

The image shows the Skillz logo, which consists of the word "skillz" in a white, lowercase, sans-serif font. The logo is centered on a dark blue background that fills the majority of the page.

# DISCLAIMER

This investor presentation ("Investor Presentation") is for informational purposes and does not constitute an offer to sell, a solicitation of an offer to buy, or a recommendation to purchase any equity, debt or other financial instruments of Skillz Inc. ("Skillz" or the "Company") or ("FEAC") or any of their respective affiliates. The Investor Presentation has been prepared to assist investors in making their own evaluation with respect to the proposed business combination, as contemplated in the definitive merger agreement entered into by FEAC and Skillz, and is not intended to form the basis of any investment decision or any other decision in respect of the business combination. The information contained herein does not purport to be all-inclusive. The data contained herein is derived from various internal and external sources. No representation is made as to the reasonableness of the assumptions made within or the accuracy or completeness of any projections or modeling or any other information contained herein. Any data on past performance or modeling contained herein is not an indication as to future performance. FEAC and Skillz do not warrant the accuracy of any information in this Investor Presentation, except as required by law.

## Important Information About the Business Combination and Where to Find It

In connection with the proposed business combination, FEAC, which will be renamed Skillz Inc., at closing ("New Skillz"), intends to file a registration statement on Form S-4 (the "Registration Statement") with the U.S. Securities and Exchange Commission (the "SEC"), which, along with the prospectus, and certain other related documents, to be used at the meeting of FEAC stockholders to approve the proposed business combination. Investors and security holders of FEAC are urged to read the proxy statement/prospectus, any amendments thereto and other relevant documents with the SEC carefully and in their entirety when they become available because they will contain important information about Skillz, FEAC and the proposed business combination. The definitive proxy statement/prospectus will be mailed to stockholders of FEAC as of a record date to be determined by FEAC. Investors and security holders will also be able to obtain copies of the Registration Statement and other documents containing important information about each of the companies once such documents are filed with the SEC, without charge, at [www.sec.gov](http://www.sec.gov), or by directing a request to: [ir@skillz.com](mailto:ir@skillz.com).

## Participants in the Solicitation

FEAC and its directors and executive officers may be deemed participants in the solicitation of proxies from FEAC's stockholders with respect to the proposed business combination. A list of the names of those directors and executive officers and a description of their interests in FEAC is included in the prospectus for FEAC's initial public offering, which was filed with the SEC on March 6, 2020, and is available free of charge at the SEC's web site at [www.sec.gov](http://www.sec.gov), or by directing a request to Flying Eagle Acquisition Corp., 2121 Avenue of the Stars, Suite 2300, Los Angeles, California, Attention: Mr. Baker, President, Chief Financial Officer and Secretary, (310) 209-7280. Additional information regarding the interests of such participants will be set forth in the Registration Statement for the proposed business combination when available.

Each of Skillz and its directors and executive officers may also be deemed to be participants in the solicitation of proxies from the stockholders of FEAC in connection with the proposed business combination. A list of the names of such directors and executive officers and information regarding their interests in Skillz will be contained in the Registration Statement for the business combination when available.

## No Offer or Solicitation

This Investor Presentation does not constitute a solicitation of a proxy, consent or authorization with respect to any securities or in respect of the business combination. This Investor Presentation also does not constitute an offer to sell or the solicitation of an offer to buy securities, or the offering of securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities will be made except by means of a prospectus meeting the requirements of the Securities Act, as amended, or an exemption therefrom.

## Industry and Market Data

This presentation includes information and statistics regarding market participants in the sectors in which Skillz competes and other industry data which was obtained from third-party sources, including reports by market research firms and company filings.

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## Use of Non-GAAP Financial Measures

This presentation includes non-GAAP financial measures. FEAC and Skillz believe that these non-GAAP measures are useful to investors for two principal reasons. First, they believe these measures may assist investors in comparing performance over various reporting periods and in removing from operating results the impact of items that do not reflect core operating performance. Second, these measures are used by Skillz's management to assess its performance. FEAC and Skillz believe that the use of these non-GAAP financial measures provides an additional perspective on evaluating ongoing operating results and trends. These non-GAAP measures should not be considered in isolation from, or as an alternative to, financial measures determined in accordance with GAAP. Other companies may calculate these non-GAAP financial measures differently and their measures may not be directly comparable to similarly titled measures of other companies.

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# DISCLAIMER (CONT)

## Projections

This Investor Presentation contains projected financial information with respect to Skillz, including Skillz's projected GMV, Take Rate, Revenue, Gross Profit, Contribution and EBITDA for 2020-2022. Such projected financial information constitutes forward-looking information, and should not be relied upon as necessarily indicative of future results. The assumptions and estimates underlying such projected financial information are inherently uncertain and subject to a wide variety of significant business, economic, competitive and other risks and uncertainties, which could cause actual results to differ materially from those contained in the projected financial information. See "Forward Looking Statements and Investment Considerations" paragraph below. Actual results may differ materially from the results contemplated by the projected financial information. The inclusion of such information in this Investor Presentation should not be regarded as a representation by any person that the results reflected in such projections will be achieved. Neither the independent auditors of FEAC nor the independent registered public accountants have audited, reviewed, compiled, or performed any procedures with respect to the projections for the purpose of their inclusion in this Investor Presentation, and, accordingly, neither of them expressed an opinion or provided any other form of assurance with respect thereto for the purpose of this Investor Presentation.

