



Fourth Quarter 2023 Earnings Presentation

February 27, 2024



Forward-Looking Statements

In this presentation, Light & Wonder, Inc. (“Light & Wonder,” “L&W” or the “Company”) makes “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements describe future expectations, plans, results or strategies and can often be identified by the use of terminology such as “may,” “will,” “estimate,” “intend,” “plan,” “continue,” “believe,” “expect,” “anticipate,” “target,” “should,” “could,” “potential,” “opportunity,” “goal,” or similar terminology. These statements are based upon management’s current expectations, assumptions and estimates and are not guarantees of timing, future results or performance. Therefore, you should not rely on any of these forward-looking statements as predictions of future events. Actual results may differ materially from those contemplated in these statements due to a variety of risks and uncertainties and other factors, including, among other things: our inability to successfully execute our strategy; slow growth of new gaming jurisdictions, slow addition of casinos in existing jurisdictions and declines in the replacement cycle of gaming machines; risks relating to foreign operations, including anti-corruption laws, fluctuations in currency rates, restrictions on the payment of dividends from earnings, restrictions on the import of products and financial instability; difficulty predicting what impact, if any, new tariffs imposed by and other trade actions taken by the U.S. and foreign jurisdictions could have on our business; U.S. and international economic and industry conditions, including increases in benchmark interest rates and the effects of inflation; public perception of our response to environmental, social and governance issues; the effects of health epidemics, contagious disease outbreaks and public perception thereof; changes in, or the elimination of, our share repurchase program; resulting pricing variations and other impacts of our common stock being listed to trade on more than one stock exchange; level of our indebtedness, higher interest rates, availability or adequacy of cash flows and liquidity to satisfy indebtedness, other obligations or future cash needs; inability to further reduce or refinance our indebtedness; restrictions and covenants in debt agreements, including those that could result in acceleration of the maturity of our indebtedness; competition; inability to win, retain or renew, or unfavorable revisions of, existing contracts, and the inability to enter into new contracts; risks and uncertainties of potential changes in U.K. gaming legislation, including any new or revised licensing and taxation regimes, responsible gambling requirements and/or sanctions on unlicensed providers; inability to adapt to, and offer products that keep pace with, evolving technology, including any failure of our investment of significant resources in our R&D efforts; the outcome of any legal proceedings that may be instituted following completion of the SciPlay merger; failure to retain key Management and employees; unpredictability and severity of catastrophic events, including but not limited to acts of terrorism, war, armed conflicts or hostilities, the impact such events may have on our customers, suppliers, employees, consultants, business partners or operations, as well as Management’s response to any of the aforementioned factors; changes in demand for our products and services; dependence on suppliers and manufacturers; SciPlay’s dependence on certain key providers; ownership changes and consolidation in the gaming industry; fluctuations in our results due to seasonality and other factors; risks as a result of being publicly traded in the United States and Australia, including price variations and other impacts relating to the secondary listing of the Company’s common stock on the Australian Securities Exchange; the possibility that we may be unable to achieve expected operational, strategic and financial benefits of the SciPlay merger; security and integrity of our products and systems, including the impact of any security breaches or cyber-attacks; protection of our intellectual property, inability to license third-party intellectual property and the intellectual property rights of others; reliance on or failures in information technology and other systems; litigation and other liabilities relating to our contracts and licenses, our products and systems, our employees (including labor disputes), intellectual property, environmental laws and our strategic relationships; reliance on technological blocking systems; challenges or disruptions relating to the completion of the domestic migration to our enterprise resource planning system; laws and government regulations, both foreign and domestic, including those relating to gaming, data privacy and security, including with respect to the collection, storage, use, transmission and protection of personal information and other consumer data, and environmental laws, and those laws and regulations that affect companies conducting business on the internet, including online gambling; legislative interpretation and enforcement, regulatory perception and regulatory risks with respect to gaming, especially internet wagering and social gaming; changes in tax laws or tax rulings, or the examination of our tax positions; opposition to legalized gaming or the expansion thereof and potential restrictions on internet wagering; significant opposition in some jurisdictions to interactive social gaming, including social casino gaming and how such opposition could lead these jurisdictions to adopt legislation or impose a regulatory framework to govern interactive social gaming or social casino gaming specifically, and how this could result in a prohibition on interactive social gaming or social casino gaming altogether, restrict our ability to advertise our games, or substantially increase our costs to comply with these regulations; expectations of shift to regulated digital gaming; inability to develop successful products and services and capitalize on trends and changes in our industries, including the expansion of internet and other forms of digital gaming; the continuing evolution of the scope of data privacy and security regulations, and our belief that the adoption of increasingly restrictive regulations in this area is likely within the U.S. and other jurisdictions; incurrence of restructuring costs; goodwill impairment charges including changes in estimates or judgments related to our impairment analysis of goodwill or other intangible assets; stock price volatility; failure to maintain adequate internal control over financial reporting; dependence on key executives; natural events that disrupt our operations, or those of our customers, suppliers or regulators; and expectations of growth in total consumer spending on social casino gaming.

Additional information regarding risks and uncertainties and other factors that could cause actual results to differ materially from those contemplated in forward-looking statements is included from time to time in our filings with the Securities and Exchange Commission (“SEC”), including the Company’s current reports on Form 8-K, quarterly reports on Form 10-Q and annual reports on Form 10-K, including the forthcoming report to be filed with the SEC for the year ended December 31, 2023 (including under the headings “Forward Looking Statements” and “Risk Factors”). Forward-looking statements speak only as of the date they are made and, except for our ongoing obligations under the U.S. federal securities laws, we undertake no and expressly disclaim any obligation to publicly update any forward-looking statements whether as a result of new information, future events or otherwise.

Additional Notes

This presentation may contain references to industry market data and certain industry forecasts. Industry market data and industry forecasts are obtained from publicly available information and industry publications. Industry publications generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of that information is not guaranteed. Although we believe industry information to be accurate, it is not independently verified by us and we do not make any representation as to the accuracy of that information. In general, we believe there is less publicly available information concerning the international gaming, social and digital gaming industries than the same industries in the U.S.

Due to rounding, certain numbers presented herein may not precisely recalculate.

Discontinued Operations

We sold our former Lottery business to Brookfield Business Partners L.P. during the second quarter of 2022. We sold our former Sports Betting business to Endeavor Operating Company, LLC, a subsidiary of Endeavor Group Holdings, Inc., in a cash and stock transaction completed during the third quarter of 2022. These transactions are collectively referred to as the “Divestitures.” Accordingly, the prior period financial results for these divested businesses are presented as discontinued operations. Unless otherwise stated, information in this presentation relates to continuing operations.

We report our continuing operations in three business segments—Gaming, SciPlay and iGaming—representing our different products and services.



Delivered on Our Initiatives & Commitments



FY 2023 - Financial Performance

Consolidated Revenue

\$2.9B

+16% YoY

Record

Consolidated AEBITDA⁽¹⁾

\$1.1B

+22% YoY

Consolidated AEBITDA Margin⁽¹⁾

39%

+300 BPS YoY

Returned to Shareholders

Share Buyback in 2023

\$170M or 2.4M shares

Adjusted NPATA⁽¹⁾

\$388M

Free Cash Flow⁽¹⁾⁽²⁾

\$291M

Net Debt Leverage Ratio⁽¹⁾

3.1x

Down 0.2x YoY

Achieved Milestones

Added to ASX 200 Index⁽³⁾



Completed SciPlay Acquisition⁽⁴⁾

LIGHT & WONDER



(1) Denotes a non-GAAP financial measure and is reconciled to the most directly comparable GAAP measure in the tables in the appendix. Additional information on non-GAAP financial measures is available in the appendix.

(2) Represents free cash flow from continuing operations.

