

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 10, 2022

Commission File Number: 001-39896

PLAYTIKA HOLDING CORP.
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State of other jurisdiction
of incorporation or organization)

81-3634591
(I.R.S. Employer
Identification No.)

c/o Playtika Ltd.
HaChoshlim St 8
Herzliya Pituach, Israel
972-73-316-3251

(Address, including zip code, and telephone number, including area code, of registrant’s principal executive offices)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	PLTK	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On May 10, 2022, Playtika Holding Corp. issued a press release announcing its financial results for the quarter ended March 31, 2022. A copy of the press release is furnished herewith as Exhibit 99.1.

In accordance with General Instruction B.2. of Form 8-K, the information in this Item 2.02, including Exhibit 99.1, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or the Exchange Act, or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.1	Press Release dated May 10, 2022
99.2	First Quarter 2022 Earnings Presentation
104	Cover page interactive data file (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PLAYTIKA HOLDING CORP.
Registrant

By: /s/ Craig Abrahams

Craig Abrahams
President and Chief Financial Officer

Dated as of May 10, 2022

Playtika Holding Corp. Reports First Quarter 2022 Results

First Quarter Revenue Grew to \$676.9 million, up 6.0% year-over-year and up 4.3% Sequentially
Average Daily Payer Conversion Increased to 3.2%
Casual Portfolio Revenue Grew 20.7% year-over-year and is now 52.5% of Total Revenue

Herzliya, Israel - May 10, 2022 - Playtika Holding Corp. (NASDAQ: PLTK) today released financial results for its first quarter for the period ending March 31, 2022.

First Quarter 2022 Financial Highlights:

- First quarter revenue was \$676.9 million compared to \$638.9 million in the prior year period.
- Net income was \$83.2 million compared to \$35.7 million in the prior year period.
- Adjusted EBITDA, a non-GAAP financial measure defined below, was \$220.5 million compared to \$258.0 million in the prior year period.
- Our cash and cash equivalents and short-term bank deposits totaled \$1,107.9 million as of March 31, 2022 with \$600 million in additional borrowing capacity pursuant to our Revolving Credit Facility, resulting in over \$1.7 billion of available liquidity.

“We delivered strong revenue growth as a result of our continual efforts to improve and refine our monetization program and increase retention of our players,” said Robert Antokol, Chief Executive Officer of Playtika. “The year began with investment in our product roadmaps and new marketing campaigns to secure our foundation for ongoing growth. I want to thank our employees who have remained resilient through the war in Ukraine. I am forever grateful for their sacrifice and dedication to helping Playtika become a market leader in mobile gaming entertainment.”

“Our differentiated live-ops and direct-to-consumer platforms provided strong sequential revenue growth in the first quarter across both our casual and casino games portfolio, and we are encouraged by strong operating metrics, with increases in average daily payer conversion and ARPDAU,” said Craig Abrahams, President and Chief Financial Officer. “We continue to lay the groundwork for future growth by making investments in the business to support new game development, recent acquisitions, offline marketing campaigns, and investments in our workforce. These investments in marketing are weighted more heavily to the start of the year and will position the company well for sustainable growth.”

Highlights

- Casual portfolio grew revenue 20.7% year-over-year, comprising 52.5% of total revenue
- Average Daily Payer Conversion increased to 3.2%, up from 2.8% in Q1'21
- Direct-to-Consumer channel grew 31.5% year-over-year and is now 22.5% of total revenue
- Solitaire Grand Harvest grew revenue 41.7% year-over-year
- Junes Journey grew revenue 30.4% year-over-year
- Caesars Casino grew revenue 8.2% year-over-year

New Game Developments

- Merge Stories launch planned for Q3'22
 - Built by our Jelly Button studio, creators of Board Kings
- Two additional titles in development slated to soft launch for testing in 2022

Financial Outlook

For the full year 2022 the company anticipates revenue of \$2.73 billion and Adjusted EBITDA of \$940 million.

