

Full Light & Wonder Inc Fiscal Year 2023 Overview

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Goals and Objectives of the Research

Research Objective: To study Light & Wonder, Inc publicly available financial information, determine the company's development strategy, and compile an overview of its annual financial reports.

Research Tasks:

- Find the company's comprehensive financial and corporate information;
- Analyze the gathered information;
- Draw conclusions based on the analyzed data.

Disclaimers

The information collected in this report reflects data from the company's public reports and is not questioned or verified via other sources. In other words, information from the company's public reports is taken and used as is.

If additional information from other sources is used or if the data used is reflective of the researcher's personal opinion, this will be labeled accordingly.

Document Markup

- FY - Financial Year;
- L&W - Light & Wonder, Inc;
- This report uses the American number format: a period is used as the decimal separator, while commas separate thousands;
- Year-over-year (YoY) calculations of relative values were not performed in cases where last year's profit changed to a loss in the current year and vice versa within the scope of the current report;
- Light & Wonder, Inc Annual Report Period is from January 1 to December 31, 2023;
 - The specified financial year coincides with the calendar year.

Conclusions

General Information

Parameter	Light & Wonder, Inc
Website	lnw.com
Country (location)	USA
Country (issuer)	USA
Year of foundation	1984
CEO	Matt Wilson
Sector	Technology
Type	Public
Year of IPO	1984
Stock market	NASDAQ
Ticker	NASDAQ - LNW ASX - LNW *
Previous Annual Report from Data40	-
Previous Quarterly Report from Data40	Light & Wonder, Inc Q4FY23 Report Overview

*Note: On May 22, 2023, Light & Wonder initiated trading on the [ASX](#), alongside their existing listing on NASDAQ.¹

¹ [Light & Wonder Consolidated Annual Report 2023, p.31](#)

Members of the Board and Managers

Board of Directors ²		
Name	Title	Since
Jamie Odell	Executive Chair	2020
Toni Korsanos	Executive Vice Chair	2020
Matt Wilson	Director, CEO	2022
Hamish McLennan	Director	2020
Michael J. Regan	Director	2006
Virginia E. Shanks	Director	2021
Tim Throsby	Director	2020
Maria T. Vullo	Director	2019
Kneeland Youngblood	Director	2018
Stephen Morro	Director	2022
Michael Marchetti	Director	2024

² [Light & Wonder web, Board of Directors](#)

Executive Team ³		
Name	Title	Since
Matthew R. Wilson	President and Chief Executive Officer and Director	2022
Oliver Chow	Executive Vice President, Chief Financial Officer and Treasurer	2023
James Sottile	Executive Vice President, Chief Legal Officer and Corporate Secretary	2022
Dylan Slaney	Executive Vice President, Chief Executive Officer, iGaming	2021
Siobhan Lane	Executive Vice President and Group Chief Executive, Gaming	2022
Josh Wilson	Executive Vice President and Chief Executive Officer, Sciplay	2019
Rich Schneider	Executive Vice President and Chief Product Officer	2021
Roxane Lukas	Chief People Capability Officer	2022
Michael Lorelli	Executive Vice President, Chief Strategy Officer	2021
Victor Blanco	Executive Vice President, Chief Technology Officer	2022

Employees^{4 5 6}

Parameter	Number of Employees
Number of Employees as of Dec 31, 2021	≈ 5,600
Number of Employees as of Dec 31, 2022	≈ 6,100
Number of Employees as of Dec 31, 2023	≈ 6,500

³ [Light & Wonder web, Executive Management](#)

⁴ [Light & Wonder Consolidated Annual Report 2023, p.12](#)

⁵ [Light & Wonder Consolidated Annual Report 2022, p.12](#)

⁶ [Light & Wonder Consolidated Annual Report 2021, p.13](#)

Shareholders

Shareholders Structure

Ownership Breakdown as of Mar 9, 2024 ⁷		
Owner Type	Number of Shares	Ownership Percentage, %
Institutions	61,600,976	68.58
Hedge Funds	16,994,473	18.92
General Public	9,525,168	10.60
Individual Insiders	853,761	0.95
Private Companies	810,258	0.90
State or Government	44,461	0.05
Total Shares	89,829,097	100.00

Total Shares Outstanding - 90,000,000⁸ (as of December 31, 2023).