## Forward Looking Statements and Investment Considerations

This presentation also contains forward-looking statements, which may be identified by such words as "may", "plans", "expects", "believes", "anticipates" and similar expressions, or by their context. These statements are made on the basis of current knowledge and, by their nature, are subject to various risks and uncertainties. Nothing set forth herein should be regarded as a representation, warranty, or prediction that FEAC or Skillz will achieve or are likely to achieve any particular future result. Various factors could cause actual future results, performance or events to differ materially from those described herein. This presentation does not purport to be all-inclusive or to contain all the information that a prospective investor may desire in making an evaluation. Each investor should conduct its own evaluation, including of the associated risks, in making an investment decision.

Some of the factors that may impact future results and performance may include, without limitation:

- The impact of pending and future litigation and governmental investigations and inquiries
- The timing and terms of expanded legalized sports and online gaming in various states
- Changes in U.S. federal, U.S. state, and non-U.S. gaming laws and regulations, their interpretation, their enforcement, or the regulatory climate applicable to our existing or future products and services, and their impact on our ability to operate our business, to comply with local laws and regulations, to obtain necessary licenses, and to obtain requisite services from regulated financial institutions
- Outages, disruptions, breaches, errors, or failures in our products, services, computer systems, and software, which could expose us to financial and legal harm and adversely affect our operating results and growth prospects
- Our integration of, and realization of anticipated benefits, including synergies from, acquisitions
- Our ability to obtain additional capital to support growth, which may not be available on terms acceptable to us, if at all
- Negative events or negative media coverage relating to mobile gaming of the nature underlying the business of Skillz
- The transition to becoming a public company, resulting increases in legal, accounting and compliance expenses, and the impact of our public financial and other disclosures on our negotiations and arrangements with key counterparties

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Investor Presentation

September 2020

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# THE FUTURE OF ENTERTAINMENT



# SKILLZ EXPANDS THE GAMING ECOSYSTEM



Developers to share their **art** with the **world**



Gamers to **connect** through meaningful **competition**

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# SKILLZ IS THE COMPETITION LAYER FOR THE INTERNET



**\$1.6B**  
Gross Marketplace  
Volume (GMV)



**2B** tournaments  
per year



Note: GMV means the total entry fees paid by users for contests hosted on Skillz's platform and is based on 2020 estimates.

Tournaments based on number of tournament entries in Q2 2020 multiplied by 4.

**WE BUILT SOMETHING GAMERS  
DON'T JUST LIKE, THEY LOVE**

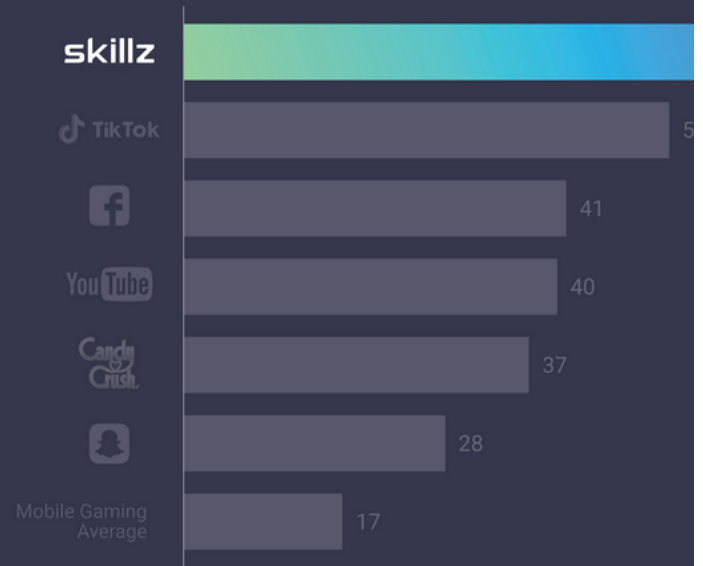


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# FULFILLING A HUMAN DESIRE FOR COMMUNITY AND COMPETITION

Generating 70% more engagement than the  
#1 mobile game

MINUTES PER USER PER DAY



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Note: Based on Skillz Data for calendar year 2019 and publicly available data.

# WE'VE REDESIGNED MOBILE GAMING TO BRING DEVELOPERS AND GAMERS TOGETHER



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# BEST-IN-CLASS RESULTS AND RECOGNITION

<p>\$225M '20E Revenue</p>	<p>88% '19-'20E growth rate</p>	<p>4.7x 3-Yr LTV / UAC</p>	<p>4 mo Payback P</p>
			

Note:  
3-year Lifetime value ("LTV") is defined as cumulative gross profit from a paying user over a 3-year period. User Acquisition Cost ("UAC") is defined as total user-acquisition marketing spend divided by new users acquired in that period. Payback period is the number of months of LTV to recoup UAC.  
3-Year LTV based on average of 2018, 2019, and 1H 2020 cohorts. UAC based on weighted-average user acquisition cost for 2018, 2019, and 1H 2020.

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Skillz makes gaming better for everyone  
with a proprietary, highly scalable  
**SOFTWARE PLATFORM**

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# COMPREHENSIVE TECHNOLOGY PLATFORM



