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# EXPANDING TKO'S LEADERSHIP IN PREMIUM SPORTS GLOBALLY

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**OCTOBER 2024**

# Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. TKO Group Holdings, Inc. (the “Company,” “TKO,” “we” or “our”) intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements in this presentation that do not relate to matters of historical fact should be considered forward-looking statements, including, without limitation, statements regarding the expected timetable for completing the potential transaction, the ability to complete the potential transaction, expected synergies, impacts and benefits of the potential transaction, projected financial information, future opportunities, expected market growth and total addressable market, and expectations related to TKO’s capital return program. The words “believe,” “may,” “will,” “estimate,” “potential,” “continue,” “anticipate,” “intend,” “expect,” “could,” “contemplates,” “would,” “project,” “plan,” “target,” and similar expressions are intended to identify forward-looking statements, though not all forward-looking statements use these words or expressions. Any such forward-looking statement represents management’s expectations as of the date of this filing. These statements are neither promises nor guarantees and involve known and unknown risks, uncertainties and other important factors that may cause actual results, performance or achievements to be materially different from what is expressed or implied by the forward-looking statements, including, but not limited to: the risk that the transaction may not be completed in a timely manner or at all, which may adversely affect TKO’s businesses and the price of their respective securities; uncertainties as to the timing of the consummation of the transaction and the possibility that any or all of the various conditions to the consummation of the transaction may not be satisfied or waived; the occurrence of any event, change or other circumstance that could give rise to the termination of the transaction agreement and the transaction; the effect of the announcement, pendency or completion of the transaction on TKO’s business relationships, operating results, and business generally; the transaction may involve unexpected costs, liabilities and/or delays; TKO’s businesses may suffer as a result of uncertainty surrounding the transaction and disruptions of management’s attention due to the transaction; the risk that integration of the transferred businesses post-closing may not occur as anticipated; unfavorable outcome of legal proceedings that may be instituted against TKO following the announcement of the transaction; and the risk that TKO’s stock price may decline following the announcement of the transaction. These and other important factors discussed in Part I, Item 1A “Risk Factors” in TKO’s Annual Report on Form 10-K for the fiscal year ended December 31, 2023, as any such factors may be updated from time to time in the Company’s other filings with the SEC, including, without limitation, the Company’s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2024, could cause actual results to differ materially from those indicated by the forward-looking statements contained in this presentation. Forward-looking statements speak only as of the date they are made and, except as may be required under applicable law, TKO undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

## Basis of Presentation

As a result of the timing of the consummation of the business combination on September 12, 2023, of the businesses of World Wrestling Entertainment, Inc. (“WWE”) and the Ultimate Fighting Championships (“UFC”) (the “business combination”) under the newly formed company, TKO, TKO’s consolidated results are presented herein on an “actual basis” and include WWE’s results on and after September 12, 2023. The TKO financial information provided herein for periods prior to October 1, 2023 is presented for informational purposes only and is not indicative of TKO’s results of operations that would have been achieved if the business combination had occurred on January 1, 2022, nor is it indicative of future results of TKO on a consolidated basis. TKO’s financial information for period prior to October 1, 2023 does not include any pro forma or other adjustments for costs related to integration activities, cost savings or synergies that have been or may be achieved by the business combination.

## Non-GAAP Financial Measures

The Company refers in this presentation to certain financial measures that are not recognized under United States generally accepted accounting principles (“GAAP”), including Adjusted EBITDA, Adjusted EBITDA Margin and Free Cash Flow. Please see the Appendix for additional information and a reconciliation of the historical non-GAAP financial measures to the most comparable GAAP financial measures.

In addition, the presentation includes Run Rate Adjusted Revenue and Run Rate Adjusted EBITDA financial information for each of IMG, On Location and PBR and for TKO on a combined basis. Please see the Appendix for a reconciliation of these run rate adjusted financials.

## Market Data and Industry Information

Market data and industry information used throughout this presentation are based on management’s knowledge of the industry and good faith estimates. The Company also relied, to the extent available, upon management’s review of independent industry surveys and publications and other publicly available information prepared by a number of third-party sources. All of the market data and industry information used in this presentation involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Although the Company believes that these sources are reliable, it cannot guarantee the accuracy or completeness of this information, and it has not independently verified this information. While the Company believes the estimated market position, market opportunity and market size information included in this presentation are generally reliable, such information, which is derived in part from management’s estimates and beliefs, is inherently uncertain and imprecise. No representations or warranties are made by the Company or any of its affiliates as to the accuracy of any such statements or projections. Projections, assumptions and estimates of the Company’s future performance, the future performance of the target businesses, and the future performance of the industry in which it operates are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described above. These and other factors could cause results to differ materially from those expressed in the Company’s estimates and beliefs and in the estimates prepared by independent parties.

# Today's Announcements

**01** Approval of Significant Capital Return Program

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**02** Acquisition of Professional Bull Riders, On Location and IMG



# Industry Leading Assets That Enhance TKO's Portfolio



ON LOCATION.

