LIGHT & WONDER

Third Quarter 2023
Earnings Presentation

November 9, 2023

Forward-Looking Statements

In this presentation, Light & Wonder, Inc. ("Light & Wonder," "L&W" or the "Company") makes "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements describe future expectations, plans, results or strategies and can often be identified by the use of terminology such as "may," "will," "estimate," "intend," "plan," "continue," "believe," "expect," "anticipate," "target," "should," "could," "potential," "opportunity," "goal," or similar terminology. These statements are based upon management's current expectations, assumptions and estimates and are not guarantees of timing, future results or performance. Therefore, you should not rely on any of these forward-looking statements as predictions of future events. Actual results may differ materially from those contemplated in these statements due to a variety of risks and uncertainties and other factors, including, among other things: our inability to successfully execute our strategy and rebranding initiative; slow growth of new gaming jurisdictions, slow addition of casinos in existing jurisdictions and declines in the replacement cycle of gaming machines; risks relating to foreign operations, including anti-corruption laws, fluctuations in currency rates, restrictions on the payment of dividends from earnings, restrictions on the import of products and financial instability; difficulty predicting what impact, if any, new tariffs imposed by and other trade actions taken by the U.S. and foreign jurisdictions could have on our business; U.S. and international economic and industry conditions, including increases in benchmark interest rates and the effects of inflation; public perception of our response to environmental, social and governance issues; changes in, or the elimination of, our share repurchase program; resulting pricing variations and other impacts of our common stock being listed to trade on more than one stock exchange; level of our indebtedness, higher interest rates, availability or adequacy of cash flows and liquidity to satisfy indebtedness, other obligations or future cash needs; inability to further reduce or refinance our indebtedness; restrictions and covenants in debt agreements, including those that could result in acceleration of the maturity of our indebtedness; competition; inability to win, retain or renew, or unfavorable revisions of, existing contracts, and the inability to enter into new contracts; risks and uncertainties of potential changes in U.K. gaming legislation, including any new or revised licensing and taxation regimes, responsible gambling requirements and/or sanctions on unlicensed providers; inability to adapt to, and offer products that keep pace with, evolving technology, including any failure of our investment of significant resources in our R&D efforts; the possibility that we may be unable to achieve expected operational, strategic and financial benefits of the SciPlay Merger; the outcome of any legal proceedings that may be instituted following completion of the SciPlay Merger; failure to retain key management and employees of SciPlay; unpredictability and severity of catastrophic events, including but not limited to acts of terrorism, war, armed conflicts or hostilities or the COVID-19 pandemic, the impact such events may have on our customers, suppliers, employees, consultants, business partners or operations, as well as management's response to any of the aforementioned factors; changes in demand for our products and services; dependence on suppliers and manufacturers; SciPlay's dependence on certain key providers; ownership changes and consolidation in the gaming industry; fluctuations in our results due to seasonality and other factors; security and integrity of our products and systems, including the impact of any security breaches or cyber-attacks; protection of our intellectual property, inability to license third-party intellectual property and the intellectual property rights of others; reliance on or failures in information technology and other systems; litigation and other liabilities relating to our business, including litigation and liabilities relating to our contracts and licenses, our products and systems, our employees (including labor disputes), intellectual property, environmental laws and our strategic relationships; reliance on technological blocking systems; challenges or disruptions relating to the completion of the domestic migration to our enterprise resource planning system; laws and government regulations, both foreign and domestic, including those relating to gaming, data privacy and security, including with respect to the collection, storage, use, transmission and protection of personal information and other consumer data, and environmental laws, and those laws and regulations that affect companies conducting business on the internet, including online gambling; legislative interpretation and enforcement, regulatory perception and regulatory risks with respect to gaming, especially internet wagering, social gaming and sports wagering; changes in tax laws or tax rulings, or the examination of our tax positions; opposition to legalized gaming or the expansion thereof and potential restrictions on internet wagering; significant opposition in some jurisdictions to interactive social gaming, including social casino gaming and how such opposition could lead these jurisdictions to adopt legislation or impose a regulatory framework to govern interactive social gaming or social casino gaming specifically, and how this could result in a prohibition on interactive social gaming or social casino gaming altogether, restrict our ability to advertise our games, or substantially increase our costs to comply with these regulations; expectations of shift to regulated digital gaming or sports wagering; inability to develop successful products and services and capitalize on trends and changes in our industries, including the expansion of internet and other forms of digital gaming; the continuing evolution of the scope of data privacy and security regulations, and our belief that the adoption of increasingly restrictive regulations in this area is likely within the U.S. and other jurisdictions; incurrence of restructuring costs; goodwill impairment charges including changes in estimates or judgments related to our impairment analysis of goodwill or other intangible assets; stock price volatility; failure to maintain adequate internal control over financial reporting; dependence on key executives; natural events that disrupt our operations, or those of our customers, suppliers or regulators; and expectations of growth in total consumer spending on social casino gaming.

Additional information regarding risks and uncertainties and other factors that could cause actual results to differ materially from those contemplated in forward-looking statements is included from time to time in our filings with the Securities and Exchange Commission ("SEC"), including the Company's current reports on Form 8-K, quarterly reports on Form 10-Q and annual reports on Form 10-K, including the latest report filed with the SEC for the year ended December 31, 2022 on March 1, 2023 (including under the headings "Forward Looking Statements" and "Risk Factors"). Forward-looking statements speak only as of the date they are made and, except for our ongoing obligations under the U.S. federal securities laws, we undertake no and expressly disclaim any obligation to publicly update any forward-looking statements whether as a result of new information, future events or otherwise.

