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PRESENTATION

Alison Sternberg *fuboTV Inc. - SVP of IR*

Thank you for joining us to discuss fuboTV's fourth quarter and full year 2021. With me today is David Gandler, Co-Founder and CEO of Fubo, and John Janedis, CFO of Fubo. Full details of our results and additional management commentary are available in our earnings release and letter to shareholders, which can be found on the Investor Relations section of our website at ir.fubo.tv.

Before we begin, let me quickly review the format of today's presentation. David is going to start with some brief remarks on the quarter and Fubo's strategy, and John will cover the financials and guidance. I'd like to remind everyone that the following discussion may contain forward-looking statements within the meaning of the federal securities laws, including, but not limited to, statements regarding our financial condition, anticipated financial performance, market opportunity, business strategy and plans, including our acquisition strategy and ability to integrate any such acquisitions, the expected continued rollout of fubo Sportsbook and the continued shift in consumer behavior. These forward-looking statements are subject to certain risks, uncertainties and assumptions. Important factors that could cause actual results to differ materially from forward-looking statements can be found in the Risk Factors section of our Annual Report on Form 10-K for the period ended December 31, 2021, to be filed with the Securities and Exchange Commission and our other periodic filings with the SEC. These statements reflect our current expectations based on our beliefs, assumptions and information currently available to us. Although we believe these expectations are reasonable, we undertake no obligation to revise any statements to reflect changes that occur after this call.

During the call, we also refer to non-GAAP financial measures, including certain metrics excluding the impact of the Molotov acquisition. These non-GAAP measures should be considered in addition to and not as a substitute for or in isolation from our GAAP results. Reconciliations of these non-GAAP measures to the most directly comparable GAAP measures are also available in our Q4 2021 earnings shareholder letter, which is available on our website at ir.fubo.tv. With that, I will turn the call over to David.

David Gandler *fuboTV Inc. - Co-Founder, CEO & Director*

Thank you, Alison, and thank you all for joining us today. Our fourth quarter closes out an extraordinary year defined by triple-digit year-over-year growth in total revenue, advertising revenue and subscription revenue, all while expanding adjusted contribution margin. Within 2021, we achieved several notable milestones representing meaningful advancements towards our mission to build the world's leading global live TV streaming platform with the greatest breadth of premium content, interactivity and integrated wagering. Importantly, our performance over the course of the year reaffirms our thesis that an aggregated offering with multiple monetization levers remains the most attractive option to drive retention and to create strong unit economics. Notably, we have over 1 million subscribers validating that fuboTV is delivering tremendous value to them.

In Q4, we delivered significant year-over-year growth in total revenue, up 119% year-over-year to \$637 million, and that's excluding the impact of our Molotov acquisition. We added approximately 185,000 net subscribers, bringing our total base to over 1.1 million. That's an increase of 106% year-over-year compared to just 38% growth for the entire virtual MVPD market over the same period. These numbers also exclude Molotov. We achieved this strong subscriber growth with the efficient deployment of sales and marketing dollars which came in at 21% of revenue in the quarter, and that's down significantly from the 28% in the fourth quarter of 2020. Subscriber acquisition costs also came in at the low end of our target range of 1x to 1.5x monthly ARPU for the quarter.

In addition to dramatically growing our subscriber base, we made great strides in attracting high-quality cohorts who are staying longer, with churn improving by 269 basis points year-over-year. Our rapidly growing advertising business allows our partners to reach high-quality audiences in a targetable and measurable way. As a result, the fourth quarter was also a record. Ad revenue grew 98% year-over-year and accounted for 11% of total revenue in the quarter, excluding the impact of the Molotov acquisition. Repeat advertiser spend grew 170% in 2021, with increased spend among our top 5 advertisers between 3x and 10x and a meaningful increase in the number of advertisers spending above \$1 million each.

During the fourth quarter, we closed 2 important acquisitions. Molotov, France's leading live TV streaming service with over 3 million monthly active users, and Edisn.ai, an AI-powered computer vision platform with patent-pending video recognition technologies. These transactions provide the foundational technology and the human capital to accelerate development across infrastructure and our product. We are enacting a disciplined approach to these assets in order to leverage global synergies while also gaining operating leverage.

