India - Tax Guide

Sharesave RoW (excludes UK & IOM)

1. Introduction

The following is a summary of the tax treatment of a grant granted to you by Flutter Entertainment plc under the Sharesave RoW (excludes UK & IOM) (the "Plan"). This summary assumes that you have been resident in India during the lifecycle of the grant.

The tax treatment as explained herein is intended as a guide only. It is limited to a general description of the national tax laws, and is not intended to address city, regional, or other local tax laws that may be applicable to you. It may not apply to your particular tax or financial situation, and we are not in a position to assure you of any particular tax result. Therefore, we recommend that you consult with your own independent tax advisor regularly to determine the consequences of taking or not taking any action concerning your options, and to determine how the tax or other laws in India apply to your specific situation. This information was last reviewed in September, 2024.

Please note that the information presented above is relevant for participants who have had no period of overseas work during the vesting period of their awards. The tax treatment of your share awards may change if you have relocated internationally, and as such the above rules may not be relevant to you. If you are in doubt regarding the tax treatment of your share awards, please seek advice from a professional tax advisor to confirm the tax position.

2. Overview

Grant	• Option to purchase Flutter Entertainment plc shares in the future at a specified price. • You are **not subject to taxation on equity** at this point.

Vesting	• You are **not subject to taxation on equity** at this point.

Exercise	• You will **be subject to tax** at this point. • Taxable income is calculated based upon the appreciation between the grant price value and the fair market value (FMV) on exercise date. • **Flutter Entertainment plc is responsible for reporting the income.** • You are also **responsible for reporting the income.**

Sale	• The date you sell Flutter Entertainment plc shares. • This event may generate additional income known as Capital Gain (CG), or a loss. • Generally speaking, Capital Gain is the growth in value from exercise to sale. • If there is a **Capital Gain** on the sale of shares, tax is due in the tax year of sale. • You are responsible for calculating the tax and reporting this capital gain.

3. Tax Treatment

	Grant	Vesting	Exercise	Sale
Income tax / Capital gains tax	No	No	Income tax payable at rates up to 39%.	Capital gains tax payable at rates up to 39%.
Employee social tax	No	No	No	No
Income tax withholding	No	No	Yes	No
Employee tax reporting	No	No	Yes	Yes

Income Tax - The rates set out in this guide are marginal rates. In the event that you are required to pay income tax on the value of your award, the amount of income tax you pay will depend on your marginal tax rate. Generally, the more you earn, the higher your marginal income tax rate.

4. Will I pay tax when I am granted options under the Plan?

You will not have to pay any tax when you are granted options under the Plan.

5. Will I pay tax when my options vest under the Plan?

You will not have to pay any tax when your options become exercisable under the Plan.

6. Will I pay tax when I exercise my options?

When you exercise your options you will be required to pay income tax on the difference between the option price and the market value of the shares at that time at rates of up to 39%.

7. How will any benefits under the Plan be reported?

You will need to report:

- Any income tax due on exercise of the options to the tax authorities in the annual tax return, due by July 31.
- Any capital gains tax due on the sale of shares to the tax authorities in the annual tax return, due by July 31.

8. Will I have to pay any tax on any dividends paid on the shares?

A dividend is a right to participate in the company's profits, at the discretion of the board of directors.

Any dividends you receive will be taxed at rates up to 30%.

Dividends payment from foreign (as well as Indian) companies are included in an individual's total income and are charged at the income tax rate applicable to that individual. Note that if the employee elects to be taxed under the old tax regime, dividends will be subject to base tax rates of 30%. The enhanced surcharge rates of 25% (new tax regime) and 37% (old tax regime) are not levied on dividend income. As a result, the maximum rate of surcharge on tax payable on dividend income will be 15% of the income tax payable on the dividend. Dividends received from a foreign company may be subject to tax withholding in foreign jurisdiction; any such taxes withheld should generally be creditable against any tax liability of Indian employee.

9. Will I pay any tax when I sell my shares?

As the calculation of capital gains can be complex and may be subject to certain exemptions, we recommend that you consult your personal financial/tax advisor.

