

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 9, 2024

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 9, 2024, Playtika Holding Corp. issued a press release announcing its financial results for the quarter ended March 31, 2024. 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 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On May 8, 2024, Ofer Kinberg, Chief Revenue Officer of the Company, and Shlomi Aizenberg, Chief Operating Officer of the Company, ceased serving as officers of the Company in connection with a restructuring of the Company’s management. Messrs. Kinberg and Aizenberg have agreed to continue to support the Company through a transition period through December 31, 2024.

Item 7.01. Regulation FD Disclosure.

Board of Directors Authorizes Stock Repurchase Program

On May 9, 2024, the Company announced that its Board of Directors authorized a stock repurchase program for up to \$150 million of the Company’s common stock. The program is intended to provide the Company with the ability to offset the dilutive effects of equity awards granted to the Company’s directors, officers and employees.

Under the repurchase program, repurchases can be made from time to time using a variety of methods, which may include open market purchases, privately negotiated transactions or otherwise, all in accordance with the rules of the Securities and Exchange Commission and other applicable legal requirements. The specific timing, price and size of purchases will depend on prevailing stock prices, general economic and market conditions, and other considerations. The repurchase program does not obligate the Company to acquire any particular amount of common stock, and the repurchase program may be suspended or discontinued at any time at the Company’s discretion.

Employee Memorandum regarding Management Changes

In connection with the restructuring of the Company’s management, a memorandum was sent to the Company’s employees on May 9, 2024. A copy of the memo is furnished herewith as Exhibit 99.3.

In accordance with General Instruction B.2. of Form 8-K, the information in this Item 7.01, including Exhibit 99.3, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, 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, 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 9, 2024
99.2	First Quarter 2024 Earnings Presentation
99.3	Employee Memorandum
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 9, 2024

Playtika Holding Corp. Reports Q1 2024 Financial Results
Revenue of \$651.2 million and Direct-to-Consumer (“DTC”) Revenue of \$171.5 million
DTC Platforms Revenue Increased 6.1% Sequentially and 13.2% Year Over Year
GAAP Net Income of \$53.0 million and Credit Adj. EBITDA of \$185.6 million
Announces Inaugural \$150 million Share Repurchase Program

Herzliya, Israel - May 9, 2024 - Playtika Holding Corp. (NASDAQ: PLTK) today released financial results for its first quarter for the period ending March 31, 2024.

Financial Highlights

- Revenue of \$651.2 million increased 2.1% sequentially and decreased (0.8)% year over year.
- DTC platforms revenue of \$171.5 million increased 6.1% sequentially and 13.2% year over year.
- Net income of \$53.0 million increased 42.1% sequentially and decreased (37.0)% year over year.
- Credit Adjusted EBITDA of \$185.6 million decreased (1.7)% sequentially and (16.7)% year over year.
- Cash and cash equivalents totaled \$1.0 billion as of March 31, 2024.

“We are fully committed to execution, building on our operational advancements,” said Robert Antokol, Chief Executive Officer. “The actions we are taking, including restructuring our executive team and streamlining leadership, are designed to position us to return to growth in the mobile gaming sector, enhancing decision-making and creating potential for increased value for our players and shareholders.”

“Our direct-to-consumer business continues to show strength, driven by our focused efforts on player retention and the longevity of our players in our games,” said Craig Abrahams, President and Chief Financial Officer. “Additionally, our inaugural share repurchase authorization is consistent with our previously announced capital allocation principles, emphasizing our ongoing commitment to delivering shareholder value.”

Selected Operational Metrics and Business Highlights

- Average Daily Paying Users of 309K increased 1.0% sequentially and decreased (5.2)% year over year.
- Average Payer Conversion of 3.5%, flat vs. the prior quarter and down from 3.6% in the prior year period.
- Casual games revenue increased 2.9% sequentially and 1.3% year over year.
- Social casino-themed games revenue increased 1.4% sequentially and decreased (3.5)% year over year.
- Bingo Blitz revenue of \$157.5 million increased 4.8% sequentially and decreased (1.0)% year over year.
- Solitaire Grand Harvest revenue of \$77.8 million increased 2.7% sequentially and decreased (8.9)% year over year.
- Slotomania revenue of \$135.4 million decreased (1.1)% sequentially and (7.6)% year over year.

Playtika Announces Quarterly Dividend and \$150 Million Stock Repurchase Program

Playtika's Board of Directors declared a cash dividend of \$0.10 per share of our outstanding common stock, payable on July 5, 2024 to stockholders of record as of the close of business on June 21, 2024. Future dividends are subject to market conditions and approval by our Board of Directors.

