



playstudios

Investor Presentation

Disclaimer

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Key Performance Indicators

We manage our business by regularly reviewing several key operating metrics to track historical performance, identify trends in player activity, and set strategic goals for the future. Our key performance metrics are impacted by several factors that could cause them to fluctuate on a quarterly basis, such as platform providers' policies, seasonality, player connectivity, and the addition of new content to games. The key performance indicators may differ from similarly titled measures presented by other companies. For more information on our key performance indicators, please refer to the definitions and additional information contained in our SEC filings.

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Samir Jain

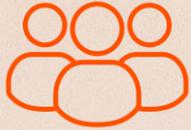
Treasury & Investor Relations

PLAYSTUDIOS

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Key Investment Highlights

PLAYSTUDIOS at-a-glance



Strong Leadership with Aligned Interests

Numerous executives and board members are among the largest shareholders. CEO is 3rd largest shareholder.



Rapidly Diversifying Game Portfolio

Brainium and Tetris are diversifying revenue streams to faster growing and higher margin casual gaming segment.



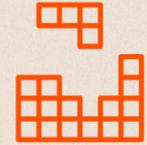
Sustained Growth and Strong Capital Position

Double-digit, 10-year CAGR. Cash generative business with ~\$133MM on hand, as of 12/31/2023. \$50MM share repurchase authorization availability. \$81MM available revolving credit line.



playAWARDS Platform a Key Differentiator

Proprietary loyalty program creates value for players, publishers, and global brand partners. Preparing to externalize platform in 2024 to third party developers and strategic business partners.



Building a Tetris Franchise

Looking to develop and release 1-2 new Tetris games this year and continue adding to library thereafter. Believe Tetris can be a core gaming franchise for MYPS.

MYPS STRUCTURE

Building a “Rewarded Play” ecosystem

PLAYSTUDIOS, Inc.

Founded in 2011 - Publicly traded since June 2021

Market Capitalization: \$287MM (as of March 8, 2024)

2023: Revenues \$321MM, Net Loss (GAAP) \$19MM, AEBITDA \$62MM

2024E Revenues: \$315 - \$325MM

2024E AEBITDA: \$65 - \$70MM

playGAMES

Game Development and Publishing

19 Game Titles

11 Casual Genre Games

8 Social Casino Genre Games

playAWARDS

Loyalty Marketing and Engagement Platform

In-game rewards drive player retention and engagement. Rewards provided by marketing partners including: MGM Resorts, Norwegian Cruise Line, AMC Theaters, IHG Hotels

GLOBAL DEVELOPMENT FOOTPRINT

Studios are integrated and strategically located to maximize productivity and minimize costs



10
STUDIOS

710
PLAYMAKERS

A DIVERSIFIED GAME LIBRARY

An expanding mix of casual, puzzle, and social casino games



LEADING GLOBAL GAME DEVELOPER AND PUBLISHER

We have a large, captive, and loyal audience of players

-  **13.3 Million**
MAU
-  **3.4 Million**
DAU
-  **54% Female**
46% Male
-  **\$80K**
Average Income



- 2.4**
Sessions / Day 
- 37**
Minutes / Day 
- 2.5 Million**
Reward Purchasers 
- 16.6 Million**
Rewards Purchased 

*As of 12/31/2023



playaways

AUDIENCE ACQUISITION BECOMING MORE DIFFICULT

The ability to launch and scale games is more challenging than ever



Targeting Less Effective

GDPR, Deprecation of IDFA, and implementation of GAID now limit advertisers' ability to efficiently target specific customer cohorts at scale.



Rising Costs

Large audience networks and sophisticated AdTech platforms are commanding higher prices in response to demand for top performing ad inventory.



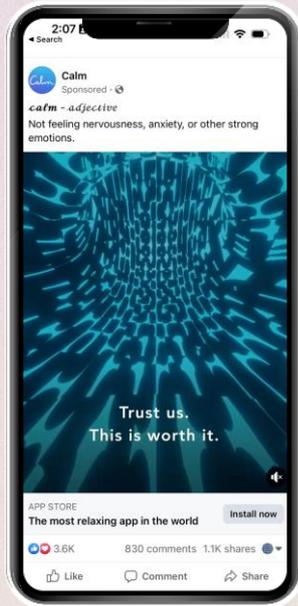
More Competition

Growing competition for user attention across all forms of entertainment-games, social, streaming - makes it more difficult to hold an audience's engagement.