If the sale price of your shares is higher than their cost basis (broadly, the cost basis is equal to the fair market value of the shares at the time of exercise), the difference will be taxable as a capital gain, at a rate up to 39%. If the sale price is lower than the cost basis of the shares, you may realize a capital loss.

When you sell your shares, the local company will not withhold any taxes on the gains. You should report any gain or loss arising in your tax return for the tax year in which the sale took place.

10. Additional Information

Calculation of Fair Market Value for Tax Purposes

The fair market value of foreign company shares for tax purposes must be assessed by a licensed (Category 1) merchant banker in India for both private and public companies. For publicly traded companies, the merchant bank valuation may be different than the trading value at the time of taxation. This value will need to be provided to employees by the Company. The valuation is effective for 180 days. Local advice is recommended.

Income tax

Finance Act 2020 introduced a new optional tax rate regime for individuals starting from April 1, 2020 (tax year 2020-21). Effective April 1, 2023, the new tax regime has been made to be the default regime, and taxpayers will have to elect the old tax regime if they wish to use it, depending on their income level and exemptions/deductions/incentives they may wish to claim.

An individual taxpayer may opt for the new tax regime based on various factors like sources of income, eligibility and ability of claim certain tax exemptions and tax deductions/incentives, etc. Switching between the old and new tax regime is restricted and subject to certain conditions. However, the frequency mostly depends on the source of income during the year. Taxpayers will need to evaluate and compare the tax liability under both regimes and then decide on which to opt for (including notifying his/her employer of the choice of tax regime to be used for withholding purposes).

The tax rates under the old regime as follows:

Salary bands in INR	Tax Rates
• 0 - 250,000	0%
• 250,001 - 500,000	5.20%
• 500,001 - 1,000,000	20.80%
• 1,000,001 - 5,000,000	31.20%
• 5,000,001 - 10,000,000	34.32%
• 10,000,001 - 20,000,000	35.88%
• 20,000,001 - 50,000,000	39.00%
• Above 50,000,001	42.74%

Income tax and extra taxes

The progressive income tax rates displayed include the following:

1. Personal income tax at rates of up to 39% (or up to 42.74% depending on the tax regime adopted by the employee). As of April 1, 2023, new tax regime shall be default tax regime for taxpayers. Under new tax regime, certain deductions and exemptions are not available as compared to the old tax regime. However, taxpayers can opt for old regime of taxation to claim the deductions and exemptions and notify their employers of their choice.
2. An additional surcharge, which is payable on employment income, capital gains and dividends (subject to a limitation of a top rate of 15% for short-term capital gains for listed equity shares, long-term capital gains and dividends) as follows:
   - 10% on annual income between INR 5 million and INR 10 million
   - 15% on annual income between INR 10 million and INR 20 million
   - 25% on income between INR 20 million and INR 50 million (under the new tax regime, income over INR 50 million is also taxable at 25%)
   - 37% on income exceeding INR 50 million (only applicable under the old tax regime. Under the new regime, the surcharge rate of 25% shall apply on income over INR 50 million)
3. A 4% health and education tax payable on all types of income, inclusive of the surcharge, if any

The capital gains tax rates displayed do not include the 4% health and education tax or the additional surcharge.

Employee annual tax return

While the general deadline for an employee to file his or her annual income tax return is July 31 of each year, the deadline may be extended to October 31 under certain circumstances. Employees should seek independent tax advice to confirm the applicable income tax return filing deadline.

Exchange Control issues

Generally, any proceeds from the sale of shares acquired under the plan and/or from the receipt of dividends paid on such shares must be repatriated to India 180 days from the date of receipt of such foreign currency. You will receive a foreign inward remittance certificate ("FIRC") from the bank where the foreign currency is deposited and should retain the FIRC as evidence of the repatriation of funds in the event the Reserve Bank of India or the employer requests proof of such repatriation. However, if you own less than 10% of the company's share capital, you are permitted to reinvest such sales proceeds and/or dividends, instead of repatriating them, in compliance with the exchange control rules within the 180-day period following receipt. In the unlikely event that you acquire securities that represent, in the aggregate, 10% or more of the company's share capital, you will be required to repatriate the proceeds within 90 days of receipt, and will be subject to additional reporting obligations.

