

# FLUTTER ENTERTAINMENT

Q2 2024 Earnings Presentation

13 August 2024

Flutter™

# Disclaimers

## Forward-Looking Statements

This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements reflect our current expectations as to future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. 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: Flutter’s ability to effectively compete in the global entertainment and gaming industries; Flutter’s ability to retain existing customers and to successfully acquire new customers; Flutter’s ability to develop new product offerings; Flutter’s ability to successfully acquire and integrate new businesses; Flutter’s ability to maintain relationships with third-parties; Flutter’s ability to maintain its reputation; public sentiment towards online betting and iGaming generally; 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; 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; 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.

Additional factors that could cause the Company’s results to differ materially from those described in the forward-looking statements can be found in Part I, “Item 1A. Risk Factors” of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2023 as filed with the Securities and Exchange Commission (“SEC”) and other periodic filings with the SEC, which are accessible on the SEC’s website at [www.sec.gov](http://www.sec.gov). Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in the Company’s filings with the SEC. The Company undertakes no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

## Non-GAAP Financial Measures

This presentation contains the financial measures of Adjusted EBITDA, Adjusted EBITDA Margin, Group Ex-US Adjusted EBITDA, 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, Ex-US Adjusted EBITDA, 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 10-K for the year ended December 31, 2023 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.

## Trademarks

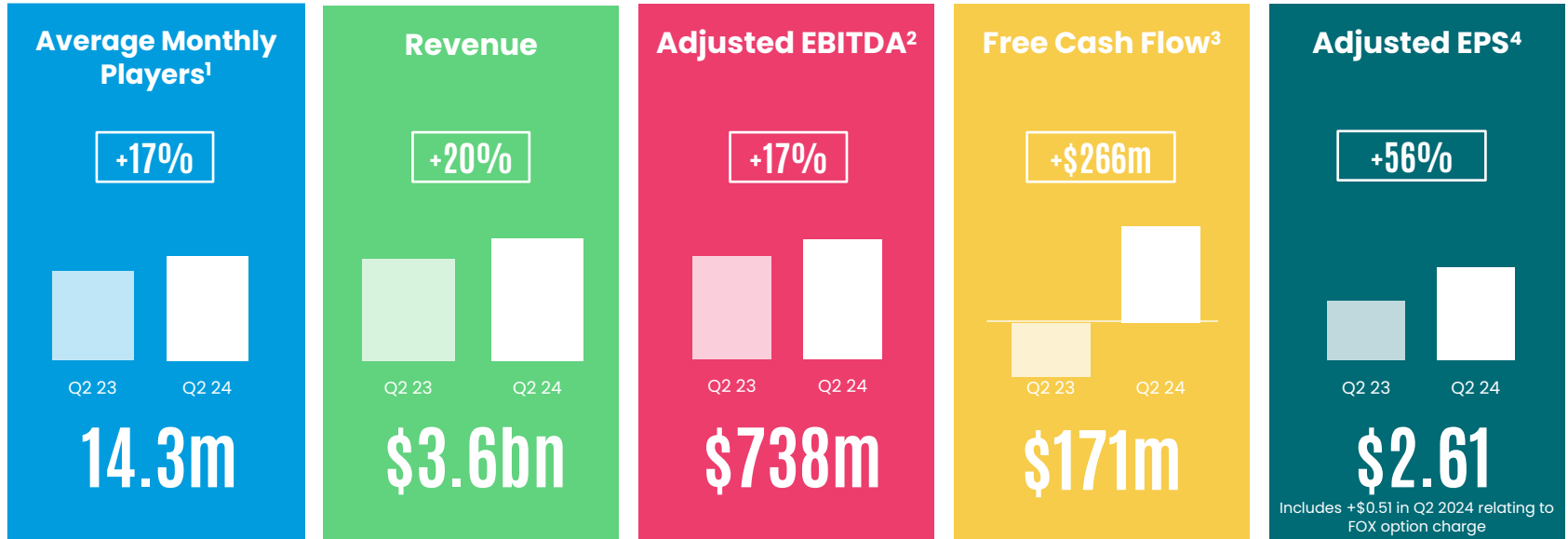
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# STRATEGIC DELIVERY Q2 2024

