

# FLUTTER ENTERTAINMENT

**2023 EARNINGS PRESENTATION**

**26 March 2024**

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This presentation contains information that is forward-looking, including within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended, and which reflects the Company's current views with respect to, among other things, its operations, its financial performance and its industry. Forward-looking statements include all statements that are not historical facts. In some cases, you can identify these forward-looking statements by the use of words such as "outlook," "believe(s)," "expect(s)," "potential," "continue(s)," "may," "will," "should," "could," "would," "seek(s)," "predict(s)," "intend(s)," "trends," "plan(s)," "estimate(s)," "anticipates," "projection," "goal," "target," "aspire," "will likely result" and/or the negative version of these words or other comparable words of a future or forward-looking nature. Such forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. Such factors include, among others, risks related to Flutter's business, operations and financial performance, including its ability to effectively compete in the global entertainment and gaming industries, its ability to retain existing customers and to successfully acquire new customers, its ability to develop new product offerings, its ability to successfully acquire and integrate new businesses, its ability to maintain relationships with third-parties, its ability to maintain its reputation, and public sentiment towards online betting and iGaming generally; market and global conditions and economic factors beyond Flutter's control, such as the potential impact of general economic conditions, including inflation, rising interest rates and instability in the banking system, on Flutter's liquidity, operations and personnel; risks related to licensing and regulation, including Flutter's ability to obtain and maintain licenses with gaming authorities, adverse changes to the regulation of online betting and iGaming, the failure of additional jurisdictions to legalize and regulate online betting and iGaming, and Flutter's ability to comply with complex, varied and evolving U.S. and international laws and regulations relating to its business; Flutter's ability to raise financing in the future; Flutter's success in retaining or recruiting officers, key employees or directors; litigation and the ability to adequately protect Flutter's intellectual property rights; the impact of data security breaches or cyber-attacks on Flutter's systems; and Flutter's ability to remediate material weaknesses in its internal control over financial reporting.

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This presentation contains the financial measures of Adjusted EBITDA, Further Adjusted EBITDA, Adjusted Free Cash Flow, Net Debt, Leverage ratio and Adjusted Earnings Per Share and which are not prepared under U.S. GAAP. The Company believes that these non-GAAP financial measures provide users of its financial information with useful information to supplement its financial operating performance in accordance with U.S. GAAP. These measures may not be comparable to similarly titled measures used by other companies, have limitations as analytical tools and should not be considered in isolation, or as a substitute for analysis of the Company's operating results as reported under U.S. GAAP. Additionally, the Company does not consider its non-GAAP financial measures as superior to, or a substitute for, the equivalent measures calculated and presented in accordance with U.S. GAAP. A reconciliation of Adjusted EBITDA, Further Adjusted EBITDA, Adjusted Free Cash Flow, Net Debt, Leverage ratio and Adjusted Earnings Per Share to the most directly comparable U.S. GAAP financial measures can be found at the end of this presentation.

## Average Monthly Players

Average Monthly Players ("AMPs") is defined as the average over the applicable reporting period of the total number of players who have placed and/or wagered a stake and/or contributed to rake or tournament fees during the month. This measure does not include individuals who have only used new player or player retention incentives, and this measure is for online players only and excludes retail player activity. In circumstances where a player uses multiple product categories within one brand, we are generally able to identify that it is the same player who is using multiple product categories and therefore count this player as only one AMP at the Group level while also counting this player as one AMP for each separate product category that the player is using. As a result, the sum of the AMPs presented at the product category level is greater than the total AMPs presented at the Group level. See "—Key Operational Metrics" within the Management Discussion and Analysis of our Form 10K on our website for additional information regarding how we calculate AMPs data, including a discussion regarding duplication of players that exists in such data.

## Market and Industry Data

This presentation includes market and industry data and forecasts that the Company has derived from independent consultant reports, publicly available information, various industry publications, other published industry sources, and its internal data and estimates. Independent consultant reports, industry publications and other published industry sources generally indicate that the information contained therein was obtained from sources believed to be reliable. Although the Company believes that these third-party sources are reliable, it does not guarantee the accuracy or completeness of this information, and the Company has not independently verified this information. The Company's internal data and estimates are based upon information obtained from trade and business organizations and other contacts in the markets in which the Company operates and management's understanding of industry conditions. Although the Company believes that such information is reliable, it has not had this information verified by any independent sources.

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# STRATEGIC DELIVERY FY23



# Flutter™

A portfolio of the world's leading sports and iGaming brands

adjarabet.com

betfair

FANDUEL

JUNGLEE  
GAMES

PADDYPOWER.

MAXBET

POKERSTARS  
POKER | CASINO | SPORTS

sky betting & gaming

Sisal

sportsbet

tombola

Powered by the Flutter Edge

Innovative products

Proprietary, agile and  
scalable technology

23,000 colleagues  
including 7,000  
technologists

Scale and capital to  
invest in the largest  
global opportunities

Creating the global leader in Online Sports Betting and iGaming

\$39BN

Market Capitalisation<sup>1</sup>

#1

Operator in the US, UK,  
Australia and globally<sup>2-5</sup>

13.6M

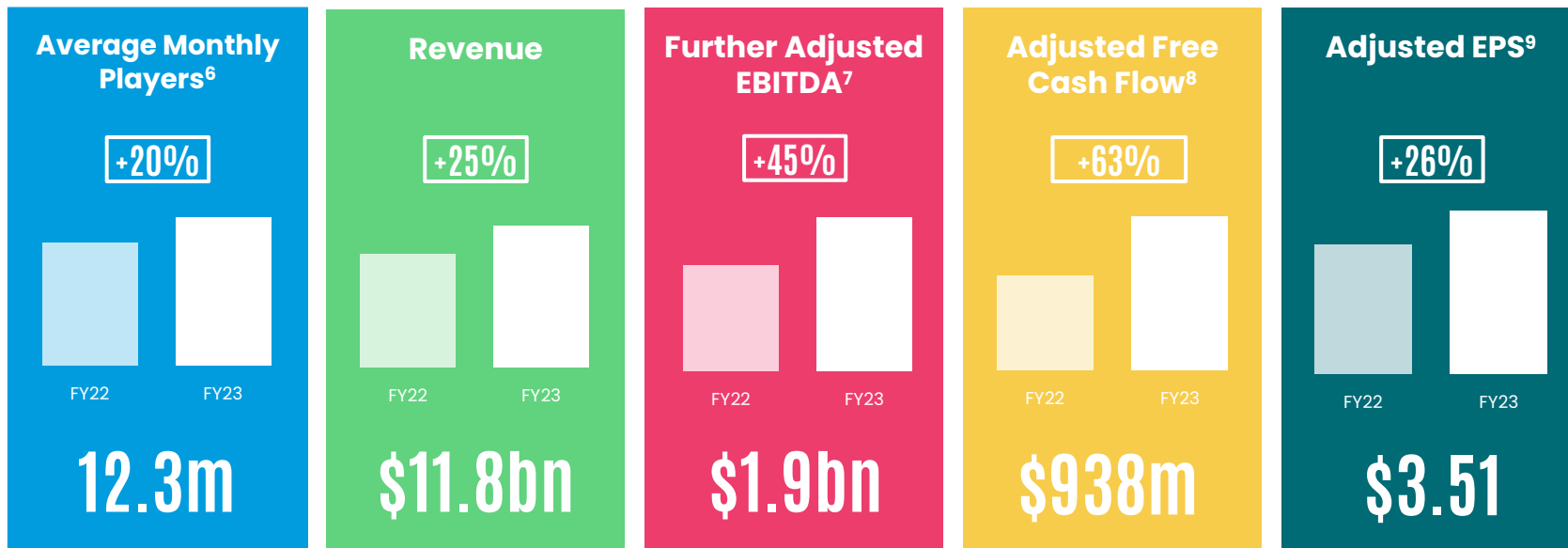
Q4 23 Average Monthly Players<sup>6</sup>