⁷ [SimplyWall, Light & Wonder Ownership](#)

⁸ [Light & Wonder Consolidated Annual Report 2023, p.100](#)

Shareholders Equities

Top 10 Shareholders as of Mar 9, 2024 ⁹				
Name	Number of Shares	Current Value ¹⁰ , mill USD	Last Reported Holding Date	Ownership Percentage, %
BlackRock, Inc.	10,840,077	1,100	Jan 31, 2024	12.07
Vanguard Group, Inc.	8,926,635	904.6	Dec 31, 2024	9.94
Caledonia Investments	8,529,064	864.3	Dec 31, 2024	9.49
Fine Capital Partners	8,465,409	857.9	Dec 31, 2024	9.42
Capital Research and Management Company	3,104,056	314.6	Dec 31, 2024	3.46
State Street Global Advisors	3,102,597	314.4	Jan 31, 2024	3.45
Harvard Management Company	2,678,571	271.4	Dec 31, 2024	2.98
Morgan Stanley	2,645,991	268.1	Dec 31, 2024	2.95
Natixis	2,095,000	212.3	Dec 31, 2024	2.33
FMR LLC	2,078,132	210.6	Dec 31, 2024	2.31
Total Top 10	52,465,532	5,318.2	-	58.41

⁹ [SimplyWall, Light & Wonder Ownership](#)

¹⁰ as of March 9, 2024

Top 10 Direct Holders as of Mar 11, 2024 ¹¹			
Name	Number of Shares	Last Reported Holding Date	Ownership Percentage, %
Matthew R. Wilson	125,940	Mar 7, 2024	0.14
Michael J. Regan	84,710	Jun 12, 2023	0.09
James Sottile	57,478	Mar 7, 2024	0.06
John Berard Sarno	26,769	Dec 7, 2013	0.03
Hamish McLennan	26,303	Jun 20, 2023	0.03
Kneeland Youngblood	20,592	Jun 12, 2023	0.02
Timothy Throsby	16,603	Jun 8, 2023	0.02
Siobhan Lane	11,302	Mar 7, 2024	0.01
Maria T. Vullo	10,789	Sep 20, 2023	0.01
Jamie R. Odell	10,000	Dec 11, 2023	0.01
Total Shares	390,486	-	0.43

¹¹ [SEC, Ownership disclosures](#)

Mergers, Acquisitions, and Subsidiaries^{12 13}

Mergers and Acquisitions		
Name	Date	Price, mill USD
WMS INDUSTRIES Inc	Jan 31, 2013	≈ 1,500
Bally	Nov 21, 2014	5,100
DEQ Systems	Jan 18, 2017	≈ 21
Spicerack*	Apr 7, 2017	-
Lapis Software*	Apr 25, 2017	-
Red7*	July 7, 2017	-
NYX	Jan 5, 2018	666
DonBest	Nov 1, 2018	46
Come2Play	Jun 22, 2020	18
SportCast Pty*	May 26, 2021	-
Lightning Box Games*	Aug 4, 2021	-
Sideplay Entertainment*	Aug 23, 2021	-
Authentic Gaming*	Nov 3, 2021	-
ELK Studios*	Dec 1, 2021	-
Playzido*	Apr, 2022	-
House Advantage*	Oct 6, 2022	-
SciPlay	Oct 23, 2023	496

*Note: In its public reports, the company does not disclose transaction amounts separately for these deals but provides the total acquisition amount for the financial year period.

¹² This section may not fully represent all the company's transactions, but, within the scope of this current report, presents the maximum amount of information available via open sources.

¹³ The complete list of subsidiary companies in: [Exhibit 21 Consolidated Annual Report 2023, p.1-2](#)

Company Strategy^{14 15}

Light & Wonder, formerly **Scientific Games Corporation**, is a gaming company specializing in content and digital markets. The company provides gaming content, casino management systems, tabletop games for licensed gambling establishments, mobile games, and digital gaming content to clients. In March 2022, Scientific Games Corporation was rebranded as Light & Wonder, Inc.¹⁶

Statements on Light & Wonder's strategy: "We strive to provide high-quality products and services to our customers across all of our business segments. After the completion of our strategic review in 2021, we set forth our strategy to become a leading cross-platform global games company with a focus on content and digital markets. We established a strategic roadmap to drive long-term value that consists of: growing our market share and leveraging our differentiated position; streamlining our organization; driving sustainable growth and maintaining a healthy balance sheet; and (iv) a disciplined capital allocation strategy.