Gamer competition engine



Live ops system



Developer console



Network data science technologies

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# GAMING PLATFORM

## Key Features



Tournaments and leagues



Loyalty rewards



Player rating and matching



Payments



Anti-cheat & anti-fraud



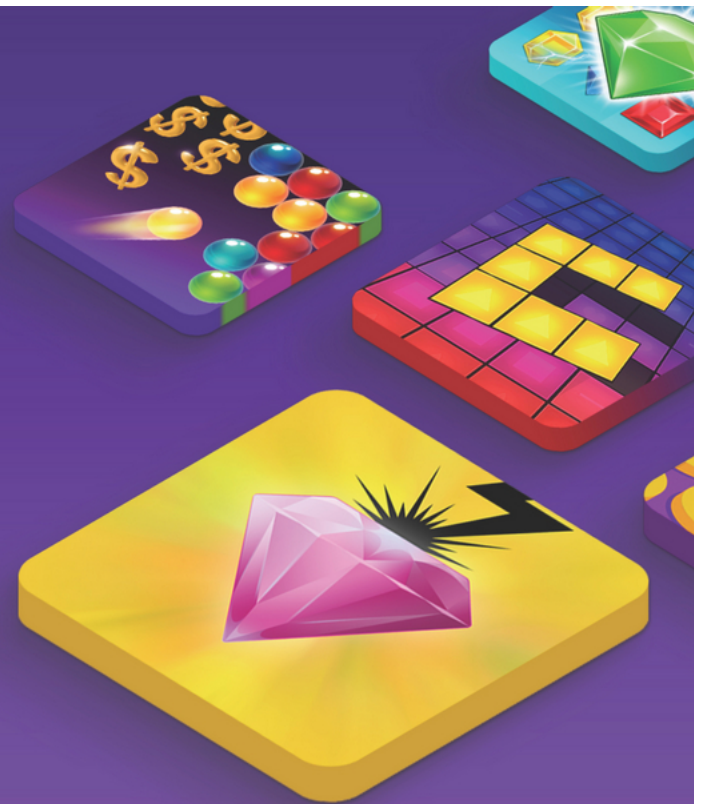
Content discovery



Social features



24/7 support

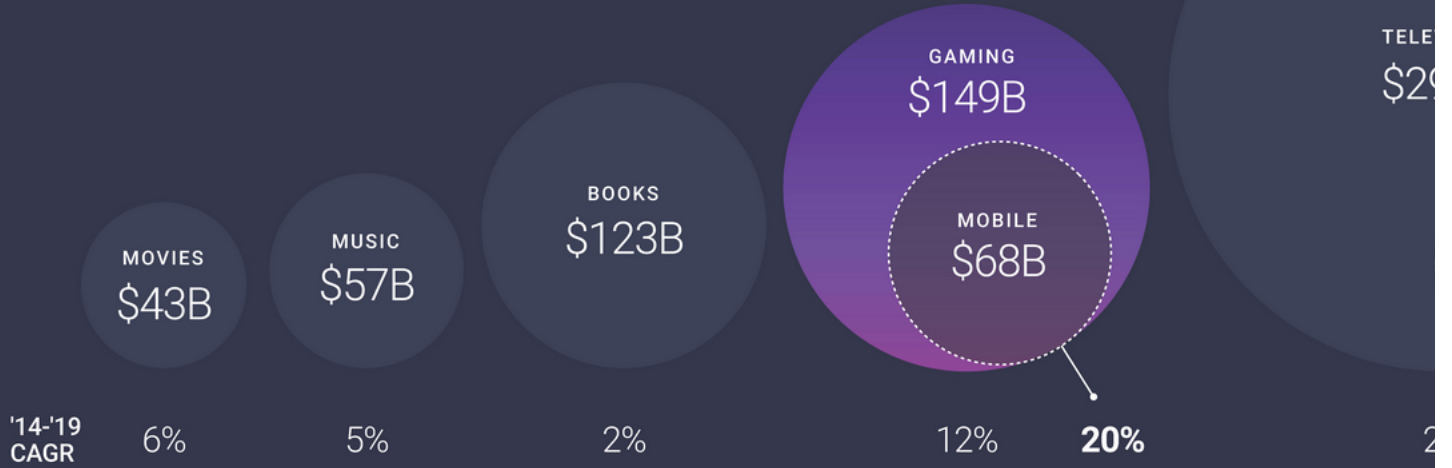


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# **THE MOBILE GAMING MARKET IS THE FUTURE OF ENTERTAINMENT**

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# GAMING HAS ECLIPSED MOVIES, MUSIC, AND BOOKS



Source: Newzoo, PWC, Grandview Research.

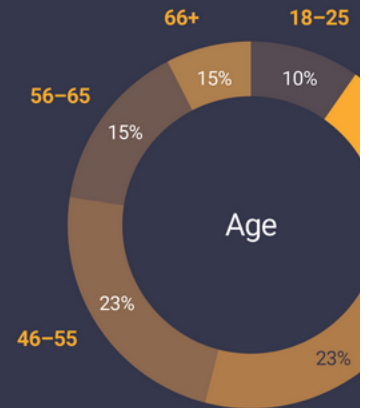
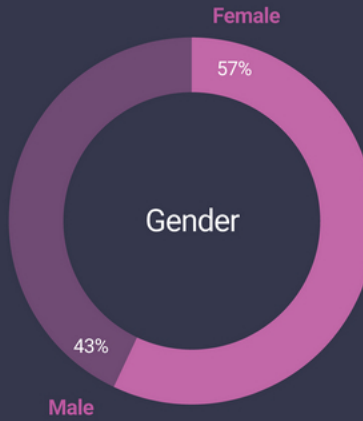
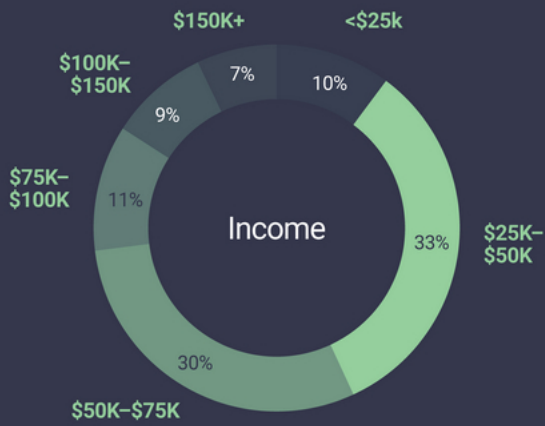


Note: OTT = "over the top" (i.e. streaming media offered directly to viewers via the internet. Movies = Global Film Box Office.