Retention of existing customers is now more important than ever.

THE OLD PARADIGM

Developers have relied on a fixed set of approaches to drive growth.



Paid UA



Compelling FTUEs



Content Releases and LiveOps



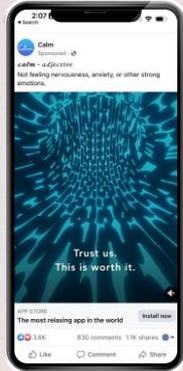
Player Communications



Community Building

THE NEW PARADIGM

Developers can leverage loyalty mechanics and real rewards to add a new dimension to their growth strategies.



**Paid
UA**



**Compelling
FTUEs**



**Content Releases
and LiveOps**



**Player
Communications**



**Community
Building**



**Loyalty =
Retention**

THE playAWARDS PLATFORM

The building blocks of player retention and engagement



Loyalty Currency

As players engage with our games, they accumulate a “loyalty currency” that can be exchanged for real-world rewards. This currency offers a measure of progress toward a gamified goal.



Player Progression Tiers

Players “chase” an increasingly valuable collection of in-game benefits, including elevated VIP Status. This type of progression mechanic is a proven driver of game engagement and retention.



VIP Services

Our highest value players have access to dedicated VIP hosts who extend personalized service and tailored benefits.



Rewards Marketplace

By offering engaged players real-world rewards, they are more likely to remain within our PLAYSTUDIOS ecosystem.

LOYALTY REWARD PARTNERS

An unmatched collection of global partners across many diverse industries

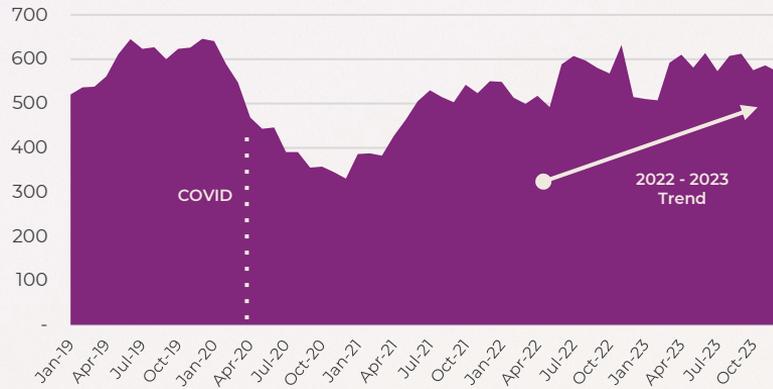


As of 12/31/2023

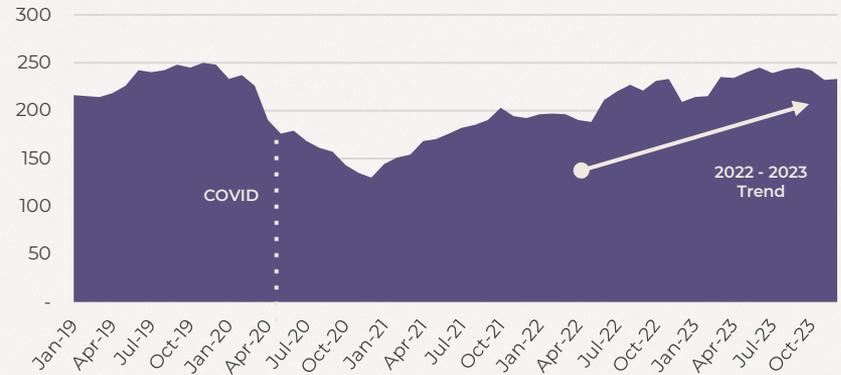
playAWARDS PARTNERSHIPS ARE GROWING!

