

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

**FORM 10-K**

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

For the fiscal year ended December 31, 2025

OR

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

For the transition period from      to

Commission file number: 001-11693



**LIGHT & WONDER, INC.**

(Exact name of registrant as specified in its charter)

**Nevada**

(State or other jurisdiction of incorporation or organization)

**81-0422894**

(I.R.S. Employer Identification No.)

**6601 Bermuda Road, Las Vegas, Nevada**

(Address of principal executive offices)

**89119**

(Zip Code)

**(702) 897-7150**

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
<b>None</b>	<b>None</b>	<b>None</b>

Securities registered pursuant to Section 12(g) of the Act:

Title of each class
<b>Common stock, par value \$0.001 per share</b>

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

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 such files). Yes  No

---

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

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

If an emerging growth company, 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.

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.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

The registrant’s common stock is publicly traded on the Australian Securities Exchange in the form of CHESS Depositary Interests, or CDIs, convertible at the option of the holders into shares of the registrant’s common stock on a one-for-one basis. As of June 30, 2025, the registrant’s common stock was dual listed on both the Nasdaq Stock Market and the Australian Securities Exchange, and the market value of voting and non-voting common equity held by non-affiliates of the registrant, computed by reference to the price at which it was last sold on June 30, 2025, was \$6,338,303,809.

The total number of shares of the registrant’s common stock outstanding as of February 18, 2026, including shares of common stock underlying the issued and outstanding CDIs, was 77,148,711.

#### **DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the registrant’s proxy statement relating to the 2026 annual meeting of stockholders are incorporated by reference in Part III. The proxy statement will be filed with the Securities and Exchange Commission no later than 120 days after the conclusion of the registrant’s fiscal year ended December 31, 2025. For more information (including the expected date of the 2026 annual meeting of stockholders), see Part III.

## TABLE OF CONTENTS

<b><u>PART I</u></b>		<u>6</u>
Item 1.	<a href="#"><u>Business</u></a>	<u>9</u>
Item 1A.	<a href="#"><u>Risk Factors</u></a>	<u>18</u>
Item 1B.	<a href="#"><u>Unresolved Staff Comments</u></a>	<u>47</u>
Item 1C.	<a href="#"><u>Cybersecurity</u></a>	<u>47</u>
Item 2.	<a href="#"><u>Properties</u></a>	<u>49</u>
Item 3.	<a href="#"><u>Legal Proceedings</u></a>	<u>49</u>
Item 4.	<a href="#"><u>Mine Safety Disclosures</u></a>	<u>49</u>
<b><u>PART II</u></b>		<u>50</u>
Item 5.	<a href="#"><u>Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</u></a>	<u>50</u>
Item 6.	<a href="#"><u>Reserved</u></a>	<u>51</u>
Item 7.	<a href="#"><u>Management’s Discussion and Analysis of Financial Condition and Results of Operations</u></a>	<u>52</u>
Item 7A.	<a href="#"><u>Quantitative and Qualitative Disclosures About Market Risk</u></a>	<u>69</u>
Item 8.	<a href="#"><u>Financial Statements and Supplementary Data</u></a>	<u>69</u>
Item 9.	<a href="#"><u>Changes in and Disagreements with Accountants on Accounting and Financial Disclosure</u></a>	<u>69</u>
Item 9A.	<a href="#"><u>Controls and Procedures</u></a>	<u>69</u>
Item 9B.	<a href="#"><u>Other Information</u></a>	<u>72</u>
Item 9C.	<a href="#"><u>Disclosure Regarding Foreign Jurisdictions that Prevent Inspections</u></a>	<u>72</u>
<b><u>PART III</u></b>		<u>72</u>
Item 10.	<a href="#"><u>Directors, Executive Officers and Corporate Governance</u></a>	<u>72</u>
Item 11.	<a href="#"><u>Executive Compensation</u></a>	<u>72</u>
Item 12.	<a href="#"><u>Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u></a>	<u>72</u>
Item 13.	<a href="#"><u>Certain Relationships and Related Transactions, and Director Independence</u></a>	<u>72</u>
Item 14.	<a href="#"><u>Principal Accounting Fees and Services</u></a>	<u>73</u>
<b><u>PART IV</u></b>		<u>74</u>
Item 15.	<a href="#"><u>Exhibits, Financial Statement Schedules</u></a>	<u>74</u>
Item 16.	<a href="#"><u>Form 10-K Summary</u></a>	<u>126</u>

## Glossary of Terms

The following terms or acronyms used in this Form 10-K are defined below:

Term or Acronym	Definition
2028 Unsecured Notes	7.000% senior unsecured notes due 2028 issued by LNWI
2029 Unsecured Notes	7.250% senior unsecured notes due 2029 issued by LNWI
2031 Unsecured Notes	7.500% senior unsecured notes due 2031 issued by LNWI
2033 Unsecured Notes	6.250% senior unsecured notes due 2033 issued by LNWI
AEBITDA	Adjusted EBITDA, our primary performance measure of profit or loss for our business segments
ASC	Accounting Standards Codification
ASU	Accounting Standards Update
ASX	Australian Securities Exchange
CDIs	CHESS Depository Interests, instruments traded on the ASX
CMS	casino-management system
Coin-in	the amount wagered
D&A	depreciation, amortization and impairments (excluding goodwill)
ESG	environmental, social and governance
ETS	electronic table system
Exchange Act	Securities Exchange Act of 1934, as amended
FASB	Financial Accounting Standards Board
Grover	Grover Charitable Gaming business acquired on May 16, 2025
KPIs	Key Performance Indicators
L&W	Light & Wonder, Inc.
LAP	local-area progressive
LBO	licensed betting office
LNWI	Light and Wonder International, Inc., a wholly-owned subsidiary of L&W and successor to Scientific Games International, Inc.
LNWI Credit Agreement	That certain credit agreement, dated as of April 14, 2022, among LNWI, as the borrower, L&W, as a guarantor, the lenders from time to time party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, Collateral Agent and Swingline Lender, BofA Securities, Inc., BNP Paribas Securities Corp., Deutsche Bank Securities Inc., Fifth Third Bank, National Association, Barclays Bank PLC, Citizens Bank, N.A., Goldman Sachs Bank USA, Morgan Stanley Senior Funding, Inc., Royal Bank of Canada, Truist Securities, Inc., Credit Suisse Loan Funding LLC and Macquarie Capital (USA) Inc. as Lead Arrangers and Joint Bookrunners, as amended, restated, amended and restated, supplemented or otherwise modified from time to time
LNWI Credit Agreement A	That certain credit agreement, dated as of May 15, 2025, among LNWI, as the borrower, L&W, as a guarantor, the lenders from time to time party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent and Collateral Agent, JPMorgan Chase Bank, N.A., BofA Securities, Inc., Wells Fargo Securities, LLC, PNC Capital Markets LLC, Truist Securities, Inc., Citizens Bank, N.A., Sumitomo Mitsui Banking Corporation, BNP Paribas Securities Corp., KeyBanc Capital Markets Inc., U.S. Bank National Association, Fifth Third Bank, National Association, Goldman Sachs Bank USA and Morgan Stanley Senior Funding, Inc. as Joint Lead Arrangers and Joint Bookrunners and Deutsche Bank Securities Inc., as Co-Documentation Agent, as amended, restated, amended and restated, supplemented or otherwise modified from time to time
LNWI Revolver	Revolving credit facility with aggregate commitments of \$1.0 billion extended pursuant to the LNWI Credit Agreement
LNWI Term Loan A	Term loan A facility provided for by the LNWI Credit Agreement A
LNWI Term Loan B	Term loan B facility provided for by the LNWI Credit Agreement
Net win	Coin-in less payouts
Note	a note in the Notes to Consolidated Financial Statements in this Annual Report on Form 10-K, unless otherwise indicated
NOL	net operating loss
Participation	refers to gaming machines provided to customers through service or leasing arrangements in which we earn revenues and are paid based on: (1) a percentage of the amount wagered less payouts; (2) fixed daily-fees; (3) a percentage of the amount wagered; or (4) a combination of (2) and (3)
PTG	proprietary table games
R&D	research and development
RMG	real-money gaming
RSU	restricted stock unit
SciPlay	Our SciPlay business segment and/or SciPlay Corporation, as appropriate within the context
SEC	Securities and Exchange Commission
Securities Act	Securities Act of 1933, as amended

<b>Term or Acronym</b>	<b>Definition</b>
Senior Notes or Unsecured Notes	refers to the 2028 Unsecured Notes, 2029 Unsecured Notes, 2031 Unsecured Notes and 2033 Unsecured Notes, collectively
SG&A	selling, general and administrative
Shufflers	various models of automatic card shufflers, deck checkers and roulette chip sorters
SOFR	Secured Overnight Financing Rate
U.S. GAAP	accounting principles generally accepted in the U.S.
U.S. jurisdictions	the 50 states in the U.S. plus the District of Columbia, U.S. Virgin Islands and Puerto Rico
VGT	video gaming terminal
VLT	video lottery terminal
WAP	wide-area progressive

### **Intellectual Property Rights**

All ® notices signify marks registered in the United States. © 2026 Light & Wonder, Inc. All Rights Reserved.

The MONOPOLY name and logo, the distinctive design of the game board, the four corner squares, the MR. MONOPOLY name and character, as well as each of the distinctive elements of the board, cards, and the playing pieces are trademarks of Hasbro for its property trading game and game equipment and are used with permission. © 1935, 2026 Hasbro. All Rights Reserved. Licensed by Hasbro.

Frankenstein is a trademark and copyright of Universal Studios. Licensed by Universal. All Rights Reserved.

UNIVERSAL MONSTERS™ The Universal Studios Monsters are trademarks and copyrights of Universal Studios. Licensed by Universal. All Rights Reserved.

KONG: SKULL ISLAND and all related characters and elements © Warner Bros. Entertainment Inc.

## PART I

### FORWARD-LOOKING STATEMENTS

Throughout this Annual Report on Form 10-K, we make “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements describe future expectations, plans, results or strategies and can often be identified by the use of terminology such as “may,” “will,” “estimate,” “intend,” “plan,” “continue,” “believe,” “expect,” “anticipate,” “target,” “should,” “could,” “potential,” “opportunity,” “goal,” or similar terminology. The forward-looking statements contained in this Annual Report on Form 10-K are generally located in the material set forth under the headings “*Business*,” “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” but may be found in other locations as well. These statements are based upon management’s current expectations, assumptions and estimates and are not guarantees of timing, future results or performance. Therefore, you should not rely on any of these forward-looking statements as predictions of future events. Actual results may differ materially from those contemplated in these statements due to a variety of risks and uncertainties and other factors, including, among other things:

- our inability to successfully execute our strategy;
- slow growth of new gaming jurisdictions, slow addition of casinos in existing jurisdictions and declines in the replacement cycle of gaming machines;
- risks relating to foreign operations, including anti-corruption laws, fluctuations in currency rates, restrictions on the payment of dividends from earnings, restrictions on the import of products and financial instability;
- difficulty predicting what impact new or increased tariffs imposed by and other trade actions taken by the U.S. and foreign jurisdictions could have on our business;
- U.S. and international economic and industry conditions, including changes in consumer sentiment and discretionary spending, increases in benchmark interest rates and the effects of inflation;
- public perception of our response to ESG issues;
- the effects of health epidemics, contagious disease outbreaks and public perception thereof;
- changes in, progress under, or the elimination of our share repurchase program;
- level of our indebtedness, higher interest rates, availability or adequacy of cash flows and liquidity to satisfy indebtedness, other obligations or future cash needs;
- inability to further reduce or refinance our indebtedness;
- restrictions and covenants in debt agreements, including those that could result in acceleration of the maturity of our indebtedness;
- competition;
- inability to win, retain or renew, or unfavorable revisions of, existing contracts, and the inability to enter into new contracts;
- risks and uncertainties of ongoing changes in U.K. gaming legislation, including any new or revised licensing and taxation regimes, responsible gambling requirements and/or sanctions on unlicensed providers;
- inability to adapt to, and offer products that keep pace with, evolving technology, including any failure of our investment of significant resources in our R&D efforts;
- failure to retain key management and employees;
- unpredictability and severity of catastrophic events, including but not limited to acts of terrorism, war, armed conflicts or hostilities, the impact such events may have on our customers, suppliers, employees, consultants, business partners or operations, as well as management’s response to any of the aforementioned factors;
- changes in demand for our products and services;
- dependence on suppliers and manufacturers;
- SciPlay’s dependence on certain key providers;
- ownership changes and consolidation in the gaming industry;
- fluctuations in our results due to seasonality and other factors;
- the risk that any potential disruptions from the Grover acquisition will harm relationships with customers, employees and suppliers;
- the possibility that the Company may be unable to achieve expected financial, operational and strategic benefits of the Grover acquisition and may not be able to successfully integrate Grover into the Company’s operations;

- risks relating to delisting our securities from Nasdaq and transitioning to a sole primary listing on the ASX, which could negatively affect the liquidity and trading prices of our common stock or CDIs, impacts our investors' ability to trade in our securities and our access to the capital markets and could lead to price variations and other impacts on holders of our common stock, CDIs and other securities;
- risks associated with having a sole primary listing on the ASX and remaining an SEC registrant, including significant compliance costs and risks of noncompliance;
- security and integrity of our products and systems, including the impact of any security breaches or cyber-attacks;
- protection of our intellectual property, inability to license third-party intellectual property and the intellectual property rights of others;
- reliance on or failures in information technology and other systems;
- litigation and other liabilities relating to our business, including litigation and liabilities relating to our contracts and licenses, our products and systems, our employees (including labor disputes), intellectual property, environmental laws and our strategic relationships;
- reliance on technological blocking systems;
- challenges or disruptions relating to the completion of the domestic migration to our enterprise resource planning system;
- laws, government regulations and new or increased trade tariffs, both foreign and domestic, including those relating to gaming, data privacy and security, including with respect to the collection, storage, use, transmission and protection of personal information and other consumer data, and environmental laws, and those laws and regulations that affect companies conducting business on the Internet, including online gambling;
- legislative interpretation and enforcement, regulatory perception and regulatory risks with respect to gaming, including Internet wagering, social gaming and sweepstakes;
- changes in tax laws or tax rulings, or the examination of our tax positions;
- opposition to legalized gaming or the expansion of such opposition and potential restrictions on Internet wagering;
- significant opposition in some jurisdictions to interactive social gaming, including social casino gaming and how such opposition could lead these jurisdictions to adopt legislation or impose a regulatory framework to govern interactive social gaming or social casino gaming specifically, and how this could result in a prohibition on interactive social gaming or social casino gaming altogether, restrict our ability to advertise our games, or substantially increase our costs to comply with these regulations;
- expectations of the shift to regulated digital gaming;
- inability to develop successful products and services and capitalize on trends and changes in our industries, including the expansion of Internet and other forms of digital gaming;
- the continuing evolution of the scope of data privacy and security regulations, and our belief that the adoption of increasingly restrictive regulations in this area is likely within the U.S. and other jurisdictions;
- incurrence of restructuring costs;
- goodwill impairment charges including changes in estimates or judgments related to our impairment analysis of goodwill or other intangible assets;
- stock price volatility;
- failure to maintain adequate internal control over financial reporting;
- dependence on key executives;
- natural events, including natural disasters, extreme weather and other natural events related to climate change, that disrupt our operations, or those of our customers, suppliers or regulators; and
- expectations of growth in total consumer spending on social casino gaming.

Additional information regarding risks and uncertainties and other factors that could cause actual results to differ materially from those contemplated in forward-looking statements is included from time to time in our filings with the SEC, including under *Part I, Item 1A "Risk Factors"* in this Annual Report on Form 10-K. Forward-looking statements speak only as of the date they are made and, except for our ongoing obligations under the U.S. federal securities laws, Australian securities laws and ASX Listing Rules obligations, we undertake no and expressly disclaim any obligation to publicly update any forward-looking statements whether as a result of new information, future events or otherwise.

You should also note that this Annual Report on Form 10-K may contain references to industry market data and certain industry forecasts. Industry market data and industry forecasts are obtained from publicly available information and

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

Due to rounding, certain numbers presented herein may not precisely recalculate. Unless otherwise stated, '\$' denotes U.S. dollars.

## ITEM 1. BUSINESS

Unless otherwise specified or the context otherwise indicates, all references to the words “Light & Wonder,” “Light & Wonder, Inc.,” “we,” “us,” “our” and the “Company” refer to L&W and its consolidated subsidiaries.

### General

L&W is a leading cross-platform global games company with a focus on content and digital markets headquartered in Las Vegas, Nevada. Our portfolio of revenue-generating activities primarily includes supplying game content and gaming machines, CMSs and table game products and services to licensed gaming entities, and electronic pull-tabs and related services to charitable gaming entities; providing social casino and other online games, including casual gaming, to retail customers; and providing a comprehensive suite of digital gaming content, distribution platforms, player account management systems, as well as various other iGaming content and services. We report our results of operations in three reportable business segments—Gaming, SciPlay and iGaming—representing our different products and services.

Our common stock is listed as CDIs on the ASX under the ticker symbol “LNW.” During 2025, we completed the voluntary delisting of our common stock from the Nasdaq Stock Market and transitioned to a sole primary listing on the ASX.

### Strategy

We are a leading cross-platform global games company with a focus on content and digital markets. We strive to provide high quality products and services to our customers across all of our business segments. We established a strategic roadmap to drive long-term value that consists of: (i) growing our market share and leveraging our differentiated position; (ii) streamlining our organization; (iii) driving sustainable growth and maintaining a healthy balance sheet; and (iv) a disciplined capital allocation strategy. With our streamlined organization and vision to be the leading cross-platform global games company, we are focused on the following, supporting our strategic roadmap:

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

### Gaming Segment

The gaming industry is characterized by the continuous development of new technologies, products and game content. Gaming products and services are used by a diverse group of gaming operators and U.S. and international lotteries which may offer VLTs and other forms of gaming, such as bingo and sports wagering.

Our products are installed in all of the major regulated U.S. gaming jurisdictions and authorized in approximately 177 international gaming jurisdictions. Growth of gaming in land-based venues and charitable gaming through Grover is driven by the opening of new casinos and the authorization of charitable gaming in both new and existing jurisdictions, as well as the expansion of existing casinos and charitable gaming operations. In addition, the land-based gaming business is significantly impacted by the rate at which casinos and other gaming operators replace their gaming machines, which depends on a number of factors, including their capital budgets. Virtually all sectors of the gaming industry, including charitable gaming, are impacted by changes in economic conditions that impact players’ disposable incomes.

On May 16, 2025, we completed the acquisition of Grover, which is a leading provider of electronic pull-tabs currently distributed over six U.S. states: North Dakota, Ohio, Virginia, Kentucky, New Hampshire and Indiana (since December 2025). Grover provides charitable gaming entities with access to proprietary electronic pull-tabs equipment, content and related offerings that allow charities to maximize their funding and for which Grover is compensated based upon a revenue

participation model. As of December 31, 2025, Grover had over 11,600 units and over 1,500 locations and is well positioned to capitalize on future expansion and legalization of charitable gaming. The Grover operating segment is aggregated with our Gaming reportable business segment.

### *Competition*

The gaming machine sector is highly competitive and is characterized by the continuous introduction of new games, gaming machines and related technologies. We compete primarily with Ainsworth Game Technology Ltd., Aristocrat Leisure Ltd., (“Aristocrat”), Aruze Gaming America, Inc., Bluberi Gaming USA, Inc., Incredible Technologies, Inc., International Game Technology (“IGT”), Inspired Entertainment Inc., Konami Digital Entertainment, Inc. (“Konami”), the Novomatic Group of Companies, Interblock Gaming, and PlayAGS, Inc. (“AGS”). In the charitable gaming sector we compete primarily with Arrow International (“Arrow”).

The CMS business is also highly competitive. Product features and functionality, accuracy, reliability, service level and pricing are among the factors that determine how successful systems providers are in selling their systems. Our principal competitors in CMSs include Aristocrat, IGT and Konami. Competition for these products is intense due to the number of providers and the limited number of casinos and jurisdictions in which they operate.

With respect to our table products, we compete on the basis of the breadth of our Shuffler products and services and PTGs, product reliability, service, the strength of our intellectual property and our extensive sales, regulatory and distribution channels.

Our automated Shufflers also compete against hand shuffling, which remains the most competitive shuffling option for casino card games around the world. Finally, since the need for our Shuffler products depends upon a casino’s use of live table games, our Shufflers also compete against any products that live table games compete against.

Competition for PTG content is based on player appeal, brand recognition, price and the strength of the underlying intellectual property. We compete on this basis and on the strength of our extensive sales, service, marketing and distribution channels. We also compete with non-PTGs such as blackjack and baccarat and several companies that primarily develop and license PTGs such as AGS, Galaxy Gaming, Inc. and Masque Publishing, Inc. Finally, some of our product lines may compete against one another for space on the casino floor.

The charitable gaming business is also highly competitive across the country and is characterized by strong customer engagement as well as introduction of new games, gaming units and related technology. Currently Grover only has installed bases of leased electronic pull-tab units across six states.

### *SciPlay Segment*

SciPlay is a leading developer and publisher of digital games on online platforms. SciPlay operates primarily in the social gaming market, which is characterized by game play online or on mobile devices that is social, competitive and self-directed in pace and session length. SciPlay generates a substantial portion of its revenue from in-app purchases in the form of virtual coins, chips and cards, which players can use to play slot games, table games or bingo games. Players who install SciPlay’s games typically receive free coins, chips or cards upon the initial launch of the game and additional free coins, chips or cards at specific time intervals. Players may exhaust the coins, chips or cards that they receive for free and may choose to purchase additional coins, chips or cards in order to enhance game play. Once obtained, coins, chips and cards (either free or purchased) cannot be redeemed for cash nor exchanged for anything other than game play within SciPlay’s apps. SciPlay generates additional revenue through advertising arrangements in certain games. Players who install these games receive free, unlimited game play that requires viewing of periodic in-game advertisements.

SciPlay currently offers a variety of social casino games, including *JACKPOT PARTY® Casino*, *QUICK HIT® Slots*, *GOLD FISH® Casino*, *88 FORTUNES® Slots*, *MONOPOLY Slots* and *HOT SHOT CASINO®*. SciPlay continues to pursue its strategy of expanding into the online games market. Current casual game titles include *BINGO SHOWDOWN®* and *Backgammon Live*. SciPlay continually develops and tests various new games. SciPlay’s social casino games typically include slots-style game play and occasionally include table games-style game play, while its casual games blend solitaire-style or bingo game play with adventure game features. All of SciPlay’s games are offered and played across multiple platforms, including *APPLE*, *GOOGLE*, *FACEBOOK*, *AMAZON*, and *MICROSOFT*. SciPlay launched a proprietary direct-to-consumer in-app purchase platform during 2023, with the goals of improving players’ experience and reducing costs of revenue given the lower payment processing fees and other related expenses for in-app purchases made through the proprietary platform, as compared to the platform fee charged by third-party platforms. In addition to original game content, SciPlay’s content library includes recognizable game content across our other platforms within Gaming and iGaming. This content allows players who like playing land-based game content to enjoy some of those same titles in SciPlay’s free-to-play games.

A number of trends and opportunities are driving significant changes in digital gaming, which we believe are causing growth in the online and mobile games market and providing opportunities for SciPlay to grow our social casino games and expand into other areas of the online and mobile games market, such as: digital gaming is an engaging form of entertainment, casual games are popular with players, scale is increasingly strategic in order to succeed in mobile gaming, social casino gaming is an attractive market within digital gaming and additional market opportunities exist within the broader mobile gaming landscape.

### *Competition*

Our SciPlay business segment faces significant competition in all aspects of its business. SciPlay's primary social casino game competitors include Playtika, Playstudios, Product Madness/Big Fish Games (subsidiaries of Aristocrat), DoubleU Games Co., Ltd/Double Down Interactive, GSN Games/Bash Gaming (subsidiaries of Scopely, Inc.), Tripledot Studios and Huuuge Games. SciPlay's competitors in the broader social game market include Activision Blizzard, Electronic Arts, Kabam, Take-Two Interactive, Tencent Holdings and Rovio. SciPlay also competes with platforms that host real money gambling, including those provided by our iGaming business segment. Additionally, the overall social casino industry competes with sweepstakes operators. On the broadest scale, we compete for the leisure time, attention and discretionary spending of our players versus other forms of online entertainment, including social media and other video games, on the basis of a number of factors, including quality of player experience, brand awareness and reputation and access to distribution channels.

### *iGaming Segment*

Our iGaming business segment provides a comprehensive suite of digital gaming content, distribution platforms, player account management systems, as well as various other iGaming content and services. The majority of our revenue is derived from casino-style game content, including a wide variety of internally developed and branded games as well as popular third-party provider games. These games are made available to iGaming operators via content aggregation platforms, including our Open Gaming System network that connects players with studios and operators globally, remote gaming servers and various other platforms. We also provide our Open Platform System ("OPS"), a player account management system which offers a wide range of reporting and administrative functions and tools providing operators full control over all areas of digital gaming operations. Generally, we host the play of our game content which is integrated with the online casino operators' websites.

### *Competition*

In our iGaming business, we compete for the discretionary spending of consumers with other digital gaming entertainment companies that offer real-money digital casino games. Our primary real-money online casino games competitors include Evolution Gaming, Games Global, IGT, Aristocrat, Pragmatic Play and Playtech. We also compete for the leisure time and attention of our players versus other forms of online gaming and entertainment, on the basis of a number of factors, including quality of player experience, brand awareness and reputation and access to distribution channels.

### **Research and Development**

We believe our ability to attract new Gaming, SciPlay and iGaming customers and retain existing customers depends in part on our ability to evolve and continue to develop our product lines and service offerings by continually developing differentiated products, hardware and systems technology and functionality to enhance player entertainment and/or customer profitability. Additionally, our ability to execute on our strategy is highly dependent on developing great game content and franchises across all three of our segments along with expanding the use of digital technologies to increase cross-platform play. Our gaming machines are usually designed and programmed by our internal engineering staff, and our game content is designed primarily by internal game development studios who consider market trends and customer feedback.

We have Gaming R&D personnel primarily located in our Las Vegas, Nevada; Chicago, Illinois; and Bangalore, India facilities. We have SciPlay personnel located primarily in Austin, Texas; Cedar Falls, Iowa; and Tel Aviv, Israel. We have iGaming R&D personnel based primarily in the United Kingdom, Greece and India. We also have game development studios in Las Vegas; Sydney, Australia; Bristol, England; Montreal, Canada; Pune, India and additional R&D staff in Reno, Nevada and in various other smaller locations.

### **Intellectual Property**

Many of our products use intellectual property rights, including trademarks, trade dress, copyrights, patents and trade secrets. We consider our intellectual property rights to be, in the aggregate, material to our business. We protect our investment in R&D by seeking intellectual property protection as appropriate for our technologies and content. We also acquire and license intellectual property from third parties.

The terms of our patents vary based on the type of patent and the date and jurisdiction of filing or grant. The term of U.S. design patents expires 15 years from the date of grant, and the term of utility patents generally expires 20 years from the date of filing of the first non-provisional patent application in a family of patents. The actual protection afforded by a patent depends upon the type of patent, the scope of its coverage and the availability of legal remedies in the applicable country. Certain technologies, which are material to our businesses, are the subject of patents issued and patent applications currently pending in the U.S. and certain other countries. Our Gaming, SciPlay and iGaming businesses use our patented and patent-pending technologies in games and associated platforms and systems. In addition, under a patent cross-licensing agreement with IGT, we can offer games using patented game features from the patent portfolios of other members of IGT's slot game features program.

We market many of our products under trademarks and copyrights that provide product differentiation and recognition and promote our portfolio of product offerings. All of our games feature elements that are subject to copyright rights and protection. In addition, we generally obtain trademark protection and often seek to register trademarks for the names and designs under which we market and license our products and games. Protections for trademarks exist in many countries, including the U.S., for as long as the trademark is registered and/or used. Registrations are generally issued for fixed, but renewable terms, although trademark rights may exist whether or not a mark is registered, and the duration of the registrations varies by country.

We believe that our use of both our own and third-party licensed brand names and related intellectual property contributes to the appeal and success of our products, and that our future ability to license, acquire or develop new brand names is important to our continued success. Therefore, we continue to invest in the recognition of our brands and brands that we license. Certain versions of our games are based on popular brands licensed from third parties, such as Hasbro, Inc.; Warner Bros. Consumer Products Inc.; ABG EPE IP LLC; Elvis Presley Enterprises, LLC.; Universal Studios, parent company NBC Universal Film and Entertainment; and Netflix, Inc.

From time to time, we become aware of potential infringement of our intellectual property by competitors and other third parties and consider what action, if any, to take in that regard, including litigation where appropriate. We are also subject to threatened or actual intellectual property-related claims by third parties from time to time. See the risk factors captioned "*Our business depends on the protection of our intellectual property and proprietary information*", "*We rely on the ability to use the intellectual property rights of third parties*", and "*The intellectual property rights of others, including our competitors, may prevent us from developing new products and services, entering new markets or may expose us to liability or costly litigation*" under the heading "*Risk Factors*" in *Part I, Item 1A* of this Annual Report on Form 10-K for additional information.

### **Production Processes, Sources and Availability of Components**

We currently produce substantially all of our gaming machines through a mix of our manufacturing facilities and contracted third parties. We have finishing lines in Las Vegas; Sydney, Australia; Barcelona, Spain; Midrand, South Africa; Manchester, England; Macau; and Mexico City, Mexico. These finishing lines allow for the completion and testing of our gaming machine assemblies from our facilities. We also refurbish used gaming machines primarily at our Las Vegas and Manchester facilities. We generally source our Grover units from third parties, as well as some units via internal development and repurposing.

Manufacturing commitments are generally based on expected quarterly sales orders from customers. Due to uneven order flow from customers, component parts for gaming machines are purchased and assembled into modules that are scheduled for just-in-time delivery to allow final assembly lead time to meet agreed customer delivery dates. Our gaming machine manufacturing processes generally consist of assembling component parts and sub-assemblies into a complete gaming machine. The level of completion and assembly varies by product platform and geographic region.

Shufflers are assembled in our Las Vegas facility and by third parties near Salzburg, Austria. The assembly of Shufflers includes various levels of sub-assemblies with completion and testing at one of our finishing lines described above. We do remanufacturing and refurbishment of shufflers in Las Vegas.

Hardware and component parts associated with our CMSs are purchased directly from the contract manufacturers and flow through our facilities, finishing lines as indicated in the above locations, with final assembly, testing and shipment to customers. These parts do not require a significant amount of assembly and are used primarily in systems implementations, which take place at customer locations.

We place advance orders for certain gaming components with long lead times based on projected customer demand through our sales and operations planning process.

We believe we currently have an adequate supply of component parts and raw materials used in the manufacturing of our gaming machines, shufflers and CMSs. We are continuously assessing any potential supply chain challenges in order to

meet customer demand. We actively manage and mitigate supply chain risk in collaboration with engineering to specify and approve alternative components, dual sourcing, safety stock to deal with volatility in supply and demand, and management of the purchase lead time horizon to ensure we have sufficient materials available.

### **Seasonality**

Our results of operations fluctuate due to seasonal trends and other factors. Sales of our gaming machines to casinos are generally strongest in the second half of the year and slowest in the first half of the year, while revenue from our Participation gaming machines is generally highest in the spring and summer, and for Grover revenue is generally highest in the spring. Player activity for SciPlay is generally slower in the second and third quarters of the year, particularly during the summer months. Player activity for our iGaming business, specifically digital casino operations, is generally slower in the third quarter during the summer months and is generally higher in the fourth quarter. See the risk factor captioned “*Our results of operations fluctuate due to seasonality and other factors and, therefore, our periodic operating results are not guarantees of future performance*” under the heading “*Risk Factors*” in *Part I, Item 1A* of this Annual Report on Form 10-K for additional information.

