

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 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, 2026

OR

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

For transition period from to
Commission File Number 001-39652

PLAYSTUDIOS, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

88-1802794

(I.R.S. Employer
Identification Number)

**10150 Covington Cross Drive
Las Vegas, NV 89144
(725) 877-7000**

(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:

<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Class A common stock	MYPS	The Nasdaq Capital Market
Redeemable warrants exercisable for one share of Class A common stock at an exercise price of \$11.50 per share	MYPSW	The Nasdaq Capital Market

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 type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" 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 7(a)(2)(B) of the Securities 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 April 30, 2026, there were 111,897,452 shares of Class A common stock, \$0.0001 par value per share, and 16,457,769 shares of Class B common stock, \$0.0001 par value per share, outstanding.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). These forward-looking statements are based on our current expectations, estimates, forecasts, and projections about future events and operating performance. All statements, other than statements of present or historical fact included in this Quarterly Report, about our strategy, business model, competitive position, future operations, future financial performance, liquidity, profitability, cost structure, market opportunities, regulatory environment, and management’s plans and objectives are forward-looking statements. Any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “may,” “should,” “could,” “would,” “expect,” “plan,” “anticipate,” “intend,” “believe,” “estimate,” “continue,” “goal,” “project” or the negative of such terms or other similar expressions.

Forward-looking statements contained in this Quarterly Report on Form 10-Q may include, but are not limited to, statements about:

- our business strategy, operating priorities, competitive positioning, and market opportunities;
- our future financial performance, including our expectations regarding revenue trends, cost of revenue, gross profit, gross margin, operating expenses (including sales and marketing, research and development, and general and administrative expenses), profitability, liquidity, and cash flows;
- market acceptance, engagement, monetization, and retention of our games, loyalty offerings, and new products;
- our access to capital, ability to raise financing in the future, and conditions in the global credit and financial markets;
- factors relating to our business, operations, financial performance, and subsidiaries, including competitive dynamics, changes in laws and regulations affecting our business, our ability to implement business plans and forecasts, identify and realize opportunities, and general macroeconomic conditions affecting discretionary consumer spending, awards partners, and advertisers;
- our reliance on, and ability to maintain relationships with, third-party platforms, payment providers, and other key partners, including the Apple App Store, Google Play Store, Amazon Appstore, and Facebook;
- the accounting for our outstanding warrants to purchase shares of Class A common stock;
- our ability to maintain and improve effective internal control over financial reporting;
- our ability to maintain, protect, enforce, license, and enhance our intellectual property rights;
- the impact of litigation, regulatory inquiries, investigations, enforcement actions, and our ability to successfully defend or resolve such matters;
- our ability to identify, pursue, complete, and integrate acquisitions or other strategic transactions consistent with our business objectives;
- our success in attracting, retaining, and motivating officers, key employees, directors, and other talent;
- the impact of geopolitical conditions, including international conflicts, regional instability, trade tensions, sanctions, terrorism, cyber threats, disruptions to global markets or supply chains, and related economic or operational uncertainty; and
- the impact of legal and regulatory factors on our current and planned business operations, including the enactment, amendment, interpretation, or enforcement of laws or regulations governing gaming, gambling, advertising, data privacy, consumer protection, sweepstakes promotions, virtual currencies, payment systems, or digital platforms, that may affect how we operate, where we operate, or the products and services we offer.

These forward-looking statements are based on our current plans, estimates, and projections in light of information currently available to us and are subject to known and unknown risks, uncertainties, and assumptions, including those described under the heading “Risk Factors” in this Quarterly Report on Form 10-Q, under “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, and in our other filings with the Securities and Exchange

Commission (the “SEC”) from time to time, that could cause our actual results, performance, or achievements to differ materially from those expressed or implied by these forward-looking statements. The risks described under the heading “Risk Factors” are not exhaustive. New risks emerge from time to time, and it is not possible for us to predict all risks or assess the impact of all such risks on our business or the extent to which any risk or combination of risks may cause actual results to differ materially from those contained in any forward-looking statements.

Forward-looking statements are not guarantees of future performance, and you should not place undue reliance on them. These statements speak only as of the date of this Quarterly Report on Form 10-Q. Except as required by applicable law, we undertake no obligation to publicly update or revise any forward-looking statements to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q, whether as a result of new information, future events, or otherwise.

We intend to use our Investor Relations website, ir.playstudios.com, SEC filings, press releases, public conference calls, and webcasts as means of disclosing material non-public information and for complying with our disclosure obligations under Regulation FD. Information posted on or accessible through our website or social media channels is not incorporated by reference into this Quarterly Report on Form 10-Q, and you should not consider such information to be part of this Quarterly Report.

PART I. Financial Information**Item 1. Financial Statements**

PLAYSTUDIOS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited, in thousands, except par value amounts)

	March 31, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 103,677	\$ 104,935
Receivables, net	22,852	22,818
Prepaid expenses and other current assets	7,328	7,018
Total current assets	133,857	134,771
Property and equipment, net	12,434	13,426
Operating lease right-of-use assets	6,292	7,533
Intangible assets and internal-use software, net	71,643	76,430
Goodwill	52,222	52,222
Deferred income taxes	4,090	4,140
Other long-term assets	1,887	2,096
Total non-current assets	148,568	155,847
Total assets	\$ 282,425	\$ 290,618
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	11,104	7,808
Operating lease liabilities, current	3,685	3,656
Minimum guarantee liability, current	8,419	9,469
Contingent consideration, current	2,535	5,561
Accrued and other current liabilities	18,309	16,684
Total current liabilities	44,052	43,178
Operating lease liabilities, noncurrent	3,220	4,070
Minimum guarantee liability, noncurrent	12,000	12,000
Contingent consideration, noncurrent	2,993	2,747
Deferred income taxes	776	617
Other long-term liabilities	58	140
Total non-current liabilities	19,047	19,574
Total liabilities	\$ 63,099	\$ 62,752
Commitments and contingencies (Note 15)		
Stockholders' equity:		
Preferred stock, \$0.0001 par value (100,000 shares authorized, no shares issued and outstanding as of March 31, 2026 and December 31, 2025)	—	—
Class A common stock, \$0.0001 par value (2,000,000 shares authorized, 133,596 and 131,823 shares issued, and 111,857 and 110,084 shares outstanding as of March 31, 2026 and December 31, 2025, respectively)	11	11
Class B common stock, \$0.0001 par value (25,000 shares authorized, 16,457 and 16,457 shares issued and outstanding as of March 31, 2026 and December 31, 2025, respectively).	2	2
Additional paid-in capital	342,945	340,802
Accumulated deficit	(70,639)	(59,963)
Accumulated other comprehensive income	1,799	1,806
Treasury stock, at cost, 21,739 and 21,739 shares at March 31, 2026 and December 31, 2025, respectively	(54,792)	(54,792)
Total stockholders' equity	219,326	227,866
Total liabilities and stockholders' equity	\$ 282,425	\$ 290,618

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

PLAYSTUDIOS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited, in thousands, except per share data)

	Three Months Ended March 31,	
	2026	2025
Net revenue	\$ 58,410	\$ 62,709
Operating expenses:		
Cost of revenue ⁽¹⁾	12,045	15,779
Selling and marketing	21,025	13,169
Research and development	14,724	13,674
General and administrative	9,436	11,861
Depreciation and amortization	9,833	9,632
Restructuring and related	4,652	1,335
Total operating costs and expenses	71,715	65,450
Loss from operations	(13,305)	(2,741)
Other income (expense), net:		
Change in fair value of warrant liabilities	18	101
Change in fair value of contingent consideration	2,780	(325)
Interest income, net	722	906
Other loss, net	(281)	(473)
Total other income, net	3,239	209
Loss before income taxes	(10,066)	(2,532)
Income tax expense	(610)	(348)
Net loss	\$ (10,676)	\$ (2,880)
Net loss per share attributable to Class A and Class B common stockholders:		
Basic	\$ (0.08)	\$ (0.02)
Diluted	\$ (0.08)	\$ (0.02)
Weighted average shares of common stock outstanding:		
Basic	127,660	125,253
Diluted	127,660	125,253

(1) Amounts exclude depreciation and amortization.

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

PLAYSTUDIOS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(unaudited, in thousands)

	Three Months Ended March 31,	
	2026	2025
Net loss	\$ (10,676)	\$ (2,880)
Other comprehensive (loss) income:		
Change in foreign currency translation adjustment ⁽¹⁾	(7)	8
Unrealized gain from derivative financial instruments ⁽¹⁾	—	50
Reclassification of loss/(gain) from settlement of derivative financial instruments included in net loss ⁽¹⁾	—	(12)
Total other comprehensive (loss) income	(7)	46
Comprehensive loss	\$ (10,683)	\$ (2,834)

(1) These amounts are presented gross of the effect of income taxes. The corresponding effects of income taxes are immaterial.

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

PLAYSTUDIOS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(unaudited, in thousands)

	Class A Common Stock		Class B Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive (Loss) Income	Accumulated Deficit	Treasury Stock	Total Stockholders' Equity
	Shares	Amount	Shares	Amount					
Balance as of December 31, 2024	108,287	\$ 11	16,457	\$ 2	\$ 327,951	\$ (632)	\$ (31,324)	\$ (51,293)	\$ 244,715
Net loss	—	—	—	—	—	—	(2,880)	—	(2,880)
Exercise of stock options	110	—	—	—	122	—	—	—	122
Restricted stock vesting, net of shares withheld	1,561	—	—	—	(741)	—	—	—	(741)
Stock-based compensation	—	—	—	—	4,374	—	—	—	4,374
Repurchase of common stock	(910)	—	—	—	—	—	—	(1,554)	(1,554)
Other comprehensive income	—	—	—	—	—	46	—	—	46
Balance as of March 31, 2025	109,048	\$ 11	16,457	\$ 2	\$ 331,706	\$ (586)	\$ (34,204)	\$ (52,847)	\$ 244,082

	Class A Common Stock		Class B Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Treasury Stock	Total Stockholders' Equity
	Shares	Amount	Shares	Amount					
Balance as of December 31, 2025	110,084	\$ 11	16,457	\$ 2	\$ 340,802	\$ 1,806	\$ (59,963)	\$ (54,792)	\$ 227,866
Net loss	—	—	—	—	—	—	(10,676)	—	(10,676)
Exercise of stock options	18	—	—	—	—	—	—	—	—
Restricted stock vesting, net of shares withheld	1,755	—	—	—	(378)	—	—	—	(378)
Stock-based compensation	—	—	—	—	2,521	—	—	—	2,521
Repurchase of common stock	—	—	—	—	—	—	—	—	—
Other comprehensive loss	—	—	—	—	—	(7)	—	—	(7)
Balance as of March 31, 2026	111,857	\$ 11	16,457	\$ 2	\$ 342,945	\$ 1,799	\$ (70,639)	\$ (54,792)	\$ 219,326

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

PLAYSTUDIOS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, in thousands)

	Three Months Ended March 31,	
	2026	2025
Cash flows from operating activities:		
Net loss	\$ (10,676)	\$ (2,880)
Adjustments:		
Depreciation and amortization	9,833	9,632
Stock-based compensation expense	2,384	4,258
Change in fair value of contingent consideration	(2,780)	325
Asset impairments	133	—
Deferred income tax benefit	209	215
Other	823	558
Changes in operating assets and liabilities		
Receivables, net	321	1,092
Prepaid expenses and other current assets	(923)	(1,730)
Income tax receivable	(46)	100
Accounts payable & accrued liabilities	4,409	(8,379)
Other	31	109
Net cash provided by operating activities	3,718	3,300
Cash flows from investing activities:		
Purchase of property and equipment	(66)	(118)
Additions to internal-use software	(4,006)	(3,461)
Other	(46)	(30)
Net cash used in investing activities	(4,118)	(3,609)
Cash flows from financing activities:		
Proceeds from stock option exercises	—	122
Payments for tax withholding of stock-based compensation	(378)	(740)
Payment of minimum guarantee liabilities	(347)	(284)
Repurchases of treasury stock	—	(1,554)
Net cash used in financing activities	(725)	(2,456)
Foreign currency translation	(130)	84
Net change in cash, cash equivalents, and restricted cash	(1,255)	(2,681)
Cash, cash equivalents, and restricted cash at beginning of period	105,555	110,386
Cash, cash equivalents, and restricted cash at end of period	\$ 104,300	\$ 107,705
Supplemental cash flow disclosures:		
Interest paid	\$ 41	\$ 41
Income taxes paid, net of refunds	616	549
Non-cash investing and financing activities:		
Capitalization of stock-based compensation	\$ 137	\$ 116
Additions to intangible assets related to licensing agreements	—	834

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited, in thousands, unless otherwise noted)

NOTE 1—BACKGROUND AND BASIS OF PRESENTATION***Organization and Description of Business***

On June 21, 2021 (the “Closing Date”), Acies Acquisition Corp., a Cayman Islands exempted company (“Acies”), consummated a business combination (the “Acies Merger”) with PlayStudios, Inc., a Delaware corporation (“Old PLAYSTUDIOS”), pursuant to the Agreement and Plan of Merger, dated as of February 1, 2021 (the “Merger Agreement”), by and among Acies, Old PLAYSTUDIOS, Catalyst Merger Sub I, Inc., a Delaware corporation and a direct wholly owned subsidiary of Acies, and Catalyst Merger Sub II, LLC, a Delaware limited liability company and a direct wholly owned subsidiary of Acies. Following the Closing Date, Acies changed its name to PLAYSTUDIOS, Inc.