\$11.8BN

FY23 revenue

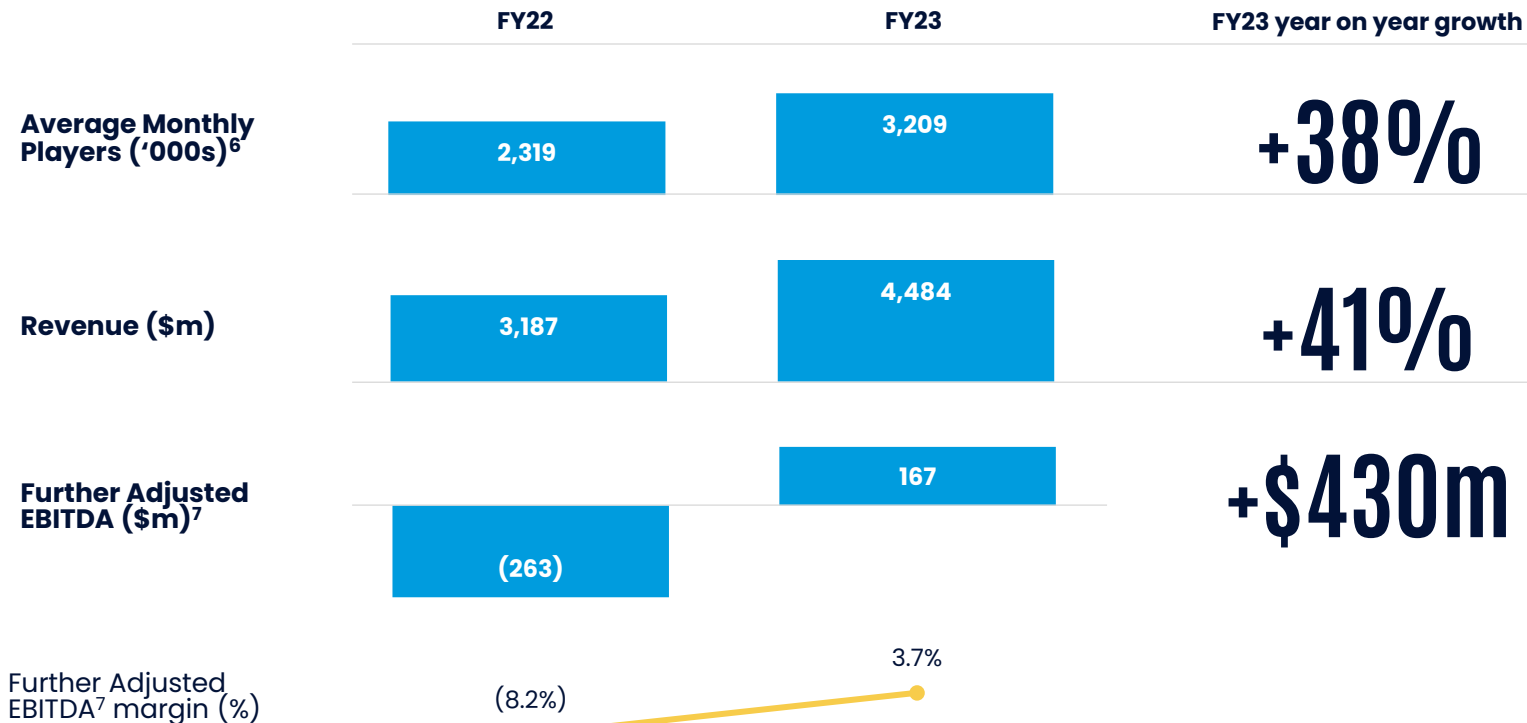


## FY23 GROUP HIGHLIGHTS



Strong US growth and ex-US growth through regulation underpin performance

# US HIGHLIGHTS

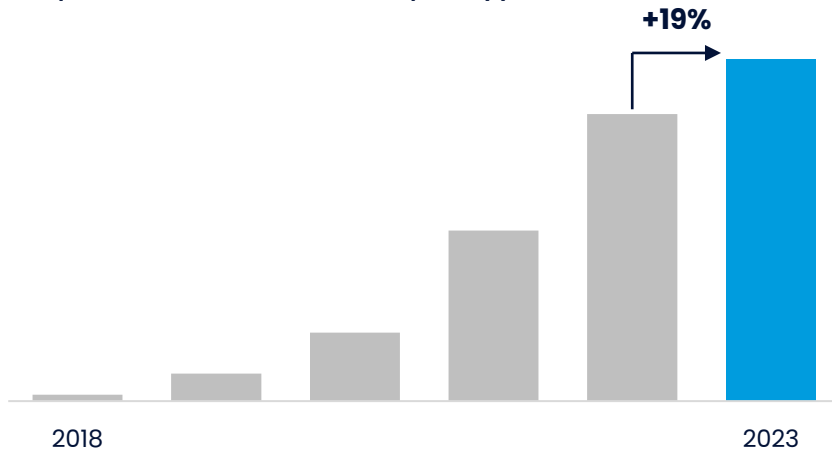


# STRATEGIC DELIVERY: US SPORTSBOOK

Build on our sustainable competitive advantage and extend our leadership position