### **Human Capital**

Our global reach is made possible through the expertise, skill and dedicated efforts of our employees who serve customers in more than 100 countries on 6 continents. As of December 31, 2025, we employed approximately 6,800 persons worldwide, with approximately 2,800 employed domestically and 4,000 employed internationally.

We aim to serve as responsible corporate stewards for our employees, customers, players, and communities by upholding the following five core values: Dare to be Bold; Celebrate Perspectives; Never Settle; Uphold Integrity; and Win as a Team. These core principles unite our teams globally, guide our actions, drive our growth, and foster an inclusive culture.

We strive to honor and celebrate the unique and differing perspectives of our employees through equity and belonging initiatives. To that end, our people strategy is focused on supporting career growth, development and advancement for all employees; ensuring equal opportunity for all; crafting policies that aim to be fair and equitable; attracting diverse, early career and emerging talent from colleges and universities; recruiting with inclusive hiring practices; creating spaces where everyone belongs and feels empowered to contribute; adhering to policies that prohibit discrimination and promote equal opportunities; and providing employee wellness initiatives and benefits programs to support the overall well-being and health of our workforce.

We have formulated a Celebrate Perspectives (“CP”) strategy as part of our Corporate Social Responsibility (“CSR”) program, Game Changers of Light & Wonder, and established a Celebrate Perspectives Council in 2020 with representation from our Board of Directors and other senior executives as members. The CP Council routinely makes key decisions, reviews initiatives and identifies areas that require further development to advance the mission of our CP strategy, which is to give everyone equal opportunities, regardless of their backgrounds or personal characteristics.

#### *Supplier Diversity*

We also strive to develop strong connections with diverse suppliers that share our values. We endeavor to drive diversity across our industry by including a wide range of diverse businesses in our supply chain and by counting small businesses and those in historically underutilized business zones among our suppliers. Across our supply chain, we aim to promote transparency and sustainability, commit to compliance and have zero tolerance for any form of human rights violations, including modern slavery and human trafficking.

We seek feedback from our employees through our annual Global Engagement Survey which aims to measure culture and improve our organization and work environment based on employee insights. We assess crucial areas such as engagement, leadership and management, communication and teamwork, and core values. We are proud that our overall employee participation consistently remains high, with 95% and 93% participation in 2025 and 2024, respectively. We believe this is a testament to our ongoing efforts to create a work environment that promotes open feedback from employees, allowing us to better engage with them and enhance company culture.

#### *Growth and Development*

We believe in the value of ongoing education for employees and provide internal training and professional development opportunities. Our learning and development programs aim to empower our employees with the knowledge, skills and tools they need to embrace our inclusive culture, challenge biases and celebrate the unique contributions of each team member, cultivating an environment where everyone feels valued and supported. We also offer a tuition reimbursement program to encourage ongoing professional development.

## *Health and Safety*

The health and safety of our employees is a significant priority of our leaders. We aim to ingrain Environmental, Health & Safety (“EHS”) best practices into our operations. We have implemented comprehensive safety measures and strive to create an environment where everyone — our employees, contractors and visitors — can feel secure and protected. EHS aims to mitigate risk across our organization with a systematic and evidence-based approach. Through diligent oversight, we work to prevent a wide range of potential safety concerns, including ergonomic hazards, work at heights, material handling and accidents and injuries. By regularly enhancing and reinforcing our safety measures, we seek to create an environment where all of our employees can thrive.

## *Compensation and Benefits*

L&W provides a competitive and comprehensive benefits program that is aligned with our business objectives and attempts to inspire employees to drive innovation and improve the Company’s performance. In addition to cash and equity compensation, L&W offers medical, dental and vision plans; employee stock purchase plans; paid time off and paid holidays; company-paid disability; life insurance; 401(k) plans; flexible spending accounts; and employee assistance programs.

## **Environmental, Social and Governance (“ESG”)**

We believe that ESG priorities are not only a part of our culture, but are a part of shaping our competitive edge, enabling L&W to attract investments, optimize operating costs and drive revenues. Our internal ESG Council serves as the governing body of our ESG efforts across the organization to make key decisions, support enterprise value creation, monitor regulatory requirements, collaborate on ESG risk mitigation and identify ESG opportunities. The ESG Council comprises senior members of the management team, including the Chief Executive Officer - Gaming, Chief Financial Officer, Chief Legal Officer, and Chief Accounting Officer (“CAO”). The ESG Council provides updates on ongoing ESG efforts to the Nominating and Corporate Governance Committee of the Board of Directors with further reporting to the Board of Directors on a quarterly basis.

Our ESG priorities are aimed at supporting responsible business development, protecting local communities and improving economic outcomes of these communities. Our CSR program, known as Game Changers of Light & Wonder, encapsulates our commitment to evolve the gaming landscape along these key pillars:

- Game Changers for our Community: Social and community impact, charitable donorship and employee volunteerism;
- Game Changers for our People: Celebrating perspectives and fostering diversity, equity, inclusion, belonging and culture;
- Game Changers for our Planet: Environmental sustainability, responsible operations and preservation of natural resources;
- Game Changers for our Players: Responsible gaming, advocacy and stewardship, education, awareness and treatment;
- Corporate Governance: System of corporate responsibility, code of conduct and ethics by which we operate and govern; and
- Supplier Diversity: Providing economic and business opportunities for a diverse group of suppliers.

## *Environmental Sustainability*

We aim to include environmental sustainability and social responsibility as a part of L&W’s operations. We aim to align to the requirements of the International Organization for Standardization 14001 guidelines and align to the UN Sustainable Development Goals in order to aid in the preservation of natural resources. We continually look for opportunities that foster sustainable operations in our facilities and reduce negative impact on the environment, to include the preservation of resources, energy efficiency and waste management. We align our reporting to 15 of the 17 UN Sustainable Development Goals and are an official signatory of the UN Global Compact.

## *Social Impact*

We consider responsible gaming, social impact and philanthropy to be ESG priorities. For example, we support public education and awareness campaigns and seek to comply with the American Gaming Association Responsible Gaming Code of Conduct for advertising and marketing. In addition, a number of our employees have served on several boards and committees relating to responsible gaming. We utilize responsible gaming software and a player budget tool, which provide players the ability to personalize a gaming budget on a given device, on all our games in use in casinos located in Australia, Canada, New Zealand and the U.S.

We have a charitable gaming business (Grover Gaming) which enables charities to raise significant funds that directly support and advance their respective missions. Additionally, the Company has a variety of employee volunteerism and community outreach programs that give back to communities across many focus areas, including responsible gaming, environmental sustainability, food and housing security, and education.

More information about our CSR initiatives can be found on our website. Nothing on our website shall be deemed incorporated by reference into this Annual Report on Form 10-K.

### *ESG Reporting*

We published on our website our 2024 CSR Report and 2024 ESG highlights during 2025, and we expect to publish updates to these reports annually.

## **Government Regulation**

### *General*

Each of our business segments is generally subject to extensive and evolving regulation. For the Gaming business segment, regulation customarily includes some form of licensing or regulatory screening of operators, suppliers, manufacturers and distributors and their applicable affiliates, major shareholders, officers, directors and key employees. In addition, certain of our gaming products and technologies must be certified or approved in certain jurisdictions in which we operate. Regulators review many facets of an applicant or holder of a license, including its financial stability, integrity and business experience. Any failure to receive a license or the loss of a license that we currently hold could have a material adverse effect on us or on our results of operations, cash flow or financial condition. Each of our business segments is subject to a number of foreign and domestic laws and regulations that affect companies conducting business on the Internet and over mobile networks, especially in relation to privacy and security. Furthermore, for the SciPlay business segment, there is also significant opposition in some jurisdictions to interactive social gaming, including social casino gaming.

While we believe that we are in compliance with all material laws and regulatory requirements applicable to us, we cannot assure that our activities or the activities of our customers will not become the subject of any regulatory or law enforcement proceeding or that any such proceeding would not have a material adverse impact on us or our results of operations, cash flow or financial condition.

We have developed and implemented a rigorous internal compliance program in an effort to ensure that we comply with legal requirements imposed in connection with our Gaming, SciPlay, and iGaming activities, as well as those generally applicable to all publicly traded companies. The compliance program is run on a day-to-day basis by our Chief Compliance Officer with legal advice provided by attorneys in our legal and compliance departments and outside experts. The compliance program is overseen by the Compliance Committee of our Board of Directors, which is comprised of employee and non-employee directors and a non-employee gaming law expert. While we are firmly committed to full compliance with all applicable laws, we cannot assure that our compliance program will prevent the violation of one or more laws or regulations, or that a violation by us or an employee will not result in the imposition of a monetary fine or suspension or revocation of one or more of our licenses.

While we believe that we have developed appropriate procedures and policies to comply with the requirements of these evolving laws and legal pronouncements, we cannot assure that our activities or the activities of our customers will not become the subject of law enforcement proceedings or that any such proceedings would not have a material adverse impact on us or our business plans. Furthermore, laws and regulations applicable to gaming in U.S. and international jurisdictions are subject to change, and the effect of such changes on our ongoing and potential operations cannot be predicted with certainty.

From time to time, we retain government affairs representatives in various U.S. and international jurisdictions to advise elected and appointed officials and the public concerning our views on gaming legislation, monitor such legislation and advise us in our relations with gaming authorities.

### *Gaming*

We provide our games, gaming machines, gaming systems, table products and related products and services in legal gaming jurisdictions worldwide. The manufacture, distribution, provision and operation of our gaming products and services is subject to regulation and approval by various city, county, state, provincial, federal, tribal and foreign agencies. The primary purposes of these rules are to (1) ensure the responsibility, financial stability and character of the parties involved in these activities through licensing and registration requirements, (2) ensure the integrity and compliance of our gaming products and services and (3) prohibit the use of gaming products and services at unauthorized locations or for the benefit of undesirable parties.

Typically, gaming regulations in the jurisdictions in which we operate are established by statute and are administered by a regulatory agency with broad authority to interpret gaming regulations and to regulate gaming activities. Among other things, gaming authorities in the various jurisdictions in which we are licensed:

- adopt additional rules and regulations under the implementing statutes;
- investigate violations of gaming regulations;
- enforce gaming regulations and impose disciplinary sanctions for violations of such laws, including fines, penalties, suspension and/or revocation of gaming licenses;
- review the character and fitness of manufacturers, distributors and operators of gaming products and services and make determinations regarding their suitability or qualification for licensure;
- grant licenses for the manufacture, distribution and operation of gaming products and services;
- review and approve transactions (such as acquisitions, material commercial transactions, securities offerings and debt transactions); and
- establish and collect related fees and/or taxes.

We believe we hold all of the licenses and permits necessary to conduct our business. We are authorized to manufacture, sell, lease or operate our gaming products and services in approximately 478 jurisdictions worldwide (including jurisdictions that do not require licensing), including approximately 177 international gaming jurisdictions.

In addition, a number of U.S. states authorize wagering on VLTs at state regulated and licensed facilities. Although some states restrict VLTs to already existing wagering facilities, others permit these machines to be placed at venues such as bars, restaurants, truck stops and other specifically licensed gaming facilities. In addition, all of the Canadian provinces and various other international jurisdictions have authorized VLTs.

Regulatory requirements vary among jurisdictions, but the majority of jurisdictions require licenses, permits or findings of suitability for our company, individual officers, directors, major stockholders and key employees. Our gaming hardware and software also must be approved either by a gaming authority laboratory or a private laboratory authorized by the gaming authority.

Charitable gaming activities in the U.S. are regulated primarily at the state and local levels via statutes, regulations, and licensing requirements. Such laws vary significantly by jurisdiction and may impose restrictions on permissible game types, operational practices, use of proceeds, and eligible sponsoring organizations. Currently there are 11 states in the U.S. in which electronic pull-tabs are legalized, and we are licensed in seven and operating in six of them. In addition, charitable gaming activities are subject to federal taxation and anti-money laundering laws and regulations.

#### *SciPlay*

SciPlay is subject to foreign and domestic laws and regulations that affect companies operating online, including over the Internet and mobile networks, many of which are still evolving and could be interpreted in ways that could negatively impact business, revenue and results. SciPlay is also subject to federal, state and foreign laws related to the privacy and protection of player data.

There is significant opposition in some jurisdictions to social gaming and social casino gaming. Anti-gaming groups that specifically target social casino games are located in several states and countries. Such opposition could lead these jurisdictions to adopt legislation or impose a regulatory framework to govern social gaming or social casino gaming specifically. These opposition efforts could lead to a prohibition on social gaming or social casino gaming altogether, restrict SciPlay's ability to advertise its games or substantially increase costs to comply with regulations, all of which could have an adverse effect on results of operations, cash flows and financial condition. We cannot predict the likelihood, timing, scope or terms of any such legislation or regulation or the extent to which they may affect SciPlay's business.

#### *iGaming*

In the U.S., the Unlawful Internet Gambling Enforcement Act of 2006 ("UIGEA") prohibits, among other things, the acceptance by a business of a wager by means of the Internet where such wager is prohibited by any federal or state law where initiated, received or otherwise made. Under UIGEA severe criminal and civil sanctions may be imposed on the owners and operators of such systems and on financial institutions that process wagering transactions. The law contains a safe harbor for wagers placed within a single state (disregarding intermediate routing of the transmission) where the method of placing the bet and receiving the bet is authorized by that state's law, provided the underlying regulations establish appropriate age and location verification.

In late 2011, the Office of Legal Counsel of the DOJ (the “OLC”) issued an opinion which concluded that the prohibitions of the Federal Wire Act of 1961 (the “Wire Act”) were limited to sports gambling and thus did not apply to other forms of wagering (the “2011 DOJ opinion”). In January 2019, the OLC published a legal opinion dated November 2, 2018 (the “2018 DOJ opinion”), which concluded that the 2011 DOJ opinion had incorrectly interpreted the Wire Act and that the restrictions on the transmission in interstate or foreign commerce of bets and wagers in the Wire Act were not limited to sports gambling but instead applied to all bets and wagers. The OLC also found that the enactment of the UIGEA described above did not modify the scope of the Wire Act. The DOJ later issued memoranda directing federal law enforcement agencies to refrain from enforcing the conclusions of the 2018 DOJ opinion for activities other than sports betting until June 30, 2020. No official extension of the forbearance period was ever announced, but on January 20, 2021, the U.S. Court of Appeals for the First Circuit issued an opinion that the Wire Act applies only to the interstate transmission of wire communications related to sports gambling and not to all bets and wagers. With the DOJ’s subsequent announcement that it would not seek review by the U.S. Supreme Court, it would seem to be settled that the Wire Act applies to interstate sports wagering only. However, we are unable to determine what future impact the 2018 DOJ opinion, or the impact of any other challenge to the 2018 DOJ opinion, will have on our iGaming business or our customers.

Currently we have launched in seven states in the U.S. A number of states in the U.S. are currently considering regulation of iGaming. We cannot assure that laws permitting digital gaming will be enacted.

On December 8, 2020, the U.K. Government commenced its review of the Gambling Act 2005 and on April 27, 2023, it published a White Paper (policy paper) setting out its comprehensive package of reform proposals, many of which have now been implemented by the U.K. Government or British Gambling Commission. This included, in April 2025 and May 2025, respectively, the introduction of stake limits for online slots at £2 (those aged 18 to 24) / £5 (those aged 25 and over) and, in October 2025, the introduction of a statutory levy. The reforms may have an impact on our revenues from the U.K. Furthermore, the U.K. Government’s Autumn Budget 2025 enacted increases to gambling duties that will increase tax liabilities for our customers and consequently impact our revenue and earnings. Specifically, starting April 1, 2026, the Remote Gambling Duty, which applies to online casino games and slots, will increase from 21% to 40%. These and any future changes will impact our revenues and profitability. We will continue to monitor and assess these and any future reforms and their impact on our iGaming business segment.

To varying degrees, a number of international governments have taken steps to change the regulation of Internet wagering (also known as online gambling) through the implementation of new or revised licensing and taxation regimes, with increasingly stringent requirements, particularly on business-to-consumer businesses in relation to responsible gambling and affordability checks. Also, some jurisdictions impose sanctions on unlicensed providers. Countries outside Europe and the U.S. have also begun evaluating digital gaming regulation and an increase in regulated markets outside of the U.S. and Europe is likely to continue.

We continue to devote significant attention to monitoring these developments. However, we cannot predict the timing, scope or terms of any state, federal or foreign regulations relating to digital gaming.

#### *Additional Information Regarding Government Regulations*

We are subject to specific gaming requirements in the different jurisdictions in which we operate. For additional information, we have filed a summary of the gaming regulations that govern our businesses as an exhibit to this Annual Report on Form 10-K. See Exhibit 99.7 “Gaming Regulations”. In addition, see “Risk Factors” in *Part I, Item 1A* of this Annual Report on Form 10-K for a discussion of risk factors related to regulations to which we are or may be subject.

#### **Executive Officers of the Company**

Certain information regarding each of our executive officers is set forth below.

<b>Name</b>	<b>Age</b>	<b>Position</b>
Matthew R. Wilson	44	President and Chief Executive Officer and Director
Oliver Chow	45	Executive Vice President, Chief Financial Officer and Treasurer
Siobhan Lane	44	Executive Vice President and Chief Executive Officer, Gaming

*Matthew R. Wilson* has served as President and Chief Executive Officer since October 2022. Mr. Wilson joined L&W as Executive Vice President and Group Chief Executive, Gaming, in March 2020. Mr. Wilson has over 20 years of gaming industry experience. Before joining L&W, he was the Managing Director of the Americas at Aristocrat, one of the world’s leading providers of gaming solutions, from February 2017 until August 2019. Mr. Wilson began his tenure at Aristocrat in 2004 and held several significant positions in a variety of Aristocrat’s markets during his time there, including serving as Senior

Vice President, Sales & Marketing for the Americas from September 2014 until October 2015. His other roles at Aristocrat included Regional Sales Manager and Vice President of Marketing for the Americas.

*Oliver Chow* has served as Executive Vice President, Chief Financial Officer and Treasurer for L&W since December 2023. He served as Senior Vice President and Interim Chief Financial Officer from August 2023 to December 2023. Mr. Chow joined L&W as Senior Vice President of Corporate Finance in October 2022. Prior to joining the Company, he spent five years serving in senior-level finance roles at Aristocrat, most recently serving as Chief Financial Officer — Americas, EMEA and Customer Experience. Previously, he served in various financial roles with Universal Pictures, Deluxe Entertainment Services and JPMorgan Chase & Co. Mr. Chow has more than 17 years of financial leadership experience across the entertainment and gaming industries.

*Siobhan Lane* has served as Executive Vice President and Chief Executive Officer, Gaming since October 2022. Before this role, Ms. Lane served as Senior Vice President and Chief Commercial Officer of Gaming from February 2020 to October 2022. Prior to joining L&W, she spent 12 years at Aristocrat in roles of increasing responsibility, finishing as Senior Vice President, Marketing and Gaming Operations, during which time she helped lead the organizational transformation and market turnaround of Aristocrat in the North American region.

### **Access to Public Filings**

We file annual reports, quarterly reports, current reports, proxy statements and other documents with the SEC under the Exchange Act. The SEC maintains an Internet site that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC at [www.sec.gov](http://www.sec.gov). Our SEC filings and market announcements lodged with the ASX can also be accessed on the Company's ASX announcement page on the ASX Internet site at [www.asx.com.au](http://www.asx.com.au).

We make the following information, among others, available as soon as practically possible free of charge through the Investors link on our website at [explore.investors.lnw.com](http://explore.investors.lnw.com) and we use our website as a means of disclosing material information to the public in a broad, non-exclusionary manner for purposes of the SEC's Regulation Fair Disclosure (Reg FD):

- our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports as soon as reasonably practicable after they are filed electronically with or furnished to the SEC;
- Section 16 ownership reports filed by our executive officers, directors and 10% stockholders on Forms 3, 4 and 5 and amendments to those reports as soon as reasonably practicable after they are filed electronically with the SEC;
- our Code of Business Conduct, which applies to all of our officers, directors and employees (which is also our required code of ethics applicable to our Chief Executive Officer and Chief Financial Officer in keeping with the Sarbanes-Oxley Act of 2002) and includes, among other policies, our whistleblower policy; and
- our market announcements lodged with the ASX.

The above details about our website and its content are only for information. The contents of our website are not, nor shall they be deemed to be, incorporated by reference in this Annual Report on Form 10-K.

### **ITEM 1A. RISK FACTORS**

The risks described below are not the only risks facing us. Please be aware that additional risks and uncertainties not currently known to us or that we currently deem to be immaterial could also materially and adversely affect our business operations. You should also refer to the other information contained in our periodic reports, including the Forward-Looking Statements section, our consolidated financial statements and the related notes and Management's Discussion and Analysis of Financial Condition and Results of Operations for a further discussion of the risks, uncertainties and assumptions relating to our business. Except where the context otherwise indicates, references below to the "Company," "we," "our," "ours" and "us" include all of our subsidiaries.

#### **Risk Factors Summary**

The following is a summary of some of the risks and uncertainties that could materially adversely affect our business, financial condition and results of operations. You should read this summary together with the more detailed description of each risk factor contained below.

#### **Risks Relating to Economic and Current Conditions Impacting us and our Business**

- Failure to successfully execute on our strategy could negatively impact our results of operations, cash flows and financial information.

- Our future results of operations may be negatively impacted by slow growth or declines in the replacement cycle of gaming machines and by the slow growth of new gaming jurisdictions or slow addition of casinos in existing jurisdictions.
- We have foreign operations which expose us to business and legal risks, including compliance with anti-corruption laws, and a portion of our revenue and expenses are denominated in British Pounds Sterling, Australian Dollars and Euros, which subjects us to foreign currency exchange rate fluctuations and other risks.
- Unfavorable U.S. and international economic conditions, decreased discretionary spending, travel or operational disruptions due to other factors such as inflation, rising benchmark interest rates, new or increased trade tariffs, terrorist activity or threat thereof, armed conflicts or hostilities, civil unrest, health epidemics, contagious disease outbreaks, or public perception thereof, other economic or political uncertainties, or other events beyond our control have adversely affected and may in the future adversely affect our business, results of operations, cash flows and financial condition.
- Changes in international trade policy, including the imposition of new or increased tariffs and the resulting consequences, may have a material adverse impact on our business, operating results, and financial condition.
- Public perception of the Company's response to ESG issues could adversely affect our reputation, our customer base and business and financial results.
- The effects of health epidemics, contagious disease outbreaks and public perception thereof, have impacted and, in the future, could impact our operations and, should negative impacts such as significant negative player engagement develop, adversely affect and continue to adversely affect our operations, business, results of operations, cash flows and financial condition.

#### **Risks Relating to our Business and our Industries**

- We operate in highly competitive industries, and our success depends on our ability to effectively compete with numerous domestic and foreign businesses.
- Our success depends upon our ability to adapt to, and offer products and services that keep pace with, changing technology and evolving industry standards.
- We invest significant resources in our R&D efforts, which may not lead to successful or commercially viable new technologies, services or products.
- Our success depends on our ability to produce new and innovative products and services that respond to customer demand and create strong and sustained player appeal.

#### **Risks Relating to our Capital Structure**

- Our level of indebtedness could adversely affect our results of operations, cash flows and financial condition.
- We may not have sufficient cash flows from operating activities to service all of our indebtedness and other obligations, and may be forced to take other actions to satisfy our obligations, which may not be successful.
- Agreements governing our indebtedness impose certain restrictions that may affect our ability to operate our business. Failure to comply with any of these restrictions could result in the acceleration of the maturity of our indebtedness and require us to make payments on our indebtedness. Were this to occur, we would not have sufficient cash to pay our accelerated indebtedness.
- We may not have sufficient cash flows from operating activities, cash on hand and available borrowings under our credit facilities to finance required capital expenditures under new contracts and meet our other cash needs or satisfy our minimum liquidity covenant. These obligations require a significant amount of cash, which would reduce our available liquidity.
- The Company has delisted from the Nasdaq and transitioned to a sole primary listing on the ASX, which could negatively affect the liquidity and trading prices of our common stock or CDIs, impacts our investors' ability to trade in our securities and our access to the capital markets and could lead to price variations and other impacts on holders of our common stock, CDIs and other securities.
- We have incurred, and may in the future incur, significant costs as a result of, and may be exposed to liability in connection with, having a sole primary listing on the ASX and remaining an SEC registrant.

- SciPlay becoming a wholly-owned subsidiary of the Company subjects us to a number of risks and uncertainties, including whether it will yield additional value for our stockholders and adversely impact our business, financial results, results of operations, cash flows or stock price.

#### **Risks Relating to our Technology**

- Our success depends on the security and integrity of the systems and products we offer, and security breaches, including cybersecurity breaches, or other disruptions could compromise our information or the information of our customers and expose us to liability, which would cause our business and reputation to suffer.
- Our business depends on the protection of our intellectual property and proprietary information.
- We rely on the ability to use the intellectual property rights of third parties.

#### **Risks Relating to Legal, Political or Other Regulatory Factors**

- We and our industries are subject to strict government regulations that may limit our existing operations, have an adverse impact on our ability to grow and affect our license eligibility or expose us to fines or other penalties.
- Legislative interpretation and enforcement of certain gaming activities could adversely affect our financial performance and reputation.
- We may not be able to capitalize on the expansion of Internet or other forms of digital gaming or other trends and changes in the industries in which we operate, including due to laws and regulations governing these industries.
- Changes in tax laws or tax rulings, or the examination of our tax positions could materially affect our financial condition and results of operations.

#### **General Risks**

- We have incurred, and may continue to incur, restructuring costs, the benefits of which are unpredictable and may not be achieved.
- We may incur additional impairment charges.
- We depend on our key employees and rely on skilled employees with creative and technical backgrounds.

You should carefully consider the following risks and other information in this Annual Report on Form 10-K in evaluating us and our common stock. The risk factors generally are separated into six groups: risks relating to economic and current conditions impacting us and our business, risks relating to our capital structure, risks relating to our business and our industries, risks relating to our technology, risks relating to legal, political and other regulatory factors, and general risk factors.

#### **Risks Relating to Economic and Current Conditions Impacting us and our Business**

##### ***Failure to successfully execute on our strategy could negatively impact our results of operations, cash flows and financial information.***

We continue to execute on our strategy to become the leading, cross-platform global games company (more fully described in *Part I, Item 1* above). Successful execution on our strategy may present unexpected challenges and uncertainties. We may incur integration and optimization expenses to execute and facilitate our strategies.

Our business strategy is to invest in great content and franchises across land-based and digital platforms, expand in high-growth markets, enable a seamless player experience with innovative platforms, deleverage and maximize cash flow to fuel investment and be driven by high-performing talent and culture. Our strategy is focused upon growth including growing our recurring revenue and digital revenue mix and pursuit of acquisitions supportive of our strategic goals. For additional information on risks related to our acquisition strategy, see the risk factor captioned “*Our inability to complete acquisitions and integrate those businesses successfully could limit our growth or disrupt our plans and operations.*” If we are not successful in accomplishing each component of our new business strategy, we may suffer negative impacts on our results of operations, cash flows and financial condition.

Additionally, the success of our brand and name is integral in allowing our strategy and business focus to be successful. Developing and maintaining awareness of our Company and our brand is important to attracting new and existing customers to our products. The importance of brand recognition increases as competition in our industry intensifies. Successful promotion of our brand depends on the effectiveness of our marketing efforts. Although we invest substantial resources to promote our brand, there is no guarantee that we will be able to achieve or maintain brand name recognition or status under our

brand that is comparable to the recognition and status we have historically enjoyed. Even if our brand recognition and loyalty increases, this may not result in increased revenue and profitability. For these reasons, our efforts may not produce the benefits expected, could adversely affect our ability to retain and attract customers, and may have a material adverse effect on our results of operations, cash flows and financial condition.

***Our future results of operations may be negatively impacted by slow growth or declines in the replacement cycle of gaming machines and by the slow growth of new gaming jurisdictions or slow addition of casinos in existing jurisdictions.***

Demand for our Gaming products and services is driven by the replacement of existing gaming machines in existing casinos, the establishment of new jurisdictions, the opening of additional casinos in existing jurisdictions and the expansion of existing casinos. Slow growth or declines in the replacement cycle of gaming machines have historically reduced and could again reduce the demand for our products and negatively impact our results of operations, cash flows and financial condition, and have resulted and could continue to result in material inventory charges, which could increase our cost of products and decrease our gross margin. We have previously recorded charges related to inventory due to disruptions impacting future demand and reassessment of our product strategy. Our inventory charges incurred in the normal course of operations were \$11 million, \$14 million and \$14 million for the years ended December 31, 2025, 2024 and 2023, respectively.

The opening of new casinos, expansion of existing casinos and replacement of existing gaming machines in existing casinos fluctuate with demand, economic conditions, regulatory approvals and the availability of financing. Originally these had been negatively affected by the COVID-19 pandemic. While those negative effects have abated, there is still potential for negative effects of other potential health epidemics or contagious disease outbreaks. In addition, the expansion of gaming into new jurisdictions can be a protracted process. In the U.S., U.K. and other international jurisdictions in which we operate, governments usually require a public referendum and legislative action before establishing or expanding gaming. Any of these factors could delay, restrict or prohibit the expansion of our business and negatively impact our results of operations, cash flows and financial condition.

***We have foreign operations which expose us to business and legal risks, including compliance with anti-corruption laws, and a portion of our revenue and expenses are denominated in British Pounds Sterling, Australian Dollars and Euros, which subjects us to foreign currency exchange rate fluctuations and other risks.***

We are a global business and derive a substantial portion of our revenue from operations outside of the U.S. For the year ended December 31, 2025, we derived approximately 32% of our revenue from sales to customers outside of the U.S.

Our consolidated financial results are affected by currency exchange rate fluctuations. We are exposed to currency exchange rate fluctuations because portions of our revenue and expenses are denominated in currencies other than the U.S. dollar, particularly the British Pound Sterling, the Euro and the Australian dollar. Such fluctuations may arise from inflation, government debt or other causes. Exchange rate fluctuations have in the past adversely affected our results of operations, cash flows and financial condition and may adversely affect our results of operations, cash flows and financial condition and the value of our assets outside the U.S. in the future. If a foreign currency is devalued in a jurisdiction in which we are paid in such currency, we may require our customers to pay higher amounts for our products, which they may be unable or unwilling to pay. This uncertainty could have a material adverse effect on our foreign operations. In addition, if such events occurred, the financial and capital markets within and outside Europe could constrict and negatively impact our ability to finance our business. Such events could also cause a substantial reduction in consumer confidence and spending that could negatively impact our customers and our business.

Our operations in foreign jurisdictions subject us to additional risks customarily associated with such operations, including: the complexity of foreign laws, regulations and markets; the uncertainty of enforcement of remedies in foreign jurisdictions; the impact of foreign labor laws and disputes; the ability to attract and retain key personnel in foreign jurisdictions; the economic, tax and regulatory policies of local governments; compliance with applicable anti-money laundering, anti-bribery and anti-corruption laws, including the Foreign Corrupt Practices Act, U.K. Bribery Act and other anti-corruption laws that generally prohibit us and our agents from offering, promising, authorizing or making improper payments to foreign government officials for the purpose of obtaining or retaining business; compliance with applicable sanctions regimes regarding dealings with certain persons or countries; import and export restrictions and other trade barriers, including imposition of new or increased tariffs; and increased trade tensions between countries or political and economic unions. Certain of these laws also contain provisions that require accurate record keeping and further require companies to devise and maintain an adequate system of internal accounting controls.

Although we have policies and controls in place that are designed to ensure compliance with these laws, if those controls are ineffective or an employee or intermediary fails to comply with the applicable regulations, we may be subject to criminal and civil sanctions and other penalties. Any such violation could disrupt our business and adversely affect our reputation, results of operations, cash flows and financial condition. In addition, our international business operations could be

interrupted and negatively affected by terrorist activity, political unrest or other economic or political uncertainties. Moreover, U.S. and foreign jurisdictions could impose new or increased tariffs, quotas, trade barriers and other similar restrictions on our international sales.