Playtika's Board of Directors also has authorized a stock repurchase program for up to \$150 million of Playtika's common stock. The program is intended to provide the company with the ability to offset the dilutive effects of equity awards granted to the company's directors, officers, and employees.

Under the repurchase program, repurchases can be made from time to time using a variety of methods, which may include open market purchases, privately negotiated transactions or otherwise, all in accordance with the rules of the Securities and Exchange Commission and other applicable legal requirements. The specific timing, price and size of purchases will depend on prevailing stock prices, general economic and market conditions, and other considerations. The repurchase program does not obligate the company to acquire any particular amount of common stock, and the repurchase program may be suspended or discontinued at any time at the company's discretion.

Financial Outlook

For the full year 2024 the company expects revenue to be within the previously provided range of \$2.52 - \$2.62 billion, Credit Adjusted EBITDA within a range of \$730 - \$770 million, and capital expenditures within a range of \$110 - \$115 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 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.

Summary Operating Results of Playtika Holding Corp.

	Three months ended March 31,	
	2024	2023
<i>(in millions of dollars, except percentages, Average DPUs, and ARPDau)</i>		
Revenues	\$ 651.2	\$ 656.2
Total cost and expenses	\$ 553.1	\$ 503.8
Operating income	\$ 98.1	\$ 152.4
Net income	\$ 53.0	\$ 84.1
Credit Adjusted EBITDA	\$ 185.6	\$ 222.7
Net income margin	8.1 %	12.8 %
Credit Adjusted EBITDA margin	28.5 %	33.9 %
Non-financial performance metrics		
Average DAUs	8.8	9.1
Average DPUs (in thousands)	309	326
Average Daily Payer Conversion	3.5 %	3.6 %
ARPDau	\$ 0.81	\$ 0.80
Average MAUs	32.8	30.2

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 employees across offices worldwide.

Forward Looking Information

This press release contains “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and Section 21E of the Exchange Act. All statements other than statements of historical facts contained in this press release, including statements regarding our business strategy, plans and our objectives for future operations, are forward-looking statements. Further, statements that include words such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “future,” “intend,” “intent,” “may,” “might,” “potential,” “present,” “preserve,” “project,” “pursue,” “should,” “will,” or “would,” or the negative of these words or other words or expressions of similar meaning may identify forward-looking statements.

We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. The achievement or success of the matters covered by such forward-looking statements involves significant risks, uncertainties and assumptions, including, but not limited to, the risks and uncertainties discussed in our filings with the Securities and Exchange Commission. Moreover, we operate in a very competitive and rapidly changing environment and industry. As a result, it is not possible for our management to assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking statements discussed in this press release may not occur and actual results could differ materially and adversely from those anticipated, predicted or implied in the 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:

- actions of our majority shareholder or other third parties that influence us;
- 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 identify acquisition targets that fit our strategy or complete acquisitions and integrate any acquired businesses successfully or realize the anticipated benefits of such acquisitions could limit our growth, disrupt our plans and operations or impact the amount of capital allocated to mergers and acquisitions;
- our ability to compete in a highly competitive industry with low barriers to entry;
- our ability to retain existing players, attract new players and increase the monetization of our player base;
- we have significant indebtedness and are subject to the obligations and restrictive covenants under our debt instruments;
- the impact of the COVID-19 pandemic or other health epidemics 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;
- geopolitical events such as the Wars in Israel and Ukraine;
- our reliance on key personnel;
- market conditions or other factors affecting the payment of dividends, including the decision whether or not to pay a dividend;
- uncertainties regarding the amount and timing of repurchases under our stock repurchase program;
- 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.

PLAYTIKA HOLDING CORP.
CONSOLIDATED BALANCE SHEETS
(In millions, except par value)

