

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): February 24, 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 February 24, 2022, Playtika Holding Corp. (the “Company”) issued a press release announcing its financial results for the quarter ended December 31, 2021. 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 7.01. Regulation FD Disclosure.

Also on February 24, 2022, the Company issued a press release announcing that its board of directors has initiated a process to evaluate potential strategic alternatives to maximize value for stockholders. A copy of the press release is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

The foregoing information in this Item 7.01, including Exhibit 99.2 incorporated herein by reference, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not incorporated by reference into any of the Company’s filings, whether made before or after the date hereof, regardless of any general incorporation language in any such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1	Press Release dated February 24, 2022
99.2	Press Release dated February 24, 2022
99.3	Fourth Quarter and Full Year 2021 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 February 24, 2022

Playtika Holding Corp. Reports Fourth Quarter 2021 Results

*Fourth Quarter Revenue Increased 13.2% Year-Over-Year
Full Year 2021 Revenue Increased 8.9% Year-Over-Year
January 2022 Revenue Increases 9.2% Year Over Year to Monthly Record
Announced Plans to Evaluate Strategic Alternatives*

Herzliya, Israel – February 24, 2022 - Playtika Holding Corp. (NASDAQ: PLTK) today released financial results for its fourth quarter for the period ending December 31, 2021.

Fourth Quarter 2021 Financial Highlights:

- Fourth quarter revenue grew to \$649.0 million compared to \$573.5 million in the prior year period.
- Net income grew to \$102.3 million compared to \$76.0 million in the prior year period.
- Adjusted EBITDA, a non-GAAP financial measure defined below, was \$212.5 million compared to \$210.4 million in the prior year period.
- Cash and cash equivalents and short-term bank deposits totaled \$1,117.1 million as of December 31st, 2021 with \$600 million in additional borrowing capacity pursuant to our Revolving Credit Facility, resulting in more than \$1.7 billion of available liquidity.

2021 Financial Highlights:

- 2021 revenue grew to \$2,583.0 million compared to \$2,371.5 million in the prior year.
- Net income grew to \$308.5 million compared to \$92.1 million in the prior year.
- Adjusted EBITDA grew as well to \$982.7 million compared to \$941.6 million in the prior year.

Robert Antokol, Chief Executive Officer stated: “Our fourth quarter results demonstrate the ongoing strength of Playtika and the growth potential of the business. In 2021, we extended our leadership in mobile gaming and expanded our vision to reach beyond games into gamifiable apps with the acquisition of Redecor as the world of games, lifestyle and entertainment converge. In addition, we significantly enhanced our proprietary technological edge including our Boost platform, which continues to be a differentiator for the company. We are excited by the opportunities that Playtika can achieve, and I want to thank our employees for their tireless work and dedication in making this possible.”

Craig Abrahams, President and Chief Financial Officer, added: “Our results exceeded our latest guidance for both revenue and Adjusted EBITDA for the year and January started the year strong. Fourth quarter revenue growth accelerated to 13% year-over-year, driven by sustained execution across our portfolio with our casual games now comprising over 50% of revenue. This was achieved with year-over-year eCPI growth of only 5.8% which demonstrates the strength of our proprietary user acquisition technology helping to continue to support strong margins.”

Fourth Quarter 2021 Operational Highlights

- Casual portfolio grew revenue 31.5% year-over-year, comprising 51.8% of total revenue
- Average Daily Payer Conversion increased to 3.0%, up from 2.6% in Q4'20
- Direct to Consumer platforms grew to 21.7% of overall revenues in Q4'21, compared with 15.5% in Q4'20
- World Series of Poker experienced success in the fourth quarter, growing 7.7% year-over-year, and 7.3% quarter-over-quarter

- Core franchise game Bingo Blitz grew 17.7% year-over-year and Caesars Casino celebrated 10-years since release with 7.1% year-over-year growth
- More recent titles demonstrate growth potential as Solitaire Grand Harvest grew revenue 60.1% year-over-year and June's Journey grew 36% year-over-year

January Operational Highlights Update

- Revenue grew 9.2% year-over-year and 7.2% month-over-month
- Average DPU grew 12.8% year-over-year and 4.0% month-over-month
- Average Daily Payer Conversion increased to 3.2%, up from 2.8% in January 2021

Company To Pursue Strategic Alternatives

Playtika separately announced today that its Board of Directors has initiated a process to evaluate the Company's potential strategic alternatives to maximize value for stockholders. As part of the process, the Board intends to consider a full range of strategic alternatives, which could include a sale of the company or other possible transactions.

