-24	ZoneIn is a premier nutrition and meal planning software for sports teams, offering tailored solutions to enhance athlete performance.	-	-	-
 SUPPONOR		Jul-24	Innovate sports media and technology company intended to convert TV-visible signage into premium digital media.	\$108.0	-	-
		Jun-24	Operator of football turfs and courts intended to offer football practice sessions.	\$162.6	3.1x	7.0x
 HIBBETT SPORTS		Apr-24	Engaged in the retail of sports goods; offers a broad range of sporting goods and apparel needed for team sports.	\$1,100.0	0.6x	5.9x
		Apr-24	The Drone Racing League is a professional drone racing league that operates drone racing competitions and events.	\$250.0	-	-
		Apr-24	Simbex provides product design, development, and commercialization consulting in the sportstech, medtech, and healthtech markets.	\$4.8	-	-
ENDEAVOR		Apr-24	Endeavor Group is a global sports and entertainment company, home to many of the world's most dynamic and engaging brands and live events.	\$25,000.0	4.0x	22.5x
		Apr-24	Dorna Sports is an exclusive commercial rights holder to the MotoGP™ World Championship.	\$5,310.0	11.0x	-
		Apr-24	SKS365 is one of the main omnichannel operators in the Italian online and sports betting market.	\$686.8	2.2x	8.7x
		Mar-24	Let It Fly Media is a Kansas City-based content agency that offers visual storytelling, building brands and driving content worldwide.	\$320.2	-	-

Highlighted Sports M&A Transactions (cont.)

Target	Acquirer	Date	Target Description	Enterprise Value (\$M)	Revenue Multiple	EBITDA Multiple
		Mar-24	PlayUp is a sports fantasy and betting platform designed to create a social interactive gaming network for live sports events.	\$35.0	-	-
		May-24	Jackpocket is the leading provider of digital lottery services in the U.S.	\$750.0	-	-
		Feb-24	Producer and distributor of television content and formats, specifically in the entertainment field.	\$1,460.0	-	11.5x
		Feb-24	Specializes in sports customer relationship management, marketing, commercial strategy, management consultancy, sports data management, etc.	\$316.0	-	-
		Jan-24	Developer of an artificial intelligence platform designed to make sports predictions.	-	-	-
		Sep-23	MaxBet offers various types of sports betting, gaming, and gambling services.	\$292.6	1.9x	8.6x
		Sep-23	Creative Artists Agency is a leading entertainment and sports agency, representing artists working across music, film, and sports.	\$7,000.0	-	-
		Sep-23	World Wrestling Entertainment provides wrestling entertainment to a global audience.	\$8,400.0	5.9x	22.5x
		Jun-23	Angstrom Sports is a specialist provider of next-generation sports modeling, forecasting, and data analytics.	\$87.2	-	-
		Jun-23	IMG operates sports education centers for young athletes and players.	\$1,250.0	15.8x	-
		May-23	The North American operations of Pointsbet Holdings (ASX:PBH).	\$225.0	-	-

Highlighted Sports M&A Transactions (cont.)

Target	Acquirer	Date	Target Description	Enterprise Value (\$M)	Revenue Multiple	EBITDA Multiple
		May-23	Provider of event management and planning services intended for the sports and entertainment industry.	-	-	-
		Apr-23	365scores provides sports information, editorial, and social content, as well as a range of sports-focused free-to-play games.	\$155.8	-	-
		Feb-23	Vindex provides an e-sports infrastructure platform to help game publishers, e-sports leagues, and teams deliver engaging experiences.	-	-	-
		Feb-23	QC Media offers music management, sports branding, and marketing.	\$320.0	-	-
		Jan-23	Sports team intended to participate in various sports tournaments in India, including Kabaddi and Cricket.	\$1,570.0	-	-
		Sep-22	Deltatre offers over-the-top streaming solutions enabling direct-to-consumer content distribution via the internet as well as data and graphics.	\$801.0	12.2x	73.9x
		Jun-22	ICM Partners operates a talent and media agency for the representation of artists, content creators, broadcasters, and authors.	\$750.0	-	-
		May-22	Wimu is a healthcare technology system designed to offer real-time physical activity monitoring.	\$21.0	4.6x	-
		Feb-22	PlaySight Interactive installs high-performance connected and portable cameras to capture all sports action, using its platform to automate video.	\$82.0	-	-
		Feb-22	Topps Trading Cards is a preeminent licensed trading card brand that has serviced collectors, fans, and retailers.	\$500.0	-	4.8x
		Jan-22	The Athletic is an online sports news outlet with 1.2 million subscribers.	\$550.0	8.5x	-