Additional Notes

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

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

Discontinued Operations

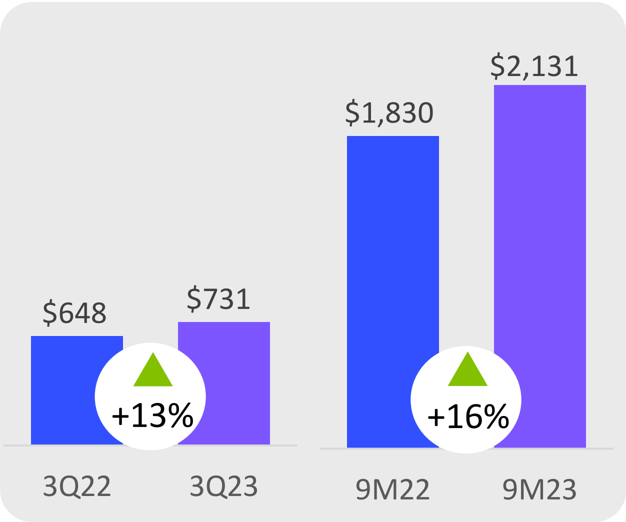
We sold our former Lottery business to Brookfield Business Partners L.P. during the second quarter of 2022. We sold our former Sports Betting business to Endeavor Operating Company, LLC, a subsidiary of Endeavor Group Holdings, Inc., in a cash and stock transaction completed during the third quarter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

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

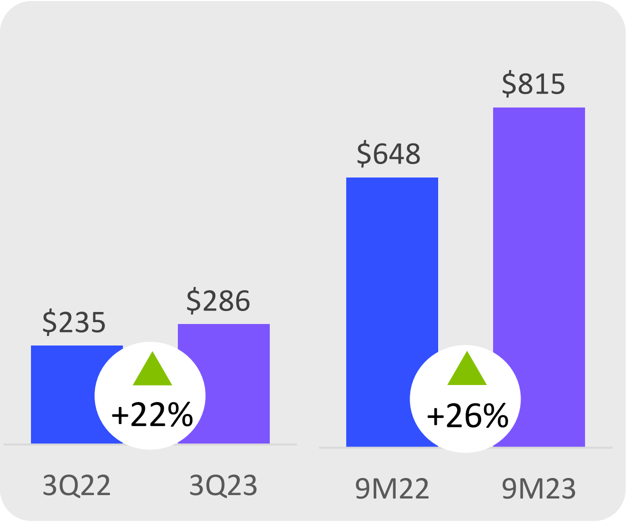
The Leading Cross-platform Global Games Company

Continued Momentum across All Businesses Driving Significant Growth

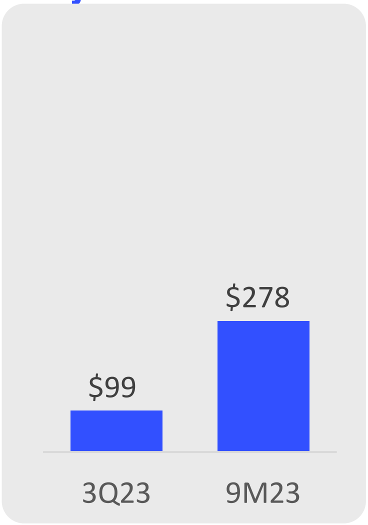
Consolidated Revenue



Consolidated AEBITDA(1)



Adjusted NPATA(1)



10
Consecutive Quarters

Consolidated Revenue Growth YoY

5
Consecutive Quarters

Double-digit Consolidated Revenue Growth YoY

4
Consecutive Quarters

Double-digit Revenue Growth across all Three Businesses YoY

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

Achieved Milestones on Shareholder Value Enhancement Initiatives

Light & Wonder added to the S&P/ASX 200 Index as of October 18, 2023

- Expands exposure to a broader base of investors with varying investment mandates
- Solidifies our position and profile in the Australian capital markets
- Enables Australian Index and Quantitative funds to invest in LNW
- Enhances trading liquidity on the ASX

Acquired remaining ~17% equity interest of SCPL for $496 million[1] on October 23, 2023

- Enables seamless collaboration that will add further momentum to cross-platform strategy
- Provides flexibility for use of SciPlay cash flows for investments across the enterprise
- Facilitates long-term margin enhancement opportunities via synergies

(1) Excluding transaction and advisory fees.

Capitalizing on Opportunities and Delivering on Operational Performance

Continued Double-Digit Revenue Growth Across All Businesses

- **Grew Consolidated Revenue 13%; Consolidated AEBITDA[1] 22% YoY**
- **Gaming Revenue +11% YoY**, led by **23% growth in Global Gaming Machine Sales**
- **SciPlay Revenue +15% YoY**, driven by **continued share gains in social casino business and strong payer metrics**
- **iGaming Revenue +21% YoY**, primarily on **U.S. & International growth and original content launches**