Available partners and rewards are both increasing, as of 12/31/23

Available Rewards Inventory



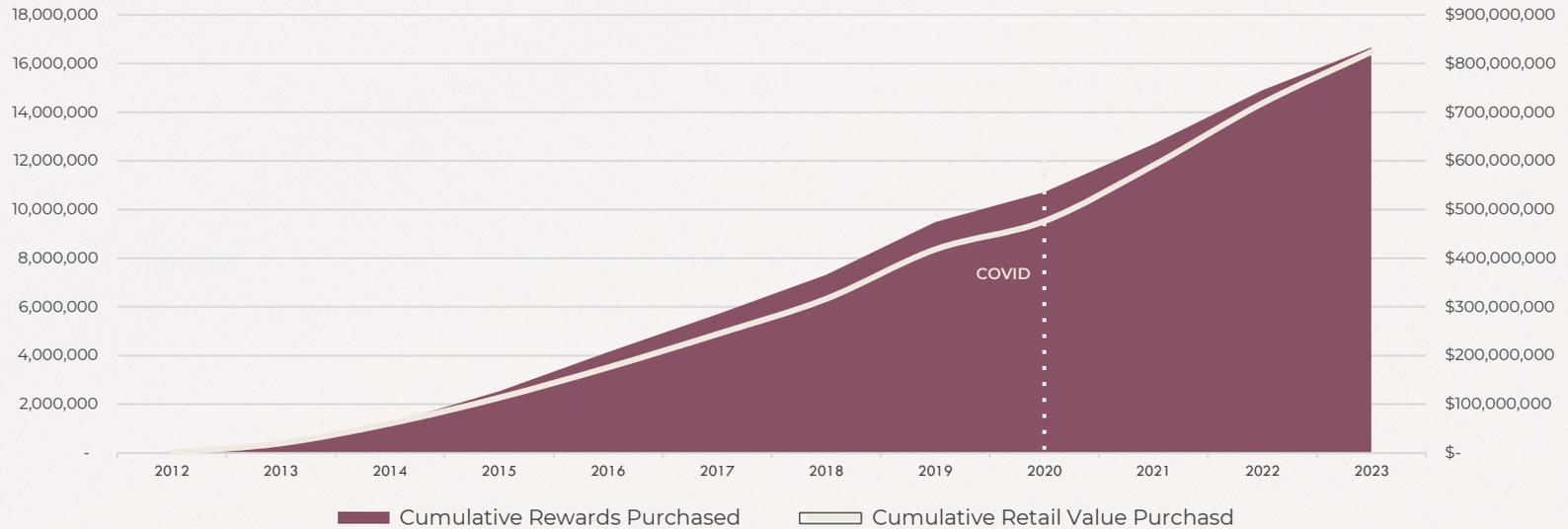
Reward Partner Outlets



REWARDS PURCHASES ARE ROBUST AND GROWING

Players have purchased more than 16 million rewards with a retail value of over \$820 million as of December 2023