Conference Call

Pursuant to the Company's obligations under its credit agreement, Playtika will hold a conference call to discuss fourth quarter and 2021 results on March 1, 2022 at 5:30 a.m. Pacific time, 8:30 a.m. Eastern time, as originally scheduled. Given the circumstances, the Company will not be discussing any matters related to the process of evaluating strategic alternatives nor any forward looking items. The call and presentation associated with these results can be found at Playtika's investor relations website: <https://investors.playtika.com> at that time.

Summary Operating Results of Playtika Holding Corp.

	Three months ended December 31,		Year ended December 31,	
	2021	2020	2021	2020
<i>(in millions of dollars, except percentages, Average DPUs, and ARPDau)</i>				
Revenues	\$ 649.0	\$ 573.5	\$ 2,583.0	\$ 2,371.5
Total cost and expenses	\$ 537.0	\$ 431.2	\$ 2,020.8	\$ 1,984.3
Operating income	\$ 112.0	\$ 142.3	\$ 562.2	\$ 387.2
Net income	\$ 102.3	\$ 76.0	\$ 308.5	\$ 92.1
Adjusted EBITDA	\$ 212.5	\$ 210.4	\$ 982.7	\$ 941.6
Net income margin	15.8 %	13.3 %	11.9 %	3.9 %
Adjusted EBITDA margin	32.7 %	36.7 %	38.0 %	39.7 %
Non-financial performance metrics				
Average DAUs	10.3	10.5	10.4	11.2
Average DPUs (in thousands)	311	272	300	285
Average Daily Payer Conversion	3.0 %	2.6 %	2.9 %	2.6 %
ARPDau	\$ 0.68	\$ 0.59	\$ 0.68	\$ 0.58
Average MAUs	33.0	31.2	34.0	34.2

About Playtika Holding Corp.

Playtika Holding Corp. is a mobile gaming entertainment market leader with 35 million monthly active users across a portfolio of multiple games 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 20 offices worldwide and a talent base of over 4,000 employees.

Forward Looking Information

This press release may contain forward-looking statements within the meaning of federal securities laws. These forward-looking statements are based on management’s current expectations and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements. 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," “framework,” "intend," "may," "might," “potential,” "present," "preserve," "project," "pursue," “range,” "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;
- changes in tax laws, tax rates or tax rulings, the examination of our tax positions, or our ability to qualify for and enjoy certain tax benefits; 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)

	December 31,	
	2021	2020
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,017.0	\$ 520.1
Short-term bank deposits	100.1	—
Restricted cash	2.0	3.5
Accounts receivable	143.7	129.3
Prepaid expenses and other current assets	72.9	101.6
Total current assets	1,335.7	754.5
Property and equipment, net	103.3	98.5
Operating lease right of use assets	89.4	73.4
Intangible assets other than goodwill, net	417.3	327.7
Goodwill	788.1	484.8
Deferred tax assets, net	38.3	28.5
Investment in unconsolidated entities	17.8	1.5
Other non-current assets	13.4	7.3
Total assets	\$ 2,803.3	\$ 1,776.2
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities		
Current maturities of long-term debt	\$ 12.2	\$ 104.6
Accounts payable	45.7	34.6
Operating lease liabilities, current	17.2	16.4
Accrued expenses and other current liabilities	494.6	484.8
Total current liabilities	569.7	640.4
Long-term debt	2,422.9	2,209.8
Contingent consideration	28.7	—
Employee related benefits and other long term liabilities	23.7	16.1
Operating lease liabilities, long-term	82.3	67.0
Deferred tax liabilities, net	53.7	86.4
Total liabilities	3,181.0	3,019.7
Commitments and contingencies		
Stockholders' equity (deficit)		
Common stock of US \$0.01 par value: 1,600.0 shares authorized and 411.1 issued and outstanding at December 31, 2021; 400.0 shares authorized and 391.1 shares issued and outstanding as of December 31, 2020	4.1	3.9
Additional paid-in capital	1,032.9	462.3
Accumulated other comprehensive loss	3.2	16.7
Accumulated deficit	(1,417.9)	(1,726.4)
Total stockholders' deficit	(377.7)	(1,243.5)
Total liabilities and stockholders' equity (deficit)	\$ 2,803.3	\$ 1,776.2