For example, in 2018 the U.S. announced certain trade actions under Section 232 of the Trade Expansion Act of 1962, and Section 301 of the Trade Act of 1974, including tariff increases on several imported products. These U.S. tariffs, along with other U.S. trade actions, have triggered retaliatory actions by certain affected countries, such as the People's Republic of China ("PRC"). The President has imposed significant tariffs on goods imported from China and other countries. Although tariffs and other trade actions by the U.S. and other countries have not yet had a significant impact on our business and we are implementing measures to limit the impact of tariffs on our cost structure, there is continued uncertainty regarding the level, scope and duration of these trade actions by the U.S. and other countries, and trade negotiations between the U.S. and the PRC remain volatile. Accordingly, we cannot predict whether, or to what extent, new or increased tariffs and other trade restrictions may be imposed on or otherwise become applicable to our product offerings or supply chain, and the impact of these trade actions on our business remains uncertain. Tariffs and other trade actions could result in increases in our cost of doing business and in the sale prices of certain of our products and could negatively impact demand for our products, which could materially adversely affect our results of operations, cash flows and financial conditions.

Further, our ability to expand successfully in foreign jurisdictions involves other risks, including difficulties in integrating foreign 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. We may not realize the operating efficiencies, competitive advantages or financial results that we anticipate from our investments in foreign jurisdictions, and our failure to effectively manage the risks associated with our operations in foreign jurisdictions could have a material adverse effect on our business prospects, results of operations, cash flows and financial condition.

***Unfavorable U.S. and international economic conditions, decreased discretionary spending, travel or operational disruptions due to other factors such as inflation, rising benchmark interest rates, new or increased trade tariffs, terrorist activity or threat thereof, armed conflicts or hostilities, civil unrest, health epidemics, contagious disease outbreaks, or public perception thereof, other economic or political uncertainties, or other events beyond our control have adversely affected and may in the future adversely affect our business, results of operations, cash flows and financial condition.***

Unfavorable economic conditions, including recession, inflation, rising benchmark interest rates, economic slowdown, decreased liquidity in the financial markets, decreased availability of credit, relatively high rates of unemployment and inflation, have had, and may continue to have, a negative effect on our business. Sociopolitical factors such as terrorist activity or threat thereof, armed conflicts or hostilities, civil unrest or other economic or political uncertainties, or health epidemics, contagious disease outbreaks, or public perception thereof, or other events beyond our control that contribute to consumer unease have resulted, and may continue to result, in decreased discretionary spending or travel by consumers and have had, any may continue to have, a negative effect on our businesses. Such factors out of our control may also have effects beyond discretionary spending or travel, such as disruptions to our operations and productivity, which could also have a negative effect on our businesses. Prolonged or more severe economic weakness, particularly from inflation, rising interest rates, new or increased tariffs and foreign currency volatility, could materially adversely impact our business, including causing our expected expenses to increase materially. We cannot fully predict the effects that unfavorable social, political and economic conditions, economic uncertainties and public health crises and any resulting decrease in discretionary spending or travel would have on us, as they would be expected to impact our customers, suppliers, employees, consultants and business partners in varied ways.

In our Gaming business, especially our Participation gaming business, our revenue is largely driven by players' disposable incomes and level of gaming activity which may be reduced by unfavorable economic conditions. A further or extended decline in disposable income may result in reduced play levels on our Participation gaming machines, causing our results of operations and cash flows from these products to decline. Additionally, higher travel and other costs may adversely affect the number of players visiting our customers' casinos. Adverse changes in discretionary consumer spending or consumer preferences, resulting in fewer patrons visiting casinos and reduced play levels, could also be driven by factors such as an unstable job market, recession, new or increased tariffs, outbreaks of contagious diseases or public perception thereof or fears of terrorism or other violence. A decline in play levels has negatively impacted the results of operations, cash flows and financial condition of our casino customers and their ability to purchase or lease our products and services.

Unfavorable economic conditions have also impacted, and could continue to impact, the ability of our Gaming customers to make timely payments to us. These conditions, and the concentration of certain outstanding Gaming segment receivables, may increase our collection risks and materially impact our estimate of receivables allowance for credit losses. A substantial portion of our U.K. gaming business benefits from a contract with the large U.K. bookmaker Entain PLC, which represents a significant portion of our U.K. LBO server-based gaming business. In addition, unfavorable economic conditions have caused, and may cause in the future, some of our Gaming customers to temporarily close gaming venues or ultimately declare bankruptcy, which adversely affects our business. Further, our Gaming customers could elect to modify their

replacement cycles or otherwise delay purchases and capital expenditures they would have otherwise made. Unfavorable economic conditions may also result in volatility in the credit and equity markets. The difficulty or inability of our customers to generate or obtain adequate levels of capital to finance their ongoing operations may reduce their ability to purchase our products and services. Refer to Note 6 for international locations with significant concentrations of our receivables with terms longer than one year.

In our iGaming business based on a Participation model, our revenue is largely driven by disposable incomes and level of player activity. Unfavorable economic conditions have previously reduced and may in the future reduce the disposable incomes of end users consuming the services, which could negatively impact revenues for the iGaming business. Suppliers to our iGaming business may suffer financial difficulties and may not be able to offer their services and products, which could restrict the provision of our services and negatively impact our revenues. Various gambling regulators have implemented additional responsible and safer gambling measures relating to online casinos, including the implementation of bet limits, spin speeds, deposit limits and bonusing, which could negatively impact our revenues, particularly if additional gambling regulators follow suit or additional measures are introduced.

In our SciPlay business, while we maintain offices in the U.S., we have employees and consultants operating in foreign jurisdictions, including Israel. In the foreign jurisdictions in which SciPlay operates, conditions such as political instability, inflation, slower growth or recession, new or increased tariffs, terrorist activity or threat thereof, armed conflicts or hostilities and civil unrest could adversely affect our business and results of operations. For example, political, economic and military conditions in Israel, including acts of terrorism, war or other armed conflicts, which have impacted our employees and operations in Israel, could in the future cause business interruptions or other spillover effects that could materially adversely affect SciPlay's business and results of operations.

Additionally, in our Gaming business, we monitor for any potential disruptions in our supply chain, such as those due to health epidemics, contagious disease outbreaks, or public perception thereof, terrorist activity or threat thereof, armed conflicts or hostilities, civil unrest or other economic or political uncertainties, or other events beyond our control, and we may be required to increase our inventory positions when deemed necessary to mitigate any expected or unexpected delays and fulfill customer orders timely. The current conflict in Israel has delayed passage of supplier vessels through the Red Sea and could require us to increase our inventory positions and/or could result in higher holding and freight costs, which could adversely impact our operations and/or gross margin.

There are ongoing concerns regarding the debt burden of certain countries, particularly in Europe and South America, and their ability to meet their future financial obligations, which have resulted in downgrades of the debt ratings for these countries. We currently operate in, and our growth strategy may involve pursuing expansion or business opportunities in certain of these jurisdictions, such as Argentina, Brazil, Greece, Italy, and Puerto Rico, among others. These sovereign debt concerns, whether real or perceived, could result in a recession, prolonged economic slowdown, or otherwise negatively impact the general health and stability of the economies in these countries or more broadly. In more severe cases, this could result in a limitation on the availability or flow of capital, thereby restricting our liquidity and negatively impacting our results of operations, cash flows and financial condition.

***Changes in international trade policy, including the imposition of tariffs and the resulting consequences, may have a material adverse impact on our business, operating results, and financial condition.***

The U.S. government has adopted new approaches to trade policy and in some cases, may renegotiate, or potentially terminate, certain existing bilateral or multi-lateral trade agreement. The U.S. government has also imposed tariffs on certain foreign goods and has raised the possibility of imposing significant, additional tariff increases or expanding the tariffs to capture other countries and types of foreign goods. In addition, in response to tariffs, other countries have implemented retaliatory tariffs on U.S. goods.

Although tariffs and other trade actions by the U.S. and other countries have not yet had a significant impact on our business, we cannot predict the future effect of U.S. tariffs on imports, or the extent to which other countries will impose quotas, duties, tariffs, taxes or other similar restrictions upon the import or export of materials in the future, nor can we predict future trade policy or the terms of any renegotiated trade agreements and their impact on our business. As we currently source a portion of our Gaming Business raw materials and components from China and across Asia, any additional duties imposed on imports may materially impact our supply chain by making it more difficult or costly to procure these items. Potential adverse impacts on our operating results include increased costs for our products and disruptions in our manufacturing and supply. The overall impact of trade policy and laws on our business depends on multiple factors, including their duration, their scope and potential expansion, enforcement, retaliatory measures by impacted exporting countries, inflationary effects and broader macroeconomic responses, changes to consumer purchasing behavior, and the effectiveness of our responses in managing these impacts. While we believe we can continue to adapt our business strategy to mitigate these effects, there is no assurance that these efforts will fully offset any increased costs.

Additionally, political tensions as a result of trade policies could reduce trade volume, investment and other economic activities between major international economies, resulting in a material adverse effect on global economic conditions and the stability of global financial markets. Uncertainties in global economic conditions have in the past negatively impacted discretionary consumer spending. As our revenue in our Gaming and iGaming businesses is largely driven by players' disposable incomes and level of gaming activity, a downturn in the economic environment may in turn have a material adverse impact on our business and financial condition.

***Public perception of the Company's response to ESG issues could adversely affect our reputation, our customer base and business and financial results.***

Companies across all industries are facing increasing scrutiny from customers, clients, regulators, investors, and other stakeholders related to their ESG practices and disclosure. Unfavorable perception regarding our environmental policies, social initiatives, governance practices, diversity initiatives, the perceived or actual impacts of our games on user well-being, the actions of companies that provide similar products to ours, or other growing concerns of our stakeholders, could adversely affect our reputation. Any negative effect on our reputation could have an adverse effect on the size, engagement and loyalty of our customer base, which could adversely affect our business and financial results.

Additionally, we are subject to changing rules and regulations promulgated by a number of governmental and self-regulatory organizations, including the SEC, the ASX, the Australian Securities and Investment Commission ("ASIC") and the FASB. These rules and regulations continue to evolve in scope and complexity, making compliance difficult and uncertain. Additionally, we or our suppliers may become subject to new laws enacted with regards to climate change, greenhouse gas emissions and other environmental issues. If new laws are enacted, or current laws are modified in countries in which we or our suppliers operate, we could face increased costs to comply with these laws.

***The effects of health epidemics, contagious disease outbreaks and public perception thereof, have impacted and, in the future, could impact our operations and, should negative impacts such as significant negative player engagement develop, adversely affect and continue to adversely affect our operations, business, results of operations, cash flows and financial condition.***

The outbreak of a novel strain of coronavirus, COVID-19, and public perception thereof, had contributed to consumer unease and led to decreased discretionary spending and consumer travel, which, in turn, had a negative effect on us, especially in our Gaming business. Other future health epidemics or contagious disease outbreaks could do the same. We cannot predict the ultimate effects that the outbreak of COVID-19 or any similar contagious disease, any resulting unfavorable social, political and economic conditions and decrease in discretionary spending or travel would have on us, as they would be expected to impact our customers, suppliers and business partners in varied ways in different communities. In our Gaming business, especially our Participation gaming, SciPlay business segment and iGaming business segment, our revenue is largely driven by players' disposable incomes and level of gaming activity. The outbreak of COVID-19 led to economic and financial uncertainty for many consumers and reduced, and may continue to reduce or maintain at low amounts, the disposable incomes of players across all of our business units. This resulted in fewer patrons visiting casinos, whether land-based or online, and lower amounts spent per casino visit.

Various gambling regulators have implemented additional responsible and safer gambling measures relating to our iGaming casino business including the implementation of bet limits, spin speeds, deposit limits and bonusing, which could negatively impact our operations, business, results of operations, cash flows or financial condition, particularly if additional gambling regulators follow suit.

The extent to which future health epidemics, contagious disease outbreaks and public perception thereof further impacts our results of operations, cash flows and financial condition will depend on future developments, which are highly uncertain and unpredictable.

### **Risks Relating to our Business and our Industries**

***We operate in highly competitive industries, and our success depends on our ability to effectively compete with numerous domestic and foreign businesses.***

#### ***Gaming***

Our Gaming business faces significant competition, not only from traditional gaming suppliers, but also from a number of other domestic and foreign providers, some of which have substantially greater financial resources and/or experience than we do. In some cases, we compete against gaming operators, including illegal or unregulated operators. Additionally, we face competition from smaller gaming companies that have established certain competitive products in recent years and are able to focus their resources on developing a smaller number of high-performing products. In addition to competition from

traditional gaming suppliers, the Gaming business also faces competition from other suppliers of electronic pull-tab equipment in charitable gaming.

We compete on the basis of the content, features, quality, functionality, accuracy, reliability, price and financing terms of our products and services, and the responsiveness of our services. If we do not consistently deliver popular, high-quality games in a timely manner, or if consumers prefer competing products, our business might suffer. Consumer preferences for games are usually cyclical and difficult to predict, and even the most successful content remains popular for only limited periods of time, unless refreshed with new content or otherwise enhanced. In order to remain competitive, we must continuously develop new products or enhancements to our existing products. These products or enhancements may not be well-received by consumers, even if well-reviewed and of high quality. Further, competitors may develop content that imitates or competes with our best-selling games, potentially taking sales away from them or reducing our ability to charge the same prices we have historically charged for our products. We have experienced pricing pressures in the past, including over the past three years. These competing products may take a larger share of consumer spending than anticipated, which could cause product sales to fall below expectations. We also compete based on the extent of our sales, service, marketing and distribution channels. We on occasion provide extended payment term financing for product purchases or to certain concentrations of customers. We have also offered customers discounts and other offers and modified pricing and other contractual terms in connection with the sale or placement of our products and services. Our competitors may provide a greater amount of financing or better offers and terms than we do, and this may impact demand for our Gaming products and services. We cannot assure that competitive pressure will not cause us to increase the incentives that we offer to our customers or agree to modify contractual terms in ways that are unfavorable to us, which could adversely impact our results of operations, cash flows and financial condition.

We also compete to obtain space and favorable placement on casino gaming floors, and some of our product lines may compete against each other for this space. Consolidation of casino and other operators, increased competition among operators and reductions in capital expenditures by operators have significantly increased the level of competition among gaming suppliers and may do so in the future. Casino operators focus on performance, longevity, player appeal and price when making their purchasing decisions. Competitors with a larger installed base of gaming machines and more game themes than ours may have an advantage in obtaining and retaining placements in casinos. Our Shufflers also compete against hand shuffling, which remains the most competitive shuffling option for casino card games around the world.

We also face high levels of competition in the supply of products and services for newly legalized gaming jurisdictions and for openings of new or expanded casinos. Our success depends on our ability to successfully enter new markets and compete successfully for new business.

#### *SciPlay*

SciPlay, which includes social casino games and from which we derive substantially all of our SciPlay revenue, is a rapidly evolving industry with low barriers to entry. Businesses can easily launch online or on mobile platforms and applications at nominal cost by using commercially available software or partnering with various established companies in these markets. The market for our games is also characterized by rapid technological developments, frequent launches of new games and features, changes in player needs and behavior, disruption by innovative entrants and evolving business models and industry standards. As a result, our industry is constantly changing games and business models in order to adopt and optimize new technologies, increase cost efficiency and adapt to player preferences.

Successful execution of our strategy depends on our continuous ability to attract and retain players, adapt to the emergence of new mobile hardware or operating systems, expand the market for our games, maintain a technological edge and offer new capabilities to players. We also compete with social gaming companies, including those that offer social casino games such as Playtika, Playstudios, Product Madness/Big Fish Games (subsidiaries of Aristocrat), DoubleU Games Co., Ltd/Double Down Interactive, GSN Games/Bash Gaming (subsidiaries of Scopely, Inc.), AppLovin Corporation and Huuuge Games, some of which have no connection to regulated real money gaming, and many of those companies have a base of existing players that is larger than ours. In some cases, we compete against real money gaming operators who have expanded their games to include social casino games and have in the past leveraged their land-based gaming relationship with us to license social casino game content from us. In those cases, customers of such real money gaming operators may choose to play our content as it is offered by the operator and not as it is offered by our social casino games, detrimentally impacting our results. Additionally, the overall online casino industry (including our SciPlay and iGaming segments) increasingly competes with sweepstakes operators, which could adversely affect our results.

Some of our current and potential competitors enjoy substantial competitive advantages, such as greater name recognition, longer operating histories, local language capabilities, greater financial, technical, and other resources and, in some cases, the ability to rapidly combine online platforms with traditional staffing and contingent worker solutions. These companies may use these advantages to develop different platforms and services to compete with our games, spend more on

advertising and brand marketing, invest more in research and development or respond more quickly and effectively than we do to new or changing opportunities, technologies, standards, regulatory conditions or player preferences or requirements. As a result, our players may decide to stop playing our games or switch to our competitors' games.

Moreover, current and future competitors may also make strategic acquisitions or establish cooperative relationships among themselves or with others, including our current or future third-party suppliers. By doing so, these competitors may increase their ability to meet the needs of existing or prospective freelancers and players. These developments could limit our ability to obtain revenue from existing and new buyers. 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.

We offer players regular free play and frequent discounts for purchases of coins, chips or cards to enhance game play in connection with our social casino gaming business. We cannot assure that competitive pressure will not cause us to increase the incentives that we offer to our players, which could adversely impact our results of operations, cash flows and financial condition.

#### *iGaming*

Our iGaming business is also subject to significant competition. Our iGaming business focuses on the supply of game content to online casino operators, and there are a number of competitors in that industry, including from illegal or unregulated operators.

We cannot assure that we will be successful in offering our technology, content and services to digital gaming operators as we expect to face intense competition from our traditional competitors in the iGaming industry and a number of other domestic and foreign providers (or, in some cases, the operators themselves), some of which have substantially greater financial resources and/or experience in this area than we do. In addition, there is a risk that the authorization of the provision of gaming offerings via interactive channels in a particular jurisdiction could, under certain circumstances, adversely impact our Gaming offerings through traditional channels in such jurisdiction. Any such adverse impact would be magnified to the extent we are not involved in, and generating revenue from, the provision of iGaming products or services in such jurisdiction.

In order to stay competitive in our iGaming business, we will need to continue to create, source and market game content that attracts players and invest in new and emerging technologies. Some of our competitors may be more willing to provide Internet wagering in countries where the relevant laws and regulations are unclear or not uniformly enforced, putting us at a competitive disadvantage if we do not provide services related to Internet wagering in such countries.

***Our success depends upon our ability to adapt to, and offer products and services that keep pace with, changing technology and evolving industry standards.***

Our ability to anticipate or respond to changing technology and evolving industry standards and to develop and introduce new and enhanced products and services, including, but not limited to, gaming content, gaming machines, CMSs, table products and digital gaming products and services, on a timely basis or at all is a significant factor affecting our ability to remain competitive, retain existing contracts or business and expand and attract new customers and players. We cannot assure that we will achieve the necessary technological advances or have the financial resources needed to introduce new products or services on a timely basis or at all.

Rules governing new technological developments, such as developments in generative artificial intelligence ("AI"), remain unsettled, and these developments may affect aspects of our existing business model, including how we create our gaming products. We have evaluated the risks AI poses to our business and instituted an internal AI policy with which our business teams are required to comply.

Introducing new and innovative products and services requires us to adapt and refine our manufacturing, operations and delivery capabilities to meet the needs of our product innovation. If we cannot efficiently adapt our manufacturing infrastructure to meet the needs associated with our product innovations, or if we are unable to develop products or upgrade our production capacity in a timely manner, our business could be negatively impacted. In the past, we have experienced delays in launching new products and services due to the complex or innovative technologies embedded in our products and services. Such delays can adversely impact our results of operations, cash flows and financial condition.

***We invest significant resources in our R&D efforts, which may not lead to successful or commercially viable new technologies, services or products.***

We have invested, and intend to make future investments of, significant resources in R&D efforts. We invest in a number of areas, including product development for game and system-based hardware, software and game content. In addition, because of the sophistication of our newer products and the resources committed to their development, they are generally more

expensive to produce and, for SciPlay and iGaming technologies, to maintain. If our new services and products do not gain market acceptance or the increase in the average selling price of these new products is not proportionate to the increase in production cost, in each case as compared to our prior products, or if the average cost of production does not go down over time, whether by reason of long-term customer acceptance, or if we are unable to successfully execute on our cross-platform strategy, our ability to find greater efficiencies in the manufacturing process as we refine our production capabilities or a general decrease in the cost of the technology, our margins will suffer and could negatively impact our business, results of operations, cash flows and financial condition. We cannot assure that our investment in R&D will lead to successful new technologies or products. If a new service or product is not successful, we may not recover our development, regulatory approval or promotion costs.

***Our success depends on our ability to produce new and innovative products and services that respond to customer demand and create strong and sustained player appeal.***

Our success depends upon our ability to respond to dynamic customer demand by producing new and innovative products and services. The process of developing new products and services is inherently complex and uncertain. If we fail to accurately anticipate customer needs and end user preferences through the development of new products and services, we could lose business to our competitors, which would adversely affect our results of operations, cash flows and financial condition.

Our businesses develop and source game content both internally and through third-party suppliers. We also seek to secure third-party brands for incorporation into our game content. We believe that creative and appealing game content produces more revenue for our gaming machine customers and provides them with a competitive advantage, which in turn enhances our revenue and our ability to attract new business and to retain existing business. We cannot assure that we will be able to sustain the success of our existing game content or effectively develop or obtain from third parties game content or licensed brands that will be widely accepted both by our customers and players.

Our success also depends on creating products and services with strong and sustained player appeal. We are under continuous pressure to anticipate player reactions to, and acceptance of, our new products, avoid declining play levels on our leased gaming machines and continue to provide successful products that generate a high level of play. In some cases, a new game or gaming machine will only be accepted by our casino or digital gaming customers if we can demonstrate that it is likely to produce more revenue and Net win and/or has more player appeal than our existing products and services or our competitors' products and services. WAP, premium and daily fee Participation gaming machines are replaced on short notice by casino operators if they do not meet and sustain revenue and profitability expectations. Customers may cancel pending orders with us if our products are not performing to expectations at other casinos.

In addition, the social gaming landscape is rapidly evolving and is characterized by major fluctuations in the popularity of social products and platforms, such as the dramatic increase in the popularity of mobile platforms. We may be unable to develop products at a rate necessary to respond to these changes, or at all, or that anticipate the interests of social players. Likewise, our SciPlay offerings operate largely through *Facebook*, *Google*, *Apple*, *Amazon* and *Microsoft* platforms. If alternative platforms increase in popularity, we could be adversely impacted if we fail to timely create compatible versions of our products.

Competition is intense in the digital and social gaming landscape. The increased importance of digital content delivery in our industry increases the potential competition in our SciPlay and iGaming businesses, as the minimum capital needed to produce and publish a digitally delivered game, particularly a new game for mobile platforms, may be significantly less than that needed to produce and publish one that is purchased through retail distribution. As more competitors enter the market, our operating results may be negatively impacted.

***Our inability to complete acquisitions and integrate those businesses successfully could limit our growth or disrupt our plans and operations.***

Our growth strategy might include our pursuit of strategic acquisitions. Our ability to succeed in implementing our acquisition strategy will depend to some degree upon our ability to identify and complete commercially viable acquisitions, including multiple acquisitions carried out simultaneously and in short time frames. We cannot assure 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.

We may not be able to successfully integrate any businesses that we acquire or do so within the intended timeframes. We could face significant challenges in managing and integrating our acquisitions and our combined operations, including acquired assets, operations and personnel. Our acquisition of the remaining approximately 17% equity interest in SciPlay not already owned by us pursuant to the SciPlay Merger required us to take certain actions to appropriately integrate into our operations in compliance with the terms of the merger agreement. In addition, the expected cost synergies or any other anticipated benefits associated with such acquisitions may not be fully realized in the anticipated amounts or within the

contemplated timeframes or cost expectations, which could result in increased costs and have an adverse effect on our prospects, results of operations, cash flows and financial condition. We expect to incur incremental costs and capital expenditures related to our contemplated integration activities.

Acquisition transactions may disrupt our ongoing business. The integration of acquisitions requires significant time and focus from management and may divert attention from the day-to-day operations of the combined business or delay the achievement of our strategic objectives.

***The acquisition of Grover Charitable Gaming subjects us to a number of risks and uncertainties, including whether it will yield additional value for our stockholders and whether it will adversely impact our business, financial results, results of operations, cash flows or stock price.***

On May 16, 2025, we completed the acquisition of Grover for an upfront consideration of \$850 million, subject to certain customary purchase price adjustments as set forth in the purchase agreement, and up to \$200 million in cash in the aggregate in the form of contingent acquisition consideration payments based on achievement of certain revenue metrics over a four-year period.

The Grover acquisition exposes us to a number of risks and uncertainties, including that the Company may be unable to achieve the expected financial, operational and strategic benefits of the Grover acquisition and may not be able to successfully integrate Grover into the Company's operations; that the acquisition may involve unexpected costs, liabilities or delays, including as a result of increased exposure to potential litigation; that the Company will have difficulties in attracting, retaining or motivating key management personnel of Grover; and that disruptions from the Grover acquisition will harm relationships with customers, employees and suppliers. Any of these factors could disrupt our business and could have a material adverse effect on our business, financial condition, results of operations, cash flows or stock price. The Grover acquisition and its anticipated benefits are dependent upon a number of factors that are beyond our control, including among other factors, market conditions, industry trends, regulatory developments, litigation and the interest of third parties in this business.

***We depend on our suppliers and contract manufacturers, and any failure of these parties to meet our performance and quality standards or requirements could cause us to incur additional costs or lose customers.***

Our operating results could be adversely affected by an interruption or cessation in the supply of these items or a serious quality assurance lapse, including as a result of the insolvency of any of our key suppliers.

Similarly, the manufacture and maintenance of our gaming machines and gaming systems are dependent upon a regular and continuous supply of raw materials and components, many of which are manufactured or produced outside of the U.S. Certain of the components we use are customized for our products. The assembly of certain of our products and other hardware is performed by third parties. Any interruption or cessation in the supply of these items or services or any material quality assurance lapse with respect thereto could materially adversely affect our ability to fulfill customer orders, results of operations, cash flows and financial condition. We may be unable to find adequate replacements for our suppliers within a reasonable time frame, on favorable commercial terms or at all. The impact of the foregoing may be magnified as we continue to seek to streamline our gaming supply chain by reducing the number of our suppliers. Further, manufacturing costs may unexpectedly increase and we may not be able to successfully recover any or all of such cost increases. Additionally, in prior periods, we experienced pressures on the supply chain related to parts sourcing, and these pressures have in the past resulted, and may in the future result, in inventory obsolescence charges. Because of the use of certain shared parts in some of our gaming machines in both old and new cabinets, supply chain pressures on availability of these parts may require us to re-allocate shared parts, rendering further units obsolete if such conditions sustain for an extended period of time.

In all of our businesses, we rely upon a number of significant third-party suppliers and vendors delivering parts, equipment and services on schedule in order for us to meet our contractual commitments. Furthermore, we outsource the manufacturing of certain of our sub-assemblies to third parties in the U.S., Europe, Central America and Asia. The willingness of such third parties to provide their services to us may be affected by various factors. Changes in law or regulation in any jurisdiction in which we operate may make the provision of key services to us unlawful in such jurisdictions. To the extent that third parties are unwilling or unable to provide services to us, this may have an adverse impact on our operations, financial performance and prospects. Failure of these third parties to meet their delivery commitments could result in us being in breach of, and subsequently losing, the affected customer orders, which loss could have a material adverse effect on our results of operations, cash flows and financial condition. We rely on network and/or telecommunications services for certain of our products. For instance, any disruption to our network or telecommunications could impact our linked or networked games, which could reduce our revenue.

In our SciPlay and iGaming businesses, we often rely on third-party data center providers to, among other things, host our remote game servers. Our SciPlay and iGaming businesses could be adversely impacted by breaches of or disruptions to

these third-party data centers, including through disruptions in our RMG business, potential service level penalties with respect to our customers, reputational harm, the disclosure of proprietary information or the information of our customers or the theft of our or our customers assets, and to the extent any such data center provider was unable or unwilling to continue to provide services to us.

In certain regions, we enter into agreements with local distributors for the distribution of our land-based gaming products to one or more customers. Changes to these distributor relationships, including modification or termination of our agreements or difficulties with any such distributor could prevent us from delivering products or services to our customers on a timely basis, or at all, and could negatively impact our business.

***Our SciPlay business largely depends upon our relationships with key third-party platform providers, who we rely on to make our games available to players and to collect revenue, and changes in those relationships could negatively impact our SciPlay business.***

In our SciPlay business, our social gaming offerings operate largely through *Apple, Google, Facebook* and *Amazon*, which also serve as significant online distribution platforms for our games, and some of our games are also available on the *Microsoft* platform. A majority of our SciPlay revenue was generated by players using those platforms.

Consequently, our expansion and prospects of our SciPlay offerings depend on our continued relationships with these providers, and any emerging platform providers that are widely adopted by our target player base. We are subject to the standard terms and conditions that these platform providers have for application developers, which govern the promotion, distribution and operation of games and other applications on their platforms, and which the platform providers can change unilaterally on short or without notice. Version updates, such as Apple's iOS 14.5 update in April 2021, which included changes to its AppTracking Transparency policy, now require user permission before developers can track a user across apps and websites owned by other companies or access a user's device's identifier for advertisers ("IDFA"), which has reduced the quantity and quality of data available to us. This change has particularly impacted SciPlay's strategy for the games produced by its subsidiary Alictus, with Alictus having begun preparing its games primarily for *Google's* Android platform. *Google's* planned *Google* advertising identification deprecation may further impact SciPlay strategy. These changes could, among other things, have a detrimental impact on our ability to conduct targeted advertising on platforms, increase the cost to obtain new users and impact the return on investment of advertising spend. The impact of these changes has been a catalyst for SciPlay to explore, and continue to engage with, traditional media, expanded relationships with social media influencers and other innovative marketing solutions. Our SciPlay business will also be adversely impacted if we are unable to continue these relationships in the future or if the terms and conditions offered by these providers are altered to our disadvantage. For instance, if any of these providers were to increase their fees, our results of operations, cash flows and financial condition would suffer. Additionally, our SciPlay business would be harmed if:

- these platform providers discontinue or limit our access to their platforms;
- governments or private parties, such as Internet providers, impose bandwidth restrictions or increase charges or restrict or prohibit access to those platforms;
- these platforms decline in popularity;
- these platforms modify their current discovery mechanisms, communication channels available to developers, respective terms of service or other policies, including fees;
- these platforms impose restrictions or make it more difficult for players to buy coins, chips and cards; or
- these platforms change how the personal information of players is made available to developers or develop their own competitive offerings.

If alternative platforms increase in popularity, we could be adversely impacted if we fail to create compatible versions of our games in a timely manner, or if we fail to establish a relationship with such alternative platforms. Likewise, if our platform providers alter their operating platforms, we could be adversely impacted as our offerings may not be compatible with the altered platforms or may require significant and costly modifications in order to become compatible. If our platform providers were to develop competitive offerings, either on their own or in cooperation with one or more competitors, our growth prospects could be negatively impacted. If our platform providers do not perform their obligations in accordance with our platform agreements, we could be adversely impacted.

In the past, some of these platform providers have been unavailable for short periods of time or experienced issues with their features that permit our players to purchase coins, chips and cards, and these events may occur again. Circumstances such as platform software updates, platform system changes or general outages may impair our players' ability to access their previously acquired coins, chips and cards and purchase additional coins, chips and cards. We attempt to work with our internal publishing and developer partners to resolve such events timely. However, if such events recur on a prolonged basis or other

similar issues arise that impact players' ability to download our games, access social features or purchase coins, chips and cards, it could have a material adverse effect on our revenue, operating results and brand.