Highlighted Sports Financings

Company	Date	Description	Investment (\$M)	Raised to Date (\$M)	Pre-Money Valuation (\$M)	Investor(s)
 SPIIDEO	Jun-24	Spiideo develops a sports video camera application designed to make advanced sports video recording easy, useful, and accessible.	\$20.7	\$52.36	-	Mathias Kamprad, CIPIO PARTNERS, Roos & Mandy, Tassaka Invest
 KINGS LEAGUE InfoJobs	May-24	Kings League InfoJobs is a seven-a-side football league in which the presidents of the teams can also play and offer tickets.	\$64.3	\$64.3	-	CASSIUS, LEFT LANE, fillip
 LIVE MODE	Apr-24	LiveMode is a sports media and marketing company focused on the live broadcast market.	\$85.0	\$85.0	-	GENERAL ATLANTIC, xpInvestimentos
 SI TICKETS By SPORTS ILLUSTRATED™	Apr-24	Sports Illustrated Tickets is a reservation platform designed to give fans direct access to face-value tickets for sports and other events.	\$20.0	\$28.1	\$30.0 ⁽¹⁾	Undisclosed
 DUDE PERFECT	Apr-24	Dude Perfect is a sports entertainment group that connects brands with engaged viewers in unique and exciting ways.	\$100.0	\$100.0	-	HIGHMOUNT CAPITAL, PITCO
 betr	Mar-24	Betr Holdings is a sports gaming platform designed to disrupt legacy gambling by supporting responsible play and control over it.	\$15.0	\$104.7	\$360.0	harmony partners, 10X CAPITAL
 ARCCOS	Feb-24	Arccos Golf develops sensor-based golf products that are intended to track the performance of golfers.	\$20.0	\$46.8	-	PGA TOUR
 BOOM ENTERTAINMENT	Feb-24	Boom Entertainment is a sports gaming application designed to launch and promote custom gaming experiences.	\$21.0	\$51.5	\$70.9 ⁽¹⁾	POLYCHAIN CAPITAL
 Golf Genius	Feb-24	Golf Genius is a cloud-based tournament management software intended for organizing and managing golf events, leagues, and trips.	\$23.8	\$30.0	-	Undisclosed
 minute media	Jan-24	Minute Media is a content company whose supply-side platform provides sports-focused content for customers.	\$100.0	\$194.3	-	authentic, BlackRock, HSBC
 TRUE GAMERS	Jan-24	True Gamers is a franchise network of e-sports clubs that hosts numerous tournaments and helps gamers improve their games.	\$45.0	\$58.5	-	فلك INVESTMENT HUB

Highlighted Sports Financings (cont.)

