



Flutter Entertainment plc

Preliminary Results 2022

2 March 2023

FlutterTM

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Introduction

Peter Jackson, Group CEO

Agenda

- Overview
- Financial Review
- Business Update
- Conclusion



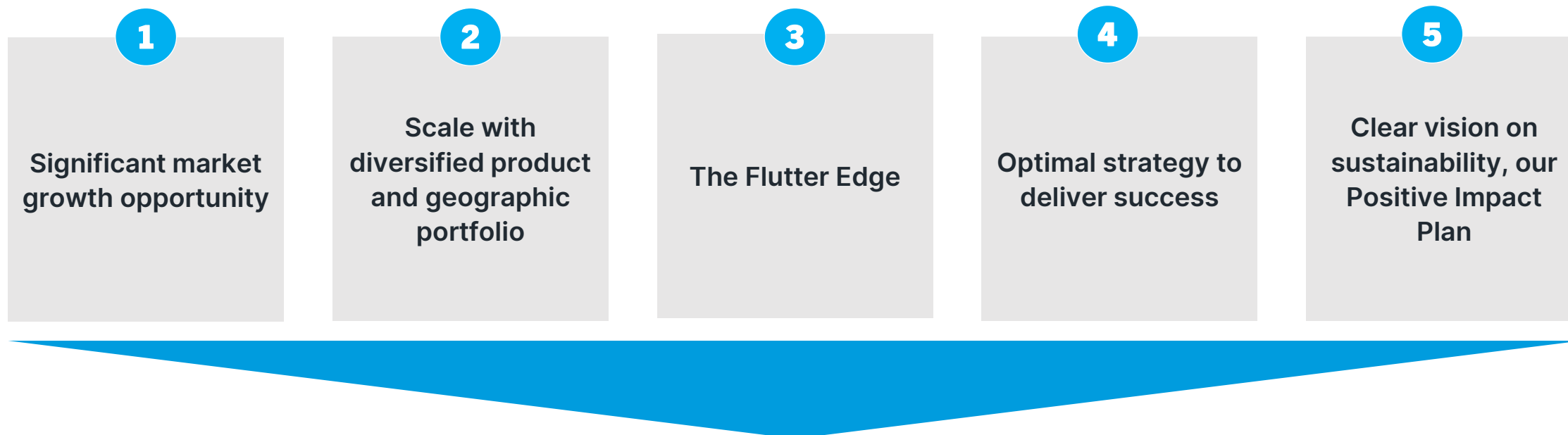
- **Group:** Strong revenue +22%, driven by recreational players +26% (pro forma revenue +14%, AMPs +15%)¹
 - US ahead of expectations, Group ex-US within range despite customer friendly December results

- **US:** Exceptional performance with scale advantages compounding
 - Clear #1 sportsbook, 50% market share in Q4, best state launches to date
 - Improved gaming offering and market share
 - Profit in Q2 and Q4 excluding Maryland and Ohio investment

- **Group ex-US:** player momentum continues, underlying EBITDA +6% ex-known headwinds
 - UK&I: product improvements and World Cup driving strong Q4
 - Australia: Good player volumes despite Covid unwind and highly competitive environment
 - International: Inflection point reached, Sisal acquisition transformative, consolidate and invest markets pro forma revenue +22%²

- **2023:** Earnings transformation

Well positioned to deliver long term shareholder value...



Driving strong financial returns with 22% compound annual growth in EBITDA since 2017¹

...with market leading brands positioned to maximise growth



US

- Huge market opportunity
- Sustainable leadership position
- Strong unit economics
- Profitable in 2023

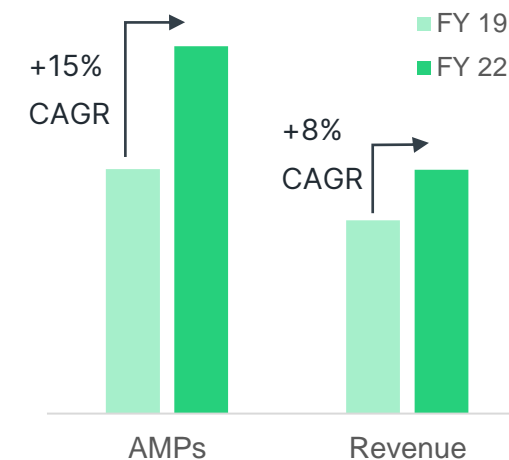


Group ex-US

- Diversified scaled business
- Historic revenue growth of 5-10%
- High EBITDA margins in mature businesses
- High cash generation



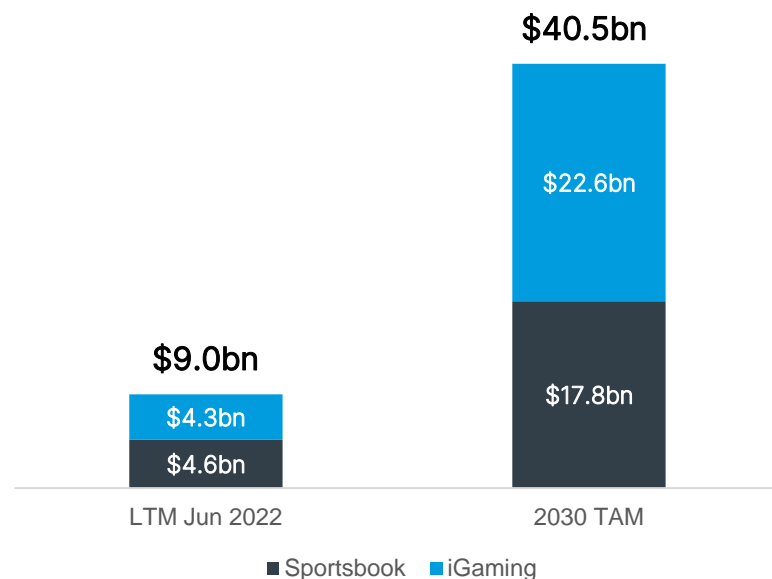
Group ex-US 3-year CAGR¹



1. Significant market growth opportunity

US online market of \$40bn by 2030

Projected online market GGR¹



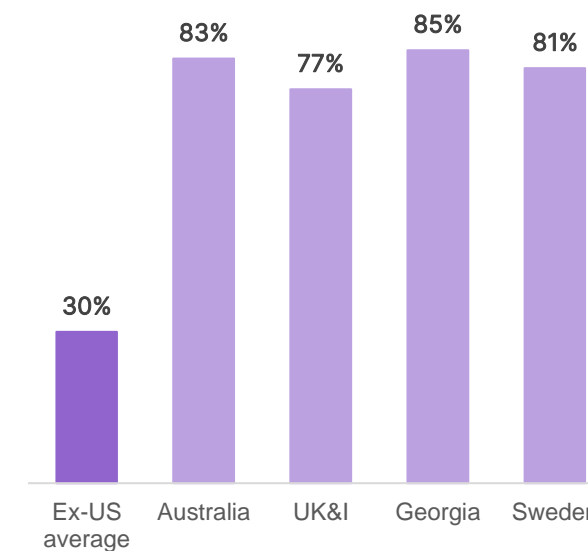
- 80% of population with access to sports betting and 25% to iGaming by 2030

Long runway for high growth outside of the US

Large ex-US global market²...

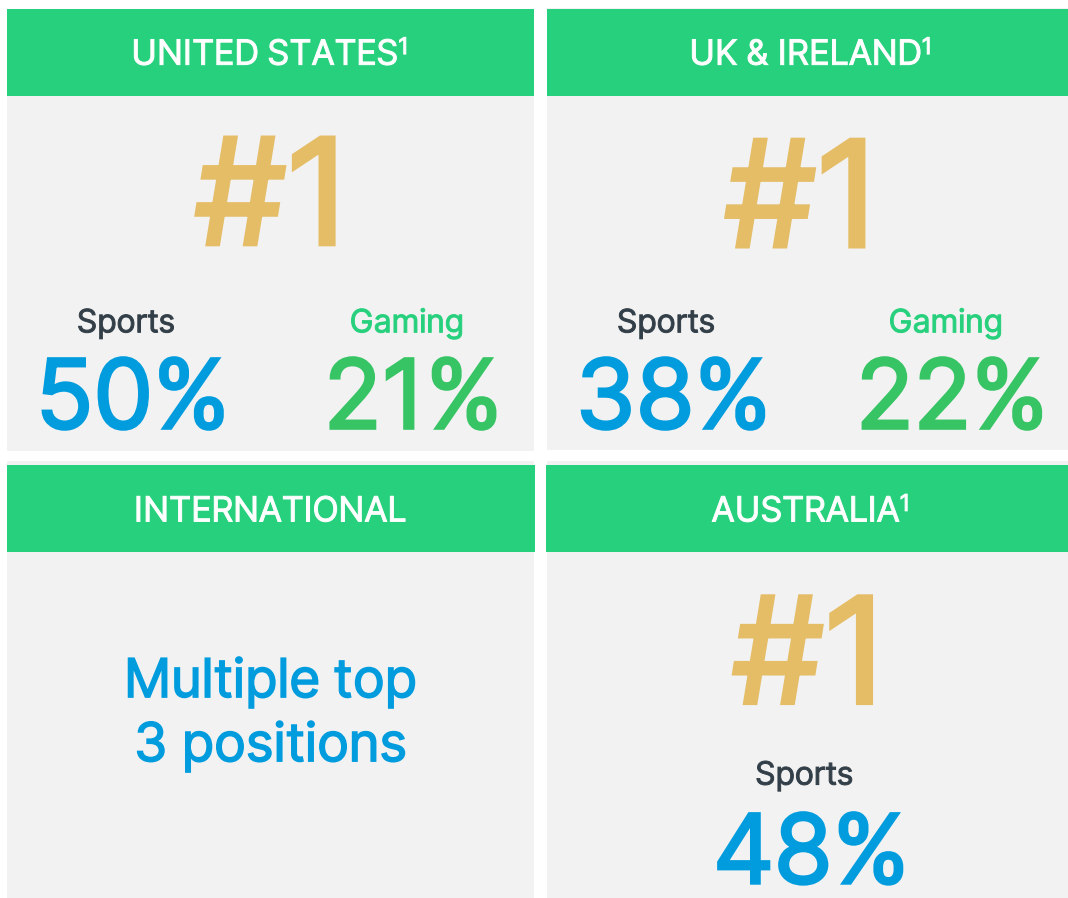


...with just 30% online in 2022²



- 9% CAGR expected over the next five years
- Significant tailwind from channel shift to online
- Several large markets in process of regulating

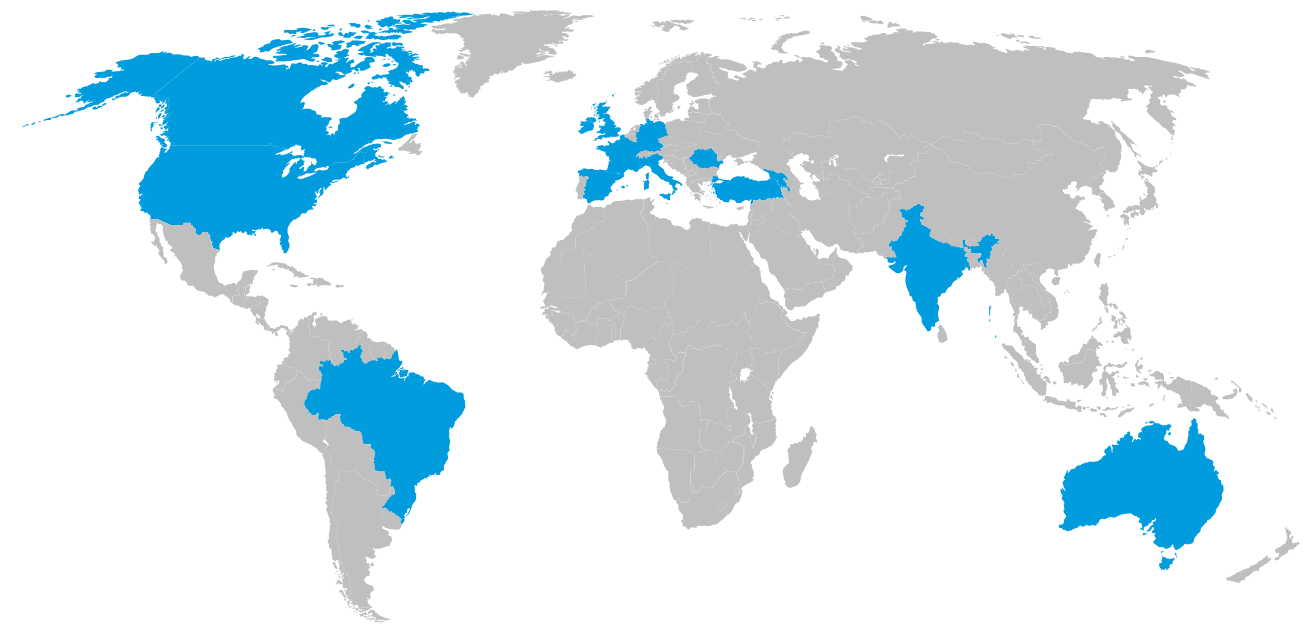
2. Scale with diversified geographic and product portfolio



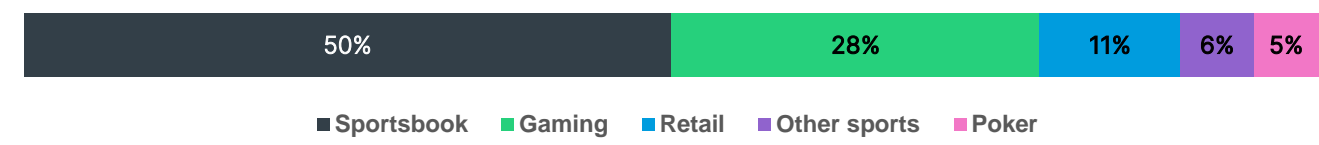
Online **sportsbook** market share %
 Online **gaming** market share %

Diversified geographic footprint...