Cumulative Rewards Purchased

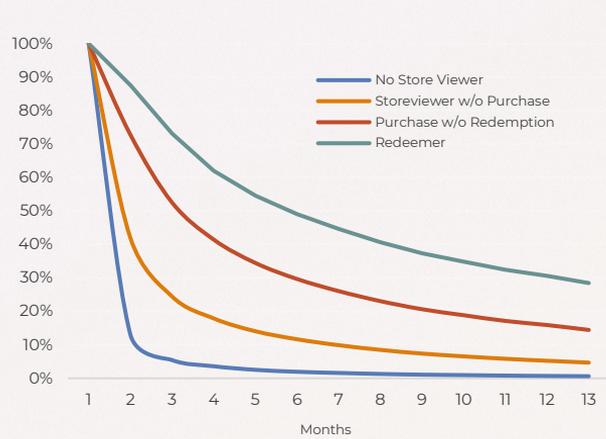


As of 12/31/2023

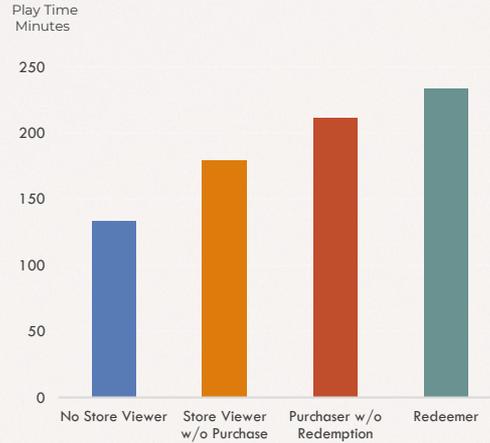
playAWARDS IS DRIVING REAL GAME RESULTS

Key metrics have shown clear improvements with playAWARDS

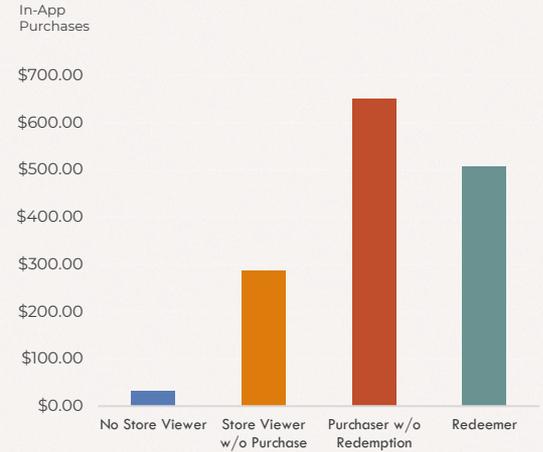
Rewards Engagement : Player Retention



Rewards Engagement : Game Engagement



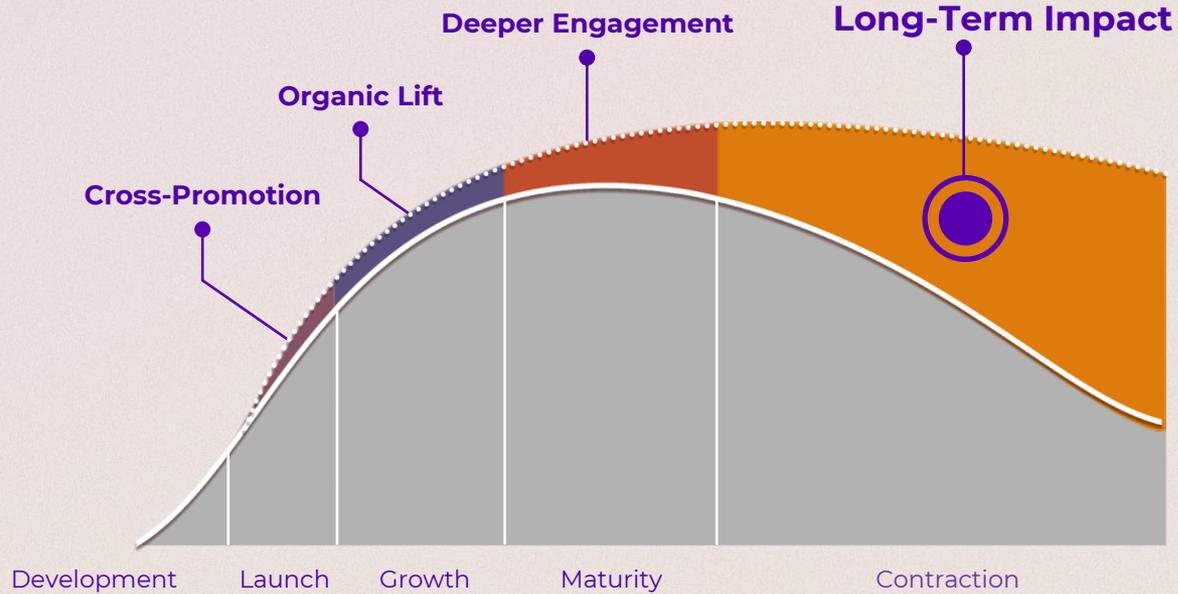
Rewards Engagement : Player Monetization