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

	Three months ended December 31,		Year ended December 31,	
	2021	2020	2021	2020
Revenues	\$ 649.0	\$ 573.5	\$ 2,583.0	\$ 2,371.5
Costs and expenses				
Cost of revenue	182.9	173.5	729.0	712.2
Research and development expenses	118.2	76.8	386.7	268.9
Sales and marketing expenses	154.0	134.2	581.7	502.0
General and administrative expenses	81.9	46.7	323.4	501.2
Total costs and expenses	<u>537.0</u>	<u>431.2</u>	<u>2,020.8</u>	<u>1,984.3</u>
Income from operations	112.0	142.3	562.2	387.2
Interest expense and other, net	29.2	43.7	153.8	192.8
Income before income taxes	82.8	98.6	408.4	194.4
Provision (benefit) for income taxes	(19.5)	22.6	99.9	102.3
Net income	102.3	76.0	308.5	92.1
Other comprehensive income (loss)				
Foreign currency translation	(5.9)	10.7	(18.6)	19.6
Change in fair value of derivatives	6.0	—	5.1	—
Total other comprehensive income (loss)	0.1	10.7	(13.5)	19.6
Comprehensive income	<u>\$ 102.4</u>	<u>\$ 86.7</u>	<u>\$ 295.0</u>	<u>\$ 111.7</u>
Net income per share attributable to common stockholders, basic	<u>\$ 0.25</u>	<u>\$ 0.19</u>	<u>\$ 0.75</u>	<u>\$ 0.24</u>
Net income per share attributable to common stockholders, diluted	<u>\$ 0.25</u>	<u>\$ 0.19</u>	<u>\$ 0.75</u>	<u>\$ 0.24</u>
Weighted-average shares used in computing net income per share attributable to common stockholders, basic	<u>409.6</u>	<u>391.1</u>	<u>408.9</u>	<u>384.7</u>
Weighted-average shares used in computing net income per share attributable to common stockholders, diluted	<u>411.6</u>	<u>392.0</u>	<u>411.0</u>	<u>384.7</u>

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

	Year ended December 31,	
	2021	2020
Cash flows from operating activities	\$ 551.7	\$ 517.7
Cash flows from investing activities		
Purchase of property and equipment	(47.4)	(54.1)
Capitalization of internal use software costs	(33.1)	(33.3)
Purchase of intangible assets	(19.1)	(10.7)
Payments for business combinations, net of cash acquired	(394.1)	—
Short-term bank deposits	(100.0)	—
Purchase of long-term investments	(17.8)	—
Other investing activities	2.1	—
Net cash used in investing activities	(609.4)	(98.1)
Cash flows from financing activities		
Proceeds from bank borrowings	887.7	—
Repayments on bank borrowings	(965.3)	—
Proceeds from issuance of unsecured notes, net	178.9	—
Proceeds from issuance of common stock, net	470.4	(2.4)
Payment of debt issuance costs	(12.0)	—
Borrowings under revolving credit facility	—	250.0
Repayment of term loan and revolving credit facility	—	(408.3)
Payment of tax withholdings on stock-based payments	—	(15.7)
Net cash out flow for business acquisitions and other	—	(4.9)
Net cash provided by (used in) financing activities	559.7	(181.3)
Effect of exchange rate changes on cash and cash equivalents	(6.6)	13.3
Net change in cash, cash equivalents and restricted cash	495.4	251.6
Cash, cash equivalents and restricted cash at the beginning of the period	523.6	272.0
Cash, cash equivalents and restricted cash at the end of the period	\$ 1,019.0	\$ 523.6

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 net income, the closest GAAP financial measure, to Adjusted EBITDA. 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) long-term compensation plan, (x) M&A related retention payments, and (xi) certain other items. We calculate Adjusted EBITDA Margin as Adjusted EBITDA divided by revenues.

