

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

**FORM 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the quarterly period ended March 31, 2023**

**OR**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from \_\_\_\_\_ to \_\_\_\_\_**

**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)

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 (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of May 1, 2023, the registrant had 365,733,480 shares of common stock, \$0.01 par value per share, outstanding.

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## CAUTIONARY NOTE ABOUT FORWARD LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains or may contain forward-looking statements within the meaning of the 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 quarterly report, 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,” “intend,” “may,” “might,” “plan,” “potential,” “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.

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 important factors discussed in Part II, Item 1A, “Risk Factors” in this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K filed with the Securities and Exchange Commission (the “SEC”) on February 28, 2023. 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 Quarterly Report on Form 10-Q 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:

- 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 make 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;
- the impact of an economic recession or periods of increased inflation, and any reductions to household spending on the types of discretionary entertainment we offer;
- 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, the Ukraine and Belarus and the fact that our controlling stockholder is a Chinese-owned company;
- our reliance on key personnel;
- security breaches or other disruptions could compromise our information or our players’ information and expose us to liability; and
- our inability to protect our intellectual property and proprietary information could adversely impact our business.

Additional factors that may cause future events and actual results, financial or otherwise, to differ, potentially materially, from those discussed in or implied by the forward-looking statements include the risks and uncertainties discussed in the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K filed with the SEC on February 28, 2023. 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.

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**Part I. FINANCIAL INFORMATION**

**Item 1. FINANCIAL STATEMENTS**

**CONSOLIDATED BALANCE SHEETS**  
(In millions, except par value)

	March 31, 2023	December 31, 2022
	(Unaudited)	
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 767.2	\$ 768.7
Restricted cash	1.8	1.7
Accounts receivable	176.5	141.1
Prepaid expenses and other current assets	103.1	113.4
<b>Total current assets</b>	<b>1,048.6</b>	<b>1,024.9</b>
Property and equipment, net	119.2	125.7
Operating lease right-of-use assets	103.3	104.2
Intangible assets other than goodwill, net	337.9	354.0
Goodwill	813.3	811.2
Deferred tax assets, net	68.6	68.3
Investments in unconsolidated entities	52.8	52.6
Other non-current assets	150.6	156.7
<b>Total assets</b>	<b>\$ 2,694.3</b>	<b>\$ 2,697.6</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>		
<b>Current liabilities</b>		
Current maturities of long-term debt	\$ 12.1	\$ 12.4
Accounts payable	38.8	50.7
Operating lease liabilities, current	15.6	13.5
Accrued expenses and other current liabilities	290.9	385.2
<b>Total current liabilities</b>	<b>357.4</b>	<b>461.8</b>
Long-term debt	2,408.5	2,411.2
Other long-term liabilities, including employee related benefits	255.0	252.1
Operating lease liabilities, long-term	93.0	94.5
Deferred tax liabilities	41.1	46.6
<b>Total liabilities</b>	<b>3,155.0</b>	<b>3,266.2</b>
<b>Commitments and contingencies (Note 7)</b>		
<b>Stockholders' equity (deficit)</b>		
Common stock of \$0.01 par value; 1,600.0 shares authorized; 365.6 and 363.6 shares issued and outstanding at March 31, 2023 and December 31, 2022, respectively	4.1	4.1
Treasury stock at cost (51.8 shares at both March 31, 2023 and December 31, 2022)	(603.5)	(603.5)
Additional paid-in capital	1,184.3	1,155.8
Accumulated other comprehensive income	12.9	17.6
Accumulated deficit	(1,058.5)	(1,142.6)
<b>Total stockholders' deficit</b>	<b>(460.7)</b>	<b>(568.6)</b>
<b>Total liabilities and stockholders' deficit</b>	<b>\$ 2,694.3</b>	<b>\$ 2,697.6</b>

*The accompanying notes are an integral part of these consolidated financial statements.*

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(In millions, except for per share data)  
(Unaudited)

	Three months ended March 31,	
	2023	2022
<b>Revenues</b>	\$ 656.2	\$ 676.9
<b>Costs and expenses</b>		
Cost of revenue	185.7	186.9
Research and development	102.4	112.7
Sales and marketing	143.7	179.7
General and administrative	72.0	77.2
<b>Total costs and expenses</b>	<u>503.8</u>	<u>556.5</u>
<b>Income from operations</b>	152.4	120.4
Interest and other, net	28.6	27.5
<b>Income before income taxes</b>	123.8	92.9
Provision for income taxes	39.7	9.7
<b>Net income</b>	<u>84.1</u>	<u>83.2</u>
<b>Other comprehensive income (loss)</b>		
Foreign currency translation	3.1	(3.3)
Change in fair value of derivatives	(7.8)	18.7
<b>Total other comprehensive income (loss)</b>	<u>(4.7)</u>	<u>15.4</u>
<b>Comprehensive income</b>	<u>\$ 79.4</u>	<u>\$ 98.6</u>
<b>Net income per share attributable to common stockholders, basic</b>	<u>\$ 0.23</u>	<u>\$ 0.20</u>
<b>Net income per share attributable to common stockholders, diluted</b>	<u>\$ 0.23</u>	<u>\$ 0.20</u>
<b>Weighted-average shares used in computing net income per share attributable to common stockholders, basic</b>	<u>364.6</u>	<u>412.0</u>
<b>Weighted-average shares used in computing net income per share attributable to common stockholders, diluted</b>	<u>365.1</u>	<u>412.5</u>

*The accompanying notes are an integral part of these consolidated financial statements.*

**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT**  
(In millions)  
(Unaudited)

	Share capital			Additional paid-in capital	Accumulated other comprehensive income (loss)	Retained earnings (Accumulated deficit)	Total stockholders' equity (deficit)
	Shares	Amount	Treasury stock				
<b>Balances at January 1, 2023</b>	363.6	\$ 4.1	\$ (603.5)	\$ 1,155.8	\$ 17.6	\$ (1,142.6)	\$ (568.6)
Net income	—	—	—	—	—	84.1	84.1
Stock-based compensation	—	—	—	29.8	—	—	29.8
Issuance of shares upon vesting of RSUs and PSUs	2.0	*	—	(*)	—	—	—
Income tax withholding related to vesting of restricted stock units and other	—	—	—	(1.3)	—	—	(1.3)
Other comprehensive loss	—	—	—	—	(4.7)	—	(4.7)
<b>Balances at March 31, 2023</b>	365.6	\$ 4.1	\$ (603.5)	\$ 1,184.3	\$ 12.9	\$ (1,058.5)	\$ (460.7)

	Share capital			Additional paid-in capital	Accumulated other comprehensive income	Retained earnings (Accumulated deficit)	Total stockholders' equity (deficit)
	Shares	Amount	Treasury stock				
<b>Balances at January 1, 2022</b>	411.1	\$ 4.1	—	\$ 1,032.9	\$ 3.2	\$ (1,417.9)	\$ (377.7)
Net income	—	—	—	—	—	83.2	83.2
Stock-based compensation	—	—	—	40.5	—	—	40.5
Issuance of shares upon vesting of RSUs	1.1	*	—	(*)	—	—	—
Income tax withholding related to vesting of restricted stock units and other	—	—	—	(1.4)	—	—	(1.4)
Other comprehensive income	—	—	—	—	15.4	—	15.4
<b>Balances at March 31, 2022</b>	412.2	\$ 4.1	—	\$ 1,072.0	\$ 18.6	\$ (1,334.7)	\$ (240.0)

\* Represents an amount less than 0.1 or \$0.1

*The accompanying notes are an integral part of these consolidated financial statements.*

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(In millions)**  
**(Unaudited)**

	<b>Three months ended</b>	
	<b>March 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Cash flows from operating activities</b>		
Net income	\$ 84.1	\$ 83.2
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation	11.6	10.8
Amortization of intangible assets	27.5	28.7
Stock-based compensation	29.2	39.8
Amortization and write-off of loan discount	1.7	2.1
Change in contingent consideration	—	(22.1)
Change in deferred taxes, net	(3.5)	(4.1)
Loss from foreign currency	0.9	2.1
Non-cash lease expenses (income)	1.4	(1.1)
Changes in operating assets and liabilities:		
Accounts receivable	(35.0)	4.0
Prepaid expenses and other current and non-current assets	16.5	(19.8)
Accounts payable	(11.9)	(3.5)
Accrued expenses and other current and non-current liabilities	(102.0)	(62.0)
Net cash provided by operating activities	<u>20.5</u>	<u>58.1</u>
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(5.0)	(13.0)
Capitalization of internal use software costs	(8.1)	(13.5)
Purchase of software for internal use	(2.1)	(2.4)
Short-term bank deposits	—	(122.1)
Payments for business combination, net of cash acquired	—	(29.3)
Other investing activities	(0.2)	—
Net cash used in investing activities	<u>(15.4)</u>	<u>(180.3)</u>
<b>Cash flows from financing activities</b>		
Repayments on bank borrowings	(4.8)	(4.8)
Payment of tax withholdings on stock-based payments	(1.3)	(1.4)
Net cash used in financing activities	<u>(6.1)</u>	<u>(6.2)</u>
<b>Effect of exchange rate changes on cash and cash equivalents</b>	(0.4)	(2.8)
<b>Net change in cash, cash equivalents and restricted cash</b>	(1.4)	(131.2)
<b>Cash, cash equivalents and restricted cash at the beginning of the period</b>	770.4	1,019.0
<b>Cash, cash equivalents and restricted cash at the end of the period</b>	<u>\$ 769.0</u>	<u>\$ 887.8</u>

	Three months ended March 31,	
	2023	2022
<b>Supplemental cash flow disclosures</b>		
Cash paid for income taxes	\$ 39.9	\$ 24.8
Cash paid for interest	\$ 41.6	\$ 27.7
Cash received for interest	\$ 6.9	\$ 0.1
<b>Non-cash financing and investing activities</b>		
Right-of-use assets acquired under operating leases	\$ 3.7	\$ 14.1
Contingent consideration related to business acquisition	\$ —	\$ 30.0
Capitalization of stock-based compensation costs	\$ 0.6	\$ 0.7

*The accompanying notes are an integral part of these consolidated financial statements.*



**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
**(In millions, unless specified otherwise)**

**NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

***Description of business and organization***

Playtika Holding Corp. (“Playtika”) and its subsidiaries (together with Playtika, the “Company”) is one of the world’s leading developers of mobile games creating fun, innovative experiences that entertain and engage its users. It has built best-in-class live game operations services and a proprietary technology platform to support its portfolio of games which enable it to drive strong user engagement and monetization. The Company’s games are free-to-play, and the Company seeks to provide novel, curated in-game content and offers to its users, at optimal points in their game journeys to drive user engagement and monetization.

***Basis of presentation and consolidation***

The accompanying consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States (“U.S. GAAP”) and include Playtika and all subsidiaries in which the Company has a controlling financial interest. Control generally equates to ownership percentage, whereby (i) affiliates that are more than 50% owned are consolidated; (ii) investments in affiliates of 50% or less but greater than 20% are generally accounted for using the equity method where the Company has determined that it has significant influence over the entities; and (iii) investments in affiliates of 20% or less are generally accounted for using cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer.

The significant accounting policies referenced in the annual consolidated financial statements of the Company as of December 31, 2022 have been applied consistently in these unaudited interim consolidated financial statements. In the opinion of management, all adjustments considered necessary for a fair presentation have been recorded within the accompanying financial statements, consisting of normal, recurring adjustments, and all intercompany balances and transactions have been eliminated in the consolidation. Operating results for the three months ended March 31, 2023 are not necessarily indicative of the results that may be expected for the year ending December 31, 2023. For further information, reference is made to the consolidated financial statements and footnotes thereto included in the Company’s financial statements for the year ended December 31, 2022.

***Use of estimates***

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions. The Company’s management believes that the estimates, judgments and assumptions used are reasonable based upon information available at the time they are made. These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

***Concentration of credit risk and significant customers***

Financial instruments, which potentially expose the Company to concentrations of credit risk, consist primarily of cash and cash equivalents, restricted cash, accounts receivable and derivative contracts. The Company’s investment policy imposes certain maturity limits on the Company’s portfolio and restricts the permitted investments to the purchase of bank deposits and highly rated fixed income securities.

Apple, Facebook and Google are significant distribution, marketing, promotion and payment platforms for the Company’s games. A significant portion of the Company’s revenues has been generated from players who accessed the Company’s games through these platforms. Therefore, the Company’s accounts receivable are derived mainly from sales through these

three platforms. Accounts receivable are recorded at their transaction amounts and do not bear interest. The Company performs ongoing credit evaluations of its customers.

The following table summarizes the major accounts receivable of the Company as a percentage of the total accounts receivable as of the dates indicated:

	<b>March 31, 2023</b>	<b>December 31, 2022</b>
Apple	56%	43%
Google	29%	35%
Facebook	5%	7%

### ***Employee related benefits***

#### *Appreciation and retention plan*

In August 2019, the Company adopted the Playtika Holding Corp. Retention Plan (the “2021-2024 Retention Plan”) in order to retain key employees and reward them for contributing to the success of the Company. Under the 2021-2024 Retention Plan, eligible employees may be granted retention awards that let them receive their pro rata portion of a retention pool of \$25 million per year for each of the plan years, and may also be granted appreciation units which allow the employee to receive their pro-rata portion of an appreciation pool calculated as a specified percentage of Adjusted EBITDA for each of the plan years.

The value of each unit of the 2021-2024 Retention Plan has been amortized into compensation expense using the straight-line method, which will result in the recognition of compensation costs in the same years as the underlying EBITDA used in the plan measurement is earned. See *Note 10, Appreciation and Retention Plan*, for additional discussion.

