UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 20-F

(Mark One)

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

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

For the fiscal year ended December 31, 2021

OR

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

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report ___

For the transition period from _____ to _____

Commission file number: 001-39721

NEOGAMES S.A.
(Exact name of Registrant as specified in its charter)

Grand Duchy of Luxembourg
(Jurisdiction of incorporation or organization)

10 Habarzel Street
Tel Aviv, 6971014
Israel
(Address of principal executive offices)

Moti Malul
Chief Executive Officer
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(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol**	**Name of each exchange on which registered**
Ordinary Shares, no par value	NGMS	The Nasdaq Global Market

Securities registered or to be registered pursuant to Section 12(g) of the Act: None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

As of December 31, 2021, the Registrant had outstanding: 25,565,095 Ordinary Shares, no par value per share.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

☐ Yes ☒ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

☐ Yes ☒ No

Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

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 and post such files).

☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer ☐	Accelerated Filer ☒	Non-Accelerated Filer ☐ Emerging growth company ☒

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, 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 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐	International Financial Reporting Standards as issued by the International Accounting Standards Board ☒	Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ Yes ☒ No

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DEFINITIONS

Unless where the context otherwise requires or otherwise indicated, terms "NeoGames" and the "Company" refer to NeoGames S.A. together with its consolidated subsidiaries, as a group, and the terms "we," "us" and "our" refer to the Company, together with NeoPollard Interactive LLC ("NPI" or the "Joint Venture"), as a group.

References to the "Exchange Act" are to the Securities Exchange Act of 1934, as amended;

References to "Nasdaq" are to the Nasdaq Global Market;

References to "Ordinary Shares" are to our Ordinary Shares, no par value per share;

References to the "SEC" are to the United States Securities and Exchange Commission;

References to the "Securities Act" are to the Securities Act of 1933, as amended;

References to "B2B" mean business-to-business;

References to "B2C" mean business-to-consumer;

References to "B2G" mean business-to-government;

References to "Gross Gaming Revenue" or "GGR" mean gross sales less winnings paid to players;

References to "iLottery Penetration" mean, with respect to the gross sales generated by either a lottery or by all lotteries within a given market, the percentage of such gross sales that was generated by iLottery offerings;

References to "Net Gaming Revenue" or "NGR" mean (i) in North America, gross sales less winnings paid to players and any promotion dollar incentives granted to players, and (ii) in Europe, gross sales less winnings paid to players, any gambling tax or duty paid on such sales and any promotion incentives granted to players; and

References to "dollar," "USD" and "$" are to U.S. dollars, "NIS" or "shekels" are to New Israeli Shekels, "pound sterling," "pence" or "£" are to the legal currency of the United Kingdom, "€," "EUR" or "euro" are to the currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the treaty establishing the European Community, as amended, and "C$" is to Canadian dollars.

PRESENTATION OF FINANCIAL INFORMATION

We report under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (the "IASB"). None of the Company's financial statements were prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). We present our consolidated financial statements in U.S. dollars. NPI's financial statements included in this Annual Report were prepared in accordance with U.S. GAAP. We have made rounding adjustments to some of the figures included in this Annual Report. Accordingly, numerical figures shown as totals in some tables may not be an arithmetic aggregation of the figures that precede them.

Throughout this Annual Report, we provide a number of key performance indicators used by our management and often used by competitors in our industry. These and other key performance indicators are discussed in more detail in Item 5. "*Operating and Financial Review and Prospects - Key Performance Indicators*."

MARKET AND INDUSTRY DATA

Unless otherwise indicated, information in this Annual Report concerning our industry, our markets and our competitive position, is based on information from our own internal estimates and research as well as from publicly available information, industry and general publications and research, surveys and studies conducted by third parties such as the American Gaming Association, Eilers & Krejcik Gaming, Vixio (formerly "GamblingCompliance"), H2 Gambling Capital ("H2GC") and La Fleur's TLF Publications, in addition to reports from state lottery commissions.

Industry publications and forecasts generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. Forecasts and other forward-looking information obtained from these sources are subject to the same qualifications and uncertainties as the other forward-looking statements in this Annual Report. See "*Cautionary Statement Regarding Forward-Looking Statements*."

USE OF TRADEMARKS

We have proprietary rights to trademarks used in this Annual Report which are important to our business, many of which are registered under applicable intellectual property laws.

Solely for convenience, the trademarks, service marks, logos and trade names referred to in this Annual Report are without the ® and ™ symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensors to these trademarks, service marks and trade names. This Annual Report contains additional trademarks, service marks and trade names of others, which are the property of their respective owners. All trademarks, service marks and trade names appearing in this Annual Report are, to our knowledge, the property of their respective owners. We do not intend our use or display of other companies' trademarks, service marks, copyrights or trade names to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report contains forward-looking statements within the meaning of Section 27A of the Securities Act, Section 21E of the Exchange Act, and the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995, that relate to our current expectations and views of future events. These forward-looking statements are contained principally in the sections titled Item 3.D. "*Key Information-Risk Factors*," Item 4. "*Information on the Company*," and Item 5. "*Operating and Financial Review and Prospects."* These statements relate to events that involve known and unknown risks, uncertainties and other factors, which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

In some cases, these forward-looking statements can be identified by words or phrases such as "may," "will," "expect," "anticipate," "aim," "estimate," "intend," "plan," "believe," "potential," "continue," "is/are likely to" or other similar expressions.

These forward-looking statements are subject to risks, uncertainties and assumptions, some of which are beyond our control. In addition, these forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. Actual outcomes may differ materially from the information contained in the forward-looking statements as a result of a number of factors, including, without limitation, the risk factors set forth in Item 3.D. "*Key Information-Risk Factors*."

Many important factors could adversely impact our business and financial performance. Moreover, we operate in an evolving environment. New risks and uncertainties emerge from time to time, and it is not possible for our management to predict all risks and uncertainties, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from forward-looking statements. We qualify all of our forward-looking statements by these cautionary statements.

The forward-looking statements made in this Annual Report relate only to events or information as of the date on which the statements are made in this Annual Report. You should not put undue reliance on any forward-looking statements. Actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors described in this annual report, including factors beyond our ability to control or predict. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. You should read this Annual Report and the documents that we reference in this Annual Report and have filed as exhibits hereto completely and with the understanding that our actual future results or performance may be materially different from what we expect.

SUMMARY RISK FACTORS

Our business is subject to numerous risks and uncertainties, including those described in the section titled Item 3.D. "*Key Information - Risk Factors*," in this Annual Report on Form 20-F. You should carefully consider these risks and uncertainties when investing in our Ordinary Shares. The principal risks and uncertainties affecting our business include the following:

- We have a concentrated customer base, and our failure to retain our existing contracts with our customers could have a significant adverse effect on our business.
- We are dependent on Pollard with respect to our joint operation of the Michigan iLottery for the Michigan State Lottery.
- Our inability to successfully complete and integrate pending or future acquisitions could limit our future growth or otherwise be disruptive to our ongoing business.
- We do not have a formal joint venture agreement or any other operating or shareholders' agreement with Pollard with respect to NPI, through which we conduct a substantial amount of our business.
- A reduction in discretionary consumer spending could have an adverse impact on our business.
- The growth of our business largely depends on our continued ability to procure new contracts.
- We incur significant costs related to the procurement of new contracts, which we may be unable to recover in a timely manner, or at all.
- Intense competition exists in the iLottery industry, and we expect competition to continue to intensify.
- Our information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions.
- In addition to competition with other iLottery providers, we and our customers also compete with providers of other online offerings.
- We operate in an industry that is affected by technological improvements and evolving player preferences.
- We have incurred operating losses in the past, may incur operating losses in the future and may not be able to maintain sustainable profit margins.
- Certain of our directors and shareholders may experience a conflict of interest between their duties to us and to Aspire.
- Our Founding Shareholders have significant influence over the nominations and elections of members of our board of directors and other matters submitted for shareholder approval.
- We have engaged in transactions with related parties, and such transactions present possible conflicts of interest that could have an adverse effect on our business and results of operations.
- Our existing and future contractual arrangements could restrict our ability to compete effectively, which may affect our ability to grow our business and enter into new markets.
- We rely on information technology and other systems and platforms, and any failures, errors, defects or disruptions in our systems or platforms could diminish our brand and reputation, subject us to liability, disrupt our business, affect our ability to scale our technical infrastructure and adversely affect our business.
- We rely on third-party service providers for key functions in our operations.
- If we fail to protect or enforce our intellectual property rights, our business could be materially affected.
- The gaming industry is historically litigious with respect to intellectual property and there can be no assurance that our platforms will not infringe on the rights of others.

- We are subject to taxation in multiple jurisdictions, which is complex and often requires making subjective determinations subject to scrutiny by, and disagreements with, tax regulators.
- Our operations in Kyiv, Ukraine may be materially impacted as a result of Russia's invasion of Ukraine and our business, financial condition and results of operations may be materially adversely affected by any negative economic impact resulting from the conflict in Ukraine.
- We may not be able to service our debt under our financing agreements in connection with the Proposed Acquisition of Aspire, or we may otherwise be in breach of those arrangements.
- We may require additional capital to support our growth plans, and such capital may not be available on terms acceptable to us, if at all. This could hamper our growth and adversely affect our business.
- We may become subject to litigation, from which we could incur significant monetary and reputational harm, irrespective of the merit of such claim or outcome of such litigation.
- Expansion into new markets may be important to the growth of our business in the future, and if we do not manage the business and economic risks of this expansion effectively, it could materially and adversely affect our business and results of operations.
- If we fail to detect fraud or theft, including by our employees and our customers and their players, our reputation may suffer which could harm our brand and negatively impact our business, financial condition and results of operations and subject us to investigations and litigation.
- Termination of our relationship with William Hill or failure to realize the anticipated benefits of such relationship could have an adverse effect on our business, prospects, financial condition and results of operations.
- The gaming and lottery industries are heavily regulated, and changes to the regulatory framework in the jurisdictions in which we operate could harm our existing operations.
- Failure to comply with regulations may result in the revocation or suspension of our or certain of our customers' respective licenses to operate.
- We are subject to laws and regulations related to data privacy, data protection and information security and consumer protection across different markets where we conduct our business, including in the United States and the European Union ("EU"), and we are also required to comply with certain industry standards including the Payment Card Industry Data Security Standard. Our actual or perceived failure to comply with such obligations could harm our business.
- We are subject to anti-money laundering laws and regulations in the United States and other jurisdictions in which we operate.
- We are subject to economic and trade sanctions laws and regulations.
- We are subject to global anti-corruption laws, including the U.S. Foreign Corrupt Practices Act
- Conditions in the jurisdictions where we operate could materially and adversely affect our business, including, for example, in connection with the ongoing war in Ukraine.

PART ONE

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

3.A. Reserved

3.B. Capitalization and Indebtedness

Not applicable.

3.C. Reasons For the Offer and Use of Proceeds

Not applicable.

3.D. Risk Factors

You should carefully consider the risks described below before making an investment decision. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. Our business, financial condition or results of operations could be materially and adversely affected by any of these risks. The trading price and value of our Ordinary Shares could decline due to any of these risks, and you may lose all or part of your investment. This Annual Report also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by us described below and elsewhere in this Annual Report.

Risks Relating to Our Business and Industry

We have a concentrated customer base, and our failure to retain our existing contracts with our customers could have a significant adverse effect on our business.

Our financial condition is heavily dependent on our ability to maintain our existing turnkey contracts and our large games contracts. We cannot guarantee that our existing contracts will be renewed or that we will be able to win a procurement process for a new contract. Even if we are successful in renewing agreements with customers, there is no assurance that such renewals will be on the same terms, and it is possible that renewals of existing agreements will be on less preferable terms. This has occurred in the past when certain customers required certain concessions upon the renewal of existing agreements. As is typical with many government contracts, most of our customers can terminate our contracts for convenience. Loss of any of our customer contracts would result in a substantial decline in our revenues, which also could hinder our ability to pursue growth initiatives, both in the form of new or enhanced products and services and in expansion into new markets. The loss of any of our customers could damage our reputation, which could materially damage our financial condition.

We are dependent on Pollard with respect to our joint operation of the Michigan iLottery for the Michigan State Lottery.

We act as a subcontractor to Pollard with respect to its agreement (the "MSL Agreement") to provide development, implementation, operational support and maintenance (including technology platforms, games and added value services) to the Michigan State Lottery (the "MSL"). The Michigan iLottery accounted for 45.3% of our revenues in the year ended December 31, 2021 and 54.5% of our revenues in the year ended December 31, 2020.

If Pollard breaches or does not perform its obligations under the MSL Agreement to the satisfaction of the MSL or if there is otherwise a dispute between Pollard and the MSL, the MSL could seek to terminate the MSL Agreement prior to its expiration or seek to amend the terms of the MSL Agreement in a manner that would negatively impact the financial and other benefits we derive indirectly from the MSL Agreement. In addition, such an amendment to the MSL Agreement could cause Pollard to seek to amend the terms of our agreement with Pollard with respect to the MSL (the "Michigan JV Agreement") in a way that is less favorable to us. If the MSL terminates the MSL Agreement or if any disputes arise between Pollard and the MSL, our business, financial conditions and results of operations could be adversely affected as a result of our association with Pollard and the MSL.

Our inability to successfully complete and integrate pending or future acquisitions could limit our future growth or otherwise be disruptive to our ongoing business.

Since our inception, we have not consummated any acquisitions in support of our strategic goals, and we therefore have no experience in integration of new acquisitions. From time to time, we pursue acquisitions in support of our strategic goals. Our tender offer to acquire Aspire is an example for such strategic acquisition. There can be no assurance that acquisition opportunities will be available on acceptable terms or at all or that we will be able to obtain necessary financing or regulatory approvals to complete potential acquisitions. Our ability to succeed in implementing our strategy will depend to some degree upon the ability of our management to identify, complete and successfully integrate commercially viable acquisitions. Acquisition transactions may disrupt our ongoing business and distract management from other responsibilities. In connection with any such acquisitions, we could face significant challenges in managing and integrating our expanded or combined operations, including acquired assets, operations, and personnel. For example, the integration of Aspire, if completed, could prove to be complicated and time consuming for our management. We may not be able to successfully integrate Aspire and may not be able to realize and benefit from any future synergies, which could adversely affect our business and financial condition. For information regarding the public tender offer to Aspire shareholders, see "*Related Party Transactions - Relationship with Aspire - Proposed Acquisition of Aspire*."

We do not have a formal joint venture agreement or any other operating or shareholders' agreement with Pollard with respect to NPI, through which we conduct a substantial amount of our business.

In 2014, following the procurement process for the predecessor to the MSL Agreement, we and Pollard established NPI to pursue other iLottery opportunities in the North American market. While the current MSL Agreement remains between Pollard and the MSL, NPI has since been awarded iLottery contracts with the Virginia Lottery (the "VAL") in August 2015, the New Hampshire Lottery Commission (the "NHL") in September 2018 (as a subcontractor to Intralot, Inc. ("Intralot")), the North Carolina Education Lottery (the "NCEL") in October 2019 and the Alberta Gaming, Liquor and Cannabis Commission (the "AGLC") in March 2020.

Although we and Pollard have certain rights and obligations prescribed by law as equity holders of NPI, there is no joint venture agreement, shareholders' agreement or any other type of operating agreement between us and Pollard with respect to NPI, and we and Pollard operate NPI based on a term sheet that was executed in 2014 and expired in 2015. While to date the parties have been successfully operating NPI on the basis of non-contractual understandings, the absence of a written agreement with clearly defined rights, roles and responsibilities of each party may increase the likelihood of disputes between us and Pollard and could make the outcome of any potential dispute more uncertain. Furthermore, conducting a business through a jointly-owned entity such as NPI entails risks that are commonly associated with joint ventures, including the failure to maintain a good working relationship, differing economic and business interests and goals, and liability or reputational harm resulting from each other's actions. Differences in views between us and Pollard, or a change in the ownership of Pollard, may also result in delayed decision-making or disputes at the shareholder and board level that could negatively impact the operations of NPI and its relationship with customers.

Upon the termination of the Michigan JV Agreement, neither we nor Pollard will be obligated to cooperate with each other in pursuing iLottery opportunities in North America, and both we and Pollard may choose to pursue future iLottery opportunities without each other. The termination of our business relationship with Pollard would pose several potential risks for us. In the event that our relationship with Pollard is terminated, there can be no assurance that any of NPI's employees will remain with NPI. In addition, Pollard manages the procurement process, and our ability to pursue new contracts in North America may be hindered as a result of a need to build certain legal, administrative and customer relations capabilities and functions in our North American operations, which Pollard currently contributes to NPI and which we do not currently offer in North America. As such, if we pursue future opportunities alone, we cannot assure you that we will be able to secure additional contracts in North America. Further, if we decide to collaborate with new partners with whom we have no prior relationship or track record of successful cooperation, we may fail to achieve the same degree of success that we have achieved with Pollard. We may also be delayed in pursuing future opportunities if we are required to negotiate new agreements and business arrangements with these new partners, and the terms we negotiate with these new partners may be less favorable than those we currently have with Pollard.

A reduction in discretionary consumer spending could have an adverse impact on our business.

Lottery and gaming represent discretionary expenditures, which are subject to volatility during times of economic, social and political change. Changes in discretionary spending or player preferences are driven by changes outside of our control, such as, but not limited to, the following economic or socio-political factors:

- recessions or other economic slowdowns;
- perceptions by potential players of weak or weakening economic conditions;
- tax increases, including on lottery winnings;
- significant declines in stock markets;
- decreased liquidity in certain financial markets;
- general tightening of credit;
- civil unrest, terrorist activities or other forms of socio-political turbulence; and
- pandemics, epidemics and the spread of contagious diseases.

We generate the majority of our revenues from customer contracts based on a revenue sharing model, with our portion calculated as a percentage of GGR or NGR. Widespread reductions in disposable income could lead to a reduction in the number of lottery players and the amounts such players are willing and able to wager. Given the nature of our revenue sharing arrangements, fewer players and lower spending per player could have a significant adverse effect on our business.

Because our customers' offerings are typically available only to players within their geographic borders, our revenue is highly concentrated in a limited number of locations. A significant portion of our revenue is generated from the Michigan iLottery, and any adverse impact resulting from any of the foregoing economic factors would be magnified to the extent that it disproportionately impacts players in Michigan or other jurisdictions from which we derive revenues.

As our revenue sharing arrangements result in an intertwined relationship between our and our customers' financial condition, we also face significant risks during times of uncertain and unfavorable economic and socio-political conditions affecting our customers. Unfavorable economic and socio-political factors and conditions could result in budgetary and liquidity concerns for our customers, which may reduce the likelihood that we will be able to renew our existing contracts on substantially similar commercial terms or win new contracts with terms as favorable to us as the terms of our existing contracts.

The growth of our business largely depends on our continued ability to procure new contracts.

While much of our revenue growth over the past few years has come from increasing NGR generated by the Michigan iLottery, and we expect the Michigan iLottery to continue to account for a large portion of our revenues, the addition of new iLottery contracts has begun to contribute substantially to the growth of our business. In particular, NPI began recognizing revenues from new turnkey contracts supporting the VAL in 2015 and, later, NHL and the NCEL in 2018 and 2019, respectively, and the latter two contracts accounted collectively for 40.3% of the Company's share in NPI's revenues for the year ended December 31, 2021 and 16.1% of the Company's share in NPI's revenues for the year ended December 31, 2020.

We may not continue to procure new customer contracts at the same rate as in the past, or at all. There can be no assurance that additional U.S. states will seek to implement iLottery offerings or that U.S. states seeking to implement iLottery offerings will do so through a process in which NPI can compete to be the turnkey solution provider. In particular, certain of our competitors currently serve as central lottery system providers for certain U.S. states, and if these states decide to implement iLottery offerings, they may choose to do so by expanding their existing relationships with our competitors without launching a public procurement process or by including iLottery in a broader lottery system procurement process in which we may not be able to successfully compete.

Even if additional U.S. states seek to implement iLottery offerings through a public procurement process, there can be no assurance that NPI will procure any new contracts. Our failure to win new contracts could materially limit the growth of our business.

We incur significant costs related to the procurement of new contracts, which we may be unable to recover in a timely manner, or at all.

The tender process to obtain a new contract is highly competitive and typically requires a significant upfront capital investment. The efforts and resources required to participate and win a request for proposal, commence operations of an iLottery program and procure revenues from that program are relatively long and may take several months or years to complete. This investment, which includes our management's time, may never be recovered in the event that we fail in our bid. A typical request for proposals or a tender requires us to spend substantial time and effort assisting potential customers in evaluating our products and services, including providing demonstrations and benchmarking against other available offerings by our competitors. This process can be costly and time consuming, and we often do not know if any given sales efforts will be successful until the later stages of those efforts. After being awarded a contract, it can take years to set up the iLottery system and for the contract to become profitable. The long procurement cycle creates a significant time gap between the time we participate in a tender and dedicate the necessary resources, and the time we can recognize revenue or income from that program, if at all. This time gap creates pressure on our cash flow, as it requires significant funding up front, and in the interim period, and may not result in any income, or result in income that will only be achieved quarters after the resources have been dedicated. If we are unable to forecast market demand and conditions, we may not be able to expand our sales efforts at appropriate times and our revenues and related results of operations could be materially adversely affected.

Intense competition exists in the iLottery industry, and we expect competition to continue to intensify.

We face significant competition in the evolving iLottery industry. We compete in the iLottery market with respect to our offering of technology solutions, games and related operational services on the basis of the content, features, quality, functionality, accuracy, reliability, innovation and price of such offerings. If we do not consistently deliver innovative, high-quality and reliable products and services, our ability to remain viable within the iLottery industry may suffer, especially as the level of competition increases.

Some of our competitors and potential competitors have substantially greater financial and other resources (including human resources) or experience than we do. Some of our competitors also have existing relationships and insight as the legacy retail lottery provider of certain U.S. states and may realize synergies that we cannot. Competitors may devote more resources towards developing and testing products and services, undertake more extensive marketing campaigns, offer more favorable pricing terms, pursue aggressive growth initiatives or otherwise develop more commercially successful products or services. In addition, certain of our competitors may enter into contracts with less favorable terms to prevent us from procuring new contracts or renewing our existing contracts. Such potential competitive disadvantages may make it difficult for us to retain existing contracts or secure new contracts without being willing to accept less favorable terms.

In addition to risks directly tied to our relative lack of resources, experience and longevity, we face risks that:

- we may fail to anticipate and adapt to changes in customer expectations at the same rate as our competitors;
- customers who currently utilize platforms offered by our competitors may be satisfied with such solutions or may determine that it is too costly and/or time consuming to adopt our platform and solutions. Lotteries may face significant switching costs if their platforms have been integrated with those of a competitor, potentially reducing the likelihood of us being the successful tenderer;
- lotteries that we currently view as potential customers may decide to develop internally products and services which compete with our products and services; and
- new competitors, including large global corporations or large software vendors operating in adjacent industries, may enter our market.

Moreover, current and future competitors may establish cooperative relationships among themselves or with others, including our current or future strategic partners. By doing so, these competitors may increase their ability to meet the needs of our existing and prospective customers and their players. These developments could make it more difficult for us to renew our existing contracts or win new contracts. If we are unable to compete effectively, successfully and at reasonable cost against our existing and future competitors, our results of operations, cash flows and financial condition could be adversely impacted.

Our information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions.

The secure maintenance and transmission of player information is a critical element of our operations. Our information technology and other systems that maintain and transmit player information, or those of service providers, business partners or employee information may be compromised by a malicious third-party penetration of our network security, or that of a third-party service provider or business partner, or impacted by intentional or unintentional actions or inactions by our employees, or those of a third-party service provider or business partner. As a result, our players' information may be lost, disclosed, accessed or taken without their consent. We have experienced in the past, and expect to continue to experience in the future, attempts to breach our systems and other similar incidents. To date these attempts have not had a material impact on our operations or financial results, but we cannot provide assurance that they will not have a material impact in the future.

We rely on encryption and authentication technology licensed from third parties in an effort to securely transmit confidential and sensitive information, including credit card numbers. Advances in computer capabilities, new technological discoveries or other developments may result in the whole or partial failure of this technology to protect transaction data or other confidential and sensitive information from being breached or compromised. In addition, websites are often attacked through compromised credentials, including those obtained through phishing and credential stuffing. Our security measures, and those of our third-party service providers, may not detect or prevent all attempts to breach our systems, denial-of-service attacks, viruses, malicious software, break-ins, phishing attacks, social engineering, security breaches or other attacks and similar disruptions that may jeopardize the security of information stored in or transmitted by our websites, networks and systems or that we or such third parties otherwise maintain, including payment card systems, which may subject us to fines or higher transaction fees or limit or terminate our access to certain payment methods. Threats to information security are constantly evolving, including in diversity and sophistication. We and such third parties may not anticipate or prevent all types of attacks until after they have already been launched. Further, techniques used to obtain unauthorized access to or sabotage systems change frequently and may not be known until launched against us or our third-party service providers.

In addition, security breaches can also occur as a result of non-technical issues, including intentional or inadvertent breaches by our employees or by third parties. These risks may increase over time as the number of our employees and the complexity and number of technical systems and applications we use also increase. Breaches of our security measures or those of our third-party service providers or cybersecurity incidents could result in unauthorized access to our sites, networks and systems; unauthorized access to and misappropriation of player information, including players' personally identifiable information, or other confidential or proprietary information of ourselves or third parties; viruses, worms, spyware or other malware being served from our sites, networks or systems; deletion or modification of content or the display of unauthorized content on our sites; interruption, disruption or malfunction of operations; costs relating to breach remediation, deployment of additional personnel and protection technologies, response to governmental investigations and media inquiries and coverage; engagement of third-party experts and consultants; litigation, regulatory action and other potential liabilities. In the past, we have experienced social engineering, phishing, malware and similar attacks and threats of denial-of-service attacks, none of which to date has been material to our business; however, such attacks could in the future have a material adverse effect on our operations. Pursuant to a software license agreement with Pollard in respect of the offering to the MSL (the "Pollard Software License Agreement"), our iLottery software is installed on Pollard's servers, through which it is made available to the MSL. Pollard is responsible for the security measures on its servers, and the Pollard Software License Agreement contains no representations or undertakings with regard to such security measures. A breach of Pollard's server security could expose our software to the risks noted above. Moreover, our iLottery software is made available by NPI to the VAL, the NHL, the NCEL and the AGLC . If any of these breaches of security should occur, our reputation and brand could be damaged, customers may terminate their contracts with us, our business may suffer, we could be required to expend significant capital and other resources to alleviate problems caused by such breaches, and we could be exposed to a risk of loss, litigation or regulatory action and possible liability. We cannot guarantee that recovery protocols and backup systems will be sufficient to prevent data loss. Actual or anticipated attacks may cause us to incur increasing costs, including costs to deploy additional personnel and protection technologies, train employees and engage third-party experts and consultants.

In addition, any party who is able to illicitly obtain a player's password may be able access such player's transaction data or personal data (including payment information), resulting in the perception that our systems are insecure. Any compromise or breach of our security measures, or those of our third-party service providers, could violate applicable privacy, data protection, data security, network and information systems security and other laws, potentially trigger private rights of action under certain laws and cause significant legal and financial exposure, negative publicity and a loss of confidence in our security measures, which could have a material adverse effect on our business, reputation, financial condition, results of operations and prospects. We continue to devote significant resources to protect against security breaches and we may in the future need to address problems caused by breaches, including notifying affected players and responding to any resulting litigation, which in turn, would divert resources from the growth and expansion of our business.

We maintain liability insurance policies covering certain security and privacy damages. However, we cannot be certain that our coverage will be adequate for liabilities actually incurred or that insurance will continue to be available to us on economically reasonable terms, or at all.

In addition to competition with other iLottery providers, we and our customers also compete with providers of other online offerings.

In addition to competition from iLottery providers, we also face competition from providers of other online offerings, including iGaming, sports betting, mobile games and eSports. While we believe that our customers' iLottery offerings target different players and provide a differentiated experience than these other online offerings, the introduction of such offerings may allow new competitors to establish a foothold in regions where we currently provide the iLottery offering. For example, on January 22, 2021, iGaming and online sports betting was launched in Michigan. The Michigan iLottery accounted for approximately 45.3% of our revenues in the year ended December 31, 2021 and 54.5% of our revenues in the year ended December 31, 2020, and the introduction of other online gaming offerings, which is typically accompanied by significant marketing efforts to attract players, has adversely affected the revenues generated by the Michigan iLottery program.

We operate in an industry that is affected by technological improvements and evolving player preferences.

The iLottery industry continues to experience rapid development of technological advances and player preferences. In some instances, advancements in technology trigger a change in player preferences. For example, as digital graphics improve, players may demand games with higher definition and a superior user interface. Our success depends on our ability to accurately anticipate and quickly respond to evolving industry standards and player preferences. We cannot assure you that we will be able to respond to such changes with innovative, high-quality, reliable and popular products and services or make the required adjustments to our existing products and services on a timely basis. In addition, the introduction of new products or updated versions of existing products has inherent risks, including, but not limited to:

- the timing with which we may realize the benefits of the commonly-required significant, upfront capital investments;
- the accuracy of our estimates of player preferences, and the fit of the new products and features to such preferences;
- the ability to adequately maintain our main technology systems, such as the NeoDraw platform;
- the quality of our products and services, including the possibility of software defects, which could result in claims against us or the inability to sell our products and services;
- the need to educate our sales, marketing and services personnel to work with the enhanced or new products and features, which may strain our resources and lengthen sales cycles;
- market acceptance of new product releases; and
- competitor product introductions or regulatory changes that render our products obsolete.

In light of the costs required to create and introduce new or enhanced products and services, if our new or enhanced products fail to achieve commercial success, we will struggle to remain commercially viable, especially in the face of heightened competition.

We have incurred operating losses in the past, may incur operating losses in the future and may not be able to maintain sustainable profit margins.

We generated a net profit of $6.5 million in the year ended December 31, 2020, which was the first reporting period in which we generated a net profit since incorporation. We continued to generate net profit, and in the year ended December 31, 2021 we generated a net profit of $4.7 million. We expect to continue the development and expansion of our business, and we anticipate additional costs in connection with legal, accounting and other administrative expenses related to operating as a public company. While our revenue has grown in recent years, if our revenue declines or fails to grow at a rate sufficient to offset increases in our operating expenses, we may generate losses. We cannot ensure that we will sustain profitability in the future.

Certain of our directors and shareholders may experience a conflict of interest between their duties to us and to Aspire.

We were established as an independent company in 2014, following a spin-off from Aspire Global Plc (formerly known as NeoPoint Technologies Limited) ("Aspire" and, together with its subsidiaries, the "Aspire Group"). Prior to our spin-off from Aspire, our management team was responsible for the iLottery business of Aspire. Barak Matalon and Aharon Aran, members of our board of directors, are also members of Aspire's board of directors. Further, Barak Matalon, Elyahu Azur, Pinhas Zahavi and Aharon Aran (collectively, the "Founding Shareholders"), who collectively own a majority of the shares of Aspire, may have substantial influence over the outcome of matters submitted to our shareholders for approval. Such directors and shareholders could experience a conflict of interest between their duties to us and Aspire, which may have an adverse effect on our business and prospects.

For example, the Aspire Software License Agreement (as defined below in "*Related Party Transactions - Relationship with Aspire - Aspire Software License Agreement*") does not prevent NeoGames from using the Mixed-Use Software (as defined below in "*Related Party Transactions - Relationship with Aspire - Aspire Software License Agreement*") to design, develop and implement games content, so long as it is not sold through certain platform providers or white label companies which are competitors of Aspire, and provided that we do not design, develop and implement casino and slot content to games aggregators. See "*Related Party Transactions - Relationship with Aspire - Aspire Software License Agreement*." Accordingly, both we and Aspire could compete in future engagements for provision of games content or for a contract with a white label provider. Furthermore, the Aspire Software License Agreement does not prevent either NeoGames or Aspire from using the Mixed-Use Software for (i) B2B customers in the iGaming and sports betting business in the United States, (ii) B2G customers in the iLottery business anywhere outside the United States, and (iii) offering games content to customers worldwide except for B2G customers in the United States and for customers who are providers of iLottery content which are NeoGames competitors. Accordingly, both we and Aspire could compete for the same B2B iGaming and sports betting customers in the United States or B2G iLottery customers outside the United States. In the event that such circumstances arise, the shared directors or shareholders may decide to prevent NeoGames from pursuing such opportunities in favor of Aspire.

Additionally, on January 17, 2022 we announced the Aspire Tender Offer (as defined below). The Aspire Tender Offer is an ongoing process as of the date hereof. While both we and Aspire have established special independent committees to evaluate and approve the Aspire Tender Offer, the Aspire Tender Offer, if completed, will constitute a transaction between related parties. For more information, see "*Related Party Transactions - Relationship with Aspire*."

Our Founding Shareholders have significant influence over the nominations and elections of members of our board of directors and other matters submitted for shareholder approval.

Our Founding Shareholders have the exclusive right under our amended and restated articles of association ("articles of association") to nominate up to 50% of our directors so long as they own in the aggregate at least 40.0% of our issued and outstanding share capital. As of March 31, 2022, the Founding Shareholders held approximately 49.9% of our issued and outstanding share capital. As a result, the Founding Shareholders have significant influence also over the outcomes of other matters submitted to shareholders for approval. The Founding Shareholders are entitled to vote their shares according to their own interests, and such interests may be different than the interests of our other shareholders and may delay, deter or prevent a change in control or other business combination that might otherwise be beneficial to our shareholders. See "Related Party Transactions - Voting Agreement," and "Management - Board Composition."

We have engaged in transactions with related parties, and such transactions present possible conflicts of interest that could have an adverse effect on our business and results of operations.

We provide a sub-license to the NeoSphere platform to William Hill, which at the time was one of our largest shareholders. In April 2021, William Hill was acquired by, and became a subsidiary of Caesars Entertainment, Inc. ("Caesars"). On March 18, 2022, Caesars reported the consummation of a block sale, in which it divested its holdings in the Company. We also provide certain software services to Aspire. The revenues received from William Hill and Aspire amounted to approximately 19% of our revenues in the year December 31, 2021 and 18.6% of our revenues in the year ended December 31, 2020. We may have achieved more favorable terms if such transactions had not been entered into with related parties.

We have also entered into certain intellectual property licenses and cost-sharing arrangements with Aspire. Transactions with our significant shareholders or entities in which our significant shareholders hold ownership interests present potential for conflicts of interest, as the interests of these parties and their stockholders may not align with the interests of our shareholders.

We have loans outstanding under the WH Credit Facility (as defined in "*Related Party Transactions*"). Additionally, on January 17, 2022 we announced the Aspire Tender Offer. For more information, see "*Related Party Transactions*."

Our existing and future contractual arrangements could restrict our ability to compete effectively, which may affect our ability to grow our business and enter into new markets.

From time to time, we enter into contractual agreements that contain restrictive covenants (such as non-compete, exclusivity and license agreements) that restrict us from entering into new markets to which we may desire to expand our businesses. Our contractual arrangements with Pollard, Aspire and William Hill contain certain provisions that may restrict our ability to grow our business, enter into new markets and compete effectively.

Pursuant to the Michigan JV Agreement, until its expiration, we are restricted from exploring any opportunities for further marketing, distribution and exploitation of our internet lottery, scratch cards, instant win games and slots and other online games to other national and state lotteries in the United States and Canada without Pollard. Both the Company and Pollard have the exclusive and pre-emptive right to exploit any and all such additional opportunities that may be conceived, and the participation of NPI in any such additional opportunity is subject to mutual approval of the Company and Pollard. Accordingly, as long as the Michigan JV Agreement remains in effect, the Company is unable to independently pursue any such opportunities, enter into agreements with additional lotteries in the United States and Canada or enter into new partnerships in the United States and Canada. This may negatively impact the future growth of our business or cause our business, financial conditions and results of operations to be harmed.

Additionally, pursuant to the Aspire Software License Agreement, Aspire granted NeoGames a license to use Mixed-Use Software for certain purposes. However, the Aspire Software License Agreement restricts NeoGames from using the Mixed-Use Software to (i) design, develop or implement casino and slot games for games aggregators and (ii) design, develop and implement games content for customers who are platform providers or white-label companies which are competitors of Aspire. See "*Related Party Transactions - Relationship with Aspire - Aspire Software License Agreement*." While we have only focused on the iLottery business to date, these restrictions may limit our ability to enter into the market of casino, slot games and sports betting in the future and may affect our ability to expand our customer base.

Further, pursuant to a binding term sheet entered into in 2018 (the "WH Term Sheet") with WHG (International) Ltd. ("WHG"), an affiliate of William Hill, we are prohibited from using the NeoSphere platform to compete with WHG in the B2C sports betting industry in the United States. While this has not impeded our ability to grow our business to date, it may limit our ability to expand into the B2C sports betting market in the future.

To the extent that such restrictive contractual provisions prevent us from taking advantage of business opportunities, our business, financial position and cash flows may be adversely affected.

While we have not experienced a material impact to date, the ongoing COVID-19 and similar health epidemics and contagious disease outbreaks could significantly disrupt our operations and adversely affect our business, results of operations, cash flows or financial condition.

In December 2019, a novel strain of coronavirus ("COVID-19") was identified, and on March 11, 2020, the World Health Organization declared COVID-19 as a global pandemic. Numerous state and local jurisdictions have imposed, and others in the future may impose, "shelter-in-place" orders, quarantines, executive orders and similar government orders and restrictions for their residents to control the spread of COVID-19. In particular, the governments in jurisdictions where our employees are located have imposed limitations on gatherings, social distancing measures and restrictions on movement, only allowing essential businesses to remain open. Such restrictions have resulted in temporary store closures, work stoppages, slowdowns and delays, travel restrictions and cancellation of events, among other restrictions, any of which may negatively impact workforces, customers, consumer sentiment and economies in many markets and, along with decreased consumer spending, have led to an economic downturn throughout much of the world.

Our business is largely tied to the disposable income of lottery players. While we have not experienced a material impact to date, the global economic and financial uncertainty may result in significant declines to the number of players using our customers' offerings and the amount of money that players are able and willing to wager. See "- *A reduction in discretionary consumer spending could have an adverse impact on our business*."

In response to the COVID-19 pandemic, we transitioned many of our employees to remote working arrangements and temporarily closed our offices in Israel, Ukraine and Michigan. More recently, we have gradually permitted employees to return to our offices in Israel, Kyiv and Michigan in phases while maintaining hybrid office and remote workplace arrangements. While we have not experienced a material impact to date, it is possible that this could have a negative impact on the execution of our business plans and operations. If a natural disaster, power outage, connectivity issue, or other event occurred that impacted our employees' ability to work remotely, it may be difficult or, in certain cases, impossible, for us to continue our business for a substantial period of time. The increase in remote working may also result in player privacy, IT security and fraud concerns as well as increase our exposure to potential wage and hour issues.

Given the continued spread of COVID-19, including the emergence of COVID-19 variants, such as the recent Delta and Omicron variants, and the resultant personal, economic and governmental reactions, we may have to take additional actions in the future that could adversely affect our business, financial condition, and results of operations. In addition, our management team has spent, and will likely continue to spend, significant time, attention, and resources monitoring the COVID-19 pandemic and associated global economic uncertainty and seeking to manage its effects on our business and workforce.

The extent to which the COVID-19 pandemic affects our financial results and operations will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, vaccine and booster rollout, severity and transmission rates of the virus and its current and future variants, the duration and spread of the outbreak, the governmental actions and regulations imposed to contain the virus or treat its impact, how quickly and to what extent pre-pandemic economic and operating conditions can resume and overall changes in players' behavior.

Our limited operating history makes it difficult to evaluate our current business and future prospects.

The market for our offerings is relatively new and evolving, and we have a limited operating history under the majority of our customer agreements. As a result, our business and future prospects are difficult to evaluate and our ability to accurately forecast our future results of operations is limited and subject to a number of uncertainties.

We entered into our first customer agreement in 2014, and a majority of our customer agreements are in their initial terms. In 2018 and 2019, we began providing turnkey solutions to the NHL and NCEL, respectively. Furthermore, during 2020 we transitioned the VAL solution into a full iLottery program and launched a new turnkey solution with the province of Alberta in Canada. In 2021, we launched Instant games with the Austrian Lotteries (Österreichische Lotterien) as well as Lottomatica in Italy and Sisal Sans in Turkey. Our limited operating history in certain markets makes it difficult to accurately assess our future prospects and increase the risk associated with your investment. Any future changes to our revenue model could materially and adversely affect our business.

Our historical revenue growth should not be considered indicative of our future performance. In future periods, our revenue growth could slow and our revenues could decline for a number of reasons, including declining player demand, increasing competition, decreasing growth of the iLottery market or our failure to continue entering into new arrangements. We will continue to encounter risks and uncertainties frequently experienced by growing companies in rapidly changing industries. If our assumptions regarding these risks, uncertainties or future revenue growth are incorrect, or if we do not address these risks successfully, our operating and financial results could differ materially from our expectations and our business could suffer.

We are subject to substantial penalties for failure to perform.

Our lottery contracts in the United States and in other jurisdictions and other service contracts often require performance bonds or letters of credit to secure our performance under such contracts and require us to pay substantial monetary liquidated damages in the event of non-performance by us.

As of December 31, 2021, we had outstanding performance bonds and letters of credit in an aggregate amount of approximately $3.8 million. These instruments present a potential expense for us and divert financial resources from other uses. Claims on performance bonds, drawings on letters of credit, and payment of liquidated damages could individually or in the aggregate have a material adverse effect on our results of operations, business, financial condition or prospects.

We rely on information technology and other systems and platforms, and any failures, errors, defects or disruptions in our systems or platforms could diminish our brand and reputation, subject us to liability, disrupt our business, affect our ability to scale our technical infrastructure and adversely affect our business.

Our technology infrastructure is critical to the performance of our platform and offerings and to customer and player satisfaction. We devote significant resources to network and data security to protect our systems and data. However, our systems and the systems of any third-party service providers on which we rely may not be adequately designed with the necessary reliability and redundancy to avoid performance delays or outages that could be harmful to our business. We cannot assure you that the measures we take to prevent or hinder cyber-attacks and protect our systems, data and player information and to prevent outages, data or information loss, fraud and to prevent or detect security breaches, including a disaster recovery strategy for server and equipment failure and back-office systems and the use of third parties for certain cybersecurity services, will provide absolute security. We have experienced, and we may in the future experience, website disruptions, outages and other performance problems due to a variety of factors, including infrastructure changes, human or software errors and capacity constraints. Such disruptions have not had a material impact on us; however, future disruptions from unauthorized access to, fraudulent manipulation of, or tampering with our computer systems and technological infrastructure, or those of third parties, could result in a wide range of negative outcomes, each of which could materially adversely affect our business, financial condition, results of operations and prospects.

Additionally, our software may contain errors, bugs, flaws or corrupted data. If a particular product offering is unavailable when players attempt to access it or navigation through our platforms is slower than they expect, players may be less likely to return to our customers' platforms as often, if at all. Furthermore, programming errors, defects and data corruption could disrupt our operations, adversely affect the experience of players, harm our reputation and cause players to stop utilizing our customers' offerings.

Our current systems may be unable to support a significant increase in online traffic or increased player numbers, especially during peak times or events (such as for significant jackpot runs). If there is a system disruption, customers may be able to make a contractual claim for damages against us.

We may at any time be required to expend significant capital or other resources, including staff and management time, to reduce the risk of network or IT failure or disruption, including replacing or upgrading existing business continuity systems, procedures and security measures. If such protective measures are implemented unsuccessfully or inefficiently, the quality of our products and services may be materially and adversely affected.

We rely on third-party service providers for key functions in our operations.

We rely upon various third-party service providers to maintain continuous operation of our platform, servers, hosting services, payment processing and various other key functions of our business. Know-your-customer and geolocation programs and technologies supplied by third parties are an important aspect of certain of our products and services. These services are costly and their failure or inadequacy could materially affect our operations.

Additionally, we rely on third-party service providers for payment processing services, including the processing of credit and debit cards. Our business could be materially disrupted if these third-party service providers become unwilling or unable to provide these services to us.

Certain of these services discussed above are only provided by a limited number of third-party providers and in the event that any of these providers cease to provide us with their services (due to the termination of their agreement, a dispute between us and any such providers or for any other reason), we may struggle to locate a suitable replacement on commercially reasonable terms, if at all, which could lead to harmful disruptions to our operations.

If we fail to protect or enforce our intellectual property rights, our business could be materially affected.

We rely on a combination of trademark, copyright, trade secret, and domain-name-protection laws as well as contractual restrictions to protect our technology and intellectual property rights. While it is our policy to protect and defend our rights to our intellectual property, we cannot predict whether steps taken by us to protect our intellectual property will be adequate to prevent infringement, misappropriation, dilution or other violation of our intellectual property rights. Effective intellectual property protection may not be available in every country in which we operate or intend to operate our business. Third parties may infringe our proprietary rights (knowingly or unknowingly) and challenge proprietary rights held by us, and any potential future trademark and patent applications may not be approved. We have been required and in the future may be required to expend significant time and expense to prevent infringement or to enforce our rights. We also cannot guarantee that others will not independently develop technology with the same or similar functions to any proprietary technology we rely on to conduct our business and differentiate ourselves from our competitors. Unauthorized parties may also attempt to copy or obtain and use our technology to develop offerings with the same functionality as our solutions, and policing unauthorized use of our technology and intellectual property rights is difficult and may not be effective. Any unauthorized use of our brand, technology or intellectual property could result in revenue loss as well as have an adverse impact on our reputation. We may be required to incur significant expenses in registering, monitoring and protecting our intellectual property rights. Any litigation could result in significant expense to us, including the diversion of management time and may not ultimately be resolved in our favor. Changes in the law or adverse court rulings may also negatively affect our ability to prevent others from using our technology.

We attempt to protect our intellectual property, technology and confidential information by requiring certain of our employees and consultants to enter into confidentiality and assignment of inventions agreements and certain third parties to enter into nondisclosure agreements. These agreements may not effectively grant all necessary rights to any inventions or works that may have been developed or created by the employees or consultants party thereto. In addition, these agreements may not effectively prevent unauthorized use or disclosure of our confidential information, intellectual property or technology and may not provide an adequate remedy in the event of unauthorized use or disclosure of our confidential information, intellectual property, or technology.

We currently hold rights to the neogames.com internet domain name and various other related domain names. The regulation of domain names is subject to change. Regulatory bodies could establish additional top-level domains, appoint additional domain name registrars, or modify the requirements for holding domain names. In addition, third parties may already have registered, or may register in the future, domain names similar or identical to our registered and unregistered trademarks. As a result, we may not be able to acquire or maintain all domain names that use the name neogames or are otherwise important for our business.

We also have certain registered and unregistered trademarks that are important to our business, such as the NEOGAMES trademark. If we fail to adequately protect or enforce our rights under this trademark, we may lose the ability to use this trademark or to prevent others from using it, which could adversely harm our reputation, business, results of operations and financial condition.

Our software, games and marketing materials are protected in these works with copyright law, and some also benefit from trade secret protection. We have chosen not to register any copyrights under the Library of Congress. In order to bring a copyright infringement lawsuit in the United States, the copyright must be registered. Accordingly, the remedies and damages available to us for unauthorized use of our software, games and materials may be limited.

We rely on third-party intellectual property. We cannot guarantee that such intellectual property will continue to be available.

We rely on third-party technologies, trademarks and other intellectual property. There can be no assurance that these licenses, or support for such licensed products and technology, will continue to be available to us on commercially reasonable terms, if at all. In addition, the future success of our business may depend, in part, on our ability to obtain or expand licenses for lottery or gaming technologies we do not currently possess. In the event that we cannot retain, renew or expand existing licenses, we may be required to modify, limit or discontinue certain of our products or services, which could materially affect our business, financial condition and results of operations. In addition, the regulatory review process and licensing requirements of our government customers may preclude us from using technologies owned or developed by third parties if those parties are unwilling to subject themselves to regulatory review or do not meet regulatory requirements.

While we own most of the software in our platform, we license certain core legacy software from Aspire, as further described in "*Related Party Transactions*." The Aspire Software License Agreement does not prohibit Aspire from depositing the source code of the software licensed to us with an escrow agent. While Aspire has not yet done this, if Aspire were to do so and a release event were to occur, Aspire's third-party designees would gain rights and access to source code that is material to our business which could materially and adversely affect our business, prospects, financial condition and results of operations. The Aspire Software License Agreement also allows both Aspire and the Company to develop modifications to the Mixed-Use Software, and any modifications developed by the Company or Aspire are owned by the developing party and licensed to the other party for certain purposes. This results in a risk to the confidentiality and exclusivity of any modifications and improvements we may create to such software.

As part of our effort to migrate off of using any Mixed-Use Software in our product and service offerings, we are currently adopting a "microservice" approach pursuant to which we have different software modules for each product and service. We may encounter technological challenges that render such transition impossible, or may determine that such transition is too costly or time intensive to complete. The result might be that we need to continue to rely on the Mixed-Use Software. Although our license from Aspire for the Mixed-Use Software is exclusive, perpetual and irrevocable, Aspire could argue that certain uses we are making of the Mixed-Use Software are outside of the scope of the license. In addition, if our license from Aspire were found to be invalid or not perpetual for any reason, this could materially and adversely affect our business, prospects, financial condition and results of operations.

The gaming industry is historically litigious with respect to intellectual property and there can be no assurance that our platforms will not infringe on the rights of others.

There is a risk that our operations, platforms and services may infringe, or be alleged to infringe, the intellectual property rights of third parties. We have incurred and in the future may incur substantial time and expense in defending against third-party infringement claims, regardless of their merit. Additionally, due to diversion of management time, expenses required to defend against any claim and the potential liability associated with any lawsuit, any litigation could significantly harm our business, financial condition and results of operations. If we were found to have infringed the intellectual property rights of a third party, we could be liable for license fees, royalty payments, lost profits or other damages, and may be subject to injunctive relief to prevent us from using such intellectual property rights in the future. Such liability (if significant) or injunctive relief could materially and adversely affect our business, prospects, financial condition and results of operations.

We are exposed to costs associated with changes in levies and taxes.

We must comply with tax laws in the jurisdictions in which we operate. Tax rules or their interpretation may change in the markets in which we operate and in any markets we may enter in the future. Any changes to the corporate tax rate application in different jurisdictions, withholding taxes, transfer pricing rules, levels of value added tax, industry specific taxes and other levies, royalties and imposts could materially and adversely affect our financial position, performance and prospects. For example, there is a risk that we will not be able to pass on to our customers any additional gaming levies or taxes that apply to us. In addition, certain of our positions regarding the taxes that apply to us in the different jurisdictions in which we operate may not be accepted by the tax authorities in such jurisdictions, which could adversely affect our financial condition. On May 18, 2021, we obtained a pre-ruling from the Israeli Tax Authority regarding the transfer of certain intellectual property rights relating to the online lottery business of NeoGames S.A. to NGS. We cannot guarantee that the ruling will be acceptable with the Luxembourg tax authorities. See Item 10.E. "*Taxation – Tax Ruling of the Israeli Tax Authority.*"

We are subject to taxation in multiple jurisdictions, which is complex and often requires making subjective determinations subject to scrutiny by, and disagreements with, tax regulators.

We are subject to different forms of taxation in each of the countries and regions we or our subsidiaries are formed and/or conduct our business, including, but not limited to, income tax, withholding tax, gaming taxes, property tax, VAT, social security and other payroll-related taxes. Tax law and administration is complex, subject to change and varying interpretations and often requires us to make subjective determinations. In addition, we take positions in the course of our business with respect to various tax matters, including in connection with our operations. Tax authorities worldwide are increasingly rigorous in their scrutiny of corporate tax structures and may not agree with the determinations that are made, or the positions taken, by us with respect to the application of tax law. Such disagreements could result in lengthy legal disputes, an increased overall tax rate applicable to us and, ultimately, in the payment of substantial amounts of tax, interest and penalties, which could have a material adverse effect on our business, results of operations and financial condition.

For example, in August 2021 we received a request from the Israeli Tax Authority to provide certain information and documents related to our Israeli subsidiary Neogames Systems Ltd. with respect to the years 2016-2019. We have not received additional requests or other notifications from the Israeli Tax Authority, pertaining to this matter, with any findings or that would clarify the reasons for such audit. Such audit and similar proceedings may result in assessments, fines, settlements, or increased overall tax rates. While we believe we comply with applicable tax laws, and given the absence of further communications from the Israeli Tax Authority as aforementioned, we cannot anticipate the results of such audit or other similar proceedings, and we have not set aside any reserves to provide for any outcomes related to the tax audits. The ultimate outcome of the Israeli tax audit, and any other audits that may commence by any other tax authority, and of any related litigation or other proceedings, could have a material adverse effect on our consolidated financial statements.

Another example is the pre-ruling issued on May 18, 2021 by the Israeli Tax Authority regarding the transfer of certain intellectual property rights relating to the online lottery business of NeoGames S.A. to NGS. We cannot guarantee that the ruling will be acceptable to the Luxembourg tax authorities, or that the Israeli Tax Authority will not commence audit of other periods. Furthermore, the pre-ruling sets forth certain terms regarding the Company's day to day practices. Failure by the Company to adhere to such terms may result in the loss of the beneficial tax rates set forth by the pre-ruling. See Item 10.E. "*Taxation – Tax Ruling of the Israeli Tax Authority.*"

Our operations in Kyiv, Ukraine may be materially impacted as a result of Russia's invasion of Ukraine and our business, financial condition and results of operations may be materially adversely affected by any negative economic impact resulting from the conflict in Ukraine.

We operate a development hub in Kyiv, Ukraine. As of December 31, 2021, we had approximately 211 employees and 1% in assets in Ukraine. We do not have revenue generating activities in Ukraine. We have also invested significant resources in Ukraine over the last several years. As a result, warfare, political turmoil or terrorist attacks in this region could negatively affect our Ukrainian operations and our business. On February 24, 2022, Russian military forces invaded Ukraine. Prior to Russia's invasion, 60 of our staff in Ukraine left the country to neighboring countries with our assistance, and 70 left to western areas of the country. We have transitioned to Israel the responsibilities for the release of new features, and the monitoring of stability and health of production environment. However, the ultimate extent, length and impact of the ongoing military conflict are highly unpredictable, and it could disrupt our Ukrainian operations, increase our costs and may disrupt future planned development of capabilities in Ukraine and the surrounding region, and adversely impact our ability to meet our long term development delivery commitments. It is unclear what impact the hostilities in Ukraine will have on our assets.

We have developed and, in some cases, implemented additional contingency plans to relocate work and/or personnel to other geographies and add new locations, as appropriate. Our business continuity plans are designed to address known contingency scenarios to ensure that we have adequate processes and practices in place to protect the safety of our people and to handle potential impacts to our operations. Our crisis management procedures, business continuity plans, and disaster recovery capabilities may not be effective at preventing or mitigating the effects of prolonged or multiple crises, such as civil unrest, military conflict and a pandemic in a concentrated geographic area. The current events in the regions where we operate and where we derive a significant amount of our business may pose security risks to our people, our facilities, our operations, and infrastructure, such as utilities and network services, and the disruption of any or all of them could materially adversely affect our business, financial conditions and results of operations, and cause volatility in the price of our shares. We are continuing to monitor the situation in Ukraine and assess options in relation to our ongoing operations and our ability to continue to do business in the region.

Furthermore, due to the political uncertainty involving Russia and Ukraine, there is also an increased likelihood that the tensions could result in cyber-attacks or cybersecurity incidents that could either directly or indirectly impact our operations. Any attempts by cyber attackers to disrupt our services or systems, if successful, could harm our business, result in the misappropriation of funds, be expensive to remedy and damage our reputation or brand. Insurance may not be sufficient to cover significant expenses and losses related to such cyber-attacks and cybersecurity incidents.

Our platform contains third-party open source software components, which may pose particular risks to our proprietary software, technologies, products and services in a manner that could negatively affect our business.

Our platform contains software modules licensed to us by third-party authors under "open source" licenses and we expect to use open source software in the future. Use and distribution of open source software may entail greater risks than use of third-party commercial software, as open source licensors generally do not provide support, warranties, indemnification or other contractual protections regarding infringement claims or the quality of the code. To the extent that our platform depends upon the successful operation of open source software, any undetected errors or defects in this open source software could prevent the deployment or impair the functionality of our platform, delay new introduction of new solutions, result in a failure of our platform and injure our reputation. For example, undetected errors or defects in open source software could render it vulnerable to breaches or security attacks, and, subsequently, make our systems more vulnerable to data breaches. In addition, the public availability of such software may make it easier for others to compromise our platform.

Some open source licenses require that source code for modifications or derivative works we created based on such open source software be made publicly available as open source software. If we combine our proprietary software with open source software in a certain manner, we could, under certain open source licenses, be required to release the source code of our proprietary software to the public. This would allow our competitors to create similar offerings with less investment of development effort and time and ultimately could result in a loss of our competitive advantages. Alternatively, to avoid the public release of the affected portions of our source code, we could be required to expend substantial time and resources to re-engineer some or all of our software.

Although we monitor our use of open source software to avoid subjecting our platform to conditions we do not intend, the terms of many open source licenses have not been interpreted by United States or foreign courts, and there is a risk that these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to provide or distribute our platform. From time to time, there have been claims challenging the ownership of open source software against companies that incorporate open source software into their solutions. As a result, we could be subject to lawsuits by parties claiming ownership of what we believe to be open source software. Moreover, we cannot assure you that our processes for controlling our use of open source software in our platform will be effective. If we are held to have breached or failed to fully comply with all the terms and conditions of an open source software license, we could face infringement or other liability, or be required to seek costly licenses from third parties, to continue providing our offerings on terms that are not economically feasible, to re-engineer our platform, to discontinue or delay the provision of our offerings if re-engineering could not be accomplished on a timely basis or to make generally available, in source code form, our proprietary code, any of which could adversely affect our business, financial condition and results of operations.

We are highly dependent on our key personnel. If we are not successful in attracting, motivating and retaining highly qualified personnel, we may not be able to successfully implement our business strategy.

We rely on the expertise, industry experience, customer relationships and leadership of our senior management, and the departure, death or disability of any one of our executive officers or other extended or permanent loss of any of their services, or any negative market or industry perception with respect to any of them or their loss, could have a material adverse effect on our business.

We depend on our technical and operational employees for the design and development of our innovative products and services. The competition for these types of personnel is intense and we compete with other potential employers, including certain of our strategic partners, for the services of our employees. As a result, we may not succeed in retaining the key employees that we need in order to maintain and grow our business.

If we do not succeed in attracting, hiring, and integrating qualified personnel, or retaining and motivating existing personnel, we may be unable to grow effectively and our business could be adversely affected. We deploy our employees to certain of our customers' worksites to assist in the development of their IT systems and platforms. The loss of employees who have been involved in the development of intellectual property and know-how and the development and maintenance of key strategic relationships with customers may result in the subsequent loss of key customers. If key employees were to leave, we may be unable to deliver our existing services or develop new products until such employees have been replaced. As our employees have very specific skillsets and are highly qualified, we may face difficulties in replacing them with new employees, and even if we succeed in recruiting new employees, we may incur substantial costs in the recruiting, training and integration of such new employees. See *Item 3.D. "Key Information - Risk Factors - Our operations in Kyiv, Ukraine may be materially impacted as a result of Russia's invasion of Ukraine and our business, financial condition and results of operations may be materially adversely affected by any negative economic impact resulting from the conflict in Ukraine*" regarding the situation in Ukraine.

Competition for skilled technical and other personnel in Israel is intense, and as a result we may fail to attract, recruit, retain and develop qualified employees, which could materially and adversely impact our business, financial condition and results of operations.

We compete in a market marked by rapidly changing technologies and an evolving competitive landscape. In order for us to successfully compete and grow, we must attract, recruit, retain and develop personnel with requisite qualifications to provide expertise across the entire spectrum of our intellectual capital and business needs.

Our principal research and development as well as significant elements of our general and administrative activities are conducted at our headquarters in Israel, and we face significant competition for suitably skilled employees in Israel. While there has been intense competition for qualified human resources in the Israeli high-tech industry historically, the industry experienced record growth and activity in 2021, both at the earlier stages of venture capital and growth equity financings, and at the exit stage of initial public offerings and mergers and acquisitions. This flurry of growth and activity has caused a sharp increase in job openings in both Israeli high-tech companies and Israeli research and development centers of foreign companies, and intensification of competition between these employers to attract qualified employees in Israel. As a result, the high-tech industry in Israel has experienced significant levels of employee attrition and is currently facing a severe shortage of skilled human capital, including engineering, research and development, sales and customer support personnel. Many of the companies with which we compete for qualified personnel have greater resources than we do, and we may not succeed in recruiting additional experienced or professional personnel, retaining personnel or effectively replacing current personnel who may depart with qualified or effective successors. Failure to retain or attract qualified personnel could have a material adverse effect on our business, financial condition and results of operations.

We may not be able to service our debt under our financing agreements in connection with the Proposed Acquisition of Aspire, or we may otherwise be in breach of those arrangements.

On January 17, 2022, we announced the Aspire Tender Offer, which is currently pending. For more information regarding the Proposed Acquisition of Aspire, including the Aspire Tender Offer, see "*Related Party Transactions - Relationship with Aspire*."

In order to finance, among other things, part of the aggregate consideration payable by the Company pursuant to the Proposed Acquisition of Aspire, the Company, NeoGames Connect S.à r.l. and NeoGames Connect Limited have entered into the Interim Facilities Agreement with the Interim Lenders (each as defined below). Notwithstanding the entry into the Interim Facilities Agreement, the Company will seek to negotiate and execute a long-form financing agreement prior to the Closing Date to replace the Interim Facilities (each as defined below). In relation to this, the Company and NeoGames Connect S.à r.l. also entered into the Commitment Letter (as defined below). Pursuant to the terms of the Commitment Letter, BXC (as defined below) has committed to make available, in connection with the Proposed Acquisition of Aspire, the Senior Facilities (as defined below) which shall be documented pursuant to the Senior Facilities Agreement (as defined below). If no Interim Facility has been funded prior to such time, the Interim Facility Agreement shall automatically terminate on the date on which the Senior Facilities Agreement is signed and each initial condition precedent thereunder is irrevocably satisfied or waived as evidenced by delivery of a duly signed and unqualified conditions precedent letter thereunder. For more information regarding the financing for the Proposed Acquisition of Aspire, see "*Operating and Financial Review and Prospects - Liquidity and Capital Resources - Financing for the Proposed Acquisition of Aspire*" below.

Upon consummation of the Aspire Tender Offer, we will have outstanding indebtedness with debt service requirements. Our ability to meet our debt service obligations will depend on our future operating and financial performance, which in turn depends on our ability to successfully implement our business strategy as well as general economic, financial, competitive, regulatory and other factors that are beyond our control. If we do not generate sufficient cash to service our debt under the Interim Facilities Agreement (or, to the extent entered into, the Senior Facilities Agreement) or if we fail to meet other obligations under the Interim Facilities Agreement (or, to the extent entered into, the Senior Facilities Agreement), we may be in default, which may entitle the Interim Lenders (or, in the case of the Senior Facilities, the Lenders (as defined below)), as applicable, to certain rights and remedies against us, and such rights and remedies may have a material adverse effect on our business and financial results. In addition, the final maturity date of the Interim Facilities is 90 days after the date on which the first drawdown of Interim Facility 1 (as defined below) occurs (by which date, the Interim Facilities would need to be replaced and refinanced).

If the Closing Date has not occurred on or before the date falling eight months after (and excluding) January 17, 2022 and the Interim Lenders (or, in the case of the Senior Facilities, the Lenders) do not agree to extend such period, the Interim Facilities (or, as the case may be, the Senior Facilities) will no longer be available to be drawn.

The Interim Facilities Agreement contains (and the Senior Facilities Agreement is expected to contain) customary affirmative and negative covenants which may restrict our ability to operate our business (including, in the case of the Senior Facilities Agreement, a financial maintenance covenant). Our failure to comply with these covenants, including as a result of events beyond our control, could result in an event of default that could materially and adversely affect our financial condition and results of operations.

In the event of a default under the Interim Facilities Agreement (or, to the extent entered into, the Senior Facilities Agreement), that is not cured or waived, the Interim Lenders (or, in the case of the Senior Facilities, the Lenders) could take certain actions, including terminating their commitments, declaring all amounts that we have borrowed under the Interim Facilities Agreement (or, to the extent entered into, the Senior Facilities Agreement), to be due and payable, together with accrued and unpaid interest (and other fees) and/or enforce the Interim Security (as defined below) (or, in the case of the Senior Facilities, security in favor of the Lenders under the Senior Facilities Agreement). If the debt under the Interim Facilities Agreement, the Senior Facilities Agreement or any other material financing arrangement that we have entered into or will subsequently enter into were to be accelerated, our assets may be insufficient to repay the indebtedness in full. Any such actions could force us into bankruptcy or liquidation, and we might not be able to repay our obligations in such an event.

As of the date hereof, the Company has incurred costs in an amount of approximately $1.6 million in connection with the financing agreements with Blackstone. The Company has not incurred costs in connection with the FX Hedging Transaction. The costs of the FX Hedging Transaction will be incurred only upon completion of the Aspire Tender Offer.

We may require additional capital to support our growth plans, and such capital may not be available on terms acceptable to us, if at all. This could hamper our growth and adversely affect our business.

Our business generally requires significant upfront capital expenditures for software customization and implementation and systems and equipment installation and configuration. In connection with a renewal of or bid for a lottery or gaming contract, a customer may seek to impose new service requirements, which may require additional capital expenditures in order to retain or win the contract, as applicable.

To the extent that we do not have sufficient liquidity levels to fund such capital expenditures, our ability to procure new contracts and renew existing contracts would depend on, among other things, our ability to obtain additional financing on commercially reasonable terms. Our ability to obtain additional capital, if and when required, will depend on, among other factors, our business plans, investor demand and the capital markets.

We have historically funded our operations with, among other things, borrowings under the WH Credit Facility. On October 20, 2020, we entered into a loan agreement with William Hill Finance Limited, an affiliate of William Hill, which sets out amended terms and an amended repayment schedule with respect to our outstanding loans under the WH Credit Facility and prohibits us from making any additional draws under the WH Credit Facility. See "*Related Party Transactions - Relationship with William Hill - WH Credit Facility*."

We completed our public listing on November 23, 2020 raising a total net amount of $43 million and our total cash balance as of December 31, 2021 was approximately $66.1 million.

Any financing through the sale of equity securities may dilute the value of our outstanding Ordinary Shares. Any debt financing may require us to comply with various financial covenants and may restrict our activities. We also can provide no assurance that the funds we raise will be sufficient to finance any future capital requirements. If we are unable to obtain additional capital when required on satisfactory terms, our ability to continue to grow our business could be adversely affected.

Our management team has limited experience managing a public company.

Most members of our management team have limited experience managing a publicly traded company, interacting with public company investors and complying with the increasingly complex laws pertaining to public companies listed in the United States. Our management team may not successfully or efficiently manage the Company, which is subject to significant regulatory oversight and reporting obligations under the U.S. federal securities laws and the continuous scrutiny of securities analysts and investors. These obligations and constituents require significant attention from our senior management and could divert their attention away from the day-to-day management of our business, which could adversely affect our business, prospects, financial condition and results of operations.

We may become subject to litigation, from which we could incur significant monetary and reputational harm, irrespective of the merit of such claim or outcome of such litigation.

There is a risk that we may become subject to litigation and other claims and disputes in the ordinary course of business, including contractual disputes and indemnity claims, misleading and deceptive conduct claims, employment-related claims, and intellectual property disputes and claims, including those based on allegations of infringement, misappropriations or other violations of intellectual property rights. We may incur significant expense defending or settling such litigation.

Any litigation to which we are a party may result in an onerous or unfavorable judgment that may not be reversed upon appeal, or in payments of substantial monetary damages or fines, the posting of bonds requiring significant collateral, letters of credit or similar instruments, or we may decide to settle lawsuits on similarly unfavorable terms. These proceedings could also result in reputational harm, criminal sanctions, consent decrees or orders preventing us from offering certain products or requiring a change in our business practices in costly ways or requiring development of non-infringing or otherwise altered products or technologies. Litigation and other claims and regulatory proceedings against us could result in unexpected disciplinary actions, expenses and liabilities, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our results of operations may be adversely affected by fluctuations in currency values.

The Company's consolidated financial results are affected by foreign currency exchange rate fluctuations. Foreign currency exchange rate exposures arise from current transactions and anticipated transactions denominated in currencies other than U.S. dollars and from the translation of foreign currency denominated balance sheet accounts into U.S. dollar-denominated balance sheet accounts. The Company is exposed to currency exchange rate fluctuations because portions of its expenses are denominated in currencies other than the U.S. dollar.

Approximately 82% of the Company's revenues in the year ended December 31, 2021 were denominated in U.S. dollars, 4% in euros and 14% in other currencies. However, 26% of the Company's liabilities were denominated in New Israeli Shekels. For example, almost all of the Company's current employees are domiciled in Israel and paid in New Israeli Shekels. In 2021, the U.S. dollar / New Israeli Shekel exchange rate decreased from NIS 3.215 per $1 on December 31, 2020, to NIS 3.110 per $1 on December 31, 2021. The decrease from year end 2020 to year end 2021 adversely affected our costs and liabilities that are denominated in Shekels compared to our dollar-denominated income. Any further devaluation of the U.S. dollar compared to the New Israeli Shekel may result in further increases in employee liabilities and other expenses, which may adversely affect the Company's profit and financial performance. Exchange rate fluctuations have in the past adversely affected the Company's operating results and cash flows and may adversely affect the Company's results of operations and cash flows and the value of its assets outside the United States in the future. A devaluation of local currency in a jurisdiction in which the Company is paid in such currency may require the Company's customers located in such jurisdiction to adjust the amounts paid in local currency for the Company's products and services, which they may be unable or unwilling to make. Other than the FX Hedging Transaction entered into in connection with the Proposed Acquisition of Aspire, NGS (as defined below) entered into certain forward contracts to hedge its NIS exposure associated with expenses nominated in NIS during 2022. For additional information regarding the FX Hedging Transaction, see Item 5.B. "*Liquidity and Capital Resources - Financing for the Proposed Acquisition of Aspire*." As of the date hereof, the Company has incurred costs in an amount of approximately $1.6 million in connection with the financing agreements with Blackstone. The Company has not incurred costs in connection with the FX Hedging Transaction. The costs of the FX Hedging Transaction will be incurred only upon completion of the Aspire Tender Offer.

Expansion into new markets may be important to the growth of our business in the future, and if we do not manage the business and economic risks of this expansion effectively, it could materially and adversely affect our business and results of operations.

We expect to continue to expand our operations to additional U.S. states and to expand our international operations. Any new markets or countries which we attempt to access may not be receptive. For example, we may not be able to expand further in some markets if we are not able to satisfy certain government requirements. In addition, our operations in new jurisdictions subject us to risks customarily associated with such operations, including the complexity of local laws, regulations and markets, the uncertainty of enforcement of remedies in foreign jurisdictions, the impact of local labor laws and disputes, the economic, tax and regulatory policies of local governments and the ability to attract and retain key personnel in new jurisdictions. Foreign jurisdictions could impose tariffs, quotas, trade barriers, and other similar restrictions on our international sales. In addition, our ability to expand successfully involves other risks, including difficulties in integrating operations, risks associated with entering jurisdictions in which we may have little experience and the day-to-day management of a growing and increasingly geographically diverse company.

Our investments in new jurisdictions often entail entering into joint ventures or other business relationships with locally-based entities, especially in jurisdictions in which governments prefer or are required to use locally-based entities. Our reliance on partnerships with locally-based entities can involve additional risks arising from our lack of sole decision-making authority, our reliance on a partner's financial condition, inconsistency between our business interests or goals and those of our partners and disputes between us and our partners.

We may not realize the operating efficiencies, competitive advantages or financial results that we anticipate from our investments in new jurisdictions and our failure to effectively manage the risks associated with our operations in new jurisdictions could have a material adverse effect on our financial position, performance and prospects.

As a significant amount of our net profits and cash flows are generated outside Luxembourg, the repatriation of funds currently held in foreign jurisdictions may result in higher effective tax rates for us. In addition, heightened attention has been given at national and supranational levels, including through the G20 / OECD Base Erosion and Profit Shifting project ("**BEPS**"), as well as in other public forums and the media, with regard to matters of cross-border taxation, and in particular, to taxation of the digital economy. In December 2021, the OECD published the Pillar Two model rules for domestic implementation of 15% global minimum tax, and the EU followed suit shortly thereafter. It is expected that the OECD will release the commentary relating to the model rules in 2022 and address co-existence with the US Global Intangible Low-Taxed Income (GILTI) rules. This will be followed by the development of an implementation framework focused on administrative, compliance and co-ordination issues relating to Pillar Two. It is expected that the global minimum tax will be implemented at national level by 2023. The Pillar Two rules, once implemented, are expected to apply to us, along with detailed transfer pricing reporting and exchange of tax information rules known as "Country by Country Reporting", insofar as our annual revenues exceed EUR 750 million.

Malta transposed the EU Anti-Tax Avoidance Directive into domestic law, including changes with respect to exit tax, General Anti-Abuse Rules and Controlled Foreign Corporation rules. Due to pressure from the European Union, many offshore jurisdictions have introduced "substance" requirements including with regard to intangible property companies. The likelihood of scrutiny of tax practices by tax authorities in relevant jurisdictions and the aggressiveness of tax authorities remains high.

In this context, we expect to be subject to increased reporting requirements regarding our international tax structure.

Any changes in the rules regarding cross-border taxation or the revised interpretation of existing tax rules could increase our tax liability and have a material adverse effect on our business, results of operations, financial condition and prospects.

For example, our pending acquisition of Aspire, which is material for us, may not have the expected results, and may fail to yield the expected results or benefits due to the challenges described above. For more information, see "*Related Party Transactions - Relationship with Aspire - Proposed Acquisition of Aspire*."

Our insurance may not provide adequate levels of coverage against claims.

We maintain insurance that we believe is customary for businesses of our size and type. However, there are types of losses we may incur that cannot be insured against or that we believe are not economically reasonable to insure. Moreover, any loss incurred could exceed policy limits and policy payments made to us may not be made on a timely basis. Such losses could adversely affect our business prospects, results of operations, cash flows and financial condition.

If we fail to detect fraud or theft, including by our employees and our customers and their players, our reputation may suffer which could harm our brand and negatively impact our business, financial condition and results of operations and subject us to investigations and litigation.

We may incur losses, whether directly or indirectly through our revenue share with our customers, from various types of financial fraud, including use of stolen or fraudulent credit card data, claims of unauthorized payments by our customers' players and attempted payments by such players with insufficient funds. Bad actors use increasingly sophisticated methods to engage in illegal activities involving personal data, such as unauthorized use of another person's identity, account information or payment information and unauthorized acquisition or use of credit or debit card details, bank account information and mobile phone numbers and accounts.

Acts of fraud may involve various tactics, including collusion. Successful exploitation of our systems could have negative effects on our product offerings, services and player experience and could harm our reputation. Failure to discover such acts or schemes in a timely manner could result in harm to our operations.

In addition, negative publicity related to such schemes could have an adverse effect on our reputation, potentially causing a material adverse effect on our business, financial condition, results of operations and prospects. In the event of the occurrence of any such issues with our existing platform or product offerings, substantial engineering and marketing resources and management attention, may be diverted from other projects to correct these issues, which may delay other projects and the achievement of our strategic objectives.

In addition, any misappropriation of, or access to, players' personal data or other proprietary information or other breach of our information security could result in legal claims or legal proceedings, including regulatory investigations and actions, or liability for failure to comply with privacy and information security laws, including for failure to protect personal data or for misusing personal data, which could disrupt our operations, force us to modify our business practices, damage our reputation and expose us to claims from our customers, their players, regulators, employees and other persons, any of which could have an adverse effect on our business, financial condition, results of operations and prospects.

We cannot guarantee that any measures we have taken or may take in the future to detect and reduce the occurrence of fraudulent or other malicious activity on our platform will be effective or will scale efficiently with our business. Our failure to adequately detect or prevent fraudulent transactions could harm our reputation or brand, result in litigation or regulatory action and lead to expenses that could adversely affect our business, financial condition and results of operations.

We are subject to risks related to corporate social responsibility, responsible lottery and gaming, reputation and ethical conduct.

Many factors affect our reputation and the value of our brand, including the perception held by our customers, business partners, investors, other key stakeholders and the communities in which we operate, such as our social responsibility, corporate governance and responsible lottery practices. We have faced, and will likely continue to face, increased scrutiny related to social, governance and responsible lottery and gaming activities, and our reputation and the value of our brands can be materially adversely harmed if we fail to act responsibly in a number of areas, such as diversity and inclusion, workplace conduct, responsible gaming, human rights, philanthropy and support for local communities. Any harm to our reputation could impact employee engagement and retention and the willingness of customers and partners to do business with us, which could have a materially adverse effect on our business, results of operations and cash flows. We believe that our reputation is critical to our role as a leader in the iLottery and gaming industries and as a publicly traded company. Our management is heavily focused on the integrity of our directors, officers, senior management, employees, other personnel and third-party suppliers and partners. Illegal, unethical or fraudulent activities perpetrated by any of such individuals, suppliers or partners for personal gain could expose us to potential reputational damage and financial loss.

The illegal gaming market could negatively affect our business.

A significant threat to the lottery and gaming industry arises from illegal activities. Such illegal activities may draw significant betting volumes away from the regulated industry. In particular, illegal gaming could take away a portion of the present players that are the focus of our business. The loss of such players could have a material adverse effect on our results of operations, business, financial condition or prospects. Further, public trust is critical to the long-term success of regulated gaming, including lottery. Illegal gaming activities could impact the reputation of our customers, which would have an adverse impact on their revenues and our revenues.

Termination of our relationship with William Hill or failure to realize the anticipated benefits of such relationship could have an adverse effect on our business, prospects, financial condition and results of operations.

Pursuant to the WH Term Sheet, we granted WHG a sub-license to our NeoSphere platform to operate its U.S. iGaming business. In addition, we customize the NeoSphere platform to assist William Hill in meeting the regulatory requirements of the states in which it operates our systems.

Upon a change of control of the Company, William Hill will have the right to purchase a perpetual sub-license to the NeoSphere platform and any software updates and development that we provided to WHG (the "IP Option") for a price of £15 million. We have also agreed to provide WHG with the IP Option following the completion of a four year period from the date of the WH Term Sheet. For additional information on our relationship with William Hill, see "*Related Party Transactions - Relationship with William Hill*." Revenues received from William Hill in exchange for the sub-license to use the NeoSphere platform and the related services accounted for 16% of the Company's revenues in the year ended December 31, 2021, 13.6% of the Company's revenues in the year ended December 31, 2020 and 17.0% of the Company's revenues in the year ended December 31, 2019. In the event that WHG terminates the WH Term Sheet, we will cease to generate revenues from William Hill. Additionally, the termination of our strategic relationship with William Hill could be negatively perceived by the market and could harm our brand and reputation.

Risks Relating to Regulation of Our Business

The gaming and lottery industries are heavily regulated, and changes to the regulatory framework in the jurisdictions in which we operate could harm our existing operations.

We and our customers are subject to extensive laws and regulations, which vary across the jurisdictions in which we and they operate. The regulatory environment, including lottery and gaming laws, in any particular jurisdiction may change in the future, which may limit some or all of our or our customers' existing operations in such jurisdiction. There can be no assurance that our and our customers' existing operations, or the iLottery industry as a whole, in such jurisdictions will continue to be permitted. Further, even if we are still permitted to operate in a given jurisdiction, regulations may be imposed that make continued operations cost-prohibitive.

We may become subject to additional regulations in any new jurisdiction in which we decide to operate in the future. The complexity of the regulatory environment may create challenges for us with respect to our ability to comply with applicable regulations, renew contracts, pursue tender offers and otherwise develop our business.

We may not be able to capitalize on the expansion of internet use and other changes in the lottery industry as a consequence of lack of legislative approvals, changes in regulations or regulatory uncertainty. We aim to take advantage of the liberalization of internet and mobile gaming, both within the United States and internationally. These industries involve significant risks and uncertainty, including legal, business and financial risks. This dynamic environment can make it difficult to plan strategically and can provide opportunities for competitors to grow revenues at our expense. Our ability to successfully pursue interactive lottery and gaming strategies depends on the regulation of gambling through online channels. Regulations and laws relating to internet gaming are evolving and we cannot predict the timing, scope or terms of any such state, federal or foreign regulations, or the extent to which any such regulations will facilitate or hinder our interactive strategies. Any such changes to regulations or laws could have a material adverse effect on our business, results of operations, financial condition and prospects.

Failure to comply with regulations may result in the revocation or suspension of our or certain of our customers' respective licenses to operate.

Our and our customers' respective licenses to operate are subject to suspension or revocation by applicable regulatory authorities as a result of noncompliance with applicable regulatory requirements. In the event of our noncompliance, such authorities may pursue enforcement proceedings against us or certain of our customers. We can provide no assurance as to whether such proceedings would be likely to result in a favorable outcome. Further, such proceedings, irrespective of their outcome, may cause us or our customers to incur substantial costs, require operational changes and result in reputational damage, among other negative impacts, which could have a material adverse effect on our business, results of operations, financial condition and prospects. Finally, regulatory and gaming authorities may suspend, revoke, or condition our existing licenses and permits, or refuse, delay or condition the grant of future licenses and permits, if our principal shareholders are subject to investigations or regulatory proceedings. In two cases, a State gaming board or other regulatory authority granted us a temporary permit, subject to our obligation to provide updates and notify the board regarding proceedings involving one of our Founding Shareholders.

We may incur substantial costs in order to meet the varied and complex regulatory requirements to which we are subject in the different jurisdictions in which we operate.

The form and scope of regulatory requirements within the iLottery, iGaming and online sports betting industries vary by jurisdiction. This lack of uniformity can increase the costs and burden of compliance, as well as increase the difficulty associated with expansion into new jurisdictions.

Regulatory frameworks associated with the iLottery, iGaming and online sports betting industries exist across a wide spectrum, including within particular countries. We currently operate in 20 jurisdictions, including several U.S. states where we hold supplier licenses as part of the WHG License (as defined below), and plan to expand our operations into new jurisdictions. Expansion into new jurisdictions will subject us to a wider range of different, and potentially conflicting, regulatory requirements, which may cause it to incur increased costs and expend a greater degree of time in ensuring compliance. Our business and operations may be adversely affected by inaccurate predictions of the financial cost and administrative burden of compliance in connection with expansion into new jurisdictions. Further, the likelihood of noncompliance may be heightened in the event of expansion, which could result in payment of liquidated damages or termination of contracts in the event of material noncompliance.

Negative publicity concerning the gambling industry could result in increased regulations and reputational harm.

The industries in which we operate are at times subject to negative publicity with regard to harmful gambling behavior, such as addiction, gambling by minors, risks related to digital gambling and alleged association with money laundering. Publicity regarding problem gambling and other concerns with the lottery and other gambling industries, even if not directly connected to us, could adversely impact our business, results of operations, and financial condition. For example, if the perception develops that the gaming industry is failing to address such concerns adequately, the resulting political pressure may result in the industry becoming subject to increased regulation and restrictions on operations. Such an increase in regulation could adversely impact our results of operations, business, financial condition or prospects.

We are subject to laws and regulations related to data privacy, data protection and information security and consumer protection across different markets where we conduct our business, including in the United States and the European Union ("EU"), and we are also required to comply with certain industry standards including the Payment Card Industry Data Security Standard. Our actual or perceived failure to comply with such obligations could harm our business.

In the United States and other jurisdictions in which we operate, we are subject to various consumer protection laws and related regulations. If we are found to have breached any consumer protection laws or regulations in any such jurisdiction, we may be subject to enforcement actions that require us to change our business practices in a manner which may negatively impact our revenues, as well as expose us to litigation, fines, civil and/or criminal penalties and adverse publicity that could cause our customers to lose trust in us, negatively impacting our reputation and business in a manner that harms our financial position.

As part of our business and on behalf of our customers, we collect information about individuals, also referred to as personal data, and other potentially sensitive and/or regulated data. Laws and regulations in the United States and around the world restrict how personal data is collected, processed, stored, used and disclosed, as well as set standards for its security, implement notice requirements regarding privacy practices, and provide individuals with certain rights regarding the use, disclosure and sale of their protected personal data.

In the United States, both the federal and various state governments have adopted or are considering, laws, guidelines or rules for the collection, distribution, use and storage of information collected from or about consumers or their devices. For example, in the United States, there are a number of federal laws that impose limits on or requirements regarding the collection, distribution, use, security and storage of personal data of individuals. The Federal Trade Commission (FTC) Act grants the FTC authority to enforce against unfair or deceptive practices, which the FTC has interpreted to require companies' practices with respect to personal data comply with the commitments posted in their privacy policies. The U.S. Federal Trade Commission and numerous state attorneys general also are applying federal and state consumer protection laws to impose standards on the online collection, use and dissemination of personal data, and to the security measures applied to such data. With respect to the use of personal data for direct marketing purposes, the Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003, or the CAN-SPAM Act, establishes specific requirements for commercial email messages and specifies penalties for the transmission of commercial email messages that are intended to deceive the recipient as to source or content, and obligates, among other things, the sender of commercial emails to provide recipients with the ability to opt out of receiving future commercial emails from the sender.

In addition, in the United States at the state level, for example, California enacted the California Consumer Privacy Act (the "CCPA"), which came into force in 2020. The CCPA creates individual privacy rights for California residents and increases the privacy and security obligations of businesses handling personal data. The CCPA is enforceable by the California Attorney General and there is also a private right of action relating to certain data security incidents.

Additionally, the California Privacy Rights Act (the "CPRA") which was approved on November 3, 2020 imposes additional data protection obligations on companies doing business in California, including additional consumer rights processes and opt outs for certain uses of sensitive data. Further, on March 2, 2021, Virginia enacted the Virginia Consumer Data Protection Act (the "CDPA"), a comprehensive privacy statute that shares similarities with the CCPA, CPRA and legislation proposed in other states. In addition, on July 7, 2021, Colorado enacted the Colorado Privacy Act ("COCPA"), becoming the third comprehensive consumer privacy law to be passed in the United States (after the CCPA and CDPA). Similar laws have been proposed in other states and at the federal level, reflecting a trend toward more stringent privacy legislation in the United States. If we become subject to laws, guidelines or rules such as the CCPA, CRPA CDPA, or COCPA, we may be required to modify our data collection or processing practices and policies and to incur substantial costs and expenses in an effort to comply and increase our potential exposure to regulatory enforcement and/or litigation.

Several foreign jurisdictions, including the EU and the European Economic Area ("EEA"), have laws and regulations which are more restrictive in certain respects than those in the United States. For example, in the EU we are subject to the General Data Protection Regulation 2016/679 (the "GDPR") in relation to our collection, control, processing, sharing, disclosure and other use of data relating to an identifiable living individual (personal data). The GDPR, and national implementing legislation in EEA Member States, impose a strict data protection compliance regime including: providing detailed disclosures about how personal data is collected and processed (in a concise, intelligible and easily accessible form); demonstrating that an appropriate legal basis is in place or otherwise exists to justify data processing activities; granting rights for data subjects in regard to their personal data (including data access rights, the right to be "forgotten" and the right to data portability); requirements to take appropriate technical and organizational security measures; requirements to have data processing agreements in place to govern the processing of personal data on behalf of other organizations; introducing the obligation to notify data protection regulators or supervisory authorities (and in certain cases, affected individuals) of significant data breaches; maintaining a record of data processing; and complying with the principal of accountability and the obligation to demonstrate compliance through policies, procedures, training and audit.