**ANYONE CAN EMBRACE  
THEIR INNER CHAMPION**

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# OUR DEMOGRAPHIC IS THE MASS MARKET



Source: Income and Age demographics from Axiom survey data of paying users (2018). Gender demographics from Ad Network install data (2019).

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# BUSINESS MODEL

**GAMER 1**

YOU WIN!

\$0.60  
Entry Fee

**GAMER 2**

YOU LOSE

\$0.60  
Entry Fee

<b>\$1.20</b>	GMV
<b>(\$1.04)</b>	Dev Profit Share, Prizes & I
<b>\$0.16</b>	Revenue (14% take-rate)
x 95%	Gross margin
<b>\$0.15</b>	Gross profit
<b>\$0.11</b>	Operating expenses (1)
<b>\$0.04</b>	Contribution (25% margin)

(1) Includes all operating expenses (fixed and variable) except for user acquisition costs. Based on 2019 actual

# GAMING FOR GOOD (G4G)

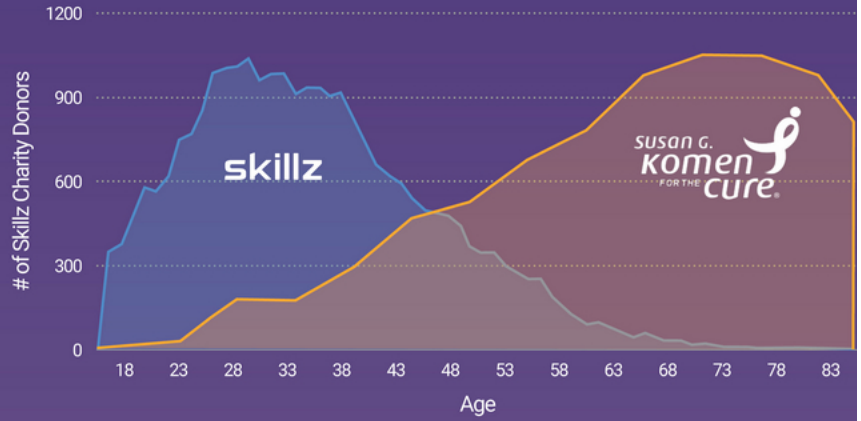
Skillz enabled Komen® to reach an entirely new demographic

23%

More Raised by Skillz  
than Komen expected

25K+

New non-profit donors  
across 10 events



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# MORE GAME DEVELOPERS EQUALS MORE GAMES



**30,000 (2009)**



Game Developers



**10 million (today)**



Game Developers

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**THE OLD BUSINESS MODELS  
DON'T WORK ANYMORE**

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# THE OLD BUSINESS MODELS



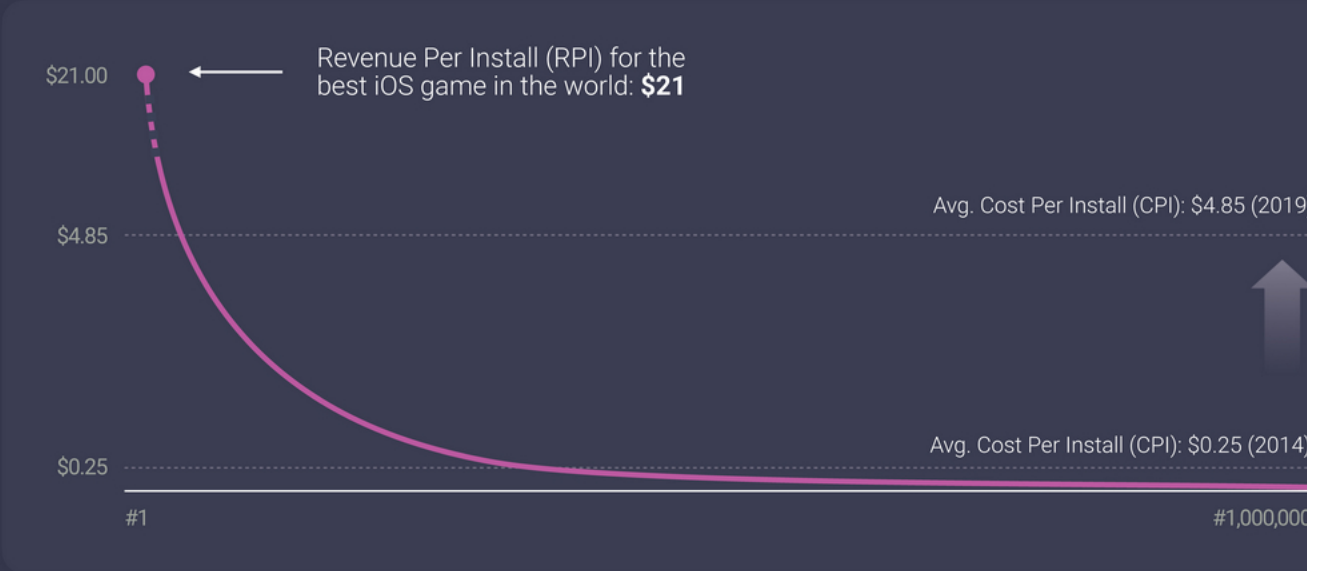
**Ads** interrupt  
gameplay



**In-game purchases**  
lock users out of content  
("pay to win")

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# EXPLOSION IN GAME CONTENT MAKES IT HARD TO GET DISCOVERED



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GAME RANK BY REVENUE PER INSTALL

Source: App Annie and Liftoff.