We continue to bring interactive product features to market to differentiate our live TV streaming service. Since the quarter ended, we launched a new version of our popular multi-view feature on Apple TV, integrating it with our new FanView widget. With this latest evolution, subscribers can mix and match up to 4 live channels and game stats widgets, plus a scoreboard of all live sporting events, and they can do this simultaneously. We believe this is the most personalized and customized TV viewing experience available in the market.

Our wagering business also continues to evolve. Less than a year after we announced our intention to expand into sports wagering, we launched the first iteration of fubo Sportsbook in 2 states, Iowa and Arizona. We now have market access deals in 10 states, and we expect to launch fubo Sportsbook in additional markets soon. We believe entry into new markets will allow us to more effectively monetize our existing subscriber network. And we will create efficiencies in customer acquisition and retention and a deliberate, measured approach to growing our sportsbook with limited marketing spend. We believe the ability to watch and wager within a single ecosystem is a feature that only fuboTV has brought to market.

In summary, I am very optimistic and confident. Going forward, given our exceptional execution this quarter, which closed out an outstanding year, we are undoubtedly well on our way to building a category-defining company with attractive unit economics. We delivered a record fourth quarter and full year across a number of key financial and operational metrics. We continue to benefit from our position at the intersection of 3 industry megatrends. The secular decline of traditional pay television, the shift of TV ad dollars to connected devices, and the rapid adoption of online sports wagering. I am more excited than ever about fubo's future as we aim to transcend the industry's current TV model.

And now, I am pleased to introduce you to John Janedis, our new CFO. John brings more than 2 decades of experience leading equity research, investor relations, capital markets and M&A for some of the world's preeminent financial institutions. He is a seasoned financial leader in the media space and will be a critical partner as we craft fubo's strategic and financial plan for this year and beyond. We are all very excited to have him on board. John, please go ahead.

John Janedis fuboTV Inc. - CFO & Principal Accounting Officer

Thank you, David, and good afternoon, everyone. I am really excited to be part of the fubo team and joined because of my confidence in the vision of the team and the long-term growth opportunities in the company's streaming, advertising and wagering businesses and the potential to deliver significant value to all of our stakeholders. I am very pleased with our strong fourth quarter results as we exceeded our guidance and made significant progress in delivering efficient top line growth and margin improvements.

In the fourth quarter, we delivered nearly triple-digit year-over-year growth in both subscription and advertising revenue, taking overall revenue up 119% to \$229 million, excluding the impact of the Molotov acquisition. Subscription revenue increased 123% year-over-year to \$204 million, excluding the impact of the Molotov acquisition, driven by strong growth in subscriber numbers and ARPU. We also delivered this robust growth through acquisition efficiencies as well as improvements in retention resulting from our interactive product and curated content offering.

Subscription ARPU excluding Molotov expanded by 8% year-over-year to \$74.52 as we saw more subscribers taking our premium offerings. Advertising revenue grew 98% year-over-year to \$25.9 million and accounted for 11% of total revenue, excluding Molotov. Ad ARPU decreased 4% year-over-year to \$8.12. As expected, we saw a large influx of subscribers within the last few weeks of December. As these new subscribers become more familiar with the platform and mature into long-term subscribers, we expect to expand their monetization further. While that ARPU growth may have some variability from a quarter-to-quarter basis, our conviction and growth on an annual basis remains high.

Switching now to our path towards profitability, we reported adjusted contribution margin of 11%. We are well positioned to drive long-term margin expansion with deliberate strategic investments in content, technology and infrastructure. And as we lay the foundation for future growth, our strategic investments in programming, team, technology and infrastructure resulted in expected increased expenses on an absolute dollar value basis in the fourth quarter compared to the prior year. However, expenses continue to decline in proportion to revenue year-over-year, resulting in a material improvement in adjusted EBITDA margin, which improved 5.7 percentage points in the fourth quarter of 2021 from the fourth quarter of 2020 as we improve our operating leverage and further advance on our path to profitability.