## Investing behind attractive returns

FanDuel new sportsbook and casino customers acquired by year



Payback periods of less than 18 months<sup>10</sup>

#1

Online sportsbook<sup>2</sup>

43%

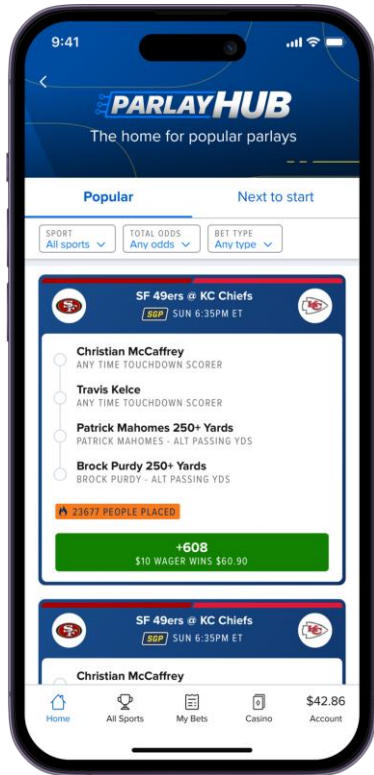
Sportsbook  
gross gaming revenue share<sup>2</sup>

53%

Sportsbook  
net gaming revenue share<sup>2</sup>



# STRATEGIC DELIVERY: US SPORTSBOOK



## Delivering highly engaging products

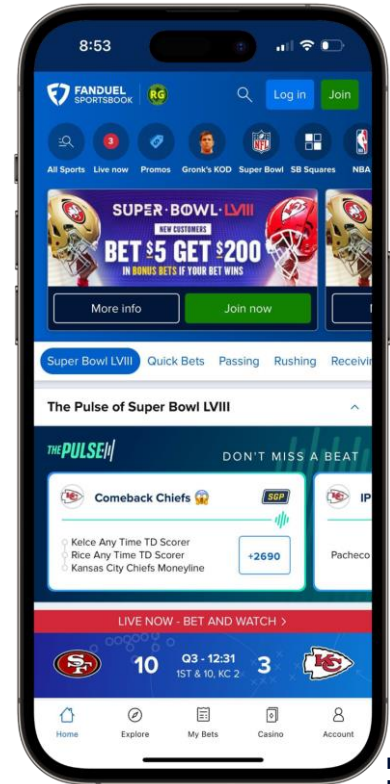
### Expanded Parlay offering

- 1.5m Popular Same Game Parlays placed on Super Bowl

### Improved live betting


- 33% of all Super Bowl live bets via Quick Bets
- 2.8x live bet SGP penetration vs 2023 Super Bowl

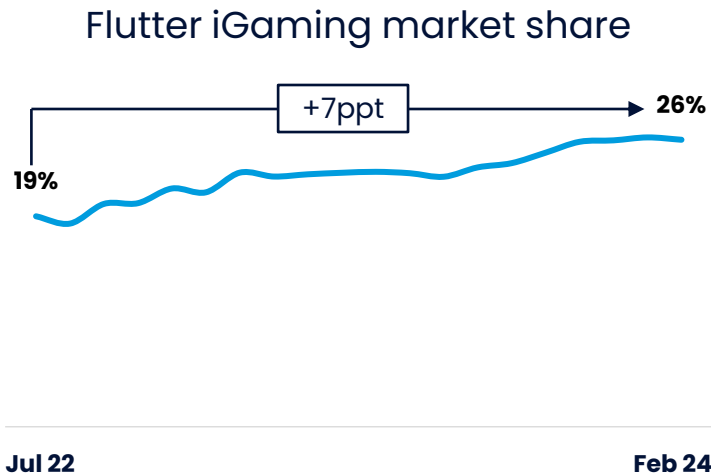
**Driving higher expected gross win margin  
13.5% in Q4 2023, +220bps YoY**





# STRATEGIC DELIVERY: US IGAMING

<p><b>More gaming titles</b></p>	 <p><b>82%</b> increase in new game launches vs 2022</p>
<p><b>Exclusive content</b></p>	 
<p><b>Improved capabilities</b></p>	 <p>Customizable jackpot campaigns Multiplayer functionality</p>
<p><b>Value enhancing partnerships</b></p>	 <p>New partnership with #1 US iGaming streamer</p>