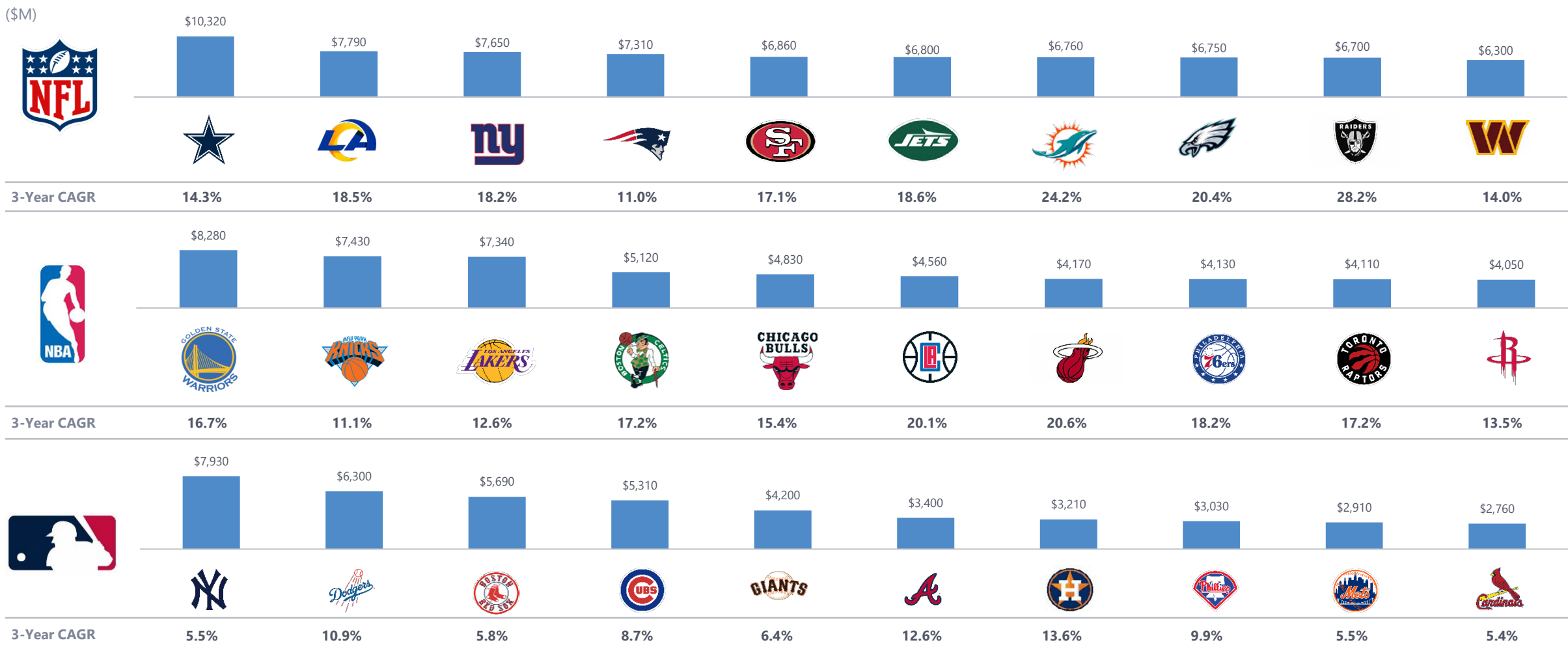
Company	Date	Description	Investment (\$M)	Raised to Date (\$M)	Pre-Money Valuation (\$M)	Investor(s)
 BOX TO BOX	Dec-23	Box to Box Films is an award-winning documentary production company that specializes in high-end content.	\$47.9	\$47.9	-	
 URBAN SPORTS CLUB	Dec-23	Urban Sports Club is a versatile sports and wellness platform that gives people access to more than 50 sports with one membership.	\$103.3	\$200.8	-	
 UFL™	Dec-23	UFL is a gaming software designed to offer free-to-play football video games.	\$40.0	\$40.0	-	Cristiano Ronaldo
 FutConnect	Dec-23	FutConnect offers a digital sports platform that provides detailed profiles and statistics of all players and teams to fans.	\$12.0	\$12.0	-	
 DNVR	Oct-23	DNVR is a digital sports network that has podcasts and post-game shows tailored toward Denver sports fans.	\$13.6	\$16.1	-	
 MUSTARD	Oct-23	Mustard is an AI sports coaching application that aims to help athletes improve their baseball pitching technique.	\$11.1	\$17.0	-	
 SPORTABLE®	Oct-23	Sportable is a sports technology company whose portable ball and player tracking technology delivers a turnkey solution for teams and leagues.	\$15.4	\$28.4	\$24.9	
 MATCHDAY	Aug-23	Matchday is a football-themed gaming platform that allows users to collect and trade cards in the marketplace.	\$21.0	\$21.0	-	
 FIGUR8	Jul-23	FIGUR8 is a wearable sensor technology that collects movement data without the need for expensive cameras.	\$24.6	\$44.1	\$34.0	
 LOVB	Jul-23	LOVB is a sports platform that just launched a professional volleyball league known as LOVB Pro.	\$35.0	\$51.8	-	
 TEAMWORKS	Jul-23	Teamworks is an athlete engagement application designed to organize sports organizations, supporting them in recruiting, development, and management.	\$65.0	\$163.5	\$275.0 ⁽¹⁾	

Highlighted Sports Financings (cont.)