Net loss in 4Q was \$112 million. EPS in the fourth quarter was a loss of \$0.76, including a \$0.06 impact from expenses incurred for our wagering business, \$0.05 from the acquisition of Molotov, and a \$0.03 impact from deal-related expense. Adjusted EPS in the fourth quarter of 2021 was a loss of \$0.57 which excludes the noncash impact of stock-based compensation, the remeasurement of warrant liabilities and the amortization of intangibles and debt discount.

FEBRUARY 23, 2022 / 10:30PM GMT, Q4 2021 Fubotv Inc Earnings Call

Now turning to the balance sheet, we ended the quarter with \$379.4 million in cash, cash equivalents and restricted cash. This included \$70 million net proceeds in the fourth quarter from our at-the-market offerings as well as \$3.1 million in interest payments and \$25 million cash outflow related to wagering, mainly in connection with our market access licensing deals. As we have previously highlighted, we plan to continue to evaluate our ongoing capital optimization plan to build optionality in order to fund growth initiatives.

Operating cash flow in the quarter was negative \$49.5 million, inclusive of \$3.1 million nonrecurring payments, \$10.2 million associated with the wagering business, and \$6.1 million operating cash flow associated with the Molotov business.

Moving on to our outlook, we are thrilled with our performance in the fourth quarter of 2021 and remain well positioned to execute on our long-term revenue and margin goals, all while delivering a differentiated and world-class experience to the consumer. In order to provide greater visibility into our business, we will be breaking down these metrics by region, specifically North America and rest of world, which includes our existing Spain and recently acquired Molotov operations. Note that this guidance does not include any projected revenue from online sports wagering.

First, we will discuss North America streaming. Due to the seasonality in our business, Q1 has historically been softer than Q4 when viewed sequentially on revenue and subscribers. Our Q1 2022 revenue guidance takes the seasonality into account with projected revenue of \$232 million to \$237 million. Similarly, our Q1 2022 subscriber guidance includes 1,028,000 to 1,033,000 subscribers. On a full year basis, we are guiding to projected revenue of \$1.8 billion to \$1.9 billion. We're also guiding to total yearend subscribers of 1.5 million to 1,510,000, and we also expect to see continued operating leverage and adjusted EBITDA improvement going forward.

Now we will discuss rest of world streaming. We're guiding to Q1 2022 projected revenue of \$3 million to \$6 million and subscribers of 235,000 to 240,000. On a full year basis, we are guiding to projected revenue of \$15 million to \$20 million and total yearend subscribers of 270,000 to 280,000. To summarize, we are very pleased with our performance this quarter as we continue to efficiently drive robust growth and operating leverage. Before going to Q&A, David will end with some closing remarks.

David Gandler *fuboTV Inc. - Co-Founder, CEO & Director*

Thanks, John. 2021 was a pivotal year for fubo. Our team executed on our business plan and we have increased confidence in our long-term strategy. Looking ahead to 2022 and beyond, we expect losses to improve in our core domestic streaming business, led by continued share gains and operating leverage. Our high-margin advertising business is expected to scale with very strong double-digit growth, fueled by further improvements in subscribers, ARPU and CPMs. And we will continue to lay the foundation for our wagering business, which we expect will become a major beneficiary of our flywheel and a contributor to our growth in 2023.

Finally, I hope you will be able to join us in the second quarter for our first Investor Day. We plan to share more details about our long-term strategy and our targets for our businesses. The agenda will follow in the coming weeks. Thank you for joining our call today, and we will now take your questions. Alison?

QUESTIONS AND ANSWERS

Alison Sternberg *fuboTV Inc. - SVP of IR*

Thank you, David. Thank you, John. We're now going to turn to the Q&A portion of our call. We ask that in the spirit of timing, you restrict your questions to two. And our first question comes from Laura Martin with Needham. Laura?