Top 15 markets by revenue



...with a broad and complementary product offering



¹US market share is Q4 2022 based on regulatory filings. UK and Australia market shares are FY22 based on competitor filings and internal estimates

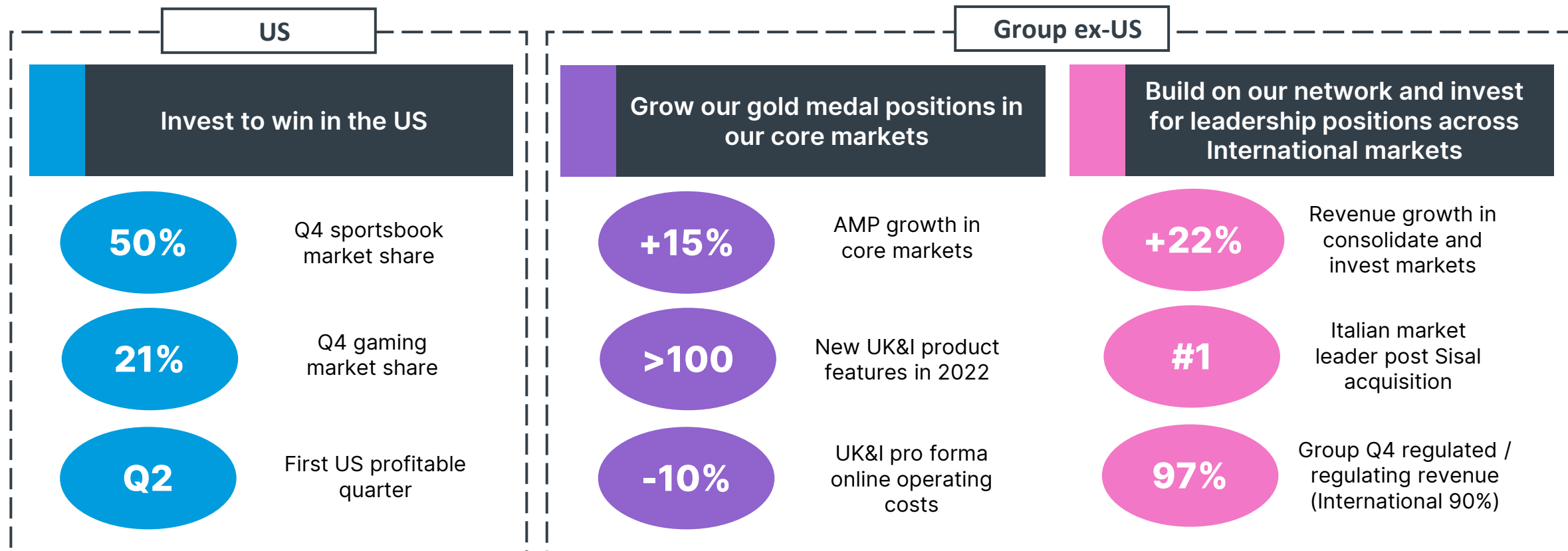
3. The Flutter Edge

The Flutter Edge encapsulates our Groups distinctive, global, competitive advantage

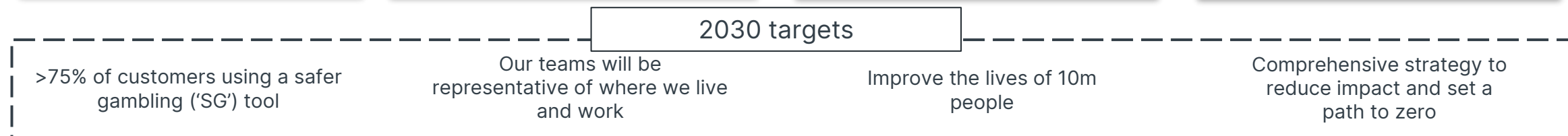
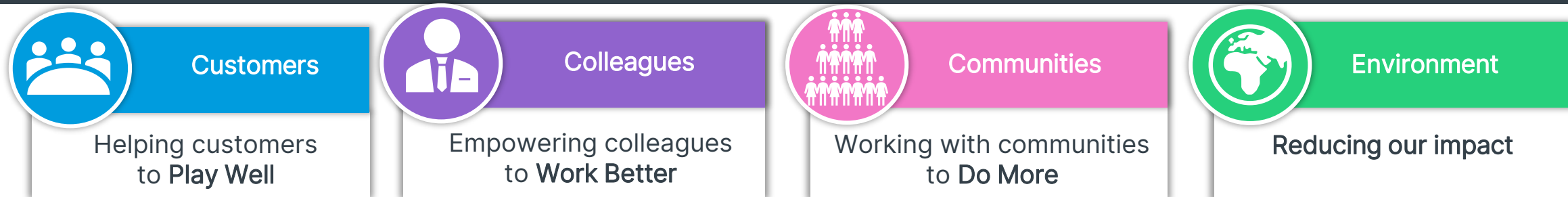


Our brands both contribute to and benefit from this 'Edge', providing the scale of a leader, and mindset of a challenger

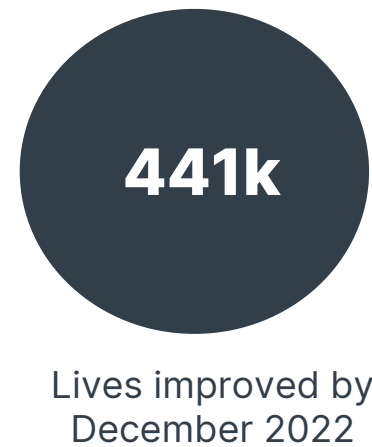
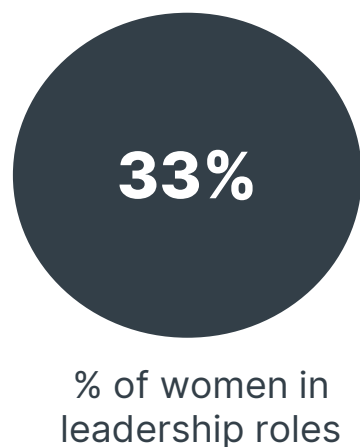
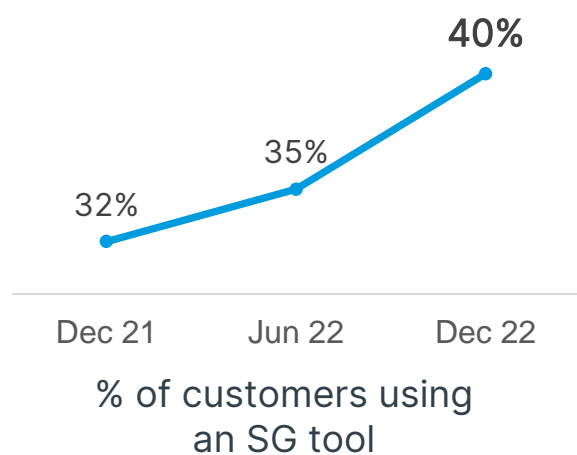
4. Delivering against our strategy in 2022



5. Clear vision on sustainability, our Positive Impact Plan



Progress in 2022



5. Play Well safer gambling strategy central to sustainability

Substantial progress across the Group in 2022

Established SG tool usage reporting

Play Well targets part of divisional bonuses

Play Well offsites sharing best practice and expert insight

Regular colleague and stakeholder engagement

Underpinned by proactive and bespoke initiatives across our divisions

US

- Pop-up SG messaging launched
- Established industry-wide SG principals

UK&I

- Implemented £500 deposit limit for U25
- All UK brands awarded top GamCare standard

Australia

- Development of real time interaction model
- Adopting Consumer Protection Framework

International

- SG strategy aligned across all brands
- Funded research with Canadian SG partners

Delivering real results for our customers

Group tool usage 40%
+8pp YoY

Play Well investment £60m, +34%
focus on training and marketing

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Financial Review

Jonathan Hill, Group CFO

Financial highlights

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		2022	2021	YoY CC
US	AMPs (000s)	2,319	1,557	+49%
	Revenue	£2,604m	£1,391m	+67%
	Adjusted EBITDA	(£250m)	(£243m)	-6%
Group ex-US	AMPs (000s)	7,926	6,590	+20%
	Revenue	£5,089m	£4,645m	+7%
	Adjusted EBITDA	£1,295m	£1,244m	+2%
Group	AMPs (000s)	10,245	8,146	+26%
	Revenue	£7,693m	£6,036m	+22%
	Adjusted EBITDA	£1,045m	£1,001m	+4%
Adjusted cash flow	Free cash flow	£628m	£625m	+1%
	Cash conversion ¹	117%	102%	
	Net debt	£4,644	£2,647m	
	Net debt / LTM EBITDA ²	3.9x	2.6x	

• US

- Excellent customer acquisition in new and existing states driving revenue growth
- EBITDA loss 6% lower
- Profitable quarter delivered in Q2; Q4 profitable ex-Maryland and Ohio launches

• Group ex-US

- Growth aided by acquisition of Sisal and tombola, (pro forma AMPs +8%, revenue flat, EBITDA -6%)
- Profitability impacted by regulatory headwinds and annualised safer gambling initiatives

• Group

- Scale of Group significantly enhanced
- Free cash flow flat with strong cash conversion
- Net debt increase driven by tombola and Sisal acquisitions, and purchase of Adjarabet minority interests