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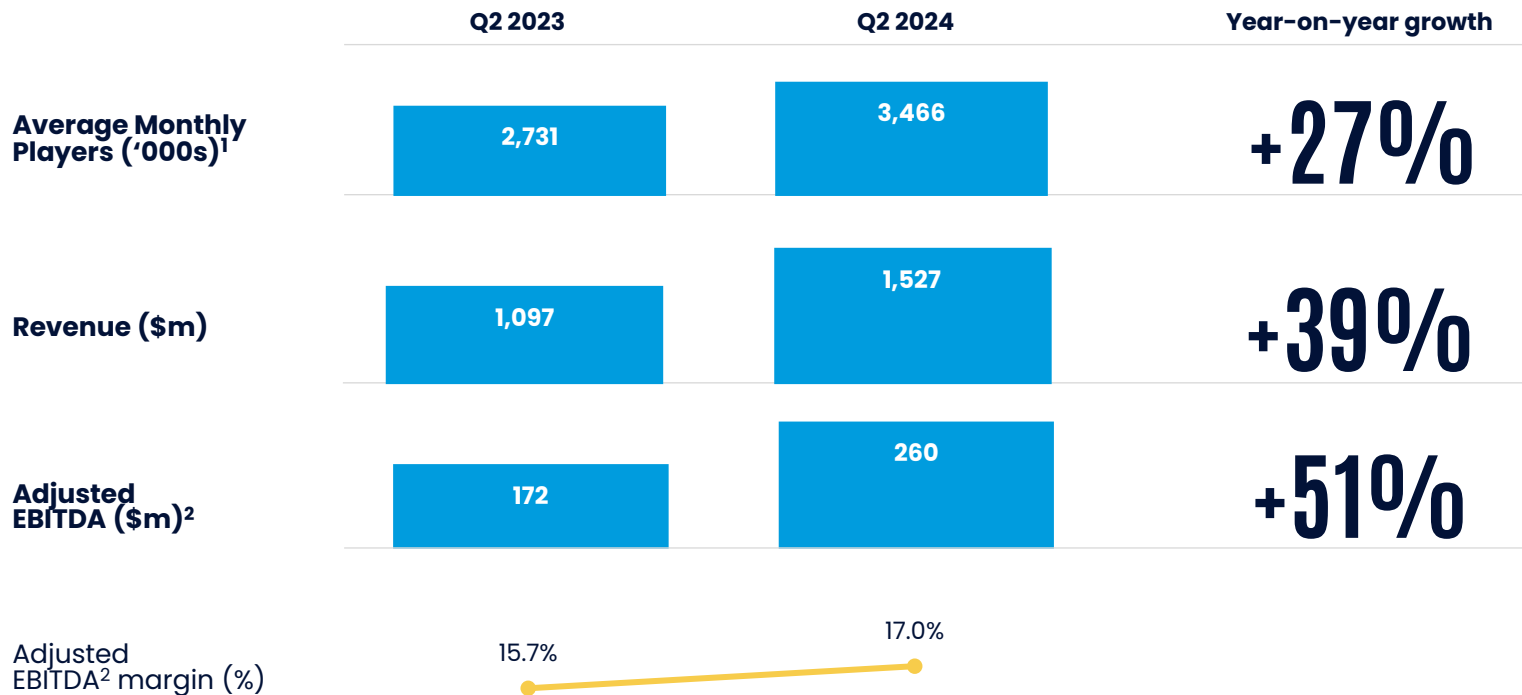
## Q2 2024 GROUP HIGHLIGHTS



**Group strategy delivering strong growth with revenue +20% and Adjusted EBITDA<sup>2</sup> +17%**

# US HIGHLIGHTS

## Continued US market leadership and profit growth



# STRATEGIC DELIVERY: US

## Evidence of continued returns on US investment

# #1

Online sportsbook<sup>5</sup>  
and iGaming brand

# 47%

Sportsbook  
gross gaming revenue share<sup>5</sup>

# 51%

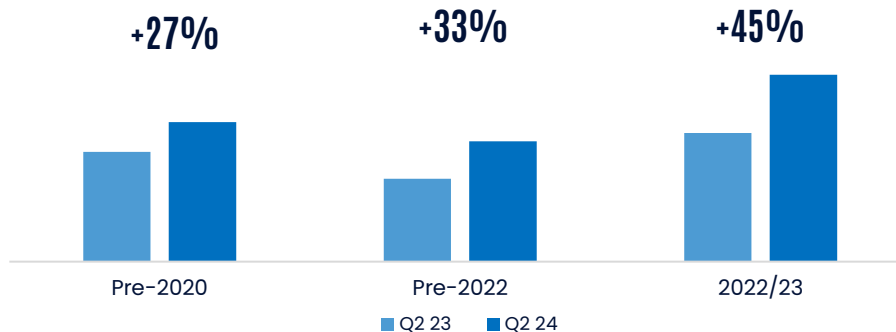
Sportsbook  
net gaming revenue share<sup>5</sup>