Conference Call

Playtika management will host a conference call at 5:30 a.m. Pacific Time (8:30 a.m. Eastern Time) today to discuss the company's results. The conference call can be accessed via the conference numbers below and also via a webcast accessible at investors.playtika.com. A replay of the call will be available through the website one hour following the call and will be archived for one year.

- Toll-free dial-in number: (833) 665-0587
- International dial-in number: (661) 407-1603
- Conference ID: 3398904

Summary Operating Results of Playtika Holding Corp.

(in millions of dollars, except percentages, Average DPUs, and ARPDau)	Three months ended March 31,			
	2022		2021	
Revenues	\$	676.9	\$	638.9
Total cost and expenses	\$	556.5	\$	508.6
Operating income	\$	120.4	\$	130.3
Net income	\$	83.2	\$	35.7
Adjusted EBITDA	\$	220.5	\$	258.0
Net income margin		12.3 %		5.6 %
Adjusted EBITDA margin		32.6 %		40.4 %
Non-financial performance metrics				
Average DAUs		10.1		10.4
Average DPUs (in thousands)		323		296
Average Daily Payer Conversion		3.2 %		2.8 %
ARPDau	\$	0.74	\$	0.68
Average MAUs		31.7		31.4

About Playtika Holding Corp.

Playtika (NASDAQ:PLTK) is a mobile gaming entertainment and technology market leader with a portfolio of multiple game titles. Founded in 2010, Playtika was among the first to offer free-to-play social games on social networks and, shortly after, on mobile platforms. Headquartered in Herzliya, Israel, and guided by a mission to entertain the world through infinite ways to play, Playtika has offices worldwide and employs over 4,000 employees.

Forward Looking Information

In this press release, we make “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. Further, statements that include words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "present," "preserve," "project," "pursue," "will," or "would," or the negative of these words or other words or expressions of similar meaning may identify forward-looking statements.

Important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include without limitation:

- our reliance on third-party platforms, such as the iOS App Store, Facebook, and Google Play Store, to distribute our games and collect revenues, and the risk that such platforms may adversely change their policies;
- our reliance on a limited number of games to generate the majority of our revenue;
- our reliance on a small percentage of total users to generate a majority of our revenue;
- our free-to-play business model, and the value of virtual items sold in our games, is highly dependent on how we manage the game revenues and pricing models;
- our inability to complete acquisitions and integrate any acquired businesses successfully could limit our growth or disrupt our plans and operations;
- we may be unable to successfully develop new games;
- our ability to compete in a highly competitive industry with low barriers to entry;
- we have significant indebtedness and are subject to the obligations and restrictive covenants under our debt instruments;
- the impact of the COVID-19 pandemic on our business and the economy as a whole;
- our controlled company status;
- legal or regulatory restrictions or proceedings could adversely impact our business and limit the growth of our operations;
- risks related to our international operations and ownership, including our significant operations in Israel, Ukraine and Belarus and the fact that our controlling stockholder is a Chinese-owned company;
- our reliance on key personnel;
- security breaches or other disruptions could compromise our information or our players’ information and expose us to liability; and
- our inability to protect our intellectual property and proprietary information could adversely impact our business.

Additional factors that may cause future events and actual results, financial or otherwise, to differ, potentially materially, from those discussed in or implied by the forward-looking statements include the risks and uncertainties discussed in our filings with the Securities and Exchange Commission. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur, and reported results should not be considered as an indication of future performance. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

Except as required by law, we undertake no obligation to update any forward-looking statements for any reason to conform these statements to actual results or to changes in our expectations.