Numbers based on 2022 – 2023 installs

playAWARDS KEEPS PLAYERS ENGAGED LONGER

The “Loyalty Lift” drives key game metrics across the full product lifecycle



The Opportunity

Growth, Profitability, Expansion,
Diversification

Strategic Goals for 2024

- 1. Advance playAWARDS / myVIP**
Integrate into third-party games, form new strategic partnerships, and continue to extend platform functionality
- 2. Increase Profitability**
Expanded AEBITDA from operating leverage, new games, greater efficiency, and new features + live ops density
- 3. Expand / Diversify Games Portfolio**
Scale audiences for growth games, optimize and grow Tetris brand, diversification through organic growth, expand growth titles, pursue M&A opportunities
- 4. Return Core Portfolio to Growth**
Stronger results in myVEGAS and myKONAMI from recent initiatives, stabilization in POP! Slots, and growth in Brainium and MGM Slots Live

playAWARDS DIVISION GOALS

2024 and beyond



Expand playAWARDS Presence

Incorporate the myVIP Program into all PLAYSTUDIOS apps, entering the casual and puzzle genres with Tetris and Brainium titles.



Launch playAWARDS LaaS

Roll out “Loyalty as a Service” to third-party apps, further scaling the platform’s audience network.

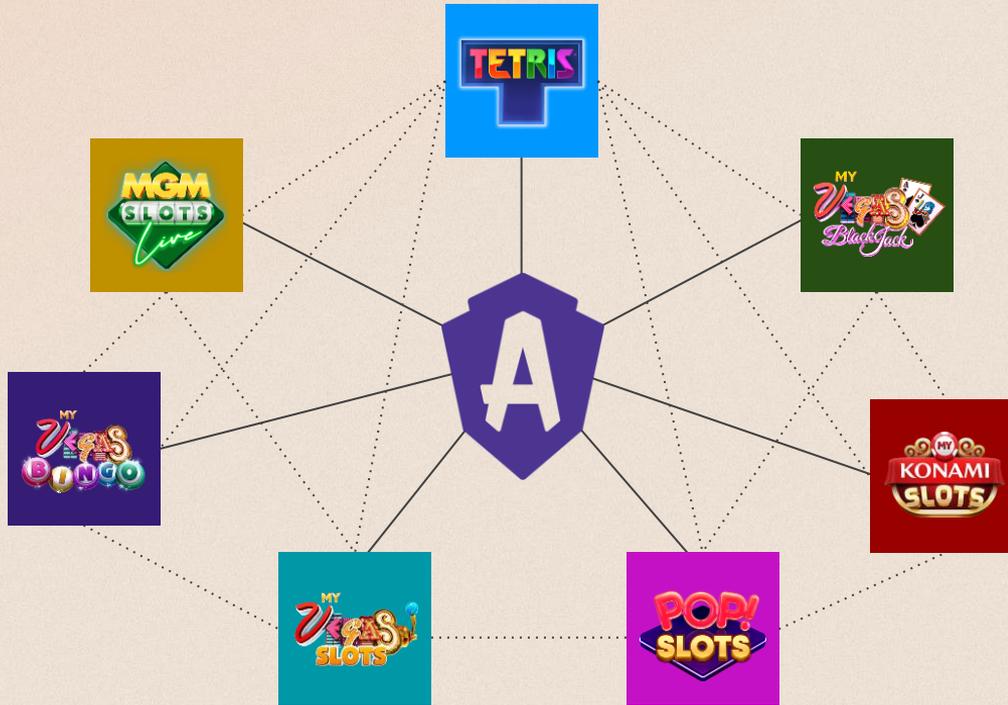


Enhance Functionality

Expand size and breadth of relationship with reward partners and third-party users.

playAWARDS AS A CROSS PLAY DRIVER IN OUR GAMES

With a shared loyalty currency and a presence in our entire library, playAWARDS is expected to drive cross play



STRONG MARGINS GAINS IN 2023 CAN CONTINUE

Our current initiatives support continued margin growth



MARGIN OPTIMIZATION FOCUS

Leverage
Fixed Costs

Improve Profitability
of Core Portfolio

Optimize Profitability
of Newest Games

SHIFT TO CASUAL GAMES IS RAISING MARGINS

Gaming business is being fundamentally reset towards higher profit

Advertising will now be a meaningful portion of total revenues

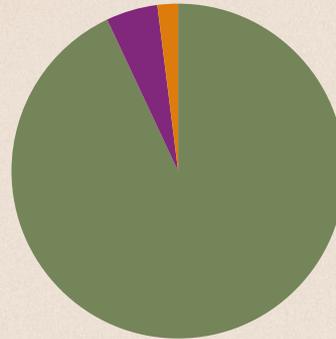
AdMon is higher margin - no platform fees