Delivered on Key Performance Metrics and Operational Progress

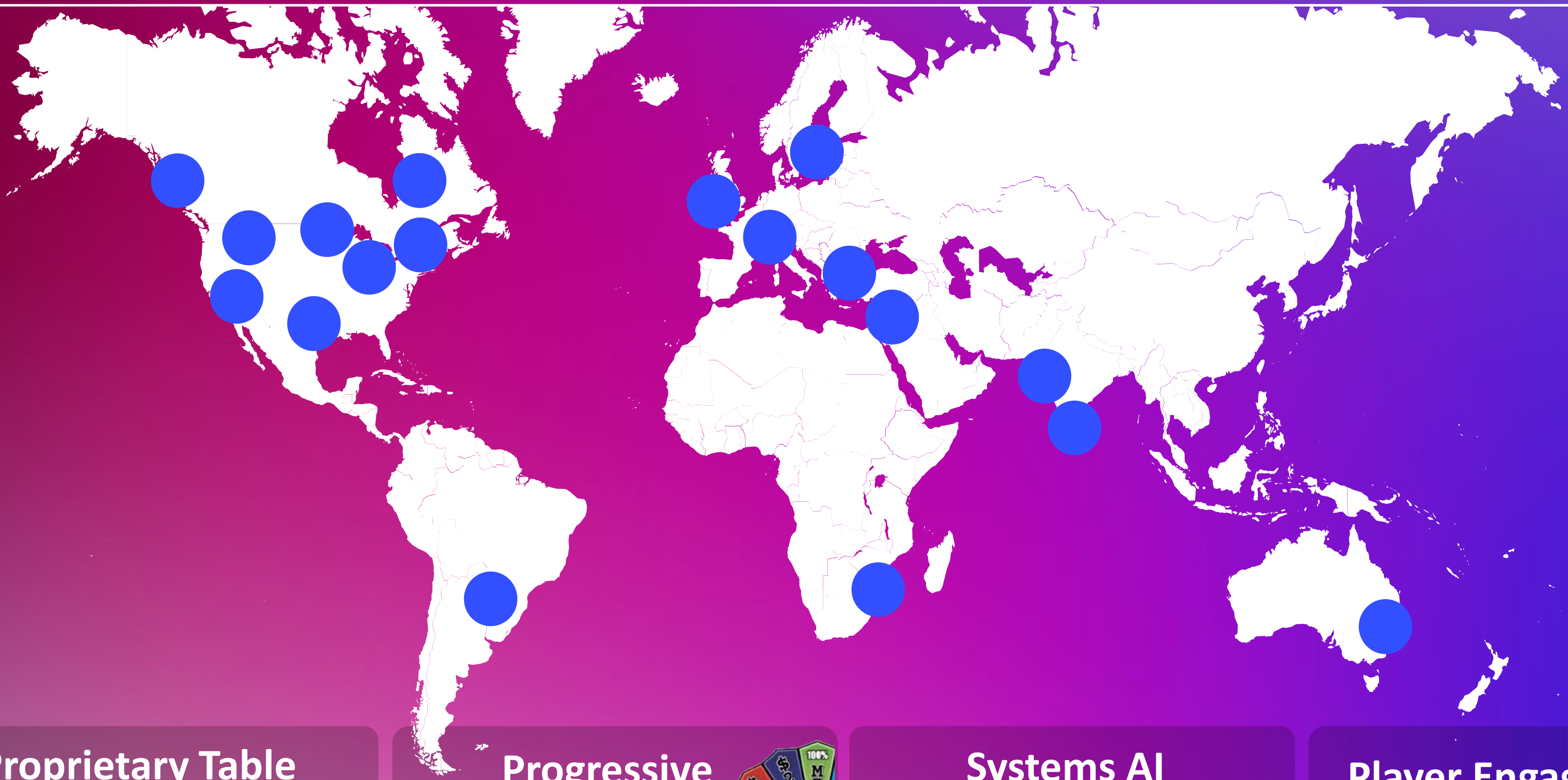
- **13 consecutive quarters** of **N.A. Premium installed base growth**, at **47%** of total N.A. installed base
- **Achieved record revenue and key payer metrics** at SciPlay**,** once again outpaced market growth
- **Held record iGaming revenue** and **achieved record AEBITDA,** launched Live Casino in Michigan

Advancing on Balanced and Opportunistic Capital Allocation Strategy

- **Reduced net debt leverage ratio[1] to 2.8x**, lowest in Company's recent history & within targeted range[1][2] of 2.5x to 3.5x
- **Extended 2025 debt maturity to 2031** – refinanced with issuance of $550 million of 7.500% senior unsecured notes
- **Repurchased $112 million of shares** in the quarter, for a cumulative of **73%**[3] of the $750M program authorization
- **Executing disciplined investment strategy** focused on **high long-term cash returns**

N.A. – North America.
(1) Denotes a non-GAAP financial measure and is reconciled to the most directly comparable GAAP measure in the tables in the appendix.
(2) Additional information on the non-GAAP financial measure targeted net debt leverage ratio is available in the appendix.
(3) Share repurchase amounts since program authorization through September 30, 2023.