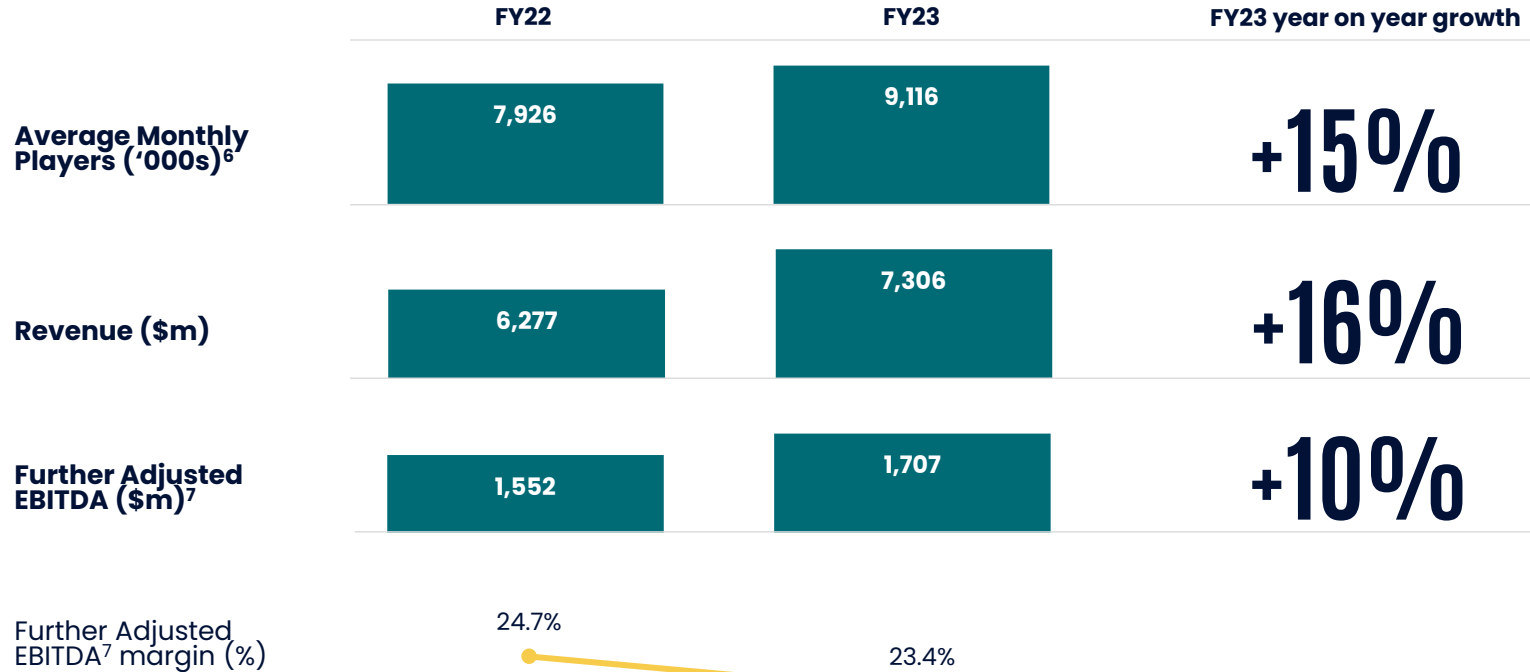


**FanDuel now #1 US iGaming brand<sup>2</sup>**

**Improved customer proposition driving market share gains**



## GROUP EX-US HIGHLIGHTS



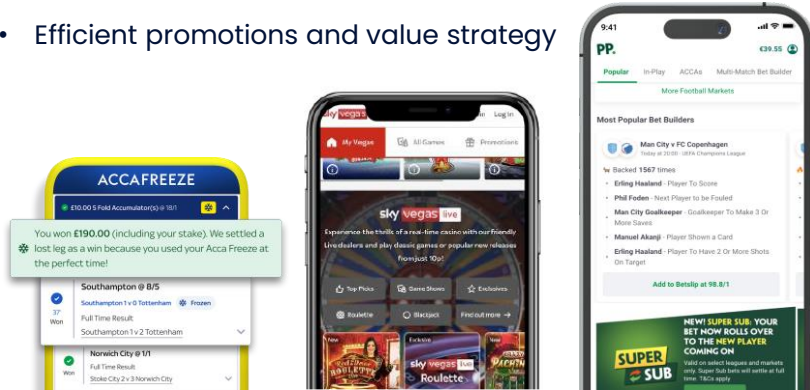
# STRATEGIC DELIVERY: UKI

Grow our customer base efficiently, using local scale to unlock benefits across core markets

Product improvements on sportsbook and iGaming...

...driving FY23 revenue growth and market share gains

- Sportsbook innovation with Acca Freeze and exclusive Bet Builder markets
- Improved iGaming content and live casino offering
- Efficient promotions and value strategy



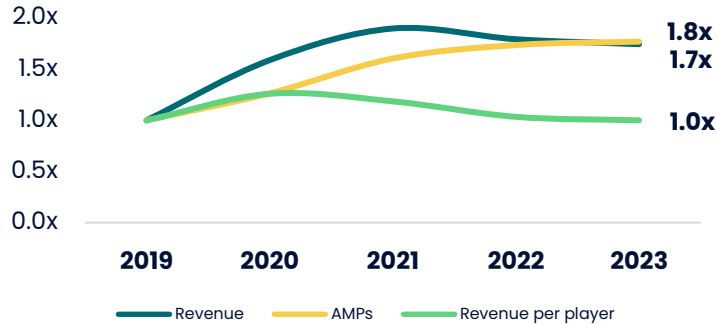
..resulting in +17% Further Adjusted EBITDA<sup>7</sup> growth to \$911m



# STRATEGIC DELIVERY: AUSTRALIA

## Spend per player at pre-Covid levels

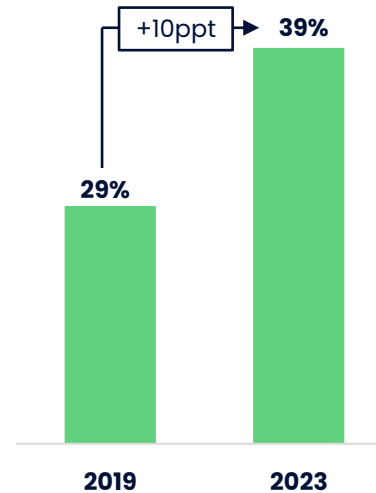
Relative size, indexed to 2019<sup>11</sup>



- Increase in spend per player during Covid impacted 2020-2022
- Racing market softness to continue into 2024

## Tax and regulatory burden impacting profitability

Product fees and taxes (included in cost of sales) as a % of revenue



- Increased tax and product fees equate to \$150m in additional cost in 2023 compared to 2019
- Regulatory and compliance costs offsetting scale benefits

Scale along with leadership on brand and product position Sportsbet well for the future



# STRATEGIC DELIVERY: INTERNATIONAL

Combine global scale and local presence to deliver sustainable growth across our markets

Continued strong performance by Sisal

Pro forma revenue +14% in Consolidate & Invest markets<sup>13</sup>

**New betting app**  
With new player builder markets



# #1

Italy online market share<sup>12</sup>

# 20%

Sisal pro forma online revenue growth in Italy

# +30%

Italy pro forma AMPs<sup>6</sup>

- **Georgia/Armenia** +17%; market share gains
- **Spain** +16%; increased content and improved app
- **India** +24%; strong customer engagement post tax changes, Q4 AMPs +53% YoY
- **Brazil** +7%; improved customer experience driving growth
- **Turkey** +36%; strong acquisition and retention strategy to accelerate online adoption and double retail network
- Optimizing the PokerStars business, driving efficiencies through targeted investment
- MaxBet acquisition completed Jan 2024; access to attractive **Serbian** market
- New sports betting concessions live in **Morocco**





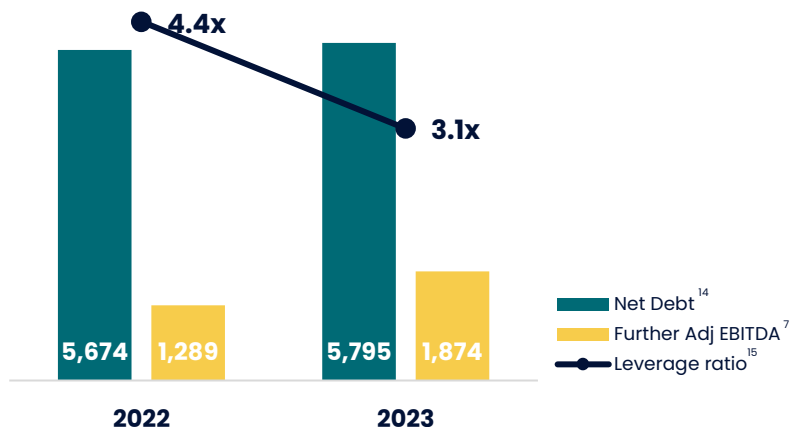
## SEGMENT FINANCIAL HIGHLIGHTS

\$m	12 months ended 31 December		
	2023	2022	YoY
<b>Revenue</b>			
US	4,484	3,187	+41%
UKI	3,047	2,664	+14%
Australia	1,447	1,558	-7%
International	2,812	2,055	+37%
<b>Further Adjusted EBITDA</b>			
US	167	(263)	N/A
UK & Ireland	911	777	+17%
Australia	356	485	-27%
International	627	417	+50%