**Professional Bull Riding League  
Synonymous With Western Lifestyle**

**Scarce league level asset  
Significant growth opportunity across:**

- Media rights
- Live events
- Site fees

- Team expansion
- Brand partnerships / sponsorships

**Premium Hospitality and Live Experiences Industry 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 <sup>(1)</sup>**

**Leader in sports rights management, production and digital content**

**200+ premium sports rightsholders**

**Operations in 35 countries**

**Note:**  
1. The acquisition of IMG does not include IMG's licensing, models and tennis representation businesses

# Acquired Assets Complement TKO's Existing Premium IP and Position TKO for Accelerated Growth

**01** Industry Leading Assets With Meaningful Upside

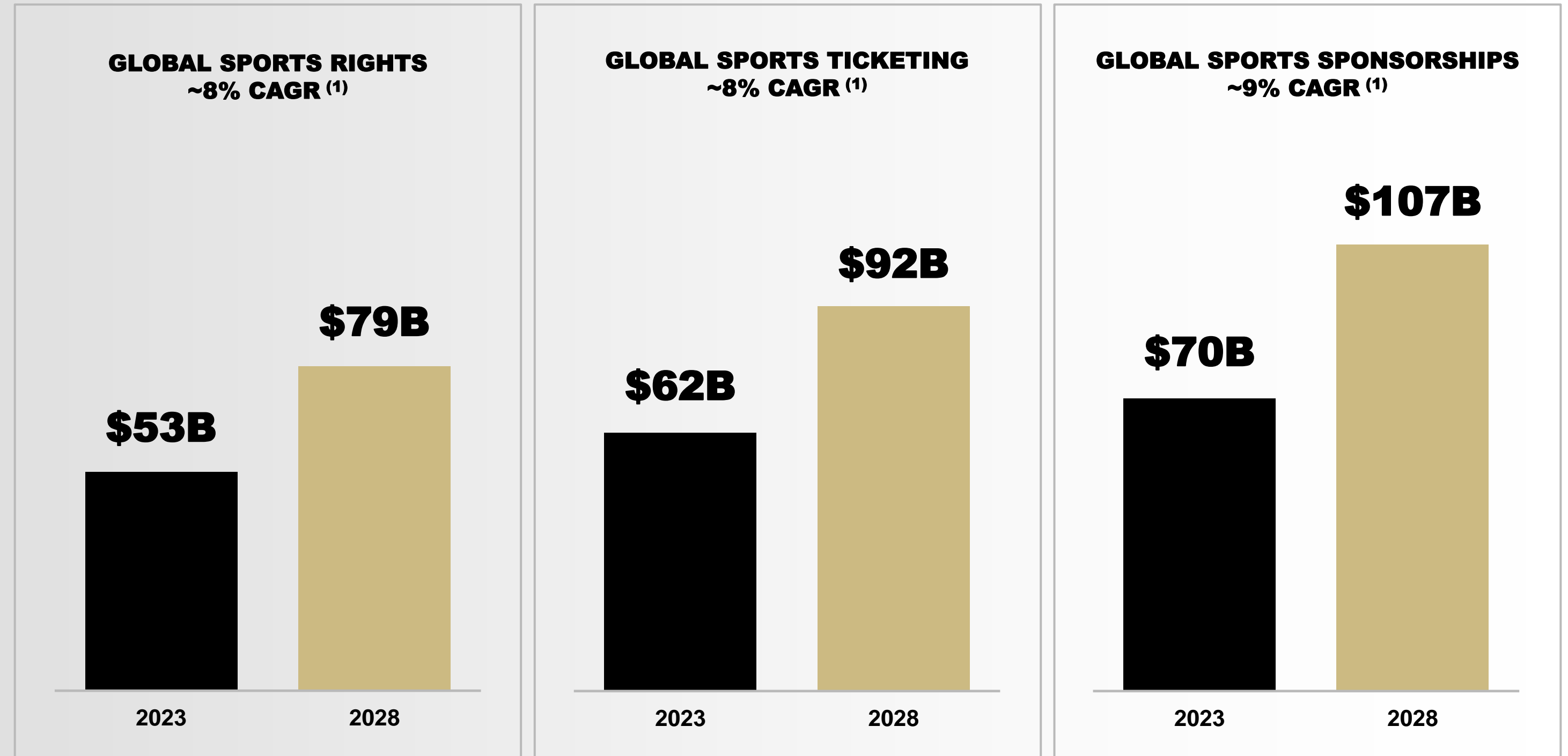
**02** Businesses That Are Well-Positioned Globally to Fuel TKO's Value Creation Model

**03** Aligned With Premium Leagues and Properties in the Fast-Growing Sports and Sports Entertainment Market

**04** Recent Strategic Partnerships Are Expected to Provide Runway for Profitable Growth

# Expanding TKO's Operational Footprint in Attractive, Fast-Growing Segments of the Sports TAM

- ✓ More Premium Sports Rights
- ✓ More Live Events Hosted
- ✓ More Tickets Sold
- ✓ More Premium Experiences
- ✓ More Sponsorship Partners
- ✓ More Exclusive Relationships
- ✓ More Site Fees