	March 31, 2024 (Unaudited)	December 31, 2023
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,015.5	\$ 1,029.7
Restricted cash	2.0	2.0
Accounts receivable	172.0	171.5
Prepaid expenses and other current assets	153.2	147.9
Total current assets	1,342.7	1,351.1
Property and equipment, net	120.8	119.9
Operating lease right-of-use assets	95.4	100.3
Intangible assets other than goodwill, net	295.8	311.2
Goodwill	984.9	987.2
Deferred tax assets, net	100.4	99.3
Investments in unconsolidated entities	48.4	54.4
Other non-current assets	156.3	151.6
Total assets	\$ 3,144.7	\$ 3,175.0
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities		
Current maturities of long-term debt	\$ 16.2	\$ 16.8
Accounts payable	57.4	65.0
Operating lease liabilities, current	26.0	19.5
Accrued expenses and other current liabilities	392.5	438.3
Total current liabilities	492.1	539.6
Long-term debt	2,397.2	2,399.6
Contingent consideration	20.1	20.8
Other long-term liabilities, including employee related benefits	311.3	318.7
Operating lease liabilities, long-term	75.4	88.2
Deferred tax liabilities	29.0	29.6
Total liabilities	3,325.1	3,396.5
Commitments and contingencies		
Stockholders' equity (deficit)		
Common stock of \$0.01 par value; 1,600.0 shares authorized; 371.0 and 370.0 shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively	4.1	4.1
Treasury stock at cost (51.8 shares at both March 31, 2024 and December 31, 2023)	(603.5)	(603.5)
Additional paid-in capital	1,288.4	1,264.9
Accumulated other comprehensive income	22.3	20.6
Accumulated deficit	(891.7)	(907.6)
Total stockholders' deficit	(180.4)	(221.5)
Total liabilities and stockholders' deficit	\$ 3,144.7	\$ 3,175.0

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

	Three months ended March 31,	
	2024	2023
Revenues	\$ 651.2	\$ 656.2
Costs and expenses		
Cost of revenue	177.0	185.7
Research and development	106.9	102.4
Sales and marketing	190.4	143.7
General and administrative	71.8	72.0
Impairment charge	7.0	—
Total costs and expenses	553.1	503.8
Income from operations	98.1	152.4
Interest and other, net	23.2	28.6
Income before income taxes	74.9	123.8
Provision for income taxes	21.9	39.7
Net income	53.0	84.1
Other comprehensive income (loss)		
Foreign currency translation	(4.0)	3.1
Change in fair value of derivatives	5.7	(7.8)
Total other comprehensive income (loss)	1.7	(4.7)
Comprehensive income	\$ 54.7	\$ 79.4
Net income per share attributable to common stockholders, basic	\$ 0.14	\$ 0.23
Net income per share attributable to common stockholders, diluted	\$ 0.14	\$ 0.23
Weighted-average shares used in computing net income per share attributable to common stockholders, basic	370.5	364.6
Weighted-average shares used in computing net income per share attributable to common stockholders, diluted	370.8	365.1

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

	Three months ended March 31,	
	2024	2023
Cash flows from operating activities	\$ 29.6	\$ 20.5
Cash flows from investing activities		
Purchase of property and equipment	(14.0)	(5.0)
Capitalization of internal use software costs	(10.6)	(8.1)
Purchase of software for internal use	(10.3)	(2.1)
Other investing activities	(1.0)	(0.2)
Net cash used in investing activities	(35.9)	(15.4)
Cash flows from financing activities		
Repayments on bank borrowings	(4.8)	(4.8)
Payment of tax withholdings on stock-based payments	(0.7)	(1.3)
Net cash used in financing activities	(5.5)	(6.1)
Effect of exchange rate changes on cash and cash equivalents and restricted cash	(2.4)	(0.4)
Net change in cash, cash equivalents and restricted cash	(14.2)	(1.4)
Cash, cash equivalents and restricted cash at the beginning of the period	1,031.7	770.4
Cash, cash equivalents and restricted cash at the end of the period	\$ 1,017.5	\$ 769.0

Non-GAAP Financial Measures

Credit 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 Credit Adjusted EBITDA to net income, the closest GAAP financial measure. Our Credit Agreement defines Adjusted EBITDA (which we call "Credit Adjusted EBITDA") as net income before (i) interest expense, (ii) interest income, (iii) provision for income taxes, (iv) depreciation and amortization expense, (v) impairment charges, (vi) stock-based compensation, (vii) contingent consideration, (viii) acquisition and related expenses, and (ix) certain other items. We calculate Credit Adjusted EBITDA Margin as Credit Adjusted EBITDA divided by revenues.

Credit Adjusted EBITDA and Credit 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 Credit Adjusted EBITDA and Credit 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 CREDIT ADJUSTED EBITDA
(In millions)

	Three months ended March 31,	
	2024	2023
Net income	\$ 53.0	\$ 84.1
Provision for income taxes	21.9	39.7
Interest expense and other, net	23.2	28.6
Depreciation and amortization	39.2	39.1
EBITDA	137.3	191.5
Stock-based compensation ⁽¹⁾	23.7	29.2
Impairment charge	7.0	—
Contingent consideration	2.9	—
Acquisition and related expenses ⁽²⁾	2.2	1.2
Other items ⁽³⁾	12.5	0.8
Credit Adjusted EBITDA	\$ 185.6	\$ 222.7
Net income margin	8.1 %	12.8 %
Credit Adjusted EBITDA margin	28.5 %	33.9 %

⁽¹⁾ Reflects, for all periods, stock-based compensation expense related to the issuance of equity awards to our employees.