We are also subject to EU rules with respect to cross-border transfers of personal data out of the EEA. Recent legal developments in Europe have created complexity and uncertainty regarding transfers of personal data from the EEA to the United States. Most recently, on July 16, 2020, the Court of Justice of the EU (the "CJEU") invalidated the EU-US Privacy Shield Framework (the "Privacy Shield") under which personal data could be transferred from the EEA to U.S. entities who had self-certified under the Privacy Shield scheme. While the CJEU upheld the adequacy of the standard contractual clauses (a standard form of contract approved by the European Commission as an adequate personal data transfer mechanism, and potential alternative to the Privacy Shield), it made clear that reliance on standard contractual clauses alone may not necessarily be sufficient in all circumstances. Use of the standard contractual clauses must now be assessed on a case-by-case basis, taking into account the legal regime applicable in the destination country, in particular applicable surveillance laws and rights of individuals and additional measures and/or contractual provisions may need to be put in place, however, the nature of these additional measures is currently uncertain. The CJEU went on to state that if a competent supervisory authority believes that the standard contractual clauses cannot be complied with in the destination country and the required level of protection cannot be secured by other means, such supervisory authority is under an obligation to suspend or prohibit that transfer. The European Commission has published revised standard contractual clauses for data transfers from the EEA: the revised clauses must be used for relevant new data transfers from September 27, 2021; existing standard contractual clauses arrangements must be migrated to the revised clauses by December 27, 2022. We will be required to implement the revised standard contractual clauses, in relation to relevant existing contracts and certain additional contracts and customer arrangements, within the relevant time frames. There is some uncertainty around whether the revised clauses can be used for all types of data transfers, particularly whether they can be relied on for data transfers to non-EEA entities subject to the GDPR.

We have relied and currently rely on standard contractual clauses to transfer personal data outside the EU, including to the U.S. among other data transfer mechanisms pursuant to the GDPR, such as transfer to jurisdictions recognized by the European Commission as providing sufficient safeguards for the processing of personal data (adequacy decision).

We have previously relied on our relevant providers' Privacy Shield certification for the purposes of transferring personal data from the EU to the U.S. in compliance with the GDPR's data export conditions.

These recent developments may require us to review and amend the legal mechanisms by which we make and/or receive personal data transfers to/in the U.S. The developments also create uncertainty and increase the risk around our international operations. European court and regulatory decisions subsequent to the CJEU decision of July 16, 2020 have taken a restrictive approach to international data transfers. For example, the Austrian and the French data protection supervisory authorities, as well as the European Data Protection Supervisor, have recently ruled that use of Google Analytics by European website operators involves the unlawful transfer of personal data to the United States; a number of other EU supervisory authorities are expected to take a similar approach which may impact other business tools that we use. As the enforcement supervisory authorities issue further guidance on personal data export mechanisms, including circumstances where the standard contractual clauses cannot be used, and/or start taking enforcement action, we could suffer additional costs, complaints and/or regulatory investigations or fines, and/or if we are otherwise unable to transfer personal data between and among countries and regions in which we operate, it could affect the manner in which we provide our services, the geographical location or segregation of our relevant systems and operations, and could adversely affect our financial results.

We depend on a number of third parties in relation to the operation of our business, a number of which process personal data on our behalf. With each such provider we attempt to mitigate the associated risks of using third parties by performing security assessments and detailed due diligence, entering into contractual arrangements to ensure that providers only process personal data according to our instructions, and that they have sufficient technical and organizational security measures in place. Where we transfer personal data outside the EU or the United Kingdom to such third parties, we do so in compliance with the relevant data export requirements, as described above. There is no assurance that these contractual measures and our own privacy and security-related safeguards will protect us from the risks associated with the third-party processing, storage and transmission of such information. Any violation of data or security laws by our third-party processors could have a material adverse effect on our business and result in the fines and penalties outlined below.

We also act as a data processor on behalf of our customers and have data protection obligations to our customers, including in relation to notifying customers if we suffer a personal data breach, assisting customers with data subject rights requests in relation to the personal data we process, requirements for the use of sub-processors and restrictions on transferring personal data outside of the EU.

We are subject to the supervision of local data protection authorities in those EU jurisdictions where we are established or otherwise subject to the GDPR. Fines for certain breaches of the GDPR are significant, such as an amount equal to the greater of €20 million or 4% of total global annual turnover. In addition to the foregoing, a breach of the GDPR could result in regulatory investigations, reputational damage, orders to cease/ change our processing of our data, enforcement notices, and/or assessment notices (for a compulsory audit). We may also face civil claims including representative actions and other class action type litigation (where individuals have suffered harm), potentially amounting to significant compensation or damages liabilities, as well as associated costs, diversion of internal resources, and reputational harm.

We are also subject to evolving EU privacy laws on cookies, tracking technologies and e-marketing. In the EU, informed consent is required for the placement of a cookie or similar technologies on a user's device and for direct electronic marketing. The GDPR also imposes conditions on obtaining valid consent, such as a prohibition on pre-checked consents and a requirement to ensure separate consents are sought for each type of cookie or similar technology. The current national laws that implement the ePrivacy Directive are highly likely to be replaced across the EU by an EU regulation known as the ePrivacy Regulation which will significantly increase fines for non-compliance. While the text of the ePrivacy Regulation is still under development, a recent European court decision, regulators' recent guidance and recent campaigns by a not-for-profit organization are driving increased attention to cookies and tracking technologies. If regulators start to enforce the strict approach in recent guidance, this could lead to substantial costs, require significant systems changes, limit the effectiveness of our marketing activities, divert the attention of our technology personnel, adversely affect our margins, increase costs and subject us to additional liabilities. Regulation of cookies and similar technologies, and any decline of cookies or similar online tracking technologies as a means to identify and potentially target users, may lead to broader restrictions and impairments on our marketing and personalization activities and may negatively impact our efforts to understand users.

Restrictions on the collection, use, sharing or disclosure of personal data or additional requirements and liability for security and data integrity could require us to modify our solutions and features, possibly in a material manner, could limit our ability to develop new products and features and could subject us to increased compliance obligations and regulatory scrutiny.

These laws and regulations constantly evolve and remain subject to significant change. In addition, the application and interpretation of these laws and regulations are often uncertain. New privacy laws add additional complexity, requirements, restrictions and potential legal risk, require additional investment in resources to compliance programs, and could impact trading strategies and availability of previously useful data. Such new laws may add additional complexity, variation in requirements, restrictions and potential legal risk, require additional investment in resources to compliance programs, and could impact strategies and availability of previously useful data and could result in increased compliance costs and/or changes in business practices and policies.

We are also subject to payment card association operating rules, certification requirements and rules governing electronic funds transfers, including the Payment Card Industry Data Security Standard (the "PCI DSS"), a security standard applicable to companies that collect, store or transmit certain data regarding credit and debit cards, holders and transactions. Any failure to comply with the PCI DSS may violate payment card association operating rules, federal and state laws and regulations, and the terms of our contracts with payment processors and merchant banks. Such failure to comply may result in the loss of our ability to accept credit and debit card payments, subject us to fines, penalties and damages. In addition, there is no guarantee that PCI DSS compliance will prevent illegal or improper use of our payment systems or the theft, loss or misuse of data pertaining to credit and debit cards, credit and debit card holders, and credit and debit card transactions.

We are subject to anti-money laundering laws and regulations in the United States and other jurisdictions in which we operate.

We are subject to reporting, recordkeeping and anti-money laundering provisions in the United States, and are subject to similar requirements in other jurisdictions in which we operate. Recently, there has been increased regulatory scrutiny by the United States and other regulators and law enforcement agencies on companies in the gaming industry and compliance with anti-money laundering laws and regulations. Anti-money laundering laws and regulations are evolving quickly and could change or could be interpreted differently in the future, or new laws and regulations could be enacted. Any determination that we have violated such laws or regulations, or any accusations of money laundering or regulatory investigations into possible money laundering activities, could have an adverse effect on our business, financial condition and results of operations and cash flows, and changes in these laws or regulations could result in increased operating costs.

We are subject to economic and trade sanctions laws and regulations.

We are subject to economic and trade sanctions laws and regulations in the various jurisdictions in which we operate, including those administered and enforced by the U.S. Department of Treasury's Office of Foreign Assets Control, the U.S. Department of State, the U.S. Department of Commerce, the United Nations Security Council and other relevant sanctions authorities. Our global operations expose us to the risk of violating, or being accused of violating, economic and trade sanctions laws and regulations. Our failure to comply with these laws and regulations may expose us to reputational harm as well as significant penalties, including criminal fines, imprisonment, civil fines, disgorgement of profits, injunctions and debarment from government contracts, as well as other remedial measures. Investigations of alleged violations can also be disruptive and cause us to incur significant legal and investigatory fees. Despite our compliance efforts and activities we cannot assure compliance by our employees or representatives for which we may be held responsible, and any such violation could materially adversely affect our reputation, business, financial condition and results of operations.

We are subject to global anti-corruption laws, including the U.S. Foreign Corrupt Practices Act.

We are subject to anti-corruption, anti-bribery and similar laws and regulations in the various jurisdictions in which we operate, including the U.S. Foreign Corrupt Practices Act (the "FCPA"). The FCPA prohibits us and our officers, directors, employees, agents and business partners acting on our behalf, from corruptly offering, promising, authorizing or providing anything of value to a "foreign official" for the purposes of influencing official decisions or otherwise securing an improper advantage to obtain or retain business. The FCPA further requires companies listed on U.S. stock exchanges to make and keep books and records that accurately reflect transactions and dispositions of assets and to maintain a system of adequate internal accounting controls. We conduct business directly and indirectly (through third-party vendors) with U.S. and non-U.S. governments. We are also subject to governmental oversight around the world, which may bring our officers, directors, employees and business partners acting on our behalf, including agents, into contact with government officials, all of which creates compliance risks.

We will implement and maintain policies and procedures designed to comply with applicable anti-corruption laws and regulations. However, we cannot provide assurance that our internal controls and compliance systems will always protect us from liability for acts committed by employees, agents or business partners of ours that would violate U.S. and/or non-U.S. laws, including the laws governing payments to government officials, bribery, fraud, kickbacks and other related laws. Any such improper actions or allegations of such acts could subject us to civil or criminal fines and penalties, disgorgement of profits, injunctions and debarment from government contracts, as well as related stockholder lawsuits and other remedial measures, all of which could adversely affect our reputation, business, financial condition and results of operations. Investigations of alleged violations can also be disruptive and cause us to incur significant legal and investigatory fees.

Our revenue may be impacted, to a significant extent, by macroeconomic conditions.

Our business is sensitive to macroeconomic conditions. Economic factors, such as interest rates, heightened inflationary pressures, rising interest rates in key markets in which we operate, currency exchange rates, changes in monetary and related policies, market volatility, consumer confidence, supply chain issues and unemployment rates, are among the most significant factors that impact consumer spending behavior. Weak economic conditions or a significant deterioration in either global or certain regional economic conditions, including those resulting from health epidemics, such as the ongoing COVID-19 pandemic, or man-made events, such as the rapidly-escalating conflict in Ukraine, may limit supply chains or increase their cost, reduce the amount of disposable income consumers have, which, in turn, reduces consumer spending, and would have an adverse effect on our business, financial condition, and results of operations.

Conditions in the jurisdictions where we operate could materially and adversely affect our business, including, for example, in connection with the ongoing war in Ukraine.

Our offices are located in Tel Aviv, Israel, and a number of our officers and directors are living in Israel. Accordingly, political, economic and military conditions in Israel and the surrounding region may directly affect our business and operations. Since the establishment of the State of Israel in 1948, a number of armed conflicts have taken place between Israel and its neighboring countries. Any hostilities involving Israel could adversely affect our operations and results of operations.

In addition, one of our offices is located in Kyiv, Ukraine, where a large part of our development team is located. Russia's invasion of Ukraine and the related measures taken by the U.S., EU, UK and other jurisdictions, and NATO, including economic sanctions and export controls imposed as a result thereof, have created global security concerns and could have an impact on regional and global economies.

We cannot predict the impact of Russian activities in Ukraine and any heightened military conflict or geopolitical instability that may follow, including additional sanctions or counter-sanctions. While we continue to monitor the situation in Ukraine closely, any prolonged or expanded unrest, military activities, or sanctions, could have a material adverse effect on our operations.

Risks Relating to the Ownership of Our Ordinary Shares

The trading price of our Ordinary Shares is likely to be volatile, and you may lose all or part of your investment.

The following factors, in addition to other risks described in this Annual Report, may have a significant effect on the market price of our Ordinary Shares:

- variations in our operating results;
- actual or anticipated changes in the estimates of our operating results;

- changes in stock market analyst recommendations regarding our Ordinary Shares, other comparable companies or our industry generally;
- macro-economic conditions in the countries in which we do business;
- currency exchange fluctuations and the denominations in which we conduct business and hold our cash reserves;
- market conditions in our industry;
- actual or expected changes in our growth rates or our competitors' growth rates;
- changes in regulation applicable to our industry;
- changes in the market valuation of similar companies;
- the trading volume of our shares on Nasdaq;
- sales of our Ordinary Shares by us or our shareholders, including our Founding Shareholders; and
- the adoption or modification of regulations, policies, procedures or programs applicable to our business.

In addition, if the market for technology stocks or the stock market in general experiences a loss of investor confidence, the trading price of our Ordinary Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Ordinary Shares might also decline in reaction to events that affect other companies in our industry, even if these events do not directly affect us. Each of these factors, among others, could harm the value of your investment in our Ordinary Shares. In the past, following periods of volatility in the market, securities class-action litigation has often been instituted against companies. Such litigation, if instituted against us, could result in substantial costs and diversion of management's attention and resources, which could materially adversely affect our business, operating results and financial condition.

If a U.S. person is treated as owning at least 10% of our Ordinary Shares, such holder may be subject to adverse United States federal income tax consequences.

If a U.S. person is treated as owning (directly, indirectly, or constructively) at least 10% of the value or voting power of our Ordinary Shares, such person may be treated as a "U.S. shareholder" with respect to each "controlled foreign corporation" in our group (if any). Because our group includes a U.S. subsidiary, certain of our non-U.S. subsidiaries will be treated as controlled foreign corporations (regardless of whether or not we are treated as a controlled foreign corporation). A U.S. shareholder of a controlled foreign corporation may be required to report annually and include in its United States taxable income its pro rata share of "Subpart F income," "global intangible low-taxed income," and investments in U.S. property by controlled foreign corporations, regardless of whether we make any distributions. An individual that is a U.S. shareholder with respect to a controlled foreign corporation generally would not be allowed certain tax deductions or foreign tax credits that would be allowed to a U.S. shareholder that is a U.S. corporation. Failure to comply with these reporting obligations may subject a U.S. shareholder to significant monetary penalties and may prevent the statute of limitations with respect to such shareholder's United States federal income tax return for the year for which reporting was due from starting. We cannot provide any assurance that we will assist investors in determining whether we are or any of our non-U.S. subsidiaries is treated as a controlled foreign corporation or whether any investor is treated as a U.S. shareholder with respect to any such controlled foreign corporation or furnish to any U.S. shareholders information that may be necessary to comply with the aforementioned reporting and tax paying obligations. A U.S. investor should consult its advisers regarding the potential application of these rules to an investment in our Ordinary Shares.

Ownership in our Ordinary Shares is restricted by gambling laws, and persons found "unsuitable" by a competent authority may be required to dispose of their shares.

Gambling authorities or lottery authorities, as applicable, have the right to investigate any individual or entity having a relationship to, or involvement with, us or any of our subsidiaries or joint ventures, to determine whether such individual or entity is suitable as a business associate of ours. Many jurisdictions also require any person who acquires beneficial ownership of more than a certain percentage of voting securities of a gambling company to report the acquisition to the local regulatory authorities, and those authorities may require such holders to apply for qualification or a finding of suitability, subject to limited exceptions for "institutional investors" that hold a company's voting securities for investment purposes only.

Gambling and/or lottery authorities have very broad discretion in determining whether an applicant should be deemed suitable. Subject to certain administrative proceeding requirements, these regulators have the authority to deny any application or limit, condition, restrict, revoke or suspend any license, registration, finding of suitability or approval, or fine any person licensed, registered or found suitable or approved, for any cause deemed reasonable by those authorities.

Any person found unsuitable by a competent authority may be precluded from holding direct, indirect, beneficial or record ownership of any voting security, nonvoting security or debt security of any public corporation which is registered with the relevant gambling or lottery authority beyond the time prescribed by such authority.

Our failure, or the failure of any of our major shareholders, directors, officers, key employees, products or technology, to obtain or retain a required license or approval in one jurisdiction could negatively impact our ability (or the ability of any of our major shareholders, directors, officers, key employees, products or technology) to obtain or retain required licenses and approvals in other jurisdictions.

In light of these regulations and the potential impact on our business, our articles of association allow for the restriction of stock ownership by persons or entities who fail to comply with informational or other regulatory requirements under applicable gambling laws, who are found unsuitable to hold our shares by competent authorities, whose stock ownership adversely affects our ability to obtain, maintain, renew or qualify for a license, contract, franchise or other regulatory approval from a gambling or lottery authority or a purported transferee of a stockholder who acquires shares made invalid pursuant to our articles of association. The licensing procedures and background investigations of the authorities that regulate our businesses and the restriction in our articles of association may inhibit potential investors from becoming significant stockholders or inhibit existing stockholders from retaining or increasing their ownership.

We do not anticipate paying dividends in the foreseeable future.

We do not anticipate paying any cash dividends on our Ordinary Shares in the foreseeable future. We intend to retain all available funds and any future earnings to fund the development and expansion of our business. Any future determination to pay dividends will be made at the discretion of our board of directors, subject to compliance with applicable laws and covenants under any future credit facility, which may restrict or limit our ability to pay dividends. The amount of any future dividend payments we may make will depend on, among other factors, our strategy, future earnings, financial condition, cash flow, working capital requirements, capital expenditures and applicable provisions of our articles of association. Unless and until we declare and pay dividends, any return on your investment will only occur if the value of our Ordinary Shares appreciates.

Additionally, under Luxembourg law, at least 5% of our net profits per year must be allocated to the creation of a legal reserve until such reserve has reached an amount equal to 10% of our issued share capital. The allocation to the legal reserve becomes compulsory again when the legal reserve no longer represents 10% of our issued share capital. Our legal reserve is not available for distribution.

Future sales or the perception of future sales of our Ordinary Shares could adversely affect the price of our Ordinary Shares.

Subject to compliance with the Securities Act or exceptions therefrom, we, all of our directors and executive officers, and certain of our shareholders including the Founding Shareholders, may make Ordinary Shares available for sale into the public markets, which could cause the market price of our Ordinary Shares to decline and impair our ability to raise capital. Sales of a substantial number of shares or the perception that such sales may occur may also cause the market price of our Ordinary Shares to fall or make it more difficult for you to sell your Ordinary Shares at a time and price that you deem appropriate.

The coverage of our business or our Ordinary Shares by securities or industry analysts or the absence thereof could adversely affect the trading price and trading volume of our Ordinary Shares.

Our Ordinary Shares are listed on Nasdaq. However, we cannot assure you that an active trading market for our Ordinary Shares will be sustained. The trading market for our securities is influenced in part by the research and other reports that industry or securities analysts publish about us or our business or industry from time to time. We do not control these analysts or the content and opinions included in their reports. We may be slow to attract equity research coverage, and the analysts who publish information about our securities will have had relatively little experience with our company, which could affect their ability to accurately forecast our results and make it more likely that we fail to meet their estimates. If no or few analysts commence equity research coverage of us, the trading price and volume of our securities would likely be negatively impacted. If analysts do cover us and one or more of them downgrade our securities, or if they issue other unfavorable commentary about us or our industry or inaccurate research, our stock price would likely decline. Furthermore, if one or more of these analysts cease coverage or fail to regularly publish reports on us, we could lose visibility in the financial markets. Any of the foregoing would likely cause our stock price and trading volume to decline. Accordingly, we cannot assure you of the likelihood that an active trading market will be sustained, the liquidity of any trading market, your ability to sell your Ordinary Shares when desired or the price that you may be able to obtain in any such sale.

We are an emerging growth company, as defined in the Securities Act, and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our Ordinary Shares less attractive to investors because we may rely on these reduced disclosure requirements.

We are an emerging growth company, as defined in Section 2(a) of the Securities Act, as modified by the JOBS Act, and we could continue to be an emerging growth company for up to five years following the completion of our initial public offering.

For as long as we continue to be an emerging growth company, we may also take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including presenting only limited selected financial data and not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act. As a result, our shareholders may not have access to certain information that they may deem important. We cannot predict if investors will find our Ordinary Shares less attractive because we may rely on these exemptions. If some investors find our Ordinary Shares less attractive as a result, there may be a less active trading market for our Ordinary Shares and our share price may be more volatile.

We are a foreign private issuer and, as a result, we are not subject to U.S. proxy rules and are subject to Exchange Act reporting obligations that, to some extent, are more lenient and less frequent than those of a U.S. domestic public company.

We report under the Exchange Act as a non-U.S. company with foreign private issuer status. Because we qualify as a foreign private issuer under the Exchange Act, we are exempt from certain provisions of the Exchange Act that are applicable to U.S. domestic public companies, including (1) the sections of the Exchange Act regulating the solicitation of proxies, consents or authorizations in respect of a security registered under the Exchange Act, (2) the sections of the Exchange Act requiring insiders to file public reports of their share ownership and trading activities and liability for insiders who profit from trades made in a short period of time and (3) the rules under the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q containing unaudited financial and other specified information. In addition, foreign private issuers are not required to file their annual report on Form 20-F as promptly as U.S. domestic issuers. In addition, we are permitted to disclose limited compensation information for our executive officers on an individual basis. Further, we are not required to comply with Regulation FD, which restricts the selective disclosure of material nonpublic information to, among others, broker-dealers and holders of a company's securities under circumstances in which it is reasonably foreseeable that the holder will trade in the company's securities on the basis of the information. These exemptions and leniencies reduce the frequency and scope of information and protections afforded to shareholders of a company that is not a foreign private issuer.

Additionally, as a foreign private issuer whose shares are listed on Nasdaq, we have the option to follow certain home country corporate governance practices rather than those of Nasdaq, including with respect to Nasdaq's rule with respect to a majority independent board.

At this time, we do not follow any Luxembourg rules instead of Nasdaq corporate governance rules, except with respect to Nasdaq Marketplace Rule 5635 which sets forth the circumstances under which shareholder approval is required prior to an issuance of securities in connection with: (i) the acquisition of the stock or assets of another company; (ii) equity-based compensation of officers, directors, employees or consultants; (iii) a change of control; and (iv) transactions other than public offerings. With respect to the circumstances described in Nasdaq Marketplace Rule 5635, we follow Luxembourg law which does not require approval of our shareholders with respect to the issuance of new shares within the limit and subject to the terms of the delegation granted to the board of directors in the form (and within the limits and conditions) of the authorized capital of the Company.

Subject to following home country rules with respect to the circumstances described in Nasdaq Marketplace Rule 5635, we intend to substantially comply with the rules applicable to U.S. companies listed on Nasdaq. We may in the future elect to follow additional home country practices with regard to various corporate governance requirements for which exemptions are available to foreign private issuers, including certain requirements prescribed by Nasdaq with regard to, among other things, the composition of our board of directors and shareholder approval procedures for certain dilutive events and for the adoption of, and material changes to, equity incentive plans. Following our home country governance practices, as opposed to the requirements that would otherwise apply to a company listed on Nasdaq, may provide less protection than is accorded to investors under Nasdaq rules applicable to domestic issuers. As a result, our shareholders may not have the same protections afforded to shareholders of companies that are subject to all Nasdaq corporate governance requirements.

We may lose our foreign private issuer status in the future, which could result in significant additional costs and expenses.

As discussed above, we are a foreign private issuer, and therefore, we are not required to comply with all of the periodic disclosure and current reporting requirements of the Exchange Act. The determination of foreign private issuer status is made annually on the last business day of an issuer's most recently completed second fiscal quarter, and, accordingly, the next determination will be made with respect to us on June 30, 2022. In the future, we would lose our foreign private issuer status if (1) more than 50% of our outstanding voting securities are owned by U.S. residents and (2) a majority of our directors or executive officers are U.S. citizens or residents, or we fail to meet additional requirements necessary to avoid loss of foreign private issuer status. If we lose our foreign private issuer status, we will be required to file with the SEC periodic reports and registration statements on U.S. domestic issuer forms, which are more detailed and extensive than the forms available to a foreign private issuer. We will also have to mandatorily comply with U.S. federal proxy requirements, and our officers, directors and principal shareholders will become subject to the short-swing profit disclosure and recovery provisions of Section 16 of the Exchange Act. In addition, we will lose our ability to rely upon exemptions from certain corporate governance requirements under the Nasdaq rules. As a U.S.-listed public company that is not a foreign private issuer, we will incur significant additional legal, accounting and other expenses that we will not incur as a foreign private issuer.

We were, until recently, a "controlled company" under Nasdaq rules, and were able to rely on exemptions from certain corporate governance requirements that provide protection to shareholders of companies that are not controlled companies.

Our Founding Shareholders held until recently more than 50% of our issued Ordinary Shares, which entitled us to rely on certain exemptions as a "controlled company" under Nasdaq rules. To date, the Founding Shareholders hold approximately 49.9% of our issued Ordinary Shares, and we are no longer a "controlled company". However, in the event that the Founding Shareholders increase their holdings to more than 50% of our Ordinary Shares, we will be a "controlled company" under Nasdaq rules, again. As a controlled company, we would be exempt from Nasdaq rules with respect to certain corporate governance requirements, such as the requirement that we have a majority of independent directors, which we utilized when we were a "controlled company". If we regain the status of a "controlled company" and elect to take advantage of any exemptions in the future, our shareholders will not have the same protections afforded to shareholders of companies that are subject to all Nasdaq rules.

Our articles of association designate the federal district courts of the United States as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our shareholders.

Our articles of association provide that, unless we consent in writing to the selection of an alternative forum, the U.S. federal district courts shall be the sole and exclusive forum for any claim asserting a cause of action arising under the Securities Act. Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. This choice of forum provision may limit a shareholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees and may increase the costs associated with such lawsuits, which may discourage such lawsuits against us and our directors, officers and employees. Alternatively, if a court were to find these provisions of our articles of association inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business and financial condition. Any person or entity purchasing or otherwise acquiring any interest in our share capital shall be deemed to have notice of and to have consented to the choice of forum provisions of our articles of association described above. This provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the U.S. federal courts have exclusive jurisdiction.

We may be classified as a passive foreign investment company, which could result in adverse United States federal income tax consequences to United States Holders (as defined below) of our Ordinary Shares.

We would be classified as a passive foreign investment company ("PFIC") for any taxable year if, after the application of certain look-through rules, either: (i) 75% or more of our gross income for such year is "passive income" (as defined in the relevant provisions of the Internal Revenue Code (as defined below)), or (ii) 50% or more of the value of our gross assets (generally determined on the basis of a quarterly average) during such year is attributable to assets that produce or are held for the production of passive income. For these purposes, cash and other assets readily convertible into cash or that do or could generate passive income are categorized as passive assets, and the value of goodwill and other unbooked intangible assets is generally taken into account. Passive income generally includes, among other things, rents, dividends, interest, royalties, gains from the disposition of passive assets and gains from commodities and securities transactions. For purposes of this test, we will be treated as owning a proportionate share of the assets and earning a proportionate share of the income of any other corporation of which we own, directly or indirectly, at least 25% (by value) of the stock.

Based on our market capitalization and the composition of our income, assets and operations, we believe we were not a PFIC for the year ending December 31, 2021 and do not expect to be a PFIC for United States federal income tax purposes for the current taxable year or in the foreseeable future. However, this is a factual determination that must be made annually after the close of each taxable year. Moreover, the aggregate value of our assets for purposes of the PFIC determination may be determined by reference to the trading value of our Ordinary Shares, which could fluctuate significantly. In addition, it is possible that the Internal Revenue Service may take a contrary position with respect to our determination in any particular year, and, therefore, there can be no assurance that we were not a PFIC for the year ending December 31, 2021 or will not be classified as a PFIC for the current taxable year or in the future. United States Holders should consult their tax advisers regarding the application of these rules. Certain adverse United States federal income tax consequences could apply to a United States Holder if we are treated as a PFIC for any taxable year during which such United States Holder holds our Ordinary Shares. See Item 10.E. "*Taxation - Material United States Federal Income Tax Considerations for United States Holders - Passive Foreign Investment Company*."

We continue to incur increased costs as a result of operating as a public company, and our management is required to devote substantial time to compliance initiatives and corporate governance practices.

As a public company, and particularly after we are no longer an emerging growth company, we will continue to incur significant legal, accounting and other expenses that we did not incur as a private company. The Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, Nasdaq rules and other applicable securities rules and regulations impose various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Our management and other personnel continue to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations continue to increase our legal and financial compliance costs and continue to make some activities more time-consuming and costly. For example, these rules and regulations make it more difficult and more expensive for us to obtain director and officer liability insurance, and could also make it more difficult for us to attract and retain qualified members of our board of directors.

We continue to evaluate these rules and regulations and cannot predict or estimate the amount of additional costs we may incur or the timing of such costs. These rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices.

We are required to comply with the SEC's rules implementing Sections 302 and 404 of the Sarbanes-Oxley Act, which require management to certify financial and other information in our annual reports and provide an annual management report on the effectiveness of control over financial reporting. We are required to disclose material changes in internal control over financial reporting on an annual basis and are required to make annual assessment of our internal control over financial reporting pursuant to Section 404(a). While we remain an emerging growth company, we will not be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm pursuant to Section 404(b). To maintain compliance with Section 404 we are engaged in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants and adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented and implement a continuous reporting and improvement process for internal control over financial reporting. Despite our efforts, there is a risk that we will not be able to conclude that our internal control over financial reporting is effective as required by Section 404. If we identify one or more significant deficiencies, it could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements. As a result, the market price of our Ordinary Shares could be negatively affected, and we could become subject to investigations by the stock exchange on which our securities are listed, the SEC or other regulatory authorities, which could require additional financial and management resources.

If we were deemed to be an investment company under the Investment Company Act of 1940, as amended (the "1940 Act"), applicable restrictions could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business, financial condition and results of operations.

Under Sections 3(a)(1)(A) and (C) of the 1940 Act, a company generally will be deemed to be an "investment company" for purposes of the 1940 Act if (1) it is, or holds itself out as being, engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities or (2) it engages, or proposes to engage, in the business of investing, reinvesting, owning, holding or trading in securities and it owns or proposes to acquire investment securities having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis. We do not believe that we are an "investment company," as such term is defined in either of those sections of the 1940 Act.

Notwithstanding Sections 3(a)(1)(A) and (C) of the 1940 Act, we are a research and development company and comply with the safe harbor requirements of Rule 3a-8 of the 1940 Act. We intend to conduct our operations so that we will not be deemed an investment company. However, if we were to be deemed an investment company, restrictions imposed by the 1940 Act, including limitations on our capital structure and our ability to transact with affiliates, could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business, financial condition and results of operations.

Risks Relating to Our Incorporation in Luxembourg

The rights of our shareholders may differ from the rights they would have as shareholders of a United States corporation, which could adversely impact trading in our Ordinary Shares and our ability to conduct equity financings.

The Company's corporate affairs are governed by the Company's articles of association and the laws of Luxembourg, including the Luxembourg Company Law, as amended from time to time (*loi du 10 août 1915 concernant les sociétés commerciales, telle qu'elle a été modifiée*). The rights of our shareholders and the responsibilities of our directors and officers under Luxembourg law are different from those applicable to a corporation incorporated in the United States. For example, under Delaware law, the board of directors of a Delaware corporation bears the ultimate responsibility for managing the business and affairs of a corporation. In discharging this function, directors of a Delaware corporation owe fiduciary duties of care and loyalty to the corporation and its shareholders. Luxembourg law imposes a duty on directors of a Luxembourg company to: (i) act in good faith with a view to the best interests of a company; and (ii) exercise the care, diligence, and skill that a reasonably prudent person would exercise in a similar position and under comparable circumstances. Additionally, under Delaware law, a shareholder may bring a derivative action on behalf of a company to enforce a company's rights. Under Luxembourg law, the board of directors has sole authority to decide whether to initiate legal action to enforce a company's rights (other than, in certain circumstances, an action against members of our board of directors, which may be initiated by the general meeting of the shareholders, or, subject to certain conditions, by minority shareholders holding together at least 10% of the voting rights in the company). Further, under Luxembourg law, there may be less publicly available information about us than is regularly published by or about U.S. issuers. In addition, Luxembourg laws governing the securities of Luxembourg companies may not be as extensive as those in effect in the United States, and Luxembourg laws and regulations in respect of corporate governance matters might not be as protective of minority shareholders as are state corporation laws in the United States. Therefore, our shareholders may have more difficulty in protecting their interests in connection with actions taken by our directors, officers or principal shareholders than they would as shareholders of a corporation incorporated in the United States. As a result of these differences, our shareholders may have more difficulty protecting their interests than they would as shareholders of a U.S. issuer.

The Company is organized under the laws of Luxembourg and a substantial amount of its assets are not located in the United States. It may be difficult for you to obtain or enforce judgments or bring original actions against us or the members of our board of directors in the United States.

The Company is organized under the laws of the Grand Duchy of Luxembourg. Most of the members of our board of directors, our senior management and the experts named in this Annual Report reside outside the United States and a substantial portion of their assets are located outside the United States. As a result, it may not be possible for you to effect service of process within the United States upon these individuals or upon us or to enforce judgments obtained in U.S. courts based on the civil liability provisions of the U.S. securities laws against us in the United States. Awards of punitive damages in actions brought in the United States or elsewhere are generally not enforceable in Luxembourg and penalty clauses and similar clauses on damages or liquidated damages are allowed to the extent that they provide for a reasonable level of damages and the courts of Luxembourg have the right to reduce or increase the amount thereof if it is unreasonably high or low.

As there is no treaty in force on the reciprocal recognition and enforcement of judgments in civil and commercial matters between the United States and the Grand Duchy of Luxembourg, courts in Luxembourg will not automatically recognize and enforce a final judgment rendered by a U.S. court. A valid judgment obtained from a court of competent jurisdiction in the United States may be entered and enforced through a court of competent jurisdiction in Luxembourg, subject to compliance with the enforcement procedures (*exequatur*). The enforceability in Luxembourg courts of judgments rendered by U.S. courts will be subject, prior to any enforcement in Luxembourg, to the procedure and the conditions set forth in the Luxembourg procedural code, which conditions may include that:

- the judgment of the U.S. court is final and enforceable (exécutoire) in the United States;
- the U.S. court had jurisdiction over the subject matter leading to the judgment (that is, its jurisdiction was in compliance both with Luxembourg private international law rules and with the applicable domestic U.S. federal or state jurisdictional rules);
- the U.S. court has applied to the dispute the substantive law that would have been applied by Luxembourg courts. Based on recent case law and legal doctrine, it is not certain that this condition would still be required for an exequatur to be granted by a Luxembourg court;
- the judgment was granted following proceedings where the counterparty had the opportunity to appear and, if it appeared, to present a defense, and the decision of the foreign court must not have been obtained by fraud, but in compliance with the rights of the defendant;
- the U.S. court has acted in accordance with its own procedural laws; and
- the decisions and the considerations of the U.S. court must not be contrary to Luxembourg international public policy rules, must not have been given in proceedings of a tax or criminal nature and must not have been rendered subsequent to an evasion of Luxembourg law (fraude à la loi).

In addition, actions brought in a Luxembourg court against us, the members of our board of directors, our officers or the experts named herein to enforce liabilities based on U.S. federal securities laws may be subject to certain restrictions. In particular, Luxembourg courts do generally not award punitive damages. It is possible that awards of damages made under civil liabilities provisions of the U.S. federal securities laws or other laws (for example, fines or punitive damages) would be classified by Luxembourg courts as being of a penal or punitive nature and would not be recognized by Luxembourg courts. Ordinarily an award of monetary damages would not be considered as a penalty, but if the monetary damages include punitive damages, such punitive damages may be considered as a penalty.

Derivative actions are generally not available to shareholders under Luxembourg law. However, minority shareholders holding securities entitled to 10% of the voting rights at the general meeting that resolved on the granting of discharge to the directors may bring an action against the directors on behalf of the company. Minority shareholders holding at least 10% of the voting rights of a company may also ask the directors questions in writing concerning acts of management of the company or one of its subsidiaries, and if the company fails to answer these questions within one month, these shareholders may apply to the Luxembourg courts to appoint one or more experts instructed to submit a report on these acts of management. This provision of Luxembourg law does not apply to claims under the U.S. federal securities laws. Furthermore, consideration would be given by a Luxembourg court in summary proceedings to acts that are alleged to constitute an abuse of majority rights against the minority shareholders.

Litigation in Luxembourg also is subject to rules of procedure that differ from the U.S. rules, including with respect to the taking and admissibility of evidence, the conduct of the proceedings and the allocation of costs. Proceedings in Luxembourg would have to be conducted in the French or German language, and all documents submitted to the court would, in principle, have to be translated into French or German.

There exists no published case law in Luxembourg in relation to the recognition of limited recourse provisions by which a party agrees to limit its recourse against the other party to the assets available at any given point in time with such other party and there exists no published case law in Luxembourg in relation to the recognition of foreign law governed subordination provisions whereby a party agrees to subordinate its claims of another party. If a Luxembourg court had to analyze the enforceability of such provisions, it is likely that such a court would consider the position taken by Belgian and Luxembourg legal scholars according to which limited recourse provisions are enforceable against the parties thereto but not against third parties.

A contractual provision allowing the service of process against a party to a service agent could be overridden by Luxembourg statutory provisions allowing the valid serving of process against a party subject to and in accordance with the laws of the country where such party is domiciled.

For these reasons, it may be difficult for a U.S. investor to bring an original action in a Luxembourg court predicated upon the civil liability provisions of the U.S. federal securities laws against us, the members of our board of directors, our executive officers and the experts named in this Annual Report. In addition, even if a judgment against us, the non-U.S. members of our board of directors, senior management or the experts named in this Annual Report based on the civil liability provisions of the U.S. federal securities laws is obtained, a U.S. investor may not be able to enforce it in U.S. or Luxembourg courts.

Luxembourg and European insolvency and bankruptcy laws are substantially different than U.S. insolvency laws and may offer our shareholders less protection than they would have under U.S. insolvency and bankruptcy laws.

As a company organized under the laws of Luxembourg and with its registered office in Luxembourg, the Company is subject to Luxembourg insolvency and bankruptcy laws in the event any insolvency proceedings are initiated against us including, among other things, Council and European Parliament Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings (recast). Should courts in another European country determine that the insolvency and bankruptcy laws of that country apply to us in accordance with and subject to such EU regulations, the courts in that country could have jurisdiction over the insolvency proceedings initiated against us. Insolvency and bankruptcy laws in Luxembourg or the relevant other European country, if any, may offer our shareholders less protection than they would have under U.S. insolvency and bankruptcy laws and make it more difficult for them to recover the amount they could expect to recover in a liquidation under U.S. insolvency and bankruptcy laws.

ITEM 4. INFORMATION ON THE COMPANY

4.A. History and Development of the Company

We were organized under the laws of the Grand Duchy of Luxembourg ("Luxembourg") as a private limited liability company (société à responsabilité limitée) on April 10, 2014 and converted into a public limited liability company (société anonyme) under the laws of Luxembourg on November 10, 2020 by competing the Initial Public Offering of our Ordinary Shares and their listing on Nasdaq Global Market. As part of the conversion we executed a 1:8.234 reverse share split. Our registered office is located at 63-65 rue de Merl, L-2146 Luxembourg and our telephone number at this address is +352-2040119020.

Our principal executive offices are located at 10 Habarzel Street, Tel Aviv, 6971014, Israel. Our telephone number at this address is +972-73-372-3107. Our website address is https:// neogames.com. The information contained on, or that can be accessed through, our website is not a part of, and shall not be incorporated by reference into, this Annual Report. We have included our website address as an inactive textual reference only. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers, such as we, that file electronically, with the SEC at www.sec.gov. Under the rules of the SEC, we are currently eligible for treatment as a "foreign private issuer." As a "foreign private issuer," we will not be required to file periodic reports and financial statements with the SEC as frequently or as promptly as domestic registrants whose securities are registered under the Securities Exchange Act of 1934, as amended, or the Exchange Act. Our agent for service of process in the United States is Puglisi & Associates and its address is 850 Library Avenue, Suite 204, Newark, DE 19711.

For a description of our principal capital expenditures and divestitures for the three years ended December 31, 2021 and for those currently in progress, see Item 5. "*Operating and Financial Review and Prospects*."

4.B. Business Overview

Our Company

We are a technology-driven business that is an innovator in the lottery industry. As a global B2G and B2B technology and service provider to state lotteries and other lottery operators, we offer our customers a full-service solution that includes all of the elements required for the offering of lottery games, including Instants and DBGs (both as defined below), via personal computers, smartphones and handheld devices ("iLottery"). These elements include technology platforms, a range of value-added services and a game studio with a large portfolio of games. The value-added services that we offer facilitate various aspects of the iLottery offering including regulation and compliance, payment processing, risk management, player relationship management and player value optimization. Our complete solution allows our customers to enjoy the benefits of marketing their brands and generating traffic to their iLottery sales channels. We believe that we are the only full-service company exclusively focused on the iLottery industry.

NeoGames was established as an independent company in 2014, following a spin-off from Aspire Global Plc (formerly known as NeoPoint Technologies Limited) ("Aspire" and, together with its subsidiaries, the "Aspire Group"), formerly a B2C and B2B, and currently a B2B service provider in the iGaming industry. Prior to the spin-off from Aspire, our management team was responsible for the iLottery business of Aspire, which derived the majority of its revenues from the sale of iLottery games to various lotteries in Europe. In 2014, we began to focus on the U.S. iLottery market, which opened in 2012 with the introduction of online lottery ticket sales in Illinois. In order to access this significant market opportunity, we partnered with Pollard Banknote Limited ("Pollard"), one of the leading vendors to the global lottery industry. In 2014, we signed our first turnkey solution contract in the United States with the MSL, as a sub-contractor to Pollard.

In July 2014 we formed NPI, a joint venture with Pollard, for the purpose of identifying, pursuing, winning and executing iLottery contracts in the North American lottery market. NPI combines the Company's technology and iLottery business and operational experience with Pollard's infrastructure, administrative capabilities and relationships with lotteries in North America. NPI is managed by an executive board of four members, consisting of two members appointed by NeoGames and two members appointed by Pollard. NPI has its own general manager and dedicated workforce and operates as a separate entity. However, it relies on NeoGames and Pollard for certain services, such as technology development, business operations and support services from NeoGames and corporate services, including legal, banking and certain human resources services, from Pollard.

Since its inception, NPI has secured iLottery contracts with the VAL, the NHL (as a sub-contractor to Intralot), the NCEL and the AGLC. All of our iLottery business in North America is conducted through NPI, except in Michigan, where the contract is between the MSL and Pollard and we support the Michigan iLottery as a subcontractor of Pollard. We continue to conduct all of our business outside of North America through NeoGames.

We are a 100% digital business that is using technology to transform the traditional retail-based lottery market. Lotteries are a crucial revenue source for our customers as they provide much-needed contributions to state budgets to fund public projects and initiatives. The iLottery industry, and we as a company, benefit from long-term, multi-year contracts with our customers that generally start with an initial term of four to seven years with additional embedded extension option. Moreover, our software-as-a-service business model allows our platform to be highly scalable in a growing industry while benefitting from a visible revenue stream tied to our customers' gaming revenues. There are also significant barriers to enter the iLottery industry due to complexities surrounding regulatory and government contracts and specialized technology requirements. Understanding these dynamics, we have developed a leading market position in the United States. We currently provide iLottery solutions to the largest number of U.S. iLottery customers, including the highest-grossing iLottery program in the United States (the Michigan iLottery). Our revenues (which, as discussed in "*Financial Condition and Results of Operations - Components of Results of Operations - Revenues*," excludes our NPI Revenues Interest (as defined therein)) were $50.5 million for the year ended December 31, 2021, an increase of 2.6% compared to our revenues of $49.2 million for the year ended December 31, 2020, and were $33.1 million for the year ended December 31, 2019 representing an increase of 48.8%.

Our Solutions and Services

We offer iLottery solutions through two distinct business lines - turnkey solutions and games. Our turnkey solutions are tailored to each customer and can include a combination of any of our platforms, value-added services and game studio. Our games offering is related to our game studio, but consists solely of offering our portfolio of iLottery games to lotteries.

We also provide certain software development services to the Aspire Group and NPI and sub-license certain platforms to William Hill. For more information on our contracts with William Hill and Aspire, see "*Related Party Transactions*."

Our Technology Platforms

Though the forms of lottery games vary, the basic structure of all lottery games involves the drawing of numbers at random for the chance of winning a cash prize. Lottery has generally been separated into two primary products:

- draw based games ("DBGs"), such as Powerball, in which players select numbers and the winning combination or ticket is determined by a scheduled draw; and

- instant tickets ("Instants") in which players can instantly reveal a pre-determined result through which they can learn whether their ticket entitles them to a prize.

NeoSphere

The central technology platform we offer, NeoSphere, delivers comprehensive iLottery capabilities through its player account management ("PAM") module, and acts as the system of record for all transactions.

The NeoSphere platform provides and controls the functionality related to the management of players throughout their entire lifecycle. This includes registration (regardless of the digital channel used by the player), age and identification verification, geolocation sign-in, responsible gaming monitoring, product usage, issue resolution, player compliance, player retention, marketing and player services, as well as the functionality required for wallet transactions. The PAM module is where we collect, process and record every transaction associated with a player's identification across the entire turnkey solution. The data collected through these online interactions give us an insight into player preferences, and consequently inform the execution of player segmentation strategies to drive insightful iLottery campaigns. Utilizing our responsible gaming and compliance features embedded throughout our solution, we also monitor gaming activity and provide controls and alerts customized for each player's profile.

We believe the highly flexible and versatile PAM that we offer can power the management and operations of many forms of online gaming and is trusted by our customers for its performance and reliability. For example, this PAM serves as the central platform for William Hill's U.S. online sports betting and iGaming offerings, supports the significant growth of lottery and casino games and sports betting under our agreement with Sazka and powers the entire suite of iGaming offerings under our agreement with the AGLC.

NeoDraw

NeoDraw is one of only four central gaming systems certified by the U.S. Multi-State Lottery Association for the issuance, sale and operation of DBGs. The proprietary technology of NeoDraw has been developed specifically for the iLottery market and online players and is fully-integrated with the NeoSphere platform to facilitate the rapid implementation of DBGs as part of the complete turnkey solution.

NeoDraw is an example of specialized technology. Providers of online casino games or sports betting typically cannot apply their technology used for online casino and sports betting to DBG offerings given the multifaceted nuances of lottery game mechanics and math.

The main advantages of NeoDraw include:

- *Greater flexibility for the lottery* - NeoDraw can operate independently or in parallel with an existing retail central lottery system and is not constrained by limitations of traditional lottery systems.

- *Quicker time to market* - NeoDraw is fully-integrated with NeoSphere. This reduces the complexity, resources and time required to integrate with a third-party system to launch traditional games.

- *Additional functionality* - NeoDraw enables us and our lottery customers to introduce new innovations related to online purchase flows, shopping cart functionality and in-game features that are in some cases not available with legacy central lottery systems.

Currently, all of our U.S. customers have opted to employ NeoDraw to launch their iLottery offerings.

NeoPlay

NeoPlay is the technology platform we offer that manages online Instants. It facilitates configurations, including prize tables, payouts, ticket series setups, ticket price points and many other variables, and supports channels, including mobile, desktop and applications.

Our Services

With more than ten years of experience in the iLottery industry (including our management team's operation of the iLottery business of Aspire), we have gained substantial knowledge and direct experience in the full spectrum of marketing and business operations which is essential to enable the revenue growth of our customers. The insights that we continue to gain from our broad view of analytics, game performance, player support, payment solutions management and more allows us to act as a strategic partner to our customers in jointly developing their iLottery businesses.

We provide services to our customers across four key areas: marketing operations, player operations, technology operations and business operations.

- *Marketing operations* - we provide targeted marketing services and data analytics to our North American customers through the entire player lifecycle, from digital acquisition and onboarding to game participation. Such operations include:

  - implementation of promotional campaigns tailored to player segments;

  - maximization of the return generated from a player;

  - results-based analytics of player behavior;

  - player-level segmentation-based evaluation of the player's activity status, game orientation, deposit characteristics, reaction to previous promotional campaigns and account balance status;

  - predictive analysis of the lifetime value of players acquired from different marketing and promotional campaigns; and

  - information regarding the decision on which player acquisition strategies and marketing campaigns to focus and which to abandon.

- *Player operations* - leveraging years of experience managing players on behalf of our customers, we provide to our North American customers various services designed to offer the best possible services to iLottery players. Such operations include:

  - a customer service center based in Lansing, Michigan, which services our North American customers;

  - responsible gaming services to proactively detect and react to player gaming behaviors;

  - compliance services including anti-money-laundering ("AML") and know-your-customer solutions to meet the customer's local requirements; and

  - facilitating the flow of funds throughout the entire player lifecycle, from funding to cash-outs.

- *Technology operations* - these operations, which we provide to many of our customers, are meant to provide the full spectrum of monitoring and maintenance of the platforms we deploy for our customers and protect the integrity of our back-end iLottery software. Such operations include:
  - the deployment of our technology platforms in the form of a SaaS offering;
  - ongoing deployments of advanced versions of our software;
  - handling of all reported production incidents;
  - verification of technological defects, and potential escalation to the development team; and
  - monitoring the network's performance for degradation and potentially fraudulent activity.
- *Business operations* - we facilitate payment processing services by third-party vendors and manage customer-facing personnel. Such operations include:
  - integrating third-party payment solutions into our platforms to allow for credit and debit card transactions and bank transfers;
  - serving as merchant of record on behalf of our customers;
  - recruiting, training and managing customer service representatives; and
  - developing and managing the project plan required to deploy each solution.

Our Game Studio

We believe that, while operating the iLottery business of Aspire, we were the first to build a separate business unit exclusively for the development of iLottery games. We believe that we have one of the largest iLottery game portfolios in the global lottery industry, having produced more than 350 proprietary games.

We believe that the competitive advantage of our exclusive focus on iLottery platforms also extends to our game studio. Games offered by lotteries need to comply with strict regulations and guidelines. We believe that our focus solely on iLottery enables us to produce the best iLottery games that meet such regulations and guidelines, while providing an entertaining and diverse player experience. We believe this ability is derived from our vast experience and deep understanding of the boundaries established by such regulations and guidelines and our proven ability to "innovate inside the box."

Our games are developed by the highly dedicated members of our studio with experience across art design and advanced multimedia animations, software development, engineering and mathematics. Prior to and during the production of a game, we consider a number of fundamental factors, including:

- *Entertainment value* - the level of player interaction as part of the game, the complexity level of playing the game, the multimedia experience (design, animation and audio), and the duration of a game.
- *Mathematics* - controlling the risk level of the game and optimizing the game experience to the risk profile of iLottery players (given the target payout ratio).

Competitive Landscape

In order to protect the lottery's stability and dependability as a source of funding for government budgets, governments have instituted practices and protocols that prospective vendors to the lotteries must follow in order to compete for lottery contracts, including the:

- use of complex official public procurement processes, requiring substantial commitments from participating vendors, such as performance bonds;
- inclusion of termination at will provisions in contracts; and
- requirement for specialized technology specifically for lottery that complies with lottery rules.

Governments also have tended not to frequently change lottery vendors while lottery operations are ongoing, to avoid the risks inherent to such change. Currently, the number of companies that service the lottery industry is limited given the meaningful cost and required expertise.

The iLottery industry shares many characteristics with the traditional lottery industry, including an important role within government budgets, a high degree of regulation, limited competition and a long procurement process. These shared characteristics include:

- long sale cycles and substantial upfront investment;
- long-term relationships with limited turnover; and
- growth alongside other forms of gambling.

iLottery has been able to grow alongside the traditional lottery, suggesting that typical iLottery players may have a distinct profile from that of typical traditional retail lottery players.

Launching a full iLottery program requires a considerable upfront investment in time and capital to develop what we refer to as "specialized technology" (the technology that is developed specifically for the lottery industry and requires considerable expertise), create a portfolio of tailored games and establish facilities to host the operations and data processing within the jurisdiction in which iLottery is offered.

Unlike in traditional retail lottery, where a single state may have multiple service providers for Instants and a separate service provider for DBGs, for iLottery a customer typically expects a single service provider to support the full suite of Instants and DBGs. These upfront investments are further amplified by a procurement process for government customers that involves significant restrictions and formalities, and a general requirement for an iLottery provider to deposit performance bonds to guaranty the program's level of performance.

While competition in the lottery industry is limited as a result of various barriers explained above, the innovative nature of iLottery created an opportunity for a singularly-focused company to enter and compete with long-time incumbents of traditional lottery. Our experience suggests that brand awareness, compelling customer business results and credibility in solid delivery and services will remain vital for success within the iLottery industry. Just as it has with traditional lottery, we believe this will lead to stable contracts with limited turnover.

We believe that the iLottery industry is less exposed to new market entrants than other gambling markets, due to the considerable barriers to entry imposed by the government procurement process, regulations and the need for specialized technology, among other factors. There is, however, intense competition among the few existing iLottery providers with respect to new iLottery contracts. We compete both for contracts to supply our full turnkey solution and for contracts to supply our portfolio of games.

We compete primarily against International Game Technology PLC ("IGT"), Scientific Games Corp. ("SGMS") and Intralot for turnkey solutions contracts. With the exception of Intralot, we compete against the same companies for game contracts, in addition to several other companies, such as Instant Win Gaming Ltd. Although these other companies, which do not offer turnkey solutions, may capture some content market share, they will need to host their games on platforms like ours. Other companies may in the future choose to enter the iLottery industry, but we believe the expertise and experience required to build and operate a successful iLottery technology platform will limit this expansion.

We have deployed our turnkey solution to more U.S. lotteries that engaged a full-service iLottery provider than any of our competitors.

Our Competitive Strengths

Technology design and flexibility

Our focus on iLottery allows us to prioritize the improvement of our iLottery technology and services ahead of other business opportunities. We believe that our focus on iLottery solutions, building upon years of expertise and deep exposure to U.S. customers, has given us a superior understanding of iLottery customers and players that allows us to continue to outperform our competitors in iLottery solutions and games.

The fully-integrated iLottery turnkey solution that we offer is designed to be flexible, responsive and readily adaptable to meet each customer's needs, as well as support future growth and innovation over time. The open architecture we utilize in the development of our technology provides several benefits to our customers. With a single code base, our platforms can be continuously adapted and improved without any hindrance or restrictions from third-party suppliers. This means that all of our customers can run the same core software version and receive the same advancements and updates in a relatively short period of time, allowing us to evolve our platforms and games at a fast pace and large scale.

In-house game studio

We have produced more than 350 proprietary iLottery games, and we operate our own in-house game studio. Historically, our games have performed strongly relative to our competitors' in terms of profitability and popularity. Our game studio allows us to offer our customers a complete solution, while certain of our competitors must use third party vendors in order to provide their customers with games. In addition, our extensive game portfolio allows us to extend our customer base to customers who do not need our full turnkey solution, but are looking to expand their online games offering for greater variety of entertaining content.

iLottery business operations experience

Our experience as a B2C and B2B gaming operator, initially within Aspire, followed by years of hands-on experience managing players on behalf of our U.S. customers as part of our player operations service, has helped inform how we manage and engage iLottery players. We have also gained substantial knowledge about the iLottery market and its participants in the past decade through our operations in Europe and the United States. Our experience provides us a deep understanding of the characteristics of iLottery players, allowing us to customize our solutions to such players' needs and interests.

We analyze our customers' player game data daily to gain insights into game play mechanics and player preferences across multiple jurisdictions. Our focus is on the players and understanding their characteristics, perception of gambling, loyalty to the lottery brand and other attributes. We believe this understanding has contributed to the success of our game studio.

Time to market

We have deployed our turnkey solution to more U.S. lotteries that engaged a full-service iLottery provider than any of our competitors. The experience we gained in such deployments has allowed us to improve our implementation process and shorten our time to market. In addition, because our central lottery system is already fully-integrated with our turnkey solution, we are able to reduce the complexity, resources and time involved in the integration of third-party systems, which also contributes to shorter time to market. For example, we launched our turnkey solution for the NHL within seven months of being awarded the contract.

Brand awareness and credibility

Given the important role of lotteries in government budgets, winning the trust of customers is critical for lottery platform and service providers to be awarded new contracts, and reputation and brand are important to winning that trust. While only entering the U.S. market in 2014, we believe we have emerged as a well-known and respected name in the iLottery industry in the United States and globally because of our performance supporting our customers' growth. The Michigan iLottery has served as a model to other U.S. states seeking to offer iLottery, and we believe that state lotteries are aware of our operating acumen and the role our technology has played in driving that success.

Cooperation with various market players

Our openness to pursue opportunities that bring together strengths from different vendors has brought us to successfully cooperate with other vendors in the iLottery industry. We believe this approach allows us access to contracts that would otherwise have not been available for public procurement. For example, with respect to the NHL, we serve as a sub-contractor to Intralot and, with respect to the AGLC, we are cooperating with IGT to offer access to their suite of casino games, an area in which they specialize, to the benefit of the offering. We expect to continue to see similar opportunities, including opportunities to provide our successful game portfolio in cooperation with other vendors to the benefit of the state lotteries.

Revenues

Revenues for the Company by category of activity are as follows:

	For the year ended December 31,		
	2021	2020	2019
	U.S. dollars (in millions)		
Turnkey contracts:			
North America	22.9	26.8	13.3
Europe	7.0	5.4	3.9
Games:			
North America			
Europe	2.0	2.1	2.2
Total royalties	31.9	34.3	19.4
Development and other services from Aspire	1.6	2.4	4.1
Development and other services from NPI	7.6	4.4	2.9
Development and other services from Michigan Joint Operation	1.4	1.4	1.0
Total Development and other services	10.6	8.2	8.0
Access to IP rights	8.0	6.7	5.6
Total	**50.4**	**49.2**	**33.0**

Our Growth Strategy

Our growth strategy is built upon five pillars:

- expanding the penetration of our existing customer contracts;
- winning new turnkey contracts in the United States;
- growing our game studio customer base;
- expanding the scope of our existing customer contracts; and
- expanding our range of offerings and geographical presence.

Increase iLottery Penetration within Existing Markets

Based on our performance in Michigan and more recent turnkey solution launches such as in Virginia, as well as on our prior experience in certain European markets, we believe there remains considerable room for growth above the current level of iLottery Penetration in the United States. Leveraging our operational expertise and technology, we plan to work closely with our customers to strengthen the reach of our offering in each market.

Increase Scope of Existing Customer Contracts

Certain of our contracts only include some of the platforms and services we can provide. We believe there is significant potential to offer additional games and services, including feature enhancements, to our existing customers in the future. For example, when we procured our contract with the VAL in 2015, we offered only online subscription DBGs However, in March 2020, following a change in legislation, the VAL chose to expand our contract to include both Instants and DBG offerings. The offering under the expanded contract launched in July 2020 and has an initial term through 2026 plus the option to extend for five additional years. A number of our contracts are in their early years and, as such, provide us ample time to expand the offerings we provide to our existing customers.

We have gained substantial knowledge about the iLottery market and its participants in the past decade through our operations in Europe and the United States, and our experience provides us with a deep understanding of the characteristics of iLottery players, allowing us to customize our solutions to such players' needs and interests.

Win New Contracts in the United States

We are a market leader in iLottery in the United States. With 67% market share of U.S. iLottery gross wagers in 2021 according to Eilers& Krejcik Gaming's U.S. iLottery Tracker, we drive a majority of U.S. iLottery GGR.

We continuously seek to expand our operations in the U.S. by securing new contracts. While lottery is offered in 45 states and the District of Columbia, iLottery Instants or DBGs are currently offered in only nine states and the District of Columbia as depicted in the map below (excluding states that offer only subscription-based iLottery). As a result, 70% of the U.S. population in states that offer lotteries do not currently have access to iLotteries.

Grow our Game Studio Customer Base

We intend to further expand our revenue base by offering our popular iLottery games to new customers who use the platforms of other iLottery providers. We currently operate five contracts in Europe pursuant to which we only provide games, including our most recent launch of Instant games on Lottomatica's gaming platforms in October 2021, and we plan to expand this offering model into the United States and Canada.

Expanding our Range of Offerings and Geographical Presence

We are currently focused on expanding our North American business to become the dominant iLottery provider in the market. In doing so, we invest our resources and expertise into building top-tier iLottery technology and content. With a history of successful iLottery offerings developed for the North American market, we believe we have the ability to expand our offerings around the world. While we are currently focused on the North American market, we may decide to pursue additional opportunities around the world in the future.

Furthermore, while we have focused our efforts on iLottery technology and content so far, we may decide to pursue additional opportunities, such as the offering of gaming products like online casino and sports betting. As demonstrated by our PAM development for William Hill and the broad scope of services we provide to Sazka and the AGLC, we believe that we can expand our offering to other gaming products.

Seasonality

Our quarterly results of operations may vary as a result of seasonal fluctuations during periods such as holidays and weather conditions, during which users spend increased time on entertainment, including games and mobile applications, which increases our customers' usage of our advertising network and other solutions and may impact our revenue. We may also experience fluctuations due to factors that may be outside of our control that drive usage up or down. While we believe that this seasonality has affected and will continue to affect our quarterly results, our rapid growth has largely masked seasonal trends to date.

Intellectual property

We currently own most of the intellectual property required for our operations and control the remainder of the intellectual property required for our operations through a perpetual, assignable license.

Most of the intellectual property we use is created by us or by related parties. See "*Related Party Transactions - Relationship with Aspire - Aspire Software License Agreement*." We have also obtained rights to use intellectual property of third parties through licenses and service agreements with those third parties. Although we believe these licenses are sufficient for the current operation of the Company, such licenses typically limit our use of the third parties' intellectual property to specific uses and for specific time periods. We believe that we have the personnel needed to manage and adapt our intellectual property as necessary to support our business operations.

Most of our intellectual property is in the form of rights in software code and trade secrets that we use in the operation of our iLottery offering and related services, as well as registered and unregistered trademarks. We rely on a combination of copyright, trademark and trade secret laws in the United States and other jurisdictions, as well as license agreements and other contractual protections, to protect our proprietary technology. We also protect our intellectual property rights by implementing a policy that requires our employees and independent contractors involved in development of intellectual property to enter into agreements acknowledging that all intellectual property generated or conceived by them on our behalf are our property, and assigning to us any rights that they may claim or otherwise have in those works or property, to the extent allowable under applicable law. Our confidential information is protected by a combination of information security systems and non-disclosure agreements with third parties, including our employees and independent contractors.

Our agreements with business partners and lotteries to which we provide our iLottery offering and services contain provisions safeguarding our rights to our intellectual property.

Regulation

The provision of the PAM module and operation of lotteries in the United States and internationally is subject to extensive regulation. Although certain features of a lottery (such as the limited number of lotteries, the percentage of gross sales that must be paid back to players in prize money and the allocation of revenues generated from gross sales) are usually set by legislation, lottery regulatory authorities (and, occasionally, the lottery corporation itself) generally exercise significant discretion, including with respect to the determination of the types of games played, the price of each wager, the manner in which the lottery is marketed and the selection of suppliers of equipment, technology and services, and retailers of lottery products.

To ensure the integrity of contract awards and lottery operations, most U.S. jurisdictions require detailed background disclosure on a continuous basis from, and conduct background investigations of, vendors and their officers, directors, subsidiaries, affiliates and principal stockholders. Background investigations of the vendors' employees who will be directly responsible for the operation of lottery systems are also occasionally conducted and most states reserve the right to require the removal of employees who they deem to be unsuitable or whose presence they believe may adversely affect the operational security or integrity of the lottery. Certain jurisdictions also require extensive personal and financial disclosure and background checks from persons and entities that hold (either legally, beneficially or through voting rights) a specified percentage (typically five percent or more) of a vendor's securities. Although most jurisdictions provide that "institutional investors" (as defined by a particular jurisdiction) can seek a waiver of these requirements, the granting of such a waiver may be conditioned on a regulatory investigation designed to ascertain that the applicant meets the definition of "institutional investor."

The failure of our officers, directors and holders of our Ordinary Shares to submit to background checks and provide such disclosure could result in the imposition of penalties and could jeopardize the award of a contract to us or provide grounds for termination of an existing contract. Generally, any person or entity who fails or refuses to apply for a finding of suitability or a license within the prescribed period after being advised by a competent authority that such person or entity is required to do so may be found unsuitable or denied a license, as applicable. If any director, officer, employee or significant shareholder is found unsuitable (including due to the failure to submit required documentation) by a competent regulator or authority, we may deem it necessary, or be required, to sever our relationship with such person or entity.

Furthermore, we may be subject to disciplinary action or our licenses may be in peril if, after we receive notice that a person or entity is unsuitable, we (i) pay that person or entity any dividend or interest upon our Ordinary Shares, (ii) allow that person or entity to exercise, directly or indirectly, any voting right conferred through Ordinary Shares held by that person or entity, (iii) pay remuneration in any form to that person or entity for services rendered or otherwise, or (iv) fail to pursue all lawful efforts to require such unsuitable person or entity to relinquish its Ordinary Shares.

Subject to all applicable law and regulation, our articles of association provide for the suspension of certain rights attached to our Ordinary Shares that are held by unsuitable shareholders and the disposal of any of our Ordinary Shares owned or controlled by an unsuitable person or its affiliates by transfer to one or more third-party transferees. If such unsuitable person fails to dispose of our Ordinary Shares within the required period of time, we may in good faith dispose (or procure the disposal) of such Ordinary Shares to a designated third party at the highest price reasonably attainable or, subject to applicable law and regulation and our articles of association, acquire such Ordinary Shares by way of a redemption.

The awarding of lottery contracts and ongoing operations of lotteries in international jurisdictions is also extensively regulated, although international regulations typically vary from those prevailing in the United States and tend to focus more on the vendor and its senior management, rather than on individual shareholders.

The U.S. federal Wire Act of 1961 (the "Wire Act") provides that anyone engaged in the business of betting or wagering that knowingly uses a wire communication facility for the transmission in interstate or foreign commerce of bets or wagers or information assisting in the placing of bets or wagers on any sporting event or contest, or for the transmission of a wire communication which entitles the recipient to receive money or credit as a result of bets or wagers, or for information assisting in the placing of bets or wagers, will be fined or imprisoned, or both. In 2011, the U.S. Department of Justice issued an opinion (the "2011 Opinion") to the effect that the conduct prohibited by the Wire Act was limited to sports gambling.

In January 2019, the U.S. Department of Justice Office of Legal Counsel ("DOJ") published an opinion ("2019 Opinion") that reinterpreted the statutory provisions of the Wire Act, 18 U.S.C. §1084 concluding that the prohibitions contained in the statute apply not only to sports gambling, but to all types of gaming. This reversal of the 2011 Opinion of the DOJ created uncertainty as to the lawfulness of the interstate transmission of data associated with lawful state lotteries. On January 15, 2019, the Deputy Attorney General issued a memorandum stating that Department of Justice attorneys should adhere to the 2019 Opinion, but that as an exercise of discretion, the Department would refrain from applying the new interpretation to persons who engaged in conduct in reliance on the interpretation set forth in the 2011 Opinion prior to the date of the 2019 Opinion and for 90 days thereafter. On February 15, 2019, NPI filed a complaint for declaratory relief and a motion for summary judgment with the U.S. District Court for the District of New Hampshire (the "District Court") requesting a formal declaratory judgement that the Wire Act does not prohibit the use of a wire communication facility to transmit in interstate commerce bets, wagers, receipts, money, credits, or any other information related to any type of gaming other than gambling on sporting events and contests.

In June 2019, the U.S. District Court ruled in favor of NPI and declared (without qualification) that the Wire Act applies only to transmissions related to bets or wagers on a sporting event or contest. The U.S. District Court further directed that the 2019 Opinion be "set aside". The DOJ filed a notice of appeal to the First Circuit of the US Court of Appeals on August 16, 2019 and its opening brief on December 20, 2019. NPI filed its response brief on February 26, 2020. The DOJ's reply brief was filed on May 22, 2020. Oral arguments were heard on June 28, 2020.

A decision of the First Circuit Court was received on January 20, 2021. The First Circuit Court ruled in favor of NPI and unequivocally affirmed the decision of the District Court that the federal Wire Act is limited to sports betting and therefore, does not pertain to state-run lotteries. By upholding the 2011 interpretation that the Wire Act applies only to bets and wagers on a sporting event or contest, this declaratory ruling provides complete relief to NPI and the Company.

Having ruled that the declaratory judgment was appropriate and would provide complete relief to the plaintiffs in respect of their current and future operations, the First Circuit Court vacated the relief previously granted under the Administrative Procedures Act.

The DOJ did not appeal the decision of the First Circuit Court to the US Supreme Court.

Social Responsibility and Responsible Gaming

We are committed to the integration of corporate social responsibility within our businesses, supporting the continued generation of sustainable value and enhancing our ability to deliver on its strategic objectives. We believe that our true value is reflected not simply by our balance sheet but through our intangible assets such as goodwill, our people and our reputation. As a leader in the iLottery industry, we take our responsibilities to our customers and regulators seriously and are focused on cooperating with both on issues of responsible gambling. We provide our customers with robust solutions that facilitate responsible gaming for players, including embedded systems that assist in ensuring a safe playing environment for all. By embracing policies and behaviors governing social responsibility, we create more valuable relationships with our stakeholders by demonstrating our focus on managing material non-financial risks in the business.

Our responsible gaming platform features include:

- *Advanced self-management module*, which enables players to define their responsible gaming limits within a wide range of parameters;
- *Operator-controlled module*, which enables lottery customers to define and enforce policies and limitations on their players; and
- *Application programming interface*, which connects to government and other gaming databases to provide in-game alerts to remind players to play responsibly.

Litigation

From time to time, we may be involved in various claims and legal proceedings related to claims arising out of our operations. Other than as described above in "*—Regulation*," we are not currently a party to any material legal proceedings, including any such proceedings that are pending or threatened, of which we are aware.

Employees

As of December 31, 2021, the Company had 154 employees located predominantly in Israel and 2 employees located in the United States. Additionally, as of December 31, 2021 the Company had 211 dedicated contractors located in Ukraine. Prior to Russia's invasion of Ukraine in February 2022, 60 of our staff left Ukraine to neighboring countries with our assistance, and 70 others left to western areas of the country.

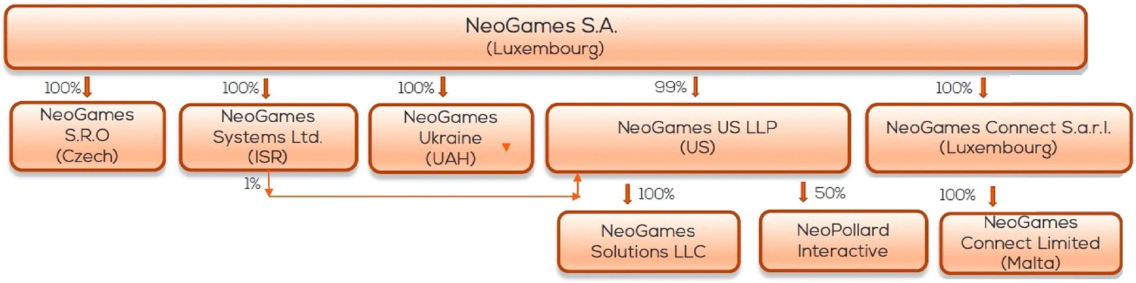
Our goal is to attract and retain highly qualified and motivated personnel. We also engage contractors to support our efforts. None of our employees and service providers are subject to a collective bargaining agreement. We consider our employee relations to be good and we have never experienced a work stoppage.

We are committed to maintaining a working environment in which diversity and equality of opportunity are actively promoted and all unlawful discrimination is not tolerated. We are committed to ensuring employees are treated fairly and are not subjected to unfair or unlawful discrimination. We value diversity and to that end recognize the educational and business benefits of diversity amongst our employees, applicants and other people with whom we have dealings.

4.C. Organizational Structure

The legal name of our company is NeoGames S.A., and we are organized under the laws of the Grand Duchy of Luxembourg. We have five wholly-owned subsidiaries: Neogames Systems Ltd. which is incorporated under the laws of the State of Israel; Neogames Ukraine, which is incorporated under the laws of Ukraine; Neogames S.R.O, which is incorporated under the laws the Czech Republic; NeoGames Connect S.à r.l., which is incorporated under the laws of the Grand Duchy of Luxembourg; and Neogames US LLP, which is incorporated under the laws of the State of Delaware. We have two entities that we hold through Neogames US LLP: one wholly-owned subsidiary, Neogames Solutions LLC, which is incorporated under the laws of the State of Delaware, and one joint venture, NeoPollard Interative LLC, in which we hold a fifty percent membership interest and which is incorporated under the laws of the State of Delaware.

NeoGames Corporate Structure



4.D. Property, Plants and Equipment

The Company has an office in Tel Aviv, Israel, where it leases approximately 27,200 square feet of office space. The lease for this facility was extended until April 14, 2022, and extended again for an additional five years commencing on April 15, 2022. The lease will automatically extend for an additional five years unless we terminate it upon prior notice. A large part of our development team is located in Kyiv, Ukraine. During 2021, we entered into a new lease agreement with respect to office space in the area of approximately 1,966 square feet, designated to serve our team in Ukraine. The lease for this facility will expire on June 2, 2029. NPI serves our iLottery customers in North America through an office space of approximately 18,100 square feet in Lansing, Michigan, USA. This facility is leased by Pollard iLottery Inc., and because it is used solely for the benefit of the operations of NPI and the MSL, the Company participates in 50% of its monthly costs. The original lease agreement for the facility expired on March 31, 2020, and was extended by seven years until March 31, 2027.

We believe that our current facilities are adequate to meet our needs for the near future and that suitable additional or alternative space will be available on commercially reasonable terms to accommodate our foreseeable future operations.

ITEM 4A. UNRESOLVED STAFF COMMENTS

None.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

You should read the following discussion and analysis of our consolidated financial condition and results of operations in conjunction with our consolidated financial statements and the related notes included elsewhere in this Annual Report. 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 Annual Report. Actual results could differ materially from those contained in any forward-looking statements. Our financial statements have been prepared in accordance with IFRS. See Item 3.D. "Key Information - Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements." The discussion of our operating and financial review and prospects for the year ended December 31, 2019 compared to the year ended December 31, 2020, can be found in Part I, Item 5. of our Form 20-F filed on April 16, 2021, as amended by Amendment No. 1 on Form 20-F filed on January 18, 2022.

Our Company

We are a technology-driven business that is an innovator in the lottery industry. As a global B2G and B2B technology and service provider to state lotteries and other lottery operators, we offer our customers a full-service solution that includes all of the elements required for the offering of lottery games, including Instants and DBGs, via personal computers, smartphones and handheld devices. These elements include technology platforms, a range of value-added services and a game studio with a large portfolio of games. The value-added services that we offer facilitate various aspects of the iLottery offering including regulation and compliance, payment processing, risk management, player relationship management and player value optimization. Our complete solution allows our customers to enjoy the benefits of marketing their brands and generating traffic to their iLottery sales channels. We believe that we are the only full-service company exclusively focused on the iLottery industry.

NeoGames was established as an independent company in 2014, following a spin-off from Aspire, a B2C and B2B service provider in the iGaming industry. Prior to the spin-off from Aspire, our management team was responsible for the iLottery business of Aspire, which derived the majority of its revenues from the sale of iLottery games to various lotteries in Europe. In 2014, we began to focus on the U.S. iLottery market, which opened in 2012 with the introduction of online lottery ticket sales in Illinois. In order to access this significant market opportunity, we partnered with Pollard, one of the leading vendors to the global lottery industry. In 2014, we signed our first turnkey solution contract in the United States with the MSL, as a sub-contractor to Pollard.

In July 2014 we formed NPI, a joint venture with Pollard, for the purpose of identifying, pursuing, winning and executing iLottery contracts in the North American lottery market. NPI combines the Company's technology and iLottery business and operational experience with Pollard's infrastructure, administrative capabilities and relationships with lotteries in North America. NPI is managed by an executive board of four members, consisting of two members appointed by NeoGames and two members appointed by Pollard. NPI has its own general manager and dedicated workforce and operates as a separate entity. However, it relies on NeoGames and Pollard for certain services, such as technology development, business operations and support services from NeoGames and corporate services, including legal, banking and certain human resources services, from Pollard.

Since its inception, NPI has secured iLottery contracts with the VAL, the NHL (as a sub-contractor to Intralot), the NCEL and the AGLC. All of our iLottery business in North America is conducted through NPI, except in Michigan, where the contract is between the MSL and Pollard and we support the Michigan iLottery as a subcontractor of Pollard. We continue to conduct all of our business outside of North America through NeoGames.

Our Customer Contracts

The core of our business model is our turnkey solution, which is our main revenue generator and the area in which we invest most of our time and resources. Turnkey contracts generate long-term revenue streams that we believe we can increase over time, as in Michigan, to provide a strong return on investment.

We currently have, directly and through Pollard, Intralot and NPI, contracts to provide a turnkey solution to the MSL, the VAL, the NHL, the NCEL, the AGLC and Sazka. We already generate revenues from all of these contracts. Our turnkey solution for the Michigan iLottery launched in August 2014, followed by our turnkey solution for Sazka, which launched in 2017. Our turnkey solutions for the NHL and NCEL were launched in September 2018 and October 2019, respectively, and the VAL began operating a full iLottery program in July 2020 and our turnkey solution for the AGLC launched on September 30, 2020. The MSL Agreement was extended in December 2020 through July 2026.

In addition to our long-term turnkey contracts, we currently have seven games contracts with European customers, and we believe that we will secure additional games contracts in the future. Because we utilize the games that we develop for our turnkey contracts, our marginal costs for every additional games contract are not significant. We therefore expect that as we increase our number of games contracts, our revenues from games contracts will become a more significant part of our overall revenues, positively impacting our profitability.

For the years ended December 31, 2021, 2020 and 2019, we generated 15.8%, 13.6% and 17.1% of our revenues, respectively, from our contracts with William Hill and 3.2%, 4.9% and 12.4% of our revenues, respectively, from our contracts with the Aspire Group. Although we expect these contracts to continue to represent a significant portion of our revenues over the next few years, we expect that the proportion of our revenues generated from the Aspire Group will decline over time.

Our revenues from North America represented 79% and 80% of our revenues in the years ended December 31, 2021 and 2020, respectively. NPI generates 100% of its revenues from North America.

NeoPollard Interactive

We generated 15% and 9.0% of our revenues in the years ended December 31, 2021 and 2020, respectively, from services provided to NPI, such as development services. We account for the financial results of NPI in our financial statements in accordance with the equity method. Although NPI's results of operations can materially impact our profit (loss), the results of operations of NPI are only reflected in one line item in our consolidated statements of comprehensive income (loss) (Company's share in gains (losses) of NPI) and our revenue and operating expenses do not reflect the results of operations of NPI.

However, due to its materiality to our operational results, we have included the audited financial statements of NPI for the years ended December 31, 2021 and 2020 in this Annual Report. In order to provide more visibility into the results of operations of NPI, we have also included under "- *Results of Operations of NPI*" below a discussion of the period to period comparison of NPI's results of operations.

Factors Affecting our Financial Condition and Results of Operations

Our financial condition and results of operations have been, and will continue to be, affected by a number of important factors, including the following:

iLottery Penetration

The iLottery Penetration in each of the markets where we provide our turnkey solution varies and is dependent on a number of factors, including the range of iLottery products provided, the acceptable forms of payments and iLottery marketing budgets. The level of iLottery Penetration in any market where we operate has a direct impact on our or NPI's revenues and any increase in iLottery Penetration is expected to increase such revenues.

Deregulation of lotteries in the United States

Lottery is a highly regulated industry. While lottery is offered in 45 states and the District of Columbia, iLottery Instants or DBGs are currently offered in only nine states and the District of Columbia (excluding states that offer only subscription-based iLottery). Expanding our business into additional U.S. states is an important part of our growth strategy and it is our belief that the growing credibility and brand awareness of certain iLottery platform and service providers, the demonstrated success of states with iLottery offerings and the increasing budgetary shortfalls in many U.S. states will accelerate the pace of deregulation and increase our growth potential.

The level of competition in the iLottery industry and the number of competitors

The iLottery industry is less exposed to new market entrants than other gambling markets due to the considerable barriers to entry imposed by government regulations and the need for unique and iLottery-tailored technology solutions. There is, however, intense competition among the few existing iLottery providers with respect to new iLottery contracts. We compete both for contracts to supply our turnkey solution and for contracts to supply our games.

The level of competition and number of competitors in our market is an important factor affecting our ability to win new contracts and to expand our business.

Key Performance Indicators

We use a multitude of key performance indicators ("KPIs") on a daily basis to monitor our operations and inform decisions to drive further growth.

The KPIs included below offer a perspective on the historical performance of our platform in the aggregate across jurisdictions in which we operate. We believe these are useful indicators of the overall health of our business.

Network GGR

We define "GGR" as gross sales less winnings paid to players. We measure Network GGR as the total GGR generated by Instants and DBGs on our platform. We spend substantial time and efforts assisting our customers in increasing their GGR through our marketing and player acquisition tools. Tracking our network GGR provides us with valuable insight as to the level of effectiveness of such tools and their implementation.

	Year Ended December 31,	
	2021	2020
	(in millions)	
Network GGR	$ 816	$ 482

Network NGR

We define "NGR" as (i) in North America, gross sales less winnings paid to players and any promotion dollar incentives granted to players, and (ii) in Europe, gross sales less winnings paid to players, any gambling tax or duty paid on such sales and any promotion dollar incentives granted to players. We measure Network NGR as the total NGR generated by Instants and DBGs on our platform.

As most of our revenue share contracts are based on NGR, tracking Network NGR provides us with insight as to the marginal contribution of GGR growth to our revenues and allows us to detect inefficiencies in our GGR growth strategy.

	Year Ended December 31,	
	2021	2020
	(in millions)	
Network NGR	$ 750	$ 448

Monthly active players

We define an "active player" as a player who took at least one action on our platform in any given month that resulted in a financial transaction. We track the number of active players for each of the customers using our turnkey solution. We define "monthly active players" for a given period as the average of the number of active players in each month during that period.

By measuring the number of monthly active players, we can track player rate of adoption of our interactive products and the effectiveness of marketing and retention activities being executed by our customers.

	Year Ended December 31,	
	2021	2020
Monthly active players	642,287	437,524

Non-IFRS Information

This Annual Report includes EBIT, EBITDA and Adjusted EBITDA, which are financial measures not presented in accordance with IFRS that we use to supplement our results presented in accordance with IFRS. We define "EBIT" as net profit (loss), plus income taxes, and interest and finance-related expenses. We define "EBITDA" as EBIT, plus depreciation and amortization. We define Adjusted EBITDA as EBITDA, plus initial public offering expenses, share-based compensation, prospective acquisition related expenses and the Company's share of NPI's depreciation and amortization.

We believe EBIT, EBITDA and Adjusted EBITDA are useful in evaluating our operating performance, as they are similar to measures reported by other public companies in our industry and are regularly used by security analysts, institutional investors and others in analyzing operating performance and prospects. Adjusted EBITDA is not intended to be a substitute for any IFRS financial measure and, as calculated, may not be comparable to other similarly titled measures of performance of other companies in other industries or within the same industry.

We include these non-IFRS financial measures because they are used by our management to evaluate our operating performance and trends and to make strategic decisions regarding the allocation of capital and new investments. EBIT, EBITDA and Adjusted EBITDA exclude certain expenses that are required in accordance with IFRS because they are non-cash or are not associated with the operational activity of the business.

The following table reconciles our EBIT, EBITDA and Adjusted EBITDA to our net and total comprehensive income (loss), the closest IFRS measure, for the periods indicated:

	Year Ended December 31,	
	2021	2020
	(in thousands)	
Net and total comprehensive income	$ 4,652	$ 6,514
Income taxes	325	1,443
Interest and finance-related expenses	6,312	5,069
EBIT	11,289	13,026
Depreciation and amortization	14,613	11,657
EBITDA	**25,902**	**24,683**
Initial public offering expenses	-	2,796
Prospective acquisition related expenses	3,841	-
Share based compensation	3,448	969
Company share of NPI depreciation and amortization[1]	193	203
Adjusted EBITDA	**$ 33,384**	**$ 28,651**

(1) Represents 50% of NPI's depreciation and amortization for the years ended December 31, 2021 and 2020 of $385,000 and $405,000, respectively. In accordance with IFRS, NeoGames' share of NPI's expense is not recorded in our consolidated statements of comprehensive income (loss), but is rather reflected in our consolidated financial statements in accordance with the equity method, as we share in 50% of the profit (loss) of NPI. See Note 7.A to our consolidated financial statements included elsewhere in this Annual Report.

Components of Results of Operations

Revenues

We generate revenues from our turnkey solutions, games, our contracts with William Hill and the Aspire Group, our joint operation of the Michigan iLottery for the MSL (the "Michigan Joint Operation") and development services we provide to NPI.

Our turnkey solution contracts and certain of our games contracts provide for a revenue share model that entitles us, either directly, or indirectly through Pollard, Intralot or NPI, to a predetermined share of either the NGR or the GGR generated by iLotteries using our platforms and/or games. Our share of NGR or GGR varies between customers and generally depends on the type and scope of value-added services provided to the customer. Our contract with Jogos Santa Casa for providing games in Portugal is the only contract we have that is based on a fixed fee per annum. We entered into this contract on September 24, 2019 for a fixed fee of EUR 2,670,000, which we recognize as revenue on a straight-line basis over the contract's three-year term. Our contract with Intralot Interactive S.A for providing games to the Croatian lottery is the only contract we have that is based on gross sales. The initial term of this contract expired and the contract has been renewed up to January 2022. This contract provides for a fee that is determined based on the GGR through our content on the Croatian lottery platform.

We record as revenues at least 50% of the revenues earned by the Michigan Joint Operation from the MSL, with an incremental 3 to 5% above our 50% share of royalties earned by the Michigan Joint Operation from certain games subsequently developed and provided by NeoGames as compensation for our development of such games. We record as revenues 100% of the revenues earned from our European customers.

As with the revenues earned by the Michigan Joint Operation, we are entitled to at least 50% of the revenues earned by NPI from our customers, with an incremental 3 to 5% above our 50% share of royalties earned by NPI from certain games subsequently developed and provided by NeoGames as compensation for our development of such games (which we refer to collectively as our "NPI Revenues Interest"). However, while our revenues earned from the Michigan Joint Operation are reflected as revenues in our consolidated statement of operations, our NPI Revenues Interest is not recorded as revenues, but is rather reflected in our financial statements in accordance with the equity method. We share in 50% of the profit of NPI, subject to certain adjustments (including the incremental royalties mentioned above).

We generate revenues from William Hill in the form of a monthly fee charged to William Hill for its access to the sub-licensed NeoSphere platform. The monthly fee is calculated on a margin over cost basis.

We also record as revenue a monthly fee we receive from each of Aspire, the Michigan Joint Operation and NPI for certain software development and support services, which is calculated on a margin over cost basis.

The table below presents the royalties and other revenues generated by NeoGames (including through the Michigan Joint Operation), as well as NeoGames' NPI Revenues Interest, for the years ended December 31, 2021 and 2020.

	Year Ended December 31,	
	2021	2020
	(in thousands)	
Royalties from turnkey contracts[1]	$ 29,882	$ 32,252
Royalties from games contracts	1,994	2,006
Access to IP rights	7,959	6,697
Development and other services - Aspire	1,617	2,430
Development and other services - NPI[2]	7,578	4,404
Development and other services - Michigan Joint Operation	1,433	1,413
Revenues	$ 50,463	$ 49,202
NeoGames' NPI Revenues Interest[3]	$ 34,052	$ 9,535

(1) Includes NeoGames' revenues from the Michigan Joint Operation and Sazka.