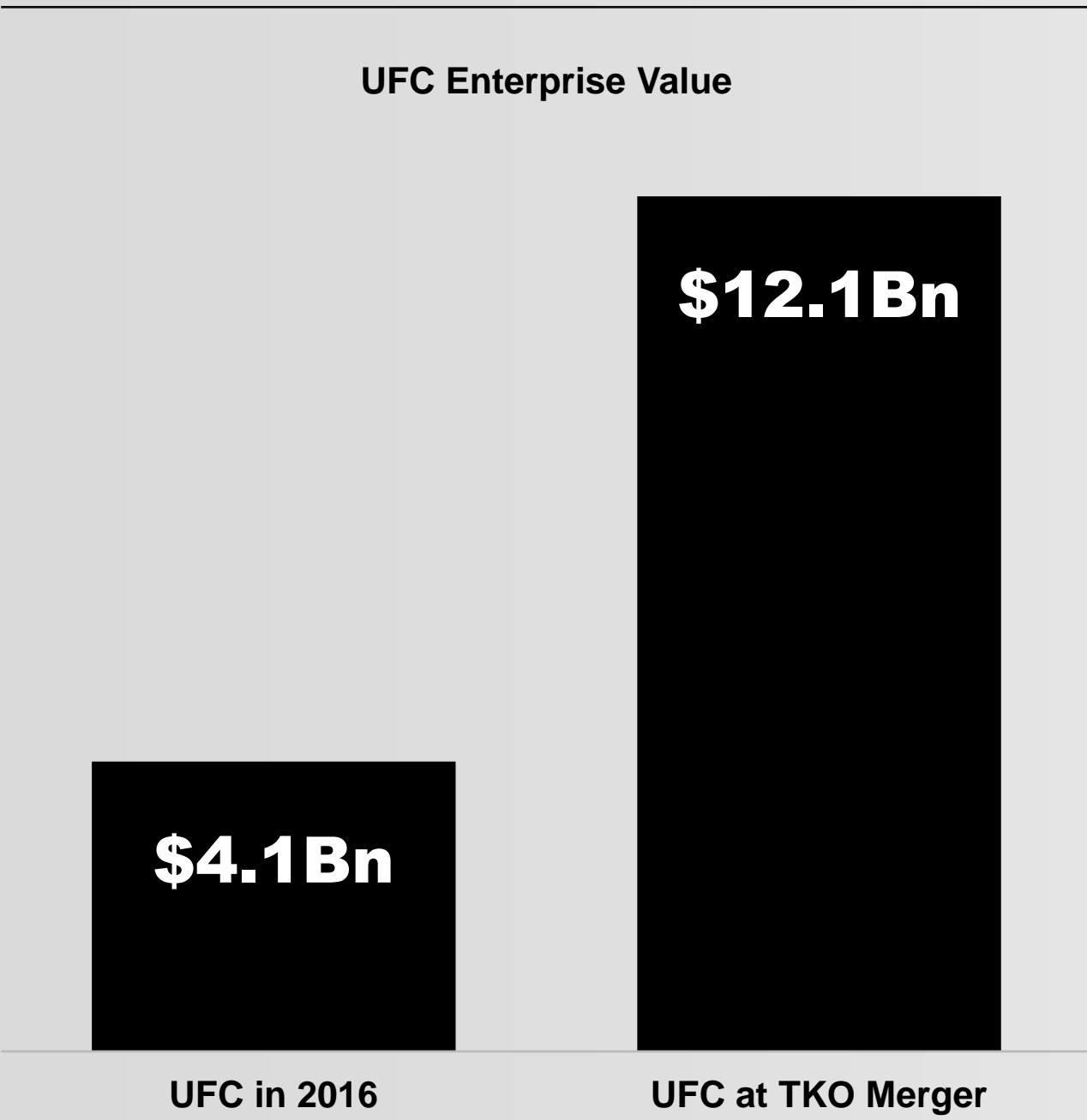


**Note:**  
1. Addressable Market Information per Technavio's 2024 Global Sports Events Markets 2024-2028 Report

# TKO is Uniquely Positioned to Capture Upside Associated with Marquee Global Sports Properties

Management's Strong Track Record

1-of-1 Investment Opportunity Spanning the Entire Ecosystem of Premium Global Sports and Sports Entertainment