⁽²⁾ Amounts for all periods primarily relate to expenses incurred by the Company in connection with the evaluation of strategic alternatives for the Company.

⁽³⁾ The amount for the three months ended March 31, 2024 consists primarily of \$12.1 million incurred by the Company for severance. The amount for the three months ended March 31, 2023 consists primarily of \$0.6 million incurred by the Company for severance.

Contacts

Investor Relations

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Press Contact

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PLAYTIKA HOLDING CORP.

First Quarter 2024 Results

May 9, 2024

LEGAL DISCLAIMER

Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and Section 21E of the Exchange Act. All statements other than statements of historical facts contained in this presentation including statements regarding our business strategy, plans and our objectives for future operations are forward-looking statements. Further, statements that include words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "future," "intend," "initiate," "may," "might," "potential," "present," "preference," "project," "purpose," "should," "will," or "would" or the negative of these words or other words or expressions of similar meaning may identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. The achievement or success of the matters covered by such forward-looking statements involves significant risks, uncertainties and assumptions, including, but not limited to, the risks and uncertainties discussed in our filings with the Securities and Exchange Commission. Moreover, we operate in a very competitive and rapidly changing environment and industry. As a result, it is not possible for our management to assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking statements discussed in this press release may not occur and actual results could differ materially and adversely from those anticipated, predicted or implied in the 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:

- actions of our majority shareholder or other third parties that influence us;
- our reliance on third-party partners, 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 identify acquisition targets that fit our strategy or complete acquisitions and integrate any acquired businesses successfully or realize the anticipated benefits of such acquisitions could limit our growth, disrupt our plans and operations or impact the amount of capital allocated to mergers and acquisitions;
- our ability to compete in a highly competitive industry with low barriers to entry;
- our ability to retain existing players, attract new players and increase the monetization of our players; and
- we have significant indebtedness and are subject to the covenants and restrictive provisions under our debt instruments;
- the impact of the COVID-19 pandemic or other health epidemics 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;
- geopolitical events such as the Wars in Israel and Ukraine;
- our reliance on key personnel;
- market conditions or other factors affecting the payment of dividends, including the decision whether or not to pay a dividend;
- uncertainties regarding the amount and timing of repurchases under our stock repurchase program;
- 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.

In addition, statements about the impact of the Wars in Israel and Ukraine are subject to the risks that hostilities may escalate and expand and that the actual impact may differ, possibly materially, from what is currently expected. 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. The forward-looking statements speak only as of the date they are made. 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.

Non-GAAP Financial Measures

This presentation contains certain non-GAAP financial measures of us, including Credit 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.



Q1 FINANCIAL HIGHLIGHTS

- Revenue of \$651.2 million, Net Income of \$53.0 million, and Credit Adjusted EBITDA of \$185.6 million
 - Revenue increased by 2.1% sequentially and decreased (0.8)% year over year.
 - Net income increased by 42.1% sequentially and decreased by (37.0)% year over year.
 - Credit Adjusted EBITDA decreased (1.7)% sequentially and (16.7)% year over year.
- Direct-to-Consumer Platforms revenue increased 6.1% sequentially and 13.2% year over year.
- Net income margin of 8.1%, compared to 5.8% in Q4 2023 and 12.8% in Q1 2024.
- Credit Adjusted EBITDA margin of 28.5%, compared to 29.6% in Q4 2023 and 33.9% in Q1 2023.
- Cash and cash equivalents totaled \$1.0 billion as of March 31, 2024.



Note: USD in millions.
See appendix for definition of Credit Adjusted EBITDA. Credit Adjusted EBITDA is a non-gaap measure, see reconciliation on slide 12.