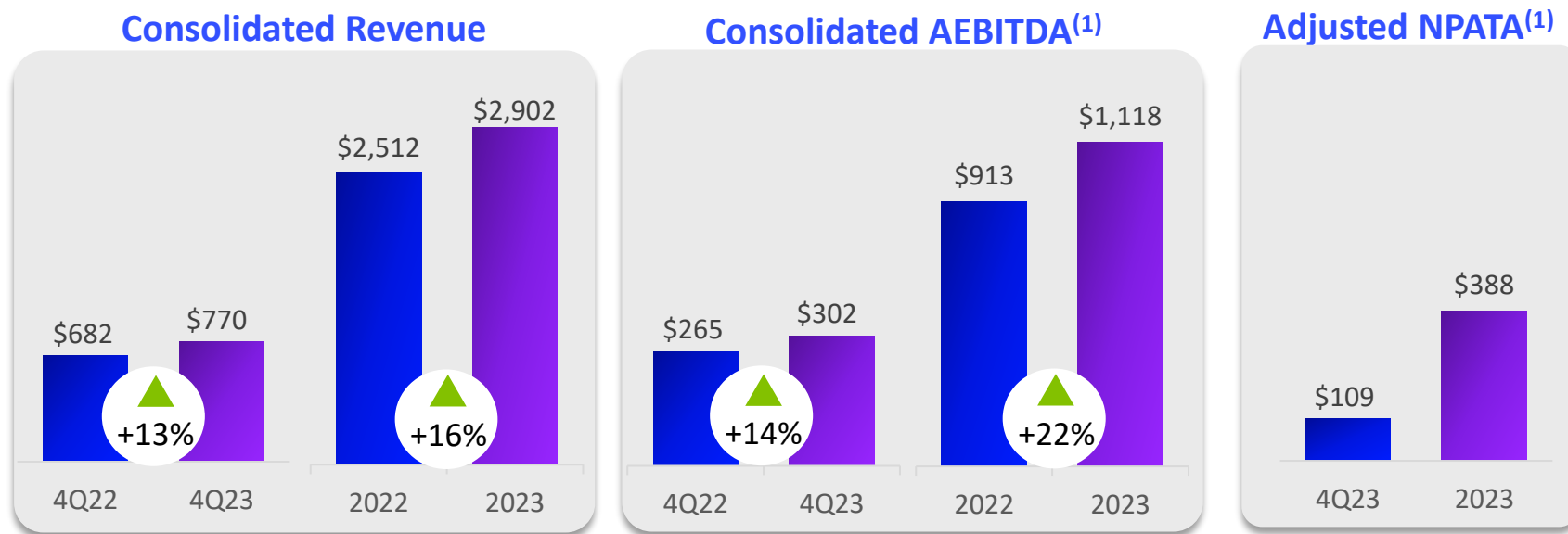
(3) Added to the S&P/ASX 200 Index as of October 18, 2023, on the Australian Securities Exchange.

(4) Completed acquisition of remaining ~17% interest in SciPlay not owned by Light & Wonder on October 23, 2023.

The Leading Cross-platform Global Games Company



Continued Momentum throughout 2023 across All Businesses



11
Consecutive
Quarters

Consolidated Revenue
Growth YoY

6
Consecutive
Quarters

Double-digit
Consolidated Revenue
Growth YoY

5
Consecutive
Quarters

Double-digit Revenue
Growth across all Three
Businesses YoY

(1) Denotes a non-GAAP financial measure and is reconciled to the most directly comparable GAAP measure in the tables in the appendix. Additional information on non-GAAP financial measures is available in the appendix.

Achieved Double-Digit Growth on Exceptional Performance in the Quarter

Achieved Double-Digit Revenue Growth Across Gaming, SciPlay and iGaming

- **Grew Consolidated Revenue 13%; Consolidated AEBITDA⁽¹⁾ 14% YoY**
- **Gaming Revenue +13% YoY, led by 31% growth in Global Gaming Machine Sales**
- **SciPlay Revenue +12% YoY, on continued success in the core social casino business**
- **iGaming Revenue +13% YoY, reflecting continued growth momentum domestically and internationally**

Delivered against Key Performance Metrics and Operational Progress

- **14 consecutive quarters of N.A. Premium installed base growth, at 47% of total N.A. installed base**
- **Achieved record revenue and monetization metrics at SciPlay, outpacing industry growth for 8 consecutive quarters**
- **Maintained record iGaming revenue and achieved record iGaming AEBITDA on continued market growth**

Continued Execution on our Balanced and Opportunistic Capital Allocation Strategy

- **Achieved net debt leverage ratio⁽¹⁾ of 3.1x, within targeted range⁽¹⁾⁽²⁾ of 2.5x to 3.5x**
- **Strengthened Cross-Platform strategy with SciPlay acquisition integration completed successfully**
- **Repurchased \$25 million of shares in the quarter, for a cumulative 77%⁽³⁾ of the \$750M program authorization**
- **Repriced Term Loan B in January 2024 reducing interest rate by 35 bps, ~\$8M reduction in annualized interest costs**

N.A. – North America.

(1) Denotes a non-GAAP financial measure and is reconciled to the most directly comparable GAAP measure in the tables in the appendix. Additional information on non-GAAP financial measures is available in the appendix.

(2) Additional information on the non-GAAP financial measure targeted net debt leverage ratio is available in the appendix.

(3) Share repurchase amounts since program authorization through December 31, 2023.

2023 Achievements & Awards



International Gaming Awards

- Multi-Channel Provider/Supplier



Global Gaming Awards London

- Retail Supplier of the Year



Eilers & Krejcik 5th Annual EKG Slot Awards

- Top New Mechanical Reel Core Game: *BLAZING 777 TRIPLE DOUBLE JACKPOT WILD™*
- Top Performing New Premium Cabinet: *KASCADA™* Dual Screen
- Top Social Casino Company: SciPlay



EGR North America Awards

- Full-Service Platform Provider of the Year



SBC Awards North America

- Social Gaming Operator of the Year: SciPlay



Global Gaming Awards Asia

- Casino Supplier of the Year



Women in Gaming Diversity Awards

- Diverse and Inclusive Team: DEI Task Force



FINANCE AWARDS
NORTH WEST

Robert Walters Finance Awards

- Shared Service Centre of the Year



VIXIO Global Regulatory Awards

- Outstanding Contribution to Safer Game Design



Advancing on Strategic Initiatives to Fuel Further Growth



Execute on our growth pillars with differentiated product strategy and cross-platform initiatives



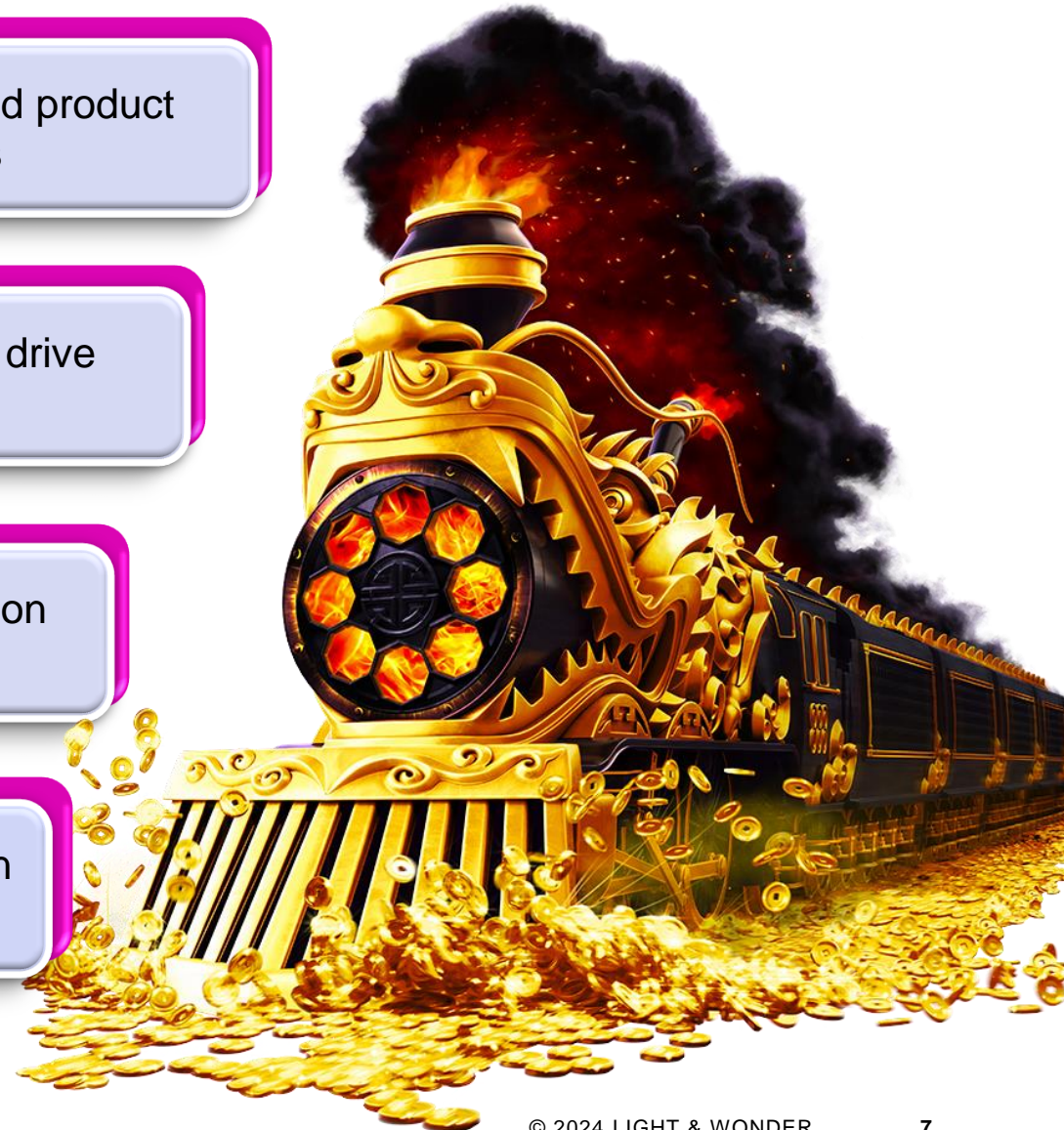
Invest in our people, platforms and technology to drive sustainable future growth