We supplementally present Adjusted EBITDA and Adjusted EBITDA Margin because they 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 should not be considered as alternatives to net income as a measure of financial performance, or any other performance measure derived in accordance with GAAP.

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)

(In millions)	Three months ended December 31,		Year ended December 31,	
	2021	2020	2021	2020
Net income	\$ 102.3	\$ 76.0	\$ 308.5	\$ 92.1
Provision for income taxes	(19.5)	22.6	99.9	102.3
Interest expense and other, net	29.2	43.7	153.8	192.8
Depreciation and amortization	42.5	34.2	145.5	119.2
EBITDA	154.5	176.5	707.7	506.4
Stock-based compensation ⁽¹⁾	27.6	11.2	100.4	276.0
Acquisition and related expenses ⁽²⁾	(6.5)	1.4	36.7	31.4
Legal settlement ⁽³⁾	—	—	—	37.6
Long-term cash compensation ⁽⁴⁾	24.2	16.3	112.7	67.6
M&A related retention payments ⁽⁵⁾	12.2	1.0	21.3	15.1
Other items ⁽⁶⁾	0.5	4.0	3.9	7.5
Adjusted EBITDA	\$ 212.5	\$ 210.4	\$ 982.7	\$ 941.6
Net income margin	15.8 %	13.3 %	11.9 %	3.9 %
Adjusted EBITDA margin	32.7 %	36.7 %	38.0 %	39.7 %

(1) Reflects, for the three months and year ended December 31, 2021 and 2020, stock-based compensation expense related to the issuance of equity awards to certain of our employees.

(2) Amounts for the year ended December 31, 2021 primarily relate to bonus expenses paid as a result of the successful initial public offering of the Company's stock in January 2021. Amounts for the three months ended December 31, 2021 also include adjustments to contingent consideration payable recorded after the acquisition date. Amounts for the three months and year ended December 31, 2020 includes third-party fees for actual or planned acquisitions, including related legal, consulting and other expenditures.

(3) Reflects legal settlement expense of \$37.6 million for the year ended December 31, 2020.

(4) 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.

(5) Includes retention awards to key individuals associated with acquired companies as an incentive to retain those individuals on a long-term basis.

(6) Amounts for the years ended December 31, 2021 and 2020 include business optimization expenses.

Contacts

Investor Relations

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Press Contact

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347-489-6602

Playtika Announces Exploration of Strategic Alternatives

Herzliya, Israel – February 24, 2022 - Playtika Holding Corp. (Nasdaq: PLTK), a leading mobile gaming entertainment company, today announced that its Board of Directors has initiated a process to evaluate Playtika's potential strategic alternatives to maximize value for stockholders. As part of the process, the Board intends to consider a full range of strategic alternatives, which could include a sale of the company or other possible transactions.

Playtika has retained The Raine Group as its financial advisor to assist with the strategic review process and has retained Latham & Watkins LLP as its legal counsel.

As a result of the process, Playtika plans to release its fourth-quarter and full-year 2021 results today, February 24, 2022, earlier than previously announced and is postponing its planned Analyst Day, originally scheduled for March 3, 2022. The earnings call webcast will remain at its originally scheduled day and time of March 1st 5:30 a.m. Pacific Time, 8:30 a.m. Eastern Time and associated information can be accessed at our investor relations website: <https://investors.playtika.com>.

“The goal of the strategic evaluation process we are announcing today is to ensure we are taking every step possible to maximize value for our stockholders,” said Robert Antokol, Chairperson and Chief Executive Officer of Playtika. “We have always been focused on growing our core business through our investments in people and technology. I am incredibly proud of our results as a leader in mobile gaming and entertainment.”

As Playtika continues its review of strategic alternatives, the timeline, value and ultimate outcome of the process are uncertain. There can be no assurance that the exploration of strategic alternatives will result in any transaction or any strategic change or outcome. Playtika has not set a timetable for the review process nor has it made any decisions related to strategic alternatives at this time. Playtika does not currently intend to disclose developments related to the process.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities nor shall there be any offer or sale of any securities in any state or other jurisdiction in which or to any person to whom such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

About Playtika Holding Corp.