# 25%

iGaming revenue share<sup>5</sup>

- Extended #1 position during Q2
- Strong North Carolina launch; 59% Q2 NGR share
- Attractive paybacks within 24-month guardrails
- Compelling investment opportunity across all states including +16% new player volumes in pre-2022 states<sup>6</sup>

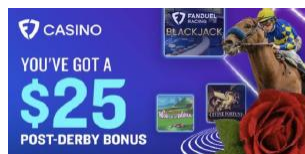
### Revenue growth by state launch<sup>6</sup>



# STRATEGIC DELIVERY: US PRODUCT

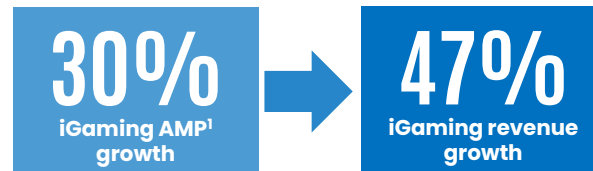
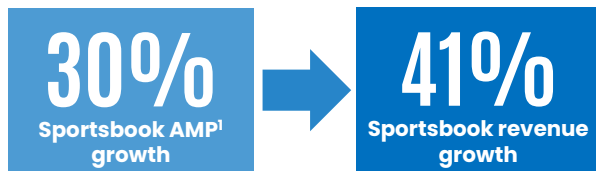
## Building on our lead in sports betting

- Product improvements supporting AMP<sup>1</sup> growth and structural margin improvements
- Proportion of handle on NBA live betting >400bps higher
- Expanded MLB prop betting offer drove +840bps MLB parlay penetration
- In-house WNBA product led to a four-fold increase in bet count year-over-year



## iGaming strategy delivering results

- #1 iGaming brand<sup>5</sup> in the US
- 4 ppt increase in market share year-over-year
- Direct to casino customer acquisition +58%
- Migration to in-house technology platform completed
  - ✓ Access to in-house content
  - ✓ Improved cross-promotion
  - ✓ Platform stability



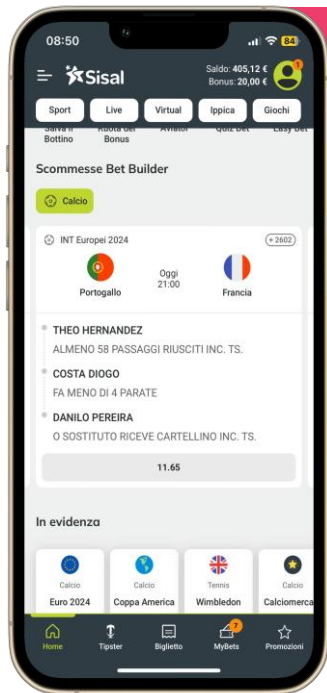
# GROUP EX-US HIGHLIGHTS

Strong AMP and revenue growth driven by continued product innovation





# STRATEGIC DELIVERY: GROUP EX-US



## Italian share gains led by product innovation

- Launched Same Game Parlay for Sisal: first for Italian market, nearly 20% of Euro 2024 stakes
- New SuperEnalotto lottery app and expanded casino content
- Record online market share<sup>6</sup> for Sisal in Q2 (14.4%), including Italy AMPS<sup>1</sup> +25%

## UKI new product and successful Euros performance

- Euros and new products driving UKI AMPS<sup>1</sup> +7%
- SuperSub driving a doubling in Paddy Power player bets stakes
- Sky Vegas' promotional game *Going for Goals* supporting cross-sell; 43% of Euros bettors also active on iGaming
- *Paddy's Mansion Heist* most successful live casino launch ever