Laura Anne Martin *Needham & Company, LLC, Research Division - Senior Research Analyst*

I'll stick to 2 since that's the rule. Welcome, John. Welcome to the stage. I'm going to stick to 2. CTV ad revenue up 98% -- go, go! You know I'm going to ask you about CPMs. Are we still at \$20 CPMs are we moving up the ranks as we hoped? And was the core driver more viewer engagement, more viewers, or was it more CPM or sell-out? I'm curious as to what really drove that upside of ad revenue. That's my first one.

David Gandler *fuboTV Inc. - Co-Founder, CEO & Director*

Sure. I'll take it. Well, CPM is up to about \$22 in the fourth quarter, so we're starting to see some movement there. We've also seen advertisers starting to move into different buckets of programmatic going more direct, so we think that trend will continue over time. In terms of viewership hours, as you already know, we clocked in just under 130 hours per customer, so it was really more about just the demand side and the CPMs that really have been the key driver for this quarter.

Laura Anne Martin *Needham & Company, LLC, Research Division - Senior Research Analyst*

Perfect. And then I'm very interested in the fact that you had a 3-month pricing model and then a couple of weeks ago you went back to month-to-month. Could you tell us what you learned from that experiment of 3-month minimums versus month-to-month?

David Gandler *fuboTV Inc. - Co-Founder, CEO & Director*

Sure. Well, you know us well now. This is a company that is predicated on its ability to manage its data, focus on different capabilities, and try to better understand how to optimize all of the components of our service. And so that certainly was an experiment. We're still going through the data now. You should anticipate that we'll continue to experiment just to better understand sort of what the value is for us and also what the expectations are for consumers.

Alison Sternberg *fuboTV Inc. - SVP of IR*

Thank you, Laura. Our next question comes from Jed Kelly with Oppenheimer. Jed, good to see you. Please go ahead.

Jed Kelly *Oppenheimer & Co. Inc., Research Division - Director & Senior Analyst*

Great to see you. Hey, Dave, hey, John. Welcome aboard. First question, just on the subscriber-related expenses, you were seeing nice leverage the first 3 quarters. It was up significantly year-over-year, so you saw some deleverage there. Can you kind of just talk about how we should view subscriber-related expenses, what happened in 4Q? And then can you kind of give us any guidance to gross profit into 2022?

David Gandler *fuboTV Inc. - Co-Founder, CEO & Director*

Yes. Why don't I start on the sports side, Jed? Hopefully, you liked that little video with the product features that we continue to improve. With respect to the SRE line, what you're seeing is that we've added some regional sports networks. We've acquired some sports rights. Again, very light. We're getting ready to test some new things and we want to better understand what the value proposition is for our customers and the impact on all of our key performance indicators.

John Janedis *fuboTV Inc. - CFO & Principal Accounting Officer*

And Jed, I would just add there, there were a couple of one-time -- not one-timers, but we added some content in the fourth quarter, some affiliates, also some content from Canada. And so that was a bit of a tick up there. But going forward, you'll see that deleverage on a same-store basis.

Jed Kelly *Oppenheimer & Co. Inc., Research Division - Director & Senior Analyst*

And then my second question, David, you mentioned sports betting being a significant revenue driver in 2023. Is that pushing it out a year or just where are you in terms of the progress?

David Gandler *fuboTV Inc. - Co-Founder, CEO & Director*

Yes. I'm sure you've noticed we continue to add more market access licenses. I think given the macro situation, we've decided that our sub base is large enough where we don't plan to compete with DraftKings and FanDuel head-to-head for customers. We've decided that we have over a million customers right now on the platform, and the more market access licenses we get, the easier it is for us to leverage our subscriber base to drive customers. And the idea really is to reduce the cost of entry into each market and to create attractive user economics. And we think that given the early data points that we've seen, again, very early, we've had about I think it's just under \$2 million of handle, but the results are certainly interesting and support our thesis for the goals that we've set for the company.

Alison Sternberg *fuboTV Inc. - SVP of IR*

Thanks, Jed. Great questions. Next, we have Darren Aftahi with Roth. Darren, please go ahead.