With our streamlined organization and vision to become the leading cross-platform global games company, we are focused on the following, supporting our strategic roadmap:

- Creating great content and franchises that are fully cross-platform, thereby enabling a seamless player experience — We are singularly focused on creating great games and evergreen franchises that can be made available to players on any platform they want to play on, while enabling systems and technology for our players and customers;
- Expanding in high-return markets — We are investing both organically and inorganically in our core markets and strategic adjacencies that generate strong long-term cash-based returns;
- Maximizing cash flow from operations — With our de-levered balance sheet, we are able to invest both organically and inorganically in our core growth areas, thereby accelerating our strategies by investing and unlocking shareholder value;
- Disciplined capital allocation — We are focused on returning capital to shareholders through our balanced and opportunistic capital allocation management, including, but not limited to, organic investments in R&D and capital expenditures, expanding in high-return markets, and share repurchases, while we maintain financial strength and flexibility;
- High performing talent and culture — We are creating an organization and culture of high performance by building a strong and diverse global team that cultivates open minds and focuses on driving innovation and enabling an efficient and flexible operation that is structured to support our business strategies".

¹⁴ [Light & Wonder Consolidated Annual Report 2023, p.8](#)

¹⁵ In this chapter, quotes are used from the [Consolidated Annual Report 2023](#)

¹⁶ [Light & Wonder web, Scientific Games Corporation Will Transform into Light & Wonder](#)

Divisions

iGambling Structure

Light & Wonder operates within the gaming industry through its three segments: SciPlay, iGaming, and Gaming. The segments offers digital and non-digital gaming products and services:

- [SciPlay](#) Segment:

SciPlay operates as a developer and publisher of digital games on mobile and web platforms, specializing in social gaming and hyper-casual games. Revenue is generated through in-app purchases and advertising arrangements. The segment offers social casino games and casual games, with expansion efforts into the online and mobile games market;

- [iGaming](#) Segment:

The iGaming segment offers a suite of digital gaming content, distribution platforms, and player account management systems. Revenue is derived from casino-style games, including both internally developed and third-party provider games. These games are accessible to iGaming operators through content aggregation platforms such as the Open Gaming System. The Open Platform System provides operators with reporting and administrative functions for control over gaming operations;

