



PREPARED REMARKS

FY2025 Q1

TAE LEE: SVP, CORPORATE FINANCE & INVESTOR RELATIONS

Welcome everyone and thank you for joining us today for the first quarter 2025 earnings call for Playtika Holding Corp. Joining me on the call today are Robert Antokol, co-founder, and CEO of Playtika and Craig Abrahams, Playtika's President, and Chief Financial Officer.

I would like to remind you that today's discussion may contain forward-looking statements including, but not limited to, the Company's anticipated future revenue and operating performance and more specifically the future performance of our individual titles such as Slotomania or our recently launched Disney Solitaire. These statements and other comments are not a guarantee of future performance, but rather are subject to risks and uncertainties, some of which are beyond our control. These forward-looking statements apply as of today, and you should not rely on them as representing our views in the future. We undertake no obligation to update these statements after this call.

We have posted an accompanying slide deck to our investor relations website which contains information on forward-looking statements and non-GAAP measures, and we will also post our prepared remarks immediately following the call.

For a more complete discussion of the risks and uncertainties, please see our filings with the SEC. With that, I will now turn the call over to Robert.

1 **ROBERT ANTOKOL: FOUNDER & CHIEF EXECUTIVE OFFICER**

2 Good morning and thank you everyone for joining our call today.

3 I am pleased to report that Playtika achieved a historic milestone in the first quarter,
4 generating over \$700 million in revenue - the highest quarterly revenue in our
5 company's history. This performance reflects the strength of our industry-leading
6 portfolio of mobile games and our ability to acquire industry-leading franchises and
7 help support each acquired studio's growth objectives. Recently, we celebrated our
8 15th anniversary, proof of our lasting business model and industry leadership. Over
9 the years, Playtika has consistently demonstrated resilience and innovation,
10 solidifying our position as a leader in mobile gaming.

11 I am also excited to share that Disney Solitaire had its global launch on April 17th.
12 While it's early, the new title is showing very promising signs with some of the best
13 launch KPIs I have seen in years. Our SuperPlay studio has a remarkable track
14 record, having successfully launched and scaled two previous games, and Disney
15 Solitaire is poised to be its third hit game. Based on the game's impressive start, I
16 am confident that it will achieve the \$100M run-rate revenue mark faster than Dice
17 Dreams and Domino Dreams. I look forward to sharing more updates on this
18 exciting new game in the future. I am incredibly proud of our SuperPlay studio for

19 their outstanding work in bringing Disney Solitaire to market in collaboration with
20 Disney and Pixar Games.

21 Bingo Blitz had another record-breaking quarter, achieving all-time highs in total
22 revenue and revenue from our direct-to-consumer platforms. As the largest mobile
23 bingo game, and one of the largest casual games in the industry, Bingo Blitz
24 continues to grow the category, attract new audiences, and benefit from the “winner
25 take most” dynamics of the genre. Its enduring performance, more than a decade
26 after our acquisition, is a clear testament to the strength of our live operations and
27 ongoing content innovation.

28 Turning to Slotomania. Slotomania’s results in the first quarter were disappointing
29 and the outsized decline in year-over-year performance is a result of several quarters
30 of sequential decline. While we believed we had addressed the game economy issue
31 in January, we have seen the issues resurface, leading to weakness in the game
32 starting at the end of March. Slotomania’s revenue will continue to decline in the
33 coming quarters before we start to see improvement. Looking ahead, we are
34 planning to launch our new slot game in the back half of the year. In addition, we
35 are integrating renowned IGT slot titles into our platform, enriching our game
36 offerings with high quality “real world” content. Following the successful launch of
37 “Cleopatra 2” last December, we introduced “Regal Riches” this past quarter, with

38 several more launches planned for the rest of the year. Stabilizing Slotomania and
39 launching our new slot game remain the top strategic priority at Playtika.