PLAYTIKA HOLDING CORP.
CONSOLIDATED BALANCE SHEETS
(In millions, except for per share data)

	March 31, 2022 (Unaudited)	December 31, 2021
ASSETS		
Current assets		
Cash and cash equivalents	\$ 885.8	\$ 1,017.0
Short-term bank deposits	222.1	100.1
Restricted cash	2.0	2.0
Accounts receivable	139.7	143.7
Prepaid expenses and other current assets	97.2	72.9
Total current assets	1,346.8	1,335.7
Property and equipment, net	105.6	103.3
Operating lease right-of-use assets	98.8	89.4
Intangible assets other than goodwill, net	419.3	417.3
Goodwill	829.3	788.1
Deferred tax assets, net	40.6	38.3
Investments in unconsolidated entities	17.8	17.8
Other non-current assets	30.7	13.4
Total assets	\$ 2,888.9	\$ 2,803.3
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities		
Current maturities of long-term debt	\$ 12.2	\$ 12.2
Accounts payable	41.9	45.7
Operating lease liabilities, current	20.0	17.2
Accrued expenses and other current liabilities	457.4	494.6
Total current liabilities	531.5	569.7
Long-term debt	2,420.3	2,422.9
Contingent consideration	30.0	28.7
Employee related benefits and other long-term liabilities	3.1	23.7
Operating lease liabilities, long-term	87.9	82.3
Deferred tax liabilities	56.1	53.7
Total liabilities	3,128.9	3,181.0
Commitments and contingencies		
Stockholders' equity (deficit)		
Common stock of \$0.01 par value; 1,600.0 shares authorized; 412.2 and 411.1 shares issued and outstanding at March 31, 2022 and December 31, 2021, respectively	4.1	4.1
Additional paid-in capital	1,072.0	1,032.9
Accumulated other comprehensive income	18.6	3.2
Accumulated deficit	(1,334.7)	(1,417.9)
Total stockholders' deficit	(240.0)	(377.7)
Total liabilities and stockholders' deficit	\$ 2,888.9	\$ 2,803.3

PLAYTIKA HOLDING CORP.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions, except for per share data)
(Unaudited)

	Three months ended March 31,	
	2022	2021
Revenues	\$ 676.9	\$ 638.9
Costs and expenses		
Cost of revenue	186.9	183.0
Research and development	112.7	85.2
Sales and marketing	179.7	140.1
General and administrative	77.2	100.3
Total costs and expenses	556.5	508.6
Income from operations	120.4	130.3
Interest expense and other, net	27.5	75.7
Income before income taxes	92.9	54.6
Provision for income taxes	9.7	18.9
Net income	83.2	35.7
Other comprehensive income (loss)		
Foreign currency translation	(3.3)	(9.9)
Change in fair value of derivatives	18.7	(0.1)
Total other comprehensive income (loss)	15.4	(10.0)
Comprehensive income	\$ 98.6	\$ 25.7
Net income per share attributable to common stockholders, basic	\$ 0.20	\$ 0.09
Net income per share attributable to common stockholders, diluted	\$ 0.20	\$ 0.09
Weighted-average shares used in computing net income per share attributable to common stockholders, basic	412.0	406.5
Weighted-average shares used in computing net income per share attributable to common stockholders, diluted	412.5	409.5

PLAYTIKA HOLDING CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Three months ended March 31,	
	2022	2021
Cash flows from operating activities	\$ 58.1	\$ (56.4)
Cash flows from investing activities		
Purchase of property and equipment	(13.0)	(7.5)
Capitalization of internal use software costs	(13.5)	(13.3)
Purchase of intangible assets	(2.4)	(3.3)
Short-term bank deposits	(122.1)	(50.0)
Payments for business combination, net of cash acquired	(29.3)	—
Other investing activities	—	2.2
Net cash used in investing activities	(180.3)	(71.9)
Cash flows from financing activities		
Proceeds from bank borrowings, net	—	880.7
Repayments on bank borrowings	(4.8)	(951.0)
Proceeds from issuance of unsecured notes	—	176.9
Proceeds from issuance of common stock, net	—	470.4
Payment of tax withholdings on stock-based payments	(1.4)	—
Net cash provided by (used in) financing activities	(6.2)	577.0
Effect of exchange rate changes on cash and cash equivalents	(2.8)	(5.9)
Net change in cash, cash equivalents and restricted cash	(131.2)	442.8
Cash, cash equivalents and restricted cash at the beginning of the period	1,019.0	523.6
Cash, cash equivalents and restricted cash at the end of the period	\$ 887.8	\$ 966.4

Non-GAAP Financial Measures

Adjusted EBITDA is a non-GAAP financial measure and should not be construed as an alternative to net income as an indicator of operating performance, nor as an alternative to cash flow provided by operating activities as a measure of liquidity, or any other performance measure in each case as determined in accordance with GAAP.