Company	Date	Description	Investment (\$M)	Raised to Date (\$M)	Pre-Money Valuation (\$M)	Investor(s)
	Jun-23	Inter Miami CF is a professional sports team in Major League Soccer based in Miami, Florida.	\$75.0	\$75.0	\$625.0 ⁽¹⁾	
	Jun-23	MVPindex is a social media intelligence platform designed to assign digital brand value to teams, athletes, and leagues.	\$20.0	\$29.8	\$81.8 ⁽¹⁾	
	Jun-23	OxeFit is an integrated fitness system that uses robotics, movement, and performance tracking to personalize the user experience.	\$20.0	\$67.5	\$160.0	Harry Kane Dustin Johnson Jalen Ramsey
	May-23	Jump is an end-to-end experience platform that allows teams to personalize the fan's experience with new revenue opportunities.	\$20.0	\$30.0	\$37.0	FORERUNNER 
	Apr-23	SBLive is a real-time high school sports news platform that aims to connect fans, athletes, and communities through its coverage.	\$13.9	\$20.2	-	Undisclosed
	Apr-23	Goals is a gaming platform designed to offer an inclusive workplace to bridge the gap between the real world and the digital forum.	\$20.0	\$38.7	\$74.7 ⁽¹⁾	
	Apr-23	Buzzer Technologies is a notification-driven mobile platform that offers personalized live sports content based on customized preferences.	\$20.0	\$52.5	\$93.5 ⁽¹⁾	
	Mar-23	BAM is an NFT ticketing technology that offers fair ticketing through a platform that allows event organizers to integrate block chain technology into their solutions.	\$10.0	\$12.0	\$30.0	Undisclosed
	Mar-23	Huupe is a basketball hoop designed to provide targeted workouts from skill trainers, allowing players to track performance and compete against others.	\$11.0	\$18.9	-	  Marvan Ventures
	Feb-23	Hero Sports VSPD is a fully integrated operator of e-sports tournaments and creator of e-sports content with global coverage.	\$265.0	\$561.8	-	
	Jan-23	TOCA Football provides a one-of-a-kind, tech-enhanced soccer experiences for players of all ages and skill levels.	\$53.6	\$158.9	\$400.0	

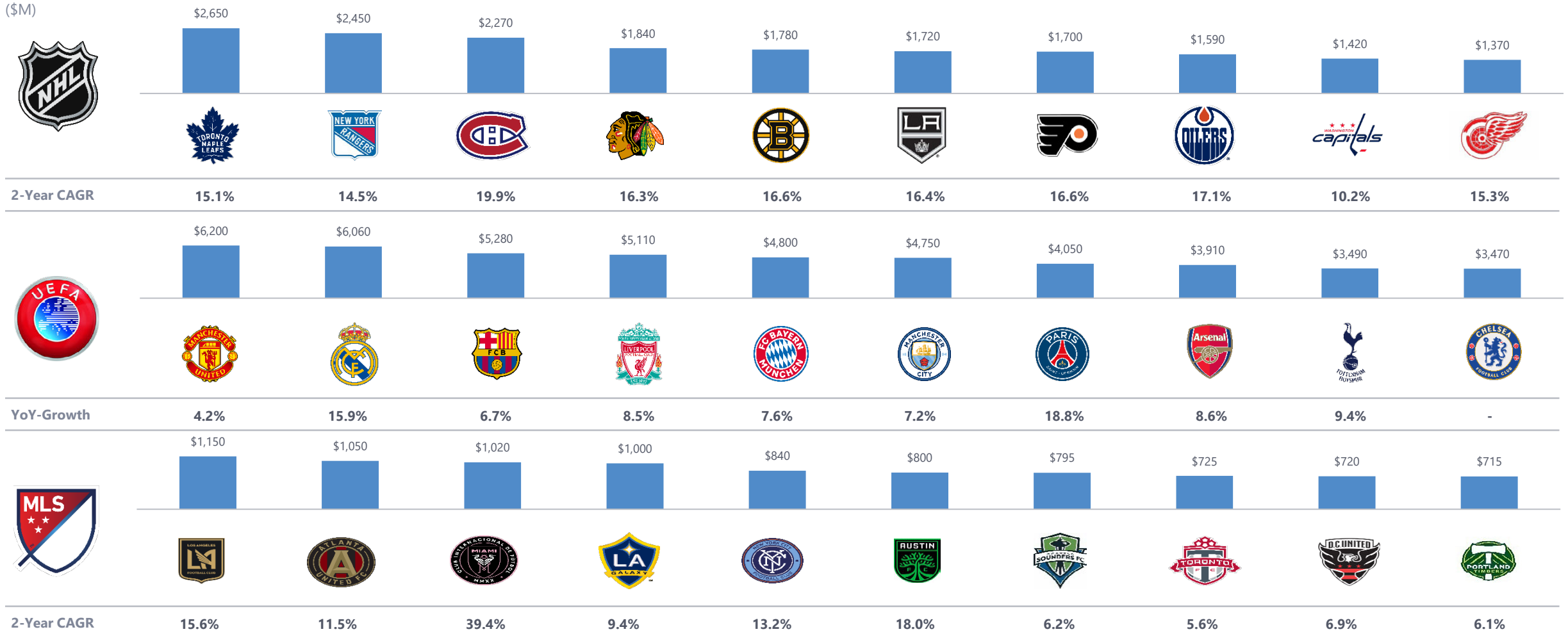
Professional Sports Franchise Valuation Update