#### ***Derivative instruments***

The Company uses interest rate swap contracts to reduce its exposure to fluctuating interest rates associated with the Company’s variable rate debt, and to effectively increase the portion of debt upon which the Company pays a fixed interest rate. The Company’s interest rate swap agreements are designated as cash flow hedges under ASC 815, *Derivatives and Hedging* (“ASC 815”), involving the receipt of variable amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreement, without the exchange of the underlying notional amount. These hedges are highly effective in offsetting changes in the Company’s future expected cash flows due to the fluctuation of the Company’s variable rate debt.

The Company monitors the effectiveness of its hedges on a quarterly basis, both qualitatively and quantitatively. The Company performed a regression analysis at the inception of the hedging relationship and at period end in which it compared the change in the fair value of the swap transaction and the change in fair value of a hypothetical interest rate swap having terms that identically match the terms of the debt’s interest rate payments based on 30 observations that are based on historical swap rates. Based on the regression results, the Company believes that, at inception and at period end, the hedging instrument is expected to be highly effective at offsetting changes in the hedged transactions attributable to the risk being hedged. For each future reporting period, the Company will continue performing retrospective and prospective assessments of hedge effectiveness in a single regression analysis by updating the regression analysis that was prepared at inception of the hedging relationship.

The Company uses foreign currency derivative contracts to reduce its exposure to fluctuating exchange rates between the United States dollar (as the Company’s functional currency) and certain expense lines denominated in Israeli Shekels (“ILS”), Polish Zloty (“PLN”) and Romanian Leu (“RON”). The Company’s derivative contracts are designated as cash flow hedges under ASC 815. The Company monitors the effectiveness of its hedges on a quarterly basis, both qualitatively and quantitatively, and expects these hedges to remain highly effective at offsetting fluctuations in exchange rates through their respective maturity dates. See *Note 5, Derivative Instruments*, for additional discussion.

The fair value of derivative financial instruments is recognized as an asset or liability at each balance sheet date, with changes in fair value recorded in other comprehensive income on the consolidated statements of comprehensive income until the future underlying transactions occur. The fair value approximates the amount the Company would pay or receive if these contracts were settled at the respective valuation dates. The inputs used to measure the fair value of the Company’s interest rate swap agreements are categorized as Level 2 in the fair value hierarchy as established by ASC 820, *Fair Value Measurement* (“ASC 820”). The inputs used to measure the fair value of the Company’s foreign currency derivative contracts are categorized as Level 2 in the fair value hierarchy as established by ASC 820.

***Net income per share attributable to common stockholders***

For all periods presented herein, basic net income per share is calculated by dividing net income by the weighted-average common shares outstanding. Diluted net income per share reflects the effect of all potentially dilutive common shares outstanding by dividing net income by the weighted-average of all common and potentially dilutive shares outstanding. Performance Stock Units (“PSUs”) are considered potentially dilutive as of the first day of the reporting period in which the underlying performance metric is achieved. In the event of a loss, diluted shares are not considered because of their anti-dilutive effect. The Company uses the treasury stock method on a grant-by-grant basis as the method for determining the dilutive effect of options, RSUs and PSUs. Under this method, it is assumed that the hypothetical proceeds received upon settlement are used to repurchase common shares at the average market price during the period.

***Accounting standards recently adopted by the Company***

In October 2021, the FASB issued ASU 2021-08, *Business Combinations (Topic 805)*(“ASU 2021-08”). ASU 2021-08 requires that an acquiring entity recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with ASC 606, *Revenue from Contracts with Customers* (“ASC 606”) and that at the acquisition date, the acquirer accounts for related revenue contracts in accordance with ASC 606 as if it had originated the contracts. The Company adopted this standard on January 1, 2023, and the adoption did not have an impact on the Company’s consolidated financial statements.

In December 2022, the FASB issued ASU No. 2022-06, *Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 484* (“ASU 2022-06”). The amendments of ASU No. 2022-06 apply only to contracts, hedging relationships and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform. The Company will continue to monitor the effects of rate reform, if any, on its contracts. The Company adopted this standard on January 1, 2023, and the adoption did not have an impact on the Company’s consolidated financial statements.

**NOTE 2. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES**

Accrued expenses and other current liabilities at March 31, 2023 and December 31, 2022 were as follows (in millions):

	March 31, 2023	December 31, 2022
Accrued expenses	\$ 95.0	\$ 110.1
Employees and related expenses	93.1	170.3
Media buy	47.4	41.3
Deferred revenues	39.6	38.6
Tax accruals	15.8	24.9
<b>Total accrued expenses and other current liabilities</b>	<b>\$ 290.9</b>	<b>\$ 385.2</b>

**NOTE 3. DEBT**

<i>(in millions, except interest rates)</i>	<b>March 31, 2023</b>				<b>December 31, 2022</b>
	<b>Maturity</b>	<b>Interest rate</b>	<b>Book value</b>	<b>Face value</b>	<b>Book value</b>
Term Loan	2028	7.380%	\$ 1,827.9	\$ 1,862.0	\$ 1,831.2
Senior Notes	2029	4.250%	592.7	600.0	592.4
Revolving Credit Facility	2026	n/a	—	—	—
<b>Total debt</b>			2,420.6	2,462.0	2,423.6
Less: Current portion of long-term debt			(12.1)	(19.0)	(12.4)
<b>Long-term debt</b>			<u>\$ 2,408.5</u>	<u>\$ 2,443.0</u>	<u>\$ 2,411.2</u>

Book value of debt in the table above is reported net of deferred financing costs and original issue discount of \$41.4 million and \$43.2 million at March 31, 2023 and December 31, 2022, respectively.

**Credit Agreement**

The Company has a \$1.9 billion senior secured first lien term loan (the “Term Loan”) and a \$600 million revolving credit facility (the “Revolving Credit Facility”) (together, the “Credit Agreement”), maturing on March 11, 2028 and March 11, 2026, respectively. The Term Loan requires quarterly principal payments equal to 0.25% of the original aggregate principal amount of the Term Loan with balance due at maturity.

The Revolving Credit Facility includes a maximum first-priority net senior secured leverage ratio financial maintenance covenant of 6.25 to 1.0. At March 31, 2023, the Company’s first-priority net senior secured leverage ratio was 1.32 to 1.0.

The Company was in compliance with its financial and other covenants under the Credit Agreement as of March 31, 2023.

The significant terms and conditions of the Credit Agreement have not changed from what was disclosed in *Note 12, Debt* in our Annual Report on Form 10-K filed with the SEC on February 28, 2023.

**Offering of 4.250% Senior Notes due 2029***Indenture*

On March 11, 2021, the Company issued \$600.0 million aggregate principal amount of its 4.250% senior notes due 2029 (the “Notes”) under an indenture, dated March 11, 2021 (the “Indenture”), among the Company, the subsidiary guarantors party thereto and Wilmington Trust, National Association, as trustee (the “Trustee”).

*Maturity and Interest*

The Notes mature on March 15, 2029. Interest on the Notes will accrue at a rate of 4.250% per annum. Interest on the Notes is payable semi-annually in cash in arrears on March 15 and September 15 of each year.

The significant terms and conditions of the Notes have not changed from what was disclosed in *Note 12, Debt* in our Annual Report on Form 10-K filed with the SEC on February 28, 2023.

#### NOTE 4. EQUITY TRANSACTIONS AND STOCK INCENTIVE PLAN

##### Overview of Stock Incentive Plan

On May 26, 2020, the Board of Directors of the Company approved the Playtika Holding Corp. 2020 Incentive Award Plan (the “Plan”).

The maximum number of shares of the Company’s common stock for which grants may be made under the Plan was 56,232,228 shares as of March 31, 2023. As of March 31, 2023, a total of 17,404,915 shares of the Company’s common stock remained available for grants of awards under the Plan.

##### Stock Options

The following table summarizes the Company’s stock option activity during the three months ended March 31, 2023:

	Stock Options Outstanding (in millions)	Weighted Average Remaining Term (in years)	Weighted Average Exercise Price	Intrinsic Value (in millions)
<b>Outstanding at January 1, 2023</b>	3.4	8.2	\$ 19.08	
Granted	*		\$ 10.21	
Exercised	—			
Cancelled	(1.1)		\$ 20.11	
Expired	—		\$ —	
<b>Outstanding at March 31, 2023</b>	<u>2.3</u>	8.1	\$ 18.59	\$ 0.4
<b>Exercisable at March 31, 2023</b>	<u>1.2</u>	7.8	\$ 21.24	\$ —

\* Represents an amount less than \$0.1

The Company used the Black-Scholes option pricing model for determining the estimated fair value of stock-based compensation related to stock options. The table below summarizes the assumptions used for the options granted in each respective period, as well as for options repriced during the first quarter of 2022:

	Three months ended March 31,	
	2023	2022
Risk-free interest rate	3.79%	0.67% - 1.82%
Expected dividend yield	—	—
Expected term in years	6.1	6.1
Expected volatility	52.79%	38.19% - 38.60%

## RSUs

The following table summarizes the Company's RSU activity during the three months ended March 31, 2023:

	Shares (in millions)	Weighted Average Grant Date Fair Value	Total Fair Value of Shares Vested (in millions)
<b>Outstanding at January 1, 2023</b>	14.9	\$ 18.69	
Granted	0.7	\$ 10.21	
Vested	(1.8)	\$ 17.12	\$ 18.0
Cancelled	(0.4)	\$ 19.78	
<b>Outstanding at March 31, 2023</b>	<u>13.4</u>	<u>\$ 18.43</u>	

## PSUs

As of March 31, 2023, the Company estimated achievement of a target less than 100% for the PSUs associated with the 2023 tranche, consistent with the Company's current forecasted performance for 2023, and a target of 100% for the PSUs associated with the 2024 and 2025 tranches.

The following table summarizes the Company's PSU activity during the three months ended March 31, 2023:

	Shares <sup>(1)</sup> (in millions)	Weighted Average Grant Date Fair Value	Total Fair Value of Shares Vested (in millions)
<b>Outstanding at January 1, 2023</b>	3.2	\$ 9.72	
Granted	—	\$ —	
Vested	(0.4)	\$ 9.72	\$ 4.2
Cancelled	(0.6)	\$ 9.72	
<b>Outstanding at March 31, 2023</b>	<u>2.2</u>	<u>\$ 9.72</u>	

(1) The number of PSUs outstanding represent the total number of PSUs granted to each recipient eligible to vest if the Company meets its highest specified performance goals for the applicable period.

## Stock-Based Compensation

The following table summarizes stock-based compensation costs as reported by award type (in millions):

	Three months ended March 31,	
	2023	2022
Stock options	\$ 0.3	\$ 11.3
RSUs	27.1	24.8
PSUs	2.4	4.4
<b>Total stock-based compensation costs</b>	<u>\$ 29.8</u>	<u>\$ 40.5</u>

The following table summarizes stock-based compensation costs, net of amounts capitalized, as reported on the Company's consolidated statement of comprehensive income (in millions):

	<b>Three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
Research and development expenses	\$ 9.5	\$ 13.8
Sales and marketing expenses	2.4	2.9
General and administrative expenses	17.3	23.1
<b>Total stock-based compensation costs, net of amounts capitalized</b>	<b>\$ 29.2</b>	<b>\$ 39.8</b>

During the three months ended March 31, 2023 and 2022, the Company capitalized \$0.6 million and \$0.7 million of stock-based compensation cost, respectively.

As of March 31, 2023, the Company's total unrecognized stock-based compensation expenses related to stock options, RSUs and PSUs was approximately \$9.4 million, \$222.9 million and \$14.8 million, respectively. The expense related to stock options, RSUs and PSUs are expected to be recognized over a weighted average period of 2.3 years, 2.3 years and 2.0 years, respectively.

#### **NOTE 5. DERIVATIVE INSTRUMENTS**

##### *Interest Rate Swap Agreements*

In March 2021, the Company entered into two interest rate swap agreements, each with a notional value of \$250 million. Each of these swap agreements is with a different financial institution as the counterparty to reduce the Company's counterparty risk. Each swap requires the Company to pay a fixed interest rate of 0.9275% in exchange for receiving one-month LIBOR. The interest rate swap agreements settle monthly commencing in April 2021 through their termination dates on April 30, 2026. The estimated fair value of the Company's interest rate swap agreements is derived from a discounted cash flow analysis.

In January 2023, the Company entered into two interest rate swap agreements, each with a notional value of \$250 million. Each of these swap agreements is with a different financial institution, and each swap requires the Company to pay a fixed interest rate of 3.435% in exchange for receiving one-month LIBOR for six months and one-month Term Secured Overnight Financing Rate ("SOFR") afterwards. The interest rate swap agreements settle monthly commencing in February 2023 through their termination dates on February 28, 2028. The estimated fair value of the Company's interest rate swap agreements is derived from a discounted cash flow analysis.

The aggregate fair value of the Company's interest rate swap agreements was an asset of \$38.2 million as of March 31, 2023 and was recorded in prepaid expenses and other current assets, other non-current assets and other long-term liabilities in the accompanying consolidated balance sheets based upon the timing of the underlying expected cash flows.

##### *Foreign currency hedge agreements*

At March 31, 2023, the Company had outstanding derivative contracts to purchase certain foreign currencies, including ILS, RON, and PLN at future dates. The amount of future salary expenses the Company had hedged was approximately \$175.4 million, and all contracts are expected to mature during the upcoming 12 months. The aggregate fair value of the Company's derivative contracts was a net liability of \$4.7 million as of March 31, 2023 and was recorded in accrued expenses and other current liabilities in the accompanying consolidated balance sheets.