- **US:**
  - Strong revenue performance in existing states combined with three new sportsbook states
  - Further Adjusted EBITDA positive, significant leverage in sales and marketing expenses
- **UKI:** Strong growth in both sportsbook and iGaming. Further Adjusted EBITDA margin expansion of 70bps
- **Australia:** Softer racing market and Covid comparatives driving revenue decline, combined with increased point of consumption taxes
- **International:** Pro forma revenue growth of 6% including Sisal; 'Consolidate and Invest' markets +14%

# SUSTAINABLY HIGHER PROFITABILITY PROVIDES PLATFORM TO INCREASE LEVERAGE TARGET

US positive Further Adjusted EBITDA driving improved leverage rate...



- Adjusted FCF +63% to \$938m
- Cash generated in the period offset by currency movements

...and platform to sustain a higher leverage rate<sup>15</sup>

- Updating medium-term leverage target to 2.0x-2.5x Net Debt<sup>14</sup> to Further Adjusted EBITDA<sup>7</sup> (from 1.0x-2.0x<sup>15</sup>)
- Retain flexibility to operate above this range for M&A opportunities in the short-term
- Considers feedback from shareholders and opportunities to deploy capital efficiently



## 2024 FINANCIAL GUIDANCE

### Current trading

- Group revenue +23% year on year for the 11 weeks to March 17, 2024

### US<sup>27</sup>

- Revenue range of \$5.8bn - \$6.2bn
- Further Adjusted EBITDA range of \$635m - \$785m

### Group ex-US<sup>27</sup>

- Revenue range of \$7.65bn - \$8.05bn
- Further Adjusted EBITDA range of \$1.63bn - \$1.83bn
- Australian Further Adjusted EBITDA of approximately \$250m

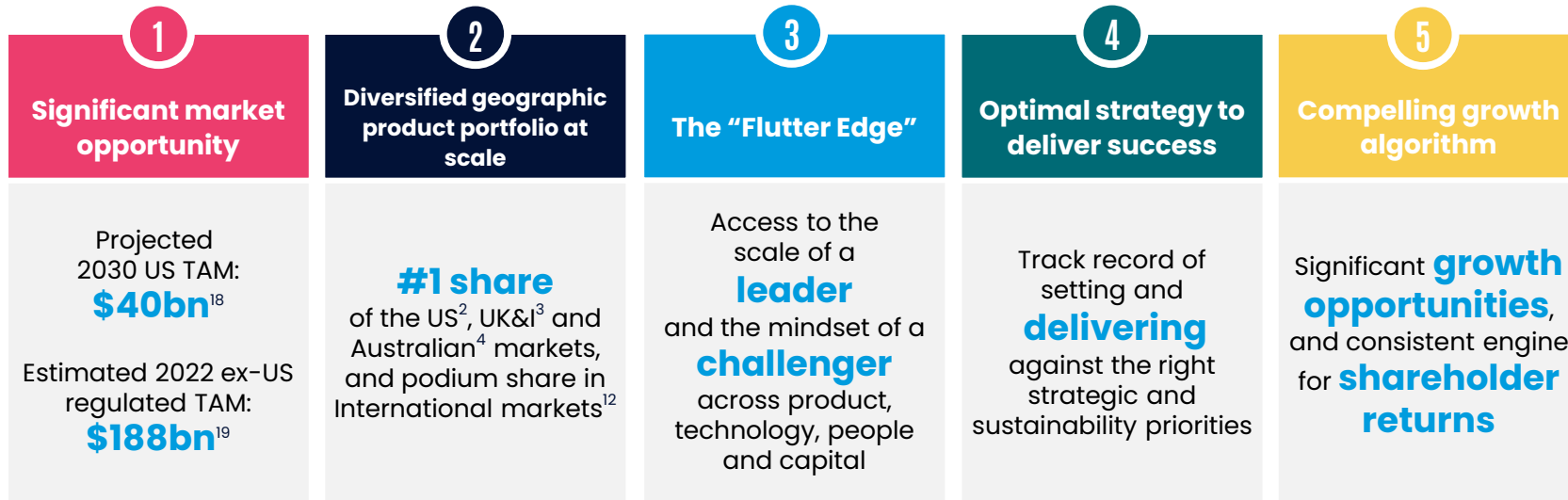
### Other<sup>27</sup>

- Capital expenditure<sup>16</sup>: c. \$670m
- Depreciation (excluding amortisation of acquired intangibles): c. \$510m
- Interest, net: c. \$370m
- Cash transaction fees, restructuring and integration costs<sup>17</sup>: c. \$150m

# RECAP: INTRODUCTION TO FLUTTER



# OUR STRATEGIC POSITIONING CREATES A COMPELLING INVESTMENT OPPORTUNITY

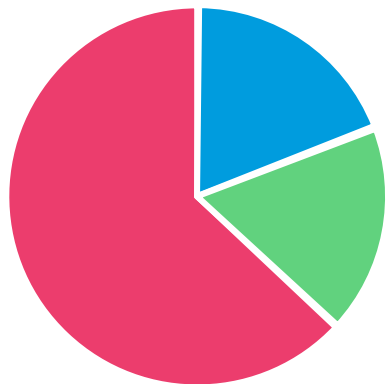


**Drives long-term value creation**

# WE ARE UNIQUELY POSITIONED TO CAPITALISE ON A LONG RUNWAY OF MARKET GROWTH

## \$228bn GGR regulated markets<sup>18,19</sup>

Includes market revenue currently generated offline and markets classified as regulated or regulating



### US

**Projected 2030 Total Addressable Market<sup>18</sup> ("TAM"):** \$40bn

- Rapidly growing market with high barriers to entry
- #1 operator via FanDuel

### Core leadership markets

**Estimated 2022 TAM<sup>19</sup>:** Australia (\$23bn), UK&I (\$20bn)

- Mature, consolidated markets with barriers to entry
- Leading market positions with scale operations
- Historic long-term growth through regulation

### Regulated international markets

**Estimated 2022 TAM<sup>19</sup>:** \$145bn regulated or regulating




- **Sample markets:** Italy, Turkey, India, Brazil
- Diverse range of regulated and regulating markets
- Investing for leadership in attractive markets with structural tailwind