40 In closing, I want to thank our team for their hard work. Your efforts have been vital
41 in building our industry leading portfolio of games, which has helped us achieve this
42 milestone of record revenues in the quarter. I look forward to providing updates on
43 our 2025 new game launches. I will now turn it over to Craig for a deep dive into
44 our quarterly results.

45 **CRAIG ABRAHAMS: PRESIDENT & CHIEF FINANCIAL OFFICER.**

46 Thank you, Robert.

47 Before diving into the financials, I want to update where we are on our growth
48 drivers. We are investing behind our recently acquired titles, as well as our leading
49 casual games. Our DTC efforts are showing strong results, and we are excited about
50 introducing new mobile game franchises to the market. As Robert mentioned,
51 Disney Solitaire is off to a very strong start in April and very encouraging as we look
52 at our future pipeline.

53 Within our core portfolio, we have experienced revenue declines in our slot titles,
54 and our smaller casual games without leadership positions in their respective genres.
55 We are focused on product investments and operating improvements to stabilize
56 Slotomania and our other slot titles, but this will take time. In addition, our leading
57 casual game franchises such as Bingo Blitz, Solitaire Grand Harvest, and June's
58 Journey, continue to be franchises we believe we can grow over time. They reflect
59 the kind of category leading evergreen franchises that define long-term winners in
60 mobile gaming today.

61 The mobile gaming landscape is evolving, with player engagement and revenue
62 increasingly concentrated around established and high performing titles. Players are
63 dedicating more time to games that have stood the test of time, drawn by ongoing

64 updates, community engagement, and proven entertainment value. This favors
65 companies like Playtika, operators with a leading, diversified portfolio of industry
66 leading games, best-in-class live ops capabilities, and a proven ability to generate
67 free cash flow at scale. As we navigate this transition, we are making strategic
68 capital allocation decisions aimed at enhancing our financial profile and positioning
69 the company to capitalize on these dynamics. We take pride in our track record of
70 being disciplined operators, consistently making thoughtful investment decisions to
71 optimize our resources and drive revenue growth. We remain committed to
72 identifying opportunities to enhance efficiency and deliver sustainable savings to
73 support our long-term success.

74 With that, let us get into the details of the quarter.

75 We generated \$706.0 million of revenue in the first quarter, an 8.6% sequential
76 increase and an 8.4% year over year increase. The increased overall investment in
77 performance marketing had an impact on our Credit Adj. EBITDA margins as we
78 generated Credit Adj. EBITDA of \$167.3 million, down (9.0)% sequentially and
79 down (9.9)% year over year. GAAP Net Income was \$30.6 million, down (42.3)%
80 year over year.

81 Our Direct-to-Consumer business achieved record revenues once again, as we
82 generated \$179.2 million, up 2.6% sequentially and 4.5% year over year. The

83 growth in our DTC business was driven by Bingo Blitz, June's Journey, and Solitaire
84 Grand Harvest, offset by declines from the slot titles. We believe that our DTC
85 business has meaningful growth potential over the next 12 months. Historically, we
86 have targeted 30% of our revenue to come from DTC. It is important to note that
87 many of our games are performing above this mark, and the 30% represented an
88 average. This demonstrates our ability to further grow our DTC business, which we
89 intend to prioritize in the coming quarters. This focus will help partially offset some
90 of the margin pressure as we invest in recently acquired higher growth titles. We
91 are confident that these efforts will contribute to our margins.

92 To further elaborate on our performance, I want to provide some context around our
93 Q1 results and our outlook for the remainder of the year. In Q1, as is our typical
94 seasonal trend, we experienced higher marketing spend, which, along with the losses
95 from our SuperPlay acquisition, contributed to the decline in Adjusted EBITDA year
96 over year. We expect marketing expenses to decline sequentially in the coming
97 quarters. As we evaluate our revenue forecast, we are reaffirming our guidance for
98 the year, as the declining trends in our slot games will be offset by growth of casual
99 titles in the portfolio.