Below is a reconciliation of Adjusted EBITDA to net income, the closest GAAP financial measure. We define Adjusted EBITDA as net income before (i) interest expense, (ii) interest income, (iii) provision for income taxes, (iv) depreciation and amortization expense, (v) stock-based compensation, (vi) contingent consideration, (vii) acquisition and related expenses, (viii) expense under our long-term compensation plans, (ix) M&A related retention payments, and (x) certain other items, including impairments. We calculate Adjusted EBITDA Margin as Adjusted EBITDA divided by revenues.

We supplementally present Adjusted EBITDA and Adjusted EBITDA Margin because these are key operating measures used by our management to assess our financial performance. Adjusted EBITDA adjusts for items that we believe do not reflect the ongoing operating performance of our business, such as certain noncash items, unusual or infrequent items or items that change from period to period without any material relevance to our operating performance. Management believes Adjusted EBITDA and Adjusted EBITDA Margin are useful to investors and analysts in highlighting trends in our operating performance, while other measures can differ significantly depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which we operate and capital investments. Management uses Adjusted EBITDA and Adjusted EBITDA Margin to supplement GAAP measures of performance in the evaluation of the effectiveness of our business strategies, to make budgeting decisions, and to compare our performance against other peer companies using similar measures. We evaluate Adjusted EBITDA and Adjusted EBITDA Margin in conjunction with our results according to GAAP because we believe they provide investors and analysts a more complete understanding of factors and trends affecting our business than GAAP measures alone.

Adjusted EBITDA and Adjusted EBITDA Margin as calculated herein may not be comparable to similarly titled measures reported by other companies within the industry and are not determined in accordance with GAAP. Our presentation of Adjusted EBITDA and Adjusted EBITDA Margin should not be construed as an inference that our future results will be unaffected by unusual or unexpected items.

RECONCILIATION OF NET INCOME TO ADJUSTED EBITDA
(In millions)

	Three months ended March 31,			
	2022		2021	
Net income	\$	83.2	\$	35.7
Provision for income taxes		9.7		18.9
Interest expense and other, net		27.5		75.7
Depreciation and amortization		39.5		33.2
EBITDA		159.9		163.5
Stock-based compensation ⁽¹⁾		39.8		24.3
Contingent consideration		(23.0)		—
Long-term cash compensation ⁽²⁾		24.9		29.8
Acquisition and related expenses ⁽³⁾		9.0		35.7
M&A related retention payments ⁽⁴⁾		(1.9)		3.1
Other one-time items ⁽⁵⁾		11.8		1.6
Adjusted EBITDA	\$	220.5	\$	258.0
Net income margin		12.3 %		5.6 %
Adjusted EBITDA margin		32.6 %		40.4 %

⁽¹⁾ Reflects, for the three months ended March 31, 2022 and 2021, stock-based compensation expense related to the issuance of equity awards to certain of our employees.

⁽²⁾ Includes expenses recognized for grants of annual cash awards to employees pursuant to our Retention Plans, which awards are incremental to salary and bonus payments, and which plans expire in 2024. For more information, see notes to our consolidated financial statements.

⁽³⁾ Amount for the three months ended March 31, 2022 primarily relates to expenses incurred by the Company in connection with the evaluation of strategic alternatives for the Company. Amount for the three months ended March 31, 2021 primarily relates to bonus expenses paid as a result of the successful initial public offering of the Company's stock in January 2021.