The following table summarizes the volume of derivative instrument activity (in millions):

	Three months ended March 31,	
	2023	2022
Derivative instruments - foreign currency derivative contracts	\$ 38.7	\$ 159.3
Derivative instruments - interest rate swaps	500.0	—
Derivative instruments - others (non-hedging)	1.9	—

#### NOTE 6. FAIR VALUE MEASUREMENTS

The Company accounts for fair value in accordance with ASC 820. Fair value is defined under ASC 820 as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value under ASC 820 must maximize the use of observable inputs and minimize the use of unobservable inputs. The Company uses a three-tier hierarchy, which prioritizes the inputs used in measuring fair value as follows:

*Level 1* - Quoted prices in active markets for identical assets or liabilities.

*Level 2* - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

*Level 3* - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The carrying value of accounts receivable and payables and the Company's cash and cash equivalents and restricted cash approximates fair value due to the short time to expected payment or receipt of cash.

The following table summarizes the fair value measurement of the Company's long-term debt (in millions):

	March 31, 2023		
	Face Value	Fair Value	Fair Value Hierarchy
Term Loan	\$ 1,862.0	\$ 1,845.7	Level 2
Senior Notes	600.0	501.0	Level 2
<b>Total debt</b>	<b>\$ 2,462.0</b>	<b>\$ 2,346.7</b>	

  

	December 31, 2022		
	Face Value	Fair Value	Fair Value Hierarchy
Term Loan	\$ 1,866.8	\$ 1,794.5	Level 2
Senior Notes	600.0	468.0	Level 2
<b>Total debt</b>	<b>\$ 2,466.8</b>	<b>\$ 2,262.5</b>	

The estimated fair value of the Company's term loan is based upon the prices at which the Company's debt traded in the days immediately preceding the balance sheet date. As the trading volume of the Company's debt is low relative to the overall debt balance, the Company does not believe that the associated transactions represent an active market, and therefore this indication of value represents a level 2 fair value input.



The following table sets forth the assets and liabilities measured at fair value on a recurring basis in the Company's consolidated balance sheets at March 31, 2023 and December 31, 2022 (in millions):

	Pricing Category	Fair Value at	
		March 31, 2023	December 31, 2022
<b>Cash and cash equivalents</b>			
Cash	Level 1	\$ 121.3	\$ 150.7
Money market funds	Level 1	268.0	294.8
Term deposits	Level 1	192.9	243.3
Commercial papers	Level 2	185.0	79.9
<b>Prepaid expenses and other current assets</b>			
Derivative instruments - foreign currency derivative contracts	Level 2	\$ 3.3	\$ 2.2
Derivative instruments - interest rate swaps	Level 2	24.8	19.5
Derivative instruments - other	Level 2	0.1	—
<b>Other non-current assets</b>			
Derivative instruments - interest rate swaps	Level 2	\$ 22.7	\$ 29.3
<b>Accrued expenses and other current liabilities</b>			
Derivative instruments - foreign currency derivative contracts	Level 2	\$ 8.1	\$ 7.5
<b>Other long-term liabilities, including employee related benefits</b>			
Derivative instruments - interest rate swaps	Level 2	\$ 9.3	\$ —

The carrying values of the Company's cash equivalents approximate fair value because of the short duration of these financial instruments.

The Company estimates the fair value of interest rate swap contracts by discounting the future cash flows of both the fixed rate and variable rate interest payments based on market yield curves. The inputs used to measure the fair value of the Company's interest rate swap contracts are categorized as Level 2 in the fair value hierarchy as established by ASC 820.

The fair value of the Company's foreign currency contracts approximates the amount the Company would pay or receive if these contracts were settled at the respective valuation dates. The inputs used to measure the fair value of the Company's foreign currency contracts are categorized as Level 2 in the fair value hierarchy as established by ASC 820.

The Company has not elected the fair value measurement option available under U.S. GAAP for any of its assets or liabilities that meet the option for these criteria.

#### NOTE 7. COMMITMENTS AND CONTINGENCIES

In December 2016, a copywriter lawsuit was filed against Wooga GmbH (a subsidiary of the Company) in the regional court of Berlin, Germany. The Plaintiff is suing for additional remuneration to his contributions for a storyline provided for one of Wooga's games and alleged reuse of parts of that storyline in one of Wooga's other games. A court hearing is scheduled for September 27, 2023. As of March 31, 2023, the Company has recorded in its financial statements a reserve based upon its best estimate outcome. It is possible that any final amounts payable in connection with this lawsuit could exceed the Company's currently reserved best estimate. The Company has defended this case vigorously and will continue to do so.

In November 2013, the Company's subsidiary, Playtika, Ltd., sent an initial demand letter to Enigmatus s.r.o., a game developer in the Czech Republic, which owns various U.S. trademark registrations that resemble the Company's Sloto-formative trademark names, demanding that it cease use of the trademark Slotopoly. In response, Enigmatus s.r.o. asserted

that it was the owner of the Sloto-formative trademarks and denied that its game title infringed the Company's trademarks. Enigmatus s.r.o. applied to register one of the Company's trademarks in the United Kingdom and European Union, and the Company successfully opposed its applications. In December 2016, Enigmatus s.r.o., filed a trademark infringement lawsuit, Enigmatus, s.r.o. v. Playtika LTD and Caesars Interactive Entertainment, Inc., against Playtika, Ltd. and Caesars Interactive Entertainment LLC in the Federal Court of Canada asserting that the Company's use of the Slotomania trademarks violates its proprietary and trademark rights. The plaintiff sought injunctive relief and monetary damages. Pleadings have been exchanged and the lawsuit is in the discovery stage. A hearing date for summary trial has been scheduled for June 27-29, 2023. The Company has defended this case vigorously and will continue to do so. As the case is in preliminary stages, the Company cannot estimate what impact, if any, the litigation may have on its results of operations, financial condition or cash flows.

On November 23, 2021, the Company, its directors and certain of its officers were named in a putative class action lawsuit filed in the United States District Court for the Eastern District of New York (*Bar-Asher v. Playtika Holding Corp. et al.*). The complaint is allegedly brought on behalf of a class of purchasers of the Company's securities between January 15, 2021 and November 2, 2021, and alleges violations of federal securities laws arising out of alleged misstatements or omissions by the defendants during the alleged class period. On March 10, 2022, the court appointed LBMotion Ltd as lead plaintiff, and the plaintiff filed an amended complaint on May 6, 2022. The amended complaint alleges violations of Section 11 and 15 of the Securities Act of 1933 and seeks, among other things, damages and attorneys' fees and costs on behalf of the putative class. The amended complaint also added the companies that served as underwriters for the Company's IPO as defendants in the lawsuit. On September 15, 2022, in accordance with local rules of the Court, the Company and other defendants in the case filed a letter notifying the Court of defendants' service upon plaintiffs of, among other things, a notice of motion to dismiss plaintiffs' amended complaint and memorandum of law in support of the defendants' motion to dismiss plaintiffs' amended complaint, and on November 30, 2022, the Company filed with the Court the motion to dismiss. As the case is in preliminary stages, the Company cannot estimate what impact, if any, the litigation may have on its results of operations, financial condition or cash flows. The Company has defended this case vigorously and will continue to do so.

On May 17, 2022, Guy David Ben Yosef filed a motion for approval of a class action lawsuit in district court in Tel Aviv-Jaffa Israel against Playtika Group Israel Ltd. ("PGI"), on behalf of all of PGI's customers who made game token purchases in Israel as part of games marketed by PGI during the seven years preceding the filing of the motion and for all subsequent customers of such games who purchase tokens until the resolution of the claim. The motion alleges that certain of the Company's slot, poker and solitaire-themed games, including Slotomania, Caesars Slots, Solitaire Grand Harvest, House of Fun and Poker Heat, constitute illegal gambling and are prohibited under Israeli law and are misleading under Israeli consumer protection laws and alleges unjust enrichment. The motion asserts damages of NIS 50 million. On January 12, 2023, PGI filed its response to the Motion for Approval. On March 5, 2023, the Applicant has submitted his reply to PGI's response. A pre-trial hearing is scheduled for May 4, 2023. As the case is in preliminary stages, the Company cannot estimate what impact, if any, the litigation may have on its results of operations, financial condition or cash flows. The Company will defend this case vigorously.

The Company has received a number of demand letters pursuant to Section 220 of the Delaware General Corporation Law ("DGCL"), seeking disclosure of certain of the Company's books and records. The Company has responded to those demands, stating its belief that the demand letters fail to fully comply with the requirements of Section 220 of the DGCL. However, in the interest of resolution and while preserving all rights, the Company has engaged in negotiations with certain of the shareholders and has produced materials in relation to the demands.

On April 10, 2023, Playtika Holding UK II Limited, the Company's controlling shareholder, and certain officers of the Company were sued (*Kormos v. Playtika Holding UK II Limited, et al.*) in Delaware Chancery Court. The lawsuit alleges generally that the defendants breached fiduciary duties owed to the Company and its stockholders with respect to the controlling shareholder's indication of an interest in selling some or all of its shares, and the resulting strategic review process and self-tender offer.

The Company received seven demands for arbitration in late 2022 and early 2023 alleging that its games constitute illegal gambling under applicable state law. As the arbitrations are in preliminary stages, the Company cannot estimate what impact, if any, the arbitrations may have on its results of operations, financial condition or cash flows. The Company will defend these matters vigorously.

On March 8, 2023, plaintiff Gayla Hamilton Mills filed a lawsuit against the Company and its subsidiary, Playtika Ltd., in the Circuit Court of Franklin County, Alabama, alleging that the Company's casino-themed social games are unlawful gambling under Alabama law. The lawsuit seeks to recover all amounts paid by Alabama residents to the Company from its games during the period beginning one year before the filing of the lawsuit until the case is resolved. On April 11, 2023, the Company removed the case to the U.S. District Court for the Northern District of Alabama. On April 27, 2023, the plaintiff filed a motion to remand the case back to the Franklin County Circuit Court. The Company's opposition to the motion to remand is due May 19, 2023. As the case is in preliminary stages, the Company cannot estimate what impact, if any, the litigation may have on its results of operations, financial condition or cash flows. The Company intends to defend this case vigorously.

#### NOTE 8. REVENUE FROM CONTRACTS WITH CUSTOMERS

The following table provides information about disaggregated revenue by geographic location of the Company's players and type of platform (in millions):

Geographic location	Three months ended March 31,	
	2023	2022
USA	\$ 461.3	\$ 474.4
EMEA	105.0	104.2
APAC	46.1	52.3
Other	43.8	46.0
<b>Total</b>	<b>\$ 656.2</b>	<b>\$ 676.9</b>

Revenues through third-party platforms and through the Company's own direct-to-consumer platforms were as follows (in millions):

	Three months ended March 31,	
	2023	2022
Third-party platforms	\$ 504.7	\$ 524.5
Direct-to-consumer platforms	151.5	152.4
<b>Total revenues</b>	<b>\$ 656.2</b>	<b>\$ 676.9</b>

#### *Contract balances*

Payments from players for virtual items are collected by platform providers or payment processors and remitted to the Company (net of the platform or clearing fees) generally within 45 days after the player transaction. The Company's right to receive the payments collected by the platform providers or payment processors is recorded as an accounts receivable as the right to receive payment is unconditional. Deferred revenues, which represent a contract liability, represent mostly unrecognized fees billed for virtual items which have not yet been consumed at the balance sheet date. Platform fees paid to platform providers or payment processors and associated with deferred revenues represent a contract asset.

Balances of the Company's contract assets and liabilities are as follows (in millions):

	March 31, 2023	December 31, 2022
Accounts receivable	\$ 176.5	\$ 141.1
Contract assets <sup>(1)</sup>	10.9	10.8
Contract liabilities <sup>(2)</sup>	39.6	38.6

<sup>(1)</sup> Contract assets are included within prepaid expenses and other current assets in the Company's consolidated balance sheets.

<sup>(2)</sup> Contract liabilities are included within accrued expenses and other current liabilities as "deferred revenues" in the Company's consolidated balance sheets.

During the three months ended March 31, 2023, the Company recognized \$21.8 million of its contract liabilities that were outstanding as of December 31, 2022.

#### *Unsatisfied performance obligations*

Substantially all of the Company's unsatisfied performance obligations relate to contracts with an original expected length of one year or less.

#### **NOTE 9. SEGMENT INFORMATION**

The Company operates its business as one operating segment and one reportable segment.

The Company's long-lived assets, net, by country of domicile are as follows (in millions):

	March 31, 2023	December 31, 2022
Israel	\$ 98.6	\$ 100.9
USA	57.6	62.0
Ukraine	25.5	26.1
Other	40.8	40.9
<b>Total long-lived assets, net</b>	<b>\$ 222.5</b>	<b>\$ 229.9</b>

#### **NOTE 10. APPRECIATION AND RETENTION PLAN**

The Company recognized compensation expenses in respect of retention bonus and appreciation unit awards under its appreciation and retention plans of \$29.8 million and \$24.9 million during the three months ended March 31, 2023 and 2022, respectively.

The Company has also granted retention awards to key individuals associated with acquired companies as an incentive to retain those individuals on a long-term basis. The Company recognized compensation expenses associated with these development-related retention payments of \$1.9 million during the three months ended March 31, 2022. There were no such expenses in the three months ended March 31, 2023.

**NOTE 11. INTEREST AND OTHER, NET**

Interest and other, net are as follows (in millions):

	Three months ended March 31,	
	2023	2022
Interest expense	\$ 38.0	\$ 23.7
Interest income	(7.8)	(0.8)
Foreign currency translation differences, net	(1.8)	3.5
Other	0.2	1.1
<b>Total interest and other, net</b>	<b>\$ 28.6</b>	<b>\$ 27.5</b>

**NOTE 12. INCOME TAXES**

<i>(in millions, except tax rate)</i>	Three months ended March 31,	
	2023	2022
Income before income taxes	\$ 123.8	\$ 92.9
Provision for income taxes	\$ 39.7	\$ 9.7
Effective tax rate	32.1 %	10.4 %

The effective tax rates were determined using a worldwide estimated annual effective tax rate and took discrete items into consideration. The primary differences between the effective tax rate and the 21% U.S. federal statutory rate for the three months ended March 31, 2023 were due to tax positions that do not meet the more likely than not standard and the inclusion of Global Intangible Low-Taxed Income. The primary difference between the effective tax rate and the 21% U.S. federal statutory rate for the three months ended March 31, 2022 was due to a discrete tax benefit for the release of a valuation allowance on certain foreign deferred tax assets resulting from changes to the Company's organizational structure.