Darren Aftahi *ROTH Capital Partners, LLC, Research Division - MD & Senior Research Analyst*

First, just can you clarify -- in the newsletter when you talked about the ad sales, you talked about kind of a demand-driven scalability issue on the advertising business. I'm just kind of curious if you could expand on that, one. And two, like when do you think you'll have a resolution on that?

David Gandler *fuboTV Inc. - Co-Founder, CEO & Director*

Yes, so look, I think we've mentioned before in many of our meetings that we've been very focused on the consumer side, developing a platform with the quality of service that consumers deserve. But we really haven't had a chance to really focus on the ad tech side. We have begun to focus on the ad tech side since fourth quarter. And we think many of the items that we're working on will be completely resolved within the next call it 2 to 3 months. But as you can see, the demand is there and we continue to grow the ad side of the business.

John Janedis *fuboTV Inc. - CFO & Principal Accounting Officer*

And I would just say, Darren, to piggyback on that, if I look at say our January numbers and then also February to date, I feel pretty confident that some of those issues are being resolved. And so if I look at the top call it 10 advertisers through January, all up triple digits. And the ones that are down are frankly advertisers that are less than \$5,000 in terms of spend, so feeling good about trajectory.

Darren Aftahi *ROTH Capital Partners, LLC, Research Division - MD & Senior Research Analyst*

Great. And then just on your OEM channel relationships like LG and VIZIO, kind of can you speak to how those are performing? And then can we expect to see additional OEM relationships this year?

David Gandler *fuboTV Inc. - Co-Founder, CEO & Director*

Sure. Why don't I start? The OEM relationships are very important. I think if you look back 2 or 3 years, we were very focused on 2 or 3 platforms. And now as we continue to expand beyond those major platforms, we're starting to see more leverage. And I think that's the name of the game, leverage with content partners as well as with our platform partners. So those relationships are going really well. In some cases, we're going to start getting access to actually the code so that we'll be able to build out better experiences, faster experiences, higher-quality experiences. We're very excited about the newer platforms, and you can see that it has certainly had an impact on net adds.

Alison Sternberg *fuboTV Inc. - SVP of IR*

Great. Thank you, Darren. Our next question, or questions I should say, come from Shweta Khajuria with Evercore. Shweta, it's always good to see you. Please go ahead with your questions.

Shweta R. Khajuria *Evercore ISI Institutional Equities, Research Division - Analyst*

You too, Alison. Thanks for the questions. I'll stick with 2. First is, you mentioned losses will improve and continue to improve. Just help us with the drivers of how you're thinking about the investments you are making versus efficiencies that you're gaining. Help us with how we should think about free cash flow and EBITDA, just the overall trajectory. And then the second question I have is on improving churn. Churn has been improving, or retention rates have been improving, in other words. Help us with what you've seen as being the most important drivers of improving churn. Is it the product improvement, content, what have you? Please spell that out for us. Thank you.

John Janedis *fuboTV Inc. - CFO & Principal Accounting Officer*

Shweta, why don't I start with the second question first? If when we look at churn, I would tell you that every -- for the last 3 years, it's been better year-over-year every quarter. We're pretty pleased with that. A lot of that is driven by product development. And I would tell you that 3 of the past 4 quarters are the best churning quarters in the history of the company, so feeling good on the churn side. From a retention perspective, I think it's also a great story. And so, if I look at the 6-month cohort churn, or retention, sorry, and the 12-month retention, it's been up several hundred basis points for both trajectory-wise. And I think importantly, the increase in retention of the 6-month cohort and the 12-month cohort is the same in terms of percentage wise. It actually suggests that we're seeing almost no drop off from 6 months to 12 months from a subscriber perspective, so we're very pleased there. On your first question, maybe I can start there. Yes. On your first question, what I would just say is like from a leverage perspective in terms of on the expense side, if we look at call it the biggest levers going forward to drive improvement, it's going to be the sales and marketing line first and foremost, and then G&A, and then subscriber-related expense there. But all of them should improve going forward. Now look, to David's point, we're going to do the Investor Day sometime later this year, over the next few months, and so we'll have more to talk to, but every lever on the expense front should improve going forward.

