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For Immediate Release

NeoPollard Interactive and New Hampshire Lottery Prevail Against U.S. Government Appeal in iLottery Case

LANSING, Michigan, January 22, 2021 /CNW/ – NeoPollard Interactive LLC (“NeoPollard Interactive” or “NPI”), jointly owned by Pollard Banknote Limited (“Pollard Banknote”; **TSX: PBL**) and NeoGames S.A. (**Nasdaq: NGMS**), is thrilled with the decision rendered by the First Circuit of the U.S. Court of Appeals on January 20, 2021 that unequivocally reconfirmed that the federal Wire Act is limited to sports betting and, therefore, does not pertain to state-run lotteries. This decision confirms the ruling of the U.S. District Court for the District of New Hampshire in 2019 that was appealed by the U.S. Federal Department of Justice. Overall, this decision is important for the U.S. lottery industry as a whole by alleviating concerns related to the legality of traditional retail or online lottery sales (also known as “iLottery”) which rely on the transmission of lottery data over the Internet.

The Wire Act subjects to criminal liability any person who “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.” In 2011, the Department of Justice’s Office of Legal Counsel (“OLC”) concluded that the Wire Act only applied to sports betting. Following that opinion, many lotteries began to offer non-sports gaming products over the Internet, reasonably relying on the OLC’s conclusions that their activities were lawful.

In January 2019, the OLC reversed that prior decision and released a new opinion concluding that the Wire Act extended beyond the sports-betting context to criminalize interstate transmissions of all bets or wagers—thereby overturning the conclusions of the 2011 opinion and threatening to shut down the burgeoning iLottery industry.

Working alongside the New Hampshire Lottery Commission (“New Hampshire Lottery”), NeoPollard Interactive and Pollard Banknote, the New Hampshire Lottery’s iLottery providers, immediately sought a declaratory judgment in federal court that the OLC’s new Wire Act interpretation was based on an incorrect reading of the statute. In June 2019, the U.S. District Court for the District of New Hampshire confirmed that the federal Wire Act applies only to sports-betting activities. The OLC appealed that decision.

In this latest judgement, the First Circuit affirmed the District Court’s June 2019 decision thus restoring the 2011 interpretation that limited the Wire Act to sports betting. By upholding the 2011 interpretation that the Wire Act applies only to bets or wagers on a sporting event or

contest, this ruling safeguards the New Hampshire Lottery, NeoPollard Interactive and Pollard Banknote, specifically, and all other iLottery operators, generally, from the threat of unlawful prosecution.

In addition, and equally importantly for other state lotteries, any concerns about the pooling of bets or the transmission of wagers in connection with national and regional multi-state games such as Powerball® and Mega Millions, whether through traditional retail or online channels, have been completely eliminated.

“We are very happy with the recent judgement confirming, yet again, the 2011 interpretation of the Wire Act,” said Liz Siver, General Manager, NeoPollard Interactive. “This is a great success for the Lottery industry generally, and iLottery specifically, as it ensures that the sale of both iLottery games and national and regional multi-state games can continue to be strong contributors to lottery sales and the good causes that U.S. lotteries support. In terms of iLottery, we know first-hand the positive effect that these operations have had, not only on state resources, but on player experience as well. The current worldwide pandemic has amplified the importance of this new channel. We look forward to continuing to provide state-of-the-art iLottery products and strategies to lotteries with an increasing array of products within the digital landscape.”

About NeoPollard Interactive

Born in the digital domain, NeoPollard Interactive LLC (“NPI”) is an award-winning supplier of best-in-class iLottery solutions to the North American lottery market. Serving the largest share of U.S. lotteries that currently sell online, NPI helped pioneer the successful introduction of iLottery in the U.S. and, is North America’s proven partner of choice to enable regulated lotteries to design and deploy complex gaming solutions in support of generating incremental revenue for good causes through the online channel. NPI offers cutting-edge technology, a full suite of managed services, and the industry’s top performing game content, as part of its innovative and comprehensive approach to partnering for iLottery success. Jointly owned by Pollard Banknote Limited (TSX: PBL) and NeoGames S.A.(Nasdaq: NGMS)—both globally recognized industry leaders—NPI powers the most profitable iLottery programs. Visit us at www.neopollard.com.

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About Pollard Banknote

Pollard Banknote is a leading lottery partner to more than 60 lotteries worldwide, providing high quality instant ticket products, licensed games, Schafer Systems and Fastrak retail merchandising solutions, and a full suite of digital offerings, ranging from world-class mkodo game apps to comprehensive player engagement and iLottery solutions, including strategic marketing and management services. The company is a proven innovator and has decades of experience helping lotteries to maximize player

engagement, sales, and proceeds for good causes. Pollard Banknote also provides pull-tab tickets, bingo paper, and its Diamond Game and Oasis-branded electronic ticket machines to charitable and other gaming markets in North America. Established in 1907, Pollard Banknote is owned approximately 66.7% by the Pollard family and 33.3% by public shareholders, and is publicly traded on the TSX (PBL). For more information, please visit our website at www.pollardbanknote.com.

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About NeoGames

NeoGames (Nasdaq: NGMS) is a technology-driven innovator and a global provider of iLottery solutions for national and state-regulated lotteries. NeoGames' full-service solution combines proprietary technology platforms with the experience and expertise required for successful iLottery operations. NeoGames' pioneering game studio encompasses an extensive portfolio of engaging online lottery games that deliver an entertaining player experience. As a trusted partner to lotteries worldwide, the company works with its customers to maximize their success, offering a comprehensive solution that empowers them to deliver enjoyable and profitable iLottery programs to their players, generate more revenue, and direct proceeds to good causes. For more information visit www.neogames.com.

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