Optimize business operations and processes focusing on operational excellence and margin enhancement



Maintain a high-performance culture across the organization and attract best-in-class industry talent



LIGHT &
WONDER™

Operational Highlights



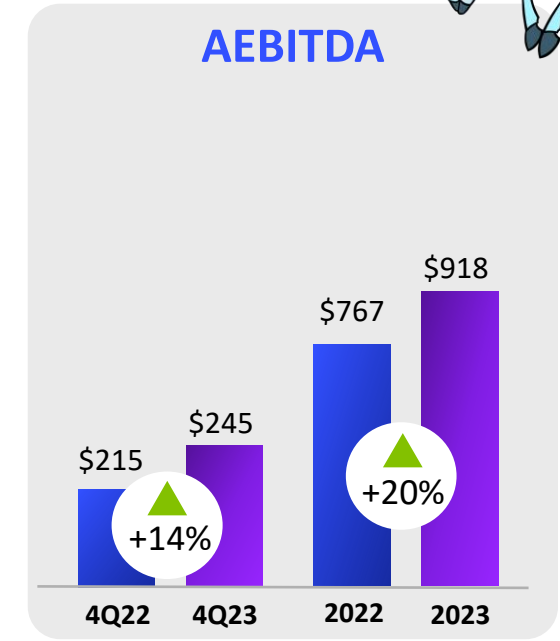
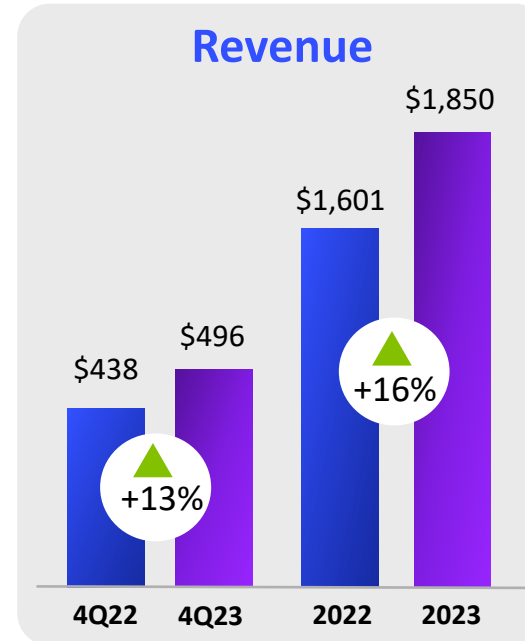
Capitalized on Existing Opportunities in Gaming Markets



Key 4Q Gaming Highlights

- Gaming Revenue **increased 13% YoY**, primarily driven by **Global Gaming Machine Sales growth of 31%**
 - Gaming Operations **revenue up 7%** led by increase in North American installed base and Average Daily Revenue
 - Delivered **strong International Gaming Machine Sales** with continued **momentum in Australia with over 20% share** ⁽¹⁾ and a sizeable replacement sale in the U.K.
 - Systems and Tables **impacted by timing of sales in the prior quarters**
- AEBITDA increased **14% YoY** primarily driven by revenue growth
- AEBITDA Margin was **49%**, **trending in-line** against historical levels

IN \$ MILLIONS



	4Q23	4Q22	Var%	2023	2022	Var%
Gaming Business Segment Revenue:						
Gaming operations	\$168	\$157	▲ 7%	\$661	\$635	▲ 4%
Gaming machine sales	205	156	▲ 31%	708	522	▲ 36%
Gaming systems	71	73	▼ (3)%	268	255	▲ 5%
Table products	52	52	-	213	189	▲ 13%

Results Supported by Performance in Key Metrics

Key 4Q Gaming KPI Highlights

- Gaming Operations growth was primarily driven by an **increase of 7% YoY in North American Premium installed base**, now at **47% of total North American units**
- Average daily revenue per unit was up **6% to \$47.91 in North America** and **16% to \$16.01 in International** on strong content performance and continued fleet optimization
- Global Game Sales units were up 56% YoY** led by **International replacement unit shipments increasing 183%**; **North American replacement units was also up 3% YoY** on strong demand
- ASP⁽¹⁾ was affected by a **replacement sale of over 3,700 units** into the U.K.



	4Q23	4Q22	Var%	2023	2022	Var%
Gaming Operations KPI:						
U.S. and Canadian:						
Installed base at period end	31,220	30,630	▲ 2%	31,220	30,630	▲ 2%
Average daily revenue per unit ⁽²⁾	\$47.91	\$45.39	▲ 6%	\$47.86	\$45.99	▲ 4%
International:⁽³⁾						
Installed base at period end	22,327	27,126	▼ (18)%	22,327	27,126	▼ (18)%
Average daily revenue per unit	\$16.01	\$13.80	▲ 16%	\$15.14	\$13.51	▲ 12%
Gaming Machine Sales KPI:						
U.S. and Canadian unit shipments:						
Replacement units	4,451	4,322	▲ 3%	17,351	14,531	▲ 19%
Casino opening and expansion units	332	777	▼ (57)%	1,149	2,359	▼ (51)%
Total unit shipments	4,783	5,099	▼ (6)%	18,500	16,890	▲ 10%
International unit shipments:						
Replacement units	7,270	2,565	▲ 183%	16,641	9,647	▲ 72%
Casino opening and expansion units	70	96	▼ (27)%	2,495	266	▲ 838%
Total unit shipments	7,340	2,661	▲ 176%	19,136	9,913	▲ 93%
Global unit shipments	12,123	7,760	▲ 56%	37,636	26,803	▲ 40%
Average sales price per new unit	\$15,477	\$18,047	▼ (14)%	\$17,229	\$17,462	▼ (1)%



(1) Gaming Machine Sales cabinet average sales price.

(2) We refined U.S. and Canada average daily revenue per unit calculation to include certain Gaming operations revenue streams that were previously excluded and have revised prior periods to align with the calculation. Please refer to p.14 in the Earnings' Press Release for more detail.

(3) Units exclude those related to game content licensing.

Executing on Product Roadmap Driving Further Growth in Gaming



Strategic Investments across Global Product Segments

- Capitalizing on **continued hardware momentum** with expected **HORIZON™** (**DANCING DRUMS ULTIMATE™** & **UFL DOUBLE EXPLOSION™** franchises) and **L7T⁽¹⁾** (**88 FORTUNES™** & **HUFF N' PUFF™** franchises) launches
- Wildly Successful Australia Game **DRAGON TRAIN™** expected to make North America debut in late 1Q24; **SQUID GAME™** scheduled to be released as Premium offering
- Continued **support for KASCADA™, MURAL™ and COSMIC™** cabinets leveraging our key brands

Curate proven franchises



Cultivate Key Top Families
Cross - Channel



Revive Mature Brands



- Deploying **key franchises and hardware across adjacent VLT⁽²⁾, Class II, HHR⁽³⁾ and COAM⁽⁴⁾ markets**
 - Announced **KASCADA™ DUAL SCREEN** VLT deals with Oregon State Lottery and Loto-Québec



(1) Landmark™ 7000 Transmissive.
(2) Video Lottery Terminals.
(3) Historical Horse Racing.
(4) Coin Operated Amusement Machines.