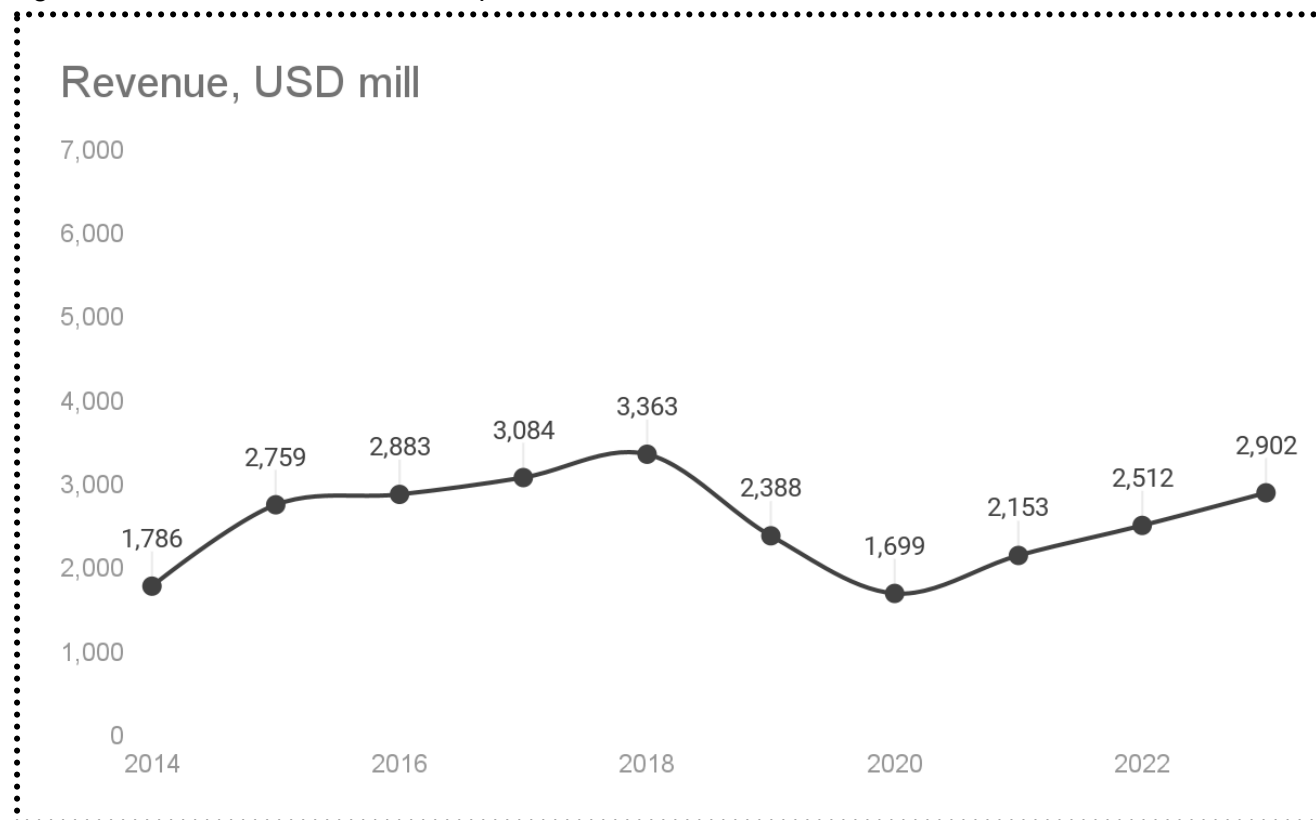
- [Gaming](#) Segment:

The gaming segment operates within an industry characterized by ongoing technological advancements and the development of new products and game content. The products cater to gaming operators and international lotteries, offering Video Lottery Terminals (VLTs), bingo, and sports wagering. A presence is maintained in regulated U.S. gaming jurisdictions and in 173 international gaming jurisdictions.

Financial Statements for 2023 Fiscal Year Revenue Retrospective

Revenue Retrospective

Light & Wonder Inc Revenue Retrospective for 2014-2023^{17 18 19}



¹⁷ [Scientific Games Consolidated Annual Report 2018, p.48](#)

¹⁸ [Scientific Games Consolidated Annual Report 2020, p.94](#)

¹⁹ [Light & Wonder Consolidated Annual Report 2023, p.73](#)

Sales per Business

Net Revenue Structure²⁰

(In million, except Percentages)

Parameter	2023, USD	YoY, %	2022, USD	YoY, %	2021, USD
Services	1,991	10.92	1,795	9.32	1,642
Products	911	27.06	717	40.31	511
Total Consolidated Revenue	2,902	15.53	2,512	16.67	2,153

Net Revenue Structure 2023 Percentages

Parameter	Percentage, %
Services	68.61
Products	31.39

Sales per Region

Sales by Region²¹

(In million, except Percentages)

Parameter	2023, USD	YoY, %	2022, USD	YoY, %	2021, USD
United States	1,948	12.34	1,734	11.80	1,551
Other	954	22.62	778	29.24	602
Total Consolidated Revenue	2,902	15.53	2,512	16.67	2,153

Sales by Region 2023 Percentages

Parameter	Percentage, %
United States	67.13
Other	32.87

²⁰ [Light & Wonder Consolidated Annual Report 2023, p.73](#)

²¹ [Light & Wonder Consolidated Annual Report 2023, p.83](#)

Sales per Segment

Segment Revenue²²

(In million, except Percentages)

Parameter	2023, USD	YoY, %	2022, USD	YoY, %	2021, USD
Gaming Segment					
Gaming Operations	661	4.09	635	5.66	601
Gaming Machine Sales	708	35.63	522	45.00	360
Gaming Systems	268	5.10	255	25.00	204
Table Products	213	12.70	189	21.15	156
Gaming Total Revenue	1,850	15.55	1,601	21.20	1,321
SciPlay					
Mobile in-app purchases	681	16.61	584	8.75	537
Web in-app purchases and other	96	10.34	87	26.09	69
SciPlay Total Revenue	777	15.80	671	10.73	606
iGaming					
iGaming Total Revenue	275	14.58	240	6.19	226
Total Consolidated Revenue	2,902	15.53	2,512	16.67	2,153