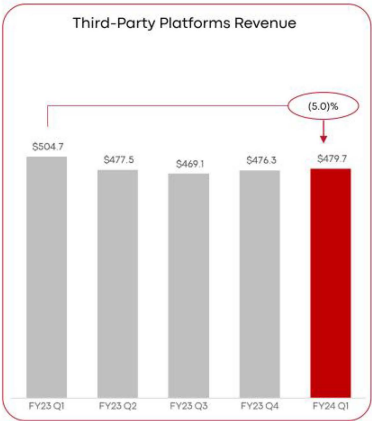
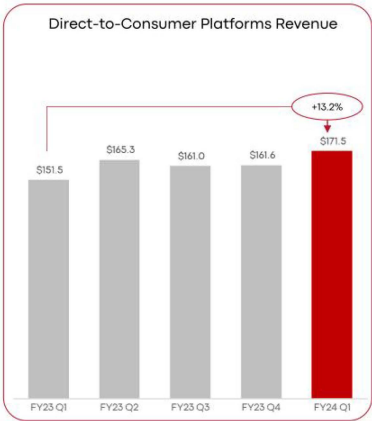
Q1 BUSINESS HIGHLIGHTS

- Average Daily Paying Users of 309K increased 1.0% sequentially and decreased (5.2)% year over year.
- Average Payer Conversion of 3.5%, flat vs. prior quarter and down from 3.6% in the prior year period.
- Bingo Blitz revenue of \$157.5 million increased 4.8% sequentially and decreased (1.0)% year over year.
 - Second consecutive quarter of sequential growth.
 - Bingo Blitz's DTC revenue grew double-digits year over year.
- Solitaire Grand Harvest revenue of \$77.8 million increased 2.7% sequentially and decreased (8.9)% year over year.
 - Return to sequential growth after several quarters of decline in 2023.
- Slotomania revenue of \$135.4 million decreased (1.1)% sequentially and (7.6)% year over year.

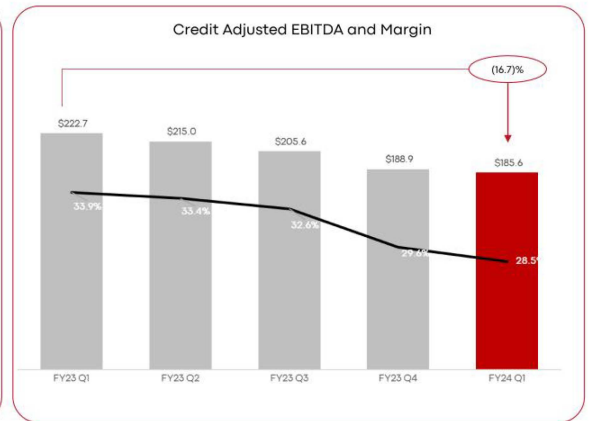
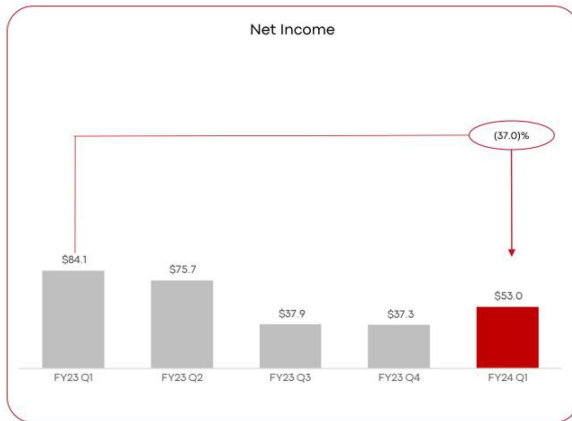


Note: See appendix for definitions of Average Daily Paying Users and Average Payer Conversion.

QUARTERLY REVENUE BY PLATFORM

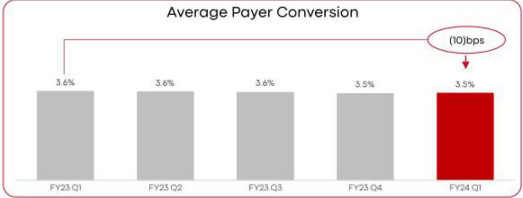
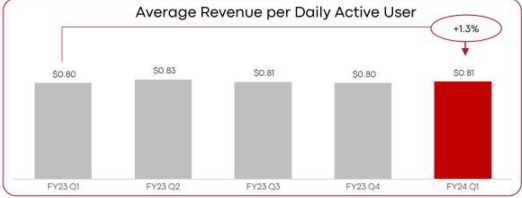
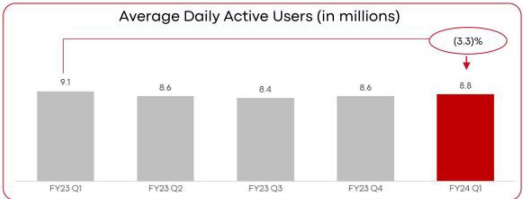
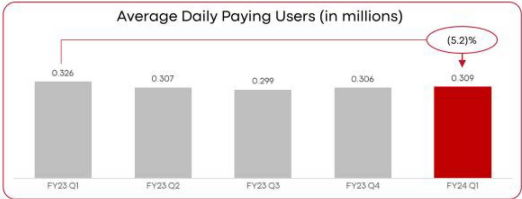