⁽⁴⁾ Includes retention awards to key individuals associated with acquired companies as an incentive to retain those individuals on a long-term basis. The income amount for the three months ended March 31, 2022 primarily relates to the reduction of contingent consideration payable to employees of the Company that were also selling Shareholders of Reworks. This portion of the contingent consideration is being accounted for as an M&A retention payment to these employees, with changes in the amounts recognized as compensation expense.

⁽⁵⁾ Amount for the three months ended March 31, 2022, consists of \$8.8 million incurred by the Company for severance and \$3.0 million incurred by the Company for relocation and support provided to employees due to the war in Ukraine.

Contacts

Investor Relations

Playtika
David Niederman
davidni@playtika.com

Press Contact

Teneo
Stephen Cohen
stephen.cohen@teneo.com



FIRST QUARTER 2022

Earnings Presentation

May 10th | 2022

© 2020 Playtika Ltd. All Rights Reserved

LEGAL DISCLAIMER

Forward-Looking Statements

This presentation contains forward-looking statements. All statements contained in this presentation other than statements of historical facts, including statements regarding our business strategy, plans, market growth and our objectives for future operations, are forward-looking statements. The words "may," "will," "should," "expect," "would," "plan," "anticipate," "could," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "potential" or "continue" or the negative of these terms and other similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these words. Forward-looking statements contained in this presentation include, but are not limited to, future revenues, expenses and capital requirements; the implementation of our business model and strategic plans and initiatives including increased focus on in-house game development; our ability to improve on our user metrics and our ability among others.

We have based these forward-looking statements largely on our current expectations and projections about our business, the industry in which we operate and financial trends that we believe may affect our business, financial condition, results of operations and prospects and these forward-looking statements are not guarantees of future performance or development. These forward-looking statements speak only as of the date of this presentation and are subject to a number of risks, uncertainties and assumptions, including business, regulatory, economic and competitive risks, uncertainties, contingencies and assumptions about us. Because forward-looking statements are inherently subject to risks and uncertainties, including our ability to compete in the market, our future relationship with third-party platforms, such as the iOS App Store and the Google Play Store, our ability to successfully launch new games and enhance our existing games that are commercially successful, continued growth in demand for in-app purchases in mobile games, our ability to acquire and integrate new games and content; the ability of our games to generate revenues; capital expenditures and investments in our infrastructure; our use of working capital in general; retaining existing players, attracting new players and increasing the monetization of our player base; our ability to successfully manage our game economies; maintaining a technology infrastructure that can efficiently and reliably handle increased player usage; fast load times and the deployment of new features and products; attracting and retaining qualified employees and key personnel; the impact of geopolitical events, including relating to Ukraine; maintaining, protecting and enhancing our intellectual property; protecting our players' information and adequately addressing privacy concerns; our ability to expand into new markets and distribution platforms; and successfully acquiring and integrating companies and assets. Because some of these risks and uncertainties cannot be predicted or quantified and some of which are beyond our control, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements.

Additional factors that may cause future events and actual results, financial or otherwise, to differ, potentially materially, from those discussed in or implied by the forward-looking statements include the risks and uncertainties discussed in our filings with the Securities and Exchange Commission. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur, and reported results should not be considered as an indication of future performance. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

Except as required by applicable law, we undertake no obligation to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise. This presentation also contains estimates and other statistical data made by independent parties and by Playtika relating to market size and growth and other data about Playtika's industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates.

Non-GAAP Financial Measures

This presentation contains certain non-GAAP financial measures of us, including Adjusted EBITDA. A "non-GAAP financial measure" is defined as a numerical measure of a company's financial performance that excludes or includes amounts so as to be different than the most directly comparable measure calculated and presented in accordance with GAAP in the statements of income, balance sheets or statements of cash flow of the company. You should not consider these non-GAAP financial measures in isolation, or as a substitute for analysis of results as reported under GAAP. For information regarding the non-GAAP financial measures used by us, and for a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures, see the Appendix to this presentation.