**NOTE 13. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)**

The following tables show a summary of changes in accumulated other comprehensive income (loss), net of tax, by component for the three months ended March 31, 2023 and 2022 (in millions):

	Foreign Currency Translation	Interest Rate Swaps	Foreign Currency Derivative Contracts	Total
<b>Balance as of January 1, 2023</b>	\$ (15.6)	\$ 37.7	\$ (4.5)	\$ 17.6
Other comprehensive income (loss) before reclassifications	3.1	(4.0)	(2.0)	(2.9)
Amounts reclassified from accumulated other comprehensive income (loss)	—	(4.2)	2.4	(1.8)
<b>Balance as of March 31, 2023</b>	<u>\$ (12.5)</u>	<u>\$ 29.5</u>	<u>\$ (4.1)</u>	<u>\$ 12.9</u>

	Foreign Currency Translation	Interest Rate Swaps	Foreign Currency Derivative Contracts	Total
<b>Balance as of January 1, 2022</b>	\$ (1.9)	\$ 4.2	\$ 0.9	\$ 3.2
Other comprehensive income (loss) before reclassifications	(3.3)	17.7	0.3	14.7
Amounts reclassified from accumulated other comprehensive income (loss)	—	0.8	(0.1)	0.7
<b>Balance as of March 31, 2022</b>	<u>\$ (5.2)</u>	<u>\$ 22.7</u>	<u>\$ 1.1</u>	<u>\$ 18.6</u>

For the three months ended March 31, 2023 interest rate swaps and foreign currency derivative contracts were net of \$9.1 million of tax expense and \$0.8 million of tax benefit, respectively. For the three months ended March 31, 2022, interest rate swaps were net of \$5.5 million of tax expense.

Amounts reclassified from accumulated other comprehensive income for interest rate swaps and foreign currency derivative contracts were reclassified to interest expense and operating expenses, respectively, in the Company's consolidated statements of comprehensive income during the three months ended March 31, 2023 and 2022.

**NOTE 14. NET INCOME ATTRIBUTABLE TO COMMON STOCKHOLDERS**

The following table sets forth the computation of basic and diluted net income per share attributable to common stockholders (in millions, except per share data):

	Three months ended March 31,	
	2023	2022
<b>Numerator:</b>		
Net income	\$ 84.1	\$ 83.2
<b>Denominator:</b>		
Weighted-average shares used in computing net income per share attributable to common stockholders, basic	364.6	412.0
Stock-based compensation awards	0.5	0.5
Weighted-average shares used in computing net income per share attributable to common stockholders, diluted	365.1	412.5
Net income per share, basic	\$ 0.23	\$ 0.20
Net income per share, diluted	\$ 0.23	\$ 0.20

The Company uses the treasury stock method on a grant-by-grant basis as the method for determining the dilutive effect of options and RSUs. Under this method, it is assumed that the hypothetical proceeds received upon settlement are used to repurchase common shares at the average market price during the period. The following outstanding employee equity awards were excluded from the calculation of diluted net income per share because their effect would have been anti-dilutive for the periods presented (in millions):

	Three months ended March 31,	
	2023	2022
Stock options	3.2	17.3
RSUs	12.9	9.8
<b>Total</b>	<b>16.1</b>	<b>27.1</b>

In addition, 2.2 million PSUs were excluded from the calculation of diluted net income per share for the three months ended March 31, 2023 because the minimum performance measures were not yet met.

**NOTE 15. SUBSEQUENT EVENTS**

The Company performed a review for subsequent events through the date of these financial statements. No material items were noted for disclosure.

## **Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

### **Overview**

We are one of the world's leading developers of mobile games creating fun, innovative experiences that entertain and engage our users. We have built best-in-class live game operations services and a proprietary technology platform to support our portfolio of games which enable us to drive strong user engagement and monetization. Our games are free-to-play, and we are experts in providing novel, curated in-game content and offers to our users, at optimal points in their game journeys. Our players love our games because they are fun, creative, engaging, and kept fresh through a release of new features that are customized for different player segments. As a result, we have retained paying users over long periods of time.

### **Components of our Results of Operations**

#### ***Revenues***

We primarily derive revenue from the sale of virtual items associated with online games.

We distribute our games to the end customer through various web and mobile platforms, such as Apple, Facebook, Google and other web and mobile platforms plus our own direct-to-consumer platforms. Through these platforms, users can download our free-to-play games and can purchase virtual items to enhance their game-playing experience. Players can purchase virtual items through various widely accepted payment methods offered in the games. Payments from players for virtual items are non-refundable and relate to non-cancellable contracts that specify our obligations and cannot be redeemed for cash nor exchanged for anything other than virtual items within our games.

Our games are played on various third-party platforms for which the platform providers collect proceeds from our customers and pay us an amount after deducting platform fees. For purchases made through both the third-party and Direct-to-Consumer platforms, we are primarily responsible for fulfilling the virtual items, have the control over the content and functionality of games and have the discretion to establish the virtual items' prices. Therefore, we are the principal and, accordingly revenues are recorded on a gross basis. Payment processing fees paid to platform providers are recorded within cost of revenue.

#### ***Cost of revenue***

Cost of revenue includes payment processing fees, customer support, hosting fees and depreciation and amortization expenses associated with assets directly involved in the generation of revenues, including servers and internal use software. Platform providers (such as Apple, Facebook and Google) charge a transactional payment processing fee to accept payments from our players for the purchase of in-app virtual goods. Payment processing fees and other related expenses for in-app purchases made through our Direct-to-Consumer platforms are typically 3-4%, compared to a 30% platform fee for third party platforms. We generally expect cost of revenue to fluctuate proportionately with revenues.

#### ***Research and development***

Research and development consists of salaries, bonuses, benefits, other compensation, including stock-based compensation and allocated overhead, related to engineering, research, and development. In addition, research and development expenses include depreciation and amortization expenses associated with assets associated with our research and development efforts. We expect research and development expenses will increase in absolute dollars as our business expands and as we increase our personnel headcount to support the expected growth in our technical development and operating activities. We also expect that research and development expenses specifically associated with new game development will fluctuate over time.

#### ***Sales and marketing***

Sales and marketing consists of costs related to advertising and user acquisition, including costs related to salaries, bonuses, benefits, and other compensation, including stock-based compensation and allocated overhead. In addition, sales and marketing expenses include depreciation and amortization expenses associated with assets related to our sales and marketing



efforts. We plan to continue to invest in sales and marketing to retain and acquire users. However, sales and marketing expenses may fluctuate as a percentage of revenues depending on the timing and efficiency of our marketing efforts.

### ***General and administrative***

General and administrative expenses consist of salaries, bonuses, benefits, and other compensation, including stock-based compensation, for all our corporate support functional areas, including our senior leadership. In addition, general and administrative expenses include outsourced professional services such as consulting, legal and accounting services, taxes and dues, insurance premiums, and costs associated with maintaining our property and infrastructure. General and administrative expenses also include depreciation and amortization expenses associated with assets not directly attributable to any of the expense categories above. We also record adjustments to contingent consideration payable recorded after the acquisition date, and legal settlement expenses, as components of general and administrative expense. We expect general and administrative expenses will increase in absolute dollars to support our expected growth initiatives.

### ***Interest and other, net***

Our interest expense includes interest incurred under our December 2019 Credit Agreement and amortization of deferred financing costs, both of which are partially offset by interest income earned on cash and cash equivalents. We expect to continue to incur interest expense under our Credit Agreement, although such interest expense will fluctuate based upon the underlying variable interest rates. We entered into two interest rate swap agreements in March 2021 and another two in January 2023, each with a notional value of \$250 million, reducing our overall exposure to variable interest rates.

Interest income consists of interest earned on cash and cash equivalents.

### ***Provision for income taxes***

The provision for income taxes consists of current income taxes in the various jurisdictions where we are subject to taxation, primarily the United States, the United Kingdom, Israel, Germany, and Austria, as well as deferred income taxes reflecting the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Under current U.S. tax law, the federal statutory tax rate applicable to corporations is 21%. Our effective tax rate can fluctuate based on various factors, including our financial results and the geographic mix to which they relate, the applicability of special tax regimes, changes in our business or operations, examination-related developments and uncertain tax positions, and changes in tax law.

### ***Net Income***

We calculate net income as revenue minus cost of revenues, research and development, sales and marketing and general and administrative expenses, interest and taxes.

## **Consolidated Operating Results of Playtika Holding Corp**

We measure the performance of our business by using several key financial metrics, including revenue and operating income, and operating metrics, including Daily Active Users, Average Revenue per Daily Active User, Paying Users, and Average Revenue per Paying User. These operating metrics help our management to understand and measure the engagement levels of our players, the size of our audience and our reach. See “Basis of Presentation” and “Summary Consolidated Financial and Other Data” for additional information of these measures.

### ***Daily Active Users***

We define Daily Active Users, or DAUs, as 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. We believe that Daily Active Users is a useful metric to measure the scale and usage of our game platform.

#### *Daily Paying Users*

We define Daily Paying Users, or DPUs, as 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 DPUs. Average DPUs for a particular period is the average of the DPUs for each day during that period. We believe that Daily Paying Users is a useful metric to measure game monetization.

#### *Daily Payer Conversion*

We define Daily Payer Conversion as the total number of DPUs 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. We believe that Daily Payer Conversion is a useful metric to describe the monetization of our users.

#### *Average Revenue per Daily Active User*

We define Average Revenue per Daily Active User, or ARPDau, as (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. We believe that ARPDau is a useful metric to describe monetization.

#### *Monthly Active Users*

We define Monthly Active Users, or MAUs, as the number of individuals who played one of our games during a calendar month on a particular platform. Under this metric, an individual who plays two different games in the same calendar month is counted as two MAUs. Similarly, an individual who plays the same game on two different platforms (e.g., web and mobile) or on two different social networks during the same month would be counted as two MAUs. Average Monthly Active Users for a particular period is the average of the MAUs for each month during that period. We believe that Monthly Active Users is a useful metric to measure the scale and reach of our platform, but we base our business decisions primarily on daily performance metrics, which we believe more accurately reflect user engagement with our games.

## Results of Operations

The table below shows the results of our key financial and operating metrics for the periods indicated. Unless otherwise indicated, financial metrics are presented in millions of U.S. Dollars, user statistics are presented in millions of users, and ARPDAU is presented in U.S. Dollars.

<i>(in millions, except percentages, Average DPUs and ARPDAU)</i>	<b>Three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Revenues</b>	\$ 656.2	\$ 676.9
Total cost and expenses	503.8	556.5
<b>Operating income</b>	152.4	120.4
<b>Net income</b>	84.1	83.2
<b>Credit Adjusted EBITDA</b>	222.7	197.5
<b>Non-financial performance metrics</b>		
Average DAUs	9.1	10.1
Average DPUs (in thousands)	326	323
Average Daily Payer Conversion	3.6 %	3.2 %
ARPDAU	\$ 0.80	\$ 0.74
Average MAUs	30.2	31.7

### *Comparison of the three months ended March 31, 2023 versus the three months ended March 31, 2022*

<i>(in millions)</i>	<b>Three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>(Unaudited)</b>	
<b>Revenues</b>	\$ 656.2	\$ 676.9
Cost of revenue	\$ 185.7	\$ 186.9
Research and development	102.4	112.7
Sales and marketing	143.7	179.7
General and administrative	72.0	77.2
<b>Total costs and expenses</b>	\$ 503.8	\$ 556.5

### **Revenues**

Revenues for the three months ended March 31, 2023 decreased by \$20.7 million when compared with the same period of 2022. The net decrease in revenues is primarily derived from the combination of meaningful growth in select casual game titles which were more than offset by meaningful declines in other casual titles and certain of our slot-themed games. We continue to see favorable impacts on revenues in certain of our games from our ongoing improvements to monetization, new content and product features.

### ***Cost of revenue***

Cost of revenue for the three months ended March 31, 2023 decreased by \$1.2 million when compared with the same period of 2022. The favorable impacts of reduced platform fees associated with reduced revenues and associated with a higher percentage of our revenues being derived through our direct-to-consumer platforms were partially offset by increased hosting fees and an increase in amortization expense associated with recently capitalized software development costs.

### ***Research and development expenses***

Research and development expenses for the three months ended March 31, 2023 decreased by \$10.3 million when compared with the same period of 2022. Recent headcount reductions have reduced employee compensation costs, including decreased stock-based compensation expense.

### ***Sales and marketing expenses***

Sales and marketing expenses for the three months ended March 31, 2023 decreased by \$36.0 million when compared with the same period of 2022. The decrease in sales and marketing expenses was primarily due to decreased media buy expenses and fewer offline media campaigns and, to a lesser extent, due to recent headcount reductions.

### ***General and administrative expenses***

General and administrative expenses for the three months ended March 31, 2023 decreased by \$5.2 million when compared with the same period of 2022. Included in general and administrative expenses for the three months ended March 31, 2022, with no comparable amount for the three months ended March 31, 2023, is income recorded to decrease the liability for contingent consideration by \$23 million. Included in general and administrative expenses for the three months ended March 31, 2023 and 2022 are expenses incurred in connection with the Company's evaluation of strategic alternatives. Excluding these specific discrete items, general and administrative expenses would have decreased during the three months March 31, 2023 when compared with 2022, primarily as a result of decreased headcount and employee compensation costs, including stock based compensation costs.

