
MARYLAND LOTTERY and GAMING CONTROL COMMISSION

1800 Washington Blvd., Suite 330, Baltimore, Maryland 21230

COMMISSION REPORT



**PROPOSED MERGER
of
IMG Arena US, LLC – Sports Wagering Contractor
and
NYX Digital Gaming (USA), LLC – Sports Wagering
Contractor
into
OB Global Holdings, LLC (Newly Created Entity)**

Report Date: February 5, 2025

INTRODUCTION

We are conducting a hearing on the proposed merger of IMG Arena US, LLC (“IMG Arena US”); and NYX Digital Gaming (USA), LLC (“NYX Gaming”), which are both Sports Wagering Contractors into OB Global Holdings, LLC (“OB Global”), a newly formed organization. The Maryland Lottery and Gaming Control Agency (“MLGCA”) is required by the Gaming and Sports Wagering Law, State Government Article (“SG”), Title 9, Subtitles 1A and 1E, Annotated Code of Maryland, and the regulations of the Maryland Lottery and Gaming Control Commission (“Commission”), found in the Code of Maryland Regulations (“COMAR”) 36.03 and 36.10, to conduct an investigation to determine whether the proposed owners are qualified under the Gaming or Sports Wagering Law pursuant to SG § 9-1A-19(b)(ii) and as applied to the Sports Wagering Law by SG § 9-1E-03(a)(1).

The Commission must determine whether: (1) IMG Arena US, NYX Gaming, OB Global have proven, by clear and convincing evidence, their qualifications; and (2) the proposed merger of IMG Arena US and NYX Gaming and resulting acquisition by OB Global and transfer of a licensee’s interests meets, and is consistent with the policies and intent of the Gaming and Sports Wagering Law. SG § 9-1A-19(b)(iii).

BACKGROUND

IMG Arena US is a business-to-business provider of official livestreaming video and data feeds to sportsbook brands, specializing in golf, soccer, tennis and Ultimate Fighting Championship sporting events. IMG Arena US is a wholly-owned subsidiary of IMG Arena which in turn is wholly-owned by WME IMG, LLC. NYX Gaming is a leader in digital gaming system development, providing gaming solutions to a wide range of gaming operators. NYX Gaming is also a wholly-owned subsidiary of WME IMG, LLC which is an indirect subsidiary of Endeavor Group Holdings, Inc. (“Endeavor”), the ultimate parent company. Both IMG Arena US and NYX Gaming currently hold a Sports Wagering Contractor License in Maryland.

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In April 2024, Endeavor and Silver Lake Partners entered into a Merger Agreement pursuant to which Silver Lake Partners and certain co-investors would acquire the approximately 60% of shares in Endeavor that Silver Lake Partners did not already own. Divestiture of Endeavor’s sports betting businesses, including the operations of IMG Arena US and NYX Gaming, is a condition to completion of the Merger Agreement.

MERGER TRANSACTION

On November 11, 2024, OB Global; OB US Parent, LLC; IMG Arena US Parent, LLC and WME IMG, LLC entered into a Transaction Agreement whereby OB Global will acquire the outstanding equity interests of WME IMG, LLC (“Transaction Agreement”). OB Global is a newly-formed entity created solely for the purpose of engaging in the acquisition under the Transaction Agreement. OB Global’s sole voting members are Mr. Ariel Emanuel and Mr. Jordan Levin, both of whom are currently licensed as Principal Employees in Maryland. OB Global Management Holdings, LLC will hold the economic interest in OB Global. Additionally, newly-formed entities OB Global Manager, LLC; OB Global OpenBet Holdings 1, LLC; OB Global OpenBet Holdings 2, LLC; and OB Global Arena Holdings, LLC have been created solely for the purpose of engaging in the acquisition under the Transaction Agreement.

Post-acquisition, IMG Arena US will be a direct subsidiary of IMG Arena US Parent, LLC. NYX Gaming will be a direct subsidiary of OB US Parent, LLC, with OB Global as the ultimate parent company. OB Global; OB Global Management Holdings, LLC; OB Global OpenBet Holdings 1, LLC; OB Global OpenBet Holdings 2, LLC; and OB Global Arena Holdings, LLC have each submitted a Sports Wagering Principal Entity Disclosure Form to the Maryland Lottery and Gaming Control Commission in conjunction with the acquisition contemplated under the Transaction Agreement. WME IMG, LLC and IMG Arena US Parent, LLC have previously submitted a Sports Wagering Principal Entity Disclosure Form with the Commission.

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Pursuant to the Transaction Agreement, OB Global will acquire the outstanding equity interests of WME IMG, LLC for consideration valued at approximately \$450 million. The \$450 million consideration will be paid by a \$100 million cash payment and an unsecured promissory note to WME IMG, LLC with a value of approximately \$350 million, which is based upon the occurrence of certain events. The cash payment will be funded via a first lien term loan financing from Apollo Administrative Agency, LLC acting as Agent, and Apollo Global Funding, LLC acting as Sole Lead Arranger, Sole Structuring Agent, Sole Bookrunner and Sole Placement Agent. The Commission has previously approved an Institutional Investor Waiver to affiliates of Apollo.

INVESTIGATIVE PROCEDURES AND CONCLUSIONS

MLGCA Staff performed inquiries and examined relevant documents in order to obtain an adequate understanding and confirm the substance of the proposed acquisition and Transaction Agreement. MLGCA Staff obtained and reviewed copies of the Transaction Agreement, the Apollo financing commitment letter and related Credit Agreement and the OB Global Holdings, LLC promissory note. The investigation disclosed no information from our inquiries and found no content in the documents reviewed that would negatively impact IMG Arena US or NYX Gaming's qualification as a Sports Wagering Contractor Licensee in Maryland. The investigation confirmed that IMG Arena US and NYX Gaming maintain their qualification and good standing with their current Maryland Sports Wagering Contractor Licenses.

MLGCA Staff found no derogatory information that would negatively impact OB Global; OB Global Management Holdings, LLC; OB Global OpenBet Holdings 1, LLC; OB Global OpenBet Holdings 2, LLC; OB Global Arena Holdings, LLC; WME IMG, LLC; or IMG Arena US Parent, LLC from being qualified as principal entities in Maryland. MLGCA Staff found no issue with these entities meeting the requirements in the Gaming or Sports Wagering Law as required by SG § 9-1A-19(b)(ii), as applied to the Sports Wagering Law under SG § 9-1E-03(a).

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The merger of IMG Arena US and NYX Gaming into OB Global and resulting ownership changes from the proposed acquisition as provided for in the Transaction Agreement, are consistent with the policies and intent of SG § 9-1A-19 and requirements of the Gaming and Sports Wagering Law. MLGCA Staff concludes OB Global; OB Global Management Holdings, LLC; OB Global OpenBet Holdings 1, LLC; OB Global OpenBet Holdings 2, LLC; OB Global Arena Holdings, LLC; WME IMG, LLC; or IMG Arena US Parent, LLC have established by clear and convincing evidence their qualifications for Sports Wagering Principal Entities in Maryland and as required for the merger.

IMG Arena US, NYX Gaming and OB Global seek Commission approval as follows: (i) for IMG Arena US, LLC, NYX Digital Gaming (USA), LLC, and OB Global Holdings, LLC to consummate the Transaction Agreement, and perform their obligations thereunder; and (ii) for the merger to occur wherein IMG Arena US, LLC and NYX Digital Gaming (USA), LLC become wholly owned subsidiaries of OB Global Holdings, LLC because the proposed merger and Transaction Agreement is consistent with the policies and intent of the Gaming and Sports Wagering Law.