Scaling AdMon in social casino portfolio

Tetris and Brainium are AdMon games

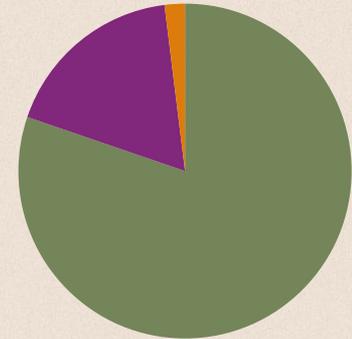
Advertising/Other is now 20% of Total Revenues

Revenue Mix 2022



■ IAP ■ Advertising ■ Other

Revenue Mix 2023



■ IAP ■ Advertising ■ Other

LARGEST CATEGORY OF GAME TITLES FOR MYPS IS CASUAL

Gaming business is being reset towards higher growth and profits

New Game Mix Targets Larger TAM

2022 Portfolio of Games (pre-Brainium)

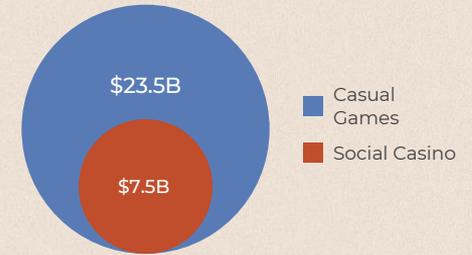


2024 Portfolio of Games



■ Social Casino ■ Casual Games

Total Addressable Market, by Game Genre



THE CASUAL GAMING MARKET IS **3X** THE SIZE OF SOCIAL CASINO

*Source for Total Addressable Market: Sensor Tower, Eilers & Krejcik Gaming

EXPAND REACH ACROSS BROADER GAMING MARKET

Diversifying into other, larger, gaming genres



Casino

\$7.5 Billion



Arcade & Action

\$17.5 Billion



Adventure & Sim

\$17.8 Billion



Brain & Puzzle

\$23.5 Billion



RPG & Strategy

\$25.2 Billion

*Source: Sensor Tower, Eilers & Krejcik Gaming

TETRIS OPPORTUNITY

Recently extended license paves the way for expansion of Tetris brand

- Tetris is one of the most recognized titles in gaming
- Tetris Mobile grew strongly in 2023 and we believe there is considerable potential remaining
- PLAYSTUDIOS recently extended the mobile license for Tetris
- 5-year extension with an additional 3-year option
- We believe there are numerous opportunities to extend the Tetris brand into tertiary games in the puzzle/casual categories
- We have two new Tetris products currently in development

BUILDING A MOBILE TETRIS FRANCHISE



Tetris Mobile



New Tetris App Variant 1



New Tetris App Variant 2

STRONG CAPITAL POSITION

Our strong capital position protects us from economic uncertainty and gives us tremendous spending flexibility

Sources of Cash

~\$133M of cash

\$81M of
unused facility

Positive cash generation

Opportunities

\$50M available under share
repurchase authorization

Strategic acquisitions in
awards, gaming, or both

Growth investments in
current businesses

Financials

FINANCIALS: WELL CAPITALIZED AND GROWING

Blue chip balance sheet ensures stability and provides for future investments in growth

- Strong balance sheet with cash holdings of ~\$133 million and no borrowings on our revolver
- Cash generative business model
- Initiated a repurchase program in 4Q22 and have purchased \$20.0mm of stock through March 11, 2024
- Strong, double-digit growth over the past 10 years
 - 2013-2023 Revenue CAGR +30%
 - 2013-2023 AEBITDA CAGR +50%
- Growing all important gaming metrics
 - 2013-2023 DAU CAGR ~30%
 - 2013-2023 ARPDau CAGR ~13%*

*2023 ARPDau based on social casino and excludes Tetris and Brainium. Tetris and Brainium derive revenues from advertising which dilutes the combined ARPDau figures. Historical ARPDau figures were based on Social Casino games making the comparison more accurate.