(2) Represents revenues recognized by NeoGames for services provided to NPI. Such amounts were also recognized as expenses by NPI. We share in 50% of the profit (loss) of NPI.

(3) Represents 50% of NPI's revenues in the years ended December 31, 2021 and 2020 of $64 million and $18.0 million, respectively, plus an incremental $1,820 thousand and $519 thousand, respectively, of royalties from certain games as compensation for our subsequent development of such games. We refer to this, collectively, as our "NPI Revenues Interest" — however, in accordance with IFRS, our NPI Revenues Interest is not recorded as revenues in our consolidated statements of comprehensive income (loss), but is rather reflected in our consolidated financial statements in accordance with the equity method, as we share in 50% of the profit (loss) of NPI subject to certain adjustments (including the incremental royalties mentioned above). See Note 7.A to our consolidated financial statements included elsewhere in this Annual Report.

Operating expenses

Distribution expenses. Distribution expenses are primarily comprised of traffic-related costs, including processing fees (including geo-location costs and ID verification costs), call center expenses (including hardware and software maintenance costs, and telecommunication expenses), charges associated with contracts delivery contractual commitments, licensing tools and cloud solutions, personnel-related costs associated with these functions and occupancy costs associated with the facilities where these functions are performed.

Development expenses. Our research and development expenses are primarily comprised of costs of our research and development personnel, contractor services in Ukraine and other development-related expenses. Research and development costs are expensed when incurred, except to the extent that such costs qualify for capitalization. We believe continued investments in research and development are important to maintain our competitive strengths and expect research and development costs to increase in absolute dollars, but to decrease as a percentage of total revenues.

Selling and marketing expenses. Our selling and marketing expenses are primarily comprised of costs of our marketing personnel, travel expenses and other sales and marketing-related expenses. Selling and marketing expenses are expensed as incurred. We intend to continue to invest in our sales and marketing capabilities in the future to continue to increase our brand awareness and, although our selling and marketing expenses have decreased in recent periods due to the effect of the COVID-19 pandemic on international traveling, conventions and marketing events, we expect these costs to increase on an absolute dollar basis as we grow our business.

General and administrative expenses. General and administrative expenses primarily include costs of our executive, finance, legal, business development and other administrative personnel and service providers. General and administrative expenses are expensed as incurred. We expect that our general and administrative expenses will increase in absolute dollars for the foreseeable future as we expand our business, as well as to cover the additional cost and expenses associated with being a publicly listed company.

IPO related expenses. IPO related expenses primarily include legal and accounting fees and expenses. We have incurred expenses and costs in the aggregate amount of $2,796 thousand in 2020.

Prospective acquisition related expenses. Prospective acquisition related expenses include primarily legal and accounting fees and expenses. As of the date hereof, the Company has incurred costs in an amount of approximately $1.6 million in connection with the financing agreements with Blackstone. The Company has not incurred costs in connection with the FX Hedging Transaction. The costs of the FX Hedging Transaction will be incurred only upon completion of the Aspire Tender Offer.

Depreciation and amortization

Our depreciation and amortization expenses are primarily comprised of amortization of capitalized research and development costs we incur in connection with our technical group personnel. We amortize these capitalized costs on a straight-line basis beginning when development is complete and the asset is available for use and continuing over their useful life, which we define as three years. We began to follow the directives of IFRS 16 in 2019, recognizing the annual costs of our leased premises within the amount of depreciation and amortization expenses.

Interest expense with respect to funding from related parties

Our interest expenses are primarily comprised of interest we incur on loans under the WH Credit Facility and interest incurred on the Aspire Promissory Notes. The Aspire Promissory Notes were repaid in full upon maturity, on March 31, 2022. For more information, see Item 7.B. "*Related Party Transactions*."

Income taxes expense

We are subject to Luxembourg corporation taxes on profits derived from activities carried out in Luxembourg. NeoGames Systems Ltd. ("NGS"), our Israeli subsidiary, is subject to Israeli corporate taxes. NPI, NeoGames US, LLP and NeoGames Solutions LLC are subject to U.S. federal income tax as well as certain state income taxes. Due to the resources invested in growing and developing our business, we have, until recently, generated losses. As of December 31, 2020 and 2019, we had cumulative carry forward tax losses generated of $59.9 million and $63.0 million, respectively. On May 18, 2021, we obtained a pre-ruling from the Israeli Tax Authority regarding the transfer of certain intellectual property rights relating to the online lottery business of NeoGames S.A. to NGS, the transfer price for which was determined by a third-party study to be $57.0 million, which had the effect of reducing our cumulative carry forward tax losses by the same amount. The book value of $57 million representing the value of the transferred intellectual property rights, will be amortized for tax purposes over a period of 8 years starting the year ended December 31, 2021. For more information regarding the pre-ruling, see "*Taxation – Tax Ruling of the Israeli Tax Authority.*"

Company's share in gains (losses) of NPI

We own 50% of the equity of NPI and we record 50% of NPI's profit or loss as our profit or loss, as adjusted to compensate the Company for our games development and DBG sales.

5.A. Results of Operations

The following tables set forth our results of operations in U.S. dollars and as a percentage of total revenues for the periods presented.

	Year Ended December 31,	
	2021	**2020**
	(in thousands)	
Consolidated Statements of Operations Data:		
Revenues	$ 50,463	$ 49,202
Distribution expenses	9,889	6,685
Development expenses	9,428	7,452
Selling and marketing expenses	1,549	1,483
General and administrative expenses	12,300	7,496
Initial public offering expenses	-	2,796
Prospective acquisition related expenses	3,841	-
Depreciation and amortization	14,613	11,657
	51,620	37,569
Profit (loss) from operations	(1,157)	11,633
Interest expense with respect to funding from related parties	4,811	4,343
Finance income	-	(21)
Finance expenses	1,501	747
Company share in profits of Joint Venture	12,446	1,393
Profit before income taxes expense	4,977	7,957
Income taxes expense	(325)	(1,443)
Net and total comprehensive income	$ 4,652	$ 6,514

	Year Ended December 31,	
	2021	2020
	(as a % of revenues in absolute numbers)	
Consolidated Statements of Operations Data:		
Revenues	100.0%	100.0%
Distribution expenses	19.6	13.6
Development expenses	18.7	15.1
Selling and marketing expenses	3.0	3.0
General and administrative expenses	24.4	15.2
Initial public offering expenses	-	5.7
Prospective acquisition related expenses	7.6	-
Depreciation and amortization	29.0	23.7
Profit (loss) from operations	(2.3)	23.6
Interest expense with respect to funding from related parties	9.5	8.8
Finance income	0.0	0.0
Finance expenses	3.0	1.5
Company share in profits of Joint Venture	24.7	2.8
Profit before income taxes expense	9.9	16.1
Income taxes expense	0.7	2.9
Net and total comprehensive income	9.2%	13.2%

Year ended December 31, 2021 compared to year ended December 31, 2020

Revenues

Revenues for the year ended December 31, 2021 were $50.5 million, an increase of $1.3 million, or 2.6%, compared to $49.2 million for the year ended December 31, 2020.

Revenues from our turnkey solution contracts decreased in 2021 by 7.4% to $29.9 million, compared to $32.3 million in 2020. The decrease was primarily driven by a decrease in the NGR generated by the MSL program partially offset by increase in the volume generated from Sazka.

Revenues from our games in 2021 were $2 million, which is the same amount reported for 2020. We have launched new contracts with Lottomatica in Italy during the fourth quarter of 2021, which did not generate substantial revenues in 2021.

Revenues from our contracts with William Hill and Aspire and certain software services we provide to NPI and the Michigan Joint Operation increased by 24.4% in 2021 to $18.6 million, compared to $14.9 million in 2020. This increase was primarily driven by an increase in the revenue generated from William Hill's platform license access, and by an increase in the revenue generated from NPI due to a higher number of accounts we were committed to support following the launch of our turnkey solution for the AGLC in September 2020 and Virginia in July 2020.

Distribution expenses

Distribution expenses for the year ended December 31, 2021 were $9.9 million, an increase of $3.2 million, or 47.9%, compared to $6.7 million for the year ended December 31, 2020. The increase was primarily driven by an increase in the additional charges associated with the delivery of the agreement pertaining to the Michigan Joint Operation, which entered into effect upon the renewal of the agreement during the fourth quarter of 2020, and due to higher licensing charges associated with number of operating jurisdictions in which our technology solutions served William Hill online.

Development expenses

Development expenses for the year ended December 31, 2021 were $9.4 million, an increase of $1.9 million, or 26.5%, compared to $7.5 million for the year ended December 31, 2020. The increase was primarily driven by an increase in the number of employees in our Ukraine research and development centers as well as share-based compensation granted to our development workforce.

Selling and marketing expenses

Selling and marketing expenses for the year ended December 31, 2021 were $1.5 million, which is approximately the same amount reported for 2020. Due to the effect of COVID-19 related restrictions on travelling throughout most of 2021, the Company spent on international traveling, conventions and marketing events during 2021 the same amount it did in 2020.

General and administrative expenses

General and administrative expenses for the year ended December 31, 2021 were $12.3 million, an increase of $4.8 million, or 64.1%, compared to $7.5 million for the year ended December 31, 2020. The increase was primarily driven by added charges of D&O insurance, legal services and other costs associated with operating a publicly traded company, and an increase in the number of employees allocated to this group of personnel in our Tel Aviv office.

Initial public offering expenses

No initial public offering expenses were incurred for the year ended December 31, 2021, a decrease of $5.7 million compared to $5.7 million for the year ended December 31, 2020. The decrease was due to the completion of the initial public offering of our Ordinary Shares in 2020.

Prospective acquisition related expenses

Prospective acquisition related expenses were $3.8 million for the year ended December 31, 2021, an increase of $3.8 million compared to zero expenses for the year ended December 31, 2020. This increase is due to the commencement of the prospective acquisition in 2021.

Depreciation and amortization

Depreciation and amortization for the year ended December 31, 2021 was $14.6 million, an increase of $2.9 million, or 25.4%, compared to $11.7 million for the year ended December 31, 2020. The increase was primarily driven by an increase in the amortization of our higher capitalized software costs balance.

Interest expense with respect to funding from related parties

Interest expense with respect to funding from related parties for the year ended December 31, 2021 was $4.8 million, an increase of $0.5 million, or 10.8%, compared to $4.3 million for the year ended December 31, 2020. The increase was primarily driven by compounded fair market interest rates associated with the Aspire Promissory Notes.

Income taxes expense

Income taxes expense for the year ended December 31, 20201 was $0.3 million, a decrease of $1.1 million, or 77.5%, compared to $1.4 million for the year ended December 31, 2020. The decrease was primarily due to recognition of deferred tax asset associated with the difference between the value of the intellectual property rights transferred from NeoGames S.A. to NGS for tax amortization purposes and the net book value of the transferred intellectual property rights as a result of the ruling mentioned above as well as an achievement of two years sequence of taxable income at the group level as well as more likely than not consistent future expectation.

Company share in profits of NPI

The Company share in the profits of NPI for the year ended December 31, 2021 was $12.4 million, an increase of $11 million compared to $1.4 million for the year ended December 31, 2020. This increase was primarily driven by an increase of $24.5 million in the revenues generated by NPI under its turnkey solutions with the VAL, NHL, NCEL and AGLC.

Results of Operations of NPI

	Year Ended December 31,	
	2021	2020
	(in thousands)	
Revenues	$ 64,032	$ 18,032
Distribution expenses	44,970	16,116
Selling, general and marketing expenses	993	776
Depreciation	385	405
Net and total comprehensive income	$ 17,684	$ 735
Net and total comprehensive income 50%	8,842	367
Adjustments(*)	3,604	1,026
Share in profits of NPI	12,446	1,393

(*) The adjustments mostly represent royalty commissions earned from NPI on certain games developed and delivered by the Company, whereby the Company's share of the underlying results is higher than 50%.

Year ended December 31, 2021 compared to year ended December 31, 2020

Revenue

Revenues for the year ended December 31, 2021 were $64 million, an increase of $46 million, or 255%, compared to $18 million for the year ended December 31, 2020. This increase was primarily driven by an increase in the revenues generated under our turnkey solutions with the VAL, NHL and NCEL and the ramp up of our new solution with the AGLC, which launched in September 2021.

Distribution expenses

Distribution expenses for the year ended December 31, 2021 were $45 million, an increase of $28.9 million, or 179% compared to $16.1 million for the year ended December 31, 2020. This increase was primarily driven by the set-up costs associated with the launch of our turnkey solution for the AGLC and by increase in processing fees and third party content licensing charges associated with the multi gaming verticals we are contracted to support.

Selling, general and marketing expenses

Selling and marketing expenses for the year ended December 31, 2021 were $1.0 million, an increase of $0.2 million, or 28% compared to $0.8 million for the year ended December 31, 2020. This increase was primarily driven by an increase in marketing expenses due to alleviating the COVID-19 related restrictions on conventions and marketing events.

Critical Accounting Policies and Significant Judgments and Estimates

The preparation of consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Critical accounting policies are those that are the most important to the portrayal of the Company's financial condition and results of operations, and that require the most difficult, subjective and complex judgments. While the Company's and NPI's significant accounting policies are described in more detail in the notes to their respective consolidated financial statements, the most critical accounting policies, discussed below, pertain to areas where judgment of management, historical factors and estimates require a high degree of involvement when determining the final reported balance in the Company's consolidated financial statements.

Funding transactions with related parties

The fair values of our funding transactions with related parties, the reserve relating to the funding transactions with a related group and the related interest expenses are recorded based on discounted cash flow of the anticipated repayments, discounted by an annual market interest rate determined by a reputable appraiser.

Capitalization of development costs

Costs relating to internally generated intangible assets are capitalized if the criteria for recognition as assets are met. The initial capitalization of costs is based on management's judgment that technological and economic feasibility criteria are met. In making this judgment, management considers the progress made in each development project and its latest forecasts for each project.

Share based payments/compensation

Share options are vested over service periods, but exercisable only upon consummation of certain events as provided in the grants. Share based compensation expenses are recorded based on the fair values of the options, using the Black-Scholes model assumptions as well as the likelihood of the fulfilment of such events at the respective grant dates. During 2021 our board of directors approved the allocation of Restricted Stock Unit ("RSUs") awards to certain employees. The fair value of the awards was determined based on the Company's grant date share price and amounted to $5.3 million to be expensed over the vesting periods set forth in the respective grant terms.

Revenue Recognition

Revenues are recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring services to a customer. The Company generates its revenues through three streams:

- royalties from licensing of technological platforms and provision of proprietary games content (which are recognized in the accounting periods in which the gaming transactions occur);
- fees from use of intellectual property rights (which are recognized over the useful periods of the intellectual property rights); and
- fees from development services (which are recognized in the accounting periods in which services are provided).

Recent Accounting Pronouncements

Our recent accounting pronouncements are shown in Note 2 to our consolidated financial statements.

JOBS Act

We are an emerging growth company, as defined in the JOBS Act. We intend to rely on certain of the exemptions and reduced reporting requirements provided by the JOBS Act. As an emerging growth company, we are not required to, among other things, (i) provide an auditor's attestation report on our system of internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act, and (ii) comply with any requirement that may be adopted by the PCAOB regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements (auditor discussion and analysis).

5.B. Liquidity and Capital Resources.

We measure liquidity in terms of our ability to fund the cash requirements of our business operations, including working capital and capital expenditure needs, contractual obligations and other commitments, with cash flows from operations and other sources of funding. Since our inception, we have financed our operations primarily through the Aspire Promissory Notes, which were repaid in full on March 31, 2022, the WH Credit Facility and the proceeds from the initial public offering of our Ordinary Shares.

Our primary requirements for liquidity and capital resources are to finance working capital, capital expenditures (including the deposit of performance bonds required under our U.S. contracts) and general corporate purposes. We would also need to fund 50% of the Proposed Acquisition of Aspire using our cash on balances together with external funds from a loan. For more information, see below " - *Financing for the Proposed Acquisition of Aspire*". We believe that our sources of liquidity and capital resources will be sufficient to meet our business needs for at least the next 12 months from the date of this Annual Report. As we are in the growth stage of our business, we expect to continue to invest in research and development and expand our sales and marketing teams worldwide. Our future cash and capital requirements will depend on many factors, including our growth rate; the timing and extent of our spending to support our research and development efforts; capital expenditures to purchase hardware and software; the expansion of sales and marketing activities; and our continued need to invest in our IT infrastructure to support our growth. In addition, we may enter into additional strategic partnerships as well as agreements to acquire or invest in complementary products, teams and technologies, including intellectual property rights, which could increase our cash requirements. As a result of these and other factors, we may choose or be required to seek additional equity or debt financing sooner than we currently anticipate. If additional financing is required from outside sources, we may not be able to raise it on terms acceptable to us, or at all.

The Company does not expect any special liquidity needs that extend beyond 12 months, except for its leases and other non-material obligations, and the Company expects to be able to meet its long term liquidity needs.

As of December 31, 2021, we had $59.8 million equity, $43.3 million working capital and $66.1 million cash and cash equivalents, compared to $50.8 million equity, $56.1 million working capital and $59.8 million cash and cash equivalents as of December 31, 2020.

We issued to Aspire and AG Software the Aspire Promissory Notes. See Item 7.B. "*Related Party Transactions – Relationship with Aspire – Aspire Promissory Notes*" for further information. On March 31, 2022, we repaid in full the Aspire Promissory Notes in the aggregate amount of $21.1 million (including interest and other operational adjustments).

During 2018, we borrowed $4.0 million with a stated annual interest rate of 5.0% and $2.0 million with a stated annual interest rate of 1.0% under the WH Credit Facility. The proceeds were used to fund the costs of new implementation projects during 2018 with the NHL and NCEL. During 2019, we borrowed a total of $6.5 million with a stated annual interest rate of 1.0% under the WH Credit Facility to secure the guarantees and bonding facilities for new contracts with the NCEL and additional prospective customers. During 2020, we borrowed $2.5 million with a stated annual interest of 1.0% and approximately $2.0 million with a stated annual interest of 5.0% under the WH Credit Facility. The proceeds were used to refinance a portion of our debt under the WH Credit Facility and to pay off all interest accrued under the WH Credit Facility. In the year ended December 31, 2021, we made payments on the WH Credit Facility in accordance with the repayment schedule in the amount of $1.5 million. For further information regarding the WH Credit Facility, see Item 7.B. "*Related Party Transactions - WH Credit Facility*."

The difference in the interest rates between the calculated fair value interest rate and interest due on these loans was recorded as loan discounts to be amortized over the funding repayment period as additional finance expenses. Accordingly, we recorded interest expenses of $1.4 million in 2020 and $1.3 million in 2021 based on the fair value market interest rate.

Financing for the Proposed Acquisition of Aspire

On January 17, 2022, NeoGames S.A., NeoGames Connect S.à r.l. (the "Borrower") and NeoGames Connect Limited ("Bidco") entered into an interim facilities agreement (the "Interim Facilities Agreement") with Blackstone Private Credit Fund, GSO ESDF II (Luxembourg) Holdco S.à r.l., GSO ESDF II (Luxembourg), Levered Holdco II S.à r.l., GSO ESDF II (Luxembourg) Levered Holdco I S.à r.l. and G QCM (Luxembourg) Holdco S.à r.l. (together, the "Interim Lenders") pursuant to which the Interim Lenders agreed to make available, on a customary certain funds basis, interim term facilities in connection with the Proposed Acquisition of Aspire (as defined below). For information regarding the Proposed Acquisition of Aspire, see "*Related Party Transactions - Relationship with Aspire - Proposed Acquisition of Aspire*."

Under the terms of the Interim Facilities Agreement, the Interim Lenders agreed to make available to the Borrower interim term loan facility tranches in the amounts equal to EUR 187.7 million ("Interim Facility 1") and EUR 13.1 million ("Interim Facility 2", and Interim Facility 1 and Interim Facility 2 together being the "Interim Facilities"). Each loan drawn under the Interim Facilities will bear interest at a rate of EURIBOR plus 6.25% per annum. Original issue discount shall apply on the loans drawn under the Interim Facilities pursuant to the terms of the Interim Facilities Agreement and ancillary documentation.

The proceeds of loans drawn under the Interim Facilities are to be applied towards, among other things, financing part of the aggregate consideration payable by the Company pursuant to the Proposed Acquisition of Aspire and/or refinancing existing indebtedness.

Interim Facility 1 shall be available to be drawn, subject to satisfaction of the conditions precedent set out in the Interim Facilities Agreement, from the date of the Interim Facilities Agreement to 11.59 p.m. in London on the earlier of (a) the first date on which both initial settlement under the Aspire Tender Offer has occurred and an initial drawdown has occurred under Interim Facility 1 (together being the "Closing Date"); (b) the date on which the Aspire Tender Offer (as extended or revised from time to time) irrevocably lapses or terminates, or is permanently withdrawn by the Company; and (c) if the Closing Date has not occurred on or before such date, the date falling eight months after (and excluding) January 17, 2022, or, in each case, such later time and date as agreed by the Interim Lenders (acting reasonably and in good faith). Interim Facility 2 shall be available to be drawn from the date of initial utilization of Interim Facility 1 through to the final repayment date of Interim Facility 2.

The final maturity date of the Interim Facilities is 90 days after the date on which the first drawdown of Interim Facility 1 occurs (by which date, the Interim Facilities would need to be replaced and refinanced).

The Interim Facilities Agreement contains customary representations and warranties, affirmative and negative covenants (including covenants in respect of financial indebtedness, disposals, security, permitted holding company activity, dividends and share redemption, acquisitions and mergers and conduct of the Aspire Tender Offer), indemnities and events of default, each with appropriate carve-outs and materiality thresholds. In addition, the Company, the Borrower and Bidco have each given a customary guarantee in favor of the Interim Lenders under the terms of the Interim Facilities Agreement.

As a condition precedent to the first drawdown of the Interim Facilities, the Interim Lenders have received the benefit of security including share security over the Borrower and Bidco, security over certain bank accounts and security over certain material intercompany receivables (the "Interim Security").

Notwithstanding the entry into the Interim Facilities Agreement, the Company will seek to negotiate and execute a long-form financing agreement prior to the Closing Date to replace the Interim Facilities. In relation to this, on January 17, 2022, the Company and the Borrower also entered into a commitment letter with Blackstone Alternative Credit Advisors LP ("BXC") in connection with the Proposed Acquisition of Aspire (the "Commitment Letter"). Pursuant to the terms of the Commitment Letter, BXC has committed, on a customary certain funds basis, to make available, in connection with the Proposed Acquisition of Aspire, the Senior Facilities (as defined below). The annexures to the Commitment Letter include (among other things) an agreed form term sheet (the "Term Sheet") setting out the details of the expected terms of a senior facilities agreement (the "Senior Facilities Agreement") pursuant to which the Senior Facilities shall be made available. If no Interim Facility has been funded prior to such time, the Interim Facility Agreement shall automatically terminate on the date on which the Senior Facilities Agreement is signed and each initial condition precedent thereunder is irrevocably satisfied or waived as evidenced by delivery of a duly signed and unqualified conditions precedent letter thereunder.

The Term Sheet provides that the Senior Facilities Agreement shall include term loan facility tranches in the amounts equal to the Interim Facilities (together being the "Senior Facilities"). Each loan drawn under the Senior Facilities will bear interest at a rate of EURIBOR plus 6.25% per annum. Original issue discount shall apply on the loans drawn under the Senior Facilities pursuant to the terms of the Senior Facilities Agreement and ancillary documentation.

Pursuant to the Term Sheet, the terms of the Senior Facilities Agreement shall contain customary representations and warranties, affirmative and negative covenants (including covenants in respect of financial indebtedness, disposals, security, permitted holding company activity, dividends and share redemption, acquisitions and mergers and conduct of the Aspire Tender Offer), a financial maintenance covenant indemnities and events of default, each with appropriate carve-outs and materiality thresholds.

The Term Sheet additionally provides that the Company and certain of its subsidiaries (other than those subsidiaries located in Czech Republic, Ukraine and any other jurisdiction agreed between the Company and the lenders under the Senior Facilities Agreement (the "Lenders") prior to the date of signing the Senior Facilities Agreement) shall grant certain guarantees in favor of the Lenders. In addition, security in favor of the Lenders shall also be granted by such members of the Group over shares (and other ownership interests) owned in certain subsidiaries, certain material intercompany receivables, certain material bank accounts, certain material intellectual property and, in the case of subsidiaries located in England and Wales and the United States (amongst other jurisdictions to be agreed), substantially all of such member of the Group's assets (subject to customary exceptions).

The loans drawn under the Interim Facilities or Senior Facilities, as applicable, are in EUR but the consideration payable by the Company pursuant to the Proposed Acquisition of Aspire is in SEK. Therefore, the Company entered into a deal contingent FX forward with Deutsche Bank AG (the "DC Bank") on 17 January 2022 (the "FX Hedging Transaction") under which the Company will receive the full SEK consideration from the DC Bank on or prior to the date of initial settlement under the Aspire Tender Offer in exchange for an equivalent EUR amount to be calculated by reference to a pre-agreed exchange rate.

As of the date hereof, the Company has incurred costs in an amount of approximately $1.6 million in connection with the financing agreements with Blackstone. The Company has not incurred costs in connection with the FX Hedging Transaction. The costs of the FX Hedging Transaction will be incurred only upon completion of the Aspire Tender Offer.

Cash Flows

The Company generates its inbound cash flow through the collection of revenues being charged to its customers monthly. The Company's share of cash generated through North American turnkey contracts is being delivered through regular monthly settlements of net collections of customers' revenues less NPI's or Pollard's share of costs contributed by us to support delivery commitments.

The following table presents the summary cash flows information for the periods presented:

	Year Ended December 31,		
	2021	2020	2019
		(in thousands)	
Net cash generated from operating activities	$ 14,911	$ 24,518	$ 15,040
Net cash used in investing activities	(6,283)	(12,696)	(17,424)
Net cash generated from (used in) financing activities	(2,313)	41,929	5,166
Net increase in cash and cash equivalents	$ 6,315	$ 53,751	$ 2,782

Net cash generated from operating activities

Net cash generated from operating activities for the year ended December 31, 2021 was $14.9 million, a decrease of $6.5 million, compared to $24.5 million for the year ended December 31, 2020. The decrease primarily resulted from the lower NGR generated by MSL and charges paid associated with being a publicly traded company.

Net cash generated from operating activities for the year ended December 31, 2020 was $24.5 million, an increase of $9.5 million, compared to $15.0 million for the year ended December 31, 2019. The increase primarily resulted from a continued increase in the NGR generated by the MSL and by increase in NPI revenues.

Net cash used in investing activities

Net cash used in investing activities for the year ended December 31, 2021 was $6.5 million, a decrease of $6.4 million, compared to $12.7 million for the year ended December 31, 2020. The decrease was primarily driven by an increase in proceeds received from NPI in 2021 compared to proceeds collected from NPI during 2020 partially offset by increase of investment in capitalized development asset.

Net cash used in investing activities for the year ended December 31, 2020 was $12.7 million, an increase of $4.7 million, compared to $17.4 million for the year ended December 31, 2019. The decrease was primarily driven by an increase in proceeds received from NPI in 2020 compared to funding to NPI in 2019.

Net cash used in financing activities

Net cash used in financing activities for the year ended December 31, 2021 was $2.3 million, which was primarily the result of repayment of Tranche F (as defined below) and repayment of certain lease liabilities.

Net cash provided by financing activities for the year ended December 31, 2020 was $41.9 million, which was primarily the result of net proceeds from the Company's initial public offering.

Net cash provided by financing activities for the year ended December 31, 2019 was $5.2 million, which was primarily the result of drawdowns from the WH Credit Facility.

5.C. Research and Development, Patents and Licenses, Etc.

Our research and development expenses are primarily comprised of costs of our research and development personnel, contractor services in Ukraine and other development-related expenses. Research and development costs are expensed when incurred, except to the extent that such costs qualify for capitalization. We believe continued investments in research and development are important to maintain our competitive strengths and expect research and development costs to increase in absolute dollars, but to decrease as a percentage of total revenues. Research and development expenses, were $9.4 million, $7.5 million and $6.9 million in 2021, 2020 and 2019, respectively.

5.D. Trend Information.

Other than as described in Item 3.D. “Risk Factors” and in Item 5.A. “Operating and Financial Review and Prospects — Factors Affecting our Financial Condition and Results of Operations” of this Annual Report, we are not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on our total revenues, income, profitability, liquidity or capital resources, or that caused the disclosed financial information to be not necessarily indicative of future operating results or financial condition.

5.E. Critical Accounting Estimates

We do not currently engage in off-balance sheet financing arrangements, except for the FX Hedging Transaction. In addition, we do not have any interest in entities referred to as variable interest entities, which includes special purpose entities and other structured finance entities.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

6.A. Directors and Senior Management

Executive Officers and Directors

The following table presents information about our executive officers and directors, including their ages as of April 10, 2022:

Name	Age	Position
Executive Officers		
Moti Malul	50	Chief Executive Officer, Co-Managing Director and Director
Raviv Adler	48	Chief Financial Officer
Oded Gottfried	52	Chief Technology Officer
Rinat Belfer	42	Chief Operations Officer
Non-Executive Directors		
Barak Matalon	51	Non-Executive Director
Aharon Aran	72	Non-Executive Director
Laurent Teitgen(1)	43	Non-Executive Director
John E. Taylor, Jr.(1)	55	Non-Executive Director, Chairman
Lisbeth McNabb(1)	61	Non-Executive Director

(1) Independent director in accordance with Nasdaq rules.

Unless otherwise indicated, the current business addresses for each of our executive officers and each of the members of our board of directors is c/o NeoGames S.A., 63-65, rue de Merl, L-2146 Luxembourg, Grand Duchy of Luxembourg.

Executive Officers

The following is a brief summary of the business experience of our executive officers.

Moti Malul has served as our and as NGS', our Israeli subsidiary, Chief Executive Officer and as a member of our board of directors, since October 2018. Prior to that, Mr. Malul served as our Executive Vice President of Sales and Business Development for three years. Prior to our spin-off from Aspire in 2014, Mr. Malul served in various roles at Aspire for five years. Prior to joining Aspire, Mr. Malul served for over 12 years in key marketing and management positions in the telecommunications and internet industries, for companies such as Ericsson and Smile Media. Mr. Malul holds a B.A. in Business Administration from Bar-Ilan University in Israel, and an M.B.A from Tel Aviv University in Israel.

Raviv Adler has served as our Chief Financial Officer since 2013. Mr. Adler joined Aspire in 2010 and served as its Director of Finance until 2013. Prior to joining Aspire, Mr. Adler served, and accumulated more than a decade of experience, in key finance roles in a range of multinational companies, such as "Hewlett Packard" and "Ernst & Young", as well as start-up companies. Mr. Adler holds a B.A. in Business Administration and Accounting from the College of Management Academic Studies in Israel and he is a Certified Public Accountant in Israel.

Oded Gottfried has served as our Chief Technology Officer since our spin-off from Aspire in 2014 and the Chief Technology Officer of NGS, our Israeli subsidiary, since January 2015. Prior to our spin-off from Aspire, Mr. Gottfried served as the Chief Technology Officer of Aspire since 2008. Prior to joining Aspire in 2008 Mr. Gottfried founded two companies and served as their Chief Executive Officer. He also served as an engineer for the Israel Defense Forces. Mr. Gottfried holds a B.Sc in Mathematics & Computer Science from Tel Aviv University in Israel.

Rinat Belfer has served as our Chief Operations Officer since January 2019 after serving as Vice President of Projects of NGS between January 2015 and December 2018. Prior to our spin-off from Aspire in 2014, Ms. Belfer served in a number of roles with Aspire since 2009. Ms. Belfer holds a B.Tech degree in Industrial Engineering and Management from Shenkar College in Israel and an MBA from Ben Gurion University in Israel.

Non-Executive Directors

The following is a brief summary of the business experience of the non-executive members of our board of directors.

Barak Matalon, the co-founder of Aspire, has served as a member of our board of directors since our spin-off from Aspire in 2014. Mr. Matalon currently serves on the board of directors of Lotym Holdings Ltd., Loty Holdings Ltd. and Aspire and is a member of Aspire's remuneration committee. Mr. Matalon holds a B.A. in Economics from the Academic College of Tel Aviv Jaffa in Israel.

Aharon Aran has served as member of our board of directors since September 2019. Mr. Aran served as the Chief Executive Officer of TMF Media, Omnicom Media Group-Israel office from 2007 until 2019, and has served as the Chief Executive Officer of the Israeli Audience Research Board since August 2019. Mr. Aran currently serves on the board of directors of Aspire and is a member of its audit committee. Mr. Aran holds a B.A. in Economics and an M.B.A. from Tel Aviv University in Israel.

Laurent Teitgen has served as a member of our board of directors since April 2017. Mr. Teitgen currently serves on the board of directors of Codere Online Luxembourg S.A since November 2021, Ellomay Luxembourg Holdings S.à r.l. since September 2016, Chelsey Investissement S.C.A. since July 2016, Menora Central Europe Investments S.A. since November 2017, MiddleCap Group S.A. since April 2018, and Kaman Lux Holding S.à r.l since September 2015, and he is Head of Accounting Department at Fiduciaire Jean-Marc Faber S.à r.l since May 2009. Mr. Laurent also serves as a member of the audit committee of Codere Online Luxembourg S.A since November 2021. Mr. Teitgen is a resident of Luxembourg and previously held positions with BDO, Intertrust, and TASL (now Orangefield/Vistra). Mr. Teitgen holds a B.A. in Accounting and Financial Management with a specialization in Accounting Review from Université de Lorraine, IUT Henri Poincaré, France.

John E. Taylor, Jr. has served as a member of our board of directors since November 2020. Mr. Taylor has served as the managing director of Faulkner & Howe, LLC since 2002. Mr. Taylor served as Chairman of the board of directors of Twin River Worldwide Holdings (NYSE: TRWH) from 2010 to 2016, as Executive Chairman from 2017 to 2019, and as a member of the audit, compensation and compliance committees from 2010 to 2019. Mr. Taylor was formerly the Chief Executive Officer and President of GameLogic, Inc., a provider of internet based games for the regulated gaming industry. Mr. Taylor also served as the President and Chief Executive Officer of Dreamport, the gaming and entertainment subsidiary of GTECH Corporation, a then-NYSE listed company while also serving as a member of the Executive Management Committee of GTECH. Earlier in his career he served as a senior advisor to the Governor of Rhode Island. Mr. Taylor currently serves as a Trustee of Johnson & Wales University and holds a Bachelor of Science degree from Rhode Island College. In 2018, Mr. Taylor received an honorary Doctor of Business Administration from Johnson & Wales University.

Lisbeth McNabb was appointed in January 2021 as a non-voting member in an observer capacity on our board of directors and has served as a voting member of our board of directors since May 2021. Ms. McNabb currently serves on the board of directors, serves on the audit committee and is the former chair of audit committee of Nexstar Media Group (Nasdaq: NXST), and serves on the board and Chair of Audit of Acronis. Over the past 20 years, Ms. McNabb has served in senior leadership roles with category-defining companies including match.com and Linux Foundation. Prior to that, she began her career in various finance and managerial roles at AT&T, American Airlines and Pepsico Frito-Lay. Ms. McNabb holds a BS in Business from the University of Nebraska and an MBA from Southern Methodist University.

Arrangements Concerning Election of Directors

Our Founding Shareholders have the exclusive right under our articles of association to elect up to 50% of our directors so long as they own in the aggregate at least 40.0% of our issued and outstanding share capital. In furtherance of the foregoing, the Founding Shareholders have entered into a voting agreement pursuant to which the Founding Shareholders vote as one group with regard to any matter relating to the nomination, election, appointment or removal of directors.

Board Diversity (as of April 10, 2022)

The table below provides certain information regarding the diversity of our board of directors as of the date of this Annual Report.

Board Diversity Matrix				
Country of Principal Executive Offices:	Grand Duchy of Luxembourg			
Foreign Private Issuer	Yes			
Disclosure Prohibited under Home Country Law	No			
Total Number of Directors	6			
	Female	**Male**	**Non-Binary**	**Did Not Disclose Gender**
Part I: Gender Identity				
Directors	1	5	0	0
Part II: Demographic Background				
White (not of Hispanic or Latinx origin)	6			
Underrepresented Individual in Home Country Jurisdiction	0			
LGBTQ+	0			
Did Not Disclose Demographic Background	0			

6.B. Compensation

Executive Officer and Board Member Compensation

The compensation for each of our executive officers is comprised of the following elements: base salary, bonus, contractual benefits, and pension contributions. The total amount of compensation paid and benefits in kind provided to our executive officers and members of our board of directors, other than our independent directors, for the 2021 financial year was $1,817,791. This amount includes $163,007 set aside or accrued to provide pension, severance, retirement or similar benefits or expenses. The amount of compensation paid to our independent directors is as follows: Mr. John E. Taylor Jr. received cash compensation of $115,620 and equity compensation in the form of a grant of 48,581 options, vesting over a period of two years annually from November 18, 2020, with an exercise price of $17 per option; Mr. Laurent Teitgen received cash compensation of $25,324; and Ms. Lisbeth McNabb received cash compensation of $11,929 and equity compensation in the form of a grant of 15,000 options, vesting over a period of 1.7 years annually from May 26, 2021, with an exercise price of $57.56 per option. We do not currently maintain any bonus or profit-sharing plan for the benefit of our executive officers; however, upon approval of the compensation committee of the board of directors we intend to offer to certain of our executive officers annual bonuses pursuant to terms to be approved by the board of directors. We make monthly contributions to pension, retirement or similar benefits to our executive officers as required under Israeli law or any other relevant jurisdiction.

Executive Officer and Board Member Employment Agreements

Each of the Company's executive officers is employed under an employment agreement for an indefinite period of time. These agreements contain customary provisions regarding noncompetition, nonsolicitation, confidentiality of information and assignment of inventions.

Long-Term Incentive Plans

2015 Plan (as amended in 2019)

The 2015 Share Option Plan was adopted on January 29, 2015 and amended thereafter (the "2015 Plan"). The 2015 Plan provides for the grant of options to acquire Ordinary Shares of the Company. As of April 14, 2022, there were 1,058,160 outstanding options granted under the 2015 Plan covering 1,058,160 Ordinary Shares of the Company at a weighted average exercise price of $1.85, out of which 770,934 were vested and 287,226 were unvested.

All our employees and consultants are eligible to participate in the 2015 Plan. All outstanding options to purchase Ordinary Shares of the Company granted under the 2015 Plan that are held by employees of NGS, are subject to the beneficial tax arrangement known as the trustee capital gains route of Section 102 of the Israeli Income Tax Ordinance [New Version] 1961.

Our board of directors determines the terms and conditions of the options granted including the vesting terms and the exercise price. The terms and conditions are set forth in the applicable options agreement. The terms and conditions of individual options may vary.

Following the completion of our initial public offering, the Company ceased granting options under the 2015 Plan. Any options granted under the 2015 Plan that expire will be added to the pool of the 2020 Plan (as defined below). The 2015 Plan will continue to apply to all options granted under the 2015 Plan prior to our initial public offering.

2020 Plan

In connection with our initial public offering, we adopted an omnibus equity plan by the name of 2020 Incentive Award Plan (the "2020 Plan"), which allows for the grant of various equity awards such as options, share appreciation rights, restricted shares, restricted share units and other equity based awards. The 2020 Plan initially included a pool of 132,750 Ordinary Shares which shall be increased automatically upon expiration of any option granted under the 2015 Plan and by an annual increase on the first day of each calendar year beginning January 1, 2021 and ending on and including January 1, 2030, equal to the lesser of (A) 3% of the aggregate number of shares outstanding on the final day of the immediately preceding calendar year and (B) such smaller number of shares as is determined by our board of directors. On August 30, 2021, our board of directors allocated up to 140,336 restricted share units, or RSUs, for award to employees in amounts to be determined by management. The board of directors approved on October 22, 2021 the grant of RSUs under the Company's 2020 Incentive Award Plan, which will vest in four equal annual installments commencing on January 1, 2022. As of March 30, 2022, there were (i) 112,390 unvested RSUs outstanding under the 2020 Plan, (ii) outstanding options granted under the 2020 Plan covering 75,726 Ordinary Shares at a weighted average exercise price of $23.63, of which 27,328 were vested and 48,938 were unvested, and (iii) 726,555 Ordinary Shares remaining available for issuance pursuant to future awards that may be granted under the 2020 Plan.

The 2020 Plan is managed by our board of directors or by a committee thereof nominated for the purpose of administrating the 2015 Plan.

The administrator has the authority to determine the terms and conditions of the awards granted under the 2020 Plan. However, the exercise price of options and share appreciation rights must be no less than the fair market value of the shares at the time of grant.

The 2020 Plan includes an Israeli sub-plan for the purpose of enabling the Company to grant Israeli employees awards under the tax beneficial route known as the trustee capital gains route of Section 102 of the Israeli Income Tax Ordinance [New Version] 1961.

Insurance and Indemnification

We provide liability insurance for our directors and officers against certain liabilities, which they may incur in connection with their activities on our behalf.

Our articles of association provide that directors and officers, past and present, are entitled to indemnification from us to the fullest extent permitted by Luxembourg law, against liabilities and all expenses reasonably incurred or paid by him or her in connection with any claim, action, suit, or proceeding in which he or she is involved by virtue of him or her being or having been a director or officer of the Company and against amounts paid or incurred by him or her in the settlement thereof.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons pursuant to the provisions of our articles of association or otherwise, we have been advised that in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by us of expenses incurred or paid by a director, officer, or controlling person in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered hereunder, we will, unless in the opinion of our counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by us is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

6.C. Board Practices

Board Composition

Our board of directors is currently comprised of six members, each of whom was elected for a term ending at the occasion of the annual general meeting of the Company to be held in 2022 and related to the financial year ended on December 31, 2021. A director may be re-appointed. Our directors are elected at our general meeting of shareholders in accordance with our articles of association. Pursuant to our articles of association, for so long as the Founding Shareholders (i) own in the aggregate at least 40.0% of the issued and outstanding share capital of the Company, a number of directors equal to 50.0% of the total number of directors will be elected from nominees selected by the Founding Shareholders, (ii) own in the aggregate less than 40% of the issued and outstanding share capital of the Company, but still own in the aggregate at least 25.0% of the issued and outstanding share capital of the Company, a number of directors equal to 33.0% of the total number of directors will be elected from nominees selected by the Founding Shareholders, and (iii) own in the aggregate less than 25% of the issued and outstanding share capital of the Company, but still own in the aggregate at least 15.0% of the issued and outstanding share capital, one director will be elected from nominees selected by the Founding Shareholders.

Foreign Private Issuer Status

As a foreign private issuer, we are exempt under the Exchange Act from, among other things, the rules prescribing the furnishing and content of proxy statements, and our officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act. In addition, we are not required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act.

Controlled Company Exemption

Until recently, we were a "controlled company" as set forth in the Nasdaq rules, and were able to rely on a "controlled company" exemption in addition to exemptions on which we may rely as a foreign private issuer, because our Founding Shareholders beneficially owned more than 50% of the voting power of our Ordinary Shares eligible to vote in the election of directors. However, as of December 31, 2021, our Founding Shareholders beneficially own approximately 49.97% of our Ordinary Shares, and we may no longer rely on such "controlled company" exemptions.

Under Nasdaq rules, a company of which more than 50% of the voting power is held by an individual, group or another company is a "controlled company" and may elect to utilize exemptions from certain corporate governance standards, including the requirement (1) that a majority of the board of directors consist of independent directors, (2) to have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities and (3) that our director nominations be made, or recommended to the full board of directors, by our independent directors or by a nominations committee that is composed entirely of independent directors and that we adopt a written charter or board resolution addressing the nominations process.

Until recently, we utilized the exemption from the requirement to have a majority of the board of directors consist of independent directors. We ceased to be a "controlled company" in November 2021 and are required to comply with the relevant Nasdaq rules within the applicable transition periods.

Board Committee Composition

Our board of directors has established an audit committee, a compensation committee and a nominating and corporate governance committee.

Audit Committee

The audit committee, which consists of Lisbeth McNabb, John E. Taylor, Jr. and Laurent Teitgen, assists the board in overseeing our accounting and financial reporting processes and the audits of our financial statements. Lisbeth McNabb serves as chair of the committee. The audit committee consists exclusively of members of our board of directors who are financially literate, and Lisbeth McNabb is considered an "audit committee financial expert" as defined by the SEC. Our board has determined that John E. Taylor, Jr., Laurent Teitgen and Lisbeth McNabb meet the "independence" requirements set forth in Rule 10A-3 under the Exchange Act and the Nasdaq rules, including the heightened independence standards applicable to audit committee members. The audit committee is governed by a charter that complies with Nasdaq rules.

The audit committee is responsible for:

- recommending the appointment of the independent auditor to the general meeting of shareholders;
- the appointment, compensation, retention and oversight of any accounting firm engaged for the purpose of preparing or issuing an audit report or performing other audit services;
- pre-approving the audit services and non-audit services to be provided by our independent auditor before the auditor is engaged to render such services;
- evaluating the independent auditor's qualifications, performance and independence, and presenting its conclusions to our board of directors on at least an annual basis;

- reviewing and discussing with our board of directors and the independent auditor our annual audited financial statements and quarterly financial statements prior to the filing of the respective annual and quarterly reports;

- reviewing our compliance with laws and regulations, including major legal and regulatory initiatives and also reviewing any major litigation or investigations against us that may have a material impact on our financial statements; and

- reviewing and discussing the Company's policies with respect to risk assessment and risk management and establishing procedures for receipt, retention and treatment of complaints received regarding accounting, internal accounting controls or auditing matters, and for the confidential and anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

The audit committee meets as often as one or more members of our audit committee deem necessary, but in any event meets at least four times per year. The audit committee meets at least once per year with our independent accountant, without our executive officers being present.

Compensation Committee

The compensation committee, which consists of John E. Taylor, Jr., Laurent Teitgen and Lisbeth McNabb, assists our board of directors in determining executive officer compensation. John E. Taylor, Jr. serves as chair of the committee. The committee recommends to our board of directors the compensation of each of our executive officers. Under SEC and Nasdaq rules, there are heightened independence standards for members of our compensation committee, including a prohibition against the receipt of any compensation from us other than standard board member fees. All of our compensation committee members meet this heightened standard.

The compensation committee is responsible for:

- identifying, reviewing and approving corporate goals and objectives relevant to executive officer compensation;

- analyzing the possible outcomes of the variable remuneration components and how they may affect the remuneration of our executive officers;

- evaluating each executive officer's performance in light of such goals and objectives and determining each executive officer's compensation based on such evaluation;

- determining any long-term incentive component of each executive officer's compensation in line with the remuneration policy and reviewing our executive officer compensation and benefits policies generally;

- periodically reviewing, in consultation with our Chief Executive Officer, our management succession planning; and

- reviewing and assessing risks arising from our compensation policies and practices for our employees and whether any such risks are reasonably likely to have a material adverse effect on us.

Nominating and Corporate Governance Committee

The nominating and corporate governance committee, which consists of John E. Taylor, Jr., and Laurent Teitgen and Lisbeth McNabb, assists our board of directors in identifying individuals qualified to become members of our board of directors consistent with criteria established by our board of directors and in developing our corporate governance principles. John E. Taylor, Jr. serves as chair of the committee.

The nominating and corporate governance committee is responsible for:

- drawing up selection criteria and appointment procedures for board members;

- reviewing and evaluating the composition, function and duties of our board of directors;

- recommending nominees for selection to our board of directors and its corresponding committees;

- making recommendations to our board of directors as to determinations of board member independence;
- leading our board of directors in a self-evaluation, at least annually, to determine whether it and its committees are functioning effectively;
- overseeing and recommending for adoption by the general meeting of shareholders the compensation for our board members; and
- developing and recommending to our board of directors our rules governing the board of directors and code of business conduct, reviewing and reassessing the adequacy of such rules and recommending any proposed changes to our board of directors.

Duties of Board Members and Conflicts of Interest

Under Luxembourg law, members of our board of directors have a duty of loyalty to act honestly, in good faith and with a view to our best interests. The members of our board of directors also have a duty to exercise the care, diligence and skills that a reasonably prudent person would exercise in comparable circumstances. In fulfilling their duty of care to us, the members of our board of directors must ensure compliance with our articles of association. In certain limited circumstances, a shareholder has the right to seek damages if a duty owed by a member of our board is breached.

Pursuant to Luxembourg law, any director having a direct or indirect financial interest in a transaction submitted for approval to our board of directors may not participate in the deliberations and vote thereon, unless the transaction is not in the ordinary course of our business and conflicts with our interest, in which case the director shall be obliged to advise our board of directors thereof and to cause a record of such director's statement to be included in the minutes of the meeting. He or she may not take part in these deliberations nor vote on such a transaction. At the next general meeting of shareholders, before any other resolution is put to a vote, a special report shall be made on any transactions in which any of the directors may have had an interest that conflicts with our interest.

Directors' service contracts

There are no arrangements or understandings between us and any of our subsidiaries, on the one hand, and any of our directors, on the other hand, providing for benefits upon termination of their employment or service as directors of our Company or any of our subsidiaries.

6.D. Employees

As of December 31, 2021, the Company had 154 employees located predominantly in Israel and 2 employees located in the United States. Additionally, as of December 31, 2021 the Company had 211 dedicated contractors located in Ukraine. Prior to Russia's invasion of Ukraine in February 2022, 60 of our staff left Ukraine with our assistance, and 70 others left to western areas of the country.

Our goal is to attract and retain highly qualified and motivated personnel. We also engage contractors to support our efforts. None of our employees and service providers are subject to a collective bargaining agreement. We consider our employee relations to be good and we have never experienced a work stoppage.

We are committed to maintaining a working environment in which diversity and equality of opportunity are actively promoted and all unlawful discrimination is not tolerated. We are committed to ensuring employees are treated fairly and are not subjected to unfair or unlawful discrimination. We value diversity and to that end recognize the educational and business benefits of diversity amongst our employees, applicants and other people with whom we have dealings.

6.E. Share Ownership

For information regarding the share ownership of directors and officers, see Item 7.A. "*Major Shareholders and Related Party Transactions - Major Shareholders*." For information as to our equity incentive plans, see Item 6.B. "*Compensation - Long-Term Incentive Plans*."

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

7.A. Major Shareholders

The following table sets forth information relating to the beneficial ownership of our Ordinary Shares as of March 31, 2022 by:

- each person, or group of affiliated persons, known by us to beneficially own 5% or more of our outstanding Ordinary Shares;
- each of our executive officers and directors; and
- all of our executive officers and directors as a group.

For further information regarding material transactions between us and principal shareholders, see Item 7.B. "*Related Party Transactions*."

The number of Ordinary Shares beneficially owned by each entity, person, executive officer or director is determined in accordance with the rules of the SEC, and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rules, beneficial ownership includes any shares over which the person has sole or shared voting power or investment power. Additionally, Ordinary Shares that a person has the right to acquire within 60 days of March 31, 2022 through the exercise of any option, warrant or other right are deemed to be outstanding and to be beneficially owned by such person for purposes of computing the percentage ownership of such person, but are not deemed outstanding for purposes of computing the percentage ownership of any other person, except with respect to the percentage ownership of all executive officers and directors as a group. Except as otherwise indicated, and subject to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all Ordinary Shares held by that person.

The percentage of Ordinary Shares beneficially owned is computed on the basis of 25,593,434 Ordinary Shares outstanding as of March 31, 2022.

The information set forth below regarding the beneficial ownership for each of our principal shareholders has been furnished by such shareholders. Unless otherwise indicated below, the address for each beneficial owner listed is NeoGames S.A., 10 Habarzel Street, Tel Aviv, 6971014, Israel.

Name of beneficial owner	Number	Percent
5% or Greater Shareholders		
Elyahu Azur(1)	3,193,717	12.5%
Pinhas Zahavi(2)	3,193,717	12.5%
Executive officers and directors		
Moti Malul(3)	336,978	1.3%
Raviv Adler(4)	77,404	*
Oded Gottfried(5)	333,970	1.3%
Rinat Belfer(6)	41,902	*
Barak Matalon(7)	5,109,948	20.0%
Aharon Aran(8)	1,277,486	5.0%
Laurent Teitgen	-	-
John E. Taylor, Jr.(9)	39,000	*
Lisbeth McNabb(10)	15,000	*
All executive officers and directors as a group (9 persons)(11)	7,231,688	27.8%

* Indicates beneficial ownership of less than 1% of the total outstanding Ordinary Shares.

(1) Based on information reported on a Schedule 13G filed on February 16, 2021, Mr. Azur holds 3,193,717 Ordinary Shares. The address for Mr. Azur is 6 Hertzel St., Tel-Aviv, Israel.

(2) Based on information reported on a Schedule 13G filed on February 16, 2021, Mr. Zahabi holds 3,193,717 Ordinary Shares. The address for Mr. Zahavi is 4 Voiotias St., limassol, Cyprus.

(3) Shares beneficially owned includes 282,323 options exercisable as of March 31, 2022, and 336,978 options exercisable within 60 days of March 31, 2022, for Ordinary Shares of the Company.

(4) Shares beneficially owned includes 73,001 options exercisable as of March 31, 2022, and 77,404 options exercisable within 60 days of March 31, 2022, for Ordinary Shares of the Company.

(5) Shares beneficially owned includes 330,478 Ordinary Shares of the Company, and 3,492 options exercisable as of March 31, 2022 for Ordinary Shares of the Company.

(6) Shares beneficially owned includes 30,971 options exercisable as of March 31, 2022, and 41,902 options exercisable within 60 days of March 31, for Ordinary Shares of the Company.

(7) Based on information reported on a Schedule 13G filed on February 16, 2021, Mr. Matalon holds 5,109,948 Ordinary Shares. The address for Mr. Matalon is 10 Habarzel St., Tel Aviv, Israel.

(8) Based on information reported on a Schedule 13G filed on February 16, 2021, Mr. Aran holds 1,277,486 Ordinary Shares. The address for Mr. Aran is 32 Tuval St. Ramat Gan, Israel.

(9) Shares beneficially owned includes 14,709 Ordinary Shares, and 24,291 options exercisable as of March 31, 2022 for Ordinary Shares of the Company.

(10) Shares beneficially owned includes 15,000 options exercisable as of March 31, 2022 for Ordinary Shares of the Company.

(11) Shares beneficially owned includes 6,732,621 Ordinary Shares of the Company, 429,078 options exercisable as of March 31, 2022, and 499,067 options exercisable within 60 days of March 31, 2022, for Ordinary Shares for the Company.

Our directors and executive officers hold, in the aggregate, options exercisable for 429,078 Ordinary Shares, as of March 31, 2022. The options have a weighted average exercise price of $7.5 per share and have expiration dates generally 10 years after the grant date of the option.

Changes in Ownership of Major Shareholders

To our knowledge, other than as disclosed in the table above, our other filings with the SEC and this Annual Report, there has been no significant change in the percentage ownership held by any major shareholder since January 1, 2019.

Voting Rights

The major shareholders listed above do not have voting rights with respect to their Ordinary Shares that are different from the voting rights of other holders of our Ordinary Shares.

Change in Control Arrangements

We are not aware of any arrangement that may at a subsequent date, result in a change of control of the Company. On January 17, 2022, we announced the Aspire Tender Offer, which is currently pending. For more information regarding the Proposed Acquisition of Aspire, including the Aspire Tender Offer, see "*Related Party Transactions - Relationship with Aspire*."

Registered Holders

Based on a review of the information provided to us by our transfer agent, as of March 31, 2022, there were 6 registered holders of our Ordinary Shares, one of which (Cede & Co., the nominee of the Depositary Trust Company) is a United States registered holder, holding approximately 48.8% of our outstanding Ordinary Shares. The number of record holders in the United States is not representative of the number of beneficial holders nor is it representative of where such beneficial holders are resident since many of these Ordinary Shares were held by brokers or other nominees.

7.B. Related Party Transactions

The following is a description of our ongoing or presently proposed related party transactions since January 1, 2019.

Relationship with Aspire

NeoGames was established as an independent company in 2014, following a spin-off from Aspire, a B2C and B2B service provider in the iGaming industry. Barak Matalon and Aharon Aran, members of our board of directors, are also members of Aspire's board of directors. Further, Barak Matalon, Elyahu Azur, Pinhas Zahavi and Aharon Aran, who collectively own a majority of the shares of Aspire, hold as of March 31, 2022 approximately 49.9% of our Ordinary Shares.

Prior to our spin-off from Aspire, our management team was responsible for the iLottery business of Aspire. As part of the spin-off, NeoGames has entered into the following agreements with the Aspire Group:

Framework Agreement

On April 24, 2015, with effect as of April 30, 2014, NeoGames entered into an agreement (the "Aspire Framework Agreement") with Aspire and AG Software Limited ("AG Software"), a member of the Aspire Group that provides the framework for the restructuring and the separate operation of each of the parties and their respective businesses. NeoGames acquired from the Aspire Group the suite of software products used solely in the iLottery market, as well as the rights to certain contracts held by the Aspire Group, in consideration for the Aspire Promissory Notes.

Transition Services Agreement

On June 15, 2015, with effect as of April 30, 2014, NeoGames entered into a transition services agreement (as amended on August 6, 2015, the "Aspire Transition Services Agreement") with Aspire and William Hill pursuant to which NeoGames agreed to provide Aspire with certain dedicated development, maintenance and support services necessary for the operation of Aspire's business. These services are now primarily provided by teams that are dedicated to Aspire and are employees of Aspire, but NeoGames' employees supervise the software development work of Aspire's employees to ensure that their work is released within the overall release plan and does not interfere with other functions of the platform. We received approximately $1.6 million, $2.4 million and $4.0 million pursuant to the Aspire Transition Services Agreement in the years ended December 31, 2021, 2020 and 2019, respectively. Pursuant to the terms of the Aspire Transition Services Agreement, rights in the work product created by Aspire for the sole benefit of Aspire are owned by Aspire and rights in the work product created by NeoGames for the sole benefit of NeoGames are owned by NeoGames. However, rights in the work product created for the benefit of both NeoGames and Aspire are owned by NeoGames and licensed to Aspire under the terms of the Aspire Software License Agreement.

Trademark License Agreement

On April 24, 2015, NeoGames entered into a trademark license agreement with Aspire and William Hill (as amended and restated on August 6, 2015, the "Aspire Trademark License Agreement") pursuant to which Aspire granted to NeoGames an exclusive license to use the "NEOGAMES" trademark in connection with our business. In September 2020, Aspire and NeoGames executed a trademark assignment agreement and filed deeds of assignment in respect of the registered NEOGAMES trademarks in the EU and the United States that has been recorded in the public registrar.

Aspire Promissory Notes

On April 24, 2015, with effect as of April 30, 2014, NeoGames issued to Aspire and AG Software promissory notes (as amended and restated, the "Aspire Promissory Notes") in aggregate principal amounts of approximately $3.0 million and $5.5 million, respectively. On May 18, 2017, the aggregate principal amount of the promissory note issued to Aspire was increased from $3.0 million to $16.3 million (bringing the aggregate principal amount of the Aspire Promissory Notes to approximately $21.8 million). The Aspire Promissory Notes bear interest at a rate of 1.0% per annum, payable on a quarterly basis in arrears, and matured on March 31, 2022.

The Aspire Promissory Notes were repaid in full upon maturity, on March 31, 2022.

Aspire Software License Agreement

In April 2015, NeoGames entered into a software license agreement (as amended in August 2015 and in June 2018, the "Aspire Software License Agreement") with AG Software, Aspire and William Hill, pursuant to which ownership of intellectual property in a suite of software products was allocated between NeoGames and Aspire. In accordance with the Aspire Software License Agreement, software used in both the iLottery business and the iGaming business (the "Mixed-Use Software") remained in the ownership of Aspire but was exclusively and irrevocably licensed to NeoGames for use in our iLottery business. The Mixed-Use Software includes components such as the wallet, cashier functions and random numbers generator used in our iLottery offerings.

The license from Aspire allows NeoGames to use the Mixed-Use Software to (i) facilitate its iLottery business worldwide, (ii) design, develop and implement online gaming, lottery or sports products and services for B2B customers in the gaming and sports businesses in the United States, (iii) grant a sub-license to William Hill for use when William Hill is operating under its own brand, and under certain circumstances when William Hill is operating under third-party brands, for its gaming and sports business and (iv) design, develop and implement games content (including scratch card, instant win, table and casino games) to customers (except for platform providers or white label companies who are competitors of Aspire) worldwide. The license from Aspire allows NeoGames to make broad use of the Mixed-Use Software in connection with the foregoing rights, including but not limited to adapting, modifying or enhancing it, granting sub-licenses, and distributing and selling it.

Meanwhile, Aspire can use the Mixed-Use Software to (i) facilitate its B2C gaming or sports business worldwide, (ii) facilitate its B2C iLottery business worldwide (except in jurisdictions where NeoGames operates its iLottery business), (iii) design, develop and implement online gaming, lottery or sports products and services for B2G customers in the iLottery business (except in the United States) and (iv) offer online games content (including scratch card, instant win, table and casino games) to customers (except for B2G customers in the United States and certain competitors of NeoGames) worldwide.

Pursuant to the terms of the Aspire Software License Agreement, the WH Features (as defined below) and modifications to the Mixed-Use Software developed by NeoGames and used exclusively in the iLottery offering are owned by NeoGames and licensed to Aspire on the same terms as Aspire's rights to use the Mixed-Use Software set forth above. Pursuant to the terms of the Aspire Software License Agreement, modifications to the Mixed-Use Software developed by Aspire and used exclusively in the iGaming offering are owned by Aspire and licensed to NeoGames on the same terms as NeoGames' license to the Mixed-Use Software set forth above.

In accordance with the terms of the Aspire Software License Agreement, NeoGames is not permitted to design, develop or implement casino and slots content for games aggregators, and Aspire is not permitted to design, develop and implement scratch and instant content for games aggregators.

Cost Allocation Agreement

On July 8, 2015, with effect as of June 15, 2014, NGS entered into a cost allocation agreement with Aspire Global Marketing Solutions pursuant to which each party has agreed to bear certain costs that are then recovered at cost from the other party. We paid $1.6 million, $1.4 million and $1.5 million and received $0.2 million, $0.2 million and $0.2 million in the years ended December 31, 2021, 2020 and 2019, respectively.

Proposed Acquisition of Aspire

On January 17, 2022 we have commenced a public offer to the shareholders of Aspire Global plc, for a total purchase price of approximately $480 million (based on a SEK to $ foreign exchange rate of 0.111 at January 17, 2022 as reported by Bloomberg) in cash and shares (the "Aspire Tender Offer"). We have offered to acquire all of the outstanding shares of Aspire through a combination of cash for 50% of Aspire's shares at a price of SEK 111 per share, and equity consideration for the remaining 50% of Aspire's shares consisting of 7.6 million newly-issued shares in NeoGames (equal to an exchange ratio of 0.32 shares in NeoGames per one share in Aspire Global). The exchange ratio was determined based on a $24.62 per share price for NeoGames on January 14, 2022 (being the last day of trading on the Nasdaq Stock Exchange before the announcement of the public offer) and a SEK 71.05 per share price for Aspire, and a SEK to $ foreign exchange rate of 0.111 at January 17, 2022 as reported by Bloomberg. Newly issued NeoGames shares will be delivered in the form of Swedish depository receipts.

Aspire shareholders who in the aggregate own approximately 67% of Aspire's outstanding shares, some of whom are also our Founding Shareholders, have irrevocably elected to accept the offer and will elect to receive up to 100% of the 7.6 million offered NeoGames shares, as their consideration (subject to proration).

The independent bid committee of Aspire (consisting of the independent board members Carl Klingberg and Fredrik Burvall) recommended to Aspire's shareholders to accept the Aspire Tender Offer and elect an all-cash consideration. The Aspire Tender Offer is conditioned upon, *inter alia* (a) acceptance by not less than 90% of the total number of outstanding shares in Aspire, (b) amendment of Aspire articles of association allowing the owner of not less than 90% of the total number of outstanding shares in Aspire to acquire the remaining shares that have not been tendered in the Aspire Tender Offer, (c) acceleration of vesting of outstanding options under certain incentive programs of Aspire, resulting in the creation of not more than 828,094 new Aspire shares, (d) obtaining all necessary regulatory, governmental or other similar approvals, and other conditions.

Following and subject to the completion of the Aspire Tender Offer, and provided not all Aspire shares were tendered in the Aspire Tender Offer (all such remaining shares, "Aspire Minority Shares", and the holders thereof, "Aspire Minority Shareholders"), the Company intends to require all Aspire Minority Shareholders to transfer to the Company the Aspire Minority Shares pursuant to the amended articles of association of Aspire (the "Squeeze Out Merger"; the Aspire Tender Offer and the Squeeze Out Merger, the "Proposed Acquisition of Aspire"). The consideration per share to be paid to the Aspire Minority Shareholders in the Squeeze Out Merger will be, at the sole discretion of the Company, either the same consideration as that offered in the Aspire Tender Offer, or the corresponding value: in cash alone; or in a combination of cash and non-cash consideration.

The Proposed Acquisition of Aspire will be financed in part by the Interim Facilities made available by the Interim Lenders, or if the Senior Facilities Agreement is signed and no Interim Facility has been funded prior to such time, then by the Senior Facilities made available by the Lenders. For more information, see "*Operating and Financial Review and Prospects - Liquidity and Capital Resources - Financing for the Proposed Acquisition of Aspire*." The remaining part of the consideration paid in cash pursuant to the Proposed Acquisition of Aspire will be financed by cash available on the Company's balance sheet at the time of the closing. As of the date hereof, the Company has incurred costs in an amount of approximately $1.6 million in connection with the financing agreements with Blackstone. The Company has not incurred costs in connection with the FX Hedging Transaction. The costs of the FX Hedging Transaction will be incurred only upon completion of the Aspire Tender Offer.

There is no certainty that the Aspire Tender Offer will be accepted by the required majority, that the Proposed Acquisition of Aspire will be completed, or regarding the terms or the timing of that acquisition. For additional information on the Aspire Tender Offer, see our current report on Form 6-K filed with the SEC on January 18, 2022.

Relationship with William Hill

We have a strategic partnership with William Hill, who is our client (with respect to certain software development projects and licensing rights described below), our lender (with respect to the credit facility described below) and, until recently, one of our major shareholders. William Hill was acquired by Caesars on April 22, 2021. Pursuant to a Schedule 13D/A filed on March 18, 2022, Caesars consummated on March 14, 2022 a block sale of an aggregate of 2,151,310 Ordinary Shares, following which sale Caesars beneficially owns no Ordinary Shares.

Shareholders' Agreement

On August 6, 2015, we entered into an Investment and Framework Shareholders' Agreement with William Hill and certain of our shareholders (the "Shareholders' Agreement"), pursuant to which we issued 56,003,584 of our Ordinary Shares to William Hill for an aggregate purchase price of $25.0 million. Pursuant to the Shareholders' Agreement, William Hill also had the right to appoint a member of our board of directors.

Pursuant to the Shareholders' Agreement, William Hill was granted two option rights to purchase the Ordinary Shares held by certain of our shareholders. The first option lapsed in 2019 and was not exercised. The second option allows William Hill to purchase the Ordinary Shares held by certain of our shareholders at the greater of $182.0 million and a price per share based on a multiple (between seven and 12.5, depending on the portion of the Company's revenues attributable to the Michigan iLottery) of the Company's earnings before interest and taxes for the year ended December 31, 2020. William Hill waived this option prior to the completion of our initial public offering.

Upon the completion of our initial public offering, the Shareholders' Agreement terminated.

WH Credit Facility

On August 6, 2015, William Hill made available to us a credit facility (the "WH Credit Facility") in the principal amount of $15.0 million, bearing interest at the rate of 5.0% per annum. On June 18, 2018, the WH Credit Facility was amended so that $10.0 million out of the $15.0 million would bear interest at the rate of 1.0% per annum and the remaining $5.0 million would continue to bear interest at the rate of 5.0% per annum.

On October 20, 2020, we entered into a loan agreement with William Hill Finance Limited ("WHFL"), an affiliate of William Hill, which sets out amended terms and repayment schedule with respect to our outstanding loans under the WH Credit Facility (the "Loan Agreement").

In the years ended December 31, 2018 and 2019, WHFL extended to us the following loans under the WH Credit Facility: (a) on March 13, 2018, an amount of $4.0 million ("Tranche A"), (b) on October 11, 2018, an amount of $2.0 million ("Tranche B"), (c) on January 29, 2019, an amount of $3.0 million ("Tranche C") and (d) on September 27, 2019, an amount of $3.5 million ("Tranche D").

On September 18, 2020, WHFL extended to us a loan of $2.5 million ("Tranche E"), which was immediately used to pay off a portion of Tranche A. On September 18, 2020, WHFL also extended to us a loan of $2.0 million under the WH Credit Facility ("Tranche F"), which was immediately used to pay off the remaining principal amount of Tranche A and all interest accrued under the WH Credit Facility as of such date. According to the terms of the Loan Agreement, as of June 30, 2021 the Company paid in full both the principal and accrued interest associated with Tranche F in a total amount of $2.1 million.

Pursuant to the Loan Agreement, the maturity date for Tranches B, C, D and E is June 15, 2023. As of December 31, 2020, we may not draw any additional funds under the WH Credit Facility. Tranches B, C, D and E bear interest at a rate of 1.0% per annum.

Pursuant to the Loan Agreement, WHFL has the right to appoint an observer to attend each of our board of director meetings until the full repayment of the loan facilities.

Pursuant to the Loan Agreement, all present and future amounts owed under the WH Credit Facility must be secured by a pledge over the shares of NGS and NeoGames US, LLP, wholly owned subsidiaries of the Company.

In accordance with the Loan Agreement, the Company repaid on June 30, 2021 Tranche F in the amount of $2.1 million, of which $1.5 million to set off the principal and the reminder represents accrued interest.

Upon a change of control in the Company, WHFL is entitled to cancel the WH Credit Facility and declare all amounts outstanding thereunder, together with all other amounts accrued under the Loan Agreement, due and payable upon not less than five business days' notice.

WHG License

On June 18, 2018, we entered into a binding term sheet (the "WH Term Sheet") with WHG (International) Ltd. ("WHG"), an affiliate of William Hill. Pursuant to the WH Term Sheet, we granted WHG a sub-license (the "WHG License") to use the NeoSphere platform, subject to certain branding restrictions, through any channel and for use in any product offering.

The WHG License is irrevocable for the term of the WH Term Sheet, which is in effect until a Master Software Development License Agreement (contemplated by the WH Term Sheet) is entered into by the parties (the "MSDLA").

Furthermore, pursuant to the WH Term Sheet, we granted WHG the option to convert the WHG License into a perpetual license (the "IP Option") for a payment of £15.0 million upon the earlier of the termination of the MSDLA, once entered into, or a change of control of NeoGames. We have also agreed to provide WHG with the IP Option following the completion of a four year period from the date of the WH Term Sheet. The Company and WHG are in the process of negotiating the MSDLA.

Pursuant to the WH Term Sheet, we have agreed to make available to WHG a dedicated team that provides support services (the "WH Services") for WHG projects related to the NeoSphere platform.

Our revenues from these arrangements were approximately $8.0 million, $6.7 million and $5.7 million in the years ended December 31, 2021, 2020 and 2019, respectively.

NeoGames and WHG have agreed on certain exclusivity obligations in the United States. WHG is prohibited from using the NeoSphere platform in competition with NeoGames in the iLottery business. NeoGames is prohibited from using the NeoSphere platform in competition with WHG in the B2C sports betting business, but is not prohibited from independently using the NeoSphere platform in the B2B sports betting business.

All intellectual property developed in connection with the WH Services, including both features developed by NeoGames for WHG ("WH Features") and features jointly developed by WHG and NeoGames, are owned by, and fully vested in, NeoGames. We are generally prohibited from providing the WH Features to any party other than our existing customers and Aspire, subject to certain limitations.

Secondary Offering

In September 2021, we have completed a secondary offering whereby Caesars Entertainment, Inc. (which acquired William Hill) sold in the aggregate 3,975,947 Ordinary Shares (including Ordinary Shares sold by Caesars pursuant to an option granted to the underwriters and exercised by them in full) at a price of $37.79 per share, thereby reducing their share ownership (as of the date of the offering) from 24.5% to 8.92%. See " - *Relationship with William Hill*" above regarding the sale by Caesars Entertainment, Inc. of all its Ordinary Shares on March 14, 2022.

Consultancy Agreement

On June 1, 2015, NGS and LOTYM HOLDINGS LTD. ("LOTYM") entered into an agreement pursuant to which LOTYM provides to NGS consulting services through Barak Matalon (one of the Founding Shareholders) for a monthly consideration in the amount of NIS 45,000 (plus VAT). The agreement has an unlimited term, and may be terminated for convenience by either party, subject to 180-days' prior written notice. Mr. Matalon and LOTYM have signed undertakings, effective through the term of the agreement and for 12 months following its termination, regarding (i) ownership in inventions by, and assignment thereof to, the Company, (ii) non-competition against the Company, and (iii) non-solicitation of its employees, consultants, suppliers, customers, investors and any party commercially engaged by it. The Company paid to the LOTYM $195 thousand, $158 thousand and $153 thousand in the years ended December 31, 2021, 2020 and 2019, respectively.

Voting Agreement

Our Founding Shareholders have the exclusive right under our articles of association to nominate up to 50% of our directors so long as they own in the aggregate at least 40.0% of our issued and outstanding share capital. In furtherance of the foregoing, the Founding Shareholders have entered into a voting agreement pursuant to which the Founding Shareholders vote as one group with regard to any matter relating to the nomination, election, appointment or removal of directors.

Other Agreements with Directors and Executive Officers

We have entered into employment agreements with each of our executive officers in the ordinary course of business. The agreements provide for the terms of each individual's employment or service with the Company. Since our inception, we have also granted to our executive officers and to certain of our directors options to purchase Ordinary Shares. For a description of transactions and arrangements with our directors and executive officers, see Item 6.B "*Compensation - Executive Officer and Board Member Compensation*" and Item 6.B. "*Compensation - Executive Officer and Board Member Employment Agreements*."

Indemnification Agreements

We have entered into indemnification agreements with our directors and executive officers. See "*Directors, Senior Management and Employees – Compensation – Insurance and Indemnification*" for a description of these indemnification agreements.

Policies and Procedures for Related Party Transactions

Our board of directors has adopted a policy providing that the audit committee will review and approve or ratify material transactions, arrangements, or relationships in which we participate and in which any related person has or will have a direct or indirect material interest. A "related person" is a director, director-nominee, executive officer, or beneficial holder of more than 5% of any class of our voting securities or an immediate family member thereof. A transaction involving an amount in excess of $120,000 is presumed to be a material transaction, though transactions involving lower amounts may be material based on the facts and circumstances. Direct or indirect material interests may arise by virtue of control or significant influence of the related person to the transaction or by a direct or indirect pecuniary interest of the related person in the transaction. Under this policy, the audit committee shall review whether the transaction is on terms comparable to those that could be obtained in arm's length dealings with an unrelated third party and the extent of the related person's interest in the transaction, and shall also take into account the conflicts of interest and corporate opportunity provisions of the Code of Ethics and Conduct that we have adopted. All of the transactions described above were entered into prior to the adoption of this policy.

Certain of the foregoing disclosures are summaries of agreements, and are qualified in their entirety by reference to such agreements.

7.C. Interests of Experts and Counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

8.A. Consolidated Statements and Other Financial Information

See Item 18 "*Financial Statements*."

Legal Proceedings

The Wire Act

The Wire Act provides that anyone engaged in the business of betting or wagering that knowingly uses a wire communication facility for the transmission in interstate or foreign commerce of bets or wagers or information assisting in the placing of bets or wagers on any sporting event or contest, or for the transmission of a wire communication which entitles the recipient to receive money or credit as a result of bets or wagers, or for information assisting in the placing of bets or wagers, will be fined or imprisoned, or both. However, the Wire Act notes that it shall not be construed to prevent the transmission in interstate or foreign commerce of information for use in news reporting of sporting events or contests, or for the transmission of information assisting in the placing of bets or wagers on a sporting event or contest from a state or foreign country where betting on that sporting event or contest is legal into a state or foreign country in which such betting is legal.

In 2011, the DoJ issued the 2011 Opinion to the effect that the conduct prohibited by the Wire Act was limited to sports gambling. In January 2019, the DoJ published the 2019 Opinion reversing the position.

As a result of the 2019 Opinion, NPI, along with the NHL and Pollard, commenced litigation in federal district court in New Hampshire challenging the 2019 Opinion. In June 2019, the U.S. District Court for the District of New Hampshire ruled that the Wire Act is only applicable to sports betting and related activities. The NH Decision also set aside the 2019 Opinion, leaving the 2011 Opinion as the DoJ's only stated opinion on the subject. The DoJ appealed the NH Decision in October 2019, and a hearing on the appeal took place in June 2020. In January 2021, the federal Court of Appeals for the First Circuit denied the appeal by DoJ seeking to uphold the 2019 Opinion. By denying the appeal, the Court confirmed the previous 2011 Opinion, which concluded that the Act applies only to sports betting.

At this stage, it is not clear whether our U.S. state lottery customers will be impacted if the Wire Act is held to extend to state lotteries. Furthermore, the DoJ stated in its appeal that it has not formed a view on the application of the Wire Act to state lotteries and, if the DoJ were ever to form the view that the Wire Act does apply, any enforcement would need to take into consideration the consequences of doing so given the nature of the public purposes for which the state lotteries raise money. In addition, we employ processes to limit any risk of implicating the Wire Act, such as geo-gating and maintaining servers within the states in which we operate, although it is possible that the DoJ may take the position that such servers are used in interstate commerce.

From time to time, we may be involved in various claims and legal proceedings related to claims arising out of our operations. Other than as described above in "- *The Wire Act*," we are not currently a party to any material legal proceedings, including any such proceedings that are pending or threatened, of which we are aware.

Dividend Policy

We do not anticipate paying any cash dividends on our Ordinary Shares in the foreseeable future. We intend to retain all available funds and any future earnings to fund the development and expansion of our business.

There are no legislative or other legal provisions currently in force in Luxembourg or arising under our articles of association that restrict the payment of dividends or distributions to holders of our Ordinary Shares not residing in Luxembourg, except for withholding tax requirements and regulations restricting the remittance of dividends, distributions and other payments in compliance with United Nations and EU sanctions. Under Luxembourg law the amount and payment of dividends or other distributions is determined by a simple majority vote at a general meeting of shareholders based on the recommendation of our board of directors, except in certain limited circumstances. Pursuant to our articles of association, our board of directors has the power to pay interim dividends or make other distributions in accordance with applicable Luxembourg law.

Distributions (in the form of either dividends, share premium or capital surplus reimbursements) may be lawfully declared and paid if our net profits and/or distributable reserves are sufficient under Luxembourg law.

- Under Luxembourg law, at least 5% of our net profits per year must be allocated to the creation of a legal reserve until such reserve has reached an amount equal to 10% of our issued share capital. The allocation to the legal reserve becomes compulsory again when the legal reserve no longer represents 10% of our issued share capital As of December 31, 2021 we had a legal reserve in the amount of $230 thousand.

- Under Luxembourg law, the amount of distributions paid to shareholders (including in the form of dividends, share premium reimbursements or capital surplus reimbursements) may not exceed the amount of profits at the end of the last financial year plus any profits carried forward and any amounts drawn from reserves that are available for that purpose, less any losses carried forward and sums to be placed in reserve in accordance with Luxembourg law or our articles of association. Furthermore, no distributions (including in the form of dividends, share premium reimbursements or capital surplus reimbursements) may be made if net assets were, at the end of the last financial year (or would become, following such a distribution), less than the amount of the subscribed share capital plus the non-distributable reserves. Distributions in the form of dividends may only be made out of net profits and profits carried forward, whereas distributions in the form of share premium reimbursements may only be made out of available share premium and distributions in the form of capital surplus reimbursements may only be made out of available capital surplus.

The amount of any future dividend payments we may make will depend on, among other factors, our strategy, future earnings, financial condition, cash flow, working capital requirements, capital expenditures and applicable provisions of our articles of association. Any profits we declare as dividends and any share premium or capital surplus we distribute will not be available to be reinvested in our operations.

We have not declared nor paid dividends in any of the years ended December 31, 2019, 2020 and 2021.

8.B. Significant Changes

None.

ITEM 9. THE OFFER AND LISTING

9.A. Offer and Listing Details

Our Ordinary Shares commenced trading on Nasdaq on November 19, 2020 under the symbol "NGMS." Prior to this, no public market existed for our Ordinary Shares.

9.B. Plan of Distribution

Not applicable.

9.C. Markets

See "—Offer and Listing Details" above.

9.D. Selling Shareholders

Not applicable.

9.E. Dilution

Not applicable.

9.F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

10.A. Share Capital

Not applicable.

10.B. Memorandum and Articles of Association

Other than as set forth below, the information called for by this Item 10.B. is set forth in Exhibit 2.1 to this Annual Report. Our articles of association were amended on March 31, 2022 to reflect the exercising of stock options, which were exercised until December 31, 2021, and the related issuance of new shares. A copy of our amended and restated articles of association is attached as Exhibit 1.1 to this Annual Report.

We are registered with the Luxembourg Trade and Companies' Register (*Registre de Commerce et des Sociétés, Luxembourg*) under number B186309. Our corporate purpose, as stated in Article 4 of our articles of association, is to develop activities in relation with iLottery and iGaming solutions and services as well as any related areas. This includes the (i) the acquisition, holding and disposal, in any form, by any means, whether directly or indirectly, of participations, rights and interests in, and obligations of, Luxembourg and foreign companies, (ii) the acquisition by purchase, subscription, or in any other manner, as well as the transfer by sale, exchange or in any other manner of stock, partnership interests, bonds, debentures, notes and other securities or financial instruments of any kind (including notes or parts or units issued by Luxembourg or foreign mutual funds or similar undertakings) and receivables, claims or loans or other credit facilities and agreements or contracts relating thereto, and (iii) the ownership, administration, development and management of a portfolio of assets (including, among other things, the assets referred to in (i) and (ii) above).

The Company may borrow in any form. It may enter into any type of loan agreement and it may issue notes, bonds, debentures, certificates, shares, beneficiary parts, warrants and any kind of debt or equity securities including under one or more issuance programs. The Company may further list all or part of its shares on a regulated or unregulated stock exchange in or outside of the European Union. The Company may lend funds including the proceeds of any borrowings and/or issues of securities to its subsidiaries, affiliated companies or any other company.

The Company may also give guarantees and grant security interests over some or all of its assets including, without limitation, by way of pledge, transfer or encumbrance, in favor of or for the benefit of third parties to secure its obligations or the obligations of its subsidiaries, affiliated companies or any other company.

The Company may enter into, execute and deliver and perform any swaps, futures, forwards, derivatives, options, repurchase, stock lending and similar transactions. The Company may generally use any techniques and instruments relating to investments for the purpose of their efficient management, including, but not limited to, techniques and instruments designed to protect it against credit, currency exchange, interest rate risks and other risks.

The Company may carry out any commercial, industrial, and financial operations, which are directly or indirectly connected with its purpose or which may favor its development. In addition, the Company may acquire and sell real estate properties, for its own account, either in the Grand Duchy of Luxembourg or abroad and it may carry out all operations relating to real estate properties.

In general, the Company may take any controlling and supervisory measures and carry out any operation or transaction which it considers necessary or useful in the accomplishment and development of its purpose.

The descriptions above are to be construed broadly and their enumeration is not limiting. The Company's purpose shall include any transaction or agreement which is entered into by the Company, provided it is not inconsistent with the foregoing matters.

Transfer Agent and Registrar

The transfer agent and registrar for our Ordinary Shares is American Stock Transfer & Trust Company. Its address is 6201 15th Avenue, Brooklyn, NY, and its telephone number is 718-921-8300.

10.C. Material Contracts

Except as disclosed in this Annual Report in Item 3.D "Risk Factors," Item 5.B "Liquidity and Capital Resources," Item 6B "*Compensation,*" Item 7.B *"Related Party Transactions*" and Item 19 "*Exhibits*", we are not currently, nor have we been for the two years immediately preceding the date of this Annual Report, party to any material contract, other than contracts entered into in the ordinary course of business.

10.D. Exchange Controls

We are not aware of any governmental laws, decrees, regulations or other legislation in Luxembourg that restrict the export or import of capital, including the availability of cash and cash equivalents for use by our affiliated companies, or that affect the remittance of dividends, interest or other payments to non-resident holders of our securities, except for regulations restricting the remittance of dividends, distributions, and other payments in compliance with United Nations and EU sanctions.

10.E. Taxation

The following summary contains a description of certain Luxembourg and U.S. federal income tax consequences of the acquisition, ownership and disposition of Ordinary Shares, but it does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase Ordinary Shares. The summary is based upon the tax laws of Luxembourg and regulations thereunder and on the tax laws of the United States and regulations thereunder as of the date hereof, which are subject to change.

Material Luxembourg Tax Considerations

The following information is of a general nature only and it is not intended to be, nor should it be construed to be, legal or tax advice.

Prospective investors in the Ordinary Shares should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporation income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*) as well as personal income tax (*impôt sur le revenu*) generally. Investors may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax, the solidarity surcharge (together referred to as "Luxembourg Corporation Taxes") as well as net wealth tax invariably apply to most corporate taxpayers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

Taxation of the Company

From a Luxembourg tax perspective, Luxembourg companies are considered as being resident in Luxembourg provided that they have either their registered office or their central administration in Luxembourg. The Company (a fully taxable company) will be considered as a resident of Luxembourg both for the purposes of Luxembourg domestic tax law and for the purposes of the double taxation treaties entered into by Luxembourg, and should therefore be able to obtain a residence certificate from the Luxembourg tax authorities.

The Company will be liable for Luxembourg Corporation Taxes. The standard applicable rate of Luxembourg Corporation Taxes for a company established in Luxembourg-city is 24.94% for the financial year ending on December 31, 2021 (the same rate is applicable in Luxembourg-city for the financial year ending on December 31, 2022). Luxembourg Corporation Taxes apply to the Company's worldwide income (including capital gains), subject to the provisions of any relevant double taxation treaty. The taxable income of the Company is computed by application of all rules of the Luxembourg income tax law of December 4, 1967, as amended (*loi concernant l'impôt sur le revenu*), as commented and currently applied by the Luxembourg tax authorities (the "LIR"). Under the LIR, all income of the Company will be taxable in the financial period to which it economically relates and all deductible expenses of the Company will be deductible in the financial period to which they economically relate. Under certain conditions, dividends received by the Company from qualifying participations and capital gains realized by the Company on the sale of such participations may be exempt from Luxembourg Corporation Taxes under the Luxembourg participation exemption regime.

The Company will generally be subject to net wealth tax levied annually at a 0.5% rate. Under certain conditions, qualifying participations may be exempt from net wealth tax under the Luxembourg participation exemption regime.

Taxation of Holders of Ordinary Shares

Withholding tax

Under Luxembourg tax laws currently in force, dividends paid by the Company are in principle subject to a Luxembourg withholding tax equal to 15% of the gross dividend (17.65% of the net dividend if the Company bears the cost of the withholding tax, which is not mandatory under Luxembourg tax laws). Responsibility for the withholding of the tax is assumed by the Company.

However, if a double tax treaty between Luxembourg and the country of residence of a holder of the Ordinary Shares applies, an exemption or a reduction of the Luxembourg withholding tax may be available pursuant to the relevant provisions of such double tax treaty.