Global Leaders



Leagues



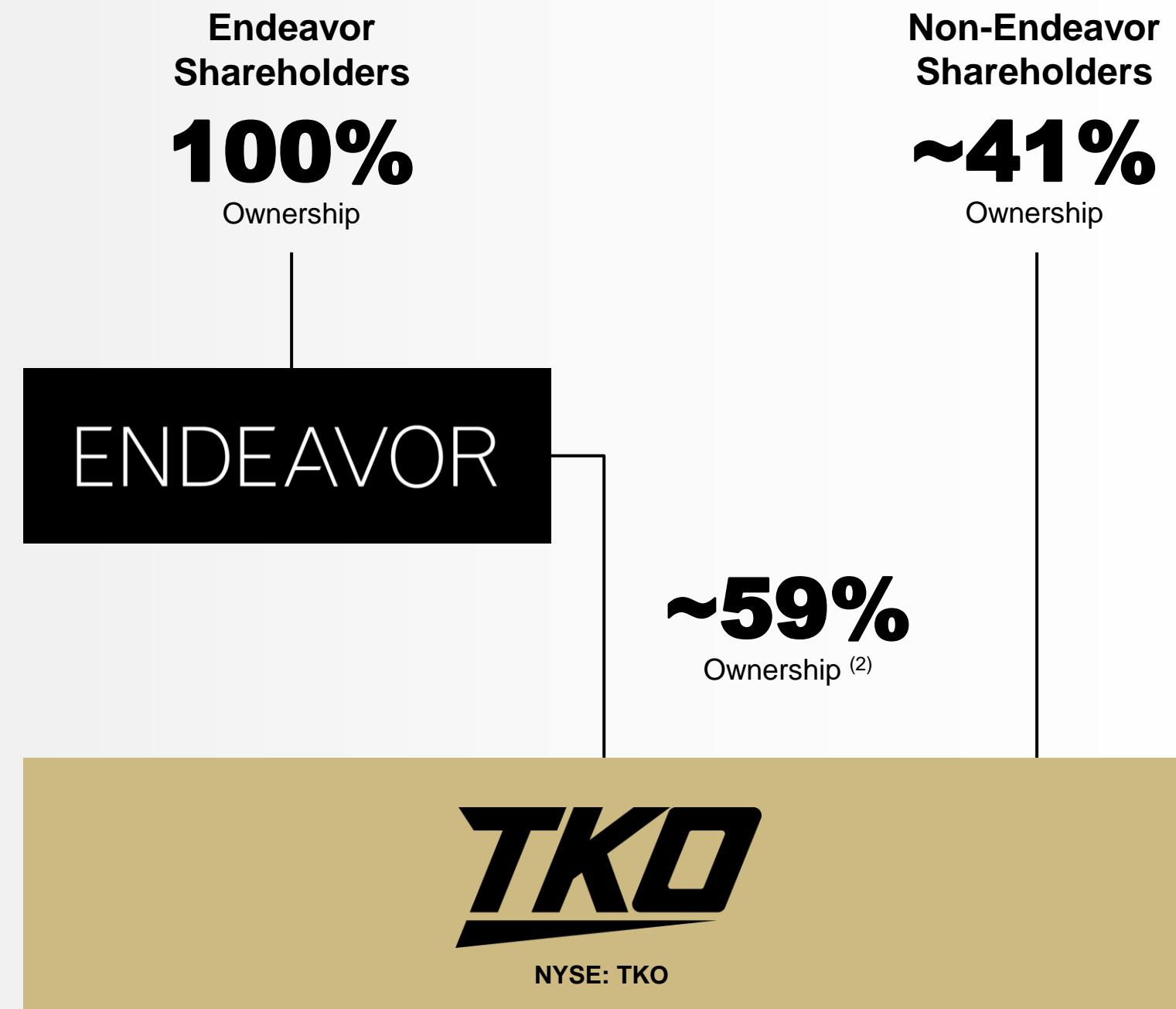
Events



# Investing in the Next Phase of TKO's Growth

*Strategic Acquisitions Increase the Depth and Breadth of TKO's Portfolio of Assets*

- TKO to acquire **PBR, On Location** and **IMG** in an all-equity transaction for a total consideration of **\$3.25 billion**, based on the 25-day VWAP of TKO's Class A common stock for the period ending October 23, 2024 <sup>(1)</sup>
- Endeavor will receive fixed consideration of approximately **26.14** million common units of TKO Operating Company, LLC and will subscribe for an equal number of shares of TKO Class B common stock <sup>(1)</sup>
- Pro forma for the transaction, **Endeavor will own approximately 59% of TKO** <sup>(2)</sup>
- Transaction is expected to result in **run rate cost savings of \$30M+** <sup>(3)</sup>
- Transaction is expected to close **in the first half of 2025**