Shweta R. Khajuria *Evercore ISI Institutional Equities, Research Division - Analyst*

Okay. Thanks a lot. Do you have, sorry, I may have missed this in the release, but do you have a date for the Investor Day that we should note?

David Gandler *fuboTV Inc. - Co-Founder, CEO & Director*

We're still working on it, but we'll have more information for you shortly. We plan to do it in the next call it 2 months. We'll have an exact time for you. Have a good one, Shweta.

Alison Sternberg *fuboTV Inc. - SVP of IR*

Great. Thank you, Shweta. It's good to see you. Our next question comes from Anna Lizzul with JPMorgan. Anna, please go ahead with your question.

Anna Jeanne Lizzul *JPMorgan Chase & Co, Research Division - Analyst*

Thank you so much for the question. And also related to churn, leading up to the Super Bowl, we noticed that you had required new customers to prepay for 3 months of the service to mitigate churn. And just given that Q1 has a large lineup in sports content on Turner Networks, which you no longer carry, how do you view the balance of content going forward on the fubo platform?

David Gandler *fuboTV Inc. - Co-Founder, CEO & Director*

Thank you. Anna, that's a good question. Again, with respect to the 3-month offer, you'll typically see us test different offers throughout the year. And given the excitement around the Super Bowl, we thought it was a great time to test how sports fans would react to an offer that you typically don't see. So that data is still coming in, we're looking at the numbers. But as John said, our retention levels have improved every year as we said. In Q4, an improvement of 269 basis points. All of our cohort retention is extremely healthy and continues to improve. And we believe that over the long term, you should see churn somewhere in the call it 4% to 5% range, so very happy about that. With respect to sports content, as you know, we didn't have Turner last year either, and we managed pretty well. The teams are using all the data coming in and the platform is also providing the type of content today that we think will keep consumers engaged. But obviously, we have to be a little bit conservative because really sometimes it really depends on the type of tournament, the teams, and I guess the story line. But we're keeping a close eye on it, but we feel very comfortable with the results going into end of February. Thank you.

Alison Sternberg *fuboTV Inc. - SVP of IR*

Thanks, Anna. Good to hear from you. Our next question comes from James Goss with Barrington. James, please go ahead.

James Charles Goss *Barrington Research Associates, Inc., Research Division - MD*

Thanks. I'd start by extending this conversation because I think it's one of the key things about fubo. Sports is obviously the driver to get your viewers, but then you do have this falloff at the first quarter after football season. Is there any coal and ice sort of option you're considering to maybe create some other incentive for viewers to adopt the service? Maybe other types, other demographics or whatever, just to balance things out a little so you don't have quite the same situation you continually have even if it's being reduced?

David Gandler *fuboTV Inc. - Co-Founder, CEO & Director*

Yes. James, it's a good question. I mean, you're inherently going to have seasonality given the amount of sports content we have. And then when you couple that with the number of sports fans on the platform, I think I may have mentioned on the last call that 96% of fubo subscribers watch sports. That's more than on any other traditional or virtual platform. We continue to differentiate ourselves, and that's evident in our continued advancement in market share. The teams are working to ensure that we limit the churn. But again, we look at these things on an annual basis, and as John said, the cohorts are extremely healthy. And in fact, one interesting item of note is that when you look at our January viewership numbers in terms of engagement, those have already ticked north of 130 hours. And we haven't seen 130 hours plus since February of 2020, right before COVID. I think that's sort of a normalized level, so we're starting to see the maturation of these cohorts. And again, the team is working on this daily, but we feel very comfortable with the limited seasonality that we'll see in March.

John Janedis *fuboTV Inc. - CFO & Principal Accounting Officer*

And Jim, I would just add to David's point on the seasonality side, even with that, the churn levels in Q1 have consistently been better year-over-year. And then if you look at say churn in 1Q versus 2Q, 3Q, 4Q, it's in the same zip code.

