



Flutter Entertainment Plc Historic pro forma information

16 April 2021

 Flutter

Summary

- From 1 January 2021, all external reporting of financial information and key performance indicators (KPI) will be realigned to a new four divisional structure consisting of:
 - UK & Ireland
 - Australia
 - International
 - US
- This realignment of divisional reporting reflects how the business is now being managed
- It results in the following changes:
 - Consolidation of PPB's UK and Irish operations with Sky Betting and Gaming (SBG) to form new UK & Ireland division
 - Consolidation of PokerStars with Adjarabet and Betfair's international operations to form the new International division. Previously Adjarabet and Betfair International had been reported within PPB
- The following slides set out the historic pro forma¹ financial and KPI information for the updated structure
- Financials for the Group, Australia and US remain unchanged

Current brand portfolio by division

UK & Ireland



Australia



International



US



¹ B2B operations are included within the International division, with the exception of Oddschecker which is included within UK & Ireland.

Group

Pro forma £m	2020							2019						
	Q1	Q2	Q3	Q4	H1	H2	FY	Q1	Q2	Q3	Q4	H1	H2	FY
Sportsbook stakes	4,959	4,023	7,415	8,495	8,982	15,910	24,892	5,258	5,239	5,158	5,808	10,497	10,965	21,463
<i>Sportsbook net revenue margin</i>	10.5%	11.9%	9.0%	10.1%	11.1%	9.6%	10.1%	7.2%	9.4%	9.5%	9.4%	8.3%	9.4%	8.9%
Sports revenue	627	571	798	1,003	1,199	1,801	3,000	499	618	606	678	1,117	1,284	2,400
Gaming revenue	498	692	527	547	1,190	1,074	2,264	435	423	436	449	858	885	1,743
Total revenue	1,126	1,263	1,325	1,550	2,389	2,876	5,264	934	1,041	1,042	1,126	1,975	2,169	4,144
Cost of sales					(738)	(1,043)	(1,782)					(566)	(632)	(1,198)
<i>Cost of sales as a % of net revenue</i>					30.9%	36.3%	33.8%					28.7%	29.1%	28.9%
Gross profit					1,650	1,833	3,483					1,409	1,537	2,946
Sales & marketing costs					(426)	(704)	(1,130)					(389)	(451)	(840)
Contribution					1,224	1,128	2,353					1,020	1,086	2,105
Divisional operating costs					(475)	(525)	(1,000)					(437)	(446)	(884)
Corporate costs ¹					(66)	(56)	(121)					(59)	(74)	(133)
Adjusted EBITDA					684	548	1,231					523	566	1,089
<i>Adjusted EBITDA margin</i>					28.6%	19.0%	23.4%					26.5%	26.1%	26.3%
Depreciation and amortisation					(117)	(124)	(241)					(103)	(117)	(220)
Adjusted operating profit					567	423	990					420	448	869

¹ Corporate costs in 2020 and 2019 have decreased slightly, with a comparable offset in divisional operating costs, due to the reallocation of some divisional costs previously reported at a Group level.

UK & Ireland¹

Pro forma £m	2020							2019						
	Q1	Q2	Q3	Q4	H1	H2	FY	Q1	Q2	Q3	Q4	H1	H2	FY
Sportsbook stakes	2,240	1,374	2,790	2,996	3,614	5,786	9,400	2,727	2,815	2,625	2,628	5,542	5,253	10,795
<i>Sportsbook net revenue margin</i>	13.0%	12.6%	10.4%	12.5%	12.8%	11.5%	12.0%	6.6%	10.1%	9.5%	11.0%	8.4%	10.3%	9.3%
Sports revenue	331	194	333	427	525	761	1,286	229	337	297	336	565	633	1,198
Gaming revenue	158	192	186	207	350	393	743	157	152	145	162	309	307	617
Total revenue	489	386	519	634	875	1,154	2,029	386	488	443	498	874	940	1,815
Cost of sales					(241)	(336)	(577)					(235)	(256)	(491)
<i>Cost of sales as a % of net revenue</i>					27.6%	29.1%	28.5%					26.9%	27.2%	27.0%
Gross profit					634	818	1,451					639	685	1,324
Sales & marketing costs					(168)	(206)	(375)					(178)	(169)	(347)
Contribution					465	611	1,077					462	516	977
Other operating costs					(215)	(231)	(446)					(205)	(204)	(409)
Adjusted EBITDA					251	380	630					257	312	568
<i>Adjusted EBITDA margin</i>					28.6%	32.9%	31.1%					29.4%	33.2%	31.3%
Depreciation and amortisation					(58)	(61)	(119)					(56)	(57)	(112)
Adjusted operating profit					193	318	511					201	255	456