Unlocking the Power of Our Global R&D Engine



Game Content

- Franchise extensions
- Adding high-performing studios

*iVIEW*TM Guard

- Cybersecurity protection

Omnichannel

- Game launches & Jackpots

New IP

- Global Brands

Proprietary Table Games

- *THREE CARD POKER SABOTAGE*TM
- *RUN 'EM TWICE*TM
- *RUYI BACCARAT*TM

Progressive

- *GM ATLAS*TM
- *CASH SPIN*TM
- *DIAMOND MILLIONS*TM

Systems AI

- *L&W ENGAGE*TM - generative artificial intelligence platform

Player Engagement

- Multiplayer and marketing jackpots
- Data Analytics

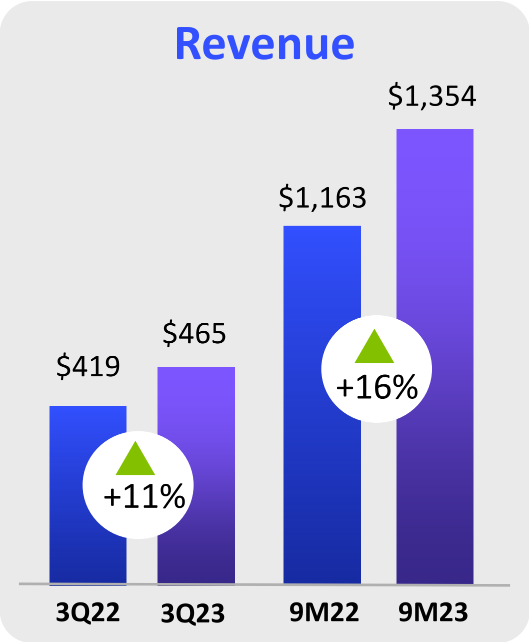
Operational Highlights

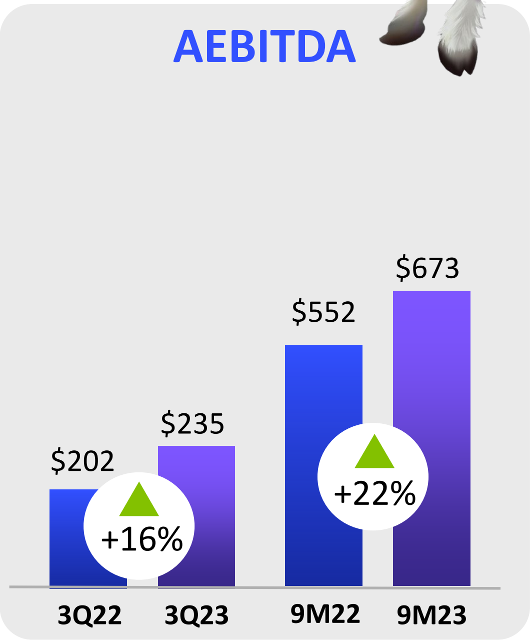
Strong Execution Driving Continued Growth in Gaming

Key 3Q Gaming Highlights

- Gaming Revenue **increased 11% YoY,** led by strong **Global Gaming Machine Sales growth of 23%**
  - Gaming Operations **revenue up 3%** driven by growth in the North American installed base and Average daily revenue
  - Strong International Gaming Machine Sales with **Australia reaching record 26% share**[1] in the quarter
  - Table Products **revenue up 17%**, largely benefited from **shuffler and utility sales**
- **AEBITDA increased 16% YoY** driven by higher revenues, as well as margin expansion
- **AEBITDA Margin up 300 bps YoY to 51%** on favorable Game Sales mix in Asia, supply chain initiatives in place and continued focus on operational efficiencies

IN $MILLIONS





	Three Months Ended Sep FY22	Three Months Ended Sep FY23	Var%
Gaming Business Segment Revenue:			
Gaming Operations	$161	$166	▲ 3%
Gaming Machine Sales	140	172	▲ 23%
Systems	70	71	▲ 1%
Table Products	48	56	▲ 17%

(1) MaxGaming.

Delivered on Key Gaming Performance Metrics

Key 3Q Gaming KPI Highlights

- Gaming Operations growth was driven by **YoY increase in North American Premium installed base**, now at **47%** of total North American units
- Average daily revenue per unit was **up 4% to $47.57** in North America due to **strong content performance** and the continued success and **placements of *MURAL*™ and *COSMIC*™ cabinets**
- Global Game Sale units **were up 20% YoY** led by North American and International replacement unit shipments **increasing 23% and 20%,** respectively
- ASP(1) was over $18,000, **an increase of 4% due to favorable mix of higher ASP cabinet sales** into International markets

	Three Months Ended		
	Sep FY22	Sep FY23	Var%
Gaming Operations KPI:			
U.S. and Canadian:			
Installed base at period end	30,536	31,035	2%
Average daily revenue per unit	$45.68	$47.57	4%
International: (2)			
Installed base at period end	28,100	22,442	(20)%
Average daily revenue per unit	$12.39	$14.01	13%
Gaming Machine Sales KPI:			
U.S. and Canadian unit shipments:			
Replacement units	3,688	4,542	23%
Casino opening and expansion units	712	98	(86)%
Total unit shipments	4,400	4,640	5%
International unit shipments:			
Replacement units	2,725	3,262	20%
Casino opening and expansion units	134	783	484%
Total unit shipments	2,859	4,045	41%
Global unit shipments	**7,259**	**8,685**	20%
Average sales price per new unit	**$17,359**	**$18,104**	4%

(1) Gaming Machine Sales cabinet average sales price.
(2) Units exclude those related to game content licensing.

Launching New Cabinets and Progressing in Adjacent Markets

New Cabinets

LANDMARK™ Wheel

- *BLAZING 777™* & *BONUS TIMES™* entering the Wheel segment
- *MONOPOLY* umbrella brand

HORIZON™

- Back in JUMBO cabinet category, same pedigree with the market leading V75
- New game integrated LED technology plus strong branded launch library

Adjacencies

VLT(1)

- Oregon State Lottery to place 1,175 *KASCADA™* Dual Screen units
- Meaningful opportunities in Canada
- Introducing key franchises: *Monopoly™*, *HUFF N' PUFF™*, and *RICH LITTLE PIGGIES ™*

COAM(2)

- Entering Georgia COAM market in 1Q24
- Launching with proven Illinois VLT game pack on the Kascada Dual Screen and Kascada Dual Screen Slant

HHR(3)

- Introducing Game Ops to the HHR market
- Expanded Dual Screen content and key franchise brands

Class II Video

- New Reel Winners WAP(4) link with Cosmic hardware
- Best in class bingo system technology