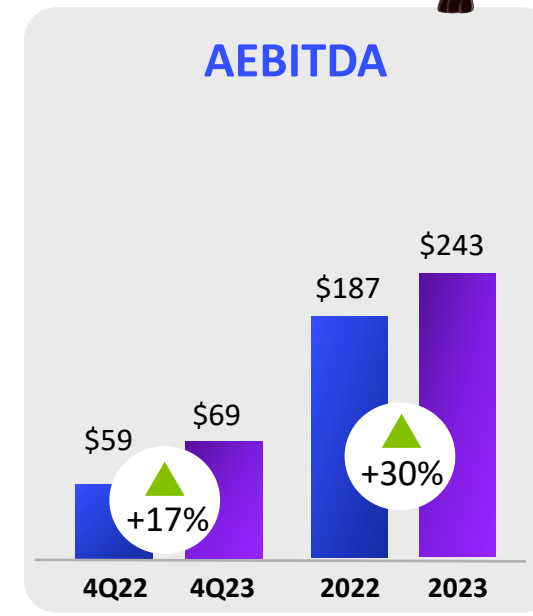
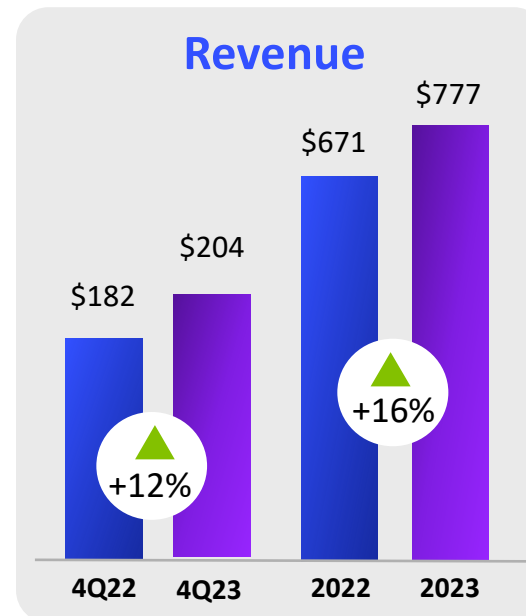
Extending Industry Leading Performance at SciPlay



Key 4Q SciPlay Highlights

- Revenue of \$204 million, up **12% YoY**, setting another record driven by double-digit YoY growth in social casino business
- AEBITDA of \$69 million, up 17% YoY**, benefiting from strong revenue growth and disciplined UA spend; **AEBITDA margin up 200 bps to 34%**, due to higher revenue, partially offset by higher marketing spend
- Continued record monetization and engagement across key metrics:
 - Grew ARPDAU⁽¹⁾ 15% YoY to a record \$1.00**
 - Payer conversion rate⁽²⁾ of 10.7%**, up 30 bps YoY
 - Record AMRPPU⁽³⁾ of \$113.73**, up 15% YoY
 - Steady base of DAU⁽⁴⁾ at 2.2 million**

IN \$ MILLIONS

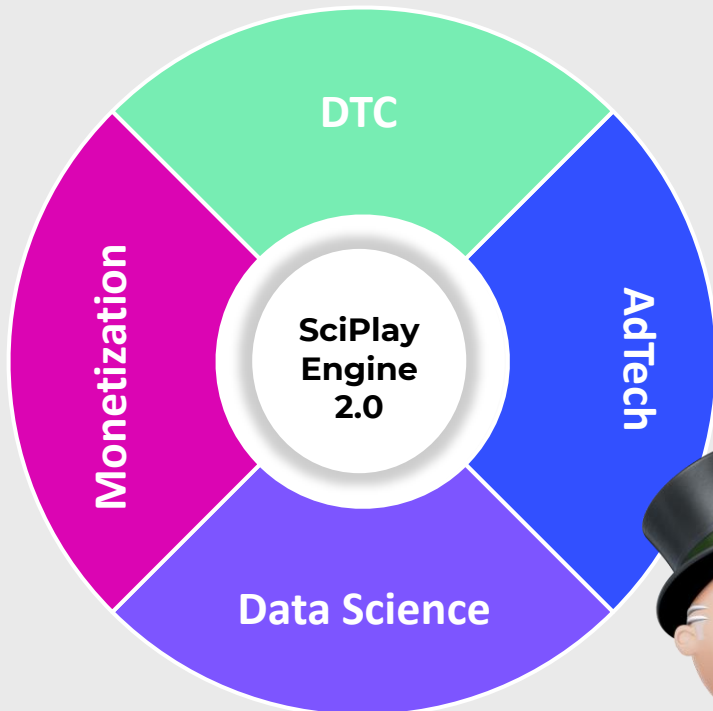


	4Q23	4Q22	Var%	2023	2022	Var%
SciPlay KPI:						
Mobile Penetration	86%	90%	▼ (400) bp	89%	90%	▼ (100) bp
Average MAU ⁽⁵⁾	5.5	5.7	▼ (4)%	5.7	6.0	▼ (5)%
Average DAU ⁽⁴⁾	2.2	2.2	-	2.2	2.3	▼ (4)%
ARPDAU ⁽¹⁾	\$1.00	\$0.87	▲ 15%	\$0.94	\$0.78	▲ 21%
Average MPU ⁽⁶⁾	587	591	▼ (1)%	606	572	▲ 6%
AMRPPU ⁽³⁾	\$113.73	\$99.16	▲ 15%	\$104.82	\$94.58	▲ 11%
Payer Conversion Rate ⁽²⁾	10.7%	10.4%	▲ 30 bp	10.6%	9.6%	▲ 100 bp

(1) Average Revenue Per Daily Active User.
 (2) Calculated by dividing average MPU for the period by the average MAU for the same period.
 (3) Average Monthly Revenue Per Paying User.
 (4) Daily Active Users in millions.
 (5) Monthly Active Users in millions.
 (6) Monthly Paying Users.



Expanding Capabilities Across SciPlay Portfolio



Executing on Industry Leading Success Drivers

- **Quarterly record revenues for JACKPOT PARTY™ CASINO, QUICK HIT™ SLOTS, GOLD FISH™ CASINO and 88 FORTUNES™ SLOTS**
 - Driving monetization through Live Ops and robust product roadmaps
 - Leveraging data science to grow lifetime values (LTVs) through player engagement and retention
 - Utilizing proprietary technology to maximize ROIs
- **Prudent and disciplined marketing and UA investments focused on future growth**
 - Identifying high opportunity UA⁽¹⁾ campaign - Joel McHale in 1Q24
 - Continued expansion and innovation initiatives
 - Developing DTC⁽²⁾ platform to enhance player relationships and engagement, accelerating the potential to expand margins over the long term



(1) User Acquisition.
(2) Direct-to-Consumer.

The MONOPOLY name and logo, the distinctive design of the game board, the four corner squares, the MR. MONOPOLY name and character, as well as each of the distinctive elements of the board, cards, and the playing pieces are trademarks of Hasbro for its property trading game and game equipment and are used with permission. © 1935, 2023 Hasbro. All Rights Reserved. Licensed by Hasbro.

© 2024 LIGHT & WONDER

13

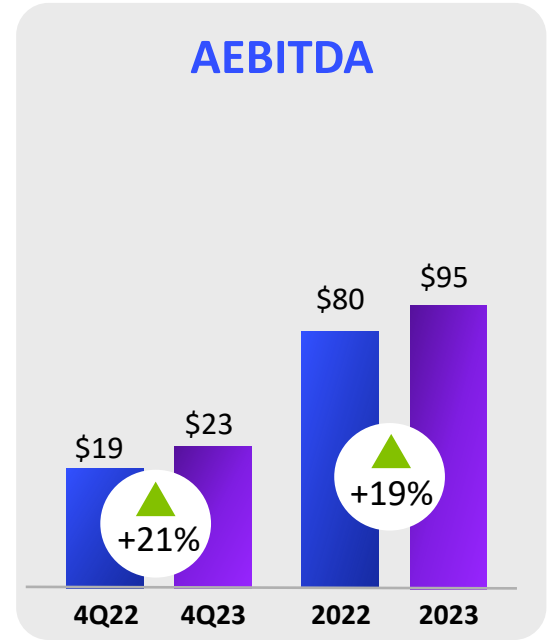
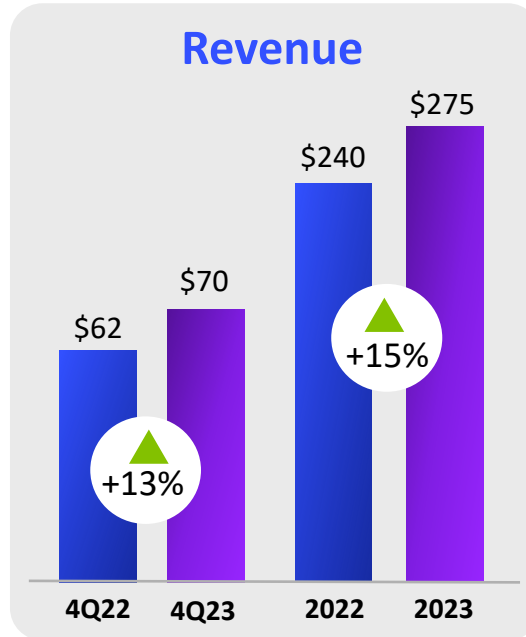
iGaming Growth Supported by Content Launches & GGR Expansion



Key 4Q iGaming Highlights

- Maintained **record revenue of \$70 million, up 13%YoY** primarily on continued momentum in the U.S. and international markets
 - U.S. OGS⁽¹⁾ GGR⁽²⁾ was up 23%** driven largely by Pennsylvania and Michigan performance, as well as a record U.S. game launch with *ULTIMATE FIRE LINK CASH FALLS – CHINA STREET™*
 - Canada OGS⁽¹⁾ GGR⁽²⁾ was also up 23% YoY** and has grown for 9 consecutive quarters
 - Record GGR⁽²⁾ volumes in E.U.** during the quarter
- AEBITDA increased 21% to \$23 million** on strong revenue growth in all regions; **AEBITDA margin of 33%** benefitted from scale while also investing in content and Live Casino

IN \$ MILLIONS



	4Q23	4Q22	Var%	2023	2022	Var%
iGaming KPI:						
Wagers processed through OGS (in billions)	\$21.6	\$19.1	▲ 13%	\$82.8	\$71.9	▲ 15%



(1) OGS – Light & Wonder iGaming platform *OPENGAMING™* System.
 (2) Gross Gaming Revenue.