¹ See Appendices for split of performance in Online vs Retail

International

Pro forma £m	2020							2019						
	Q1	Q2	Q3	Q4	H1	H2	FY	Q1	Q2	Q3	Q4	H1	H2	FY
Sportsbook stakes	311	245	375	439	555	813	1,368	421	361	359	381	781	739	1,521
<i>Sportsbook net revenue margin</i>	10.1%	7.0%	7.2%	9.3%	8.7%	8.4%	8.5%	7.5%	7.0%	8.5%	7.7%	7.3%	8.1%	7.7%
Sports revenue	47	27	46	60	74	106	180	53	45	50	48	98	99	197
Gaming revenue	297	430	279	278	727	558	1,285	268	259	275	265	526	539	1,066
Total revenue	344	457	325	339	801	664	1,465	321	303	325	313	624	638	1,263
Cost of sales					(181)	(184)	(365)					(145)	(139)	(284)
<i>Cost of sales as a % of net revenue</i>					22.6%	27.6%	24.9%					23.3%	21.8%	22.5%
Gross profit					620	481	1,100					479	499	978
Sales & marketing costs					(110)	(169)	(279)					(103)	(98)	(201)
Contribution					510	312	822					376	401	777
Other operating costs					(113)	(135)	(248)					(108)	(95)	(203)
Adjusted EBITDA					397	177	574					268	306	574
<i>Adjusted EBITDA margin</i>					49.5%	26.7%	39.2%					43.0%	47.9%	45.4%
Depreciation and amortisation					(24)	(26)	(50)					(18)	(26)	(44)
Adjusted operating profit					373	151	524					250	280	530

Average monthly players by division

Average Monthly Players ("AMP") ^{1,2} Pro forma ('000s) 2020	Q1	Q2	Q3	Q4	H1	H2	FY
Group	5,635	5,256	6,401	7,404	5,445	6,902	6,174
UK & Ireland	2,571	2,027	2,567	2,964	2,299	2,765	2,532
Australia	581	611	876	1,109	596	992	794
International	1,774	2,223	1,835	1,918	1,999	1,877	1,938
US	710	395	1,122	1,413	552	1,268	910
2019	Q1	Q2	Q3	Q4	H1	H2	FY
Group	5,282	5,261	4,955	5,715	5,271	5,335	5,303
UK & Ireland	2,523	2,659	2,255	2,476	2,591	2,365	2,478
Australia	535	626	632	724	580	678	629
International	1,732	1,587	1,512	1,548	1,659	1,530	1,594
US	492	389	557	968	441	762	601
YoY %	Q1	Q2	Q3	Q4	H1	H2	FY
Group	+7%	0%	+29%	+30%	+3%	+29%	+16%*
UK & Ireland	+2%	-24%	+14%	+20%	-11%	+17%	+2%
Australia	+9%	-2%	+39%	+53%	+3%	+46%	+26%
International	+2%	+40%	+21%	+24%	+20%	+23%	+22%
US	+44%	+2%	+102%	+46%	+25%	+66%	+51%

* Note: The AMP data provided above will not reconcile exactly with the totals reported in our FY20 preliminary results announcement. This is on account of further analysis carried out on the player base that subsequently excluded all "free-to-play only" customers in the US and a cohort of B2B customers within our International division.

Unchanged Divisional Income Statements

US

Pro forma £m	2020							2019						
	Q1	Q2	Q3	Q4	H1	H2	FY	Q1	Q2	Q3	Q4	H1	H2	FY
Sportsbook stakes	864	226	1,247	2,073	1,090	3,321	4,411	469	393	513	1,021	862	1,534	2,396
<i>Sportsbook net revenue margin</i>	4.6%	6.2%	2.1%	6.0%	4.9%	4.5%	4.6%	3.9%	4.2%	5.2%	4.0%	4.0%	4.4%	4.3%
Sports revenue	88	76	99	195	164	294	458	69	71	76	109	140	185	325
Gaming revenue	43	70	62	62	113	123	237	11	12	16	22	23	38	61
Total revenue	132	146	161	256	278	417	695	79	84	93	130	163	223	386
Cost of sales					(116)	(203)	(319)					(46)	(78)	(124)
<i>Cost of sales as a % of net revenue</i>					41.9%	48.7%	46.0%					28.3%	35.0%	32.2%
Gross profit					162	214	376					117	145	262
Sales & marketing costs					(88)	(259)	(348)					(53)	(115)	(168)
Contribution					73	(45)	28					64	30	94
Other operating costs					(92)	(105)	(198)					(75)	(100)	(175)
Adjusted EBITDA					(19)	(151)	(170)					(11)	(70)	(82)
<i>Adjusted EBITDA margin</i>					-6.9%	-36.1%	-24.4%					-7.0%	-31.5%	-21.1%
Depreciation and amortisation					(18)	(19)	(37)					(11)	(17)	(29)
Adjusted operating profit					(38)	(169)	(207)					(23)	(88)	(110)