In addition, pursuant to current Luxembourg tax laws, an exemption from Luxembourg dividend withholding tax may apply under the following conditions:

- the holder of Ordinary Shares receiving the dividends is either (i) a fully taxable Luxembourg resident collective entity, (ii) a collective entity resident in an EU Member State and falling within the scope of article 2 of the Council directive of November 30, 2011 (2011/96/EU) on the common system of taxation applicable in the case of parent companies and subsidiaries of different EU Member States, as amended (the "EU Parent-Subsidiary Directive"), (iii) the Luxembourg State, a Luxembourg municipality, an association of a Luxembourg municipality or an operation of Luxembourg public- law entity, (iv) a permanent establishment of an entity referred to at letters (i), (ii) or (iii) above, (v) a Swiss resident joint-stock company subject to corporate income tax in Switzerland without benefiting from any exemption, (vi) a joint-stock company or a cooperative company resident in an EEA country (other than an EU Member State) to the extent that such company is fully taxable and subject (in its country of residence) to a tax corresponding to Luxembourg Corporation Taxes, as well as a permanent establishment of such company, or (vii) a collective entity resident in a treaty country, to the extent that such entity is fully taxable and subject (in its country of residence) to a tax corresponding to Luxembourg Corporation Taxes, as well as a Luxembourg permanent establishment of such entity; and

- on the date on which the income is made available, the holder of Ordinary Shares holds or commits to hold directly (or even indirectly under certain conditions), for an uninterrupted period of at least twelve months, a participation of at least 10% in the share capital of the Company (or with an acquisition price of at least €1,200,000).

Income Taxation

(i) Taxation of dividend income

Holders of our Ordinary Shares who are either Luxembourg resident individuals or Luxembourg fully taxable resident companies (or foreign shareholders having a permanent establishment in Luxembourg through which such shares are held) will in principle be subject to tax at the ordinary rates on any dividends received from the Company. However, under Luxembourg tax laws currently in force, 50% of the amount of any dividend may be tax exempt at the level of these holders of our Ordinary Shares.

The Luxembourg withholding tax levied at source on the dividends paid may, under certain conditions, be credited against the Luxembourg income tax due on these dividends.

Furthermore, certain corporate holders of our Ordinary Shares may benefit from an exemption from Luxembourg Corporation Taxes on dividend income under the following conditions:

- the holder of our Ordinary Shares receiving the dividends is either (i) a fully taxable Luxembourg resident collective entity, (ii) a Luxembourg permanent establishment of an EU resident collective entity falling within the scope of article 2 of the EU Parent-Subsidiary Directive, (iii) a Luxembourg permanent establishment of a joint-stock company that is resident in a jurisdiction with which Luxembourg has concluded a double tax treaty, or (iv) a Luxembourg permanent establishment of a joint-stock company or of a cooperative company which is a resident of an EEA Member State (other than an EU Member State); and

- on the date on which the income is made available, the holder of our Ordinary Shares holds or commits to hold directly (or even indirectly through certain entities) for an uninterrupted period of at least twelve months, a participation of at least 10% in the share capital of the Company (or with an acquisition price of at least €1,200,000).

The holder of our Ordinary Shares which is a Luxembourg resident entity governed by (i) the law of December 17, 2010 on undertakings for collective investment, as amended, (ii) the law of February 13, 2007 on specialized investment funds, as amended, (iii) the law of May 11, 2007 on the family estate management company, as amended, or (iv) the law of July 23, 2016 on reserved alternative investment funds, as amended, and which does not fall under the special tax regime set out in article 48 of the law of July 23, 2016 on reserved alternative investment funds, as amended, is not subject to any Luxembourg Corporation Taxes in respect of dividends received from the Company. No tax credit is then available for Luxembourg withholding tax on dividends received from the Company.

Non-resident shareholders (not having a permanent establishment in Luxembourg through which the shares are held) will in principle not be subject to Luxembourg income tax on any dividends received from the Company (except for the withholding tax mentioned above, if applicable).

(ii) Taxation of capital gains

Under current Luxembourg tax laws, capital gains realized by a Luxembourg resident individual holder of our Ordinary Shares (acting in the course of the management of his/her private wealth) upon the disposal of his/her shares are not subject to Luxembourg income tax, provided this disposal takes place more than six months after the shares were acquired and he/she does not hold a Substantial Participation (as defined below). The participation is considered a "Substantial Participation" if the holder of our Ordinary Shares (i) holds or has held (either solely or together with his/her spouse or partner and minor children) directly or indirectly more than 10% of the share capital of the Company at any time during a period of five years before the realization of the capital gain or (ii) acquired his/her shares for free during the five years preceding the disposal of his/her shares or, in the case of subsequent gratuitous transfers, one of the previous holders has held (either solely or together with his/her spouse or partner and minor children) directly or indirectly more than 10% of the share capital of the Company at any time during a period of five years before the realization of the capital gain.

Capital gains realized upon the disposal of shares by a Luxembourg resident corporate shareholder (fully subject to Luxembourg Corporation Taxes) are in principle fully taxable. However, an exemption from Luxembourg Corporation Taxes applies under the following conditions:

- the holder of our Ordinary Shares realizing the capital gains is either (i) a fully taxable Luxembourg resident collective entity, (ii) a Luxembourg permanent establishment of an EU resident collective entity falling within the scope of article 2 of the EU Parent-Subsidiary Directive, (iii) a Luxembourg permanent establishment of a joint-stock company that is resident in a jurisdiction with which Luxembourg has concluded a double tax treaty, or (iv) a Luxembourg permanent establishment of a joint-stock company or of a cooperative company which is a resident of an EEA Member State (other than an EU Member State); and

- on the date on which the disposal takes place, the holder of our Ordinary Shares has held for an uninterrupted period of at least twelve months a participation of at least 10% in the share capital of the Company (or with an acquisition price of at least €6,000,000).

The holder of our Ordinary Shares which is a Luxembourg resident entity governed by (i) the law of December 17, 2010 on undertakings for collective investment, as amended, (ii) the law of February 13, 2007 on specialized investment funds, as amended, (iii) the law of May 11, 2007 on the family estate management company, as amended, or (iv) the law of July 23, 2016 on reserved alternative investment funds, as amended, and which does not fall under the special tax regime set out in article 48 of the law of July 23, 2016 on reserved alternative investment funds, as amended, is not subject to any Luxembourg Corporation Taxes in respect of capital gains realized upon disposal of its shares.

Under Luxembourg tax laws currently in force (subject to the provisions of double taxation treaties), capital gains realized by a holder of our Ordinary Shares (not acting via a permanent establishment or a permanent representative in Luxembourg through which/whom the shares are held) are not taxable in Luxembourg unless (a) the holder of our Ordinary Shares holds a Substantial Participation in the Company and the disposal of the shares takes place less than six months after the shares were acquired or (b) the holder of our Ordinary Shares has been a former Luxembourg resident for more than fifteen years and has become a non-resident, at the time of transfer, less than five years ago.

Net Wealth Taxation

A corporate holder of our Ordinary Shares that is either a resident of Luxembourg for tax purposes or that maintains a permanent establishment or a permanent representative in Luxembourg through which/whom such shares are held is subject to Luxembourg wealth tax on such shares, except if the holder of our Ordinary Shares is governed by the law of May 11, 2007 on the family estate management company, as amended, by the law of December 17, 2010 on undertakings for collective investment, as amended, by the law of February 13, 2007 on specialized investment funds, as amended, by the law of July 23, 2016 on reserved alternative investment funds, as amended, or is a securitization company governed by the law of March 22, 2004 on securitization, as amended, or is a capital company governed by the law of June 15, 2004 on venture capital vehicles, as amended. Please however note that securitization companies governed by the law of March 22, 2004 on securitization, as amended, capital companies governed by the law of June 15, 2004 on venture capital vehicles, as amended, or reserved alternative investment funds governed by the law of July 23, 2016 and which fall under the special tax regime set out under article 48 thereof may, under certain conditions, be subject to minimum net wealth tax.

Any holder of our Ordinary Shares which is (i) a Luxembourg resident fully taxable collective entity, (ii) a Luxembourg permanent establishment of an EU resident collective entity falling within the scope of article 2 of the EU Parent-Subsidiary Directive, (iii) a domestic permanent establishment of a joint-stock company that is resident in a State with which Luxembourg has concluded a double tax treaty, or (iv) a domestic permanent establishment of a joint-stock company or of a cooperative company which is a resident of an EEA Member State (other than an EU Member State) may be exempt from Luxembourg net wealth tax on its shares if it holds a participation of at least 10% in the share capital of the Company (or with an acquisition price of at least €1,200,000).

An individual holder of our Ordinary Shares, whether he/she is resident of Luxembourg or not, is not subject to Luxembourg wealth tax on his/her shares.

Other Taxes

Under current Luxembourg tax laws, no registration tax or similar tax is in principle payable by the holder of our Ordinary Shares upon the acquisition, holding or disposal of the shares. However, a fixed registration duty of €12 may be due in the case where the shares are physically attached to a public deed or to any other document subject to mandatory registration, as well as in the case of a registration of the shares on a voluntary basis.

When the holder of our Ordinary Shares is a Luxembourg resident for inheritance tax assessment purposes at the time of his/her death, the shares are included in his/her taxable estate for Luxembourg inheritance tax assessment purposes.

Luxembourg gift tax may be due on a gift or donation of the shares if embodied in a notarial deed signed before a Luxembourg notary or recorded in Luxembourg.

Material United States Federal Income Tax Considerations for United States Holders

The following summary describes certain United States federal income tax considerations generally applicable to United States Holders (as defined below) of Ordinary Shares. This summary deals only with Ordinary Shares held as capital assets within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"). This summary also does not address the tax considerations that may be relevant to holders in special tax situations including, without limitation, dealers in securities, traders that elect to use a mark-to-market method of accounting, holders that own Ordinary Shares as part of a "straddle," "hedge," "conversion transaction," or other integrated investment, banks or other financial institutions, individual retirement accounts and other tax-deferred accounts, insurance companies, tax-exempt organizations, United States expatriates, holders whose functional currency is not the U.S. dollar, holders subject to the alternative minimum tax, holders that acquired Ordinary Shares in a compensatory transaction, holders which are entities or arrangements treated as partnerships for United States federal income tax purposes or holders that actually or constructively through attribution own 10% or more of the total voting power or value of our outstanding Ordinary Shares.

This summary is based upon the Internal Revenue Code, applicable United States Treasury regulations, administrative pronouncements and judicial decisions, in each case as in effect on the date hereof, all of which are subject to change (possibly with retroactive effect). No ruling will be requested from the Internal Revenue Service (the "IRS") regarding the tax considerations described herein, and there can be no assurance that the IRS will agree with the discussion set forth below. This summary does not address any United States federal tax considerations other than United States federal income tax considerations (such as the estate and gift tax or the Medicare tax on net investment income).

As used herein, the term "United States Holder" means a beneficial owner of the Ordinary Shares that is, for United States federal income tax purposes, (i) a citizen or resident of the United States, (ii) a corporation or other entity taxable as a corporation created or organized under the laws of the United States or any state thereof or therein or the District of Columbia, (iii) an estate the income of which is subject to United States federal income taxation regardless of its source, or (iv) a trust (a) that is subject to the supervision of a court within the United States and the control of one or more United States persons as described in Internal Revenue Code Section 7701(a)(30), or (b) that has a valid election in effect under applicable United States Treasury regulations to be treated as a "United States person."

If an entity or other arrangement treated as a partnership for United States federal income tax purposes acquires Ordinary Shares, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. Such a partner or partnership should consult its tax adviser as to the particular United States federal income tax considerations of acquiring, owning, and disposing of Ordinary Shares in its particular circumstance.

THE SUMMARY OF UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS SET FORTH BELOW IS FOR GENERAL INFORMATION ONLY. UNITED STATES HOLDERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSIDERATIONS TO THEM OF OWNING ORDINARY SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF FEDERAL, STATE, LOCAL AND NON-U.S. TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

Dividends

As stated above under Item 8.A. "*Consolidated Statements and Other Financial Information - Dividend Policy*," we do not anticipate paying any cash dividends on our Ordinary Shares in the foreseeable future. We intend to retain all available funds and any future earnings to fund the development and expansion of our business. However, if we do pay any dividends, subject to the discussion below under "*-Passive Foreign Investment Company*," the amount of dividends paid to a United States Holder with respect to Ordinary Shares before reduction for any Luxembourg taxes withheld therefrom will generally be included in the United States Holder's gross income as ordinary income from foreign sources to the extent paid out of our current or accumulated earnings and profits (as determined for United States federal income tax purposes). Distributions in excess of earnings and profits will be treated as a non-taxable return of capital to the extent of the United States Holder's adjusted tax basis in those Ordinary Shares and thereafter as capital gain. However, we do not intend to calculate our earnings and profits under United States federal income tax principles. Therefore, United States Holders should expect to treat a distribution as a dividend even if that distribution would otherwise be treated as a non-taxable return of capital or as capital gain under the rules described above. The amount of any distribution paid in foreign currency will be equal to the U.S. dollar value of such currency, translated at the spot rate of exchange on the date such distribution is received, regardless of whether the payment is in fact converted into U.S. dollars at that time.

Foreign withholding tax (if any) paid on dividends on Ordinary Shares at the rate applicable to a United States Holder (taking into account any applicable income tax treaty) will, subject to limitations and conditions, be treated as foreign income tax eligible for credit against such holder's United States federal income tax liability or, at such holder's election, eligible for deduction in computing such holder's United States federal taxable income. Dividends paid on Ordinary Shares will generally constitute "passive category income" for purposes of the foreign tax credit. However, if the Company is a "United States-owned foreign corporation," solely for foreign tax credit purposes, a portion of the dividends allocable to our United States source earnings and profits may be re-characterized as United States source. A "United States-owned foreign corporation" is any foreign corporation in which United States persons own, directly or indirectly, 50% or more (by vote or by value) of the stock. In general, United States-owned foreign corporations with less than 10% of earnings and profits attributable to sources within the United States are excepted from these rules.

If the Company is or were to become a United States-owned foreign corporation, and if 10% or more of the Company's earnings and profits are attributable to sources within the United States, a portion of the dividends paid on the Ordinary Shares allocable to our United States source earnings and profits will be treated as United States source, and, as such, a United States Holder may not offset any foreign tax withheld as a credit against United States federal income tax imposed on that portion of dividends. The rules governing the treatment of foreign taxes imposed on a United States Holder and foreign tax credits are complex, and United States Holders should consult their tax advisers about the impact of these rules in their particular situations.

Dividends paid to a non-corporate United States Holder by a "qualified foreign corporation" may be subject to reduced rates of taxation if certain holding period and other requirements are met. "Qualified foreign corporation" generally includes a foreign corporation (other than a foreign corporation that is a PFIC with respect to the relevant United States Holder for the taxable year in which the dividends are paid or for the preceding taxable year) (i) whose shares are readily tradable on an established securities market in the United States, or (ii) which is eligible for benefits under a comprehensive United States income tax treaty that includes an exchange of information program and which the United States Treasury Department has determined is satisfactory for these purposes. In this regard, shares are generally considered to be readily tradable on an established securities market in the United States if they are listed on Nasdaq, as Ordinary Shares are. United States Holders should consult their tax advisers regarding the availability of the reduced tax rate on dividends paid with respect to Ordinary Shares. The dividends will not be eligible for the dividends received deduction available to United States Holders that are corporations in respect of dividends received from other United States corporations.

Disposition of Ordinary Shares

Subject to the discussion below under "-*Passive Foreign Investment Company*," a United States Holder will generally recognize capital gain or loss for United States federal income tax purposes on the sale or other taxable disposition of Ordinary Shares equal to the difference, if any, between the amount realized and the United States Holder's tax basis in those Ordinary Shares. In general, capital gains recognized by a non-corporate United States Holder, including an individual, are subject to a lower rate if such United States Holder held the Ordinary Shares for more than one year. The deductibility of capital losses is subject to limitations. Any such gain or loss will generally be treated as United States source income or loss for purposes of the foreign tax credit. A United States Holder's tax basis in Ordinary Shares will generally equal the cost of such Ordinary Shares.

Passive Foreign Investment Company

The Company would be a PFIC for any taxable year if, after the application of certain look-through rules, either: (i) 75% or more of its gross income for such year is "passive income" (as defined in the relevant provisions of the Internal Revenue Code), or (ii) 50% or more of the value of its assets (generally determined on the basis of a quarterly average) during such year is attributable to assets that produce or are held for the production of passive income. For these purposes, cash and other assets readily convertible into cash or that do or could generate passive income are categorized as passive assets, and the value of goodwill and other unbooked intangible assets is generally taken into account. Passive income generally includes, among other things, rents, dividends, interest, royalties, gains from the disposition of passive assets and gains from commodities and securities transactions. For purposes of this test, we will be treated as owning a proportionate share of the assets and earning a proportionate share of the income of any other corporation of which we own, directly or indirectly, at least 25% (by value) of the stock. Based on our market capitalization and the composition of our income, assets and operations, we believe we were not a PFIC for the year ending December 31, 2021 and do not expect to be a PFIC for United States federal income tax purposes for the current taxable year or in the foreseeable future. However, this is a factual determination that must be made annually after the close of each taxable year. Moreover, the aggregate value of our assets for purposes of the PFIC determination may be determined by reference to the trading value of Ordinary Shares, which could fluctuate significantly. In addition, it is possible that the Internal Revenue Service may take a contrary position with respect to our determination in any particular year, and, therefore, there can be no assurance that we were not a PFIC for the year ending December 31, 2021 or will not be classified as a PFIC for the current taxable year or in the foreseeable future. Certain adverse United States federal income tax consequences could apply to a United States Holder if we are treated as a PFIC for any taxable year during which such United States Holder holds Ordinary Shares. Under the PFIC rules, if we were considered a PFIC at any time that a United States Holder holds Ordinary Shares, we would continue to be treated as a PFIC with respect to such holder's investment unless (i) we cease to be a PFIC and (ii) the United States Holder has made a "deemed sale" election under the PFIC rules.

If we are a PFIC for any taxable year that a United States Holder holds Ordinary Shares, any gain recognized by the United States Holder on a sale or other disposition of Ordinary Shares would be allocated pro-rata over the United States Holder's holding period for the Ordinary Shares. The amounts allocated to the taxable year of the sale or other disposition and to any year before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or the highest rate in effect for corporations, as appropriate, for that taxable year, and an interest charge would be imposed. Further, to the extent that any distribution received by a United States Holder on Ordinary Shares exceeds 125% of the average of the annual distributions on the Ordinary Shares received during the preceding three years or the United States Holder's holding period, whichever is shorter, that distribution would be subject to taxation in the same manner as gain on the sale or other disposition of Ordinary Shares if we were a PFIC, described above. Certain elections may be available that would result in alternative treatments, such as mark-to-market treatment, of the Ordinary Shares. Each United States Holder should consult its tax adviser as to whether a mark-to-market election would be available or advisable with respect to the Ordinary Shares. If we are treated as a PFIC with respect to a United States Holder for any taxable year, the United States Holder will be deemed to own equity in any of the entities in which we own equity that also are PFICs. However, an election for mark-to-market treatment would likely not be available with respect to any such entities. We do not expect to prepare or provide the information that would enable United States Holders to make a qualified electing fund election. If we are considered a PFIC, a United States Holder also will be subject to annual information reporting requirements. United States Holders should consult their tax advisers about the potential application of the PFIC rules to an investment in the Ordinary Shares.

Information Reporting and Backup Withholding

Dividends on and proceeds from the sale or other taxable disposition of Ordinary Shares may be subject to information reporting to the IRS. In addition, a United States Holder (other than an exempt holder who establishes its exempt status if required) may be subject to backup withholding on cash payments received in connection with any dividend payments and proceeds from the sale or other taxable disposition of Ordinary Shares made within the United States or through certain U.S.-related financial intermediaries.

Backup withholding will not apply, however, to a United States Holder who furnishes a correct taxpayer identification number, makes other required certification and otherwise complies with the applicable requirements of the backup withholding rules. Backup withholding is not an additional tax. Rather, any amount withheld under the backup withholding rules will be creditable or refundable against the United States Holder's United States federal income tax liability, provided the required information is timely furnished to the IRS.

Foreign Financial Asset Reporting

Certain United States Holders are required to report their holdings of certain foreign financial assets, including equity of foreign entities, if the aggregate value of all of these assets exceeds certain threshold amounts. The Ordinary Shares are expected to constitute foreign financial assets subject to these requirements unless the Ordinary Shares are held in an account at certain financial institutions. United States Holders should consult their tax advisers regarding the application of these reporting requirements.

Tax Ruling of the Israeli Tax Authority

On May 18, 2021, the Israeli Tax Authority issued a pre-ruling, pursuant to which the Israeli Tax Authority confirmed that following the transfer of certain intellectual property rights relating to the online lottery business of NeoGames S.A. to NGS, the Company will be considered a "preferred technological enterprise" for Israeli tax purposes, and therefore, subject to the conditions set forth in the ruling and applicable law, will be entitled to certain tax benefits, including under certain circumstances a reduced corporate tax rate of 12% to 16%, a 20% tax rate on dividends to Israeli residents, and a 4% tax rate on dividends to non-Israeli corporations. The pre-ruling will expire after tax-year 2025.

The pre-ruling sets forth certain terms regarding the Company's day to day practices. Failure by the Company to adhere to such terms may result in the loss of the beneficial tax rates set forth by the pre-ruling.

10.F. Dividends and Paying Agents

Not applicable.

10.G. Statement by Experts

Not applicable.

10.H. Documents on Display

We are subject to the informational requirements of the Exchange Act. Accordingly, we will be required to file reports and other information with the SEC, including annual reports on Form 20-F and reports on Form 6-K. The SEC maintains an internet website that contains reports and other information about issuers, like us, that file electronically with the SEC. The address of that website is www.sec.gov.

As a foreign private issuer, we are exempt under the Exchange Act from, among other things, the rules prescribing the furnishing and content of proxy statements, and our officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act. Furthermore, as a foreign private issuer, we are also not subject to the requirements of Regulation FD (Fair Disclosure) promulgated under the Exchange Act. In addition, we will not be required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. Instead, we must file with the SEC, within 120 days after the end of each fiscal year, or such other applicable time as required by the SEC, an annual report on Form 20-F containing consolidated financial statements audited by an independent registered public accounting firm. We also intend to furnish certain other material information to the SEC under cover of Form 6-K.

We maintain a corporate website at https://neogames.com. Information contained on, or that can be accessed through, our website does not constitute a part of this annual report on Form 20-F. We also make available on the Investors section of our website, free of charge, our Annual Report and the text of our reports on Form 6-K, including any amendments to these reports, as well as certain other SEC filings, as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. We have included our website address in this annual report on Form 20-F solely as an inactive textual reference.

10.I. Subsidiary Information

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our operations are exposed to a variety of financial risks: market and currency risk, interest rate risk, contractual risk, credit risk and liquidity risk. Our overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on our financial performance.

Risk management is carried out by management under policies approved by our board of directors.

Further quantitative information in respect of these risks is presented throughout our consolidated financial statements included elsewhere in this Annual Report.

There have been no substantive changes in our exposure to financial instrument risks, our objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated below.

Market and Currency Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

We have exposure to foreign currency risk. Sales invoicing to customers is denominated primarily in U.S. dollars and euros and the Company's most material expenses, such as labor, are denominated in New Israeli Shekels.

Our board of directors carefully monitors exchange rate fluctuations and reviews their impact on our net assets and position. Exchange rates are negotiated with our main provider of banking services as and when needed. NGS entered into certain forward contracts to hedge its NIS exposure associated with expenses nominated in NIS during 2022.

A decrease of 5% in the U.S. dollar/NIS exchange rate would have increased our cost of revenue and operating expenses by approximately 3% and 2.7% during the years ended December 31, 2021 and 2020, respectively.

For information regarding the FX Hedging Transaction entered into in connection with the Proposed Acquisition of Aspire, see "*Operating and Financial Review and Prospects - Liquidity and Capital Resources - Financing for the Proposed Acquisition of Aspire*." As of the date hereof, the Company has incurred costs in an amount of approximately $1.6 million in connection with the financing agreements with Blackstone. The Company has not incurred costs in connection with the FX Hedging Transaction. The costs of the FX Hedging Transaction will be incurred only upon completion of the Aspire Tender Offer.

Since December 31, 2019, we have seen significant macro-economic uncertainty as a result of the COVID-19 outbreak. The scale and duration of this development remains uncertain and could impact our earnings and cash flow. As part of our risk management process, we are closely monitoring the situation, including factors as outlined elsewhere in this Annual Report as it relates to the Company's ability to continue as a going concern.

Interest Rate Risk

Due to our minimal exposure to interest rate risk, we have not prepared any sensitivity analysis.

Contractual Risk

In the ordinary course of business, we contract with various parties. These contracts may include performance obligations, indemnities and contractual commitments and termination for convenience clauses. Also, in certain contracts we are committed to follow strict service-level agreement delivery commitments associated with heavy liquidated damages for events of failures. Our management monitors our performance under contracts with any relevant counterparties against such contractual conditions to mitigate the risk of material, adverse non-compliance.

Credit Risk

Credit risk is the financial loss if a customer or counterparty to financial instruments fails to meet its contractual obligation. Credit risk arises from our cash and cash equivalents and trade and other balances. The concentration of our credit risk is considered by counterparty, geography and currency. We give careful consideration to which organizations we use for our banking services in order to minimize credit risk.

An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows, although there have been no such impairments over the review year. We use forward looking information in their analysis of expected credit losses for all instruments, which is limited to the carry value of cash and cash equivalents and trade and other balances. Our management considers the above measures to be sufficient to control the credit risk exposure.

Liquidity Risk

Liquidity risk is the risk that we will not be able to meet our financial obligations when due. This risk relates to our prudent liquidity risk management and implies maintaining sufficient cash. Ultimate responsibility for liquidity risk management rests with our board of directors. Our board of directors manages liquidity risk by regularly reviewing our cash requirements by reference to short-term cash flow forecasts and medium-term working capital projections prepared by management.

JOBS Act

We qualify as an “emerging growth company” pursuant to the provisions of the JOBS Act. Section 107 of the JOBS Act provides that an “emerging growth company” can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. We have elected to use this extended transition period, which allows us to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies, until the earlier of the date we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our consolidated financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not Applicable.

PART TWO

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

On November 10, 2020, in connection with our IPO, we amended and restated our articles of association. A copy of these amended and restated articles of association has been filed as Exhibit 1.1 to NeoGames S.A.'s Form 20-F filed on April 16, 2021, File No. 001-39721. Our amended and restated articles of association were amended on March 31, 2022 to reflect the exercise of stock options, which were exercised until December 31, 2021, and the related issuance of new shares. See Item 10.B. "*Additional Information - Memorandum and Articles of Association*."

On November 23, 2020, we completed the IPO of our Ordinary Shares. We sold 2,987,625 Ordinary Shares and six of our shareholders sold 2,541,025 Ordinary Shares (including 721,128 Ordinary Shares sold pursuant to the exercise of the underwriters' option to purchase additional Ordinary Shares). The Ordinary Shares were sold at an initial public offering price of $17.00 per share. The Ordinary Shares offered and sold in the IPO were registered under the Securities Act pursuant to our Registration Statement on Form F-1 (File No. 333-249683), which was declared effective by the SEC on November 18, 2020.

The offering did not terminate until after the sale of all 5,528,650 Ordinary Shares registered on the registration statement. The aggregate offering price for the shares registered and sold was approximately $94.0 million. Stifel, Nicolaus & Company, Incorporated acted as representatives of the several underwriters.

The IPO generated proceeds to us of approximately $47.2 million, net of underwriting discounts and commissions of approximately $3.6 million. We paid out of Company proceeds all of our fees, costs and expenses in connection with the IPO.

No offering expenses were paid directly or indirectly to any of our directors or officers (or their associates), persons owning 10% or more of our Ordinary Shares or any other affiliates.

There has been no material change in the expected use of the net proceeds from our IPO as described in our final prospectus filed with the SEC on November 20, 2020 pursuant to Rule 424(b).

ITEM 15. CONTROLS AND PROCEDURES

(a) Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to ensure that information required to be disclosed in the Company's reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2021. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2021, our disclosure controls and procedures were effective.

(b) Management's Annual Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as that term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act).

Under the supervision and with the participation of our management, including our principal executive officer and principal financial and accounting officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework set forth in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Based on such evaluation under the framework set forth in Internal Control – Integrated Framework (2013), our management concluded that our internal control over financial reporting was effective as of December 31, 2021.

(c) Attestation Report of the Registered Public Accounting Firm

This Annual Report does not include an attestation report of our independent registered public accounting firm due to an exemption established by the JOBS Act for "emerging growth companies."

(d) Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the period covered by this Annual Report that have materially affected, or that are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 16. [RESERVED]

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

Our Board has determined that each of Mr. Taylor, Mr. Teitgen and Ms. McNabb satisfy the "independence" requirements set forth in Rule 10A-3 under the Exchange Act. Our board of directors has also determined that Ms. McNabb is considered an "audit committee financial expert" as defined in Item 16A of Form 20-F under the Exchange Act.

ITEM 16B. CODE OF ETHICS

Code of Ethics

We have adopted a Code of Ethics and Conduct that applies to all our employees, officers and directors, including our principal executive, principal financial and principal accounting officers. Our Code of Ethics and Conduct addresses, among other things, the handling of conflicts of interest, compliance issues and other corporate policies such as equal opportunity and non-discrimination standards. Our Code of Ethics and Conduct is available on our website at www.neogames.com. The information contained on our website is not incorporated by reference in this Annual Report.

Under Item 16B of Form 20-F, if a waiver or amendment of the Code of Ethics and Conduct applies to our principal executive officer, principal financial officer, principal accounting officer, controller and other persons performing similar functions and relates to standards promoting any of the values described in Item 16B(b) of Form 20-F, we will disclose such waiver or amendment (i) on our website within five business days following the date of amendment or waiver in accordance with the requirements of Instruction 4 to Item 16B or (ii) through the filing of a Form 6-K. We granted no waivers under our Code of Ethics in 2021.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The consolidated financial statements of NeoGames S.A. as of December 31, 2020 and 2021, and for each the two years in the period ended December 31, 2021, appearing in this Annual Report have been audited by Ziv Haft, Certified Public Accountants, Isr., BDO Member Firm, an independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing. The current address of Ziv Haft, Certified Public Accountants, Isr., BDO Member Firm is Amot Bituach House Bldg. B 48, Derech Menachem Begin Rd. Tel Aviv 6618001.

The table below sets out the total amount billed to us by Ziv Haft, Certified Public Accountants, Isr., BDO Member Firm, for services performed in the years ended December 31, 2020 and 2021, and breaks down these amounts by category of service:

	2021	2020
	(in thousands)	
Audit Fees	$ 310	$ 293
Audit Related Fees	-	-
Tax Fees	165	34
All Other Fees	-	-
Total	475	327

Audit Fees

The fees for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and procedures performed with respect to the prospectuses. These amounts included services performed in relation to the secondary offering of Ordinary Shares held by Caesars Entertainment, Inc. in September 2021.

Audit Related Fees

The fees for assurance and related services that are reasonably related to the performance of the audit or review of the Company's quarterly financial statements for the first, second and third quarters, as well as the Company's annual financial statements.

Tax Fees

Tax fees for the years ended December 31, 2020 and 2021 were related to tax compliance and tax related services.

All Other Fees

All other fees in the years ended December 31, 2020 and 2021 related to services in connection with non-audit compliance and review work.

Pre-Approval Policies and Procedures

The advance approval of the Audit Committee or members thereof, to whom approval authority has been delegated, is required for all audit and non-audit services provided by our auditors.

All services provided by our auditors are approved in advance by either the Audit Committee.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

None.

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

None.

ITEM 16G. CORPORATE GOVERNANCE

Corporate Governance Practices

We are a "foreign private issuer" (as such term is defined in Rule 3b-4 under the Exchange Act) and our Ordinary Shares are listed on Nasdaq.

As a foreign private issuer, we are permitted under Nasdaq Marketplace Rule 5615(a)(3) to follow certain of our home country, Luxembourg, corporate governance practices instead of the Nasdaq corporate governance rules, provided we disclose which requirements we are not following and the equivalent Luxembourg requirement. We must also provide Nasdaq with a letter from outside counsel in Luxembourg, certifying that our corporate governance practices are not prohibited by Luxembourg law.

At this time, we do not follow any Luxembourg rules instead of Nasdaq corporate governance rules, except with respect to Nasdaq Marketplace Rule 5635 which sets forth the circumstances under which shareholder approval is required prior to an issuance of securities in connection with: (i) the acquisition of the stock or assets of another company; (ii) equity-based compensation of officers, directors, employees or consultants; (iii) a change of control; and (iv) transactions other than public offerings. With respect to the circumstances described in Nasdaq Marketplace Rule 5635, we follow Luxembourg law which does not require approval of our shareholders with respect to the issuance of new shares within the limit and subject to the terms of the delegation granted to the board of directors in the form (and within the limits and conditions) of the authorized capital of the Company. Until recently, when we were a "controlled company", we utilized the exemption from the requirement to have a majority of the board of directors consist of independent directors. We ceased to be a "controlled company" in November 2021 and are required to comply with the relevant Nasdaq rules within the applicable transition periods.

We may in the future elect to follow home country practices with regard to various corporate governance requirements for which exemptions are available to foreign private issuers, including certain requirements prescribed by Nasdaq with regard to, among other things, the composition of our board of directors and shareholder approval procedures for certain dilutive events and for the adoption of, and material changes to, equity incentive plans. Following our home country governance practices, as opposed to the requirements that would otherwise apply to a company listed on Nasdaq, may provide less protection than is accorded to investors under Nasdaq rules applicable to domestic issuers.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTION THAT PREVENT INSPECTIONS

Not applicable.

PART THREE

ITEM 17. FINANCIAL STATEMENTS

We have provided financial statements pursuant to Item 18.

ITEM 18. FINANCIAL STATEMENTS

The audited consolidated financial statements as required under Item 18 are attached hereto starting on page F-1 of this Annual Report. The audit report of Ziv Haft, Certified Public Accountants, Isr., BDO Member Firm, an independent registered public accounting firm, is included herein preceding the audited consolidated financial statements.

ITEM 19. EXHIBITS

The following are filed as exhibits hereto:

1.1*	Amended and Restated Articles of Association of NeoGames S.A., as currently in effect.
2.1*	Description of Securities.
4.3***	Consulting Agreement, dated June 1, 2015, between NeoGames Systems Ltd. and Lotym Holdings (filed as Exhibit 10.3 to NeoGames S.A.'s Form F-1 filed on October 27, 2020, File No. 333-249683, and incorporated herein by reference).
4.4	Loan Agreement, dated October 20, 2020, between Neogames S.à r.l. and William Hill Finance Limited (filed as Exhibit 10.4 to NeoGames S.A.'s Form F-1 filed on October 27, 2020, File No. 333-249683, and incorporated herein by reference).
4.5#	Letter, dated June 18, 2018, between Neogames S.à r.l. and WHG (International) Limited (filed as Exhibit 10.5 to NeoGames S.A.'s Form F-1 filed on October 27, 2020, File No. 333-249683, and incorporated herein by reference).
4.6#	Joint Venture Agreement, dated January 14, 2014, between NeoGames Network Limited and Pollard Banknote Limited (filed as Exhibit 10.6 to NeoGames S.A.'s Form F-1 filed on October 27, 2020, File No. 333-249683, and incorporated herein by reference).
4.7	Neogames S.à r.l. — 2015 Option Plan (Amended 2019) (filed as Exhibit 10.7 to NeoGames S.A.'s Form F-1 filed on October 27, 2020, File No. 333-249683, and incorporated herein by reference).
4.8	NeoGames S.A. 2020 Incentive Award Plan (filed as Exhibit 10.8 to NeoGames S.A.'s Form F-1 filed on November 12, 2020, File No. 333-249683, and incorporated herein by reference).
4.9	Form of Indemnification Agreement (filed as Exhibit 10.9 to NeoGames S.A.'s Form F-1 filed on November 12, 2020, File No. 333-249683, and incorporated herein by reference).
4.10	Second Amended and Restated Software License Agreement, dated as of June 2018, among Neogames S.à r.l., AG Software Ltd., Aspire Global Plc and William Hill Organization Limited (filed as Exhibit 10.10 to NeoGames S.A.'s Form F-1 filed on November 12, 2020, File No. 333-249683, and incorporated herein by reference).
4.11*+	Form of Commitment Letter, dated January 17, 2022, between NeoGames S.A., NeoGames Connect S.à r.l. and Blackstone Alternative Credit Advisors LP.
8.1*	List of subsidiaries.
12.1*	Principal Executive Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
12.2*	Principal Financial Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
13.1**	Principal Executive Officer Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
13.2**	Principal Financial Officer Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
15.1*	Consent of Ziv Haft, Certified Public Accountants, Isr., BDO Member Firm.
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 Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith
** Furnished herewith
*** Unofficial English translation from Hebrew original
# Portions of this exhibit have been redacted pursuant to Item 4 of the Instructions As To Exhibits of Form 20-F because it is both (i) not material and (ii) the type of information that the Registrant customarily and actually treats as private or confidential. The Registrant hereby agrees to furnish an unredacted copy of the exhibit to the Commission upon request.
\+ Certain schedules have been redacted pursuant to Instructions as to Exhibits to Form 20-F. The Registrant hereby agrees to furnish an unredacted copy of the exhibit to the Commission upon request.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Annual Report on its behalf.

NEOGAMES S.A.

Date: April 14, 2022

By: /s/ Moti Malul
Moti Malul
Title: Chief Executive Officer

NEOGAMES S. A.

CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2021

CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2021

CONTENTS

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
NeoGames S.A.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statements of financial position of NeoGames S.A. and its subsidiaries ("the Company"), as of December 31, 2021 and 2020, the related consolidated statements of comprehensive income (loss), changes in equity (deficit), and cash flows for each of the years in the three-year period ended December 31, 2021, and the related notes (collectively, the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2021, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Change in Accounting Principle

As discussed in Note 2W to the consolidated financial statements, the Company has changed its method of accounting for leases as of January 1, 2019, due to the adoption of International Financial Reporting Standard 16, Leases.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Ziv Haft
Ziv Haft
Certified Public Accountants (Isr.)
BDO Member Firm

We have served as the Company's auditor since 2014.
April 14, 2022
Tel Aviv, Israel

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	December 31, 2021	December 31, 2020
		U.S. dollars (in thousands)	
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		66,082	59,767
Designated Cash		167	-
Restricted deposits		9	12
Prepaid expenses and other receivables		2,494	1,446
Due from Aspire Group	6	1,483	56
Due from the Michigan Joint Operation and NPI	7	3,560	3,192
Trade receivables		3,724	3,701
		77,519	68,174
NON-CURRENT ASSETS			
Restricted deposits		154	164
Restricted deposits - Joint Venture	7	3,848	3,773
Property and equipment	4	2,159	1,301
Intangible assets	5	22,354	17,835
Right-of-use assets	2	7,882	3,127
Deferred taxes	15	1,839	211
		38,236	26,411
TOTAL ASSETS		115,755	94,585

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	December 31, 2021	December 31, 2020
		U.S. dollars (in thousands)	
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Trade and other payables	8	7,902	4,910
Lease liabilities	2	769	1,651
Capital notes and accrued interest due to Aspire Group	6	21,086	-
Loans and other due to Caesars, net	6	-	1,972
Employees withholding payable		167	-
Employees' related payables and accruals		4,202	3,562
		34,126	12,095
NON-CURRENT LIABILITIES			
Capital notes and accrued interest due to Aspire Group	6	-	17,739
Loans and other due to Caesars, net	6	12,899	10,666
Company share of Joint Venture net liabilities	7	830	1,025
Lease liabilities	2	7,820	1,855
Accrued severance pay, net	9	286	384
		21,835	31,669
EQUITY			
Share capital		45	44
Reserve with respect to transaction under common control	2	(8,467)	(8,467)
Reserve with respect to funding transaction with related parties		20,072	20,072
Share premium		70,812	68,608
Share based payments reserve	18	6,023	3,907
Accumulated losses		(28,691)	(33,343)
		59,794	50,821
TOTAL LIABILITIES AND EQUITY		115,755	94,585

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Note	For the year ended December 31, 2021	2020	2019
		U.S. dollars (in thousands)		
Revenues	11	50,463	49,202	33,062
Distribution expenses	12	9,889	6,685	4,252
Development expenses		9,428	7,452	6,877
Selling and marketing expenses		1,549	1,483	1,981
General and administrative expenses	13	12,300	7,496	4,957
Initial public offering expenses		-	2,796	-
Prospective acquisition related expenses	1	3,841	-	-
Depreciation and amortization	4,5	14,613	11,657	9,685
		51,620	37,569	27,752
Profit (loss) from operations		(1,157)	11,633	5,310
Interest expenses with respect to funding from related parties	6	4,811	4,343	3,792
Finance income	14	-	(21)	(53)
Finance expenses	14	1,501	747	382
The Company' share in (profit) loss of Joint Venture		12,446	1,393	(3,924)
Profit (loss) before income taxes expenses		4,977	7,957	(2,735)
Income taxes expenses	15	(325)	(1,443)	(1,243)
Net and total comprehensive income (loss)		4,652	6,514	(3,978)
Net income (loss) per common share outstanding, basic ($)		0.18	0.29	(0.18)
Net income (loss) per common share outstanding, diluted ($)		0.17	0.27	(0.18)
Weighted average number of common shares outstanding, basic	17	25,302,350	22,329,281	21,983,757
Weighted average number of common shares outstanding, diluted	17	26,640,120	23,898,477	21,983,757

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT)

	Share capital	Share premium	Accumulated gains (losses)	Share based payments reserve	Reserve with respect to funding transactions with related parties	Reserve with respect to transaction under common control	Total equity (deficit)
	U.S. dollars (in thousands)						
Balance as of January 1, 2019	21	22,788	(35,879)	2,352	16,940	(8,467)	(2,245)
Changes in the year:							
Share based compensation				615			615
Total comprehensive loss for the year			(3,978)				(3,978)
Balance as of December 31, 2019	21	22,788	(39,857)	2,967	16,940	(8,467)	(5,608)
Changes in the year:							
Share based compensation				969			969
Benefit to the Company by an equity holder with respect to funding transactions					3,132		3,132
Recapitalization of share capital	23	(23)					-
Issuance of ordinary shares, net of issuance cost, in an initial public offering,	-	45,810					45,810
Exercise of employee options to ordinary shares	-	33		(29)			4
Total comprehensive income for the year			6,514				6,514
Balance as of December 31, 2020	44*	68,608	(33,343)	3,907	20,072	(8,467)	50,821
Changes in the year:							
Share based compensation	-	-	-	3,448	-	-	3,448
Exercise of employee options to ordinary shares	1	2,204	-	(1,332)	-	-	873
Total comprehensive income for the year	-	-	4,652	-	-	-	4,652
Balance as of December 31, 2021	45	70,812	(28,691)	6,023	20,072	(8,467)	59,794

* As of December 31, 2021 and 2020, 25,565,095 and 24,983,855 shares, no par value, authorized issued and fully paid, respectively.
** On November 10, 2020, the Company completed a 1: 8.234 (approximated) reverse split of its share capital by way of conversion of its then existing 181,003,584 shares into 21,983,757 shares.

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the year ended December 31,		
	2021	2020	2019
	U.S. dollars (in thousands)		
Cash flows from operating activities:			
Net profit (loss) for the period	4,652	6,514	(3,978)
Adjustments for:			
Amortization and depreciation	14,613	11,657	9,685
Income taxes expenses	325	1,443	1,243
Income taxes paid	(2,230)	(606)	(461)
Interest expenses with respect to lease liability	680	672	366
Interest expenses with respect to funding from related parties	4,811	4,343	3,792
Interest paid	(1,009)	(684)	(645)
Other finance expenses, net	1,501	726	329
Payments with respect to IP Option	613	478	825
Share based compensation	3,448	969	615
The Company' share in (profit) loss of Joint Venture	(12,446)	(1,393)	3,924
Initial public offering expenses	-	2,430	-
Prospective acquisition related expenses	3,667	-	-
Decrease (Increase) in trade receivables	487	(1,286)	(304)
Increase in prepaid expenses and other receivables	(1,048)	(541)	(397)
Decrease (Increase) in Aspire Group	(1,427)	240	(152)
Increase in amounts due from the Michigan Joint Operation and NPI	(368)	(2,942)	(60)
Increase (Decrease) in trade and other payables	(1,900)	1,411	(460)
Increase in employees' related payables and accruals	640	979	731
Accrued severance pay, net	(98)	108	(13)
	10,259	18,004	19,018
Net cash generated from operating activities	14,911	24,518	15,040
Cash flows from investing activities:			
Purchase of property and equipment	(1,462)	(928)	(756)
Capitalized development costs	(17,010)	(13,128)	(11,454)
Restricted deposits - Joint Venture	(75)	(1,773)	(853)
Net change in deposits	13	112	(147)
Proceeds from (funding to) the Joint Venture	12,251	3,021	(4,214)
Net cash used in investing activities	(6,283)	(12,696)	(17,424)
Cash flows from financing activities:			
Loans from Caesars	-	2,500	6,500
Repayment of loan from Caesars	(1,500)	(2,500)	-
Repayments for lease liabilities	(1,686)	(1,455)	(1,334)
Exercise of employee options	873	4	-
Issuance of shares, net of issuance costs, other initial public offering expenses and	-	43,380	-
Net cash generated from (used in) financing activities	(2,313)	41,929	5,166
Net increase in cash and cash equivalents	6,315	53,751	2,782
Cash and cash equivalents at the beginning of the year	59,767	6,016	3,234
Cash and cash equivalents at the end of the year	66,082	59,767	6,016

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

NOTE 1 – GENERAL

Neogames S.A. (together with its subsidiaries, the "Company") was incorporated in Luxemburg on April 10, 2014.

The Company, together with a joint operation and a joint venture, is a leading global technology provider engaged in the development and operation of online lotteries and games, allowing lottery operators to distribute lottery products via online sales channels while using the Company's technology.

The Company serves contracts across Europe and the United States of America through its wholly owned operating subsidiaries: NeoGames Systems Ltd. ("NGS"), incorporated in 2014, and NeoGames Ukraine, incorporated in 2018. In 2014, the Company incorporated NeoGames US LLP ("NeoGames US") serving as the active arm for the North American market. In 2018 NeoGames S.R.O was incorporated, in the Czech Republic which designate to serve the digital solution for the local leading lottery operator (SAZKA a.s.) up till the end of December 2025.

The Company, together with a publicly traded Canadian Company, Pollard Banknote Limited ("Pollard"), develops, and operates an iLottery program on behalf of the State of Michigan in the United States (the "Michigan Joint Operation"). The agreement to operate the state's iLottery program was extended in December 2020 and will expire in July 2026.

On July 31, 2014, Pollard and NeoGames US jointly established an equal ownership share, NeoPollard Interactive LLC ("NPI" or the "Joint Venture") designated to participate in iLottery tenders in the North American market. NPI has operated the Virginia State Lottery online e-Subscription program, since 2015 through October 2026, the iLottery platform on behalf of New Hampshire Lottery since September 2018 with an initial term of seven years, the North Carolina Education Lottery iLottery program since October 2019 (initial terms of five years with an option to extend for additional five years) and the Alberta Gaming, Liquor and Cannabis Commission ("AGLC') iLottery platform since September 2020 (initial term of seven years, with an option to extend for five years).

On November 24, 2020, the Company completed an initial public offering on Nasdaq exchange of 5,528,650 ordinary shares, no par value, including 721,128 ordinary shares sold pursuant to the full exercise of the underwriters' overallotment option. The offering consisted of 2,987,625 ordinary shares offered by the Company and 2,541,025 ordinary shares offered by certain selling shareholders. The ordinary shares were traded at an offering price of $17.00 per ordinary share for an aggregate offering value of $94.0 million. The Company shares are traded under the symbol "NGMS".

The Company's principal shareholders, as of December 31, 2021 were Caesars Entertainment Organization Limited ("Caesars", which acquired our previous shareholder, William Hill Organization Limited ("William Hill" or "WH") in April 2021), Barak Matalon, Pinhas Zehavi, Elyahu Azur and Aharon Aran, that collectively own a majority of Aspire Global Plc ("Aspire"), a publicly traded company which conducts iGaming operations through its subsidiaries (together with Aspire, the "Aspire Group").

On September 16, 2021, Caesars completed an underwritten public offering of ordinary shares including full exercise of the underwriters' option to purchase additional ordinary shares leading to the sale of an aggregate of 3,975,947 Ordinary Shares through an underwritten filing and on March 14, 2022, Caesars consummated a block sale of its remaining shares and consequently is no longer beneficially owner of any securities of the Company.

On January 17, 2022, we commenced a public offer to the shareholders of Aspire Global plc to acquire 100% of the outstanding shares for approximately $480 million. The offer is comprised of cash for 50% of Aspire Global and equity for the remaining 50% of shares. If the offer is accepted by at least 90% of Aspire shareholders, and subject to additional terms and conditions, the transaction is expected to close during the first half of 2022. Accordingly, the company recorded Prospective acquisition related expenses of $3.8 million.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of the financial statements, on a consistent basis, unless otherwise stated, are:

A. Accounting principles

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Profit or loss accounts are presented and analyzed by their nature rather than their function within the entity as such method provides reliable and more relevant information on the Company's operations.

B. Comparative information

Comparative figures stated in the statements of comprehensive income (loss), financial position and cash flows have been reclassified to conform to the current year's presentation format for the purpose of adequate presentation.

C. Basis of consolidation

Where the Company has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. The consolidated financial statements present the results of the Company as though NeoGames S.A and its subsidiaries formed a single entity. Intercompany transactions and balances between NeoGames S.A and its subsidiaries are therefore eliminated in full.

D. Foreign currency

The financial statements of the Company are prepared in US dollars (the functional currency), which is the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Company’s transactions. Balances in foreign currencies are translated into US dollars in accordance with the principles set forth by International Accounting standard (IAS) 21 (“The Effects of Changes in Foreign Exchange Rates”). Accordingly, transactions and balances in currencies other than the functional currency have been translated into US dollars as follows:

Monetary assets and liabilities — at the rate of exchange applicable at the end of the reporting year; Income and expense items — at exchange rates applicable as of the date of recognition of those items; Non-monetary items — at the rate of exchange at the time of the transaction.

E. Transaction under common control

Acquisition of intangible assets under common control is accounted for based on their book value as was accounted for by the seller, and the difference between the fair value of the consideration and the book value of the intangible assets was recorded as a capital reserve with respect to transaction under common control in the statement of changes in equity (deficit).

F. Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

G. Financial instruments

Financial assets and financial liabilities are recognized in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value and subsequently measured at amortized cost based on the effective interest rate, as applicable.

H. Trade receivables

Trade receivables are initially recognized at transaction price and subsequently measured at amortized cost and principally comprise amounts due from related parties and iLottery companies. The Company has applied the standard simplified approach and has calculated the Expected credit losses based on lifetime of expected credit losses, with de-minimis results. Bad debts (if any) are written off when there is objective evidence that the full amount may not be collected.

I. Investment in a joint operation

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to that arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the consent of all parties to the joint control.

The consolidated financial statements include the Company's interest in any assets held jointly by the Michigan Joint Operation, and the Company's share of revenues and expenses of the Michigan Joint Operation.

J. Investment in a joint venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets only. The Company's investment in a joint venture is accounted for based on the equity method. Under the equity method, the investment is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Company's share of the profit and losses of the joint venture.

K. Employee benefits

The Israeli subsidiary, NGS, has adopted the general authorization in accordance with Section 14 of the Severance Pay Law, 1963 ("Section 14"), according to which deposits to the pension funds and/or policies of insurance companies exempt the subsidiary from additional payments. However, the Company's liabilities for severance pay, attributed to certain employees that are not subject to Section 14 are computed on the basis of the employee's most recent salary as of the end of the period date, in accordance with the Severance Pay Law, and are partially covered by monthly deposits with insurance policies and/or other funds in favor of the employees and the remaining are accrued for in the consolidated financial statements.

As most of NGS's employees are covered by Section 14, and due to immateriality, the Company does not use actuarial estimates and calculations for severance obligations. The Company accounts for such employees who are not subject to Section 14, by measuring accruals on the full amounts assuming that all of these employees will be terminated as of the end of the period date of each period (shut-down method).

L. Provisions

Provisions, which are liabilities of uncertain timing or amounts, are recognized when the Company has a legal or constructive obligation as a result of past events, if it is probable that an outflow of funds will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

M. Property and equipment

Property and equipment comprise of data center (servers), computers, leasehold improvements, office furniture and equipment and are stated at cost less accumulated depreciation and any accumulated impairment.

Depreciation is calculated to write off the cost of fixed assets to their residual amounts on a straight line basis over the expected useful lives of the assets concerned. The principal annual rates used for this purpose, are:

	%
Computers and computers equipment	25-50
Office furniture and equipment	7
Leasehold improvements	Over the shorter of the term of the lease or useful lives

Subsequent expenditures are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in profit or loss.

The depreciation method and the estimated useful life of an asset are reviewed at least each year-end and the changes are accounted for as a change in accounting estimate on a prospective basis.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

N. Intangible assets

Intangible assets of the Company comprise development costs capitalization, which are amortized over their useful life and reviewed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are treated prospectively as a change in accounting estimates.

Research expenditures are recognized in profit or loss when incurred. An intangible asset arising from a development project or from the development phase of an internal project is recognized if the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale.
- The Company's intention to complete the intangible asset and use or sell it.
- The ability to use or sell the intangible asset.
- How the intangible asset will generate future economic benefits.
- The availability of adequate technical, financial and other resources to complete the intangible asset; and
- The ability to measure reliably the respective expenditure asset during its development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future benefit of 3 years.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

O. Impairment of non-financial assets

The Company evaluates the need to record an impairment of the carrying amount of fixed assets and intangible assets whenever events or changes in the circumstances indicate that the carrying amount is not recoverable. If the carrying amount of the above assets exceeds their recoverable amount, the assets are reduced to their recoverable amount. The recoverable amount is the higher of the net sale price and value in use. In measuring value in use, the expected cash flows are discounted using a pre-tax discount rate that reflects the specific risks of the asset. The recoverable amount of an asset that does not generate independent cash flows is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the statement of comprehensive income (loss).

P. Revenue recognition

Revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring services to a customer.

The Company generates its revenues through three streams:

- Royalties from licensing of technological platforms and provision of proprietary games content (which are recognized in the accounting periods in which the gaming transactions occur).
- Fees from access to intellectual property rights (which are recognized over the useful periods of the intellectual property rights).
- Fees from development services (which are recognized in the accounting periods in which services are provided).

Q. Reserve with respect to funding transactions with related parties

Transactions with related parties are accounted for based on fair value. Any difference between the nominal value and the fair value that arises in transactions with related parties are recorded directly into equity to a “Reserve with respect to funding transactions with related parties”.

R. Share-based payments

Where equity settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the consolidated statement of comprehensive income (loss) over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated statement of comprehensive income (loss) over the remaining vesting period. Where the terms and conditions of options are modified after they vest, the increase in the fair value of the options measured and recorded in the consolidated statement of comprehensive income (loss) immediately after the modification.

The Company recognizes stock based compensation for the estimated fair value of restricted share units (“RSUs”). The Company measures compensation expense for the RSUs based on the market value of the underlying stock at the date of grant.

S. Finance income and expenses

Finance income comprises of net currencies with exchange rates differences, while finance expenses are comprised of interest on related parties funding, net currencies exchange rates differences, interest on leases liabilities and banks charges.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

T. Income taxes

Provision for income taxes is calculated in accordance with the tax legislation and applicable tax rates in force at the end of the reporting year in the countries in which the Company and its subsidiaries have been incorporated. A provision is recognized for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. This measurement is required to be based on the assumption that each of the tax authorities will examine amounts they have a right to examine and have full knowledge of all related information when making those examinations.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising from:

- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and

- Investments in subsidiaries and joint operations where the Company is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date, and that amount is are expected to apply when the deferred tax liabilities/assets are settled/recovered.

The Company recognized deferred tax assets (if any) only when their recoverability is more likely than not.

U. Fair value measurement hierarchy

The Company measures certain financial instruments, including derivatives, at fair value at the end of each reporting period. Fair value is the price that would be received or paid in an orderly transaction between market participants at a particular date, either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for that asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

V. Income (loss) per share

Basic income (loss) per share

Basic income (loss) per share is calculated by dividing the income (loss) attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year, adjusted for ordinary shares issued during the year, if applicable.

Diluted income (loss) per share

Diluted income (loss) per share adjusts the figures used in the determination of basic income (loss) per share to take into account the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of options takes place as expected; and the addition of the shares to be derived from realization must have a dilutive effect.

W. Leases

Effective January 1, 2019, the Company accounts for its leases under IFRS 16, according to which:

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) or low value assets.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. The lease liability is presented as a separate line in the consolidated statement of financial position, including the separation between current and non-current.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

In profit or loss, amortization expenses of the right-of-use asset and interest expenses in respect of the lease liability recognized. In the statement of cash flows, payments in respect of the principal portion of the lease liability classified as financing activity and payments in respect of the interest portion of the lease liability classified in accordance with the Company's policy regarding classification of interest payments as operating activity**.**

In the prior period financial statements operating leases expenses recorded on a straight line basis within the operating expenses.

On December 26, 2018, NeoGames Ukraine entered into a lease agreement for an office space. The agreement commenced on January 15, 2019 for a period of 60 months. The annual lease payment and related expenses is approximately $1 million. For a description of the lease arrangement with the Aspire Group, see Note 6.

On July 11, 2021, NeoGames Systems entered into a lease agreement for an office Space in the existing Tel Aviv premises. The agreement will commence on April 15, 2022 for a period of 120 months. The annual lease payment and related expenses is approximately $1 million. For a description of the lease arrangement, see Note 6.

NOTE 3 - CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of consolidated financial statements under IFRS requires the Company to make estimates and judgments that affect the application of policies and reported amounts. Estimates and judgments are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Included in this note are accounting policies and/or estimates that cover areas for which the Directors and Management require judgments and/or assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities in the future. These policies together with references to the related notes to the financial statements, which include further commentary on the nature of the estimates and judgments made, can be found below:

Funding transactions with related parties:

The fair values of the funding transactions with related parties, the reserve relating to the funding transactions with related parties and the related interest expenses are recorded based on discounted cash flow of the anticipated repayments, calculated using a market interest rate determined by a reputable appraiser. For further details, see Note 6.

Capitalization of development costs:

Costs relating to internally generated intangible assets are capitalized if the criteria for recognition as assets are met. The initial capitalization of costs is based on Management's judgment that technological and economic feasibility criteria are met. In making this judgment, Management considers the progress made in each development project and its latest forecasts for each project.

Share based payments:

The compensation expenses of stock options are vested over service periods, but exercisable only upon consummation of certain events as provided in the letter of grants. Stock based compensation expenses were recorded based on the fair values of the options, using the Black-Scholes model assumptions as well as the likelihood of the fulfillment of such events at the respective grant dates. For further details see Note 10.

NOTE 4 - PROPERTY AND EQUIPMENT, NET

	Computers and computers equipment	Office furniture and equipment	Leasehold improvements	Total
	U.S. dollars (in thousands)			
Cost:				
Balance as of January 1, 2021*	2,777	324	391	3,492
Additions during the year	506	27	893	1,426
	3,283	351	1,284	4,918
Accumulated depreciation:				
Balance as of January 1, 2021	1,997	43	151	2,191
Additions during the year	571	1	3	575
	2,568	44	154	2,766
Net Book Value:				
As of December 31, 2021	715	314	1,130	2,159

* Reclassification

	Computers and computers equipment	Office furniture and equipment	Leasehold improvements	Total
	U.S. dollars (in thousands)			
Cost:				
Balance as of January 1, 2020	2,107	257	200	2,564
Additions during the year	373	364	191	928
	2,480	621	391	3,492
Accumulated depreciation:				
Balance as of January 1, 2020	1,536	36	143	1,715
Additions during the year	461	7	8	476
	1,997	43	151	2,191
Net Book Value:				
As of December 31, 2020	483	578	240	1,301

NOTE 5 - INTANGIBLE ASSETS

	As of December 31,	
	2021	2020
	U.S. dollars (in thousands)	
Cost:		
Balance at beginning of the period	58,198	45,070
Additions	17,010	13,128
As of December 31,	75,208	58,198
Accumulated amortization:		
Balance at beginning of the period	40,363	30,657
Amortization	12,491	9,706
As of December 31,	52,854	40,363
Net Book Value:		
As of December 31,	22,354	17,835

NOTE 6 - RELATED PARTIES

A. CAESARS (which acquired WILLIAM HILL):

On June 18, 2018, the Company entered into a license agreement with WHG (International) Ltd. ("WHG"), an affiliate of William Hill. Pursuant to the license agreement, the Company has granted WHG a sub-license to use the NeoSphere Platform (the "Licensed IP") for a period of four years (the "Initial Period") to operate in the US iGaming market and additional jurisdictions agreed to by the parties. It was also agreed that William Hill will compensate the Company for the right to use the Licensed IP as well as costs associated with adjustments ("Developed IP") required to be made to the Licensed IP so that the Licensed IP would be deemed complaint with specific market requirements and other market practices. Upon a change in control of the Company, WHG has the option (the "IP Option") to convert the license into a perpetual license for a payment of £15.0 million. The Company has also agreed to provide WHG with the IP Option following the completion of a four-year period from the date of the term sheet. The fair value of the IP Option liability was valued with the assistance of a third-party appraiser to be approximately $3.45 million.

The Company's total revenues from this license agreement in the year ended December 31, 2021 and 2020 amounted to approximately $7.9 million and $6.7 million, respectively. The outstanding amounts due under this license agreement as of December 31, 2021 and 2020 amounted to approximately $0.8 million and $2.0 million, respectively, and are included in trade receivables.

During 2018, the Company borrowed $4.0 million with a stated annual interest rate of 5.0% (the "First Loan") and $2.0 million with a stated annual interest rate of 1.0% from the credit facility being made available by William Hill pursuant to the Investment and Framework Shareholders' Agreement dated August 6, 2015. During 2019, the Company borrowed a total of $6.5 million with a stated annual interest rate of 1.0% from this credit facility. All three loans were due in August 2020; however, all the loans were extended in 2020 as described below.

In February 2020, the parties agreed to extend the original repayment schedule such that, all principal loan amounts are due for a full repayment (interest plus principal) on June 15, 2023 and the First Loan is due for repayment on June 30, 2021. The implied benefit of $2.5 million (reflecting the extension of the original repayment schedule) was accounted for as a modification of debt in accordance with IFRS 9, with a related party and therefore recorded in "Reserve with respect to funding transactions with related parties" in the statement of changes in equity (deficit) and will be amortized as additional interest expense over the remaining period of the loans.

NOTE 6 - RELATED PARTIES (Cont.)

On September 18, 2020, the Company borrowed $2.5 million from the credit facility to partially early repay the principal of the First Loan. The loan bears an annual interest rate of 1.0%, which is below market interest rate, and is due in full on June 15, 2023. Therefore, the $0.6 million difference in discounted cash flows to be paid for the outstanding amount based on the market annual interest rate of 12% amounted to $1.9 million, and its face value was recorded directly into the statement of changes in equity (deficit) under "Reserve with respect to funding transactions with related parties" as "Benefit to the Company by an equity holder with respect to funding transactions" and will be amortized as additional interest expense over the period of the loan.

The difference in the interest rates between the calculated annual market interest rate of 12% and interest due on these loans was recorded as loan discounts to be amortized over the funding repayment period as additional finance expenses. Accordingly, the Company recorded interest expenses on the loans based on the fair value market interest rate of $1.2 million, $1.4 million and $1.3 million in 2021, 2020 and 2019, respectively.

During 2021, the company paid $1.5 million.

Loans and other due to Caesars, net:

	As of December 31,	
	2021	2020
	U.S. dollars (in thousands)	
Loan principals	11,000	12,500
Discounts	(1,445)	(2,492)
Accrued interest	267	677
Liability with respect to IP Option	3,450	3,450
Receivables on IP Option	(373)	(1,497)
	12,899	12,638

B. ASPIRE GROUP:

On August 6, 2015, the Company entered into a services agreement with Aspire and Caesars pursuant to which the Company has provided Aspire with certain dedicated development, maintenance and support services necessary for the operation of Aspire's business (the "Transition Service Agreement"). On July 8, 2015, the Company entered into a cost allocation agreement with Aspire (mainly with respect to the office lease in the reported periods) pursuant to which each party has agreed to bear certain costs that are then recovered on a pass through basis from the other party, including a sublease to the Company's Israeli offices, provided to the Company by Aspire until 2021 (the "Cost Allocation Agreement"). The sublease and related charges totaled $1 million.

In the reported periods, the Company provided and received certain services from the Aspire Group, such as research and development services and administrative services as follows:

	For the year ended December 31,		
	2021	2020	2019
	U.S. dollars (in thousands)		
Revenues generated from the Transition Services Agreement	1,617	2,430	4,099
Expenses derived by the Cost Allocation Agreement:			
Labor (included in general and administrative expenses)	251	66	68
Rent (included in depreciation and interest with respect to right of use)	1,198	1,064	1,047
Other (included in general and administrative expenses)	230	160	177
Total expenses	1,679	1,290	1,292

NOTE 6 - RELATED PARTIES (Cont.)

Capital notes and accrued interest from due to Aspire Group:

On May 18, 2017, the parties agreed to extend the original repayment schedule of the capital notes and the accrued interest, such that the outstanding amounts would have been repaid in March 2022. On March 31, 2022 the above mentioned capital notes and accrued interest has been paid. The extension was accounted for as a modification of debt in accordance with IFRS 9, with a related party, therefore the $6.4 million difference of the discounted cash flows to be paid for the outstanding amounts based on the annual market interest rate of 20% amounted to $9.6 million and their face value, was recorded directly into the statement of changes in equity under "Reserve with respect to funding transactions with related parties" as "Benefit to the Company by certain of its equity holders with respect to funding transactions" and has been amortized as additional interest expense over the remaining period of the capital notes.

In March 2022 the outstanding amount have been paid.

As of December 31,	Principal amount	Balance*	Contractual interest rate	Effective interest rate
	U.S. dollars (in thousands)		%	
2021	21,838	21,086	1	20
2020	21,838	17,739	1	20

* Including accrued interest of $582 thousand for the years of December 31, 2021 and 2020.

The interest expenses for the years ended December 31, 2021, 2020 and 2019 amounted to $3.6 million, $3.0 million and 2.5 million, respectively.

C. Consultancy Agreement:

On June 1, 2015, Barak Matalon, a member of the Company's board of directors and owner of more than 5% of the Company's ordinary shares, entered into a consultancy service agreement with the Company that calls for a monthly payment of NIS 45,000 (plus VAT) in consideration of services being rendered by Mr. Matalon to the Company. The consulting fees under such agreement, which remains in effect, for the years ended December 31, 2021, 2020 and 2019 amounted to $195 thousand, $158 thousand and $153 thousand, respectively, and are included within general and administrative expenses.

NOTE 7 - INVESTMENT IN A JOINT VENTURE AND JOINT OPERATION

A. JOINT VENTURE

NPI has been included in the consolidated financial statements using the equity method (see Note 1).

	As of December 31,	
	2021	2020
	U.S. dollars (in thousands)	
Current assets	23,303	11,388
Non-current assets	1,501	1,597
Current liabilities	(24,075)	(12,091)
Non-current liabilities	(2,839)	(2,910)
Net assets (liabilities) (100%)	(2,110)	(2,016)
Net assets (liabilities) (50%)	(1,055)	(1,008)
Adjustments	225	(17)
Company share of Joint Venture net liabilities	(830)	(1,025)

	For the year ended December 31,		
	2021	2020	2019
	U.S. dollars (in thousands)		
Revenues	64,032	18,032	3,740
Distribution expenses	44,970	16,116	10,480
Selling, general and marketing expenses	993	776	1,067
Depreciation	385	405	335
Net and total profit (loss) (100%)	17,684	735	(8,142)
Net and total profit (loss) (50%)	8,842	367	(4,071)
Adjustments	3,604	1,026	147
Share in profits (losses) of NPI	12,446	1,393	(3,924)
Funding of (distribution from) NPI	12,251	(3,021)	4,214

In addition to the above, with respect to the development services provided to NPI by the Company, in 2021, 2020 and 2019, the Company recorded revenues totalling to $7.6 million, $4.4 million and $2.9 million, respectively. The adjustments mostly represent royalty commissions earned by NPI on games developed and provided by the Group, whereby the Group's share of the underlying results is higher than 50%.

As of December 31, 2018, the Company had an outstanding amount of approximately $1.1 million held by Pollard on behalf of NPI to be used as a restricted deposit to establish a bonding facility to secure performance and payments bonds with respect to NPI’s prospective and existing contracts with the New Hampshire and North Carolina lotteries. As of December 31, 2019, the restricted deposit increased to an outstanding amount of $2 million. The increase in the restricted deposit amount was to secure a bid bond with respect to a new Request for Proposal with the Ohio lottery. As of December 31, 2020, the restricted deposit increased to an outstanding amount of $3.8 million. The increase in the restricted deposit amount was to secure a performance bond with respect to NPI’s new contract with the AGLC lottery.

As of December 31, 2021, the restricted deposit remained outstanding amount of $3.8 million.

The outstanding amount due from NPI was $2,397 thousand and $1,477 thousand as of December 31, 2021 and 2020, respectively.

NOTE 7 - INVESTMENT IN A JOINT VENTURE AND JOINT OPERATION (Cont.)

B. MICHIGAN JOINT OPERATION

The Michigan Joint Operation has been included in the consolidated financial statements as a share of Company's interest in assets held jointly, and its share of revenues and expenses (see Note 1).

Below are the Michigan Joint Operation's revenues and operating expenses, 50% of which represent the Company's interest and were included in the Company's statement of comprehensive income (loss):

	For the year ended December 31,		
	2021	2020	2019
	U.S. dollars (in thousands)		
Revenues (100%)	42,491	49,779	24,665
Total operating expenses (100%)	(26,047)	(22,021)	(14,264)

In addition to the above-stated revenues, with respect to the development services provided to the Michigan Joint Operation by the Company, in 2021, 2020 and 2019, the Company recorded revenues totaling $1.4 million, $1.4 million and $1.0 million, respectively. Further, the Company recorded additional royalty revenues with respect to games development efforts invested to enhance the Michigan Joint Operation's games portfolio during 2021, 2020 and 2019, totaling $1.6 million, $1.9 million and $1.0 million, respectively, which were also eliminated from Company's share in Michigan Joint Operation's total operating expenses as stated in the above table.

As of December 31, 2021, and 2020, Company's share interest in Joint Operator's assets was $667 thousand and $745 thousand, respectively, and mostly comprised of property and equipment, net.

The outstanding due from amount with the Joint Operation was $1.3 million and $1.7 million as of December 31, 2021 and 2020, respectively.

NOTE 8 - TRADE AND OTHER PAYABLES

	As of December 31,	
	2021	2020
	U.S. dollars (in thousands)	
Trade payables	1,371	1,693
Governmental authorities	1,091	1,258
Accrued expenses	5,440	1,959
	7,902	4,910

NOTE 9 - EMPLOYEE BENEFIT LIABILITIES

	As of December 31,	
	2021	2020
	U.S. dollars (in thousands)	
Non- current		
Accrued severance pay	2,807	2,350
Less - funds	(2,521)	(1,966)
	286	384
Current		
Accrued vacation	679	522
Accrued recuperation	9	11
	688	533

NOTE 10- SHARE BASED PAYMENTS

Options:

During the first quarter of 2019, the Company reached an agreement with Company's former Chief Executive Officer following his termination of employment, to extend the expiration date of the options granted to him on May 20, 2015 by four years.

The fair value of the extended options was estimated as of the June 30, 2019, using the Black-Scholes model.

The following table summarizes the underlying assumptions used in the model:

Dividend Yield	0%
Expected volatility	31%
Risk free interest rate	2.48%
Expected life	2 years
Weighted average exercise price	$0.17
Price per share	$0.52
Grant date fair value of each option	$0.36

As a result of the above mentioned modification during 2019, the Company recorded $250 thousand of share based compensation expenses.

On May 13, 2019, the Company granted to certain employees 4,321,500 options to purchase its shares that will be vested over a service period of four years.

The fair value of the options granted was estimated as of the Grant Date using the Black-Scholes model.

The following table summarizes the underlying assumptions used in the model:

Dividend Yield	0%
Expected volatility	29.67%-30.2%
Risk free interest rate	2.21%- 2.28%
Expected life	5.5-7 years
Weighted average exercise price	$0.17
Price per share	$0.52
Grant date weighted average fair value per option	$0.38

On July 1, 2019, the Company has amended to certain employees, who agreed to it, certain terms of options granted as part of 2015 and 2017 plans. According to the amendment, the exercise of the options shall no longer be conditioned upon M&A transaction or IPO. The options, which are no longer conditioned, are considered as being granted on July 1, 2019 and are vested over a period of two years from the new grant date.

The fair value of the options granted was estimated as of the new Grant Date using the Black-Scholes model.

The following table summarizes the underlying assumptions used in the model:

Dividend Yield	0%
Expected volatility	29.3%-29.86%
Risk free interest rate	1.8%-1.85%
Expected life	5.12-6 years
Weighted average exercise price	$0.21
Price per share	$0.52
Grant date weighed average fair value of an option	$0.34

On July 13, 2020, the Company granted to certain employees options to purchase an aggregate of 415,000 of its ordinary shares that will vest over a service period of four years.

NOTE 10- SHARE BASED PAYMENTS (Cont.)

The fair value of the options granted was estimated to be $0.6 million as of the July 13, 2020 grant date using the Black-Scholes model:

Dividend Yield	0%
Expected volatility	39.4%-37%
Risk free interest rate	0.35%-0.48%
Expected life	5.5-7 years
Weighted average exercise price	$0.17
Price per share	$1.5

On November 18, 2020, the Company granted to the Chairman of the Board options to purchase an aggregate of 48,581 of its ordinary shares that will vest over a service period of two years. On the same date the Company granted to certain consultant options to purchase an aggregate of 12,145 of its ordinary shares that will vest over a service period of four years.

The fair value of the options granted was estimated to be $0.4 million as of the November 18, 2020 grant date using the Black-Scholes model:

Dividend Yield	0%
Expected volatility	39%-42%
Risk free interest rate	0.42%-0.64%
Expected life	5.13-7 years
Weighted average exercise price	$17
Price per share	$17

On May 26, 2021, the Company granted a member of the Board of Directors options to purchase an aggregate of 15,000 of its ordinary shares that will vest over a service period of eight month.

The fair value of the options granted was estimated to be $0.3 million as of the May 26, 2021 grant date using the Black-Scholes model:

Dividend Yield	0%
Expected volatility	38%
Risk free interest rate	0.9%
Expected life	5.33 years
Weighted average exercise price	$57.6
Price per share	$57.6

The following table summarizes option activities for the years ended December 31, 2021, 2020 and 2019:

	2021		2020		2019	
	Weighted average exercise price ($)	Number	Weighted average exercise price ($)	Number	Weighted average exercise price ($)	Number
Outstanding at January 1,	2.02	1,708,020	1.48	1,632,220	1.56	1,113,218
Granted during the year	57.56	15,000	9.92	111,129	1.40	524,867
Exercised during the year	1.5	(581,240)	1.40	(12,473)	-	-
Forfeited during the year	1.88	(7,894)	1.73	(22,856)	1.81	(5,865)
Outstanding at December 31,	3.03	1,133,886	2.02	1,708,020	1.48	1,632,220
Vested and exercisable at December 31,	2.00	798,262	1.52	1,203,456	1.48	1,045,076

NOTE 10- SHARE BASED PAYMENTS (Cont.)

On November 10, 2020 the Company completed a 1: 8.234 reverse split of its share and the numbers of options and the exercise price were adjusted accordingly in the tables above.

Restricted Shares Units (RSUs):

On August 30, 2021, our board of directors allocated up to 140,336 RSUs, for award to employees in amounts to be determined by management. The RSUs will be granted under the Company's 2020 Incentive Award Plan and will vest in four equal annual installments commencing on January 1, 2022. On October 22, 2021, the Company granted 140,336 RSUs to certain employees. The fair value of the awards was determined based on the Company's grant date share price and amounted to $5.3 million.

As of December 31, 2021, the Company had unrecognized share-based compensation expenses related to options and RSUs of $3.4 million, which is expected to be recognized over a weighted average period of approximately 2.05 years.

NOTE 11 - REVENUES

	For the year ended December 31,		
	2021	2020	2019
	U.S. dollars (in thousands)		
Turnkey contracts	29,882	32,252	17,240
Games	1,994	2,006	2,189
Total royalties	31,876	34,258	19,429
Development and other services from Aspire (See also Note 6B)	1,617	2,430	4,099
Development and other services from NPI (See also Note 7A)	7,578	4,404	2,914
Development and other services from Michigan Joint Operation (See also Note 7B)	1,433	1,413	958
Total Development and other services	10,628	8,247	7,971
Use of IP rights (William Hill only, see also Note 6A)	7,959	6,697	5,662
Total Revenues	50,463	49,202	33,062

NOTE 12 - DISTRIBUTION EXPENSES

	For the year ended December 31,		
	2021	2020	2019
	U.S. dollars (in thousands)		
Labor and related	1,502	1,335	998
Call center	992	728	781
Processing fees	4,341	3,962	2,207
Other	3,054	660	266
	9,889	6,685	4,252

NOTE 13 - GENERAL AND ADMINISTRATIVE EXPENSES

	For the year ended 31 December		
	2021	2020	2019
	U.S. dollars (in thousands)		
Labor and related	5,145	3,109	2,048
Directors and officers insurance	1,370	126	-
Labor and related from a Related Company	64	42	46
Professional fees	3,476	1,983	1,114
Rent and related from a Related Company	260	168	96
Municipality and maintenance from Related Company	194	160	177
Office refreshments and others	632	414	408
Other	1,159	1,494	1,068
	12,300	7,496	4,957

NOTE 14 - OTHER FINANCE EXPENSES AND INCOME, NET

	For the year ended 31 December		
	2021	2020	2019
	U.S. dollars (in thousands)		
A. Finance income:			
Currency exchange rate differences	-	-	53
Interest income	-	21	-
	-	21	53
B. Finance expenses:			
Currency Exchange rate differences	637	197	-
Interest expense with respect to lease liabilities	786	461	366
Bank charges	46	89	16
Interest expense	32	-	-
	1,501	747	382

NOTE 15 – TAXATION

A. Tax rates applicable to the Company companies and other related

Tax Ruling of the Israeli Tax Authority

On May 18, 2021, the Israeli Tax Authority issued a pre-ruling, pursuant to which it confirmed that effective the contribution date of certain intellectual property rights relating to the online lottery business of the Company to NGS as mentioned above through December 31 2025, NGS has been considered a "preferred technological enterprise" for Israeli tax purposes, and therefore, subject to the conditions set forth in the ruling and applicable law, and entitled to certain tax benefits, including under certain circumstances a reduced corporate tax rate of 12% to 16% as well as deductible amortization over 8 years of the value of the intangible assets (i.e., $57 million). As a result of the ruling as well as an achievement of two years sequence of taxable income at the Group level as well as more likely than not consistent future expectation, the Group recorded deferred tax assets of $1.7 million in 2021 primarily with respect to part of the temporary differences on the intangible assets mentioned above.

NOTE 15 – TAXATION (Cont.)

A. Tax rates applicable to the Company companies and other related (Cont.)

The Company is tax registered in Luxemburg and is subject to the Luxemburg corporation tax at 26.01% in 2018 and 24.94% thereafter on profits derived from activities carried out in Luxemburg. The estimated carry forward losses as of December 31, 2020 was $59.9 million, the Company has not recorded relating deferred income taxes asset as its recoverability was not more likely than not. All the Company's tax years are subject to examination.

NGS was subject to Israeli corporate tax rate of 23% in 2018 thereafter. Considering the statute of limitation, NGS 2015's tax year is final and the following tax years are subject to examination.

NeoGames US, including its shares in NPI and the Michigan Joint Operation, is subject to US federal income taxes rate of 21% in 2018 thereafter as well as certain states income taxes rates. All NeoGames US tax years are subject to examination.

The Company's other subsidiaries are subject to different corporate tax rates.

B. Income taxes expenses included in the statements of comprehensive income (loss)

	For the year ended December 31,		
	2021	2020	2019
	U.S. dollars (in thousands)		
Current taxes	2,121	1,224	836
Deferred taxes	(1,628)	81	6
Taxes with respect to previous years	(168)	138	401
	325	1,443	1,243

C. Deferred taxes assets

	Intangible assets	Employee benefits	Total
	U.S. dollars (in thousands)		
January 1, 2019	-	298	298
Changes during 2019	-	(6)	(6)
December 31, 2019	-	292	292
Changes during 2020	-	(81)	(81)
December 31, 2020	-	211	211
Changes during 2021	1,722	(94)	1,628
December 31, 2021	1,722	117	1,839

NOTE 15 – TAXATION (Cont.)

D. Reconciliation of the theoretical income taxes expenses (benefit) to the actual income taxes expenses (benefit):

Reconciliation between the theoretical income taxes expenses (benefit), assuming all income is taxed at the statutory tax rate applicable to income of the Company and the actual income taxes expenses as reported in the statements of comprehensive income (loss) is as follows:

	For the year ended December 31,		
	2021	2020	2019
	U.S. dollars (in thousands)		
Profit (loss) before income taxes expenses	4,977	7,957	(2,735)
The Company's statutory tax rate	25%	25%	25%
Theoretical income taxes expenses (benefit) on the above amount at the Company's tax rate	1,244	1,989	(684)
Non-deductible expenses	2,090	1,328	1,108
Losses in respect of which no deferred taxes were recorded	1,616	-	488
Carry forward losses utilized in which no deferred taxes were recorded in previous years	-	(1,932)	-
Recognition of deferred taxes during the year, with respect to prior years temporary differences	(2,769)	-	-
Taxable income and other temporary differences accounted for in lower tax rates	(1,688)	(80)	(70)
Current income taxes with respect to previous years	(168)	138	401
Other	325	1,443	1,243

NOTE 16 - FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed to a variety of financial risks, which result from its financing, operating and investing activities. The objective of financial risk management is to minimize exposures in these financial risks and to mitigate a negative impact on the Company's financial performance and position. The Company's financial instruments are its cash and cash equivalents, trade and other receivables, capital notes and loans from related parties, lease liabilities, trade and other payables and employee benefit liabilities. The Company actively measures, monitors and manages its financial risk exposures by various functions pursuant to the segregation of duties and principals. The risks arising from the Company's financial instruments are mainly credit risks and currency risk. The risk management policies employed by the Company to manage these risks are discussed below.

A. Credit risk

Credit risk arises when a failure by counterparties to discharge their obligations could reduce the amount of future cash inflows from financial assets on hand at the end of the reporting year.

The Company closely monitors the activities of its counterparties enabling it to ensure the prompt collection of customer balances. Furthermore, the Company engages only with reputable customers.

The Company generated revenues exceeding 10% of its consolidated annual revenues from three customers in the year ended December 31, 2021 and 2020 (of which one is a related party) and four customers in the year ended December 31, 2019 (of which two are related parties). For revenues from related parties, see Note 6. We generated 45%, 54% and 40% of our revenues in the years ended December 31, 2021, 2020 and 2019, respectively, from the Michigan Joint Operation and 14%, 11% and 12% of our revenues in the years ended December 31, 2021, 2020 and 2019, respectively, from Sazka.

As of December 31, 2021, and 2020, the Company had trade receivables outstanding, exceeding 10% of the Company's consolidated trade receivables, from two customers. Sazka accounted for 73% and 43% of trade receivables outstanding as of December 31, 2021 and 2020, respectively, and William Hill accounted for 22.0% and 55.0% of trade receivables outstanding as of December 31, 2021 and 2020, respectively.

NOTE 16 – FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Cont.)

B. Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

Foreign exchange risk also arises when Company operations are entered into in currencies denominated in a currency other than the functional currency.

The Company has discretion to hedge some or all of its forecast operational costs in Israel up to 12 months. Currency exposures are monitored by the Company monthly.

C. Sensitivity analysis to the currency risk

The Company has not presented a sensitivity analysis for the impact on its statement of comprehensive income (loss) of potential movements in currencies rates, as the change in the fair value of its financial instruments would be negligible.

D. Liquidity risk

The Company monitors its liquidity in order to ensure that sufficient liquid resources are available to allow it to meet its obligations.

The following table details the contractual maturity analysis of the Company's financial liabilities (representing undiscounted contractual cash-flows):

	As of December 31, 2021			
	In 3 months	Between 3 months and 1 year	More than 1 year	Total
	U.S. dollars (in thousands)			
Capital notes and accrued interest due to Aspire Group		22,420		22,420
Loans due to WH			11,267	11,267
Lease liabilities		779	7,820	8,599
Trade and other payables	9,475			9,475
Total	9,475	23,199	19,087	51,761

NOTE 16 – FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Cont.)

	As of December 31, 2020			
	In 3 months	Between 3 months and 1 year	More than 1 year	Total
	U.S. dollars (in thousands)			
Capital notes and accrued interest due to Aspire Group			22,419	22,419
Loans due to WH		2,022	11,155	13,177
Lease liabilities		1,651	1,855	3,506
Trade and other payables	4,910			4,910
Total	4,910	3,673	35,429	44,012

NOTE 17 - INCOME (LOSS) PER SHARE

	For the year ended December 31,		
	2021	2020	2019
	U.S. dollars (in thousands)		
Basic and diluted earnings per share:			
Net income (loss) attributable to equity holders of the company	4,652	6,514	(3,978)
Weighted average number of issued ordinary shares	25,302,350	22,329,281	21,983,757
Dilutive effect of share options and RSUs	1,337,771	1,569,196	-
Weighted average number of diluted ordinary shares	26,640,120	23,898,477	21,983,757
Income (loss) per share, basic ($)	0.18	0.29	(0.18)
Income (loss) per share, diluted ($)	0.17	0.27	(0.18)

NOTE 18 - RESERVES

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Share premium	Amount subscribed for share capital in excess of nominal value.
Share based payments reserve	Fair value of the vested employees' options to purchase Company shares.
Reserve with respect to transaction under common control	The reserve represents the difference between the fair value of the consideration and the book value of the intangible assets as was accounted for by the seller, with respect to acquisition under common control.
Reserve with respect to funding transactions from related parties	See Note 6

NOTE 19 - LEGAL PROCEEDINGS

In January 2019, the U.S. Department of Justice Office of Legal Counsel ("DOJ") published an opinion ("2018 Opinion") that reinterpreted the statutory provisions of the Wire Act, 18 U.S.C. §1084 concluding that the prohibitions contained in the statute apply not only to sports gambling, but to all types of gaming. This reversal of 2011 opinion ("2011 Opinion") of the DOJ created uncertainty as to the lawfulness of the interstate transmission of data associated with lawful state lotteries. On January 15, 2019, the Deputy Attorney General issued a memorandum stating that Department of Justice attorneys should adhere to the 2018 Opinion, but that as an exercise of discretion, the Department would refrain from applying the new interpretation to persons who engaged in conduct in reliance on the interpretation set forth in the 2011 Opinion prior to the date of the 2018 Opinion and for 90 days thereafter.

On February 15, 2019, NPI filed a complaint for declaratory relief and a motion for summary judgment with the U.S. District Court for the District of New Hampshire ("District Court") requesting a formal declaratory judgement that the Wire Act does not prohibit the use of a wire communication facility to transmit in interstate commerce bets, wagers, receipts, money, credits, or any other information related to any type of gaming other than gambling on sporting events and contests.