SciPlay launched a proprietary direct-to-consumer in-app purchase platform during 2023, with the goals of improving players' experience and reducing costs of revenue. While this provides those benefits and mitigates some of the risks from using third-party platforms described above, it also creates some of its own risks, such as required platform maintenance, adverse policies or terms implemented by third-party platforms due to the increased popularity of SciPlay's direct-to-consumer platform, potential external bandwidth restrictions and potential for outages including dependencies on third-party suppliers, all of which could have a material adverse effect on our revenue, operating results and brand.

***Our future results of operations may be negatively impacted by ownership changes and consolidation in the gaming industry, including by casino operators and suppliers.***

As repeat customers represent a substantial part of our Gaming business revenue, our business, results of operations, cash flow and financial condition could be negatively affected if our casino customers are sold to or merge with other entities. Such entities may purchase more products and services from our competitors, reduce spending on our products or cause downward pricing pressures. Consolidation among casino operators could result in order cancellations or a slowing in the replacement cycle for existing gaming machines, or could require our current customers to purchase our competitors' products, any of which could negatively impact our Gaming business.

***Our results of operations fluctuate due to seasonality and other factors and, therefore, our periodic operating results are not guarantees of future performance.***

Our results of operations fluctuate due to seasonal trends and other factors. Sales of our gaming machines to casinos are generally strongest in the second half of the year and slowest in the first half of the year, while revenue from our Participation gaming machines is generally highest in the spring and summer, and for Grover revenue is generally highest in the spring. Player activity for SciPlay is generally slower in the second and third quarters of the year, particularly during the summer months. Player activity for our iGaming business, specifically digital casino operators, is generally slower in the third quarter during the summer months and is generally higher in the fourth quarter. Certain other seasonal trends and factors that may cause our results to fluctuate include: the geographies where we operate; holiday and vacation seasons; climate and weather; economic and political conditions; timing of the release of new products; significant equipment sales or the introduction of gaming activities in new jurisdictions or to new customers; and other factors.

In light of the foregoing, results for any quarter are not necessarily indicative of the results that may be achieved in another quarter or for the full fiscal year. We cannot assure that the seasonal trends and other factors that have impacted our historical results will repeat in future periods as we cannot influence or forecast many of these factors.

#### **Risks Relating to our Capital Structure**

***Changes in, progress under, or the elimination of our share repurchase program could have an adverse effect on the price of our common stock or CDIs.***

As part of our capital allocation strategy, our Board of Directors has authorized a share repurchase program under which the Company is authorized to repurchase, from time to time, through June 12, 2027, up to an aggregate amount of \$1.5 billion of our outstanding stock (including CDIs). Decisions regarding share repurchases are within the discretion of the Board of Directors and can be influenced by a number of factors, including the price of our common stock or CDIs, general business and economic conditions and our financial condition and operating results and may be suspended or discontinued at any time. Even if fully implemented, our share repurchase program may not enhance long-term stockholder value. Changes in, progress under (including failure to meet any previously disclosed target amount), or the elimination of our share repurchase program could have an adverse effect on the price of our common stock or CDIs. For more information on our share repurchase program, refer to Note 16.

***Our level of indebtedness could adversely affect our results of operations, cash flows and financial condition.***

We have a history of significant indebtedness. As of December 31, 2025, we had total indebtedness of \$5.2 billion, net of unamortized discounts and deferred financing costs, consisting primarily of borrowings under the LNWI Credit Agreement, LNWI Credit Agreement A and the Senior Notes. As of December 31, 2025, our total available liquidity was \$927 million, which included \$760 million of undrawn availability under the LNWI Revolver. On February 10, 2025, we amended the LNWI Credit Agreement which provides for new revolving commitments of \$1.0 billion, replacing the existing revolving commitments of \$750 million, and extends the maturity of the revolving commitments. On January 22, 2026, we further amended the LNWI Credit Agreement and reduced the applicable margin on the LNWI Term Loan B. See Note 14 for further details. On May 15, 2025, LNWI entered into the LNWI Credit Agreement A, pursuant to which LNWI borrowed an aggregate

principal amount of \$800 million in term loans under the LNWI Term Loan A facility. Loans under the LNWI Term Loan A will mature on May 15, 2028.

Our level of indebtedness could affect our ability to obtain financing or refinance existing indebtedness; require us to dedicate a significant portion of our cash flow from operations to interest and principal payments on our indebtedness, thereby reducing the availability of cash flow to fund working capital, capital expenditures and other general corporate purposes; increase our vulnerability to adverse general economic, industry or competitive developments or conditions; and limit our flexibility in planning for, or reacting to, changes in our businesses and the industries in which we operate or in pursuing our strategic objectives. In addition, we are exposed to the risk of higher interest rates as a significant portion of our borrowings are at variable rates of interest. If interest rates continue to increase, the interest payment obligations under our non-hedged variable rate indebtedness would increase even if the amount borrowed remained the same, and our results of operations, cash flows and financial condition would be negatively impacted. All of these factors became more severe given the unfavorable economic conditions and uncertainties and decrease in discretionary spending and consumer travel as a result of rising inflation and could place us at a competitive disadvantage compared to competitors that may have less debt than we do.

***We may not have sufficient cash flows from operating activities to service all of our indebtedness and other obligations, and may be forced to take other actions to satisfy our obligations, which may not be successful.***

Our ability to make payments on and to refinance our indebtedness and other obligations depends on our results of operations, cash flows and financial condition, which in turn are subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. We may not be able to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness and our other obligations.

We are required to make scheduled payments of principal on the term loans borrowed under our credit facilities, and our credit facilities require that a portion of our excess cash flow be applied to prepay amounts borrowed under our credit facilities. We are also required to repay the entire principal amount of our Senior Notes at their maturity (see Note 14). We have also, from time to time, repurchased or otherwise retired or refinanced our debt, through our subsidiaries or otherwise and may continue to do so in the future. Such activities, if any, will depend on prevailing market conditions, contractual restrictions and other factors, and the amounts involved may or may not be material. If we need to refinance all or part of our indebtedness at or before maturity, we cannot assure that we will be able to obtain new financing or to refinance any of our indebtedness on commercially reasonable terms or at all.

Our lenders, including the lenders participating in the LNWI Revolver under the LNWI Credit Agreement, may become insolvent or tighten their lending standards, which could make it more difficult for us to borrow under the LNWI Revolver or to obtain other financing on favorable terms or at all. Our results of operations, cash flows and financial condition would be adversely affected if we were unable to draw funds under the LNWI Revolver because of a lender default or to obtain other cost-effective financing. Any default by a lender in its obligation to fund its commitment under the LNWI Revolver (or its participation in letters of credit) could limit our liquidity to the extent of the defaulting lender's commitment. If we are unable to generate sufficient cash flow in the future to meet our commitments, we will be required to adopt one or more alternatives, such as refinancing or restructuring our indebtedness, selling material assets or operations or seeking to raise additional debt or equity capital. We cannot assure that any of these actions could be completed on a timely basis or on satisfactory terms or at all, or that these actions would enable us to continue to satisfy our capital requirements. Moreover, our existing debt agreements contain, and our future debt agreements may contain, restrictive covenants that may prohibit us from adopting these alternatives. Our failure to comply with these covenants could result in an event of default which, if not cured or waived, could result in the acceleration of all of our debt.

***Agreements governing our indebtedness impose certain restrictions that may affect our ability to operate our business. Failure to comply with any of these restrictions could result in the acceleration of the maturity of our indebtedness and require us to make payments on our indebtedness. Were this to occur, we would not have sufficient cash to pay our accelerated indebtedness.***

Agreements governing our indebtedness, including the LNWI Credit Agreement, LNWI Credit Agreement A and the indentures governing our Senior Notes, impose, and future financing agreements are likely to impose, operating and financial restrictions on our activities that may adversely affect our ability to finance future operations or capital needs or to engage in new business activities. Subject to certain exceptions, our credit facilities and/or indentures restrict our ability to, among other things:

- declare dividends or redeem or repurchase capital stock;
- prepay, redeem or purchase other debt;
- incur liens;

- make loans, guarantees, acquisitions and investments;
- incur additional indebtedness;
- engage in sale and leaseback transactions;
- amend or otherwise alter debt and other material agreements;
- engage in mergers, acquisitions or asset sales;
- engage in transactions with affiliates;
- enter into arrangements that would prohibit us from granting liens or restrict our subsidiaries' ability to pay dividends, make loans or transfer assets; and
- alter the business we conduct.

Both the LNWI Credit Agreement and the LNWI Credit Agreement A contain a covenant that is tested at the end of each fiscal quarter and requires us to not exceed a maximum Consolidated Net First Lien Leverage Ratio (as defined in the LNWI Credit Agreement) of 4.50x Consolidated EBITDA (as defined in the LNWI Credit Agreement); provided that such Consolidated Net First Lien Leverage Ratio is only tested under the LNWI Credit Agreement if the aggregate revolving extensions of credit (excluding certain letters of credit) exceeds 30% of the aggregate revolving commitments therein.

Various risks, uncertainties and events beyond our control could affect our ability to comply with these covenants. Accordingly, we cannot assure that we will continue to maintain liquidity sufficient to satisfy our current obligations or comply with the Consolidated Net First Lien Leverage Ratio covenant set forth in the LNWI Credit Agreement and LNWI Credit Agreement A.

We also cannot assure that we will be granted waivers or amendments to the agreements governing our indebtedness if for any reason we are unable to comply with these obligations or that we will be able to refinance our debt on terms acceptable to us, or at all.

***We may not have sufficient cash flows from operating activities, cash on hand and available borrowings under our credit facilities to finance required capital expenditures under new contracts and meet our other cash needs or satisfy our minimum liquidity covenant. These obligations require a significant amount of cash, which would reduce our available liquidity.***

Our Gaming operations business generally requires significant upfront capital expenditures for gaming machine, software customization and implementation, systems and equipment installation and telecommunications configuration. In connection with a Gaming operations contract, our customers often obtain new gaming machines, which may require additional capital expenditures in order to fulfill the contract.

Historically, we have funded these upfront cash outflows through cash flows generated from operations, available cash on hand and borrowings under our credit facilities. Our ability to generate revenue and to continue to procure new contracts will depend on, among other things, our then present liquidity levels or our ability to obtain additional financing on commercially reasonable terms.

If we do not have adequate liquidity or are unable to obtain financing for these upfront cash outflows and other cash needs on favorable terms or at all, we may not be able to fulfill certain contracts, which could result in our losing business or restrict our ability to grow, which could have a material adverse effect on our results of operations, cash flows and financial condition. Moreover, we may not realize the return on investment that we anticipate on such contracts due to a variety of factors, including lower than anticipated retail sales or amounts wagered, higher than anticipated capital or operating expenses and unanticipated regulatory developments or litigation. We may not have adequate liquidity to pursue other aspects of our strategy, including bringing our products and services to new customers or new or underpenetrated geographies or pursuing strategic acquisitions. In the event we pursue significant acquisitions or other expansion opportunities, conduct significant repurchases of our outstanding securities, or refinance or repay existing debt, we may need to raise additional capital either through the public or private issuance of equity or debt securities or through additional borrowings under our existing financing arrangements, which sources of funds may not necessarily be available on terms acceptable to us, if at all, especially under the current unfavorable economic conditions.

Under the LNWI Credit Agreement, LNWI Credit Agreement A and the indentures governing our Senior Notes, we currently have restrictions on our ability to incur indebtedness and liens, make restricted payments and investments and prepay junior indebtedness, subject to certain exceptions.

***The Company has delisted from the Nasdaq and transitioned to a sole primary listing on the ASX, which could negatively affect the liquidity and trading prices of our common stock or CDIs, impacts our investors' ability to trade in our securities***

***and our access to the capital markets and could lead to price variations and other impacts on holders of our common stock, CDIs and other securities.***

On November 13, 2025, the Company completed its previously announced voluntary delisting from the Nasdaq and began trading as a sole primary listing on the ASX on November 14, 2025. Delisting from the Nasdaq could decrease the liquidity and trading prices of our common stock or CDIs and impacts our investors' ability to trade in our securities and our access to the capital markets (including by limiting our ability to issue additional securities or obtain additional financing). Such delisting could also result in a decrease in, or differing or inconsistent disclosure about, the Company (including analyst coverage).

Following our delisting from the Nasdaq, our common stock is still traded on an over-the-counter ("OTC") market in the United States. Being publicly traded in both the United States and Australia may result in price variations between our securities being traded in the two different jurisdictions due to a number of factors, including that our common stock traded on an OTC market in the United States is traded in U.S. dollars and CDIs listed on the ASX are traded in Australian Dollars, volatility in the exchange rate of the two currencies and differences between the vacation schedules, trading schedules and time zones of the two jurisdictions, among other factors. A decrease in the price of our securities in one market may result in a decrease in the price of our securities in the other market.

***We have incurred, and may in the future incur, significant costs as a result of, and may be exposed to liability in connection with, having a sole primary listing on the ASX and remaining an SEC registrant.***

Our transition to a sole primary listing on the ASX has subjected us to extensive new regulation enforced by the ASX as well as ASIC, which requires our management and other key personnel to devote significant time and effort on compliance initiatives. In addition, although we have delisted from the Nasdaq, we remain a reporting company under SEC rules and therefore subject to the SEC's disclosure requirements as well. Reporting requirements and stakeholder expectations may overlap, differ, or conflict between the two jurisdictions, which further increases the difficulty, cost and risks associated with compliance. Our compliance efforts increase our legal and financial costs and could require our personnel to devote greater time to ensure compliance with the relevant rules and regulations in both jurisdictions. In addition, our failure to successfully satisfy our obligations in one or both jurisdictions could subject us to fines, sanctions, or other regulatory action in either or both jurisdictions, civil litigation and suspension or delisting from the ASX.

In addition, the listing and regulatory requirements of the ASX may limit our ability to take certain corporate actions we were previously able to take. These requirements can impose procedural, approval, or governance constraints that may reduce our overall flexibility that we previously had.

Moreover, we have policies and procedures that we believe are designed to successfully satisfy our obligations under the ASX Listing Rules and Australian securities law. Failure or inability to follow these procedures and policies, or if they are not sufficient to prevent non-compliance, could subject us to liability, fines, sanctions, regulatory action or lawsuits. We intend to invest resources to comply with evolving laws, regulations and standards, which could result in increased general and administrative expenses and a diversion of management's time and attention from revenue generating activities to compliance activities. If, notwithstanding our efforts to comply with new laws, regulations and standards, we fail to comply, regulatory actions against us could harm our business.

#### **Risks Relating to our Technology**

***Our success depends on the security and integrity of the systems and products we offer, and security breaches, including cybersecurity breaches, or other disruptions could compromise our information or the information of our customers and expose us to liability, which would cause our business and reputation to suffer.***

We believe that our success depends, in large part, on providing secure products, services and systems to our customers, and on our ability to identify, protect against, detect, respond to and recover from security threats and breaches, including software and hardware anomalies and fraudulent manipulation of our products, services and systems. Our businesses sometimes involve the storage, processing and transmission of players' proprietary, confidential and personal information. We also maintain certain other proprietary and confidential information relating to our business, the business of our customers and personal information of our personnel. All of our products, services and systems are designed with security features to prevent fraudulent activity. However, we cannot guarantee that these security features will effectively stop all fraudulent activities. Despite our security measures, our products, services and systems are vulnerable to attacks by hackers, customers, retailers, vendors or employees and could be breached due to malfeasance or other disruptions. Any security breach or incident that we experience, or that our third-party vendors and service providers or our customers experience, could result in unauthorized access to, misuse of, or unauthorized acquisition of our or our players' data, the loss, corruption or alteration of this data, interruptions in our operations, or damage to our computers or systems or those of our players or third-party platforms. Any of these could expose us to claims, litigation, fines and other potential liability.

Our ability to prevent anomalies and monitor and ensure the quality and integrity of our products and services is periodically reviewed and enhanced, but may not be sufficient to prevent future attacks, breaches or disruptions. Similarly, we regularly assess the adequacy of our security systems, including the security of our hardware and software, including our games, to protect against any material loss to any of our customers and our players, as well as the integrity of our products and services to end users and the integrity of our games to players. We develop and maintain an information security program to identify and mitigate cyber risks, but the development and maintenance of this program is costly and requires ongoing monitoring and updating as technologies change and efforts and techniques to overcome security measures become more sophisticated. Accordingly, expanded use of the Internet and other interactive technologies may result in increased security risks for us and our customers. We cannot assure that our business, a business we acquire or the businesses of our third party vendors and service providers will not be or have not been affected by fraudulent activities or a security breach or lapse, which could have a material adverse impact on our results of operations, cash flows and financial condition.

Online transactions may be subject to sophisticated schemes to defraud, launder money or other illegal activities. There is a risk that our products or systems may be used for those purposes, including by our customers' players. There is also a risk that we will be subject to fraudulent activities, including by our employees. In addition, our gaming machines have experienced anomalies and fraudulent manipulation in the past, and may experience anomalies and fraudulent manipulation in the future. Games and gaming machines may be replaced by casinos and other gaming machine operators if they do not perform according to expectations, or they may be shut down by regulators. The occurrence of anomalies in, or fraudulent manipulation of, our gaming machines or our other products and services (including our SciPlay and iGaming products and services) has given, and may again give, rise to claims from players or customers; has led, and may again lead, to claims for lost revenue and profits and related litigation by our customers; and has subjected, and may again subject, us to investigation or other action by regulatory authorities, including suspension or revocation of our licenses or other disciplinary action. Additionally, in the event of the occurrence of any such issues with our products and services, substantial engineering and marketing resources may be diverted from other projects to address these issues, which may delay other projects and the achievement of our strategic objectives.

An increasing number of online services have disclosed security breaches, some of which have involved sophisticated and highly targeted attacks on portions of their services. If our information or cybersecurity systems or data are compromised, our ability to conduct our business may be impaired, we may lose profitable opportunities or the value of those opportunities may be diminished. If personal information of our players, customers or employees is misappropriated, our reputation with our players, customers and employees may be damaged resulting in loss of business or morale. The gaming industry, specifically, has been, and is expected to remain, a common target of cyber-attacks. We, and the gaming industry as a whole, expect to face continued attempts to gain unauthorized access to or through our information systems and data, including cyber-attacks by computer programmers and hackers who may develop and deploy malicious software programs to gain access to the information of our players, customers and employees. These attacks could target our information systems as well as those of our business partners, employees, service providers, or other third parties. To date, attacks in the gaming industry have not had a material impact on our operations or financial results. Because the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently and often are not foreseeable or recognized until launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. If an actual or perceived breach of our security, or the security of a business we acquire, occurs, public perception of the effectiveness of our security measures and brand, or the security measures and brand of a business we acquire, could be harmed, and we could lose customers or players. Security breaches and other incidents may also result from non-technical means, for example, actions by employees or contractors. Any compromise of our security, the security of our third-party vendors and service providers, the security of our customers or the security of a business we acquire, could result in a violation of applicable privacy and other laws, regulatory or other governmental investigations, enforcement actions, and legal and financial exposure, including potential contractual liability that may not be covered by our insurance. Any such compromise could also result in damage to our reputation and a loss of confidence in our security measures. Any of these effects could have a material adverse impact on our results of operations, cash flows and financial condition.

***Our business depends on the protection of our intellectual property and proprietary information.***

We believe that our success depends, in part, on protecting our intellectual property in the U.S. and in foreign countries. Our intellectual property includes certain patents, trademarks and copyrights relating to our products and services (including gaming machines, digital gaming products, table games, shufflers and accessories, and gaming systems), and proprietary or confidential information that is not subject to patent or similar protection. Our success may depend, in part, on our ability to obtain protection for the trademarks, trade dress, names, logos or symbols under which we market our products and to obtain and maintain copyright and patent protection for our proprietary technologies, designs, software and innovations. We cannot assure that we will be able to build and maintain consumer value in our trademarks, obtain patent, trademark or copyright protection or that any patent, trademark or copyright will provide us with competitive advantages. In particular, the U.S. Supreme Court recently tightened the standard for patent eligibility of software patents. Despite revised U.S. Patent and

Trademark Office guidelines in 2019, similar decisions in the future may negatively impact the validity or enforceability of certain of our patents, our ability to protect our inventions, innovations and new technology and the value of our substantial patent portfolio. Under a patent cross-licensing agreement with IGT, which relates to technology that is used in substantially all of our gaming machines, we can offer games using patented game features from the patent portfolios of other members of IGT's slot game features program, and such members can likewise offer games using patented game features from our patent portfolio. This arrangement may diminish the competitive advantage our slot games may derive from our patents.

Our intellectual property protects the integrity of our games, systems, products and services. Competitors may independently develop similar or superior products, software or systems, which could negatively impact our results of operations, cash flows and financial condition. In cases where our technology or product is not protected by enforceable intellectual property rights, such independent development may result in a significant diminution in the value of such technology or product.

We also rely on trade secrets and proprietary knowledge. We enter into confidentiality agreements with our employees and independent contractors regarding our trade secrets and proprietary information, but we cannot assure that the obligation to maintain the confidentiality of our trade secrets and proprietary information will be honored.

We are currently making, and in the future may make, claims of infringement, invalidity or enforceability against third parties. For example, with the emergence of digital gaming, we have increased enforcement against parties that infringe our intellectual property.

This enforcement could:

- cause us to incur greater costs and expenses in the protection of our intellectual property;
- potentially negatively impact our intellectual property rights;
- cause one or more of our patents, trademarks, copyrights or other intellectual property interests to be ruled or rendered unenforceable or invalid; or
- divert management's attention and our resources.

In addition, the availability of certain legal protections for intellectual property generated by new technologies, such as generative AI, is uncertain. Successful challenges to our rights in intellectual property may result in increased costs for obtaining rights or the loss of the opportunity to earn revenue from or utilize the intellectual property that is the subject of challenged rights.

***We rely on the ability to use the intellectual property rights of third parties.***

We rely on products, technologies and intellectual property that we license from third parties, including from our competitors, for use in our Gaming, SciPlay and iGaming businesses. Substantially all of our gaming machines and portions of our SciPlay and iGaming offerings and services use intellectual property licensed from third parties. The future success of our business may depend, in part, on our ability to obtain, retain and/or expand licenses for popular technologies and games in a competitive market. We cannot assure that these third-party licenses, or support for such licensed products and technologies, will continue to be available to us on commercially reasonable terms, if at all. In the event that we cannot renew and/or expand existing licenses, we may be required to discontinue or limit our use of the products that include or incorporate the licensed intellectual property.

Some of our license agreements contain minimum guaranteed royalty payments to the third party. If we are unable to generate sufficient revenue to offset the minimum guaranteed royalty payments, it could have a material adverse effect on our results of operations, cash flows and financial condition. Our license agreements typically contain restrictions on our ability to use or transfer the licensed rights in connection with certain strategic transactions. Certain of our license agreements grant the licensor rights to audit our use of the licensor's intellectual property. Disputes with licensors over uses or terms could result in the payment of additional royalties or penalties by us, cancellation or non-renewal of the underlying license or litigation.

The regulatory review process and licensing requirements also 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. Some gaming authorities require gaming manufacturers to obtain approval before engaging in certain transactions, such as acquisitions, mergers, reorganizations, financings, stock offerings and share repurchases. Obtaining such approvals can be costly and time consuming, and we cannot assure that such approvals will be granted or that the approval process will not result in delays or disruptions to our strategic objectives.

***We rely on information technology and other systems, and any failures in our systems or errors, defects or disruptions in our products and services could diminish our brand and reputation, subject us to liability and have disrupted and could disrupt our business and adversely impact our results.***

We rely on information technology systems that are important to the operation of our business, some of which are managed by third parties. These third parties are typically under no obligation to renew agreements and there is no guarantee that we will be able to renew these agreements on commercially reasonable terms, or at all. These systems are used to process, transmit and store electronic information, to manage and support our business operations and to maintain internal control over our financial reporting. In addition, we collect and store certain data, including proprietary business information and confidential and personal information, and may have access to confidential or personal information in certain of our businesses, that is subject to privacy and security laws, regulations and customer-imposed controls. We could encounter difficulties in developing or implementing new systems, maintaining and upgrading current systems and preventing security breaches and other system outages, disruptions and shutdowns. Among other things, our systems, including those managed by third parties, are potentially susceptible to damage, outages, disruptions or shutdowns due to fire, floods, power loss, technology failures, break-ins, cyber-attacks, network penetration, denial of service attacks and similar events. While we have and will continue to implement information security measures and data protection safeguards, our servers and other computer systems are potentially vulnerable to any number of threats, including viruses, ransomware, malicious software, hacking, break-ins or theft, data privacy or security breaches, third-party security breaches, employee error or malfeasance and similar events. Failures in our systems or services or unauthorized access to or tampering with our systems and databases, including those managed or controlled by third parties, could have a material adverse effect on our business, reputation, results of operations, cash flows and financial condition. Any failures in our computer systems or telecommunications services could affect our ability to operate our linked games or otherwise conduct business.

A meaningful portion of our SciPlay and iGaming gaming traffic is hosted by third-party data centers, such as *Amazon Web Services*, *CONTINENT 8* and *CLARANET*. Such third parties provide us with computing and storage capacity, and are under no obligation to renew the agreements related to these services with us on commercially reasonable terms or at all. If we are unable to renew these agreements on commercially reasonable terms, or if one of our data center operators is acquired, we may be required to transfer our servers and other infrastructure to new data center facilities and we may incur significant costs and possible lengthy service interruptions in connection with doing so, potentially causing harm to our reputation. If a game is unavailable or operates more slowly than anticipated when a player attempts to access it, that player may stop playing the game and be less likely to return to the game.

Portions of our information technology infrastructure, including those operated by third parties, have experienced and may again experience interruptions, delays or cessations of service or produce errors in connection with systems updating, integration or migration work that takes place from time to time. We may not be successful in implementing new systems and transitioning data, which could cause business disruptions and be more expensive, time-consuming, disruptive and resource-intensive. We have no control over third parties that provide services to us and those parties could suffer problems or make decisions adverse to our business. We have contingency plans in place to prevent or mitigate the impact of these events. However, such disruptions could materially and adversely impact our ability to deliver products or services to customers and interrupt other processes. For example, in 2024, the cybersecurity company *CrowdStrike* caused a widespread outage, resulting in disruptions and exposure to cybersecurity threats and/or disruptions for us and many others that use their services. If our information systems do not allow us to transmit accurate information, even for a short period of time, including to key decision makers, our ability to manage our business could be disrupted and our results of operations, cash flows and financial condition could be materially and adversely affected. Failure to properly or adequately address these issues could impact our ability to perform necessary business operations, which could materially and adversely affect our reputation, competitive position, results of operations, cash flows and financial condition.

The Company currently makes use of AI technology, and our third parties use AI. We expect that both our and our third parties' use of AI will increase over time. Failures within the single or compound AIs used, including failures to implement safeguards and controls applicable to the use of and access to AI, could potentially impact our ability to perform necessary business operations, which could materially and adversely affect our reputation, competitive position, results of operations, cash flows and financial condition. See "*Uncertainty in the development, deployment, and use of AI in our products and services, as well as our business more broadly, could adversely affect our business and reputation*" for more information regarding the risks presented by AI.

Several of our products and services rely on data transferred over the Internet. Access to the Internet in a timely fashion is necessary to provide a satisfactory user experience to the consumers of our products. Third parties, such as telecommunications companies, could prevent access to the Internet or limit the speed of our data transmissions, with or without reason, causing an adverse impact on our user experience that may materially and adversely affect our reputation, competitive position, results of operations, cash flows and financial condition. In addition, telecommunications companies may

implement certain measures, such as increased cost or restrictions based on the type or amount of data transmitted, that would impact customers' and players' ability to access our products, which could materially and adversely affect our reputation, competitive position, results of operations, cash flows and financial condition. Furthermore, Internet penetration may be adversely affected by difficult global economic conditions or the cancellation of government programs to expand broadband access.

***If we, our third-party vendors or service providers, our customers or a company we acquire sustains cyber-attacks or other privacy or security incidents, including those that result in security breaches, we could suffer a loss of sales and increased costs, exposure to significant liability, reputational harm, regulatory fines or punishment and other negative consequences.***

Our information technology systems and infrastructure are subject to cyber-attacks from many vectors, including but not limited to viruses, ransomware, malicious software, break-ins, theft, computer hacking, employee error or malfeasance or other security breaches, as well as other potential privacy and security incidents. Hackers and data thieves are increasingly sophisticated and operate large-scale and complex automated attacks. The gaming industry, specifically, has been, and could remain, a heightened target of cyber-attacks. Threats to our information technology systems and infrastructure include:

- experienced computer programmers and hackers who are able to penetrate our security controls and misappropriate or compromise sensitive personal, proprietary or confidential information, create system disruptions or cause shutdowns or who are able to develop and deploy malicious software programs that attack our systems or otherwise exploit any security vulnerabilities;
- security incidents, acts of vandalism or theft, coordinated attacks by activist entities, misplaced or lost data, human errors or other similar events that could negatively affect our systems and the data stored on those systems, and the data of our business partners; and
- third parties, such as hosted solution providers, that provide services to us, are also a source of security risk in the event of a failure of their own security systems and infrastructure.

The costs to eliminate or address the foregoing security threats and vulnerabilities before or after a cyber-attack or other privacy or security incident could be significant. Our remediation efforts may not be successful and could result in interruptions, delays or cessation of service, and loss of existing or potential suppliers or customers. In addition, breaches of our security measures and the unauthorized dissemination of sensitive personal, proprietary or confidential information about us, our business partners, customers, players or other third parties could expose us to significant potential liability and reputational harm. We have made, and will continue to make, significant investments in the protection of our systems, networks and intellectual property. We conduct a program of continuous self-evaluation and improvement as we seek to mitigate cyber risk, including risks related to cyber-attacks and other privacy and security incidents. However, as threats related to cyber-attacks and other privacy and security incidents develop and grow, we may also find it necessary to make further investments to protect our data and infrastructure, which may impact our results of operations. Although we have insurance coverage for protecting against damages resulting from cyber-attacks and other privacy and security incidents, it may not be sufficient to cover all possible claims, and we may suffer losses that could have a material adverse effect on our business. With respect to companies we acquire, our insurance coverage for protecting against damages resulting from cyber-attacks and other incidents may not cover damages related to cyber-attacks and other incidents which occurred before our acquisition of such companies. Any successful cyber-attack or breach of our cybersecurity measures, or those of our service providers or other third parties, or any other privacy or security incident, could cause us to violate various privacy, data protection, data security, network and information systems security and other laws, resulting in legal and financial exposure. In addition, such an attack or incident could cause adverse publicity and a loss of confidence in our security measures. If our information or cybersecurity systems or data are compromised, our ability to conduct our business may be impaired, we may lose profitable opportunities or the value of those opportunities may be diminished. As a global enterprise, we could also be negatively impacted by existing and proposed U.S. and non-U.S. laws and regulations, and government policies and practices related to cybersecurity, data privacy, data localization and data protection.

In addition, our customers may encourage, or require, compliance with certain security standards, such as the voluntary cybersecurity framework released by the National Institute of Standards and Technology ("NIST"), which consists of controls designed to identify and manage cyber risks, and we could be negatively impacted to the extent we are unable to meet such standards.

***The intellectual property rights of others, including our competitors, may prevent us from developing new products and services, entering new markets or may expose us to liability or costly litigation.***

Our success depends in part on our ability to continually adapt our products and systems to incorporate new technologies and to expand into markets that may be created by new technologies. If technologies are protected by the intellectual property rights of our competitors or other third parties, we may be prevented from introducing products based on

these technologies or expanding into markets created by these technologies. If the intellectual property rights of others prevent us from taking advantage of innovative technologies, our prospects, results of operations, cash flows and financial condition may be adversely affected.