Statutory Group P&L

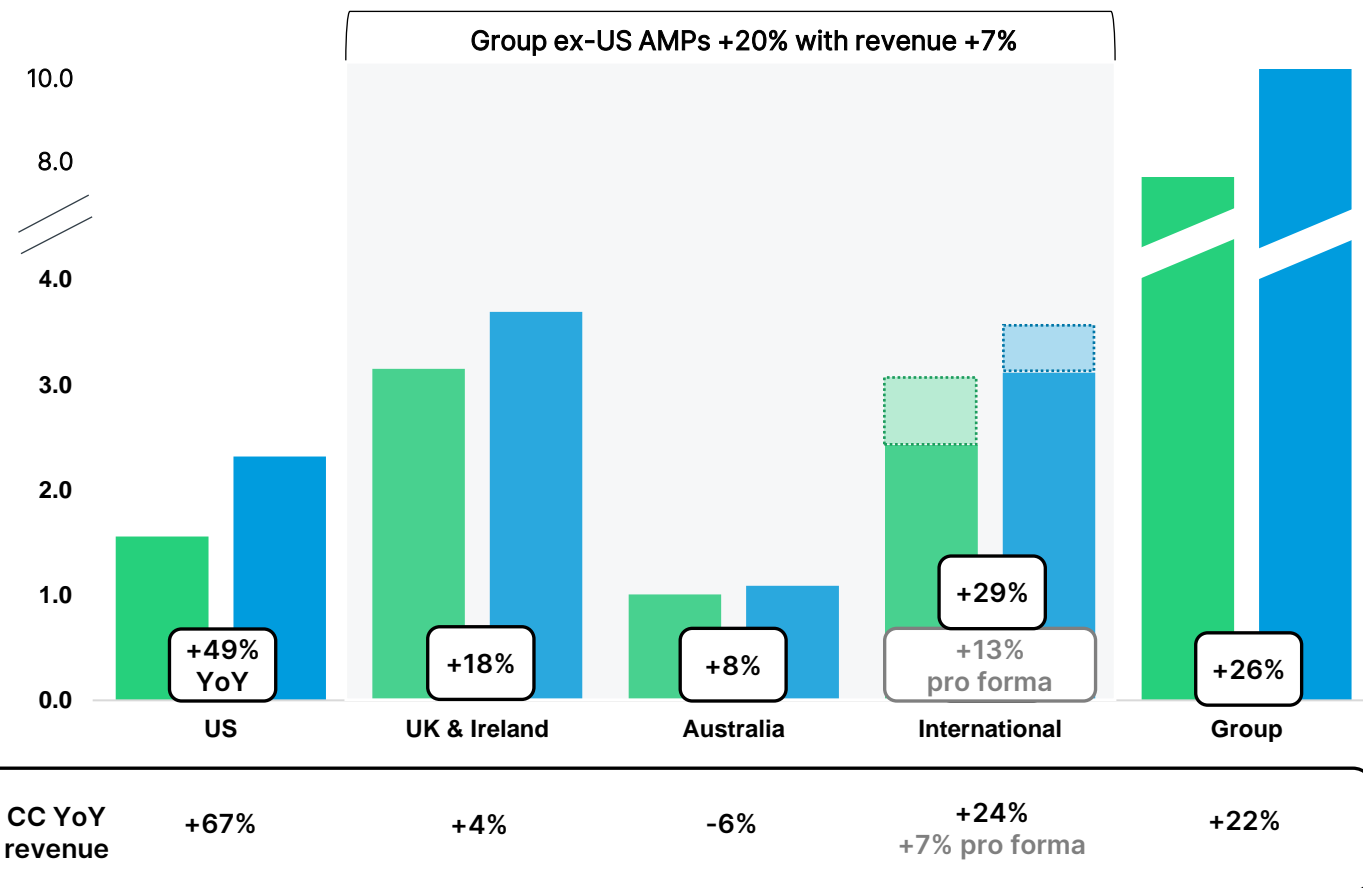
£m	2022	2021	YoY
Revenue	7,693	6,036	+27%
Gross profit	4,547	3,727	+22%
EBITDA	918	723	+27%
Depreciation & amortisation	(369)	(254)	+45%
Amortisation of acquired intangibles	(608)	(543)	+12%
(Loss)/ gain on disposal	(1)	12	
Operating loss	(60)	(63)	
Net interest expense	(215)	(226)	-5%
Loss before tax	(275)	(288)	
Taxation	(30)	(124)	-76%
Loss after tax	(305)	(412)	

- EBITDA includes SDIs¹ of £127m, primarily due to restructuring and integration costs
- Loss before tax includes £608m of SDIs relating to amortisation of acquired intangibles
- Depreciation and amortisation increase includes tombola and 5 months of Sisal in 2022
- Reduction in tax charge reflects one-off deferred tax charge of £104m in 2021 relating to announced future increase in UK corporation tax rate

Recreational customer volumes driving revenue 22% higher



AMPs (millions), FY21 – FY22



- **Group pro forma AMPs +15%, revenue +14%**
- **US**
 - Sportsbook revenue >2x from strong customer acquisition
 - Excellent growth in new and existing states
- **Group ex-US AMPs +20% and revenue +7%:**
 - **UK&I:** strong H2 momentum and addition of tombola offsetting peak Covid comparatives and annualised safer gambling measures
 - **Australia:** AMPs +8% from strong YoY retention, challenging H2 Covid comparatives, (Q4: AMPs +13%, revenue -5%)
 - **International:** pro forma revenue +7% with consolidate and invest markets +22%, more than offsetting regulatory headwinds

Compounding flywheel advantage delivered exceptional 2022 US growth



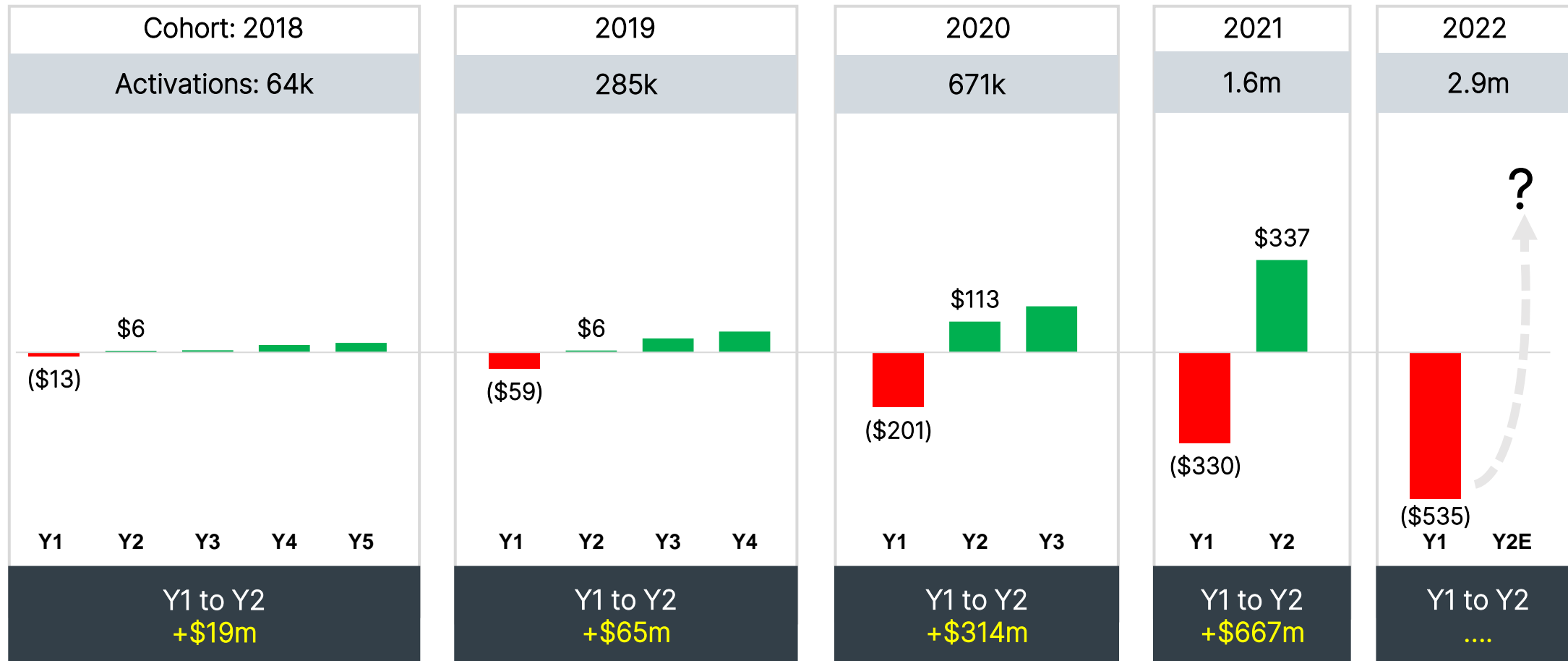
£m, Flutter US	2022	2021	YOY	YOY CC
Average monthly players ('000s)	2,319	1,557	+49%	
Total revenue	2,604	1,391	+87%	+67%
Cost of sales	(1,306)	(614)	+113%	+90%
<i>Cost of sales as a % of net revenue</i>	<i>50.1%</i>	<i>44.1%</i>	<i>+600bps</i>	<i>+620bps</i>
Gross profit	1,298	778	+67%	+49%
Sales & marketing costs	(964)	(663)	+45%	+30%
<i>Sales & marketing as a % of net revenue</i>	<i>37.0%</i>	<i>47.7%</i>	<i>-1,060bps</i>	<i>-1,070bps</i>
Contribution	334	115	+192%	+158%
Other operating costs	(584)	(357)	+63%	+47%
Adjusted EBITDA¹	(250)	(243)	+3%	-6%
<i>Adjusted EBITDA margin</i>	<i>(9.6%)</i>	<i>(17.5%)</i>	<i>+790bps</i>	<i>+750bps</i>

- Revenue +67% to £2.6bn (\$3.2bn), ahead of expectations
 - Sportsbook +115%, DFS/TVG -12%, iGaming +34%
 - Sportsbook pre-2021 state growth +42% YoY
- COS % increase reflects higher New York tax rate
- Marketing efficiency driven by maturing state profile and economies of national advertising
- Operating costs reflect good operating leverage despite continuing expansion
- Flutter US positive Q4 EBITDA of \$36m excluding MD/OH investment of \$78m

Cohort progression reinforces confidence in 2023 US profitability



FanDuel online sportsbook contribution by cohort \$m^{1,2}



Contribution from all pre 2022 cohorts \$616m

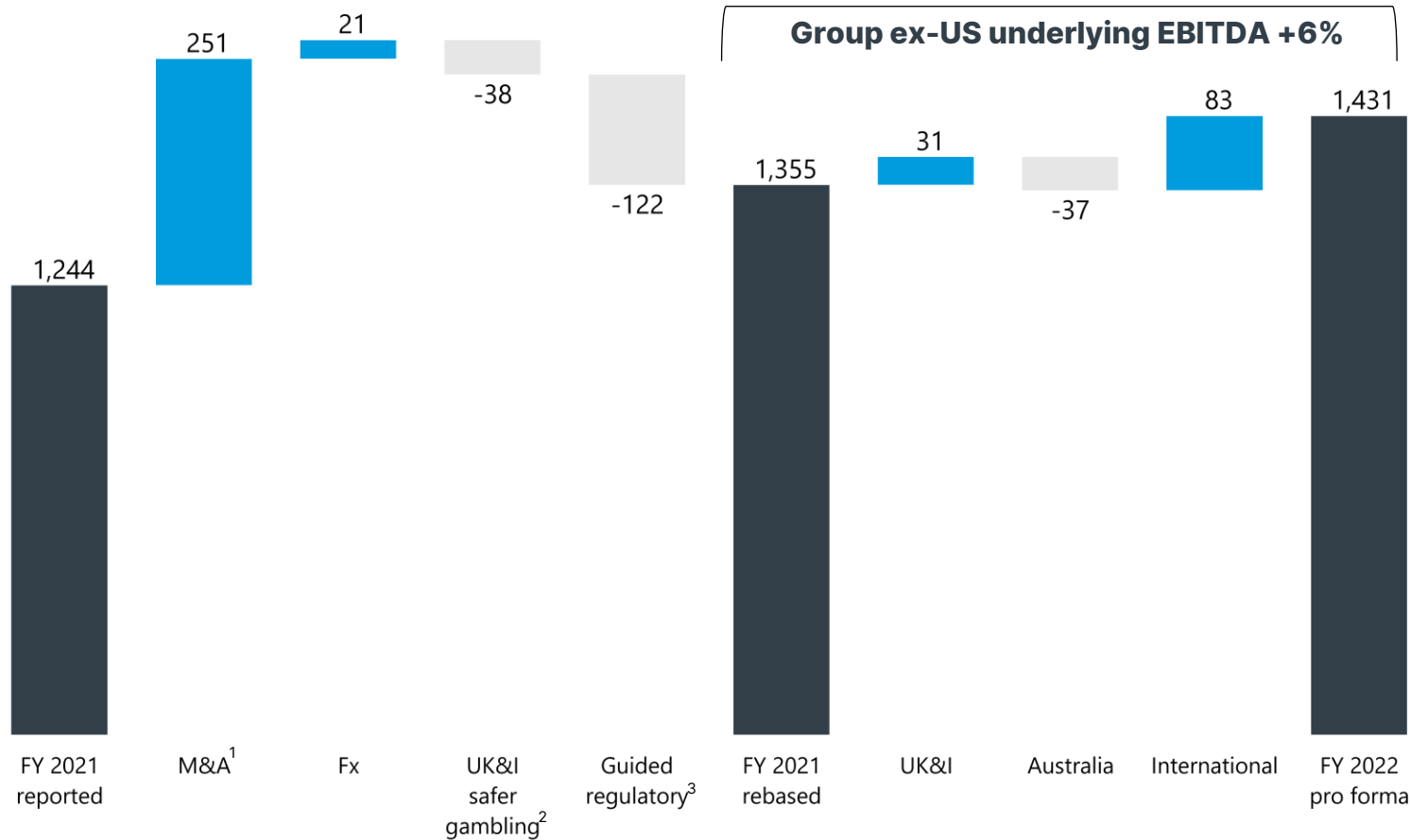
¹ US online sportsbook customer cohort analysis, excludes Canada and FOX Bet. 80% marketing in each year is allocated to new cohorts with balance allocated to existing cohorts

² See slide 46 in Appendix for reconciliation of FanDuel US online sportsbook contribution to Flutter US overall EBITDA loss

Good underlying momentum for Group ex-US EBITDA

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EBITDA £m, FY21 – FY22



- **Group ex-US underlying EBITDA +6%**
 - Revenue in UK&I and International driving underlying performance
 - Inflection point reached in International
- **UK&I**
 - Online operating efficiencies, other operating costs -10%
 - Fully open retail estate
- **Australia**
 - Unwind of prior year Covid benefit in H2
 - Material step up in competitive intensity in H2
- **International**
 - Revenue translating into EBITDA growth
 - Investing materially in growth markets
 - Sisal EBITDA of £247m, +22%