**We are the global leader but still have just a small share of the total market opportunity today**

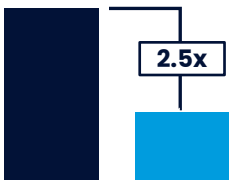
# OUR DIVERSIFIED GEOGRAPHIC AND PRODUCT PORTFOLIO OPERATES AT SCALE

#1 share in key markets translates to a disproportionate share of profit pool

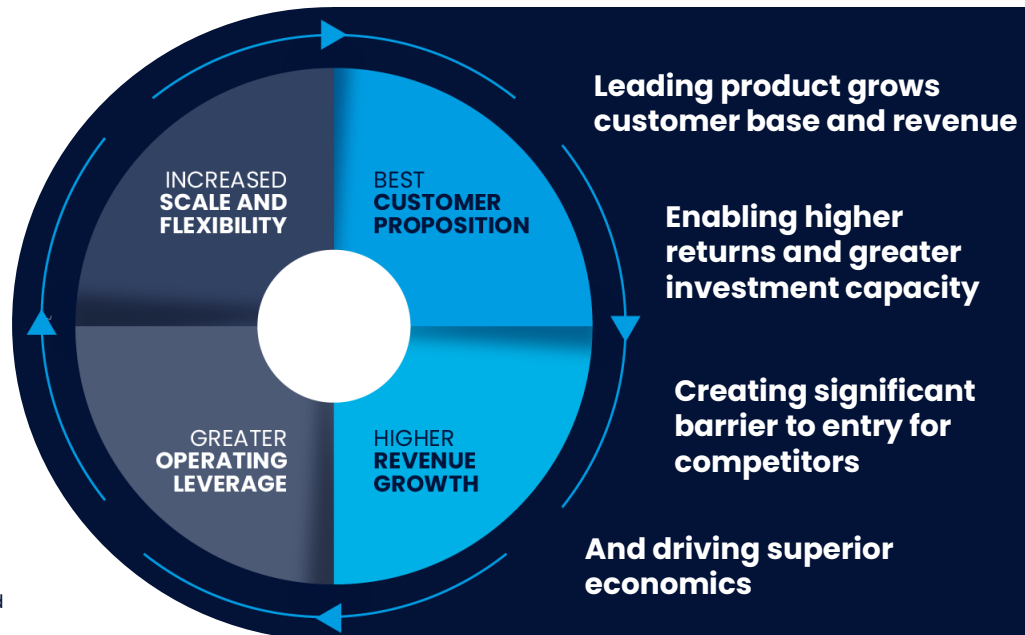
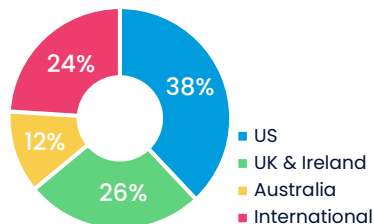
Leadership drives significant scale and global reach

 US	<b>37%</b> <i>(43% online sportsbook, 26% iGaming)<sup>2</sup></i>
 UK & IRELAND	<b>30%</b> <i>(41% online sportsbook, 23% iGaming)<sup>3</sup></i>
 AUSTRALIA	<b>45%</b> <i>Online sportsbook only<sup>4</sup></i>

Flutter FY23 revenue vs next largest peer<sup>5</sup>



Flutter FY23 revenue mix



# THE POWER OF OUR COMBINED BUSINESSES IS OUR UNIQUE COMPETITIVE ADVANTAGE



**PRODUCT**

**Decades of institutional knowledge**  
*underpin market leading pricing capability for betting, iGaming innovation and customer experience*



**TECHNOLOGY**

**Agile and scalable proprietary platforms**  
*drive local innovation on a global scale, with over 7,000 technologists*



**PEOPLE**

**Experienced, mobile and motivated talent**  
*execute on our strategy and ensure we win in our local markets*



**CAPITAL**

**Capital to invest for growth**  
*provides opportunity to achieve scale efficiencies*

**Creating superior returns in each of our businesses and markets**

***“Leading the global market by combining the scale of a leader with the mindset of a challenger”***

# WE HAVE THE OPTIMAL GROUP STRATEGY TO DELIVER LONG-TERM SHAREHOLDER VALUE

**US**



**Invest to win** in the US

**Group ex – US**



**Grow our gold medal positions** in our core markets



Build on our network and **invest for leadership** positions across International markets

## Underpinned by sustainability through our Positive Impact Plan



**Customers**  
Helping customers to **Play Well**



**Colleagues**  
Empowering colleagues to **Work Better**



**Communities**  
Working with communities to **Do More**



**Environment**  
**Reducing our Impact** through Go Zero strategy

## 2030 targets

>75% of customers using a responsible gambling tool<sup>20</sup>

Build teams that are representative of where we live and work

Improve the lives of 10m people

Comprehensive strategy to reduce impact and 2035 NetZero transition plan



## WE HAVE A STRONG TRACK RECORD OF CREATING SHAREHOLDER VALUE

	Sustainable revenue growth	Margin benefits	Cashflow generation	Capital allocation
Progress	<ul style="list-style-type: none"> <li>• Growing player base</li> <li>• Increasing player value</li> </ul>	<ul style="list-style-type: none"> <li>• Scale efficiencies and operating leverage</li> <li>• Flutter Edge driving Flywheel and enabling re-investment</li> </ul>	<ul style="list-style-type: none"> <li>• Established operations highly cash generative</li> <li>• Positive working capital as business expands</li> </ul>	<ul style="list-style-type: none"> <li>• Disciplined player acquisition and product innovation</li> <li>• Value creative M&amp;A</li> <li>• Returns to shareholders</li> </ul>
Result	<p><b>13.6M</b> Q4 Average Monthly Players<sup>6</sup></p>	<p><b>25%</b> FY23 revenue growth</p>	<p><b>+230bps</b> FY23 Further Adjusted EBITDA<sup>7</sup> margin expansion</p>	

### EPS growth and long-term value creation

**128% five-year Total Shareholder Return<sup>21</sup>**



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# APPENDICES

# GROUP INCOME STATEMENT

\$m	12 months ended 31 December	
	2023	2022
<b>Revenue</b>	<b>11,790</b>	<b>9,463</b>
Cost of sales	(6,202)	(4,813)
<b>Gross profit</b>	<b>5,588</b>	<b>4,650</b>
Technology, research and development expenses	(765)	(552)
Sales and marketing expenses	(3,776)	(3,014)
General and administrative expenses	(1,596)	(1,172)
<b>Operating loss</b>	<b>(549)</b>	<b>(88)</b>
Other (expense) income, net	(157)	5
Interest expense, net	(385)	(212)
<b>Loss before income taxes</b>	<b>(1,091)</b>	<b>(295)</b>
Income tax expense	(120)	(75)
<b>Net loss</b>	<b>(1,211)</b>	<b>(370)</b>