²² [Light & Wonder Consolidated Annual Report 2023, p.84](#)

Segment Revenue 2023 Percentages

Parameter	Percentage, %
Gaming Segment	
Gaming Operations	22.78
Gaming Machine Sales	24.40
Gaming Systems	9.24
Table Products	7.34
SciPlay	
Mobile in-app purchases	23.47
Web in-app purchases and other	3.31
iGaming	
iGaming Total Revenue	9.48

Dividend Information²³

Light & Wonder has never paid cash dividends on its common stock.

²³ [Light & Wonder Consolidated Annual Report 2023, p.47](#)

Balance Sheet^{24 25}

(In million, except Percentages)

Parameter	at Dec 31, 2023, USD	YoY, %	at Dec 31, 2022, USD	YoY, %	at Dec 31, 2021, USD
Assets					
Total Current Assets	1,311	-22.61	1,694	-2.19	1,732
Total Non-Current Assets	4,241	-1.71	4,315	-29.85	6,151
Total Assets	5,552	-7.61	6,009	-23.77	7,883
Liabilities					
Total Current Liabilities	696	11.90	622	-36.14	974
Total Non-Current Liabilities	4,091	-3.19	4,226	-53.12	9,015
Total Liabilities	4,787	-1.26	4,848	-51.47	9,989
Total Equity	765	-22.73	990	-	(2,256)

Income Statement²⁶

(In million, except EPS data and Percentages)

Parameter	2023, USD	YoY, %	2022, USD	YoY, %	2021, USD
Revenue	2,902	15.53	2,512	16.67	2,153
Operating Income	518	89.74	273	148.18	110
Net Income	163	-95.56	3,675	890.57	371
EPS Basic	1.79 USD	-95.38	38.78 USD	904.66	3.86 USD
EPS Diluted	1.75 USD	-95.49	38.78 USD	928.65	3.77 USD

²⁴ [Light & Wonder Consolidated Annual Report 2023, p.75](#)

²⁵ [Light & Wonder Consolidated Annual Report 2021, p.87](#)

²⁶ [Light & Wonder Consolidated Annual Report 2023, p.73](#)

Cashflow Statement²⁷

(In million, except Percentages)

Parameter	2023, USD	YoY, %	2022, USD	YoY, %	2021, USD
Cash flows from operating activities	590	-	(381)	-	685
Cash flows from investing activities	(251)	-	6,116	-	(442)
Cash flows from financing activities	(788)	-85.58	(5,463)	704.57	(679)

²⁷ [Light & Wonder Consolidated Annual Report 2023, p.77](#)

Criticism

The SciPlay Corporation, a mobile and web gaming division of Light & Wonder (formerly known as Scientific Games until 2019), experienced a drop in stock prices in May 2019. The law firm Gibbs Law Group initiated an investigation into a class-action lawsuit on behalf of investors who lost money on SciPlay Corporation (NASDAQ: SCPL) stocks. The stock price was \$8.55 per share as of October 18, 2019, down from an initial level of \$16.00 per share in May 2019. The investigation aimed to determine whether SciPlay Corporation had violated federal securities laws.²⁸

In 2020, Cohen Milstein filed a lawsuit on behalf of Mohawk Gaming Enterprises LLC against Scientific Games, Bally Technologies, Inc., and Bally Gaming, Inc. in arbitration court through the American Arbitration Association. Mohawk accuses Scientific Games of committing fraud in obtaining patents and using them in lawsuits against competitors, allegedly to suppress competition and deter new market participants. Mohawk is seeking compensation and injunctive relief, claiming that Scientific Games' monopoly has monopolized the casino Card Shufflers market.²⁹

In 2022, a decision was made in Chicago to fine Scientific Games \$315 million for a "baseless" patent lawsuit aimed at monopolizing the Card Shufflers market. The court recognized that the lawsuit was aimed at gaining control over the market. Scientific Games filed an appeal, claiming that the court had made the wrong decision.³⁰