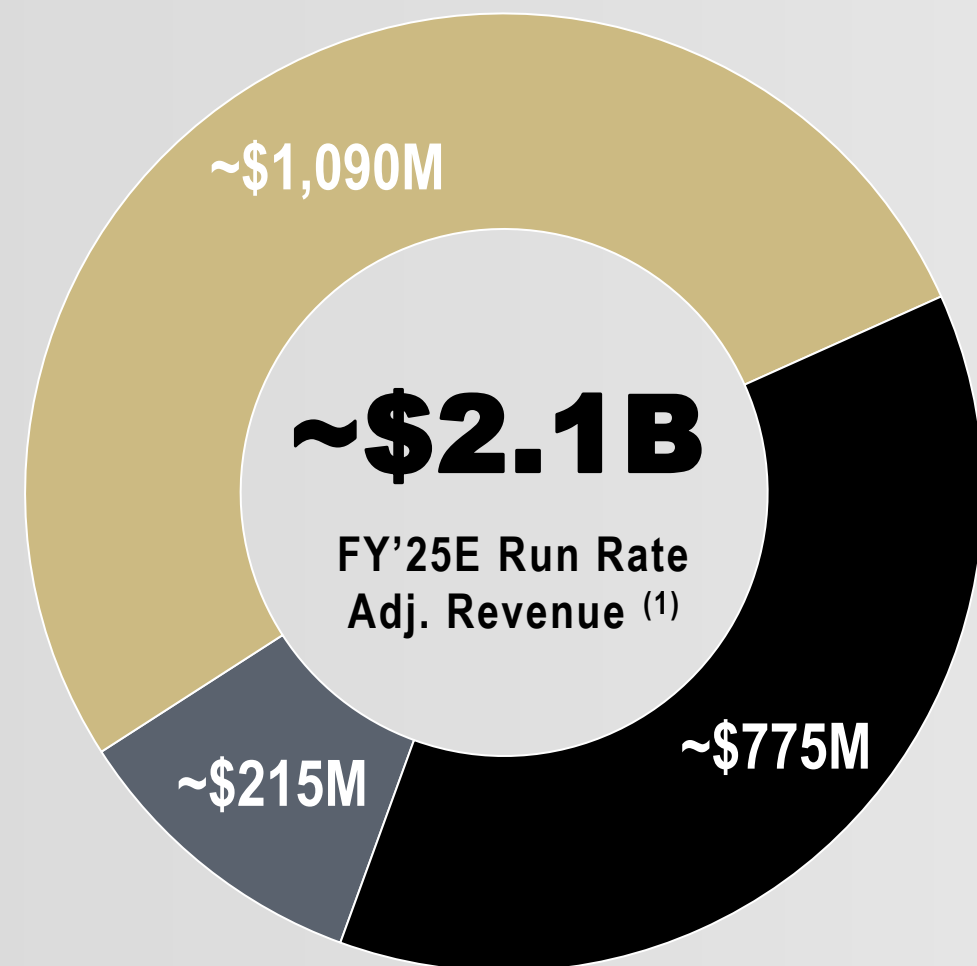
**Notes:**

1. Transaction is also subject to purchase price adjustments to be settled in cash and equity
2. Reflects pro forma ownership of TKO voting stock after closing of the acquisition (based on TKO ownership information as of June 30, 2024)
3. Reflects the elimination of the services fee that TKO currently pays to Endeavor and expected efficiencies, partially offset by costs that TKO expects to incur to replace Endeavor services