FIRST QUARTER 2022 HIGHLIGHTS

Strong growth in casual contributes to year-over-year revenue growth

Core Organic Growth	● Delivered revenue growth of 6.0% year-over-year
	● Daily Payer Conversion increased to 3.2% , up from 2.8% in Q1'21
	● Solitaire Grand Harvest and June's Journey grew revenues 41.7% and 30.4% year-over-year, respectively
	● Casual games represented 52.5% of overall revenues, compared to 45.8% in Q1'21
	● Casual games grew revenue 20.7% year-over-year
DTC Platforms ¹	● Direct-to-Consumer revenue grew to 22.5% of overall revenues, up from 18.1% in Q1'21
	● Direct-to-Consumer revenue grew 31.5% year-over-year
Expanding our Reach	● Acquired JustPlay.LOL, expanding into the Action and Battle Royale genres. Their notable title, 1v1.LOL, features a large and engaged audience with 50M+ downloads and a 4.7/5 star rating in the Apple App Store.

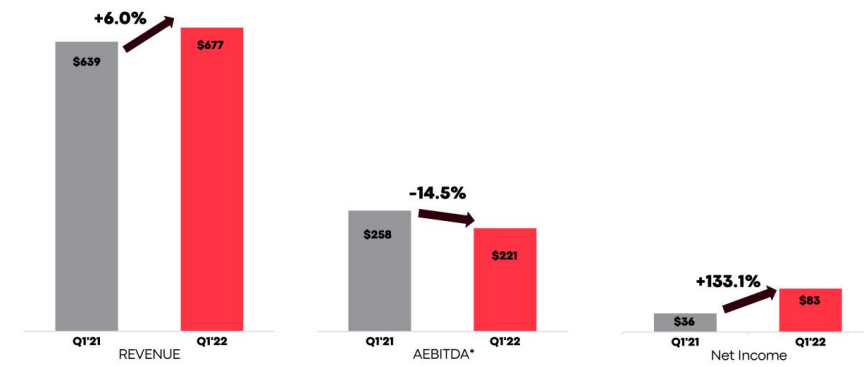


⁽¹⁾ Proprietary Platforms is now referred to as "Direct-to-Consumer platforms"

Q1 2022 REVENUE, AEBITDA AND NET INCOME

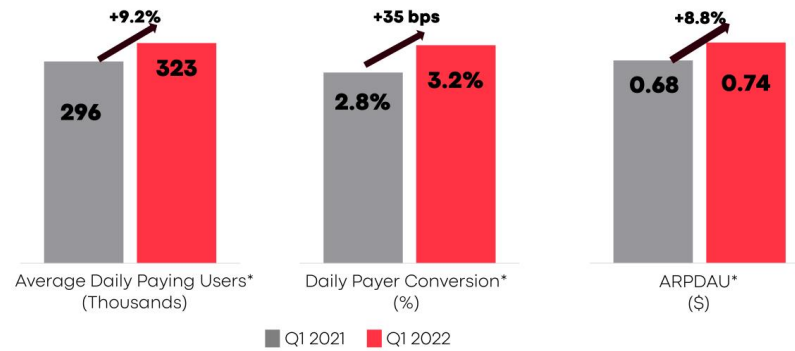
Year-over-year revenue growth

(\$) MILLIONS



Note: U.S. dollars in millions.
AEBITDA: We define Adjusted EBITDA as net income before (i) interest expense, (ii) interest income, (iii) provision for income taxes, (iv) depreciation and amortization expense, (v) stock-based compensation, (vi) legal settlements, (vii) contingent consideration, (viii) acquisition and related expenses, (ix) expense under our long-term compensation plans, (x) MSA-related retention payments, and (xi) certain other items, including impairments. GAAP net income/loss for the 3 months ended 3/31/22 and 3/31/21 were \$83.2m and \$35.7m, respectively.
Adj EBITDA is a non-gaap measure, see reconciliation on slide 12.