We cannot assure that our business activities, games, products, services and systems will not infringe upon the proprietary rights of others, or that other parties will not assert infringement claims against us. In addition to infringement claims, third parties may allege claims of invalidity or unenforceability against us or against our licensees or manufacturers in connection with their use of our technology. A successful challenge to, or invalidation of, one of our intellectual property interests, a successful claim of infringement by a third party against us, our products or services, or one of our licensees in connection with the use of our technologies, or an unsuccessful claim of infringement made by us against a third party or its products or services could adversely affect our business or cause us financial harm. Any such claim and any resulting litigation, such as the *Dragon Train* litigation described under “Aristocrat Matters” in Note 19, could:

- be expensive and time-consuming to defend or require us to pay significant amounts in damages;
- invalidate our proprietary rights;
- cause us to cease making, licensing or using products or services that incorporate the challenged intellectual property;
- require us to redesign, reengineer or rebrand our products or services or limit our ability to bring new products and services to the market in the future;
- require us to enter into costly or burdensome royalty, licensing or settlement agreements in order to obtain or retain the right to use a product, process or component;
- impact the commercial viability of the products and services that are the subject of the claim during the pendency of such claim;
- impact our brand, reputation and/or ability to attract and retain key personnel; and/or
- require us by way of injunction to remove products or services on lease or stop selling or leasing new products or services.

***Failure of our technological blocking systems could result in violations of laws or regulations and have a material adverse effect on our operations, financial performance and prospects.***

There is no guarantee that the technical blocks we implement and which our customers implement will be effective. These systems and controls are intended to ensure that our customers do not accept bets from end-users located in those jurisdictions where we or our customers have made a decision not to offer all or certain of our products and services. Any failure of such systems and controls may result in violations of applicable laws or regulations. Any claims in respect of any such violations could have cost, resource, and, in particular if successful, reputational implications, and implications on our ability to retain, renew or expand our portfolio of licenses, and so have a material adverse effect on our operations, financial performance and prospects.

Moreover, there is an additional, ongoing risk that the current list of jurisdictions from which our customers and the Company must block access is enlarged, as there is a possibility that regulators who grant licenses to customers and/or the Company will require the blocking of specific additional jurisdictions. Similarly, jurisdictions may update their laws or regulations in such a way as to render the supply of gaming services into that jurisdiction legally or commercially unsustainable. In all such circumstances, additional blocking activity may have a detrimental effect on our financial position.

***If we are unable to successfully implement our global enterprise resource planning system conversion, it could disrupt our business or have a material adverse effect on our results of operations, cash flows and financial condition.***

We are engaged in a multi-year conversion from certain legacy enterprise resource planning (“ERP”) systems to our primary global ERP system. The ERP system is designed to accurately maintain our books and records and provide information on our operations to management. Our ERP system migration will continue to require significant investment of human and financial resources. There are inherent risks associated with upgrading or changing systems, including inaccurate data or reporting. The process of upgrading and standardizing our ERP system is complex, time-consuming and expensive. Although we believe we are taking appropriate action to mitigate these risks through, among other things, testing, training and staging implementations, we cannot assure that we will not experience data loss, disruptions, delays or negative business impacts from the upgrades. Any operational disruptions during the course of this process and any delays or deficiencies in the design and implementation of the new ERP system or in the performance of our legacy systems could materially and adversely affect our ability to operate our businesses. Additionally, while we have spent considerable efforts to plan and budget for the implementation of the new ERP system, changes in scope, timeline or cost could have a material adverse effect on our results of operations, cash flows and financial condition.

***Uncertainty in the development, deployment, and use of AI in our products and services, as well as our business more broadly, could adversely affect our business and reputation.***

We, and third parties on whom we rely, use AI-enabled or -integrated systems and tools, including generative AI, in our products and for customers, experts, and our workforce. AI continues to be an emerging technology and ineffective or inadequate AI development, safeguards, controls or application practices by us or third parties could result in unintended consequences. For example, models, including large language models (“LLMs”), underlying AI solutions that we use may be flawed or may be based on biased or insufficient datasets, or datasets of poor quality. In addition, any latency, disruption, or failure in our AI systems or data infrastructure could result in delays or errors in our offerings or operational activities. Developing, testing, and deploying resource-intensive AI solutions may require additional investment and increase our costs. There also may be real or perceived social harm, unfairness, or other impacts to human rights, privacy, employment, or other social issues or outcomes that undermine public confidence in the use and deployment of AI, which could thereby harm our business reputation and erode customer trust. In addition, third parties may deploy AI solutions in a manner that reduces customer demand for our products and services. Any of the foregoing may result in decreased demand for our products and could have a material adverse effect on our business, results of operations, brand, or reputation.

The legal and regulatory landscape surrounding AI is rapidly evolving and uncertain including in the areas of intellectual property, cybersecurity, privacy, and data protection. For example, there is uncertainty around the validity and enforceability of intellectual property rights related to our use or development of AI tools. Compliance with new or changing laws, regulations, or industry standards related to AI may impose significant operational costs and may limit or foreclose our ability to apply AI technologies in certain use cases. Failure to appropriately respond to this evolving landscape could have a material adverse effect on our results of operations, cash flows, financial condition or brand and cause reputational harm.

**Risks Relating to Legal, Political or Other Regulatory Risks**

***We and our industries are subject to strict government regulations that may limit our existing operations, have an adverse impact on our ability to grow and affect our license eligibility or expose us to fines or other penalties.***

In the U.S. and many other countries, the provision of Gaming, SciPlay and iGaming products and services is subject to extensive and evolving regulation. These regulatory requirements vary from jurisdiction to jurisdiction. Therefore, we are subject to a wide range of complex laws and regulations in the jurisdictions in which we are licensed or operate. Most jurisdictions require that we be licensed, that our key personnel and certain of our security holders be found suitable or be licensed, and that our products be reviewed and approved before placement. Licenses, approvals or findings of suitability may be revoked, suspended or conditioned. If a license, approval or finding of suitability is required by a regulatory authority and we fail to seek or do not receive the necessary approval, license or finding of suitability, or if it is granted and subsequently revoked, then we may be prohibited from providing our products or services for use in the particular jurisdiction. In addition, the loss of a license in one jurisdiction could trigger the loss of a license, or affect our eligibility for a license, in other jurisdictions. We may also become subject to regulation in any new jurisdictions in which we decide to operate in the future, including due to expansion of a customer’s operations. Gaming authorities have levied and may levy fines against us or seize certain of our assets if we violate gaming regulations. We cannot assure that we will be able to obtain or maintain the necessary licenses or approvals or that the licensing process will not result in delays or adversely affect our operations. The failure to obtain or retain a required license or approval in any jurisdiction would decrease the geographic areas where we are permitted to operate and generate revenue, may limit our ability to obtain a license in other jurisdictions and may put us at a disadvantage relative to our competitors.

We cannot assure that authorities will not seek to restrict our business in their jurisdictions or institute enforcement proceedings against us. We cannot assure that any instituted enforcement proceedings will be favorably resolved, or that such proceedings will not have a material adverse impact on our ability to retain and renew existing licenses or to obtain new licenses in other jurisdictions. Our reputation may also be damaged by any legal or regulatory investigation, regardless of whether or not we are ultimately accused of, or found to have committed, any violation.

Often, our games, Gaming product hardware and software and our iGaming RMG must be approved in the jurisdictions in which they are operated, and we cannot assure that such products or services will be approved in any jurisdiction. Our networked gaming technology requires regulatory approval in gaming jurisdictions prior to the shipment or implementation of any gaming machines, products or services and, although we have received approvals from the jurisdictions in which we currently operate this technology, we cannot assure that we will receive the approvals necessary to offer it in additional gaming jurisdictions. Many of our customers are required to be licensed, and delays in approvals of our customers’ operations or expansions may adversely affect our results of operations, cash flows and financial condition. In addition, current regulations in a number of jurisdictions where our customers operate, such as Macau SAR and Singapore, limit the amount of space allocated to our products or limit the amount of new product available to operators to an amount that has been pre-approved by regulators. Substantial changes in any such regulations could adversely affect demand for our products.

On April 27, 2023, the U.K. Government published a white paper (a policy paper) setting out its comprehensive package of reform proposals, with many of those proposals subject to further consultation by the U.K. Government or British Gambling Commission. Following the 2024 General Election, a number of these consultations have now published responses meaning the reform process is taking shape. Secondary legislation introducing stake limits for online slots at £2 (those aged 18 to 24) / £5 (those aged 25 and over) was implemented in April and May 2025, respectively. In addition, the statutory levy was implemented in April 2025 and became operational during the second half of 2025. Furthermore, the U.K. Government's Autumn Budget 2025, among other things, increased gambling duties that will increase tax liabilities for our customers. Specifically, starting April 1, 2026, the Remote Gaming Duty, which applies to online casino games and slots, will increase from 21% to 40%. These and any future changes will impact our revenues and our profitability. We will continue to monitor and assess these and any future reforms and their impact on our iGaming business segment.

We and certain of our affiliates, major stockholders (generally persons and entities beneficially owning a specified percentage (typically 5% or more) of our equity securities), directors, officers and key employees are subject to extensive background investigations and suitability standards in our businesses. For additional details regarding the background investigations, the risk of failure of any such individuals or entities to submit to such background investigations, the significant approval and licensing discretion of regulatory authorities, and the authority granted to these regulatory authorities, see "*Government Regulation*" in *Part I, Item 1* of this Annual Report on Form 10-K and Exhibit 99.7 "*Gaming Regulations*." Our failure, or the failure of any of our major stockholders, 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 stockholders, 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 amended and restated articles of incorporation and amended and restated bylaws allow for the restriction of stock ownership by persons or entities who fail to comply with informational or other regulatory requirements under applicable gaming laws, who are found unsuitable to hold our stock by gaming 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 gaming authority or a purported transferee of a stockholder who acquires shares made invalid pursuant to our amended and restated articles of incorporation and amended and restated bylaws. The licensing procedures and background investigations of the authorities that regulate our businesses and the restriction in our amended and restated articles of incorporation and amended and restated bylaws may inhibit potential investors from becoming significant stockholders or inhibit existing stockholders from retaining or increasing their ownership.

There are instances where a state in which a Native American tribe conducts Class III gaming activities disagrees with such tribe regarding the regulation of gaming, including the regulation of gaming suppliers. In those instances, we make every effort to comply with both state and tribal regulation and fulfill our contractual obligations. However, there may be and have been situations where any such disagreement impedes or creates uncertainty with respect to our ability to supply gaming products and services to such tribal customer or otherwise negatively impacts our relationship with such customer or gaming regulators. There are additional complexities that may impact disputes or other interactions with Native American tribe customers. For example, Native American tribes generally enjoy sovereign immunity from lawsuits, similar to the sovereign immunity enjoyed by the individual states and the U.S. In addition, certain commercial agreements with Native American tribes are subject to review by regulatory authorities such as the National Indian Gaming Commission, and, among other things, any such review could require substantial modifications to any such agreement we enter into with a Native American tribe customer.

Our customers are required to comply with all applicable laws. In addition, we maintain and update a list of jurisdictions where we believe there is legal or regulatory risk associated with remote gaming and require that our customers contractually agree not to offer our games or accept wagers from end users in such jurisdictions. Despite our efforts, we cannot assure that our customers will remain in compliance with laws or with the terms of their contracts with us or that a breach of any of the foregoing will be identified or cured in a timely manner.

We have developed and implemented an internal compliance program in an effort to ensure that we comply with legal requirements imposed in connection with our Gaming, SciPlay and iGaming activities and legal requirements generally applicable to all publicly traded companies. Refer to "*Government Regulation - General*" in *Part I, Item 1* of this Annual Report on Form 10-K, for additional details about the compliance program. We cannot assure that such steps will prevent the violation of one or more laws or regulations, or that a violation by us or an employee will not result in the imposition of a monetary fine, suspension or revocation of one or more of our licenses or other penalties.

Laws and regulations relating to our SciPlay and iGaming businesses are evolving. For additional discussion regarding risks associated with the evolving regulatory landscape for digital gaming, see the risk factors captioned "*We may not be able to capitalize on the expansion of Internet or other forms of digital gaming or other trends and changes in the industries in which we operate, including due to laws and regulations governing these industries*"; "*Legislative interpretation and enforcement of*

*certain gaming activities could adversely affect financial performance and reputation*"; "Failure of our technological blocking systems could result in violations of laws or regulations and have a material adverse effect on our operations, financial performance and prospects"; "Expectations of a shift to regulated digital gaming may not come to fruition"; "We may incur additional impairment charges"; and "We rely on the ability to use the intellectual property rights of third parties"; and "Government Regulation" in Part I, Item 1 of this Annual Report on Form 10-K. See Exhibit 99.7 "Gaming Regulations" for additional information regarding certain of the regulations that govern our Gaming, SciPlay and iGaming businesses.

***Legislative interpretation and enforcement of certain gaming activities could adversely affect financial performance and reputation.***

Some jurisdictions are seeking to regulate gaming; others are seeking to prohibit it. We generate a portion of our operating results through licensing our proprietary software technology and games to enable gaming operators to provide gaming services to customers where such services are dependent on that software and the functionality it provides. Laws and regulations relating to the supply of such services are complex, inconsistent and evolving, and we may be subject to such laws either directly through explicit service provision or indirectly insofar as we have assisted the supply to customers who are themselves subject to such laws. For example, where supply by the Company to the customer is critical to the gaming transaction, there is a risk that a regulator could take direct enforcement action against us.

Many jurisdictions have not updated their laws to address the supply of remote gaming, which by its nature may be a multi-jurisdictional activity. Moreover, the legality of such activities and related services is subject to uncertainties arising from differing approaches by legislatures, regulators and enforcement agents including in relation to determining in which jurisdiction the gaming takes place and therefore which law applies and in relation to regulations being interpreted in unfavorable or unanticipated ways.

We monitor legal and regulatory developments in all of our material gaming markets and generally seek to keep abreast of legal and regulatory developments affecting our industries. However, we do not necessarily monitor, on a continuous basis, the laws and regulations in every jurisdiction where we or our customers do business and, therefore, we or our customers may operate in jurisdictions where we may be unaware of the full extent of the legal or regulatory risk.

Sometimes we are able to take the additional precautionary step of blocking wagers from jurisdictions where we are aware of material legal or regulatory risk associated with remote gaming. In addition, the Company protects itself through contractual mechanisms with our customers explicitly allowing us to suspend or terminate services if such customers offer our games or accept wagers from end users in certain jurisdictions.

Despite the monitoring we have undertaken and the other precautions we take, it is possible that, due to the above factors, such measures are not sufficient and that criminal or regulatory actions could be brought against us or our employees or directors, any or all of which could have a detrimental effect on our financial performance and reputation. Furthermore, actions brought against our customers could also have a detrimental effect on our financial performance or reputation, including if such actions prevent or delay the receipt of revenue from such customers.

***We may not be able to capitalize on the expansion of Internet or other forms of digital gaming or other trends and changes in the industries in which we operate, including due to laws and regulations governing these industries.***

We participate in the new and evolving digital gaming industries through our SciPlay and iGaming offerings. Part of our strategy is to take advantage of the liberalization of digital gaming, both within the U.S. and internationally. These industries involve significant risks and uncertainties, including legal, business and financial risks. The success of these industries and of our digital gaming products and services may be affected by future developments in social networks, including *Facebook*, mobile platforms, regulatory developments, data privacy laws and other factors that we are unable to predict and are beyond our control. This fast-changing environment can make it difficult to plan strategically and can provide opportunities for competitors to grow their businesses at our expense. Consequently, our future results of operations, cash flows and financial condition relating to our products and services are difficult to predict and may not grow at the rates we expect, and we cannot assure that these products and services will be successful in the long term.

There are still significant forces working to limit or prohibit digital gaming in the U.S. For additional information regarding proposed laws at the federal or state level, see "Government Regulation - iGaming" in Part I, Item 1 of this Annual Report on Form 10-K. The enactment of digital gaming legislation that federalizes significant aspects of the regulation of digital gaming and/or limits the forms of Internet wagering that are permissible at the state or federal level could have an adverse impact on our ability to pursue our digital gaming strategy in the U.S.

Internationally, laws relating to digital gaming are evolving, particularly in Europe. For additional information, including steps taken by European governments, the European Commission dropping enforcement actions, and regulatory developments in countries outside Europe and the U.S., regarding how laws relating to digital gaming are evolving

internationally, see “*Government Regulation - iGaming*” in *Part I, Item 1* of this Annual Report on Form 10-K. We cannot predict the timing, scope or terms of any such state, federal or foreign laws and regulations, or the extent to which any such laws and regulations will facilitate or hinder our interactive strategy.

Our business is subject to a number of foreign and domestic laws and regulations that affect companies conducting business on the Internet, and laws and regulations governing data privacy and security, including with respect to the collection, storage, use, transmission and protection of personal information and other consumer data. The scope of data privacy and security regulations continues to evolve, and we believe that the adoption of increasingly restrictive regulations in this area is likely within the U.S. and other jurisdictions. Our SciPlay and iGaming businesses are subject to evolving regulations, and the status of any particular jurisdiction may change at any time. The regulatory structure surrounding certain aspects of these businesses is currently in flux in some jurisdictions. See the risk factor captioned “*Gaming opponents persist in their efforts to curtail the expansion of legalized gaming, which, if successful, could limit the growth of our operations*” and “*Government Regulation - SciPlay*” and “*Government Regulation - iGaming*” in *Part I, Item 1* of this Annual Report on Form 10-K for additional information on evolving regulations applicable to our SciPlay and iGaming businesses.

Know-your-customer and geo-location programs and technologies supplied by third parties are an important aspect of certain Internet and mobile gaming products and services because they confirm certain information with respect to players and prospective players, such as age, identity and location. Payment processing programs and technologies, typically provided by third parties, are also a necessary feature of interactive wagering products and services. These programs and technologies are costly and may have an adverse impact on our results of operations, cash flows and financial condition. Additionally, we cannot assure that products containing these programs and technologies will be available to us on commercially reasonable terms, if at all, or that they will perform accurately or otherwise in accordance with our required specifications. See the SciPlay and iGaming sections in the risk factor captioned “*We operate in highly competitive industries, and our success depends on our ability to effectively compete with numerous domestic and foreign businesses*” for additional information on risks regarding Internet and mobile gaming products and services.

***The provisions of our amended and restated bylaws requiring exclusive forum in the Eighth Judicial District Court of Clark County, Nevada for certain types of lawsuits may have the effect of discouraging lawsuits against our directors and officers.***

Our amended and restated bylaws provide that, to the fullest extent permitted by law, and unless we consent in writing to the selection of an alternative forum, the Eighth Judicial District Court of Clark County, Nevada, will be the sole and exclusive forum for any actions, suits or proceedings, whether civil, administrative or investigative, (a) brought in our name or right or on our behalf, (b) asserting a claim for breach of any fiduciary duty owed by any of our current or former directors, officers, stockholders, employees or agents or fiduciaries to us or our stockholders, (c) for any internal action (as defined in Nevada Revised Statutes (“NRS”) 78.046), including any action asserting a claim against us arising pursuant to any provision of NRS Chapters 78 or 92A, any provision of our articles of incorporation or our amended and restated bylaws, any agreement entered into pursuant to NRS 78.365 or as to which the NRS confers jurisdiction on the district court of the State of Nevada, (d) to interpret, apply, enforce or determine the validity of our articles of incorporation or our amended and restated bylaws or (e) asserting a claim governed by the internal affairs doctrine; provided that such exclusive forum provisions will not apply to suits brought to enforce any liability or duty created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Our amended and restated bylaws further provide that, in the event that the Eighth Judicial District Court of Clark County, Nevada does not have jurisdiction over any such action, suit or proceeding, then any other state district court located in the State of Nevada will be the sole and exclusive forum therefor and in the event that no state district court in the State of Nevada has jurisdiction over any such action, suit or proceeding, then a federal court located within the State of Nevada will be the sole and exclusive forum therefor. In addition, our amended and restated bylaws provide that unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the sole and exclusive forum for the resolution of any claim asserting a cause of action arising under the Securities Act against any person in connection with any offering of our securities, including, for the avoidance of doubt, any auditor, underwriter, expert, control person, or other defendant, which person shall have the right to enforce this clause.

Although we believe these provisions benefit us by providing increased consistency in the application of Nevada law in the types of lawsuits to which they apply, these provisions may have the effect of increasing the costs to bring a claim and limiting a stockholder’s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors and officers, which may discourage lawsuits against us or our directors and officers. The enforceability of similar choice of forum provisions in other companies’ articles of incorporation and bylaws has been challenged in legal proceedings, and it is possible that, in connection with any applicable action brought against us, a court could find the choice of forum provisions contained in our amended and restated bylaws to be inapplicable or unenforceable in such action, for example if the laws of other jurisdictions do not recognize the choice of forum provisions. If a court were to find the choice of forum provisions contained in our amended and restated bylaws to be inapplicable or unenforceable in an action, we may incur additional costs

associated with resolving such action in other jurisdictions, which could adversely affect our business, financial condition or results of operations.

***Changes in tax laws or tax rulings, or the examination of our tax positions, could materially affect our financial condition and results of operations.***

Tax laws are dynamic and subject to change as new laws are passed and new interpretations of the law are issued or applied. Our existing corporate structure and intercompany arrangements have been implemented in a manner we believe is in compliance with current prevailing tax laws.

However, the tax benefits that we intend to eventually derive could be undermined due to future changes in tax laws. In addition, the taxing authorities in the U.S. and other jurisdictions where we do business regularly examine income and other tax returns and we expect that they may examine our income and other tax returns. The ultimate outcome of these examinations cannot be predicted with certainty.

Effective January 1, 2022, pursuant to the Tax Cuts and Jobs Act of 2017, our R&D expenses are required to be capitalized and amortized for U.S. tax purposes, which has delayed the ability to deduct these expenses and potentially increased the amount of cash taxes we will pay for the taxable year ended December 31, 2025. We expect to recover these expenses in subsequent years such that the increased cash outlay is generally expected to be temporary. In the future, the U.S. Congress may consider legislation that would defer the capitalization requirement to later years or eliminate the provision, possibly with a retroactive effect. In the meantime, we expect to continue to make additional federal tax payments based on the current tax law. The impact of this tax legislation on our cash from operations depends on the amount of R&D expenditures incurred by the Company and whether the Internal Revenue Service (“IRS”) issues guidance on the legislation which differs from our current interpretation, among other things.

On August 16, 2022, the United States enacted the Inflation Reduction Act of 2022 (“IR Act”), which, among other things, introduces a 15% minimum tax based on adjusted financial statement income of certain large corporations with a three-year average adjusted financial statement income in excess of \$1 billion and a 1% excise tax on corporate stock buybacks. The Company was not materially impacted by this tax in 2025, nor does the Company expect to be significantly negatively impacted in future years by this tax.

Over the last several years, the Organization for Economic Cooperation (“OECD”) has led international efforts among approximately 140 countries and taxing jurisdictions to develop an Inclusive Framework on Base Erosion and Profit Shifting, which includes a minimum tax rate of 15% in each taxing jurisdiction for multinational entities with an annual global turnover exceeding €750 million in at least two out of the last four years, also known as Pillar II tax. The OECD has issued administrative guidance and provided transition and safe harbor rules around the implementation of the Pillar II global minimum tax. A number of countries have enacted legislation to implement the OECD’s 15% global minimum tax with an effective date of January 1, 2024. Pillar II did not have a material impact on our income tax expense for 2025. As additional jurisdictions enact legislation or new OECD guidance is issued, our current assessment could change.

During the second quarter of 2024, the Company was notified by the IRS that the Company’s U.S. federal income tax returns for tax years 2021 and 2022 are subject to examination. If there are any material findings as a result of the examination, they could have a materially negative impact on our financial condition and results of operations.

***Gaming opponents persist in their efforts to curtail the expansion of legalized gaming, which, if successful, could limit the growth of our operations.***

There is significant debate over, and opposition to, land-based and interactive RMG. We cannot assure that this opposition will not succeed in preventing the legalization of gaming in jurisdictions where it is presently prohibited, prohibiting or limiting the expansion of gaming where it is currently permitted or causing the repeal of legalized gaming in any jurisdiction. Any successful effort to curtail the expansion of, or limit or prohibit, legalized gaming could have an adverse effect on our results of operations, cash flows and financial condition.

In addition, there is significant opposition in some jurisdictions to interactive social and digital gaming, including social casino gaming. Some states or countries have anti-gaming groups that specifically target social casino games. Such opposition could lead these jurisdictions to adopt legislation or impose a regulatory framework to govern interactive social gaming, social casino games specifically. These could result in a prohibition on interactive social gaming, or social casino gaming altogether, restrict our ability to advertise our games, or substantially increase our costs to comply with these regulations, all of which could have an adverse effect on our results of operations, cash flows and financial condition. We continue to devote significant attention to monitoring these developments. However, we cannot predict the likelihood, timing, scope or terms of any state, federal or foreign legislation or regulations relating to our SciPlay and iGaming businesses or the extent to which they may affect our SciPlay and iGaming businesses.

***Expectations of a shift to regulated digital gaming may not come to fruition.***

Our business strategy includes a gradual shift into new, regulated digital gaming markets. We expect there to be an opportunity to grow revenue by being among the first systems providers to obtain a license to operate digital gaming systems in markets where end-users historically have been reliant on unregulated digital gaming. However, there is no guarantee that end users who are currently engaging in unregulated digital gaming (in the U.S. or elsewhere) will transition away from unregulated gaming to regulated gaming in the wake of regulation, which is itself uncertain as to timing and scope and varies on a jurisdiction by jurisdiction basis. Our ability to influence end-user tastes and habits is limited, and if the introduction of regulation fails to result in a migration of end-users from unregulated gaming to regulated gaming, this may have an adverse impact on our operations, financial performance and prospects.

***Data privacy and security laws and regulations in the jurisdictions in which we do business could increase the cost of our operations and subject us to possible sanctions and other penalties.***

We collect, process, store, use and share data, some of which contains personal information. Our businesses are therefore subject to a number of federal, state, local and foreign laws and regulations governing data privacy and security, including with respect to the collection, storage, use, transmission, sharing and protection of personal information and other consumer and employee data. Such laws and regulations may be inconsistent among states, countries or between states and countries or conflict with other rules. In particular, the EU has adopted strict data privacy and security regulations. Following certain developments in the EU, including the EU's GDPR and proposed Regulation on Privacy and Electronic Communications (the "ePrivacy Regulation"), data privacy and security compliance in the EU are increasingly complex and challenging. The GDPR created new compliance obligations applicable to our business and some of our players and imposed increased financial penalties for noncompliance (including possible fines of up to four percent of global annual revenue for the preceding financial year or €20 million (whichever is higher) for the most serious violations). Compliance with the GDPR and similar regulations increases our operational costs and can impact operational efficiencies.

The scope of data privacy and security regulations worldwide continues to evolve, and we believe that the adoption of increasingly restrictive regulations in this area is likely within the U.S. and other jurisdictions. For example, the California Consumer Privacy Act ("CCPA") went into effect on January 1, 2020. This law, among other things, requires new disclosures to California consumers, imposes new rules for collecting or using information about minors, and affords consumers new abilities to opt out of certain disclosures of personal information. It remains unclear how courts will interpret the CCPA. The U.S. Congress may also pass a law to preempt all or part of the CCPA. Further, California subsequently passed the California Privacy Rights Act ("CPRA"), which became effective January 1, 2023. The CPRA amends the CCPA to provide more comprehensive privacy protections to consumers and established the California Privacy Protection Agency as the primary body responsible for safeguarding digital privacy. The effects of the CCPA and CPRA may be significant, and the CCPA required us to update our policies to include CCPA-specific clauses and procedures. A number of other proposals related to data privacy or security are pending before federal, state, and foreign legislative and regulatory bodies. For example, the EU began final negotiations with the European Commission and European Parliament in 2022 regarding the adoption of the ePrivacy Regulation that would govern data privacy and the protection of personal data in electronic communications, in particular for direct marketing purposes. Efforts to comply with these and other data privacy and security restrictions that may be enacted could require us to modify our data processing practices and policies and increase the cost of our operations. Failure to comply with such restrictions could subject us to criminal and civil sanctions and other penalties. In part due to the uncertainty of the legal climate, complying with regulations, and any applicable rules or guidance from self-regulatory organizations relating to privacy, data protection, information security and consumer protection, may result in substantial costs and may necessitate changes to our businesses practices, which may compromise our growth strategy, adversely affect our ability to attract or retain players, and otherwise adversely affect our businesses, financial condition and operating results.

Any failure or perceived failure by us to comply with our posted privacy policies, our privacy-related obligations to players or other third parties, or any other legal obligations or regulatory requirements relating to privacy, data protection, or information security may result in governmental investigations or enforcement actions, litigation, claims, or public statements against us by consumer advocacy groups or others and could result in significant liability, cause our players to lose trust in us, and otherwise materially and adversely affect our reputation and businesses. Furthermore, the costs of compliance with, and other burdens imposed by, the laws, regulations, and policies that are applicable to us may limit the adoption and use of, and reduce the overall demand for, our games. Additionally, if third parties we work with violate applicable laws, regulations, or agreements, such violations may put our players' data at risk, could result in governmental investigations or enforcement actions, fines, litigation, claims or public statements against us by consumer advocacy groups or others and could result in significant liability, cause our players to lose trust in us and otherwise materially and adversely affect our reputation and businesses. Further, public scrutiny of, or complaints about, technology companies or their data handling or data protection practices, even if unrelated to our businesses, industry or operations, may lead to increased scrutiny of technology companies,

including us, and may cause government agencies to enact additional regulatory requirements, or to modify their enforcement or investigation activities, which may increase our costs and risks.

### **General Risk Factors**

***We have incurred, and may continue to incur, restructuring costs, the benefits of which are unpredictable and may not be achieved.***

In the past, we have implemented various business improvement, strategic, optimization and restructuring initiatives in an effort to streamline our organization, leverage our resources more efficiently, and reduce our operating costs. These initiatives encompassed a combination of headcount reductions, facilities streamlining, and reductions in other operating costs. Most recently, we have incurred additional restructuring costs related to our recent strategic review, certain legal matter reserves, contingent consideration fair value adjustments, discontinued operations, our delisting from the Nasdaq and transition to a sole primary ASX listing and the SciPlay Merger. We have engaged, and may continue to engage, in similar or additional future restructuring initiatives. Because we are not able to predict with certainty when we will reorganize portions of our business, we cannot predict the extent, timing and magnitude of additional restructuring charges. We may also not realize the anticipated reduction in operating costs.

***We may incur additional impairment charges.***

We review our amortizable intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. We test goodwill assets for impairment at least annually. Factors that may indicate a change in circumstances, such that the carrying value of our goodwill, amortizable intangible assets or other non-amortizing assets may not be recoverable, include a decline in our stock price and market capitalization, reduced future cash flow estimates, and slower growth rates in industry segments in which we participate. We may be required to record a significant charge in our consolidated financial statements during the period in which any impairment of our goodwill or intangible assets is determined, which would negatively affect our results of operations. COVID-19 disruptions in the first quarter of 2020 led to widespread closures of LBO shops across the U.K., global economic uncertainty and deterioration in business conditions, which resulted in our most recent goodwill impairment charge, \$54 million for our U.K. Gaming reporting unit during the first quarter of 2020. Based on the results of our annual goodwill impairment test as of October 1, 2025, we concluded that it is more likely than not that the fair value of each of our reporting units substantially exceeded their respective carrying values (greater than 20%) and no impairment charges were warranted. However, this could change in the future depending on prevailing conditions or adverse changes to our projections that could negatively impact the recoverability of the remaining carrying value of our goodwill and other assets for our reporting units, which might result in additional material impairment charges. For more information on the assessment and the goodwill impairment charge, see section captioned “*Critical Accounting Estimates – Goodwill – Impairment Assessment*” in Item 7. “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and Note 10.

Moreover, application of the goodwill impairment test requires judgment, including the identification of reporting units, assignment of assets and liabilities to reporting units, assignment of goodwill to reporting units, and determination of the fair value of each reporting unit. We cannot predict the occurrence of impairments, and we cannot assure that we will not have to record additional impairment charges in the future.

***We depend on our key employees and rely on skilled employees with creative and technical backgrounds.***

We depend on the continued performance of our executive officers and key personnel. We face strong competition to recruit and retain key personnel from other top companies in our industry. If we lose the services of any of our executive officers or key personnel and cannot find suitable replacements for such persons in a timely manner, it could have an adverse impact on our business. Our ability to expand is dependent on our ability to recruit and retain talented employees in the U.S. and internationally who are capable of leading our employees to achieve our strategic objectives.