Enhanced Portfolio with Engaging Features and Content

More Leading Content



Player Engagement

- Multiplayer and Marketing Jackpots
- Omni Games & Jackpots



Live Casino

- Now Live in Michigan
- Omni Channel – Quartz Hybrid



New IP

- Global Brands



Continued Focus on Content as Business Scales

- First-party content accounts for **over two-thirds of the total GGR⁽¹⁾ of the Top 20 games on OGS⁽²⁾ across the US**
 - Record GGR game launches with *PILOTS 2™* and *ULTIMATE FIRE LINK CASH FALLS – CHINA STREET™*
 - *ELK™*, *LIGHTNING BOX™* and *PLAYZIDO™* achieved record GGR⁽¹⁾ in the quarter
- Enhancing iGaming portfolio to **drive further growth**
 - Launching a **minimum of two new land-based epics** monthly into the U.S.
 - Expanding **Jackpots, Steppers, Omni Table Games offerings and Live Casino** with our game IP⁽³⁾ and scale
 - Expected to launch *ELK™* Studio games into the U.S.⁽³⁾
 - Deploying **new IP⁽⁴⁾ through global brands**
- **Expanding Live Dealer presence** on recently signed Penn Entertainment agreement for Michigan



(1) Gross Gaming Revenue.
(2) OGS – Light & Wonder iGaming platform *OPENGAMING™* System.
(3) Subject to regulatory approvals.
(4) Intellectual Property.
SQUID GAME TM/© Netflix. Used with permission.

LIGHT &
WONDER™

Financials

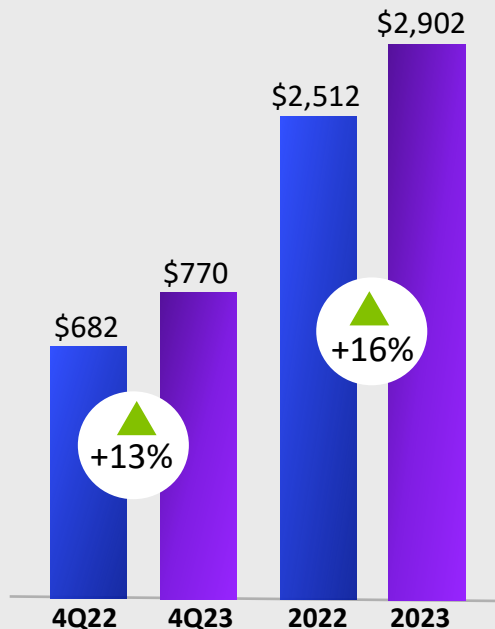


Achieved Revenue Growth Supported by Strong Margins

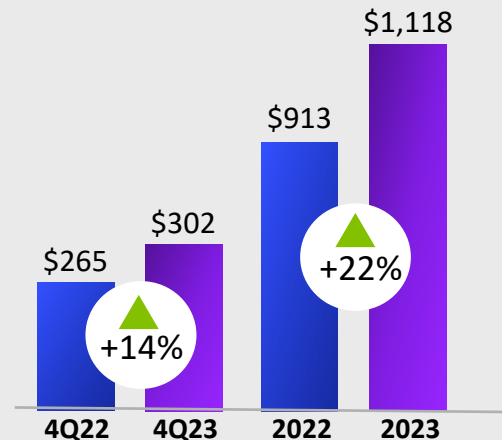


IN \$ MILLIONS

Consolidated Revenue



Consolidated AEBITDA⁽¹⁾



Key 4Q & 2023 Highlights

- **Delivered Consolidated Revenue growth of 13% YoY in the quarter**, maintaining strong margins across all businesses
 - Growth in Gaming primarily led by **Global Gaming Machine Sales**
 - Record revenue at SciPlay benefited from **monetization in the social casino business**
 - iGaming revenue growth YoY primarily driven by **continued momentum in the U.S. and international markets**
- **Consolidated AEBITDA⁽¹⁾ up 14%** and **Consolidated AEBITDA margin⁽¹⁾ remains steady at 39%** in 4Q
- **Delivered strong FY2023 results with Consolidated Revenue up 16% to a record \$2.9 billion and Consolidated AEBITDA⁽¹⁾ up 22% to \$1.1 billion**
- Full-year performance driven by **double-digit revenue growth** in all businesses, and **margin enhancement initiatives with Consolidated AEBITDA margin⁽¹⁾ up 300 bps to 39%**



(1) Denotes a non-GAAP financial measure and is reconciled to the most directly comparable GAAP measure in the tables in the appendix. Additional information on non-GAAP financial measures is available in the appendix.

Executing on Capital Allocation Strategies within Context of a Healthy Balance Sheet

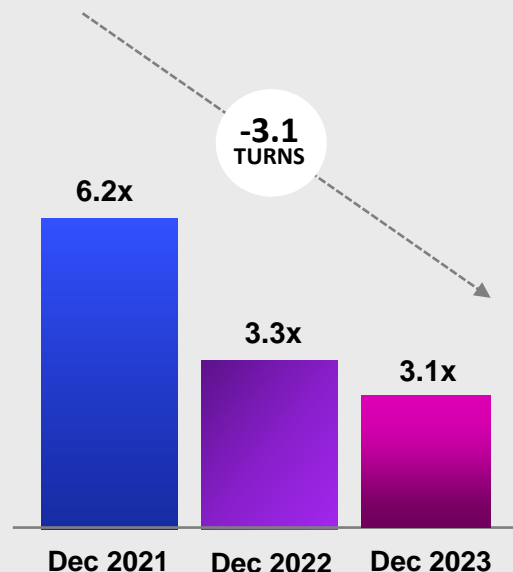


Key Highlights

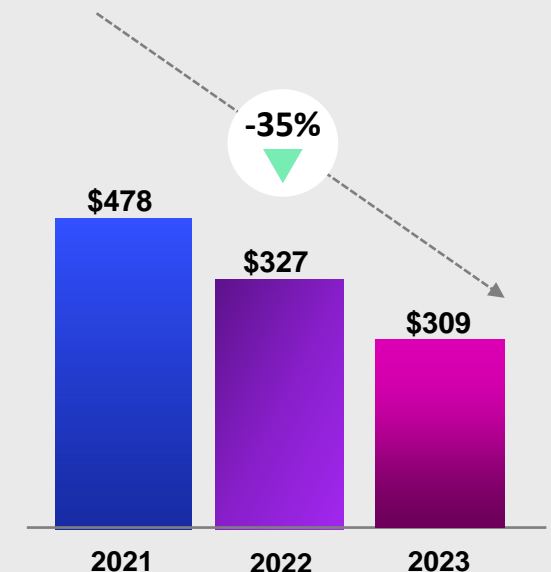
- Ended the year with a principal face value of debt outstanding of \$3.9 billion and **net debt leverage ratio⁽¹⁾ of 3.1x, in targeted range⁽¹⁾⁽²⁾ of 2.5x to 3.5x**
 - Acquired remaining **17% equity interest of SciPlay for \$496 million⁽³⁾** in October 2023
- Opportunistic debt refinancing resulting in **further decline in interest expense**
 - **Issued \$550 million of 7.500% senior unsecured notes** due 2031 and redeemed all \$550 million of our outstanding 8.625% senior unsecured notes due 2025 in August 2023
 - **Repriced Term Loan B** in January 2024
- **Returned \$25 million to shareholders or 0.3 million shares in 4Q** through share buyback.
 - **\$170 million or 2.4 million shares** during 2023; cumulative total of **\$575 million or 9.4 million shares**, representing **77% of total program authorization** announced in March 2022⁽⁴⁾

IN \$ MILLIONS

Net Debt Leverage Ratio⁽¹⁾



Interest Expense



(1) Denotes a non-GAAP financial measure and is reconciled to the most directly comparable GAAP measure in the tables in the appendix. Additional information on non-GAAP financial measures is available in the appendix.

(2) Additional information on the non-GAAP financial measure targeted net debt leverage ratio is available in the appendix.

(3) Excluding transaction fees and expenses.

(4) Share repurchase amounts since program authorization through December 31, 2023.