PLAYSTUDIOS, Inc., formerly known as Acies Acquisition Corp. (the “Company” or “PLAYSTUDIOS”), was incorporated on August 14, 2020 as a Cayman Islands exempted company and domesticated as a Delaware corporation on the Closing Date.

The Company develops and operates online and mobile social gaming applications (“games” or “game”), most of which incorporate a unique loyalty program offering “real world” rewards provided by a collection of rewards partners. The Company’s games are free-to-play and available through the Apple App Store, Google Play Store, Amazon Appstore, and Facebook (collectively, “platforms” or “platform operators”). The Company creates games based on its own original content as well as licensed third-party brands. The Company primarily generates revenue through the in-game sale of virtual currencies and in-game advertising.

Unless the context otherwise requires, all references herein to “PLAYSTUDIOS,” the “Company,” “we,” “us,” and “our” refer collectively to PLAYSTUDIOS, Inc. and its subsidiaries.

Basis of Presentation and Consolidation

The accompanying condensed consolidated financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”) and pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”). The condensed consolidated financial statements include the accounts of PLAYSTUDIOS, Inc. and its consolidated subsidiaries. All intercompany balances and transactions have been eliminated upon consolidation. Certain reclassifications in these financial statements have been made to comply with US GAAP applicable to public companies and SEC Regulation S-X.

The significant accounting policies referenced in the annual consolidated financial statements of the Company as of December 31, 2025 have been applied consistently in these unaudited interim condensed consolidated financial statements. In the opinion of the Company, the accompanying unaudited financial statements contain all adjustments, consisting of only normal recurring adjustments, necessary for a fair presentation of its financial position as of March 31, 2026, its results of operations for the three months ended March 31, 2026, and 2025, and cash flows for the three months ended March 31, 2026, and 2025. The Condensed Consolidated Balance Sheet as of December 31, 2025 was derived from the audited annual financial statements but does not contain all of the footnote disclosures from the annual financial statements.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with US GAAP requires us to make estimates and assumptions that affect the reported amounts in the consolidated financial statements and notes thereto. Significant estimates and assumptions reflected in the Company’s condensed consolidated financial statements include the estimated consumption rate of virtual goods that is used in the determination of revenue recognition, useful lives of property and equipment and definite-lived intangible assets, the expensing and capitalization of research and development costs for internal-use software, assumptions used in accounting for income taxes, stock-based compensation, the fair value of derivative financial instruments, the fair value of contingent consideration, and the evaluation of goodwill and long-lived assets for impairment. The Company believes the accounting estimates are appropriate and reasonably determined. Due to the inherent uncertainties in making these estimates, actual amounts could differ materially.

Smaller Reporting Company

As of March 31, 2026, the Company qualified as a Smaller Reporting Company (“SRC”) as defined under Rule 12b-2 of the Securities Exchange Act of 1934. As an SRC, we are eligible for and have elected to provide scaled disclosure accommodations in this Quarterly Report on Form 10-Q. These accommodations allow us to provide reduced executive

compensation disclosures, fewer years of audited financial statements, and less extensive narrative disclosures compared to larger reporting companies. The Company will reevaluate its eligibility to qualify as an SRC at the end of its second quarter of 2026, and otherwise as required.

Reclassifications

Certain prior period amounts have been reclassified to conform to the current period presentation. Specifically, \$6.3 million previously classified within accrued and other current liabilities as of December 31, 2025 has been reclassified to accounts payable to better reflect the nature of those obligations as amounts owed to vendors and suppliers in the ordinary course of business. These reclassifications had no effect on previously reported total current liabilities, total liabilities, or net loss.

NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Our significant accounting policies and estimates remained unchanged from our 2025 Annual Report on Form 10-K filed on March 16, 2026 and amended on Form 10-K/A filed on April 3, 2026.

Recently Issued Accounting Standards Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40)*. Additionally, in January 2025, the FASB issued ASU 2025-01 to clarify the effective date of ASU 2024-03. The standard provides guidance to expand disclosures related to the disaggregation of income statement expenses. The standard requires, in the notes to the financial statements, disclosure of specified information about certain costs and expenses, which includes purchases of inventory, employee compensation, depreciation, and intangible asset amortization included in each relevant expense caption. This guidance is effective for fiscal years beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027, on a retrospective or prospective basis, with early adoption permitted. The Company is assessing the guidance, noting the adoption impacts disclosure only.

In September 2025, the FASB issued ASU 2025-06, *Intangibles — Goodwill and Other — Internal-Use Software (Subtopic 350-40)* (“ASU 2025-06”), which revises the approach to accounting for internal-use software costs by eliminating all references to the stages of software development projects, thereby making the guidance adaptable to a variety of software development methodologies. ASU 2025-06 will be effective for annual periods beginning after December 15, 2027, and interim periods within those annual reporting periods, on a prospective, modified or retrospective basis, with early adoption permitted. The Company is currently assessing the effect the guidance will have on the Company's financial condition, results of operations and cash flows.

NOTE 3—SEGMENT REPORTING

The Company has aggregated its operating segments into the following reportable segments: playGAMES and playAWARDS, which represent our different products and services. A detailed discussion regarding the products and services from which each reportable segment derives its revenue is included in our 2025 Annual Report on Form 10-K filed on March 16, 2026 and amended on Form 10-K/A filed on April 3, 2026.

Adjusted EBITDA (“AEBITDA”) is the Company’s reportable segment GAAP measure, which management utilizes as the primary profit measure for its reportable segments and underlying operating segments. AEBITDA is a measure defined as net income (loss) before interest, income taxes, depreciation and amortization, restructuring and related costs (consisting primarily of severance and other restructuring related costs), stock-based compensation expense, and other income and expense items (including special infrequent items, foreign currency gains and losses, and other non-cash items).

Expenses include indirect costs that are allocated to operating segments based on a reasonable allocation methodology, which are generally related to sales and marketing activities, general and administrative overhead, and costs associated with administering the playAWARDS myVIP program in the playGAMES applications. Net revenue excludes transactions between the Company's operating segments. Certain expenses incurred by playAWARDS have been allocated to playGAMES at cost. The chief operating decision maker does not evaluate operating segments using asset information.

The following table presents the Company's segment information:

	Three Months Ended March 31, 2026			Three Months Ended March 31, 2025		
	playGAMES	playAWARDS	Total	playGAMES	playAWARDS	Total
Net revenue						
Virtual currency	\$ 44,705	\$ 543	\$ 45,248	\$ 50,692	\$ 148	\$ 50,840
Advertising	13,157	—	13,157	11,863	—	11,863
Other	—	5	5	—	6	6
	57,862	548	58,410	62,555	154	62,709
Segment expenses						
Cost of sales	11,991	54	12,045	15,763	16	15,779
Payroll & related	10,011	1,488	11,499	9,175	1,567	10,742
User acquisition	16,693	—	16,693	10,157	—	10,157
Other ⁽¹⁾	10,493	498	10,991	9,151	860	10,011
	49,188	2,040	51,228	44,246	2,443	46,689
Reportable segment AEBITDA	\$ 8,674	\$ (1,492)	\$ 7,182	\$ 18,309	\$ (2,289)	\$ 16,020
Other operating expense						
Corporate and other			\$ 3,611			\$ 3,533
Restructuring expenses			4,652			1,335
Other reconciling items			7			3
Stock-based compensation			2,384			4,258
Depreciation and amortization			9,833			9,632
			20,487			18,761
Non-operating income (expense)						
Change in fair value of warrant liabilities			18			101
Change in fair value of contingent consideration			2,780			(325)
Interest income, net			722			906
Other expense			(281)			(473)
			3,239			209
Loss before income taxes			(10,066)			(2,532)
Income tax expense			(610)			(348)
Net loss			\$ (10,676)			\$ (2,880)

(1) Consists of legal, rent, information technology, outside services, marketing, and other general and administrative expenses.

Reorganization

On March 10, 2026, the Company initiated an internal reorganization plan (the "2026 Reorganization Plan") which is intended to enhance efficiency and reduce operating expenses. The 2026 Reorganization Plan includes a reduction of the Company's current total global workforce by approximately 27%. The Company expects to incur aggregate charges of approximately \$4.5 million to \$7.0 million in connection with the 2026 Reorganization Plan, consisting primarily of employee

transition costs, severance payments, employee benefits, stock-based compensation, and lease termination and other facility-related costs, substantially all of which are expected to be recognized during 2026.

The following table presents the charges for the 2026 Reorganization Plan, which is reflected in “Restructuring and related” in the Condensed Consolidated Statements of Operations:

	Three Months Ended March 31, 2026			
	playGAMES	playAWARDS	Corporate and Other	Total
Employee termination benefits	\$ 1,461	\$ 261	\$ 565	\$ 2,287
Lease-related charges ⁽¹⁾	121	68	149	338
Asset-related charges ⁽²⁾	191	3	6	200
Other	14	7	31	52
Total	\$ 1,787	\$ 339	\$ 751	\$ 2,877

(1) Lease-related charges primarily represent accelerated amortization of operating lease right of use (“ROU”) assets due to a change in useful life. See Note 11—*Leases* for further discussion.

(2) Asset-related charges primarily represent impairment and loss on disposal of property and equipment.

The following table summarizes the activity related to the liabilities associated with the Company's reorganization plan:

	playGAMES	playAWARDS	Corporate and Other	Total
Balance as of December 31, 2025	\$ —	\$ —	\$ —	\$ —
Reorganization charges and adjustments	1,787	339	751	2,877
Non-cash charges	(312)	(71)	(155)	(538)
Payments	(200)	(37)	(31)	(268)
Balance as of March 31, 2026	\$ 1,275	\$ 231	\$ 565	\$ 2,071

playGAMES Goodwill

The Company monitors its playGAMES reporting unit for potential indicators of impairment on an ongoing basis. During the three months ended March 31, 2026, the Company considered various qualitative and quantitative factors, including trends in operating performance and broader market conditions affecting the playGAMES segment.

As of the Company’s most recent annual impairment test performed on October 1, 2025, the estimated fair values of the reporting units exceeded their respective carrying values by a relatively narrow amount. While the Company continues to monitor the performance of these reporting units in light of recent operating trends and market conditions, management determined that no impairment charge was required as of March 31, 2026.

If actual results differ from current expectations, or if management updates its assumptions or projections for these reporting units, including those related to future cash flows, the estimated fair values of the reporting units may change, which could result in impairment charges in future periods.

NOTE 4—RELATED-PARTY TRANSACTIONS

The following table is a summary of balance sheet assets and liabilities from related parties:

	March 31, 2026	December 31, 2025	Financial Statement Line Item
Marketing Agreement	\$ 1,000	\$ 1,000	Intangible assets and internal-use software, net

The Company’s revenues and expenses recognized from related parties were immaterial during the three months ended March 31, 2026 and 2025.

MGM Resorts International (“MGM”)

MGM is a stockholder and the President and Chief Executive Officer of MGM Resorts Japan also serves on the Company’s Board of Directors. MGM owned approximately 16.6 million and 16.6 million shares of the Company's outstanding Class A common stock as of March 31, 2026 and December 31, 2025, respectively.