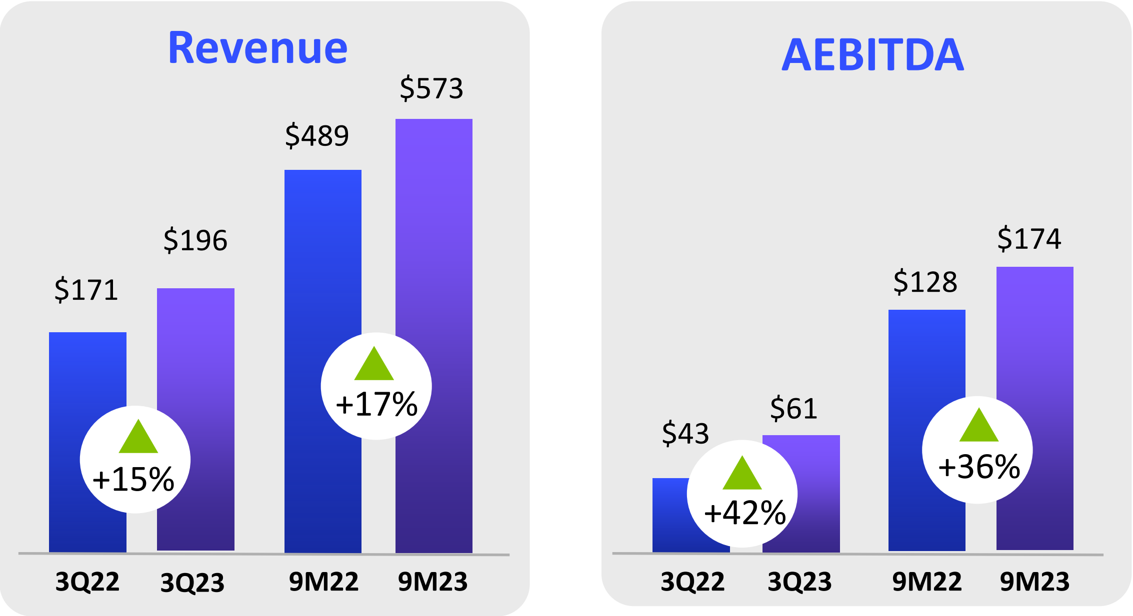
(1) Video Lottery Terminals. (2) Coin Operated Amusement Machines. (3) Historical Horse Racing. (4) Wide Area Progressive.

Continued Market Leading Performance at SciPlay

Key 3Q SciPlay Highlights

- Revenue of $196 million, up **15% YoY, setting another record driven by double-digit YoY growth** in social casino business
- **AEBITDA of $61 million, up 42% YoY**, benefiting from strong revenue growth and disciplined UA spend; **AEBITDA margin up 600 bps to 31%** as prior year was impacted by elevated marketing activities
- Continued **record monetization and engagement** across key metrics:
  - **Grew ARPDAU**[1] **20% YoY** to a **record $0.96**
  - **Payer conversion rate of 10.6%, up 90 bps YoY**
  - **MPU**[2] **of ~602,000 compared to ~577,000** in prior-year quarter, up 4%
  - **Record AMRPPU**[3] **of $106.61,** up 12% YoY

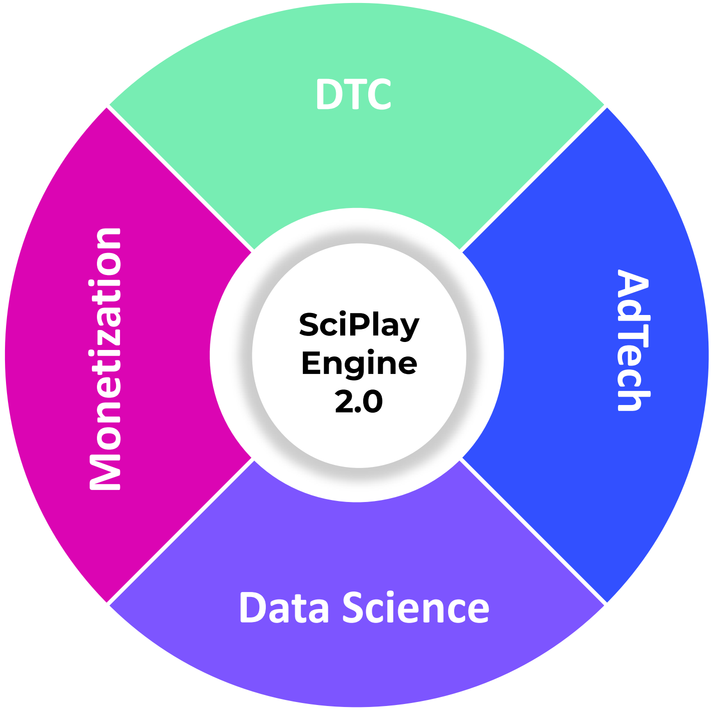
IN $MILLIONS



	Three Months Ended		
	Sep	Sep	
	FY22	FY23	Var%
SciPlay KPI:			
Mobile Penetration	90%	90%	-
Average MAU [4]	5.9	5.7	▼ (3)%
Average DAU [5]	2.2	2.2	-
ARPDAU	$0.80	$0.96	▲ 20%
Average MPU (000s)	577	602	▲ 4%
AMRPPU	$95.45	$106.61	▲ 12%
Payer Conversion Rate	9.7%	10.6%	▲ 90 bp

(1) Average Revenue Per Daily Active User.
(2) Average Monthly Paying Users.
(3) Average Monthly Revenue Per Paying User.
(4) Monthly Active Users in millions.
(5) Daily Active Users in millions.

Leveraging SciPlay Engine Across Portfolio of Games



- 5th consecutive quarter of record revenue
- 1st over $100 Million revenue quarter

- 2nd consecutive quarter of record revenue
- Successful cross-platform launch case study

- 7th consecutive quarter of record revenue
- Progressing with DTC adoption

- *88 FORTUNES*™ Slots matched quarterly record revenue
- Double-digit growth YoY

Adopting player-first approach with consistent delivery of new content and timely features further enhancing dynamic community engagement