Effective October 1, 2023, the withholding rate for the Tax Collected at Source (TCS) under the Liberalised Remittance Scheme (LRS) is being increased from 5% to 20%. Based on the current position of the Ministry of Finance, this change will also affect funds remitted for the purchase of shares under employee share schemes offered by foreign companies to employees of their Indian subsidiaries or affiliates. This change will require the Indian merchant bank processing the outbound remittance to withhold TCS at the rate of 20% from any remittances exceeding INR 700,000 in relation to employee stock programs being made by or on behalf of employees for the purchase of shares, effective as of October 1, 2023. The bank is expected to withhold this tax from the amount remitted unless another arrangement is made for the collection of this tax; such tax withholding is expected to decrease the amount available to purchase foreign shares.

Any TCS collected can in principle be credited against your income tax liability payable on the applicable equity benefit, as reflected in the final accounting for taxes in the employee's annual income tax return.

Foreign asset reporting

You are required to report any cash or share accounts held in a foreign institution. The information must be submitted to the Tax Authorities (on Form Schedule FA of the Income Tax Return - Form ITR 2) by July 31.

11. Sample tax calculation

This illustrative example assumes the following:

- Grant price of GBP 100.
- An income tax rate of 39%.
- Capital Gains Tax of 39%.
- This example does not take into account any annual Capital Gains Tax (CGT) exemptions which may be available.
- Tax calculation is based on the currency in which the shares are traded and any subsequent currency conversion has not been applied.

Tax implications

Grant

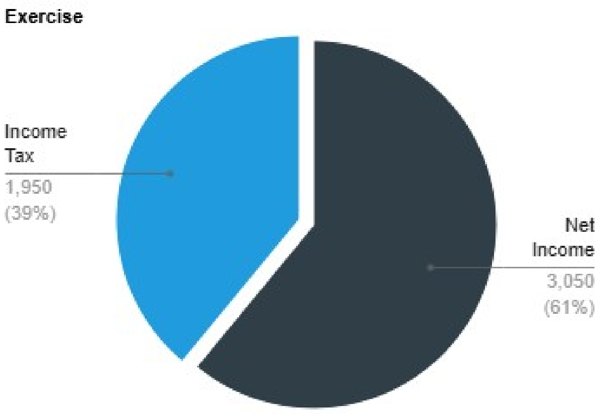
No taxes due.

Vesting

No taxes due.

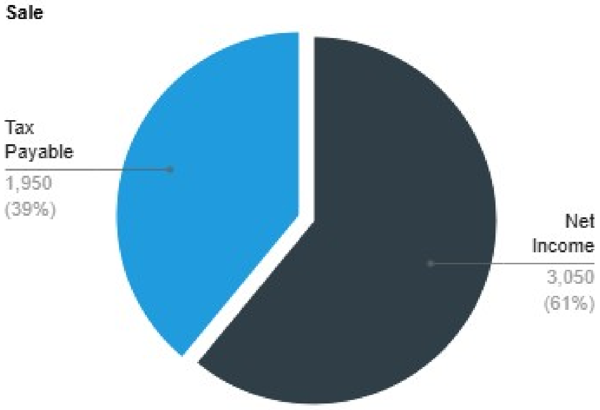
Exercise

Number of Options Exercised	100
Grant Price	GBP 100
Fair Market Value (FMV) of the shares on exercise	GBP 150
Taxable Income (100 x GBP 150) - (100 x GBP 100)	**GBP 5,000**
Income Tax Withheld (GBP 5,000 x 39%)	**GBP 1,950**
Net Income (GBP 5,000 - GBP 1,950)	**GBP 3,050**



Sale

Number of shares Sold	100
Fair Market Value (FMV) of the shares on Sale	GBP 200
Sale Proceeds (100 x GBP 200)	GBP 20,000
Less: Acquisition Costs	
Amount Previously Taxed	**GBP 15,000**
Capital Gain	GBP 5,000
Tax Payable (GBP 5,000 x 39%)	**GBP 1,950**
Net Income (GBP 5,000 - GBP 1,950)	**GBP 3,050**



** Please note the above is for information purposes only. Transaction fees may also apply and are not included.*