In April 2011, the Company entered into a joint marketing agreement with MGM (as amended, the “Marketing Agreement”) in exchange for assistance with marketing campaigns and the certain rights to utilize MGM’s licensed marks and licensed copyrights for the development of certain of the Company’s social casino games. The initial term of the Marketing Agreement was for one year from the go-live date of the first such game in July 2012, with automatic renewal provisions based on the games achieving specified performance criteria. The Marketing Agreement was recorded as an indefinite-lived intangible asset.

PLAYSTUDIOS Impact Fund

During the three months ended March 31, 2025, the Company made charitable contributions of \$0.3 million to the PLAYSTUDIOS Impact Fund (the “Fund”), a tax-exempt private foundation established by the Company and administered by certain members of the Company’s management team. No contributions were made during the three months ended March 31, 2026. These individuals serve as officers and directors of the Fund but receive no compensation in such capacities. The Fund supports charitable causes selected based on input from Company employees and customers. The contributions were recorded in "General and administrative" in the accompanying Condensed Consolidated Statements of Operations.

NOTE 5—RECEIVABLES, NET

Receivables, net consist of the following:

	March 31, 2026	December 31, 2025
Trade receivables	\$ 21,709	\$ 22,029
Other receivables	1,178	821
Allowance for uncollectible amounts	(35)	(32)
Total receivables, net	<u>\$ 22,852</u>	<u>\$ 22,818</u>

Trade receivables generally represent amounts due to the Company from social and mobile platform operators, including Apple, Google, and direct-to-consumer (“DTC”) payment processors, including Xsolla. Trade receivables are recorded when the right to consideration becomes unconditional.

Concentration of Credit Risk

The following table summarizes the major receivables of the Company as a percentage of the total trade receivables as of the dates indicated:

	March 31, 2026	December 31, 2025
Apple, Inc.	36.1 %	41.1 %
Google, LLC	18.1 %	17.8 %
Xsolla (USA), Inc.	11.5 %	13.6 %
AppLovin Corp	10.9 %	9.9 %

As of March 31, 2026 and December 31, 2025, the Company did not have any additional counterparties that exceeded 10% of the Company’s total trade receivables.

NOTE 6—PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets consist of the following:

	March 31, 2026	December 31, 2025
Prepaid expenses	\$ 5,792	5,160
Income tax receivable	1,425	1,632
Other current assets	111	226
Total prepaid expenses other current assets	<u>\$ 7,328</u>	<u>\$ 7,018</u>

NOTE 7—FAIR VALUE MEASUREMENT

The carrying values of the Company's cash and cash equivalents, receivables, net, prepaid expenses and other current assets, and accounts payable approximate fair value due to their short maturities.

	March 31, 2026			
	Level 1	Level 2	Level 3	Total
Financial liabilities:				
Public Warrants	\$ 32	—	—	32
Private Warrants	—	23	—	23
Contingent consideration	—	—	5,528	5,528
Total financial liabilities	<u>\$ 32</u>	<u>\$ 23</u>	<u>\$ 5,528</u>	<u>\$ 5,583</u>

	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Financial liabilities:				
Public Warrants	\$ 43	—	—	43
Private Warrants	—	31	—	31
Contingent consideration	—	—	8,308	8,308
Total financial liabilities	<u>\$ 43</u>	<u>\$ 31</u>	<u>\$ 8,308</u>	<u>\$ 8,382</u>

On July 1, 2024, PLAYSTUDIOS US, LLC, a direct wholly-owned subsidiary of the Company entered into an asset purchase agreement to acquire certain tangible and intangible assets and assumed certain liabilities from Pixode Games Limited ("Pixode"), a mobile casual games publisher ("Pixode Acquisition"). The fair value of our Level 3 contingent consideration liabilities relates to the Pixode Acquisition. This contingent consideration is primarily based on expected payments arising from a percentage of an adjusted net revenue for a three year period commencing on the re-launch date of the rebranded Pixode assets, payable at the end of each fiscal year. The value of these payments are subject to various market and operational risks. As of March 31, 2026 and December 31, 2025, significant unobservable inputs include a discount rate of approximately 13.0% and 12.1%, respectively, and the probability of revenue growth over the same three year period.

NOTE 8—PROPERTY AND EQUIPMENT, NET

Property and equipment, net consists of the following:

	March 31, 2026	December 31, 2025
Land and land improvements	\$ 1,928	1,923
Building and building improvements	5,932	5,932
Computer equipment	9,898	9,986
Leasehold improvements	11,193	11,628
Purchased software	544	586
Furniture and fixtures	3,603	3,681
Total property and equipment	33,098	33,736
Less: accumulated depreciation	(20,664)	(20,310)
Total property and equipment, net	\$ 12,434	\$ 13,426

The aggregate depreciation expense for property and equipment, net is reflected in “Depreciation and amortization” in the Condensed Consolidated Statements of Operations. During the three months ended March 31, 2026 and 2025, depreciation expense was \$0.8 million and \$1.0 million, respectively. There were no material impairment charges or material write-offs recorded for the three months ended March 31, 2026 and 2025.

Property and equipment, net by region consists of the following:

	March 31, 2026	December 31, 2025
United States	\$ 8,790	\$ 9,246
Europe, Middle East, and Africa	3,184	3,425
All other countries	460	755
Total property and equipment, net	\$ 12,434	\$ 13,426

NOTE 9—INTANGIBLE ASSETS AND INTERNAL-USE SOFTWARE, NET*Intangible Assets*

The following table provides the gross carrying value and accumulated amortization for each major class of intangible asset other than goodwill:

	March 31, 2026			December 31, 2025		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortizable intangible assets:						
Licenses	\$ 83,820	\$ (49,104)	\$ 34,716	\$ 83,820	\$ (45,670)	\$ 38,150
Acquired technology	16,653	(11,801)	4,852	16,653	(11,088)	5,565
Customer relationships	12,000	(8,400)	3,600	12,000	(7,800)	4,200
Trade names	2,740	(1,765)	975	2,741	(1,728)	1,013
Internal-use software	208,396	(182,286)	26,110	204,254	(178,101)	26,153
Other	425	(35)	390	379	(30)	349
	<u>324,034</u>	<u>(253,391)</u>	<u>70,643</u>	<u>319,847</u>	<u>(244,417)</u>	<u>75,430</u>
Nonamortizable intangible assets:						
Marketing Agreement with a related party	1,000	—	1,000	1,000	—	1,000
Total intangible assets	<u>\$ 325,034</u>	<u>\$ (253,391)</u>	<u>\$ 71,643</u>	<u>\$ 320,847</u>	<u>\$ (244,417)</u>	<u>\$ 76,430</u>

During the three months ended March 31, 2026 and 2025, intangible asset and internal-use software amortization was \$9.0 million and \$8.6 million, respectively. The aggregate amortization expense for amortizable intangible assets and internal-use software is reflected in “Depreciation and amortization” in the Condensed Consolidated Statements of Operations.

During the three months ended March 31, 2026 and 2025, there were no impairment charges for intangible assets or internal-use software.

As of March 31, 2026, the estimated annual amortization expense is as follows:

	Projected Amortization Expense
Remaining 2026	\$ 25,337
2027	23,275
2028	14,615
2029	6,705
2030	174
Thereafter	537
Total	<u>\$ 70,643</u>

NOTE 10—ACCRUED AND OTHER CURRENT LIABILITIES

Accrued liabilities consist of the following:

	March 31, 2026	December 31, 2025
Accrued payroll and related	7,798	9,143
Income taxes payable	1,222	1,476
Accrued litigation	3,245	3,245
Accrued restructuring	2,071	—
Warrant liabilities	55	74
Other accruals	3,918	2,746
Total accrued liabilities	<u>\$ 18,309</u>	<u>\$ 16,684</u>

Accrued Litigation

On April 6, 2022, a class action lawsuit was filed in the United States District Court, Northern District of California, by a purported Company shareholder in connection with alleged federal securities law violations: Christian A. Felipe et. al. v. PLAYSTUDIOS, Inc. (the "Felipe Complaint"). On July 15, 2022, the Felipe Complaint was transferred to the United States District Court for the District of Nevada, Southern Division. On October 4, 2022, the plaintiffs filed an amendment to the Felipe Complaint. The Felipe Complaint named the Company, several current and former board members of the Company, board members and officers of Acies Acquisition Corp., and Andrew Pascal, the Company's Chairman and CEO, as defendants. The Felipe Complaint alleged misrepresentations and omissions regarding the state of the Company's development of the Kingdom Boss game and its financial projections and future prospects in the S-4 Registration Statement filed by Acies that was declared effective on May 25, 2021, the Proxy Statement filed by Acies on May 25, 2021, and other public statements that touted Old PLAYSTUDIOS' and the Company's financial performance and operations, including statements made on earnings calls and the Amended S-1 Registration Statement filed by the Company that was declared effective on July 30, 2021. The Felipe Complaint alleged that the misrepresentations and omissions resulted in stock price drops of 13% on August 12, 2021, and 5% on February 25, 2022, following (i) the Company's release of financial results for the second quarter of 2021, ended on June 30, 2021, and (ii) the filing of the Company's Annual Report on Form 10-K for the year ended December 31, 2021 and issuance of a press release summarizing financial results for the fourth quarter and year ended December 31, 2021, respectively. The Felipe Complaint sought an award of damages for an unspecified amount. On January 20, 2025, the parties reached an agreement in principle to settle the matter. On December 7, 2025, the settlement received final approval by the federal district court in which the case was pending, judgment was entered, and the case was dismissed with prejudice.

On March 8, 2023, Angel Deann Pilati, a purported adult resident citizen of Franklin County, Alabama, filed a civil lawsuit against PLAYSTUDIOS US, LLC in the Circuit Court of Franklin County Alabama (the "Pilati Lawsuit"), alleging that PLAYSTUDIOS US, LLC makes available online games and applications across multiple platforms that are games of chance and thus illegal gambling under Alabama law and seeking to recover, under Alabama's loss recovery act, all sums paid by Alabama residents to PLAYSTUDIOS US, LLC in its online gambling games during the period beginning one year before the filing of the complaint until the case is resolved. On August 23, 2023, the plaintiff amended the complaint to exclude recovery for Alabama residents who lost \$75,000 or more during the statute of limitations period. The plaintiff claims to seek this recovery "to go to the benefit of the families" of players who paid money to play the games. As of March 31, 2026, the Pilati Lawsuit is stayed pending the "Settlement" described below. The Company believes the claims are without merit and if the Settlement is not completed, intends to vigorously defend against them; however, there can be no assurance that the Company would be successful in the defense of this litigation.

On November 13, 2023, Sandra Tucker Duckworth, a purported citizen of Tennessee, filed a civil lawsuit against PLAYSTUDIOS US, LLC in the Circuit Court for the 14th Judicial District of Tennessee (the "Duckworth Lawsuit") alleging that PLAYSTUDIOS US, LLC makes available online games of chance that constitute illegal gambling under Tennessee law and seeking to recover, under Tennessee's loss recovery act, all sums paid by Tennessee residents to PLAYSTUDIOS US, LLC in its online gambling games during the period beginning one year before the filing of the lawsuit until the case is resolved, excluding recovery of money lost by a Tennessee resident who lost \$75,000 or more during the statute of limitations period. The plaintiff claims to seek this recovery for the benefit of each individual player's spouse, or if not spouse, child or children, and if not child or children, the next of kin. As of March 31, 2026, the Duckworth Lawsuit is stayed pending the "Settlement" described below. The Company believes the claims are without merit and if the Settlement is not completed, intends to vigorously defend against them; however, there can be no assurance that the Company would be successful in the defense of this litigation.

On August 22, 2024, James Scott Tipmore, a purported citizen of Kentucky, filed a civil lawsuit against PLAYSTUDIOS US, LLC in the United States District Court for the Western District of Kentucky (the "Tipmore Lawsuit"), alleging that PLAYSTUDIOS US, LLC makes available online games of chance that constitute illegal gambling under Kentucky law and seeking to recover, under Kentucky's loss recovery act, treble the sums paid by Kentucky residents to PLAYSTUDIOS US, LLC in its online gambling games during the period beginning five years before the filing of the lawsuit until the case is resolved. As of March 31, 2026, the Tipmore Lawsuit is stayed pending the "Settlement" described below. The Company believes the claims are without merit and if the Settlement is not completed, intends to vigorously defend against them; however, there can be no assurance that the Company would be successful in the defense of this litigation.