### **Other Factors Affecting Net Income**

<i>(in millions)</i>	<b>Three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
		<b>(Unaudited)</b>
Interest expense	\$ 38.0	\$ 23.7
Interest income	(7.8)	(0.8)
Foreign currency exchange, net	(1.8)	3.5
Other	0.2	1.1
Provision for income taxes	39.7	9.7

### ***Interest***

Interest expense for the three months ended March 31, 2023 increased by \$14.3 million when compared with the same periods of 2022 as a result of higher average interest rates on our variable rate debt.

Interest income for the three months ended March 31, 2023 increased by \$7.0 million when compared with the same periods of 2022 as a result of higher average interest rates earned on our cash and cash equivalents.

### ***Provision for income taxes***

The effective income tax rate for the three months ended March 31, 2023 was 32.1% compared to 10.4% for the three months ended March 31, 2022. The effective tax rates were determined using a worldwide estimated annual effective tax rate and

took discrete items into consideration. The primary differences between the effective tax rate and the 21% U.S. federal statutory rate for the three months ended March 31, 2023 were due to tax positions that do not meet the more likely than not standard and the inclusion of Global Intangible Low-Taxed Income. The primary difference between the effective tax rate and the 21% U.S. federal statutory rate for the three months ended March 31, 2022 was due to a discrete tax benefit for the release of a valuation allowance on certain foreign deferred tax assets resulting from changes to our organizational structure.

### ***Net income***

Upon aggregating all of the components of our results of operations above, net income for the three months ended March 31, 2023 increased by \$0.9 million, respectively, when compared with the same periods of 2022.

### **Reconciliation of Credit Adjusted EBITDA to Net Income**

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) stock-based compensation, (vi) contingent consideration, (vii) acquisition and related expenses, and (viii) 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.

<i>(in millions)</i>	<b>Three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Net income</b>	\$ 84.1	\$ 83.2
Provision for income taxes	39.7	9.7
Interest expense and other, net	28.6	27.5
Depreciation and amortization	39.1	39.5
<b>EBITDA</b>	191.5	159.9
Stock-based compensation <sup>(1)</sup>	29.2	39.8
Contingent consideration	—	(23.0)
Acquisition and related expenses <sup>(2)</sup>	1.2	9.0
Other items <sup>(3)</sup>	0.8	11.8
<b>Credit Adjusted EBITDA</b>	\$ 222.7	\$ 197.5
<b>Net income margin</b>	12.8 %	12.3 %
<b>Credit Adjusted EBITDA margin</b>	33.9 %	29.2 %

<sup>(1)</sup> Reflects, for the three months ended March 31, 2023 and 2022, stock-based compensation expense related to the issuance of equity awards to certain of our employees.

<sup>(2)</sup> Amounts for the three months ended March 31, 2023 and 2022 primarily relate to expenses incurred by the Company in connection with the evaluation of strategic alternatives for the Company.

<sup>(3)</sup> Amounts for the three months ended March 31, 2023 consist primarily of \$0.6 million incurred by the Company for severance. Amounts for the three months ended March 31, 2022 consist of \$8.8 million incurred by the Company

severance and \$3.0 million incurred by the Company for relocation and support provided to employees due to the war in Ukraine.

## **Liquidity and Capital Resources**

### ***Capital spending***

We incur capital expenditures in the normal course of business and perform ongoing enhancements and updates to our social and mobile games to maintain our quality standards. Cash used for capital expenditures in the normal course of business is typically made available from cash flows generated by operating activities. We may also pursue acquisition opportunities for additional businesses or social or mobile games that meet our strategic and return on investment criteria. Capital needs are evaluated on an individual opportunity basis and may require significant capital commitments.

### ***Liquidity***

Our primary sources of liquidity are the cash flows generated from our operations, currently available unrestricted cash and cash equivalents, and borrowings under our Credit Facility and Revolver. Our cash and cash equivalents totaled \$767.2 million and \$768.7 million at March 31, 2023 and December 31, 2022, respectively. As of both March 31, 2023 and December 31, 2022, we had \$600 million in additional borrowing capacity pursuant to our Revolving Credit Facility. Payments of short-term debt obligations and other commitments are expected to be made from cash on the balance sheet and operating cash flows. Long-term obligations are expected to be paid through operating cash flows, or, if necessary, borrowings under our Revolving Credit Facility or, if necessary, additional term loans or issuances of equity.

Our ability to fund our operations, pay our debt obligations and fund planned capital expenditures depends, in part, upon economic and other factors that are beyond our control, and disruptions in capital markets could impact our ability to secure additional funds through financing activities. We believe that our cash and cash equivalents balance and borrowing capacity under our Revolving Credit Facility and our cash flows from operations will be sufficient to meet our normal operating requirements during the next 12 months and the foreseeable future and to fund capital expenditures.

### ***Cash flows***

The following tables present a summary of our cash flows for the periods indicated (in millions):

	<b>Three months ended March 31,</b>	
	<b>2023</b>	<b>2022</b>
Net cash flows provided by operating activities	\$ 20.5	\$ 58.1
Net cash flows used in investing activities	(15.4)	(180.3)
Net cash flows used in financing activities	(6.1)	(6.2)
Effect of foreign exchange rate changes on cash and cash equivalents	(0.4)	(2.8)
Net change in cash, cash equivalents and restricted cash	\$ (1.4)	\$ (131.2)

### ***Operating activities***

Net cash flows provided by operating activities for the three months ended March 31, 2023 was \$20.5 million compared with cash flows provided by operating activities of \$58.1 million for the same period of 2022. Net cash flows provided by operating activities for each period primarily consisted of net income generated during the period, exclusive of non-cash expenses such as depreciation, amortization, stock-based compensation and changes in the fair value of contingent

consideration payable, with changes in working capital impacted by the payment of annual and incentive bonuses and payment of long-term cash compensation during the first quarter and other normal working-capital timing differences.

### ***Investing activities***

Net cash flow used in investing activities for the three months ended March 31, 2023 was \$15.4 million when compared with \$180.3 million for the same period of 2022. Cash flows used in investing activities generally includes outflows related to the purchase and capitalization of assets.

### ***Financing activities***

Net cash flows used in financing activities for the three months ended March 31, 2023 was \$6.1 million, compared to cash flows provided by financing activities of \$6.2 million for the same period of 2022. Financing activity cash flows for the three months ended March 31, 2023 and 2022 primarily relate to repayments on our bank borrowings.

### ***Capital resources***

On December 10, 2019, we entered into \$2,750 million of senior secured credit facilities (the "Credit Facilities"), consisting of a \$250 million revolving credit facility (the "Revolving Credit Facility"), and a \$2,500 million first lien term loan (the "Old Term Loan"). The Credit Facilities were provided pursuant to the Credit Agreement, dated as of December 10, 2019, by and among Playtika, the lenders party thereto, and Credit Suisse, AG, Cayman Islands Branch, as administrative agent (in such capacity, the "Administrative Agent") and collateral agent (in such capacity, the "Collateral Agent"). Proceeds borrowed under the Credit Facilities on the closing date were used to pay off the outstanding balance on our prior debt facility. On June 15, 2020, we increased the capacity of the Revolving Credit Facility to \$350 million. On January 15, 2021, we increased the borrowing capacity of the Revolving Credit Facility from \$350 million to \$550 million.

On March 11, 2021, the Credit Agreement was amended pursuant to an Incremental Assumption Agreement No. 3 and Second Amendment to Credit Agreement (the "Second Amendment").

The Second Amendment, among other things, effected a refinancing of Old Term Loan with a new \$1.9 billion senior secured first lien term loan borrowed under the Credit Agreement (the "New Term Loan"), increased the Revolving Credit Facility to \$600 million and extended the maturity of the Revolving Credit Facility to March 11, 2026. The New Term Loan matures on March 11, 2028 and requires scheduled quarterly principal payments in amounts equal to 0.25% of the original aggregate principal amount of the New Term Loan, with the balance due at maturity.

Also on March 11, 2021, we issued \$600.0 million aggregate principal amount of our 4.250% senior notes due 2029 (the "Notes"). The Notes mature on March 15, 2029. Interest on the Notes will accrue at a rate of 4.250% per annum. Interest on the Notes is payable semi-annually in cash in arrears on March 15 and September 15 of each year, commencing on September 15, 2021.

Significant terms of the Credit Facilities, the New Term Loan and the Notes, including balances outstanding, interest and fees, mandatory and voluntary prepayment requirements, collateral and guarantors and restrictive covenants are detailed in *Note 12, Debt*, to the accompanying consolidated financial statements and in our Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC") on February 28, 2023.

### **Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

We are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate risk, investment risk, and foreign currency risk as follows:

### ***Interest rate risk***

Our exposures to market risk for changes in interest rates relate primarily to our Term Loan and our Revolving Credit Facility. The Term Loan and our Revolving Credit Facility are floating rate facilities. Therefore, fluctuations in interest rates will impact the amount of interest expense we incur and have to pay.

In March 2021, we entered into two interest rate swap agreements, each with a notional value of \$250 million. Each of these swap agreements is with a different financial institution as the counterparty to reduce our counterparty risk. Each swap requires us to pay a fixed interest rate of 0.9275% in exchange for receiving one-month LIBOR. The interest rate swap agreements settle monthly commencing in April 2021 through their termination dates on April 30, 2026.

In January 2023, we entered into two interest rate swap agreements, each with a notional value of \$250 million. Each of these swap agreements is with a different financial institution, and each swap requires us to pay a fixed interest rate of 3.435% in exchange for receiving one-month LIBOR for six months and one-month Term SOFR afterwards. The interest rate swap agreements settle monthly commencing in February 2023 through their termination dates on February 28, 2028. The estimated fair value of the our interest rate swap agreements is derived from a discounted cash flow analysis.

We had borrowings outstanding under our Term Loan with book values of \$1,827.9 million and \$1,831.2 million at March 31, 2023 and December 31, 2022, respectively, which were subject to a weighted average interest rate of 7.28% and 4.44% for the three months ended March 31, 2023 and the year ended December 31, 2022, respectively. There were no borrowings against our Revolving Credit Facility at March 31, 2023 or December 31, 2022.

A hypothetical 100 basis point increase or decrease in weighted average interest rates under our Term Loan and Revolving Credit Facility would have increased or decreased our interest expense by \$8.6 million over a twelve-month period, prior to consideration of the impact the hypothetical basis point change would have had on our interest rate swap agreements.

The fair value of our Credit Facilities will generally fluctuate with movements of interest rates, increasing in periods of declining rates of interest and declining in periods of increasing rates of interest. We are unable to estimate the impact on the fair value of our debt of a hypothetical 100 basis point increase or decrease in weighted average interest rates.

### ***Investment risk***

We had cash and cash equivalents including restricted cash totaling \$769.0 million and \$770.4 million as of March 31, 2023 and December 31, 2022, respectively. Our investment policy and strategy primarily attempts to preserve capital and meet liquidity requirements without significantly increasing risk. Our cash and cash equivalents primarily consist of commercial papers, bank deposits and money market funds. We do not enter into investments for trading or speculative purposes. Changes in rates would primarily impact interest income due to the relatively short-term nature of our investments. Due to the short-term nature of these instruments, a hypothetical 100 bps increase in interest rates would not have a material impact on their fair value as of December 31, 2022.

### ***Foreign currency risk***

Our functional currency is the U.S. Dollar and our revenues and expenses are primarily denominated in U.S. Dollars. However, a significant portion of our headcount related expenses, consisting principally of salaries and related personnel expenses as well as leases and certain other operating expenses, are denominated in Israeli Shekels ("ILS"). We also have foreign currency risks related to our revenues and operating expenses denominated in currencies other than the U.S. Dollar, including the Australian Dollar, British Pound, Euro, Polish Zloty ("PLN") and Romanian Leu ("RON"). Accordingly, changes in exchange rates in the future may negatively affect our future revenues and other operating results as expressed in U.S. Dollars. Our foreign currency risk is partially mitigated as our revenues recognized in currencies other than the U.S. Dollar is diversified across geographic regions and we incur expenses in the same currencies in these regions.

We have experienced and will continue to experience fluctuations in our net income as a result of transaction gains or losses related to remeasurement of our asset and liability balances that are denominated in currencies other than the functional currency of the entities in which they are recorded.



As of March 31, 2023, we had outstanding derivative contracts to purchase certain foreign currencies, including ILS, RON, and PLN at future dates. The notional value of amounts hedged was approximately \$175.4 million, and all contracts are expected to mature during the upcoming 12 months.

#### **Item 4. CONTROLS AND PROCEDURES**

We maintain disclosure controls and procedures designed to provide reasonable assurance of achieving the objective that information in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified and pursuant to the requirements of the SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow for timely decisions regarding required disclosures. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

As required by SEC Rule 13a-15(b), we carried out an evaluation, with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as of March 31, 2023, the end of the period covered by this Quarterly Report on Form 10-Q. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of March 31, 2023.

For the quarter ended March 31, 2023, one of the Company's larger subsidiaries went live on a new platform within to manage the approval of purchase transactions and associated payments of invoices. This new software is expected to be rolled-out to other subsidiaries over the remainder of 2023. Other than this new software platform, there were no changes in internal control that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**Part II. OTHER INFORMATION**

**Item 1. LEGAL PROCEEDINGS**

For a description of our legal proceedings, see *Note 7, Commitments and Contingencies*, included in Part I. Item I of this quarterly report on Form 10-Q.

**Item 1A. RISK FACTORS**

In addition to the other information set forth in this report, you should carefully consider the factors discussed in Part I, Item 1A, “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2022, which factors could materially affect our business, financial condition, liquidity or future results. There have been no material changes to the risk factors described in the “Risk Factors” section in our Annual Report on Form 10-K for the year ended December 31, 2022. The risks described in our Annual Report on Form 10-K are not the only risks facing our company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition, liquidity, results of operations, prospects or stock price.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.**

None.