SELECTED QUARTERLY FINANCIALS

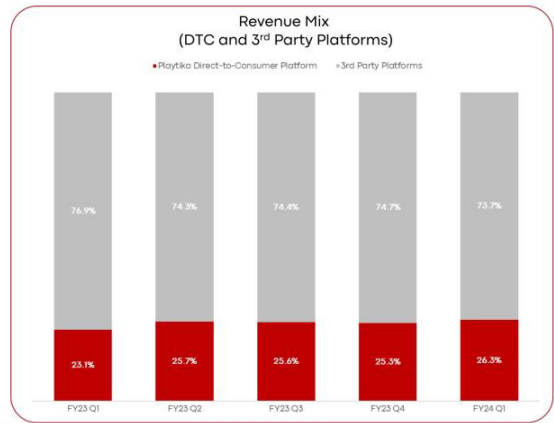
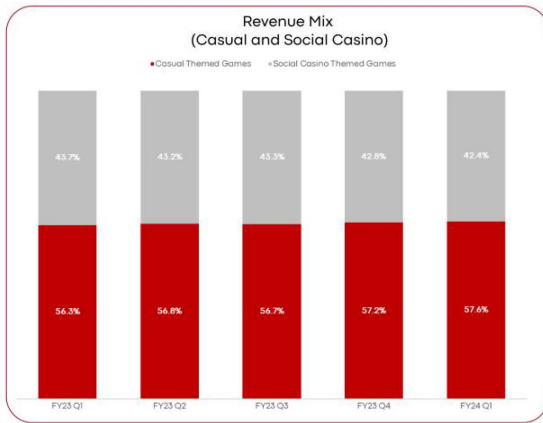


Note: USD in millions.
See appendix for definitions of Credit Adjusted EBITDA. Credit Adjusted EBITDA is a non-gaap measure, see reconciliation on slide 12.

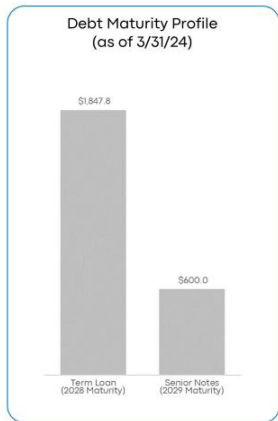
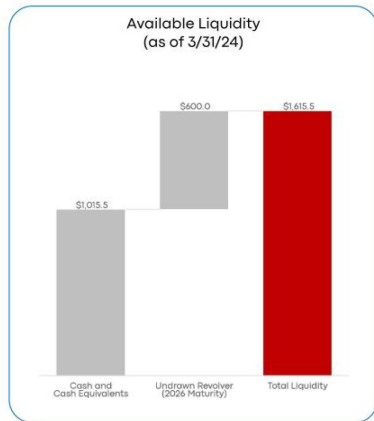
QUARTERLY KPI TRENDS



REVENUE CONTRIBUTION



CAPITAL STRUCTURE OVERVIEW



Capital Structure and Capital Allocation

- Approximately \$1.62 billion in available liquidity
- Liquidity is expected to continue to improve with Free Cash Flow generation
- No near-term debt maturities
- Net LTM leverage of approximately 1.8x

FISCAL YEAR 2024 GUIDANCE

	FY23 Actual	FY24 Guidance
Revenue	\$2,567.0 million	\$2,520 million to \$2,620 million
Credit Adjusted EBITDA	\$832.2 million	\$730 million to \$770 million
Credit Adjusted EBITDA Margin	32.4%	29.0% to 29.4%
Capital Expenditures	\$79.2 million (1)	\$110 million to \$115 million (2)

(1) Does not include \$17.0 million of accrued purchase of property and equipment from Q4 of 2023.
(2) Includes \$17.0 million of accrued purchase of property and equipment from Q4 of 2023.



Note: USD in millions.
See appendix for definition of Credit Adjusted EBITDA. Credit Adjusted EBITDA is a non-gaap measure, see reconciliation of historical figures on slide 13.