The Company received four demands for arbitration during 2023 claiming that the games operated by PLAYSTUDIOS US, LLC constitute illegal gambling under the laws of various states. As of March 31, 2026, three of the demands for arbitration have been stayed pending the "Settlement" described below (the "State Arbitration Demands"). These demands generally attempt to recover amounts spent by third parties on the Company's games by relying on state gambling loss recovery statutes and/or by seeking to have the applicable Terms of Service declared invalid. The Company believes that the claims are without merit and if the Settlement is not completed, the Company intends to vigorously defend against them; however, there can be no assurance that the Company would be successful in the arbitration proceedings.

In January 2025, the Company reached an agreement in principle to settle the Pilati Lawsuit, Duckworth Lawsuit, Tipmore Lawsuit, and State Arbitration Demands in the form of a six-state class action (the "Settlement"). As of February 17, 2025, the Pilati Lawsuit, Duckworth Lawsuit, Tipmore Lawsuit, and State Arbitration Demands had been stayed. The parties are currently in the process of drafting settlement documentation and related court filings. The settlement will be subject to approval by the court in which the class action case is filed. It is not currently known when the settlement will be finalized.

As of March 31, 2026 and December 31, 2025 the Company accrued \$3.2 million and \$3.2 million, respectively, in connection with the Pilati Lawsuit, Duckworth Lawsuit, Tipmore Lawsuit, and State Arbitration Demands.

Warrant Liabilities

Upon the closing of the Acies Merger, there were approximately 7.2 million publicly-traded redeemable warrants to purchase shares of Class A common stock (the "Public Warrants") and 3.8 million redeemable warrants to purchase shares of Class A common stock initially issued to Acies Acquisition, LLC (the "Sponsor") in a private placement (the "Private Warrants") by Acies. Each whole Public Warrant entitles the registered holder to purchase one whole share of the Company's Class A common stock at a price of \$11.50 in cash per share, subject to adjustment as discussed below, as of October 27, 2021. Pursuant to the Warrant Agreement, a holder of Public Warrants may exercise the Public Warrants only for a whole number of shares of Class A common stock. The Public Warrants will expire 5 years after the completion of the Acies Merger, or earlier upon redemption or liquidation. The Private Warrants are identical to the Public Warrants, except that the Private Warrants and the shares of Class A common stock issuable upon exercise of the Private Warrants were not transferable until after the completion of the Acies Merger, subject to certain limited exceptions. Additionally, the Private Warrants are non-redeemable so long as they are held by the initial holder or any of its permitted transferees. If the Private Warrants are held by someone other than the initial holder or its permitted transferees, the Private Warrants will be redeemable by the Company and exercisable by such holders on the same basis as the Public Warrants. The Private Warrants may be exercised on a cashless basis so long as held by the Sponsor or certain permitted transferees.

The Company may redeem the outstanding Public Warrants in whole, but not in part, at a price of \$0.01 per Public Warrant upon a minimum of 30 days' prior written notice of redemption, if and only if the last sale price of the Company's Class A common stock equals or exceeds \$18.00 per share for any 20-trading days within a 30-trading day period ending three business days before the Company sends the notice of redemption to the holders of the Public Warrants. If the Company calls the Public Warrants for redemption, management will have the option to require all holders that wish to exercise the Public Warrants to do so on a cashless basis. In no event will the Company be required to net cash settle the exercise of Public Warrants.

At March 31, 2026, there were approximately 5.4 million Public Warrants and 3.8 million Private Warrants outstanding. Refer to Note 7—*Fair Value Measurement* for further information. The warrant liabilities are classified within "Accrued and other current liabilities" on the Condensed Consolidated Balance Sheets.

NOTE 11—LEASES

During the three months ended March 31, 2026, the Company committed to a plan to vacate three leased facilities in connection with the 2026 Reorganization Plan discussed in Note 3—*Segment Reporting*. The Company expects to vacate these leases during the three months ended June 30, 2026.

Upon approval of the 2026 Reorganization Plan, the Company determined that the remaining useful lives of the related ROU assets were shortened to reflect the revised period over which the assets are expected to provide economic benefit. Accordingly, the Company revised the amortization period of the ROU assets to end on the expected vacate dates. Although the Company intends to cease use of the leased properties as of those dates, the Company remains contractually obligated for lease payments through the end of the respective lease terms, unless and until a replacement tenant is identified.

Subsequent to March 31, 2026, the Company executed a lease termination agreement for one of the three facilities, effective April 30, 2026. In connection with the termination, the Company derecognized the remaining lease liability and right-of-use asset associated with the premises and settled its remaining obligations under the lease. As a result of this transaction, the Company expects to recognize a net gain of \$0.6 million during the three months ended June 30, 2026, which will be reflected in restructuring and related expenses. The remaining two facilities are expected to be vacated during the three months ended June 30, 2026, and the Company remains contractually obligated for lease payments at those locations through the end of their respective lease terms unless replacement tenants are identified.

The Company's operating leases primarily consist of real estate leases such as offices. During the three months ended March 31, 2026 and 2025, operating lease expense was \$1.5 million and \$1.0 million, respectively. Included in operating lease expense for the three months ended March 31, 2026 is approximately \$0.3 million of accelerated amortization of ROU assets related to the three facilities identified to be vacated under the 2026 Reorganization Plan. This accelerated amortization is non-cash and is reflected in "Restructuring and related" in the Condensed Consolidated Statements of Operations.

The Company does not have any finance leases. Total variable and short-term lease payments were immaterial for all periods presented. As of March 31, 2026, the Company did not have any material additional operating leases that have not yet commenced.

Supplemental balance sheet information related to operating leases are as follows:

	March 31, 2026	December 31, 2025
Operating lease right-of-use assets	\$ 6,292	\$ 7,533
Operating lease liabilities, current	3,685	3,656
Operating lease liabilities, noncurrent	3,220	4,070
Operating lease liabilities, total	<u>\$ 6,905</u>	<u>\$ 7,726</u>
Weighted average remaining lease term, years	1.9	2.1
Weighted average discount rate	6.3 %	6.3 %

Operating lease liability maturities:

Year ending December 31,	Operating Leases
Remaining 2026	\$ 3,085
2027	3,586
2028	619
Total undiscounted cash flows	<u>\$ 7,290</u>
Less: imputed interest	<u>\$ (385)</u>
Lease liabilities, total	<u>\$ 6,905</u>

NOTE 12—LONG-TERM DEBT***Credit Agreement***

On June 24, 2021, the Company, a subsidiary of the Company, JPMorgan Chase Bank, N.A., as administrative agent and JPMorgan Chase Bank, N.A., Silicon Valley Bank and Wells Fargo Securities, LLC, as joint bookrunners and joint lead

arrangers entered into a credit agreement (the "Credit Agreement") which provides for a five-year revolving credit facility in an aggregate principal amount of \$75.0 million. Borrowings under the Credit Agreement may be borrowed, repaid and re-borrowed by the Company, and are available for working capital, general corporate purposes and permitted acquisitions. The scheduled maturity date under the Credit Agreement is June 24, 2026.

Commitment fees and interest rates are determined on the basis of either a Eurodollar rate or an Alternate Base Rate plus an applicable margin. The applicable margins are initially 2.50%, in the case of Eurodollar loans, and 1.50%, in the case of Alternate Base Rate loans. The applicable margin is subject to adjustment based upon the Company's Total Net Leverage Ratio (as defined in the Credit Agreement). Eurodollar rates and the Alternate Base Rate are subject to floors of 0.00% and 1.00%, respectively. The Credit Agreement contains various affirmative and negative financial and operational covenants applicable to the Company and its subsidiaries.

The Credit Agreement includes customary reporting requirements, conditions precedent to borrowing and affirmative, negative and financial covenants. Specific financial covenants include the following, commencing with the quarter ended September 30, 2021:

- Total Net Leverage Ratio of 3.50:1.00 (subject to increase to 4.00:1.00 following consummation of certain material acquisitions)
- Fixed Charge Coverage Ratio of 1.25:1.00.

On May 13, 2022, the Company entered into the Amendment No. 1 to the Credit Agreement, which amended the Credit Agreement to, among other things, exclude from the definition of Fixed Charge Coverage Ratio certain funds, up to \$15.0 million, expended or to be expended by the Company in connection with the Tender Offer.

On August 9, 2022, the Company entered into the Amendment No. 2 to the Credit Agreement, which further amended the Credit Agreement (as amended by Amendment No. 1 to the Credit Agreement) to, among other things, (i) increase the total current available line of credit from \$75.0 million to \$81.0 million, (ii) change the basis for calculation of interest under the facility from LIBOR to SOFR, and (iii) exclude from the calculation of the Fixed Charge Coverage Ratio (A) up to \$6.0 million for the acquisition of, and improvements to, the real property located at 10150 Covington Cross Drive, Las Vegas, Nevada 89144 incurred on or prior to the first anniversary of the effective date of Amendment No. 2 to the Credit Agreement, and (B) up to \$20.0 million for the redemption or repurchase of up to 11.0 million warrants to purchase shares of Class A common stock of the Company, and shares of Class A common stock of the Company, on or before December 31, 2023, of which as of the date of Amendment No. 2 to the Credit Agreement the Company had used \$1.8 million to redeem outstanding warrants to purchase Class A common stock in connection with the Tender Offer.

On August 16, 2023, the Company, a subsidiary of the Company, the Lenders party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent, entered into an Amendment No. 3 to Credit Agreement (the "Amendment No. 3"), among other things, exclude from the Restricted Payments covenant certain repurchases of Equity Interests of the Company deemed to occur upon the exercise, settlement or vesting of stock options, warrants or other equity-based awards if and to the extent such Equity Interests represent a portion of the exercise price of, or satisfy any tax withholding obligations with respect to, such options, warrants or other equity-based awards.

On June 7, 2024, the Company, a subsidiary of the Company, the Lenders party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent, entered into an Amendment No. 4 to Credit Agreement (the "Amendment No. 4") to, among other things, (i) modify the definition of "Fixed Charge Coverage Ratio" to exclude from the calculation of Restricted Payments amounts paid for the repurchase, prior to June 30, 2024, of approximately 11.7 million shares of Class A common stock of the Company, and (ii) modify the definition of "Consolidated Fixed Charges" to take into account any tax refunds received in the applicable measurement period.

On July 1, 2024, the Company, a subsidiary of the Company, the Lenders party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent, entered into the Amendment No. 5 to Credit Agreement (the "Amendment No. 5") to, among other things, exclude from the covenant set forth in Section 6.01 of the Credit Agreement regarding the incurrence of Indebtedness (as defined therein) the contingent consideration obligations payable pursuant to the Pixode acquisition.

The Company capitalized a total of \$0.8 million in debt issuance costs related to the Credit Agreement and subsequent amendments. As of March 31, 2026, the Company is in compliance with and does not have any balances outstanding under the Credit Agreement.

NOTE 13—REVENUE FROM CONTRACTS WITH CUSTOMERS**Disaggregation of Revenue**

The following table summarizes the Company's revenue disaggregated by type, and by over time or point in time recognition:

	Three Months Ended March 31,	
	2026	2025
Virtual currency (point in time or over time)	\$ 45,248	\$ 50,840
Advertising (point in time)	13,157	11,863
Other revenue (point in time or over time)	5	6
Total net revenue	<u>\$ 58,410</u>	<u>\$ 62,709</u>

The following table summarizes the Company's virtual currency revenue disaggregated by platform:

	Three Months Ended March 31,	
	2026	2025
Third-party platforms	32,845	45,870
Direct-to-consumer platforms	12,403	4,970
Total virtual currency	<u>\$ 45,248</u>	<u>\$ 50,840</u>

The following table summarizes the Company's revenue disaggregated by geography:

	Three Months Ended March 31,	
	2026	2025
United States	\$ 47,793	\$ 53,060
All other countries	10,617	9,649
Total net revenue	<u>\$ 58,410</u>	<u>\$ 62,709</u>

Contract Balances

Contract assets represent the Company's ability to bill customers for performance obligations completed under a contract. As of March 31, 2026 and December 31, 2025, there were no contract assets recorded in the Company's Condensed Consolidated Balance Sheets. The deferred revenue balance related to the purchase of virtual currencies was \$0.5 million and \$0.4 million as of March 31, 2026 and December 31, 2025, respectively. Trade receivables are described in Note 5—*Receivables, net*.