LIVEOPS CONTINUE TO DRIVE PLAYER METRICS



Note: Percentages are rounded to the nearest tenth.
Average Daily Paying Users: the number of individuals who purchased, with real world currency, virtual currency or items in any of our games on a particular day.
Daily Payer Conversion: (i) the total number of DPUs, (ii) divided by the number of DAUs on a particular day. Average Daily Payer Conversion for a particular period is the average of the Daily Payer Conversion rates for each day during that period.
ARPDau: Average Revenue per Daily Active User (i) the total revenue in a given period, (ii) divided by the number of days in that period, (iii) divided by the average DAUs during the period.



Q1'22 CASE STUDIES



- Q1'22 Revenue **+41.7%** Y/Y
- Continued success of MyFarm feature
- Release of new collections and 'My Trail' premium pass driving ARPDau increases
- Successful U.S marketing campaign driving new installs and revenue



- Q1'22 Revenue **+30.4%** Y/Y
- Sweep the Board event and LiveOps optimization driving increases in ARPDau
- Memoirs / Collectibles album continues to drive revenue growth



- Q1'22 Revenue **+8.2%** Y/Y
- New players content packages to celebrate the studio's 10th year anniversary
- Successful new features including "Pet Corgi" and "Double Disher" enhancing engagement trends

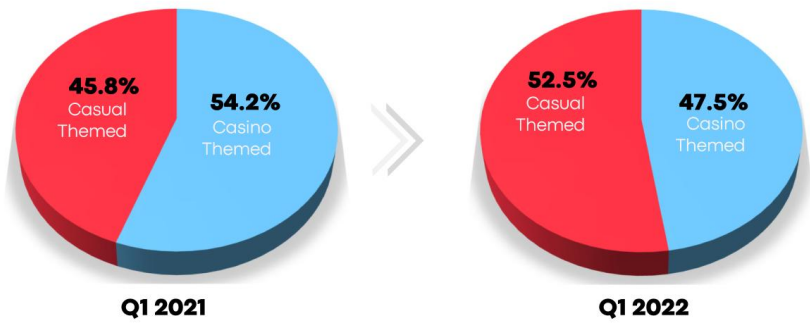


Playtika

- Successful offline campaign driving new installs and revenue



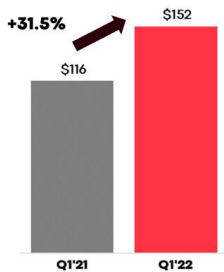
REVENUE MIX SHIFT TO CASUAL INCREASING



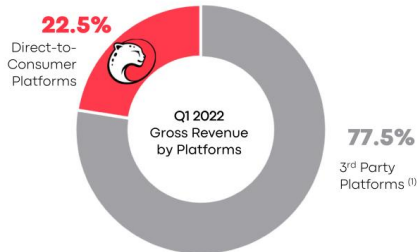
Casual Themed games includes: Bingo Blitz, Solitaire Grand Harvest, Jewel's Journey, Best Friends, Board Kings, Pirate Kings, Pearls Peril, Best Friends Stars, Redecor and Other.
Casino Themed games includes: Slotsomania, House of Fun, Caesars Slots, World Series of Poker, and Other.