We also rely on our highly skilled, technically trained and creative employees to develop new technologies and create innovative products. Such employees, particularly game designers, engineers and project managers with desirable skill sets are in high demand, and we devote significant resources to identifying, hiring, training, successfully integrating and retaining these employees. 2021 and 2022, in particular, were marked by a labor shortage that made hiring and retaining skilled employees to support our products highly competitive.

We have adopted a hybrid work policy for our employees. Many companies, including companies that we compete with for talent, have announced plans to adopt full-time remote work arrangements or more flexible hybrid work arrangements, which may impact our ability to attract and retain qualified personnel if potential or current key employees prefer these policies. In addition, as a result of our recent move to a hybrid work environment, we expect to face challenges in retention of personnel who prefer to only work from home. We cannot guarantee that we will be able to recruit or retain highly qualified personnel,

including individuals in key areas such as game design, engineering and project management in the future. The loss or inability to hire highly skilled employees could result in significant disruption to our business. In addition, the training and integration of replacement personnel could be time-consuming and expensive while also causing disruption to our business and harm to our reputation in the market for highly skilled employees. A lack of skilled technical workers could delay or negatively impact our business plans, ability to compete, results of operations, cash flows and financial condition.

***If we are not able to maintain adequate internal control over our financial reporting, it could adversely affect our reputation and business.***

We are responsible for establishing and maintaining adequate internal control over financial reporting. If we cannot maintain and execute adequate internal control over financial reporting or when necessary implement new or improved controls that provide reasonable assurance of the reliability of the financial reporting and preparation of our financial statements for external use, we may suffer harm to our reputation, fail to meet our public reporting requirements on a timely basis or be unable to properly report on our business and our results of operations, cash flows and financial condition. Additionally, there are inherent limitations of internal controls over financial reporting, and as such they may not prevent or detect all misstatements or fraud. We are currently undertaking an ERP system implementation. In addition, the adoption of any new accounting standards may require us to add new or change existing internal controls, which may not be successful. Each of the preceding changes could materially impact our internal control over financial reporting. As of December 31, 2025, we have concluded that our internal control over financial reporting was effective based on criteria outlined in *Part II, Item 9A "Controls and Procedures"* of this Annual Report on Form 10-K, however, we cannot assure that material weaknesses will not be identified in the future.

***Our results of operations, cash flows and financial condition could be affected by severe weather and other geological events in the locations where we or our customers, suppliers or regulators operate.***

We may be impacted by severe weather and other geological events, including hurricanes, earthquakes, floods or tsunamis, that could disrupt our operations or the operations of our customers, suppliers, data service providers and regulators. Natural disasters or other disruptions at any of our facilities or our suppliers' facilities, such as *Amazon Web Services, Apple, Google, Facebook, Amazon* and *Microsoft*, may impair or delay the operation, development, provisions or delivery of our products and services. Additionally, disruptions experienced by our regulators due to natural disasters or otherwise could delay our introduction of new products or entry into new jurisdictions where regulatory approval is necessary. While we insure against certain business interruption risks, we cannot assure that such insurance will compensate us for any losses incurred as a result of natural or other disasters. Moreover, the frequency and severity of severe weather events and natural disasters have been increasing due to climate change. Any serious disruption to our operations, or those of our customers, suppliers, data service providers or regulators could have a material adverse effect on our results of operations, cash flows and financial condition.

***We could incur costs in the event of violations of, or liabilities under, environmental laws, which may adversely affect our business and our results of operations, cash flows and financial condition.***

Our operations and real property are subject to U.S. and foreign environmental laws and regulations, including those relating to air emissions, the management and disposal of hazardous substances and wastes and the cleanup of contaminated sites. We could incur costs, including cleanup costs, fines or penalties, and third-party claims as a result of violations of, or liabilities under, environmental laws, which could negatively impact our business and our results of operations, cash flows and financial condition. Some of our operations require environmental permits and controls to prevent or reduce environmental pollution, and these permits are subject to review, renewal and modification by issuing authorities.

***Litigation and arbitration may adversely affect our business and our results of operations, cash flows and financial condition.***

We are and may become subject to litigation and arbitration claims in the operation of our business, including, but not limited to, with respect to employee matters, alleged product and system malfunctions, alleged intellectual property infringement and claims relating to our contracts, licenses and strategic investments. We have incurred and may incur significant expense defending or settling any such litigation. Additionally, adverse judgments that have been and may be decided against us resulted and could result in significant monetary damages or injunctive relief that could adversely affect our ability to conduct our business and our results of operations, cash flows and financial condition. For additional information regarding our litigation, see Note 19.

***Failure to perform under our contracts may result in substantial monetary liquidated damages and contract termination.***

Our contracts, including our Gaming contracts relating to the provision of VLTs, typically permit a counterparty to terminate the contract at any time for a material failure to perform, other specified reasons and, in many cases, for no reason at all. Upon such a termination or failure to perform, we may be required to refund fees paid to us for services performed or allow

our customers to return our products to us for a full refund. In the past, we have paid or incurred liquidated damages and have been required to allow the return of VLTs for a full refund under our contracts, and material amounts of liquidated damages could be imposed on us in the future, which could, if imposed, have a material adverse effect on our business prospects, results of operations, cash flows and financial condition.

***We may be liable for product defects or other claims relating to our products.***

Our products could be defective, fail to perform as designed or otherwise cause harm to our customers, their equipment or their products. If any of our products are defective, we may be required to recall the products and/or repair or replace them, which could result in substantial expenses and affect our profitability. Any problem with the performance of our products, such as a false jackpot or other prize, could harm our reputation, which could result in a loss of sales to customers and/or potential customers. In addition, the occurrence of errors in, or fraudulent manipulation of, our products or software may give rise to claims by our customers or by our customers' patrons, including claims by our customers for lost revenues and related litigation that could result in significant liability. Any claims brought against us by customers may result in diversion of management's time and attention, expenditure of large amounts of cash on legal fees and payment of damages, lower demand for our products or services, or injury to our reputation. Our insurance may not sufficiently cover a judgment against us or a settlement payment and is subject to customary deductibles, limits and exclusions. In addition, a judgment against us or a settlement could make it difficult for us to obtain insurance in the coverage amounts necessary to adequately insure our businesses, or at all, and could materially increase our insurance premiums and deductibles. In addition, software bugs or malfunctions, errors in distribution or installation of our software, failure of our products to perform as approved by the appropriate regulatory bodies or other errors or malfunctions, may subject us to investigation or other action by gaming regulatory authorities, including fines.

***Labor disputes and union organizing activities may have an adverse effect on our operations.***

Certain of our employees are represented by unions or works councils, including employees in Europe, South America and Canada. In particular, the majority of our employees in Austria and Germany and a small number of employees in the U.S. are represented by unions or work councils. While we believe our relations with our employees are satisfactory, we cannot predict whether we will be successful in negotiating new collective bargaining agreements without any disruptions in our operations or higher labor costs.

We cannot assure that we will not encounter conflicts or strikes with any labor unions that represent our employees or union organizing activities at our non-unionized facilities. Any of the foregoing could adversely impact our results of operations, cash flows and financial condition or our customers' operations, cause us to lose customers, or increase our labor costs.

**ITEM 1B. UNRESOLVED STAFF COMMENTS**

None.

**ITEM 1C. CYBERSECURITY**

**Risk Management and Strategy**

We have developed, implemented and maintained robust cybersecurity measures to safeguard our information systems and protect the confidentiality, integrity, and availability of our data. These measures are included within our overall risk management process. As part of this process, all detected cybersecurity threats and incidents are logged and escalated to the Chief Information Security Officer ("CISO") and Chief Compliance Officer, who report to our Chief Legal Officer. Annually or more frequently if needed, the CISO meets with the other stakeholders to assemble the company's Risk Register. Cyber risks are an integral part of this process, and the CISO and their team regularly assess the current cyber risk landscape, assess L&W's susceptibility to those cyber risks and use that analysis in assembling the Risk Register.

We follow a formal cybersecurity incident response policy, which provides for use of third-party service providers where appropriate. Our cybersecurity incident response policy incorporates recommendations from the International Organization for Standardization ("ISO") and the NIST, and it includes proactive steps to prepare for attempts to compromise our information systems. To provide for the availability of critical data and systems, maintain regulatory compliance, manage our material risks from cybersecurity threats, and to protect against, detect and respond to cybersecurity incidents, we undertake the below activities, among others:

- monitor emerging data protection laws and implement changes to our processes designed to comply;
- undertake an annual risk assessment and review of our consumer facing policies, business changes and statements related to cybersecurity, or more frequently as needed;

- proactively inform our customers of substantive changes related to customer data handling;
- conduct annual customer data handling and use requirements training for our employees and contingent workers;
- conduct annual cybersecurity management and incident training for employees and contingent workers involved in our systems and processes that handle sensitive data;
- conduct regular phishing email simulations for employees and contingent workers with access to corporate email systems to enhance awareness and responsiveness to such threats;
- through policy, practice and contract (as applicable) require employees, as well as third parties who provide services on our behalf, to treat customer information and data in accordance with local laws and regulations;
- run tabletop exercises to simulate a response to a cybersecurity incident and use the findings to improve our processes and technologies; and
- use an internal incident handling framework to help us identify, protect, detect, respond, and recover when there is an actual or potential cybersecurity incident.

We use third-party vendors or service providers to perform certain services, including regular assessments of our cybersecurity program such as cyber maturity assessments and penetration tests; evaluation and approval of our critical business partners and vendors; and participating in incident response processes. As part of our cybersecurity incident response policy, we identify, evaluate and mitigate risks posed from engaging with third-party vendors and service providers. As of December 31, 2025, we are not aware of any cybersecurity incident in the past year that materially affected or was reasonably likely to materially affect our operations, business, results of operations, cash flows or financial condition.

### **Governance and Oversight**

The Board of Directors is central to oversight of cybersecurity risks. The Board of Directors is composed of members with diverse expertise, including risk management, technology, finance and legal, and they have appropriate access to management and third parties (as deemed necessary), equipping them to oversee cybersecurity risks effectively. Day-to-day cybersecurity monitoring and oversight activities are delegated to management.

Our CISO is primarily responsible for assessing, monitoring and managing cybersecurity risks, including those presented by third-party vendors or service providers, as well as overseeing employee training programs. Our CISO has served in this role since July 2019, has a Master's Degree in Information Security from the University of London, has been working in technology risk management since the early 1990s, holds Certified Information Systems Security Professional status and is a member in good standing of the Institute of Electrical and Electronics Engineers ("IEEE") and the International Information System Security Certification Consortium ("ISC2"). The CISO reports at least annually to the Board of Directors on material cyber risks, including those identified in our business and rising threats, and the current state of L&W's information security.

The CISO and his team evaluate quantitative and qualitative factors to determine if a cybersecurity threat or incident needs to be escalated to other members of management and ultimately to the Board of Directors. The factors evaluated include but are not limited to: actual or potential monetary damages, number of impacted employees or customers, nature of the records compromised, potential impact on customer relationships, public knowledge and likely effect on L&W's reputation. Depending on the severity of the impact on these factors, management, including the CISO, Chief Compliance Officer and CAO, meets as part of a management committee to determine if an incident is material. In the event the management committee determines that a cybersecurity incident or threat is material, the incident or threat is elevated and reviewed with our Board of Directors. The management committee reports all incidents requiring a materiality assessment to the Chief Legal Officer, regardless of whether such committee ultimately determines a cybersecurity incident to be material.

For additional information regarding how cybersecurity threats could materially affect or are reasonably likely to materially affect our business strategy, results of operations or financial condition, see the risk factors captioned "*Our success depends on the security and integrity of the systems and products we offer, and security breaches, including cybersecurity breaches, or other disruptions could compromise our information or the information of our customers and expose us to liability, which would cause our business and reputation to suffer,*" "*We rely on information technology and other systems, and any failures in our systems or errors, defects or disruptions in our products and services could diminish our brand and reputation, subject us to liability and have disrupted and could disrupt our business and adversely impact our results,*" and "*If we, our third-party vendors or service providers, our customers or a company we acquire sustains cyber-attacks or other privacy or security incidents, including those that result in security breaches, we could suffer a loss of sales and increased costs, exposure to significant liability, reputational harm, regulatory fines or punishment and other negative consequences*" under the heading "*Risk Factors*" in *Part I, Item 1A* of this Annual Report on Form 10-K for additional information.

## ITEM 2. PROPERTIES

We occupy approximately 843,000 square feet of space in the U.S. and approximately 805,000 square feet of space internationally. We believe that these facilities are adequate for our business as presently conducted. Set forth below is an overview of the principal owned and leased real estate properties that support our corporate headquarters and Gaming, SciPlay and iGaming segments.

<u>Location</u>	<u>Sq. Ft.</u>	<u>Supports</u>	<u>Tenancy</u>
Las Vegas, Nevada	401,780	Corporate Headquarters, Gaming and iGaming	Lease/Own <sup>(1)</sup>
India (Bangalore and Chennai)	208,661	Corporate, Gaming, SciPlay and iGaming	Lease

(1) Lease 249,780 sq. ft. and own 152,000 sq. ft.

Our owned Las Vegas facilities listed above are encumbered by mortgages securing indebtedness under the LNWI Credit Agreement, LNWI Credit Agreement A and Secured Notes. In addition to those listed above, we own and lease a number of additional less significant properties in the U.S. and internationally that also support our operations.

## ITEM 3. LEGAL PROCEEDINGS

For discussion of our legal proceedings, see Note 19, which is incorporated by reference into this *Item 3* of this Annual Report on Form 10-K.

## ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

## PART II

### ITEM 5. MARKET FOR REGISTRANT’S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

#### Market for our Common Stock

Our outstanding common stock is listed for trading as CDIs for trading on the ASX under the ticker symbol “LNW.” During 2025, we completed the voluntary delisting of our common stock from the Nasdaq Stock Market and transitioned to a sole primary listing on the ASX. Unless otherwise indicated, all amounts presented are reported in U.S. dollars, and amounts disclosed for ASX-related purposes are translated from Australian dollars to U.S. dollars using the applicable spot exchange rate.

On February 18, 2026, the closing sale price for our common stock listed as CDIs on the ASX was AU\$140.24 per share. There were 481 holders of record of our common stock as of February 18, 2026. This does not include the number of stockholders who hold shares of our common stock or CDIs through banks, brokers or other financial institutions.

On February 19, 2026, the Board of Directors approved the retirement of all existing treasury shares and the restoration of such shares to the status of authorized but unissued shares, and for all future shares (including CDIs) repurchased under our share repurchase programs to also be retired and restored to the status of authorized but unissued shares.

Our outstanding common stock is also quoted on the OTC Pink market operated by the OTC Markets Group under the symbol “LNWO.”

#### Dividend Policy

We have never paid any cash dividends on our common stock and do not presently intend to pay cash dividends on common stock in the foreseeable future. Further, under the terms of certain of our debt agreements, we are limited in our ability to pay cash dividends or make certain other restricted payments (other than stock dividends) on our common stock.

#### Issuer Purchases of Equity Securities

We repurchased 5.8 million shares (including in the form of CDIs) under the share repurchase program during the three months ended December 31, 2025.

(in millions, except for price per share)

#### ISSUER PURCHASES OF EQUITY SECURITIES

Period	Total Number of Shares Purchased as Part of Publicly Announced Program <sup>(1)</sup>	Average Price Paid per Share <sup>(2)</sup>	Total Cost of Repurchase <sup>(2)</sup>	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program <sup>(2)</sup>
10/1/2025 - 10/31/2025	1.3	\$ 77.64	\$ 100	\$ 736
11/1/2025 - 11/30/2025	3.5	\$ 86.43	\$ 304	\$ 432
12/1/2025 - 12/31/2025	1.0	\$ 99.42	\$ 96	\$ 336
Total	5.8	\$ 86.62	\$ 500	\$ 336

(1) On June 11, 2024, our Board of Directors (“Board”) approved a new share repurchase program under which the Company was authorized to repurchase from time to time through June 12, 2027, up to an aggregate amount of \$1.0 billion in shares of our common stock (including CDIs). On July 31, 2025, the Board approved an increase of such share repurchase program from \$1.0 billion to \$1.5 billion.

(2) Average price paid per share is calculated on a settlement basis and excludes excise tax. As of January 1, 2023, our share repurchases in excess of issuances are subject to a 1% excise tax enacted by the Inflation Reduction Act. Any excise tax incurred is recognized in stockholders’ equity as part of the cost basis of the shares acquired. For the three months ended December 31, 2025, excise taxes totaled \$5 million.

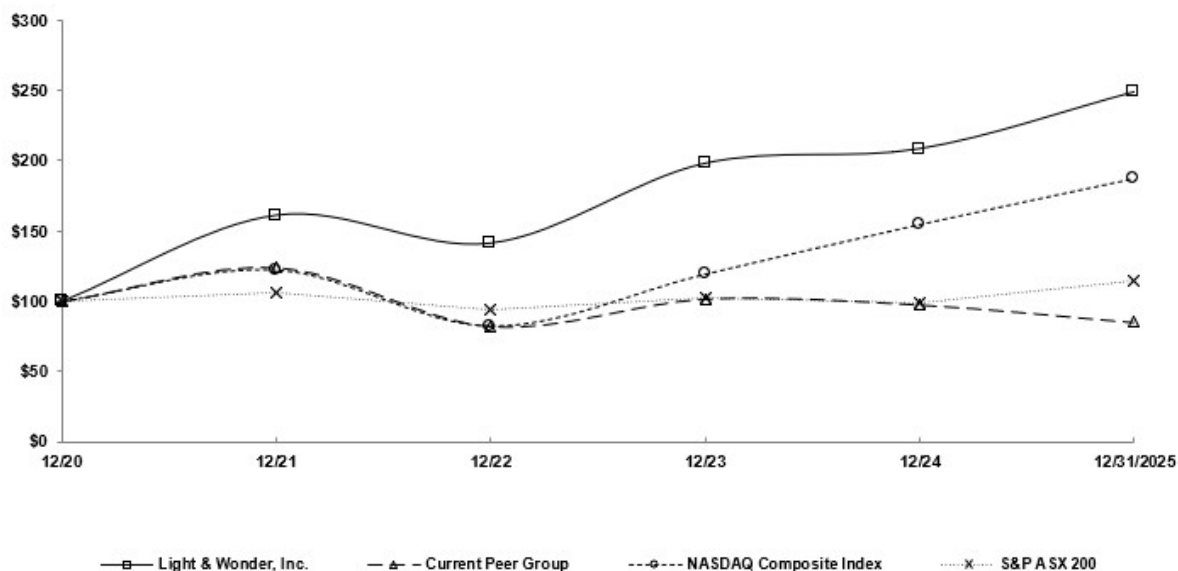
#### Stockholder Return Performance Graph

The following graph compares the cumulative total stockholder return over the five-year period ended December 31, 2025 of our then outstanding common stock, the Nasdaq Composite Index, the S&P/ASX 200 Index and indices of our peer group companies that operate in industries or lines of business similar to ours.

Our peer group companies consist of Aristocrat (Australian Securities Exchange: ALL), Playtika Holding Corp. (New York Stock Exchange: PLTK), and Evolution AB (Stockholm Stock Exchange: EVO). In comparison to the prior year, International Game Technology (IGT), Everi Holdings Inc. and PlayAGS, Inc. are no longer publicly traded following mergers or acquisitions and have therefore been excluded from the current peer group.

The companies in our peer group have been weighted based on their relative market capitalization each year. The graph assumes that \$100 was invested in our then outstanding common stock, the Nasdaq Composite Index, the S&P/ASX 200 Index and the peer group indices at the beginning of the five-year period and that all dividends were reinvested. The comparisons are not intended to be indicative of future performance of our common stock.

**COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN\***  
Among Light & Wonder, Inc., the S&P 500 ASX 200, Nasdaq Composite Index  
and the Current Peer Group



\*\$100 invested on 12/31/20 in stock or index, including reinvestment of dividends.  
Fiscal year ending December 31.

	12/20	12/21	12/22	12/23	12/24	12/25
Light & Wonder, Inc.	\$ 100.00	\$ 161.07	\$ 141.24	\$ 197.90	\$ 208.19	\$ 248.47
Nasdaq Composite	\$ 100.00	\$ 122.18	\$ 82.43	\$ 119.22	\$ 154.48	\$ 187.14
S&P/ASX 200	\$ 100.00	\$ 106.49	\$ 93.91	\$ 101.90	\$ 99.39	\$ 114.33
Peer Group	\$ 100.00	\$ 119.64	\$ 77.95	\$ 97.40	\$ 96.57	\$ 85.47

ITEM 6. [RESERVED]

## ITEM 7. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to enhance the reader’s understanding of our operations and current business environment and should be read in conjunction with the description of our business (see *Part I, Item 1* of this Annual Report on Form 10-K) and our Consolidated Financial Statements and Notes (see *Part IV, Item 15* of this Annual Report on Form 10-K).

This “Management’s Discussion and Analysis of Financial Condition and Results of Operations” (“MD&A”) contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and should be read in conjunction with the disclosures and information contained and referenced under “*Forward-Looking Statements*” and “*Risk Factors*” at the beginning and in *Part I, Item 1A*, respectively, of this Annual Report on Form 10-K. As used in this MD&A, the terms “we,” “us,” “our” and the “Company” mean L&W together with its consolidated subsidiaries.

### BUSINESS OVERVIEW

We are a leading cross-platform global games company with a focus on content and digital markets. Our portfolio of revenue-generating activities primarily includes supplying game content and gaming machines, CMSs and table game products and services to licensed gaming entities, and electronic pull-tabs and related services to charitable gaming entities; providing social casino and other online games, including casual gaming, to retail customers; and providing a comprehensive suite of digital gaming content, distribution platforms, player account management systems, as well as various other iGaming content and services. We also gain access to technologies and pursue global expansion through strategic acquisitions.

We are incorporated in Nevada. For more information on our business, please see the General introduction to *Part I, Item 1 “Business”* of this Annual Report on Form 10-K above.

### Highlights and Recent Developments

We closed 2025 by delivering another year of revenue, business segments earnings and operating cash flows growth, driven by disciplined execution of our cross-platform strategy and strong game performance across all our businesses. As we concluded the financial targets cycle established three years ago, we now move forward with clear focus and strong momentum toward our new long-term objectives. During 2025, we also returned \$877 million of capital to shareholders through the repurchase of 10.1 million shares of common stock, or cumulatively, \$1.9 billion, or 24.4 million shares, of common stock since the initial repurchase program was authorized in March 2022.

As of November 13, 2025, we delisted from the Nasdaq and began trading as a sole primary listing on the ASX on November 14, 2025, on which our common stock is listed as CDIs under the ticker symbol “LNW.” The move entailed a conversion from an ASX Foreign Exempt Listing to an ASX Standard Listing. For more information, see “*The Company has delisted from the Nasdaq and transitioned to a sole primary listing on the ASX, which could negatively affect the liquidity and trading prices of our common stock or CDIs, impacts our investors’ ability to trade in our securities and our access to the capital markets and could lead to price variations and other impacts on holders of our common stock, CDIs and other securities*” in *Part I, Item 1A*. Each CDI represents a beneficial interest in one share of the Company’s common stock. Unless otherwise indicated, all amounts presented are reported in U.S. dollars.

#### *Aristocrat Settlement*

On January 11, 2026, we announced our agreement with Aristocrat to settle our pending litigation in Australia and the U.S. related to our *Dragon Train*- and *Jewel of the Dragon*-themed games. As part of the settlement, we agreed, among other things, to pay approximately \$128 million to resolve these matters. As a result of the settlement, Aristocrat’s claims against Light & Wonder in Australia and the United States will be dismissed. See Note 19 for further information.

This settlement protects the interests of our customers, employees and shareholders, and it allows us to continue our focus on developing and delivering the market-leading content our customers expect, without distraction or disruption. We continue to leverage our diversified portfolio of successful game franchises to execute on our strategy, which remains unchanged.

#### *Grover Acquisition*

We completed the acquisition of Grover in May 2025 for an upfront consideration of \$850 million, subject to certain customary purchase price adjustments as set forth in the purchase agreement, and up to \$200 million in cash in the aggregate in the form of contingent acquisition consideration payments based on achievement of certain revenue metrics over a four-year period. Grover is a leading provider of electronic pull-tabs currently distributed over six U.S. states: North Dakota, Ohio, Virginia, Kentucky, New Hampshire and Indiana (since December 2025), and it has contributed to growth and enhanced quality

of our revenue mix through expansion to the charitable gaming adjacency. The Grover operating segment was aggregated with our Gaming reportable business segment.

#### *Financing Transactions*

- On February 10, 2025, we entered into an amendment to the LNWI Credit Agreement which, among other things, (i) provides for new revolving commitments in an amount of \$1.0 billion, replacing the existing revolving commitments of \$750 million, (ii) extends the maturity of the revolving commitments, and (iii) reduces the applicable margin for the revolving loans by up to 50 basis points.
- On May 15, 2025, we entered into the LNWI Credit Agreement A, pursuant to which we borrowed an aggregate principal amount of \$800 million in term loans under the LNWI Term Loan A facility maturing in May 2028, the proceeds of which were used to complete the Grover acquisition and pay fees and expenses related thereto.
- On September 24, 2025, we extended our debt maturities and decreased our interest rate by issuing \$1.0 billion in aggregate principal amount of 6.250% senior unsecured notes due 2033, the net proceeds of which were used to redeem all \$700 million of the 2028 Unsecured Notes, pay all outstanding borrowings under the LNWI Revolver and pay accrued and unpaid interest thereon plus related fees and expenses, with any remaining proceeds used for general corporate purposes, including repurchases of the Company's equity.
- On January 22, 2026, we amended the LNWI Credit Agreement and reduced the applicable margin on the LNWI Term Loan B. Following the amendment, the interest rate for the Term Loan B is either (i) Adjusted Term SOFR Rate (as defined in the LNWI Credit Agreement) plus 2.00% per annum or (ii) a base rate plus 1.00% per annum. See Note 14 for further details on our long-term debt.

#### **Trends and Uncertainties**

We have a number of trends and uncertainties that have impacted and may continue to impact our business and results of operations. Such impacts have in some cases been material and could be material in the future should they continue.

*Our ability to execute on our strategic initiatives.* We continue to advance on our strategy to become a leading cross-platform global games company with a focus on content and digital markets and have established a strategic roadmap to drive long-term value (more fully described in in *Part I, Item 1* above). Successful execution on our strategy might present unexpected challenges and uncertainties, including actions that will result in increased restructuring charges as we incur integration and optimization expenses to execute and facilitate our strategies, and it may be impacted by economic cycle uncertainties.

*Inflation and supply chain logistics.* Inflationary pressures, macroeconomic uncertainty and potential disruptions in our supply chain have caused and may again cause shortages of inputs/outputs, which in turn put inflationary pressures on the economy as a whole. Inflationary pressures may also have an impact on discretionary income as people allocate more of their disposable income toward higher priced necessity goods and services, which could impact our customers. These circumstances may change in the future and such changes could be material.

*Trade tariffs and policies.* In April of 2025, the U.S. government and many foreign countries imposed a series of new trade tariffs and other changes in trade policy. In addition, in response to these tariffs, other countries have implemented retaliatory tariffs and other measures impacting U.S. goods. These tariffs place additional duties on imports, and we currently source a portion of the raw materials and components for our Gaming business from China and across Asia. We have evaluated various mitigation strategies, including but not limited to, supplier diversification, adjusting supply chain operations, supplier pricing negotiations and cost control initiatives, among other measures. Over the past several quarters, through margin enhancement initiatives, we have also successfully executed meaningful operational efficiencies. While we expect recent tariffs and trade policies to continue to create incremental cost pressures, our realized and ongoing operational efficiency initiatives coupled with other measures are expected to mitigate some of these effects. Additionally, as described above, overall macroeconomic uncertainty, including tariffs, is impacting some of our customers and their game replacement cycle as they are being more cautious on the timing of their capital expenditures. The full impact of the tariffs on our financial results will depend on several factors, including the duration and magnitude of the trade measures, our customer behavior and timing of capital expenditures, overall market conditions and our ability to successfully execute our mitigation strategies. For more information, see “*Changes in international trade policy, including the imposition of tariffs and the resulting consequences, may have a material adverse impact on our business, operating results, and financial condition*” in *Part I, Item 1A*.

*International operations and foreign currency.* We face challenges related to expanding our footprint within international markets and the related process of obtaining regulatory approvals to provide services and products within these new and emerging markets. Our customers in the Latin America region operate in a difficult macroeconomic and political

environment that has historically resulted in (a) a material reduction in revenue, (b) a reduction in the cash we have collected from these customers on previous sales and (c) charges for estimated credit losses.

Additionally, our international operations provide a significant portion of our total revenue and expenses. Many of these revenue and expenses are denominated in currencies other than the U.S. Dollar. As a result, changes in foreign exchange rates, including the recent strengthening of the U.S. Dollar, may significantly affect our results of operations.

*A high level of competition, with competitor expansion.* Our major competitors are expanding their product and service offerings with integrated products and solutions that compete directly with ours. For example, competition in our Gaming business segment is highly competitive and is characterized by the continuous introduction of new games, gaming machines and related technologies. Our iGaming business segment is facing challenges related to expanding our market share within new and emerging markets, while our SciPlay business segment continues to be highly competitive with low barriers to entry, rapid evolution and a fragmented market and is subject to changing technology, shifting needs and frequent introductions of new games, development platforms and services, and pressures from sweepstakes operators. See *Part I, Item 1* of this Annual Report on Form 10-K and *Business Segment Results* below describing competition and factors impacting each of our business segments.

*Seasonality.* Our results of operations fluctuate due to seasonal trends and other factors impacting all of our business segments, particularly the Gaming and SciPlay businesses. See “*Seasonality*” in *Part I, Item 1* of this Annual Report on Form 10-K.

For additional trends and uncertainties impacting our reportable business segments, refer below to *Reportable Business Segment Results*, specifically the *Current Year Update* section for each reportable business segment.

### Reportable Segments

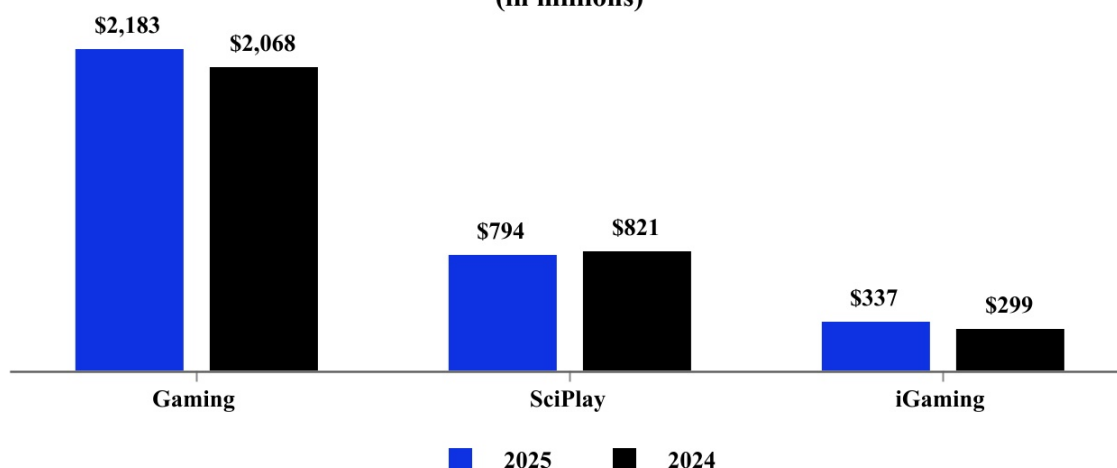
We report our operations in three reportable business segments — Gaming, SciPlay and iGaming — representing our different products and services. See Notes 2 and 3 for additional information.