In June 2019, the U.S. District Court ruled in favor of NPI and declared (without qualification) that the Wire Act applies only to transmissions related to bets or wagers on a sporting event or contest. The U.S. District Court further directed that the 2018 Opinion be "set aside". The DOJ filed a notice of appeal to the First Circuit of the US Court of Appeals on August 16, 2019 and its opening brief on December 20, 2019. NPI filed its response brief on February 26, 2020. The DOJ's reply brief was filed on May 22, 2020. Oral arguments were heard on June 28, 2020.

A decision of the First Circuit Court was received on January 20, 2021. The First Circuit Court ruled in favor of the Company and unequivocally affirmed the decision of the District Court that the federal Wire Act is limited to sports betting and therefore, does not pertain to state-run lotteries. By upholding the 2011 interpretation that the Wire Act applies only to bets and wagers on a sporting event or contest, this declaratory ruling provides complete relief to the Company.

Having ruled that the declaratory judgment was appropriate and would provide complete relief to the plaintiffs in respect of their current and future operations, the First Circuit Court vacated the relief previously granted under the Administrative Procedures Act.

The DOJ did not appeal the decision of the First Circuit Court to the US Supreme Court.

Although the DOJ has not formally rescinded the 2018 Opinion, nor has it issued further forbearance and/or confirmation of its willingness to voluntarily adhere to the First Circuit's decision, the decision of the First Circuit Court creates important precedence for the lottery industry, generally, by alleviating concerns about the pooling of bets or the transmission of wagers in connection with national or regional multi-state games such as Powerball® and Mega Millions, whether through traditional retail or online channels.

NOTE 20 - SUBSEQUENT EVENT

As significant portion of our development team resides and works from Ukraine. The continuation of the local war may impact our ability to meet our long-term development delivery commitments although so far, the Company managed to mitigate the risk and no material impact has been observed on the delivery and stability of the development projects. That being stated, it is difficult to predict whether our ability to continue and develop our products in the same pace and launch new contracts in short delivery timelines may be affected by the situation in Ukraine In March 2022, the company paid the outstanding capital notes and the accrued interest from Aspire Group, see note 6.

NeoPollard Interactive LLC

FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2021

FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2021

CONTENTS

INDEPENDENT AUDITORS' REPORT

To the Members of NeoPollard Interactive LLC

Report on the Financial Statements
We have audited the accompanying financial statements of NeoPollard Interactive LLC (“Company”), which comprise the balance sheets as of December 31, 2021 and 2020, and the related statements of comprehensive income, changes in members' equity (deficit) and cash flows for the years then ended, and the related notes to the financial statements.

Management’s Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statement in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"); this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations, changes in members' equity (deficit) and cash flows for the years then ended, in accordance with U.S. GAAP.

/s/ Ziv Haft
Ziv Haft
Certified Public Accountants (Isr.)
BDO Member Firm

April 14, 2022
Tel Aviv, Israel

BALANCE SHEETS AS OF DECEMBER 31

	Note	2021	2020
		U.S. dollars (in thousands)	
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		88	286
Restricted cash	3	9,074	5,656
Trade receivables		13,473	5,252
Prepaid expenses		668	194
		23,303	11,388
NON-CURRENT ASSETS			
Property and equipment, net	4	1,049	1,205
Right of use asset	2	452	392
		1,501	1,597
TOTAL ASSETS		24,804	12,985

BALANCE SHEETS AS OF DECEMBER 31

	Note	2021	2020
		U.S. dollars (in thousands)	
LIABILITIES AND DEFICIT			
CURRENT LIABILITIES			
Trade payables and accrued expenses	6	5,039	2,269
Due to related companies	5	8,909	3,088
Deferred revenues		444	566
Lease liabilities	2	179	147
Due to lotteries	3	9,074	5,656
Accrued payroll and benefits		430	365
		24,075	12,091
NON-CURRENT LIABILITIES			
Deferred revenues		2,554	2,655
Lease liabilities	2	285	255
		2,839	2,910
MEMBER'S DEFICIT		(2,110)	(2,016)
TOTAL LIABILITIES AND MEMBERS' DEFICIT		24,804	12,985

April 14, 2022

/s/ Moti Malul	/s/ Doug Pollard
Moti Malul, Manager	Doug Pollard, Manager

STATEMENTS OF COMPREHENSIVE INCOME

	Note	For the year ended December 31, 2021	2020
		U.S. dollars (in thousands)	
Revenues	7	64,032	18,032
Distribution expenses	8	44,970	16,116
Selling, general and administrative expenses	9	993	776
Depreciation and amortization	4	385	405
Net income and comprehensive income		17,684	735

STATEMENTS OF CHANGES IN MEMBERS' EQUITY (DEFICIT)

	Total members' equity (deficit)
	U.S. dollars (in thousands)
Balance as of January 1, 2020	1,391
Comprehensive income	735
Distributions	(4,142)
Balance as of December 31, 2020	(2,016)
Comprehensive income	17,684
Distributions	(17,778)
Balance as of December 31, 2021	(2,110)

STATEMENTS OF CASH FLOWS

	For the year ended December 31,	
	2021	2020
	U.S. dollars (in thousands)	
Cash flows from operating activities:		
Net income for the year	17,684	735
Adjustments for:		
Depreciation	385	405
Increase in trade receivables	(8,221)	(4,302)
Increase in prepaid expenses	(474)	(81)
Increase (decrease) in deferred revenues	(223)	2,992
Increase in due to related companies	5,821	2,854
Increase in trade payables and accrued expenses	2,770	1,940
Increase in due to lotteries	3,418	3,508
Increase in accrued payroll and benefits	67	78
	3,534	7,394
Net cash generated from operating activities	21,227	8,129
Cash flows from investing activities:		
Purchase of property and equipment	(229)	(193)
Net cash used in investing activities	(229)	(193)
Cash flows from financing activities:		
Members' distributions	(17,778)	(4,142)
Net cash used in financing activities	(17,778)	(4,142)
Net increase in cash, cash equivalents and restricted cash	3,220	3,794
Cash, cash equivalents and restricted cash at the beginning of the year	5,942	2,148
Cash, cash equivalents and restricted cash at the end of the year	9,162	5,942

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - GENERAL

NeoPollard Interactive LLC (the "Company"), was incorporated in Delaware, United States of America (“U.S.”) on March 6, 2014, as a limited liability company.

The Company is 50% owned by Pollard Holdings Inc. ("PH" or “Pollard”), which is wholly owned by a publicly Toronto Stock Exchange (“TSX”) traded Canadian corporation - Pollard Banknote Limited ("PBL"), a leading lottery partner to more than 60 lotteries worldwide, and 50% by NeoGames US LLP ("NUL"), which is wholly owned by a publicly NASDAQ traded company - NeoGames S.A. ("Neogames"), a leading global technology provider (PH and NUL - the "Members"). The Company was established to provide iLottery services for North American lotteries. Since 2015, the Company has operated the Virginia State Lottery (“VAL”) online e-Subscription program, since September 2018 the iLottery platform on behalf of New Hampshire Lottery (“NHL”) and since October 2019 the North Carolina Education Lottery (“NCEL”) iLottery platform.

On March 19, 2020, the Company signed with Alberta Gaming, Liquor and Cannabis Commission ("AGLC") an agreement to develop, deploy and maintain its digital solutions and operate its proposed interactive offering. This contract has an initial term of 7 years, plus an option to extend for 5 years. The solution for AGLC Lottery was launched in September 2020.

In May 2020, the Company expanded its contract with the Virginia State Lottery (“VAL”) to include a digital instant games portfolio in addition to the online e-Subscription program. The full iLottery program launched on July 1, 2020.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed in the preparation of the financial statements, on a consistent basis, are:

A. Accounting principles

These financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Statement of comprehensive income (loss) accounts are presented and analyzed by their nature rather than their function within the entity as this method provides reliable and more relevant information on the Company's operations.

B. Functional currency

The financial statements of the Company are prepared in U.S. dollars (the functional currency), which is the currency that best reflects the economic substance of the underlying events and circumstances relevant to the Company's transactions.

C. Provisions

Provisions, which are liabilities of uncertain timing or amount, are recognized when the Company has a legal or constructive obligation as a result of past events, if it is probable that an outflow of funds will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

D. Property and equipment

Property and equipment consists of data center servers, computers, leasehold improvements and office furniture and equipment are stated at cost less accumulated depreciation.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Depreciation is calculated on a straight-line basis over the expected useful lives of the assets. The principal annual rates used for this purpose are:

	%
Computer equipment	15-25
Leasehold improvements	Over the shorter of the term of the lease or useful lives

Subsequent expenditures are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to statements of comprehensive income during the financial period in which they are incurred.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in statements of comprehensive income.

The Company evaluates the need to record an impairment of the carrying amount of property and equipment whenever events or changes in the circumstances indicate that the carrying amount is not recoverable. If the carrying amount of the assets exceeds their expected undiscounted cash flows to be generated from them, the assets are reduced to their fair value amounts. Impairment losses are recognized in the statement of comprehensive income.

E. Revenue recognition

Revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring services to a customer.

The Company generates its revenues from customers through three streams:

Royalties from licensed technology and the provision of proprietary and third party games content via digital channels are recognized in the accounting periods in which the gaming transactions occur.

Set up fees from establishment of a new solution to a client are recognized ratably over the contract period commencing on the launch date.

Customers' relationships management ("CRM") services revenues are recognized in the accounting periods in which the services are provided.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (Cont.)

F. Income Taxes

For U.S. income tax purposes, the Company is treated as a partnership. The Members are taxed on their proportionate share of the Company's taxable results. Accordingly, no income taxes for U.S. federal and state income taxes have been recorded in the Company's financial statements.

G. Leases

Arrangements meeting the definition of a lease are classified as operating or financing leases and are recorded on the balance sheet as both a right of use asset and lease liability, calculated by discounting fixed lease payments over the lease term at the rate implicit in the lease or the Company's incremental borrowing rate. Lease liabilities are increased by interest and reduced by payments each period, and the right of use asset is amortized over the lease term.

The lease liability was measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate. The weighted-average rate applied was 4%. Right-of-use assets were measured at an amount equal to the lease liability.

For operating leases, interest on the lease liability and the amortization of the right of use asset result in straight-line rent expense over the lease term. Variable lease expenses are recorded when incurred. The Company excludes short-term leases having initial terms of 12 months or less from the new guidance as an accounting policy election and recognizes rent expenses on a straight-line basis over the lease term.

The Company has a 3-year lease agreement for its data centers in New Hampshire beginning 2018, which was renewed in 2021, with an annual lease payment of $82 thousand, and a 5-year lease agreement, for its data centers in North Carolina beginning 2019 with an annual lease payment of $108 thousand.

NOTE 3 - RESTRICTED CASH AND DUE TO LOTTERIES

As part of the agreements with certain iLottery customers, the Company is required to provide all cash processing services related to the iLottery activity. The Company acts as the merchant of record for the bank accounts held on behalf of its customers.

Restricted cash reflects mainly proceeds received from players and not yet transferred to the Company's customers as of the end of the reporting period. Due to lotteries reflects proceeds owed by the Company and not yet transferred to its iLottery customers.

NOTE 4 - PROPERTY AND EQUIPMENT, NET

	Computer equipment	Leasehold improvements	Office furniture and equipment	Total
Cost:				
Balance as of January 1, 2021	2,302	26	-	2,328
Additions during the year	224	-	5	229
	2,526	26	5	2,557
Accumulated depreciation:				
Balance as of January 1, 2021	(1,118)	(5)	-	(1,123)
Depreciation during the year	(382)	(2)	(1)	(385)
	(1,500)	(7)	(1)	(1,508)
Net Book Value:				
As of December 31, 2021	1,026	19	4	1,049

	Computer equipment	Leasehold improvements	Total
	U.S. dollars (in thousands)		
Cost:			
Balance as of January 1, 2020	2,111	24	2,135
Additions during the year	191	2	193
	2,302	26	2,328
Accumulated depreciation:			
Balance as of January 1, 2020	(715)	(3)	(718)
Depreciation during the year	(403)	(2)	(405)
	(1,118)	(5)	(1,123)
Net Book Value:			
As of December 31, 2020	1,184	21	1,205

NOTE 5 - RELATED PARTY TRANSACTIONS

Since its incorporation, the Company has engaged both of its Members for the provisioning of services which were required to support its ongoing operations in the areas of technology support, CRM, account management and a number of corporate functions such as finance, legal and HR.

In the reported periods the Company received certain services from related companies:

	For the year ended December 31,	
	2021	2020
	U.S. dollars (in thousands)	
Marketing and security services - Neogames	442	419
Royalties - Neogames	3,640	1,038
Technical support - Neogames	7,678	4,533
Technical support - Pollard	1,999	1,920
Labor and benefits - Neogames	493	137
Labor and benefits - Pollard	5,047	3,036
Other - Pollard	40	40
Other - Neogames	1,288	585
	20,627	11,708

NOTE 6 - TRADE PAYABLES AND ACCRUED EXPENSES

	As of December 31,	
	2021	2020
	U.S. dollars (in thousands)	
Trade payables	4,906	1,890
Governmental authorities	101	181
Accrued expenses	32	198
	5,039	2,269

NOTE 7 - REVENUES AND SIGNIFICANT CLIENTS

	For the year ended December 31,	
	2021	2020
	U.S. dollars (in thousands)	
Royalties	63,117	17,510
Set up fees	635	242
CRM services	280	280
	64,032	18,032

NOTE 7 - REVENUES AND SIGNIFICANT CLIENTS (Cont.)

For the year ended December 31, 2021, the Company's four clients A, B, C and D each accounted for more than 10% of its total revenue, accounting for approximately 11%, 19%, 30% and 40%, respectively. For the year ended December 31, 2020, the Company's four clients A, B, C and D each accounted for more than 10% of its total revenue, accounting for approximately 23%, 34%, 30% and 13%, respectively.

As of December 31, 2021, clients C and D each accounted for more than 10% of its trade receivables balances, accounting for approximately 37% and 46%, respectively. As of December 31, 2020, the Company's four clients A, B, C and D each accounted for more than 10% of its trade receivables balances, accounting for approximately 11%, 13%, 40% and 36%, respectively.

NOTE 8 - DISTRIBUTION EXPENSES

	For the year ended December 31,	
	2021	2020
	U.S. dollars (in thousands)	
Labor and benefits	5,540	3,173
Call center	1,399	1,290
Processing fees	9,730	2,076
Third-party content	12,320	805
Technical support	9,677	6,453
Other	6,304	2,319
	44,970	16,116

NOTE 9 - SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

	For the year ended 31 December	
	2021	2020
	U.S. dollars (in thousands)	
Labor and benefits	442	419
Marketing	252	103
Professional fees	213	210
Travelling	86	44
	993	776

NOTE 10 - REGULATORY DEVELOPMENT

In January 2019, the U.S. Department of Justice Office of Legal Counsel ("DOJ") published an opinion (“2018 Opinion”) that reinterpreted the statutory provisions of the Wire Act, 18 U.S.C. §1084 concluding that the prohibitions contained in the statute apply not only to sports gambling, but to all types of gaming. This reversal of 2011 opinion (“2011 Opinion”) of the DOJ created uncertainty as to the lawfulness of the interstate transmission of data associated with lawful state lotteries. On January 15, 2019, the Deputy Attorney General issued a memorandum stating that Department of Justice attorneys should adhere to the 2018 Opinion, but that as an exercise of discretion, the Department would refrain from applying the new interpretation to persons who engaged in conduct in reliance on the interpretation set forth in the 2011 Opinion prior to the date of the 2018 Opinion and for 90 days thereafter.

NOTE 10 - REGULATORY DEVELOPMENT (Cont.)

On February 15, 2019, the Company filed a complaint for declaratory relief and a motion for summary judgment with the U.S. District Court for the District of New Hampshire ("District Court") requesting a formal declaratory judgement that the Wire Act does not prohibit the use of a wire communication facility to transmit in interstate commerce bets, wagers, receipts, money, credits, or any other information related to any type of gaming other than gambling on sporting events and contests.

In June 2019, the U.S. District Court ruled in favor of the Company and declared (without qualification) that the Wire Act applies only to transmissions related to bets or wagers on a sporting event or contest. The U.S. District Court further directed that the 2018 Opinion be “set aside”. The DOJ filed a notice of appeal to the First Circuit of the US Court of Appeals on August 16, 2019 and its opening brief on December 20, 2019. The Company filed its response brief on February 26, 2020. The DOJ’s reply brief was filed on May 22, 2020. Oral arguments were heard on June 28, 2020.

A decision of the First Circuit Court was received on January 20, 2021. The First Circuit Court ruled in favor of the Company and unequivocally affirmed the decision of the District Court that the federal Wire Act is limited to sports betting and therefore, does not pertain to state-run lotteries. By upholding the 2011 interpretation that the Wire Act applies only to bets and wagers on a sporting event or contest, this declaratory ruling provides complete relief to the Company.

Having ruled that the declaratory judgment was appropriate and would provide complete relief to the plaintiffs in respect of their current and future operations, the First Circuit Court vacated the relief previously granted under the Administrative Procedures Act.

The DOJ did not appeal the decision of the First Circuit Court to the US Supreme Court.

Although the DOJ has not formally rescinded the 2018 Opinion, nor has it issued further forbearance and/or confirmation of its willingness to voluntarily adhere to the First Circuit’s decision, the decision of the First Circuit Court creates important precedence for the lottery industry, generally, by alleviating concerns about the pooling of bets or the transmission of wagers in connection with national or regional multi-state games such as Powerball® and Mega Millions, whether through traditional retail or online channels.

Exhibit 1.1

« NeoGames S.A. »
Société anonyme
63-65, rue de Merl
L-2146 Luxembourg
R.C.S. Luxembourg: **B186309**

Constituée sous la dénomination «Neogames S.à r.l.» suivant acte reçu par **Maître Gérard LECUIT**, alors notaire de résidence à Luxembourg, en date du **23 avril 2014**, publié au Mémorial C, Recueil des Sociétés et Associations numéro 1666 du 27 juin 2014.

Les statuts ont été modifiés en dernier lieu suivant acte reçu par **Maître Henri HELLINCKX**, notaire de résidence à Luxembourg, en date du **31 mars 2022**, *non encore publié* au *Recueil Electronique des Sociétés et Associations* (**RESA**).

STATUTS COORDONNÉS
AU 31 MARS 2022

ARTICLE 1.

Form and name

There exists a public limited liability company (société anonyme) under the name of "**NeoGames S.A.**" (the **Company**), governed by the laws of the Grand Duchy of Luxembourg and in particular the law dated 10 August 1915 on commercial companies, as amended (the **Companies Act**) and by the present articles of incorporation (the **Articles**, and a reference to an "Article" shall be construed as a reference to an article of these Articles).

ARTICLE 2. Registered office

2.1 Place and transfer of the registered office

The registered office of the Company is established in the municipality of Luxembourg. It may be transferred within such municipality or to any other place in the Grand Duchy of Luxembourg by a resolution of board of directors of the Company (the **Board**), which is authorised to amend the Articles, to the extent necessary, to reflect the transfer and the new location of the registered office.

2.2 Branches, offices, administrative centres and agencies

The Board shall further have the right to set up branches, offices, administrative centres and agencies wherever it shall deem fit, either within or outside the Grand Duchy of Luxembourg.

ARTICLE 3. Duration

3.1 Unlimited duration

The Company is formed for an unlimited duration.

3.2 Dissolution

The Company may be dissolved, at any time, by a resolution of the general meeting of the shareholders of the Company (the **General Meeting**) adopted in the manner provided for in Article 11 with respect to the amendments of the Articles.

ARTICLE 4. Purpose

The corporate purpose of the Company is to develop activities in relation with iLottery and iGaming solutions and services as well as any related areas. This includes the (i) the acquisition, holding and disposal, in any form, by any means, whether directly or indirectly, of participations, rights and interests in, and obligations of, Luxembourg and foreign companies, (ii) the acquisition by purchase, subscription, or in any other manner, as well as the transfer by sale, exchange or in any other manner of stock, partnership interests, bonds, debentures, notes and other securities or financial instruments of any kind (including notes or parts or units issued by Luxembourg or foreign mutual funds or similar undertakings) and receivables, claims or loans or other credit facilities and agreements or contracts relating thereto, and (iii) the ownership, administration, development and management of a portfolio of assets (including, among other things, the assets referred to in (i) and (ii) above).

The Company may borrow in any form. It may enter into any type of loan agreement and it may issue notes, bonds, debentures, certificates, shares, beneficiary parts, warrants and any kind of debt or equity securities including under one or more issuance programs. The Company may further list all or part of its shares on a regulated or unregulated stock exchange in or outside of the European Union. The Company may lend funds including the proceeds of any borrowings and/or issues of securities to its subsidiaries, affiliated companies or any other company.

The Company may also give guarantees and grant security interests over some or all of its assets including, without limitation, by way of pledge, transfer or encumbrance, in favor of or for the benefit of third parties to secure its obligations or the obligations of its subsidiaries, affiliated companies or any other company.

The Company may enter into, execute and deliver and perform any swaps, futures, forwards, derivatives, options, repurchase, stock lending and similar transactions. The Company may generally use any techniques and instruments relating to investments for the purpose of their efficient management, including, but not limited to, techniques and instruments designed to protect it against credit, currency exchange, interest rate risks and other risks.

The Company may carry out any commercial, industrial, and financial operations, which are directly or indirectly connected with its purpose or which may favor its development. In addition, the Company may acquire and sell real estate properties, for its own account, either in the Grand Duchy of Luxembourg or abroad and it may carry out all operations relating to real estate properties.

In general, the Company may take any controlling and supervisory measures and carry out any operation or transaction which it considers necessary or useful in the accomplishment and development of its purpose.

The descriptions above are to be construed broadly and their enumeration is not limiting. The Company's purpose shall include any transaction or agreement which is entered into by the Company, provided it is not inconsistent with the foregoing matters.

ARTICLE 5. Share capital

5.1 Outstanding share capital

The share capital is set at USD 45,263.77 (forty-five thousand two hundred sixty-three United States Dollars and seventy-seven cents), represented by 25,565,095 (twenty-five million five hundred sixty-five thousand ninety-five) shares, without nominal value.

5.2 Share capital increase and share capital reduction

The share capital of the Company may be increased or reduced by a resolution adopted by the General Meeting in the manner required for amendment of the Articles, as provided for in Article 11.

5.3 Pre-emptive rights

In the case of an issuance of shares in consideration for a payment in cash or an issuance in consideration for a payment in cash of those instruments covered in article 420-27 of the Companies Act, including, without limitation, convertible bonds that entitle their holders to subscribe for or to be allocated with shares, the shareholders shall have pro rata pre-emptive rights with respect to any such issuance in accordance with the Companies Act.

The preferential subscription period is decided by the Board but must be of at least fourteen (14) days as from the date of the publication of the offering in the RESA (Recueil électronique des sociétés et associations) and a journal published in Luxembourg (the **Preferential Subscription Period**).

Third parties may take part in the capital increase at the end of the Preferential Subscription Period, except if the Board decides that preferential subscription rights (the **PSR**) shall be exercised, in proportion to the capital represented by their shares, by the holders of such PSR (the **PSR Holders**) who already exercised their PSR during the Preferential Subscription Period. In that case, the subscription terms of the PSR Holders shall be determined by the Board.

The General Meeting may limit or withdraw the PSR or authorise the Board to do so (as the case may be) under the conditions prescribed for under article 420-26(5) of the Companies Act.

5.4 Contributions to a "capital surplus" account

The General Meeting is authorised to approve capital contributions without the issuance of new shares by way of a payment in cash or a payment in kind or otherwise, on the terms and conditions set by the General Meeting. A capital contribution without the issuance of new shares shall be booked in a "capital surplus" account.

The General Meeting has the option (but not the obligation) to decide that any contribution in cash or in kind made by any shareholder as "capital surplus" will be booked in a specific "capital surplus" account allocated to the relevant shareholder and will be available only (i) for the purpose of distributions, whether by dividend, share redemption or otherwise, to the relevant shareholder or (ii) to be incorporated in the share capital to issue shares corresponding to the relevant shareholder only.

5.5 Authorisation for the Board to increase the share capital

(a) Size of the authorisation

The authorised capital of the Company is set at USD 188,406.11 (one hundred eighty-eight thousand four hundred six United States Dollars and eleven cents) (the **Authorised Capital Amount**) represented by a number of shares to be freely determined by the Board, each without nominal value (but with a par accounting value at least equivalent to the par accounting value of the existing shares from time to time).

(b) Conditions of the authorisation

The Board is authorised, during a period starting on 10 November 2020 and expiring on the fifth anniversary of such date (the **Period**), to increase the current share capital up to the Authorised Capital Amount, in whole or in part from time to time: (i) by way of issuance of shares in consideration for a payment in cash, (ii) by way of issuance of shares in consideration for a payment in kind, and/or (iii) by way of capitalisation of distributable profits and reserves, including share premium and capital surplus, with or without an issuance of new shares.

The Board is authorised to determine the terms and conditions attaching to any subscription and issuance of shares pursuant to the authority granted under this Article 5.5, including by setting the time and place of the issuance or the successive issuances of shares, the issue price, with or without share premium, and the terms and conditions of payment for the shares under any documents and agreements including, without limitation, convertible loans, option agreements or stock option plans.

During the Period, the Board is authorised to issue (a) convertible bonds, or any other convertible debt instruments, bonds carrying subscription rights or any other instruments entitling their holders to subscribe for or be allocated with shares, such as, without limitation, warrants (the **Instruments**), and (b) issue shares subject to and effective as of the exercise of the rights attached to the Instruments, until, with respect to both items (a) and (b), the amount of increased share capital that would be reached as a result of the exercice of the rights attached to the Instruments is equal to the authorised share capital and (ii) issue shares pursuant to the exercise of the rights attached to the Instruments until the amount of increased share capital resulting from such issuance of shares is equal to the authorised share capital, at any time, whether or not during the Period; provided that the Instruments are issued during the Period within the limits of the Authorised Capital Amount. The issuance of the shares following the exercise of the rights attached to the Instruments may be carried out by a payment in cash, a payment in kind or a capitalisation of distributable profits and reserves, including share premium and capital surplus during or after the Period.

The Board is authorised to (i) determine the terms and conditions of the Instruments, including the price, the interest rate, the exercise rate, conversion rate or the exchange rate, and the repayment conditions, and (ii) issue such Instruments.

(c) Authorisation to cancel or limit the pre-emptive rights

The Board is authorised to cancel or limit the pre-emptive rights of the shareholders set out in the Companies Act, as reflected in Article 5.3, in connection with an issue of new shares and Instruments made pursuant to the authority granted under this Article 5.5.

(d) Recording of capital increases in the Articles

Article 5 of the Articles shall be amended so as to reflect each increase in share capital pursuant to the use of the authorisation granted to the Board under this Article 5 and the Board shall take or authorise any person to take any necessary steps for the purpose of the recording of such increase and the consequential amendments to the Articles before a notary.

ARTICLE 6. Shares

6.1 Form of the shares

The shares of the Company are in registered form (actions nominatives) only.

6.2 Share register and share certificates

A share register will be kept at the registered office, where it will be available for inspection by any shareholder. Such register shall set forth the name of each shareholder, its residence or elected domicile, the number of shares held by it, the nominal value (if any) or accounting par value paid in on each such share, the issuance of shares, the transfer of shares and the dates of such issuance and transfers. Without prejudice to Article 6.3, the ownership of the registered shares will be established by the entry in this register.

6.3 Deposit

Notwithstanding the foregoing in this Article 6, where shares are recorded in the register of shareholders in the name of or on behalf of a securities settlement system or the operator of such system and recorded as book-entry interests in the accounts of a professional depositary or any sub-depositary (any depositary and any sub-depositary being referred to hereinafter as a **Depositary**), the Company - subject to having received from the Depositary a certificate in proper form - will permit the Depository of such book-entry interests to exercise the rights attaching to the shares corresponding to the book-entry interests of the relevant shareholder, including receiving notices of general meetings, admission to and voting at general meetings, and shall consider the Depository to be the direct holder of the shares corresponding to the book-entry interests for all purposes in these Articles. The Board may determine the formal requirements with which such certificates must comply.

Notwithstanding the other provisions of these Articles, the Company will make any and all payments (including any dividend payments and any other distributions) in respect of shares recorded in the name of a Depositary, or deposited with any of them, as the case may be, whether in cash, shares or other assets, only to such Depositary, or otherwise in accordance with such Depositary's instructions, and that payment shall release the Company from any and all obligations for such payments.

6.4 Ownership and co-ownership of shares

The Company will recognise only one holder per share. In the event that a share is held by more than one person, the Company has the right to suspend the exercise of all rights attached to that share until one person has been appointed as sole holder in relation to the Company. The person appointed as the sole holder of the shares towards the Company in all matters by all the joint holders of those shares shall be named first in the register.

Only the joint holder of a share first named in the register, as appointed by all the joint holders of such share, shall be entitled, in its capacity as sole holder towards the Company of that share jointly held, to exercise the rights attached to such share, including without limitation: (i) to be served notices by the Company, including convening notices relating to general meetings, (ii) to attend general meetings and to exercise the voting rights attached to the share jointly held at any such meetings, and (iii) to receive dividend payments in respect of the share jointly held.

6.5 Share redemptions

Without prejudice to Article 6.3 above, the Company may redeem its own shares within the limits set forth by law.

Any shares redeemed in accordance with this Article 6.5 may be cancelled or held for an unlimited duration as treasury shares by the Company without any voting rights and, unless otherwise decided, as the case may be, by the Board or the General Meeting without any right to any distributions whatsoever, in which case the distributions otherwise payable under such treasury shares will be allocated, and become payable, on a pro rata basis to the benefit of the remaining outstanding shares).

Such treasury shares may be distributed at any time to existing shareholders (it being understood that no preferential subscription rights or equivalent shall apply in this event) or third parties, subject to compliance with the Company's corporate interest, by a decision of the Board.

6.6 Suspension of rights of shareholders

(a) If at any time the Company determines that a Shareholder Regulatory Event has occurred, it may at any time, by written notice (a **Shareholder Regulatory Event Notice**) to the holder(s) of any interest(s) in any shares (the **Relevant Shares**) in the Company to whom a Shareholder Regulatory Event relates (or to whom the Company reasonably believes it to relate), in its absolute discretion with immediate effect (or with effect from such date as is specified in such Shareholder Regulatory Event Notice), suspend one or more of the following rights attaching to such Relevant Shares (and the holder of such Relevant Shares shall be deemed to have irrevocably waived):

(b) the voting rights attached to the Relevant Shares, in accordance with article 450-1 (9) of the Companies Act;

(c) the right to receive any payment or distribution (whether by way of dividend, interest, or otherwise) in respect of any Relevant Shares, or receive any other form of remuneration, including for services rendered; and

(d) the right to the subscribe to any further issuance of shares (and consequently to not exercise any preferential subscription rights) or other securities in respect of the Relevant Shares.

6.7 Required disposal of Disposal Shares

If at any time the Company determines that a Shareholder Regulatory Event has occurred it may, in its absolute discretion at any time, by written notice (a **Disposal Notice**) to a holder of any interest(s) in any shares in the Company to whom the Shareholder Regulatory Event relates (or to whom the Company reasonably believes it to relate), require the recipient of the Disposal Notice or any person named therein as interested in (or reasonably believed to be interested in) shares of the Company to dispose of such number of shares as is specified in the Disposal Notice (the **Disposal Shares**) and for evidence in a form reasonably satisfactory to the Company that such disposal shall have been effected to be supplied to the Company within fourteen (14) days (or such other time required by a Gambling Regulatory Authority) from the date of the Disposal Notice or within such other period as the Company shall (in its absolute discretion) consider reasonable. The Company may withdraw a Disposal Notice so given whether before or after the expiration of the period referred to therein if it appears to the Company that the ground or purported grounds for its service do not exist or no longer exist.

6.8 Right of Company to sell Disposal Shares

If a Disposal Notice is not complied with in accordance with its terms or otherwise not complied with to the satisfaction of the Company within the time specified, and has not been withdrawn, the Company shall, in its absolute discretion, be entitled, (a) so far as it is able, to dispose (or procure the disposal) of the Disposal Shares to a designated third party at the highest price reasonably obtainable by the Company or its agents in the circumstances (or such amount permitted by the Gambling Regulatory Authority) and shall give written notice of any such disposal to those persons on whom the Disposal Notice was served, and/or (b) subject to all applicable law and regulation, to acquire the Disposal Shares by way of a redemption in accordance with applicable law.

Any such disposal by the Company shall be completed as soon as reasonably practicable after expiry of the time specified in the Disposal Notice and, in any event, within ninety (90) days after the expiry of the time specified in the Disposal Notice provided that a disposal may be suspended during any period when dealings by the directors in the Company's shares are not permitted by applicable law or regulation but any disposal of Disposal Shares so suspended shall be completed within thirty (30) days after the expiry of the period of such suspension. To the extent necessary, the holder of the Disposal Shares grants an irrevocable power of attorney to the Company (and any of its directors, officer, employee or agent) to carry out any action and execute any document necessary or useful in relation to the disposal of the Disposal Shares.

6.9 Steps to be taken in connection with the sale of Disposal Shares

Neither the Company nor any director, officer, employee or agent of the Company shall be liable to any holder of or any person having any interest in Disposal Shares disposed of in accordance with Articles 6.6 to 6.11 (inclusive) or to any other person provided that, in disposing of such Disposal Shares, the Company acts in good faith within the time periods specified above. For the purpose of effecting any disposal of Disposal Shares held in uncertificated form, the Company may make such arrangements on behalf of the registered holder of the Disposal Shares as it may think fit to transfer title to those shares through a relevant system. For the purpose of effecting any disposal of Disposal Shares held in certificated form, the Company may authorise in writing any, director, officer, employee or agent of the Company to execute any necessary transfer on behalf of the registered holder(s) and may issue a new share certificate or other document of title to the purchaser and enter the name of the transferee in the register. The net proceeds of any such disposal shall be received by the Company whose receipt shall be a good discharge for the purchase money and shall be paid (without interest being payable thereon) to the former registered holder of the Disposal Shares upon surrender by him of all relevant share certificate(s) or other documents of title in respect of such Disposal Shares. The transferee shall not be bound to see the application of such proceeds and once the name of the transferee has been entered into the register in respect of the Disposal Shares, the validity of the transfer of the Disposal Shares shall not be questioned. Any delay on the part of the Company in exercising any or all of its rights under Articles 6.6 to 6.11 (inclusive) shall not in any way invalidate the transfer of any Disposal Shares made hereunder or any other steps undertaken in connection therewith. Save as otherwise specifically provided by Articles 6.6 to 6.11 (inclusive), the manner, timing and terms of any disposal of Disposal Shares by (or on behalf of) the Company shall be determined by the Company and the Company may take advice from such persons as are considered by it to be appropriate as to the manner, timing and terms of any such disposal. The holder(s) of the Relevant Shares to whom such Shareholder Regulatory Event relates shall be liable to reimburse the Company for all expenses incurred by the Company in performing its obligations and exercising its rights hereunder, including attorney's fees.

6.10 Meaning of Shareholder Regulatory Event

For the purposes of Articles 6.6 to 6.11 (inclusive), a **Shareholder Regulatory Event** shall occur if:

(a) a Gambling Regulatory Authority informs the Company or any member of its group that any member of the Company or any person interested or believed to be interested in shares of the Company is for whatever reason:

(i) unsuitable to be a person interested in shares of the Company;

(ii) not licensed or qualified to be a person interested in shares of the Company;

(iii) disqualified as a holder of interests in shares of the Company, under any legislation regulating the operation of any gambling activity or any activity ancillary or related thereto undertaken or to be undertaken by the Company or any member of its group or any other company, partnership, body corporate or other entity in which the Company or any member of its group is interested; or

(iv) failing to reasonably cooperate fully with an investigation by a Gambling Regulatory Authority which as a result jeopardizes the Company's ability to obtain or maintain any license or registration.

(b) a Gambling Regulatory Authority by reason, in whole or in part, of the interest of any person or persons in shares of the Company (or by its belief as to the interest of any person or persons in such shares) has:

(i) refused, revoked, cancelled, opposed, or indicated to the Company or any member of its group or any other company, partnership, body corporate or other entity in which the Company or any member of its group is interested that it will or is likely to or may refuse, revoke, cancel or oppose, in relation to; or

(ii) imposed any condition or limitation which may have a material adverse impact upon the operation of any gambling activity or any activity ancillary or related thereto undertaken or to be undertaken by the Company or other entity in which the Company or any member of its group is interested, or upon the benefit of which the Company or any other member of its group derives or is likely to derive from the operation by any other member of its group or any other company, partnership, body corporate, or other entity in which the Company or any member of its group is interested in any gambling activity or any activity ancillary or related thereto or indicated to the Company or any member of its group or any such other company, partnership, body corporate or other entity that it will or is likely to or may impose any such condition or limitation, in relation to,

the grant, renewal, or the continuance of any registration, licence, approval, finding of suitability, consent, or certificate required by any legislation regulating (or code of conduct or practice recognised or endorsed by the Gambling Regulatory Authority relevant to) the operation of any gambling activity or any activity ancillary or related thereto undertaken or to be undertaken by the Company or any member of its group or any other company, partnership, body corporate or other entity in which the Company or any member of its group is interested, which is held by or has been applied for by the Company or any member of its group or other such person.

6.11 Interpretation of provisions regarding Shareholder Regulatory Event

For the purpose of Articles 6.6 to 6.11 (inclusive):

(a) the Company may, in determining the reason for any action or potential action of a Gambling Regulatory Authority, have regard to any statements or comments made by any members, officers, employees or agents of the Gambling Regulatory Authority whether or not such statements or comments form part of or are reflected in any official determination issued by the Gambling Regulatory Authority, and may act notwithstanding any appeal in respect of the decision of any Gambling Regulatory Authority;

(b) a **Gambling Regulatory Authority** means any authority wherever located (whether a government department, independent body established by legislation, a government, self-regulating organisation, court, tribunal, commission, board, committee or otherwise) vested with responsibility (with or without another or others) for the conduct of any gambling activity or any activity ancillary, or related thereto;

(c) the Board may exercise the powers of the Company under Articles 6.6 to 6.11 (inclusive) and any powers, rights or duties conferred by Articles 6.6 to 6.11 (inclusive) on the Company and exercisable by the Board may be exercised by a duly authorised committee of the Board or any person(s) to whom authority has been delegated by the Board or any such committee of the Board, as applicable;

(d) any resolution or determination of, or any decision or the exercise of any discretion or power under Articles 6.6 to 6.11 (inclusive) by the Company, the Board, a duly authorised committee of the Board or any person to whom authority has been delegated thereby shall be final and conclusive and binding on all concerned, and neither the Company, the Board, nor any person acting under the authority thereof shall be obliged to give any reason(s) therefor;

(e) **gambling activity or any activity ancillary or related thereto** includes (but is not limited to) the provision of online services to customers in connection with such activity or activities and shall include the provision of financial services.

ARTICLE 7. Transfer of registered shares

A transfer of registered shares may be effected by a written declaration of transfer entered in the share register of the Company, such declaration of transfer to be executed by the transferor and the transferee or by persons holding suitable powers of attorney, and in accordance with the provisions applying to the transfer of claims provided for in article 1690 of the Luxembourg civil code.

The Company may also accept as evidence of transfer other instruments of transfer evidencing the consent of the transferor and the transferee to the satisfaction of the Company.

ARTICLE 8. Debt securities

Debt securities issued by the Company shall be in registered form only.

ARTICLE 9. Powers of the General Meeting

In the case of a plurality of shareholders, any regularly constituted General Meeting shall represent the entire body of shareholders of the Company.

ARTICLE 10. Annual general meeting of the shareholders – Other meetings

The annual general meeting shall be held, in accordance with Luxembourg law, in the Grand Duchy of Luxembourg at the address of the registered office of the Company or at such other in the Grand Duchy of Luxembourg and at such time as specified in the convening notice of the meeting.

Other general meetings may be held at such a place and time as are specified in the respective convening notices of the relevant meetings.

ARTICLE 11. Notice, quorum, convening notices, powers of attorney and vote

11.1 Right and obligation to convene a general meeting

The Board, as well as the internal auditors, if any, may convene a general meeting. They shall be obliged to convene it so that it is held within a period of one month, if shareholders representing one-tenth of the capital require this in writing, with an indication of the agenda. One or more shareholders representing at least one-tenth of the subscribed capital may request that the entry of one or more items be added to the agenda of any general meeting. This request must be addressed to the Company at least five (5) days before the relevant general meeting.

11.2 Procedure to convene a general meeting

General Meetings shall be convened in accordance with the provisions of the Companies Act and as long as the shares of the Company are listed on a foreign stock exchange, in accordance with the requirements of such foreign stock exchange applicable to the Company.

If all the shareholders of the Company are present or represented at a general meeting, and consider themselves as being duly convened and informed of the agenda of the general meeting set by the Board or by the internal auditors, as the case may be, the general meeting may be held without prior notice.

The documents mentioned under article 461-6 of the Companies Act shall be made available at the registered office of the Company for inspection by the shareholders at least eight (8) days prior to the general meeting.

11.3 Voting rights attached to the shares

Each share entitles its holder to one vote (provided that the Board may impose a record date formality in the convening notice which shall condition the exercise of the voting right).

The Board may, in its sole discretion, suspend the voting rights of any shareholder in the case that such shareholder has, by action or omission, failed to fulfil its obligations under the Articles or under its subscription agreement.

Any shareholder may, partly or entirely, waive the exercise of its voting rights with respect to some or all of its shares. Such waiver will be binding on the relevant shareholder and will be enforceable towards the Company following its notification by the relevant shareholder in writing.

11.4 Quorum, majority requirements and reconvening of general meeting for lack of quorum

Except as otherwise required by law or by these Articles, resolutions at a general meeting will be passed by the majority of the votes expressed by the shareholders present or represented, no quorum of presence being required.

However, resolutions to amend the Articles or to change the nationality of the Company may only be passed in a general meeting where at least one half of the share capital is represented (the **Presence Quorum** provided that shares with waived/suspended voting rights shall not be considered for such quorum calculation) and the agenda indicates the proposed amendments to the Articles and, as the case may be, the text of those which pertain to the purpose or the form of the Company. If the Presence Quorum is not reached, a second meeting may be convened by an announcement filed with the Trade and Companies Register and published in the RESA (Recueil électronique des sociétés et associations) and in a Luxembourg newspaper at least fifteen (15) days before the relevant meeting. Such convening notice shall reproduce the agenda and indicate the date and the results of the previous general meeting. The second general meeting shall deliberate validly regardless of the proportion of the capital represented. At both meetings, resolutions, in order to be passed, must be carried by at least two-thirds of the votes expressed at the relevant general meeting.

In calculating the majority with respect to any resolution at a general meeting, the votes expressed shall not include the votes relating to shares in which the shareholder abstains from voting, casts a blank (blanc) or spoilt (nul) vote or does not participate.

The commitments of the shareholders may only be increased with the unanimous vote of all the shareholders.

11.5 Participation by proxy

A shareholder may act at any general meeting by appointing another person, who need not be a shareholder, as its proxy in writing. Copies of written proxies that are transmitted by telefax or e-mail may be accepted as evidence of such written proxies at a general meeting. In order to be taken into account, a copy of the proxy must be received by the Company before the relevant general meeting at such time as specified in the convening notice.

11.6 Vote by correspondence

The shareholders may vote in writing (by way of a voting bulletin provided that the written voting bulletins include: (i) the name, first name, address and signature of the relevant shareholder, (ii) an indication of the shares for which the shareholder will exercise such right, (iii) the agenda as set forth in the convening notice with the proposals for resolutions relating to each agenda item-, and (iv) the vote (approval, refusal, abstention) on the proposals for resolutions relating to each agenda item. In order to be taken into account, a copy of the voting bulletins must be received by the Company before the relevant general meeting at such time as specified in the convening notice.

11.7 Participation in a general meeting by conference call, video conference or similar means of communications

Any shareholder may participate in a general meeting by conference call, video conference or similar means of communication, as shall be determined by the Board, whereby: (i) the shareholders attending the meeting can be identified, (ii) all persons participating in the meeting can hear and speak to each other, (iii) the transmission of the meeting is performed on an ongoing basis, and (iv) the shareholders can properly deliberate. Participation in a meeting by such means shall constitute presence in person at such meeting.

11.8 Bureau

The president chairman of the Board presides at the general meeting as chairman. The chairman shall appoint a secretary and the shareholders shall appoint a scrutineer. The chairman, the secretary and the scrutineer together form the bureau of the general meeting.

11.9 Minutes and certified copies

The minutes of the general meeting will be signed by the members of the bureau of the general meeting and by any shareholder who wishes to do so.

However, where decisions of the general meeting have to be certified, copies or extracts for use in court or elsewhere must be signed by the chairman of the Board or by any two (2) other directors.

ARTICLE 12. Management

12.1 Minimum number of directors and term of directorship

The General Meeting shall determine the number of directors, their remuneration and their term of office providing that (i) there must be at least three (3) and no more than nine (9) directors in the Company and (ii) the members of the Board shall be elected for a term not exceeding six (6) years and shall be eligible for re-election.

12.2 Permanent representative

Where a legal entity is elected as a director (the **Legal Entity**), the Legal Entity must designate a natural person as permanent representative (représentant permanent) who will represent the Legal Entity as a member of the Board in accordance with article 441-3 of the Companies Act.

12.3 Election, removal and vacancy

The director(s) shall be elected by the General Meeting.

A director may be removed with or without cause and/or replaced, at any time, by a resolution adopted by the General Meeting.

In the event of vacancy in the office of one or more directors because of death, resignation or otherwise, the remaining directors may elect at a meeting of the Board the director(s), by a majority vote, to fill such vacancy or vacancies, as the case may be, until the following general meeting.

12.4 Right to nominate

For as long as Barak Matalon, Aharon Aran, Eliyaho Azur, and Pinhas Zahavi, (the **Founding Shareholders**) own in the aggregate at least 40% of the issued and outstanding share capital of the Company, a number of directors equal to 50% of the total number of directors will be elected by the General Meeting from nominees selected by the Founding Shareholders.

For so long as the Founding Shareholders own in the aggregate less than 40% of the issued and outstanding share capital of the Company, but still own in the aggregate at least 25% of the issued and outstanding share capital of the Company, a number of directors equal to 33% of the total number of directors will be elected by the General Meeting from nominees selected by the Founding Shareholders.

For the purposes of paragraphs 1 and 2 of this Article 12.4, should the number of directors to be elected from nominees selected by the Founding Shareholders be a fractional number, such number shall be rounded down to the nearest whole number.

For so long as the Founding Shareholders own in the aggregate less than 25% of the issued and outstanding share capital of the Company, but still own in the aggregate at least 15% of the issued and outstanding share capital of the Company, one director will be elected by the General Meeting from nominees selected by the Founding Shareholders.

If the Founding Shareholders own in the aggregate less than 15% of the issued and outstanding share capital of the Company, their rights to nominate directors for election shall be the same as any other shareholder.

Where the Founding Shareholders have the right to nominate (for election by the General Meeting) members of the Board pursuant to this Article 12.4, no other shareholder shall be entitled to nominate members of the Board for election to those Board seats.

ARTICLE 13. Meetings of the Board

13.1 Chairman

The Board may appoint a chairman (the **Chairman**) from among its members and may choose a secretary, who need not be a director, and who shall be responsible for keeping the minutes of the meetings of the Board. The Chairman will chair all meetings of the Board. In his/her absence, the other members of the Board will appoint another chairman pro tempore who will chair the relevant meeting by simple majority vote of the directors present or represented at such meeting.

13.2 Observer

The Board may allow the appointment of one or more observers to the Board, who will be entitled to attend each Board meeting of the Company and any committee thereof, and receive the written materials provided to the Board members, but shall not have any voting rights at any meeting of the Board or any committee thereof.

Any observer must keep confidential all information and documents received in such capacity and undertakes the same towards the Company.

13.3 Procedure to convene a board meeting

The Board shall meet upon call by the Chairman or any two directors at the place indicated in the meeting notice.

Written meeting notice of the Board shall be given to all the directors (and, in relation to meetings to which she/he is entitled to participate, the Observer) at least twenty-four (24) hours in advance of the day and the hour set for such meeting, except in circumstances of emergency, in which case the nature of such circumstances shall be set forth briefly in the convening notice of the meeting of the Board.

No such written meeting notice is required if all the members of the Board are present or represented during the meeting and if they state they have been duly informed and have had full knowledge of the agenda of the meeting. In addition, if all the members of the Board are present or represented during the meeting and they agree unanimously to set the agenda of the meeting, the meeting may be held without having been convened in the manner set out above.

A member of the Board may waive the written meeting notice by giving his/her consent in writing. Copies of consents in writing that are transmitted by telefax or e-mail may be accepted as evidence of such consents in writing at a meeting of the Board. Separate written notice shall not be required for meetings that are held at times and at places determined in a schedule previously adopted by a resolution of the Board.

13.4 Participation by conference call, video conference or similar means of communication

Any director may participate in a meeting of the Board by conference call, video conference or by similar means of communication whereby: (i) the directors attending the meeting can be identified, (ii) all persons participating in the meeting can hear and speak to each other, (iii) the transmission of the meeting is performed on an ongoing basis, and (iv) the directors can properly deliberate. Participation in a meeting by such means shall constitute presence in person at such meeting. A meeting of the Board held by such means of communication will be deemed to be held in Luxembourg.

13.5 Proceedings

(a) Quorum and majority requirements

The Board may validly deliberate and make decisions only if at least one half of its members are present or represented. Decisions are made by the majority of the votes expressed by the members present or represented. If a member of the Board abstains from voting or does not participate to a vote, this abstention or non participation are not taken into account in calculating the majority.

(b) Participation by proxy

Any member of the Board may act at any meeting of the Board by appointing in writing another director as his or her proxy, under the condition however that at least two directors are present at the meeting. Copies of written proxies that are transmitted by telefax or by e-mail may be accepted as evidence of such written proxies at a meeting of the Board.

(c) Casting vote of Chairman

In the case of a tied vote, the Chairman or the chairman pro tempore, as the case may be, shall have a casting vote.

13.6 Conflicts of interest

(a) Procedure regarding a conflict of interest

In the event that a director of the Company has, directly or indirectly, a financial interest opposite to the interest of the Company in any transaction of the Company that is submitted to the approval of the Board, such director shall immediately make known to the Board such opposite interest at that board meeting and shall cause a record of his statement to be included in the minutes of the meeting. The director may not take part in the deliberations relating to that transaction, will not count in the quorum, and may not vote on the resolutions relating to that transaction. The transaction and the director’s interest therein, shall be reported to the following general meeting.

(b) Exceptions regarding a conflict of interest

Article 13.6(a) does not apply to resolutions of the board of directors concerning transactions made in the ordinary course of business of the Company which are entered into on arm's length terms.

A Director of the Company who serves as director, manager, officer or employee of any company or firm with which the Company shall contract or otherwise engage in business shall not, solely by reason of such affiliation with such other company or firm, be held as having an interest opposite to the interest of the Company for the purpose of this Article 13.6.

(c) Impact on quorum

Where, by reason of a conflict of interest, the number of directors required in order to validly deliberate and vote is not met, the Board may decide to submit the decision on this specific item to the General Meeting.

13.7 Written resolutions

Notwithstanding the foregoing, a resolution of the Board may also be passed in writing. Such resolution shall consist of one or more documents containing the resolutions, signed by each director, manually or electronically by means of an electronic signature which is valid under Luxembourg law. The date of such resolution shall be the date of the last signature.

ARTICLE 14. Minutes of meetings of the Board

14.1 Signature of board minutes

The minutes of any meeting of the Board shall be signed by the Chairman or the chairman pro tempore, as the case may be or by all the directors present at such meeting.

14.2 Signature of copies or extracts of board minutes

Copies or extracts of minutes or resolutions in writing from the Board, which may be produced in judicial proceedings or otherwise shall be signed by the Chairman, or any two members of the Board.

ARTICLE 15. Powers of the Board

The Board is vested with the broadest powers to perform or cause to be performed any actions necessary or useful in connection with the purpose of the Company. All powers not expressly reserved by the Companies Act or by the Articles to the General Meeting fall within the authority of the Board.

ARTICLE 16. Delegation of powers

16.1 Daily management

The Board may appoint one or more persons (délégué à la gestion journalière), who may be a shareholder or not, or who may be a member of the Board or not, who shall have full authority to act on behalf of the Company in all matters pertaining to the daily management and affairs of the Company.

16.2 General director (directeur général)/management committees (comités de direction)

The management of the Company may be delegated to a general director (directeur général) or to a management committee (comité de direction).

When a general director (directeur général) or a management commitee (comité de direction) is appointed, the Board is in charge of the supervision and control of the general director (directeur général) or management commitee (comité de direction).

16.3 Permanent representative of the Company

The Board may appoint a person, who may be a shareholder or not, and who may be a director or not, as permanent representative for any entity in which the Company is appointed as a member of the board of directors. This permanent representative will act with all discretion, in the name and on behalf of the Company, and may bind the Company in its capacity as a member of the board of directors of any such entity.

16.4 Delegation to perform specific functions

The Board is also authorised to appoint a person, either a director or not, for the purposes of performing specific functions at every level within the Company.

16.5 Delegation to special committees

The Board may decide to put in place special committees. The composition of the special committees and the powers conferred to them are determined by the Board. The special committees perform their duties under the Board's responsibility.

ARTICLE 17. Binding signatures

17.1 Signatory powers of directors

The Company shall be bound towards third parties in all matters by the joint signatures of any two members of the Board.

17.2 Specific signatory powers

The Company will be bound by the sole signature or the joint signatures of any person(s) or committees to whom specific signatory powers is granted by the Board of the Company, only within the limits of such powers.

ARTICLE 18. Indemnification

Subject to applicable laws, the Company shall indemnify all of its directors and officers, past and present, to the fullest extent permitted by Luxembourg law, against liabilities and all expenses reasonably incurred or paid by him or her in connection with any claim, action, suit, or proceeding in which he or she is involved by virtue of him or her being or having been a director or officer of the Company and against amounts paid or incurred by him or her in the settlement thereof.

ARTICLE 19. Internal auditor(s) (commissaire(s)) - Approved statutory auditor(s) (réviseur-(s) d'entreprises agréé-(s) or cabinet de révision agréé)

19.1 Internal auditor (commissaire)

The operations of the Company shall be supervised by one or more internal auditor(s) (commissaire(s)). The internal auditor(s) shall be appointed for a term not exceeding six (6) years and shall be eligible for re-appointment.

The internal auditor(s) will be appointed by the General Meeting, which will determine their number, their remuneration and the term of their office. The internal auditor(s) in office may be removed at any time by the General Meeting with or without cause.

19.2 Approved statutory auditor (réviseur d'entreprises agréé or cabinet de révision agréé)

However, no internal auditor(s) shall be appointed if, instead of appointing one or more internal auditor(s), one or more approved statutory auditors (réviseurs d'entreprises agrées or cabinets de révision agrées) are appointed by the General Meeting to perform the statutory audit of the annual accounts in accordance with applicable Luxembourg law. The approved statutory auditor(s) shall be appointed by the General Meeting in accordance with the terms of a service agreement to be entered into from time to time by the Company and the approved statutory auditor(s). The approved statutory auditor(s) may only be removed by the General Meeting for serious causes (motifs graves).

ARTICLE 20. Accounting year

The accounting year of the Company shall begin on 1 January and shall end on 31 December of each year.

ARTICLE 21. Annual accounts

21.1 Responsibility of the Board

The Board shall draw up the annual accounts of the Company that shall be submitted to the approval of the General Meeting at the annual general meeting.

21.2 Submission of the annual accounts to the internal auditor(s)

At the latest one (1) month prior to the annual general meeting, the Board will submit the annual accounts together with the report of the Board (if any) and such other documents as may be required by law to the internal auditor(s) of the Company, or the approved statutory auditor(s), as the case may be, who will thereupon draw up its (their) report(s).

21.3 Availability of documents at the registered office

At the latest eight (8) days prior to the annual general meeting, the annual accounts, the report(s) of the Board (if any) and of the internal auditor(s) or the approved statutory auditor(s), as the case may be, and such other documents as may be required by law shall be deposited at the registered office of the Company, where they will be available for inspection by the shareholders during regular business hours.

ARTICLE 22. Allocation of results

22.1 Allocation to the legal reserve

From the annual net profits of the Company (if any), five per cent (5%) shall be allocated to the reserve required by law. This allocation shall cease to be required once such legal reserve amounts to ten per cent (10%) of the share capital of the Company, but shall again be compulsory if the legal reserve falls below ten per cent (10%) of the share capital of the Company.

22.2 Allocation of results by the General Meeting at the annual general meeting

At the annual general meeting, the General Meeting shall decide on the allocation of the annual results and the declaration and payments of dividends, as the case may be, in accordance with Article 22.1 and the rules regarding distributions set out in this Article 22.

22.3 Rules regarding distributions

Distributions to the shareholders, whether by dividend, share redemption or otherwise, out of profits and distributable reserves available for that purpose, including share premium and “capital surplus”, if and when decided by the General Meeting, shall be made on all the shares on a pro rata basis.

22.4 Interim dividends

In accordance with article 461-3 of the Companies Act interim dividends may be distributed, at any time, by the Board under the following cumulative conditions:

(i) an interim accounting situation (état comptable) is drawn up by the Board (the **Interim Accounting Statement**) (the Interim Accounting Statement shall be verified by an internal auditor (commissaire) or approved statutory auditor (réviseur d'entreprises agréé), as the case may be);

(ii) this Interim Accounting Statement shows that sufficient profits and other reserves (including without limitation share premium and capital surplus) are available for distribution, it being understood that the amount to be distributed may not exceed profits made since the end of the last financial year for which the annual accounts have been approved, if any, increased by carried forward profits and distributable reserves, and decreased by carried forward losses and the amount to be allocated to the legal reserves;

(iii) the decision to distribute interim dividends must be taken by the Board within two (2) months from the date of the Interim Accounting Statement; and

(iv) the rights of the creditors of the Company are not threatened, taking into account the assets of the Company.

Where the interim dividends paid exceed the distributable profits at the end of the financial year, the relevant excess as acknowledged at the annual general meeting, shall, unless otherwise decided by the Board at the time of the dividend declaration, be deemed to be an advance payment for future dividends.

22.5 Payment of dividends

Dividends may be paid in euro or any other currency chosen by the Board and they may be paid at such places and times as may be determined by the Board within the limits of any decision made by the General Meeting (if any).

Dividends may be paid in kind in assets of any nature, and the valuation of those assets shall be set by the Board according to valuation methods determined at its discretion.

ARTICLE 23. Dissolution and liquidation

23.1 Principles regarding the dissolution and the liquidation

The Company may be dissolved, at any time, by a resolution of the General Meeting adopted in the manner required for amendment of the Articles, as set out in Article 11. In the event of a dissolution of the Company, the liquidation shall be carried out by one or more liquidators (who may be physical persons or legal entities) appointed by the General Meeting deciding such liquidation. The General Meeting shall also determine the powers and the remuneration of the liquidator(s).

23.2 Distribution of liquidation surplus

Under the liquidation of the Company, the surplus assets of the Company available for distribution among shareholders shall be distributed on all the shares on a pro rata basis, by way of advance payments or after payment (or provisions, as the case may be) of the Company's liabilities.

ARTICLE 24. Federal jurisdiction clause

Unless the Company consents in writing to the selection of an alternative forum, and without prejudice to any forum that would be appropriate or mandatory per applicable laws to hear any other claims, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the U.S. Securities Act of 1933, as amended. Any person or entity purchasing or otherwise acquiring any interest in any security of the Company shall be deemed to have notice of and consented to this Article 24. Notwithstanding the foregoing, the provisions of this Article 24 shall not apply to suits brought to enforce any liability or duty created by the U.S. Securities Exchange Act of 1934, as amended, or any other claim for which the federal courts of the United States have exclusive jurisdiction. If any provision or provisions of this Article 24 shall be held to be invalid, illegal or unenforceable as applied to any circumstance for any reason whatsoever, (a) the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article 24 shall not in any way be affected or impaired thereby and (b) the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

ARTICLE 25. Applicable law

All matters not expressly governed by the Articles shall be determined in accordance with Luxembourg law.

SUIT LA VERSION FRANÇAISE DU TEXTE QUI PRÉCÈDE:

ARTICLE 1. Forme et dénomination

Il est établi une société anonyme sous la dénomination de « **NeoGames S.A.** » (la **Société**), régie par les lois du Grand-Duché de Luxembourg et, en particulier, par la loi du 10 août 1915 sur les sociétés commerciales, telle que modifiée (la **Loi de 1915**), et par les présents statuts (les **Statuts**, et toute référence à un « Article » s'entend comme une référence à un article de ces Statuts).

ARTICLE 2. Siège social

2.1 Lieu et transfert du siège social

Le siège social de la Société est établi dans la commune de Luxembourg. Il peut être transféré dans cette commune ou en tout autre lieu au Grand-Duché de Luxembourg par simple décision du conseil d'administration de la Société (le **Conseil d'Administration**), qui est autorisé à modifier les Statuts, dans la mesure nécessaire, pour prendre en compte le transfert et la nouvelle localisation du siège social.

2.2 Succursales, bureaux, centres administratifs et agences

Le Conseil d'Administration a par ailleurs le droit de créer des succursales, bureaux, centres administratifs et agences en tous lieux appropriés, tant au Grand-Duché de Luxembourg qu'à l'étranger.

ARTICLE 3. Durée de la société

3.1 Durée illimitée

La Société est constituée pour une période indéterminée.

3.2 Dissolution

La Société peut être dissoute, à tout moment, en vertu d'une résolution de l'assemblée générale des actionnaires de la Société (l'**Assemblée Générale**) statuant, tel que prévu à l'Article 11, comme en matière de modification des Statuts.

ARTICLE 4. Objet social

L'objet de la Société est de développer des activités en relation avec des solutions et services de iLottery et de iGaming, ainsi que tous domaines s'y rapportant. Cela inclut (i) l'acquisition, la détention et la cession, sous quelque forme que ce soit et par tous moyens, par voie directe ou indirecte, de participations, droits, et intérêts, ainsi que les obligations de sociétés luxembourgeoises ou étrangères, (ii) l'acquisition par achat, souscription ou de toute autre manière, ainsi que l'aliénation par vente, échange ou de toute autre manière, de titres de capital, parts d'intérêts, obligations, créances, billets et autres valeurs ou instruments financiers de toutes espèces (notamment d'obligations ou de parts émises par des fonds communs de placement luxembourgeois ou étrangers, ou tout autre organisme similaire), de prêts ou toute autre ligne de crédit, ainsi que les contrats y relatifs et (iii) la propriété, l'administration, le développement et la gestion d'un portefeuille d'actifs (composé notamment des actifs décrits aux points (i) et (ii) ci-dessus).

La Société peut emprunter sous quelque forme que ce soit. Elle peut être partie à tout type de contrat de prêt et elle peut procéder à l'émission de titres de créance, d'obligations, de certificats, d'actions, de parts bénéficiaires, de warrants et de tous types de titres de dettes et de titres de capital, y compris en vertu d'un ou plusieurs programmes d'émission. La Société peut également coter toutes ou une partie de ses actions sur des marchés réglementés ou non-réglementés dans ou à l'extérieur de l'Union Européenne. La Société peut prêter des fonds, y compris ceux résultant d'emprunts et/ou d'émissions de titres à ses filiales, à ses sociétés affiliées et à toute autre société.

La Société peut également consentir des garanties et octroyer des sûretés réelles portant sur tout ou partie de ses biens, sans limitation, notamment par voie de nantissement, cession, ou en grevant de charges tout ou partie de ses biens au profit de tierces personnes afin de garantir ses obligations ou les obligations de ses filiales, de ses sociétés affiliées ou de toute autre société.

La Société peut conclure, délivrer et exécuter toutes opérations de swaps, opérations à terme (futures et forwards), opérations sur produits dérivés, marchés à prime (options), opérations de rachat, prêts de titres ainsi que toutes autres opérations similaires. La Société peut, de manière générale, employer toutes techniques et instruments liés à des investissements en vue de leur gestion efficace, y compris mais de façon non limitative, des techniques et instruments destinés à la protéger contre les risques de crédit, de change, de taux d'intérêt et autres risques.

La Société peut accomplir toutes les opérations commerciales, industrielles et financières se rapportant directement ou indirectement à son objet ou susceptibles de favoriser son développement. De plus, la Société peut faire l'acquisition et procéder à la vente de propriétés immobilières pour son compte, tant au Grand-Duché de Luxembourg qu'à l'étranger et elle peut réaliser toutes les opérations afférentes à ces propriétés immobilières.

D'une façon générale, la Société peut prendre toutes mesures de surveillance et de contrôle et effectuer toute opération ou transaction qu'elle considère nécessaire ou utile pour l'accomplissement et le développement de son objet social.

Les descriptions ci-dessus doivent être interprétées dans leur sens le plus large et leur énumération n'est pas restrictive. L'objet social de la Société couvre toutes les opérations auxquelles la Société participe et tous les contrats passés par la Société, dans la mesure où ils restent compatibles avec l'objet social décrit ci-avant.

ARTICLE 5. Capital social

5.1 Montant du capital social

Le capital social est fixé à 45.263,77 USD (quarante-cinq mille deux cent soixante-trois Dollars des Etats-Unis et soixante-dix-sept cents), représentés par 25.565.095 (vingt-cinq millions cinq cent soixante-cinq mille quatre-vingt-quinze) actions, sans valeur nominale.

5.2 Augmentation du capital social et réduction du capital social

Le capital social de la Société peut être augmenté ou réduit par une résolution prise par l'Assemblée Générale statuant comme en matière de modification des Statuts, tel que prévu à l'Article 11.

5.3 Droits préférentiels de souscription

En cas d'émission d'actions par apport en numéraire ou en cas d'émission d'instruments qui entrent dans le champ d'application de l'article 420-27 de la Loi de 1915 et qui sont payés en numéraire, y compris et de manière non exhaustive, des obligations convertibles permettant à leur détenteur de souscrire à des actions ou de s'en voir attribuer, les actionnaires disposent de droits préférentiels de souscription au pro rata de leur participation en ce qui concerne toutes ces émissions conformément aux dispositions de la Loi de 1915.

Le droit de souscription peut être exercé pendant un délai fixé par le Conseil d'Administration, mais ne peut être inférieur à quatorze (14) jours à compter de la date de publication de l'offre au RESA (Recueil électronique des sociétés et associations) et dans un journal publié au Luxembourg (la **Période d'Exercice**).

A l'issue de la Période d'Exercice, les tiers pourront participer à l'augmentation du capital, sauf au Conseil d'Administration de décider que le droit préférentiel de souscription (le **DPS**) doit être exercé, proportionnellement à la partie du capital que représentent leurs actions, par les détenteurs d'un DPS (les **Détenteurs de DPS**) qui avaient déjà exercé leur droit durant la Période d'Exercice. Les modalités de souscription par les Détenteurs de DPS sont, dans ce cas, définies par le Conseil d'Administration.

L'Assemblée Générale peut supprimer ou limiter le DPS ou autoriser le Conseil d'Administration à le faire (le cas échéant) sous les conditions prescrites à l'article 420-26(5) de la Loi de 1915.

5.4 Apport au compte de « capital surplus »

L'Assemblée Générale est autorisée à approuver les apports en fonds propres sans émission de nouvelles actions, réalisés au moyen d'un paiement en numéraire ou d'un paiement en nature, ou de toute autre manière, selon les conditions définies par l'Assemblée Générale. Un apport en fonds propres sans émission de nouvelles actions doit être enregistré dans un compte de « capital surplus ».

L'Assemblée Générale a la possibilité (mais non l'obligation) de décider que tout apport en numéraire ou en nature effectué en tant que « capital surplus » en relation avec la souscription par n'importe quel actionnaire sera enregistré dans un compte de « capital surplus » spécifique alloué à l'actionnaire concerné et sera disponible uniquement (i) aux fins de distribution à l'actionnaire concerné, que ce soit au moyen de dividendes, rachat d'actions ou autre moyen, ou (ii) pour être incorporé au capital social dans le but d'émettre des actions correspondantes uniquement à l'actionnaire concerné.

5.5 Autorisation pour le Conseil d'Administration d'augmenter le capital social

(a) Montant de l'autorisation

Le capital autorisé de la Société est fixé à un montant de 188.406,11 USD (cent quatre-vingt-huit mille quatre cent six Dollars des Etats-Unis et onze cents) (le **Montant de Capital Autorisé**) représenté par un nombre d'actions déterminable par le Conseil d'Administration à son entière discrétion, chacune sans valeur nominale (mais avec un pair comptable au moins équivalent au pair comptable des actions existantes le cas échéant).

(b) Conditions de l'autorisation

Le Conseil d'Administration est autorisé à augmenter le capital social existant jusqu'au Montant de Capital Autorisé, en une ou plusieurs fois, au cours d'une période commençant le 10 novembre 2020 et se terminant au cinquième anniversaire de cette date (la **Période**) au moyen de : (i) l'émission d'actions à raison d'apports en numéraire, (ii) l'émission d'actions à raison d'apports en nature, et/ou (iii) l'incorporation des bénéfices et réserves distribuables, y inclus la prime d'émission et le « capital surplus », avec ou sans émission de nouvelles actions.

Le Conseil d'Administration est autorisé à définir les conditions applicables à toute souscription et émission d'actions conformément au pouvoir qui lui est conféré aux termes de cet Article 5.5, et notamment à déterminer le lieu et la date de l'émission ou des émissions successives d'actions, le prix d'émission, l'existence ou non d'une prime d'émission, ainsi que les modalités de paiement des actions en vertu de tout document ou contrat y compris et de manière non-exhaustive un prêt convertible, un contrat d'option ou un plan d'options sur actions.

Durant la Période, le Conseil d'Administration est autorisé (a) à émettre des obligations convertibles ou tous autres instruments de dettes convertibles, des obligations assorties d'un droit de souscription et autres instruments permettant à leur détenteur de souscrire à des actions ou de se voir attribuer des actions, tels que, de manière non-exhaustive, des warrants (les **Instruments**), et (b) à émettre des actions sous la condition de l'exercice des droits attachés aux Instruments et dont l'émission est effective à compter de cet exercice jusqu'à ce que, en ce qui concerne chacun des points (a) et (b), le montant du capital social augmenté atteint en conséquence de l'exercice des droits attachés aux Instruments soit égal au capital autorisé, et (ii) à émettre des actions en raison de l'exercice des droits attachés aux Instruments jusqu'à ce que le montant du capital social augmenté atteint en conséquence d'une telle émission d'actions soit égal au capital autorisé, à tout moment, que ce soit pendant la Période ou en dehors de la Période, à la condition que les Instruments soient émis pendant la Période dans les limites du Montant de Capital Autorisé. Les actions devant être émises en conséquence de l'exercice des droits attachés aux Instruments peuvent être payées par un apport en numéraire, un apport en nature, ou au moyen de l'incorporation de bénéfice et de réserves distribuables, en ce compris la prime d'émission et le « capital surplus », pendant ou après la Période.

Le Conseil d'Administration est autorisé à (i) déterminer les conditions applicables aux Instruments, y compris le prix, le taux d'intérêt, le prix d'exercice, le taux de conversion ou le taux de change, ainsi que les modalités de remboursement, et (ii) émettre lesdits Instruments.

(c) Autorisation de supprimer ou de limiter les droits préférentiels de souscription

Le Conseil d'Administration est autorisé à supprimer ou limiter les droits préférentiels de souscription des actionnaires prévus par la Loi de 1915, tels que reflétés dans l'Article 5.3, portant sur l'émission de nouvelles actions et d'Instruments effectuée conformément à l'autorisation accordée en vertu de l'Article 5.5.

(d) Modification des Statuts consécutive à une augmentation de capital

L'Article 5 des Statuts sera modifié de façon à refléter chaque augmentation du capital effectuée en vertu de l'autorisation accordée au Conseil d'Administration conformément à l'Article 5, et le Conseil d'Administration prendra lui-même ou autorisera toute personne à prendre toutes les mesures nécessaires afin de faire constater par-devant notaire l'augmentation de capital social et les modifications consécutives des Statuts.

ARTICLE 6. Actions

6.1 Forme des actions

Les actions de la Société sont exclusivement nominatives.

6.2 Registre des actionnaires et certificats constatant les inscriptions dans le registre

Un registre des actionnaires est tenu au siège social de la Société où il peut être consulté par tout actionnaire. Ce registre contient le nom de chaque actionnaire, sa résidence ou son domicile élu, le nombre d'actions qu'il détient, la valeur nominale (le cas échéant) ou le pair comptable payé pour chacune des actions, les émissions d'actions, les cessions d'actions et les dates desdites émissions et cessions d'actions. Sous réserve des dispositions de l'Article 6.3, la propriété des actions nominatives est établie par l'inscription dans le registre.

6.3 Dépôt

Nonobstant les dispositions de cet Article 6, lorsque les actions sont enregistrées dans le registre des actionnaires au nom et pour le compte d'un système de règlement-livraison de titres ou du gestionnaire d'un tel système et enregistrées en tant qu'inscriptions en compte dans les comptes d'un dépositaire professionnel ou d'un sous-dépositaire (tout dépositaire et sous-dépositaire étant ci-après désignés comme un **Dépositaire**), la Société – sous réserve d'avoir reçu du Dépositaire un certificat en bonne et due forme – permettra au Dépositaire de telles inscriptions en compte d'exercer les droits attachés aux actions correspondant aux inscriptions en compte de l'actionnaire concerné, y compris de recevoir les convocations aux assemblées générales, l'admission et le vote aux assemblées générales et doit considérer le Dépositaire comme étant le détenteur direct des actions ordinaires correspondant aux inscriptions en compte aux fins des présents Statuts. Le Conseil d'Administration peut déterminer les conditions de forme auxquelles devront répondre ces certificats.

Nonobstant les autres dispositions des présents Statuts, la Société fera tous paiements (y compris les paiements de dividendes ou toutes autres distributions) en rapport avec les actions inscrites au nom du Dépositaire, ou, le cas échéant, déposées auprès d'un d'entre eux, que ce soit en numéraire, par voie d'actions ou d'autres avoirs, uniquement à un tel Dépositaire, ou selon les instructions d'un tel Dépositaire, et ce paiement libèrera la Société de toutes obligations de paiement.

6.4 Propriété et co-propriété des actions

La Société ne reconnaît qu'un seul détenteur par action. Au cas où une action appartiendrait à plusieurs personnes, la Société aura le droit de suspendre l'exercice de tous droits y attachés jusqu'au moment où une personne aura été désignée comme détenteur unique vis-à-vis de la Société. La personne désignée par les codétenteurs des actions comme détenteur unique des actions envers la Société en toute circonstance doit être nommée en premier dans le registre.

Seul le détenteur unique d'une action nommé en premier dans le registre, tel qu'il a été désigné par tous les codétenteurs de cette action, pourra, en sa capacité d'unique détenteur envers la Société de cette action détenue collectivement, exercer les droits attachés à cette action, y compris mais de façon non limitative: (i) recevoir tout avis de la Société, y compris les convocations aux Assemblées Générales, (ii) assister aux Assemblées Générales et y exercer les droits de vote rattachés à l'action détenue collectivement, et (iii) percevoir les dividendes relatifs à cette action détenue collectivement.

6.5 Rachat d'actions

Sous réserve des dispositions de l'Article 6.3, la Société peut racheter ses propres actions dans les limites définies par la loi.

Les actions rachetées conformément à cet Article 6.5 pourront être annulées ou détenues pour une durée illimitée par la Société en tant qu'actions de trésorerie (treasury shares) et seront dépourvues de droits de vote et, à moins qu'il en soit décidé autrement par le Conseil d'Administration ou l'Assemblée Générale, selon le cas, de tout droit de distribution que ce soit, auquel cas les distributions exigibles en vertu de ces actions de trésorerie seront allouées, et deviendront exigibles, au profit des actions restantes.

De telles actions de trésorerie peuvent être distribuées de temps à autres par le Conseil d'Administration aux actionnaires existants (étant précisé qu'aucun droit préférentiel de souscription ne devra s'appliquer dans tel scénario) ou à des tiers, sous réserve du respect de l'objet social de la Société.

6.6 Suspension des droits des actionnaires

Si la Société détermine qu'un Événement Réglementaire d'Actionnaire s'est produit, elle peut à tout moment, par notification écrite (une **Notification d'Événement Réglementaire d'Actionnaire**) au(x) détenteur(s) de toute(s) participation(s) dans les actions (les **Actions Concernées**) de la Société auxquelles un Événement Réglementaire d'Actionnaire se rapporte (ou auxquelles la Société croit raisonnablement qu'il se rapporte), à sa discrétion absolue, avec effet immédiat (ou à compter de la date spécifiée dans la Notification d'Événement Réglementaire d' Actionnaire), suspendre un ou plusieurs des droits suivants attachés aux Actions Concernées (et le détenteur de ces Actions Concernées sera réputé y avoir irrévocablement renoncé) :

(d) les droits de vote attachés aux Actions Concernées, conformément à l'article 450-1 (9) de la Loi de 1915 ;

(e) le droit de percevoir tout paiement ou distribution (que ce soit sous forme de dividende, d'intérêt ou autre) au titre des Actions Concernées, ou de recevoir toute autre forme de rémunération, y compris pour services rendus ; et

(f) le droit de souscrire à toute nouvelle émission d'actions ou d'autres titres (et par conséquent de n'exercer aucun droit de souscription préférentiel) au titre des Actions Concernées.

6.7 Obligation d'aliénation des Actions à Céder

Si la Société détermine qu'un Événement Réglementaire d'Actionnaire s'est produit, elle peut, à son entière discrétion et à tout moment, notifier par écrit (un **Avis de Cession**) à un détenteur de toute(s) participation(s) dans les actions de la Société à laquelle l'Événement Réglementaire d'Actionnaire se rapporte (ou à laquelle la Société croit raisonnablement qu'il se rapporte), exiger que le destinataire de l'Avis de Cession ou toute personne qui y est nommée comme étant intéressée (ou raisonnablement considérée comme étant intéressée) par les actions de la Société cède le nombre d'actions spécifié dans l'Avis de Cession (les **Actions à Céder**) et que la preuve, sous une forme raisonnablement satisfaisante pour la Société, que cette cession a été effectuée soit fournie à la Société dans les quatorze (14) jours (ou tout autre délai requis par une Autorité en Charge de la Réglementation des Jeux de Hasard) à compter de la date de l'Avis de Cession ou dans tout autre délai que la Société considère (à son entière discrétion) comme raisonnable. La Société peut retirer un Avis de Cession ainsi donné avant ou après l'expiration de la période qui y est mentionnée s'il apparaît à la Société que le motif ou les motifs supposés de sa prestation n'existent pas ou plus.

6.8 Cession forcée des Actions à Céder

Si un Avis de Cession n'est pas respecté conformément à ses termes ou n'est pas respecté à la satisfaction de la Société dans le délai imparti, et n'a pas été retiré, la Société a droit, à son entière discrétion, dans la mesure de ses possibilités, (a) de céder (ou de faire céder) les Actions à Céder à un tiers désigné au prix le plus élevé que la Société ou ses représentants peuvent raisonnablement obtenir dans les circonstances (ou au montant autorisé par l'Autorité en Charge de la Réglementation des Jeux de Hasard) et doit donner un avis écrit de cette cession aux personnes auxquelles l'Avis de Cession a été signifié, et/ou (b) sous réserve de toutes les lois et réglementations applicables, la Société elle-même peut également acquérir les Actions à Céder par le biais d'un rachat d'actions conformément à la loi applicable.

Une telle cession par la Société doit être réalisée dès que raisonnablement possible après l'expiration du délai spécifié dans l'Avis de Cession et, en tout état de cause, dans les quatre-vingt-dix (90) jours suivant l'expiration du délai spécifié dans l'Avis de Cession, étant entendu qu'une cession peut être suspendue pendant toute période où les opérations des administrateurs sur les actions de la Société ne sont pas autorisées par la loi ou la réglementation applicable, mais toute cession d'Action à Céder ainsi suspendue doit être réalisée dans les trente (30) jours suivant l'expiration de la période de suspension. Dans la mesure nécessaire, le détenteur des Actions à Céder accorde une procuration irrévocable à la Société (et à chacun de ses administrateurs, dirigeants, employés ou agents) pour effectuer toute action et signer tout document nécessaire ou utile en relation avec la cession des Actions à Céder.

6.9 Démarches à entreprendre dans le cadre de la vente des Actions à Céder

Ni la Société, ni aucun administrateur, dirigeant, employé ou agent de la Société ne sera responsable envers un détenteur ou une personne ayant un intérêt dans les Actions à Céder, cédées conformément aux Articles 6.6 à 6.11 (inclus) ou envers toute autre personne à condition que, lors de la cession des Actions à Céder, la Société agisse de bonne foi dans les délais indiqués ci-dessus. Aux fins d'effectuer toute cession d'Actions à Céder détenues sous forme non matérialisée, la Société peut prendre, pour le compte du détenteur enregistré des Actions à Céder, les dispositions qu'elle juge appropriées pour transférer le titre de propriété de ces actions par le biais d'un système approprié. Pour effectuer toute cession d'Actions à Céder détenues sous forme de certificat, la Société peut autoriser par écrit tout administrateur, dirigeant, employé ou agent de la Société à exécuter tout transfert nécessaire au nom du ou des détenteurs enregistrés et peut émettre un nouveau certificat d'actions ou tout autre document de titre à l'acheteur et inscrire le nom du cessionnaire dans le registre. Le produit net de cette cession sera reçu par la Société dont le reçu constituera une décharge pour le prix d'achat et sera versé (sans qu'aucun intérêt ne soit payable sur ce montant) à l'ancien détenteur enregistré des Actions à Céder sur remise par celui-ci de tous les certificats d'actions ou autres documents de propriété pertinents concernant les Actions à Céder. Le cessionnaire n'est pas tenu de voir l'affectation de ce montant et une fois que le nom du cessionnaire a été inscrit dans le registre concernant les Actions à Céder, la validité du transfert des Actions à Céder ne pourra plus être remise en cause. Tout retard de la Société dans l'exercice de tout ou une partie de ses droits en vertu des Articles 6.6 à 6.11 (inclus) n'invalide en aucune façon le transfert des Actions à Céder effectué en vertu des présentes ou toute autre mesure prise à cet égard. Sauf disposition contraire expresse des Articles 6.6 à 6.11 (inclus), la manière, le moment et les modalités de toute cession d'Actions à Céder par (ou pour le compte de) la Société seront déterminés par la Société et la Société pourra prendre conseil auprès des personnes qu'elle jugera appropriées quant à la manière, au moment et aux modalités d'une telle cession. Le(s) détenteur(s) des Actions Concernées auquel (auxquels) se rapporte cet Événement Réglementaire d'Actionnaire est (sont) tenu(s) de rembourser à la Société tous les frais encourus par celle-ci dans l'exécution de ses obligations et l'exercice de ses droits en vertu des présentes, y compris les frais d'avocat.

6.10 Signification d'un Événement Réglementaire d'Actionnaire

Aux fins des Articles 6.6 à 6.11 (inclus), un **Événement Réglementaire d'Actionnaire** se produit si :

(a) une Autorité en Charge de la Réglementation des Jeux de Hasard informe la Société ou tout membre de son groupe qu'un membre de la Société ou qu'une personne intéressée ou supposée être intéressée par les actions de la Société est pour quelque raison que ce soit :

(i) inapte pour être une personne intéressée par les actions de la Société ;

(ii) non autorisé ou non qualifié pour être une personne intéressée par les actions de la Société ;

(iii) disqualifié en tant que détenteur d'intérêts dans les actions de la Société, en vertu de toute législation réglementant l'exploitation de toute activité de jeux de hasard ou toute activité auxiliaire ou liée à celle-ci, entreprise ou à entreprendre par la Société ou tout membre de son groupe ou toute autre société, partenariat, personne morale ou autre entité dans laquelle la Société ou tout membre de son groupe est intéressé ; ou

(iv) ne coopère pas raisonnablement et pleinement à une enquête menée par une Autorité en Charge de la Réglementation des Jeux de Hasard qui, en conséquence, compromet la capacité de la Société à obtenir ou maintenir toute licence ou immatriculation.

(b) une Autorité en Charge de la Réglementation des Jeux de Hasard, en raison, en tout ou en partie, de l'intérêt de toute(s) personnes(s) dans les actions de la Société (ou par sa suspicion quant à l'intérêt de toute(s) personne(s) dans ces actions) a :

(i) refusé, révoqué, annulé, opposé ou indiqué à la Société ou à tout membre de son groupe ou à toute autre société, partenariat, personne morale ou autre entité dans laquelle la Société ou tout membre de son groupe est intéressé, qu'elle refusera, révoquera, annulera ou s'opposera ou est susceptible de refuser, révoquer, annuler ou s'opposer, en relation avec ; ou

(ii) imposé toute condition ou limitation qui pourrait avoir un impact défavorable important sur l'exploitation de toute activité de jeux de hasard ou de toute activité accessoire ou liée à celle-ci, entreprise ou à entreprendre, par la Société ou toute autre entité dans laquelle la Société ou tout membre de son groupe est intéressé, ou sur le bénéfice que la Société ou tout autre membre de son groupe retire ou est susceptible de retirer de l'exploitation par tout autre membre de son groupe ou toute autre société, partenariat, personne morale ou autre entité dans laquelle la Société ou tout membre de son groupe est intéressé par une activité de jeux de hasard ou toute activité accessoire ou liée à celle-ci ou indiqué à la Société ou à tout membre de son groupe ou à toute autre société, partenariat, personne morale ou autre entité à laquelle elle imposera ou est susceptible d'imposer une telle condition ou limitation, en relation avec,

l'octroi, le renouvellement ou la prorogation de tout enregistrement, licence, approbation, constatation d'aptitude, consentement ou certificat requis par toute législation réglementant (ou code de conduite ou de pratique reconnu ou approuvé par l'Autorité en Charge de la Réglementation des Jeux de Hasard en rapport avec) l'exploitation de toute activité de jeux de hasard ou de toute activité accessoire ou liée à celle-ci, entreprise ou à entreprendre, par la Société ou tout membre de son groupe ou toute autre société, partenariat, personne morale ou autre entité dans laquelle la Société ou tout membre de son groupe est intéressé, qui est détenu ou par rapport auquel une demande a été introduite, par la Société ou tout membre de son groupe ou toute autre personne liée.

6.11 Interprétation des provisions relatives à un Événement Réglementaire d'Actionnaire

Aux fins des Articles 6.6 à 6.11 (inclus) :

(a) la Société peut, en déterminant la raison de toute action ou action potentielle d'une Autorité en Charge de la Réglementation des Jeux de Hasard, prendre en compte toute déclaration ou commentaire fait par tout membre, dirigeant, employé ou agent d'une Autorité en Charge de la Réglementation des Jeux de Hasard, que ces déclarations ou commentaires fassent partie ou non de ou soient reflétés ou non dans toute décision officielle émise par Autorité en Charge de la Réglementation des Jeux de Hasard, et peut agir nonobstant tout appel concernant la décision de toute Autorité en Charge de la Réglementation des Jeux de Hasard ;

(b) une **Autorité en Charge de la Réglementation des Jeux de Hasard** désigne toute autorité, où qu'elle soit située (qu'il s'agisse d'un ministère, d'un organisme indépendant établi par législation, d'un gouvernement, d'une organisation d'autorégulation, d'une cour, d'un tribunal, d'une commission, d'un conseil, d'un comité ou autre), investie de la responsabilité (avec ou sans un ou plusieurs autres) de la conduite de toute activité de jeux de hasard ou de toute activité accessoire ou liée à celle-ci ;

(c) le Conseil d'Administration peut exercer les pouvoirs de la Société en vertu des Articles 6.6 à 6.11 (inclus) et tous les pouvoirs, droits ou devoirs conférés par les Articles 6.6 à 6.11 (inclus) à la Société et pouvant être exercés par le Conseil d'Administration peuvent être exercés par un comité du Conseil d'Administration dûment autorisé ou par toute(s) personne(s) à laquelle le Conseil d'Administration ou un tel comité du Conseil d'Administration, selon le cas, a délégué ses pouvoirs ;

(d) toute résolution ou détermination, ou toute décision ou l'exercice de toute discrétion ou pouvoir en vertu des Articles 6.6 à 6.11 (inclus) par la Société, le Conseil d'Administration, un comité dûment autorisé du Conseil d'Administration ou toute personne à qui l'autorité a été déléguée par ce dernier, sera définitive et concluante et liera toutes les parties concernées, et ni la Société, ni le Conseil d'Administration, ni toute personne agissant sous l'autorité de ce dernier ne sera obligé de donner une ou plusieurs raisons à cet égard ;

(e) une **activité de jeux de hasard ou toute activité accessoire ou liée à celle-ci** comprend, de façon non limitative, la fourniture de services en ligne aux clients en relation avec cette ou ces activités et comprend la fourniture de services financiers.