NOTE 14—INCOME TAXES

The Company recorded an income tax expense of \$0.6 million and an income tax expense of \$0.3 million for the three months ended March 31, 2026 and 2025, respectively. Our effective tax rate was (6.1)% for the three months ended March 31, 2026 compared to (3.7)% for the three months ended March 31, 2025.

The effective tax rate for the three months ended March 31, 2026 and 2025 differed from the U.S. statutory rate of 21% primarily due to the valuation allowance on deferred tax assets, U.S. state taxes, non-US based income taxes, nondeductible items and includes specific costs associated with shortfalls in tax-deductible equity compensation compared to amounts recognized in the financial statements.

In July 2025, U.S. Congress enacted the One Big Beautiful Bill Act ("OBGBA"), which included a range of tax reform measures, including the modification of certain foreign provisions in 2026 originally enacted under the Tax Cuts and Jobs Act. The Company does not expect the changes enacted in OBGBA to materially impact the Company's effective tax rate or cash flows in the current fiscal year.

NOTE 15—COMMITMENTS AND CONTINGENCIES***Minimum Guarantee Liability***

The Company is subject to minimum guarantee royalty payments associated under certain content license agreements. The following are the Company's total minimum guaranteed royalty payment obligations related to licensing agreements as of:

	March 31, 2026	December 31, 2025
Minimum guarantee liability - current	\$ 8,419	\$ 9,469
Minimum guarantee liability - noncurrent	12,000	12,000
Total minimum guarantee obligations	\$ 20,419	\$ 21,469
Weighted-average remaining contractual term (in years)	1.3	1.6

The following are the Company's remaining expected future payments of minimum guaranteed royalty payment obligations related to licensing agreements as of March 31, 2026:

Year Ending December 31,	Minimum Guarantee Obligations
Remaining 2026	\$ 8,419
2027	6,000
2028	6,000
Total	\$ 20,419

Contingent Consideration

In connection with the Pixode Acquisition, in addition to the \$3.5 million paid at closing, the Company agreed to pay a percentage of an adjusted net revenue for a three-year period commencing on the re-launch date of the rebranded Pixode assets, payable at the end of each fiscal year, contingent upon the satisfaction of certain product and financial milestones, up to a maximum amount of \$113.5 million. The fair value of the contingent consideration is reassessed at each reporting date, with changes recognized in earnings. The fair value of the contingent consideration as of March 31, 2026 was \$5.5 million. Refer to *Note 7—Fair Value Measurement* for more information.

Legal Proceedings

The Company is party to ordinary and routine litigation incidental to its business. On a case-by-case basis, the Company engages inside and outside counsel to assess the probability of potential liability resulting from such litigation. After making such assessments, the Company makes an accrual for the estimated loss only when the loss is reasonably probable and an amount can be reasonably estimated. The Company does not expect the outcome of any of the below pending litigation to have a material effect on the Company's Consolidated Balance Sheets, Consolidated Statements of Operations, or Consolidated Statements of Cash Flows.

On February 20, 2024, Tyler Kuhk, a purported citizen of Washington, filed a class action lawsuit against PLAYSTUDIOS US, LLC in the Superior Court of the State of Washington for the County of King, alleging that PLAYSTUDIOS US, LLC makes available online games of chance that constitute illegal gambling under Washington law, that PLAYSTUDIOS US, LLC engaged in unfair and deceptive practices by advertising to and soliciting the general public in Washington state to play its unlawful online casino games of chance, and that PLAYSTUDIOS US, LLC was unjustly enriched by this conduct. The plaintiff seeks to recover all sums paid by Washington residents to PLAYSTUDIOS US, LLC in its online gambling games during an unspecified period of time under Washington's "Recovery of money lost gambling" statute, for treble damages under Washington's Consumer Protection Act, and for disgorgement and restitution of any money PLAYSTUDIOS US, LLC has retained through unlawful and/or wrongful conduct alleged in the lawsuit. The Company believes the claims are without merit and intends to vigorously defend against them; however, there can be no assurance that the Company will be successful in the defense of this litigation. The Company is not able to reasonably estimate the probability or amount of loss relating to this litigation and therefore has not made any accruals.

On May 24, 2024, the Company received multiple substantively identical pre-arbitration notices from a single law firm purporting to represent 5,264 players, alleging the games operated by the Company violate state gambling statutes, along with various other claims. The Company believes that the claims are without merit and the Company intends to vigorously

defend against them; however, there can be no assurance that the Company will be successful in the defense of these demands. The Company is not able to reasonably estimate the probability or amount of loss and therefore has not made any accruals.

On September 27, 2024, the Company received multiple substantively identical pre-arbitration notices from a single law firm purporting to represent 2,697 players, alleging the games operated by the Company violate state gambling statutes, along with various other claims. The Company believes that the claims are without merit and the Company intends to vigorously defend against them; however, there can be no assurance that the Company will be successful in the defense of these demands. The Company is not able to reasonably estimate the probability or amount of loss and therefore has not made any accruals.

On February 10, 2025, Britt Englund and Brett Chapin, purported citizens of California and two of the named claimants in the May 24, 2024 pre-arbitration notices referenced above, filed a civil lawsuit against PLAYSTUDIOS US, LLC in the Superior Court of the State of California for the County of Los Angeles, alleging that PLAYSTUDIOS US, LLC breached an agreement to arbitrate a dispute arising out of plaintiffs' engagement with games operated by the Company, and seeking an order to compel the Company to arbitrate. The complaint was dismissed by the plaintiffs on April 25, 2025 as part of an agreement to arbitrate the matter. The claimants filed arbitration proceedings in August of 2025. The Company believes that the claims are without merit and the Company intends to vigorously defend against them; however, there can be no assurance that the Company will be successful in the defense of these demands. The Company is not able to reasonably estimate the probability or amount of loss and therefore has not made any accruals.

On July 7, 2025 and August 15, 2025, a law firm representing two individuals filed arbitration proceedings against the Company alleging violations of the California Invasion of Privacy Act and California common law intrusion upon seclusion and invasion of privacy arising out of the individuals' viewing of webpages and the Company's alleged use of a tracking code known as the Meta Pixel. Due to inactivity in advancing the arbitration, on March 24, 2026, the American Arbitration Association closed the matters as settled.

On March 18, 2026, the Company received multiple substantively identical pre-arbitration notices from a single law firm purporting to represent several hundred players, alleging the games operated by the Company violate state gambling statutes, along with various other claims. The Company believes that the claims are without merit and the Company intends to vigorously defend against them; however, there can be no assurance that the Company will be successful in the defense of these demands. The Company is not able to reasonably estimate the probability or amount of loss and therefore has not made any accruals.

NOTE 16—STOCKHOLDERS' EQUITY

Common Stock

Subject to the prior rights of the holders of any preferred stock, the holders of common stock are entitled to receive dividends out of the funds legally available at the times and in the amounts determined by the Company's Board of Directors. Each holder of Class A common stock is entitled to one vote for each share of Class A common stock held and each holder of Class B common stock is entitled to twenty votes for each share of Class B common stock held. After the full preferential amounts due to preferred stockholders have been paid or set aside, the remaining assets of the Company available for distribution to its stockholders, if any, are distributed to the holders of common stock ratably in proportion to the number of shares of common stock then held by each such holder. None of the Company's common stock is entitled to preemptive rights or subject to redemption. With the exception of the conversion of the Class B common stock into Class A common stock as described below, the Company's common stock is not convertible into any other shares of the Company's capital stock.

The shares of Class B common stock are subject to a "sunset" provision if any member of the Founder Group transfers shares of Class B common stock outside the Founder Group (except for certain permitted transfers). In the event of such non-permitted transfers, any share transferred will automatically convert into shares of Class A common stock. In addition, the outstanding shares of Class B common stock will be subject to a "sunset" provision by which all outstanding shares of Class B common stock will automatically convert into shares of Class A common stock (i) if holders representing a majority of the Class B common stock vote to convert the Class B common stock into Class A common stock, (ii) if the Founder Group and its permitted transferees collectively no longer beneficially own at least 20% of the number of shares of Class B common stock collectively held by the Founder Group as of the closing of the Acies Merger, or (iii) on the nine-month anniversary of the Founder's death or disability, unless such date is extended by a majority of independent directors of the Company.

Accumulated Other Comprehensive Income (Loss)

The following tables show a summary of changes in accumulated other comprehensive income (loss), which is attributable only to currency translation adjustments during the current period:

	Total Accumulated Other Comprehensive Income (Loss)
Balance as of December 31, 2025	\$ 1,806
Foreign currency translation	(7)
Balance as of March 31, 2026	\$ 1,799

	Foreign Currency Derivative Contracts	Currency Translation Adjustment	Total Accumulated Other Comprehensive (Loss) Income
Balance as of December 31, 2024	\$ (38)	\$ (594)	\$ (632)
Net losses recognized in other comprehensive income before reclassifications	38	—	38
Foreign currency translation	—	8	8
Balance as of March 31, 2025	\$ —	\$ (586)	\$ (586)

Stock Repurchase Program

On October 31, 2025, the Company's Board of Directors approved a one-year extension of the Company's existing stock repurchase program. The remaining amount authorized under the program was \$40.0 million as of March 31, 2026 and \$40.0 million as of December 31, 2025. Subject to applicable rules and regulations, the shares may be purchased from time to time in the open market or in privately negotiated transactions. Such purchases will be at times and in amounts as the Company deems appropriate, based on factors such as market conditions, legal requirements and other business considerations.

NOTE 17—STOCK-BASED COMPENSATION

The following table summarizes stock-based compensation expense for the periods shown:

	Three Months Ended March 31,	
	2026	2025
Selling and marketing	\$ 291	\$ 159
General and administrative	1,577	2,888
Research and development	516	1,211
Stock-based compensation expense	\$ 2,384	\$ 4,258
Capitalized stock-based compensation	\$ 137	\$ 116

The following is a summary of outstanding stock-based compensation as of March 31, 2026 (in thousands, except weighted-average vesting period):

	Unrecognized Stock-Based Compensation Expense	Weighted-Average Remaining Vesting Period (in years)
Restricted stock units	\$ 12,959	1.7
Performance stock units	1,245	1.0
Total	\$ 14,204	

The following is a summary of awards granted for the periods shown:

	Three Months Ended March 31,	
	2026	2025
Restricted stock units	804	5,125
Performance stock units	2,525	2,654
Total	3,329	7,779

NOTE 18—NET LOSS PER SHARE

The following table sets forth the computation of basic and diluted net loss attributable to Class A and Class B common stockholders per share (in thousands except per share data):

	Three Months Ended March 31, 2026		Three Months Ended March 31, 2025	
	Class A	Class B	Class A	Class B
Numerator				
Net loss attributable to common stockholders – basic	\$ (9,300)	\$ (1,376)	\$ (2,502)	\$ (378)
Potential dilutive effect of derivative instruments	—	—	—	—
Net loss attributable to common stockholders – diluted	\$ (9,300)	\$ (1,376)	\$ (2,502)	\$ (378)
Denominator				
Weighted average shares of common stock outstanding - basic	111,202	16,458	108,795	16,458
Potential dilutive effect of derivative instruments	—	—	—	—
Weighted average shares of common stock outstanding - diluted	111,202	16,458	108,795	16,458
Net loss attributable to common stockholders per share				
Basic	\$ (0.08)	\$ (0.08)	\$ (0.02)	\$ (0.02)
Diluted	\$ (0.08)	\$ (0.08)	\$ (0.02)	\$ (0.02)

For the periods presented above, the net loss per share amounts are the same for Class A and Class B common stock because the holders of each class are entitled to equal per share dividends or distributions in liquidation in accordance with the Certificate of Incorporation. The undistributed losses for each period are allocated based on the contractual participation rights of the Class A and Class B common stock as if the losses for the period had been distributed. As the liquidation and dividend rights are identical, the undistributed losses are allocated on a proportionate basis.