Cash flow

£m	2022	2021	YoY
Adjusted EBITDA	1,045	1,001	+4%
Capex	(403)	(308)	+31%
Working capital	222	119	+87%
Corporation tax	(163)	(138)	+18%
Lease liabilities paid	(72)	(48)	+51%
Adjusted free cash flow	628	625	+1%
Cash flow from separately disclosed items	(118)	(61)	+93%
Free cash flow	510	563	-9%
Interest and other borrowing costs	(211)	(197)	+7%
Acquisitions and disposals	(2,184)	76	
Other ¹	(4)	(496)	-99%
Net (decrease)/ increase in cash	(1,889)	(53)	
Net debt at start of year²	(2,647)	(2,814)	
Foreign currency exchange translation	(260)	(5)	
Change in fair value of hedging derivatives	152	225	
Net debt at end of year	(4,644)	(2,647)	

- Operating profit converts to pre-tax free cash flow at 117%
- Free cash flow of £628m in line YOY:
 - Higher EBITDA
 - Working capital benefit from US growth
 - Increased capex from addition of Sisal (£43m) and investment in product and technology across Group
- Interest and other borrowing costs 7% higher due to:
 - Increase in debt to fund 2022 acquisitions
 - Rising interest rates during 2022
- £2.2bn acquisition cost reflects payments for:
 - tombola Q1
 - Adjarabet minorities Q3
 - Sisal Q3

US growth and ex-US cash conversion provide clear path to de-lever

£m		31 December 2022
Gross debt¹	<i>Fixed:</i> 63% <i>Floating:</i> 37%	5,442
Cash (excl. customer balances)		(798)
Net debt		4,644
LTM Adjusted pro forma EBITDA		1,182
Leverage ratio		3.9x

Impact of US profitability	
LTM Adjusted pro forma EBITDA ex-US	1,431
Leverage ratio (ex-US losses)	3.2x

- Leverage 3.9x at 31 December 2022 (2021: 2.6x)
- Increase reflects 2022 acquisitions of £2.2bn
- 2023 weighted average cost of debt expected to be 5.6% as previously guided
 - Reflects post hedging debt profile
 - >60% debt facilities fixed to July 2023
- Future US profitability and Group ex-US free cash flow will enable rapid de-levering
- Group remains committed to 1-2x medium leverage

Financial guidance for 2023

Current trading

- Group revenue in line with expectations over first 8 weeks
- **US:** Strong growth across existing states and successful launches in Maryland and Ohio
- **Group ex-US:** Q4 momentum in UK&I and International offset by weaker Australian trading

Interest

- Weighted average cost of debt of 5.6%, net cash interest cost of circa £280m

Tax

- Effective Group ex-US corporate tax rate 25%-27%

Capex and depreciation

- Capex approximately £480m - £500m including a full year of Sisal
- Depreciation and amortisation charge of approximately £480m

Phasing of US profits in 2023

- Positive EBITDA for full year 2023
- Quarterly profile similar to 2022: Acquisition led losses in Q1 and Q3 more than offset by profitable Q2 and significantly profitable Q4

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Business Update

Peter Jackson, Group CEO

FanDuel's competitive advantages will deliver on our US strategy



Acquiring, Retaining and Growing customers better than competitors



Leveraging the combined power of the Group



Invest to win in the US



Extend #1 US sportsbook position

Grow iGaming proposition

Strengthen and leverage the Flywheel

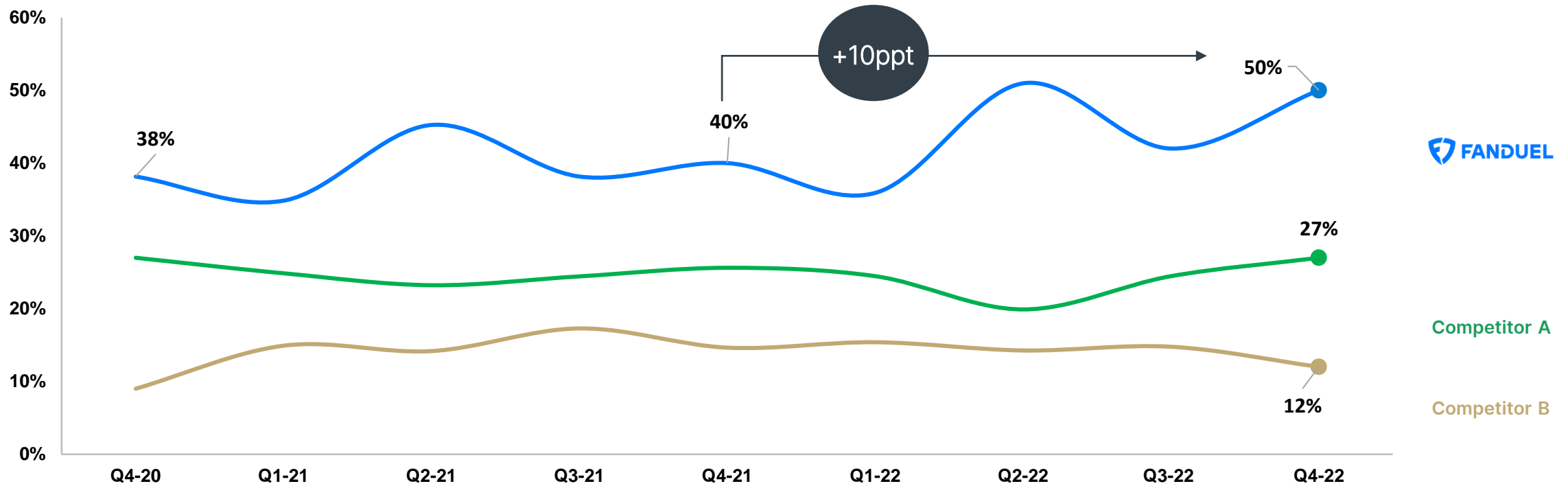
FanDuel's scale advantage is compounding

Extending sportsbook leadership with 50% Q4 market share



Q4 2022 delivered 10 percentage point market share increase year-on-year; 57% Q4 NGR share

Online sportsbook GGR market share¹



Flutter had 40% of the total sports betting and iGaming market in Q4

Efficient investment delivering most successful state launches to date...



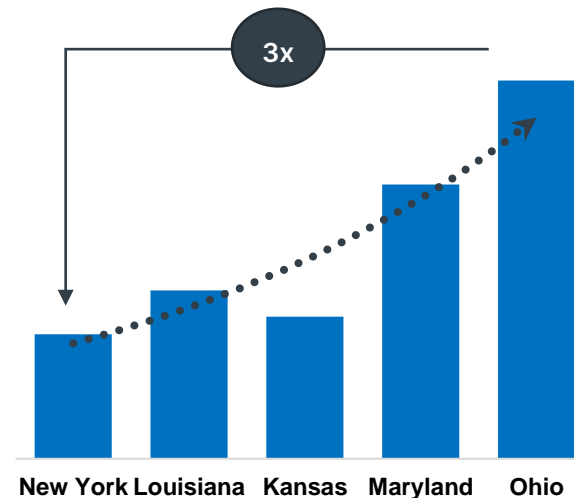
Maryland and Ohio collectively represent >5% of the US population

Drivers of success

Strategic investment in pre and post launch generosity and brand content to **Acquire** customers (\$78m in Q4 2022)

Access to market leading product such as NFL in-play SGP to **Retain** customers

Customer acquisition in month one
% state population



Results to date

>6% penetration of adult population launch to date

>50% Maryland/Ohio GGR market share

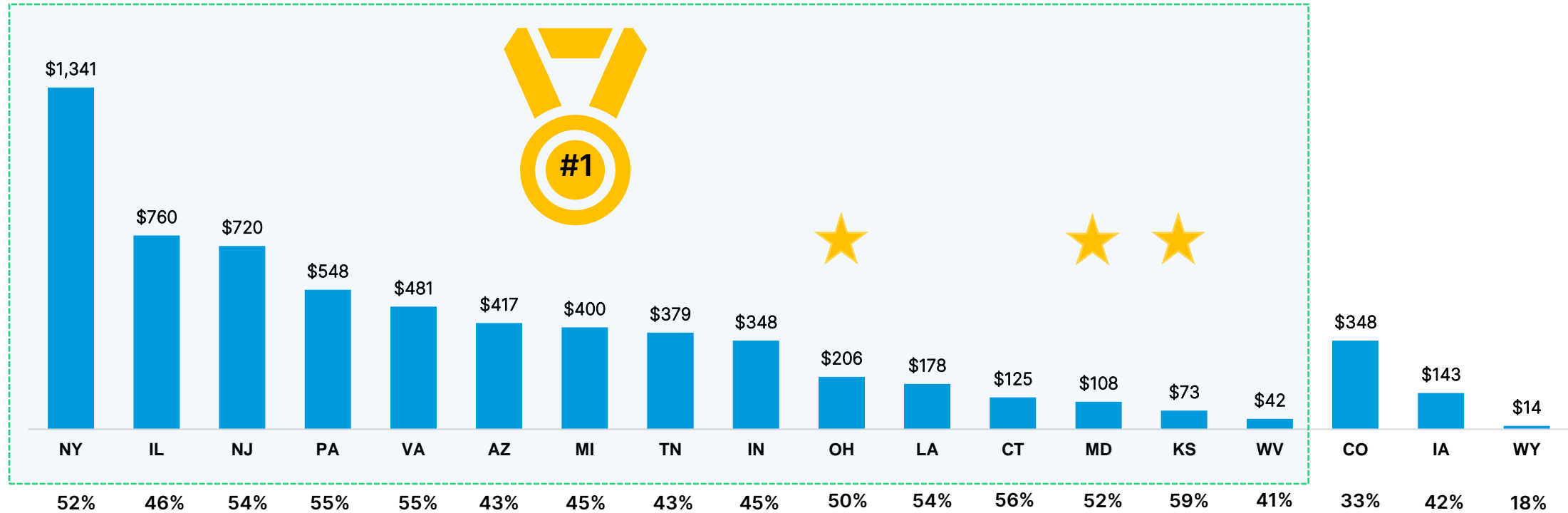
<12m combined payback period

Strong momentum creating opportunity to embed greater future value by investing more today

...with three new #1 positions added since November



2022 GGR TAM \$m and Q4 market share¹



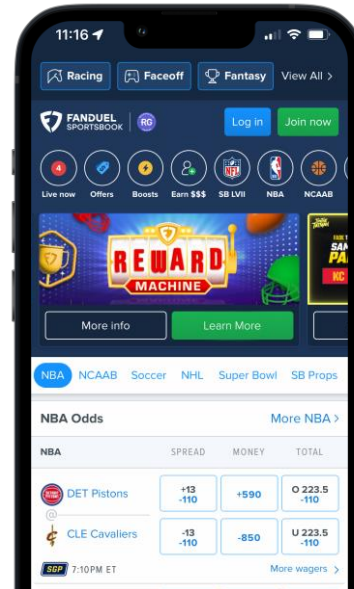
Now #1 sportsbook in 15 of 18 states

¹ Based on regulator reports and Eilers and Krecjick reporting. LA per Dec 2022 share due to negative hold in market making FanDuel share for Q4 149%. OH data January 2023. KS market position January 2023

Execution against FanDuel iGaming strategy delivering results

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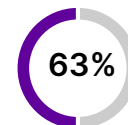
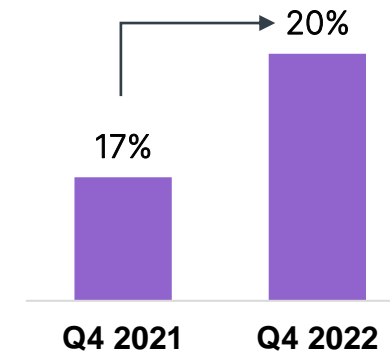
Good progress made on areas for improvement...