ARTICLE 7. Transfert d'actions nominatives

Le transfert des actions nominatives peut se faire par une déclaration de transfert écrite qui sera inscrite au registre des actionnaires de la Société, après avoir été datée et signée par le cédant et le cessionnaire ou par des personnes détenant les pouvoirs de représentation nécessaires pour agir à cet effet, et conformément aux dispositions de l'article 1690 du code civil luxembourgeois relatives à la cession de créances.

La Société peut également accepter comme preuve de transfert d'actions d'autres instruments de transfert, dans lesquels les consentements du cédant et du cessionnaire sont établis de manière satisfaisante pour la Société.

ARTICLE 8. Obligations

Les obligations émises par la Société seront exclusivement sous forme nominative.

ARTICLE 9. Pouvoirs de l'assemblée générale

Dans l'hypothèse d'une pluralité d'actionnaires, toute Assemblée Générale valablement constituée représente l'ensemble des actionnaires de la Société.

ARTICLE 10. Assemblée générale annuelle des actionnaires – autres assemblées générales

L'assemblée générale annuelle se tient, conformément à la loi luxembourgeoise, au Grand-Duché de Luxembourg, au siège social de la Société ou à tout autre endroit au Grand-Duché de Luxembourg et à la date indiquée dans l'avis de convocation à l'assemblée.

Les autres assemblées générales peuvent se tenir aux lieux et dates spécifiés dans les avis de convocation des assemblées générales en question.

ARTICLE 11. Convocation, quorum, avis de convocation, procurations et vote

11.1 Droit et obligation de convoquer une assemblée générale

Une assemblée générale peut être convoquée par le Conseil d'Administration ou par le(s) commissaire(s) aux comptes, le cas échéant. Ils sont obligés de la convoquer de façon à ce qu'elle soit tenue dans un délai d'un mois si des actionnaires représentant un dixième du capital social l'exigent par écrit, en précisant l'ordre du jour. Un ou plusieurs actionnaires représentant au moins un dixième du capital social souscrit peuvent demander l'inscription d'un ou de plusieurs points à l'ordre du jour de toute assemblée générale. Cette demande doit être envoyée à la Société au moins cinq (5) jours avant la tenue de l'assemblée générale en question.

11.2 Procédure de convocation d'une Assemblée Générale

Les Assemblées Générales sont convoquées conformément aux dispositions de la Loi de 1915 et pour autant que les actions ordinaires de la Société sont inscrites à la cote d'une bourse de valeurs étrangère, conformément aux exigences de ladite bourse étrangère applicables à la Société.

Si tous les actionnaires de la Société sont présents ou représentés à l'assemblée générale et déclarent avoir été dûment convoqués et informés de l'ordre du jour de l'assemblée générale tel que déterminé par le Conseil d'Administration ou par le(s) commissaire(s), le cas échéant, celle-ci peut être tenue sans avis de convocation préalable.

Les documents dont il est fait mention à l'article 461-6 de la Loi de 1915 doivent être mis à disposition au siège social de la Société pour consultation par les actionnaires au moins huit (8) jours avant l'assemblée générale.

11.3 Droits attachés aux actions

Chaque action confère une voix à son détenteur (sous réserve de la faculté du Conseil d'Administration d'imposer une formalité de date d'enregistrement dans la convocation, qui conditionnerait l'exercice du droit de vote).

Le Conseil d'Administration peut, à sa seule discrétion, suspendre les droits de vote de tout actionnaire dans le cas où cet actionnaire a, par action ou omission, manqué au respect de ses obligations en vertu des Statuts ou de son acte de souscription.

Tout actionnaire peut renoncer, partiellement ou totalement, à l'exercice des droits de vote attachés à tout ou partie de ses actions. Une telle renonciation lie l'actionnaire concerné et s'impose à la Société dès sa notification, par écrit, par l'actionnaire concerné.

11.4 Conditions de quorum et de majorité, et nouvelle convocation d'une assemblée générale en cas de quorum non atteint

Sauf disposition contraire de la loi ou des Statuts, les décisions prises lors d'une assemblée générale sont prises à la majorité des voix exprimées par les actionnaires présents ou représentés, aucun quorum de présence n'étant requis.

Toutefois, les décisions visant à modifier les Statuts ou la nationalité de la Société ne peuvent être adoptées que par une assemblée générale représentant au moins la moitié du capital social (le **Quorum de Présence**, en sachant que les actions pour lesquelles les droits de vote ont été levés/suspendus ne sont pas pris en considération pour un tel calcul de quorum) et dont l'ordre du jour indique les modifications statutaires proposées, et le cas échéant, le texte de celles qui touchent à l'objet ou à la forme de la Société. Si le Quorum de Présence n'est pas atteint, une nouvelle assemblée générale peut être convoquée par des annonces déposées auprès du registre de commerce et des sociétés et publiées quinze (15) jours au moins avant l'assemblée générale en question au RESA (Recueil électronique des sociétés et associations) et dans un journal luxembourgeois. Cette convocation reproduit l'ordre du jour et indique la date et le résultat de la précédente assemblée générale. La deuxième assemblée générale délibère valablement, quelle que soit la portion du capital représentée. Dans les deux assemblées, les résolutions, pour être valables, doivent réunir les deux tiers au moins des voix exprimées à chacune des assemblées générales.

Pour le calcul de la majorité concernant toute résolution d'une assemblée générale, les voix exprimées ne doivent pas inclure les voix attachées aux actions pour lesquelles l'actionnaire s'est abstenu de voter, a voté blanc ou nul ou n'a pas pris part au vote.

L'augmentation des engagements des actionnaires ne peut être décidée qu'avec l'accord unanime exprimé par un vote de tous les actionnaires.

11.5 Participation par procuration

Chaque actionnaire peut prendre part à une Assemblée Générale de la Société en désignant par écrit une autre personne, actionnaire ou non, comme son mandataire. Des copies des procurations écrites envoyées par télécopie ou par courriel peuvent être acceptées par l'Assemblée Générale comme preuves de procurations écrites. Pour pouvoir être prise en compte, une copie de la procuration devra été reçue par la Société avant la tenue de l'assemblée générale en question, à la date indiquée dans la convocation.

11.6 Vote par correspondance

Les actionnaires peuvent voter par écrit (au moyen d'un formulaire), à condition que les formulaires portent : (i) les noms, prénoms, adresse et signature de l'actionnaire concerné, (ii) la mention des actions pour lesquelles l'actionnaire exerce son droit, (iii) l'ordre du jour tel que décrit dans la convocation ainsi que les projets de résolutions relatifs à chaque point de l'ordre du jour, et (iv) le vote (approbation, refus, abstention) pour chaque projet de résolution relatif aux points de l'ordre du jour. Pour pouvoir être pris en compte, une copie des formulaires devra être reçue par la Société avant la tenue de l'assemblée générale en question, à la date indiquée dans la convocation.

11.7 Participation à une assemblée générale par conférence téléphonique, vidéo conférence ou tout autre moyen de communication similaire

Tout actionnaire de la Société peut participer à une assemblée générale par conférence téléphonique, vidéo conférence ou tout autre moyen de communication similaire, tel que déterminé par le Conseil d'Administration, grâce auquel : (i) les actionnaires participant à la réunion peuvent être identifiés, (ii) toute personne participant à la réunion peut entendre les autres participants et leur parler, (iii) la réunion est retransmise de façon continue, et (iv) les actionnaires peuvent valablement délibérer. La participation à une réunion tenue par un tel moyen de communication équivaudra à une participation en personne à ladite réunion.

11.8 Bureau

Le président du Conseil d'Administration préside comme président de l'assemblée générale. Le président nomme un secrétaire et les actionnaires nomment un scrutateur. Le président, le secrétaire et le scrutateur forment le bureau de l'assemblée générale.

11.9 Procès-verbaux et copies certifiées des réunions de l'Assemblée Générale

Les procès-verbaux des réunions de l'assemblée générale sont signés par les membres du bureau de l'assemblée générale et par tout actionnaire qui exprime le souhait de signer.

Cependant, si les décisions de l'assemblée générale doivent être certifiées, des copies ou extraits à utiliser devant un tribunal ou ailleurs doivent être signés par le président du Conseil d'Administration ou par deux (2) administrateurs conjointement.

ARTICLE 12. Administration

12.1 Nombre d'administrateurs minimum et conditions du mandat d'administrateur

L'Assemblée Générale détermine le nombre d'administrateurs, leur rémunération et la durée de leur mandat sous réserve que (i) la Société doit compter au minimum trois (3) et au maximum neuf (9) administrateurs et (ii) les membres du Conseil d'Administration sont élus pour un mandat de six (6) ans au maximum et sont rééligibles.

12.2 Représentant permanent

Lorsqu'une personne morale est élue administrateur de la Société (la **Personne Morale**), la Personne Morale doit désigner une personne physique en tant que représentant permanent qui la représentera comme membre du Conseil d'Administration, conformément à l'article 441-3 de la Loi de 1915.

12.3 Election, révocation et cooptation

Les administrateurs sont élus par l'Assemblée Générale.

Un administrateur peut être révoqué ad nutum et/ou peut être remplacé à tout moment par décision de l'Assemblée Générale, à condition qu'un administrateur élu conformément à l'Article 12.4 ne puisse être révoqué que par les Actionnaires Fondateurs.

En cas de vacance d'un poste d'administrateur pour cause de décès, démission ou toute autre motif, les administrateurs restants pourront lors d'une réunion du Conseil d'Administration élire à la majorité des voix un nouvel administrateur afin de pourvoir au remplacement du poste devenu vacant jusqu'à la prochaine assemblée générale.

12.4 Droit de nomination

Pour aussi longtemps que Barak Matalon, Aharon Aran, Eliyaho Azur et Pinhas Zahavi (les **Actionnaires Fondateurs**) détiennent au total au moins 40% du capital social de la Société, un nombre d'administrateurs égal à 50% du nombre total d'administrateurs seront élus par l'Assemblée Générale parmi les candidats sélectionnés par les Actionnaires Fondateurs.

Pour aussi longtemps que les Actionnaires Fondateurs détiennent au total moins de 40% du capital social de la Société, mais détiennent toujours au total au moins 25% du capital social de la Société, un nombre d'administrateurs égal à 33% du nombre total d'administrateurs seront élus par l'Assemblée Générale parmi les candidats sélectionnés par les Actionnaires Fondateurs.

Aux fins des paragraphes 1 et 2 du présent Article 12.4, si le nombre d'administrateurs devant être élus parmi les candidats sélectionnés par les Actionnaires Fondateurs selon le pourcentage respectif (50% ou 33%) apparait sous forme fractionnaire, ce nombre doit être arrondi au nombre entier inférieur le plus proche.

Pour aussi longtemps que les Actionnaires Fondateurs détiennent au total moins de 25% du capital social de la Société, mais détiennent toujours au total au moins 15% du capital social de la Société, un (1) administrateur sera élu par l'Assemblée Générale parmi les candidats sélectionnés par les Actionnaires Fondateurs.

Si les Actionnaires Fondateurs détiennent au total moins de 15% du capital social de la Société, leur droit de proposer des administrateurs pour élection sera le même que tout actionnaire.

Lorsque les Actionnaires Fondateurs ont le droit de proposer (pour élection par l'Assemblée Générale) des membres du Conseil d'Administration en vertu du présent Article 12.4, aucun autre actionnaire n'a le droit de proposer des membres du Conseil d'Administration pour l'élection à ces sièges.

ARTICLE 13. Réunions du conseil d'administration

13.1 Président

Le Conseil d'Administration peut nommer un président (le **Président**) parmi ses membres et peut désigner un secrétaire, administrateur ou non, qui sera en charge de la tenue des procès-verbaux des réunions du Conseil d'Administration. Le Président préside toutes les réunions du Conseil d'Administration. En son absence, les autres membres du Conseil d'Administration élisent un président pro tempore qui préside ladite réunion, au moyen d'un vote à la majorité simple des administrateurs présents ou représentés à la réunion.

13.2 Observateur

Le Conseil d'Administration peut autoriser la nomination d'un ou plusieurs observateurs auprès du Conseil d'Administration, qui seront autorisés à assister à chaque réunion du Conseil d'Administration de la Société et de ses comités, et à recevoir les documents écrits fournis aux membres du Conseil d'Administration, mais qui n'auront aucun droit de vote aux réunions du Conseil d'Administration ou de ses comités.

L'Observateur doit garder confidentielles toutes les informations et tous les documents reçus à ce titre et s'engage envers la Société.

13.3 Procédure de convocation d'une réunion du Conseil d'Administration

Les réunions du Conseil d'Administration sont convoquées par le Président ou par deux administrateurs, au lieu indiqué dans l'avis de convocation de la réunion du Conseil d'Administration.

Un avis écrit de toute réunion du Conseil d'Administration est donné à tous les administrateurs au moins vingt-quatre (24) heures avant le jour et l'heure prévus pour la réunion, sauf en cas d'urgence, auquel cas la nature et les motifs de cette urgence sont mentionnés brièvement dans l'avis de convocation.

La réunion peut être valablement tenue sans avis de convocation préalable si tous les administrateurs de la Société sont présents ou représentés lors de la réunion du Conseil d'Administration et déclarent avoir été dûment informés de la réunion et de son ordre du jour. En outre, si tous les membres du Conseil d'Administration sont présents ou représentés à une réunion et décident à l'unanimité d'établir un ordre du jour, la réunion pourra être tenue sans convocation préalable effectuée de la manière décrite ci-dessus.

Tout membre du Conseil d'Administration peut décider de renoncer à la convocation écrite en donnant son accord par écrit. Les copies de ces accords écrits qui sont transmises par télécopie ou par courriel peuvent être acceptées comme preuve des accords écrits à la réunion du Conseil d'Administration. Une convocation écrite spéciale n'est pas requise pour une réunion du Conseil d'Administration se tenant aux lieux et dates prévus dans une résolution préalablement adoptée par le Conseil d'Administration.

13.4 Participation par conférence téléphonique, vidéo conférence ou tout autre moyen de communication similaire

Tout administrateur peut participer à une réunion du Conseil d'Administration par conférence téléphonique, vidéo conférence ou tout autre moyen de communication similaire grâce auquel : (i) les administrateurs participant à la réunion peuvent être identifiés, (ii) toute personne participant à la réunion peut entendre les autres participants et leur parler, (iii) la réunion est retransmise de façon continue, et (iv) les administrateurs peuvent valablement délibérer. La participation à une réunion du Conseil d'Administration tenue par un tel moyen de communication équivaut à une participation en personne à une telle réunion. Une réunion du Conseil d'Administration tenue par un tel moyen de communication est réputée avoir lieu à Luxembourg.

13.5 Procédure

(a) Conditions de quorum et de majorité

Le Conseil d'Administration ne peut valablement délibérer et prendre des décisions que si la moitié au moins des administrateurs est présente ou représentée. Les décisions sont prises à la majorité des voix exprimées par les administrateurs présents ou représentés. Si un administrateur s'est abstenu de voter ou n'a pas pris part au vote, son abstention ou sa non-participation ne sont pas prises en compte pour le calcul de la majorité.

(b) Participation par procuration

Tout membre du Conseil d'Administration peut se faire représenter au Conseil d'Administration en désignant par écrit un autre administrateur comme son mandataire, à condition toutefois que deux administrateurs au moins soient présents à la réunion. Des copies des procurations écrites transmises par télécopie ou par courriel peuvent être acceptées comme preuve des procurations à la réunion du Conseil d'Administration.

(c) Voix prépondérante du Président

Au cas où lors d'une réunion, il existe une parité des voix pour et contre une résolution, la voix du Président ou du président pro tempore de la réunion, le cas échéant, sera prépondérante.

13.6 Conflits d'intérêts

(a) Procédure relative aux conflits d'intérêts

Lorsqu'un administrateur de la Société a, directement ou indirectement, un intérêt de nature patrimoniale opposé à celui de la Société dans une opération de la Société soumise à l'approbation du Conseil d'Administration, ledit administrateur est tenu d'en prévenir immédiatement le Conseil d'Administration lors de la réunion du Conseil d'Administration et de faire mentionner cette déclaration au procès-verbal de la réunion. L'administrateur ne peut pas prendre part aux délibérations portant sur cette opération, n'est pas comptabilisé dans le calcul du quorum, et ne peut pas voter sur les résolutions relatives à cette opération. L'opération et l'intérêt opposé de l'administrateur doivent être signalés à l'assemblée générale suivante.

(b) Exceptions concernant un conflit d'intérêts

L'Article 13.6(a) ne s'appliquent pas aux résolutions du Conseil d'Administration relatives à des opérations courantes de la Société et conclues dans des conditions normales.

Tout administrateur de la Société qui occupe des fonctions d'administrateur, gérant, membre de la direction ou employé de toute société ou entreprise avec laquelle la Société est ou sera engagée dans des relations d'affaires ou des contrats ne sera pas considéré, du seul fait de ces relations avec ces autres sociétés ou entreprises, comme ayant un intérêt opposé à celui de la Société dans le cadre du présent Article 13.6.

(c) Impact sur le quorum

Lorsque, en raison d'un conflit d'intérêts, le nombre d'administrateurs requis en vue de délibérer et de voter n'est pas atteint, le Conseil d'Administration peut décider de soumettre la décision sur le point en question à l'Assemblée Générale.

13.7 Résolutions écrites

Nonobstant les dispositions qui précèdent, une résolution du Conseil d'Administration peut également être prise par écrit. Une telle résolution doit consister en un seul ou plusieurs documents contenant les résolutions signées par chaque administrateur manuellement ou électroniquement par une signature électronique conforme aux exigences de la loi luxembourgeoise. La date d'une telle résolution est la date de la dernière signature.

ARTICLE 14. Procès-verbaux des réunions du conseil d'administration

14.1 Signature des procès-verbaux

Les procès-verbaux des réunions du Conseil d'Administration sont signés par le Président ou le président pro tempore, le cas échéant ou par tous les administrateurs ayant assisté à la réunion.

14.2 Signature des copies ou extraits des procès-verbaux

Les copies ou extraits de procès-verbaux, ou les résolutions écrites du Conseil d'Administration, destinés à servir en justice ou ailleurs sont signés par le Président, ou par deux membres du Conseil d'Administration.

ARTICLE 15. Pouvoirs du conseil d'administration

Le Conseil d'Administration est investi des pouvoirs les plus étendus pour accomplir tous les actes nécessaires ou utiles se rapportant à l'objet de la Société. Tous les pouvoirs non expressément réservés par la Loi de 1915 ou par les Statuts à l'Assemblée Générale sont attribués au Conseil d'Administration.

ARTICLE 16. Délégation de pouvoirs

16.1 Gestion journalière

Le Conseil d'Administration peut nommer un ou plusieurs délégués à la gestion journalière, qui peuvent être actionnaires ou non, ou membres du Conseil d'Administration ou non, et qui auront les pleins pouvoirs pour agir au nom de la Société pour tout ce qui concerne la gestion journalière de la Société.

16.2 Directeur général/comités de direction

La gestion de la Société peut être déléguée à un directeur général ou à un comité de direction.

Lorsqu'un directeur général ou un comité de direction est désigné, le Conseil d'Administration est chargé de surveiller et contrôler le directeur général ou le comité de direction.

16.3 Représentant permanent de la Société

Le Conseil d'Administration peut nommer une personne, actionnaire ou non, administrateur ou non, en qualité de représentant permanent de toute entité dans laquelle la Société est nommée comme membre du conseil d'administration. Ce représentant permanent agira de son propre chef, au nom et pour le compte de la Société, et engagera la Société en sa qualité de membre du conseil d'administration d'une telle entité.

16.4 Délégation de pouvoirs pour l'exercice de certaines missions

Le Conseil d'Administration est aussi autorisé à nommer une personne, administrateur ou non, pour l'exécution de missions spécifiques à tous les niveaux de la Société.

16.5 Délégation à des comités spécifiques

Le Conseil d'Administration peut décider la création de comités spécifiques. La composition de ces comités et les pouvoirs qui leurs sont conférés sont déterminés par le Conseil d'Administration. Les comités spécifiques exercent leurs activités sous la responsabilité du Conseil d'Administration.

ARTICLE 17. Signatures autorisées

17.1 Pouvoir de signature des administrateurs

La Société est engagée en toutes circonstances vis-à-vis des tiers par la signature conjointe de deux (2) membres du Conseil d'Administration de la Société.

17.2 Pouvoirs de signature concernant la gestion journalière

En ce qui concerne la gestion journalière, la Société sera engagée par la signature ou par la signature conjointe de deux personnes nommées à cet effet, conformément à l'Article 16.1 ci-dessus.

17.3 Pouvoirs spécifiques

La Société est en outre engagée par la signature unique conjointe de toutes personnes ou la signature unique de toute personne à qui de tels pouvoirs de signature auront été délégués par la Société, et ce uniquement dans les limites des pouvoirs qui leur auront été conférés.

ARTICLE 18. Indemnisation

Sous réserve des lois applicables, la Société devra indemniser l'ensemble des administrateurs et dirigeants, passés et présents, dans toute la mesure permise par la loi luxembourgeoise, des responsabilités et de toutes les dépenses raisonnablement engagées ou payées par eux dans le cadre de toute réclamation, action, poursuite ou procédure dans laquelle ils sont impliqués du fait qu'ils sont ou ont été administrateurs ou dirigeants de la Société et des montants payés ou engagés par eux dans le cadre leur règlement.

ARTICLE 19. Commissaire(s) - réviseur(s) d'entreprises agréé(s) ou cabinet de révision agréé

19.1 Commissaire

Les opérations de la Société sont contrôlées par un ou plusieurs commissaires. Le ou les commissaires est/sont nommé(s) pour une période ne dépassant pas six (6) ans et il/ils est/sont rééligible(s).

Le ou les commissaires est/sont nommé(s) par l'Assemblée Générale qui détermine leur nombre, leur rémunération et la durée de leur mandat. Le ou les commissaire(s) en fonction peut/peuvent être révoqué(s) à tout moment, ad nutum, par l'Assemblée Générale.

19.2 Réviseur d'entreprises agréé ou cabinet de révision agréé

Toutefois, aucun commissaire ne sera nommé si, au lieu de nommer un ou plusieurs commissaires, l'Assemblée Générale désigne un ou plusieurs réviseurs d'entreprises agréés ou cabinets de révision agréés afin de procéder à l'audit des comptes annuels de la Société conformément à la loi luxembourgeoise applicable. Le ou les réviseur(s) d'entreprises agréé(s) ou cabinet(s) de révision agréé(s) est/sont nommé(s) par l'Assemblée Générale conformément aux dispositions du contrat de prestation de services conclus entre ces derniers et la Société. Le ou les réviseur(s) d'entreprises agréé(s) ou cabinet(s) de révision agréé(s) ne peuvent être révoqués par l'Assemblée Générale que pour motifs graves.

ARTICLE 20. Exercice social

L'exercice social commence le 1er janvier de chaque année et se termine le 31 décembre de chaque année.

ARTICLE 21. Comptes annuels

21.1 Responsabilité du Conseil d'Administration

Le Conseil d'Administration dresse les comptes annuels de la Société qui seront soumis à l'approbation de l'Assemblée Générale lors de l'assemblée générale annuelle.

21.2 Soumission des comptes annuels au(x) commissaire(s) aux comptes

Au plus tard un (1) mois avant l'assemblée générale annuelle, le Conseil d'Administration soumet les comptes annuels ainsi que le rapport du Conseil d'Administration (le cas échéant) et tous autres documents afférents prescrits par la loi à l'examen du ou des commissaire(s) aux comptes de la Société ou du ou des réviseur(s) d'entreprises agréé(s), le cas échéant, qui rédige(nt) un rapport sur cette base.

21.3 Consultation des documents au siège social

Les comptes annuels, le rapport du Conseil d'Administration (le cas échéant), le rapport du/des commissaire(s) aux comptes ou du/des réviseur(s) d'entreprises agréé(s)/cabinet(s) de révision agréé(s), selon le cas, ainsi que tous les autres documents requis par la loi sont déposés au siège social de la Société au moins huit (8) jours avant l'assemblée générale annuelle. Ces documents y sont mis à la disposition des actionnaires qui peuvent les consulter durant les heures de bureau ordinaires.

ARTICLE 22. Affectation des résultats

22.1 Affectation à la réserve légale

Il est prélevé sur le bénéfice net annuel de la Société (le cas échéant) cinq pour cent (5%) qui sont affectés à la réserve légale. Ce prélèvement cessera d'être obligatoire lorsque la réserve légale aura atteint dix pour cent (10%) du capital social de la Société, et il deviendra à nouveau obligatoire si la réserve légale descend en dessous du seuil de dix pour cent (10%) du capital social de la Société.

22.2 Affectation des résultats par l'Assemblée Générale lors de l'assemblée générale annuelle

Lors de l'assemblée générale annuelle, l'Assemblée Générale décide de l'affectation des résultats annuels, ainsi que la distribution de dividendes, le cas échéant, conformément à l'Article 22.1 et aux règles applicables aux distributions prévues dans le présent Article 22.

22.3 Règles de distribution

Lorsque l'Assemblée Générale décide de distributions au profit des actionnaires, au moyen de distributions de dividendes, de rachats d'actions ou de toute autre manière, prélevées sur les bénéfices et les réserves distribuables disponibles à cet effet, y compris la prime d'émission et le « capital surplus », ces distributions sont effectuées sur toutes les actions au pro rata.

22.4 Dividendes intérimaires

Conformément à l'article 461-3 de la Loi de 1915, des dividendes intérimaires peuvent être distribués à tout moment, par le Conseil d'Administration, dans le respect des conditions cumulatives suivantes :

(i) un état comptable est établi par le Conseil d'Administration (l'**État Comptable Intérimaire**) (l'État Comptable Intérimaire doit faire l'objet d'un examen par un commissaire ou un réviseur d'entreprises agréé, selon le cas) ;

(ii) cet État Comptable Intérimaire montre qu'il y a suffisamment de bénéfices et d'autres réserves (y compris, et sans restriction, la prime d'émission et le « capital surplus ») disponibles pour distribution, étant entendu que le montant à distribuer ne peut excéder les bénéfices réalisés depuis la fin du dernier exercice social pour lequel les comptes annuels ont été approuvés, le cas échéant, augmenté des bénéfices reportés et des réserves distribuables, et diminué des pertes reportées et du montant à allouer à la réserve légale ;

(iii) la décision de distribuer des dividendes intérimaires est prise par le Conseil d'Administration dans les deux (2) mois de la date de l'État Comptable Intérimaire ;

(iv) les droits des créanciers de la Société ne sont pas menacés, compte-tenu des actifs de la Société.

Si les dividendes intérimaires versés excèdent le montant des bénéfices distribuables à la fin de l'exercice, l'excès en question, tel que reconnu par l'assemblée générale annuelle, doit, sauf décision contraire du Conseil d'Administration lors de la déclaration de dividendes, être considéré comme étant un acompte sur les dividendes futurs.

22.5 Paiement des dividendes

Les dividendes peuvent être payés en euros ou en toute autre devise choisie par le Conseil d'Administration et doivent être payés aux lieux et dates déterminés par le Conseil d'Administration, dans les limites de toute décision prise à ce sujet par l'Assemblée Générale (le cas échéant).

Les dividendes peuvent être payés en nature au moyen d'actifs de toute nature, et ces actifs doivent être évalués par le Conseil d'Administration selon les méthodes d'évaluation déterminées à sa seule discrétion.

ARTICLE 23. Dissolution et liquidation

23.1 Principes applicables à la dissolution et la liquidation

La Société peut être dissoute, à tout moment, par une décision de l'Assemblée Générale statuant comme en matière de modification des Statuts, tel que stipulé à l'Article 11. En cas de dissolution de la Société, il sera procédé à la liquidation par les soins d'un ou de plusieurs liquidateurs (qui peuvent être des personnes physiques ou morales), et qui seront nommés par délibération de l'Assemblée Générale décidant de cette liquidation. L'Assemblée Générale déterminera également les pouvoirs et la rémunération du ou des liquidateurs.

23.2 Distribution du boni de liquidation

Lors de la liquidation de la Société, les avoirs excédentaires de la Société disponibles pour être distribués aux actionnaires le seront pour toutes les actions au pro rata, au moyen de paiement d'acomptes ou après le remboursement (ou la consignation des sommes nécessaires, le cas échéant) des dettes de la Société.

ARTICLE 24. Clause de juridiction fédérale

À moins que la Société ne consente par écrit à la sélection d'une autre juridiction, et sans préjudice de toute juridiction qui serait appropriée ou obligatoire selon les lois applicables pour entendre toute autre réclamation, les tribunaux fédéraux d'arrondissement (fédéral district courts) des États-Unis d'Amérique auront la compétence exclusive pour la résolution de toute plainte faisant valoir une cause d'action découlant du US Securities Act of 1933, telle que modifiée. Toute personne ou entité achetant ou acquérant de toute autre manière un intérêt dans un titre de la Société est réputée avoir pris connaissance du présent Article 24 et y avoir consenti. Nonobstant ce qui précède, les dispositions du présent Article 24 ne s'appliquent pas aux actions intentées pour faire valoir une responsabilité ou une obligation créée par l'US Securities Exchange Acte de 1934, tel que modifié, ou toute autre demande pour laquelle les tribunaux fédéraux des États-Unis ont une compétence exclusive. Si une ou plusieurs dispositions du présent Article 24 sont considérées comme nulles, illégales ou inapplicables, appliquées à toute circonstance pour quelque raison que ce soit, (a) la validité, la légalité et l'applicabilité de ces dispositions dans toute autre circonstance et des autres dispositions du présent Article 24 (y compris, sans limitation, chaque partie de tout paragraphe du présent Article 24 contenant une telle disposition jugée invalide, illégale ou inapplicable qui n'est pas elle-même jugée invalide, illégale ou inapplicable) ne sera en aucune façon affectée ou entravée par celle-ci et (b) l'application de cette disposition à d'autres personnes ou entités et circonstances ne sera en aucune façon affectée ou entravée par celle-ci.

ARTICLE 25. Droit applicable

Toutes les questions qui ne sont pas régies expressément par les Statuts seront déterminées conformément au droit luxembourgeois.

POUR STATUTS COORDONNÉS.
Maître Henri HELLINCKX,
Notaire à Luxembourg.
Luxembourg, le 31 mars 2022.

En cas de divergence entre le texte anglais et le texte français, **le texte anglais** fera foi.

Exhibit 2.1

DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

As of December 31, 2021, NeoGames S.A. had one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"): our ordinary shares, no par value. References herein to "we," "us," "our" and the "Company" refer to NeoGames S.A. and not to any of its subsidiaries. The following description may not contain all of the information that is important to you, and we therefore refer you to our amended and restated articles of association, a copy of which is filed with the Securities and Exchange Commission ("SEC") as an exhibit to the Annual Report on Form 20-F.

Share Capital

The Company was organized under the laws of the Grand Duchy of Luxembourg as a private limited liability company (*société à responsabilité limitée*) incorporated on April 10, 2014 and converted into a public limited liability company (*société anonyme*) under the laws of Luxembourg on 10 November 2020 (as described below) and pursuant to the resolutions taken at the extraordinary general shareholders' meeting of the Company held on 10 November 2020 (the **November 2020 EGM**).

Immediately prior to the November 2020 EGM, the Company was a private limited liability company (*société à responsabilité limitée*) with a share capital in the amount of EUR 18,100.3584 represented by 181,003,584 shares without par value.

During the November 2020 EGM, the shareholders approved *inter alia* (i) the conversion from the currency of the share capital of the Company from EUR to USD, resulting in a share capital amounting to $21,485.13 represented by 181,003,584 shares without par value, (ii) the increase of the share capital of the Company (by way of incorporation of reserves) by an amount of $17,459.85 representing 102,705 new shares, to an amount of $38,944.98 represented by 181,106,289 shares, (iii) the conversion of the existing 181,106,289 shares into 21,996,230 shares, without par value and (iv) the conversion of the Company from a private limited liability company (*société à responsabilité limitée*) to a public limited liability company (*société anonyme*).

The shareholders further approved at the November 2020 EGM an initial authorized share capital of up to $194,724.90 represented by a number of shares, without par value, to be determined in the board of directors' discretion (but with a par accounting value at least equivalent to the par accounting value of the existing shares from time to time).

Pursuant to resolutions of the board of directors of the Company dated November 11, 2020 and resolutions of the pricing committee dated November 18, 2020 and November 22, 2020 the share capital of the Company was increased by an aggregate amount of $5,289.68, representing 2,987,625 new shares, to an amount of $44,234.66, represented by 24,983,855 shares, without par value, as acknowledged in a notarial deed of confirmation dated 23 November 2020.

Following the exercise of share options between May 17, 2021 and December 31, 2021 the share capital of the Company was increased by an aggregate amount of $1,029.11, representing 581,240 new shares, to an amount of $45,263.77, represented by 25,565,095 shares, without par value. Such share capital increases were formally documented and confirmed by a mandatory Luxembourg law process that was acknowledged by notarial deeds of confirmation dated July 30, 2021, September 21, 2021 and March 31, 2022 (together, the **Notarial Confirmation Deeds**).

As a result, as of 31 December 2021, the outstanding current authorized capital of the Company amounts to $188,406.11 represented by a number of shares to be freely determined by our board of directors, each without par value (but with a par accounting value at least equivalent to the par accounting value of the existing shares from time to time) (as acknowledged by the Notarial Confirmation Deeds).

All of our outstanding ordinary shares are validly issued, fully paid and non-assessable. Our ordinary shares are not redeemable and have certain preemptive rights that can be waived by our board of directors as further described below under "- *Issuance of Ordinary Shares and Preemptive Right*."

Listing

Our ordinary have been listed on Nasdaq since November 19, 2020, under the symbol "NGMS."

Issuance of Ordinary Shares and Preemptive Right

Pursuant to Luxembourg law, the issuance of ordinary shares requires approval by a quorum of at least one half of the share capital, and a two-thirds majority vote is required for the amendment of our amended and restated articles of association. The shareholders, at any general meeting of shareholders, may approve an authorized share capital and authorize the board of directors to issue ordinary shares, up to the maximum amount of such authorized share capital, for a maximum period of five years after the date that the minutes of the relevant general meeting approving such authorization are published in the Luxembourg official gazette (*Mémorial C, Recueil des*

Sociétés et Associations, or *Recueil électronique des Sociétés et Associations*, as applicable). The shareholders, at any general meeting of shareholders, may amend, renew, or extend such authorized share capital and such authorization to the board of directors to issue ordinary shares.

The board of directors will resolve on the issuance of such ordinary shares out of the authorized share capital (*capital autorisé*) in accordance with the quorum and voting thresholds set forth in our amended and restated articles of association. The board of directors also will resolve on the applicable procedures and timelines to which such issuance will be subjected. If the proposal of the board of directors to issue new ordinary shares exceeds the limits of our authorized share capital, our board of directors must then convene the shareholders to an extraordinary general meeting to be held in the presence of a Luxembourg notary for the purpose of increasing the issued share capital. Such meeting will be subject to the quorum and majority requirements required for amending the articles of association.

Under Luxembourg law, existing shareholders benefit from a preemptive subscription right on the issuance of ordinary shares for cash consideration. However, on November 10, 2020, our shareholders have authorized for a period of 5 years the board of directors to cancel or limit any preemptive subscription rights of shareholders provided by law to the extent that the board of directors deems such cancellation or limitation advisable for any issuance of ordinary shares within the scope and conditions of our authorized share capital. The general meeting of shareholders, convened within the conditions required for an amendment to the articles of association to approve a capital increase or authorized share capital may, by two-thirds majority vote, cancel or limit such preemptive rights (or renew or amend such cancellation or limitation), in each case, for a period not to exceed five years. Such ordinary shares may be issued above, at, or below market value, but in any event not below the accounting par value per ordinary share. The ordinary shares also may be issued by way of incorporation of available reserves (including share premium).

Repurchase of Ordinary Shares

We cannot subscribe for our own ordinary shares. We may, however, repurchase issued ordinary shares or have another person repurchase issued ordinary shares for our account, subject to the following conditions:

- except in the case of ordinary shares acquired either by us or by a person acting in his or her own name but on behalf of us for the distribution thereof to our staff or to the staff of a company with which we are in a control relationship, prior authorization by a simple majority vote must be obtained at an ordinary general meeting of shareholders, which authorization sets forth:
- the terms and conditions of the proposed repurchase and in particular the maximum number of ordinary shares to be repurchased;
- the duration of the period for which the authorization is given (which may not exceed five years); and
- in the case of repurchase for consideration, the minimum and maximum consideration per share;
- only fully paid-up ordinary shares may be repurchased;
- the repurchases may not have the effect of reducing net assets below the amount of the issued share capital plus reserves (which may not be distributed by law or under our amended and restated articles of association);
- the voting and dividend rights attached to the repurchased shares will be suspended as long as the repurchased ordinary shares are held by us; and
- the repurchase offer must be made on the same terms and conditions to all the shareholders who are in the same position, except for repurchases which were unanimously decided by a general meeting at which all the shareholders were present or represented (and except in accordance with Article 430-15, 4° of the Luxembourg Company Law).

The shareholder authorization described above will be valid for a period ending on the earlier of five years from the date of such shareholder authorization and the date of its renewal by a subsequent general meeting of shareholders. Pursuant to such authorization, the board of directors is authorized to acquire and sell our ordinary shares under the conditions set forth in Article 430-15 of the Luxembourg Company Law. Such purchases and sales may be carried out for any authorized purpose or any purpose that is authorized by the laws and regulations in force.

On November 10, 2020, our shareholders authorized the Company for a period of five years to repurchase up to 50% of the aggregate ordinary shares in issues from time to time. The purchase price per ordinary share in such circumstance shall be determined by the board of directors but (i) not less than 50% of the lowest closing price per share and (ii) not more than 50% above the highest closing price per share, in each case as reported by the New York City edition of the Wall Street Journal, or, if not reported therein, any other authoritative sources to be selected by the board of directors, over the ten trading days preceding the date of the purchase (or the date of the commitment to the transaction).

In addition, pursuant to Luxembourg law, we may directly or indirectly repurchase ordinary shares by a resolution of our board of directors without the prior approval of the general meeting of shareholders if such repurchase is deemed by our board of directors to be necessary to prevent serious and imminent harm to us or if the repurchase of ordinary shares has been made with the intent of the distribution thereof to our employees and/or the employees of any entity having a controlling relationship with us (i.e., our subsidiaries or controlling shareholder).

Form and Transfer of Ordinary Shares

Our ordinary shares are issued in registered form only and are freely transferable under Luxembourg law and our amended and restated articles of association. Our board of directors may, however, impose transfer restrictions for ordinary shares that are registered, listed, quoted, dealt in, or that have been placed in certain jurisdictions in compliance with the requirements applicable therein. Luxembourg law does not impose any limitations on the rights of Luxembourg or non-Luxembourg residents to hold or vote our ordinary shares.

Under Luxembourg law, the ownership of registered ordinary shares is prima facie established by the inscription of the name of the shareholder and the number of ordinary shares held by him, her or it in the shareholders' register.

Without prejudice to the conditions for transfer by book entry where ordinary shares are recorded in the shareholders' register on behalf of one or more persons in the name of a depository, each transfer of ordinary shares shall be effected by written declaration of transfer to be recorded in the shareholders' register, with such declaration to be dated and signed by the transferor and the transferee or by their duly appointed agents. We may accept and enter into the shareholders' register any transfer effected pursuant to an agreement or agreements between the transferor and the transferee, true and complete copies of which have been delivered to us.

If our ordinary shares are not listed on a stock exchange in the United States, a shareholders' register will be maintained by us at our registered office in Luxembourg. Transfer of record ownership of ordinary shares is effected by a written deed of transfer acknowledged by us or by our transfer agent and registrar acting as our agent on our behalf.

Beneficiary certificates

No beneficiary certificate (*part bénéficiaire*) has been issued by the Company.

Liquidation Rights and Dissolution

In the event of our dissolution, liquidation or winding-up, any surplus of the assets remaining after allowing for the payment of all of our liabilities will be paid out to the shareholders pro rata according to their respective shareholdings. The decisions to dissolve, liquidate, or wind-up require approval by an extraordinary general meeting of our shareholders.

Merger and De-Merger

A merger by absorption whereby one Luxembourg company, after its dissolution without liquidation, transfers all of its assets and liabilities to another company in exchange for the issuance of ordinary shares in the acquiring company to the shareholders of the company being acquired, or a merger effected by transfer of assets to a newly incorporated company, must, in principle, be approved at an extraordinary general meeting of shareholders of the Luxembourg company, enacted in front of a Luxembourg notary. Similarly, a de-merger of a subsidiary of a Luxembourg company is generally subject to the approval by an extraordinary general meeting of shareholders, enacted in front of a Luxembourg notary.

No Appraisal Rights

Neither Luxembourg law nor our amended and restated articles of association provide for appraisal rights of dissenting shareholders.

General Meeting of Shareholders

Any regularly constituted general meeting of shareholders represents the entire body of our shareholders.

Without prejudice to any exceptional legal regimes applicable from to time in view of the COVID-19 pandemic, a holder of our share capital is entitled to attend our general meeting of shareholders, either in person or by proxy, to address the general meeting of shareholders and to exercise voting rights, subject to the provisions of our amended and restated articles of association. Each ordinary share entitles the holder to one vote at a general meeting of shareholders. No beneficiary certificates have been issued as of the date of this prospectus. Our amended and restated articles of association provide that our board of directors shall adopt all other regulations and rules concerning the attendance to the general meeting, the availability of access cards, and the availability of proxy forms in order to enable shareholders to exercise their right to vote as our board of directors deems fit.

When convening a general meeting of shareholders, we will send a convening notice by registered mail to the registered address of each shareholder at least eight days before the meeting. The convening notices for every general meeting shall contain the agenda and shall take the form of announcements filed with the register of commerce and companies, published on the Luxembourg official gazette (*Recueil Electronique des Sociétés et Associations*), and published in a Luxembourg newspaper at least 15 days before the meeting. No proof is required that this formality has been complied with. The board of directors may impose a record date formality in the convening notice which shall condition the exercise of the voting right.

Our amended and restated articles of association provide that if our ordinary shares are listed on a regulated market, the general meeting also will be convened in accordance with the publicity requirements of such regulated market applicable to us.

A shareholder may participate in general meetings of shareholders by appointing another person as his or her proxy, the appointment of which shall be in writing. Our amended and restated articles of association also provide that, in the case of ordinary shares held through the operator of a securities settlement system or depository, a holder of such ordinary shares wishing to attend a general meeting of shareholders should receive from such operator or depository a certificate in proper form. Our board may determine the formal requirements with which such certificates must comply.

The ordinary general meeting of shareholders must be held within six months from the end of the respective financial year at our registered office or in any other place in Luxembourg as notified to the shareholders.

Luxembourg law provides that the board of directors is obliged to convene a general meeting of shareholders if shareholders representing, in the aggregate, 10% of the issued share capital so request in writing with an indication of the meeting agenda. In such case, the general meeting of shareholders must be held within one month of the request. If the requested general meeting of shareholders is not held within one month, shareholders representing, in the aggregate, 10% of the issued share capital may petition the competent president of the district court in Luxembourg to have a court appointee convene the meeting. Luxembourg law provides that shareholders representing, in the aggregate, 10% of the issued share capital may request that additional items be added to the agenda of a general meeting of shareholders. That request must be made by registered mail sent to our registered office at least five days before the general meeting of shareholders.

Voting Rights

Each ordinary share entitles the holder thereof to one vote.

Neither Luxembourg law nor our articles of association contain any restrictions as to the voting of our ordinary shares by non-Luxembourg residents.

Luxembourg law distinguishes general meetings of shareholders and extraordinary general meetings of shareholders with respect to voting rights, quorum and majorities.

Ordinary General Meeting. At an ordinary general meeting, there is no quorum requirement and resolutions are adopted by a simple majority of validly cast votes. Abstentions are not considered "votes."

Extraordinary General Meeting. Extraordinary resolutions are required for any of the following matters, among others: (i) an increase or decrease of the authorized or issued capital, (ii) a limitation or exclusion of preemptive rights, (iii) approval of a statutory merger or de-merger (scission), (iv) our dissolution and liquidation, and (v) any and all amendments to our articles of association. Pursuant to our amended and restated articles of association, for any resolutions to be considered at an extraordinary general meeting of shareholders, the quorum shall be at least one half (50%) of our issued share capital unless otherwise required by law. If the said quorum is not present, a second meeting may be convened, for which Luxembourg law does not prescribe a quorum. Any extraordinary resolution shall be adopted at a quorate general meeting (save as otherwise provided by mandatory law) by at least a two-thirds majority of the votes validly cast on such resolution. When the resolution of the general meeting of shareholders would change the respective rights attached to the beneficiary certificates (if any in issue), the resolution must, in order to be valid, fulfill the above-mentioned conditions as to attendance and majority with respect to the holders of beneficiary certificates. Abstentions are not considered "votes."

Minority Action Right. Luxembourg law provides for a provision whereby the shareholders and/or future holders of beneficiary certificates holding, in the aggregate, 10% of the securities having a right to vote at the general meeting may act on our behalf to discharge the members of our board of directors for misconduct against our interests or for a violation of the law or our articles of association.

Dividend Rights

All of our ordinary shares rank *pari passu* with respect to the payment of dividends or other distributions unless the right to dividends or other distributions has been suspended in accordance with our articles of association or applicable law. The dividend entitlement lapses upon the expiration of a five-year prescription period as from the date of the dividend distribution. The unclaimed dividends return to our accounts.

Board of Directors

Our board of directors will appoint a chair from among its members. It also may appoint a secretary, who need not be a director and who will be responsible for keeping the minutes of the meetings of our board of directors and of our shareholders. Our board of directors will meet upon call by the chair. A meeting must be convened if any of two directors so require. The chair will preside at all meetings of our board of directors and of our shareholders (if required), except that in the absence of the chair, our board of directors may appoint another director and the general meeting of shareholders may appoint another person as chair pro tempore by vote of the majority present or represented at such meeting.

A quorum of our board of directors shall be at least one half of its members present or represented, and resolutions may be duly adopted by the vote of a simple majority of the members of our board of directors present or represented. No valid decision of our board of directors may be taken if the necessary quorum has not been reached. In case of an equality of votes, the chair or chair pro tempore shall have the right to cast the deciding vote. Our board of directors also may take decisions by means of resolutions in writing signed by all directors. Each director has one vote.

Pursuant to our articles of association, for so long as Barak Matalon, Elyahu Azur, Pinhas Zahavi and Aharon Aran (collectively, the "Founding Shareholders") (i) own in the aggregate at least 40.0% of the issued and outstanding share capital of the Company, a number of directors equal to 50.0% of the total number of directors will be elected from nominees selected by the Founding Shareholders, (ii) own in the aggregate at least 25.0% of the issued and outstanding share capital of the Company, a number of directors equal to 33.0% of the total number of directors will be elected from nominees selected by the Founding Shareholders, and (iii) own in the aggregate at least 15.0% of the issued and outstanding share capital of the Company, one director will be elected from nominees selected by the Founding Shareholders.

Shareholders elect directors and decide their respective terms, and may dismiss one or more directors at any time, with or without cause, by a simple majority of votes cast at a general meeting of shareholders. Under Luxembourg law, directors may be reelected, but the term of their office may not exceed six years. If our board of directors has a vacancy, the remaining directors have the right to fill (pursuant to the affirmative vote of a majority of the remaining directors) such vacancy on a temporary basis until the following general meeting of shareholders. However, the election of any temporary director shall be requested definitively at the next general meeting of shareholders.

Within the limits provided for by law and subject to our articles of association, our board of directors may delegate our daily management and the authority to represent us to one or more persons. In addition, our board of directors may set up an executive committee and entrust the latter with any powers of our board of directors, with the exception of (i) our general strategic direction, and (ii) those acts reserved to our board of directors by Luxembourg law. The Company's board of directors has used such powers to appoint Mordechay (Moti) Malul as general director (*Directeur Général*) in accordance with Luxembourg law.

No director, solely as a result of being a director, shall be prevented from contracting with us, either with regard to such director's tenure in any office, or place of profit, or as vendor, purchaser, or in any other manner whatsoever, nor shall any contract in which any director is in any way interested be liable to be voided merely on account of his or her position as director, nor shall any director who is so interested be liable to account to us or the shareholders for any remuneration, profit or other benefit realized by the contract by reason of the director holding that office or of the fiduciary relationship thereby established.

Any director having a direct or indirect financial interest in a transaction submitted for approval at a meeting of our board of directors shall immediately inform the board of directors of such interest at that meeting and shall cause a record of such a statement to be included in the minutes of the meeting, unless such transaction is made in the ordinary course of business of the Company entered and on arm's length terms. Such director may not take part in these deliberations nor vote on such a transaction. At the next general meeting of shareholders, a special report shall be made on any transactions in which any of the directors may have had an interest that conflicts with our interest.

Our articles of association provide that directors and officers, past and present, are entitled to indemnification from us to the fullest extent permitted by Luxembourg law, against liabilities and all expenses reasonably incurred or paid by him or her in connection with any claim, action, suit, or proceeding in which he or she is involved by virtue of him or her being or having been a director or officer of the Company and against amounts paid or incurred by him or her in the settlement thereof.

There is no mandatory retirement age for directors under Luxembourg law and no minimum shareholding requirement for directors.

Unsuitable Shareholders

Subject to all applicable law and regulation, our articles of association provide for the suspension of certain rights attached to our ordinary shares that are held by unsuitable shareholders and the disposal of any of our ordinary shares owned or controlled by an unsuitable person or its affiliates by transfer to one or more third-party transferees. If such unsuitable person fails to dispose of our ordinary shares within the required period of time, we may in good faith dispose (or procure the disposal) of such ordinary shares to a designated third party at the highest price reasonably attainable or, subject to applicable law and regulation and our articles of association, acquire such ordinary shares by way of a redemption.

Amendment of Articles of Association

Shareholder Approval Requirements. Luxembourg law requires an extraordinary general meeting of shareholders to resolve upon an amendment of the articles of association to be made by extraordinary resolution.

The agenda of the extraordinary general meeting of shareholders must indicate the proposed amendments to the articles of association. An extraordinary general meeting of shareholders convened for the purposes of amending the articles of association must have a quorum of at least 50% of our issued share capital. If the said quorum is not present, a second meeting may be convened at which Luxembourg law does not prescribe a quorum. Irrespective of whether the proposed amendments will be subject to a vote at any duly convened extraordinary general meeting of shareholders, the amendment is subject to the approval of at least two-thirds of the votes cast at such extraordinary general meeting of shareholders. When the resolution of the general meeting of shareholders is to change the respective rights attached to the beneficiary certificates, the resolution must, in order to be valid, fulfill the above-mentioned conditions as to attendance and majority with respect to the holders of beneficiary certificates.

Formalities. Any resolutions to amend our articles of association must be taken before a Luxembourg notary, and such amendments must be published in accordance with Luxembourg law.

Exclusive Forum

Our amended and restated articles of association provide that, unless we consent in writing to the selection of an alternative forum, the U.S. federal district courts shall be the sole and exclusive forum for any claim asserting a cause of action arising under the Securities Act. Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. This choice of forum provision may limit a shareholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees and may increase the costs associated with such lawsuits, which may discourage such lawsuits against us and our directors, officers and employees. Alternatively, if a court were to find these provisions of our amended and restated articles of association inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business and financial condition. Any person or entity purchasing or otherwise acquiring any interest in our share capital shall be deemed to have notice of and to have consented to the choice of forum provisions of our amended and restated articles of association described above. This provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the U.S. federal courts have exclusive jurisdiction.

Differences in Corporate Law

We are incorporated under the laws of Luxembourg. The following discussion summarizes certain material differences between the rights of holders of our ordinary shares and the rights of holders of the ordinary shares of a typical corporation incorporated under the laws of the State of Delaware, which result from differences in governing documents and the laws of Luxembourg and Delaware.

Luxembourg:	Delaware:
Board of Directors	
Pursuant to Luxembourg law, our board of directors must be composed of at least three directors. They are appointed by the general meeting of shareholders (by proposal of the board of directors, the shareholders or a spontaneous candidacy) by a simple majority of the votes cast. Directors may be reelected, but the term of their office may not exceed six years. Pursuant to our amended and restated articles of association, directors are elected by a simple majority vote at a general meeting. Abstentions are not considered "votes." Our amended and restated articles of association provide, that in case of a vacancy, the remaining members of the board of directors may elect a director to fill the vacancy until the following general meeting. Each director has one vote. Our amended and restated articles of association provide that the board of directors may set up committees and determine their composition, powers, and rules.	A typical certificate of incorporation and bylaws would provide that the number of directors on the board of directors will be fixed from time to time by a vote of the majority of the authorized directors. Under Delaware law, a board of directors can be divided into classes, and cumulative voting in the election of directors is only permitted if expressly authorized in a corporation's certificate of incorporation.
Interested Shareholders	
Under Luxembourg law, no restriction exists as to the transactions that a shareholder may conclude with us. The transaction must, however, be in our corporate interest and be made on arm's length terms.	Section 203 of the Delaware General Corporation Law (the "DGCL") generally prohibits a Delaware corporation from engaging in specified corporate transactions (such as mergers, stock and asset sales, and loans) with an "interested shareholder" for three years following the time that the shareholder becomes an interested shareholder. Subject to specified exceptions, an "interested shareholder" is a person or group that owns 15% or more of the corporation's outstanding voting stock (including any rights to acquire stock pursuant to an option, warrant, agreement, arrangement or understanding, or upon the exercise of conversion or exchange rights, and stock with respect to which the person has voting rights only), or is an affiliate or associate of the corporation and was the owner of 15% or more of the voting stock at any time within the previous three years. A Delaware corporation may elect to "opt out" of, and not be governed by, Section 203 of the DGCL through a provision in either its original certificate of incorporation, or an amendment to its original certificate or bylaws that was approved by majority shareholder vote. With a limited exception, this amendment would not become effective until 12 months following its adoption.

Luxembourg:	Delaware:
Amendment of Governing Documents	
Under Luxembourg law, amendments to our articles of association require an extraordinary general meeting of shareholders held in front of a public notary at which at least one half of the share capital is represented. The notice of the extraordinary general meeting shall set out the proposed amendments to the articles of association.	Under the DGCL, amendments to a corporation's certificate of incorporation require the approval of shareholders holding a majority of the outstanding shares entitled to vote on the amendment. If a class vote on the amendment is required by the DGCL or the certificate of incorporation, a majority of the outstanding stock of the class is required, unless a greater proportion is specified in the certificate of incorporation or by other provisions of the DGCL. Under the DGCL, the board of directors may amend bylaws if so authorized in the charter. The shareholders of a Delaware corporation also have the power to amend bylaws.
If the aforementioned quorum is not reached, a second meeting may be convened by means of a notice published in the Luxembourg official electronic gazette (*Mémorial C*, *Recueil des Sociétés et Associations*, or *Recueil Electronique des Sociétés et Associations*, as applicable) and in a Luxembourg newspaper 15 days before the meeting. The second meeting shall be validly constituted regardless of the proportion of the share capital represented.	
At both meetings, resolutions will be adopted if approved by at least two-thirds of the votes cast (unless otherwise required by Luxembourg law or the articles of association). Where classes of shares exist and the resolution to be adopted by the general meeting of shareholders changes the respective rights attaching to such shares, the resolution will be adopted only if the conditions as to quorum and majority set out above are fulfilled with respect to each class of shares. This also applies with respect to the beneficiary certificates. An increase of the commitments of its shareholders require, however, the unanimous consent of the shareholders (and bondholders, if any).	
Our articles of association provide that for any extraordinary resolutions to be considered at a general meeting, the quorum shall be at least one-half of our issued share capital. If the said quorum is not present, a second meeting may be convened at which Luxembourg law does not prescribe a quorum. Any extraordinary resolution shall be adopted at a quorate general meeting (save as otherwise provided by mandatory law) by a two-thirds majority of the votes validly cast on such resolution. Abstentions are not considered "votes."	
In very limited circumstances, the board of directors may be authorized by the shareholders to amend the articles of association, albeit always within the limits set forth by the shareholders at a duly convened shareholders' meeting. This is the case in the context of our authorized share capital within which the board of directors is authorized to issue further ordinary shares or in the context of a share capital reduction and cancellation of ordinary shares. The board of directors is then authorized to appear in front of a notary public to record the capital increase or decrease and to amend the share capital set forth in the articles of association. The above also applies in case of the transfer of our registered office outside the current municipality.	

Luxembourg:	Delaware:
Meetings of Shareholders	
Pursuant to Luxembourg law, at least one general meeting of shareholders must be held each year within six months as from the close of the financial year. The purpose of such ordinary general meeting is to approve the annual accounts, allocate the results, proceed to statutory appointments, and grant discharge to the directors. The ordinary general meeting must be held within six months of the end of each financial year.	Typical bylaws provide that annual meetings of shareholders are to be held on a date and at a time fixed by the board of directors. Under the DGCL, a special meeting of shareholders may be called by the board of directors or by any other person authorized to do so in the certificate of incorporation or the bylaws.
Other meetings of shareholders may be convened.	
Pursuant to Luxembourg law, the board of directors is obliged to convene a general meeting so that it is held within a period of one month of the receipt of a written request of shareholders representing one-tenth of the issued capital. Such request must be in writing and indicate the agenda of the meeting.	Under the DGCL, a corporation's certificate of incorporation or bylaws can specify the number of shares that constitute the quorum required to conduct business at a meeting, provided that in no event shall a quorum consist of less than one-third of the shares entitled to vote at a meeting.
Quorum Requirements:	
Luxembourg law distinguishes ordinary resolutions and extraordinary resolutions.	
Extraordinary resolutions relate to proposed amendments to the articles of association and certain other limited matters. All other resolutions are ordinary resolutions.	
Ordinary Resolutions: Pursuant to Luxembourg law, there is no requirement of a quorum for any ordinary resolutions to be considered at a general meeting, and such ordinary resolutions shall be adopted by a simple majority of votes validly cast on such resolution. Abstentions are not considered "votes."	
Extraordinary Resolutions: Extraordinary resolutions are required for any of the following matters, among others: (i) an increase or decrease of the authorized or issued capital, (ii) a limitation or exclusion of preemptive rights, (iii) approval of a statutory merger or de-merger (scission), (iv) dissolution, and (v) an amendment of the articles of association.	
Pursuant to Luxembourg law for any extraordinary resolutions to be considered at a general meeting, the quorum shall generally be at least one half (50%) of the issued share capital. If the said quorum is not present, a second meeting may be convened at which Luxembourg law does not prescribe a quorum. Any extraordinary resolution shall be adopted at a quorate general meeting (save as otherwise provided by mandatory law) by a two-thirds majority of the votes validly cast on such resolution. Abstentions are not considered "votes."	

Luxembourg:	Delaware:
Shareholder Approval of Business Combinations	
Under Luxembourg law and our amended and restated articles of association, the board of directors has the broadest power to take any action necessary or useful to achieve the corporate objective. The board of directors' powers are limited only by law and our amended and restated articles of association. Any type of transaction that would require an amendment to the articles of association, such as a merger, de-merger, consolidation, dissolution, or voluntary liquidation, requires an extraordinary resolution of a general meeting of shareholders. Transactions such as a sale, lease, or exchange of substantial company assets require only the approval of the board of directors. Neither Luxembourg law nor our amended and restated articles of association contain any provision specifically requiring the board of directors to obtain shareholder approval of the sale, lease, or exchange of substantial assets of ours.	Generally, under the DGCL, completion of a merger, consolidation, or the sale, lease, or exchange of substantially all of a corporation's assets or dissolution requires approval by the board of directors and by a majority (unless the certificate of incorporation requires a higher percentage) of outstanding stock of the corporation entitled to vote. The DGCL also requires a special vote of shareholders in connection with a business combination with an "interested shareholder" as defined in section 203 of the DGCL. See "- *Interested Shareholders*" above.
Shareholder Action Without a Meeting	
A shareholder meeting must always be called if the matter to be considered requires a shareholder resolution under Luxembourg law or our amended and restated articles of association. Without prejudice to any exceptional legal regimes applicable from time to time in view of the COVID-19 pandemic, pursuant to Luxembourg law, shareholders of a public limited liability company may not take actions by written consent. All shareholder actions must be approved at an actual meeting of shareholders held before a notary public or under private seal, depending on the nature of the matter. Shareholders may vote by proxy.	Under the DGCL, unless otherwise provided in a corporation's certificate of incorporation, any action that may be taken at a meeting of shareholders may be taken without a meeting, without prior notice, and without a vote if the holders of outstanding stock, having not less than the minimum number of votes that would be necessary to authorize such action, consent in writing. It is not uncommon for a corporation's certificate of incorporation to prohibit such action.
Distributions	
Under Luxembourg law, the amount and payment of dividends or other distributions is determined by a simple majority vote at a general meeting of shareholders based on the recommendation of our board of directors, except in certain limited circumstances. Pursuant to our amended and restated articles of association, our board of directors has the power to pay interim dividends or make other distributions in accordance with applicable Luxembourg law. Distributions (in the form of either dividends, share premium reimbursements or capital surplus reimbursements) may be lawfully declared and paid if our net profits and/or distributable reserves are sufficient under Luxembourg law.	The DGCL permits a corporation to declare and pay dividends out of statutory surplus or, if there is no surplus, out of net profits for the fiscal year in which the dividend is declared and/or for the preceding fiscal year as long as the amount of capital of the corporation following the declaration and payment of the dividend is not less than the aggregate amount of the capital represented by the issued and outstanding stock of all classes having a preference upon the distribution of assets.

Luxembourg:	Delaware:
Under Luxembourg law, the amount of a distribution paid to shareholders (including in the form of dividends or share premium reimbursements) may not exceed the amount of the profits at the end of the last financial year plus any profits carried forward and any amounts drawn from reserves that are available for that purpose, less any losses carried forward and sums to be placed in reserve in accordance with Luxembourg law or our amended and restated articles of association. Furthermore, no distributions (including in the form of dividends or share premium reimbursements) may be made if net assets were, at the end of the last financial year (or would become, following such a distribution), less than the amount of the subscribed share capital plus the non-distributable reserves. Distributions in the form of dividends may only be made out of net profits and profits carried forward, whereas distributions in the form of share premium reimbursements may only be made out of available share premium and distributions in the form of capital surplus reimbursements may only be made out of capital surplus. Under Luxembourg law, at least 5% of our net profits per year must be allocated to the creation of a legal reserve until such reserve has reached an amount equal to 10% of our issued share capital. The allocation to the legal reserve becomes compulsory again when the legal reserve no longer represents 10% of our issued share capital. The legal reserve is not available for distribution.	
Repurchases and Redemptions	
Pursuant to Luxembourg law, we (or any party acting on our behalf) may repurchase our own shares and hold them in treasury, provided that: • the shareholders at a general meeting have previously authorized our board of directors to acquire our ordinary shares. The general meeting shall determine the terms and conditions of the proposed repurchase and in particular the maximum number of ordinary shares to be acquired, the period for which the authorization is given (which may not exceed five years), and, in the case of repurchase for consideration, the maximum and minimum consideration, provided that the prior authorization shall not apply in the case of ordinary shares acquired by either us or by a person acting in its own name but on our behalf for the distribution thereof to our staff or to the staff of a company with which we are in a control relationship;	Under the DGCL, any corporation may purchase or redeem its own shares, except that generally it may not purchase or redeem these shares if the capital of the corporation is impaired at the time or would become impaired as a result of the redemption. A corporation may, however, purchase or redeem out of capital shares that are entitled upon any distribution of its assets to a preference over another class or series of its shares if the shares are to be retired and the capital reduced.

- the acquisitions, including ordinary shares previously acquired by us and held by us and shares acquired by a person acting in his or her own name but on our behalf, may not have the effect of reducing the net assets below the amount of the issued share capital plus the reserves (which may not be distributed by law or under the articles of association);

- the ordinary shares repurchased are fully paid-up; and

- the acquisition offer must be made on the same terms and conditions to all the shareholders who are in the same position, except for acquisitions which were unanimously decided by a general meeting at which all the shareholders were present or represented (and except for acquisitions made on Nasdaq).

No prior authorization by shareholders is required (i) if the acquisition is made to prevent serious and imminent harm to us, provided that the board of directors informs the next general meeting of the reasons for and the purpose of the acquisitions made, the number and nominal values or the accounting value of the ordinary shares acquired, the proportion of the subscribed capital which they represent, and the consideration paid for them, and (ii) in the case of ordinary shares acquired by either us or by a person acting on our behalf with a view to redistributing the ordinary shares to our staff or its controlled subsidiaries, provided that the distribution of such shares is made within 12 months from their acquisition.

Luxembourg law provides for further situations in which the above conditions do not apply, including the acquisition of shares pursuant to a decision to reduce our capital or the acquisition of shares issued as redeemable shares. Such acquisitions may not have the effect of reducing net assets below the aggregate of subscribed capital and reserves (which may not be distributed by law and are subject to specific provisions on reductions in capital and redeemable shares under Luxembourg law).

Any shares acquired in contravention of the above provisions must be resold within a period of one year after the acquisition or be cancelled at the expiration of the one-year period.

As long as shares are held in treasury, the voting rights attached thereto are suspended. Further, to the extent the treasury shares are reflected as assets on our balance sheet a non-distributable reserve of the same amount must be reflected as a liability. Our amended and restated articles of association provide that shares may be acquired in accordance with the law.

On November 10, 2020, our shareholders authorized the Company for a period of five years to repurchase up to 50% of the aggregate Ordinary Shares in issues from time to time. The purchase price per Ordinary Share in such circumstance shall be determined by the board of directors but (i) not less than 50% of the lowest closing price per share and (ii) not more than 50% above the highest closing price per share, in each case as reported by the New York City edition of the Wall Street Journal, or, if not reported therein, any other authoritative sources to be selected by the board of directors, over the ten trading days preceding the date of the purchase (or the date of the commitment to the transaction).

Luxembourg:	Delaware:
Transactions with Officers or Directors	
There are no rules under Luxembourg law preventing a director from entering into contracts or transactions with us to the extent the contract or the transaction is in our corporate interest. Luxembourg law prohibits a director from participating in deliberations and voting on a transaction if (i) such director has a direct or indirect financial interest therein, and (ii) the interests of such director or conflict with our interests. The relevant director must disclose his or her personal financial interest to the members of the board of directors and abstain from voting. The transaction and the director's interest therein shall be reported to the next succeeding general meeting of shareholders. Our amended and restated articles of association may require that certain transactions between a director and us be submitted for approval by our board of directors and/or shareholders. Our amended and restated articles of association provide that no director, solely as a result of being a director, shall have any duty to refrain from any decision or action to enforce its rights under any agreement or contract with us. A director who has an interest in a transaction carried out other than in the ordinary course of business that conflicts with our interests must advise the board of directors accordingly and have the statement recorded in the minutes of the meeting. The director concerned may not take part in the deliberations concerning that transaction. A special report on the relevant transaction is submitted to the shareholders at the next general meeting of shareholders, before any vote on the matter.	Under the DGCL, some contracts or transactions in which one or more of a corporation's directors has an interest are not void or voidable because of such interest, provided that some conditions, such as obtaining the required approval and fulfilling the requirements of good faith and full disclosure, are met. Under the DGCL, either (i) the shareholders or the board of directors must approve in good faith any such contract or transaction after full disclosure of the material facts, or (ii) the contract or transaction must have been "fair" as to the corporation at the time it was approved. If the board of directors' approval is sought, the contract or transaction must be approved in good faith by a majority of disinterested directors after full disclosure of material facts, even though less than a majority of a quorum.

Luxembourg:	Delaware:
Fiduciary Duties of Directors	
The board of directors must act as a collegial body in the corporate interest of a company and has the power to take any action necessary or useful to realize the corporate objects of a company, with the exception of the powers reserved by Luxembourg law or by the articles of association to the general meeting of shareholders. Luxembourg law imposes a duty on directors of a Luxembourg company to: (i) act in good faith with a view to the best interests of the company; and (ii) exercise the care, diligence, and skill that a reasonably prudent person would exercise in a similar position and under comparable circumstances. The standard of care required from directors in the execution of their mandate vis-à-vis the company is the standard that an ordinary prudent or reasonable person would apply to his or her own affairs. The standard of care is more onerous where a director has special skills or where such director receives remuneration for his or her office. In addition, Luxembourg law imposes specific duties on directors and officers of a company to comply with Luxembourg law and the articles of association of a company.	Under the DGCL, except as otherwise provided in a company's certificate of incorporation, the board of directors of a Delaware company bears the ultimate responsibility for managing the business and affairs of a corporation. In discharging this function, directors of a Delaware company owe fiduciary duties of care and loyalty to a company and its shareholders. Delaware courts have decided that the directors of a Delaware company are required to exercise an informed business judgment in the performance of their duties. An informed business judgment means that the directors have informed themselves of all material information reasonably available to them. Delaware courts have also subjected directors' actions to enhanced scrutiny in certain situations, including if directors take certain actions intended to prevent a threatened change in control of a company or in connection with transactions involving a conflicted controlling shareholder. In addition, under Delaware law, when the board of directors of a Delaware corporation determines to sell or break-up a corporation, the board of directors may, in certain circumstances, have a duty to obtain the highest value reasonably available to the shareholders at that time.
Dissenters' Rights	
Neither Luxembourg law nor our amended and restated articles of association provide for appraisal rights.	Under the DGCL, a shareholder of a corporation participating in some types of major corporate transactions may, under varying circumstances, be entitled to appraisal rights pursuant to which the shareholder may receive cash in the amount of the fair market value of his or her shares in lieu of the consideration he or she would otherwise receive in the transaction.
Shareholder Suits	
Under Luxembourg law, the board of directors has sole authority to decide whether to initiate legal action to enforce a company's rights (other than, in certain circumstances, an action against board members). Shareholders do not have the authority to initiate legal action on a company's behalf. Shareholders and/or future holders of beneficiary certificates holding at least 10.0% of the securities of a company having a right to vote at the general meeting may bring an action against the directors on behalf of the company. This provision of Luxembourg law does not apply to claims under the U.S. federal securities laws.	Under Delaware law, a shareholder may bring a derivative action on a company's behalf to enforce the rights of a company. An individual also may commence a class action lawsuit on behalf of himself or herself and other similarly situated shareholders if the requirements for maintaining a class action lawsuit under Delaware law are met. An individual may institute and maintain a class action lawsuit only if such person was a shareholder at the time of the transaction that is the subject of the lawsuit or his or her shares thereafter devolved upon him or her by operation of law. In addition, the plaintiff must generally be a shareholder through the duration of the lawsuit.

Luxembourg:	Delaware:
Luxembourg law does not provide for class action lawsuits.	Delaware law requires that a derivative plaintiff make a demand on the directors of the corporation to assert the corporate claim before the lawsuit may be prosecuted, unless such demand would be futile.
Cumulative Voting	
Not applicable.	Under the DGCL, a corporation may adopt in its bylaws that its directors shall be elected by cumulative voting. When directors are elected by cumulative voting, a shareholder has a number of votes equal to the number of shares held by such shareholder times the number of directors nominated for election. The shareholder may cast all of such votes for one director or among the directors in any proportion.
Anti-Takeover Measures	
Pursuant to Luxembourg law, it is possible to create an authorized share capital from which the board of directors is authorized by the shareholders to issue further ordinary shares and, under certain conditions, to limit, restrict, or waive preferential subscription rights of existing shareholders. The rights attached to the shares issued within the authorized share capital will be equal to those attached to existing shares and set forth in our amended and restated articles of association. The authority of the board of directors to issue additional ordinary shares is valid for a period of up to five years starting from the date of the publication of the minutes of the extraordinary general meeting resolving upon such authorization in the Luxembourg official gazette (*Mémorial C*, *Recueil des Sociétés et Associations*, or *Recueil Electronique des Sociétés et Associations*, as applicable), unless renewed by vote of the holders of at least two-thirds of the votes cast at a shareholders meeting. Our amended and restated articles of association authorize our board of directors to issue ordinary shares within the limits of the authorized share capital at such times and on such terms as our board of directors or its delegates may decide for a period ending five years after November 10, 2020 (unless such period is extended, amended or renewed). Accordingly, our board of directors will be authorized to issue ordinary shares up to the limits of authorized share capital until such date. We currently intend to seek renewals and/or extensions as required from time to time.	Under the DGCL, the certificate of incorporation of a corporation may give the board of directors the right to issue new classes of preferred shares with voting, conversion, dividend distribution, and other rights to be determined by the board of directors at the time of issuance, which could prevent a takeover attempt and thereby preclude shareholders from realizing a potential premium over the market value of their shares. In addition, Delaware law does not prohibit a corporation from adopting a shareholder rights plan, or "poison pill," which could prevent a takeover attempt and also preclude shareholders from realizing a potential premium over the market value of their shares.

Exhibit 4.11

[***] ***Certain schedules have been redacted pursuant to Instructions as to Exhibits to Form 20-F. The Registrant hereby agrees to furnish an unredacted copy of the exhibit to the Commission upon request.***

STRICTLY PRIVATE & CONFIDENTIAL

To:

NeoGames S.A. (the "**Parent**")
63-65, rue de Merl
L-2146 Luxembourg
Grand Duchy of Luxembourg
R.C.S. Luxembourg B186309

For the attention of Mr. Raviv Adler

NeoGames Connect S.à r.l. (the "**Borrower**")
63-65, rue de Merl
L-2146 Luxembourg
Grand Duchy of Luxembourg
R.C.S. Luxembourg B262811

For the attention of Mr. Raviv Adler

17 January 2022

Dear all,

Project Connect – Commitment Letter

We are pleased to set out in this letter the terms and conditions on which Blackstone Alternative Credit Advisors LP (together with its Affiliates (as defined below) and funds and accounts managed, advised or sub-advised by it or its Affiliates, "**BXC**", the "**Commitment Parties**", "**we**" or "**us**") is willing to provide the Senior Financing (as described below) to, among other things, partially fund the purchase price for the proposed takeover offer under the Offer Regulations (as defined below) to all holders of the issued shares in the entity previously identified to us by you as "Almond Global plc" (the "**Target**" and together with its subsidiaries, the "**Target Group**") made by the Parent as a voluntary offer pursuant to the terms of the Acquisition Documents (as defined below) for the entire share capital of the Target (the "**Offer**").

The Borrower is directly 100% owned by the Parent.

Our commitment is provided on the basis of, and is subject to, the terms and conditions set out in this letter and in the term sheet attached to this letter as Exhibit A (including all annexes thereto) (the "**Term Sheet**") and the Closing Letter (as defined below) (this letter, the Term Sheet and the Closing Letter, as such documents may be amended, amended and restated, supplemented, modified or replaced from time to time in accordance with the amendment provisions contained within the relevant document, together being the "**Commitment Documents**").

Words and expressions defined in the Term Sheet have the same meanings when used in this letter unless otherwise provided or the context otherwise requires and references to:

"**Acquisition**" means the acquisition (beneficial or otherwise) by the Parent of up to 100 per cent. of the Target Shares and warrants to subscribe for Target Shares to be consummated by way of:

(a) the Offer;

(b) any purchases in the open market;

(c) (if applicable) a Squeeze Out Procedure; and/or

(d) a private sale, contribution or transfer.

"**Acquisition Documents**" means the Press Release, the Offer Documents and any documents entered into in connection with a Squeeze Out Procedure.

"**Closing Date**" means the earlier of the Interim Facility Closing Date and the Senior Facility Closing Date.

"**Closing Letter**" means the letter dated on or around the date of this letter between you and the relevant Commitment Parties.

"**Countersignature Date**" means the date of counter-signature of this letter by the Parent and the Borrower.

"**Exclusivity Period**" means the period from the Countersignature Date through and until the earlier of:

(a) the utilisation by the Borrower of the Senior Facility in a minimum aggregate amount of EUR 187,700,000 on the Senior Facility Closing Date to finance the Acquisition or, if the Interim Facility has been funded, to prepay, repay or refinance in full the principal and interest outstanding under the Interim Facility;

(b) the date on which this letter is terminated pursuant to paragraph 14(b) below; and

(c) the latest to occur of:

(i) the date falling eight (8) Months after (and excluding) the date of this letter; and

(ii) the date of termination of the Offer (or, if later, the date of termination of any successor, alternative or similar agreement or understanding or offer, solicitation or bid, public or private, to acquire the shares in the Target by the Parent or any member of the Group, directly or indirectly).

"**Initial Settlement Date**" means the date on which the first payment is made to the shareholders of the Target as required by the Offer.

"**Interim Facility Closing Date**" means the first date on which both:

(a) the Initial Settlement Date has occurred; and

(b) an initial drawdown occurs under Interim Facility 1 (as defined below).

"**Offer Document**" means:

(a) the Press Release;

(b) the offer document (*Sw. Erbjudandehandling*) in respect of the Offer, reflecting the Press Release and registered with the Swedish Financial Supervisory Authority; and

(c) any additional press release, revised offer document or supplemental offer document in connection with the Parent's offer to acquire the Target Shares.

"**Offer Regulations**" means the Swedish Corporate Governance Board's Takeover Rules for certain trading platforms (as amended) and statements and rulings by the Swedish Securities Council (*Sw. Aktiemarknadsnämnden*).

"**Offer Withdrawal Date**" means the date on which the Offer (as extended or revised from time to time) irrevocably lapses or terminates, or is permanently withdrawn by the Parent.

"**Press Release**" means the press announcement released by the Parent announcing the Offer, in accordance with the Offer Regulations.

"**Senior Facility Closing Date**" means the first date on which both:

(a) the Initial Settlement Date has occurred; and

(b) an initial drawdown occurs under the Senior Facility (as defined below).

"**Squeeze Out Procedure**" means the squeeze-out procedure set out in the Target Constitutional Documents pursuant to which a person who has, directly or indirectly, acquired not less than ninety percent (90%) of the Target Shares carrying voting rights (on a non-diluted and on a fully diluted basis) following an Offer or otherwise, has the right to require the remaining shareholders of the Target to transfer their respective Target Shares to such person.

"**Target Constitutional Documents**" means the articles of association of the Target, as amended from time to time.

"**Target Shares**" means the issued shares of the Target.

1. Senior Financing and Commitment

(a) The financing for:

(i) where the Interim Facility (as defined below) has not been utilised in accordance with the terms of the Interim Facility Agreement (as defined below), the Acquisition, the refinancing of certain financial indebtedness of the Group (as defined in the Term Sheet) and of the Target Group and, with respect to the Overfund Facility only, the general corporate purposes and working capital requirements of the Group; or

(ii) if the Interim Facility (as defined below) has been utilised in accordance with the terms of the Interim Facility Agreement (as defined below), the refinancing of all principal and interest outstanding under the Interim Facility Agreement and, to the extent that Interim Facility 2 (as defined below) has not been utilised in full thereunder, with respect to the Overfund Facility only, the general corporate purposes and working capital requirements of the Group,

in each case, together with all related costs and expenses, consisting of a senior term facility in an aggregate principal amount of up to EUR 200,800,000 (the "**Senior Facility**") and as further set out in the terms in the Term Sheet ("**Senior Financing**") and documented by way of an agreement reflecting the terms of the Senior Financing (the "**Senior Facilities Agreement**", and together with the Acquisition, the "**Transaction**").

(b) For the purposes of ensuring that the financing for the Transaction is available on a certain funds basis during the Certain Funds Period (as defined in the Interim Facility Agreement), BXC has executed and delivered to you an interim facility agreement in the form set out in Exhibit D to this letter (the "**Interim Facility Agreement**") pursuant to which BXC has agreed to provide a EUR 187,700,000 interim term loan facility (the "**Interim Facility 1**") and a EUR 13,100,000 interim term loan facility (the "**Interim Facility 2**" and, together with Interim Facility 1, the "**Interim Facility**").

(c) It is acknowledged by the Commitment Parties that the Borrower is also seeking a committed revolving credit facility for the Group (the "**Revolving Facility**"), which may be provided by one or more institutions to be selected by the Borrower, on a super-senior basis as described in the Term Sheet. No Commitment Party consent shall be required to implement the Revolving Facility (provided that to the extent any prospective lender(s) of the Revolving Facility request any amendments to the Facilities Documentation (as defined below) with respect to the rights of such lenders under the Revolving Facility, the Commitment Parties shall, acting reasonably and in good faith, negotiate (with a view to agreeing) such amendments as reasonably requested by the Parent or the Borrower) and, subject to the foregoing, the Commitment Parties shall take any steps reasonably required to facilitate the implementation of the Revolving Facility commitments, provided that any such modifications do not materially and adversely affect the interests of the Commitment Parties (taken as a whole)) before or after the date of the Senior Facilities Agreement.

(d) The obligations under the Interim Facility Agreement shall be separately enforceable in accordance with its terms. The provisions of this letter will also remain in full force and effect notwithstanding the entry into the Interim Facility Agreement and the advance of funds thereunder, unless this letter has been terminated in accordance with its terms. It is however acknowledged and agreed by the parties to this letter that (i) the commitment to provide the Interim Facility is not duplicative of the commitment to provide the Senior Financing and (ii) if the Interim Facility is made available to the Borrower pursuant to the Interim Facility Agreement, the principal and interest outstanding under the Interim Facility will, on or before the Final Repayment Date (as defined in the Interim Facility Agreement), be prepaid, repaid or refinanced in full, in each case, by the Senior Financing and the loan or loans made under the Senior Facilities Agreement. For the avoidance of doubt, the Interim Facility may only be drawn under the Interim Facility Agreement if no loan or advance has been made or, following satisfaction (or waiver) of the conditions to the Senior Facilities Agreement, has been requested to be made under the Senior Facilities Agreement and the amounts available under the Interim Facility Agreement shall be automatically cancelled if the Interim Facility has not been drawn at the date of irrevocable satisfaction (or waiver) of all conditions precedent and other requirements to initial funding of the Senior Facility under the Senior Facilities Agreement.

2. Appointment

On acceptance of the offer set out in this letter and subject to the terms and conditions of this letter, the Borrower irrevocably appoints BXC as original lender to the Borrower with respect to 100% of the Senior Facility and BXC irrevocably agrees to lend to the Borrower 100% of the Senior Facility.

3. Exclusivity

(a) The Parent and the Borrower agree that no other titles will be awarded and no compensation (other than that expressly contemplated by this letter, the Interim Facility Agreement or any fee letter or closing letter) will be paid in connection with any debt financing (or a similar financing (including quasi-equity) which would have the same or substantially similar economic effect to a debt financing) in connection with the Acquisition or the Transaction (other than any agency roles or as expressly contemplated by this letter) unless the Parent, the Borrower and the Commitment Parties shall so agree.

(b) The Parent and the Borrower agree that they are granting the Commitment Parties the exclusive right (without modifying the terms and conditions of the Commitment Parties' commitment as set out in this letter) during the Exclusivity Period to negotiate, agree and conclude the debt financing in connection with the Acquisition with you.

(c) The Commitment Parties agree that, during the Exclusivity Period, the Commitment Parties are granting the Parent and the Borrower the exclusive right to negotiate, agree and conclude the financing in connection with this Acquisition with the Commitment Parties.

(d) Each of the Parent and the Borrower further acknowledges and agrees that in the event that there is a consummation of the Acquisition or any substantially similar transaction as the Acquisition during the Exclusivity Period is consummated by the Parent or the Borrower or, at the instruction or direction of any of the Parent or the Borrower or any of their controlled Affiliates, then the Borrower shall utilise (i) the Interim Facility in a minimum aggregate amount of EUR 187,700,000 provided that the principal and interest outstanding under the Interim Facility shall then be prepaid, repaid or refinanced, in each case, in full by the Senior Facility or (ii) the Senior Facility in a minimum aggregate amount of EUR 187,700,000, in each case, on the first date of such consummation. The Parent and the Borrower acknowledge that, in entering into this letter, the Commitment Parties have relied on the Parent and the Borrower's agreements in this paragraph 3.

(e) Without limiting the generality of the foregoing, and except as expressly permitted by paragraph (g) below, the Parent and the Borrower further agree that during the Exclusivity Period the Parent and the Borrower (i) shall not, and shall ensure that each of their controlled Affiliates, agents, representatives, officers and employees, in each case, acting on any of their directions or instructions, do not, directly or indirectly, solicit or participate in any negotiations or discussions with or provide or afford access to information to any person (other than the Commitment Parties, their controlled Affiliates, and each of their respective representatives and advisors) (each such person, a "**Third Party**") with respect to, or otherwise effect, facilitate, encourage or accept any offers for, review any proposals from or enter into any documentation in connection with, any debt financing (or a similar financing (including quasi-equity) which would have the same or substantially similar economic effect to a debt financing), all or any part of the Acquisition or any substantially similar transaction or any other debt financing (or a similar financing (including quasi-equity) which would have the same or substantially similar economic effect to a debt financing) in connection with all or any part of the Acquisition or any direct or indirect acquisition of all or part of the equity interests in or business or assets of, or refinancing of all or any part of the indebtedness of, any member of the Target Group (each, a "**Third Party Transaction**"); and (ii) shall terminate (as of the Countersignature Date) or have terminated prior to the date hereof any agreement or arrangement relating to any Third Party Transaction to which the Parent and/or the Borrower are parties, as well as any activities and discussions related to the foregoing as may be continuing on the date hereof with any Third Party.

(f) Each Commitment Party further agrees that during the Exclusivity Period it (i) shall not, and shall ensure that each of its Affiliates, agents, representatives, officers and employees, in each case, acting on its direction or instruction, do not, directly or indirectly, solicit or participate in any negotiations or discussions with or provide or afford access to information to any person (other than the Parent and the Borrower and each of their controlled Affiliates and respective representatives and advisors) (each such person, a "**Third Party Bidder**") with respect to, or otherwise effect, facilitate, encourage or propose or enter into any documentation in connection with, any debt financing (or a similar financing (including quasi-equity) which would have the same or substantially similar economic effect to a debt financing), all or any part of a voluntary or mandatory offer or any proposal to acquire the Target (or any refinancing of the indebtedness of the Target) or any substantially similar transaction or any other debt financing (or a similar financing (including quasi-equity) which would have the same or substantially similar economic effect to a debt financing) in connection with all or any part of a voluntary or mandatory offer or any proposal to acquire the Target (or any refinancing of the indebtedness of the Target) or any direct or indirect acquisition of all or part of the equity interests in or business or assets of, or refinancing of all or any part of the indebtedness of, any member of the Target Group (each, a "**Third Party Bid**"); and (ii) shall terminate (as of the Countersignature Date) or have terminated prior to the date hereof any agreement or arrangement relating to any Third Party Bid to which it is a party, as well as any activities and discussions related to the foregoing as may be continuing on the date hereof with any Third Party Bidder.