Playtika Holding Corp. is a mobile gaming entertainment and technology market leader with 35 million monthly active users across a portfolio of multiple games 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 20 offices worldwide and employs over 4,000 employees.

Forward Looking Statements

In this press release, Playtika makes “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,” “goal,” “may,” “might,” “plans,” “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:

- The outcome of any evaluation of Playtika's strategic alternatives or any discussions with any potential bidders related thereto;
- The independent investment decisions and actions of Playtika Holding UK II Limited or its affiliates;
- Playtika's reliance on third-party platforms, such as the iOS App Store, Facebook, and Google Play Store, to distribute Playtika's games and collect revenues, and the risk that such platforms may adversely change their policies;
- Playtika's reliance on a limited number of games to generate the majority of Playtika's revenue;
- Playtika's reliance on a small percentage of total users to generate a majority of Playtika's revenue;
- Playtika's free-to-play business model, and the value of virtual items sold in Playtika's games, is highly dependent on how Playtika manages the game revenues and pricing models;
- Playtika's inability to complete acquisitions and integrate any acquired businesses successfully could limit Playtika's growth or disrupt Playtika's plans and operations;
- Playtika may be unable to successfully develop new games;
- Playtika's ability to compete in a highly competitive industry with low barriers to entry;
- Playtika has significant indebtedness and are subject to the obligations and restrictive covenants under Playtika's debt instruments;
- the impact of the COVID-19 pandemic on Playtika's business and the economy as a whole;
- Playtika's controlled company status;
- legal or regulatory restrictions or proceedings could adversely impact Playtika's business and limit the growth of Playtika's operations;
- risks related to Playtika's international operations and ownership, including Playtika's significant operations in Israel, Ukraine and Belarus and the fact that Playtika's controlling stockholder is a Chinese-owned company;
- Playtika's reliance on key personnel;
- security breaches or other disruptions could compromise Playtika's information or Playtika's players' information and expose us to liability; and
- Playtika's inability to protect Playtika's intellectual property and proprietary information could adversely impact Playtika's 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 Playtika's filings with the Securities and Exchange Commission. Although Playtika believes that the expectations reflected in the forward-looking statements are reasonable, Playtika 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, Playtika undertakes no obligation to update any forward-looking statements for any reason to conform these statements to actual results or to changes in Playtika's expectations.

Contacts

Investor Relations

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Playtika

FOURTH QUARTER AND FULL YEAR 2021

Earnings Presentation

February 24th | 2022

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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; 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 and Adjusted EBITDA Margin. 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.



FULL YEAR 2021 HIGHLIGHTS

Strong execution on growth strategies

Core Organic Growth

- Delivered revenue growth of **8.9%** on top of strong 2020 comparable
- Daily Player Conversion increased to **2.9%**, up from **2.6%** in 2020
- Solitaire Grand Harvest and Bingo Blitz grew **56.0%** and **22.4%** year-over-year, respectively
- For the full year 2021, Casual games represented **48.7%** of overall revenues, compared to **43.4%** in 2020

Direct-to-Consumer

- Direct-to-Consumer revenue grew to **20.5%** of overall revenues, up from **13.6%** in 2020

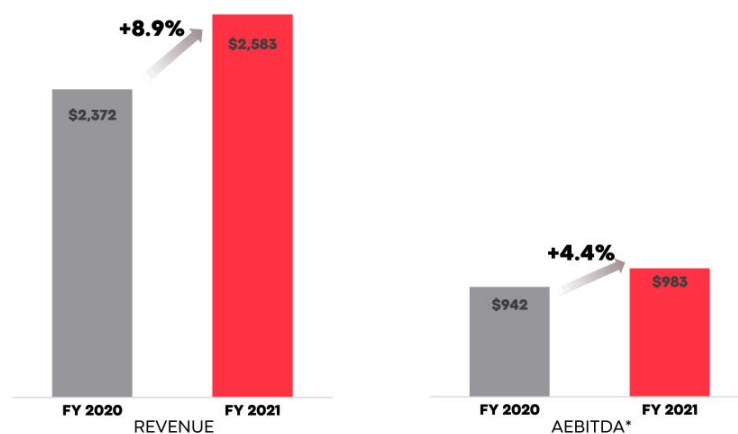
Gamifiable Apps

- Acquired 80% of the share capital of Reworks Oy, maker of #2 Design Entertainment App, Redecor, marking first step outside of traditional games into gamified apps