# WE ARE REDEFINING ENTERTAINMENT

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	WHAT THEY VALUE	WHAT OLD MODELS DELIVER
 <b>GAMERS</b>	 Community	 Pay to win
	 Fun	 Interruption
 <b>DEVELOPERS</b>	 Discovery	 Broken economy
	 Monetization	 Gimmicks









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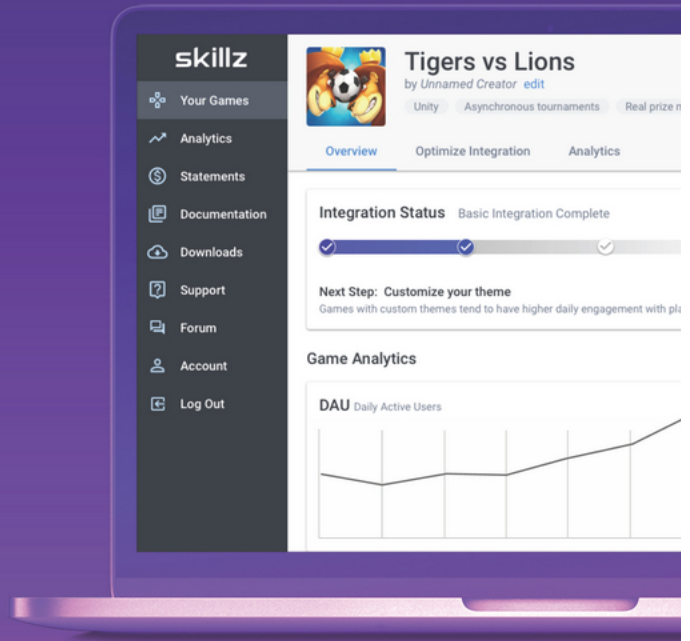
	WHAT THEY VALUE	HOW SKILLZ DELIVERS
 <b>GAMERS</b>	 Community	 Meaningful connections
	 Fun	 Fair competition
 <b>DEVELOPERS</b>	 Discovery	 Network exposure
	 Monetization	 Financial Success

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# DEVELOPER SOLUTIONS

## Key Features

 Anti-fraud and payments	 Customer support
 Event ops	 Managed server hosting
 Marketing-as-a-service	 Prize fulfillment
 Game launch optimization	 Analytics



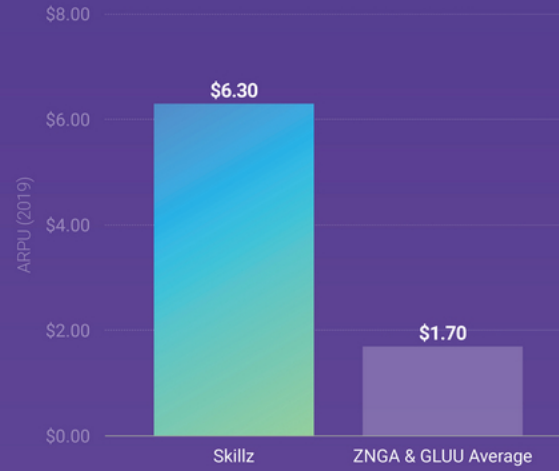
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# LIVE OPERATIONS

## Key Features

-  Multi-variate testing
-  Player incentive optimization
-  Cross-application personalization
-  Lifecycle engagement marketing
-  Charity events
-  Brand-sponsored tournaments

### SUPERIOR MONETIZATION



Note: Based on simple average mobile ARPU for Zynga (\$1.51) and Glu Mobile (\$1.89) in 2019. The ARPU, or Average Revenue Per Monthly Active User, for Zynga and Glu Mobile is calculated as the average monthly revenue (annual revenue divided by 12) per average monthly active user.

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# OUR PLATFORM IS UNDERPINNED BY DATA SCIENCE



Anti-cheat and  
anti-fraud



Player rating and  
matching



Algorithmic skill vs.  
chance testing



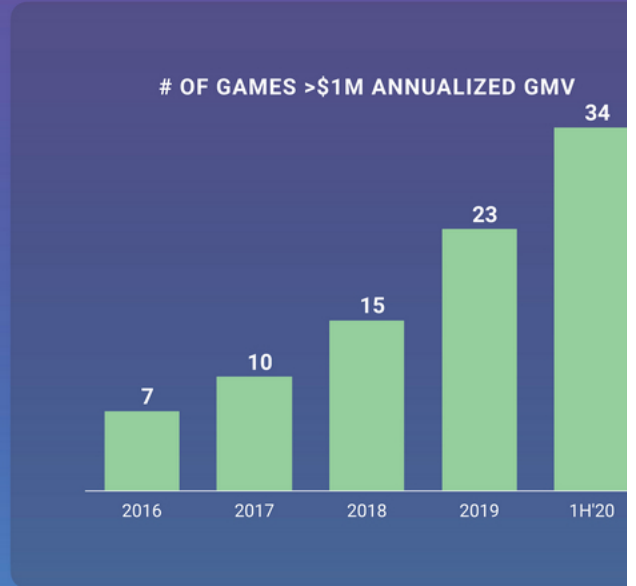
Segmentation  
engine

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**DEVELOPERS CAN MAKE A LIVING  
DOING WHAT THEY LOVE**

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# HEALTHY AND GROWING DEVELOPER ECOSYSTEM