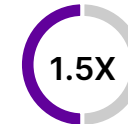
- Increased content and introduction of reward tool
- New FanDuel casino brand driving acquisition
- Improved cross-sell journey

...Increased share and improved customer metrics in Q4

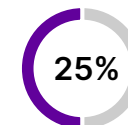
FanDuel GGR iGaming market share¹



Increase in Flutter US iGaming AMPs YOY



FanDuel casino player days versus prior year driven by introduction of FanDuel reward machine

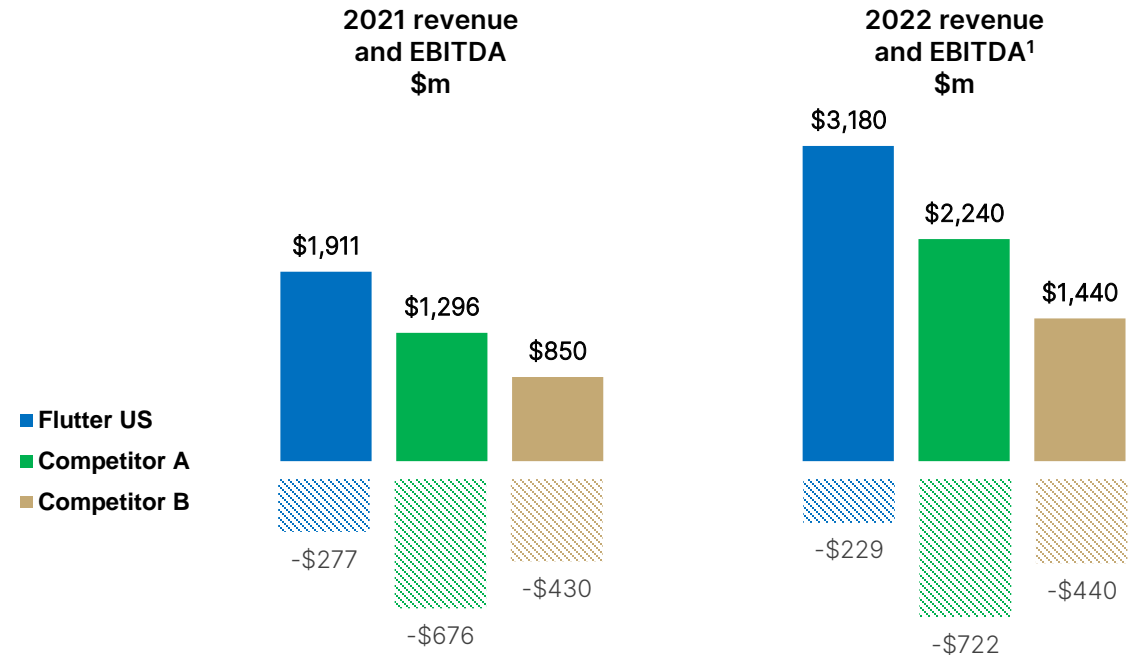
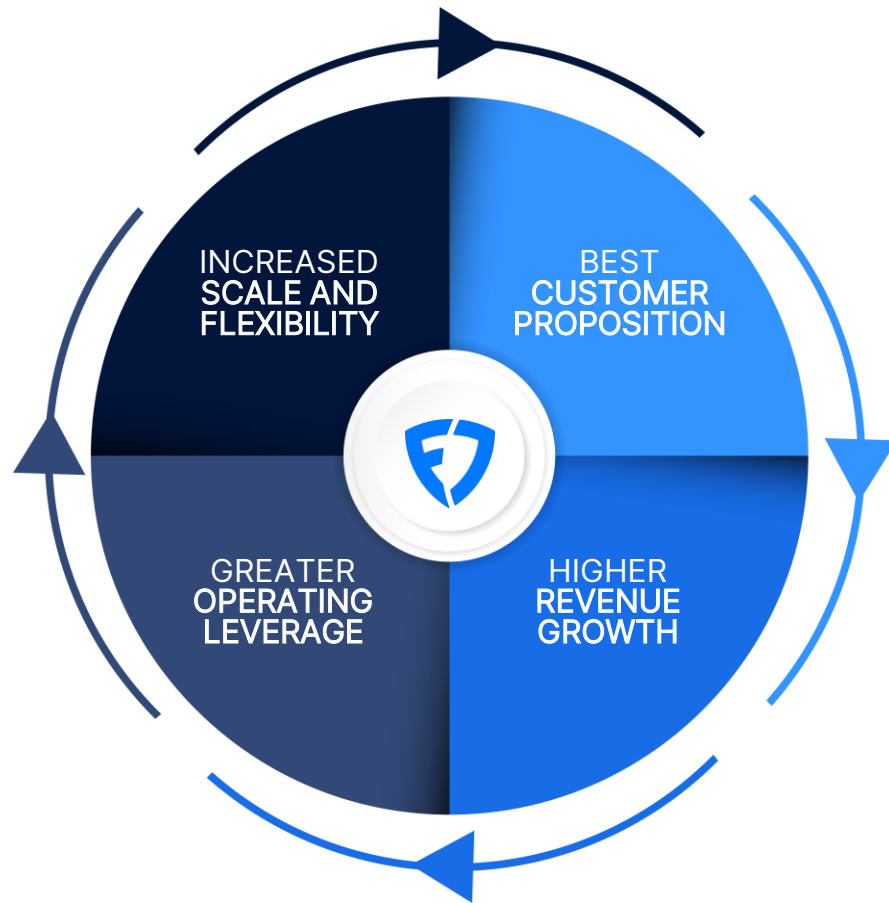


Increase in monthly retention rate YOY

Plans presented at FanDuel Capital Markets day will deliver further growth

Flywheel delivered positive Q2 EBITDA and in Q4 excluding MD/OH

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- 1.4 times revenue of nearest competitor
- Greater efficiency with one third of the EBITDA losses
- First operator to deliver positive EBITDA in Q2 2022
- Flutter US Q4 EBITDA of \$36m ex MD/OH investment
- FanDuel Q4 EBITDA 4x nearest competitor on a like for like basis²

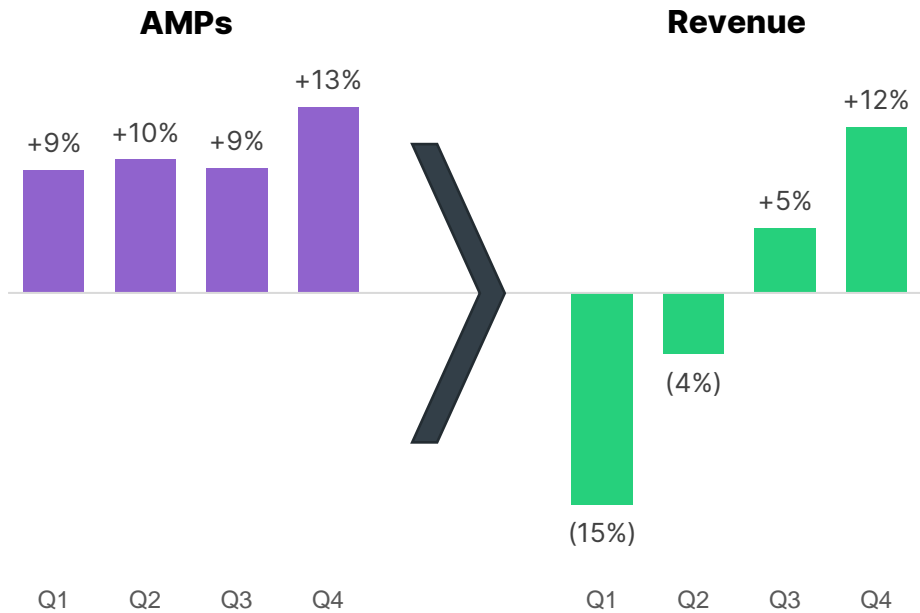
Remain on track for full year 2023 profitability and significant future growth as US business transforms

UK&I: Recreational player growth driving revenue momentum...



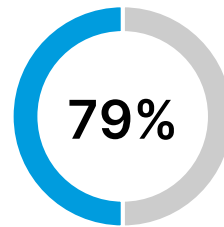
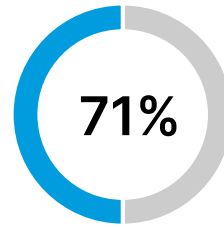
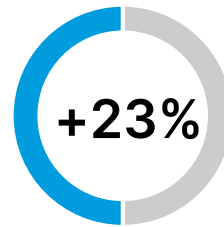
Gaming: Strong player engagement in 2022

Pro forma UK&I gaming, YoY %



- Sustained AMP growth, revenue trajectory reflective of proactive safer gambling actions and Covid frequency unwind
- No evidence of cost of living impact

Sports: World Cup provides larger player base for 2023

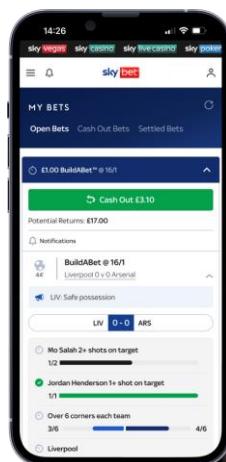


...driven by actions taken during 2022

Consistent delivery of new products across the year

>100

New product features delivered across 2022



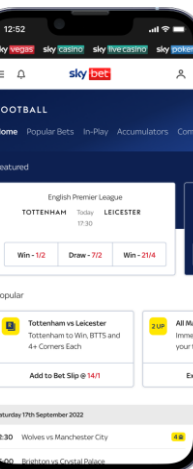
SkyBet BuildABet tracking

Betfair Prize Pinball



tombola's biggest ever bingo game

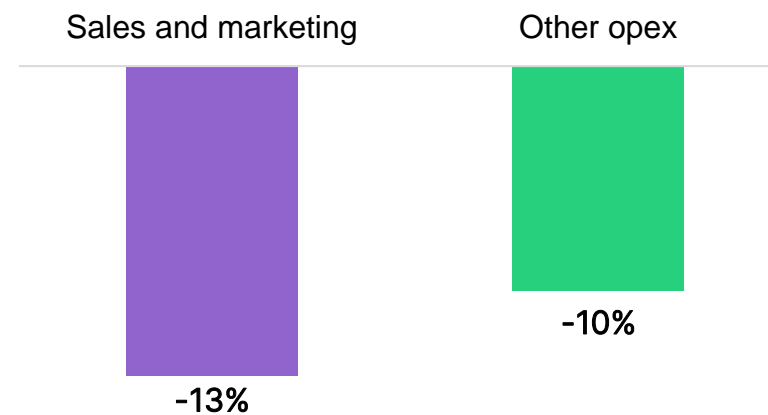
PP Wonder Wheel Bonus Round



SkyBet new football homepage

Further integrating the businesses to improve efficiency

Pro forma UK&I online opex, YoY %



- Cost efficiencies and non-recurring savings more than offsetting cost inflation across pay and data in 2022
- Improving effectiveness of marketing and generosity spend to grow revenue and reduce cost

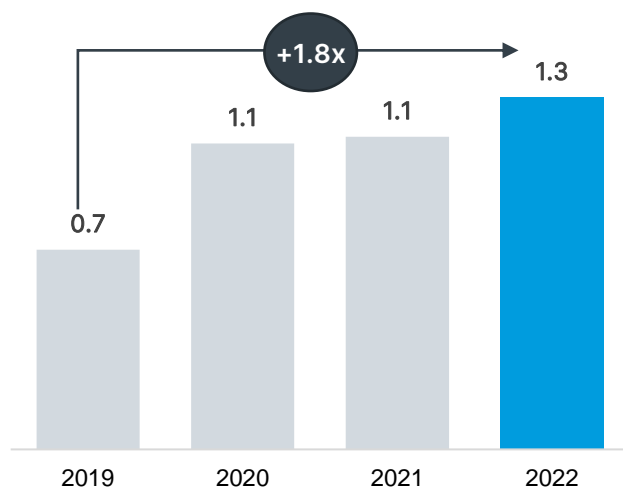
Australia: Strong AMP volumes create sustainable base

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Record customer levels in Q4

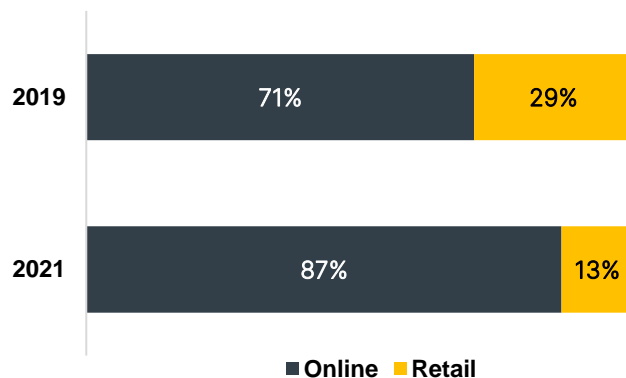
- 2022 AMPs +8% against peak lockdown environment in prior year
- Q4 AMPs 1.8x 2019 levels

Sportsbet Q4 AMPs 2019-2022

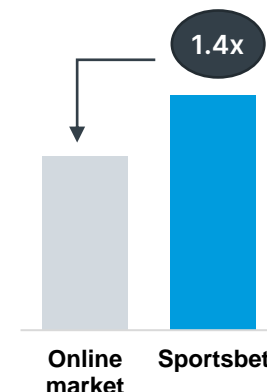


Sportsbet's strong brand and superior product took largest share of retail to online shift