The following equity awards outstanding at the end of each period presented have been excluded from the computation of diluted net loss per share of common stock for the periods presented due to their anti-dilutive effect:

	Three Months Ended March 31,	
	2026	2025
Stock options	4,491	4,756
Restricted stock units	9,991	14,755
Performance stock units	2,524	2,654
Public Warrants	5,382	5,382
Private Warrants	3,822	3,822
Earnout Shares	15,000	15,000
	41,210	46,369

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis provide information which our management believes is relevant to an assessment and understanding of our condensed consolidated results of operations and financial condition. The discussion and analysis should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto contained in this Quarterly Report on Form 10-Q. This discussion contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to, those described in the “Risk Factors” section of this Quarterly Report on Form 10-Q. Actual results may differ materially from those contained in any forward-looking statements. Unless the context otherwise requires, references to “we”, “us”, “our”, and “the Company” are intended to mean the business and operations of PLAYSTUDIOS, Inc. and its consolidated subsidiaries.

Our actual results and the timing of certain events may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such a discrepancy include, but are not limited to, those discussed elsewhere in this Quarterly Report on Form 10-Q, particularly in the section titled “Risk Factors” set forth in Part II, Item 1A of this Quarterly Report on Form 10-Q. All forward-looking statements in this report are based on information available to us as of the date hereof, and we assume no obligation to update any such forward-looking statements to reflect future events or circumstances, except as required by law.

Overview

We are a developer and publisher of free-to-play casual games for mobile and social platforms. Over our 13-year history, we developed a portfolio of free-to-play social casino games that are considered to be among the most innovative and unique in the genre. In 2021, we added our Tetris®-branded mobile game and in late 2022 we acquired Brainium, a developer and publisher of free-to-play casual games. Our games include the award-winning *POP! Slots*, *myVEGAS Slots*, *my KONAMI Slots*, *MGM Slots Live*, *myVEGAS Blackjack*, *myVEGAS Bingo*, *Tetris®*, *Solitaire*, *Spider Solitaire*, *Jumblin 2*, *Sudoku*, and *Mahjong*. Our games are based on original content as well as third-party licensed brands and are downloadable and playable for free on multiple social and mobile-based platforms, including the Apple App Store, Google Play Store, Amazon Appstore, and Facebook.

Each of our legacy social casino games and our Tetris®-branded mobile games are powered by our proprietary *playAWARDS* program and incorporates loyalty points that are earned by players as they engage with our games. The rewards are provided by our collection of rewards partners, with the majority of rewards partners providing their rewards at no cost to us, in exchange for product integration, marketing support, and participation in our loyalty program. The program is enabled by our *playAWARDS* platform which consists of a robust suite of tools that enable our rewards partners to manage their rewards in real time, measure the value of our players’ engagement, and gain insight into the effectiveness and value they derive from the program. Through our self-service platform, rewards partners can launch new rewards, make changes to existing rewards, and in real time see how players are engaging with their brands. The platform tools also provide rewards partners with the ability to measure the off-line value our players generate as consumers and patrons of their real-world establishments.

Our *playAWARDS* platform embodies all of the features, tools, and capabilities needed to deliver loyalty programs tailored for the games industry. Our consumer-facing brand for our loyalty program is *myVIP*. The *myVIP* program is an aspirational benefits framework, with in-game mechanics and rewards features, along with a player development and hosting program. The program dynamically ranks and assigns players to tiers based on their accumulation of tier points, which are a proxy for their overall engagement with our games. The tier points are separate from and are not interchangeable with the loyalty points earned in the *playAWARDS* program. Qualified players are provided access to enhanced benefits that increase with each tier. Higher tiers provide access to a *myVIP* player portal where players can view and purchase special chip bundles, redeem loyalty points for a curated set of rewards, and communicate directly with a dedicated personal host. The *myVIP* player portal, concierge, and host programs, enhance the in-game and real-world reward experience with both in-game and in-person, invitation-only special events. We believe that the *myVIP* program drives increased player engagement and retention, and therefore extends each game’s life cycle and revenue potential.

We have primarily generated our revenue from the sale of in-game virtual currencies, which players can choose to purchase at any time to enhance their playing experience. Once purchased, our virtual currency cannot be withdrawn from the game, transferred from one game to another or from one player to another, or be redeemed for monetary value. Players who install our games receive free virtual currencies upon the initial launch of the game, and they may also collect virtual currencies free of charge at periodic intervals or through targeted marketing promotions. Players may exhaust the free virtual currencies and may choose to purchase additional virtual currencies. Additionally, players can send free “gifts” of virtual currencies to their friends on Facebook. Our revenue from virtual currencies has been generated world-wide, but is largely concentrated in North America.

We also generate revenue from in-game advertising. Advertisements can be in the form of an impression, click-throughs, banner ads, or offers, where players are rewarded with virtual currency or loyalty points for watching a short video.

Smaller Reporting Company ("SRC") Accommodations

As an SRC, we have elected to use scaled disclosure accommodations permitted by the SEC, which means that this section does not include all disclosures required for larger reporting companies. Specifically, we are not required to include the contractual obligations table that larger companies must disclose.

Key Factors Affecting Our Performance

There are a number of factors that affect the performance of our business, and the comparability of our results from period to period, including:

- *Third-Party Platform Agreements*—Historically we derived substantially all of our revenue from in-game purchases of virtual currencies that are processed by platform providers such as the Apple App Store, Google Store, Amazon Appstore, and on Facebook. The platform providers charge us a transaction fee to process payments from our players for their purchase of in-game virtual currency. These platform fees are generally set at 30% of the in-game purchase. Each platform provider has broad discretion to set its platform fees and to change and interpret its terms of service and other policies with respect to us and other developers in its sole discretion, and those changes may be unfavorable to us.
- *User Acquisition*—Establishing and maintaining a loyal network of players and paying players is vital for our success. As such, we spend a significant amount on advertising and other forms of player acquisition, such as traditional marketing and advertising, email and push notifications, and cross promoting between our games in order to grow our player base. These expenditures are generally related to new content launches, game enhancements, and ongoing programs to drive new player acquisition and the reactivation of lapsed player engagement. Our player acquisition strategy is centered on a payback period methodology, and we strive to optimize spend between the acquisition of new players and the reactivation of inactive players.
- *Player Monetization*—Our revenue to date has been primarily driven through the sale of virtual currencies. Paying players purchase virtual currencies in our games because of the perceived value, which is dependent on the relative ease of obtaining equivalent virtual currency by simply playing our game. The perceived value of our virtual currency can be impacted by various actions that we take in our games including offering discounts for virtual currencies or giving away virtual currencies in promotions. Managing game economies is difficult and relies on our assumptions and judgment. If we fail to manage our virtual economies properly or fail to promptly and successfully respond to any such disruption, our reputation may suffer and our players may be less likely to play our games and to purchase virtual currencies from us in the future, which would cause our business, financial condition, and results of operations to suffer.
- *Investment in Game Development*—In order to maintain interest from existing players and add new players and achieve our desired revenue growth, we must continually improve the content, offers, and features in our existing games and the release of new games. As a result, we invest a significant amount of our technological and creative resources to ensure that we support an appropriate cadence of innovative content that our players will find appealing. These expenditures generally occur in advance of the release of new content or the launch of a new game, and the resulting revenue may not exceed the development costs, or the game or feature may be abandoned in its entirety.
- *Investment in our playAWARDS and myVIP programs*—In order to drive player engagement and retention we invest a significant amount of resources to enhance the playAWARDS and myVIP programs. We continually evaluate these programs through an iterative feedback process with our players and rewards partners and update them so that both our players and rewards partners are able to optimize their personalized experience. As a result, we continuously incur expenses to enhance and update these programs. However, the results may not generate revenue and the enhancements may require additional significant modifications or be abandoned in their entirety.

- *Real-World Rewards*—We currently offer real-world rewards relating to, among other things, dining, live entertainment shows, and hotel rooms, and we plan to continue to expand and diversify our rewards loyalty program in order to maintain and enhance the perceived value offering to our players. Our players' willingness to make in-game purchases is directly impacted by our ability to provide desirable rewards. The real-world rewards we offer to our players are provided at no cost to us by our rewards partners, and there is no obligation for us to pay or otherwise compensate either our rewards partners or players for any player redemptions under our rewards partner agreements.

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. We believe these measures are useful to investors for the same reasons. In addition, we also present certain non-GAAP performance measures. These performance measures are presented as supplemental disclosure and should not be considered superior to or as a substitute for the consolidated financial statements prepared under U.S. GAAP. The non-GAAP measures presented in this Quarterly Report on Form 10-Q should be read together with the unaudited condensed consolidated financial statements and the respective related notes thereto included elsewhere in this Quarterly Report on Form 10-Q. The key performance indicators and non-GAAP measures presented in this Quarterly Report on Form 10-Q may differ from similarly titled measures presented by other companies and are not a substitute for financial statements prepared in accordance with U.S. GAAP.

Key Performance Indicators - playGAMES

Average Daily Active Users ("Average DAU")

Daily Active Users ("DAU") is defined as the number of individuals who played a game on a particular day. For Tetris and our free-to-play social casino games, we track DAU by the player ID, which is assigned for each game installed by an individual. As such, an individual who plays two of these games on the same day is counted as two DAU while an individual who plays the same game on two different devices is counted as one DAU. For our Brainium suite of casual games, we track DAU by app instance ID, which is assigned to each installation of a game on a particular device. As such, an individual who plays two different Brainium games on the same day is counted as two DAU and an individual who plays the same Brainium game on two different devices is also counted as two DAU. The term "Average DAU" is defined as the average of the DAU, determined as described above, for each day during the period presented. We use DAU and Average DAU as measures of audience engagement to help us understand the size of the active player base engaged with our games on a daily basis.

Average Monthly Active Users ("Average MAU")

Monthly Active Users ("MAU") is defined as the number of individuals who played a game in a particular month. As with DAU, an individual who plays two different non-Brainium games in the same month is counted as two MAU while an individual who plays the same non-Brainium game on two different devices is counted as one MAU, and an individual who plays two different Brainium games on the same month is counted as two MAU while an individual who plays the same Brainium game on two different devices is also counted as two MAU. The term "Average MAU" is defined as the average of the MAU, determined as described above, for each calendar month during the period presented. We use MAU and Average MAU as measures of audience engagement to help us understand the size of the active player base engaged with our games on a monthly basis.

Because DAU and MAU are calculated at the game or app-instance level, they reflect engagement at the title level rather than unique individuals across our entire portfolio, and a single individual may be counted multiple times if they engage with multiple games. In addition, these metrics are derived from a combination of internal tracking systems and third-party platform data, which may be subject to technical limitations, data discrepancies, or changes in platform reporting methodologies.

Average Daily Paying Users ("Average DPU")

Daily Paying Users ("DPU") is defined as the number of individuals who made a purchase of virtual currency or digital items within a game during a particular day. As with DAU and MAU, we track DPU based on account activity. As such, an individual who makes a purchase in two different games in a particular day is counted as two DPU while an individual who makes purchases in the same game on two different devices is counted as one DPU. The term "Average DPU" is defined as the average of the DPU, determined as described above, for each day during the period presented. We use DPU and Average DPU

to help us understand the size of our active player base that makes in-game purchases and to assess monetization trends within our active player base. Consistent with DAU and MAU, DPU is calculated at the game level and may reflect multiple purchases by a single individual across different titles.

Average Daily Payer Conversion

Daily Payer Conversion is defined as DPU as a percentage of DAU on a particular day. Daily Payer Conversion is also sometimes referred to as "Percentage of Paying Users" or "PPU". The term "Average Daily Payer Conversion" is defined as the Average DPU divided by Average DAU for a given period. We use Daily Payer Conversion and Average Daily Payer Conversion to help us understand the monetization of our active players.

Average Daily Revenue Per DAU ("ARPDau")

ARPDau is defined for a given period as the average daily revenue per Average DAU, and is calculated as game-related revenue and advertising revenue attributable to the applicable period, divided by the number of days in the period, divided by the Average DAU during the period. We use ARPDau as a measure of overall monetization of our active players. ARPDau may fluctuate based on changes in pricing, player mix, advertising demand, and promotional activity.