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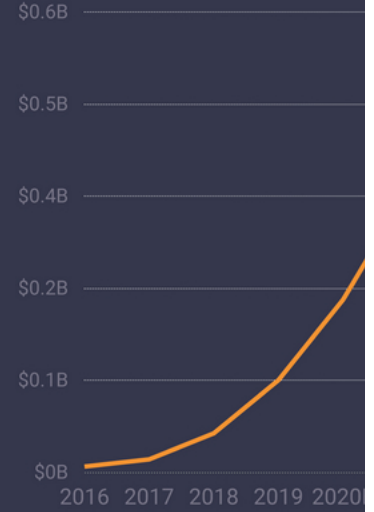
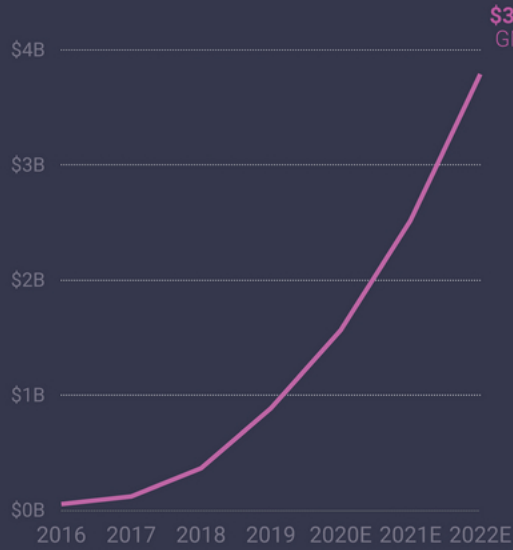
# **CAPITAL EFFICIENT WITH COMPELLING ECONOMICS**

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# GENERATING PROFITABLE GROWTH WITH CAPITAL EFFICIENCY

**\$104M**  
Total Capital Invested\*

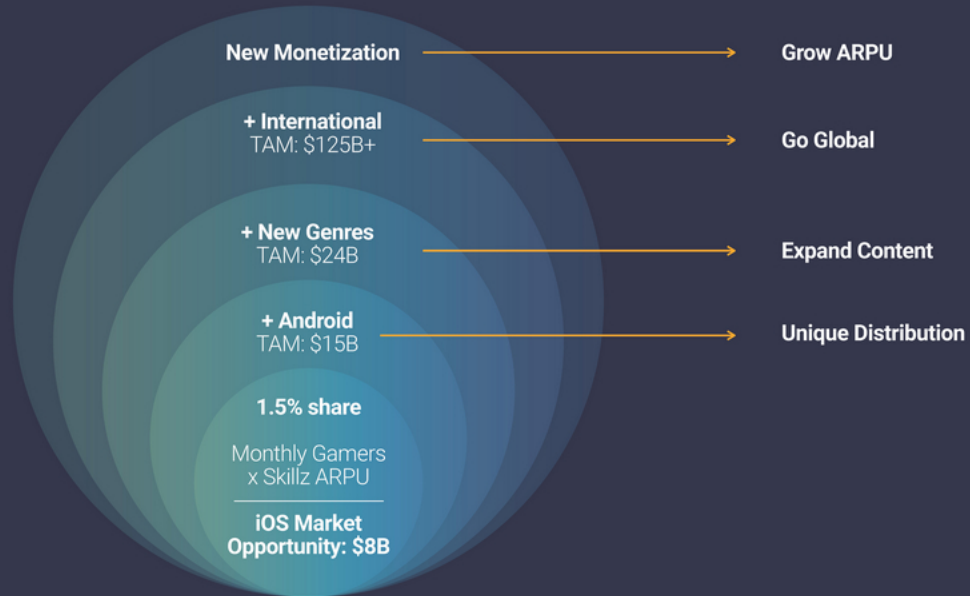
**\$132M**  
Cash + Undrawn Debt\*



\* As of June 30, 2020. Undrawn debt based on \$30M Revolving Credit Facility plus \$30M Mezzanine Term Loan.



# ROBUST OPPORTUNITIES TO INVEST IN GROWTH



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Note: TAM = Total Addressable Market.

# PROPOSED TRANSACTION SUMMARY

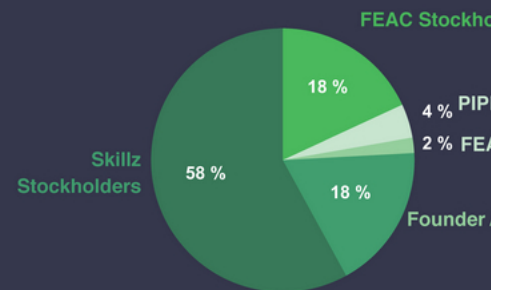
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- Flying Eagle Acquisition Corp. ("FEAC") is a publicly listed special purpose acquisition company with over \$690 million of cash in trust
- FEAC has agreed to combine with Skillz based on a \$3.5 billion pre-money equity value
  - Historical annual revenue growth of over 100%<sup>1</sup>
- Andrew Paradise will hold approximately 18% of the equity post-transaction
- 24-Month Lockup: Substantially all shares held by existing Skillz stockholders and the Founder group subject to a 24-month lock-up period with limited 1.5m share quarterly releases per stockholder commencing 180 days post-closing
- Skillz will maintain, post-closing, a dual class stockholder structure with super voting rights for Andrew Paradise at a ratio of 20:1
- After giving effect to the transaction, the company will have approximately \$250 million of unrestricted cash with public equity currency to accelerate growth
- Total merger consideration to Skillz stockholders of \$3.5 billion, which is expected to be comprised of \$609 million in cash consideration (assuming no redemptions) and the remainder in stock issued by FEAC
- Andrew Paradise and Casey Chafkin, founders of Skillz, have indicated they currently intend to receive substantially all of their merger consideration in the form of stock