In 2022, Hannelore Boorn from Lexington, Kentucky, filed a class-action lawsuit against companies providing virtual slot machines, accusing them of violating state laws by organizing gambling activities. Hannelore Boorn claims to have lost thousands of dollars playing games such as "Quick Hits" and accuses Scientific Games Corp. of encouraging players to buy virtual currency to play for real money, which violates Kentucky state laws.³¹

²⁸ [BusinessWire, Gibbs Law Group Investigates Potential Securities Law Violations](#)

²⁹ [Cohen Milstein, Mohawk Gaming Enterprises v. Scientific Games](#)

³⁰ [ClassAction, Antitrust Class Action Alleges Gaming Cos. Have Monopolized the Market for Card Shufflers](#)

³¹ [World Casino Directory, Kentucky woman sues virtual slot gaming companies over losses](#)

Analyst's Opinion

Summary

Light & Wonder is a gaming firm focused on content and digital markets. Revenue sources include supplying gaming content and machines, CMSs, and table game products to licensed gaming entities. Light & Wonder offers social casino and mobile games, along with digital gaming content and services. In March 2022, Scientific Games Corporation was rebranded as Light & Wonder, Inc.³²

Shares of Light & Wonder trade on the [Nasdaq Global Select Market](#) under the ticker symbol LNW and are included in the Russell 2000 Index.³³ On May 22, 2023, Light & Wonder initiated trading on the [Australian Securities Exchange](#). As of December 31, 2023, the total shares outstanding were 90,000,000. Light & Wonder has never paid cash dividends on its common stock.

On October 23, 2023, L&W acquired the remaining 17% equity in SciPlay through a 496 million USD transaction. Upon completion, SciPlay became a wholly-owned subsidiary of Light & Wonder.³⁴

The company's operations are divided into three segments: Gaming, SciPlay, and iGaming, all of which demonstrated growth over the previous fiscal year. Gaming generated 1,850 million USD over FY22's 1,601 million USD, indicating a growth of 15.55%. SciPlay reported 777 million USD, up from 671 million USD in FY22, representing a growth of 15.80%. iGaming brought in 275 million USD, an 14.58% increase from FY22 - 240 million USD. The total consolidated revenue rose from 2,512 million USD in FY22 to 2,902 million USD in FY23, marking a growth of 15.53%. The revenue structure in FY23 consists of Gaming for 63.75%, SciPlay for 26.77%, and iGaming for 9.48%.

Total equity decreased from 990 million USD on December 31, 2022, to 765 million USD on December 31, 2023, reflecting a loss of 22.73%.

In FY23, Light & Wonder entered the Georgia COAM Market, made its debut in South Africa with Hollywoodbets, and expanded into Ontario, Canada through the Playzido launch.^{35 36 37}

During its existence, Light & Wonder has faced legal issues, including accusations of patent fraud, resulting in a 315 million USD fine for a patent lawsuit related to the shuffler market, adversely affecting the company's reputation. Light & Wonder encountered a class-action lawsuit filed by Hannelore Boorn from Kentucky, accusing Light & Wonder of violating state laws regarding gambling.

³² [Light & Wonder web, Scientific Games Corporation Will Transform into Light & Wonder](#)

³³ [MarketScreener, Russell 2000 Components](#)

³⁴ [Light & Wonder Consolidated Annual Report 2023, p.31](#)

³⁵ [Light & Wonder web, Light & Wonder Enters the Georgia COAM Market.](#)

³⁶ [Light & Wonder web, Light & Wonder Makes Their South Africa Debut with Market Leader Hollywoodbets.](#)

³⁷ [Light & Wonder web, Light & Wonder Extends North American Reach Through Playzido Launch in Ontario.](#)

Sources List

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- [NASDAQ](#)
- [Yahoo Finance](#)
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- [Scientific Games](#)
- [BusinessWire](#)
- [MarketScreener](#)
- [Cohen Milstein](#)
- [ClassAction](#)
- [World Casino Directory](#)
- [Light & Wonder Consolidated Annual Report 2023](#)
- [Light & Wonder Consolidated Annual Report 2022](#)
- [Light & Wonder Consolidated Annual Report 2021](#)
- [Scientific Games Consolidated Annual Report 2020](#)
- [Scientific Games Consolidated Annual Report 2018](#)

META



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