

16th March 2020

COVID-19 update; sporting fixture cancellations

Flutter Entertainment plc (the “Group”) provides the following update regarding the cancellation and/or postponement of multiple sports fixtures globally.

In recent days, many national governments and sports authorities around the world have made the decision to postpone/cancel high attendance sports events in an effort to delay the spread of the COVID-19 virus. This will obviously have a material impact on the revenue and earnings of the Group which, in 2019, generated approximately 78% of its revenues through bets placed on global sporting events.

Quantifying the precise earnings impact on the Group is difficult at this point as we do not have visibility on the duration of restrictions on sporting events. While most major global sports have been suspended/cancelled, there are some exceptions where events are now being scheduled to take place behind closed doors. These include some Australian sports as well as Irish and Australian horse racing – we have provided full details of the sports affected in the Appendix.

In order to assist in the quantification of the impact on the Group at this point, we estimate that in a scenario where restrictions remain in place until the end of August (including full suspension of Australian sports and the cancellation of Euro 2020), EBITDA for the Group would be reduced by approximately £90-110m. This estimate assumes that our UK and Irish shops remain open and that scheduled UK, Irish and Australian horse racing fixtures continue to run, albeit behind closed doors. Should horse racing be cancelled in the three regions and our UK/Irish shops be closed, we estimate that this would incrementally reduce Group EBITDA by approximately £30m per month.

In terms of the operational management of our business, we successfully deployed our business continuity plan last week during what was a very busy week for the Group, with all systems performing well. Prior to the announcement of cancellations, trading in the quarter had been running ahead of our expectations, assisted by good customer momentum and favourable sporting results.

The Group retains a strong balance sheet with a leverage ratio (net debt/EBITDA) of 0.7 times as at December 31st 2019, well below our covenant level of 3.5x. We will continue to explore ways to mitigate the impact of cancellations through multiple measures.

Peter Jackson, Chief Executive, commented:

“The challenge currently facing our business and the industry more widely is unprecedented in modern times. Our focus, first and foremost, is on protecting the welfare of our employees and our customers and we will leave nothing to chance in this regard. While our near-term profitability will be impacted by the essential measures being taken globally, the Board will remain focused on protecting shareholder value and managing the business through these turbulent times.”

ENDS

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Appendix: Sports restrictions announced at date of publication

Material restrictions announced to date are as follows:

- **Football:** All English Premier league and football league games have been suspended until April 3rd with indefinite suspensions of the major leagues in Spain, Italy, France, Germany and multiple other European leagues. Champions League and Europa League fixtures have also been postponed with a high probability that Euro 2020 could be deferred.
- **Global horse-racing:** As of March 15th, horse racing fixtures are continuing to proceed. In Ireland, Australia and Scotland, these are now being run behind closed doors while there are currently no restrictions in place in England or the US.
- **US Sports:** All National Basketball Association (NBA), Major League Baseball, National Hockey League and Major League Soccer leagues have been suspended, while the college basketball season (“March Madness”) has been cancelled. The US Masters has been postponed with US PGA and LPGA tour events also cancelled.
- **Australian sports:** To date, outright cancellations/suspensions have been limited in Australia. AFL, NRL and one day internationals are still scheduled to proceed but with matches being played behind closed doors.
- **Other global sports:** In tennis, the ATP tour is suspended for 6 weeks. The IPL cricket tournament scheduled for March has been deferred until April. The Australian, Bahrain and Vietnam Formula 1 Grand Prix have all been postponed.

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation EU 596/2016.

About Flutter Entertainment plc

Flutter Entertainment plc (the “Group”) is a global sports betting and gaming operator and is divided into four divisions:

- Online; which runs the Paddy Power, Betfair and Adjarabet online sports betting and gaming brands;
- Australia; which consists of the Sportsbet online sports betting brand, the #1 corporate bookmaker in Australia;
- US; which operates as FanDuel Group and runs the FanDuel sportsbook and daily-fantasy-sports brands, the TVG broadcasting and advanced deposit wagering network and the Betfair online casino in New Jersey and;
- Retail; which operates over 620 Paddy Power retail betting shops across the UK and Ireland.