### Illustrative Sources and Uses (\$ Million)

Sources		Uses	
FEAC Cash in Trust	\$ 690	Cash on Balance Sheet	
PIPE Proceeds	159	Cash to Skillz Stockholders	
Sellers' Equity	3,500	Sellers' Equity	
FEAC Sponsor Upfront Shares	72	FEAC Sponsor Upfront Shares	
Existing Skillz Cash on Balance Sheet	66	Transaction Expenses	
<b>Total Sources</b>	<b>\$ 4,487</b>	<b>Total Uses</b>	

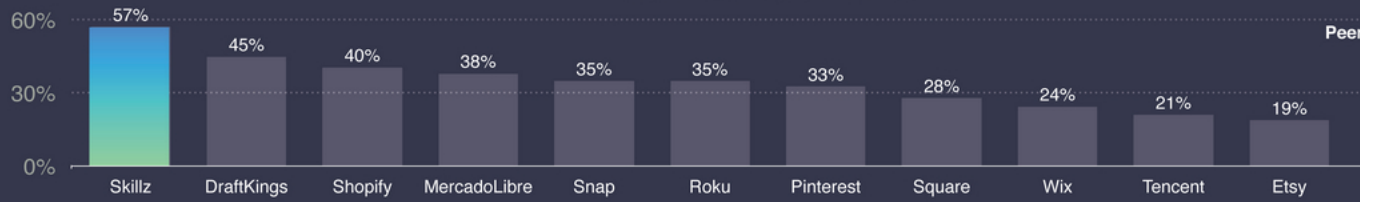
Post-Transaction Ownership<sup>2</sup>



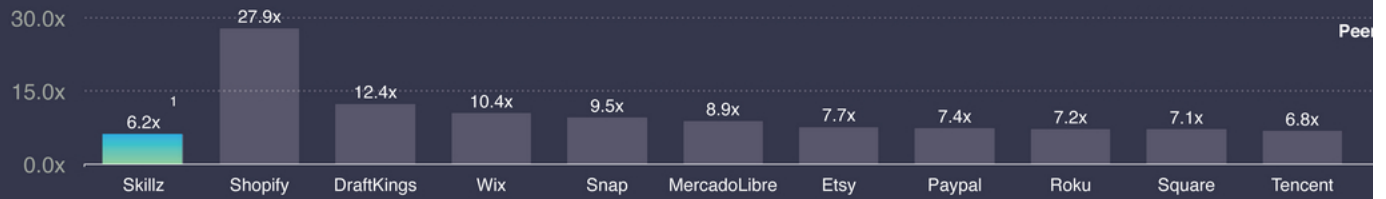
Notes: | 1 Based off 2018A to 2020E revenue CAGR; 2 Post-transaction ownership excludes shares subject to earn-out

# APPENDIX: COMPARABLE COMPANIES BENCHMARKING

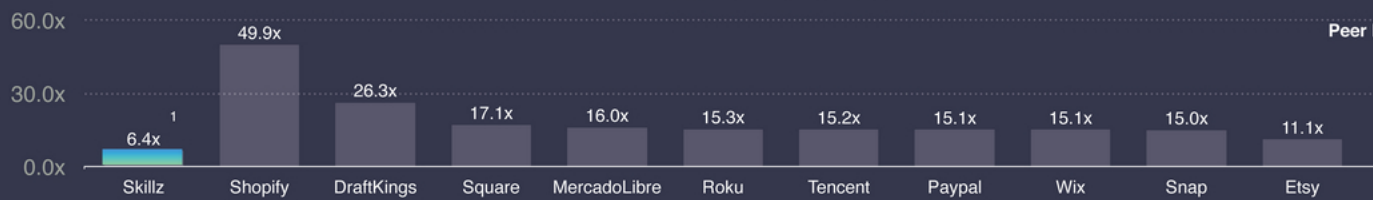
2020E - 2022E Revenue CAGR



EV/2022E Revenue



EV/2022E Gross Profit



Note: Factset, Company Filings, Thomson, Market Data as of July 28, 2020. "EV" means Enterprise Value.  
 1 Skillz implied multiples based on a \$3.5bn pre-money equity value