# FINANCIAL HIGHLIGHTS

\$m	3 months ended 30 June					
	Revenue			Adjusted EBITDA		
	2024	2023	YoY	2024	2023	YoY
<b>US</b>	<b>1,527</b>	<b>1,097</b>	<b>+39%</b>	<b>260</b>	<b>172</b>	<b>+51%</b>
UK & Ireland	928	789	+18%	293	249	+18%
International	807	726	+11%	156	145	+8%
Australia	349	389	(10%)	74	108	(31%)
Corporate				(45)	(41)	+10%
<b>Group ex-US</b>	<b>2,084</b>	<b>1,904</b>	<b>+10%</b>	<b>478</b>	<b>461</b>	<b>+4%</b>
<b>Group</b>	<b>3,611</b>	<b>3,001</b>	<b>+20%</b>	<b>738</b>	<b>633</b>	<b>+17%</b>

- **US:** Strong revenue performance with sportsbook +41% and iGaming +47%. Adjusted EBITDA<sup>2</sup> +51% from revenue growth combined with sales & marketing efficiencies
- **UKI:** Euros and sports results benefitting sportsbook revenue (+12%) and continued strong iGaming revenue momentum (+25%)
- **International:** 'Consolidate and Invest'<sup>7</sup> markets revenue +16% and addition of MaxBet
- **Australia:** In line with previously guided market declines despite strong player retention including sports results benefit
- **Corporate:** Annualization of previously noted investment in Flutter Edge capabilities and compliance costs

## FULL YEAR FINANCIAL GUIDANCE

<b>US</b>	<ul style="list-style-type: none"> <li>• Revenue range of \$6.05bn – \$6.35bn (previously \$5.8bn – \$6.2bn)</li> <li>• Adjusted EBITDA<sup>2</sup> range of \$680m – \$800m (previously \$635m – \$785m)</li> </ul>
<b>Group ex-US</b>	<ul style="list-style-type: none"> <li>• Revenue range of \$7.85bn – \$8.15bn (previously \$7.65bn – \$8.05bn)</li> <li>• Adjusted EBITDA<sup>2</sup> range of \$1.69bn – \$1.85bn (previously \$1.63bn – \$1.83bn)</li> <li>• Australian Adjusted EBITDA of approximately \$270m</li> </ul>
<b>Other</b>	<ul style="list-style-type: none"> <li>• Interest, net: approximately \$405m</li> </ul>

Note: 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.

# APPENDICES

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# GROUP INCOME STATEMENT

	3 months ended 30 June	
\$m	2024	2023
<b>Revenue</b>	<b>3,611</b>	<b>3,001</b>
Cost of sales	(1,835)	(1,491)
<b>Gross profit</b>	<b>1,776</b>	<b>1,510</b>
Technology, research and development expenses	(216)	(176)
Sales and marketing expenses	(746)	(667)
General and administrative expenses	(445)	(445)
<b>Operating profit</b>	<b>369</b>	<b>222</b>
Other income, net	89	10
Interest expense, net	(108)	(82)
<b>Income before income taxes</b>	<b>350</b>	<b>150</b>
Income tax expense	(53)	(86)
<b>Net income</b>	<b>297</b>	<b>64</b>

# GROUP AND GROUP EX-US ADJUSTED EBITDA RECONCILIATION

	3 months ended 30 June	
\$m	2024	2023
<b>Net income</b>	<b>297</b>	<b>64</b>
<i>Add back:</i>		
Income taxes	53	86
Other income, net	(89)	(10)
Interest expense, net	108	82
Depreciation and amortization	272	304
Share-based compensation expense	59	64
Transaction fees and associated costs <sup>8</sup>	16	17
Restructuring and integration costs <sup>9</sup>	22	26
<b>Group Adjusted EBITDA</b>	<b>738</b>	<b>633</b>
Adjusted EBITDA margin	20.4%	21.1%
<i>Less:</i>		
US Adjusted EBITDA	260	172
<b>Group ex-US Adjusted EBITDA</b>	<b>478</b>	<b>461</b>