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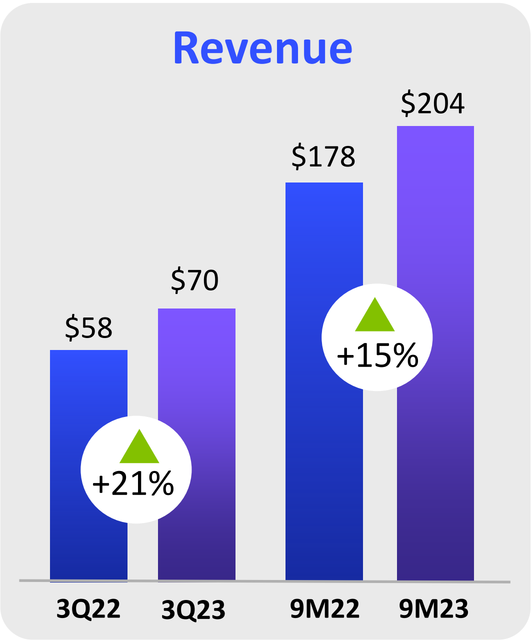
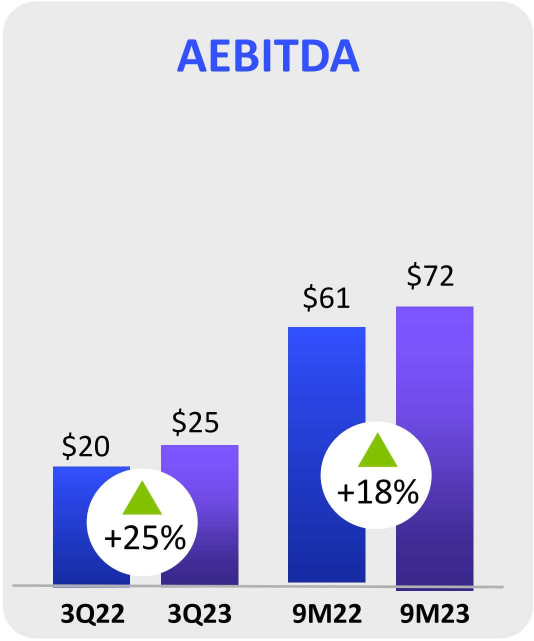
iGaming Benefiting from Content Launches and GGR Growth

Key 3Q iGaming Highlights

- Held **record revenue of $70 million, up 21%YoY** primarily on continued momentum in the U.S market, strength of our original content launches and $3 million in certain termination fees
    - **U.S. GGR**[(1)] **was up 22%** driven by original content launches of Rich Little Piggies and two new games from Coin Combo franchise
    - **Canada OGS**[(2)] **GGR was also up 22% YoY** and grew for 8 consecutive quarters
    - **Record GGR volumes in E.U.** during the quarter
- **AEBITDA increased 25% to a record $25 million** on strong revenue growth in all regions; **AEBITDA margin of 36%** benefitted from scale while also investing in content and Live Casino

IN $MILLIONS





	Three Months Ended		
	Sep FY22	Sep FY23	Var%
iGaming KPI:			
Wagers processed through OGS (in billions)	$17.5	$20.2	▲ 15%

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

Expanding Original Content Roadmap & Capabilities

U.S. Content Roadmap

E.U. & U.K. Content Roadmap

Key iGaming Highlights

- **Record U.S. game launch** with ***Rich Little Piggies***, over 200K players in the first 30 days(1)
- Original content accounts for ***~67% of GGR***(1) of the top 20 games on our iGaming platform in the U.S.
- **Launched Live Casino in Michigan** with Rush Street; Golden Nugget and Draft Kings to follow
- **Playzido launched in Michigan** with BetMGM, further U.S. roll out underway in New Jersey and Pennsylvania
- **ELK GGR up 64%** compared to the prior year supported by strong launches YTD including Pirots, Nitropolis 4, Rabbit Royale and Tropicool 2

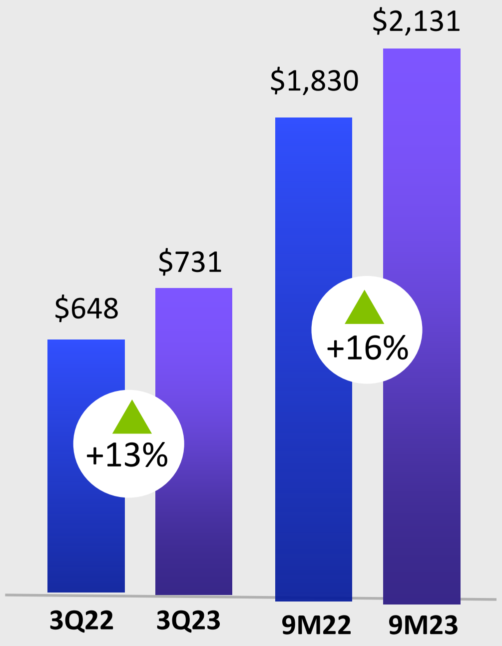
(1) OGS data.

Financials

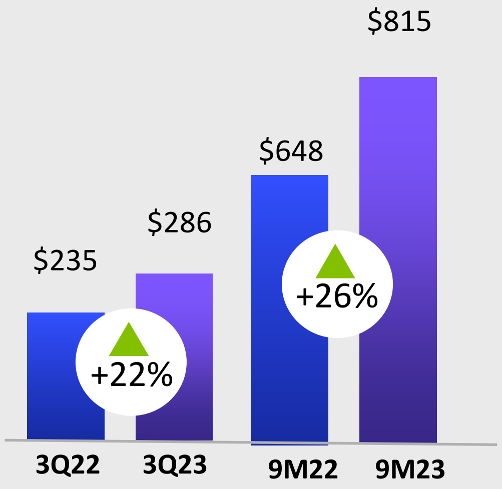
Delivered Strong Revenue Growth and Margin Expansion

IN $MILLIONS

Consolidated Revenue



Consolidated AEBITDA[1]