Generated Strong Consolidated Free Cash Flow⁽¹⁾⁽²⁾ in 2023



IN \$ MILLIONS

	4Q22		4Q23		2022		2023	
	Combined	Consolidated	Combined	Consolidated	Combined	Consolidated	Combined	Consolidated
Net cash (used in) provided by operating activities	\$ (87)	\$ 167	\$ (381)	\$ 590				
Capital expenditures	(58)	(60)	(253)	(242)				
Payments on contingent acquisition considerations	7	8	7	17				
Payments on license obligations	(5)	(5)	(37)	(31)				
Other ⁽¹⁾⁽²⁾	(5)	(40)	(10)	(43)				
Free Cash Flow	\$ (148)	\$ 70	\$ (674)	\$ 291				

Supplemental cash flow information

Strategic Review and Related Costs Impacting

Free Cash Flow:

Professional fees and services supporting Strategic review and related activities (including SciPlay Merger) and other	\$ 25	\$ 16	\$ 97	\$ 25
Income tax payments related to the Divestitures	176	-	641	32
Disposition and other closing expenses	-	-	80	-
Payments related to April 2022 refinancing	-	-	5	-
SciPlay legal settlement payment	-	-	25	-

Key 4Q & 2023 Highlights

4Q23 Consolidated Free Cash Flow⁽¹⁾⁽²⁾:

- Consolidated free cash flow was **\$70 million** in the quarter, primarily affected by professional fees and services supporting strategic review and related activities associated with SciPlay merger
- Prior year period combined free cash flow was **primarily impacted by tax payments** related to the divestitures

FY 2023 Consolidated Free Cash Flow⁽¹⁾⁽²⁾ :

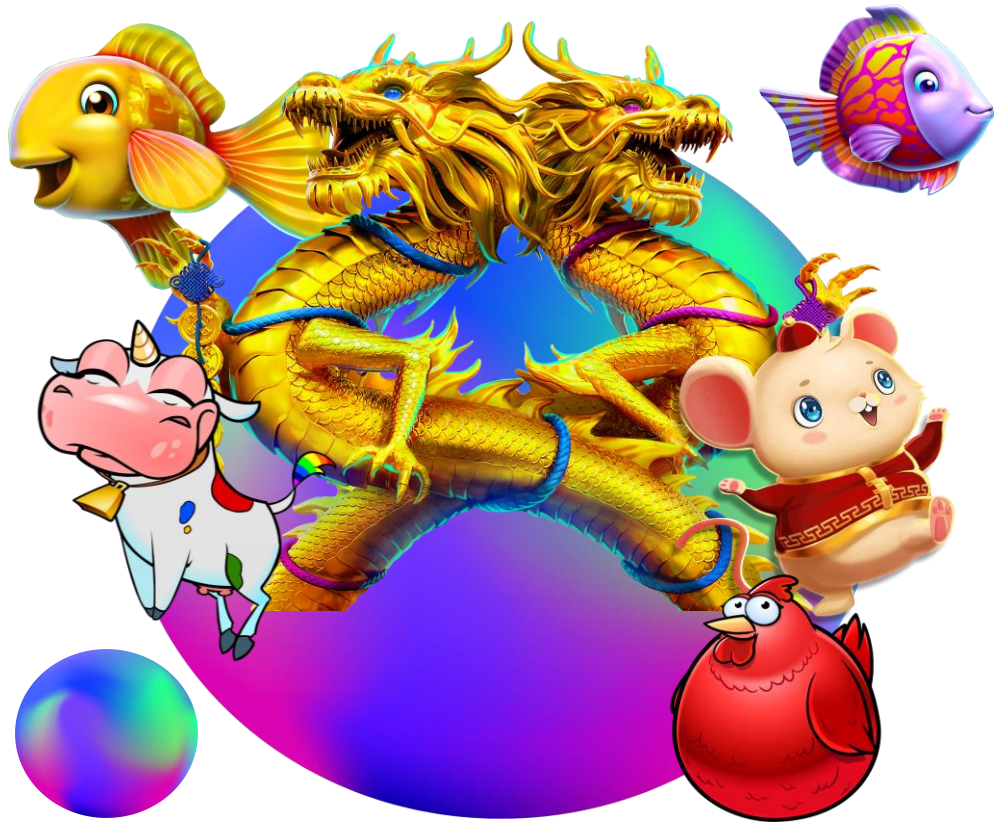
- Consolidated free cash flow for the year is **\$291 million**, affected by **tax payment of \$32 million** associated with the Divestitures **and \$25 million** in professional fees and services primarily related to the strategic review and related activities (ASX listing and SciPlay merger)
- Prior year period combined free cash flow⁽¹⁾⁽²⁾ was **primarily impacted by tax payments of \$641 million** related to the Divestitures



(1) Combined free cash flow consists of free cash flow from continuing operations and free cash flow from discontinued operations.
 (2) Denotes a non-GAAP financial measure and is reconciled to the most directly comparable GAAP measure in the tables in the appendix. Additional information on non-GAAP financial measures is available in the appendix.

Differentiated Value Proposition Focused on Execution

It's all about THE GAMES



Streamlined business and transformed balance sheet



Leading global games and platform provider with all the major pieces in place to drive shareholder value



Unmatched market positions and cross-platform capabilities



Focus on operational excellence driving enhanced shareholder value



Expect sustainable growth with healthy margins progressing towards \$1.4 billion targeted Consolidated AEBITDA⁽¹⁾ by 2025

LIGHT &
WONDER™

Appendix



Non-GAAP Financial Measures

The Company's management ("Management") uses the following non-GAAP financial measures in conjunction with GAAP financial measures: Consolidated AEBITDA (representing continuing operations), Consolidated AEBITDA margin, Free cash flow (representing continuing operations), Free cash flow from discontinued operations, Combined free cash flow, Net debt, Net debt leverage ratio, and Adjusted NPATA (each, as described more fully below). These non-GAAP financial measures are presented as supplemental disclosures. They should not be considered in isolation of, as a substitute for, or superior to, the financial information prepared in accordance with GAAP, and should be read in conjunction with the Company's financial statements filed with the SEC. The non-GAAP financial measures used by the Company may differ from similarly titled measures presented by other companies. Specifically, Management uses Consolidated AEBITDA to, among other things: (i) monitor and evaluate the performance of the Company's continuing operations; (ii) facilitate Management's internal and external comparisons of the Company's consolidated historical operating performance; and (iii) analyze and evaluate financial and strategic planning decisions regarding future operating investments and operating budgets. In addition, Management uses Consolidated AEBITDA and Consolidated AEBITDA margin to facilitate its external comparisons of the Company's consolidated results to the historical operating performance of other companies that may have different capital structures and debt levels. Management uses Net debt and Net debt leverage ratio in monitoring and evaluating the Company's overall liquidity, financial flexibility and leverage. Following our ASX listing, Management introduced usage of Adjusted NPATA, a non-GAAP financial measure, which is widely used to measure the performance as well as a principal basis for valuation of gaming and other companies listed on the ASX, and which we now present on a supplemental basis. As described in this presentation, the Company sold its former Lottery business and Sports Betting business and as such, historical financial information for these divested businesses is classified as discontinued operations, as described above. Management believes that Combined free cash flow is useful during the period until the disposition occurred as it provided Management and investors with information regarding the Company's combined financial condition under the structure at the time, including for prior period comparisons, as the Company transformed its strategy subsequent to the Divestitures. Additionally, Combined free cash flow provided greater visibility into cash available for the Company to use in investing and financing decisions as that cash flow was available for such decisions. Management believes that these non-GAAP financial measures are useful as they provide Management and investors with information regarding the Company's financial condition and operating performance that is an integral part of Management's reporting and planning processes. In particular, Management believes that Consolidated AEBITDA is helpful because this non-GAAP financial measure eliminates the effects of restructuring, transaction, integration or other items that Management believes are less indicative of the ongoing underlying performance of continuing operations (as more fully described below) and are better evaluated separately. Management believes that Free cash flow and Combined free cash flow provide useful information regarding the Company's liquidity and its ability to service debt and fund investments. Management also believes that Free cash flow and Combined free cash flow are useful for investors because they provide investors with important perspectives on the cash available for debt repayment and other strategic measures, after making necessary capital investments in property and equipment, necessary license payments to support the ongoing business operations and adjustments for changes in restricted cash impacting working capital. Additionally, Management believes that Free cash flow from discontinued operations provides useful information regarding the Company's operations as well as the impact of the discontinued businesses on the overall financial results for the prior periods presented as they remained under the structure of the Company for those periods. This non-GAAP measure is derived based on the historical records and includes only those direct costs that are allocated to discontinued operations and as such does not include all of the expenses that would have been incurred by these businesses as a standalone company or other Corporate and shared allocations and such differences might be material. Management believes Adjusted NPATA is useful for investors because it provides investors with additional perspective on performance, as the measure eliminates the effects of amortization of acquired intangible assets, restructuring, transaction, integration, certain other items, and the income tax impact on such adjustments, which

Management believes are less indicative of the ongoing underlying performance of continuing operations and are better evaluated separately. Adjusted NPATA is widely used to measure performance of gaming and other companies listed on the ASX.