4Q23 FINANCIAL RESULTS

4Q23 Revenues and AEBITDA were ahead of consensus expectations

4Q23 Financial Metrics

- Revenues: \$77.1 million
- Net loss (GAAP) of \$19.9 million
- AEBITDA: \$14.7 million; 22% y/y growth
- AEBITDA Margin: 19.1%; 390bps increase vs. 4Q22
- Cash Balance: \$133 million
- No debt

Game Metrics

- Portfolio of 19 Games
- 3.4 million DAU
- 13.3 million MAU

2024 FINANCIAL GUIDANCE

Revenue and AEBITDA growth projected in 2024

2024 Consolidated Company Guidance

- Revenues of \$315 - \$325 million
- AEBITDA of \$65 - \$70 million
- At midpoint, guidance implies **3% year/year growth in revenues** and **9% year/year growth in AEBITDA**
- Implied **AEBITDA margin of 21.1% at midpoint**; +110bps ahead of 2023 figure
- Increase in playAWARDS' revenues
- Developing 2 new Tetris titles with the plan to release at least one into the market in 2024



01 Unique Vision and Model

Games players love,
real-world benefits
they want.

03 Strong Capital Position

Large cash
holdings, no
leverage, positive
cash generation.

02 Diversified Portfolio

Expanding model
provides for future
growth.

04 Aligned Interests

Leadership and
investor interests
are aligned.

4Q23 AEBITDA RECONCILIATION

Unaudited and in thousands, except percentages

	Three months ended December 31,	
	<u>2023</u>	<u>2022</u>
Net (loss) income	(\$19,864)	(\$1,703)
Depreciation & amortization	11,573	10,297
Income tax expense (benefit)	19,310	351
Stock-based compensation expense	4,332	4,164
Change in fair value of warrant liability	(1,215)	92
Change in fair value of contingent consideration	-	(2,411)
Restructuring and related (1)	1,472	2,052
Other, net (2)	(879)	(768)
AEBITDA	14,728	12,074
GAAP Revenue	77,112	79,378
<u>Margin as a % of revenue</u>		
Net (loss) income margin	(25.8%)	(2.1%)
AEBITDA Margin	19.1%	15.2%

(1) Amounts reported include mergers and acquisition related expenses, management restructuring and severance, assets impairments and write-downs, and extraordinary expenses related to the war in Israel and other various nonrecurring expenses.

(2) Amounts reported in "Other, net" include interest expense, interest income, gains/losses from investments, foreign currency gains/losses, and non-cash gains/losses on the disposal of assets.

2023 AEBITDA RECONCILIATION

Unaudited and in thousands, except percentages

	For the years ended December 31,		
	2023	2022	2021
Net (loss) income	(\$19,393)	(\$17,783)	\$10,737
Depreciation & amortization	45,259	35,562	27,398
Income tax expense (benefit)	16,873	(5,835)	(258)
Stock-based compensation expense	18,722	17,727	4,455
Change in fair value of warrant liability	(2,596)	(1,047)	(13,933)
Change in fair value of contingent consideration	(950)	(2,411)	-
Special infrequent(1)	-	-	7,500
Restructuring and related(2)	8,584	13,020	3,081
Other (3)	(4,207)	(980)	564
AEBITDA	62,292	38,253	39,545
GAAP Revenue	310,886	290,309	287,419
<u>Margin as a % of revenue</u>			
Net (loss) income margin	(6.2%)	(6.1%)	3.7%
AEBITDA Margin	20.0%	13.2%	13.8%

(1) Amounts reported during the year ended December 31, 2021 represent a \$5.0 million transaction bonus and a \$2.5 million charitable contribution per the terms of the Merger Agreement.

(2) Amounts reported include mergers and acquisition related expenses, management restructuring and severance, assets impairments and write-downs, and extraordinary expenses related to the war in Israel and other various nonrecurring expenses.

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