
MARYLAND LOTTERY and GAMING CONTROL COMMISSION

1800 Washington Blvd., Suite 330, Baltimore, Maryland 21230

COMMISSION REPORT



PROPOSED ACQUISITION AGREEMENT

**Acquisition of
NeoGames S.A.,
by
Aristocrat Leisure Limited**

Report Date: September 15, 2023

PUBLIC REPORT

INTRODUCTION

We are conducting a hearing on the proposed acquisition of NeoGames S.A. by Aristocrat Leisure Limited (“Aristocrat” or “Purchaser”). The Maryland Lottery and Gaming Control Agency (“MLGCA”) is required by the Gaming and Sports Wagering Law, State Government Article (“SG”), Title 9, Subtitles 1A and 1E, Annotated Code of Maryland, and the regulations of the Maryland Lottery and Gaming Control Commission (“Commission”), found in the Code of Maryland Regulations (“COMAR”) 36.03 and 36.10, to conduct an investigation to determine whether the Purchaser is qualified under the Gaming or Sports Wagering Law pursuant to SG § 9-1A-19(b)(ii) and as applied to the Sports Wagering Law by SG § 9-1E-03(a)(1).

The Commission must determine whether: (1) Aristocrat has proven, by clear and convincing evidence, its qualifications; and (2) the proposed acquisition of NeoGames S.A. by Aristocrat Leisure Limited and transfer of a licensee’s interests meets, and is consistent with the policies and intent of the Gaming and Sports Wagering Law. SG § 9-1A-19(b)(iii).

BACKGROUND

The Commission was provided notice of the proposed purchase of NeoGames S.A. by Aristocrat in accordance with SG § 9-1A-19(b)(i) and as applied to the Sports Wagering Law by SG § 9-1E-03(a)(1). On May 15, 2023, NeoGames S.A., Aristocrat Leisure Limited, and Anaxi Investments Limited, entered into a Business Combination Agreement (the “Agreement”). Aristocrat Leisure Limited must prove to the Commission, by clear and convincing evidence, that it meets all qualification criteria.

Regulatory History of NeoGames S.A.

NeoGames Solutions, LLC is a subsidiary of NeoGames S.A. On March 8, 2022, NeoGames Solutions, LLC was approved for a Sports Wagering Contractor License. NeoGames Solutions, LLC holds a Sports Wagering Contractor License and the license is in good standing. As a parent company of NeoGames Solutions, LLC, NeoGames S.A. was qualified as a principal entity.

Regulatory History of Aristocrat

Aristocrat Technologies, Inc. is a subsidiary of Aristocrat Leisure Limited. After undergoing a full background investigation, Aristocrat Technologies, Inc. was qualified for a Gaming Manufacturer License on February 27, 2020. Aristocrat Technologies, Inc. holds a Gaming Manufacturer license and the license is in good standing. As a parent company of Aristocrat Technologies, Inc., Aristocrat was qualified as a principal entity.

ACQUISITION OF NEOGAMES S.A.

NeoGames S.A. provides player account management platforms to gaming operators. The Agreement provides that Aristocrat Leisure Limited will acquire 100% of the shares in NeoGames S.A. NeoGames S.A. will transfer its statutory seat, registered office and seat of central administration from its current domicile in the Grand Duchy of Luxembourg to the Cayman Islands, and will be renamed as Neo Group Ltd.

Subsequent to the completion of the transaction, the newly created entity, Neo Group Ltd. will then be merged with Anaxi Investments Limited. Neo Games Ltd. will emerge as the surviving company and become an indirect wholly-owned subsidiary of Aristocrat Leisure Limited. Neo Group Ltd.'s stock will be delisted from the NASDAQ and will no longer exist as a publicly traded entity.

The Agreement has been unanimously approved by the respective boards of directors of NeoGames S.A., Aristocrat Leisure Limited and Anaxi Investments Limited. On July 18, 2023, at a NeoGames S.A. shareholders' meeting, the required majority of shareholders approved the transaction contemplated by the Agreement. The Agreement contains customary pre and post-closing covenants, conditions and warranties, including obtaining all required approvals of gaming regulatory authorities.

FINDINGS

NeoGames S.A.'s ownership, principals and principal entities are unchanged from its subsidiary's previous application for a Sports Wagering Contractor License in 2022.

Aristocrat is acquiring NeoGames S.A. in its entirety; however, after the Agreement closes NeoGames Solutions, LLC will remain the Sports Wagering

Contractor Licensee. Approval of the agreement will allow NeoGames Solutions, LLC to continue its operations as a Sports Wagering Contractor.

CONCLUSION AND RECOMMENDATIONS

MLGCA Staff's investigation confirms that Aristocrat maintains its qualification and good standing with its current Maryland Gaming Manufacturer License. MLGCA Staff has found no derogatory information regarding Aristocrat's qualifications, and no issue with it meeting the requirements in the Gaming or Sports Wagering Law as required by SG § 9-1A-19(b)(ii).

The purchase of NeoGames S.A. with its resulting ownership changes, and the proposed Agreement, are consistent with the policies and intent of SG § 9-1A-19 and requirements of the Gaming and Sports Wagering Law. MLGCA Staff concludes that the Applicant has established by clear and convincing evidence its qualifications required for its acquisition of NeoGames S.A.

NeoGames S.A. and Aristocrat Leisure Limited seek the Commission approval as follows: (i) for NeoGames S.A. and Aristocrat Leisure Limited to consummate the Agreement, and perform their obligations thereunder; and (ii) for the transfer of 100% of the shares in NeoGames S.A. into Aristocrat Leisure Limited because the transfer is consistent with the policies and intent of the Gaming and Sports Wagering Law.