Consolidated AEBITDA (representing AEBITDA from continuing operations)

Consolidated AEBITDA, as used herein, is a non-GAAP financial measure that is presented as a supplemental disclosure of the Company's continuing operations and is reconciled to net income (loss) from continuing operations as the most directly comparable GAAP measure, as set forth in the schedule titled "Reconciliation of Net Income Attributable to L&W to Consolidated AEBITDA." Consolidated AEBITDA should not be considered in isolation of, as a substitute for, or superior to, the consolidated financial information prepared in accordance with GAAP, and should be read in conjunction with the Company's financial statements filed with the SEC. Consolidated AEBITDA may differ from similarly titled measures presented by other companies. Consolidated AEBITDA is reconciled to Net income attributable to L&W and includes the following adjustments: (1) Net income attributable to noncontrolling interest; (2) Net income from discontinued operations, net of tax; (3) Restructuring and other, which includes charges or expenses attributable to: (i) employee severance; (ii) Management restructuring and related costs; (iii) restructuring and integration (including costs associated with strategic review, rebranding, divestitures and ongoing separation activities and related activities); (iv) cost savings initiatives; (v) major litigation; and (vi) acquisition- and disposition-related costs and other unusual items; (4) Depreciation, amortization and impairment charges and Goodwill impairments; (5) Loss on debt financing transactions; (6) Change in fair value of investments and Gain on remeasurement of debt and other; (7) Interest expense; (8) Income tax (benefit) expense; (9) Stock-based compensation; and (10) Other expense (income), net, including foreign currency gains or losses and earnings from equity investments. AEBITDA is presented exclusively as our segment measure of profit or loss. The forward-looking non-GAAP financial measure targeted Consolidated AEBITDA represents a goal for the Company and does not reflect Company guidance. We are not providing a forward-looking quantitative reconciliation of targeted Consolidated AEBITDA to the most directly comparable GAAP measure because we are unable to do so without unreasonable efforts or to reasonably estimate the projected outcome of certain significant items. These items are uncertain, depend on various factors out of our control and could have a material impact on the corresponding measures calculated in accordance with GAAP.

Consolidated AEBITDA Margin

Consolidated AEBITDA margin, as used herein, represents our Consolidated AEBITDA (as defined above) calculated as a percentage of consolidated revenue. Consolidated AEBITDA margin is a non-GAAP financial measure that is presented as a supplemental disclosure for illustrative purposes only and is reconciled to net income (loss) from continuing operations, the most directly comparable GAAP measure, in a schedule below.

AEBITDA from Discontinued Operations

AEBITDA from discontinued operations, as used herein, is a non-GAAP financial measure that is presented as a supplemental disclosure for the Company's discontinued operations and is reconciled to net income from discontinued operations, net of tax as the most directly comparable GAAP measure, as set forth in the schedule titled "Reconciliation of Net Income from Discontinued Operations, Net of Tax to AEBITDA from Discontinued Operations." AEBITDA from discontinued operations should not be considered in isolation of, as a substitute for, or superior to, the consolidated financial information prepared in accordance with GAAP, and should be read in conjunction with the Company's financial statements filed with the SEC. AEBITDA from discontinued operations may differ from similarly titled measures presented by other companies and is presented only for purposes of calculating

Non-GAAP Financial Measures (continued)

and reconciling Net debt leverage ratio. AEBITDA from discontinued operations is reconciled to Net income from discontinued operations, net of tax and includes the following adjustments: (1) Restructuring and other, which includes charges or expenses attributable to: (i) employee severance; (ii) Management restructuring and related costs; (iii) restructuring and integration; (iv) cost savings initiatives; (v) major litigation; and (vi) acquisition- and disposition-related costs and other unusual items; (2) Depreciation, amortization and impairment charges and Goodwill impairments; (3) Income tax expense; and (4) Stock-based compensation and other, net. In addition to the preceding adjustments, we exclude Earnings from equity investments and add (without duplication) discontinued operations pro rata share of EBITDA from equity investments, which represents their share of earnings (whether or not distributed) before income tax expense, depreciation and amortization expense, and interest expense, net of our joint ventures and minority investees, which is included in our calculation of AEBITDA from discontinued operations.

Combined AEBITDA

Combined AEBITDA, as used herein, is a non-GAAP financial measure that combines Consolidated AEBITDA (representing our continuing operations), AEBITDA from discontinued operations and EBITDA from equity investments included in continuing operations and is presented as a supplemental disclosure. Combined AEBITDA should not be considered in isolation of, as a substitute for, or superior to, the consolidated financial information prepared in accordance with GAAP, and should be read in conjunction with the Company's financial statements filed with the SEC. Combined AEBITDA may differ from similarly titled measures presented by other companies and is presented only for purposes of calculating and reconciling Net debt leverage ratio.

Free Cash Flow (representing free cash flow from continuing operations)

Free cash flow, as used herein, represents net cash provided by operating activities from continuing operations less total capital expenditures, less payments on license obligations, plus payments on contingent acquisition considerations and adjusted for changes in restricted cash impacting working capital. Free cash flow is a non-GAAP financial measure that is presented as a supplemental disclosure for illustrative purposes only and is reconciled to net cash provided by operating activities, the most directly comparable GAAP measure, in a schedule below. Free cash flow conversion, as used herein, represents Free cash flow calculated as a percentage of Consolidated AEBITDA (as defined above). Free cash flow conversion is a non-GAAP financial measure that is presented as a supplemental disclosure for illustrative purposes only.

Free Cash Flow from Discontinued Operations

Free cash flow from discontinued operations, as used herein, represents net cash provided by operating activities from discontinued operations less total capital expenditures, less payments on license obligations and adjusted for changes in restricted cash impacting working capital. Free cash flow from discontinued operations is a non-GAAP financial measure that is presented as a supplemental disclosure for illustrative purposes only and is reconciled to net cash provided by operating activities from discontinued operations, the most directly comparable GAAP measure, in a schedule below.

Combined Free Cash Flow

Combined free cash flow, as used herein, represents a non-GAAP financial measure that combines Free cash flow (representing our continuing operations) and Free cash flow from discontinued operations and is presented as a supplemental disclosure for illustrative purposes only.

EBITDA from Equity Investments

EBITDA from equity investments, as used herein, represents our share of earnings (whether or not distributed to us) plus income tax expense, depreciation and amortization expense, interest expense, net, and other non-cash and unusual items from our joint ventures and minority investees. EBITDA from equity investments is a non-GAAP financial measure that is presented as supplemental disclosure for illustrative purposes only and is reconciled to earnings of equity investments, the most directly comparable GAAP measure, in a schedule below.

Net Debt and Net Debt Leverage Ratio

Net debt is defined as total principal face value of debt outstanding, the most directly comparable GAAP measure, less cash and cash equivalents. Principal face value of debt outstanding includes the face value of debt issued under Senior Secured Credit Facilities and Senior Notes, which are described in Note 15 of the Company's Annual Report on Form 10-K for the year ended December 31, 2023, but it does not include other long-term obligations primarily comprised of certain revenue transactions presented as debt in accordance with ASC 470. Net debt leverage ratio, as used herein, represents Net debt divided by Consolidated AEBITDA. The forward-looking non-GAAP financial measure targeted net debt leverage ratio is presented on a supplemental basis and does not reflect Company guidance. We are not providing a forward-looking quantitative reconciliation of targeted net debt leverage ratio to the most directly comparable GAAP measure because we are unable to predict with reasonable certainty the ultimate outcome of certain significant items without unreasonable effort. These items are uncertain, depend on various factors, and could have a material impact on GAAP reported results for the relevant period.

Adjusted NPATA

Adjusted NPATA, as used herein, is a non-GAAP financial measure that is presented as a supplemental disclosure of the Company's continuing operations and is reconciled to net income from continuing operations as the most directly comparable GAAP measure, as set forth in the schedule titled "Reconciliation of Net Income Attributable to L&W to Adjusted NPATA." Adjusted NPATA should not be considered in isolation of, as a substitute for, or superior to, the consolidated financial information prepared in accordance with GAAP, and should be read in conjunction with the Company's financial statements filed with the SEC. Adjusted NPATA may differ from similarly titled measures presented by other companies.

Adjusted NPATA is reconciled to Net income from continuing operations and includes the following adjustments: (1) Amortization of acquired intangible assets; (2) non-cash asset and goodwill impairments; (3) Restructuring and other, which includes charges or expenses attributable to: (i) employee severance; (ii) Management restructuring and related costs; (iii) restructuring and integration (including costs associated with strategic review, rebranding, divestitures and ongoing separation activities and related activities); (iv) cost savings initiatives; (v) major litigation; and (vi) acquisition- and disposition-related costs and other unusual items; (4) Loss on debt financing transactions; (5) Change in fair value of investments and Gain on remeasurement of debt and other; (6) Income tax impact on adjustments; and (7) Other expense (income), net, including foreign currency gains or losses and earnings from equity investments.