**Item 3. Defaults Upon Senior Securities**

None.

**Item 4. Mine Safety Disclosures**

None.

**Item 5. Other Information**

None.

**Item 6. EXHIBITS**

<b>Exhibit Number</b>	<b>Exhibit Description</b>	<b>Filed or Furnished Herewith</b>
10.1#	Employment Agreement, dated as of November 30, 2022, by and between Playtika Ltd. and Gili Brudno	X
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	
32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	
32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the inline XBRL document	
101.SCH	Inline XBRL Taxonomy Extension Schema Document	
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	
101.DEF	Inline XBRL Taxonomy Extension Calculation Definition Document	
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)	

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# Indicates management contract or compensatory plan.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Quarterly Report on Form 10-Q to be signed on its behalf by the undersigned thereunto duly authorized.

PLAYTIKA HOLDING CORP.  
*Registrant*

By: /s/ Robert Antokol  
Robert Antokol  
Chief Executive Officer and Chairperson of the Board

By: /s/ Craig Abrahams  
Craig Abrahams  
President and Chief Financial Officer

Dated as of May 4, 2023



## Exhibit 10.1

### EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the “**Agreement**”) is made and entered into this November 30, 2022, by and between **Playtika Ltd.** registration number , whose principal place of business is located at 8 Hachoshlim St., Herzliya, Israel (the “**Company**”), and **Gili Brudno** (I.D. No. ), an individual residing at (the “**Employee**”).

**WHEREAS**, the Company wishes to employ the Employee, and the Employee agrees to be employed by the Company, as of the Commencement Date of Employment and throughout the Term (as such terms are defined hereunder); and

**WHEREAS**, the parties wish to regulate their relationship in accordance with the terms and conditions set forth in this Agreement.

**NOW, THEREFORE**, in consideration of the mutual promises, covenants and undertakings contained herein, the parties hereto agree as follows:

#### 1. **Employment; Position**

- 1.1. The Company desires to employ the Employee and the Employee desires to be employed by the Company, as of March 5, 2023 (the “**Commencement Date of Employment**”) and until this Agreement shall be terminated in accordance with the provisions of Section 6 below (the “**Term**”).
- 1.2. The Employee shall be employed, on a full-time basis, in the position of Chief HR Officer (CHRO) (the “**Position**”). The Employee shall have the authority, functions, duties and responsibilities, as may be stipulated from time to time by Shlomi Aizenberg, Chief Operating Officer of the Company and/or any other person of similar seniority designated from time to time by the Company (the “**Direct Supervisor**”) and shall report thereto.
- 1.3. The Employee shall perform her duties and obligations hereunder from the Company’s offices or from any other place as shall be instructed, from time to time, by the Direct Supervisor.
- 1.4. A regular working week is of 5 days a week – Sunday to Thursday, and as additionally or otherwise required by the Position. Saturday (Shabbat) shall be the Employee's recognized and official rest day.
- 1.5. The parties agree that the Position of the Employee is one of management and/or a Position that requires a special degree of personal trust, as defined under the Hours of Work and Rest Law, 1951 (the “**Hours of Work and Rest Law**”) and accordingly, the provisions of this law and any other law amending or replacing such law shall not apply to the Employee. The Employee acknowledges the legitimacy of the Company’s requirement to work “overtime” or during “weekly rest-hours” without being entitled to “overtime compensation” or “weekly rest-hour compensation” (as these terms are defined in the



Hours of Work and Rest Law) and undertakes to reasonably comply with such requirements of the Company. The Employee acknowledges that the consideration set for her hereunder nevertheless includes within it a consideration that would otherwise have been due to her pursuant to such law.

## 2. **Duties, Obligations and Consents**

2.1. The Employee affirms and undertakes, as follows:

- 2.1.1. The Employee shall devote the Employee's entire working time, know-how, energy, expertise, talent, experience and best efforts to the business and affairs of the Company and to the performance of the Employee's duties with the Company.
- 2.1.2. The Employee shall perform and discharge well and faithfully, with devotion, honesty and fidelity, all of the Employee's obligations derived from Employee's Position and from this Agreement.
- 2.1.3. The Employee shall comply with all the Company's disciplinary regulations, work rules, policies, procedures and objectives, as may be determined by the Company from time to time.
- 2.1.4. The Employee shall travel abroad from time to time if and as may be required by the Company to fulfill the Position.
- 2.1.5. The Employee shall refrain from being involved in, directly or indirectly, and shall inform the Direct Supervisor, immediately and without delay, of any affairs and/or matters that might constitute a conflict of interest with Employee's Position and/or employment with the Company.
- 2.1.6. The Employee shall not assume, directly or indirectly, whether with or without consideration, any employment obligations unrelated to the Company and shall not be retained as a consultant or advisor or contractor (whether or not compensated therefor) to any other business other than with the prior written approval of the Company and in accordance with the terms of such approval.
- 2.1.7. The Employee shall use the resources that the Company has put at Employee's disposal (including sensitive data and information) exclusively for the purpose of performing her duties, according to the Company's applicable policies and the scope of Employee's Position, unless agreed otherwise explicitly and in writing.
- 2.1.8. The Employee shall not use the Company email account (including by smartphone) for any private or personal communications. For personal purposes, Employee shall be entitled to use external email services (such as Gmail). The Employee may be entitled to make reasonable personal use of the Company's Computers, provided that she will not store personal material on



the Company's Computers (except on folders clearly labelled as "Personal") and shall not store company documents on personal storage space.

- 2.1.9. The Employee consents, of her own free will and although not required to do so under law, the data related to the Employee and the Employee's terms of employment at the Company, as shall be received and held and managed by the Company or on its behalf, inter alia, on databases according to law, and that the Company shall be entitled to transfer such information to third parties, in Israel or abroad (including to countries which have a different level of data protection than that existing in Israel), subject to relevant rules set under the law and in accordance with Company's policy. The Company undertakes that the information will be used and transferred for legitimate business purposes only. Without derogating from the generality of the above, such purposes may include human resources management and assessment of potential transactions, to the extent required while maintaining the Employee's right to privacy.
- 2.1.10. The Employee undertakes to carefully read and to comply with the Company's "Acceptable Device Use Policy" and "Staff Privacy Notice", published on the Company's internal portal and attached hereto as **Exhibit C**.

2.2. The Employee represents and warrants to the Company as follows:

- 2.2.1. The Employee is free to be employed by the Company pursuant to the terms contained in this Agreement and there are no contracts, impediments and/or restrictive covenants preventing full performance of the Employee's duties and obligations hereunder.
- 2.2.2. The Employee has the requisite qualifications, experience and knowledge to perform the Employee's obligations under this Agreement.
- 2.2.3. The Employee is not involved, directly or indirectly, in any business and/or affairs and/or matters that constitute or may constitute a conflict of interests with Employee's employment with the Company under this Agreement.
- 2.2.4. The execution and delivery of this Agreement and the fulfillment of the terms hereof: (i) will not constitute a default under or breach of any agreement or other instrument to which she is a party or by which she is bound, including without limitation, any confidentiality or non-competition agreement, (ii) do not require the consent of any person or entity, and (iii) shall not utilize during the term of Employee's employment any proprietary information of any third party, including prior employers of the Employee.



### 3. Compensation

- 3.1. Subject to and in pursuance of the Employee's fulfillment of Employee's obligations under this Agreement, the Company shall pay Employee a monthly gross salary of NIS 90,000 (the "**Salary**").
- 3.2. Without derogating from the above said in Section 1.5 of the Agreement, it is hereby clarified that the Salary is calculated based on two separate components as follows: (1) a gross monthly base salary of NIS 72,000 (the "**Basic Salary**"); (2) a gross monthly global compensation of NIS 18,000 (the "**Global Compensation**"), as payment for working up to 64 overtime hours per month. The Global Compensation has been determined according to an estimation of the scope of work which the Employee shall be required to perform.
- 3.3. The Global Compensation shall be paid to Employee on a monthly basis, whether or not the Employee has actually performed work during overtime hours at any specific month. It is hereby agreed and acknowledged that the Global Compensation shall constitute the full consideration to which the Employee shall be entitled for the Employee's work overtime hours. The Employee shall not be entitled to any additional payment and/or other compensation, other than the Global Compensation, for any work performed during overtime hours.
- 3.4. If the quota of regular hours of work/additional hours per any given month had not been required or worked in practice, the global Compensation made for the same month shall become advance payment on the reward for additional hours the Employee shall work in the future.
- 3.5. Notwithstanding the above, the Employee will report the Company the actual hours of work.
- 3.6. The Basic Salary together with the Global Compensation (collectively, the "**Salary**") shall be payable by no later than the ninth (9th) day of the consecutive calendar month following the calendar month of employment to which the payment relates.
- 3.7. Israeli income tax and other applicable withholdings with respect to the Salary shall be deducted from the Salary by the Company at source.
- 3.8. Unless otherwise specifically set forth herein, the Salary shall serve as the basis for deductions and contributions to the Pension Arrangement (as defined hereinafter) and for the calculation of all social benefits to which Employee is entitled hereunder.
- 3.9. An amount equal to 10% of the Salary shall be considered as a special compensation for the obligations not to compete with the Company, as set forth in **Exhibit B**. For clarification purposes such special consideration is already embedded in the Salary.
- 3.10. The Employee will be eligible to participate in the Company's discretionary management bonus plan. The Employee will have an annual bonus target of up to 12 salaries, depending on the Employees individual performance and on the extent which the Company achieves





its business objectives. The award itself and/or its amount under this plan are discretionary and left to the sole judgment of the Company. To receive payment of this bonus, the Employee must be employed by the Company at the time of payment of such bonus. It is clarified that the bonus, if and when paid, shall not constitute a salary component for any purpose, including without limitation, for the purpose of social benefits, including severance pay.

- 3.11. Signing Bonus. In addition to the Salary, upon signing this Agreement, the Employee shall be entitled to a onetime signing bonus in the gross amount of NIS 360,000 (the “**Signing Bonus**”) to be paid together with the first salary payment. For avoidance of doubt, the Signing Bonus shall not constitute as part of the Salary for any purpose, including without limitation, for the purpose of social benefits, including severance pay.

In the event of termination of Employee’s employment under this Agreement and such termination shall be deemed as Termination for Cause (as defined in Section 6.5 below) or if Employee terminates employment without Good Reason (as defined below), the Employee shall be obligated to reimburse the Signing Bonus to the Company in the following manner:

- 3.11.1. Full reimbursement of the Signing Bonus paid to the Employee in case termination occurs within six (6) months as of the Commencement Date of Employment, or
- 3.11.2. Fifty percent (50%) reimbursement of the Signing Bonus (i.e., NIS 180,000) in case termination occurs following completion of six (6) months of employment and until the completion of twelve (12) months of employment.
- 3.11.3. After the completion of twelve (12) months of employment, the Employee shall not be obligated to reimburse the Signing Bonus pursuant to this Section 3.11.

The Employee shall be obligated to pay the Company the Signing Bonus in immediately available funds, not later than thirty (30) days following Employee’s last day of work in the Company.

For the purpose of this Agreement, the term “Good Reason” shall mean the occurrence of any of the following circumstances, without limitation, unless such circumstances are fully corrected prior to the date of termination specified in the written notice given by the Employee notifying the Company of her intention to terminate the employment for Good Reason: (i) a reduction by the Company of Employee’s Salary, other than a reduction in Salary that applies to similarly situation class of employees of the Company or its affiliates; (ii) the failure by the Company to pay or provide the Employee any material portion of her then current Salary or then current benefits hereunder; other than any such failure that results from modification to any compensation arrangement or benefit plan that is generally



applicable to similarly situated class of employees of the Company or its affiliates; (iii) a material diminution in the Employee's duties, responsibility or authority or (iv) relocation of the principal place of business for the Company, or the requirement that Employee's primary work location is more than 60 kilometers from the Company's current headquarters in Herzliya, Israel.

#### 4. Social and Fringe Benefits

##### 4.1. Pension Arrangement

4.1.1. The Employee shall be entitled to contributions to a pension arrangement of her choice (the "**Pension Arrangement**") at the following monthly rates:

4.1.1.1. The Company shall contribute an aggregate monthly amount equal to 14.83% of the Salary as follows:

- (i) 8.33% of the Salary towards severance pay component; and
- (ii) 6.5% of the Salary towards compensatory payments component ("tagmulim"). In case the Employee is insured in a manager insurance policy or a provident fund (which is not a pension fund), the said rate shall include the rate of contributions towards the disability insurance, ensuring loss of earning payment of 75% of the Salary but no less than 5% towards the compensatory payments component, all subject to the terms of the Extension Order regarding the Increase of Pension Contributions - 2016 (the "**Pension Order 2016**"). In accordance with the terms of the Pension Order 2016, if the said rate shall not be sufficient to insure the Employee in disability insurance, the total rate of contributions shall not, in any case, exceed 7.5% of the Salary.

4.1.1.2. Employee shall contribute, and for that purpose Employee hereby irrevocably authorizes and instructs the Company to deduct from the Employee's Salary at source, an aggregate monthly amount equal to 6% of the Salary to be paid on the Employee's account to the Pension Arrangement.

4.1.2. The contributions rates under this Section 4.1 shall be updated and amended in accordance with the law and any relevant Extension Order.

4.1.3. The Company and Employee respectively declare and covenant that as evidenced by their respective signatures, they hereby agree and undertake to apply and be bound by the general settlement regulated in the General Order as amended (attached hereto as **Exhibit A**) published under section 14 of the Severance Pay Law 1963. The Company's contributions to the Employee's Pension Arrangement will therefore constitute the Employee's entire



entitlement to severance pay in respect of the paid Salary, in place of any severance pay to which the Employee otherwise may have become entitled at law.

