Ireland - Tax Guide

Legacy Irish Sharesave (2021 - 2023) - Non Tax Approved

1. Introduction

The following is a summary of the tax treatment of a grant granted to you by Flutter Entertainment plc under the Legacy Irish SAYE (the "Plan"). Please note that the legacy Irish SAYE plan refers to Irish SAYE options granted in 2020 and in prior years only. This summary assumes that you have been resident in Ireland 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 Ireland apply to your specific situation. This information was last reviewed in July, 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.**

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 48%.	Capital gains tax payable at a flat rate of 33%.
Employee social tax	No	No	Yes Uncapped flat rate of 4.1% after EUR 352 of income per week.	No
Income tax withholding	No	No	Yes	No
Employee social tax withholding	No	No	Yes	No
Employee tax reporting	No	No	No	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 48%.

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

You will need to report:

- Any capital gains tax due on the sale of shares in Form 11 (and pay CGT due via Payslip A or B) to the tax authorities in the annual tax return, due by October 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 40%.

Tax on dividends over foreign shares is payable at the employee's marginal rate of 20% or 40%, subject to any available tax credit. PRSI of 4.1% and USC of up to 8% (for salary over EUR 70,044) also apply to dividend income.

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 of 33%. If the sale price is lower than the cost basis of the shares, you may realize a capital loss.

Where chargeable gains are realized in the period January 1 to November 30, the capital gains tax is due for payment by December 15 of the same tax year. However, if the chargeable gains are realized in the period December 1 to December 31, the tax will be due for payment by January 31 of the following year. There is an annual exemption of EUR 1,270 per year from capital gain taxation.

Calculation of base cost

The FIFO (First-In, First-Out) principle is generally applied to determine which shares are sold when calculating the base costs on the sale of shares.

Where chargeable gains are realized in the period January 1 to November 30, the capital gains tax is due for payment by December 15 of the same tax year (payslip A). However, if the chargeable gains are realized in the period December 1 to December 31, the tax will be due for payment by January 31 of the following year (payslip B). There is an annual exemption of EUR 1,270 per year from capital gain taxation.

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

Employer PRSI

No charge to Employer PRSI will arise where the shares awarded are in a company that employs the individual, or in a company which controls that employing entity. Control in this context generally means that the company is entitled, directly or indirectly, to the greater part (being more than 50%) of the share capital or the issued share capital of the company, or of the voting power in the company.

Grant of option with an exercise period over 7 years (long options)

If an option with an exercise period in excess of seven years is granted at less than market value, the employee will be liable for income tax, PRSI and USC at grant on any benefit that arises by reference to the grant of an option.

In this case, the employer will have to withhold any income tax, PRSI and USC arising on grant by the 14th of the month following the taxable event.

Tax withholding

Gains realized from the exercise of stock options or the purchase of shares under a share purchase plan (that is treated as an ‘option’ plan for Irish income tax purposes) prior to January 1, 2024, are taxed via the self-assessment, relevant tax on share options (RTSO), system. Under this system:

- Employer tax withholding is not required under the PAYE system and instead the employee is required to pay any income tax, USC and employee PRSI via the RTSO1 procedure within 30 days of the purchase of

the shares or exercise of share options (as applicable). Note: employees are technically required to pay income tax and USC at the higher rate (currently 40% and 8% respectively) when filing the Form RTSO1, however, if the employee’s marginal rate of income tax is less than 40% and USC is less than 8%, the employee may apply to the Revenue Commissioners to pay tax at a lower rate.
- The employee is required to report the income gain and any payments of RTSO income tax, USC and employee PRSI in their annual tax return, due by October 31.

Foreign asset reporting

A taxpayer who is not otherwise obliged to file a self-assessment tax return is not required to file such a return solely by virtue of opening a foreign account on the basis that the foreign account would be reportable to the Irish tax authorities under the provisions of the Common Reporting Standard (CRS), the Council Directive 2017/107/EU on Administrative Cooperation (DAC2) or the Foreign Account Tax Compliance Act (FATCA).

11. Sample tax calculation

This illustrative example assumes the following:

- Grant price of GBP 100.
- An income tax rate of 48%.
- Social taxes of 4.1%.
- Capital Gains Tax of 33%.
- This example does not take into account any annual Capital Gains Tax (CGT) exemptions which may be available.
- This illustration does not take into account any capped social tax amount.
- 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

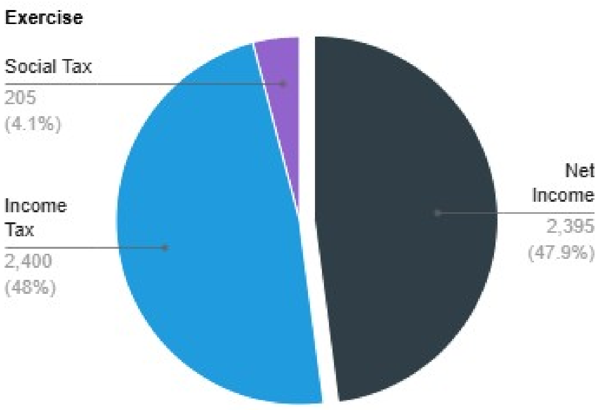
No taxes due.

Vesting

No taxes due.

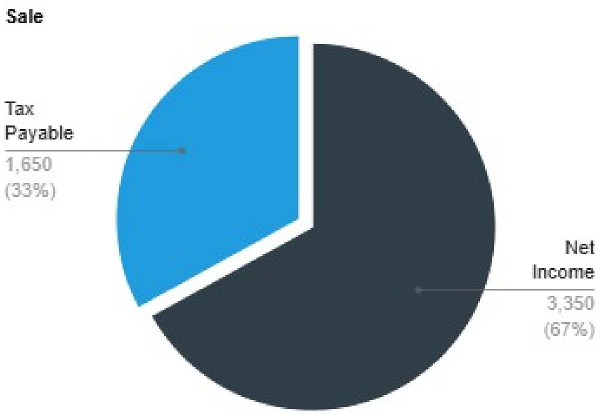
Exercise

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**
Social Tax Withheld (GBP 5,000 x 4.1%)	GBP 205
Income Tax Withheld (GBP 5,000 x 48%)	GBP 2,400
Total Tax Withheld (GBP 2,400 + GBP 205)	**GBP 2,605**
Net Income (GBP 5,000 - GBP 2,605)	**GBP 2,395**



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 33%)	**GBP 1,650**
Net Income (GBP 5,000 - GBP 1,650)	**GBP 3,350**



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