Professional sports franchise valuations continue to rise, particularly for top-tier teams in major North American sports. See below for selected valuations for the top 10 teams across each league.



Professional Sports Franchise Valuation Update (cont.)








Professional sports franchise valuations continue to rise, particularly for top-tier teams in major North American sports. See below for selected valuations for the top 10 teams across each league.
















Professional Sports Franchise M&A Activity

Professional sports franchise M&A activity for controlling ownership stakes continues to set records in both deal size and revenue multiples. See below for selected transactions over the past decade.

NFL Transactions (\$M)

	New NFL Media Deal Announced (2/14/2011)					New NFL Media Deal Announced (3/18/2021)	
	\$750	\$760	\$1,000	\$1,400	\$2,275	\$4,650	\$6,050
Date Closed	Aug 2010	Jan 2012	Oct 2012	Oct 2014	Jul 2018	June 2022	Jul 2023
Revenue Multiple	3.5x	3.2x	4.1x	5.5x	5.9x	8.8x	11.1x
Target							
Buyer	Stan Kroenke	Shahid Khan	Jimmy Haslam	Terry and Kim Pegula	David A. Tepper	Walton-Penner Family Ownership Group	Harris Ownership Group











NBA Transactions (\$M)

						New NBA Media Deal Announced (10/6/2014)				New NBA Media Deal Announced (6/24/2024)			
	\$338	\$377	\$534	\$550	\$2,000	\$837	\$2,200	\$2,350	\$2,075	\$1,500	\$4,000	\$3,000	\$3,500
Date Closed	Apr 2012	Jun 2012	May 2013	Apr 2014	May 2014	Jun 2015	Sep 2017	Oct 2017	Oct 2020	April 2021	Dec 2022	June 2023	Dec 2023
Revenue Multiple	N/A	N/A	N/A	N/A	N/A	7.0x	9.3x	10.7x	8.5x	6.4x	13.2x	11.2x	8.2x
Target													
Buyer	Tom Benson	Robert Pera	Ranadivé Group	Wesley Edens, Marc Lasry	Steven A. Ballmer	Ressler Group	Tilman Fertitta	Joseph Tsai	Ryan Smith	Alex Rodriguez, Marc Lore	Mat Ishbia	Gabe Plotkin, Rick Schnall	Adelson Family













Professional Sports Franchise M&A Activity (cont.)

Professional sports franchise M&A activity for controlling ownership stakes continues to set records in both deal size and revenue multiples. See below for selected transactions over the past decade.

MLB Transactions (\$M)

						New MLB Media Deal Announced (8/28/2012)				
	\$845	\$469	\$610	\$2,000	\$800	\$1,469	\$1,200	\$1,000	\$2,350	\$1,725
Date Closed	Oct 2009	Aug 2010	Nov 2011	Apr 2012	Aug 2012	Aug 2016	Oct 2017	Nov 2019	Nov 2020	Mar 2024
Revenue Multiple	3.4x	2.8x	3.1x	8.7x	4.2x	5.4x	5.5x	4.1x	6.5x	5.3x
Target										
Buyer	Ricketts Family	Chuck Greenberg, Nolan Ryan	Jim Crane	Guggenheim Baseball Management	O'Malley Group	John Stanton	Bruce Sherman	John Sherman	Steven Cohen	Rubenstein Ownership Group

NHL Transactions (\$M)

								New NHL Media Deal Announced (3/9/2021)				
	\$320	\$250	\$305	\$485	\$500	\$300	\$420	\$650	\$900	\$775	\$950	\$1,200
Date Closed	Aug 2013	Sep 2013	Dec 2014	July 2016	Mar 2017	Jun 2017	Jan 2018	April 2021	Dec 2021	April 2023	Sept 2023	April 2024
Revenue Multiple	4.1x	3.6x	3.8x	4.3x	N/A	3.0x	3.9x	N/A	4.8x	4.6x	6.1x	10.0x
Target												
Buyer	Josh Harris, David Blitzer	Vincent Viola	Andrew Barroway	Jonathan Ledecky, Scott Malkin	Bill Foley	Andrew Barroway	Tom Dundon	David Bonderman	Fenway Sports Group	Jimmy Haslam	Andlauer Group	Ryan Smith

Disclaimer

© 2024 Houlihan Lokey. All rights reserved. This material may not be reproduced in any format by any means or redistributed without the prior written consent of Houlihan Lokey.