4.1.4. Reserved.

4.1.5. The Company hereby forfeits any right it may have in the reimbursement of sums paid by Company into the above mentioned Pension Arrangement, except in the event of: (i) the Employee withdrawing such sums from the Pension Insurance Policy, other than in the event of death, disability or retirement at, or after, the age of 60; and (ii) in the occurrence of any of the events provided for in Section 16 and 17 of the Severance Payment Law, 1963.

- 4.2. Advanced Study Fund. The Company shall make monthly Advanced Study Fund contributions as follows: 7.5% of the Salary paid by the Company on its account and 2.5% of the Salary to be deducted by the Company from such Salary to be paid on the employee's account, in each case up to the ceiling recognized by the income tax authorities from time to time, but not otherwise. The Employee shall bear any and all taxes applicable in connection with amounts payable by Employee and/or Company to the Advanced Study Fund.
- 4.3. Vacation. Employee shall be entitled to an annual leave of 30 working days per year. Each leave shall be coordinated with the Direct Supervisor with adequate regard to the needs of the Company. The Employee shall be entitled to cumulative paid vacations according to the applicable laws. Any leave days remaining unexploited at the end of any 12-month period of employment may be accrued for use during the next succeeding 12-month periods of Employee's employment thereafter, up to an aggregate of Employee's annual leave quota for two consecutive 12-month periods (but only if and to the extent permitted by applicable law). Prior to the expiration of a two-year period, the Company may, in its sole discretion, require the Employee to exploit any unexploited leave days exceeding such quota. Any amounts exceeding such limit, shall be cancelled by the Company and, for the avoidance of doubt, shall not be paid out on termination.
- 4.4. Sick Leave. Employee shall be entitled to sick leave in accordance with applicable laws and regulations as in effect from time to time. Despite the above, the Employee shall be entitled to sick leave payment from the first day of absence, subject to Company's policy as may be from time to time.
- 4.5. Recreation Pay. Employee shall be entitled to annual recreation pay in accordance with applicable law.
- 4.6. Mobile Device. The Employee shall be entitled to receive a mobile device according to the Company's Israel Mobile Device Policy, as shall be in effect from time to time.



- 4.7. **Equipment.** The Company may, from time to time, provide the Employee with other equipment (the “**Equipment**”) for the Employee’s use in the course of performing the Employee’s obligations pursuant to the Position, provided that the Company’s procedures in respect thereof are followed. Employee shall bear and pay all (if any) taxes applicable to her in connection with any such Equipment provided. The Employee shall return any such Equipment to the Company’s principal office immediately following the cessation of the Employee’s employment hereunder, and the Employee shall not have any rights of lien, delay or set-off with respect to the Equipment.
- 4.8. **Transportation Expenses.** In addition to the Salary, the Company shall pay the Employee a monthly reimbursement of transportation expenses from Employee’s home to her work and back, in accordance with applicable laws and regulations as in effect from time to time.
- 4.9. **Expenses Reimbursement.** The Company shall reimburse Employee for any out-of-pocket expenses from time to time properly incurred by Employee in direct connection with her employment by the Company (including parking expenses), provided, however, that such expenses have been approved in writing and in advance by the Company. As a condition to such reimbursement, Employee shall provide the Company with the original invoices, receipts and other evidence of expenditures.
- 4.10. **Equity Awards.** The Company will grant the Employee, subject to the approval of the Board of Directors of Playtika Holding Corp. (PHC), 269,000 Restricted Stock Units (RSUs), pursuant to the terms of the award agreement and the Playtika Holding Corp. 2020 Incentive Award Plan. The RSUs, subject to the approval of the Board of Directors of PHC, will vest 25% one year after the date of grant, and then quarterly thereafter, with the grant fully vested 4 years after the date of grant.

## 5. **Confidentiality, Inventions, Non-Competition and Non-Solicitation Agreement**

The Employee shall execute the Confidentiality, Inventions, Non-Competition and Non-Solicitation Agreement in the form attached hereto as **Exhibit B**.

## 6. **Termination of Employment**

- 6.1. Either party may, at any time during the Term, provide the other party hereto with at least ninety (90) days of a prior written notice (the “**Termination Notice**” and the “**Notice Period**” accordingly). The Termination Notice must be in writing and shall set forth both the date on which said notice is being furnished and the date on which the Termination Notice shall be effective. Notwithstanding the above, the Company shall be entitled to consider the Employee's clear and unequivocal oral notice of resignation as binding, in the absence of a written notice.
- 6.2. During the Notice Period, the Employee shall be obligated to continue to discharge and perform all of Employee’s duties and obligations with the Company and to take all steps, satisfactory to the Company, to ensure the orderly transition to any persons designated by



the Company of all matters handled by Employee during the course of Employee's employment with the Company.

- 6.3. Notwithstanding Section 6.2. above, the Company may, in its sole discretion: (i) waive any and/or all of Employee's services with the Company during the Notice Period or any part thereof or; (ii) terminate the employer-employee relationship prior to the completion of the Notice Period; provided that in any such event, the Company shall pay Employee for the aforesaid Notice Period or any part thereof, a sum equal to the Salary and all other benefits.
- 6.4. In the event that the Employee is terminated by the Company for any reason other than a Termination for Cause (as defined below), or the Employee terminates employment with the Company for Good Reason, Employee shall be entitled to a termination grant and be paid 3 monthly salaries in a lump sum payment together with the final settlement of accounts.
- 6.5. Notwithstanding the provisions of Sections 6.2 and 6.3 above, the Company, by furnishing a notice to Employee, shall be entitled to terminate Employee's employment with the Company with immediate effect in the event that said termination is Termination for Cause (as defined below). In the event of such Termination for Cause, then without derogating from the rights of the Company under this Agreement and/or any applicable law, the Employee shall not be entitled to any of the consideration specified in Section 6.1 above and any and all options granted to the Employee (if any), whether or not such options are vested, shall immediately expire.

The term "**Termination for Cause**" shall mean termination of Employee's employment with Company as a result of the occurrence of any one of the following: (i) Employee has been convicted of a criminal offense which affects her ability to perform her Position;; (ii) Employee is in breach of Employee's duties of trust or loyalty to the Company; (iii) any material breach of this Agreement which has not been cured by Employee within fifteen (15) days after her receipt of notice from the Company containing a description of such breach, (iv) Employee deliberately causes harm to the Company's business affairs; (v) Employee breaches any of the provisions of the Non-compete Agreement (Exhibit B); and/or (vi) circumstances that constitute "cause" or do not entitle Employee to severance payments under any applicable law and/or any judicial decision of a competent tribunal.

- 6.6. Without derogating from the Company's rights pursuant to any applicable law, in the event that Employee shall terminate Employee's employment with the Company with immediate effect or upon shorter notice than the Notice Period, the Company shall have the right to offset the amount of the compensatory payment to which Employee would otherwise have been entitled under the Prior Notice Law or any part thereof, as the case may be, from any other payments payable to Employee.



6.7. Upon termination of Employee's employment with the Company, and as a condition to the fulfillment of Company's obligations, if any, towards Employee at such time, Employee affirms and undertakes to transfer Employee's Position to its replacement, as shall be determined by Company, in an efficient, complete, appropriate and orderly manner, and to fulfill Employee's obligations under this Agreement.

6.8. Upon termination of this Agreement or at such other time as directed by the Company, the Employee shall immediately return to the Company each and every asset (including documents and information) in her possession or control which belongs, or has been entrusted, to the Company.

Furthermore, upon termination of this Agreement, or at such other time as directed by the Company, the Employee shall provide the Company with a list of all passwords, write-protect codes and similar access codes used in the context of her work.

**7. General Provisions**

7.1. All of the payments and benefits provided to the Employee under this Agreement are gross amounts and shall be subject to the withholding of all applicable taxes and deductions required by any applicable law.

7.2. Employee shall not be entitled to any additional bonus, payment or other compensation in connection with Employee's employment with the Company, other than as provided herein.

7.3. The Company shall be entitled to assign or transfer any right, claim or obligation provided herein.

7.4. Employee may not assign or transfer any right, claim or obligation provided herein.

7.5. The Company shall be entitled to set-off from any and/or all payments to which Employee shall be entitled thereof, any and/or all amounts to which the Company shall be entitled from Employee at such time; and for that purpose Employee hereby irrevocably authorizes and instructs the Company to offset from any amounts which may be due or owing to Employee from the Company, all amounts to which the Company shall be entitled from Employee at any time.

7.6. The Company's failure or delay in enforcing any of the provisions of this Agreement shall not, in any way, be construed as a waiver of any such provisions, or prevent the Company thereafter from enforcing each and every other provision of this Agreement, including those which were previously not enforced.

7.7. This Agreement shall not be amended, modified or varied by any oral agreement or representation other than by a written instrument executed by both parties.



- 7.8. This Agreement shall be interpreted and construed in accordance with the laws of the State of Israel. The parties submit to the exclusive jurisdiction of the competent courts of the city of Tel Aviv in any dispute related to this Agreement.
- 7.9. This Agreement including all exhibits attached thereto constitute the entire agreement of the parties hereto with respect to the subject matters hereof and supersede all prior agreements and understandings between the parties with respect thereto. Captions and paragraph headings used in this Agreement are for convenience purposes only and shall not be used for the interpretation thereof.
- 7.10. Notices given hereunder shall be in writing and shall be deemed to have been duly given on the date of personal delivery, on the date of postmark if mailed by certified or registered mail, or on the date sent by facsimile upon transmission and electronic confirmation of receipt or (if transmitted and received on a non-business day) on the first business day following transmission and electronic confirmation of receipt, addressed as set forth above or such other address as either party may designate to the other in accordance with the aforesaid procedure.
- 7.11. The parties agree that this Agreement constitutes, among other things, notification in accordance with the Notice to Employee and Job Candidate Law (Terms of Employment and Candidate Screening and Selection), 2002.



*THE EMPLOYEE ACKNOWLEDGES THAT SHE IS FAMILIAR WITH AND UNDERSTANDS THE ENGLISH LANGUAGE AND DOES NOT REQUIRE TRANSLATION OF THIS AGREEMENT AND ITS EXHIBITS TO ANY OTHER LANGUAGE. THE EMPLOYEE FURTHER ACKNOWLEDGES THAT THE COMPANY HAS ADVISED HER THAT SHE MAY CONSULT AN ATTORNEY BEFORE EXECUTING THIS AGREEMENT AND THAT SHE HAS BEEN AFFORDED AN OPPORTUNITY TO DO SO.*

*העובדת מצהירה בואת כי השפה האנגלית מוכרת ומוכנת לה וכי היא אינה זקוקה לתרגום הסכם זה ונספחיו לשפה אחרת. העובדת גם מצהירה ומודיעה כי הומלץ לה על ידי החברה לקבל ייעוץ משפטי בקשר להסכם זה בטרם החתימה עליו וכי ניתנה לה הזדמנות נאותה לעשות כן.*

**IN WITNESS WHEREOF**, the parties hereto have duly executed this Agreement on the day and year first set forth above.

**COMPANY:**

Playtika Ltd.

By: /s/ Craig Abrahams \_\_\_\_

Name: Craig Abrahams

Title: President & CFO

**EMPLOYEE:**

/s/ Gili Brudno \_\_\_\_

**Gili Brudno**





## Exhibit A

### GENERAL APPROVAL REGARDING PAYMENTS BY EMPLOYERS TO A PENSION FUND AND INSURANCE FUND IN LIEU OF SEVERANCE PAY

**\*It should be noted that the specific contribution rates set out in this General Approval are subject to the contributions rates detailed in the Agreement and/or as updated according to applicable law.**

By virtue of my power under section 14 of the Severance Pay Law, 1963 (hereinafter: the "**Law**"), I certify that payments made by an employer commencing from the date of the publication of this approval publication for his employee to a comprehensive pension benefit fund that is not an insurance fund within the meaning thereof in the Income Tax (Rules for the Approval and Conduct of Benefit Funds) Regulations, 1964 (hereinafter: the "**Pension Fund**") or to managers insurance including the possibility of an insurance pension fund or a combination of payments to an annuity fund and to a non-annuity fund (hereinafter: the "**Insurance Fund**"), including payments made by him by a combination of payments to a Pension Fund and an Insurance Fund, whether or not the Insurance Fund has an annuity fund (hereinafter: the "**Employer's Payments**"), shall be made in lieu of the severance pay due to the said employee in respect of the salary from which the said payments were made and for the period they were paid (hereinafter: the "**Exempt Salary**"), provided that all the following conditions are fulfilled:

(1) The Employer's Payments -

(a) To the Pension Fund are not less than  $14\frac{1}{3}\%$  of the Exempt Salary or 12% of the Exempt Salary if the employer pays for his employee in addition thereto also payments to supplement severance pay to a benefit fund for severance pay or to an Insurance Fund in the employee's name in an amount of  $2\frac{1}{3}\%$  of the Exempt Salary. In the event the employer has not paid an addition to the said 12%, his payments shall be only in lieu of 72% of the employee's severance pay;

(b) To the Insurance Fund are not less than one of the following:

(2)  $13\frac{1}{3}\%$  of the Exempt Salary, if the employer pays for his employee in addition thereto also payments to secure monthly income in the event of disability, in a plan approved by the Commissioner of the Capital Market, Insurance and Savings Department of the Ministry of Finance, in an amount required to secure at least 75% of the Exempt Salary or in an amount of  $2\frac{1}{2}\%$  of the Exempt Salary, the lower of the two (hereinafter: "**Disability Insurance**");

(3) 11% of the Exempt Salary, if the employer paid, in addition, a payment to the Disability Insurance, and in such case the Employer's Payments shall only replace 72% of the Employee's severance pay; In the event the employer has paid in addition to the foregoing payments to supplement severance pay to a benefit fund for severance pay or to an Insurance Fund in the employee's name



in an amount of  $2\frac{1}{3}\%$  of the Exempt Salary, the Employer's Payments shall replace 100% of the employee's severance pay.