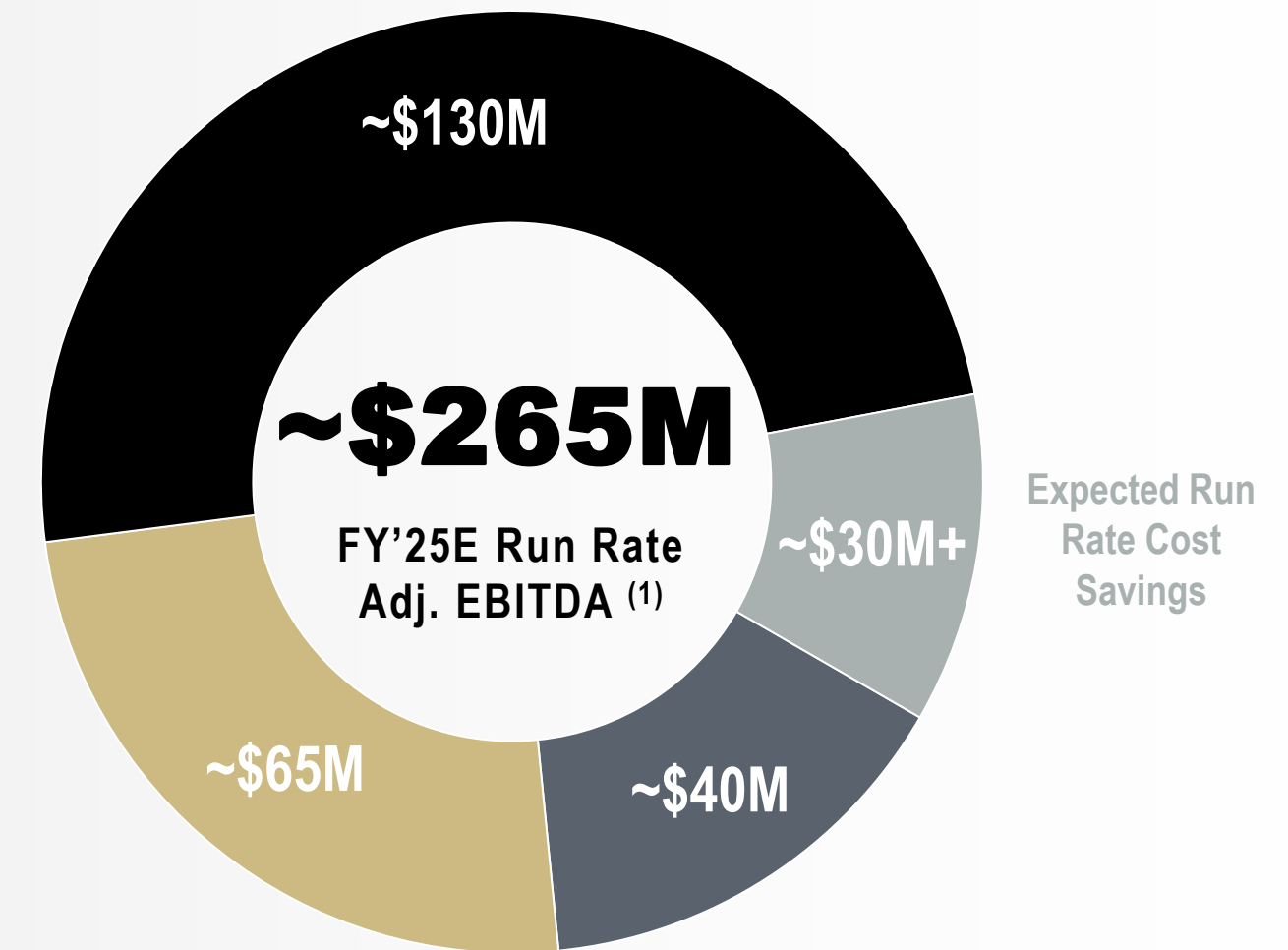


# Financial Overview

FY'25E Run Rate Adj. Revenue <sup>(1)</sup>



FY'25E Run Rate Adj. EBITDA <sup>(1)</sup>



**COMBINED**

**~\$2.1B**

FY'25E Run Rate Adj. Revenue <sup>(1)</sup>

**~\$265M**

FY'25E Run Rate Adj. EBITDA <sup>(1)</sup>

**~13%**

FY'25E Run Rate Adj. EBITDA Margin <sup>(1)</sup>

**Note:**

1. See Appendix for further details on run rate adjustments to Revenue and Adj. EBITDA

# Robust Capital Return Program and Balanced Capital Allocation Strategy

**\$2B**

**SHARE REPURCHASE  
AUTHORIZATION <sup>(1)(3)</sup>**

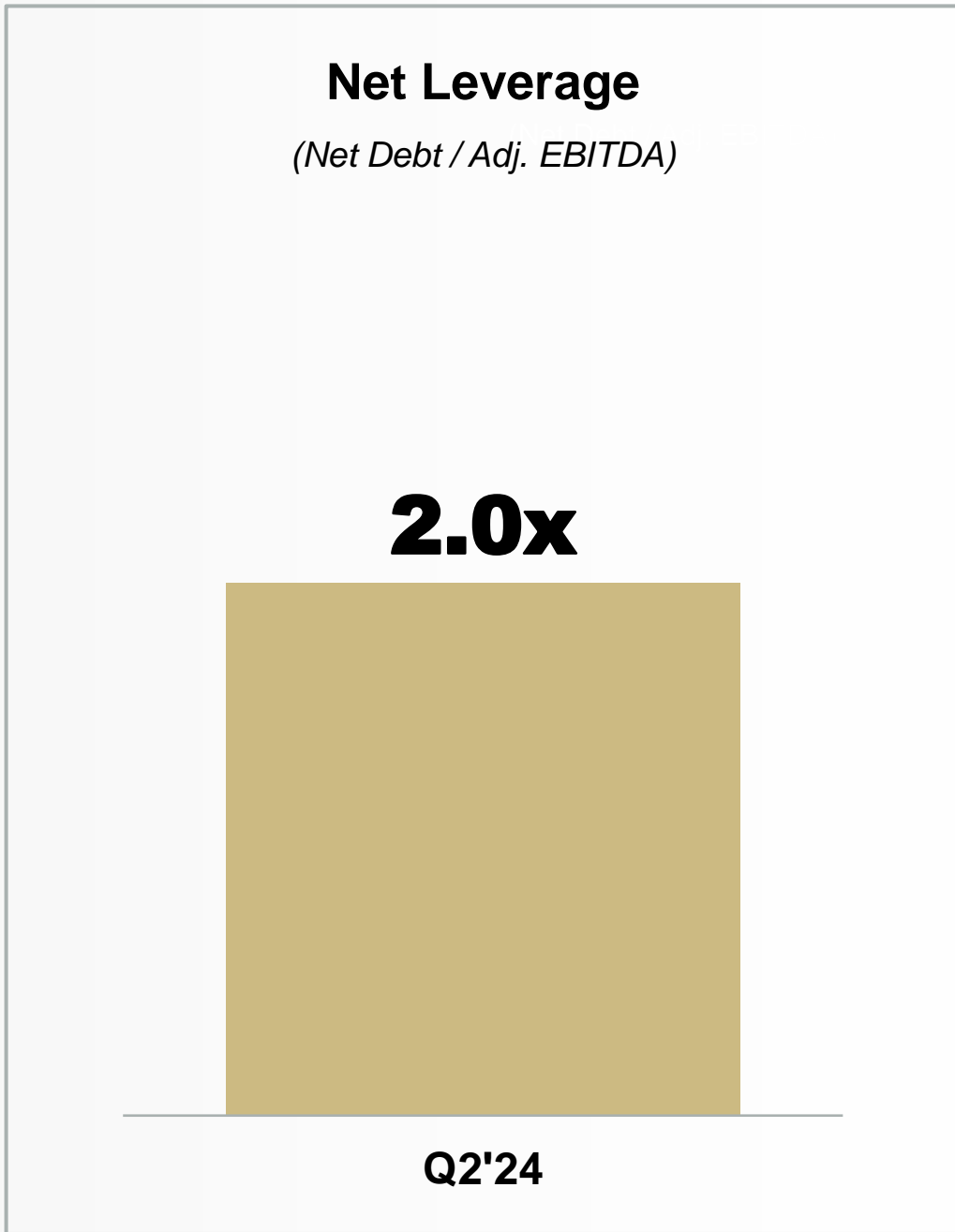
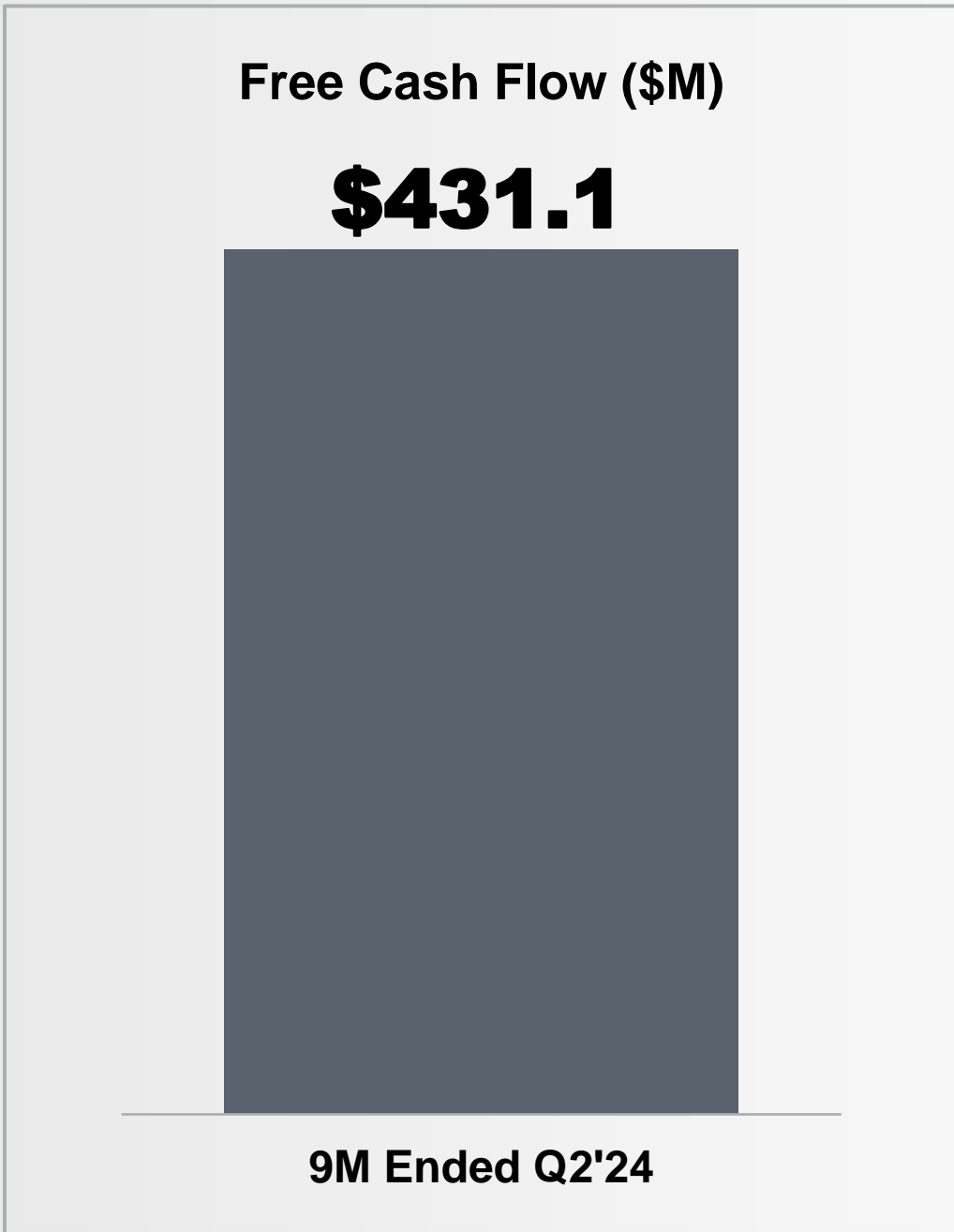
**\$75M**