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

FY 2021 REVENUE AND AEBITDA



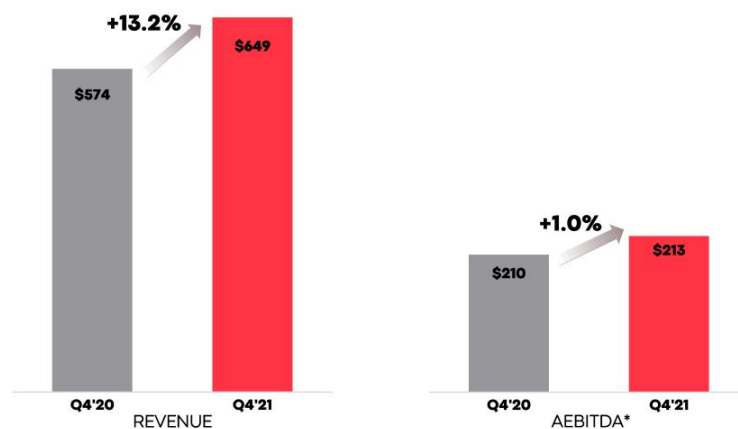
AEBITDA: We define Adjusted EBITDA as net income before (i) interest expense, (ii) interest income, (iii) provision for income taxes, (iv) depreciation and amortization expense, (v) stock-based compensation, (vi) legal settlements, (vii) contingent consideration, (viii) acquisition and related expenses, (ix) expense under our long-term compensation plans, (x) M&A-related retention payments, and (xi) certain other items, including impairments. GAAP net income/loss for the 3 months ended 12/31/21 and 12/31/20 were \$102.3m and \$76.0m, respectively. Adj EBITDA is a non-gaap measure, see reconciliation on slide 15.

FOURTH QUARTER HIGHLIGHTS

- Delivered strong Y/Y revenue growth of **13.2%**
- Daily Player Conversion increased to **3.0%**, up from **2.6%** in Q4'20
- Solitaire Grand Harvest and Bingo Blitz grew **60.1%** and **17.7%** year-over-year, respectively
- Caesars Casino marked its 10 year anniversary with **7.1%** growth year-over-year
- Continued growth in casual games, now representing **51.8%** of overall revenues, compared to **44.4%** in Q4'20
- Direct-to-Consumer¹ platforms revenue grew to **21.7%** of overall revenues, up from **15.5%** in Q4'20
- Casual portfolio revenue grew **31.5%** year-over-year

