

# Light & Wonder Shares Multi-Year Growth Strategy at 2025 Investor Day

May 21, 2025

## *Highlighted Milestone Achievements since 2022 Investor Day*

*Provided 2028 Growth Targets for Consolidated AEBITDA<sup>(1)</sup> and Adjusted NPATA per Share<sup>(1)</sup>*

LAS VEGAS--(BUSINESS WIRE)-- Light & Wonder, Inc. (NASDAQ and ASX: LNW) ("Light & Wonder", L&W or the "Company"), the leading cross-platform global games company, hosted its Investor Day on May 20, 2025, in New York City.

President and CEO Matt Wilson stated, "We value the investment community's involvement in our 2025 Investor Day and their ongoing support of Light & Wonder as the leading cross-platform global games company. The presentation reflected Light & Wonder's major achievements over the past three years, offered insights into our strategic roadmap through 2028, and highlighted the strength of our diverse portfolio, and the quality of our team," said President and CEO Matt Wilson. "Our success is grounded in our financial discipline and culture of efficiency and excellence, which have enabled us to create a more agile business and drive margin expansion and profitability. Supported by the strength of our diverse portfolio, our financial profile and our team, we will continue advancing our proven omni-channel strategy with a focus on building industry leading games to deliver on our 2028 financial targets of Consolidated AEBITDA<sup>(1)</sup> of \$2.0 billion and doubling of Adjusted NPATA per share<sup>(1)</sup> to over \$10.55, to create substantial value for our shareholders."

## Multi-year Financial Outlook

- **2025 Targets:** The Company reaffirmed its \$1.4 billion Consolidated AEBITDA target<sup>(1)</sup> and associated Adjusted NPATA targeted range<sup>(1)</sup> for 2025, excluding contribution from the acquisition of the charitable gaming assets of Grover Gaming, Inc. and GS Gaming, Inc. ("the Grover Charitable Gaming acquisition").
- **Initiated Multi-year Financial Framework:** The Company is targeting to achieve Consolidated AEBITDA<sup>(1)</sup> of \$2.0 billion and doubling of 2024 Adjusted NPATA per Share<sup>(1)</sup>, (also referred by management as EPSa<sup>(1)</sup>), by 2028 to over \$10.55.

## Strategic Highlights

- **Gaming:** By continuing to grow its installed base, the Gaming segment is targeting to expand its North American Premium footprint market share by 400 basis points while also increasing revenue per day by 2028. The Company is also targeting to expand its Global Game Sales market share by 400 basis points over the same time frame. Other key growth drivers include growing Gaming Systems revenue through increased software adoption and preserving category leadership position in Table Products.
- **Charitable Gaming:** The Grover Charitable Gaming acquisition, a strategic charitable gaming adjacency, closed on May 16, 2025. L&W has developed a clear growth strategy for the business focusing on combining the Company's robust R&D engine with Grover Gaming's customer-centric operating model to increase device count, scale device profitability, and further penetration of new and existing markets. Charitable Gaming will be reported as part of the Gaming reportable segment.
- **SciPlay:** The SciPlay team is targeting to increase ARPDAU<sup>(2)</sup> by over 30% from 2024 to 2028 through enhanced Live Ops and targeted market expansion. Plans also include scaling Direct-to-Consumer to 30% of revenue over the same period, driving growth across core games, and investing in new titles with In-App Advertising and In-App Purchase monetization models. Growth will also be bolstered by the rollout of key features of its SciAlgo platform and VIP Hub.
- **iGaming:** The iGaming team is focused on capturing omni-channel opportunities with top performing content and enhanced offerings. The business segment expects to grow its global market share of 1st-party content by 300 basis points from 2024 to over 10% by 2028 through further proliferation of L&W's R&D engine and cross-platform strategy. We also expect to enter new markets and capture an equivalent market share to existing markets and expand service offerings and platform capabilities through growing our PAM<sup>(3)</sup> customer base.

The webcast replay and presentation can be accessed on the [Light & Wonder 2025 Investor Day Website](#) and the Company's investor relations website at <https://explore.investors.lnw.com/>.

- (1) Represents a non-GAAP financial measure presented on a supplemental basis. Additional information on non-GAAP financial measures presented herein is available at the end of this release.
- (2) Average Revenue per Daily Active User.
- (3) Player account management.

## **About Light & Wonder**

Light & Wonder, Inc. is the leading cross-platform global games company. Through our four unique, yet highly complementary businesses, we deliver unforgettable experiences by combining the exceptional talents of our 6,500+ member team with a deep understanding of our customers and players. We create immersive content that forges lasting connections with players, wherever they choose to engage. At Light & Wonder, it's all about the games. The Company is committed to the highest standards of

integrity, from promoting player responsibility to implementing sustainable practices. To learn more, visit [www.lhw.com](http://www.lhw.com).