**ANTICIPATED QUARTERLY DIVIDEND  
(COMMENCING 2025) <sup>(2)(3)</sup>**

**Notes:**

- 1. The Company is authorized to purchase up to \$2Bn of Class A common shares
- 2. The dividend program will involve a \$75 million quarterly distribution by TKO Operating Company, LLC, and holders of TKO Class A common stock will receive their pro rata share of the distributions paid under the program
- 3. Share repurchase authorization (and repurchases) and authorization of annual distributions are not contingent upon the signing or closing of the PBR, On Location and IMG acquisitions, and anticipated quarterly distribution amounts are subject to change based on market factors and business performance

# Capital Return Program Underpinned by Strong Free Cash Flow Visibility, Durable Growth and Debt Capacity



TKO has repurchased shares in the aggregate amount of \$265M since the formation of TKO in September 2023

Note: See Appendix for further details

***TKO***



## Appendix

# Shares Outstanding

## Share Count as of June 30, 2024 (M)

	As of June 30, 2024
Class A Common Shares	80.71
Class B Common Shares	89.62
Unvested Equity Grants	2.72
<b>Total Fully Diluted Shares Outstanding</b>	<b>173.05</b>
Transaction Related Share Issuance	26.14
<b>Projected Fully Diluted Shares Outstanding</b>	<b>199.19</b>

## Endeavor Ownership Summary (M)

	As of June 30, 2024	% of Fully Diluted Shares O/S
Class A Common Shares	1.64	
Class B Common Shares	89.62	
<b>Total Shares Held by Endeavor</b>	<b>91.26</b>	<b>53%</b>
Transaction Related Share Issuance	26.14	
<b>Projected Outstanding Shares Held by Endeavor</b>	<b>117.40</b>	<b>59%</b>

# Historical Financial Information

## Historical Adjusted EBITDA – Segment Detail (\$ in Millions, Unaudited) <sup>(1)</sup>

	2022	2023				2024	
	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Adjusted EBITDA <sup>(2)</sup></b>							
UFC	\$154.1	\$186.3	\$188.2	\$238.3	\$142.9	\$195.1	\$231.9
WWE	\$126.1	\$117.0	\$173.1	\$102.0	\$141.0	\$140.2	\$251.3
Corporate	(\$49.3)	(\$46.5)	(\$47.0)	(\$42.1)	(\$60.7)	(\$53.1)	(\$62.3)
<b>Total TKO</b>					<b>\$223.2</b>	<b>\$282.2</b>	<b>\$420.9</b>