Australian GGR sports betting market



Yo2Y GGR growth



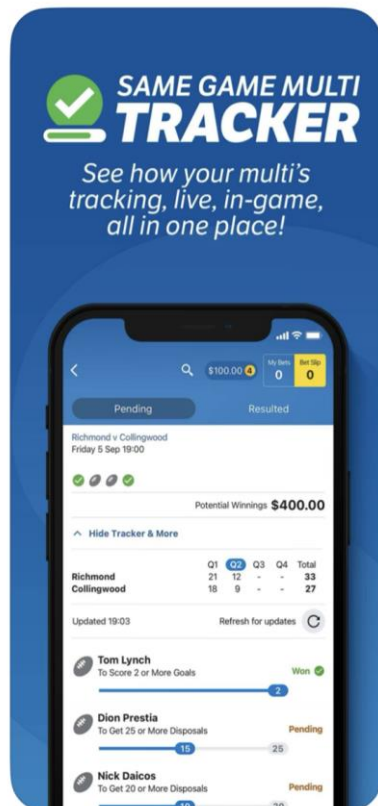
- Heightened player engagement levels from 2020 through to H1 2022
 - Execution against retention strategy has sustained excellent AMP numbers
 - Player engagement has seen some reversion (H2 average player days -9%)
- Increased competition in Q4 contributed to challenging H2 environment
 - High levels of market generosity led to customers shopping for best offers
- 2022 AMP growth offset by Covid unwind impact and competitive environment

Continuing recreational customer growth positions business well into 2023

Australia: Sportsbet's ongoing product leadership will continue

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Continuous improvement of core product offering



- Increasing same game multi adoption
- >3 ppt structural net revenue margin gain vs 2019
- Significant capacity to invest and drive loyalty

Same Game Multi @ 60.00 52.00 ⚡
9 Legs - Stake \$1.00

Western Bulldogs v Adelaide
Saturday, 23 Apr 13:45

Potential Winnings **\$60.00**

Confirm Cash Out @ \$0.80

See Legs & More

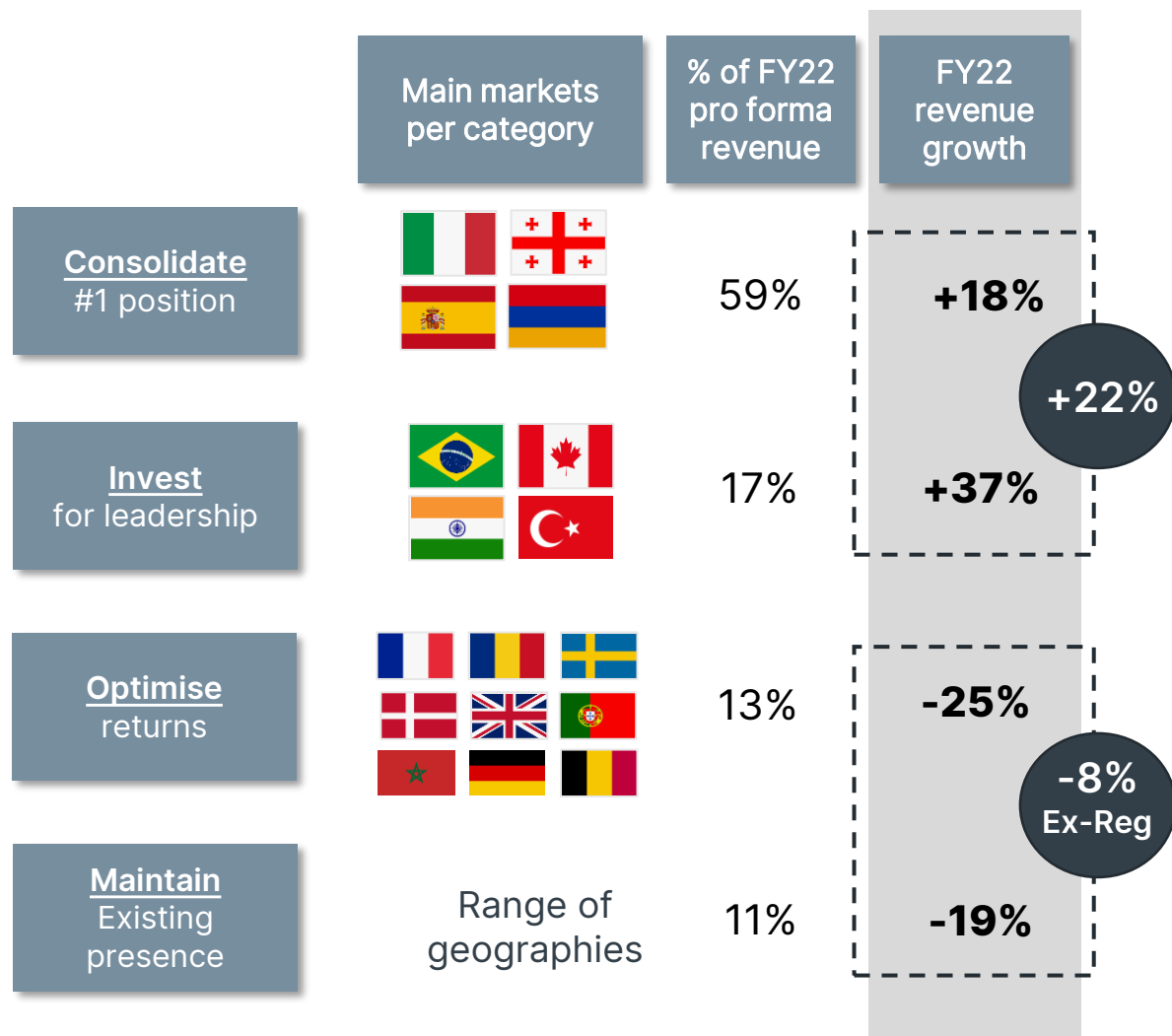
2023 plans already delivering more innovation and value

- Leverage H2 investment in product and technology
- “Share a bet” for all bet types to elevate customer experience
- Further enhancements Bet With Mates product to come
- Continue to deliver personalised value through market leading generosity mechanics
- Building sustainable base through Play Well strategy



Capitalising on our scale to deliver future growth

International: now at growth inflection point



- Consolidate and invest markets 76% of International division:
 - Italy +22%
 - India +80% with positive regulatory momentum
 - Taking share in most markets
- Increasing regulated mix by Q4:
 - 97% Group revenue from regulated/regulating markets
 - Largest unregulated/not-regulating market 0.2% of Group revenue
- Optimise and maintain -8% ex-Russia/Ukraine, Germany and Netherlands headwinds



Sisal: Italian online leader with attractive expanding footprint

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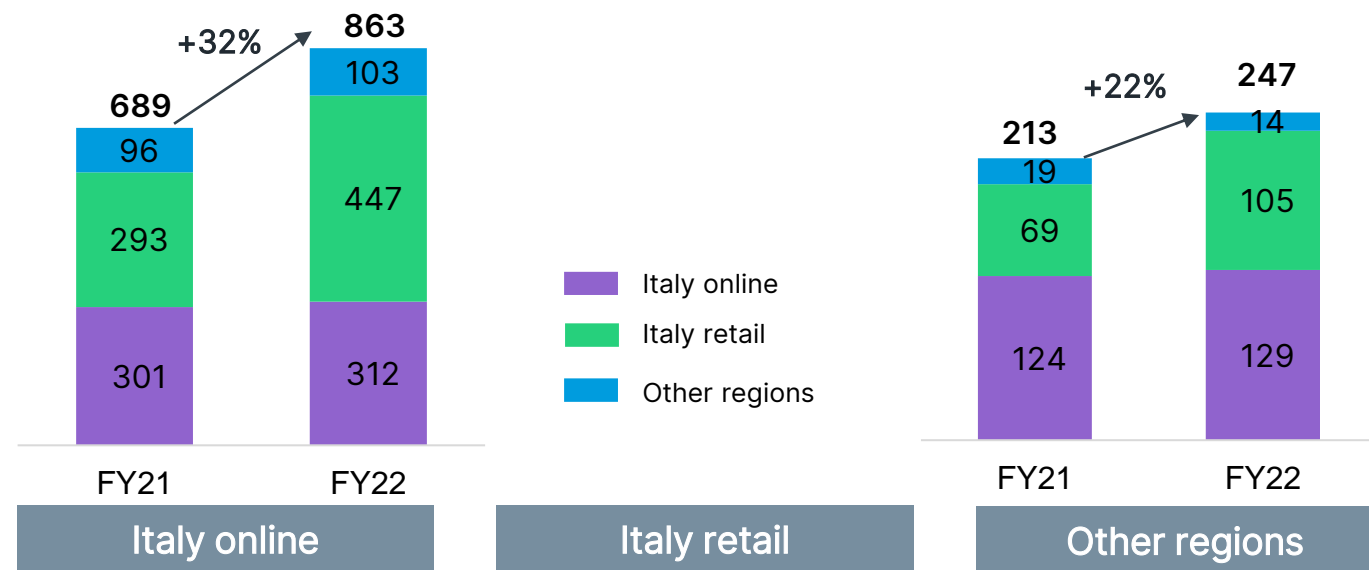


- #1 online operator in Italy
- Significant competitive advantages:
 - Omni-channel offering in Italian market with advertising restrictions
 - Nine-year Italian lottery concession to 2030
 - Monopolies in Turkey, Morocco and Tunisia
- Taking share in the Italian market:
 - Strong cross sell from retail and lottery
 - Product leadership in sports
 - Gaming improvement
- FY22 EBITDA £247m, equates to an acquisition multiple of 6.6x on £1.62bn acquisition price

Sisal financial profile

Pro forma revenue £m, YoY% CC

Pro forma EBITDA £m, YoY CC



- 483k AMPs
- 13.4% Q4 market share
- Leading product offering

- ~38k retail points of sale
- 1.5k branded Sisal shops

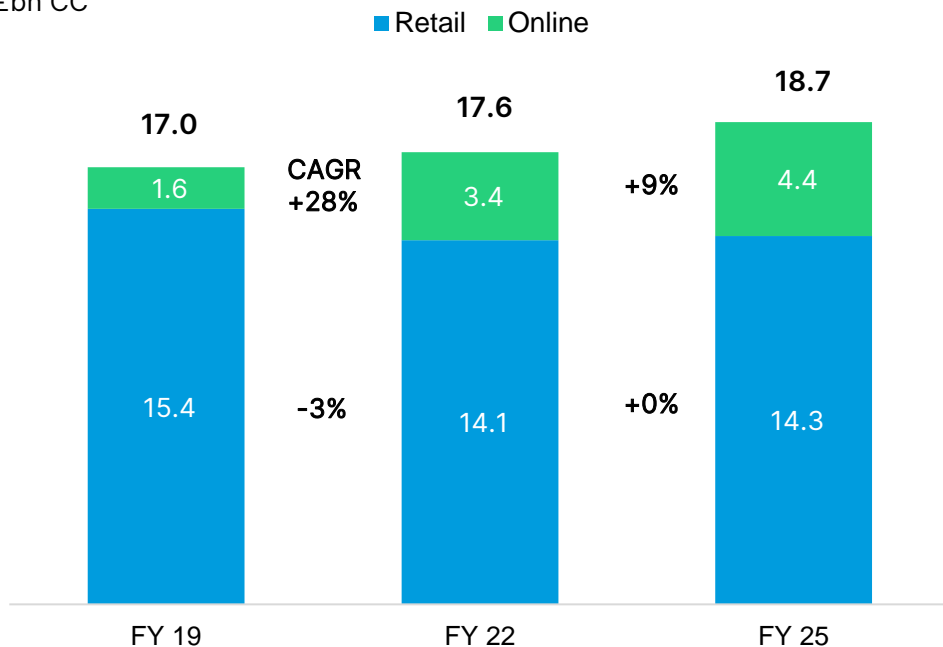
- Live in Turkey and Morocco
- 356k online AMPs
- ~10k retail points of sale