James Charles Goss *Barrington Research Associates, Inc., Research Division - MD*

Okay. My other question would be international. I realize Molotov is sort of a speck on the horizon here, but what sort of ambitions do you have? Is that something you think you can grow into to any meaningful degree over some period of time? And how would you finance such a venture?

David Gandler *fuboTV Inc. - Co-Founder, CEO & Director*

Yes. James, I'm going to decouple that. We have, this company has tremendous ambitions to be the largest provider of live television in the world, hands down. That is our goal. We also realize that we have to take our time and use the data that we have to build this business in a very disciplined and measured way. And today, the focus with Molotov is really on 2 things. One is they have foundational technology. They have a similar operating model, which allows us to very quickly integrate human capital and continue to focus on the core fubo product. But it's also important to note that having Molotov there right behind Netflix with 3 million monthly active users, the #2 app as of today in France, gives us that optionality, that window, that view into timing. And I actually feel we're actually better positioned than some of the other players that are in the market. Again, we are not a streaming player. We're not a plus service. This is an aggregation service. And again, we're very comfortable with this acquisition, and we're very delighted with the progress that we're making on the integration front.

John Janedis *fuboTV Inc. - CFO & Principal Accounting Officer*

And Jim, I would just add to David's point, if you look at the guidance for North America as an example, we're looking at call it 70% plus organic growth in our North America streaming business, so we don't have to do anything given that kind of growth that we have on the domestic side.

James Charles Goss *Barrington Research Associates, Inc., Research Division - MD*

Thank you, David, and welcome aboard, John.

Alison Sternberg *fuboTV Inc. - SVP of IR*

Thanks, Jim. Great questions, as always. Our next question comes from Zach Silverberg with Berenberg. Zach, always good to see you. Please proceed with your questions.

Zachary D. Silverberg Joh. Berenberg, Gossler & Co. KG, Research Division - Analyst

Are there any internal discussions on inflation and how it could potentially impact consumers' purchasing power, who are dealing with increased prices and goods and maybe other streaming services? Is there a feel to what subscribers' price elasticity would be maybe heading into a slower television or sports period during the summer?

David Gandler fuboTV Inc. - Co-Founder, CEO & Director

Zach, that's a great question. I'm glad you brought it up. No one really talks about it. But fubo, like many other stay-at-home companies, took advantage of COVID. We were one of those companies. You see the growth, you see the retention, and now we are in excellent position to take advantage of inflation. As you know, we are a cable replacement service that is cheaper, less expensive, better quality, better product than the traditional service. And there's still 75 million people out there. If you're a consumer and you want to maintain your lifestyle and cut costs at the same time, this is your option. And we're going to continue to develop our brand, continue to proliferate with respect to platforms, and I think we're well positioned to take advantage of that. In terms of pricing, we still have some ways to go. As you know, we started our service at \$6.99. We've been pricing up for the last 5 years. And there's a huge demand for sports. People love sports content, whether they love to wager, whether they love to watch, whether they like to buy paraphernalia, jerseys, etc. So again, we're well positioned we think that our product is priced well for the value that we provide, and we think there's probably a little bit more room there given that we still are facing some inflationary pressure.

Zachary D. Silverberg Joh. Berenberg, Gossler & Co. KG, Research Division - Analyst

Gotcha. That's helpful. And just one more. You talked about in the shareholder letter, crossover users who have placed a higher number of bets, higher retention rates. Just curious how you're anticipating crossover rates given the NFL season is over, the MLB might go into the lockout. Just curious how you're sort of forecasting this or anticipating this into the spring and summer?