# GROUP ADJUSTED AND FURTHER ADJUSTED EBITDA RECONCILIATION

\$m	12 months ended 31 December	
	2023	2022
<b>Net loss</b>	<b>(1,211)</b>	<b>(370)</b>
<i>Add back:</i>		
Income taxes	120	75
Other income/ (expense), net	157	(5)
Interest expense, net	385	212
Depreciation and amortization	1,285	1,076
Transaction fees and associated costs <sup>22</sup>	92	43
Restructuring and integration costs <sup>23</sup>	126	155
Legal settlements/(loss contingencies) <sup>24</sup>	-	(44)
Impairment of PPE and Intangible Assets	725	-
<b>Adjusted EBITDA</b>	<b>1,678</b>	<b>1,142</b>
Adjusted EBITDA margin	14.2%	12.1%
<i>Add back:</i>		
Share-based compensation expense	196	147
<b>Further Adjusted EBITDA</b>	<b>1,874</b>	<b>1,289</b>
Further Adjusted EBITDA margin	15.9%	13.6%

# SEGMENT FURTHER ADJUSTED EBITDA RECONCILIATION

\$m	12 months ended 31 December	
	2023	2022
<b>Adjusted EBITDA</b>		
US	65	(347)
UK & Ireland	888	757
Australia	348	477
International	592	395
<b>Add back: share-based compensation</b>		
US	102	84
UK & Ireland	23	19
Australia	8	8
International	35	22
<b>Further Adjusted EBITDA</b>		
US	167	(263)
UK & Ireland	911	777
Australia	356	485
International	627	417
<b>Further Adjusted EBITDA margin</b>		
US	3.7%	(8.2%)
UK & Ireland	29.9%	29.1%
Australia	24.6%	31.1%
International	22.3%	20.3%

# GROUP EX-US FURTHER ADJUSTED EBITDA RECONCILIATION

\$m	12 months ended 31 December	
	2023	2022
<b>Adjusted EBITDA</b>		
Group	1,678	1,142
US	65	(347)
Group ex-US	1,613	1,489
<i>Add back: share-based compensation</i>		
Group	196	147
US	102	84
Group ex-US	94	63
<b>Further Adjusted EBITDA</b>		
Group	1,874	1,289
US	167	(263)
Group ex-US	1,707	1,552
<b>Further Adjusted EBITDA margin</b>		
Group	15.9%	13.6%
US	3.7%	(8.2%)
Group ex-US	23.4%	24.7%

# GROUP ADJUSTED EARNINGS PER SHARE RECONCILIATION

\$m	12 months ended 31 December	
	2023	2022
<b>Net loss per share</b>	<b>(6.89)</b>	<b>(2.44)</b>
<i>Add back:</i>		
Transaction fees and associated costs	0.52	0.24
Restructuring and integration costs	0.71	0.88
Legal settlements/loss contingencies	-	(0.25)
Impairment of PPE and intangible assets	4.09	-
Amortization of acquired intangibles	4.46	4.24
Accelerated amortization	0.17	-
Loss on settlement of long-term debt	0.03	0.37
Financing related fees not eligible for capitalization	0.16	0.05
Share based compensation	1.11	0.83
Tax impact of above adjustments	(0.85)	(1.12)
<b>Adjusted earnings per share</b>	<b>3.51</b>	<b>2.79</b>

# GROUP NET DEBT RECONCILIATION

\$m	12 months ended 31 December	
	2023	2022
<b>Long-term debt</b>	<b>7,005</b>	<b>6,707</b>
Long-term debt due within one year	51	43
Total Debt	7,056	6,750
<i>Add:</i>		
Transaction costs, premiums or discount included in the carrying value of debt	54	41
<i>Less:</i>		
Unrealized foreign exchange on translation of foreign currency debt <sup>25</sup>	182	(151)
Cash and cash equivalents	(1,497)	(966)
<b>Net debt</b>	<b>5,795</b>	<b>5,674</b>

# GROUP ADJUSTED FREE CASH FLOW RECONCILIATION

\$m	12 months ended 31 December	
	2023	2022
<b>Net cash provided by operating activities</b>	<b>937</b>	<b>1,163</b>
<i>Less:</i>		
Change in player deposits	1	72
Change in player deposit liability	382	(376)
<i>Add cash impact of:</i>		
Transaction fees and associated costs	83	32
Restructuring and integration costs	137	114
<i>Less cash impact of:</i>		
Purchases of property and equipment	(159)	(122)
Purchases of intangible assets	(175)	(100)
Capitalised software	(268)	(207)
<b>Adjusted free cash flow</b>	<b>938</b>	<b>576</b>



# Footnotes

<sup>1</sup> Market Capitalization calculated by reference to the closing price of Flutter's shares on the New York Stock Exchange at close on Friday 22 March.

<sup>2</sup> US market position based on available market share data for states in which FanDuel is active. Online sportsbook market share is the gross gaming revenue (GGR) and net gaming revenue (NGR), market share of our FanDuel brand for the three months to December 31, 2023 in the states in which FanDuel was live (excluding Tennessee as they no longer report this data), based on published gaming regulator reports in those states. iGaming market share is the GGR, market share of FanDuel and PokerStars US for the three months to December 31, 2023 in the states in which those brands were live, based on published gaming regulator reports in those states. Number one iGaming brand based on GGR for January 2024 based on published gaming regulator reports and external estimates by Eilers and Krejčík for competitor market share.

<sup>3</sup> UKI online market position based on internal 2023 GGR market share estimates using internally generated information, and external sources including advisors, competitors' published financial information, data releases by the UK Gambling Commission, market research and aggregated banking deposit information.

<sup>4</sup> Australia market position based on internal GGR market share estimates for the fiscal year ending 31 December 2023 using internally generated information, competitors' published financial information, relevant market research and aggregated banking deposit information. Australian online market is sportsbook only, with iGaming not legalised.

<sup>5</sup> Flutter's global position based on a comparison of the Group's reported net revenue for 2023 against the equivalent reporting period for the next largest identified online-led sports betting and iGaming operators.

<sup>6</sup> Average Monthly Players ("AMPs") is defined as the average over the applicable reporting period of the total number of players who have placed and/or wagered a stake and/or contributed to rake or tournament fees during the month. This measure does not include individuals who have only used new player or player retention incentives, and this measure is for online players only and excludes retail player activity. The Company's AMPs information is based on player data collected by each of its brands, which generally each employ their own unique data platform, and reflects a level of duplication that arises from individuals who use multiple brands. In addition, the Company does not eliminate from the AMPs information presented for the Group as whole duplication of individual players who use its product offerings in multiple divisions.