Key Performance Indicators - playAWARDS

The following metrics relate specifically to our playAWARDS loyalty platform and are intended to provide insight into engagement with that program.

Available Rewards

Available Rewards is defined as the monthly average number of unique rewards available in our applications' rewards stores. A reward appearing in more than one application's reward store is counted only once. A reward is counted only once irrespective of the inventory available through that reward. For example, one reward for a free night in a hotel room with ten rooms available for such free night is counted as one reward. Available Rewards only include real-world partner rewards and exclude PLAYSTUDIOS digital rewards. We use Available Rewards as one indicator of the breadth, value proposition, and potential player appeal of our loyalty offering.

Purchases

Purchases is defined as the total number of rewards purchased during the period presented in which a player exchanges loyalty points for a reward. Purchases are net of refunds. Purchases only include purchases of real-world partner rewards and exclude any PLAYSTUDIOS digital rewards. Purchases are redeemed by the player directly with the rewards partner within the specified terms and conditions of the reward. We do not recognize revenue from Purchases, as players redeem loyalty points rather than making cash payments. We use Purchases as an indicator of player interest and engagement with our playAWARDS platform.

Retail Value of Purchases

Retail Value of Purchases is defined as the cumulative retail value of all rewards listed as Purchases for the period identified. The retail value of each reward listed as Purchases is the retail value as determined by the partner upon creation of the reward. In the case where the retail value of a reward adjusts depending on time of redemption, the average retail value is used. Retail Value of Purchases only include the retail value of real-world partner rewards and exclude the cost of any PLAYSTUDIOS branded merchandise. Retail values are based on partner-provided estimates and may not reflect actual market prices, realized redemption value, or player experience. Retail value also does not represent revenue recognized by the Company. We use Retail Value of Purchases to help us understand the real-world value of the rewards that are purchased by our players during a particular period.

Retail Value of Daily Rewards Inventory

Retail Value of Daily Rewards Inventory is defined as the cumulative retail value of all rewards listed as available during the period divided by the number of days in the period. For rewards with unlimited inventory, the maximum number of rewards used in the calculation is 50. The retail value of each reward listed as available is the retail value as specified by the rewards partner upon creation of the reward. Retail Value of Daily Rewards Inventory only includes the retail value of real-world partner rewards and excludes the cost of any PLAYSTUDIOS branded merchandise. We use Retail Value of Daily Rewards Inventory to help us understand the real-world value of the rewards within our playAWARDS platform.

Retail value metrics are presented solely to illustrate the scale and scope of rewards available through our loyalty program and should not be interpreted as revenue, gross merchandise value, transaction volume, or economic benefit realized by the Company.

Results of Operations**Comparison of the three months ended March 31, 2026 versus the three months ended March 31, 2025**

The following table summarizes our consolidated results of operations for the three months ended March 31, 2026 and 2025 (in thousands, except percentages):

	Three Months Ended March 31,		\$ Change	% Change
	2026	2025		
Net revenue	\$ 58,410	\$ 62,709	\$ (4,299)	(6.9)%
Operating expenses	71,715	65,450	6,265	9.6 %
Operating loss	(13,305)	(2,741)	(10,564)	385.4 %
Net loss	(10,676)	(2,880)	(7,796)	270.7 %
Net loss margin	(18.3)%	(4.6)%	(13.7)pp	297.8 %

pp = percentage points

Net Revenue by Reportable Segment

	Three Months Ended March 31,		Change	% Change
	2026	2025		
Net revenue				
playGAMES	\$ 57,862	\$ 62,555	\$ (4,693)	(7.5)%
playAWARDS	548	154	394	nm
Net revenue	\$ 58,410	\$ 62,709	\$ (4,299)	(6.9)%

nm = not meaningful

Revenue information by geography is summarized as follows (in thousands, except percentages):

	Three Months Ended March 31,		Change	% Change
	2026	2025		
United States	\$ 47,793	\$ 53,060	\$ (5,267)	(9.9)%
All other countries	10,617	9,649	968	10.0 %
Net revenue	\$ 58,410	\$ 62,709	\$ (4,299)	(6.9)%

playGAMES

The following table shows net revenues and key performance indicators for our playGAMES division (in thousands, except percentages and ARPDau):

	Three Months Ended March 31,				Change	% Change
	2026	2025				
Virtual currency	\$ 44,705	\$ 50,692	\$	(5,987)	(11.8)	%
Advertising	13,157	11,863		1,294	10.9	%
Net revenue	\$ 57,862	\$ 62,555	\$	(4,693)	(7.5)	%
Average DAU	2,094	2,632		(538)	(20.4)	%
Average MAU	9,418	11,422		(2,004)	(17.5)	%
Average DPU	21	21		—	—	%
Average Daily Payer Conversion	1.0	0.8	%	0.2	pp	25.0
ARPDau (in dollars)	\$ 0.31	\$ 0.26	\$	0.05	19.2	%

pp = percentage points

Net revenue decreased \$4.7 million, or (7.5)%, to \$57.9 million during the three months ended March 31, 2026 compared to \$62.6 million during the three months ended March 31, 2025. The decrease was due to a \$6.0 million decrease in virtual currency revenue primarily driven by decreases in DPU within certain games, which was partially offset by increased revenue due to our new growth initiatives and a \$1.3 million increase in advertising revenue.

playAWARDS

The following table shows net revenues and key performance indicators for our playAWARDS division (in thousands, except for available rewards):

	Three Months Ended March 31,				Change	% Change
	2026	2025				
Virtual currency	\$ 543	\$ 148	\$	395	266.9	%
Other	5	6		(1)	(16.7)	%
Net revenue	\$ 548	\$ 154	\$	394	255.8	%
Available Rewards (in units)	327	367		(40)	(10.9)	%
Purchases (in units)	169	281		(112)	(39.8)	%
Retail Value of Purchases	\$ 14,827	\$ 16,984	\$	(2,157)	(12.7)	%
Retail Value of Daily Rewards Inventory	\$ 2,173	\$ 2,005	\$	168	8.4	%

nm = not meaningful

Net revenue increased \$0.4 million during the three months ended March 31, 2026 compared to the same period in prior year. The key performance indicators presented above are used by management to assess the playAWARDS segment's operating performance, however, are not indicative revenue metrics.

Operating Expenses

The following table summarizes our consolidated operating expenses for each applicable period (in thousands, except percentages):

	Three Months Ended March 31,		\$ Change	% Change	% of Revenue	
	2026	2025			2026	2025
Operating expenses:						
Cost of revenue	\$ 12,045	\$ 15,779	\$ (3,734)	(23.7)%	20.6 %	25.2 %
Selling and marketing	21,025	13,169	7,856	59.7 %	36.0 %	21.0 %
Research and development	14,724	13,674	1,050	7.7 %	25.2 %	21.8 %
General and administrative	9,436	11,861	(2,425)	(20.4)%	16.2 %	18.9 %
Depreciation and amortization	9,833	9,632	201	2.1 %	16.8 %	15.4 %
Restructuring expenses	4,652	1,335	3,317	248.5 %	8.0 %	2.1 %
Total operating expenses	<u>\$ 71,715</u>	<u>\$ 65,450</u>	\$ 6,265	9.6 %	122.8 %	104.4 %

Cost of Revenue

Cost of revenue decreased by \$3.7 million to \$12.0 million during the three months ended March 31, 2026 compared to \$15.8 million during the three months ended March 31, 2025. The decrease was primarily related to a decrease in virtual currency revenue. As a percentage of revenue, cost of revenue decreased from 25.2% for the three months ended March 31, 2025 to 20.6% for the three months ended March 31, 2026 due to an increase in direct to consumer revenue, which incur lower processing fees.

Selling and Marketing

Selling and marketing expenses increased by \$7.9 million to \$21.0 million during the three months ended March 31, 2026 compared to \$13.2 million during the three months ended March 31, 2025. The increase was primarily due to increases in user acquisition expense of \$6.5 million which is attributable to the Company's investment in our growth initiatives, employee costs of \$0.5 million, and brand and other marketing expense of \$0.9 million.

Research and Development

Research and development expenses increased by \$1.1 million to \$14.7 million during the three months ended March 31, 2026 compared to \$13.7 million during the three months ended March 31, 2025. The increase was primarily due to increases in employee costs of \$1.1 million and other research and development expense of \$0.7 million. This was offset by a decrease of stock compensation of \$0.7 million.

General and Administrative

General and administrative expenses decreased by \$2.4 million to \$9.4 million during the three months ended March 31, 2026 compared to \$11.9 million during the three months ended March 31, 2025. The decrease is primarily due to decreases in stock compensation of \$1.3 million, a charitable donation of \$0.3 million, and other general and administrative cost of \$0.8 million.

Depreciation and Amortization

Depreciation and amortization expenses increased by \$0.2 million to \$9.8 million during the three months ended March 31, 2026 compared to \$9.6 million during the three months ended March 31, 2025.

Restructuring Expenses

Restructuring expenses increased by \$3.3 million to \$4.7 million during the three months ended March 31, 2026 compared to \$1.3 million during the three months ended March 31, 2025. The increase was primarily due to increases in internal reorganization costs of \$2.3 million, costs related to various merger and acquisition opportunities of \$1.2 million, and other restructuring costs of \$0.2 million. This was offset by a decrease in non-recurring legal expense of \$0.4 million.

Other Income, Net

The following table summarizes our consolidated non-operating expense for each applicable period (in thousands, except percentages):

	Three Months Ended March 31,			
	2026	2025	\$ Change	% Change
Change in fair value of warrant liabilities	\$ 18	\$ 101	\$ (83)	(82.2)%
Change in fair value of contingent consideration	2,780	(325)	3,105	(955.4)%
Interest income, net	722	906	(184)	(20.3)%
Other expense, net	(281)	(473)	192	(40.6)%
Total other income, net	\$ 3,239	\$ 209	\$ 3,030	1,449.8 %

The change in fair value of warrant liabilities is related to the warrants discussed in Note 10—*Accrued and Other Current Liabilities* to our condensed consolidated financial statements herein. The change in fair value of contingent consideration is related to the Pixode Acquisition discussed in Note 7—*Fair Value Measurement*. Interest income, net is related to interest earned on cash and cash equivalents offset by fees and expenses associated with the Credit Agreement as discussed in Note 12—*Long-Term Debt* to our condensed consolidated financial statements herein. Other income primarily relates to gains or (losses) from equity investments and gains or (losses) from foreign currency transactions with our foreign subsidiaries.

Provision for Income Taxes

Provision for income taxes resulted in a tax expense of \$0.6 million for the three months ended March 31, 2026, compared to a tax expense of \$0.3 million for the three months ended March 31, 2025.

Comparison of our Segment Results of Operations

The following table presents adjusted earnings before interest, taxes, depreciation, and amortization ("AEBITDA"). AEBITDA is our reportable segment GAAP measure, which we utilize as the primary profit measure for our reportable segments. See Note 3—*Segment Reporting* in the accompanying condensed consolidated financial statements for additional information. Consolidated AEBITDA is a non-GAAP measure, discussed within "Non-GAAP Measures" below.

Comparison of the three months ended March 31, 2026 versus the three months ended March 31, 2025

	Three Months Ended March 31,			
	2026	2025	Change	% Change
AEBITDA				
playGAMES	\$ 8,674	\$ 18,309	\$ (9,635)	(52.6)%
playAWARDS	(1,492)	(2,289)	797	(34.8)%
Corporate and other	(3,611)	(3,533)	(78)	2.2 %
Consolidated AEBITDA	\$ 3,571	\$ 12,487	\$ (8,916)	(71.4)%
Segment AEBITDA Margin:				
playGAMES	15.0 %	29.3 %	(14.3)%	(48.8)%
playAWARDS	nm	nm	nm	nm

nm - not meaningful

playGAMES

playGAMES AEBITDA was \$8.7 million for the three months ended March 31, 2026 compared to \$18.3 million for the three months ended March 31, 2025, a decrease of \$9.6 million. playGAMES AEBITDA margin was 15.0% for the three months ended March 31, 2026 compared to 29.3% for the three months ended March 31, 2025. The decrease to playGAMES AEBITDA was a result of decreased virtual currency revenue primarily driven by decreases in DPU and an increase of user

acquisition expense. This was partially offset by an increase in direct-to-consumer sales which incurs lower processing fees, driving a reduction in cost of sales, as well as an increase of revenue related to the launch of Tetris Block Party.

playAWARDS

playAWARDS AEBITDA was \$(1.5) million for the three months ended March 31, 2026 compared to \$(2.3) million for the three months ended March 31, 2025. The increase in AEBITDA can be attributed to an increase in revenue and a decrease in employee costs.