**Notes:**

1. The information herein for the periods prior to Q4 2023 is for illustrative purposes based on the historical financial information of UFC and WWE
2. Following the business combination, the performance of our segments is evaluated primarily based on Adjusted EBITDA. Adjusted EBITDA is a non-GAAP financial measure and the Company defines Adjusted EBITDA as net income, excluding income taxes, net interest expense, depreciation and amortization, equity-based compensation, merger and acquisition costs, certain legal costs, restructuring, severance and impairment charges, and certain other items when applicable. Adjusted EBITDA includes amortization expenses directly related to supporting the operations of the Company's segments, including content production asset amortization

# Reconciliation of TKO Non-GAAP Historical Financial Information

## Reconciliation of Free Cash Flow (\$ in Millions)

	Three Months Ended December 31,	Three Months Ended March 31,	Three Months Ended June 30,
	2023	2024	2024
Net cash provided by operating activities	\$220.7	\$59.3	\$230.7
Less cash used for capital expenditures:			
Purchase of property, buildings and equipment and other assets <sup>(1)</sup>	(\$36.0)	(\$31.5)	(\$12.1)
<b>Free Cash Flow</b>	<b>\$184.7</b>	<b>\$27.8</b>	<b>\$218.6</b>

## Reconciliation of Net Leverage (\$ in Millions)

	As of September 30, 2023	As of June 30, 2024
Cash	\$189	\$278
Gross Debt	\$2,773	\$2,744
<b>Net Debt</b>	<b>\$2,584</b>	<b>\$2,467</b>
LTM Adjusted EBITDA <sup>(2)</sup>	\$1,100	\$1,225
<b>Net Leverage</b>	<b>2.35x</b>	<b>2.01x</b>

**Notes:**

1. Purchases of property, buildings and equipment and other assets for the three months ended June 30, 2024, March 31, 2024, and December 31, 2023 includes approximately \$7.3 million, \$19.6 million, and \$24.9 million, respectively, of capital expenditures related to WWE's new headquarter facility
2. See historical financial information on slide 15



# Reconciliation of Run Rate Adjusted Financials <sup>(1)</sup>

## Reconciliation of Run Rate Adjusted Revenue of Acquired Assets (\$ in Millions)

	FY 2025 Forecast				Run Rate Adjusted Revenue
	Revenue	Olympics Adjustment	Milan and LA Games Adjustment	FIFA World Cup Adjustment	
IMG	~\$775	--	--	--	~\$775
On Location (incl. IOC / FIFA)	~\$565	<b>A</b> ~(\$2)	<b>B</b> ~\$490	<b>C</b> ~\$40	~\$1,090
PBR	~\$215	--	--	--	~\$215
<b>Combined Revenue</b>	<b>~\$1,555</b>	<b>~(\$2)</b>	<b>~\$490</b>	<b>~\$40</b>	<b>~\$2,080</b>

- A** Represents "as reported" Revenue associated with the Olympics contract for the Milan Games in 2026 and Los Angeles Games in 2028, which is not part of the core business of On Location.
- B** Represents the run rate annual Revenue contribution of the International Olympic Committee ("IOC") contract from 2025 to 2028 which includes the Milan Games in 2026 and Los Angeles Games in 2028. IOC related revenue in aggregate is expected to be ~\$2,000M over the period of the contract. Total revenue of \$2,000M is divided by four years, equating to ~\$490M of contribution annually.
- C** FIFA Revenue run rate adjustment of ~\$40M represents forecasted Revenue from 2025 to 2028 under the FIFA contract which includes the 2026 World Cup in North America and totals ~\$155M in aggregate, is divided by four years, equating to ~\$40M of contribution annually.

## Reconciliation of Run Rate Adjusted EBITDA of Acquired Assets (\$ in Millions)

	FY 2025 Forecast					Run Rate Adjusted EBITDA
	Adjusted EBITDA	Olympics Adjustment	Milan and LA Games Adjustment	FIFA World Cup Adjustment	Run Rate Cost Savings	
IMG	~\$130	--	--	--	--	~\$130
On Location (incl. IOC / FIFA)	~(\$35)	<b>A</b> ~\$50	<b>B</b> ~\$30	<b>C</b> ~\$20	--	~\$65
PBR	~\$40	--	--	--	--	~\$40
<b>Combined Adjusted EBITDA</b>	<b>~\$135</b>	<b>~\$50</b>	<b>~\$30</b>	<b>~\$20</b>	<b>~\$30+</b>	<b>~\$265</b>

- A** Represents "as reported" Adj. EBITDA associated with the Olympics contract for the Milan Games in 2026 and Los Angeles Games in 2028, which is not part of the core business of On Location.
- B** Adjusted EBITDA run rate adjustment of ~\$30M in 2025 represents the run rate annual Adjusted EBITDA contribution of the International Olympic Committee ("IOC") contract from 2025 to 2028 which includes the Milan Games in 2026 and Los Angeles Games in 2028. IOC related Adjusted EBITDA in aggregate is expected to be ~\$130M over the period of the contract. Total Adjusted EBITDA of ~\$130M is divided by four years, equating to ~\$30M annually.
- C** FIFA Adjusted EBITDA run rate adjustment of ~\$20M represents forecasted Adjusted EBITDA from 2025 to 2028 under the FIFA contract which includes the 2026 World Cup in North America and totals ~\$75M in aggregate, is divided by four years, equating to ~\$20M of contribution annually.

**Note:**

1. Information for IMG, On Location (including IOC and FIFA) and PBR provided by Endeavor Group Holdings, Inc.

***TKO***