Sisal: Taking share in Italy with tailwinds for online growth



Italy: Europe's largest gambling market

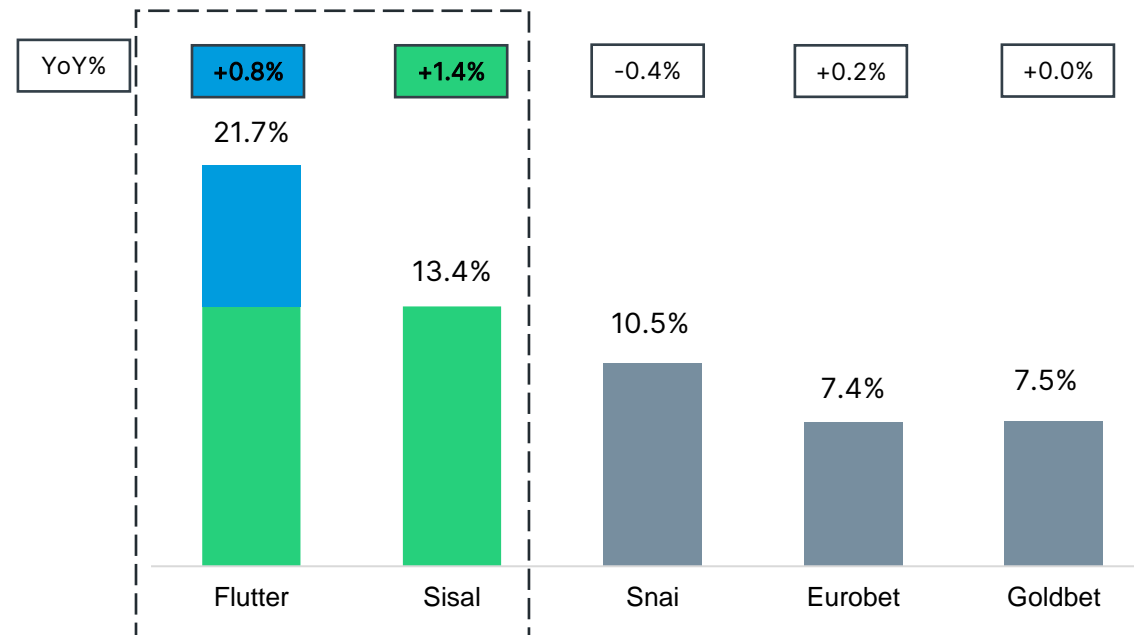
GGR £bn CC



- Online market more than doubled over last three years
- Retail resilient post-Covid, decline due to changes in gaming machine regulation

Sisal taking online share

Q4 2022 Italian online GGR market share



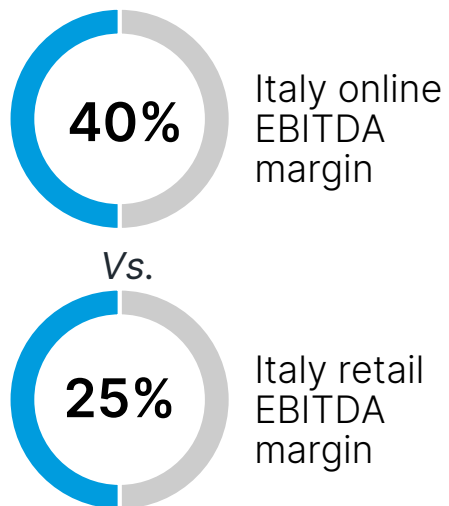
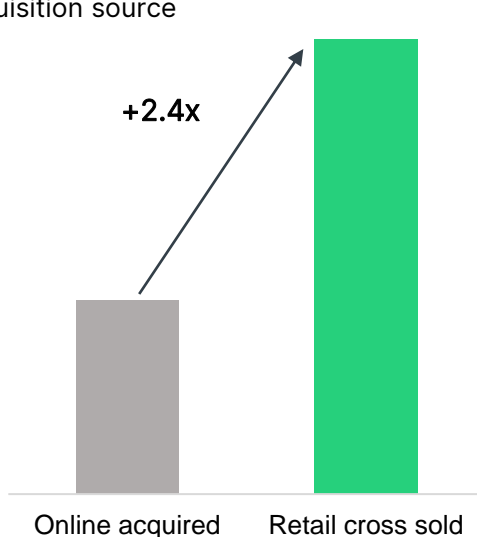
- Consolidation opportunity: ~20% of market between 68 operators with <2% share
- Omni-channel operators taking share

Sisal: Strong cross sell to online from retail and lottery base

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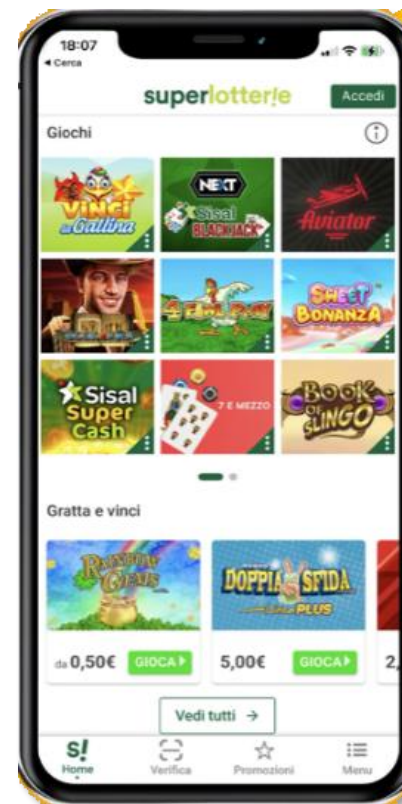
Maximising cross sell from retail to increase customer value

GGR per customer by acquisition source



- Retail base of 9.5m players to cross sell
- First in market omni-channel loyalty programme
- Availability of retail gaming content in online proposition
- Proprietary retail technology creates seamless omni-channel user experience

Simplifying online journeys for lottery customers



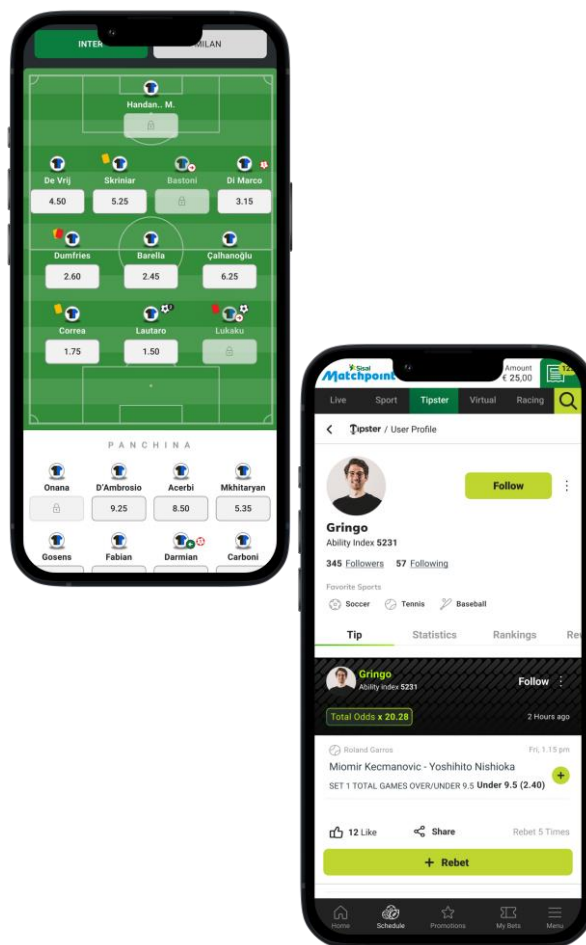
- Over one million weekly players check results online
- Bonus online-only draws and prizes
- Upsell customers to lottery app with full suite of lottery products and online gaming content
- Record *Superenalotto* jackpot of over €300m boosting H2 performance

Sisal: Product innovation driving increase in player volumes

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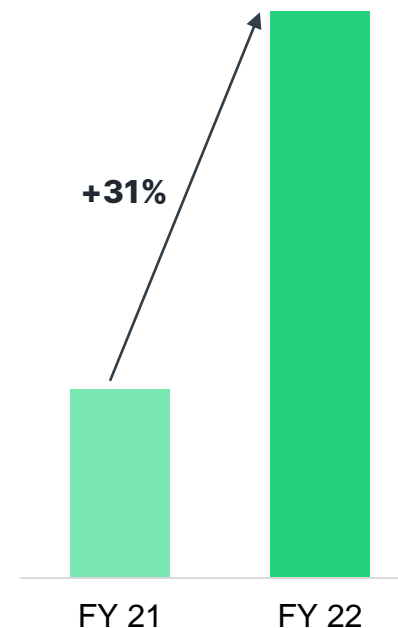
Product leadership in sports with innovative betting features

- Leverage appeal of player markets:
 - ‘Duo’ player bet continues with a substituted player
 - ‘Pitch’ interface improving user experience
 - Simplify betting with odds filter
- ‘Tipster’ the social betting experience:
 - Personalised feed
 - Leaderboards
- Cash out launch aided by Flutter expertise






Significantly improved gaming proposition delivered in 2022

Italian online gaming AMPs, 000s



- Largest gaming content offering in Italy
- #1 casino app in App Store
- Integrated gaming content in sports and lottery app in 2022
- Expanded casino races competitions boosting retention
- Launch of proprietary gaming studio ‘Playnext’

Sisal: Significant expansion opportunity in other markets

Market information	Turkey	Morocco	Tunisia
			
Population (m)	80	37	12
GDP (£bn)	>700	>100	>40
Monopoly concession expiry	2030	2028	2033
Product offering	Lottery, virtual sports, some gaming	Lottery, sports, some gaming	Lottery, sports, some gaming
FY22 Revenue	£94m (+80%)	£7m (+1%)	N/A
Other	Significant online expansion opportunity	Successful combined Flutter/Sisal sports betting tender (live 2024)	Launches later in 2023

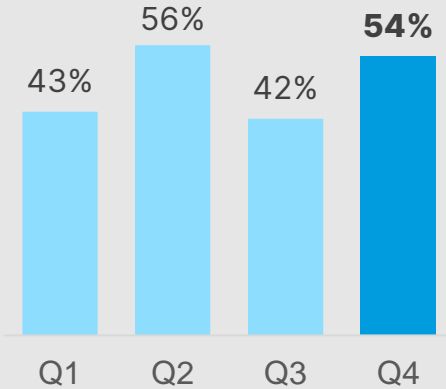
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Conclusion

Peter Jackson, Group CEO

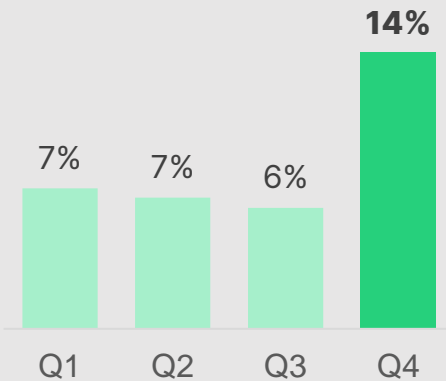
US

US AMPs YoY %



Group ex-US

Group ex-US AMPs YoY %



- Maryland and Ohio demonstrate compounding advantages
 - Already acquired over 1.2 million customers in 2023
 - Confident in full year EBITDA profit
-
- Action plan in UK&I delivering results
 - Australia highly competitive, significant AMP base
 - Inflection point reached in International, Sisal providing additional upside

- **US:** Exceptional performance, advantages compounding
- **Group ex-US:** Well positioned for growth through scale and diversification
- **2023:** Good momentum, started in line with expectations