Australia

Pro forma £m	2020							2019						
	Q1	Q2	Q3	Q4	H1	H2	FY	Q1	Q2	Q3	Q4	H1	H2	FY
Sportsbook stakes	1,545	2,177	3,003	2,987	3,723	5,990	9,713	1,641	1,671	1,661	1,778	3,312	3,438	6,751
<i>Sportsbook net revenue margin</i>	10.4%	12.6%	10.7%	10.7%	11.7%	10.7%	11.1%	9.0%	9.9%	11.0%	10.4%	9.5%	10.7%	10.1%
Sports revenue	161	273	320	321	435	641	1,075	148	166	182	185	314	367	681
Total revenue	161	273	320	321	435	641	1,075	148	166	182	185	314	367	681
Cost of sales					(200)	(321)	(520)					(140)	(159)	(299)
<i>Cost of sales as a % of net revenue</i>					45.9%	50.0%	48.4%					44.5%	43.4%	43.9%
Gross profit					235	320	555					174	208	382
Sales & marketing costs					(59)	(70)	(129)					(56)	(68)	(124)
Contribution					176	250	426					118	140	258
Other operating costs					(55)	(53)	(108)					(49)	(47)	(96)
Adjusted EBITDA					121	197	318					69	93	161
<i>Adjusted EBITDA margin</i>					27.9%	30.7%	29.6%					21.9%	25.2%	23.7%
Depreciation and amortisation					(14)	(16)	(30)					(15)	(15)	(30)
Adjusted operating profit					107	181	288					54	77	131



Appendices

UK & Ireland (Online)

Pro forma £m	2020							2019						
	Q1	Q2	Q3	Q4	H1	H2	FY	Q1	Q2	Q3	Q4	H1	H2	FY
Sportsbook stakes	1,883	1,348	2,396	2,775	3,231	5,170	8,401	2,293	2,342	2,174	2,193	4,635	4,367	9,002
<i>Sportsbook net revenue margin</i>	12.7%	12.6%	9.9%	12.3%	12.6%	11.2%	11.7%	5.7%	9.5%	8.8%	10.6%	7.6%	9.7%	8.6%
Sports revenue	279	190	281	393	470	674	1,143	179	273	240	277	452	517	968
Gaming revenue	139	187	165	194	327	359	686	130	136	128	140	266	268	535
Total revenue	419	378	446	587	796	1,033	1,829	309	409	368	417	718	785	1,503
Cost of sales					(224)	(309)	(534)					(199)	(222)	(421)
<i>Cost of sales as a % of net revenue</i>					28.2%	30.0%	29.2%					27.7%	28.3%	28.0%
Gross profit					572	723	1,295					519	563	1,082
Sales & marketing costs					(166)	(203)	(369)					(174)	(165)	(340)
Contribution					406	520	927					345	398	742
Other operating costs					(146)	(152)	(298)					(125)	(125)	(250)
Adjusted EBITDA					260	368	629					220	273	492
<i>Adjusted EBITDA margin</i>					32.7%	35.7%	34.4%					30.6%	34.7%	32.7%
Depreciation and amortisation					(36)	(40)	(77)					(35)	(35)	(69)
Adjusted operating profit					224	328	552					185	238	423

UK & Ireland (Retail)

Pro forma £m	2020							2019						
	Q1	Q2	Q3	Q4	H1	H2	FY	Q1	Q2	Q3	Q4	H1	H2	FY
Sportsbook stakes	356	27	394	221	383	615	998	434	473	451	435	907	886	1,793
<i>Sportsbook net revenue margin</i>	14.6%	14.6%	13.4%	15.5%	14.6%	14.1%	14.3%	11.4%	13.5%	12.8%	13.4%	12.5%	13.1%	12.8%
Sports revenue	52	4	53	34	56	87	143	50	64	58	58	113	116	230
Gaming revenue	19	4	21	13	23	34	57	27	15	17	22	43	39	82
Total revenue	71	8	74	47	79	121	200	77	79	75	81	156	155	312
Cost of sales					(17)	(27)	(44)					(36)	(34)	(70)
<i>Cost of sales as a % of net revenue</i>					21.6%	21.9%	21.8%					23.0%	21.8%	22.4%
Gross profit					62	94	156					120	122	242
Sales & marketing costs					(3)	(3)	(6)					(3)	(4)	(7)
Contribution					59	91	150					117	118	235
Other operating costs					(69)	(79)	(148)					(80)	(79)	(159)
Adjusted EBITDA					(10)	12	2					37	39	76
<i>Adjusted EBITDA margin</i>					-12.4%	9.6%	0.9%					23.7%	25.2%	24.5%
Depreciation and amortisation					(21)	(21)	(43)					(21)	(22)	(43)
Adjusted operating profit					(31)	(10)	(41)					16	17	33