# APPENDIX: COMPARABLE COMPANIES BENCHMARKING

	Enterprise Value	Equity Value	Revenue Growth		Gross Margin		EBITDA Margin		Revenue Multiple		Gross Profit Multiple		Revenue Multiple (Growth Adj.)		EBITDA Multiple	
			2021E	2022E	2021E	2022E	2021E	2022E	2021E	2022E	2021E	2022E	2021E	2022E	2021E	2022E
<b>High Growth Internet</b>																
Tencent	\$673,878	\$675,269	22%	20%	45%	45%	36%	37%	8.1x	6.8x	17.9x	15.2x	0.39x	0.32x	22.4x	18.4x
Paypal	\$208,185	\$211,065	17%	18%	49%	49%	28%	28%	8.7x	7.4x	17.8x	15.1x	0.49x	0.42x	31.2x	26.1x
Shopify	\$120,323	\$122,778	36%	46%	53%	56%	4%	7%	40.6x	27.9x	NM	49.9x	1.00x	0.69x	NM	NM
Square	\$61,613	\$62,866	26%	30%	42%	42%	8%	10%	9.2x	7.1x	22.1x	17.1x	0.33x	0.26x	NM	NM
MercadoLibre	\$51,872	\$53,740	37%	39%	50%	55%	9%	15%	12.3x	8.9x	24.6x	16.0x	0.32x	0.23x	NM	NM
Snap	\$37,840	\$37,778	38%	32%	58%	64%	9%	21%	12.6x	9.5x	21.7x	15.0x	0.36x	0.27x	NM	46.5x
Roku	\$19,638	\$20,059	33%	37%	45%	47%	1%	6%	9.8x	7.2x	22.1x	15.3x	0.28x	0.21x	NM	NM
Pinterest	\$14,674	\$16,411	34%	31%	68%	72%	2%	10%	8.8x	6.7x	12.8x	9.3x	0.27x	0.21x	NM	NM
Wix	\$15,453	\$15,855	24%	25%	72%	69%	19%	19%	13.0x	10.4x	18.2x	15.1x	0.53x	0.43x	NM	NM
DraftKings	\$12,865	\$14,230	51%	39%	49%	47%	(19%)	(5%)	17.2x	12.4x	34.8x	26.3x	0.38x	0.28x	NM	NM
Etsy	\$13,003	\$13,107	18%	20%	67%	69%	24%	26%	9.2x	7.7x	13.7x	11.1x	0.49x	0.41x	38.7x	29.1x
<b>Average</b>			<b>31%</b>	<b>30%</b>	<b>54%</b>	<b>56%</b>	<b>11%</b>	<b>16%</b>	<b>10.9x</b>	<b>8.4x</b>	<b>20.6x</b>	<b>15.5x</b>	<b>0.39x</b>	<b>0.30x</b>	<b>30.8x</b>	<b>30.0x</b>
<b>Median</b>			<b>33%</b>	<b>31%</b>	<b>50%</b>	<b>55%</b>	<b>8%</b>	<b>15%</b>	<b>9.8x</b>	<b>7.7x</b>	<b>20.0x</b>	<b>15.2x</b>	<b>0.38x</b>	<b>0.28x</b>	<b>31.2x</b>	<b>27.6x</b>
<b>Skillz Implied Multiples</b>			<b>63%</b>	<b>52%</b>	<b>96%</b>	<b>96%</b>			<b>9.4x</b>	<b>6.2x</b>	<b>9.7x</b>	<b>6.4x</b>	<b>0.16x</b>	<b>0.11x</b>		

Note: Factset, Company Filings, Thomson, Market Data as of July 28, 2020; \*Shopify multiples excluded from average; Revenue Multiple (Growth Adj.) calculated by (Revenue Multiple)/(2020E 2022E Revenue CAGR\*100); NM means multiple >50x or <0x  
 1 Skillz implied multiples based on a \$3.5Bn pre-money equity value

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## APPENDIX: P&L SUMMARY

	2017	2018	2019	2020E	2021E	2022E
(\$ in Millions)						
GMV	\$120	\$365	\$886	\$1,566	\$2,519	\$3,300
Take Rate <sup>(1)</sup>	14%	14%	14%	14%	15%	15%
Revenue	\$17	\$51	\$120	\$225	\$366	\$500
Gross Profit	\$16	\$49	\$114	\$216	\$352	\$480
Contribution <sup>(2)</sup>	-\$3	\$6	\$29	\$82	\$156	\$240
Adj. EBITDA <sup>(3)</sup>	-\$10	-\$18	-\$23	-\$47	-\$14	\$10

(1) Take Rate is defined as the percentage of the entry fees retained by Skillz for each paid contest after prizes and incentives for players and profit share to developers.

(2) Contribution is defined as Adj. EBITDA before User Acquisition Cost.

(3) Adj. EBITDA is defined as EBITDA before non-recurring items and stock-based compensation.

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## APPENDIX: CONTINUED MOMENTUM IN 1H 2020

	Q1 '20	Y/Y	Q2 '20	Y/Y
<b>GMV</b>	\$306M	63%	\$413M	101%
<b>Revenue</b>	\$44M	67%	\$59M	111%
<b>MAU (1)</b>	2.6M	102%	2.6M	88%
<b>ARPU (2)</b>	\$5.57		\$7.72	



(1) Monthly Active Users refers to the number of end-users who entered into a contest on our platform at least once in a given month, averaged over each month in the quarter.  
 (2) Average Revenue Per Monthly Active User ("ARPU") refers to the average revenue in a given month divided by MAU in that month, averaged over the quarter.

## APPENDIX: LONG TERM MODEL

	TODAY	LONG TERM
GMV	100%	<b>100%</b>
Take Rate	14%	<b>20%</b>
Revenue	100%	<b>100%</b>
Gross Margin	95%	<b>95%</b>
Adj. EBITDA Margin	-20%	<b>30%</b>

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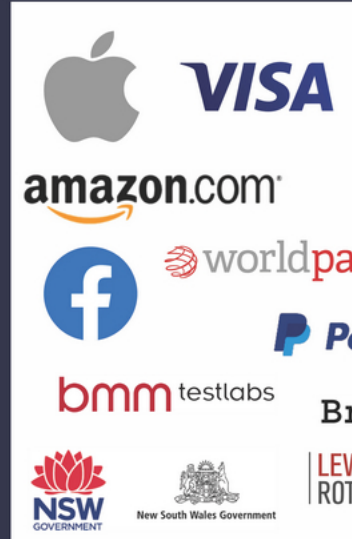
# APPENDIX: SKILL VS. CHANCE GAMES

**Skillz uses a patented Skill Classification Algorithm to determine skill of video game**

Skillz Patent: US 8882576 B1

- Authored by Dr. Peter Winkler: Professor of Math, Statistics, and Computer Science at Dartmouth
- Classifies a game as a game of skill or a game of chance by examining the distribution of player score outcomes
- Determines the skill factor in a game based on whether a player is able/ unable to improve over time (e.g., slots vs. chess)
- **Skillz games are similar to physical sports including pool, golf and bowling**

**COMPLIANCE RE  
BY LEADING PART**



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Note: In the graphs above, the X axis represents the time spent playing the game and the Y axis represents the score achieved.

The image shows the Skillz logo, which consists of the word "skillz" in a white, lowercase, sans-serif font. The logo is centered within a dark blue rectangular background that occupies the upper portion of the page.