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Appendix

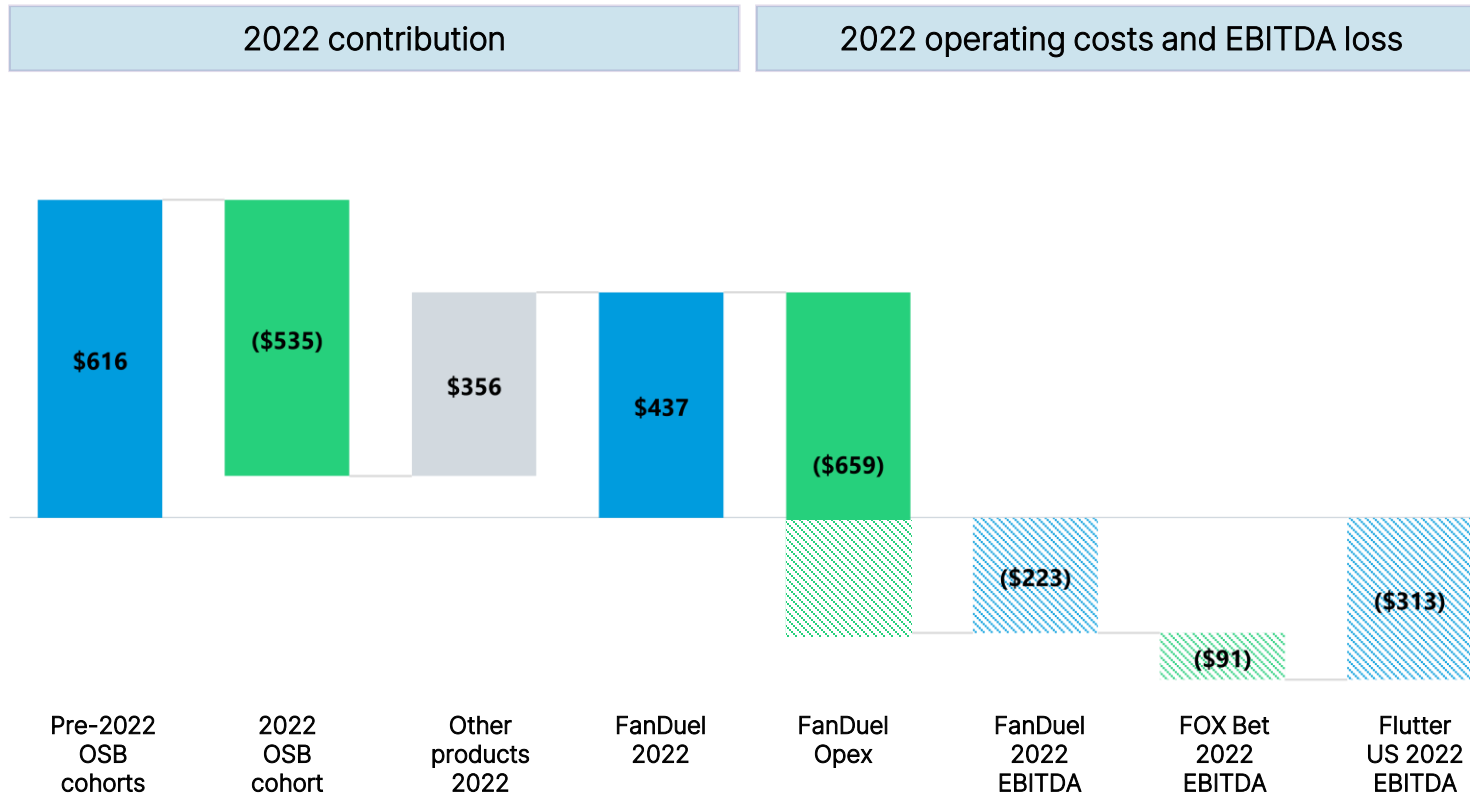
KPI: Average monthly players

Average Monthly Players ^{1,2} Reported ('000s)							
2022	Q1	Q2	Q3	Q4	H1	H2	FY
Group	9,522	9,747	9,596	12,114	9,635	10,855	10,245
US	2,359	2,016	1,860	3,039	2,188	2,449	2,319
UK & Ireland	3,627	3,781	3,459	3,973	3,704	3,716	3,710
Australia	915	1,072	1,100	1,275	993	1,187	1,090
International	2,622	2,878	3,176	3,827	2,750	3,502	3,126
2021	Q1	Q2	Q3	Q4	H1	H2	FY
Group	7,868	8,191	7,811	8,715	8,029	8,263	8,146
US	1,648	1,292	1,312	1,975	1,470	1,643	1,557
UK & Ireland	3,167	3,440	3,060	2,946	3,303	3,003	3,153
Australia	831	982	1,086	1,133	906	1,109	1,008
International	2,223	2,476	2,353	2,661	2,349	2,507	2,428
YoY %	Q1	Q2	Q3	Q4	H1	H2	FY
Group	+21%	+19%	+23%	+39%	+20%	+31%	+26%
US	+43%	+56%	+42%	+54%	+49%	+49%	+49%
UK & Ireland	+15%	+10%	+13%	+35%	+12%	+24%	+18%
Australia	+10%	+9%	+1%	+13%	+10%	+7%	+8%
International	+18%	+16%	+35%	+44%	+17%	+40%	+29%

£m	2022	2021	YOY	YOY CC
Average monthly players ('000s)	2,319	1,557	+49%	
Sportsbook stakes	23,550	11,284	+109%	+87%
<i>Sportsbook net revenue margin</i>	7.3%	6.3%	+100bps	+100bps
Sports revenue	1,985	978	+103%	+81%
Gaming revenue	619	413	+50%	+34%
Total revenue	2,604	1,391	+87%	+67%
Cost of sales	(1,306)	(614)	+113%	+90%
<i>Cost of sales as a % of net revenue</i>	50.1%	44.1%	+600bps	+620bps
Gross profit	1,298	778	+67%	+49%
Sales & marketing costs	(964)	(663)	+45%	+30%
Contribution	334	115	+192%	+158%
Other operating costs	(584)	(357)	+63%	+47%
Adjusted EBITDA	(250)	(243)	+3%	-6%
<i>Adjusted EBITDA margin</i>	(9.6%)	(17.5%)	+790bps	+750bps
Depreciation and amortisation	(78)	(47)	+68%	+50%
Adjusted operating profit	(328)	(289)	+13%	+3%

- Sports revenue +81%, includes sportsbook revenue +115% from:
 - Strong growth in pre-2021 states where stakes +24%, revenue +42%
 - Five new US states in 2022
 - Structural margin improvement of 100bps
- Gaming revenue +34%, with H2 +37% due to strong player growth and higher engagement levels
- COS % increase due to New York higher tax rates
- Marketing as % of revenue reduced by 11 percentage points as existing states grow as proportion of overall business
- Good operating leverage with other opex growth 20 percentage points lower than revenue growth

FanDuel 2022 bridge of online sportsbook contribution to Flutter US EBITDA



- Pre-2022 online sportsbook ('OSB') cohort contribution exceeded 2022 investment
- Contribution from other products as well as retail sportsbook and Canada of \$356m
- FanDuel operating costs % revenue 21.6%
- FanDuel 2022 EBITDA loss \$223m
- Total Flutter US loss of \$313m includes share based payment costs of \$84m

£m	ONLINE			RETAIL		
	2022	2021	YoY CC	2022	2021	YoY CC
Average monthly players ('000s)	3,710	3,153	+18%			
Sportsbook stakes	8,633	10,473	-17%	1,348	904	+48%
<i>Sportsbook net revenue margin</i>	10.1%	9.7%	+40bps	13.5%	12.6%	+90bps
Sports revenue	998	1,168	-14%	183	114	+60%
Gaming revenue	873	721	+21%	90	60	+49%
Total revenue	1,871	1,889	-1%	272	174	+56%
Cost of sales	(592)	(581)	+2%	(61)	(40)	+54%
<i>Cost of sales as a % of net revenue</i>	31.6%	30.8%	+80bps	22.5%	22.9%	-30bps
Gross profit	1,280	1,308	-2%	211	134	+57%
Sales & marketing costs	(374)	(384)	-3%	(6)	(6)	+4%
Contribution	905	923	-2%	204	128	+59%
Other operating costs	(293)	(298)	-	(162)	(138)	+18%
Adjusted EBITDA	612	626	-3%	42	(10)	-551%
<i>Adjusted EBITDA margin</i>	32.7%	33.1%	-60bps	15.4%	(5.6%)	+2,080bps
Depreciation and amortisation	(89)	(85)	+5%	(47)	(41)	+15%
Adjusted operating profit	524	541	-4%	(5)	(50)	-90%

Online

- AMPs +18% with recreational growth
- Revenue -1% reflecting:
 - Addition of tombola in January 2022
 - Improved momentum in H2 (+4%) following product improvements
 - H1 -19% due to Covid frequency unwind and safer gambling changes
- COS % higher due to streaming costs
- Marketing efficiency improvements, 100 basis lower as a % of revenue
- Other operating cost efficiencies more than offsetting cost inflation

Retail

- Full estate open in 2022
- Revenue in UK estate back to 2019 levels, Irish estate 30% lower

Australia

£m	2022	2021	YOY	YOY CC
Average monthly players ('000s)	1,090	1,008	+8%	
Sportsbook stakes	11,296	11,702	-3%	-7%
<i>Sportsbook net revenue margin</i>	11.2%	11.1%	+10bps	+10bps
Revenue	1,263	1,294	-2%	-6%
Cost of sales	(635)	(636)	-	-4%
<i>Cost of sales as a % of net revenue</i>	50.3%	49.2%	+120bps	+110bps
Gross profit	628	658	-5%	-8%
Sales & marketing costs	(134)	(119)	+12%	+8%
Contribution	494	539	-8%	-11%
Other operating costs	(104)	(102)	+2%	-3%
Adjusted EBITDA	390	437	-11%	-13%
<i>Adjusted EBITDA margin</i>	30.9%	33.7%	-290bps	-270bps
Depreciation and amortisation	(29)	(26)	+15%	+12%
Adjusted operating profit	361	411	-12%	-15%

- Continued strong player momentum with AMPs+8%
- Revenue -6% driven by
 - Reduced H2 player days due to Covid unwind
 - Increased competition
 - Event cancellations
- COS % increase due to POC tax increases from July 2022
- Sales and marketing +8% reflecting £5m additional spend for FIFA World Cup as well as an increase in spend in response to competitive intensity

International

£m	REPORTED			PRO FORMA		
	2022	2021	YoY CC	2022	2021	YoY CC
Average monthly players¹ ('000s)	3,126	2,428	+29%	3,568	3,163	+13%
Sportsbook stakes	2,490	1,592	+52%	3,637	3,273	+10%
<i>Sportsbook net revenue margin</i>	10.9%	8.7%	+220bps	12.1%	11.1%	+100bps
Sports revenue	358	220	+58%	526	447	+16%
Gaming revenue	1,324	1,068	+18%	1,621	1,534	+4%
Total revenue	1,683	1,288	+24%	2,147	1,981	+7%
Cost of sales	(570)	(392)	+40%	(778)	(682)	+15%
<i>Cost of sales as a % of net revenue</i>	33.9%	30.4%	+370bps	36.2%	34.4%	+240bps
Gross profit	1,113	897	+18%	1,369	1,299	+3%
Sales & marketing costs	(374)	(335)	+6%	(386)	(360)	+3%
Contribution	739	562	+25%	983	939	+3%
Other operating costs	(381)	(270)	+35%	(488)	(433)	+11%
Adjusted EBITDA	358	292	+16%	494	506	-3%
<i>Adjusted EBITDA margin</i>	21.3%	22.7%	-160bps	23.0%	25.6%	-250bps
Depreciation and amortisation	(121)	(52)	+107%	(185)	(153)	+17%
Adjusted operating profit	237	240	-5%	309	353	-12%

Pro forma

- Revenue +7%:
 - Consolidated and invest markets +22% (Italy +22%, India +90%)
 - Other markets impacted by regulatory headwinds
- COS % due to lower Italy charges during Covid-impacted prior year
- Other operating costs +11% with Sisal retail open for all of 2022
- EBITDA +20% excluding regulatory headwinds

Reported

- EBITDA +16%:
 - Five month contribution from Sisal
 - Revenue +15% consolidate and invest markets (ex-Sisal regions)
 - Offset by £100m regulatory headwinds

Debt profile, cost and maturity dates

Facility	Principal at Dec 2022	Hedged currency	Post hedging GBP principal	Interest rate	Q4 2022 interest rates	Forecast 2023 interest rates ¹	Maturity	
TLA (USD)	\$200m	GBP	£175m	SOFR + CSA + 2.75%	7.08%	7.08%	July 2026	Fixed: 63% £3.3bn ²
TLB (USD)	\$2,902m	EUR & GBP	£2,124m	LIBOR + 2.25%	2.79%	4.68%	July 2026	
	\$1,247m	EUR & GBP	£1,078m	SOFR + CSA + 3.25%	6.73%	6.59%	July 2028	
RCF	£749m		£63m	SONIA+ CAS + 1.75%	3.94%	6.01%	May 2025	Floating: 37% £2bn
TLA (GBP)	£1,018m		£1,018m	SONIA + CAS + 1.75%	3.94%	6.01%	May 2025	
TLA (EUR)	€549m		£487m	EURIBOR + 2.75%	3.98%	5.92%	July 2026	
TLB (EUR)	€507m		£449m	EURIBOR + 2.5%	3.73%	5.67%	July 2026	
Total post hedging gross debt			£5,394m		4.14%	5.63%		

Separately disclosed items

£m	2022	2021
Transaction fees and associated costs	(35)	(22)
Restructuring and integration costs	(131)	(45)
Legal provision releases	38	-
Kentucky settlement and associated legal costs	-	(163)
Germany and Greece tax expense	-	(47)
EBITDA impact of separately disclosed items	(127)	(278)
Amortisation of acquisition related intangible assets	(608)	(543)
Disposal of Oddschecker Global Media	-	12
Operating loss impact of separately disclosed items	(735)	(809)
Financial income	11	-
Financial expense	(68)	(100)
Loss before tax impact of separately disclosed items	(792)	(909)
Tax credit on separately disclosed items	152	43
Total separately disclosed items	(641)	(866)

- Transaction fees relate to tombola and Sisal acquisitions
- Restructuring costs associated with TSG merger
- Legal provision release on historic TSG provisions
- Amortisation of intangibles increase due to acquisition of tombola and Sisal
- Deferred tax credit of £152m primarily relates to amortisation of acquired intangibles

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Flutter Entertainment plc