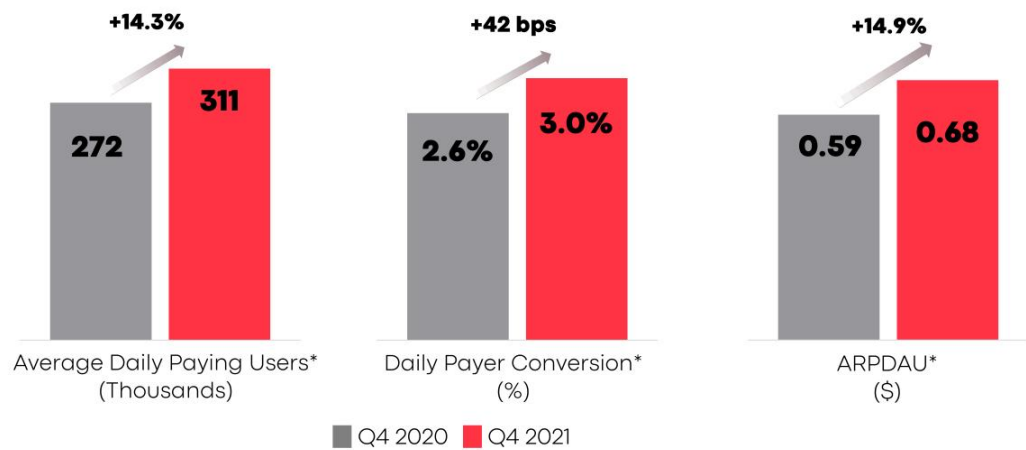
Q4 2021 REVENUE AND AEBITDA

Double-digit year-over-year revenue growth



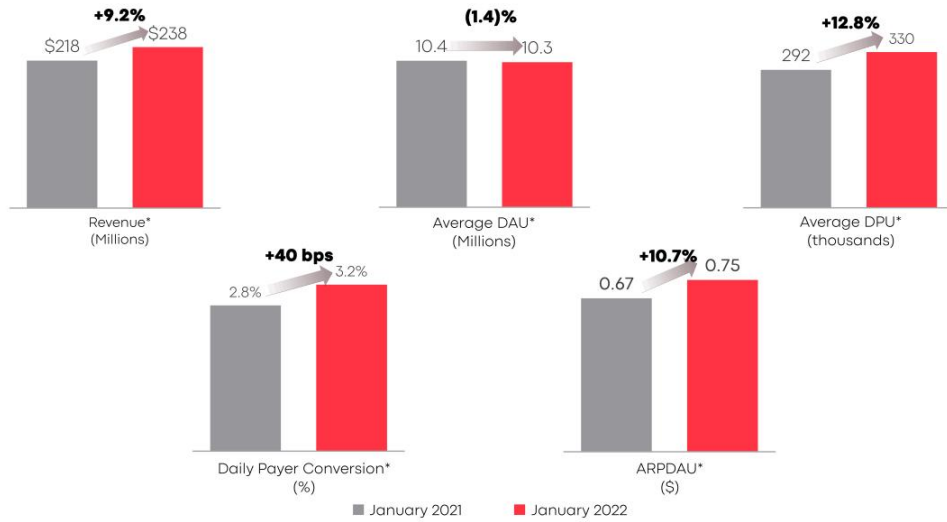
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LIVEOPS CONTINUE TO DRIVE PLAYER METRICS



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.

MOMENTUM CONTINUES AT START OF 2022



Average Daily Active Users or Average DAU: the number of individuals who played one of our games during a particular day.
Average Daily Paying Users or Average DPU: 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.

Q4 '21 CASE STUDIES: CASUAL GAINING TRACTION



- Q4'21 Revenue **+17.7%** Y/Y
- Introduced new lobby with rejuvenated look and feel
- Offline campaigns leading to new installs and revenue



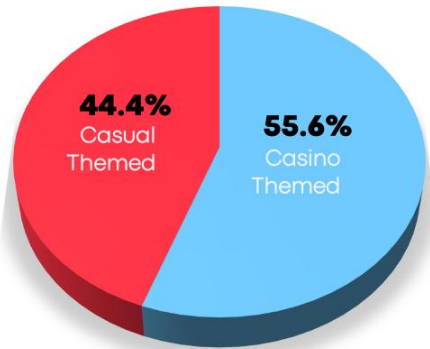
- Q4'21 Revenue **+60.1%** Y/Y
- Optimized for scale with transition to Unity platform
- Success of MyFarm feature and continued localization in Germany



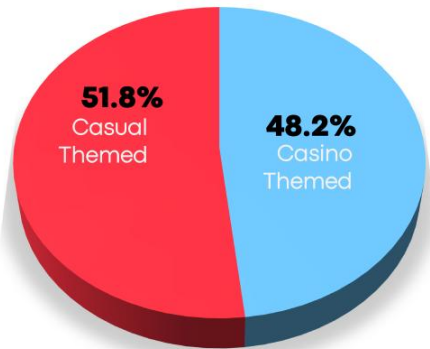
- Q4'21 Revenue **+36.0%** Y/Y
- Collectible album continues to drive growth