Non-GAAP Measures*Consolidated Adjusted EBITDA and Consolidated AEBITDA Margin*

Consolidated Adjusted EBITDA, or Consolidated AEBITDA, as used herein, is a non-GAAP financial performance measure that is presented as a supplemental disclosure and is reconciled to net loss and net loss margin as the most directly comparable GAAP measures. We define Consolidated AEBITDA as net income before interest, income taxes, depreciation and amortization, restructuring and related costs (consisting primarily of severance and other restructuring related costs), stock-based compensation expense, changes in fair value of warrant liabilities, and other income and expense items (including special infrequent items, foreign currency gains and losses, and other non-cash items). We also use Consolidated AEBITDA Margin, another non-GAAP measure, which we calculate as the percentage of Consolidated AEBITDA to revenue.

We use Consolidated AEBITDA and Consolidated AEBITDA Margin to monitor and evaluate the performance of our business operations, facilitate internal comparisons of our operating performance, and to analyze and evaluate decisions regarding future budgets and initiatives. We believe that both measures are useful because they provide investors with information regarding our operating performance that is used by our management in its reporting and planning processes. Consolidated AEBITDA and Consolidated AEBITDA Margin as calculated herein may not be comparable to similarly titled measures and disclosures reported by other companies.

The following table sets forth the reconciliation of Consolidated AEBITDA and Consolidated AEBITDA Margin to net loss and net loss margin, the most directly comparable GAAP measure (in thousands, except percentages).

	Three Months Ended March 31,	
	2026	2025
Revenue	\$ 58,410	\$ 62,709
Net loss	\$ (10,676)	\$ (2,880)
<i>Net loss margin</i>	(18.3)%	(4.6)%
Adjustments:		
Depreciation & amortization	9,833	9,632
Income tax expense	610	348
Stock-based compensation expense	2,384	4,258
Change in fair value of warrant liability	(18)	(101)
Change in fair value of contingent consideration	(2,780)	325
Restructuring and related ⁽¹⁾	4,652	1,335
Other, net ⁽²⁾	(434)	(430)
Consolidated AEBITDA	3,571	12,487
Consolidated AEBITDA Margin	6.1 %	19.9 %

(1) Amounts reported during the three months ended March 31, 2026 and March 31, 2025 relate to internal reorganization costs, including severance-related costs, fees related to evaluating various merger and acquisition opportunities, and non-recurring legal costs.

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

Liquidity and Capital Resources

As of March 31, 2026, we had cash and cash equivalents of \$103.7 million, which consisted of cash on hand and money market mutual funds. As of March 31, 2026 we had restricted cash of \$0.6 million. Historically, we have funded our operations, including capital expenditures, primarily through cash flow from operating activities. We believe that our existing cash and cash equivalents, and cash generated from operations, will be sufficient to fund our operations and capital expenditures for at least the next twelve (12) months. However, we intend to continue to make significant investments to support our business growth and may require additional funds to respond to business challenges, including the need to develop new games and features or enhance our existing games, improve our operating infrastructure, or acquire complementary

businesses, personnel and technologies. Accordingly, we may need to engage in equity or debt financing to secure additional funds or we may decide to do so opportunistically.

Debt

For a description of the Credit Agreement, see *Note 14 - Long-Term Debt* in our Consolidated Financial Statements and *Liquidity and Capital Resources* in our 2025 Annual Report on Form 10-K filed on March 16, 2026 and amended on Form 10-K/A filed on April 3, 2026.

As of March 31, 2026, we do not have any outstanding amounts under the Credit Agreement.

Cash Flows

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

	Three Months Ended March 31,	
	2026	2025
Net cash provided by operating activities	\$ 3,718	\$ 3,300
Net cash used in investing activities	(4,118)	(3,609)
Net cash used in financing activities	(725)	(2,456)
Effect of exchange rate on cash and cash equivalents	(130)	84
Decrease in cash and cash equivalents	(1,255)	(2,681)

Operating Activities

During the three months ended March 31, 2026, operating activities provided \$3.7 million of net cash as compared to \$3.3 million during the three months ended March 31, 2025. The increase in cash provided from operating activities was primarily due to a favorable change in operating assets and liabilities due to timing fluctuations in payables being paid.

Investing Activities

During the three months ended March 31, 2026, investing activities used \$4.1 million of net cash as compared to \$3.6 million during the three months ended March 31, 2025. The change in cash used in investing activities was due to increased additions to internal-use software during the three months ended March 31, 2026.

Financing Activities

During the three months ended March 31, 2026, financing activities used \$0.7 million of net cash as compared to \$2.5 million during the three months ended March 31, 2025. The change in cash used in financing activities was due to \$1.6 million less in share repurchases and \$0.4 million less in payments made for tax withholding on stock-based compensation.

Contractual Obligations, Commitments, and Contingencies

As of March 31, 2026, there had been no material changes to our aggregated indebtedness and other contractual obligations previously reported in our 2025 Annual Report on Form 10-K filed on March 16, 2026 and amended on Form 10-K/A filed on April 3, 2026.

Critical Accounting Policies and Estimates

Our management's discussion and analysis of our financial condition and results of operations is based on our condensed consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, as well as the reported revenue generated and expenses incurred during the reporting periods. Our estimates are based on our historical experience and various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about items that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

There have been no material changes to our critical accounting policies and estimates as compared to the critical accounting policies and estimates disclosed in our 2025 Annual Report on Form 10-K filed on March 16, 2026 and amended on Form 10-K/A filed on April 3, 2026.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Pursuant to Item 305(e) of Regulation of S-K (§229.305(e)), the Company is not required to provide the information required by this Item as it is a “smaller reporting company,” as defined by Rule 229.10(f)(1).

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, who serve as our principal executive officer and principal financial officer, respectively, we conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. In designing and evaluating our disclosure controls and procedures, management recognized 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. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of March 31, 2026, our disclosure controls and procedures were effective at the reasonable assurance level to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to management, including those officers, as appropriate, to allow timely decisions regarding disclosure required to be made under the Exchange Act.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the three months ended March 31, 2026 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

From time to time, we are a party to litigation and subject to claims incident to the ordinary course of business. Although the results of litigation and claims cannot be predicted with certainty, we currently believe that the final outcome of these matters will not have a material adverse effect on our business. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors. For information regarding legal proceedings and other claims in which we are involved, see Note 10—*Accrued and Other Current Liabilities* and Note 15—*Commitments and Contingencies*.

Item 1A. Risk Factors

Our risk factors are described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025, filed with the Securities and Exchange Commission on March 16, 2026, as amended by Amendment No. 1 on Form 10-K/A filed on April 3, 2026. There have been no material changes from the risk factors previously disclosed therein.

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

The following table provides information about share repurchases made by us of our Class A common stock during the quarter ended March 31, 2026:

Period	Total Number of Shares Purchased¹	Average Price Paid per Share²	Total Number of Shares Purchased as Part of a Publicly Announced Program	Dollar Value of Shares that May Yet be Purchased Under the Program³ (In thousands)
January 1, 2026 - January 31, 2026	347,516	\$ 0.64	—	\$ 40,046
February 1, 2026 - February 28, 2026	279,682	\$ 0.49	—	\$ 40,046
March 1, 2026 - March 31, 2026	42,317	\$ 0.50	—	\$ 40,046

1. These amounts include shares surrendered to satisfy tax withholding obligations upon the vesting of equity awards under our 2021 Equity Incentive Plan (as amended, the "Plan"). Under the Plan and applicable award agreements, the Company has the discretionary right to collect payment of mandatory tax withholding obligations by deducting from the shares otherwise deliverable to a participant upon vesting and settlement of an award under the Plan a number of shares having a fair market value equal or less than such participant's tax withholding obligations. All shares so deducted from shares that otherwise would be deliverable to participants under the Plan are considered repurchased pursuant to the terms of the Plan and applicable award agreements and not pursuant to any publicly announced share repurchase program.
2. Average price paid per share includes shares surrendered to satisfy tax withholding obligations.
3. Repurchases may be executed from time to time, subject to general business and market conditions, through open market purchases or privately negotiated transactions, including through Rule 10b5-1 trading plans, pursuant to a stock repurchase program. On October 31, 2025, the Company's Board of Directors approved a one-year extension of the Company's existing stock repurchase program. The remaining amount authorized under the program was \$40.0 million as of March 31, 2026 and \$40.0 million as of December 31, 2025. Subject to applicable rules and regulations, the shares may be purchased from time to time in the open market or in privately negotiated transactions. Such purchases will be at times and in amounts as the Company deems appropriate, based on factors such as market conditions, legal requirements and other business considerations. See *Note 16—Stockholders' Equity* of the notes to condensed consolidated financial statements included in Item 1 of this Quarterly Report on Form 10-Q for additional information relating to share repurchases.

Item 3. Defaults Upon Senior Securities

None

Item 4. Mine Safety Disclosures

Not applicable

Item 5. Other Information**Trading Plans**

During the three months ended March 31, 2026, none of our directors or officers (as defined in Rule 16a-1(f) under the Exchange Act) adopted, modified, or terminated any Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement, as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

The following exhibits are filed as part of, or incorporated by reference into, this Quarterly Report on Form 10-Q.

Exhibit Number	Description
3.1	Certificate of Incorporation of PLAYSTUDIOS, Inc. (incorporated by reference to Exhibit 3.1 to Current Report on Form 8-K filed June 25, 2021).
3.2	Bylaws of PLAYSTUDIOS, Inc., effective as of June 21, 2021 (incorporated by reference to Exhibit 3.2 to Current Report on Form 8-K filed June 25, 2021).
3.3	Certificate of Amendment of Certificate of Incorporation of PLAYSTUDIOS, Inc. dated June 5, 2024 (incorporated by reference to Exhibit 3.1 to Current Report on Form 8-K filed June 5, 2024).
31.1*	Certification of Chief Executive Officer of Periodic Report Pursuant to Rule 13a – 14(a) and Rule 15d – 14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer of Periodic Report Pursuant to Rule 13a – 14(a) and Rule 15d – 14(a) under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS**	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
104	Cover Page Interactive Data File formatted in Inline XBRL and contained in Exhibit 101.

* Filed herewith

** The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.

SIGNATURES

Pursuant to the requirements of the Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PLAYSTUDIOS, Inc.

Date: May 11, 2026

By: /s/ Andrew Pascal

Name: Andrew Pascal

Title: Chairman and Chief Executive Officer
(Principal Executive Officer)

Date: May 11, 2026

By: /s/ Scott Peterson

Name: Scott Peterson

Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

Certification of the Chief Executive Officer
Pursuant to Exchange Act Rule 13a-14(a)/15d-14(a)
as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Andrew Pascal, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of PLAYSTUDIOS, Inc.;
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 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 internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant 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 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.

Date: May 11, 2026

/s/ Andrew Pascal

Andrew Pascal
Director, Chief Executive Officer
(Principal Executive Officer)

Certification of the Chief Financial Officer
Pursuant to Exchange Act Rule 13a-14(a)/15d-14(a)
as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Scott Peterson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of PLAYSTUDIOS, Inc.;
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 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 internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant 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 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.

Date: May 11, 2026

/s/ Scott Peterson

Scott Peterson

Chief Financial Officer

(Principal Financial and Accounting Officer)

**Certification of CEO and CFO Pursuant to
18 U.S.C. Section 1350, as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q of PLAYSTUDIOS, Inc. (the "Company") for the quarter ended March 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Andrew Pascal, as Chief Executive Officer of the Company, and Scott Peterson, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of their knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Andrew Pascal

Name: Andrew Pascal
Title: Director, Chief Executive Officer
(Principal Executive Officer)
Date: May 11, 2026

/s/ Scott Peterson

Name: Scott Peterson
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)
Date: May 11, 2026

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to PLAYSTUDIOS, Inc. and will be retained by PLAYSTUDIOS, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.