Houlihan Lokey is a trade name for Houlihan Lokey, Inc., and its subsidiaries and affiliates, which include the following licensed (or, in the case of Singapore, exempt) entities: in (i) the United States: Houlihan Lokey Capital, Inc., and Houlihan Lokey Advisory, Inc., each an SEC-registered broker-dealer and members of FINRA (www.finra.org) and SIPC (www.sipc.org) (investment banking services); (ii) Europe: Houlihan Lokey UK Limited (FRN 792919), Houlihan Lokey Advisory Limited (FRN 116310), and Houlihan Lokey PFG Advisory Limited (FRN 725267), authorized and regulated by the U.K. Financial Conduct Authority; Houlihan Lokey (Europe) GmbH, authorized and regulated by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht); Houlihan Lokey Private Funds Advisory S.A., a member of CNCEF Patrimoine and registered with the ORIAS (#14002730); (iii) the United Arab Emirates, Dubai International Financial Centre (Dubai): Houlihan Lokey (MEA Financial Advisory) Ltd. and Houlihan Lokey (MEA PFG Advisory) Limited, regulated by the Dubai Financial Services Authority; (iv) Singapore: Houlihan Lokey (Singapore) Private Limited an “exempt corporate finance adviser” able to provide exempt corporate finance advisory services to accredited investors only; (v) Hong Kong SAR: Houlihan Lokey (China) Limited, licensed in Hong Kong by the Securities and Futures Commission to conduct Type 1, 4, and 6 regulated activities to professional investors only; (vi) India: Houlihan Lokey Advisory (India) Private Limited, registered as an investment adviser with the Securities and Exchange Board of India (registration number INA000001217); and (vii) Australia: Houlihan Lokey (Australia) Pty Limited (ABN 74 601 825 227), a company incorporated in Australia and licensed by the Australian Securities and Investments Commission (AFSL number 474953) in respect of financial services provided to wholesale clients only. In the United Kingdom, European Economic Area (EEA), Dubai, Singapore, Hong Kong, India, and Australia, this communication is directed to intended recipients, including actual or potential professional clients (UK, EEA, and Dubai), accredited investors (Singapore), professional investors (Hong Kong), and wholesale clients (Australia), respectively. No entity affiliated with Houlihan Lokey, Inc., provides banking or securities brokerage services, nor is any such affiliate subject to FINMA supervision in Switzerland or similar regulatory authorities regarding such activities in other jurisdictions. Other persons, such as retail clients, are NOT the intended recipients of our communications or services and should not act upon this communication.

Houlihan Lokey gathers its data from sources it considers reliable; however, it does not guarantee the accuracy or completeness of the information provided within this presentation. The material presented reflects information known to the authors at the time this presentation was written, and this information is subject to change. Any forward-looking information and statements contained herein are subject to various risks and uncertainties, many of which are difficult to predict, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. In addition, past performance should not be taken as an indication or guarantee of future performance, and information contained herein may be subject to variation as a result of currency fluctuations. Houlihan Lokey makes no representations or warranties, expressed or implied, regarding the accuracy of this material. The views expressed in this material accurately reflect the personal views of the authors regarding the subject securities and issuers and do not necessarily coincide with those of Houlihan Lokey. Officers, directors, and partners in the Houlihan Lokey group of companies may have positions in the securities of the companies discussed. This presentation does not constitute advice or a recommendation, offer, or solicitation with respect to the securities of any company discussed herein, is not intended to provide information upon which to base an investment decision, and should not be construed as such. Houlihan Lokey or its affiliates may from time to time provide financial or related services to these companies. Like all Houlihan Lokey employees, the authors of this presentation receive compensation that is affected by overall firm profitability.





Houlihan
Lokey



Corporate Finance
Financial Restructuring
Financial and Valuation Advisory

HL.com