(g) Notwithstanding the foregoing, the Commitment Parties, the Parent and the Borrower hereby agree and acknowledge that (i) the Parent, the Borrower and/or any member of the Group are also considering entering into the Revolving Facility, which would be in addition to the Senior Facility and (if applicable) the Interim Facility and, except in respect of the Overfund Facility (as defined in the Term Sheet) and (if applicable) Interim Facility 2, not in lieu thereof, and (ii) the provisions of this paragraph 3 are not intended to apply to the Revolving Facility, the syndication of any equity interests (direct or indirect) in the Parent or any of its Affiliates in connection with the equity financing of the Acquisition or any documentation entered into or to be entered into in relation thereto or prohibit or restrict negotiations in respect thereof or apply to any negotiations or discussions in connection with the Acquisition or the Offer or any negotiations or discussions with the relevant agents in respect of the refinancing of the existing indebtedness of the Target Group as contemplated in the Term Sheet.

4. Conditions

(a) It is acknowledged and agreed that it is the intention of the parties to this letter that the financing for the Transaction shall take place pursuant to the Senior Facilities Agreement and not under the Interim Facility Agreement, and the parties agree to negotiate in good faith to agree and execute the Senior Facilities Agreement in accordance with paragraph (i) below. The commitment of the Commitment Parties to provide the Senior Facility on the terms and subject to the conditions set out in this letter and the Commitment Documents, is subject only to:

(i) the execution of the Senior Facilities Agreement and all related documents relating to the Senior Facility with it being understood that the Senior Facilities Agreement and the intercreditor agreement in connection with the Senior Financing will be based substantially on the precedent documents as agreed between us prior to the date of this commitment letter, as updated for the commercial terms of the transaction as contemplated in the Term Sheet as well as amended for any material inconsistences with the Term Sheet and as further amended as necessary to reflect (A) the legal structure, capital structure and jurisdictions of the Acquisition, the Group, the Target Group and the provisions of the Commitment Documents, (B) the Base Case Model, (C) the operational and strategic requirements of the Group, (including the operational and strategic requirements of the Group and the Target Group) in light of their industries, businesses, geographic locations, business practices, financial accounting and proposed business plan and (D) changes in law (the "**Facility Documentation**")[1];

(ii) if the Interim Facility has been utilised in accordance with the terms of the Interim Facility Agreement, the repayment of all amounts owing under the Interim Facility Agreement with the proceeds of the Senior Facility; and

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1 For the avoidance of doubt, all references to Norwegian and English companies in the agreed precedent documents shall be updated to reflect the group structure (and jurisdictions of incorporation) of members of the Group and the Target Group.

(iii) satisfaction or waiver of the conditions precedent to funding specified in the Senior Facilities Agreement (taking into account the Certain Funds provisions contained in the Interim Facility Agreement and, with respect to the Senior Facility, the Term Sheet).

(b) The commitment of the Commitment Parties (or Affiliates thereof party thereto) to provide the Interim Facility on the terms and the conditions set out in the Interim Facility Agreement is subject only to satisfaction of the conditions precedent to funding specified in the Interim Facility Agreement.

(c) The obligations of each Commitment Party under the Commitment Documents and the Interim Facility Agreement are several. No Commitment Party is responsible for the obligations of any other Commitment Party.

5. Fees, Costs and Expenses

(a) All reasonable fees, costs and expenses of the Commitment Parties shall be paid in accordance with the provisions of the Commitment Documents and the Interim Facility Agreement, as applicable.

(b) Subject to paragraph (c) below, no fees (including, for the avoidance of doubt, original issue discount), costs or expenses will be payable unless the Closing Date occurs.

(c) The Parent and the Borrower agree to pay, or cause to be paid, the reasonable legal costs, expenses and disbursements of external counsel to the Commitment Parties (which are subject to an agreed cap and an agreed abort fee arrangement), in connection with the drafting, reviewing and negotiation of the Commitment Documents, the Interim Facility Agreement and the Facility Documentation. Such costs and expenses shall be payable:

(i) if the Closing Date does not occur, in relation to any work performed up to and including the date which is the earlier of (A) the termination of this letter; and (B) the expiry of the initial offer period as set out in the Offer Document, thirty (30) days from such date provided that such thirty (30) day period shall only commence from the date on which an invoice in respect of such costs and expenses has been provided to the Parent or the Borrower (or their legal advisor); or

(ii) provided that the Closing Date occurs, in relation to any other work performed up to the Closing Date (but excluding any work performed after the Closing Date), thirty (30) days from the Closing Date provided that such thirty (30) day period shall only commence from the date on which an invoice in respect of such costs and expenses has been provided to the Parent or the Borrower (or their legal advisor).

(d) The Commitment Parties may allocate, in whole or part, to any of their Affiliates, any fees payable to it in such manner as it may in its sole discretion see fit.

6. Payments

(a) All payments to be made under the Commitment Documents and Interim Facility Agreement (as applicable) shall be non-refundable and:

(i) shall be paid without any set-off or counterclaim in the currency of invoice and in immediately available, freely transferable cleared funds to such account(s) with such bank(s) as the Commitment Parties notify to the Borrower with at least five (5) Business Days' prior written notice;

(ii) shall be paid without any deduction or withholding for or on account of tax (a "**Tax Deduction**") unless a Tax Deduction is required by law; and

(iii) are exclusive of any value added tax or similar charge ("**VAT**").

(b) If a Tax Deduction is required by law to be made, the amount of the payment due shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

(c) If VAT is chargeable, the Borrower shall also and at the same time pay to the recipient of the relevant payment an amount equal to the amount of the VAT.

7. Information

(a) The Parent and the Borrower represent and warrant to the Commitment Parties that, to their knowledge (provided that the accuracy of such representation and warranty shall not be a condition to the commitments hereunder or the funding of the Senior Facility or the Interim Facility):

(i) any material written factual information (taken as a whole including, any material written factual information (taken as a whole) provided to the Commitment Parties in connection with the Acquisition by, or on behalf of it, or any other member of the Group (the "**Information**")) is accurate and complete in all material respects on the date the Information is dated (where applicable) and/or as at the date (if any) at which the Information therein is provided and/or stated to be given;

(ii) nothing has occurred or been omitted and no information has been given or withheld that results in the Information (taken as a whole) being untrue or misleading in any material respect in light of the circumstances under which such statements were or are made; and

(iii) any financial projections contained in the Information and any opinions expressed (if any) by the Parent and/or the Borrower or, as the case may be, on behalf of the Parent and/or the Borrower in such financial projections, have been prepared in good faith on the basis of recent historical information and on the basis of reasonable assumptions (it being understood that such projections may be subject to significant uncertainties and contingencies, many of which are beyond the Parent's or the Borrower's control, and that no assurance can be given that the projections will be realised).

(b) The representations and warranties set out in paragraph (a) above are deemed to be made by the Parent and the Borrower by reference to the facts and circumstances then existing (i) on the date of this letter and (ii) on the date on which the relevant Information is provided (but only in respect of such Information).

(c) The Parent and/or the Borrower shall immediately notify the Commitment Parties in writing upon it becoming aware that any representation or warranty set out in this paragraph 7 is incorrect in any material respect and agree to supplement the information promptly from time to time to ensure that such representation and warranty is correct when made.

(d) The Parent and the Borrower acknowledge that the Commitment Parties will be relying on the Information without carrying out any independent verification and will not assume responsibility for the accuracy or completeness of the Information.

(e) The representations and warranties set out in paragraph (a) above will be superseded by those in the Facility Documentation.

(f) Notwithstanding anything to the contrary contained in this letter (including in relation to the provision of the Information), the Commitment Parties acknowledge that, in relation to the period prior to the Closing Date, the scope, form and content of information that can be provided pursuant to this letter will be subject to the requirements of any applicable legal or regulatory restrictions (including any applicable laws or regulations on market abuse). For the avoidance of doubt and notwithstanding any other provision of this letter, the Parent and the Borrower will not be required to provide any information the disclosure of which is prohibited or restricted under, or would contravene any, applicable law, rule or regulation (including any applicable legal or regulatory restrictions (including any applicable laws or regulations on market abuse)), court order, regulatory guidance or any obligation of confidentiality (not created in contemplation of this letter), is legally privileged or would violate or waive any attorney-client or other privilege, in each case in respect of the Parent, the Borrower, the Group or the Target Group or in each case such party's respective affiliates and the Parent and the Borrower shall only be required to provide information which is publicly available and in a form customarily delivered in connection with financings for acquisitions of a Nasdaq First North Premier Growth Market in Stockholm listed public company. In addition, there shall be no obligation for the Parent, the Borrower or any other member of the Group to procure any access to, information from or cooperation of any member of, or in relation to, the Target Group or any of their respective directors, officers, managers, employees or agents.

8. Indemnity

(a) The Parent and the Borrower agree to indemnify and hold harmless the Commitment Parties as set forth in Exhibit B hereto, the terms of which are incorporated herein in their entirety.

(b) The Contracts (Rights of Third Parties) Act 1999 shall apply to this paragraph 8 so that each Indemnified Party may rely on it, subject always to the terms of paragraphs 9(b) (*Third Party Rights*) and 22 (*Governing Law and Jurisdiction*).

(c) The Commitment Parties shall not have any duty or obligation, whether as fiduciary for any Indemnified Party or otherwise, to recover any payment made or required to be made under paragraph (a).

(d) The Parent and the Borrower also hereby agree for the benefit of each Commitment Party that:

(i) the Parent and the Borrower are each acting for their own account and have made their own independent decisions to enter into the Transaction and as to whether the Transaction is appropriate or proper for them based upon their own judgement and upon advice from such advisers as they have deemed necessary;

(ii) the Parent and the Borrower are not relying on any communication (written or oral) from any or all of the Commitment Parties (in such capacity) as investment advice or as a recommendation to enter into the Transaction, it being understood that information and explanations related to the terms and conditions of the Transaction shall not be considered investment advice or a recommendation to enter into the Transaction;

(iii) no communication (written or oral) received from any or all of the Commitment Parties (in such capacity) shall be deemed to be an assurance or guarantee as to the expected results of the Transaction;

(iv) the Parent and the Borrower are capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understand and accept, the terms, conditions and risks of the Transaction;

(v) the Parent and the Borrower are capable of assuming, and assume, the risks of the Transaction;

(vi) each Commitment Party is not acting as a fiduciary for the Parent or the Borrower, any member of the Group or any other party in connection with the Transaction; and

(vii) each Commitment Party is not an advisor as to legal, tax, accounting, actuarial or regulatory matters in any jurisdiction. Each of the Parent and the Borrower shall consult their own advisors concerning such matters and will be responsible for making their own independent investigation and appraisal of the Transaction contemplated hereby and the Commitment Parties shall not have any responsibility or liability to any of the Parent and the Borrower or any member of the Group in respect thereto.

9. Third Party Rights

(a) Except as otherwise expressly provided in the Commitment Documents, the terms of the Commitment Documents may be enforced only by a party to such Commitment Documents and the operation of the Contracts (Rights of Third Parties) Act 1999 is excluded.

(b) Notwithstanding any term of the Commitment Documents, no consent of a third party is required for any termination or amendment of the relevant Commitment Documents.

10. Confidentiality

(a) Each of the parties to this letter acknowledge that the Commitment Documents, the Interim Facility Agreement and all Confidential Information (as defined below) are confidential and no party to this letter shall (and each party shall ensure that none of its controlled Affiliates shall), without the prior written consent of each of the other parties to this letter, disclose the Commitment Documents, the Interim Facility Agreement or their contents or any Confidential Information to any other person, except:

(i) as reasonably requested or required by law or by any applicable governmental or other regulatory authority (including any lottery, wagering or gaming commission or administrator or similar person or any securities authority including, but not limited to, the U.S. Securities and Exchange Commission (the "**SEC**")) or by any applicable stock exchange (including the Nasdaq Stock Exchange, the Swedish Securities Council and Nasdaq First North Premier Growth Market in Stockholm and including, but not limited to, in each case, to the extent required for the purposes of the Offer) or if reasonably requested or required in connection with any legal, administrative or arbitration proceedings provided that (A) other than if publically disclosed, the person to whom the Commitment Documents, Interim Facility Agreement or Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price-sensitive information and (B) the other party to this letter is informed promptly of this requirement, or request (other than in connection with a routine audit or examination by, or a blanket document request from, a regulatory or governmental entity that does not reference the Parent or the Borrower or the Commitment Documents, the Interim Facility Agreement and/or Confidential Information) except that, in each of clauses (A) and (B), there shall be no requirement to so inform if such notification is prohibited by law or, in the opinion of that disclosing party (acting reasonably and in good faith), it is not practicable so to do in the circumstances;

(ii) to its Affiliates and related funds and each of their (or their respective Affiliates' and related funds') respective directors, officers, advisers, employees, investment committee members, accountants, consultants, funding sources, agents and professional advisers and representatives of each of the foregoing and their respective employees (each a "**Representative**" and together "**Representatives**") on a confidential and need-to-know basis for the purposes of the Transaction provided that the Representative to whom the Confidential Information is to be given has been made aware of, and agrees to be bound by, the obligations under this paragraph or is in any event subject to confidentiality obligations as a matter of law or professional practice;

(iii) that each Commitment Party may disclose any Commitment Document, the Interim Facility Agreement or any Confidential Information:

(A) to any bank, financial institution or other person and any of their respective Affiliates with whom it is discussing the transfer, assignment or participation of any commitment or obligation under any of the Commitment Documents or the Interim Facility Agreement (as applicable), provided that (1) if at such time such Commitment Party would be prohibited by the terms of the Commitment Documents or the Interim Facility Agreement (as applicable) from entering into such assignment, transfer or participation with such person without the Parent and/or the Borrower's consent, they must obtain the prior written consent of the Parent and/or the Borrower prior to providing the Confidential Information to such person and (2) the person to whom the Confidential Information is to be given has first entered into a confidentiality undertaking (substantially in the form recommended by the Loan Market Association or as otherwise agreed by the Parent and/or the Borrower and the Commitment Party) except that there shall be no requirement for a confidentiality undertaking if the recipient is a professional adviser and is subject to professional obligations to maintain the confidentiality of the Confidential Information; or

(B) to the actual or prospective investors in the Commitment Party's funds, to the Commitment Party's funding sources and to actual or prospective investors in the Commitment Party's co-invest vehicles (to the extent such vehicles are controlled by the Commitment Parties) who are made aware of the confidential nature of the information and have first entered into a confidentiality undertaking (substantially in the form recommended by the Loan Market Association or as otherwise agreed by the Parent and/or the Borrower and the Commitment Party); or

(C) in protecting and enforcing our rights with respect to this letter,

provided that, in the case of any disclosure under paragraphs (A) or (B) above, such disclosure is only made after the Parent and/or the Borrower has publicly announced their and/or its intention to make the Offer;

(iv) that the Parent and/or the Borrower may make the Commitment Documents and the Interim Facility Agreement (as applicable) available to senior management of any member of the Group, senior management of the Target, to any potential provider of the Revolving Facility, to any potential facility agent and/or security agent in connection with the Senior Facility and/or the Revolving Facility and each of their professional advisers in connection with the Acquisition, the financing thereof and the refinancing of debt in the Target Group, provided that they have been made aware of, and agree to be bound by, the obligations under this paragraph or are in any event subject to confidentiality obligations as a matter of law or professional practice;

(v) that the Parent and/or the Borrower may disclose any Commitment Document and the Interim Facility Agreement (as applicable) or any Confidential Information in protecting and enforcing its rights with respect to this letter;

(vi) to the extent the parties to this letter have consented to such disclosure in writing (which may include through electronic means);

(vii) for the purposes of establishing any defence available under securities or other laws, including, without limitation, as part of any "due diligence" defence; and

(viii) that the Parent (acting on the advice of counsel) may file or furnish the Commitment Documents, the Interim Facility Agreement, the Facility Documentation and, in each case, any information related thereto, with the SEC.

(b) For the purposes of this letter:

(i) "**Confidential Information**" shall mean all information relating to the Borrower, the Parent, the Group, the Target Group, the Commitment Documents, the Interim Facility and/or the Senior Financing which is provided to the Commitment Parties, or the Borrower, the Parent, the Group or any of their respective Affiliates or advisers, as applicable (the "**Receiving Party**") in relation to the Commitment Documents or Senior Financing by or on behalf of the Borrower, the Parent, the Group, or any of their respective Affiliates or advisers, or the Commitment Parties (as applicable) (the "**Providing Party**"), in whatever form, and includes information given orally and any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information but excludes information that:

(A) is or becomes public information other than as a direct or indirect result of any breach by the Receiving Party of a confidentiality agreement to which that Receiving Party is party; or

(B) is identified in writing at the time of delivery as non-confidential by the Providing Party; or

(C) is known by the Receiving Party before the date the information is disclosed to the Receiving Party by or on behalf of the Providing Party or is lawfully obtained by the Receiving Party after that date, from a source which is, as far as the Receiving Party is aware, unconnected with the Group and which, in either case, as far as the Receiving Party is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality; or

(D) is independently developed by the Receiving Party without reliance or reference to the information disclosed by the Providing Party.

For the avoidance of doubt, neither the Borrower, the Parent, the Group, nor any of their respective Affiliates or advisers shall be restricted pursuant to the terms of this letter from disclosing any information (other than Confidential Information received from the Commitment Parties prior to such disclosure) relating to the Borrower, the Parent, the Group and/or the Target Group that is provided by or on behalf of the Borrower, the Parent, the Group, or any of their respective Affiliates or advisers, in each case, in its capacity as a Providing Party pursuant to the terms of this letter.

(ii) "**Affiliates**" of any body corporate are (in each case, directly or indirectly) the holding company of that body corporate, subsidiaries and subsidiary undertakings of that body corporate and/or that holding company and the respective directors, officers, employees and agents of each of them and, in the case of any limited partnership, are any entity (including any other limited partnership) which owns or controls or is owned or controlled by such first limited partnership or is under common ownership or control with such first limited partnership and any other funds or other investment vehicles advised or managed by Affiliates of any of the parties to this letter.

11. Publicity/Announcements

(a) Subject to paragraph (b) below, no public announcement regarding the Acquisition, the Interim Facility or the Senior Financing shall be made by the Commitment Parties without the prior written consent of the Parent and the Borrower.

(b) After the Closing Date, the Commitment Parties may publicise in its marketing materials its role in connection with the Transaction (which may include the reproduction of the Group logo).

12. Conflicts

(a) The provisions of this paragraph 12 are without prejudice to, and subject to, the obligations of the parties under paragraphs 3 (*Exclusivity*) and 10 (*Confidentiality*).

(b) The Parent, the Borrower and the Commitment Parties acknowledge that the Commitment Parties and their Affiliates may act in more than one capacity in relation to the Transaction or one or more of the Target and may provide debt financing, equity capital or other services (including financial advisory services) to other persons with whom the Borrower, the Parent or their Affiliates or the Target or Affiliates thereof may have conflicting interests in respect of the Acquisition, the Senior Financing, or other transactions.

(c) Neither the relationship described in this letter nor the services provided by the Commitment Parties or any of their respective Affiliates to the Parent or the Borrower or any other matter will give rise to any fiduciary, equitable or contractual duties (including, without limitation, any duty of confidence) which could prevent or hinder any Commitment Party or its respective Affiliates providing similar services to other customers, or otherwise acting on behalf of other customers or for their own account. However, the Commitment Parties shall not use any Confidential Information obtained by virtue of the Transaction in connection with providing services to other persons or furnish such information to such other persons. The Commitment Parties shall not be presumed to have so used any Confidential Information solely by reason of the same individuals being engaged in providing such services and in working towards the transaction contemplated by the Commitment Documents. None of the Commitment Parties nor any of their respective Affiliates will be required to account to the Parent or the Borrower for any payment, remuneration, profit or benefit it obtains as a result of acting in the ways referred to above or as a result of entering into any transaction with the Parent or the Borrower or providing services to the Parent or the Borrower.

(d) The Parent and the Borrower acknowledge that neither the Commitment Parties nor any of their respective Affiliates will have any obligation to use any information obtained from another source for the purposes of the Interim Facility or the Senior Financing or to furnish such information to the Borrower, the Parent or their Affiliates.

(e) Each Commitment Party reserves the right to employ the services of certain of its Affiliates (the "**Commitment Party Affiliates**") in providing services incidental to the provision of the Interim Facility or the Senior Financing and to the extent a Commitment Party employs the services of such a Commitment Party Affiliate, that Commitment Party will procure that its Commitment Party Affiliate performs the obligations of the Commitment Party as if such Commitment Party Affiliate was a party to this letter in the relevant capacity. The Parent and the Borrower agree that in connection with the provision of such services, the Commitment Parties and the Commitment Party Affiliates may share with each other any confidential or other information relating to the Borrower, the Parent, the Group companies and their respective subsidiaries and Affiliates subject to the Commitment Party Affiliates agreeing to keep confidential any such information to the extent it is confidential in accordance with the provisions of paragraph 10 (*Confidentiality*).

(f) Neither the Commitment Parties nor any of their respective Affiliates will be required to account to the Parent or the Borrower for any payment, remuneration, profit or benefit it obtains as a result of acting in the ways referred to herein or as a result of entering into any transaction with the Parent or the Borrower or providing services to the Parent or the Borrower.

13. No Assignments

(a) Subject to the other provisions of this paragraph 13, no party may assign any of its rights or transfer any of its rights or obligations under the Commitment Documents without the prior written consent of the other parties (and any attempted assignment or transfer without such consent shall be null and void).

(b) A Commitment Party may delegate any or all of its rights and obligations under the Commitment Documents to any of its Affiliates or related funds, branches or controlled co-investment vehicles (each a "**Delegate**") and may designate any Delegate as responsible for the performance of its appointed functions under the Commitment Documents, provided that:

(i) such Commitment Party shall remain responsible for the performance by each Delegate of any such functions under the Commitment Documents;

(ii) each Delegate shall be deemed to accept and reaffirm the status of all documents, evidence and other conditions to first utilisation of the Senior Facility and the Interim Facility as at the date of such delegation including the status described in any letter confirming the status of conditions precedent to the Interim Facility or Senior Facility (and shall, at the Parent's request, provide written confirmation of the same); and

(iii) no member of the Group shall be required to pay any (or any increased) registration taxes, stamp taxes or other taxes or duties, indemnity claims or other increased costs or be subject to any (or any increased) gross-up obligation as a result of any delegation effected pursuant to this paragraph.

(c) Each Commitment Party agrees that the Borrower shall be entitled to assign its rights or to transfer its rights and obligations under the Commitment Documents to one or more other companies, partnerships or persons (including newly formed companies, partnerships or persons) owned and controlled by the Parent, and incorporated and located in Malta, Luxembourg, or any other jurisdiction approved by the Commitment Parties for the purposes of the Acquisition, in each case, with the prior written consent of BXC (the "**Permitted Transferee**") by executing and delivering to the Commitment Parties an accession deed in the form set out in Exhibit C (the "**Accession Deed**") and, upon execution of such Accession Deed, the Permitted Transferee will assume all of the Borrower's rights and obligations under this letter and the other Commitment Documents provided that (i) at the time of such assignment or transfer each Commitment Party has (each acting reasonably) completed all of its applicable anti-money laundering requirements and know your customer requirements on the relevant Permitted Transferee (the date of such assignment and transfer, being the "**Effective Date**") and (ii) that same entity has been assigned all of the Borrower's rights and has assumed all of the Borrower's obligations (or, if the Borrower has not yet countersigned this letter, has by way of an Accession Deed assumed all rights and obligations that the Borrower would have had if the Borrower had countersigned the Commitment Documents) under each Commitment Document, and such assignment and assumption, and each of the Commitment Documents, is legally effective and enforceable against such Permitted Transferee.

(d) With effect from the Effective Date:

(i) the Permitted Transferee shall perform all of the Borrower's obligations under the Commitment Documents and be bound by the terms of the Commitment Documents as if the Permitted Transferee had been an original party to the Commitment Documents as at the date of this letter and all references in this letter to the countersignature of this letter by the Parent and the Borrower shall include the execution and delivery of an Accession Deed in accordance with this paragraph 13 and, for the avoidance of doubt, if a Permitted Transferee executes an Accession Deed prior to the date that this letter and/or the other Commitments Documents are countersigned by you, the Permitted Transferee shall be deemed to validly accept the offer and the terms of this letter and the other Commitment Documents (including, for the avoidance of doubt, shall be deemed to have executed any fee letter in connection with the Senior Facilities Agreement) by entering into the Accession Deed without prior countersignature or other form of acceptance by you;

(ii) other than with respect to the Borrower's obligations under paragraph 3 (*Exclusivity*) of this letter, the Borrower will be irrevocably and unconditionally released and discharged from all obligations and liabilities and any further performance, liabilities, claims and demands under the Commitment Documents howsoever arising (whether past, present, future or contingent) and the Commitment Parties will accept the liability of the Permitted Transferee in place of the Borrower under the Commitment Documents; and

(iii) all references to the "**Borrower**", "**you**" or "**your**" (as applicable) when referring to the Borrower in the Commitment Documents shall, save as required by context in paragraph (c) and this paragraph (d) of this Clause 13 (*No Assignments*), be construed to refer to the Permitted Transferee.

14. Termination

(a) The commitments and other obligations of the Commitment Parties contained in this letter shall become effective only if the offer of the Commitment Parties is accepted in writing by the Parent and the Borrower in the manner set out in paragraph (c) below, and such commitment and obligations shall otherwise expire and terminate, unless otherwise agreed in writing between the Parent, the Borrower and BXC, on 11:59 p.m., London time, on the earlier of:

(i) the date falling 20 Business Days after (and excluding) the Countersignature Date if the Press Release has not been published by 11:59 p.m., London time on such date;

(ii) the Offer Withdrawal Date; and

(iii) if the Closing Date has not occurred on or before such date, the date falling 8 Months after (and excluding) the date of this letter,

or, if later: (A) only if the Interim Facility Agreement has been funded, the Final Repayment Date (as defined in the Interim Facility Agreement) or (B) such other date agreed with the Commitment Parties (acting reasonably and in good faith). Notwithstanding anything in this letter, in the event that an initial drawdown occurs under the Interim Facility Agreement, the commitments and agreements contained herein shall neither expire nor terminate until 11.59 p.m., London time, on the Final Repayment Date (as defined in the Interim Facility Agreement).

(b) The Parent and the Borrower shall have the right to terminate this letter and the commitments of one or more of the Commitment Parties hereunder immediately upon written notice to such Commitment Party from the Parent or the Borrower if such Commitment Party, at the time such notice is given:

(i) is in breach of any material provision of the Commitment Documents; or

(ii) has not consented to any amendments to the Commitment Documents, the Facility Documentation, the Interim Documents (as defined in the Interim Facility Agreement) or, in each case, any other documents delivered thereunder that, in the Borrower's reasonable opinion are necessary to implement or complete the Acquisition and have arisen as a part of the negotiations in connection with the Acquisition or discussions with any shareholder of the Target (other than a shareholder of any member of the Target Group who is (or whose Affiliates and Related Funds are) also a shareholder of the Parent or any of its subsidiaries), senior management of the Target or any anti-trust or regulatory authorities, lottery commission, administrator or similar person, pensions trustee, insurer, works council or trade union (or any similar or equivalent person to any of the foregoing in any jurisdiction).

(c) If the Parent and the Borrower do not accept the offer made by the Commitment Parties in this letter by signing and scanning counter-signed copies of this letter and the Closing Letter to the Commitment Parties (or their legal counsel) before 11.59 pm (London time) on the date of this letter, such offer shall terminate automatically and immediately at that time without any further action by any person.

15. Survival

The rights and obligations of the parties to this letter under this paragraph and paragraphs 3 (*Exclusivity*), 5 (*Fees, Costs and Expenses*), 6 (*Payments*), 7 (*Information*), 8 (*Indemnity*), 9 (*Third Party Rights*), 10 (*Confidentiality*), 11 (*Publicity/Announcements*), 12 (*Conflicts*), 13 (*No Assignments*), 18 (*Amendments*), 22 (*Governing Law and Jurisdiction*) and 23 (*PATRIOT Act*) inclusive shall survive and continue after any expiry or termination of the obligations of the Commitment Parties (including any of their permitted successors or assigns) under the Commitment Documents provided that:

(i) paragraphs 5 (*Fees, Costs and Expenses*), 7 (*Information*), 8 (*Indemnity*) and, in the case of the Commitment Parties only, 10 (*Confidentiality*) shall terminate on the execution of the Facility Documentation to the extent that substantially equivalent provisions are contained therein (but without prejudice to the accrued rights and obligations at the time of termination);

(ii) to the extent the Facility Documentation is not signed, in the case of the Commitment Parties only, paragraph 10 (*Confidentiality*) shall terminate on the second anniversary of the date of this letter;

(iii) in the case of the Parent and the Borrower only, paragraph 10 (*Confidentiality*) shall terminate on the earlier of the termination of this letter and the date on which the Facility Documentation is executed; and

(iv) paragraph 3 (*Exclusivity*) shall terminate at the end of the Exclusivity Period,

but without prejudice to any accrued rights and remedies of the relevant party at the time of termination.

16. Remedies and Waivers

The failure to exercise or delay in exercising a right or remedy under the Commitment Documents will not constitute a waiver of that right or remedy or a waiver of any other right or remedy and no single or partial exercise of any right or remedy will preclude any further exercise of that right or remedy, or the exercise of any other right or remedy. Except as expressly provided in the Commitment Documents, the rights and remedies contained in the Commitment Documents are cumulative and not exclusive of any rights or remedies provided by law.

17. Partial Invalidity

If, at any time, any provision or part of a provision of the Commitment Documents is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions or parts of a provision nor the legality, validity or enforceability of such provision or parts of a provision under the law of any other jurisdiction will in any way be affected or impaired.

18. Amendments

No waiver, amendment or other modification of this letter shall be effective unless in writing and signed by each party to be bound thereby, and no failure to exercise or delay in exercising any right or remedy under this letter shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise of any right or remedy.

19. Entire Agreement

(a) The Commitment Documents set out the entire agreement between the parties as to the provision of the Senior Financing and supersede any prior oral and/or written understandings or arrangements relating to the Senior Financing.

(b) Any provision of the Commitment Documents may only be amended or waived in writing signed by each of the parties to them.

20. Counterparts

The Commitment Documents may be executed in any number of counterparts and all those counterparts taken together shall be deemed to constitute one and the same Commitment Document. Delivery of an executed counterpart of a signature page to a Commitment Document electronically or by facsimile transmission shall be effective as delivery of an original executed counterpart. Any signature hereto through electronic means (including, without limitation, (a) any electronic symbol or process attached to, or associated with, the Commitment Documents and adopted by a person with the intent to sign, authenticate or accept a Commitment Document and (b) any facsimile, E-pencil or ".pdf" file signature), shall have the same legal validity and enforceability as a manually executed signature to the fullest extent permitted by applicable law.

21. Service of Process

(a) Without prejudice to any other mode of service allowed under any relevant law, the Parent and the Borrower:

(i) irrevocably appoint Law Debenture Corporate Services Limited (or any replacement agent for service of process in England notified to the Commitment Parties from time to time) as their agent for service of process in relation to any proceedings brought in the English courts in connection with the Commitment Documents; and

(ii) agree that failure by an agent for service of process to notify the Parent or the Borrower of the process will not invalidate the proceedings concerned.

(b) If any person appointed as process agent is unable for any reason to act as an agent for service of process, the Parent or the Borrower must promptly (and in any event within ten (10) Business Days of such event taking place) appoint another agent on terms acceptable to the Commitment Parties (acting reasonably).

22. Governing law and Jurisdiction

(a) The Commitment Documents and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English law unless otherwise specified in the Commitment Documents.

(b) Each of the parties to this letter agrees that the courts of England have exclusive jurisdiction to settle any disputes in connection with the Commitment Documents and any non-contractual obligation arising out of or in connection with it and each of the parties to this letter accordingly submits to the jurisdiction of the English courts.

(c) Each of the parties to this letter further agrees:

(i) to waive any objection to the English courts on grounds of inconvenient forum or otherwise as regards proceedings in connection with the Commitment Documents and any non-contractual obligation arising out of or in connection with it;

(ii) that a judgment or order of an English court in connection with the Commitment Documents and any non-contractual obligation arising out of or in connection with it is conclusive and binding on it and may be enforced against it in the courts of any other jurisdiction; and

(iii) that nothing in this paragraph limits the right of the Commitment Parties to bring proceedings against it in connection with the Commitment Documents and any non-contractual obligation arising out of or in connection with it:

(A) in any other court of competent jurisdiction; or

(B) concurrently in more than one jurisdiction.

23. PATRIOT Act

By signing this letter, each of the Commitment Parties hereby notifies the Parent and the Borrower that pursuant to the requirements of the USA PATRIOT Act, Title III of Pub.L. 107-56 (signed into law October 26, 2001) (the "**PATRIOT Act**"), the Commitment Parties may be required to obtain, verify and record information that identifies the Parent, the Borrower or their shareholders and/or any member of the Group which information includes the name, address, tax identification number and other information regarding the Parent, the Borrower and/or any member of the Group that will allow the Commitment Parties to identify the Parent, the Borrower and/or any member of the Group in accordance with the PATRIOT Act. This notice is given in accordance with the requirements of the PATRIOT Act and is effective as to the Commitment Parties and any lenders in respect of the Senior Facility.

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Exhibit A

TERM SHEET

Project Connect

Summary of Terms and Conditions of the
Senior Secured Facilities

17 January 2022

1. PARTIES

PARENT:	NeoGames S.A., a public limited liability company incorporated under the laws of Luxembourg which owns 100% of the shares of the Borrower.
BORROWER:	NeoGames Connect S.à r.l., a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of Luxembourg which owns 100% of the shares of Bidco.
BIDCO:	NeoGames Connect Limited, a private limited company incorporated under the laws of Malta.
TARGET:	The entity previously identified to the Lenders by the Parent as "Almond Global PLC".
INITIAL GUARANTORS:	The Parent, the Borrower and Bidco. The Parent, the Borrower and Bidco will, respectively, provide such guarantees and security as per section *Security and Guarantees*.
ADDITIONAL GUARANTORS:	Subject to the agreed security principles attached hereto as Schedule 2 (the "**Agreed Security Principles**"), (i) the Target and each Material Company from time to time shall accede to the Senior Facilities Agreement as a guarantor and (ii) any other member of the Group if required ((i) and (ii), together with the Initial Guarantors, the "**Guarantors**"), such that the aggregate of earnings before interest and tax (calculated on the same basis as consolidated EBIT of the Group) and gross assets of the Guarantors (in each case calculated on an unconsolidated basis and excluding goodwill, intra-group items and investments in subsidiaries of any member of the Group) shall (subject to the Agreed Security Principles) represent, in aggregate, a minimum of 80% of the consolidated EBIT and gross assets of the Group, shall also accede to the Senior Facilities Agreement as an additional guarantor, to be tested: (a) first, on or prior to the date falling 90 days after the Closing Date (the "**First GCT Testing Date**"), (b) second, on or prior to the date falling 90 days after the Control Date and (c) thereafter, annually within 90 days of the due date for delivery of (and by reference to) the most recent audited, consolidated financial statements of the Group delivered to the Agent in accordance with the Senior Facilities Agreement (the "**Guarantor Coverage Test**"). No guarantees or security shall be granted in favour of the creditors providing the Super Senior Facilities (the "**Super Senior RCF Lenders**") unless such guarantees and security are also provided for the benefit of the Lenders. The Senior Facilities Agreement shall provide that the Guarantor Coverage Test shall be deemed to be satisfied on the First GCT Testing Date provided that, no later than the First GCT Testing Date: (a) each applicable Security Document has been duly executed as described per section *Security and Guarantees – No later than the First GCT Testing Date*; and (b) each of the following entities has acceded as an additional Guarantor: (i) NeoGames Systems Ltd. (Israel); (ii) NeoGames US LLP (USA); and (iii) NeoGames Solutions LLC (USA). For the purpose of calculating compliance with the Guarantor Coverage Test following the First GCT Testing Date: (a) any entity having negative EBIT shall be deemed to have zero EBIT; and (b) any member of the Group: (i) incorporated in the Czech Republic, the Ukraine and any other jurisdiction agreed between the Parent and the Lenders on or prior to the signing date of the Senior Facilities Agreement (each an "**Excluded Jurisdiction**"); or (ii) that is otherwise not required to become a Guarantor as a result of the application of the Agreed Security Principles, shall, in each case, not be taken into account in the denominator for the purposes of determining the Consolidated EBIT or gross assets of the Group. A "**Material Company**" is as per the Precedent Senior Facilities Agreement and shall include, among others, the Parent, Bidco, the Borrower and the Target (but shall exclude any Treasury Company and any member of the Group which is the indirect Holding Company of an Obligor).
GROUP:	The Parent and, once acquired, the Target and each of their respective subsidiaries from time to time (the "**Group**").
LENDERS:	Funds and accounts managed, advised or sub-advised by Blackstone Alternative Credit Advisors LP and/or its affiliates, together with co-investors, and their respective transferees (together, "**BXC**").
AGENT AND SECURITY AGENT:	Agent and Security Agent to be jointly selected by the Borrower and BXC (each acting reasonably).

2. FACILITY

FACILITY TYPE:	Senior secured term loan facility (the "**Facility**"), the terms of which are set out in this Term Sheet and will be agreed pursuant to a Senior Facilities Agreement (the "**Senior Facilities Agreement**").
AMOUNT AND CURRENCY:	Up to an aggregate EUR 200,800,000 (including an overfund facility of EUR 13,100,000 in a separate tranche, the "**Overfund Facility**"), where such commitment is to be drawn in EUR and in the circumstances specified below.
BASE CURRENCY:	EUR.
RANKING:	Guaranteed and secured as per section *Security and Guarantees* such that the Facility will be senior obligations and will rank: (a) *pari passu* in right and priority of payment with the Super Senior Facilities and any secured hedging; and (b) junior to the Super Senior Facilities and any super senior secured hedging with respect to the proceeds of enforcement of the Security Documents. Intercreditor arrangements between the Lenders and the Super Senior RCF Lenders shall be documented in an intercreditor agreement based on the Precedent Intercreditor Agreement (the "**Intercreditor Agreement**"), it being acknowledged by the Lenders that, to the extent any prospective Super Senior RCF Lenders request any amendments to the rights of such Super Senior RCF Lenders as set out in the Precedent Intercreditor Agreement, the Lenders shall negotiate in good faith (with a view to agreeing) any such amendments to the extent that the Borrower determines (in good faith) that such amendments have been reasonably requested by the Super Senior RCF Lenders, and, subject to the foregoing, the Lenders shall take any reasonable steps required to facilitate the implementation of the Super Senior Facilities provided that, taken as a whole after giving effect to any such amendments, the rights of the Super Senior RCF Lenders under the Intercreditor Agreement vis-à-vis the Lenders and other creditors would not materially and adversely affect the interests of the Lenders (taken as a whole) under the Finance Documents.
USE OF PROCEEDS:	As per the Precedent Senior Facilities Agreement provided that: (a) references to "first (A)" and "and thereafter (B)" in paragraph (a)(i) of Clause 3.1 (*Purpose*) of the Precedent Senior Facilities Agreement shall be deleted; (b) the lead-out wording to paragraph (a) of Clause 3.1 (*Purpose*) of the Precedent Senior Facilities Agreement shall be replaced with "in each case, as applied in accordance with the Funds Flow Statement and/or the Structure Memorandum"; and (c) the Overfund Facility shall be utilised for the general corporate and/or working capital purposes of the Group.
AVAILABILITY PERIOD:	The Certain Funds Period except that the Overfund Facility may be utilised up to the Final Repayment Date of the Facility.
FINAL REPAYMENT DATE:	6 years from the Closing Date (being the first date on which both (i) the Initial Settlement Date has occurred and (ii) first utilisation of the Facility occurs).
UTILISATIONS:	The Borrower shall deliver a duly completed utilisation request not later than seven business days (London and Stockholm) prior to the applicable utilisation date (unless otherwise agreed by the Agent (acting on the instructions of the Majority Lenders)).

SECURITY AND GUARANTEES: The Facility will be guaranteed by the Guarantors, subject to the Agreed Security Principles including applicable guarantee limitations.

Security to be given by the Parent, the Borrower, Bidco and each other Guarantor over assets or types of assets identified below subject to the Agreed Security Principles (including applicable financial assistance limitations, and on the principle that none of these assets shall secure or be provided as support for any other debt (other than the Super Senior Facilities (including any increase thereof as contemplated by this Term Sheet) and secured hedging) (the "**Security Documents**"):

- *On or prior to the Closing Date*:

(a) Luxembourg law pledge by the Parent of 100% of the shares issued by the Borrower;

(b) Luxembourg law pledge over any Luxembourg bank account of the Parent (if any);

(c) Luxembourg law pledge over any Luxembourg bank account of the Borrower (if any);

(d) English law security assignment agreement in respect of receivables (if any) arising from any intra-group loans granted to a member of the Group by the Parent, Borrower or Bidco which, individually or in aggregate as between such member of the Group and the Parent, Borrower or Bidco (as applicable), exceed EUR 5,000,000 per intra-group lender; and

(e) Maltese law pledge by the Borrower of 100% of the shares (or equivalent ownership interests) issued by Bidco;

- *No later than the First GCT Testing Date*:

(a) Israeli law pledge by the Parent of 100% of the shares (or equivalent ownership interests) issued by Nectar Systems Ltd;

(b) with respect to Material Intellectual Property (as defined below) (i) a security interest by Nectar Systems Ltd over Material Intellectual Property owned by it and (ii) if applicable, a security interest by any other Obligor over Material Intellectual Property owned by such Obligor;

(c) English law security assignment agreement in respect of receivables (if any) arising from any intra-group loans granted to a member of the Group by Nectar Systems Ltd which, individually or in aggregate as between such member of the Group and Nectar Systems Ltd, exceed EUR 5,000,000;

(d) New York law pledge by the Parent over its applicable US bank account(s);

(e) New York law pledge by Nectar Systems Ltd and Parent of 100% of the shares (or equivalent ownership interests) issued by Nectar US LLP; and

(f) New York law customary all-asset security agreement (subject to the agreed security principles and customary exclusions) by Nectar US LLP and Nectar Solutions LLC, including, without limitation, (i) pledge by Nectar US LLP of 100% of the shares (or equivalent ownership interests) issued by Nectar Solutions LLC which are held by Nectar US LLP, (ii) pledge over / security assignment of any intercompany loan receivables owed to Nectar US LLP or Nectar Solutions LLC by any member of the Group which, individually or in aggregate as between such member of the Group and Nectar US LLP or Nectar Solutions LLC (as applicable), exceed EUR 5,000,000 per intra-group lender and (iii) pledge over the applicable bank account into which income of Neo Games from NeoPollard Interactive LLC is deposited (and to the extent that such bank account is closed and/or relocated, and would not or could not otherwise be subject to continuing security, the company shall undertake to obtain the prior written approval of the Security Agent).

For the avoidance of doubt, no security shall be granted over (and no guarantees shall be required from) NeoPollard Interactive LLC or its assets (which shall instead be subject to the negative pledge requirement described below).

- *Within 90 days after the Control Date (provided that, to the extent that any applicable squeeze out procedure, de-listing, re-registration as a private company and all applicable financial assistance/whitewash process has not been completed within this 90 day period, such security shall be granted as soon as reasonably practicable following the completion thereof and in any event no later than 10 Business Days thereafter) and thereafter (tested in accordance with the Guarantor Coverage Test)*:

(a) Maltese law pledge by Bidco of 100% of the shares (or equivalent ownership interests) issued by the Target;

(b) English law security assignment agreement in respect of receivables (if any) arising from any intra-group loans granted to a member of the Group by another Guarantor which, individually or in aggregate between such parties, exceed EUR 5,000,000 per intra-group lender (provided that no such receivables security will be required to the extent that the intra-group lender is a Guarantor solely by virtue of being a Holding Company of a Material Company);

(c) Share pledge/charge over 100% of the shares (or equivalent ownership interests) issued by any other Guarantor (provided that no share security over the shares of a Guarantor will be required to the extent that that entity is a Guarantor solely by virtue of being a Holding Company of a Material Company)[1];

(d) with respect to Material Intellectual Property (as defined below) (i) a security interest by AG Software Ltd. and the Target over Material Intellectual Property owned by such entities (as applicable) and (ii) if applicable, a security interest by any other acceding Obligor over Material Intellectual Property owned by such acceding Obligor; and

(e) a floating charge (or equivalent "all-asset") security over all or substantially all the assets of each Material Company incorporated in England and Wales, the United States of America or certain other jurisdictions to be

agreed (subject to the Agreed Security Principles and customary exclusions).

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1 For the avoidance of doubt, a Holding Company of a Material Company (an "**Additional Holding Company**") whose direct subsidiary is a Guarantor and/or a Material Company solely by virtue of being a direct Holding Company of an Obligor shall not be required to accede as a Guarantor.

MATERIAL INTELLECTUAL PROPERTY:	The Senior Facilities Agreement shall provide that Material Intellectual Property owned by any Obligor shall not be transferred, assigned or otherwise disposed of to any person other than an Obligor, provided such Obligor grants equivalent security over such Material Intellectual Property on such transfer, assignment or disposal, in each case, except for non-exclusive licenses thereof. "**Material Intellectual Property**" shall mean any intellectual property owned or exclusively licensed (as licensee) or, to the extent the loss of such license would reasonably be expected to have a Material Adverse Effect, non-exclusively licensed (as licensee), by the Obligors that is material to the operation of the business activities and operations of the Parent and/or its subsidiaries and joint ventures (including each Closing Date JV), taken as a whole. No security interest over any Material Intellectual Property shall be required to be granted (or perfected) with respect to any Excluded Jurisdiction or any other jurisdiction or territory in which an Obligor is not incorporated.
REPAYMENT:	Single bullet repayment in full on the Final Repayment Date.
CERTAIN FUNDS PERIOD:	From (and including) the date of the Senior Facilities Agreement to (and including) 11.59 p.m. (London time) on the earlier of: (a) the Closing Date; (b) the Offer Withdrawal Date; and (c) if the Closing Date has not occurred on or before such date, the date falling eight (8) Months after (and excluding) the date of the Commitment Letter, or, in each case, such later time and date as agreed by the Majority Lenders (acting reasonably and in good faith) (such period, the "**Certain Funds Period**"), each Lender will not be entitled to refuse to fund its participation in the Facility, cancel any commitment in relation thereto or exercise any right of rescission (or any similar right or remedy) which it may have in relation thereto unless: (a) the initial conditions precedent (per the section *Initial Conditions Precedent*) have not been satisfied (or waived); (b) a Change of Control has occurred; (c) any Major Default is continuing or would result from the proposed Certain Funds Utilisation; or (d) it would be unlawful in any applicable jurisdiction for that Lender to lend or participate in that Certain Funds Utilisation. "**Major Default**" shall have the meaning given to that term in the Precedent Senior Facilities Agreement provided that the reference to "Clause 25.9 (*Unlawfulness and invalidity*)" and "Clause 25.13 (*Expropriation*)" in paragraph (e) thereof shall be deleted and, in the case of the Acquisition, Major Defaults shall relate to the Borrower and Bidco only. "**Major Representation**" shall have the meaning given to that term in the Precedent Senior Facilities Agreement provided that the reference to "Clause 21.27 (*Holding and Dormant Companies*)" shall be deleted and, in the case of the Acquisition, Major Representations shall relate to the Borrower and Bidco only.

3. PRICING

INTEREST: The aggregate of (a) the Margin and (b) EURIBOR.

Interest to be payable in arrear at the end of each Interest Period.

MARGIN: 6.25% per annum.

INTEREST PERIODS: 3 months or such other period as the Agent (acting on the instructions of all the Lenders participating in the relevant loan) may agree (acting reasonably).

EURIBOR FLOOR: Zero.

ORIGINAL ISSUE DISCOUNT: As set out in the Closing Letter.

4. PREPAYMENTS

VOLUNTARY CANCELLATIONS: The Facility may be cancelled in full on the Offer Withdrawal Date. Following initial utilisation of the Facility, only the Overfund Facility may be cancelled (in whole or in part).

PREPAYMENT PREMIA: On the date (each a "**Prepayment Date**") of a prepayment or repayment of all or any part of the Facility pursuant to (a) a voluntary prepayment, (b) a mandatory prepayment (including as a result of an Exit Event (for the avoidance of doubt, whether by exercise of the Exit Event Individual Lender Put Option or the mandatory sweep following an Exit Event) or (c) as a result of an acceleration, insolvency, enforcement, or other Lender recovery following an acceleration event, but excluding any prepayment or repayment as a result of:

(i) an Excess Cashflow Optional Prepayment or any payment under the Mandatory Excess Cashflow Sweep (each as defined below);

(ii) an Overfund Facility Prepayment (as defined below);

(iii) a William Hill Perpetual License Prepayment (as defined below); or

(iv) any prepayment as a consequence of illegality or tax gross-up, tax indemnity or increased cost claims made by a Lender (pursuant to customary provisions providing for such prepayments) or in respect of a Defaulting Lender,

the Borrower shall pay (or shall procure payment) to the Agent (for the account of the Lenders *pro rata* to their participation in the principal amount prepaid or repaid) a prepayment premium on the Prepayment Date ("**Prepayment Premium**") (expressed (other than in the case of the Make-Whole Premium) as a percentage of the principal amount of the Facility being prepaid or repaid) (in addition to the principal amount and accrued and unpaid interest thereon to the Prepayment Date) as specified in the table below.

Period	**Prepayment Premium**
At any time prior to the first anniversary of the Closing Date (the "**First Call Date**")	Make-Whole Premium
From and after the First Call Date to the date immediately preceding the second anniversary of the Closing Date	An amount equal to 2.00% of the principal amount of such prepayment
For the period from the second anniversary of the Closing Date to the date immediately preceding the third anniversary of the Closing Date	An amount equal to 1.00% of the principal amount of such prepayment
On the third anniversary of the Closing Date and thereafter	None

Notwithstanding the above and subject to compliance with the other provisions of this paragraph and the proviso hereto, in the event of a prepayment or repayment of the Facility as a result of a Non-Insolvency Acceleration prior to the First Call Date, the Borrower shall be entitled (in its sole discretion) to elect for the Facility to be repaid in full with a Prepayment Premium of 3.00% of the principal amount of such prepayment, instead of the applicable Make-Whole Premium (and for the avoidance of doubt, in addition to the principal amount and accrued and unpaid interest thereon to the Prepayment Date) (the "**Prepayment Election**"), provided that:

(a) such Prepayment Election must be made by notice to the Agent no later than the date falling 5 Business Days after the date of the relevant Non-Insolvency Acceleration and may only be exercised with respect to all of the Facility;

(b) the relevant Prepayment Date must take place no later than 30 Business Days after the date of the relevant Non-Insolvency Acceleration and must occur prior to the First Call Date; and

(c) there must be no Insolvency Event of Default continuing at the time of the Prepayment Election nor on the relevant Prepayment Date.

"**Insolvency Event of Default**" means an Event of Default under Clause 25.6 (*Insolvency*), 25.7 (*Insolvency proceedings*) or Clause 25.8 (*Creditors' Process*) of the Precedent Senior Facilities Agreement.

"**Non-Insolvency Acceleration**" means any acceleration, enforcement or other Lender recovery which (i) does not occur following the occurrence of an Insolvency Event of Default, and (ii) does not take place while an Insolvency Event of Default is continuing.

"**Make Whole Premium**" means on any applicable Prepayment Date an amount equal to the greater of:

(1) 1.00 per cent. of the aggregate principal amount of the Facility being prepaid or repaid or recovered; and

(2) the excess, to the extent positive, of:

(i) the present value (computed using a discount rate equal to the Applicable Rate (to be defined in accordance with the Precedent Senior Facilities Agreement)) at such Prepayment Date of the sum of:

(A) 102 per cent. of the principal amount of the Facility being prepaid or repaid on such Prepayment Date (the "**Prepayment Amount**"); plus

(B) the total amount of interest that would otherwise have accrued or been due on the aggregate principal amount of the Facility being prepaid from (and excluding) the Prepayment Date to (and including) the First Call Date, had such loan(s) been prepaid in such amount(s) on the First Call Date (the "**Notional Interest Period**") and assuming that the rate of interest on such principal amount of the Facility for the Notional Interest Period is the percentage per annum which is the aggregate of:

(1) the applicable cash Margin as at such Prepayment Date; and

(2) the higher of (x) EURIBOR for the offering of deposits for a three month period (or such shorter period which corresponds to the period from (and including) such Prepayment Date to (and excluding) the First Call Date) determined on the Quotation Day prior to the date of prepayment and (y) zero per cent.; and

over

(ii) the principal amount of the Prepayment Amount.

MANDATORY PREPAYMENTS – ILLEGALITY:	As per Precedent Senior Facilities Agreement
MANDATORY PREPAYMENTS – CHANGE OF CONTROL, SALE OF ASSETS:	Upon the occurrence of a Change of Control or a sale of all or substantially all of the assets of the Group (in either case, an "**Exit Event**") the Borrower shall notify the Agent promptly upon (or, at the Borrower's election, in anticipation of[2]) that Exit Event. Upon such notification by the Borrower, at the Borrower's option (as specified in such notification): (i) each Lender shall have 30 Business Days from the date of such notification (the "**Notice Period**") to exercise an individual right (a "**Exit Event Individual Lender Put Option**") pursuant to a written notice issued to the Borrower (a "**Put Option Notice**"): (A) to cancel all its undrawn commitments; and (B) to require that all its outstanding participations in utilisations are repaid with accrued interest and any other amounts accrued to that Lender under the relevant Finance Documents no earlier than the date falling 30 Business Days following the date of the corresponding Put Option Notice; or (ii) with effect from the Exit Event, all outstanding undrawn commitments of each Lender shall be immediately cancelled and outstanding drawn commitments shall become immediately due and payable together with accrued interest and any other amounts accrued to each Lender under the relevant Finance Documents. For the purposes of this paragraph, "**Change of Control**" means: (a) the Parent ceases to legally and beneficially own and control directly 100% of the issued share capital (or equivalent ownership interests) of: (i) the Borrower; (ii) NeoGames Systems Ltd.; (iii) NeoGames Systems LLC; (iv) NeoGames US LLP; or (v) NeoGames S.R.O.; (b) the Borrower ceases to legally and beneficially own and control directly 100% of the issued share capital of Bidco; or (c) following the Control Date, Bidco ceases to legally and beneficially own and control directly 100% of the issued share capital of the Target.
MANDATORY PREPAYMENTS – EXCESS CASH FLOW:	Within 20 Business Days after the due date for delivery of the annual audited financial statements to the Agent, in relation to each complete financial year commencing after the Control Date, the Borrower shall apply in prepayment of the Facility an amount equal to: (a) 75% of excess cash flow for that financial year if Leverage for that financial year would, pro forma for such prepayment, be greater than or equal to opening Leverage; (b) 50% of excess cash flow for that financial year if Leverage for that financial year would, pro forma for such prepayment, be less than opening Leverage but greater than or equal to opening Leverage less 0.50x; (c) 25% of excess cash flow for that financial year if Leverage for that financial year would, pro forma for such prepayment, be less than opening Leverage less 0.50x, but equal to or greater than opening Leverage less 1.00x; and (d) 0% of excess cash flow for that financial year if Leverage for that financial year would, pro forma for such prepayment, be less than opening Leverage less 1.00x. An amount equal to the aggregate of (i) $1,000,000 (no carry forward/carry back of any unused amount)) (the "**Excess Cashflow De Minimis**"), (ii) the aggregate of any voluntary prepayments or debt buy-backs and debt purchase transactions made in respect of the Facility (other than the Overfund Facility) and in each case any associated premium, make-whole or penalty payments at any time during the applicable financial year, to the extent not funded from the proceeds of long term indebtedness, and (iii) any actual expenditure during the applicable financial year in relation to acquisitions, investments, capital expenditure, restructurings, reinvestment in or other application in respect of the business of the Group or other group initiatives, provided that paragraphs (ii) and (iii) shall be deemed utilized prior to paragraph (i) (paragraphs (i) to (iii) together, the "**Deduction Amount**"), shall be deducted from excess cash flow after the percentages above are applied. The definition of "Refusable Prepayment" as per the Precedent Senior Facilities Agreement shall include any mandatory excess cash flow prepayment (a "**Mandatory Excess Cashflow Sweep**"). The Group shall be entitled to retain all excess cash flow in each financial year which is not required to be swept, including the Excess Cashflow De Minimis.

[2] Any such notice delivered in anticipation of an Exit Event may be revocable and/or conditional upon the Exit Event occurring.

EXCESS CASH FLOW VOLUNTARY PREPAYMENT:	As per the Precedent Senior Facilities Agreement, provided that the definition of "Maximum Aggregate ECF Amount" shall be replaced with "means an amount equal to 25% of the aggregate principal amount of all Loans made under Facility B which are drawn on the Closing Date".
OVERFUND FACILITY:	As soon as reasonably practicable following the establishment of Super Senior Facilities (in an aggregate amount up to the Super Senior Cap) the Borrower shall repay and/or cancel (without premium or penalty) any outstanding portion of the Overfund Facility (an "**Overfund Facility Prepayment**").
DISPOSAL PROCEEDS:	Net disposal proceeds exceeding a *de minimis* amount of (a) (in the case of an individual disposal) the greater of $6,800,000 and 10% of Consolidated Pro Forma EBITDA and (b) (in aggregate per financial year) the greater of $17,000,000 and 25% of Consolidated Pro Forma EBITDA shall be applied in mandatory prepayment of the Facility to the extent not reinvested within 12 months from the date of receipt (or if committed or designated for reinvestment on or before the end of such 12-month period, actually reinvested within 18 months from the date of receipt).
INSURANCE PROCEEDS:	Net insurance proceeds exceeding a *de minimis* amount of (a) (in the case of an individual insurance claim) the greater of $6,800,000 and 10% of Consolidated Pro Forma EBITDA and (b) (in aggregate per financial year) the greater of $17,000,000 and 25% of Consolidated Pro Forma EBITDA shall be applied in mandatory prepayment of the Facility to the extent not reinvested within 12 months from the date of receipt (or if committed or designated for reinvestment on or before the end of such 12-month period, actually reinvested within 18 months from the date of receipt).
WILLIAM HILL PERPETUAL LICENSE PREPAYMENT:	As soon as reasonably practicable following the replacement of the non-royalty-free perpetual license currently granted to William Hill Organization Limited in the material intellectual property of the Group with a royalty-free perpetual license, the Borrower shall repay and cancel (without premium or penalty) an amount equal to the sterling value of such amount paid by William Hill Organization Limited pursuant to such arrangement (the "**William Hill Perpetual License Prepayment**", but in any event the William Hill Perpetual License Prepayment shall be no greater than £15 million in aggregate (and, for the avoidance of doubt, the definition of "Refusable Prepayment" as per the Precedent Senior Facilities Agreement shall include a William Hill Perpetual License Prepayment).
MANDATORY PREPAYMENTS – GENERAL CONDITIONS:	No mandatory prepayment shall be required in connection with a "Completion Default" or any "Acquisition Proceeds" (in each case, as defined in the Precedent Senior Facilities Agreement) Other than a prepayment following the occurrence of an Exit Event or illegality (to the extent necessary to comply with applicable laws), all prepayments shall be subject to permissibility under local law (*e.g.* financial assistance, corporate benefit restrictions on upstreaming of cash intra-group and the fiduciary and statutory duties of the directors of the relevant members of the Group). There will be no requirement to make any such mandatory prepayment where the Tax or other cost to the Group of making that prepayment or making funds available to another member of the Group to enable such prepayment to be made is equal to or exceeds 5% of the amount to be prepaid. No prepayments shall be required to be made to a Defaulting Lender. Mandatory prepayments will be applied *pro rata* between the Facility and other senior secured indebtedness ranking *pari passu* with the Facility. Amounts not applied in prepayment and/or prior to potentially being applied in prepayment as a consequence of the foregoing provisions will not, for the avoidance of doubt, be blocked in any blocked or cash collateral accounts and shall remain available to the Group (and there shall be no obligation for the Group to open or maintain any such blocked or cash collateral account for such purpose), *i.e.* Clause 9.5 of the Precedent Senior Facilities Agreement and all corresponding provisions shall not apply.

5. FINANCIAL COVENANTS

FINANCIAL COVENANT:	In respect of the Facility only (for the avoidance of doubt, excluding any Super Senior Facility), Leverage (which will be tested on each Quarter Date beginning with the first Quarter Date to occur after one complete Financial Quarter has elapsed after the Control Date (each a "**Test Date**")) in respect of the Relevant Period ending on that Test Date (the "**Testing Period**") shall not exceed: (a) in respect of each applicable Test Date (commencing with 30 September 2022) up to and including the Test Date ending 30 September 2023: 4.50:1; (b) thereafter, in respect of each applicable Test Date up to and including the Test Date ending 30 September 2024: 3.50:1.00; (c) thereafter, in respect of each applicable Test Date up to and including the Test Date ending 30 September 2025: 3.00:1.00; and (d) thereafter, in respect of each applicable Test Date: 2.50:1.00, (the "**Financial Covenant**"). If the Financial Covenant has been breached and such breach has not been cured in accordance with the "Equity Cure" provisions below, but is complied with when tested on the immediately subsequent Test Date, then the prior breach of such Financial Covenant or any Default or Event of Default arising therefrom shall be deemed cured unless the Agent has taken acceleration action on the instructions of the Majority Lenders (and the notice in respect of such acceleration action has not been rescinded) before delivery of the compliance certificate in respect of the subsequent Test Date.
EQUITY CURE:	The Borrower shall have the ability to prevent and/or cure breaches of a Financial Covenant (an "**Equity Cure**") in respect of any applicable Testing Period (the "**Applicable Period**") before the date which is 20 Business Days after the date on which the relevant Compliance Certificate was due with the proceeds of additional equity (including, for the avoidance of doubt, any rights issue or other secondary equity raised by the Parent) and/or subordinated shareholder loans (a "**Cure Amount**"). The Cure Amount shall be deemed to have been received by the Group on the applicable Test Date by either: (a) adding such Cure Amount to Consolidated EBITDA (an "**EBITDA Cure**") for the Applicable Period; or (b) deducting such Cure Amount from the calculation of Consolidated Total Net Debt so that the amount of Consolidated Total Net Debt as at the Test Date shall be deemed to have been reduced by the amount of such Cure Amount, whereupon in each case the Financial Covenant shall be recalculated, provided that the Borrower shall not have the ability to prevent or cure breaches of the Financial Covenant as set out above by effecting new equity and/or subordinated loans as Cure Amounts on more than five occasions over the term of the Facility, of which a maximum of four Equity Cures shall be EBITDA Cures in aggregate and in each case, with no cures in consecutive Financial Quarters. For the avoidance of doubt, there shall be no requirement to apply any Cure Amount in prepayment of the Facility. An Equity Cure shall only be included as a Cure Amount for the purposes of testing the Financial Covenant. There shall be no limits on the quantum of any Cure Amount and over cures are permitted.
DEBT INCURRENCE – GENERAL DEBT BASKET	The Senior Facilities Agreement shall permit the Group to incur Borrowings in an aggregate principal outstanding amount of up to $20 million (or equivalent) at any time (the "**General Debt Basket**"), which may be incurred (without double-counting) by way of Accordion Facilities, Incremental Equivalent Debt and/or unsecured indebtedness.

DEBT INCURRENCE – ACCORDION FACILITIES:

The Borrower may incur additional indebtedness (an "**Accordion Facility**") under the Senior Facilities Agreement, by way of a new term facility, or an increase to any existing term facility (including the Facility), secured by the transaction security and ranking *pari passu* with the Facility subject to the conditions set out in Clause 2.2 (*Accordion Facility*) of the Precedent Senior Facilities Agreement, amended as follows:

(a) Quantum: the amount of such Accordion Facility, when aggregated with the aggregate amount of all other Accordion Facility commitments committed at the time such Accordion Facility commitments are committed shall not exceed the sum of (the "**Available Accordion Amount**"):

(i) an amount equal to the General Debt Basket (minus any other amount to the extent incurred and outstanding under the General Debt Basket at such time); and

(ii) an unlimited amount provided that Leverage is no greater than opening Leverage (the "**Ratio Debt Amount**"), provided that (x) when calculating the Available Accordion Amount, at the Borrower's option, the Ratio Debt Amount shall be deemed to be utilised prior to the General Debt Basket, (y) for the avoidance of doubt, the quantum of any Accordion Facility shall not be governed by either any "Leverage Cap" or "Fixed Charge Cover Ratio" (each as defined in the Precedent Senior Facilities Agreement) and (z) when calculating the Available Accordion Amount, any amount incurred in reliance on the General Debt Basket shall not be permitted to be reclassified under the Ratio Debt Amount;

(b) MFN: in relation to any Accordion Facility which:

(i) is a floating rate term loan facility denominated in EUR;

(ii) is incurred pursuant to the Ratio Debt Amount or as Incremental Equivalent Debt;

(iii) matures prior to the date falling one year after the Final Repayment Date for the Facility;

(iv) is incurred within the first six months after the Closing Date; and

(v) is not incurred for the purposes of financing any permitted acquisition, investment and/or capital expenditure, the yield applicable to such Accordion Facility shall not exceed 0.50% per annum (calculated on a fully drawn basis) above the yield applicable to the Facility on the Closing Date (unless the Parent offers to increase the Margin on the Facility so that the yield on such Accordion Facility would not exceed the yield applicable to Facility B as at the Closing Date); and

(c) Borrower: unless otherwise agreed with BXC and the applicable Lender(s) of such Accordion Facility, the borrower of any Accordion Facility shall be the Borrower.

For the purposes of the paragraph above, where such Accordion Facility is incurred for purposes of funding a permitted acquisition or investment, the calculation of Leverage shall be *pro forma* for consummation of such acquisition or investment.

For the avoidance of doubt, no restriction set out in this section shall limit the ability of the members of the Group to utilise the Super Senior Facilities in accordance with their terms.

DEBT INCURRENCE – INCREMENTAL EQUIVALENT DEBT:

In addition to Accordion Facilities, the Senior Facilities Agreement will permit the incurrence of incremental equivalent debt (which may be incurred by way of notes and/or loans) in a manner consistent with the incurrence of Accordion Facilities. For the avoidance of doubt, the MFN described above shall apply *mutatis mutandis* to any applicable incremental equivalent debt (where such incremental equivalent debt satisfies each of the conditions for the MFN as described above and ranks *pari passu* with the Facility).

CERTAIN FINANCIAL DEFINITIONS:

As set out in the Precedent Senior Facilities Agreement (as amended pursuant to Schedule 3 hereto). For the avoidance of doubt, the netting of cash and cash equivalent investments which are the proceeds of indebtedness shall not be permitted for any financial ratio calculations except to the extent incurred under the Super Senior Facilities.

6. UNDERTAKINGS

INFORMATION UNDERTAKINGS: Information undertakings as per the Precedent Senior Facilities Agreement shall apply, amended as follows:

(a) each set of accounts and financial statements or reports to be delivered pursuant to paragraphs (b) and (c) below which is posted to the SEC website at www.sec.gov (including, for the avoidance of doubt, any filing on Form 10-K or Form 10-Q) or any website published by or on behalf of the Group shall be deemed to have been delivered to the Agent on the date that the Agent has been provided written notice of such posting;

(b) Annual Financial Statements shall be required to be delivered within 120 days after the end of each Financial Year, commencing with the first Financial Year ending after the Closing Date;

(c) Quarterly Financial Statements shall be required to be delivered, commencing with the first full Financial Quarter ending after the Closing Date:

(i) in respect of each applicable Financial Quarter occurring during the first full 12 months ending after the Closing Date, within 60 days after the end thereof; and

(ii) thereafter, within 45 days after the end of the corresponding Financial Quarter;

(d) Quarterly Financial Statements shall not be required to include cashflow statements (or any statement, comment or certification in respect thereof) but shall be accompanied by a cashflow statement in such form as prepared internally by the Group and shall be delivered for information purposes only (*i.e.* the Senior Facilities Agreement shall not prescribe any particular details or the form in which such quarterly cashflow statements are prepared and the Lenders will have no right to sign-off on such quarterly cashflow statements (or the form thereof));

(e) Monthly Financial Statements (if any, and subject to paragraph (f) below), in respect of the first two calendar months of a Financial Quarter only (a "**Reporting Month**") commencing with the first full Reporting Month ending after the Closing Date, shall be delivered:

(i) in respect of each applicable Reporting Month occurring during the first full 12 months ending after the Closing Date, within 45 days after the end thereof; and

(ii) thereafter, within 30 days after the end of the corresponding Reporting Month;

(f) Monthly Financial Statements (if any) shall only be required to be delivered in such form as prepared internally by the Group and shall be delivered for information purposes only (*i.e.* the Senior Facilities Agreement shall not prescribe any particular details or the form in which such Monthly Financial Statements are prepared, the Lenders will have no right to sign-off, query or request additional information on such Monthly Financial Statements (or the form thereof) and there shall be no requirement that the directors comment on the performance of the Group or any material developments or proposals affecting the Group or its business). To the extent that the Group does not (for whatever reason and for whatever length of time) produce Monthly Financial Statements and/or amends the form of such Monthly Financial Statements (in each case, in its sole discretion), there shall be no default, Event of Default or other breach of the Senior Facilities Agreement as a result thereof;

(g) any statement required to accompany financial statements (or certification in respect thereof) shall be made by the chief executive officer and/or chief operating officer (or other equivalent senior officer), not a director;

(h) there shall be no requirement that any compliance certificate:

(i) set out the Super Senior Cap, total commitments available or amounts available and/or drawn under the Super Senior Facilities; or

(ii) be reported on or certified by any auditor;

(i) paragraph (c) of Clause 22.3 (*Requirements as to financial statements*) of the Precedent Senior Facilities Agreement shall be deleted;

(j) commencing with the first complete Financial Year commencing after the Control Date, a budget shall be delivered within 60 days (or within 90 days for the first complete Financial Year commencing after the Control Date), which (excluding a balance sheet but including the cash and debt position) shall comprise the information and projections required by paragraph (b) of Clause 22.4 (*Budget*) of the Precedent Senior Facilities Agreement; and

(k) commencing with the first complete Financial Year commencing after the Control Date, and upon the request of the Agent (acting on the instructions of the Lenders):

(i) once in each applicable Financial Year, the Parent shall (upon reasonable notice) give a presentation to the Lenders about the ongoing business and financial performance of the Group; and

(ii) on no more than two occasions in any applicable Financial Year, the Agent (acting on the instructions of the Lenders) may, upon not less than 10 Business Days' prior written notice to the Parent, request a call or meeting with the chief executive officer, chief financial officer or other senior management to discuss the ongoing business and financial performance of the Group, but without prejudice to paragraph (c) of Clause 22.5 (*Presentations and meetings*) of the Precedent Senior Facilities Agreement.

In addition, information undertakings shall be limited to the extent that disclosure of such information is subject to confidentiality restrictions with third parties and/or legal or regulatory restrictions.

GENERAL UNDERTAKINGS: As per the Precedent Senior Facilities Agreement, amended as follows:

(a) for the purposes of the "Permitted Acquisition" definition, the Group shall only be required to deliver to the Agent (on behalf of the Lenders) copies of any third party financial or legal due diligence reports commissioned by the Group (in each case on a non-reliance basis and, where requested by the relevant report provider, hold harmless basis) by the date falling 10 Business Days after the completion of an applicable acquisition, if the total net purchase price for such acquisition is greater than $6,800,000 or 10% of Consolidated Pro Forma EBITDA and provided that no such obligation shall apply if the relevant report provider has a general policy of not permitting such disclosure to persons other than the entity which commissioned the report;

(b) the Senior Facilities Agreement shall include (i) a negative pledge with respect to any liens or security for indebtedness (subject to certain agreed exceptions, to be agreed in good faith) being granted by any Obligor on its interest in NeoPollard Interactive LLC and any other joint venture, partnership or similar business arrangement resulting from any Michigan JV Contract (being (1) the joint venture agreement, dated as of 14 January 2014 between (among others) Neogames Network Limited and Pollard Banknote Limited, and (2) any other contractual obligation made by Pollard Banknote Limited or any of its affiliates, relating to a contract with the State of Michigan, Bureau of State Lottery, for the development, implementation, operational support and maintenance of an online lottery system and various lottery games) (the "**Closing Date JVs**"), (ii) an agreement that no Obligor shall direct or consent to (or, to the extent it has the right to do so, fail to object to) the incurrence by any of the Closing Date JVs of any indebtedness (subject to certain agreed exceptions, to be agreed in good faith) or the creation, incurrence, assumption or suffering to exist of any lien upon any of the property of any Closing Date JV securing any indebtedness (subject to certain agreed exceptions, to be agreed in good faith), in each case other than to the extent incurred or created in the ordinary course of its business (unless incurred or created in view of incurring (or in connection with the incurrence of) financial indebtedness) and (iii) without prejudice to the foregoing clause (i) or (ii), a negative pledge consistent with Clause 24.14 (*Negative Pledge*) of the Precedent Senior Facilities Agreement but which shall not apply with respect to any Closing Date JV;

(c) the "Permitted Financial Indebtedness" definition shall include: (i) the General Debt Basket; (ii) to the extent constituting Financial Indebtedness, payment and custodial obligations in the ordinary course of business in respect of prize, jackpot, deposit, payment processing and player account management operations, customer deposits or winnings or funds owing to or held on behalf of any gaming authority, client or customer, including obligations with respect to funds that may be placed in trust accounts, and letters of credit securing the foregoing and (iii) permitted hedges[3] and permitted cash management obligations entered into with persons other than the Lenders (or their affiliates or related funds) in an amount not to exceed an amount to be agreed; for the avoidance of doubt, neither earn outs nor contingent obligations in connection with an acquisition (including the Acquisition) shall constitute Financial Indebtedness;

(d) the "Permitted Guarantees" definition shall include any guarantees by the Parent or any of its subsidiaries of any purchase obligations of subsidiaries or Permitted Joint Ventures under supplier agreements and in respect of obligations of or to customers, distributors, franchisees, lessors, licensors, contractual counterparties, licensees and sublicensees in the ordinary course of business;

(e) the "Permitted Joint Venture" definition shall include the Closing Date JVs[4];

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[3] For the avoidance of doubt, any hedging satisfying the definition of "Permitted Hedging Transaction" shall not be subject to any cap (per the Precedent Senior Facilities Agreement).

[4] Permitted Guarantees in respect of Closing Date JVs shall be subject to a cap (to be agreed in good faith).

(f) the "Permitted Payments" definition shall include (i) with respect to paragraph (c)(i) thereof, a cap set at 10% of Retained Excess Cashflow, with respect to paragraph (c)(ii) thereof, a Leverage level equal to or greater than 2.00:1.00 but less than 3.00:1.00 and, with respect to paragraph (d) thereof, a Leverage level less than 2.00:1.00, and (ii) unlimited restricted payments to facilitate issue of new shares and/or declaration of dividends by the Parent in order to settle consideration payable in connection with the Offer (in each case, in accordance with the Structure Memorandum), provided that (1) the total value of such consideration (in cash and/or shares) received by each selling shareholder who receives a portion of their consideration after the Closing Date, when aggregated with consideration already received by such shareholders in connection with the Offer, is no greater than the total value of consideration received by those selling shareholders that received all of their consideration in cash and shares in full on or around the Closing Date in accordance with the terms of the Offer and (2) for the avoidance of doubt, any upstreaming of funds by the Group in order for such restricted payments to be made shall be expressly permitted;

(g) the "Permitted Security" definition shall include: (i) cash collateralization of permitted hedges and permitted cash management obligations entered into with persons other than the Lenders (or their affiliates or related funds) in an amount not to exceed an amount to be agreed, (ii) deposits and other Security to secure the performance of (x) bids, government, trade and other similar contracts (other than for borrowed money), performance bonds and guarantees issued in the ordinary course of trading, (y) leases, subleases or licenses in the ordinary course of business and (z) statutory or regulatory obligations, surety, judgment and appeal bonds, and (in each case) letters of credit issued as security for the foregoing, (iii) Security solely on any cash earnest money deposits or "certain funds" escrow arrangements made by the Parent or any other member of the Group in connection with Permitted Acquisitions, and (iv) Security on cash, Cash Equivalents or other investments in the ordinary course of business in connection with the deposit of amounts necessary to satisfy payment and custodial obligations in respect of prize, jackpot, deposit, payment processing and player account management operations, customer deposits or winnings or funds owing to or held on behalf of any gaming authority, lottery commission, lottery administrator, client or customer, including as may be placed in trust accounts;

(h) undertakings with respect to sanctions shall follow the form set out in Schedule 5 (*Sanctions*);

(i) Clause 24.11 (*Holding Companies*) of the Precedent Senior Facilities Agreement shall apply to the Borrower and Bidco only (not to the Parent);

(j) upon acquisition by the Parent of applicable bank accounts (either in Luxembourg or another jurisdiction in which another Obligor is incorporated) that would not be subject to the transaction security created pursuant to the then existing transaction security documents, the Parent shall promptly notify the Agent of the same and, subject to the Agreed Security Principles, enter into such additional documents, deliver such additional legal opinions and take such additional steps as may reasonably be requested by the Agent (acting on the instructions of the Majority Lenders) in order to grant, perfect and evidence transaction security with respect to such bank accounts;

(k) Bidco shall, no later than the date falling 15 Business Days after the date of opening an applicable Maltese bank account and subject to the Agreed Security Principles, execute a Maltese law pledge over such bank account – for the avoidance of doubt, the execution of such transaction security shall not be a condition precedent to utilisation of the Facility and any breach in respect thereof shall not constitute a Major Default;

(l) Clause 24.31 (*Escrow Account*), Clause 24.34 (*Dormant subsidiaries*) and Clause 24.38 (*Completion Default*) of the Precedent Senior Facilities Agreement shall be deleted;

(m) for so long as BXC is a Lender, the Group shall be required to comply with the following additional undertakings:

(i) the undertakings set out in Schedule 4 (*Regulatory Process*); and

(ii) no material increase in salary, compensation, remuneration, bonus or any other arrangement of any of the senior executive directors, non-executive directors, management and senior officers of the Group holding more than 0.5% of the shares of the Parent shall be made unless such increase (1) is approved either by a majority of the Parent's independent board members or the Parent's compensation committee or at an annual general meeting of the Parent or (2) is determined in a way which is consistent with past practices of the Group; and

(n) undertakings with respect to conditions subsequent shall follow the form set out in the Interim Facility Agreement rather than the Precedent Senior Facilities Agreement.

Customary "limited condition transactions" wording shall be included permitting the Borrower to elect a test date for the purposes of all applicable requirements (including *e.g.* whether or not an Event of Default is continuing, or any leverage ratio test or other condition) under the Finance Documents to be a date on which a related acquisition is committed.

OFFER UNDERTAKINGS:

(a) Subject to paragraph (b) below:

(i) subject to any confidentiality, regulatory, legal or other restrictions relating to the supply of such information, the Borrower shall inform the Agent should the Parent terminate or withdraw the Offer prior to the date on which the Offer is declared unconditional by the Parent in all respects;

(ii) subject to any confidentiality, regulatory, legal or other restrictions relating to the supply of such information, the Borrower shall, from time to time, if the Agent reasonably requests, give the Agent reasonable details as to the progress of, and the current level of acceptances for, the Offer;

(iii) the Parent shall comply in all material respects with the Offer Regulations and all other applicable laws and regulations relating to the Offer and the Squeeze Out Procedure, save where non-compliance would not be materially prejudicial to the interests of the Lenders taken as a whole under the Finance Documents;

(iv) the Press Release will contain terms consistent with the draft Press Release provided to the Agent prior to the date of the Commitment Letter (or with such amendments or modifications thereto as do not materially and adversely affect the interests of the Lenders (taken as a whole));

(v) the Offer Document will contain terms consistent with the draft of the Press Release provided to the Agent on or prior to the date of the Commitment Letter, provided that this condition shall be satisfied if the Offer Documents does not include an amendment to the Offer that would not be permitted under this Agreement;

(vi) other than to the extent required by the Offer Regulations or any regulatory body, the Parent shall not waive or amend the Minimum Acceptance Condition;

(vii) the Parent shall not take any steps as a result of which any member of the Group is obliged to make a mandatory offer in respect of the Target Shares;

(viii the Parent shall initiate and pursue the Squeeze Out Procedure as soon as reasonably practicable following the date on which the Parent holds directly or indirectly not less than 90 per cent. of the total number of outstanding shares in the Target carrying voting rights (on a non-diluted and on a fully diluted basis);

(ix) the Parent, or to the extent the Target has been pushed down under Bidco, Bidco shall use commercially reasonable endeavours, as soon as reasonably practicable and commercially viable following the Offer having been declared unconditional by Bidco, to procure that that the Target Shares are delisted from Nasdaq Stockholm; and

(x) the Parent shall procure that the Target shall be a direct subsidiary of Bidco.

(b) Notwithstanding anything to the contrary in the Senior Facilities Agreement, the Parent may, without restriction, waive or change any term or condition of the Offer (other than the Minimum Acceptance Condition (except to the extent required by the Offer Regulations or any regulatory body)), including but not limited to increasing the cash consideration payable in respect of the Target Shares (provided that any such increase in cash consideration shall not be funded with the proceeds of any external borrowings of any member of the Group and shall be only funded from the proceeds of equity contributions) or increasing the consideration payable in respect of the Target Shares by way of the payment of non-cash consideration.

7. REPRESENTATIONS AND WARRANTIES

REPRESENTATIONS AND WARRANTIES:

As per the Precedent Senior Facilities Agreement provided that:

(a) all representations shall be made subject to information disclosed (including in the Structure Memorandum, the Reports and/or the Acquisition Documents) and to the knowledge and belief of the management of the relevant Obligor, excluding the management of the Target Group until after the Control Date occurs;

(b) Clause 21.27 (*Holding and Dormant Companies*) and Clause 21.32 (*Acquisition Documents*) of the Precedent Senior Facilities Agreement shall be deleted;

(c) representations with respect to sanctions shall follow the form set out in Schedule 5 (*Sanctions*); and

(d) the following representation shall be made (i) by the Parent on (x) the date of the Senior Facilities Agreement and (y) the Closing Date (but not repeated thereafter), and (ii) by NeoGames Systems Ltd on the date on which it becomes an additional Guarantor (but not repeated at any time thereafter): "All of the Material Intellectual Property of the Group (excluding the Target Group) is owned by NeoGames Systems Ltd".

8. OTHER TERMS

EVENTS OF DEFAULT:

As per the Precedent Senior Facilities Agreement provided that:

(a) the de minimis threshold for the purposes of each of Clause 25.5 (*Cross default*), Clause 25.6 (*Insolvency*), Clause 25.7 (*Insolvency proceedings*) and Clause 25.8 (*Creditors' Process*) of the Precedent Senior Facilities Agreement shall be EUR 7,500,000;

(b) Clause 25.5 (*Cross default*) of the Precedent Senior Facilities Agreement shall include an exclusion for Subordinated Debt and shall also include the following paragraph "No Event of Default will occur if such Financial Indebtedness has ceased to be due and payable or payable on demand (other than by a demand being made) or in respect of which the relevant creditor is no longer entitled to declare such amounts due and payable";

(c) paragraph (b) of Clause 25.6 (*Insolvency*) and Clause 25.17 (*Material adverse effect*) of the Precedent Senior Facilities Agreement shall be deleted;

(d) paragraph (b) of Clause 25.15 (*Repudiation and rescission*) of the Precedent Senior Facilities Agreement shall be limited to Subordinated Creditors and any member of the Group (other than an Obligor) which is an Intra-Group Lender, in each case, under (and as defined in) the Intercreditor Agreement;

(e) paragraphs (a) and (b) of Clause 25.15 (*Repudiation and rescission*) of the Precedent Senior Facilities Agreement shall each include a 15 Business Day grace period;

(f) Clause 25.12 (*Audit qualification*) of the Precedent Senior Facilities Agreement shall be replaced with "The auditors of the Group qualify the Annual Financial Statements and such qualification concerns an inability to continue the business as a going concern or is a result of inadequate provision of information, unless such qualification or circumstances giving rise to such qualification do not or would not reasonably be expected to have a Material Adverse Effect"; and

(g) Clause 25.16 (*Litigation*) of the Precedent Senior Facilities Agreement shall be replaced with "Any litigation, arbitration, administrative, governmental, regulatory or other investigations, proceedings or disputes are commenced or threatened in writing in relation to the Transaction Documents or the transactions contemplated in the Transaction Documents or against any member of the Group or its assets which, if adversely determined, has or is reasonably likely to have a Material Adverse Effect".

EXCLUDED MATTERS:

Notwithstanding any other term of the Finance Documents:

(a) none of the steps set out in or contemplated by the Structure Memorandum or the Acquisition Documents (or the intermediate steps or actions necessary to implement any of them); nor

(b) any Withdrawal Event, shall in any case constitute a Default or an Event of Default, and each such event in paragraphs (a) and (b) above shall be expressly permitted by the terms of the Finance Documents.

For these purposes, "**Withdrawal Event**" means the withdrawal of any participating member state of the European Union from the single currency of the participating member states of the European Union and/or the redenomination of the euro into any other currency by the government of any current or former participating member state of the European Union and/or the withdrawal (or any vote or referendum electing to withdraw) of any member state from the European Union.

INITIAL CONDITIONS PRECEDENT:	The availability of the Facility is conditional upon the Agent having received the conditions precedent set out in Schedule 2 (*Conditions Precedent for Initial Utilisation*) to the Interim Facility Agreement and, in addition, corresponding conditions precedent in respect of BidCo corresponding to the "Bidco Accession Bid Security Documents" set out therein and counterparts or copies of the Intercreditor Agreement executed by the Parent, the Borrower and/or Bidco (as applicable)) in form and substance satisfactory to it (acting on behalf of the Majority Lenders) acting reasonably (other than any condition precedent which is not required to be in form and substance satisfactory to the Agent or the Lenders).
OTHER PROVISIONS:	The Tax indemnity and the stamp indemnity shall follow the form set out in the Interim Facility Agreement rather than the Precedent Senior Facilities Agreement.
NO DEAL, NO FEE:	If the Closing Date does not occur, no original issue discount, closing payment, fee, costs or expenses will be payable (other than all reasonable and documented out-of-pocket legal expenses which are subject to an agreed cap and an agreed abort fee arrangement).
MANAGEMENT INPUT:	The parties acknowledge that this Term Sheet, including, without limitation, the representations and warranties, undertakings (including the financial undertakings) and events of default, baskets and thresholds, have been negotiated without full access to the management of the Target Group. The parties to the Commitment Documents agree to negotiate in good faith any amendments, variations or supplements to this Term Sheet, the Senior Facilities Agreement or any other Finance Document to the extent reasonably requested prior to the Closing Date by the Target Group for the anticipated operational requirements and flexibility of the Group in respect of such representations and warranties, undertakings (including the financial undertakings) and events of default, baskets and thresholds and the other terms and conditions contained in such documentation following completion of the Acquisition.
ASSIGNMENTS AND TRANSFERS:	As per the Precedent Senior Facilities Agreement provided that: (a) if an Original Lender assigns, novates or transfers (including, without limitation, by way of sub-participation) any of its rights and obligations under any Finance Document on or prior to the end of the Certain Funds Period (the "**Pre-Closing Transferred Commitments**"): (i) the Original Lender shall fund the Pre-Closing Transferred Commitments in respect of that Utilisation by 9:30 a.m. (London time) on the applicable date of Utilisation if that New Lender (or subsequent New Lender) has failed to so fund (or has indicated that it will not be able to fund) on the applicable date of Utilisation in respect of the Facility; and (ii) the Original Lender shall retain exclusive control over all rights and obligations with respect to the Pre-Closing Transferred Commitments, including all rights with respect to waivers, consents, modifications, amendments and confirmations as to satisfaction of the requirement to receive all of the documents and other evidence listed in the section entitled Initial Conditions Precedent above until after the end of the Certain Funds Period; (b) paragraph (a)(iii) of Clause 26.2 (*Conditions of assignment or transfer*) of the Precedent Senior Facilities Agreement shall be deleted; (c) paragraph (B) of the proviso to paragraph (a) of Clause 26.2 (*Conditions of assignment or transfer*) of the Precedent Senior Facilities Agreement shall also apply to any person that is or would be a Defaulting Lender; (d) paragraph (C) of the proviso to paragraph (a) of Clause 26.2 (*Conditions of assignment or transfer*) of the Precedent Senior Facilities Agreement shall be without prejudice to any consent right that the Parent has to such assignment or transfer; (e) the first sentence of paragraph (b) of Clause 26.2 (*Conditions of assignment or transfer*) of the Precedent Senior Facilities Agreement shall not apply to any assignment or transfer made during the Certain Funds Period; (f) the second sentence of paragraph (b) of Clause 26.2 (*Conditions of assignment or transfer*) of the Precedent Senior Facilities Agreement shall also apply to Defaulting Lenders; and (g) no member of the Group shall be required to bear any increased costs (including any stamp duty, taxes or other transfer costs) arising on a transfer, assignment or sub-participation (excluding a transfer, assignment or sub-participation entered into at the request of the Borrower).
AMENDMENTS AND WAIVERS:	The Obligors shall not (and shall ensure that no other member of the Group will) amend, vary, novate, supplement, supersede, waive or terminate any term of any Super Senior Document without the Lenders' consent, unless such amendment, variation, novation, supplement, waiver, termination or supersession would not be materially prejudicial to the interests of the Lenders provided that, for the avoidance of doubt, any increase in the total commitments under the Super Senior Facilities as expressly contemplated by the definition of "Super Senior Cap" in this Term Sheet and as permitted under the Senior Facilities Agreement shall not be construed as being materially prejudicial to the interests of the Lenders.
GOVERNING LAW:	English law, other than for security documentation that will be governed by the relevant local law.
EXCLUSIVE JURISDICTION:	England and Wales, other than for security documentation that will be subject to the relevant local jurisdiction.
DOCUMENTARY PRECEDENT:	Precedent Senior Facilities Agreement and Precedent Intercreditor Agreement.