## GROUP ADJUSTED EARNINGS PER SHARE RECONCILIATION

\$m	3 months ended 30 June	
	2024	2023
<b>Diluted earnings per share to Flutter shareholders</b>	<b>1.45</b>	<b>0.37</b>
<i>Add/ (Less):</i>		
Transaction fees and associated costs	0.09	0.09
Restructuring and integration costs	0.12	0.14
Amortization of acquired intangibles	0.82	1.08
Share based compensation	0.33	0.36
Loss on settlement of long-term debt	0.03	-
Tax impact of above adjustments <sup>10</sup>	(0.23)	(0.38)
<b>Adjusted earnings per share</b>	<b>2.61</b>	<b>1.67</b>

## GROUP NET DEBT RECONCILIATION

\$m	As at	
	30 June 2024	31 December 2023
Long-term debt	6,737	7,005
Long-term debt due within one year	53	51
<b>Total Debt</b>	<b>6,790</b>	<b>7,056</b>
<i>Add:</i>		
Transaction costs, premiums or discount included in the carrying value of debt	61	54
<i>Less:</i>		
Unrealized foreign exchange on translation of foreign currency debt <sup>11</sup>	154	182
Cash and cash equivalents	(1,526)	(1,497)
<b>Net debt</b>	<b>5,478</b>	<b>5,795</b>



# GROUP FREE CASH FLOW RECONCILIATION

	3 months ended 30 June	
\$m	2024	2023
<b>Net cash provided by operating activities</b>	<b>323</b>	<b>41</b>
<i>Less cash impact of:</i>		
Purchases of property and equipment	(28)	(31)
Purchases of intangible assets	(40)	(36)
Capitalized software	(84)	(69)
<b>Free cash flow</b>	<b>171</b>	<b>(95)</b>

## Footnotes

<sup>1</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>2</sup> Adjusted EBITDA is defined on a Group basis as net income (loss) before income taxes; other (expense)/ income, net; interest expense, net; depreciation and amortization; transaction fees and associated costs; restructuring and integration costs; gaming taxes expenses and share-based compensation charge. Adjusted EBITDA Margin is Adjusted EBITDA as a percentage of revenue. Group Ex-US Adjusted EBITDA is defined as Group Adjusted EBITDA excluding our US Segment Adjusted EBITDA. Group Ex-US Adjusted EBITDA Margin is Group Ex-US Adjusted EBITDA as a percentage of revenue ex-US, respectively.

<sup>3</sup> Free cash flow is defined as net cash provided by operating activities less payments for property and equipment, intangible assets and capitalized software.

<sup>4</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 Income Attributable to Flutter Shareholders is defined as net income (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>5</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 June 30, 2024 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 June 30, 2024 in the states in which those brands were live, based on published gaming regulator reports in those states. Number one iGaming brand based on FanDuel and peer GGR based on published gaming regulator reports and external estimates by Eilers and Krejcik for competitor market share.

<sup>6</sup> US analysis by state cohort includes the following states and provinces by FanDuel launch date; Pre-2020 states: New Jersey, Pennsylvania, West Virginia, Indiana; Pre-2022 states: all Pre-2020 states plus Colorado, Illinois, Iowa, Michigan, Tennessee, Virginia, Arizona, Connecticut; 2022/2023 states: New York, Ontario, Louisiana, Wyoming, Kansas, Maryland, Ohio, Massachusetts, Kentucky. Revenue growth refers to sportsbook and iGaming only.

<sup>7</sup> Consolidate and Invest markets within our International segment are Italy, Spain, Georgia, Armenia, Serbia, Brazil, India, Turkey, Morocco, Bosnia & Herzegovina and the US. International market positions reflect company estimates using a variety of methods depending on the data sources available for the relevant market, and include data releases by the relevant regulatory body, market research and aggregated banking deposit information. Italian market position and share based on regulator GGR data from Agenzia delle dogane e dei Monopoli.

<sup>8</sup> Comprises advisory fees related to implementation of internal controls, information system changes and other strategic advisory related to the change in the primary listing of the Group for the three months ended June 30, 2024. For the three months ended June 30, 2023 transaction fees and associated costs comprised advisory fees related to the proposed listing of Flutter’s ordinary shares in the US.

<sup>9</sup> During the three months ended June 30, 2024, costs of \$22 million (three months ended June 30, 2023: \$26 million) primarily relate to various restructuring and other strategic initiatives to drive synergies. 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.

<sup>10</sup> Tax rates used in calculated adjusted net income attributable to Flutter shareholders is the statutory tax rate applicable to the geographies in which the adjustments were incurred.

<sup>11</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.



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