<sup>7</sup> Adjusted EBITDA is defined on a Group basis as net profit/(loss) before income taxes; other (expense)/income, net; interest expense, net; depreciation and amortization; transaction fees and associated costs; restructuring and integration costs; legal settlements (loss contingencies), gaming taxes expenses and impairment of PPE and intangible assets. Further Adjusted EBITDA is defined as Adjusted EBITDA excluding share-based compensation. Adjusted EBITDA Margin and Further Adjusted EBITDA Margin is Adjusted EBITDA and Further Adjusted EBITDA as a percentage of revenue, respectively.

<sup>8</sup> Adjusted free cash flow is defined as net cash provided by operating activities excluding changes in operating assets and liabilities related to player deposits, investment and player deposit liabilities, cash paid for transaction fees and associated cost, restructuring fees and integration cost less payments for property and equipment, intangible assets and capitalized software.

<sup>9</sup> Adjusted EPS is calculated by dividing adjusted net income attributable to Flutter shareholders by the number of diluted weighted-average ordinary shares outstanding in the period. Adjusted Net Profit Attributable to Flutter Shareholders is defined as net profit/(loss) as adjusted for after tax effects of transaction fees and associated costs; restructuring and integration costs; legal settlements (loss contingencies), amortization of acquired intangibles, accelerated amortization, loss/(gain) on settlement of long-term debt, impairment of PPE and intangible assets, financing related fees not eligible for capitalization, gain from disposal of businesses and share-based compensation.

<sup>10</sup> Payback is calculated as the projected average length of time it takes players to generate sufficient gross profit to repay the original average cost of acquiring those players. Customer acquisition costs include the marketing and associated promotional spend incurred to acquire a customer. The projected gross profit is based on predictive models considering inputs such as staking behavior, interaction with promotional offers and gross win margin. Projected gross profit includes associated variable costs of revenue as well as retention generosity costs.

<sup>11</sup> Australian AMPs, revenue and revenue per player include BetEasy (acquired in May 2020) in 2019 and 2020 for better comparability of trends. Excluding these players in 2019 would reduce AMPs, revenue and revenue per player by 19%, 35% and 19% respectively.

<sup>12</sup> International market positions are determined using a variety of methods depending on the data sources available for the relevant market, and include competitors' published financial information, data releases by the relevant regulatory body, market research and aggregated banking deposit information. Italian market position share based on regulator GGR data from Agenzia delle dogane e dei Monopoli for 2023 and includes normalised lottery payout provided by the regulator.

<sup>13</sup> 2023 Consolidate and Invest markets in International include Italy, Spain, Georgia, Armenia, Brazil, India, Turkey and Virtual Reality.

<sup>14</sup> Net debt is defined as total debt, excluding premiums, discounts, and deferred financing expense, and the effect of foreign exchange that is economically hedged as a result of our cross-currency interest rate swaps reflecting the net cash outflow on maturity less cash and cash equivalents.

<sup>15</sup> Leverage ratio is defined as net debt divided by Further Adjusted EBITDA for the preceding twelve-month period.

<sup>16</sup> Capital expenditure is defined as payments for the purchase of property and equipment, the purchase of intangible assets and capitalized software.

<sup>17</sup> The cash impact of transaction fees<sup>22</sup> and restructuring and integration costs<sup>23</sup>, represents costs associated with (i) advisory fees related to the listing of Flutter's ordinary shares in the U.S. and proposed primary listing move, (ii) advisory fees in connection with acquisitions, and (iii) costs arising from strategic initiatives to integrate acquisitions within the Group.

<sup>18</sup> US Total Addressable Market ("TAM") represents an internal estimate of the 2030 online gross gaming revenue of states which have legalised online sports betting and iGaming in the United States, with relevant assumptions set out in our November 2022 Capital Markets Day presentation, available at <https://www.flutter.com/investors/results-reports-and-presentations/year/2022/#docs>.

## Footnotes

<sup>18</sup> Ex-US TAM value based on internal estimates of 2022 gross gaming revenue for all countries excluding the United States. These figures include estimates of total market GGR from H2 Gambling Capital presented in GBP for Flutter's 2023 interim results available at <https://www.flutter.com/media/sx3herzm/flutter-interims-presentation-2023.pdf>. These estimates include land-based sports betting and gaming in addition to online. The addressable ex-US TAM excludes countries which, based on Flutter's judgement, are not addressable by Flutter due to the regulatory regime and/or licensing structure in place.

<sup>20</sup> A responsible gambling tool is any tool that a customer has used (or Flutter has applied to a customer) to promote safer gambling practices, including but not limited to deposit limits, staking limits, reality checks and time outs.

<sup>21</sup> Total shareholder return refers to the total return accruing to shareholders during the five-year period ending 31 December 2023. This reflects the total share price return as well as any cash returns.

<sup>22</sup> Fees primarily associated with (i) transaction fees related to the proposed listing of Flutter's ordinary shares in the U.S. of \$86 million for the year ended December 31, 2023; (ii) Fox Option arbitration proceedings of \$30 million and acquisition-related costs in connection with tombola and Sisal of \$11 million for the year ended December 31, 2022.

<sup>23</sup> During the year ended December 31, 2023 costs of \$126 million (year ended December 31, 2022: \$155 million) primarily relate to various restructuring and other strategic initiatives to drive increased synergies arising primarily from the acquisitions of TSG and Sisal. These actions include efforts to consolidate and integrate our technology infrastructure, back-office functions and relocate certain operations to lower cost locations. The costs primarily include severance expenses, advisory fees and temporary staffing cost. Costs also include implementation costs of an enterprise resource planning system that could not be capitalized.

<sup>24</sup> During the year ended December 31, 2022, the settlement of two separate legacy The Stars Group litigation matters in the International and Australian divisions resulted in the release of various legal provisions and an Income Statement credit of \$44 million.

<sup>25</sup> Representing the adjustment for foreign exchange that is economically hedged as a result of our cross-currency interest rate swaps to reflect the net cash outflow on maturity.

<sup>26</sup> A reconciliation of our forward-looking non-GAAP financial measures to the most directly comparable GAAP financial measure cannot be provided without unreasonable effort. This is due to the inherent difficulty of accurately forecasting the occurrence and financial impact of the adjusting items necessary for such a reconciliation to be prepared of items that have not yet occurred, are out of our control, or cannot be reasonably predicted.



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