DIRECT TO CONSUMER PLATFORM GROWTH CONTINUES

● Direct-to-Consumer revenue grew **31.5%** year-over-year



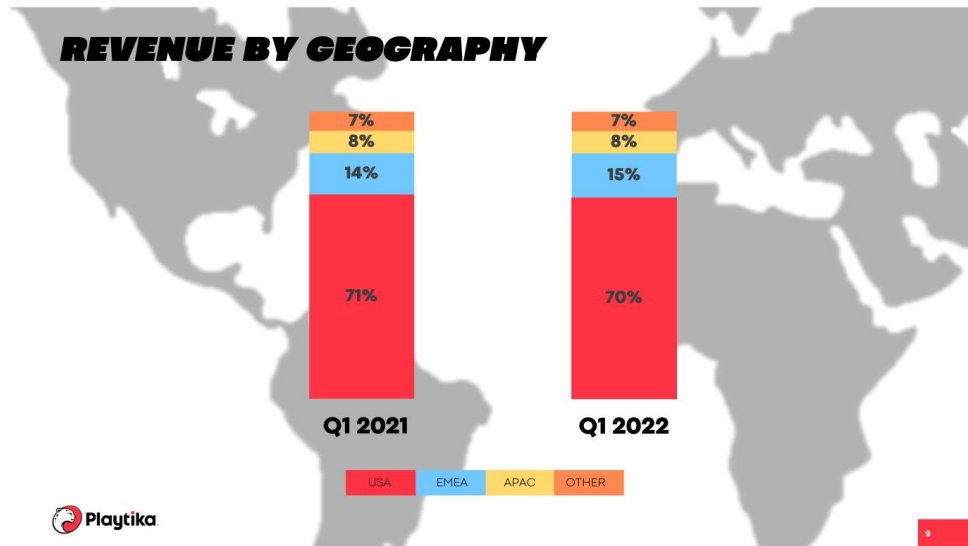
● Direct-to-Consumer revenue grew to **22.5%** of overall revenues compared to **18.1%** in Q1'21



Note: U.S. dollars in millions.
(1) Includes iOS, Android, Facebook, Amazon, Windows and other third-party platforms



REVENUE BY GEOGRAPHY





FY2022 GUIDANCE



\$2.73 billion

Revenue guidance of \$2.73 billion



\$940 million

Adjusted EBITDA guidance of
\$940m



APPENDIX

RECONCILIATION

	Three months ended March 31,	
	2022	2021
(in millions)	Unaudited	
Net income	\$ 83.2	\$ 35.7
Provision for income taxes	9.7	18.9
Interest expense and other, net	27.5	75.7
Depreciation and amortization	39.5	33.2
EBITDA	159.9	163.5
Stock-based compensation	39.8	24.3
Contingent Consideration	(23.0)	-
Long-term cash compensation	24.9	29.8
Acquisition and related expenses	9.0	35.7
M&A related retention payments	(1.9)	3.1
Other one-time items ¹	11.8	1.6
Adjusted EBITDA	\$ 220.5	\$ 258.0

¹ Amount for the three months ended March 31, 2022, consists of \$8.8 million incurred by the Company for severance and \$3.0 million incurred by the Company for relocation and support provided to employees due to the war in Ukraine.

Adjusted EBITDA is a non-GAAP financial measure and should not be construed as an alternative to net income as an indicator of operating performance, nor as an alternative to cash flow provided by operating activities as a measure of liquidity. In each case as determined in accordance with GAAP, below is a reconciliation of Adjusted EBITDA to net income, the closest GAAP financial measure. We define Adjusted EBITDA as net income before (i) interest expense, (ii) interest income, (iii) provision for income taxes, (iv) depreciation and amortization expense, (v) stock-based compensation, (vi) legal settlements, (vii) contingent consideration, (viii) acquisition and related expenses, and (ix) certain other items, including impairments.

We supplementarily present Adjusted EBITDA because it is a key operating measure used by our management to assess our financial performance. Adjusted EBITDA adjusts for items that we believe do not reflect the ongoing operating performance of our business, such as certain noncash items, unusual or infrequent items or items that change from period to period without any material relevance to our operating performance. Management believes Adjusted EBITDA is useful to investors and analysts in highlighting trends in our operating performance, while other measures can differ significantly depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which we operate and capital investments. Management uses Adjusted EBITDA to supplement GAAP measure of performance in the evaluation of the effectiveness of our business strategies, to make budgeting decisions, and to compare our performance against other peer companies using similar measures. We evaluate Adjusted EBITDA in conjunction with our results according to GAAP because we believe it provides investors and analysts a more complete understanding of factors and trends affecting our business than GAAP measures alone. Adjusted EBITDA should not be considered as an alternative to net income (loss) as a measure of financial performance, or any other performance measure derived in accordance with GAAP.