REVENUE MIX SHIFT TO CASUAL INCREASING



Q4 2020



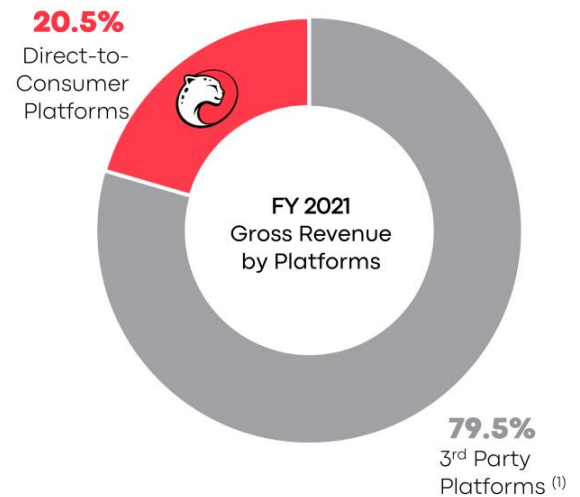
Q4 2021



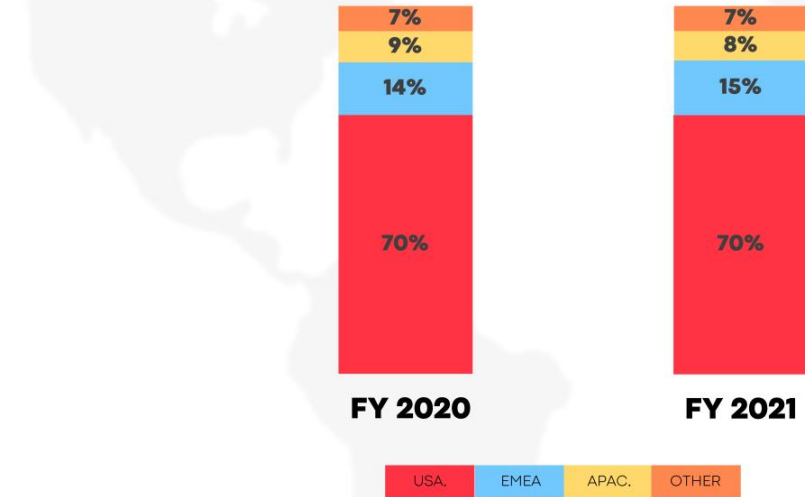
Casual Themed games includes: Bingo Blitz, Solitaire Grand Harvest, June's Journey, Best Fiends, Board Kings, Pirate Kings, Pearls Peril, Best Fiends Stars, Redecor and Other.
Casino Themed games includes: Slotomania, House of Fun, Caesars Slots, World Series of Poker, and Other.

DIRECT-TO-CONSUMER PLATFORMS GROWTH CONTINUES

- Direct-to-Consumer revenue grew to **20.5%** of overall revenues in 2021, up from **13.6%** in 2020
- In Q4'21 represented **21.7%** of overall revenues compared to **15.5%** in Q4'20



REVENUE BY GEOGRAPHY





APPENDIX

RECONCILIATION

(in millions)	Three months ended December 31,		Year ended December 31,	
	2021	2020	2021	2020
Net income	\$ 102.3	\$ 76.0	\$ 308.5	\$ 92.1
Provision for income taxes	(19.5)	22.6	99.9	102.3
Interest expense and other, net	29.2	43.7	153.8	192.8
Depreciation and amortization	42.5	34.2	145.5	119.2
EBITDA	154.5	176.5	707.7	506.4
Stock-based compensation	27.6	11.2	100.4	276.0
Acquisition and related expenses	(6.5)	1.4	36.7	31.4
Legal settlement	-	-	-	37.6
Long-term cash compensation	24.2	16.3	112.7	67.6
M&A related retention payments	12.2	1.0	21.3	15.1
Other items	0.5	4.0	3.9	7.5
Adjusted EBITDA	\$ 212.5	\$ 210.4	\$ 982.7	\$ 941.6

Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP financial measures and should not be construed as alternatives to net income as indicators of operating performance, nor as alternatives 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 define Adjusted EBITDA Margin as Adjusted EBITDA as a percentage of revenues.

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 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 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 and Adjusted EBITDA Margin should not be considered as alternatives to net income (loss) as a measure of financial performance, or any other performance measure derived in accordance with GAAP.