David Gandler fuboTV Inc. - Co-Founder, CEO & Director

Yes. Look, as I said in my comments, it's very early days, right? We're in 2 states right now, Iowa and Arizona. In terms of fuboTV, the television product footprint, it's very small. What we've seen right now, and we call it crossover, what that really means is that it's a sportsbook customer who also has a TV subscription. And what we've seen is that those customers seem to be, at least in the onset, they're more active. More active means that they produce more volume of bets relative to just the regular non-TV using betting customer. And then we're also seeing that that customer has better retention. But again, there's only been 2 months, so we've only seen these people place bets in a second month. So right now, it's still early. The data is coming in really strong. We actually are starting to feel we will not have to spend large amounts of money to compete. We've got over 1 million customers. We're guiding towards 1.5 million customers. We think we're going to be able to pull from that customer base, assuming we can continue to expand our market access footprint. And then there's this one other cohort, which, our trial cohort, which is a relatively large cohort that we see over the course of the year. But if I was to kind of gauge where the growth is going to be, of course it's going to look like our TV product where you have seasonality post Super Bowl. Just like the Sportsbook, I'm sure. Their probably strongest growth is in the back half of the year up until the Super Bowl. We'll see probably some of that. But we're taking a very measured approach, as I said. We think that if we can nail down the product and focus on casual betters, the goal here is not to focus on the same cohort of users that Caesars and DraftKings and FanDuel all focus on. But this is event driven. When you have 800,000 concurrents that are streaming that product, and they're watching the Georgia game and you say, hey, we know you love Georgia, put \$5 down on this game, we think that that's going to create a lot of value, a lot of entertainment value, and that we think is going to prove to be game-changing when the time is right.

Alison Sternberg fuboTV Inc. - SVP of IR

Great. Thanks, Zach, for your thoughtful questions. Our next question comes from Dan Salmon with BMO. Dan, please go ahead.

Daniel Salmon BMO Capital Markets Equity Research - Analyst

Okay, great, guys. Good afternoon. Welcome, John. I'm going to try to slip in 2 questions. First, I may have missed it, but I see the 2022 outlook still does not include anything for sports gambling. Can you just elaborate on that, how you might integrate it into guidance eventually? And then second, David, your own sports rights portfolio continues to grow. It's obviously taken on a little bit more of an international flavor as well. Any updates on your thinking for that part of your strategy and how it might be impacting some of your key subscriber metrics like gross adds or churn? Thanks.

David Gandler *fuboTV Inc. - Co-Founder, CEO & Director*

Yes. I'll start on the second one. Look, we have been very deliberate on everything we do. And if you go back since we've IPO'd, we have delivered on every metric that we said we would deliver on. What we're doing now is testing the waters. You are correct, we've acquired CONMEBOL rights. We've acquired the UEFA rights starting this fall. We have the EPL rights in your home country of Canada and Syria. We're really starting to look at what can we do to expand our footprint in the sports space when we're known and also start to leverage some of the fixed costs associated with that? Because we're now starting to think about that margin profile. In terms of sports betting, again, the content obviously plays into that in our ability to leverage some of our new product features such as predictive games, which will help us isolate users that eventually we'll be able to turn into casual gaming customers. Again, just delivering on our mission, which is really to drive ARPU, lower the cost of entry and create positive and attractive user economics. On the betting side, the reason we've taken a different approach, slightly different approach, is we're starting to feel comfortable, one, with the pace and growth of our subscriber base. Number two, we're starting to see the brand emerge as a sports platform. And you can see that because it's supported by -- I think we have the highest NPS score of all virtual MVPD services per Parks Associates. From that perspective, I think we're very comfortable. We don't plan on spending a lot of money competing directly with DraftKings, and so the idea now is, continue to focus on sub growth. We want to acquire more market access licenses so we can drive subscribers into the sportsbook. And so we think we can do that very efficiently in ways that others can simply just won't be able to do that. And at the same time, we're really focused on continuing to deliver a really immersive product. And hopefully, from that little video that you saw, we're starting to get a bit closer to where we want to be.

Alison Sternberg *fuboTV Inc. - SVP of IR*

Thank you, Dan. This concludes the Q&A portion of our call. We want to thank everybody for your participation and your thoughtful and insightful questions. And also encourage you to reach out to what extent you have any follow-up questions. We look forward to speaking with everybody soon. Thank you again.

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