You can access our filings with the Securities and Exchange Commission ("SEC") through the SEC website at [www.sec.gov](http://www.sec.gov), with the Australian Securities Exchange ("ASX") through the ASX website at [www.asx.com.au](http://www.asx.com.au), or through our website, and we strongly encourage you to do so. We routinely post information that may be important to investors on our website at [explore.investors.lhw.com](http://explore.investors.lhw.com), and we use our website as a means of disclosing material information to the public in a broad, non-exclusionary manner for purposes of the SEC's Regulation Fair Disclosure.

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## **Forward-Looking Statements**

In this press release, Light & Wonder 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 current management expectations, assumptions, and estimates and are not guarantees of timing, future results or performance. Therefore, you should not rely on these forward-looking statements to predict 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 those factors described in our filings with the Securities and Exchange Commission (the "SEC"), including the Company's current reports on Form 8-K, quarterly reports on Form 10-Q and its annual report on Form 10-K that was filed with the SEC on February 25, 2025 (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 the Company's ongoing obligations under the U.S. federal securities laws, the Company undertakes no obligation to publicly update any forward-looking statements whether as a result of new information, future events or otherwise.

## **Non-GAAP Financial Measures**

Management uses the following non-GAAP financial measures in conjunction with GAAP financial measures: Consolidated AEBITDA, Consolidated AEBITDA margin, Adjusted NPATA, Adjusted NPATA per share (also referred to as EPSa) (on diluted basis) (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 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.

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 present on a supplemental basis. The Adjusted NPATA performance measure was further supplemented with Adjusted NPATA per share (or EPSa) (on diluted basis), which was added during the third quarter of 2024.

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 the Company's operations (as more fully described below) and are better evaluated separately.

Management believes Adjusted NPATA and Adjusted NPATA per share (or EPSa) are useful for investors because they provide investors with additional perspective on performance, as the measures eliminate 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 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**

Consolidated AEBITDA, as used herein, is a non-GAAP financial measure that is presented as a supplemental disclosure of the Company's operations and is reconciled to Net income as the most directly comparable GAAP measure. 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 and includes the following adjustments, as applicable: (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, strategic review and other unusual items; (2) Depreciation, amortization and impairment charges and Goodwill impairments; (3) Loss on debt financing transactions; (4) Change in fair value of investments and Gain on remeasurement of debt and other; (5) Interest expense; (6) Income tax expense; (7) Stock-based compensation; and (8) Other 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. Consolidated AEBITDA target denotes a non-GAAP financial measure. We are not providing a forward-looking quantitative reconciliation of targeted Consolidated AEBITDA or Consolidated AEBITDA growth 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.

#### Adjusted NPATA

Adjusted NPATA, as used herein, is a non-GAAP financial measure that is presented as a supplemental disclosure of the Company's operations and is reconciled to Net income as the most directly comparable GAAP measure. 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 and includes the following adjustments, as applicable: (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; (iv) cost savings initiatives; (v) major litigation; and (vi) acquisition- and disposition-related costs, strategic review 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 income, net, including foreign currency gains or losses and earnings from equity investments. Adjusted NPATA target and targeted range denotes a non-GAAP financial measure. We are not providing a forward-looking quantitative reconciliation of Adjusted NPATA target and targeted range 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.

#### Adjusted NPATA Per Share (or EPSa) – Diluted

Adjusted NPATA per share (or EPSa), as used herein, is a non-GAAP financial measure that is presented as a supplemental disclosure of the Company's operations on diluted basis and is reconciled to diluted Net income per share as the most directly comparable GAAP measure, as set forth below. Adjusted NPATA per share (or EPSa) 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 per share (or EPSa) may differ from similarly titled measures presented by other companies.

Adjusted NPATA per share, or EPSa, is reconciled to diluted Net income attributable to L&W per share and includes the same adjustments as the reconciliation for Adjusted NPATA in per share amounts.

Adjusted NPATA per share target, or EPSa target, denotes a non-GAAP financial measure. We are not providing forward-looking quantitative reconciliations of Adjusted NPATA per share target (or EPSa target) 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.

	<b>Twelve Months Ended December 31,</b>	
	<b>2024</b>	
<b>Reconciliation of Net Income to Adjusted NPATA</b>		
<b>Net income</b>	<b>\$</b>	<b>336</b>
Restructuring and other <sup>(1)</sup>		94
Amortization of acquired intangibles and impairments		125
Other income, net		(37)
Loss on debt financing transactions		2
Income tax impact on adjustments		(40)
<b>Adjusted NPATA</b>	<b>\$</b>	<b>480</b>

### **Reconciliation of Net Income to Adjusted NPATA Per Share**

<b>Net income - Diluted</b>	<b>\$</b>	<b>3.68</b>
Adjustments:		
Restructuring and other		1.03
Amortization of acquired intangibles and impairments		1.37
Other income, net		(0.41)
Loss on debt financing transactions		0.02
Income tax impact on adjustments		(0.42)
<b>Adjusted NPATA per share - Diluted</b>	<b>\$</b>	<b>5.27</b>

(1) Refer to the Adjusted NPATA definition above for a description of items included in restructuring and other.

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Source: Light & Wonder, Inc.