Key 3Q & 9M Highlights

- **Achieved Consolidated Revenue growth of 13% YoY in the quarter,** maintaining strong margins and cash flow generation on strength across all businesses
  - Growth in Gaming primarily **led by Global Gaming Machine Sales and Table Products**
  - Record revenue at SciPlay benefited from **monetization in the social casino business**
  - iGaming revenue growth YoY primarily driven by **continued momentum in the U.S. market and strength of original content launches**
- **Consolidated AEBITDA[1] up 22%** and margin **grew 300 bps to 39%** led by YoY double-digit growth across all businesses and margin expansion
- **Delivered strong 9M** results with **Consolidated Revenue up 16%** and **Consolidated AEBITDA[1] up 26%** YoY
  - Performance driven by **double-digit revenue growth** in all businesses, and **cost optimization initiatives**

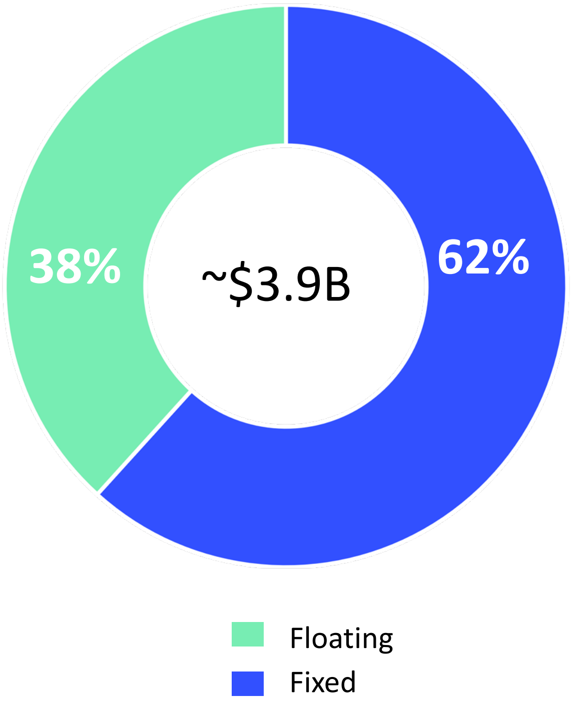
(1) Denotes a non-GAAP financial measure and is reconciled to the most directly comparable GAAP measure in the tables in the appendix.

Reconstituted Credit Profile Provides Further Flexibility

Key Highlights

- Current debt profile at approximately **62% fixed and 38% floating mix**
  - $700 million of **Term Loan B interest rate exposure is hedged with a floating-to-fixed interest rate swap**
  - **Issued $550 million of 7.500% senior unsecured notes due 2031** and redeemed all $550 million of our outstanding 8.625% senior unsecured notes due in 2025
  - Fixed interest cost to **decrease by ~$6 million annually**
- **No significant debt maturities until 2028**
- Strong liquidity profile allowing **investment in R&D engine through economic cycles**

Fixed vs Floating Debt (1)



(1) Mix includes $700 million of variable to fixed interest rate swap contracts.

Continued Focus on Free Cash Flow[1][2] Generation

IN $MILLIONS

	3Q22	3Q23	9M22	9M23
	Combined	Consolidated	Combined	Consolidated
Net cash (used in) provided by operating activities	**$ (351)**	**$ 204**	**$ (294)**	**$ 423**
Capital expenditures	(65)	(70)	(195)	(182)
Payments on license obligations	(6)	(8)	(32)	(26)
Other	2	(3)	(5)	6
Free Cash Flow [1] [2]	**$ (420)**	**$ 123**	**$ (526)**	**$ 221**
Supplemental cash flow information				
Strategic Review and Related Costs Impacting Free Cash Flow:				
Professional fees and services supporting Strategic review and related activities (including ASX listing and SciPlay Merger)	$ 8	$ 3	$ 72	$ 10
Income tax payments related to the Divestitures	465	-	465	32
Disposition and other closing expenses	-	-	80	-
SciPlay legal settlement payment	25	-	25	-
Payments related to April 22 refinancing	-	-	5	-

Key 3Q & 9M Highlights

3Q23 Consolidated Free Cash Flow[1][2]:

- Consolidated free cash flow was $123 million in the quarter on **strong business performance and timing of working capital**
- Prior year period combined free cash flow was **primarily impacted by tax** payments related to the divestiture of the Lottery business

YTD 2023 Consolidated Free Cash Flow[1][2] :

- Increase was primarily driven by **revenue growth and lower interest payments**, partially offset by final **cash tax payment of $32 million** associated with Divestitures **and $10 million** in professional fees and services related to the strategic review
- Prior year period combined free cash flow[1][2] was **primarily impacted by tax payments of $465 million** related to the Divestitures

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

Leading the Future of the Games Industry

Differentiated Value Proposition Focused on Execution

- Streamlined business and transformed balance sheet
- Leading global games and platform provider with all the major pieces in place to drive shareholder value
- Unmatched market positions and cross-platform capabilities
- Focus on operational excellence driving enhanced shareholder value
- Expect sustainable growth with healthy margins progressing towards $1.4 billion targeted Consolidated AEBITDA[(1)] by 2025

(1) Additional information on the non-GAAP financial measure, targeted Consolidated AEBITDA, is available in the appendix.

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Appendix

Non-GAAP Financial Measures

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

Consolidated AEBITDA (representing AEBITDA from continuing operations)

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

Consolidated AEBITDA Margin

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

Non-GAAP Financial Measures (continued)

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

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

Free Cash Flow from Discontinued Operations

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

Combined Free Cash Flow

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

Net Debt and Net Debt Leverage Ratio

Net debt is defined as total principal face value of debt outstanding, the most directly comparable GAAP measure, less cash and cash equivalents. Principal face value of debt outstanding includes the face value of debt issued under Senior Secured Credit Facilities and Senior Notes, which are described in Note 15 of the Company's Annual Report on Form 10-K for the year ended December 31, 2022 and in Note 11 of the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2023. Net debt leverage ratio, as used herein, represents Net debt divided by Consolidated AEBITDA. The forward-looking non-GAAP financial measure targeted net debt leverage ratio is presented on a supplemental basis and does not reflect Company guidance. We are not providing a forward-looking quantitative reconciliation of targeted net debt leverage ratio to the most directly comparable GAAP measure because we are unable to predict with reasonable certainty the ultimate outcome of certain significant items without unreasonable effort. These items are uncertain, depend on various factors, and could have a material impact on GAAP reported results for the relevant period.