[***] SCHEDULE 1

Definitions

[***] SCHEDULE 2

Agreed Security Principles

[***] SCHEDULE 3

Certain Financial Definitions

[***] SCHEDULE 4

Regulatory Process

[***] SCHEDULE 5

Sanctions

[***] SCHEDULE [˜]

SANCTIONS DISCLOSURE

[***] Exhibit B

INDEMNIFICATION PROVISIONS

[***] Exhibit C

FORM OF ACCESSION DEED

Exhibit D

FORM OF INTERIM FACILITY AGREEMENT

17 January 2022

Project Connect

Interim Facility Agreement

LATHAM&WATKINS

99 Bishopsgate
London EC2M 3XF
United Kingdom
Tel: +44.20.7710.1000
www.lw.com

TABLE OF CONTENTS

This Agreement (the "**Agreement**") is dated as first stated above and made between:

(1) **NEOGAMES S.A.** a public limited company (*société anonyme*) incorporated under the laws of Luxembourg, with its registered office at 63-65, rue de Merl, L-2146 Luxembourg and registered with the Luxembourg trade and companies register (*Registre de commerce et des sociétés, Luxembourg*) under number B186309, as the parent (the "**Parent**");

(2) **NEOGAMES CONNECT S.À R.L.**, a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of Luxembourg, with its registered office at 63-65, rue de Merl, L-2146 Luxembourg and registered with the Luxembourg trade and companies register (*Registre de commerce et des sociétés, Luxembourg*) under number B262811 as the borrower and a guarantor (the "**Borrower**");

(3) **NEOGAMES CONNECT LIMITED**, a private limited company incorporated under the laws of Malta with its registered office at Level 3, Valletta Buildings, South Street, Valletta, Malta and registered with the Malta Business Registry under number C 101275, as a guarantor ("**Bidco**"); and

(4) **THE FINANCIAL INSTITUTIONS** listed in Schedule 3 (*The Lenders*) as lenders (the "**Lenders**").

1. DEFINITIONS AND INTERPRETATION

1.1 **Definitions**

"**Acquisition**" means the acquisition (beneficial or otherwise) by the Parent of up to 100 per cent. of the Target Shares and warrants to subscribe for Target Shares to be consummated by way of:

(a) the Offer;

(b) any purchases in the open market;

(c) (if applicable) a Squeeze Out Procedure; and/or

(d) a private sale, contribution or transfer.

"**Acquisition Documents**" means the Press Release, the Offer Documents and any documents entered into in connection with a Squeeze Out Procedure.

"**Additional Original Issue Discount**" has the meaning given to that term in the Closing Letter.

"**Affiliate**" has the meaning given to that term in the Commitment Letter.

"**Approved List**" means a list of pre-approved Lenders agreed between the Borrower and the Lenders.

"**Availability Period**" means:

(a) in the case of Interim Facility 1, the period starting on the date of this Agreement and ending on the earlier of (i) the Closing Date and (ii) the last day of the Certain Funds Period; and

(b) in the case of Interim Facility 2, the period starting on the date of utilisation of the Interim Facility 1 and ending on the Final Repayment Date.

"**Bid Security Documents**" means:

(a) a Luxembourg law pledge by the Parent of 100% of the shares issued by the Borrower;

(b) a Luxembourg law pledge over any Luxembourg bank account of the Parent (if any);

(c) a Luxembourg law pledge over any Luxembourg bank accounts of the Borrower (if any);

(d) an English law security assignment agreement in respect of receivables (if any) arising from any intra-group loans granted to any member of the Group by the Parent, the Borrower or Bidco which, individually or in aggregate as between such member of the Group and the Parent, the Borrower or Bidco (as applicable), exceed EUR 5,000,000 per intra-group lender; and

(e) a Maltese law pledge by the Borrower of 100% of the shares (or equivalent ownership interests) issued by Bidco.

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in London, Stockholm and:

(a) (in relation to any date for payment or purchase of a currency other than EUR) the principal financial centre of the country of that currency;

(b) (in relation to any date for payment or purchase of EUR) any TARGET Day,

provided that for the purposes of the first utilisation of the Facility and the calculation of the Certain Funds Period, "Business Day" shall (at the Borrower's option) have the meaning given to that term (or equivalent term) in, and any period of Business Days shall be determined in accordance with, the Acquisition Documents.

"**BXC**" means funds and accounts managed, advised or sub-advised by Blackstone Alternative Credit Advisors LP and/or its Affiliates and/or its Related Funds.

"**BXC Co-Investor**" means (a) any entity which is an institutional co-investor of BXC which (i) is a limited partner in one or more BXC funds or (ii) invests through a co-investment vehicle controlled by BXC (a "**Co-Investment Vehicle**"), in each case, acting in their capacity as such or (b) any Co-Investment Vehicle itself.

"**Certain Funds Draw Stop Event**" means, during the Availability Period for Interim Facility 1, the occurrence of any of the following in relation to the Borrower or Bidco only and not, for the avoidance of doubt, with respect to the Parent, any subsidiary of the Parent (other than the Borrower or Bidco), the Target or the Target Group and without regard to any procurement obligation:

(a) the performance of the obligations of the Lenders under the Interim Documents being or having become unlawful or illegal; and/or

(b) an Event of Default under any of Clause 14.2 (*Payment Default*), Clause 14.3 (*Breach of Other Obligations*) insofar as it relates to a breach of Clause 13.1, Clause 14.4 (*Misrepresentation*) insofar as it relates to a breach of Clause 12.1, Clause 14.5 (*Insolvency*), Clause 14.6 (*Insolvency Proceeding*), Clause 14.7 (*Creditors' Process*), Clause 14.9 (*Repudiation or Rescission of an Interim Document*) or Clause 14.11 (*Change of Control*) (inclusive).

"**Certain Funds Period**" means the period from (and including) the date of this Agreement to (and including) 11.59 p.m. (London time) on the earlier of:

(a) the date falling 20 Business Days after (and excluding) the Countersignature Date if the Press Release has not been published by 11:59 p.m., London time on such date;

(b) the Closing Date;

(c) the Offer Withdrawal Date; and

(d) if the Closing Date has not occurred on or before such date, the date falling eight (8) Months after (and excluding) the date of the Commitment Letter,

or, in each case, such later time and date as agreed by the Lenders (acting reasonably and in good faith).

"**Change of Control**" means:

(a) the Parent ceases to legally and beneficially own and control directly 100% of the issued share capital (or equivalent ownership interests) of:

(i) the Borrower;

(ii) NeoGames Systems Ltd.;

(iii) NeoGames Systems LLC;

(iv) NeoGames US LLP; or

(v) NeoGames S.R.O.;

(b) the Borrower ceases to legally and beneficially own and control directly 100% of the issued share capital of Bidco; or

(c) following the Control Date, Bidco ceases to legally and beneficially own and control directly 100% of the issued share capital of the Target.

"**Closing Date**" means the first date on which both:

(a) the Initial Settlement Date has occurred; and

(b) an initial drawdown occurs under Interim Facility 1.

"**Closing Letter**" means the letter dated on or around the date of this Agreement between, amongst others, the Parent and Blackstone Alternative Credit Advisors LP.

"**Commitment**" means an Interim Facility 1 Commitment or an Interim Facility 2 Commitment, as the context requires.

"**Commitment Letter**" means the commitment letter (including the exhibits thereto) dated on or about the date of this Agreement between, among others, the Parent, the Borrower and BXC with respect to the Interim Facility described herein.

"**Commitment Documents**" has the meaning given to that term in the Commitment Letter.

"**Conditions Precedent**" means the conditions precedent set out in Schedule 2 (*Conditions Precedent for initial Utilisation*) hereto.

"**Control Date**" means the date on which Bidco holds and controls 100% of the outstanding Target Shares.

"**Default**" means an Event of Default or any event or circumstance specified in Clause 14 (*Events of Default*) which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Interim Documents or any combination of any of the foregoing) be an Event of Default.

"**Effective Date**" means the date on which the Lenders notify the Borrower that all of the Conditions Precedent have been received in form and substance satisfactory (unless indicated otherwise in Schedule 2 (*Conditions Precedent for initial Utilisation*)) to, or waived by, the Lenders (acting reasonably).

"**EUR**", "**Euro**", "**euro**" and "**€**" means the single currency unit of the Participating Member States.

"**EURIBOR**" means, in relation to any Utilisation in Euro:

(a) the applicable Screen Rate;

(b) (if no Screen Rate is available for Euro for the relevant period) the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Lenders at its request quoted by the Reference Banks to leading banks in the European interbank market; or

(c) (if the Reference Banks are not able to supply the relevant rates) the rate notified to the Borrower as the cost to the Lenders of funding its participations as it may reasonably and properly select,

in each case as of 11:00 a.m. on the Rate Fixing Day for the offering of deposits in Euro for a period of appropriate length and, if any such rate is less than zero, EURIBOR will be deemed to be zero.

"**Event of Default**" means any event or circumstance specified as such in Clause 14 (*Events of Default*).

"**Existing Debt**" means:

(a) the promissory note issued by the Parent to AG Software Limited pursuant to an amended and restated promissory note dated 18 May 2017 (as increased from time to time) which is due to mature on 31 March 2022;

(b) the promissory note issued by the Parent to Aspireglobal Limited pursuant to an amended and restated promissory note dated 18 May 2017 (as increased from time to time) which is due to mature on 31 March 2022;

(c) the loans documented pursuant to a loan agreement dated 20 October 2020 between the Parent and William Hill Finance Limited;

(d) the loan documented pursuant to a loan agreement dated 3 March 2021 between the Target and Eliyahu Azur which is due to mature on 2 April 2022;

(e) the loan documented pursuant to a loan agreement dated 3 March 2021 between the Target and Pinhas Zahavi which is due to mature on 2 April 2022;

(f) the loan documented pursuant to a loan agreement dated 17 March 2021 between the Target and Aharon Aran which is due to mature on 2 April 2022; and

(g) the loan documented pursuant to a loan agreement dated 22 March 2021 between the Target and Barak Matalon which is due to mature on 2 April 2022.

"**FATCA**" means:

(a) sections 1471 to 1474 of the Code or any associated regulations;

(b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or

(c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraph (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

"**FATCA Application Date**" means:

(a) in relation to a "withholdable payment" described in section 1473(1)(A)(i) of the Code (which relates to payments of interest and certain other payments from sources within the US), 1 July 2014; or

(b) in relation to a "passthru payment" described in section 1471(d)(7) of the Code not falling within paragraph (a) above, the first date from which such payment may become subject to a deduction or withholding required by FATCA.

"**FATCA Deduction**" means a deduction or withholding from a payment under an Interim Document required by FATCA.

"**FATCA Exempt Party**" means a Party that is entitled to receive payments free from any FATCA Deduction.

"**Final Repayment Date**" means the date falling ninety (90) days after the date of Utilisation of Interim Facility 1.

"**Guarantor**" means:

(a) the Parent;

(b) the Borrower; and

(c) Bidco.

"**Group**" means the Parent and its Subsidiaries from time to time.

"**Initial Settlement Date**" means the date on which the first payment is made to the shareholders of the Target as required by the Offer.

"**Interim Documents**" means this Agreement, the Bid Security Documents, the Maltese Bank Account Pledge and any other document designated in writing as an Interim Document by the Lenders and the Borrower.

"**Interim Facility**" means Interim Facility 1 or Interim Facility 2, as the context requires.

"**Interim Facility 1**" means an interim term loan facility in an aggregate amount equal to EUR 187,700,000.

"**Interim Facility 1 Commitment**" means, in relation to each Lender, the amount of Interim Facility 1 set opposite its name under the heading "Interim Facility 1 Commitment" in Schedule 3 (*The Lenders*) and/or the amount of any other Interim Facility 1 Commitment transferred to it pursuant to Clause 21.2 (*Transfers or assignments by the Lenders*).

"**Interim Facility 2**" means an interim term loan facility in an aggregate amount equal to EUR 13,100,000.

"**Interim Facility 2 Commitment**" means, in relation to each Lender, the amount of Interim Facility 2 set opposite its name under the heading "Interim Facility 2 Commitment" in Schedule 3 (*The Lenders*) and/or the amount of any other Interim Facility 2 Commitment transferred to it pursuant to Clause 21.2 (*Transfers or assignments by the Lenders*).

"**Interim Secured Liabilities**" means any existing and/or future obligations, whether direct or by way of guarantee, of the Obligors, whether joint or several, absolute or contingent, due or to become due, towards any of the Lenders under the Interim Documents, whether by way of principal, interest or otherwise, and all and any fees, original issue discount, additional original issue discount, costs and/or expenses which any of the Lenders may hereafter incur in the protection or enforcement of their respective rights under the Interim Documents.

"**Lender**" means each Lender together with its Affiliates and any other bank or financial institution to whom such Lender assigns or transfers its rights and/or obligations in accordance with this Agreement.

"**Luxembourg**" means the Grand Duchy of Luxembourg.

"**Maltese Bank Account Pledge**" has the meaning given to that term in paragraph (b) of Clause 13.3.

"**Margin**" means 6.25 per cent. per annum.

"**Material Adverse Effect**" means any event which has a material adverse effect on:

(a) the business, assets or financial condition of the Borrower; or

(b) the ability of the Borrower to perform its payment obligations under any Interim Document; or

(c) subject to the Reservations and any perfection requirements relating to the Bid Security Documents which are not overdue, the validity or enforceability of any of the Interim Documents in a manner which is materially adverse to the interests of the Lenders under the Interim Documents (taken as a whole) and, if capable of remedy, is not remedied within fifteen (15) Business Days of the Borrower becoming aware of the issue, provided that such period shall run concurrently with any other applicable grace period.

"**Minimum Acceptance Condition**" means the condition specified in the applicable Offer Document which requires the Offer being accepted to such extent that Bidco becomes the owner of shares representing not less than 90 per cent of the total voting rights pertaining to the issued and outstanding shares in the Target (excluding any treasury shares held by the Target).

"**Obligors**" means the Borrower and each Guarantor.

"**Offer**" has the meaning given to that term in the Term Sheet.

"**Offer Document**" means:

(a) the Press Release;

(b) the offer document (*Sw. Erbjudandehandling*) in respect of the Offer, reflecting the Press Release and registered with the Swedish Financial Supervisory Authority; and

(c) any additional press release, revised offer document or supplemental offer document in connection with the Parent's offer to acquire the Target Shares.

"**Offer Regulations**" means the Swedish Corporate Governance Board's Takeover Rules for certain trading platforms (as amended) and statements and rulings by the Swedish Securities Council (*Sw. Aktiemarknadsnämnden*).

"**Offer Withdrawal Date**" means the date on which the Offer (as extended or revised from time to time) irrevocably lapses or terminates, or is permanently withdrawn by the Parent.

"**Original Issue Discount**" has the meaning given to that term in the Closing Letter.

"**Participating Member State**" means any member state of the European Union that has the Euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

"**Party**" means a party to this Agreement.

"**Permitted Disposal**" means any sale, lease, licence, transfer or other disposal which:

(a) is of cash or cash equivalent investments not prohibited by the Interim Documents;

(b) is described in the Structure Memorandum or the Acquisition Documents; or

(c) arises as a result of a Permitted Transaction or any Permitted Security.

"**Permitted Financial Indebtedness**" means financial indebtedness:

(a) arising or permitted under the Interim Documents, or the Senior Facilities Agreement or expressly permitted under the Term Sheet;

(b) arising under a Permitted Transaction or Permitted Guarantee provided that, to the extent any Permitted Transaction creates a debt owed by any Guarantor to any of its shareholders, such debt is subordinated to the Interim Facility on terms satisfactory to the Lenders; or

(c) as described in the Structure Memorandum.

"**Permitted Guarantee**" means any guarantee or indemnity contemplated by Interim Documents, the Term Sheet or the Senior Facilities Agreement or arising under a Permitted Transaction.

"**Permitted Loan**" means any loan contemplated by Interim Documents, the Term Sheet or the Senior Facilities Agreement or arising under a Permitted Transaction.

"**Permitted Security**" means:

(a) any security identified in or contemplated by the Interim Documents, the Term Sheet or the Senior Facilities Agreement;

(b) any lien arising solely by operation of law or agreement of similar effect and in the ordinary course of business;

(c) any netting or set-off arrangement entered into by any member of the Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of the Group; or

(d) any security arising as a result of a Permitted Transaction.

"**Permitted Transaction**" means:

(a) any disposal required, financial indebtedness incurred, guarantee, indemnity, loan or security or other transaction arising under or described in the Interim Documents or the Acquisition Documents;

(b) the solvent liquidation or reorganisation of any member of the Group (other than the Parent, the Borrower and Bidco) where such reorganisation is expressly set out in the Structure Memorandum or under any Interim Document so long as any payments or assets distributed as a result of such liquidation or reorganisation are distributed to other members of the Group; or

(c) any payments or other transactions contemplated by the Structure Memorandum.

"**Press Release**" has the meaning given to that term in the Term Sheet.

"**Reference Banks**" means the principal offices of two or more banks as have been appointed by the Lenders in consultation with the Borrower from time to time.

"**Related Fund**" means, in relation to a fund (the "**first fund**"), a fund which is managed or advised by the same investment manager or investment adviser as the first fund or, if it is managed by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the first fund.

"**Reservations**" means general principles set out as qualifications or reservations as to matters of law in the legal opinion to be delivered under the Interim Documents.

"**Screen Rate**" means the percentage rate per annum for the relevant period displayed on the page EURIBOR01 of the Reuters screen. If the agreed page is replaced or service ceases to be available, the Lenders may specify another page or service displaying the appropriate rate after consultation with the Borrower.

"**Senior Facilities Agreement**" has the meaning given to such term in the Term Sheet.

"**Squeeze Out Procedure**" means the squeeze-out procedure set out in the Target Constitutional Documents pursuant to which a person who has, directly or indirectly, acquired not less than ninety percent (90%) of the Target Shares carrying voting rights (on a non-diluted and on a fully diluted basis) following an Offer or otherwise, has the right to require the remaining shareholders of the Target to transfer their respective Target Shares to such person.

"**Structure Memorandum**" means the tax strawman paper prepared by EY dated 10 January 2022.

"**Subsidiary**" means any of:

(a) a subsidiary within the meaning of section 1159 of the Companies Act 2006; and

(b) an entity of which a person has direct or indirect control or owns directly or indirectly more than 50% of the voting capital or similar right or ownership and "**control**" for this purpose means the power to direct the management and the policies of the entity whether through the ownership or voting capital, by contract or otherwise.

"**Target**" has the meaning given to that term in the Commitment Letter.

"**Target Constitutional Documents**" means the articles of association of the Target, as amended from time to time.

"**TARGET Day**" means any day on which TARGET2 is open for the settlement of payments in euro.

"**Target Group**" means the Target and its Subsidiaries and "**member of the Target Group**" means any of them.

"**Target Shares**" means the issued shares of the Target.

"**TARGET2**" means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

"**Term Sheet**" has the meaning given to that term in the Commitment Letter.

"**Total Commitment**" means the Total Interim Facility 1 Commitment and the Total Interim Facility 2 Commitment.

"**Total Interim Facility 1 Commitment**" means, at any time the aggregate of the Interim Facility 1, being EUR 187,700,000 as at the date of this Agreement.

"**Total Interim Facility 2 Commitment**" means, at any time the aggregate of the Interim Facility 2, being EUR 13,100,000 as at the date of this Agreement.

"**Transaction**" has the meaning given to that term in the Commitment Letter.

"**Utilisation**" means any utilisation of the Interim Facility to be made by the Borrower in accordance with this Agreement.

"**Utilisation Request**" means a notice from the Borrower requesting the Utilisation, substantially in the form set out in Schedule 1 (*Form of Utilisation Request*) hereto.

"**VAT**" means:

(a) value added tax imposed pursuant to the United Kingdom Value Added Tax Act 1994;

(b) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and

(c) any other tax of a similar nature, whether imposed in the United Kingdom or a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) or (b) above, or imposed elsewhere.

"**Withdrawal Event**" means the withdrawal of any participating member state of the European Union from the single currency of the participating member states of the European Union and/or the redenomination of the euro into any other currency by the government of any current or former participating member state of the European Union and/or the withdrawal (or any vote or referendum electing to withdraw) of any member state from the European Union.

1.2 Terms defined in the Commitment Letter (including the exhibits thereto) shall have the same meaning when used in this Agreement, unless a contrary indication appears.

1.3 **Construction**

(a) In this Agreement, any reference to a "**Clause**" or a "**Schedule**" is, unless the context otherwise requires, a reference to a Clause or a Schedule to this Agreement.

(b) In this Agreement, "**security**" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

(c) In this Agreement, an Event of Default is continuing if it has not been remedied or waived.

(d) In this Agreement, "**tax credit**" means a credit against any tax or any relief or remission for or rebate of tax (or its repayment) with respect to a payment under an Interim Document.

(e) In this Agreement, "**tax deduction**" means a deduction or withholding for or on account of tax from a payment under an Interim Document.

(f) In this Agreement, if any obligation requires to be fulfilled on a day which is not a Business Day, that obligation will instead become due on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

(g) Unless a contrary indication appears, any reference in this Agreement to:

(i) any other agreement or instrument is a reference to that other agreement or instrument as amended, supplemented, assigned or novated;

(ii) any person includes its successors in title, permitted assigns and permitted transferees;

(iii) a time of day is a reference to London time.

1.4 **Luxembourg terms**

In this Agreement, where it relates to a person incorporated in or organised under the laws of Luxembourg, a reference to:

(a) a "**winding-up**", "**administration**", "**reorganisation**", "**insolvency**" or "**dissolution**" includes bankruptcy (*faillite*); insolvency, voluntary or judicial liquidation (*liquidation volontaire ou judiciaire*); composition with creditors (*concordat préventif de la faillite*); moratorium or suspension of payments (*sursis de paiement*); controlled management (*gestion contrôlée*), fraudulent conveyance and general settlement with creditors, reorganisation or similar laws affecting the rights of creditors generally;

(b) a "**receiver**", "**administrative receiver**", "**administrator**", "**trustee**", "**custodian**", "**sequestrator**", "**compulsory manager**", "**conservator**" or similar "**officer**" includes a *juge délégué*, *commissaire*, *juge-commissaire*, *mandataire ad hoc*, *administrateur provisoire*, *liquidateur* or *curateur*;

(c) a "**lien**" or "**security interest**" includes any *hypothèque*, *nantissement*, *gage*, *privilège*, *sûreté réelle*, *droit de rétention*, and any type of security in rem (*sûreté réelle*) or agreement or arrangement having a similar effect and any transfer of title by way of security;

(d) a "**guarantee**" includes any guarantee which is independent from the debt to which it relates and excludes any suretyship (*cautionnement*) within the meaning of Articles 2011 and seq. of the Luxembourg Civil Code;

(e) a person being "**unable to pay its debts**" includes that person being in a state of cessation of payments (*cessation de paiements*) and a person which has lost its creditworthiness (*ébranlement de crédit*);

(f) "**by-laws**" or "**constitutional documents**" includes its up-to-date (restated) articles of association (*statuts coordonnés*);

(g) a "**director**" and/or a "**manager**" includes a *gérant* or an *administrateur*;

(h) a "**set-off**" includes, for the purposes of Luxembourg law, legal set-off; and

(i) an "**attachment**" or similar creditors process means an executory attachment (*saisie exécutoire*) or conservatory attachment (*saisie arrêt*).

1.5 **Maltese terms**

In this Agreement, where it relates to where it relates to a person incorporated in or organised under the laws of Malta, a reference to:

(a) a "**winding-up**", "**administration**", "**dissolution**", "**suspension of payments**", "**administration**" or "**insolvent reorganisation**", "**composition**", "**compromise**" or "**assignment**" or "**arrangement with any creditor**" includes, without limitation any procedure or proceeding in relation to an entity and referring to insolvency, voluntary or judicial liquidation, creditor compromises, company recovery, general settlement with creditors, reorganisation or any similar proceedings affecting the rights of creditors generally under Maltese law, and shall be construed so as to include any equivalent or analogous liquidation or reorganisation proceedings;

(b) a "**receiver**", "**administrative receiver**", "**administrator**", "**provisional liquidator**", "**liquidator**", "**compulsory**" or "**interim manager**" or the like includes, without limitation, a liquidator ,a provisional administrator, an official receiver, or any other person performing that same function of each of the foregoing in accordance with Maltese company law;

(c) "**Security**" or a "**security interest**" includes, without limitation, any privilege (general or special), hypothec (general or special), pledge, lien, charge, mortgage, security by title transfer or other encumbrance which grants rights of preference to a creditor over the assets of the debtor, whether granted or arising by operation of the law; and

(d) "**by-laws**" or "**constitutional documents**" includes its up-to-date memorandum and articles of association.

2. INTERIM FACILITY

2.1 Subject to the terms of this Agreement, the Lenders make available to the Borrower during the Availability Period applicable to Interim Facility 1, Interim Facility 1 to be utilised by way of one advance requested in a Utilisation Request, the proceeds of which may be applied, directly or indirectly, in or towards (including by way of on-lending to Bidco):

(a) the purchase price for the Acquisition and Offer and any payment for any of the issued share capital of the Target required under any of the Acquisition Documents;

(b) the refinancing of principal and interest outstanding of the financial indebtedness in the Target Group existing prior to the Closing Date;

(c) payment of all fees, costs and expenses in relation to the Acquisition, the Offer and the other payments and the refinancing contemplated in paragraphs (a) and (b),

in each case, in accordance with the Funds Flow Statement and/or the Structure Memorandum.

2.2 Subject to the terms of this Agreement, the Lenders make available to the Borrower during the Availability Period applicable to Interim Facility 2, Interim Facility 2 to be utilised by way of one advance requested in a Utilisation Request, the proceeds of which may be applied, directly or indirectly, in or towards, the working capital and general corporate purposes of the Group and the Target Group.

2.3 The Lenders are not required to monitor or verify the utilisation under the Interim Facility.

3. OBLIGORS' AGENT

(a) Each Obligor (other than the Borrower) by its execution of this Agreement irrevocably appoints the Borrower (acting through one or more authorised signatories) to act on its behalf as its agent in relation to the Interim Documents and irrevocably authorises:

(i) the Borrower on its behalf to supply all information concerning itself contemplated by this Agreement to the Lenders and to give all notices and instructions, to execute on its behalf any agreement, to make such agreements and to effect the relevant amendments, supplements and variations capable of being given, made or effected by any Obligor notwithstanding that they may affect the Obligor, without further reference to or the consent of that Obligor; and

(ii) the Lenders to give any notice, demand or other communication to that Obligor pursuant to the Interim Documents to the Borrower,

and in each case the Obligor shall be bound as though the Obligor itself had given the notices and instructions or executed or made the agreements, or effected the amendments, supplements or variations, or received the relevant notice, demand or other communication and the Lenders may rely on any action taken by the Borrower on behalf of that Obligor.

(b) Every act, omission, agreement, undertaking, settlement, waiver, amendment, supplement, variation, notice or other communication given or made by the Borrower or given to the Borrower under any Interim Document on behalf of another Obligor or in connection with any Interim Document (whether or not known to any other Obligor and whether occurring before or after such other Obligor became an Obligor under any Interim Document) shall be binding for all purposes on that Obligor as if that Obligor had expressly made, given or concurred with it. In the event of any conflict between any notices or other communications of the Borrower acting as Obligors' agent and any other Obligor, those of the Borrower shall prevail.

4. UTILISATION

4.1 Subject to Clause 4.1 below, on receipt of a Utilisation Request by 3.00 p.m. (London time) seven (7) London and Stockholm business days prior to the proposed date of a Utilisation, the Lenders agree, subject only to the conditions set out in Clause 5 (*Conditions to Utilisations*), to advance the amount set out in such Utilisation Request less, in case of the advance of Interim Facility 1 under this Agreement only, the Original Issue Discount and, if applicable, the Additional Original Issue Discount (together the "**OID Deduction**") or, if the Lenders elect for the OID Deduction to be settled in a separate manner contemplated by the Closing Letter, the OID Deduction shall be settled in such manner.

4.2 The amount of the Utilisations requested by the Borrower shall be equal to:

(a) with respect to the utilisation under Interim Facility 1, the Total Interim Facility 1 Commitments; and

(b) with respect to any utilisation under Interim Facility 2, the Total Interim Facility 2 Commitments,

in each case, such that, for the avoidance of doubt and notwithstanding the OID Deduction but subject to paragraph (a) of Clause 8.1, the total principal amount outstanding to the Lenders and owed by the Borrower at any time shall be the total amounts advanced by the Lenders to the Borrower under this Agreement which are outstanding at such time plus the Original Issue Discount and, if applicable, the Additional Original Issue Discount (with no double counting).

5. CONDITIONS TO UTILISATIONS

5.1 Subject to Clause 5.2 below, the Lenders will only be obliged to make the Utilisations available to the Borrower if the Effective Date has occurred and:

(a) during the Certain Funds Period, no Certain Funds Draw Stop Event is outstanding; and

(b) following the end of the Certain Funds Period, in respect of Interim Facility 2 only, no Event of Default is outstanding.

5.2 Subject to the Effective Date having occurred and provided that no Certain Funds Draw Stop Event is outstanding or will result from the making of any Utilisation, during the Availability Period for Interim Facility 1, the Lenders shall not be entitled to:

(a) refuse to participate in or make available any Utilisation under the Interim Facility;

(b) cancel, rescind or terminate this Agreement or any commitment pursuant to the Interim Facility or Utilisation under the Interim Facility;

(c) exercise any right of set off, counterclaim, repudiation or similar right or remedy which it may have in relation to the Interim Facility; or

(d) cancel, accelerate or cause repayment of the Interim Facility or take any other action under or pursuant to Clause 14 (*Events of Default*),

provided that immediately upon the expiry of the Certain Funds Period, all such rights, remedies and entitlements shall be available to the Lenders notwithstanding that they may not have been used or been available for use during the Certain Funds Period.

5.3 The Lenders shall provide written notice of the satisfaction of the Conditions Precedent to the Borrower promptly upon satisfaction or waiver thereof.

6. RIGHTS AND OBLIGATIONS UNDER THE INTERIM DOCUMENTS

This Agreement will automatically terminate and be of no further force or effect on the earlier of:

(a) the date on which the Senior Facilities Agreement is signed and each initial conditions precedent thereunder is irrevocably satisfied or waived as evidenced by delivery of a duly signed and unqualified conditions precedent letter thereunder;

(b) the date falling three (3) Business Days after the Borrower has given notice in writing to the Lenders requesting termination; and

(c) 11:59 p.m. (London time) on the last day of the Certain Funds Period (or such later date as may be agreed by the Lenders (acting reasonably)),

in each case only if a Utilisation has not been made prior to the date of such termination.

7. INTEREST

7.1 Interest shall accrue on the Utilisations at the rate per annum which is the aggregate of the applicable:

(a) Margin; and

(b) EURIBOR,

and will be calculated on the basis of a 360 day year and the number of days elapsed.

7.2 Interest accrued on the Utilisations shall be paid on the Final Repayment Date.

7.3 If there is a repayment, prepayment or recovery of all or any part of a Utilisation other than on the Final Repayment Date, the Borrower will pay to the Lenders, within five (5) Business Days of written demand, its break costs (if any). The break costs will be the amount by which (a) the interest (excluding the applicable Margin and any base rate floor) which would have been payable on the Final Repayment Date on the amount of such Utilisation repaid, prepaid or recovered exceeds (b) the amount of interest the Lenders would had received by placing a deposit equal to the relevant amount with leading banks in the London interbank market for a period starting on the Business Day after receipt and ending on the Final Repayment Date as determined by the Lenders (acting reasonably).

7.4 Interest shall accrue on any overdue amount from the due date until the date of actual payment (both before and after any judgment) at a rate equal to 2.0% above the rate which would have been payable had the overdue amount constituted a Utilisation.

8. REPAYMENT

8.1 The Utilisations (together with any accrued interest and all other amounts owing under the Interim Documents) will be repaid on the Final Repayment Date:

(a) in an amount equal to the aggregate amount of the Utilisations (together with any accrued and unpaid interest) less the OID Deduction (the "**Refinancing Amount**") which amount shall satisfy the obligation under this Agreement for the Borrower to repay the full amount of the Utilisations (together with any accrued and unpaid interest) and all Commitments will be cancelled on such date, provided that such repayment shall be funded from the proceeds of the first drawing under the Senior Facilities Agreement, subject to the terms of the Senior Facilities Agreement; or

(b) in all other circumstances, in full, and all Commitments will be cancelled on such date.

8.2 Amounts repaid or prepaid may not be re-borrowed.

8.3 Application of moneys

(a) If the Lenders receive a payment that is insufficient to discharge all amounts then due and payable by an Obligor under any Interim Document, or in case of acceleration of all or part of the Interim Facility in accordance with Clause 14.12 (*Acceleration*), the Lenders shall apply that payment towards the obligations of such Obligor under the Interim Documents in the following order:

(i) *first*, in payment pro rata of any fees, costs and expenses of the Lenders, due but unpaid;

(ii) *second*, in payment pro rata of any accrued interest in respect of the Interim Facility to the Lenders, due but unpaid;

(iii) *third*, in payment pro rata of any principal due but unpaid under the Interim Facility;

(iv) *fourth*, in payment pro rata of any other amounts due but unpaid under the Interim Documents; and

(v) the balance, if any, in payment to the relevant Obligor.

(b) The Lenders, acting unanimously, may agree to vary the order set out in sub-paragraphs (a)(i) to (a)(iv) inclusive above.

(c) Any such application by the Lenders or any of them will override any appropriation made by an Obligor.

(d) Any amount recovered under the Bid Security Documents and the Maltese Bank Account Pledge will be applied in the order set out in paragraph (a) above with any balance to be paid pursuant to paragraph (a)(v) above being promptly returned by the Lenders (or their relevant representatives and/or agents as the case may be) to the relevant Obligor.

9. PREPAYMENT

9.1 The Borrower shall prepay the Utilisations in an amount equal to the Refinancing Amount (which amount shall satisfy the obligation of the Borrower to repay the Utilisations under the terms of this Agreement), together with any break costs (as described in Clause 7.3 above), with the proceeds of the first drawing under the Senior Facilities Agreement, subject to the terms of the Senior Facilities Agreement.

9.2 The Borrower may prepay the Utilisations in full without premium or penalty (but together with accrued but unpaid interest and any break costs (as described in Clause 7.3 above)) at any time on giving five (5) Business Days' prior written notice to the Lenders.

9.3 If it becomes unlawful in any applicable jurisdiction for a Lender to perform any of its obligations as contemplated by this Agreement or to fund, issue or maintain its participation in the Utilisations or it becomes unlawful for an affiliate of a Lender to do so:

(a) any undrawn Commitment amount of the relevant Lender will be immediately cancelled; and

(b) the Borrower shall repay the relevant Lender's participation in the Utilisations on the Final Repayment Date or, if earlier, the date specified by the relevant Lender in a notice delivered to the Borrower (being no earlier than the last day of any applicable grace period permitted by law), and that Lender's corresponding Commitment(s) shall be cancelled in the amount of the participation repaid.

10. CANCELLATION

10.1 At any time during the Availability Period, the Borrower may, by giving five (5) Business Days' prior written notice to the Lenders, cancel any undrawn amount of the Interim Facility. The Commitments under the Interim Facility which, at that time, are unutilised shall be immediately cancelled at the end of the Availability Period.

10.2 Any notice of cancellation or prepayment given under this Clause 10 shall specify the date or dates upon which the relevant cancellation or prepayment is to be made and the amount of that cancellation or prepayment.

11. GUARANTEE

11.1 **Guarantee and Indemnity**

Subject to the limitations set out in Clauses 11.11 (*Guarantee and Security Limitation*) to 11.12 (*Luxembourg: Guarantee Limitation*) below, each Guarantor irrevocably and unconditionally, jointly and severally:

(a) guarantees to the Lenders punctual performance by each other Obligor of all its obligations under the Interim Documents;

(b) undertakes with the Lenders that whenever an Obligor does not pay any amount when due (allowing for any applicable grace period) under or in connection with any Interim Document, that Guarantor shall immediately on demand pay that amount as if it was the principal obligor; and

(c) agrees with the Lenders that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify the Lenders immediately on demand against any cost, loss or liability it incurs as a result of an Obligor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Interim Document on the date when it would have been due. The amount payable by a Guarantor under this indemnity will not exceed the amount it would have had to pay under this Clause 11.1 if the amount claimed had been recoverable on the basis of a guarantee,

(the "**Guarantee**").

11.2 **Continuing Guarantee**

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by an Obligor under the Interim Documents, regardless of any intermediate payment or discharge in whole or in part.

11.3 **Reinstatement**

If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made by the Lenders in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Guarantor under this Clause 11 will continue or be reinstated as if the discharge, release or arrangement had not occurred.

11.4 **Waiver of Defences**

The obligations of each Guarantor under this Clause 11 will not be affected by an act, omission, matter or thing which, but for this Clause 11, would reduce, release or prejudice any of its obligations under this Clause 11 (whether or not known to it or the Lenders) including:

(a) any time, waiver or consent granted to, or composition with, any Obligor or other person;

(b) the release of any Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;

(c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

(d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;

(e) any amendment, novation, supplement, extension restatement (however fundamental and whether or not more onerous) or replacement of an Interim Document or any other document or security including any change in the purpose of, any extension of or increase in any facility or the addition of any new facility under any Interim Document or other document or security;

(f) any unenforceability, illegality or invalidity of any obligation of any person under any Interim Document or any other document or security; or

(g) any insolvency or similar proceedings.

11.5 **Guarantor Intent**

Without prejudice to the generality of Clause 11.4 (*Waiver of Defences*) above, each Guarantor expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental and of whatsoever nature and whether or not more onerous) variation, increase, extension or addition of or to any of the Interim Documents and/or any facility or amount made available under any of the Interim Documents for the purposes of or in connection with any of the following: business acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers or issuers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

11.6 **Immediate Recourse**

(a) Each Guarantor waives any right it may have of first requiring the Lenders to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Guarantor under this Clause 11.

(b) This waiver applies irrespective of any law or any provision of an Interim Document to the contrary.

11.7 **Appropriations**

Until all amounts which may be or become payable by the Obligors under or in connection with the Interim Documents have been irrevocably paid in full, the Lenders may:

(a) refrain from applying or enforcing any other moneys, security or rights held or received by the Lenders in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Guarantor shall be entitled to the benefit of the same; and

(b) in respect of any amounts received or recovered by the Lenders after a claim pursuant to this guarantee in respect of any sum due and payable by any Obligor under this Agreement place such amounts in a suspense account (bearing interest at a market rate usual for accounts of that type) unless and until such moneys are sufficient in aggregate to discharge in full all amounts then due and payable under the Interim Documents.

11.8 **Deferral of Guarantors' Rights**

Until all amounts which may be or become payable by the Obligors under or in connection with the Interim Documents have been irrevocably paid in full and unless the Lenders otherwise directs, no Guarantor will exercise any rights which it may have by reason of performance by it of its obligations under the Interim Documents:

(a) to be indemnified by an Obligor;

(b) to claim any contribution from any other guarantor of any Obligor's obligations under the Interim Documents;

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lenders under the Interim Documents or of any other guarantee or security taken pursuant to, or in connection with, the Interim Documents by the Lenders;

(d) to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which any Guarantor has given a guarantee, undertaking or indemnity under Clause 11.1 (*Guarantee and Indemnity*) above;

(e) to exercise any right of set-off against any Obligor; and/or

(f) to claim or prove as a creditor of any Obligor in competition with the Lenders.

11.9 **Release of Guarantors' Right of Contribution**

If any Guarantor (a "**Retiring Guarantor**") ceases to be a Guarantor in accordance with the terms of the Interim Documents for the purpose of any sale or other disposal of that Retiring Guarantor then on the date such Retiring Guarantor ceases to be a Guarantor:

(a) that Retiring Guarantor is released by each other Guarantor from any liability (whether past, present or future and whether actual or contingent) to make a contribution to any other Guarantor arising by reason of the performance by any other Guarantor of its obligations under the Interim Documents; and

(b) each other Guarantor waives any rights it may have by reason of the performance of its obligations under the Interim Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Lenders under any Interim Document or of any other security taken pursuant to, or in connection with, any Interim Document where such rights or security are granted by or in relation to the assets of the Retiring Guarantor.

11.10 **Additional Security**

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by the Lenders.

11.11 **Guarantee and Security Limitation**

Without limiting any specific exemptions set out below:

(a) no Guarantor's obligations and liabilities under this Clause 11 and under any other guarantee or indemnity provision in an Interim Document (the "**Guarantee Obligations**") will extend to include any obligation or liability; and

(b) no security interests granted by an Obligor will secure any Guarantee Obligation,

if to the extent doing so would be illegal, in breach of law or regulation or unlawful financial assistance (including, but not limited to, within the meaning of sections 678 or 679 of the Companies Act 2006 applicable to members of the Group incorporated in the United Kingdom or within the meaning of article 110 of the Companies Act (Chapter 386 of the Laws of Malta) and notwithstanding any applicable exemptions and/or undertaking of any applicable prescribed whitewash or similar financial assistance procedures) in respect of the acquisition of shares in itself or its holding company or a member of the Group under the laws of its jurisdiction of incorporation.

11.12 **Luxembourg: Guarantee Limitation**

(a) Notwithstanding any provisions to the contrary in any other Interim Document, the maximum liability of any Obligor which is incorporated in Luxembourg (the "**Luxembourg Obligor**") under the guarantee set out in this Clause 11 together with any similar guarantee or indemnity obligation of that Luxembourg Obligor under or in connection with any other Interim Document for the obligations of any Obligor which is not a direct or indirect Subsidiary of that Luxembourg Obligor shall be limited to an amount not exceeding the greater of (without double counting):

(i) 95 per cent. of that Luxembourg Obligor's own funds (*capitaux propres*), as referred to in annex I to the grand-ducal regulation dated 18 December 2015 defining the form and content of the presentation of balance sheet and profit and loss account, and enforcing the Luxembourg law dated 19 December 2002 concerning the trade and companies register and the accounting and annual accounts of undertakings (the "**Regulation**") as increased by the amount of any Subordinated Debt, each as reflected in that Luxembourg Obligor's most recent financial statements available to the Lenders as at the date of this Agreement; or

(ii) 95 per cent. of that Luxembourg Obligor's own funds (*capitaux propres*), as referred to in the Regulation as increased by the amount of any Subordinated Debt, each as reflected in the that Luxembourg Obligor's most recent financial statements available to the Lenders at the time the guarantee is called.

(b) The limitation in paragraph (a) above shall not apply to any amounts borrowed by, or made available to, the applicable Luxembourg Obligor or any of its direct or indirect present or future Subsidiaries under any Interim Document (or any document entered into in connection therewith).

(c) The obligations and liabilities of any Luxembourg Obligor under the Interim Documents and in particular under this Clause 11 shall not include any obligation or liability which, if incurred, would constitute:

(i) a misuse of corporate assets as defined in article 1500-11 of the Companies Act 1915 or any other law or regulation having the same effect as interpreted by Luxembourg courts; or

(ii) a breach of the prohibitions on the provision of financial assistance as referred to in article 430-19 of the Companies Act 1915 or any other law or regulation having the same effect as interpreted by Luxembourg courts.

(d) For the purposes of this Clause 11.12:

"**Companies Act 1915**" means the Luxembourg act dated 10 August 1915 concerning commercial companies, as amended.

"**Subordinated Debt**" means any debt owed by a member of the Group which is subordinated in right of payment (whether generally or specifically) to any claim of the Lenders under any of the Interim Documents.

11.13 **Subordination**

All liabilities of the Obligors between themselves and/or owed to other members of the Group (the "**Subordinated Liabilities**") shall be subordinated and postponed to all Interim Secured Liabilities and any amounts received in respect of any Subordinated Liabilities shall be applied in accordance with Clause 8.3 (*Application of moneys*), until all Interim Secured Liabilities have been paid in full.

12. REPRESENTATIONS

12.1 Each of the Parent, the Borrower and Bidco makes the following representations and warranties to the Lenders:

(a) It is a limited liability company, duly incorporated and validly existing under the laws of Luxembourg (in the case of the Parent and the Borrower) or Malta (in the case of Bidco).

(b) It has the power to own its assets and carry on its business as it is being conducted, and to enter into, deliver and perform its obligations under the Interim Documents to which it is or will be a party.

(c) Subject to the Reservations and Perfection Requirements (as applicable), the obligations expressed to be assumed by it in the Interim Documents are legal, valid, binding and enforceable obligations and each Bid Security Document to which it is a party creates the security interests which that Bid Security Document purports to create and those security interests are valid and effective in accordance with the terms of each Bid Security Document.

(d) The entry into and the performance by it under, and the carrying out of the transactions identified in or contemplated by, the Interim Documents to which it is a party do not conflict with:

(i) any law or regulation applicable to it in any material respect;

(ii) its constitutional documents in any material respect; or

(iii) any agreement or instrument binding upon it,

in each case in a manner which would have a Material Adverse Effect.

12.2 The Parent represents and warrants to the Lenders that the Acquisition Documents contain all material terms and conditions of the Acquisition and the Offer and there have been no material amendments, variations or waivers of the Acquisition Documents, which are materially prejudicial to the interests of the Lenders (it being understood that any increase in the purchase consideration for the Target shall not constitute a matter which is materially prejudicial to the interests of the Lenders).

12.3 Each of the Parent, the Borrower and Bidco represents and warrants to the Lenders that it has taken all necessary action to authorise its entry into, performance and delivery of, the Interim Documents.

12.4 All the representations and warranties in this Clause 12 are made on the date of this Agreement and are deemed to be made on the Effective Date and the date of each Utilisation Request by reference to the facts and circumstances then existing.

13. UNDERTAKINGS

13.1 Each of the Borrower and Bidco shall not:

(a) incur any financial indebtedness other than Permitted Financial Indebtedness;

(b) make or agree to make or permit to be outstanding any loans other than Permitted Loans;

(c) sell, lease, transfer or otherwise dispose of any asset other than a Permitted Disposal or a Permitted Transaction;

(d) create or permit to subsist any security over any of its assets other than Permitted Security or as a result of a Permitted Transaction;

(e) trade, carry on any business, own any assets or incur any liabilities except for activities identified in or contemplated by the Interim Documents, the Acquisition Documents or the Structure Memorandum;

(f) amalgamate, merge, demerge or consolidate with or into any person or undertake any corporate reorganisation or other reorganisation except for any Permitted Transaction;

(g) acquire or subscribe for any shares, securities or ownership interests in any person, or acquire any business, or incorporate any company, other than pursuant to the Acquisition Documents or as identified in or contemplated in the Structure Memorandum;

(h) declare, make or pay any distribution or pay interest or other amounts on or in respect of any class of its share capital or redeem or purchase any of its share capital or make any other payment of any kind to its shareholders (including, without limitation, subordinated or shareholder loans) other than a Permitted Transaction;

(i) give any guarantee or indemnity to any person save for a Permitted Guarantee; and

(j) repay, prepay or otherwise contribute towards the payment, repayment or reimbursement of, any interest, principal, fee, commission or any other amount in connection with any shareholder loan, intercompany loan, financial indebtedness or borrowing other than in respect of the Interim Facility in accordance with the terms of this Agreement or as contemplated pursuant to the Structure Memorandum.

13.2 The Borrower shall ensure that its obligations under the Interim Documents rank at all times at least pari passu in right of priority and payment with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

13.3 The Parent shall ensure that by no later than 11:59 p.m. (London time) on the fifth Business Day following (and excluding) the Closing Date:

(a) it has prepaid, satisfied, discharged or redeemed in full (or procured the prepayment, satisfaction, discharge or redemption of, or the deposit with the applicable trustee, paying agent or other similar entity of sufficient funds to satisfy and discharge) the Existing Debt; and

(b) Bidco shall enter into a Maltese law pledge over any Maltese bank accounts (other than any non-cash account, tax accounts, payroll accounts, employee share scheme accounts, trust accounts or any other bank account to the extent monies deposited therein are held on trust for beneficiaries which are not members of the Group) of Bidco (if any) (the "**Maltese Bank Account Pledge**").

13.4 Save as disclosed in Clause 13.5 below, each of the Parent, the Borrower and Bidco make the following representations and warranties to the Lenders on the date of this Agreement (in each case, in respect of itself only):

(a) Neither it, nor, to the best of its knowledge after making all due enquiries, any of its respective directors, officers, employees, affiliates, agents or representatives has in the past five years violated or is violating any applicable Anti-Corruption Laws or Anti-Money Laundering Laws while acting in their capacity as a representative of, or on behalf of, the Parent, the Borrower or Bidco (as applicable).

(b) Neither it, nor, (to the best of its knowledge and belief, having made all due enquiries) any of its respective directors, officers, employees, affiliates, agents or representatives, nor, to the knowledge of the Parent, the Borrower or Bidco (as applicable), any persons acting on its behalf: (i) is a Restricted Party; or (ii) has been in the past five years engaged or will knowingly use the proceeds of the Interim Facility to engage in any transaction, activity or conduct that would result in it being designated as a Restricted Party; or (iii) has in the past five years knowingly engaged in and are not now knowingly engaged in, and will not knowingly use the proceeds of the Interim Facility to engage in, any dealings or transactions with any person that at the time of the dealing or transaction is or was a Restricted Party, or in any other transactions, activity or conduct that would cause it to violate any of the applicable restrictions or prohibitions set forth in the Economic Sanctions Laws.

13.5 Further to Clause 13.4 above, the Borrower discloses the following:

(a) In 2020, the Target Group had revenue of approximately EUR 200 attributable to Syria.

(b) In 2020, the Target Group had revenue of approximately EUR 31 attributable to Cuba.

(c) In 2020, the Target Group had revenue of approximately EUR 132,000, and in 2021 approximately EUR 70,000, attributable to Venezuela.

13.6 The Parent, the Borrower and Bidco shall and (following the Control Date) shall procure that each member of the Target Group shall conduct its business in compliance with applicable laws, including, but not limited to, any applicable Anti-Corruption Laws, the U.S. Foreign Corrupt Practices Act of 1977, as amended and the UK Bribery Act 2010.

13.7 The Parent, the Borrower and Bidco shall and (following the Control Date) shall procure that each member of the Target Group shall take measures reasonably designed to ensure it has adequate procedures to ensure compliance with applicable Economic Sanctions Laws, Anti-Corruption Laws, and Anti-Money Laundering Laws, including the prompt adoption and implementation of compliance policies and procedures.

13.8 The Parent, the Borrower and Bidco shall not, and (following the Control Date) shall procure that each member of the Group shall not, in each case to the best of its knowledge after having made due and careful enquiries, directly or indirectly, use, lend, make payments of, contribute, or otherwise make available, all or any part of the proceeds of the Interim Facility or other transaction contemplated by this Agreement:

(a) to fund any trade, business involving or for the benefit of any Restricted Party; or

(b) to fund any trade, business in any other manner that would result in any member of the Group being in breach of any Economic Sanctions Laws or becoming a Restricted Party.

13.9 For the purposes of Clause 13.4 to Clause 13.8 above:

(a) "**Anti-Corruption Laws**" means any anti-corruption law or measure applicable to any of the assets or operations of the Parent, the Borrower, Bidco and any member of the Group including, without limitation, any law or measure that implements the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or the United Nations Convention Against Corruption;

(b) "**Anti-Money Laundering Laws**" means any applicable anti-money laundering law and/or regulation in any jurisdiction where the Parent, the Borrower, Bidco and the Group conducts business or owns assets;

(c) "**Economic Sanctions Laws**" means any trade, economic or financial sanctions laws, regulations, trade embargoes or restrictive measures administered, promulgated and/or enforced by:

(i) the United States government;

(ii) the United Nations;

(iii) the European Union or by any government authority of the UK and/or any other member state of the European Union, including (without limitation) any of the foregoing relating to restrictive measures against specific countries, territories and/or natural or legal persons, entities or bodies; or

(iv) the respective governmental institutions and agencies of any of the foregoing, including without limitation, the Office of Foreign Assets Control, the United States Department of State, the United States Department of Commerce, HM Treasury, or the United Nations Security Council (UNSC); and

(d) "**Restricted Party**" means a person:

(i) that is listed under the asset freeze provisions (including related annexes) of, or otherwise targeted by or the subject of, the sanctions measures described in the definition of Economic Sanctions Laws; and/or

(ii) that is named on the most current U.S. Office of Foreign Assets Control "Specially Designated Nationals" and "Blocked Persons" list, the "Foreign Sanctions Evaders" list, or the "Sectoral Sanctions Identifications" list, the consolidated list of persons, groups and entities subject to EU financial sanctions, the Consolidated List of Asset Freeze Targets in the UK administered by HM Treasury, or any equivalent list of persons under any Economic Sanctions Laws; and/or

(iii) (i) has its primary place of business in and/or is incorporated under the laws of, or (ii) based on all readily available information and with the exercise of reasonable due diligence is acting on behalf of, is a person located in or organised under the laws of a country that is the target of country-wide or territory-wide sanctions under any Economic Sanctions Laws, which as at the date of this Agreement are Crimea, Cuba, Iran, North Korea and Syria; and /or

(iv) owned (meaning fifty (50) per cent. or greater ownership interest) or otherwise (directly or indirectly) controlled by any of the foregoing.

13.10 Subject to Clause 13.11 below:

(a) subject to any confidentiality, regulatory, legal or other restrictions relating to the supply of such information, the Borrower shall inform the Lenders should the Parent terminate or withdraw the Offer prior to the date on which the Offer is declared unconditional by the Parent in all respects;

(b) subject to any confidentiality, regulatory, legal or other restrictions relating to the supply of such information, the Borrower shall, from time to time, if the Lenders reasonably request, give the Lenders reasonable details as to the progress of, and the current level of acceptances for, the Offer;

(c) the Parent shall comply in all material respects with the Offer Regulations and all other applicable laws and regulations relating to the Offer and the Squeeze Out Procedure, save where non-compliance would not be materially prejudicial to the interests of the Lenders under the Interim Documents;

(d) the Press Release will contain terms consistent with the draft Press Release provided to the Lenders prior to the date of the Commitment Letter (or with such amendments or modifications thereto as do not materially and adversely affect the interests of the Lenders (taken as a whole));

(e) the Offer Document will contain terms consistent with the draft of the Press Release provided to the Lenders on or prior to the date of the Commitment Letter, provided that this condition shall be satisfied if the Offer Documents does not include an amendment to the Offer that would not be permitted under this Agreement;

(f) other than to the extent required by the Offer Regulations or any regulatory body, the Parent shall not waive or amend the Minimum Acceptance Condition;

(g) the Parent shall not take any steps as a result of which any member of the Group is obliged to make a mandatory offer in respect of the Target Shares;

(h) the Parent shall initiate and pursue the Squeeze Out Procedure as soon as reasonably practicable following the date on which Bidco holds directly or indirectly not less than 90 per cent. of the voting rights in the Target;

(i) the Parent, or to the extent the Target has been pushed down under Bidco, Bidco shall use commercially reasonable endeavours, as soon as reasonably practicable and commercially viable following the Offer having been declared unconditional by Bidco, to procure that that the Target Shares are delisted from Nasdaq Stockholm; and

(j) the Parent shall procure that the Target shall be a direct subsidiary of Bidco.

13.11 Notwithstanding anything to the contrary in this Agreement, the Parent may, without restriction, waive or change any term or condition of the Offer (other than the Minimum Acceptance Condition (except to the extent required by the Offer Regulations or any regulatory body)), including but not limited to increasing the cash consideration payable in respect of the Target Shares (provided that any such increase in cash consideration shall not be funded with the proceeds of any external borrowings of any member of the Group and shall be only funded from the proceeds of equity contributions) or increasing the consideration payable in respect of the Target Shares by way of the payment of non-cash consideration.

14. EVENTS OF DEFAULT

14.1 Each of the following events or circumstances set out in this Clause 14 is an Event of Default, whether or not the occurrence of the event or circumstance concerned is outside the control of the relevant Obligor.

14.2 **Payment Default**

An Obligor does not pay on the due date any amount payable by it under the Interim Documents in respect of payments of principal and interest in the manner required under the Interim Documents unless its failure to pay is caused by administrative or technical error and payment is made within three (3) Business Days of its due date or, in respect of all other payments, within five (5) Business Days of its due date.

14.3 **Breach of Other Obligations**

An Obligor does not comply with any other provisions of the Interim Documents (other than those referred to in Clause 14.2 (*Payment Default*)), except that no Event of Default will occur if such a failure to comply is capable of remedy and is remedied within five (5) Business Days of the earlier of (i) the Obligor becoming aware of the failure to comply and (ii) the giving of written notice by the Lenders to the Borrower and/or the relevant Obligor in respect of such a failure to comply.

14.4 **Misrepresentation**

Any of the representations set out in Clause 12 (*Representations*) or in any other Interim Document is incorrect or misleading in any material respect (or, in the case of representations qualified by materiality on their face, any respect) when made or deemed to be made and if capable of remedy, the same is not remedied within five (5) Business Days of the earlier of (i) the Borrower becoming aware of the misrepresentation and (ii) the giving of written notice by the Lenders to the Borrower in respect of such a misrepresentation.

14.5 **Insolvency**

(a) An Obligor is unable (or deemed or declared to be unable under applicable law) or admits inability to pay its debts as they fall due (other than solely as a result of its balance sheet liabilities exceeding its balance sheet assets) or ceases or suspends making payment on any of its debts or announces an intention to do so, or by reason of actual or anticipated financial difficulties commences negotiations with, or makes a proposal to do so, with its creditors generally with a view to the general readjustment or rescheduling of its indebtedness or makes a general assignment for the benefit of or a composition with its creditors.

(b) A moratorium is declared in respect of the indebtedness of an Obligor.

14.6 **Insolvency Proceedings**

(a) Subject to paragraph (b) below, any of the following occurs in respect of an Obligor:

(i) any liquidator, trustee in bankruptcy, administrator or similar officer (an "**Insolvency Practitioner**") is appointed in respect of it or any of its assets;

(ii) a petition is presented, an application to court is made, or documents are filed with a court, by any person with standing for the purpose of appointing an Insolvency Practitioner in respect of it or any of its assets save where such petition is presented, application made or document filed on a frivolous or vexatious basis and any related action is discharged, stayed or dismissed within twenty (20) Business Days of commencement;

(iii) any meeting of its directors, shareholders or creditors passes any resolution for a suspension of payments, moratorium of indebtedness, its winding-up, liquidation, administration or dissolution or for seeking relief under any applicable insolvency law or petitions for or files documents with a court for any of the foregoing;

(iv) any corporate action, or other formal step or formal procedure, is taken or commenced with a view to a composition, compromise, assignment or arrangement with its creditors generally; or

(v) an order is made for its administration, liquidation, winding-up or other relief under any applicable insolvency law.

(b) Paragraph (a) above shall not apply to any corporate action, legal proceeding or other procedure or step which is frivolous or vexatious and is discharged, stayed or dismissed within twenty (20) Business Days of commencement or, if earlier, the date on which it is advertised.

14.7 **Creditors' Process**

Any expropriation, attachment, sequestration or distress affects any asset or assets of an Obligor having an aggregate value of EUR 7,500,000 (or its equivalent in any other currency or currencies) and is not stayed, withdrawn or discharged within twenty (20) Business Days.

14.8 **Unlawfulness and Invalidity**

Subject to the Reservations:

(a) it is or becomes unlawful for an Obligor to perform any of its material obligations under any of the Interim Documents; or

(b) any obligation of the Obligors under any Interim Document is not or ceases to be legal, valid, binding or enforceable and the cessation individually or cumulatively materially and adversely affects the interests of the Lenders under the Interim Documents.

14.9 **Repudiation or Rescission of an Interim Document**

An Obligor rescinds or purports to rescind or repudiates or purports to repudiate an Interim Document in a manner which would be materially adverse to the interests of the Lenders under the Interim Documents.

14.10 **Expropriation**

The authority or ability of any member of the Group to conduct its business is limited or wholly or substantially curtailed by any seizure, expropriation, nationalisation, intervention, restriction or other action by or on behalf of any governmental, regulatory or other authority or other person in relation to a member of the Group or any of its assets if such acts or such curtailment has or is reasonably likely to have a Material Adverse Effect.

14.11 **Change of Control**

There is a Change of Control

14.12 **Acceleration**

Subject to Clause 5 (*Conditions to Utilisations*), at any time after the occurrence of an Event of Default which is continuing the Lenders may, by written notice to the Borrower:

(a) cancel all or any of the commitments hereunder;

(b) declare that any or all Utilisations, together with accrued interest and any other amounts accrued or outstanding be immediately due and payable, at which time it shall become immediately due and payable;

(c) declare that any or all Utilisations be payable on demand, at which time it shall become immediately due and payable on demand by the Lenders; and

(d) exercise all or any of its rights, remedies or discretions under the Interim Documents.

14.13 **Excluded Matters**

Notwithstanding any other term of the Interim Documents:

(a) none of the steps set out in or contemplated by the Structure Memorandum or the Acquisition Documents (or the intermediate steps or actions necessary to implement any of them); nor

(b) any Withdrawal Event,

shall in any case constitute a Default or an Event of Default, and each such event in paragraphs (a) and (b) above shall be expressly permitted by the terms of the Interim Documents.

15. TAXES

15.1 Each Obligor must make all payments to be made by it without any tax deduction, unless a tax deduction is required by law.

15.2 If an Obligor or a Lender becomes aware that an Obligor must make a tax deduction (or that there is any change in the rate or the basis of a tax deduction) it shall promptly notify the Borrower or that Lender (as the case may be).

15.3 If any tax deduction is required by law to be made by an Obligor:

(a) the amount of the payment due from such Obligor will be automatically increased to an amount which (after taking into account any tax deduction) leaves an amount equal to the amount which would have been due if no tax deduction had been required; and

(b) such Obligor will:

(i) ensure that the tax deduction does not exceed the minimum amount required by law;

(ii) pay to the relevant taxation authorities that tax deduction and any payment required in connection with it within the time allowed by law; and

(iii) within fifteen (15) days of making any tax deduction or any payment required in connection with it, deliver to the relevant Lender evidence reasonably satisfactory to the relevant Lender that such tax deduction has been made or (as applicable) such payment paid to the appropriate taxation authorities.

15.4 If an Obligor makes a tax payment and a Lender determines (acting in good faith) that:

(a) a tax credit is attributable to that tax payment; and

(b) it has used and retained that tax credit,

that Lender must pay an amount to such Obligor which that Lender determines (acting in good faith) will leave it (after that payment) in the same after-tax position as it would have been if the tax payment had not been required to be made by the relevant Obligor.

15.5 The Borrower shall (within five Business Days of demand) pay to a Lender an amount equal to the loss, liability or cost which that Lender determines will be or has been (directly or indirectly) suffered for or on account of tax by that Lender in respect of an Interim Document or the Senior Facilities Agreement.

15.6 Clause 15.5 above shall not apply:

(a) with respect to any tax assessed on a Lender:

(i) under the law of the jurisdiction in which that Lender is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Lender is treated as resident for tax purposes; or

(ii) under the law of the jurisdiction in which that Lender's facility office through which it performs its obligations under this Agreement is located in respect of amounts received or receivable in that jurisdiction,

if that Tax is imposed on or calculated by reference to the net income, profits or gains received or receivable by that Lender (but not any sum deemed to be received or receivable by that Lender); or

(b) to the extent a loss, liability or cost:

(i) is compensated for by an increased payment under Clause 15.3;

(ii) (for the avoidance of doubt) relates to any stamp duty, registration and other similar Taxes or VAT; or

(iii) relates to a FATCA Deduction required to be made by any Party.

15.7 A Lender intending to make a claim under Clause 15.5 above shall promptly notify the Borrower of the event which will give, or has given, rise to the claim.

15.8 The Borrower shall pay and, within five Business Days of demand, indemnify each Lender against any cost, loss or liability that Lender incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Interim Document, provided that this Clause 15.8 shall not apply to any such stamp tax which is: (i) payable in respect of a transfer, assignment or sub-participation made by a Lender, except where such transfer, assignment or sub-participation is made at the request of the Borrower; or (ii) imposed upon registration by a Lender of the Interim Documents in Luxembourg when such registration is not required to maintain, preserve, establish or enforce the rights of that Lender under the Interim Documents.

15.9 If the Lender assigns or transfers any of its rights or obligations under this Agreement or changes its facility office and as a result of the circumstances existing as at the date of the assignment, transfer or change of facility office, an Obligor would be obliged to make a payment (or increased payment) to the assignee, transferee or Lender acting through its new facility office under this Clause 15 then the assignee, transferee or Lender acting through its new facility office will be entitled to receive payment (or any increased payment) under this Clause 15 only to the same extent as the assignor, transferor or Lender acting through its previous facility office would have been entitled if the assignment, transfer or change of facility office had not occurred.

15.10 Each Lender shall cooperate in completing as soon as reasonably practicable any procedural formalities necessary for an Obligor to obtain authorisation to make payment without a tax deduction.

15.11 VAT

(a) All amounts expressed to be payable under an Interim Document by any Party to a Lender which (in whole or in part) constitute the consideration for any supply for VAT purposes are deemed to be exclusive of any VAT which is chargeable on that supply, and accordingly, subject to paragraph (b) below, if VAT is or becomes chargeable on any supply made by any Lender to any Party under an Interim Document and such Lender is required to account to the relevant tax authority for the VAT, such Lender shall promptly provide an appropriate VAT invoice to such Party and, provided such an invoice has been provided, that Party must pay to such Lender (in addition to and at the same time as paying any other consideration for such supply) an amount equal to the amount of the VAT.

(b) If VAT is or becomes chargeable on any supply made by any Lender (the "**Supplier**") to any other Lender (the "**Recipient**") under an Interim Document, and any Party other than the Recipient (the "**Relevant Party**") is required by the terms of any Interim Document to pay an amount equal to the consideration for that supply to the Supplier (rather than being required to reimburse or indemnify the Recipient in respect of that consideration):

(i) (where the Supplier is the person required to account to the relevant tax authority for the VAT) the Relevant Party must also pay to the Supplier (at the same time as paying that amount) an additional amount equal to the amount of the VAT. The Recipient must (where this paragraph (b)(i) applies) promptly pay to the Relevant Party an amount equal to any credit or repayment the Recipient receives from the relevant tax authority which the Recipient reasonably determines relates to the VAT chargeable on that supply; and

(ii) (where the Recipient is the person required to account to the relevant tax authority for the VAT) the Relevant Party must promptly, following demand from the Recipient, pay to the Recipient an amount equal to the VAT chargeable on that supply but only to the extent that the Recipient reasonably determines that it is not entitled to credit or repayment from the relevant tax authority in respect of that VAT).

(c) Where an Interim Document requires any Party to reimburse or indemnify a Lender for any cost or expense, that Party or (at the election of the Parent) where such Party is a member of the Group, the Parent shall reimburse or indemnify (as the case may be) such Lender for the full amount of such cost or expense, including such part thereof as represents VAT, save to the extent that such Lender reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant tax authority.

(d) Any reference in this Clause 15.11 to any Party shall, at any time when such Party is treated as a member of a group for VAT purposes, include (where appropriate and unless the context otherwise requires) a reference to the person who is treated at that time as making the supply, or (as appropriate) receiving the supply under the grouping rules (as provided for in Article 11 of the Council Directive 2006/112/EC (or as implemented by the relevant member state of the European Union) or any other similar provision in any jurisdiction which is not a member state of the European Union) so that a reference to a Party shall be construed as a reference to that Party or the relevant group of which that Party is a member for VAT purposes at the relevant time or the relevant representative member (or head) of that group at the relevant time (as the case may be).

(e) In relation to any supply made by a Lender to any Party under an Interim Document, if reasonably requested by such Lender, that Party must promptly provide such Lender with details of that Party's VAT registration and such other information as is reasonably requested in connection with such Lender's VAT reporting requirements in relation to such supply.

15.12 FATCA Information

(a) Subject to paragraph (c) below, each Party shall, within ten Business Days of a reasonable request by another Party;

(i) confirm to that other Party whether it is:

(A) a FATCA Exempt Party; or

(B) not a FATCA Exempt Party; and

(ii) supply to that other Party such forms, documentation and other information relating to its status under FATCA as that other Party reasonably requests for the purposes of that other Party's compliance with FATCA; and

(iii) supply to that other Party such forms, documentation and other information relating to its status as that other Party reasonably requests for the purposes of that other Party's compliance with any other law, regulation or any similar exchange of information regime.

(b) If a Party confirms to another Party pursuant to paragraph (a)(i) above that it is a FATCA Exempt Party and it subsequently becomes aware that it is not, or has ceased to be a FATCA Exempt Party, that Party shall notify that other Party reasonably promptly.

(c) Paragraph (a) above shall not oblige any Party to do anything which would or might in its reasonable opinion constitute a breach of:

(i) any law or regulation;

(ii) any fiduciary duty; or

(iii) any duty of confidentiality.

(d) If a Party fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with paragraph (a)(i) or (a)(ii) above (including, for the avoidance of doubt, where paragraph (c) above applies), then such Party shall be treated for the purposes of the Interim Documents (and payments under them) as if it is not a FATCA Exempt Party until such time as the Party in question provides the requested confirmation, forms, documentation or other information.

15.13 FATCA Deduction

(a) Each Party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and no Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.

(b) Each Party shall as soon as reasonably practicable, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction) notify the Party to whom it is making the payment and any other Lender.

15.14 No provision of this agreement will:

(a) interfere with the right of any Lender to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;

(b) oblige any Lender to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or

(c) oblige any Lender to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of tax.

16. SET-OFF

Subject to Clause 5 (*Conditions to Utilisations*), a Lender may, at any time while an Event of Default is continuing, set off any obligation due and payable by an Obligor to it under an Interim Document (to the extent beneficially owned by that Lender) against any obligation then due for payment owed by it to that Obligor, regardless of currency, place of payment or booking branch of either obligation. Such Lender may convert either obligation at a market rate of exchange in its ordinary course of business in order to effect such set-off.

17. NO SET-OFF OR COUNTERCLAIM

All payments made or to be made by an Obligor under the Interim Documents must be paid in full without set-off or counterclaim, save to the extent that any such set-off or counterclaim arises by operation of any law.

18. INDEMNITIES

18.1 **General Indemnity**

The Borrower will indemnify each Lender, within five (5) Business Days of written demand, against any loss or liability which that Lender reasonably incurs as a result of:

(a) the occurrence of any Event of Default;

(b) any failure by an Obligor to pay any amount due under an Interim Document on its due date (or within any applicable grace period);

(c) a Utilisation not being made for any reason (other than as a result of the default or negligence of that Lender) on the relevant utilisation date specified in the Utilisation Request; or

(d) to the extent that this is not compensated for or otherwise recovered as a break cost under Clause 7 (*Interest*), any drawing or overdue amount under an Interim Document being repaid or prepaid otherwise than on the Final Repayment Date.

19. FEES, COSTS AND EXPENSES

19.1 **Transaction Expenses**

The Borrower shall (or shall procure that another member of the Group will), within thirty (30) days of demand, reimburse the Lenders for all reasonable third party costs and expenses (including external legal fees agreed in writing) properly incurred by any of them in connection with any further work relating to the negotiation, preparation, printing, execution, perfection and registration (in each case, to the extent applicable) of this Agreement and any other Interim Document.

19.2 **Amendment Costs**

The Borrower shall (or shall procure that another member of the Group will), within thirty (30) days of demand, reimburse the Lenders for all reasonable third party costs and expenses (including external legal fees) properly incurred by either of them in responding to, evaluating, negotiating or complying with any amendment, waiver or consent requested by the Borrower.

19.3 **Enforcement Costs**

The Borrower shall (or shall procure that another member of the Group will), within thirty (30) days of demand, reimburse the Lenders for all third party costs and expenses (including external legal fees) incurred by the Lenders in connection with the preservation or enforcement of any of the Lenders' rights under any Interim Document.

19.4 **Other fees**

The Borrower shall (or shall procure that another member of the Group will) pay each of the Original Issue Discount and the Additional Original Issue Discount (if applicable) in accordance with the Closing Letter.

19.5 **Closing Date**

Notwithstanding anything to the contrary in this Agreement or any other Interim Document, no original issue discount, closing payments, fees, costs or expenses (other than reasonable legal costs, expenses and disbursements of each external counsel to the Lenders (which are subject to an agreed cap and an agreed abort fee arrangement)) shall be payable under this Clause 19 or under any other Interim Document unless the Closing Date occurs.

20. NOTICES

Any communication to be made in connection with this Agreement shall be made in writing to the relevant party at the relevant address set out in the signature pages or as notified to the other party to this Agreement.

21. CHANGES TO PARTIES

21.1 **No Transfers by the Obligors**

No Obligor may assign, novate or transfer all or any part of its rights and obligations under any Interim Document.

21.2 **Transfers or assignments by the Lenders**

(a) During the Certain Funds Period, the Lenders may not assign, novate or transfer participations (including by way of sub-participation) (each a "**transfer**") in the Interim Facility without the prior written consent of the Borrower (in its sole and absolute discretion and never deemed granted) in each case, other than:

(i) to an Affiliate of a Lender;

(ii) if the existing Lender is a fund, to a fund which is a Related Fund of the existing Lender; or

(iii) where the existing Lender is BXC, to any BXC Co-Investor.

(b) Following the end of the Certain Funds Period, the Lenders may not make a transfer in the Interim Facility without the prior written consent of the Borrower (in its sole and absolute discretion and never deemed granted) in each case, other than:

(i) to an Affiliate of a Lender;

(ii) if the existing Lender is a fund, to a fund which is a Related Fund of the existing Lender;

(iii) where the existing Lender is BXC, to any BXC Co-Investor;

(iv) to an entity on the Approved List; or

(v) at a time when an Event of Default under Clause 14.2 (*Payment Default*), Clause 14.5 (*Insolvency*), Clause 14.6 (*Insolvency Proceedings*) or Clause 14.7 (*Creditors' Process*) is continuing.

(c) Notwithstanding any other provision of this Agreement:

(i) if the Lenders assign, novate or transfer (including, without limitation, by way of sub-participation) any of their rights and obligations under any Interim Document in accordance with paragraph (a) above on or prior to the end of the Certain Funds Period (the "**Pre-Closing Transferred Commitments**"):

(A) the Lenders shall fund the Pre-Closing Transferred Commitments in respect of that Utilisation by 9:30 a.m. (London time) on the applicable date of Utilisation if that new lender (or subsequent new lender) has failed to so fund (or has indicated that it will not be able to fund) on the applicable date of Utilisation in respect of the relevant Interim Facility; and

(B) the Lenders shall retain exclusive control over all rights and obligations with respect to the Pre-Closing Transferred Commitments, including all rights with respect to waivers, consents, modifications, amendments and confirmations as to satisfaction of the requirement to receive all of the documents and other evidence listed in Schedule 2 (*Conditions Precedent for Initial Utilisation*) until after the end of the Certain Funds Period; and

(ii) no Obligor or other member of the Group shall be liable to any other party to this Agreement (by way of reimbursement, indemnity or otherwise) for any stamp, transfer or registration taxes, notarial and security registration or perfection fees, costs or other amounts payable by any party to this Agreement in connection with any re-taking, re-notarisation, perfection, presentation, novation, re-registration of any security under the Bid Security Documents or the Maltese Bank Account Pledge or otherwise in connection with any assignment, transfer, novation, sub-participation or other back-to-back arrangement.

21.3 **Appointment of an Agent**

Upon the occurrence of a Default, (a) the Lenders shall be entitled to appoint (in their discretion) a third party professional agent to act as security agent for the Lenders under this Agreement and the Interim Documents (the "**Appointed Agent**"), at the cost of the Obligors, and (b) the Parties agree to amend this Agreement to incorporate customary security agency provisions, in form and substance satisfactory to the Appointed Agent and the Lenders (each acting reasonably), as soon as possible and in any case no later than 10 Business Days after date of such election.

22. GOVERNING LAW AND JURISDICTION

22.1 This Agreement and any non-contractual obligations arising out of or in connection with it are, and any dispute or proceedings arising out of or relating to this Agreement shall be, governed by and construed under English law.

22.2 For the benefit of the Lenders, each Obligor agrees that the courts of England have jurisdiction to hear, decide and settle any dispute or proceedings arising out of or relating to any Interim Document (including as to existence, validity or termination) (each a "**Dispute**") and for the purpose of enforcement or any judgment against assets, each Obligor irrevocably submits to the jurisdiction of the English courts.

22.3 Nothing in Clause 22.2 above limits or prevents the Lenders from taking proceedings against an Obligor in any other court nor shall the taking of proceedings in any one or more jurisdictions preclude the taking of proceedings in any other jurisdiction (whether concurrently or not) if and to the extent permitted by applicable law.

22.4 Without prejudice to any other mode of service permitted by law:

(a) each Obligor irrevocably appoints Law Debenture Corporate Services Limited as their agent for service of process in connection with any Dispute before the English courts and agrees that service of any claim, form, notice or other document for the purpose of any proceedings shall be duly served upon it if delivered or sent by registered post to Law Debenture Corporate Services Limited or such other address in England or Wales as the Parent may notify from time to time to the Lenders by not less than five Business Days' notice; and

(b) agrees that failure by such agent to notify such Obligor of such proceedings or claim, form, notice or other document will not invalidate the proceedings or service of such claim, form, notice or other document.

22.5 Each Obligor may irrevocably appoint another person incorporated in England or Wales as its agent for service of process provided that the details of such company are notified to the Lenders following such appointment (at which time such Obligor shall be permitted to terminate the appointment of the existing agent).

23. COUNTERPARTS

This Agreement may be executed in any number of counterparts and all of those counterparts taken together shall be deemed to constitute one and the same instrument.

24. THIRD PARTY RIGHTS

(a) Unless expressly provided to the contrary in this Agreement, a person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Act**") to enforce or enjoy the benefit of any term of this Agreement.

(b) Notwithstanding any term of any Interim Document, the consent of any person who is not a party to this Agreement is not required to rescind or vary this Agreement at any time.

[***] SCHEDULE 1

FORM OF UTILISATION REQUEST

UTILISATION REQUEST

[***] SCHEDULE 2

CONDITIONS PRECEDENT FOR INITIAL UTILISATION

[***] SCHEDULE 3

THE LENDERS

The Lenders

_____
For and on behalf of
BLACKSTONE PRIVATE CREDIT FUND

as Lender

Name:
Title: Authorised Signatory

Notice Details:
Address: Blackstone Alternative Credit Advisors LP, 345 Park Avenue, 30th Floor, New York, NY 10154
Email: creditlegal@blackstone.com
FAO: General Counsel

With a copy to:
Address: 40 Berkeley Square, London, W1J 5AL
Email: Francesco.Vitulano@Blackstone.com
FAO: Francesco Vitulano

The Lenders

_____

For and on behalf of
GSO ESDF II (LUXEMBOURG) HOLDCO S.À R.L.
as Lender

Name:
Title: Authorised Signatory

Notice Details:
Address: 2-4, rue Eugène Ruppert, L-2453 Luxembourg
Email: Finance@bxcfundservices.lu
FAO: Board of Managers

With a copy to:
Address: 40 Berkeley Square, London, W1J 5AL
Email: Francesco.Vitulano@Blackstone.com
FAO: Francesco Vitulano

and

Address: Blackstone Alternative Credit Advisors LP, 345 Park Avenue, 30th Floor, New York, NY 10154
Email: creditlegal@blackstone.com
FAO: General Counsel

[Signature page to Interim Facility Agreement]

The Lenders

_____

For and on behalf of
GSO ESDF II (LUXEMBOURG) LEVERED HOLDCO II S.À R.L.
as Lender

Name:
Title: Authorised Signatory

Notice Details:
Address: 2-4, rue Eugène Ruppert, L-2453 Luxembourg
Email: Finance@bxcfundservices.lu
FAO: Board of Managers

With a copy to:
Address: 40 Berkeley Square, London, W1J 5AL
Email: Francesco.Vitulano@Blackstone.com
FAO: Francesco Vitulano

and

Address: Blackstone Alternative Credit Advisors LP, 345 Park Avenue, 30th Floor, New York, NY 10154
Email: creditlegal@blackstone.com
FAO: General Counsel

[Signature page to Interim Facility Agreement]

The Lenders

_____
For and on behalf of
GSO ESDF II (LUXEMBOURG) LEVERED HOLDCO I S.À R.L.
as Lender

Name:
Title: Authorised Signatory

Notice Details:
Address: 2-4, rue Eugène Ruppert, L-2453 Luxembourg
Email: Finance@bxcfundservices.lu
FAO: Board of Managers

With a copy to:
Address: 40 Berkeley Square, London, W1J 5AL
Email: Francesco.Vitulano@Blackstone.com
FAO: Francesco Vitulano

and

Address: Blackstone Alternative Credit Advisors LP, 345 Park Avenue, 30th Floor, New York, NY 10154
Email: creditlegal@blackstone.com
FAO: General Counsel

[Signature page to Interim Facility Agreement]

The Lenders

_____
For and on behalf of
G QCM (LUXEMBOURG) HOLDCO S.À R.L.
as Lender

Name:
Title: Authorised Signatory

Notice Details:
Address: 2-4, rue Eugène Ruppert, L-2453 Luxembourg
Email: Finance@bxcfundservices.lu
FAO: Board of Managers

With a copy to:
Address: 40 Berkeley Square, London, W1J 5AL
Email: Francesco.Vitulano@Blackstone.com
FAO: Francesco Vitulano

and

Address: Blackstone Alternative Credit Advisors LP, 345 Park Avenue, 30th Floor, New York, NY 10154
Email: creditlegal@blackstone.com
FAO: General Counsel

[Signature page to Interim Facility Agreement]

NEOGAMES CONNECT S.À R.L.
as the Borrower

_____
By:
Title: Authorised signatory

[Signature page to Interim Facility Agreement]

NEOGAMES S.A.
as the Parent

_____
By:
Title: Authorised signatory

[Signature page to Interim Facility Agreement]

Duly authorised for and on behalf of
NEOGAMES CONNECT LIMITED
as Bidco

_____
By:

[Signature page to Interim Facility Agreement]

Yours faithfully

_____

For and on behalf of

BLACKSTONE ALTERNATIVE CREDIT ADVISORS LP

Name:

Title: Authorised Signatory

Notice Details:
Address: Blackstone Alternative Credit Advisors LP, 345 Park Avenue, 30th Floor, New York, NY 10154
Email: creditlegal@blackstone.com
FAO: General Counsel

[Signature page to Commitment Letter]

Accepted and agreed to as of: ___ January 2022

NEOGAMES S.A., as Parent

By _____

Name:
Title:

Accepted and agreed to as of: ___ January 2022

NEOGAMES CONNECT S.À R.L., as Borrower

By _____

Name:
Title:

[Signature page to Commitment Letter]

Exhibit 8.1

Subsidiaries of NeoGames S.A.

Legal Name of Subsidiary	Jurisdiction of Organization
Neogames Systems Ltd.	Israel
Neogames Ukraine	Ukraine
NeoGames US LLP	Delaware
NeoGames S.R.O.	Czech Republic
NeoGames Solutions LLC	Delaware
NeoGames Connect S.a.r.l.	Grand Duchy of Luxembourg
NeoGames Connect Limited	Malta

Exhibit 12.1

CERTIFICATIONS

I, Moti Malul, certify that:

1. I have reviewed this annual report on Form 20-F of NeoGames S.A.;

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 company as of, and for, the periods presented in this report;

4. The company'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 Rule 13a-15(f) and 15d-15(f)) for the company 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 company, 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 company'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 company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company'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 company'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 company's internal control over financial reporting.

Date: April 14, 2022

By: /s/ Moti Malul
Moti Malul
Chief Executive Officer
(Principal Executive Officer)

Exhibit 12.2

CERTIFICATIONS

I, Raviv Adler, certify that:

1. I have reviewed this annual report on Form 20-F of NeoGames S.A.;

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 company as of, and for, the periods presented in this report;

4. The company'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 Rule 13a-15(f) and 15d-15(f)) for the company 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 company, 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 company'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 company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company'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 company'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 company's internal control over financial reporting.

Date: April 14, 2022

By: /s/ Raviv Adler
Raviv Adler
Chief Financial Officer
(Principal Financial Officer)

Exhibit 13.1

CERTIFICATION 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 Annual Report on Form 20-F of NeoGames S.A. (the "Company") for the year ended December 31, 2021 (the "Report"), I, Moti Malul, Chief Executive Officer of the Company, do hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 14, 2022

By: /s/ Moti Malul
Moti Malul
Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to NeoGames S.A. and will be retained by NeoGames S.A. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 13.2

CERTIFICATION 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 Annual Report on Form 20-F of NeoGames S.A. (the "Company") for the year ended December 31, 2021 (the "Report"), I, Raviv Adler, Chief Financial Officer of the Company, do hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 14, 2022

By: /s/ Raviv Adler
Raviv Adler
Chief Financial Officer
(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to NeoGames S.A. and will be retained by NeoGames S.A. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 15.1

Consent of Independent Registered Public Accounting Firm

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (333-251103) of NeoGames S.A. of our report dated April 14, 2022, relating to the consolidated financial statements as of December 31, 2021 and 2020 and for each of the years in the three-year period ended December 31, 2021, of NeoGames S.A., and our report dated April 14, 2022, relating to the financial statements as of December 31, 2021 and 2020 for the years then ended, of NeoPollard Interactive LLC, which appear in this Form 20-F for the year ended December 31, 2021.

/s/ Ziv Haft
Ziv Haft
Certified Public Accountants (Isr.)
BDO Member Firm

April 14, 2022
Tel Aviv, Israel