- (4) No later than three months from the commencement of the Employer's Payments, a written agreement is executed between the employer and the employee in which -
  - (a) The employee has agreed to the arrangement pursuant to this approval in a text specifying the Employer's Payments, the Pension Fund and Insurance Fund, as the case may be; the said agreement shall also include the text of this approval;
  - (b) The employer waives in advance any right, which it may have to a refund of monies from his payments, unless the employee's right to severance pay has been revoked by a judgment by virtue of Section 16 and 17 of the Law, and to the extent so revoked and/or the employee has withdrawn monies from the Pension Fund or Insurance Fund other than by reason of an entitling event; in such regard "Entitling Event" means death, disability or retirement at after the age of 60.
- (5) This approval is not such as to derogate from the employee's right to severance pay pursuant to any law, collective agreement, extension order or employment agreement, in respect of salary over and above the Exempt Salary.



## Exhibit B

### CONFIDENTIALITY, INVENTIONS, NON-COMPETITION AND NON-SOLICITATION AGREEMENT

This Confidentiality, Inventions, Non-Competition and Non-Solicitation Agreement (the “**Agreement**”) is entered into this November 30, 2022 by and between **Playtika Ltd.** (the “**Company**”) and **Gili Brudno** (the “**Employee**”). This Agreement sets forth the entire agreement between the parties hereto concerning the subject matter hereof and supersedes all prior agreements and understandings concerning the subject matter hereof. In consideration of employment by the Company of Employee, which Employee acknowledges to be good and valuable consideration for the Employee’s obligations hereunder, the Company and Employee agree as follows:

#### 1. **Proprietary Information and Confidentiality**

- 1.1. Employee is aware that in the course of Employee’s employment with Company and/or in direct connection therewith Employee may have access and/or exposure to, and be entrusted with, technical, proprietary, sales, legal and financial data and information in direct connection with the affairs and business of Company, its affiliates, customers and suppliers, and including information received by Company from any third party subject to obligations of confidentiality towards said third party, all of which such data and information, whether documentary, written, oral or computer generated, shall be deemed to be, and referred to as “**Proprietary Information**”, which, by way of illustration but not limitation, shall include trade and business secrets, trade names (registered or not), processes, patents improvements, ideas, inventions (whether reduced to practice or not), techniques, products, technologies (actual or planned), financial statements, marketing plans, strategies, forecasts, customer and/or suppliers lists and/or relations, research and development activities, formulas, data, know-how, designs, discoveries, models, vendors, computer hardware and computer software and programs (including object code and source code), computer software and database technologies, systems, structures and architectures (and related processes, algorithms, compositions, improvements, know-how, inventions, discoveries, concepts, ideas, designs, methods and information) of Company, drawings, operating procedures, pricing methods, marketing strategies, future plans, dealings and transactions, except for such information which, on the date of disclosure is, or thereafter becomes, available in the public domain through no fault on the part of Employee. For the avoidance of any doubt, Employee may not use Company’s name or trademarks in any activity not made by or for the Company.



- 1.2. Employee agrees and declares that all Proprietary Information, patents and/or patent applications, copyrights and other intellectual property rights in connection therewith, are and shall remain the property of Company and its assigns on sole and exclusive basis. All business records, papers and documents however documented, kept or made by Employee relating to the business and affairs of Company shall be and remain the property of Company.
- 1.3. Employee further recognizes and acknowledges that such Proprietary Information is a valuable and unique asset of Company's business and affairs, and that its use or disclosure other than in accordance with the provisions of the employment agreement between Employee and the Company (the "**Employment Agreement**"), would cause Company substantial loss and damages. Accordingly, Employee undertakes and agrees that, at all times, during the term of Employee's employment with the Company (the "**Term**") and upon its expiration thereafter, Employee shall keep in confidence and trust all Proprietary Information, and any part thereof, and shall not use or disclose and/or make available, directly or indirectly, to any third party any Proprietary Information without the prior written consent of Company, except and to the extent as may be necessary in the ordinary course of performing Employee's duties pertaining to Company and except and to the extent as may be required under any applicable law, regulation, judicial decision or determination of any governmental entity.
- 1.4. Without derogating from the generality of the foregoing, Employee agrees as follows:
  - 1.4.1. Not to copy, transmit, reproduce, summarize, quote, publish and/or make any commercial or other use whatsoever of the Proprietary Information, or any part thereof, without the prior written consent of Company, except as may be necessary in the performance of employee's duties pertaining to Company;
  - 1.4.2. To exercise the highest degree of care in safeguarding the Proprietary Information against loss, theft or other inadvertent disclosure and to take all reasonable steps necessary to ensure the maintaining of confidentiality;
  - 1.4.3. Not to enter into the data bases of Company for any purpose whatsoever, including, without limitation, review, download, insert, change, delete and/or relocate any information, except as may be necessary in the performance of Employee's duties pertaining to Company;
  - 1.4.4. Upon termination of Employee's employment, and/or as otherwise requested by Company, to promptly deliver to Company all Proprietary Information and any and all copies thereof, in whatever form, that had been furnished to Employee, prepared thereby and/or came to Employee's possession in any manner whatsoever, during and in the course of her employment with Company, and shall not retain and/or make copies thereof in whatever form.



1.4.5. To compensate, reimburse and indemnify the Company and/or any third party, including without limitation, Company's clients, for any damage, expense and/or payment incurred by them or demanded of them in consequence of a breach of Employee's aforementioned undertakings.

1.5. "**Company**" in this Section 1 and in Sections 2 and 3 below shall also mean the Company and any other legal entity, which directly or indirectly, controls the Company, is controlled by the Company and/or is under common control with the Company. It is clarified that the above definition shall not be construed as creating employee-employer relationship between the Employee and any other entity other than the Company as defined in the preamble to this Agreement.

## 2. **Inventions**

2.1. Employee agrees to promptly and from time to time fully inform and disclose to the Company all derivatives, inventions, designs, improvements and discoveries which Employee now has or may hereafter make and/or conceive during the Term which pertain to or relate to the Company and its business or to any experimental and/or developmental work performed by the Company and/or to the Company's Proprietary Information, whether conceived by Employee alone or with others and whether or not conceived during regular working hours or prior to or after the date of this Agreement ("**Inventions**").

2.2. All Inventions, and any and all rights, interests and title therein, shall be the exclusive property of the Company and Employee shall not be entitled to, and hereby waives now and/or in the future, any claim, right, compensation and/or reward in connection therewith, including any right for royalties in Service Inventions, as defined in Section 132 of the Patent Law, 1967 (the "Patent Law"), in accordance with the Patent Law, other than as specifically set forth in this Agreement. This clause constitutes an express agreement between Employee and the Company for the purposes of Section 134 of the Patent Law.

2.3. In the event that by operation of law, any Invention shall be deemed Employee's, the Employee hereby assigns and shall in the future take all the requisite steps (including by way of illustration only, signing all appropriate documents) to assign to the Company and/or its designee any and all of her foregoing rights, titles and interests, on a worldwide basis, and hereby further acknowledges and shall in the future acknowledge the Company's full and exclusive ownership in all such Inventions. Employee shall, prior to or following termination of this Agreement, execute all documents and take all steps necessary to effectuate the assignment to the Company or its designee(s) and/or to assist the Company to obtain and/or perfect the exclusive and absolute rights, title and interests in and to all Inventions, whether by the registration of patent, trade mark, trade secret and/or any other applicable legal protection, and to protect same against infringement by any third party.



2.4. Without derogating from the generality of the foregoing, the provisions of this Section 2 shall apply with equal force and effect to all items that may be subject to copyright or trademark protection.

### 3. **Non-Competition and Non-Solicitation**

3.1. Employee hereby covenants to the Company that throughout the Term and thereafter for a period of six (6) months following the effective date of termination of Employee's employment howsoever arising, Employee shall not:

3.1.1. Engage, directly or indirectly, in any capacity whatsoever, whether independently or as an employee, consultant or otherwise, through any corporate body and/or with or through others, in any activity competing with the actual and/or planned activities of the Company and its affiliates, as same have existed and shall exist from time to time during the Term and as shall exist at the effective date of termination of Employee's employment with the Company.

3.1.2. Accept any position, whether as employee, consultant or otherwise with, or hold any interest in, any corporate body that competes with the actual and/or planned activities of the Company as same shall exist at the termination of her employment under this Agreement; provided, however, that nothing stated herein shall preclude Employee from owning a stock interest not greater than 5% in any publicly traded corporation.

3.1.3. Whether on Employee's own account and/or on behalf of others, in any way interfere with and/or endeavor to entice away, or offer or solicit for the purpose of so interfering and/or enticing away, from the Company and/or any of its affiliates, any person, firm or company with whom the Company and/or any of its affiliates shall have any contractual and/or commercial relationship as an employee, consultant, licensor, joint venture, supplier, customer, distributor, agent or contractor of whatsoever nature, existing or under negotiation on, or within the twelve (12) months prior to, the effective date of termination of Employee's employment with the Company.

3.2. Employee acknowledges that the restrictions set forth in this Section 3 are fair and reasonable, and are essential for protection of the Company's business, the Company's proprietary rights and other legitimate interests of the Company, in view of the nature of the business in which the Company is engaged. Employee further acknowledges that the above restrictions are customarily complied with by persons situated in a similar position, correspond with fair dealing requirements and are adequate in light of Employee's usage of the Company resources during Employee's employment hereunder.



- 3.3. Employee is aware of and acknowledges that Employee's obligations under Section 3.1 are derived from Employee's access to the Company's Propriety Information and confidential information and that a portion of the salary paid to the Employee pursuant to the Employment Agreement constitutes a special consideration given to Employee in return for the aforesaid undertakings. Notwithstanding the above, the Employee declares that she is financially capable of undertaking these non-compete provisions.
- 3.4. If any one or more of the terms contained in this Section 3 shall, for any reason, be held to be excessively broad with regard to time, geographic scope or activity, the term shall be construed in a manner to enable it to be enforced to the extent compatible with applicable law.



**4. Third Party Information**

- 4.1. The Employee represents and undertakes that she will not disclose to the Company any proprietary or confidential information belonging to any third party, including any prior or current employer or contractor, unless the written approval of that third party was received.
- 4.2. The Employee recognizes that the Company may receive in the future from third parties their confidential or proprietary information, subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. The Employee undertakes to hold all such confidential or proprietary information in the strictest confidence and not to disclose it to any person or entity or to use it except as necessary in carrying out her services for the Company, consistent with the Company's agreement with such third party.
5. **Modification and Waiver.** This Agreement may not be modified or amended or terminated except by an instrument in writing signed by the parties. No term or condition of this Agreement will be deemed to have been waived, except by written instrument of the party charged with such waiver. No such written waiver will be deemed to be a continuing waiver unless specifically stated therein, and each such waiver will operate only as to the specific term or condition waived and shall not constitute a waiver of such term or condition for the future or as to any act other than that specifically waived.
6. **Governing Law; Jurisdiction.** This Agreement and its validity, interpretation, performance and enforcement will be governed by the laws of the State of Israel, without regard to conflicts of laws principles. All judicial proceedings with respect to this Agreement or any transactions contemplated hereby or thereby shall be brought exclusively in any court of competent jurisdiction in the city of Tel-Aviv Jaffa.
7. **Binding Effect.** This Agreement will be binding, upon and inure to the benefit of Employee, the Company, and their respective successors and permitted assigns; provided, however, that Employee may not assign this Agreement or any part hereof.
8. **Survival.** The provisions of Section 1, 2 and 3 hereto shall survive termination of the Employment Agreement and shall be and remain in full force and effect at all times thereafter.

**IN WITNESS WHEREOF**, the Company has caused this Agreement to be executed by its duly authorized officer and Employee has signed this Agreement, as of the date written below.

/s/ Gili Brudno

/s/ Craig Abrahams

**Employee**

**Playtika Ltd.**





**Exhibit C - Attached Separately**

**Certification of  
Chief Executive Officer Pursuant to Section 302 of  
the Sarbanes-Oxley Act of 2002**

I, Robert Antokol, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Playtika Holding Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 4, 2023

By: /s/ Robert Antokol  
Robert Antokol  
Chief Executive Officer and Chairperson of the Board  
(principal executive officer)

**Certification of  
Chief Financial Officer Pursuant to Section 302 of  
the Sarbanes-Oxley Act of 2002**

I, Craig Abrahams, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Playtika Holding Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

May 4, 2023

By: /s/ Craig Abrahams  
Craig Abrahams  
President and Chief Financial Officer  
(principal financial officer)

**Certification of  
Chief Executive Officer Pursuant to 18 U.S.C. Section 1350,  
As Adopted Pursuant to Section 906 of  
the Sarbanes-Oxley Act of 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Playtika Holding Corp. (the “Company”) hereby certifies, to such officer’s knowledge, that:

1. The Quarterly Report on Form 10-Q of the Company for the quarterly period ended March 31, 2023 (the “Report”) fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 4, 2023

By: /s/ Robert Antokol  
Robert Antokol  
Chief Executive Officer and Chairperson of the Board  
(principal executive officer)

**Certification of  
Chief Financial Officer Pursuant to 18 U.S.C. Section 1350,  
As Adopted Pursuant to Section 906 of  
the Sarbanes-Oxley Act of 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Playtika Holding Corp. (the “Company”) hereby certifies, to such officer’s knowledge, that:

1. The Quarterly Report on Form 10-Q of the Company for the quarterly period ended March 31, 2023 (the “Report”) fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

May 4, 2023

By: /s/ Craig Abrahams  
Craig Abrahams  
President and Chief Financial Officer  
(principal financial officer)