APPENDIX

Non-GAAP Financial Measure

Credit Adjusted EBITDA: Our Credit Agreement defines Adjusted EBITDA (which we call "Credit Adjusted EBITDA") as net income before (i) interest expense, (ii) interest income, (iii) provision for income taxes, (iv) depreciation and amortization expense, (v) impairment of intangible assets, (vi) stock-based compensation, (vii) contingent consideration, (viii) acquisition and related expenses, and (ix) certain other items. We calculate Credit Adjusted EBITDA Margin as Credit Adjusted EBITDA divided by revenues.

We supplementally present Credit Adjusted EBITDA because it is a key operating measure used by our management to assess our financial performance. Credit 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 Credit 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 Credit Adjusted EBITDA 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 Credit 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. Credit 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.

APPENDIX

Reconciliation of GAAP to Non-GAAP Measure

	Three Months Ended				
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024
<i>Credit Adjusted EBITDA Reconciliation</i>					
Net Income	\$ 84.1	\$ 75.7	\$ 37.9	\$ 37.3	\$ 53.0
Provision for income taxes	39.7	40.4	26.9	50.1	21.9
Interest expense and other, net	28.6	23.1	25.2	32.6	23.2
Depreciation and Amortization	39.1	38.5	38.4	42.0	39.2
EBITDA	\$ 191.5	\$ 177.7	\$ 128.4	\$ 162.0	\$ 137.3
Impairment of intangible assets	-	9.7	41.6	-	7.0
Stock-based compensation (1)	29.2	25.3	28.0	27.5	23.7
Contingent consideration	-	-	-	1.4	2.9
Acquisition and related expenses (2)	1.2	1.9	5.6	(2.2)	2.2
Other items (3)	0.8	0.4	2.0	0.2	12.5
Credit Adjusted EBITDA	\$ 222.7	\$ 215.0	\$ 205.6	\$ 188.9	\$ 185.6

(1) Reflects, for all periods, stock-based compensation expense related to the issuance of equity awards to our employees.

(2) Amounts for all periods primarily related to expenses incurred by the Company in connection with the evaluation of strategic alternatives for the Company.

(3) The amount for the three months ended March 31, 2024 consists primarily of \$12.1 million incurred by the Company for severance. The amounts for the three months ended March 31, 2023 consist primarily of \$0.6 million incurred by the Company for severance.



Note: USD in millions.

APPENDIX

Reconciliation of GAAP to Non-GAAP Measure

	Twelve Months Ended,	
	December 31, 2022	December 31, 2023
<i>Credit Adjusted EBITDA Reconciliation</i>		
Net Income	\$ 275.3	\$ 235.0
Provision for income taxes	85.5	157.1
Interest expense and other, net	110.6	109.5
Depreciation and Amortization	162.0	158.0
EBITDA	\$ 633.4	\$ 659.6
Impairment of intangible assets	-	51.3
Stock-based compensation (1)	123.5	110.0
Contingent consideration	(14.3)	1.4
Acquisition and related expenses (2)	24.7	6.5
Other items (3)	37.8	3.4
Credit Adjusted EBITDA	\$ 805.1	\$ 832.2

(1) Reflects, for the years ended December 31, 2023 and 2022, stock-based compensation expense related to the issuance of equity awards to certain of our employees.

(2) Amounts for the years ended December 31, 2023 and 2022 primarily relate to expenses incurred by the Company in connection with the evaluation of strategic alternatives for the Company.

(3) Amount for the year ended December 31, 2023 consists primarily of \$1.8 million incurred by the Company for severance and \$1.0 million for tax assessment paid under protest. Amount for the year ended December 31, 2022 consists of \$13.2 million incurred by the Company for severance \$4.1 million incurred by the Company for relocation and support provided to employees due to the war in Ukraine and \$16.4 million incurred related to the announced restructuring activities.



Note: USD in millions.