L&W Reconciliation of Consolidated AEBITDA, AEBITDA from Discontinued Operations and Combined AEBITDA

	Three Months Ended December 31,		Year Ended December 31,		
	2023	2022	2023	2022	2021
<u>Reconciliation of Net Income Attributable to L&W to Consolidated AEBITDA</u>					
Net income attributable to L&W	\$ 66	\$ 30	\$ 163	\$ 3,675	\$ 371
Net income attributable to noncontrolling interest	1	9	17	22	19
Net income from discontinued operations, net of tax	-	(18)	-	(3,873)	(366)
Net income (loss) from continuing operations	67	21	180	(176)	24
Restructuring and other	26	40	92	146	167
Depreciation, amortization and impairments	86	103	384	420	398
Other expense (income), net	14	-	(5)	(6)	(28)
Interest expense	78	73	309	327	478
Income tax (benefit) expense	(2)	5	25	13	(318)
Stock-based compensation	33	23	118	69	113
Loss on debt financing transactions	-	-	15	147	-
Gain on remeasurement of debt and other	-	-	-	(27)	(41)
Consolidated AEBITDA	\$ 302	\$ 265	\$ 1,118	\$ 913	\$ 793
<u>Reconciliation of Net Income from Discontinued Operations, Net of Tax to AEBITDA from Discontinued Operations</u>					
Net income from discontinued operations, net of tax				\$	366
Income tax expense					72
Restructuring and other					10
Depreciation, amortization and impairments					79
EBITDA from equity investments ⁽¹⁾					80
Earnings from equity investments					(42)
Stock-based compensation and other, net					(35)
AEBITDA from discontinued operations				\$	530
EBITDA from equity investments - continuing operations ⁽¹⁾					8
Combined AEBITDA				\$	1,331

Note: Unaudited, U.S. Dollars in millions.

1. EBITDA from equity investments is a non-GAAP financial measure reconciled to Earnings from equity investments on slide 29.



L&W Reconciliation of Adjusted NPATA

	<u>Three Months Ended December 31, 2023</u>	<u>Year Ended December 31, 2023</u>
<u>Reconciliation of Net Income Attributable to L&W to Adjusted NPATA</u>		
Net income attributable to L&W	\$ 66	\$ 163
Net income attributable to noncontrolling interest	1	17
Net income from discontinued operations, net of tax	-	-
Net income from continuing operations	67	180
Amortization of acquired intangibles and impairments ⁽¹⁾	32	172
Restructuring and other	26	92
Other expense (income), net	14	(5)
Loss on debt financing transactions	-	15
Income tax impact on adjustments ⁽²⁾	(30)	(66)
Adjusted NPATA	\$ 109	\$ 388



Note: Unaudited, U.S. Dollars in millions.

(1) Includes \$7 million in impairment charges for the year ended December 31, 2023.

(2) Includes an adjustment to remove \$14 million in tax benefits related to the Divestitures.

L&W Reconciliation of Principal Face Value of Debt Outstanding to Net Debt Leverage Ratio

	As of December 31,		
	2023	2022	2021
Consolidated AEBITDA/Combined AEBITDA ⁽¹⁾	\$ 1,118	\$ 913	\$ 1,331
Total debt	\$ 3,874	\$ 3,894	\$ 8,690
Add: Unamortized debt discount/premium and deferred financing costs, net	44	47	82
Add: Impact of exchange rate	-	-	62
Less: Debt not requiring cash repayment and other	(1)	(2)	(4)
Principal face value of debt outstanding	3,917	3,939	8,830
Less: Cash and cash equivalents ⁽²⁾	425	914	629
Net debt	\$ 3,492	\$ 3,025	\$ 8,201
Net debt leverage ratio	3.1	3.3	6.2

Note: Unaudited, U.S. Dollars in millions.

1. Combined AEBITDA consists of Consolidated AEBITDA, AEBITDA from discontinued operations and EBITDA from equity investments included in continuing operations. Refer to the reconciliation of Combined AEBITDA included in the table titled "Reconciliation of Consolidated AEBITDA, AEBITDA from Discontinued Operations and Combined AEBITDA" for the periods presented on slide 24.
2. Includes cash and cash equivalents of both continuing operations and discontinued operations (for periods prior to December 31, 2022), as the combined amount was available for debt payments.



L&W Reconciliation of Net Cash Provided by (Used in) Operating Activities to Free Cash Flow — Continuing Operations and Combined Free Cash Flow

	Three Months Ended December 31,			
	2023	2022		
	Consolidated	Continuing Operations	Discontinued Operations ⁽¹⁾	Combined ⁽²⁾
Net cash provided by (used in) operating activities	\$ 167	\$ (79)	\$ (8)	\$ (87)
Less: Capital expenditures	(60)	(58)	-	(58)
Add: Payments on contingent acquisition considerations	8	7	-	7
Less: Payments on license obligations	(5)	(5)	-	(5)
(Less) add: Change in restricted cash impacting working capital	(40)	(5)	-	(5)
Free cash flow	\$ 70	\$ (140)	\$ (8)	\$ (148)
Supplemental cash flow information - Strategic Review and Related Costs Impacting Combined Free Cash Flows:				
Professional fees and services supporting strategic review and related activities (including SciPlay Merger) and other	\$ 16			\$ 25
Income tax payments related to the Divestitures	-			176
	Year Ended December 31,			
	2023	2022		
	Consolidated	Continuing Operations	Discontinued Operations ⁽¹⁾	Combined ⁽²⁾
Net cash provided by (used in) operating activities	\$ 590	\$ (425)	\$ 44	\$ (381)
Less: Capital expenditures	(242)	(216)	(37)	(253)
Add: Payments on contingent acquisition considerations	17	7	-	7
Less: Payments on license obligations	(31)	(35)	(2)	(37)
(Less) add: Change in restricted cash impacting working capital	(43)	(4)	(6)	(10)
Free cash flow	\$ 291	\$ (673)	\$ (1)	\$ (674)
Supplemental cash flow information - Strategic Review and Related Costs Impacting Combined Free Cash Flows:				
Professional fees and services supporting Strategic review and related activities (including ASX listing and SciPlay merger) and other	\$ 25			\$ 97
Income tax payments related to the Divestitures	32			641
Disposition and other closing expenses	-			80
Payments related to April 2022 refinancing	-			5
SciPlay legal settlement payment	-			25
Net income conversion (net income/net cash provided by (used in) operating activities)	31 %			(970) %
Free cash flow conversion (Free cash flow/Consolidated AEBITDA) ⁽³⁾	26 %			(74) %

Note: Unaudited, U.S. Dollars in millions.

- (1) Free cash flow from discontinued operations, a non-GAAP measure, is derived based on the historical records and includes only those direct cash flows that are allocated to discontinued operations. See above for further description and disclaimers associated with this non-GAAP measure.
- (2) Combined Free cash flow consists of Free cash flow (representing Free cash flow from continuing operations) and Free cash flow from discontinued operations. Refer to non-GAAP financial measure definitions above for further details.
- (3) Free cash flow conversion is a non-GAAP measure calculated as Free cash flow as a percentage of Consolidated AEBITDA. Refer to non-GAAP financial measure definitions above for further details.



L&W Reconciliation of Consolidated AEBITDA Margin

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Consolidated AEBITDA ⁽¹⁾	\$ 302	\$ 265	\$ 1,118	\$ 913
Revenue	770	682	2,902	2,512
Net income (loss) margin from continuing operations	9 %	3 %	6 %	(7) %
Consolidated AEBITDA margin⁽²⁾	39 %	39 %	39 %	36 %

Note: Unaudited, U.S. Dollars in millions.

1. Refer to the reconciliation of Consolidated AEBITDA included in the table titled "L&W Reconciliation of Consolidated AEBITDA, AEBITDA from Discontinued Operations and Combined AEBITDA" for the periods presented on slide 24.
2. Consolidated AEBITDA Margin is calculated as Consolidated AEBITDA as a percentage of revenue.



L&W Reconciliation of Earnings from Equity Investments to EBITDA from Equity Investments

	Year Ended December 31, 2021	
	Continuing Operations	Discontinued Operations
Earnings from equity investments	\$ 5	\$ 42
Add: Income tax expense	-	10
Add: Depreciation, amortization and impairments	1	31
Add: Interest income, net and other	2	(3)
EBITDA from equity investments	\$ 8	\$ 80
Combined EBITDA from equity investments⁽¹⁾		\$ 88



Note: Unaudited, U.S. Dollars in millions.

(1) Combined EBITDA from equity investments consists of EBITDA from both discontinued and continuing operations equity investments.