### CONSOLIDATED RESULTS

The following presents information about our results of operations for the year ended December 31, 2025 compared to 2024. See *Part II, Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations”* of the 2024 Annual Report on Form 10-K for our results of operations for the year ended December 31, 2024 as compared to 2023.

(\$ in millions)	Year Ended December 31,		Variance	
	2025	2024	2025 vs. 2024	
Total revenue	\$ 3,314	\$ 3,188	\$ 126	4 %
Total operating expenses	2,631	2,520	111	4 %
Operating income	683	668	15	2 %
Net income before income taxes	365	421	(56)	(13)%
Net income	276	336	(60)	(18)%

**Consolidated Revenue by Reportable Business Segment  
(in millions)**



Gaming revenue growth was primarily driven by higher Gaming operations revenue, reflecting continued strong performance across our diversified portfolio of successful game franchises. We observed strong performance in our U.S. and Canada premium installed base, which reached record levels again this year. Gaming revenue also benefited from \$102 million of incremental revenue from Grover, which ended the year with 11,634 installed base units.

SciPlay revenue decreased by \$27 million, or 3%, due to a decline in average monthly payers primarily attributable to JACKPOT PARTY® Casino, partially offset by an increase in average monthly revenue per paying user, which increased by \$10.61, or 9%, to \$125.95. Revenue generated via the proprietary direct-to-consumer platform continues to increase and represented 19% and 11% of total SciPlay revenue for the years ended December 31, 2025 and 2024, respectively.

iGaming revenue increased by \$38 million, or 13%, primarily due to growth in the North American market, underpinned by first-party content (“1PP”) proliferation, and in our partner network.

Our 2025 consolidated revenues were impacted by \$20 million of favorable foreign currency exchange impact, compared to \$3 million of favorable impact in the prior year.

### Operating Expenses

(\$ in millions)	Year Ended December 31,		Variance	
	2025	2024	2025 vs. 2024	
Operating expenses:				
Cost of services <sup>(1)</sup>	\$ 449	\$ 448	\$ 1	— %
Cost of products <sup>(1)</sup>	436	483	(47)	(10)%
SG&A	869	872	(3)	— %
R&D	252	262	(10)	(4)%
D&A	406	361	45	12 %
Restructuring and other	219	94	125	133 %
Total operating expenses	\$ 2,631	\$ 2,520	\$ 111	4 %

(1) Excludes D&A.

### Cost of Revenue

Cost of revenue for the year ended December 31, 2025 decreased, primarily driven by \$47 million in lower cost of products associated with lower gaming machine sales.

## SG&A

SG&A decreased compared to the prior year period, as a decrease in SciPlay marketing expenses of \$13 million and a decrease in payroll and related expenses of \$12 million were partially offset by an increase in stock-based compensation of \$10 million along with increases in various other operating expenses.

## R&D

R&D decreased primarily due to lower payroll and related expenses of \$4 million along with various other individually insignificant drivers.

## D&A

D&A increased primarily due to depreciation related to Gaming operations installed base investments and growth, as well as D&A associated with assets acquired from the Grover acquisition.

## Restructuring and Other

The increase in restructuring and other was primarily due to current period charges related to certain legal matters of \$130 million (primarily related to the Aristocrat settlement), as compared to \$79 million in the prior year. It also included an increase of \$25 million to the contingent acquisition consideration liability for Grover (primarily due to a successful Indiana market entrance) and higher costs related to strategic initiatives and related transactions, including legal and professional service fees associated with the Grover acquisition of \$15 million, \$21 million in costs related to the Company's transition to a sole primary listing on the ASX and \$12 million in iGaming charges, primarily related to the discontinuation of our iGaming Live Casino operations.

## Other Factors Affecting Net Income

(in millions)	Year Ended December 31,		Factors Affecting Net Income 2025 vs. 2024
	2025	2024	
Interest expense	\$ (314)	\$ (293)	The increase in interest expense is primarily due to higher outstanding debt used to complete the Grover acquisition, partially offset by the redemption of certain senior notes and refinancing through the LNWI Credit Agreement that reduced our applicable interest rates.
Other income, net	1	48	Other income, net, included a \$28 million gain on sale of assets in 2024 as well as the impact of changes in foreign currency exchange rates.
Income tax expense <sup>(1)</sup>	(89)	(85)	The increase in income tax expense was primarily due to the impact of certain minimum income tax regimes and the effect of worldwide tax rates on foreign earnings.

(1) For additional information regarding the changes in our effective tax rates and the variance in our income tax expense, see Note 18.

## Foreign Currency Exchange ("F/X")

Our results are impacted by changes in foreign currency exchange rates used in the translation of foreign functional currencies into USD and the re-measurement of foreign currency transactions or balances. The impact of foreign currency exchange rate fluctuations represents the difference between current rates and prior-period rates applied to current activity. Our exposure to foreign currency volatility on revenue is as follows:

(\$ in millions)	Year Ended December 31,					
	2025			2024		
	Revenue	% Consolidated Revenue	F/X Impact on Revenue	Revenue	% Consolidated Revenue	F/X Impact on Revenue
Foreign Currency:						
British Pound Sterling	\$ 136	4 %	\$ 5	\$ 158	5 %	\$ 3
Euro	232	7 %	10	207	6 %	1
Australian Dollar	111	3 %	(3)	155	5 %	(2)

## REPORTABLE BUSINESS SEGMENT RESULTS

The following presents information about our reportable business segment results of operations for the year ended December 31, 2025 compared to 2024. See *Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations"* of the 2024 Annual Report on Form 10-K for our reportable business segment results of operations for the year ended December 31, 2024 as compared to 2023.

The types of products and services from which our segments derive their revenues are further discussed in Notes 2 and 3. Certain financial information relating to our segments, including segment revenue, significant expenses, AEBITDA and total assets and certain financial information relating to our revenue derived from and assets located in the U.S. and other geographic areas is included in Note 2.

## GAMING

Our Gaming business segment designs, develops, manufactures, markets and distributes a comprehensive portfolio of gaming content, products and services. We provide our Gaming portfolio of products and services to commercial casinos, Native American casinos, wide-area gaming operators such as LBOs, arcade and bingo operators in the U.K. and continental Europe, charitable organizations, and government agencies and their affiliated operators.

The following table summarizes the primary business activities included in our Gaming business segment.

	Services	Products
Gaming operations	Service revenues from gaming operations are derived from WAP, premium and daily-fee Participation gaming machines, other leased gaming machines (including VLTs and ETSs), electronic pull-tab solutions, and licensing arrangements.	N/A
Gaming machine sales	N/A	Sale of new and used gaming machines, ETSs and VLTs, conversion game kits and spare parts.
Gaming systems	We provide services which include installation and support of CMSs, including ongoing hardware and software maintenance and upgrade services of customer CMSs.	We offer CMSs that help our customers improve communication with players, add excitement to the gaming floor and enhance operating efficiencies.
Table products	Revenue is generated from supplied table products (including Shufflers and other table products utilities) and services.	Sale of table products (including Shufflers) and PTG licensing (including subscription arrangements).

### Gaming Operations

Our services revenue includes revenue earned from Participation games, other gaming machine services and table product service arrangements. We categorize our Participation gaming machines as (1) U.S. and Canada units and (2) International units. The following are different types of Participation games from which we derive our revenue:

- WAP Participation games:* WAP Participation games are electronically linked gaming machines that are located across multiple casinos within both single and multiple gaming jurisdictions or across Native American gaming jurisdictions. Players across linked gaming machines contribute to and compete for system-wide progressive jackpots that are designed to increase gaming machine play for participating casinos by giving the players the opportunity to win a larger jackpot than on a non-WAP gaming machine. We are responsible for funding WAP jackpots. We create WAP games using our proprietary brands and also using licensed brands. We operate our WAP systems at commercial casinos in states throughout the U.S., where it is approved by the local regulatory bodies and in certain Native American casinos.
- Premium and daily fee Participation games:* We offer two categories of non-WAP premium and daily fee Participation games: LAP and standalone. LAP games are gaming machines that are located within a single casino and are electronically linked to a progressive jackpot for that specific casino. Our LAP gaming machines feature games including those offered as WAP and our proprietary brands such as *ULTIMATE FIRE LINK®*, *HUFF N' PUFF®*, *INVADERS! ATTACK FROM THE PLANET MOOLAH®*, and *LION LINK®*. Our LAP products leverage both exclusive brand names and game play intellectual property, and typically offer players the chance to win multiple progressive jackpots, all of which tend to result in higher play volumes. We also provide certain standalone Participation games that are not linked to other gaming machines. Our standalone games feature titles under both licensed brands and our proprietary brands. Our standalone Participation gaming machines generally feature larger, more elaborate top-boxes and provide game play experiences not possible on a single screen game or on gaming machines that we sell.
- Server-based gaming:* We provide wide-area gaming operators, such as LBOs, bingo halls and arcades, a comprehensive package of server-based products and services under long term contracts that typically include gaming machines, remote management of game content and management information, central computer systems, secure data communication and field support services. We are typically paid a fee based on the Net win generated by these gaming

machines (subject to certain adjustments as may be specified in a particular contract, including adjustments for taxes and other fees). Our business in this category is primarily based in the U.K.

- *VLTs*: For certain customers, we provide our multi-game and single-game VLTs, which include video gaming machines, mechanical reel gaming machines and video poker games. Our VLTs may be operated as standalone units or may interface with central monitoring systems operated by government agencies. Our VLTs are typically located in places where casino-style gaming is not the only attraction, such as racetracks, bars and restaurants.
- *Class II and centrally determined systems*: We offer video and mechanical-reel gaming machines and VLTs for Class II and certain VLT jurisdictions where the game outcome is determined by a central server system that we provide. These Class II and centrally determined systems primarily operate in Native American casinos in Washington, Florida, Alabama and Oklahoma. We receive either a fixed daily fee or a percentage of the Net win generated by the gaming machines or VLTs connected to the central determination system and a small daily fee for the central determination system.
- *Electronic pull-tabs*: We offer electronic pull-tab gaming through our Grover business by providing charitable gaming entities with access to proprietary electronic pull-tabs equipment, content and related offerings, with revenue generated under a participation-based model. Grover currently operates in six U.S. states (Indiana as of December 2025) where charitable gaming is permitted and regulated, with over 11,600 units and over 1,500 locations, and is well positioned to capitalize on future expansion and legalization of charitable gaming.

### *Gaming Machine Sales*

The majority of our product sales are derived from sales of gaming machines and VLTs that use a combination of advanced graphics, mechanical reels, digital music and sounds and secondary bonus games. We also sell ETSs to either meet the needs of particular locations where live tables are not allowed or as productivity-enhancing solutions for other jurisdictions.

### *Gaming Systems*

Our comprehensive suite of technology solutions provides gaming operations of every size with a wide range of marketing, data management and analysis, accounting, player tracking, security, loyalty and other applications and tools to more effectively manage their operations. Gaming systems products include the *iVIEW*<sup>®</sup> touch screen display, which facilitates the player experience, bonus features, customer service, and employee functions. Gaming systems revenues related to core system solutions are highly dependent on new installations. Gaming system revenues are also generated through ongoing hardware and software maintenance services and upgrades.

### *Table Products*

Our table product sales are generated primarily from the sale of products designed to enhance table game speed, productivity, profitability and security. Our product offerings include various models of Shufflers to suit specific games.

We also offer Shuffler products under month-to-month arrangements that primarily contain fixed monthly rates or to a lesser extent Participation rates. These arrangements include service of the product with back-up and replacement products available at the customer's request.

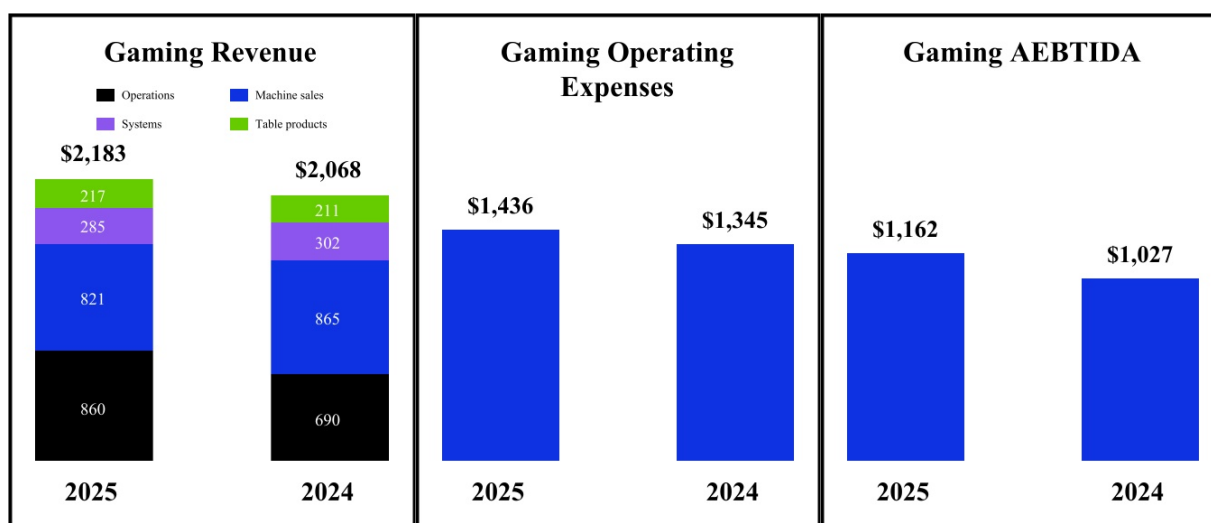
We license our PTG content to commercial, tribal and governmental casino operators typically under month-to-month arrangements based on fixed monthly rates or subscription arrangements to our PTG content library. PTGs, which are designed to enhance operators' table-game operations, include our internally developed and acquired PTGs, progressive system software, side bets, add-ons and other progressive features. Our proprietary content and features are also added to public domain games such as poker, baccarat, pai gow poker, craps and blackjack table games and to electronic platforms.

### *Current Year Update*

We continue to see strong demand for our Gaming products and services that feature our diversified portfolio of successful game franchises, including *KONG: SKULL ISLAND*, *HUFF N' PUFF*<sup>®</sup>, *ULTIMATE FIRE LINK*<sup>®</sup>, *INVADERS! ATTACK FROM THE PLANET MOOLAH*<sup>®</sup>, *FRANKENSTEIN*, our hit Asian-themed games *88 FORTUNES*<sup>®</sup> and *DANCING DRUMS*<sup>®</sup>, stepper favorites *QUICK HIT*<sup>®</sup> and *BLAZING 777*<sup>®</sup> and our *COSMIC*<sup>®</sup>, *COSMIC UPRIGHT* and *HORIZON*<sup>®</sup> cabinets. The increase in Gaming revenue for the year ended December 31, 2025, as compared to the prior year, was primarily driven by continued growth in Gaming operations revenue, which benefitted from a \$68 million, or 10%, increase supported by these high-performing game franchises, along with \$102 million in revenue contributions from Grover. Gaming revenue also benefitted from an increase in Table products revenue. While demand remains strong, we are actively monitoring any impact of recent tariffs, inflationary pressures, supply chain disruptions and macroeconomic uncertainty that may impact our operations

and financial results. See the “Business Overview” section above and *Part I, Item 1A “Risk Factors”* for information regarding recent trade tariffs which may have a significant impact on our Gaming business.

*Results of Operations and Key Performance Indicators*



(\$ in millions, except per unit amounts)	Year Ended December 31,		Variance	
	2025	2024	2025 vs. 2024	
<b>Revenue:</b>				
Gaming operations <sup>(1)</sup>	\$ 860	\$ 690	\$ 170	25 %
Gaming machine sales	821	865	(44)	(5)%
Gaming systems	285	302	(17)	(6)%
Table products	217	211	6	3 %
Total revenue	\$ 2,183	\$ 2,068	\$ 115	6 %
F/X impact on revenue	\$ 7	\$ 2	\$ 5	250 %
<b>KPIs:</b>				
<b>U.S. and Canada units<sup>(1)</sup>:</b>				
Installed base at period end	48,326	34,004	14,322	42 %
Average daily revenue per unit	\$ 47.06	\$ 46.79	\$ 0.27	1 %
<b>International units<sup>(2)</sup>:</b>				
Installed base at period end	18,898	20,165	(1,267)	(6)%
Average daily revenue per unit	\$ 16.00	\$ 15.82	\$ 0.18	1 %
<b>Gaming machine sales:</b>				
U.S. and Canada new unit shipments	24,244	22,320	1,924	9 %
International new unit shipments	15,534	21,338	(5,804)	(27)%
Total new unit shipments	39,778	43,658	(3,880)	(9)%
Average sales price per new unit	\$ 18,797	\$ 18,438	\$ 359	2 %

(1) Inclusive of Grover installed base. During the current period, we revised the calculation of U.S. and Canada Average Daily Revenue per Unit (“ADRPU”) and updated the definition of our Grover installed base to fully align the methodology used across Grover and our legacy Gaming operations. The revision also incorporates a transition to presenting ADRPU on a net basis for WAP jackpots. Prior-period amounts have been revised to conform to the current presentation. These revisions did not have a material impact on underlying historical trends in the business. Revised U.S. and Canada ADRPU for the year ended December 31, 2023 was \$46.30.

(2) Units exclude those related to game content licensing.

## Gaming Operations

Gaming operations revenue for 2025 demonstrated continued momentum driven by strong game performance of hit franchises and premium games, as well as a contribution of \$102 million in revenue from Grover. Gaming operations installed base for U.S. and Canada (excluding Grover) increased from 34,004 units in 2024 to 36,692 units in 2025, while Grover had an installed base of 11,634 units as of December 31, 2025. Gaming operations (including Grover) had a slight increase in average daily revenue per unit of \$0.27, as growth in our existing U.S. and Canada units was partially offset by the inclusion of lower-yielding Grover units. Average daily revenue per unit increased slightly for International units by \$0.18 while International ending installed base units decreased from 20,165 units in 2024 to 18,898 units in 2025, primarily due to the expected closure of certain LBOs in the U.K. along with the reduction of certain low-yielding units in Latin America. Gaming operations generated 39% and 33% of total Gaming segment revenues for 2025 and 2024, respectively.

## Gaming Machine Sales

Gaming machine sales revenue decreased primarily due to the timing of international game sales, including overall more cautious purchasing behavior and delayed capital expenditure among some of our customers.

The following table summarizes Gaming machine sales changes:

	Year Ended December 31,		Variance	
	2025	2024	2025 vs. 2024	
U.S. and Canada unit shipments:				
Replacement units	22,506	20,742	1,764	9 %
Casino opening and expansion units	1,738	1,578	160	10 %
Total unit shipments	24,244	22,320	1,924	9 %
International unit shipments:				
Replacement units	14,420	19,342	(4,922)	(25)%
Casino opening and expansion units	1,114	1,996	(882)	(44)%
Total unit shipments	15,534	21,338	(5,804)	(27)%

## *Operating Expenses*

The increase in operating expenses is primarily due to \$61 million in higher D&A, of which \$40 million is related to the Grover acquisition, with the remainder related to increased Gaming operations investment, coupled with \$39 million in higher SG&A expenses driven by higher salaries and benefits (including stock-based compensation) and \$31 million in higher R&O expense primarily driven by the change in Grover contingent acquisition consideration fair value, partially offset by \$39 million in lower cost of revenue associated with the decrease in Gaming machine sales revenue as described above.

## *AEBITDA*

AEBITDA increased by \$135 million, or 13%, and AEBITDA margin increased to 53%. These results were primarily driven by increased revenue, a more favorable revenue mix, margin enhancements initiatives, Grover contributions and the impact of our current year incentive compensation payout structure.

## **SCIPLAY**

Our SciPlay business segment is a leading developer and publisher of digital games on online platforms. SciPlay operates primarily in the social gaming market, which is characterized by game play online or on mobile devices that is social, competitive and self-directed in pace and session length. SciPlay generates a substantial portion of its revenue from in-app purchases in the form of coins, chips and cards, which players can use to play slot games, table games or bingo games. Players who install SciPlay's social games typically receive free coins, chips or cards upon the initial launch of the game and additional free coins, chips or cards at specific time intervals. Players may exhaust the coins, chips or cards that they receive for free and may choose to purchase additional coins, chips or cards in order to enhance game play. Once obtained, coins, chips and cards (either free or purchased) cannot be redeemed for cash nor exchanged for anything other than game play within SciPlay's apps. SciPlay generates additional revenue through advertising arrangements in certain games, which was not material for the periods presented. Players who install these games receive free, unlimited game play that requires viewing of periodic in-game advertisements.

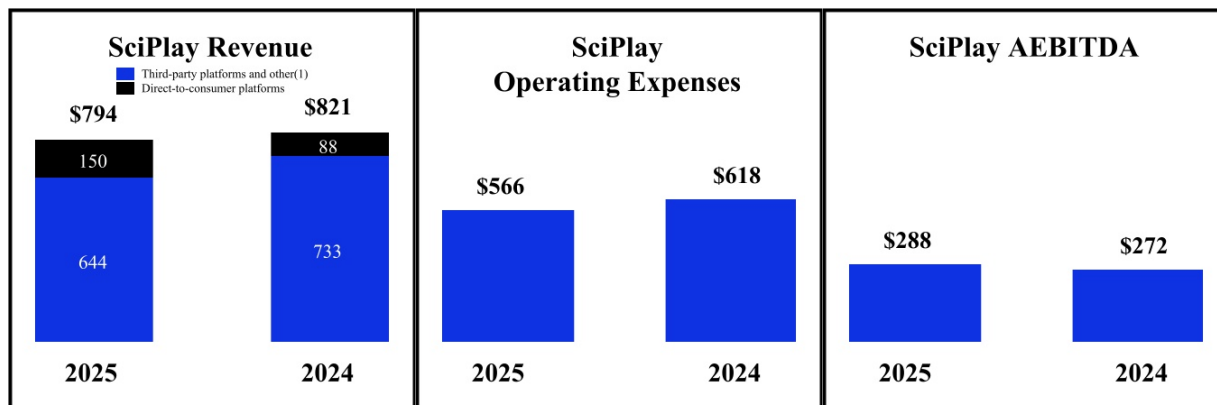
SciPlay currently offers a variety of social casino games, including *Jackpot Party Casino*, *Quick Hit Slots*, *Gold Fish Casino*, *88 Fortunes Slots*, *Monopoly Slots* and *Hot Shot Casino*. SciPlay continues to pursue its strategy of expanding into the online games market. Current casual game titles include *Bingo Showdown* and *Backgammon Live*. SciPlay continually develops and tests various new games. SciPlay’s social casino games typically include slots-style game play and occasionally include table games-style game play, while its casual games blend solitaire-style or bingo game play with adventure game features. All of SciPlay’s games are offered and played across multiple platforms, including *Apple*, *Google*, *Facebook*, *Amazon* and *Microsoft*. SciPlay launched a proprietary direct-to-consumer in-app purchase platform during 2023, with the goals of improving players’ experience and reducing costs of revenue given the lower payment processing fees and other related expenses for in-app purchases made through the proprietary platform, as compared to the platform fee charged by third-party platforms. In addition to original game content, SciPlay’s content library includes recognizable game content across our other platforms within Gaming and iGaming. This content allows players who like playing land-based game content to enjoy some of those same titles in SciPlay’s free-to-play games.

*Current Year Update*

We demonstrated resilient earnings performance in 2025, as SciPlay continued to deliver steady results and quality player monetization. Total revenue fell by 3% year-over-year, primarily due to a decline in average monthly payers, primarily attributable to *Jackpot Party*® Casino, partially offset by an increase in average monthly revenue per paying user. Additionally, the overall social casino industry is experiencing pressures from sweepstakes operators. SciPlay continues to deploy strategic game updates across a number of portfolio games, utilize enhanced analytics, pursue international expansion and benefit from the proprietary direct-to-consumer platform. Revenue generated via the proprietary platform increased to approximately 19% of total SciPlay revenue for the current year.

We have a significant portion of SciPlay personnel located in Tel Aviv, Israel. In light of current circumstances in Israel, we are actively monitoring developments and are ready to redirect resources as needed to minimize impact on SciPlay operations. We do not have servers or infrastructure that are located in Israel that host our games. While we have not yet seen an impact on our business from current events, they could negatively affect the performance of the personnel in that area and have an adverse impact on our business if these events continue and/or escalate. Refer to “*Risk Factors*” under *Part I, Item 1A* in this Annual Report on Form 10-K for more information.

*Results of Operations and Key Performance Indicators*



(1) Other primarily represents advertising revenue, which was not material for the periods presented.

(in millions unless otherwise noted)	Year Ended December 31,		Variance	
	2025	2024	2025 vs. 2024	
<b>Revenue:</b>				
Third-party platforms and other <sup>(1)</sup>	\$ 644	\$ 733	\$ (89)	(12)%
Direct-to-consumer platforms	150	88	62	70 %
Total revenue	\$ 794	\$ 821	\$ (27)	(3)%
F/X impact on revenue	\$ 6	\$ —	\$ 6	nm

#### KPIs:

<b>In-App Purchases:</b>				
Average MAU <sup>(2)</sup>	5.2	5.5	(0.3)	(5)%
Average DAU <sup>(3)</sup>	2.0	2.1	(0.1)	(5)%
ARPDau <sup>(4)</sup>	\$ 1.08	\$ 1.04	\$ 0.04	4 %
Average MPUs <sup>(5)</sup> (in thousands)	520	586	(66)	(11)%
AMRPPU <sup>(6)</sup>	\$ 125.95	\$ 115.34	\$ 10.61	9 %
Payer Conversion Rate <sup>(7)</sup>	10.0 %	10.6 %	(0.6)pp	nm

nm = not meaningful.

pp = percentage points.

(1) Other primarily represents advertising revenue, which was not material for the periods presented.

(2) MAU = Monthly Active Users is a count of visitors to our sites during a month. An individual who plays multiple games or from multiple devices may, in certain circumstances, be counted more than once. However, we use third-party data to limit the occurrence of multiple counting.

(3) DAU = Daily Active Users is a count of visitors to our sites during a day. An individual who plays multiple games or from multiple devices may, in certain circumstances, be counted more than once. However, we use third-party data to limit the occurrence of multiple counting.

(4) ARPDau = Average Revenue Per DAU is calculated by dividing revenue for a period by the DAU for the period by the number of days for the period.

(5) MPU = Monthly Paying Users is the number of individual users who made an in-game purchase during a particular month.

(6) AMRPPU = Average Monthly Revenue Per Paying User is calculated by dividing average monthly revenue by average MPUs for the applicable time period.

(7) Payer conversion rate is calculated by dividing average MPU for the period by the average MAU for the same period.

#### Revenue

Revenue decreased primarily due to a decline in average monthly payers, primarily attributable to *Jackpot Party*® Casino, partially offset by an increase in average monthly revenue per paying user. Direct-to-consumer revenue increased to \$150 million in the current year and represented 19% of the total revenue.

Average MAU and average MPU decreased due to the turnover in users. ARPDau increased slightly as a function of higher player monetization with a slightly lower average DAU. AMRPPU increased, despite payer conversion decreasing slightly, as SciPlay continues to improve content and features, resulting in steady paying player interaction.

Payer conversion rates continue to be elevated due to consistent payer interaction with the games as a result of SciPlay's focus on introducing new content, features and live events in their games.

#### Operating Expenses

The decrease in operating expenses is primarily driven by lower cost of revenue primarily due to higher margins on our direct-to-consumer platform revenue, lower salaries and benefits (including stock-based compensation) of \$19 million and lower user acquisition costs of \$12 million.

#### AEBITDA

AEBITDA increased by \$16 million, and AEBITDA margin increased by 3 percentage points to 36%, primarily due to higher margins on our direct-to-consumer revenue.

#### iGAMING

Our iGaming business segment provides a comprehensive suite of digital gaming content, distribution platforms, player account management systems, as well as various other iGaming content and services. The majority of our revenue is derived from casino-style game content, including a wide variety of internally developed and branded games as well as popular third-party provider games. These games are made available to iGaming operators via content aggregation platforms, including Open Gaming System, remote gaming servers and various other platforms. We also provide our Open Platform System, a player account management system which offers a wide range of reporting and administrative functions and tools providing

operators full control over all areas of digital gaming operations. The majority of our iGaming revenue is based on a Participation model. Generally, we host the play of our game content which is integrated with the online casino operators' websites.

#### *Current Year Update*

We continue to expand our customer base and capitalize on growth in the North American and International markets, including emerging markets, by leveraging our industry-leading platforms, content and solutions, as well as investing in our ability to scale our own original U.S. land-based content offering.

Following the decision made in the first quarter of 2025, the Company discontinued its Live Casino operations. This reflects our commitment to reallocate resources to maximize our return on investments, and we do not expect that this decision will have a material impact on the iGaming business's long-term growth prospects.

In November 2025, the U.K. Government's Autumn Budget increased gambling duties that will increase tax liabilities for our customers and consequently impact our revenue and earnings. We are still assessing the potential impact on our iGaming segment. See the "Business Overview" section above and Part I, Item 1A "Risk Factors" for information regarding U.K Government gaming tax changes.

#### *Results of Operations*



Overall, iGaming revenue increased by \$38 million, or 13%, as a result of the strength of our original content, continuing momentum in the North American market underpinned by 1PP growth and the expansion of our partner network. Wagers processed through our Open Gaming System increased to \$109 billion for the year ended December 31, 2025, an \$18 billion increase from the prior year. Revenue was favorably impacted by foreign currency translation of \$7 million, as compared to \$2 million for the year ended December 31, 2024.

Operating expenses increased slightly due to an increase in cost of revenue associated with the increase in revenue as described above and an increase in restructuring costs, largely related to the discontinuation of our Live Casino operations, partially offset by a decrease in intangible asset amortization expense. AEBITDA increased by \$27 million or 28%, primarily due to the increase in revenue described above, while AEBITDA margin increased to 37%, primarily due to lower operating expenses (excluding restructuring costs) and higher margin on 1PP revenues.

#### **RECENTLY ISSUED ACCOUNTING GUIDANCE**

For a description of recently issued accounting pronouncements, see Note 1.

#### **CRITICAL ACCOUNTING ESTIMATES**

Information regarding significant accounting policies is included in Note 1 and in the relevant sections of applicable Notes. As stated in Note 1, the preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses, and related disclosure of contingent assets and liabilities. Management bases its estimates on historical experience and on various assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may

differ from these estimates. We believe that the estimates, assumptions, and judgments involved in the following accounting policies have the greatest potential impact on our consolidated financial statements:

- Business combinations;
- Revenue recognition;
- Goodwill, long-lived and other intangible assets - impairment assessment;
- Income taxes; and
- Legal contingencies.

#### *Business Combinations*

As described in Note 9, we account for business combinations in accordance with ASC 805. This standard requires the acquiring entity in a business combination to recognize all (and only) the assets acquired and liabilities assumed in the transaction and establishes the acquisition-date fair value as the measurement objective for all assets acquired and liabilities assumed in a business combination, with certain exceptions for contract assets and contract liabilities in accordance with ASC 606.

Determining the fair value of assets acquired and liabilities assumed requires management judgment, the utilization of independent valuation experts and often involves the use of significant estimates and assumptions with respect to the timing and amounts of future cash inflows and outflows, discount rates, market prices and asset lives, among other items. Any changes in the underlying assumptions can impact the estimates of fair value by material amounts, which can in turn materially impact our results of operations. If the subsequent actual results and updated projections of the underlying business activity change compared with the assumptions and projections used to develop these fair values, we could record impairment charges. In addition, we have estimated the economic lives of certain acquired assets and these lives are used to calculate D&A expense. If our estimates of the economic lives change, D&A expense could be accelerated or slowed. For example, if the Grover intangible assets useful lives were extended by two years, the total annual depreciation and amortization would decrease by approximately \$7 million, and if the useful lives were shortened by two years, the total annual depreciation and amortization would increase by approximately \$14 million. Additionally, we record contingent acquisition consideration as a liability when applicable, the value of which is generally based on reaching certain earnings-based metrics. The related liability is recorded at fair value as of the acquisition date as part of the consideration transferred and remeasured each reporting period, with any change in fair value recorded to restructuring and other, and any changes to the underlying assumptions can impact the estimates of fair value by material amounts. As of December 31, 2025, our total estimated contingent acquisition consideration liability (including redeemable non-controlling interest) was \$88 million with maximum contractual payout of \$400 million. See Note 15 for additional details.