APPENDIX

Glossary of Key Terms

- Average Revenue per Daily Active User: or "ARPPDAU" means (i) the total revenue in a given period, (ii) divided by the number of days in that period, (iii) divided by the average Daily Active Users during that period.
- Daily Active Users: or "DAUs" means the number of individuals who played one of our games during a particular day on a particular platform. Under this metric, an individual who plays two different games on the same day is counted as two DAUs. Similarly, an individual who plays the same game on two different platforms (e.g., web and mobile) or on two different social networks on the same day would be counted as two Daily Active Users. Average Daily Active Users for a particular period is the average of the DAUs for each day during that period.
- Daily Paying Users: or "DPUs" means the number of individuals who purchased, with real world currency, virtual currency or items in any of our games on a particular day. Under this metric, an individual who makes a purchase of virtual currency or items in two different games on the same day is counted as two DPUs. Similarly, an individual who makes a purchase of virtual currency or items in any of our games on two different platforms (e.g., web and mobile) or on two different social networks on the same day could be counted as two Daily Paying Users. Average Daily Paying Users for a particular period is the average of the DPUs for each day during that period.
- Daily Payer Conversion: means (i) the total number of Daily Paying Users, (ii) divided by the number of Daily Active Users 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.
- Casual Themed Games: portfolio of games that include - Bingo Blitz, Solitaire Grand Harvest, June's Journey, Best Fiends, Board Kings, Pirate Kings, Pearl's Peril, Best Fiends Stars, Redecor, Animals & Coins, and Other.
- Social Casino Themed Games: portfolio of games that include - Slotomania, House of Fun, Caesars Slots, World Series of Poker, Governor of Poker 3, and Other.
- Direct-to-Consumer Platforms: Playtika's own internal proprietary platforms where payment processing fees and other related expenses for in-app purchases are typically 3 to 4%, compared to the 30% platform fee for third party platforms.
- Credit Adjusted EBITDA: Our Credit Agreement defines Adjusted EBITDA (which we call "Credit 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, and (viii) certain other items.
- Free Cash Flow: We defined Free Cash Flow as net cash provided by operating activities minus capital expenditures. Our capital expenditures include purchase of property and equipment, capitalization of internal use software costs, and purchase of software for internal use.



Dear Playtikans,

At the heart of Playtika lies a commitment to support our portfolio of industry-leading games, a foundation that remains unwavering. Our strategic approach entails investing in the development of our games through best-in-class live ops, alongside actively pursuing further growth prospects through M&A opportunities.

I have always believed that to stay at the top of our game and to maintain our cheetah-like instincts, we need to constantly evolve and adapt while remaining focused on this strategic vision.

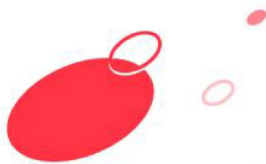
Today, I am happy to share with you the next stage of our evolution. For our games to achieve their full potential, we are restructuring our management team and redefining how we collaborate.

As part of this new phase, we are optimizing our management structure and bringing management closer to the studios. This involves flattening the hierarchy by reducing the layer between the key business units and myself. Additionally, we will consolidate the roles of Chief Revenue Officer (CRO) and Chief Operating Officer (COO), and welcome aboard key studio leaders into the management team. These changes will enable us to foster collaboration, make swift decisions, and invest in our game portfolio with improved agility.

I am excited to welcome our incredible new members to the Playtika management team, as Executive General Managers (EGMs):

- As leaders of our biggest studios, Lior Itzhak, GM of Bingo Blitz, and Amnon Calev, GM of Slotomania, who will, in addition, oversee Slots Central.
- Liran Paz will oversee Caesars Slots, House of Fun, and Redecor in addition to his role as GM of Best Fiends.
- Lior Kenan will manage our growth and international studios, also taking responsibility for overseeing Wooga and United Studios.
- For Technology, Uri Rubin will assume the position of Chief Technology Officer (CTO).
- Nir Korczak will continue as part of our management team as Chief Marketing Officer (CMO), and in addition, will oversee Solitaire Grand Harvest and World Series of Poker.

They will join Arik Sandler, Craig Abrahams, Gili Brudno, and Michael Cohen to round out Playtika's management team.





I'm confident this transformation will bring fresh perspectives, diverse management styles, and renewed passion for our games. On a personal note, after many years, I am excited to return to the company's beating heart and directly impact the game operations.

While we embrace this evolution, it's with a mix of gratitude and great appreciation that we will be saying farewell to three esteemed members of our management team. Ofer Kinberg, Shlomi Aizenberg, and Erez Rachmil have each played an integral role in shaping Playtika into the thriving powerhouse it is today, leaving an indelible mark that will continue to present itself well into the future.

As we venture into our 14th year, my belief in and commitment to leading Playtika remains as strong as they were in our inaugural year. I am more energized than ever to witness our ongoing journey toward a future with boundless opportunities and remarkable achievements.

I'm grateful for your ongoing dedication, passion, and ability to adapt, which drive our success. We all have a role to play in shaping our path and achieving future milestones. Let's continue moving forward together, eager to witness the incredible results Playtikans continue to achieve.

I invite you to our All Hands meeting at 14:00 Israel and 13:00 Central Europe, where I will elaborate on these changes and answer your questions.

I am excited about what is to come.

Let's make it count.

Robert