100 Turning now to our business results from the quarter. The sequential growth in the
101 quarter was driven by the full quarter contribution from Dice Dreams and Domino

102 Dreams, and the continued impressive performance from our largest game, Bingo
103 Blitz. Dice Dreams was among our top three games by revenue this past quarter.
104 Bingo Blitz revenue was \$162.4 million, up 2.1% sequentially and up 3.1% year
105 over year. In Q1, Bingo Blitz's performance was driven by several key initiatives.
106 The American Idol campaign, which features an exclusive in-game collaboration
107 with Lionel Richie, brought significant engagement and excitement to the game.
108 Players enjoyed a unique American Idol experience, competing in Bingo challenges
109 and having the chance to win VIP tickets to the American Idol finale. The
110 introduction of a new Bingo room featuring a social player versus player experience
111 inspired by American Idol was received positively by our community. This
112 campaign not only boosted player engagement but also enhanced the game's
113 visibility and appeal, driving a strong marketing effort that successfully attracted
114 new players to the game. More recently, we launched our Bingo Blitz branded game
115 show on the Game Show Network. This new series, hosted by Valerie Bertinelli,
116 combines Bingo play with trivia challenges. The game show has been well-received,
117 bringing the dynamic and social gaming experience of Bingo Blitz to television
118 screens. We anticipate this initiative will help strengthen the Bingo Blitz brand by
119 reaching a broader audience.

120 Slotomania revenue was \$111.8 million, down (5.5)% sequentially and (17.4)% year
121 over year. Despite these challenges, our DTC business remains a cornerstone of our
122 success. Slotomania's DTC business demonstrated stable performance quarter over
123 quarter. Our strong connection with our most loyal players has been instrumental in
124 extending the lifecycle of our games far beyond industry standards.

125 Dice Dreams revenue was \$78.6 million, up 124.5% sequentially compared to a
126 partial quarter of revenue contribution from the SuperPlay acquisition. This
127 impressive growth reflects the successful integration of Dice Dreams into our
128 portfolio and the strong execution by our teams. In Q1, Dice Dreams benefited from
129 several key initiatives that contributed to its robust performance.

130 Our other acquired titles are performing in line with our expectations. We are
131 especially pleased with the ramp-up in revenue we have seen from Domino Dreams.
132 The game is gaining traction, and we are optimistic about its roadmap as we invest
133 in marketing and content updates to drive monetization.

134 Turning now to specific line items in our P&L for the first quarter. Cost of revenue
135 increased 11.5% year over year, driven by our revenue growth and the increase in
136 amortization expenses in our P&L resulting from the acquisition of SuperPlay.
137 Operating expenses increased by 19.4%, driven primarily by increased performance
138 marketing spending, also driven by our acquisition of SuperPlay.

139 R&D decreased by (2.9)% year over year. The savings from the expiration of our
140 long-term cash compensation program offset increases in hosting expenses and costs
141 associated with outsourced services.

142 Sales & Marketing increased by 42.8% year over year. The increase in sales &
143 marketing was primarily driven by the incremental performance marketing spend
144 from our acquisition of SuperPlay. We anticipate sequential declines in marketing
145 spend for the remainder of the year.

146 G&A expenses declined by (9.2)% year over year. The decline was primarily due
147 to the expiration of our long-term cash compensation program, which resulted in
148 lower accrued expenses, offset by an increase in contingent considerations.

149 As of March 31st, we had approximately \$514.3 million in cash, cash equivalents,
150 and short-term investments. We entered into an agreement to extend the maturity of
151 the revolving credit facility from March 2026 to September 2027 subject to the
152 satisfaction of certain conditions and decreased the aggregate principal amount of
153 the revolving credit facility from \$600 million to \$550 million.

154 Looking at our operating metrics, Average DPU increased 15.0% sequentially and
155 increased 26.2% year over year to 390K. Average DAU increased 12.5%
156 sequentially and increased 2.3% year over year to 9.0 million. ARPDau decreased
157 (2.2) % sequentially and increased 7.4% year over year to \$0.87 cents.

158 Finally, we are reaffirming our guidance for the year.

159 We would be happy to take your questions.