Adjusted NPATA

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

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

L&W Reconciliation of Consolidated AEBITDA

	Three Months Ended		Nine Months Ended		Twelve Months Ended
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	September 30, 2023
Reconciliation of Net Income Attributable to L&W to Consolidated AEBITDA					
Net income attributable to L&W	**$ 75**	**$ 328**	**$ 96**	**$ 3,645**	**$ 126**
Net income attributable to noncontrolling interest	5	7	16	13	25
Net income from discontinued operations, net of tax	-	(315)	-	(3,855)	(18)
Net income (loss) from continuing operations	**80**	**20**	**112**	**(197)**	**133**
Restructuring and other	17	27	66	106	106
Depreciation, amortization and impairments	90	102	298	317	401
Other income, net	(39)	(1)	(19)	(7)	(19)
Interest expense	78	68	231	254	304
Income tax expense	14	4	27	8	32
Stock-based compensation	31	15	85	47	108
Loss on debt financing transactions	15	-	15	147	15
Gain on remeasurement of debt and other	-	-	-	(27)	-
Consolidated AEBITDA	**$ 286**	**$ 235**	**$ 815**	**$ 648**	**$ 1,080**

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

L&W Reconciliation of Adjusted NPATA

	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2023
Reconciliation of Net Income Attributable to L&W to Adjusted NPATA		
Net income attributable to L&W	**$ 75**	**$ 96**
Net income attributable to noncontrolling interest	5	16
Net income from discontinued operations, net of tax	-	-
Net income from continuing operations	**80**	**112**
Amortization of acquired intangibles and impairments (1)	36	140
Restructuring and other	17	66
Other income, net	(39)	(19)
Loss on debt financing transactions	15	15
Income tax impact on adjustments	(10)	(36)
Adjusted NPATA	**$ 99**	**$ 278**

Note: Unaudited, U.S. Dollars in millions.
(1) Includes $2 million and $7 million in impairment charges for the three and nine months ended September 30, 2023, respectively.

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

		As of September 30, 2023
Consolidated AEBITDA[1]	$	1,080
Total debt	$	3,877
Add: Unamortized debt discount/premium and deferred financing costs, net		46
Principal face value of debt outstanding		3,923
Less: Cash and cash equivalents		891
Net debt	$	3,032
Net debt leverage ratio		**2.8**

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

(1) Refer to the reconciliation of Consolidated AEBITDA included in the table titled "Reconciliation of Consolidated AEBITDA" for the periods presented on slide 23.

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

	Three Months Ended September 30,			
	2023	2022		
	Consolidated	Continuing Operations	Discontinued Operations[1]	Combined[2]
Net cash provided by (used in) operating activities	$ 204	$ (359)	$ 8	$ (351)
Less: Capital expenditures	(70)	(58)	(7)	(65)
Less: Payments on license obligations	(8)	(6)	-	(6)
(Less) add: Change in restricted cash impacting working capital	(3)	2	-	2
Free cash flow	**$ 123**	**$ (421)**	**$ 1**	**$ (420)**
Supplemental cash flow information - Strategic Review and Related Costs Impacting Combined Free Cash Flows:				
Professional fees and services supporting Strategic review and related activities (including ASX listing and SciPlay Merger)	$ 3			$ 8
Income tax payments related to the Divestitures	-			465
SciPlay legal settlement payment	-			25

	Nine Months Ended September 30,			
	2023	2022		
	Consolidated	Continuing Operations	Discontinued Operations[1]	Combined[2]
Net cash provided by (used in) operating activities	$ 423	$ (346)	$ 52	$ (294)
Less: Capital expenditures	(182)	(158)	(37)	(195)
Add: Payments on contingent acquisition considerations	9	-	-	-
Less: Payments on license obligations	(26)	(30)	(2)	(32)
(Less) add: Change in restricted cash impacting working capital	(3)	1	(6)	(5)
Free cash flow	**$ 221**	**$ (533)**	**$ 7**	**$ (526)**
Supplemental cash flow information - Strategic Review and Related Costs Impacting Combined Free Cash Flows:				
Disposition and other closing expenses	$ -			$ 80
Payments related to April 2022 refinancing	-			5
Professional fees and services supporting Strategic review and related activities (including ASX listing and SciPlay Merger)	10			72
Income tax payments related to the Divestitures	32			465
SciPlay legal settlement payment	-			25

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

(1) Free cash flow from discontinued operations, a non-GAAP measure, is derived based on the historical records and includes only those direct cash flows that are allocated to discontinued operations. See above for further description and disclaimers associated with this non-GAAP measure.

(2) Combined Free cash flow consists of Free cash flow (representing Free cash flow from continuing operations) and Free cash flow from discontinued operations. Refer to non-GAAP financial measure definitions above for further details.

L&W Reconciliation to Consolidated AEBITDA Margin

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Consolidated AEBITDA(1)	$ 286	$ 235	$ 815	$ 648
Revenue	731	648	2,131	1,830
Net income (loss) margin from continuing operations	**11 %**	**3 %**	**5 %**	**(11) %**
Consolidated AEBITDA margin(2)	**39 %**	**36 %**	**38 %**	**35 %**

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

(1) Refer to the reconciliation of Consolidated AEBITDA included in the table titled "L&W Reconciliation of Consolidated AEBITDA" for the periods presented on slide 23.

(2) Consolidated AEBITDA Margin is calculated as Consolidated AEBITDA as a percentage of revenue.