#### *Revenue Recognition*

Our revenue recognition policies described in Note 3 require us to make significant judgments and estimates. The guidance requires that we apply judgments or estimates to determine the performance obligations, the stand-alone selling prices of our performance obligations to customers, and the timing of transfer of control of the respective performance obligations. The evaluation of each of these criteria in light of contract-specific facts and circumstances is inherently judgmental, but certain judgments could significantly affect the timing or amount of revenue recognized if we were to reach a different conclusion than we have. The critical judgments we are required to make in our assessment of contracts with customers that could significantly affect the timing or amount of revenue recognized are:

- *Contracts with multiple promised goods and services.* Because we enter into contracts with customers that involve promises to transfer multiple products and services, the determination of the distinct performance obligations in contracts with multiple promises requires significant judgment. Our total gaming systems revenue that often contains multiple promised goods and services was \$285 million for the year ended December 31, 2025, or approximately 9% of consolidated revenue, a portion of which would not be recognized if we had reached a different conclusion.
- *Determination of stand-alone selling prices.* The guidance requires that we determine the stand-alone selling price for our goods and services as a basis for allocating the transaction price to the identified distinct performance obligations in our contracts with customers. Because we often bundle the selling price for multiple promised goods or services, the determination of a stand-alone selling price or the relative range may require significant judgment. Our total gaming systems revenue that could be subject to this judgment and thus allocated to distinct performance obligations differently was a portion of \$285 million for the year ended December 31, 2025, or approximately 9% of consolidated revenue.

## *Goodwill - Impairment Assessment*

We allocate goodwill to reporting units based on the reporting unit expected to benefit from the business combination. We evaluate our reporting units on at least an annual basis and, if necessary, reassign goodwill using a relative fair value allocation approach. We determined that we have seven reporting units: Gaming, U.K. Gaming, Grover, Casino Management Systems, Table Products, SciPlay, and iGaming. Goodwill is tested for impairment at the reporting unit level (operating segment or one level below an operating segment) annually on October 1 and between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. These events or circumstances could include a significant change in the business climate, legal factors, operating performance indicators, competition, or sale or disposition of a significant portion of a reporting unit.

Goodwill is reviewed for impairment using either a qualitative assessment or a quantitative one-step process. If we perform a qualitative assessment and determine that the fair value of a reporting unit more likely than not exceeds the carrying value, no further evaluation is necessary. For reporting units where we perform the quantitative test, we are required to compare the fair value of each reporting unit, which we primarily determine using an income approach based on the present value of discounted cash flows and a market approach, to the respective carrying value, which includes goodwill. If the fair value of the reporting unit exceeds its carrying value, the goodwill is not considered impaired. If the carrying value is higher than the fair value, we recognize an impairment charge for the amount by which the carrying value exceeds the reporting unit's estimated fair value.

Application of the goodwill impairment test requires judgment, including the identification of reporting units, assignment of assets and liabilities to reporting units, assignment of goodwill to reporting units, and determination of the fair value of each reporting unit. Performance of the qualitative goodwill assessment requires judgment in identifying and considering the significance of relevant key factors, events and circumstances that affect the fair value or carrying amount of the reporting units. Such events and circumstances that we have considered include macroeconomic conditions, industry specific and market considerations, and reporting unit-specific factors such as overall actual and projected financial performance, among other factors. We also considered the results from the most recent date that a fair value measurement was performed as a part of a quantitative goodwill assessment and specifically the cushion between each reporting unit's fair value and carrying value. The estimates used to calculate the fair value of a reporting unit as a part of a quantitative goodwill assessment change from year to year based on operating results, market conditions, and other factors. Changes in these estimates and assumptions could materially affect the determination of fair value and goodwill impairment, if any, for each reporting unit.

We performed our annual goodwill impairment test as of October 1, 2025 using a quantitative test for our Casino Management Systems reporting unit and a qualitative assessment for all other reporting units. For our Casino Management Systems reporting unit, we determined that the fair value of the reporting unit substantially exceeded its carrying value (greater than 20%) and no impairment charges were warranted. Based on the results of our qualitative impairment assessment for all other reporting units, we concluded that it is more likely than not that the fair values of these reporting units substantially exceeded their respective carrying values and there were no reporting units requiring further assessment.

## *Long-lived Assets and Finite-lived Intangible Assets*

We evaluate the recoverability of intangible assets and other long-lived assets with finite useful lives by comparing the carrying value of the asset group to the estimated undiscounted future cash flows that we expect the asset to generate if events or changes in circumstances indicate that these assets are not recoverable. Any impairment is measured as the amount by which the carrying value of the asset exceeds the estimated fair value. The fair value is determined using a discounted cash flow approach where projections of future cash flows generated by those assets are discounted using an estimated discount rate. Significant judgment is required to estimate the amount and timing of future cash flows and the relative risk of achieving those cash flows. We also make judgments about the remaining useful lives of intangible assets and other long-lived assets that have finite lives. While we believe our estimates of future operating results and projected cash flows are reasonable, any significant adverse changes in key assumptions (i.e., adverse change in the extent or manner in which an asset or asset group is being used or expectation that, more likely than not, an asset or asset group will be sold or otherwise disposed of before the end of its useful life) or adverse changes in economic and market conditions may cause a change in our evaluation of recoverability or our estimation of fair value and could result in an impairment charge that could be material to our financial statements.

## *Income Taxes*

We are subject to the income tax laws of the many jurisdictions in which we operate. These tax laws are complex, and the manner in which they apply to our facts is sometimes open to interpretation. In establishing the provision for income taxes, we must make judgments about the application of these inherently complex tax laws.

Despite our belief that our tax return positions are consistent with applicable tax laws, we believe that taxing authorities could challenge certain positions. Settlement of any challenge can result in no change, a complete disallowance, or some partial adjustment reached through negotiations or litigation. We record tax benefits for uncertain tax positions based upon management's evaluation of the information available at the reporting date. To be recognized in the financial statements, a tax benefit must be at least more likely than not of being sustained based on technical merits. The tax benefit for positions meeting the recognition threshold is measured as the largest benefit more likely than not to be realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. Significant judgment is required in making these determinations, and adjustments to uncertain tax positions may be necessary to reflect actual taxes payable upon settlement. Adjustments related to positions impacting the effective tax rate affect the provision for income taxes. Adjustments related to positions impacting the timing of deductions impact deferred tax assets and liabilities.

Our income tax positions and analysis are based on currently enacted tax law. Future changes in tax law could significantly impact the provision for income taxes, the amount of taxes payable, and the deferred tax asset and liability balances in future periods. Deferred tax assets generally represent tax benefits for tax deductions or credits available in future tax returns. Certain estimates and assumptions are required to determine whether it is more likely than not that all or some portion of the benefit of a deferred tax asset will not be realized. In making this assessment, management analyzes and estimates the impact of future taxable income, available carry-backs and carry-forwards, reversing temporary differences and available prudent and feasible tax planning strategies.

We have recorded valuation allowances in certain jurisdictions to reduce our deferred tax assets to the amounts that are more likely than not to be realized. Should a change in facts or circumstances lead to a change in judgment about the ultimate realizability of a deferred tax asset, we record or adjust the related valuation allowance in the annual period that the change in facts and circumstances occurs, along with a corresponding increase or decrease in the provision for income taxes.

#### *Legal Contingencies*

We are subject to certain legal proceedings, demands, claims and threatened litigation that arise in the normal course of our business. We review the status of each significant matter quarterly and assess our potential financial exposure. If the potential loss from any claim or legal proceeding is considered probable and the amount can be reasonably estimated, we record a liability and an expense for the estimated loss. If we determine that a loss is reasonably possible and the range of the loss can be reasonably estimated, then we disclose the range of the possible loss. Significant judgment is required in the determination of whether a potential loss is probable, reasonably possible, or remote and in the determination of whether a potential exposure is reasonably estimable. Our accruals are based on the best information available at the time. As additional information becomes available, we reassess the liabilities and disclosures related to our pending claims and litigation and may revise our estimates. Potential legal liabilities and the revision of estimates of legal liabilities could have a material impact on our results of operations, cash flows and financial position. For discussion of our legal proceedings, see Note 19, which is incorporated by reference into *Item 3* of this Annual Report on Form 10-K.

## **LIQUIDITY, CAPITAL RESOURCES AND WORKING CAPITAL**

### *Cash and Available Liquidity*

As of December 31, 2025, our principal sources of liquidity, other than cash flows provided by operating activities, were cash and cash equivalents as well as amounts available under the LNWI Revolver, discussed further in Note 14.

The following table summarizes our cash and available revolver capacity as of December 31, 2025 and 2024:

<b>(in millions)</b>	<b>As of December 31,</b>	
	<b>2025</b>	<b>2024</b>
Cash and cash equivalents	\$ 167	\$ 196
Revolver capacity	1,000	750
Revolver capacity drawn	(230)	—
Letters of credit	(10)	(10)
<b>Total</b>	<b>\$ 927</b>	<b>\$ 936</b>

### *Sources and Uses of Liquidity*

As of December 31, 2025, we had total revolver capacity drawn of \$230 million and letters of credit of \$10 million, with \$760 million remaining available. On February 10, 2025, we entered into an amendment to the LNWI Credit Agreement which, among other things, (i) provides for new revolving commitments in an amount of \$1.0 billion, replacing the existing

revolving commitments of \$750 million, (ii) extends the maturity of the revolving commitments, and (iii) reduces the applicable margin for the revolving loans by up to 50 basis points. See Note 14 for further details.

Total cash held by our foreign subsidiaries was \$156 million as of December 31, 2025 as compared to \$127 million as of December 31, 2024. We believe that substantially all cash held outside the U.S. is free from legal encumbrances or similar restrictions that would prevent it from being available to meet our global liquidity needs.

Our Gaming operations generally require significant upfront capital expenditures, and we may need to incur additional capital expenditures in order to retain or increase market share and continue our product investments. Other capital requirements for the near term primarily include debt principal and interest payments and also include purchase obligations and supply contracts, license agreement minimum guaranteed payments and lease obligations. Based on prevailing interest rates at December 31, 2025, we expect to pay required principal and interest payments on our debt in 2026 totaling approximately \$53 million and \$316 million, respectively (inclusive of the impact of interest rate swap contracts).

Our ability to make payments on and to refinance our indebtedness and other obligations depends on our ability to generate cash in the future. We may from time to time repurchase or otherwise repay, retire or refinance our debt, through our subsidiaries or otherwise. Such activities, if any, will depend on prevailing market conditions, contractual restrictions and other factors, and the amounts involved may or may not be material. If we need to refinance all or part of our indebtedness at or before maturity, we cannot assure that we will be able to obtain new financing or to refinance any of our indebtedness on commercially reasonable terms or at all.

On June 11, 2024, our Board of Directors approved a share repurchase program, as amended on July 31, 2025, under which the Company is authorized to repurchase, from time to time through June 12, 2027, up to an aggregate amount of \$1.5 billion of shares of outstanding common stock (including CDIs). Repurchases under this share repurchase program may be effected at the discretion of the Transaction Committee of the Board of Directors through one or more open market repurchases, privately negotiated transactions, including block trades, accelerated share repurchases, issuer tender offers or other derivative contracts or instruments, “10b5-1” plan, or other financial or other arrangements, or a combination of the foregoing. The share repurchase program may be suspended or discontinued at any time. During the year ended December 31, 2025, we repurchased 10.1 million shares of common stock at an aggregate cost of \$885 million (including excise tax).

On May 15, 2025, LNWI entered into the LNWI Credit Agreement A, pursuant to which LNWI borrowed an aggregate principal amount of \$800 million in term loans under the LNWI Term Loan A facility. The proceeds of the loans were used to complete the Grover acquisition and pay fees and expenses related thereto. Loans under the LNWI Term Loan A will mature on May 15, 2028 and, beginning with the first fiscal quarter ending on September 30, 2025, will amortize in quarterly installments in aggregate amounts equal to: (i) for the first four full fiscal quarters following the TLA Closing Date, 0.625% of the aggregate principal amount of the LNWI Term Loan A funded on the TLA Closing Date and (ii) for each fiscal quarter following the fourth full fiscal quarter following the TLA Closing Date, 1.25% of the aggregate principal amount of such LNWI Term Loan A funded on the TLA Closing Date, with any outstanding balance due and payable at maturity.

On September 24, 2025, we issued \$1.0 billion in aggregate principal amount of 6.250% senior unsecured notes due 2033 and received net proceeds of \$988 million, which were used to redeem all \$700 million of the 2028 Unsecured Notes, pay all outstanding borrowings under the LNWI Revolver and pay accrued and unpaid interest thereon plus related fees and expenses. The 2033 Unsecured Notes bear interest at the rate of 6.250% per annum, which accrues from September 24, 2025 and is payable semiannually in arrears on April 1 and October 1 of each year, beginning on April 1, 2026.

On January 22, 2026, we amended the LNWI Credit Agreement and reduced the applicable margin on the LNWI Term Loan B. Following the amendment, the interest rate for the Term Loan B is either (i) Adjusted Term SOFR Rate (as defined in the LNWI Credit Agreement) plus 2.00% per annum or (ii) a base rate plus 1.00% per annum. See Note 14 for further details on our long-term debt.

In the event we pursue significant acquisitions or other expansion opportunities, or conduct significant repurchases of our outstanding securities, we may need to raise additional capital, either through the public or private issuance of equity or debt securities or through additional borrowings under our existing or additional financing arrangements, which sources of funds may not necessarily be available on terms acceptable to us, or at all. If we do not have adequate liquidity to support these activities, we may be unable to obtain financing for these cash needs on favorable terms or at all. For additional information regarding our cash needs and related risks, see “*Risk Factors*” under *Part I, Item 1A*.

## Cash Flow Summary

(in millions)	Year Ended December 31,		Variance
	2025	2024	2025 vs. 2024
Net cash provided by operating activities	\$ 794	\$ 632	\$ 162
Net cash used in investing activities	(1,171)	(258)	(913)
Net cash provided by (used in) financing activities	321	(577)	898
Effect of exchange rate changes on cash, cash equivalents and restricted cash	10	(6)	16
Decrease in cash, cash equivalents and restricted cash	\$ (46)	\$ (209)	\$ 163

### Cash flows from operating activities

(in millions)	Year Ended December 31,		Variance
	2025	2024	2025 vs. 2024
Net income	\$ 276	\$ 336	\$ (60)
Adjustments to reconcile net income to net cash provided by operating activities	580	372	208
Changes in working capital accounts, excluding the effects of acquisitions	(62)	(76)	14
Net cash provided by operating activities	\$ 794	\$ 632	\$ 162

Net cash provided by operating activities increased in 2025, primarily due to a \$148 million increase in earnings and \$46 million in lower income taxes paid. The changes in our working capital accounts for the year ended December 31, 2025 were primarily driven by the following:

- \$73 million paid to settle the TCS John Huxley legal matter;
- \$128 million Aristocrat legal matters reserve;
- \$62 million unfavorable change in receivables due to revenue growth and timing of collections;
- \$19 million unfavorable change in inventory due to timing of orders and shipments as well as higher inventory purchases in order to limit supply chain impacts and support future sales levels; and
- \$15 million unfavorable change in accounts payable and accrued liabilities primarily as a result of the timing of expenditures (including costs associated with the strategic initiatives and related transactions).

### Cash flows from investing activities

Net cash used in investing activities increased primarily due to the Grover acquisition and higher Gaming business capital expenditures in order to support Gaming operations growth. Capital expenditures are composed of investments in systems, equipment and other assets related to contracts, property and equipment, intangible assets and software.

### Cash flows from financing activities

Net cash provided by financing activities increased, primarily driven by \$2.0 billion of borrowings incurred under the LNWI Revolver, LNWI Term Loan A and 2033 Unsecured Notes, partially offset by \$700 million used to redeem the 2028 Unsecured Notes. We also purchased more of our outstanding common stock (including CDIs) under our share repurchase programs. During the years ended December 31, 2025 and 2024, we purchased \$877 million and \$462 million, respectively, of our common stock (including CDIs) (excluding excise tax).

### Credit Agreement and Other Debt

For additional information regarding our credit agreements and other debt, interest rate risk and interest rate hedging instruments, see Notes 14 and 15 as well as *Part II, Item 7A “Quantitative and Qualitative Disclosures About Market Risk.”*

### Off-Balance Sheet Arrangements

As of December 31, 2025, we did not have any significant off-balance sheet arrangements.

## ITEM 7A. DISCLOSURES ABOUT MARKET RISK

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, foreign exchange rates and commodity prices. The following describes our financial instruments which expose us to market risk.

### *Interest Rate Risk*

As of December 31, 2025, the face value of long-term debt was \$5.2 billion, including \$3.2 billion of variable rate obligations that fluctuate based on SOFR. Assuming a constant outstanding balance for our variable-rate long-term debt and excluding the impact of interest rate swap contracts, a hypothetical 1% change in interest rates would result in interest expense changing by approximately \$32 million. All of our interest rate sensitive financial instruments are held for purposes other than trading.

We have attempted to limit our exposure to interest rate risk by using interest rate swap contracts to mitigate interest rate risk associated with a portion of our variable rate debt instruments. The objective of our interest rate swap contracts, which are designated as cash flow hedges of the future interest payments, is to eliminate the variability of cash flows attributable to the SOFR component of interest expense to be paid on a portion of our variable rate debt.

In April 2022, we entered into interest rate swap contracts to hedge a portion of our interest expense associated with our variable rate debt and effectively fix the interest rate that we pay. We pay interest at a weighted-average fixed rate of 2.8320% and receive interest at a variable rate equal to one-month Chicago Mercantile Exchange Term SOFR. For the year ended December 31, 2025, the one-month Chicago Mercantile Exchange Term SOFR was 3.69%. As of December 31, 2025, the total notional amount of these interest rate swaps was \$700 million, which effectively fixes \$700 million of the variable rate debt described above. These hedges mature in April 2027.

For additional information regarding our long-term debt and interest rate swap contracts, see Notes 14 and 15, respectively.

## ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements and other information required by this item are included in *Part IV, Item 15* of this Annual Report on Form 10-K and are presented beginning on page [74](#).

## ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

## ITEM 9A. CONTROLS AND PROCEDURES

### **Disclosure Controls and Procedures**

An evaluation was performed under the supervision and with the participation of management, including the Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”), of the effectiveness of the design and operation of our disclosure controls and procedures, as that term is defined in Rule 13a-15(e) under the Exchange Act, as of the end of the period covered by this annual report. Based on that evaluation, the CEO and CFO concluded that our disclosure controls and procedures are effective as of the end of the period covered by this annual report.

### **Management’s Report on Internal Control Over Financial Reporting**

The management of L&W is responsible for establishing and maintaining adequate internal control over financial reporting as such term is defined in Rule 13a-15(f) under the Exchange Act. Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of L&W; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorizations of management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of our internal control over financial reporting as of December 31, 2025. In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control-Integrated Framework* (2013). Based on our assessment we concluded that, as of December 31, 2025, our internal control over financial reporting was effective based on those criteria.

In May 2025, we completed the Grover acquisition (see Note 9) and have not fully incorporated Grover's internal controls and procedures, as the integration activities and implementation of an ERP system is ongoing. Accordingly, management excluded Grover from its assessment of the effectiveness of our internal control over financial reporting as of December 31, 2025. Grover constituted approximately 14% of total assets as of December 31, 2025, and approximately 3% of net revenues for the year then ended. We have included the financial results of this acquisition in the consolidated financial statements included in this Annual Report on Form 10-K from the date of acquisition.

The effectiveness of our internal control over financial reporting as of December 31, 2025 has been audited by Deloitte & Touche LLP, our independent registered public accounting firm. Their report is included below.

#### **Changes in Internal Control over Financial Reporting**

There were no changes in our internal control over financial reporting during the quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Light & Wonder, Inc.:

### Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Light & Wonder, Inc. and subsidiaries (the “Company”) as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2025, of the Company and our report dated February 24, 2026, expressed an unqualified opinion on those financial statements.

As described in Management’s Annual Report on Internal Control Over Financial Reporting, management excluded from its assessment the internal control over financial reporting at Grover Gaming, Inc. (Grover Charitable Gaming), which was acquired on May 16, 2025, and whose financial statements constitute approximately 3% and 14% of total revenue and total assets, respectively of the consolidated financial statement amounts as of and for the year ended December 31, 2025. Accordingly, our audit did not include the internal control over financial reporting at Grover Gaming, Inc.

### Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the 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 audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

### Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed 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. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Las Vegas, NV  
February 24, 2026

## **ITEM 9B. OTHER INFORMATION**

### **Insider Trading Arrangements and Policies**

Certain of our officers or directors have made elections to participate in, and are participating in, our 401(k) plan and have made, and may from time to time make, elections to have shares withheld to cover withholding taxes, which may be designed to satisfy the affirmative defense conditions of Rule 10b5-1 under the Exchange Act or may constitute non-Rule 10b5-1 trading arrangements (as defined in Item 408(c) of Regulation S-K). During the three months ended December 31, 2025, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" as such term is defined in Item 408(a) of Regulation S-K.

## **ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS**

Not applicable.

## **PART III**

## **ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE**

We have adopted a Code of Business Conduct that applies to all of our officers, directors and employees (including our CEO, CFO and CAO) and have posted the Code of Business Conduct on our website at [explore.investors.lnw.com/governance/governance-documents](https://explore.investors.lnw.com/governance/governance-documents). In the event that we have any amendments to or waivers from any provision of the Code of Business Conduct applicable to our CEO, CFO or CAO, we intend to satisfy the disclosure requirement under Item 5.05 of Form 8-K by posting such information on our website at [explore.investors.lnw.com/governance](https://explore.investors.lnw.com/governance).

Further information regarding our governance arrangements will be set out in a Corporate Governance Statement, which will be made available on the Company's ASX announcement page on the ASX Internet site and the Company's website.

Information relating to our executive officers is included in *Part I, Item 1* of this Annual Report on Form 10-K. The other information called for by this item is incorporated by reference to our definitive proxy statement relating to our 2026 annual meeting of stockholders, which will be filed with the SEC. We expect to hold the 2026 annual meeting of stockholders on June 10, 2026. If such proxy statement is not filed on or before April 30, 2026, the information called for by this item will be filed as part of an amendment to this Annual Report on Form 10-K on or before such date.

Pursuant to our amended and restated bylaws, stockholder nominations for election to the Board of Directors at the 2026 annual meeting of stockholders must be sent to the Company's principal executive offices at 6601 Bermuda Road, Las Vegas, Nevada 89119, Attention: Corporate Secretary, and must be received at such principal executive offices no later than the close of business March 12, 2026, and must comply with the informational and other requirements set forth in our amended and restated bylaws.

## **ITEM 11. EXECUTIVE COMPENSATION**

The information called for by this item is incorporated herein by reference to our definitive proxy statement relating to our 2026 annual meeting of stockholders, which will be filed with the SEC. If such proxy statement is not filed on or before April 30, 2026, the information called for by this item will be filed as part of an amendment to this Annual Report on Form 10-K on or before such date.

## **ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**

The information called for by this item is incorporated herein by reference to our definitive proxy statement relating to our 2026 annual meeting of stockholders, which will be filed with the SEC. If such proxy statement is not filed on or before April 30, 2026, the information called for by this item will be filed as part of an amendment to this Annual Report on Form 10-K on or before such date.

## **ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE**

The information called for by this item is incorporated herein by reference to our definitive proxy statement relating to our 2026 annual meeting of stockholders, which will be filed with the SEC. If such proxy statement is not filed on or before April 30, 2026, the information called for by this item will be filed as part of an amendment to this Annual Report on Form 10-K on or before such date.

**ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES**

The information called for by this item is incorporated herein by reference to our definitive proxy statement relating to our 2026 annual meeting of stockholders, which will be filed with the SEC. If such proxy statement is not filed on or before April 30, 2026, the information called for by this item will be filed as part of an amendment to this Annual Report on Form 10-K on or before such date.

**PART IV**

**ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES**

Form 10-K Page

---

1. Financial Statements:	
<a href="#">Report of Independent Registered Public Accounting Firm</a> (PCAOB ID: 34)	<a href="#">75</a>
<a href="#">Consolidated Statements of Operations for the years ended December 31, 2025, 2024 and 2023</a>	<a href="#">77</a>
<a href="#">Consolidated Statements of Comprehensive Income for the years ended December 31, 2025, 2024 and 2023</a>	<a href="#">78</a>
<a href="#">Consolidated Balance Sheets as of December 31, 2025 and 2024</a>	<a href="#">79</a>
<a href="#">Consolidated Statements of Stockholders' Equity for the years ended December 31, 2025, 2024 and 2023</a>	<a href="#">80</a>
<a href="#">Consolidated Statements of Cash Flows for the years ended December 31, 2025, 2024 and 2023</a>	<a href="#">81</a>
<a href="#">Notes to Consolidated Financial Statements</a>	<a href="#">83</a>
2. Financial Statement Schedule:	
<a href="#">Schedule II - Valuation and Qualifying Accounts</a>	<a href="#">119</a>
3. <a href="#">Exhibits</a>	<a href="#">120</a>

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Light & Wonder, Inc.:

### Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Light & Wonder, Inc. and subsidiaries (the “Company”) as of December 31, 2025 and 2024, and the related consolidated statements of operations, comprehensive income, stockholders’ equity, and cash flows, for each of the three years in the period ended December 31, 2025, and the related notes and the schedule listed in the Index at Item 15 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company’s internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 24, 2026, expressed an unqualified opinion on the Company’s internal control over financial reporting.

### Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the 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 financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the 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 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 financial statements. We believe that our audits provide a reasonable basis for our opinion.

### Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

#### ***Revenue Recognition – Refer to Note 3 to the financial statements***

##### *Critical Audit Matter Description*

Certain of the Company’s revenue contracts with customers in 2025 include multiple promises (such as hardware, software, professional services, and maintenance among others). The Company is required to evaluate the components of a contract using applicable GAAP and determine whether each promise represents a performance obligation. The evaluation of whether promises are both capable of being distinct and distinct in the context of a contract (and thus constitute performance obligations), can require significant judgment and could change the amount of revenue recognized in a given period.

We identified the determination of performance obligations evaluation for contracts with higher contract values as a critical audit matter because of the judgments and estimates management makes to evaluate such contracts and the impact of such judgments on the amount of revenue recognized in a given period. This required a high degree of auditor judgment and an increased extent of testing.

*How the Critical Audit Matter Was Addressed in the Audit*

Our audit procedures related to testing revenue contracts with higher contract values for the determination of performance obligations included the following, among others:

- We tested the effectiveness of management’s controls over:
  - Preparation and review of accounting analyses.
  - Contract reviews to identify all promises and determine whether such promises are both capable of being distinct and distinct in the context of the contract such that they constitute performance obligations.
  - Salesperson certifications to determine whether side agreements exist or whether there were amendments to contracts with customers during the period.
- For selected contracts, we performed the following:
  - Obtained contract documents, including master agreements, and other documents that were relevant to the contract.
  - Tested management’s identification of lease and non-lease components and performance obligations by evaluating whether the promises were both capable of being distinct and distinct within the context of the contract, including reading the selected contracts and inquiring of certain of the Company’s accounting and operations personnel to understand the nature of the promises and how they are delivered to the customer.
  - Sent requests to customers for confirmation of key contract terms and compared responses to management’s analysis and inspected other correspondence between the customer and the Company that could be relevant to the contract. As applicable, inspected the aging of outstanding receivables or credit memos.

/s/ Deloitte & Touche LLP

Las Vegas, Nevada  
February 24, 2026

We have served as the Company’s auditor since 2003.

**LIGHT & WONDER, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in millions, except per share amounts)

	Years Ended December 31,		
	2025	2024	2023
<b>Revenue:</b>			
Services	\$ 2,297	\$ 2,105	\$ 1,991
Products	1,017	1,083	911
Total revenue	3,314	3,188	2,902
<b>Operating expenses:</b>			
Cost of services <sup>(1)</sup>	449	448	445
Cost of products <sup>(1)</sup>	436	483	427
Selling, general and administrative	869	872	808
Research and development	252	262	228
Depreciation, amortization and impairments	406	361	384
Restructuring and other	219	94	92
Operating income	683	668	518
<b>Other (expense) income:</b>			
Interest expense	(314)	(293)	(309)
Loss on debt financing transactions	(5)	(2)	(15)
Other income, net	1	48	11
Total other expense, net	(318)	(247)	(313)
Net income before income taxes	365	421	205
Income tax expense	(89)	(85)	(25)
Net income	276	336	180
Less: Net income attributable to noncontrolling interest	—	—	17
Net income attributable to L&W	\$ 276	\$ 336	\$ 163
<b>Per Share - Basic:</b>			
Net income attributable to L&W	\$ 3.32	\$ 3.77	\$ 1.79
<b>Per Share - Diluted:</b>			
Net income attributable to L&W	\$ 3.26	\$ 3.68	\$ 1.75
<b>Weighted average number of shares used in per share calculations:</b>			
Basic shares	83	89	91
Diluted shares	85	91	93

(1) Excludes D&A.

See accompanying notes to consolidated financial statements.

**LIGHT & WONDER, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(in millions)

	Years Ended December 31,		
	2025	2024	2023
Net income	\$ 276	\$ 336	\$ 180
Other comprehensive income (loss):			
Foreign currency translation gain (loss), net of tax	154	(81)	42
Derivative financial instruments unrealized loss, net of tax	(12)	(1)	(7)
Total other comprehensive income (loss)	142	(82)	35
Total comprehensive income	418	254	215
Less: comprehensive income attributable to noncontrolling interest	—	—	17
Comprehensive income attributable to L&W	<u>\$ 418</u>	<u>\$ 254</u>	<u>\$ 198</u>

See accompanying notes to consolidated financial statements.

**LIGHT & WONDER, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(in millions, except par value)

	As of December 31,	
	2025	2024
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 167	\$ 196
Restricted cash	94	110
Receivables, net of allowance for credit losses of \$29 and \$35, respectively	689	585
Inventories, net	169	158
Prepaid expenses, deposits and other current assets	164	134
Total current assets	1,283	1,183
Non-current assets:		
Restricted cash	5	6
Receivables, net of allowance for credit losses of \$2 and \$5, respectively	96	97
Property and equipment, net	348	286
Operating lease right-of-use assets	43	44
Goodwill	3,371	2,890
Intangible assets, net	808	454
Software, net	191	161
Deferred income taxes	254	229
Other assets	63	71
Total assets	\$ 6,462	\$ 5,421
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Current portion of long-term debt	\$ 53	\$ 23
Accounts payable	189	216
Accrued liabilities	535	447
Income taxes payable	26	49
Total current liabilities	803	735
Deferred income taxes	11	12
Operating lease liabilities	29	31
Other long-term liabilities	264	160
Long-term debt, excluding current portion	5,110	3,847
Total liabilities	6,217	4,785
Commitments and contingencies (Note 19)		
Stockholders' equity:		
Common stock, par value \$0.001 per share, 199 shares authorized, 119 and 117 shares issued, respectively, and 77 and 86 shares outstanding, respectively	1	1
Additional paid-in capital	1,276	1,200
Retained earnings	1,292	1,016
Treasury stock, at cost, 42 and 31 shares, respectively	(2,101)	(1,216)
Accumulated other comprehensive loss	(223)	(365)
Total stockholders' equity	245	636
Total liabilities and stockholders' equity	\$ 6,462	\$ 5,421

See accompanying notes to consolidated financial statements.

**LIGHT & WONDER, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
(in millions)

	Common Stock	Additional Paid in Capital	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total
<b>December 31, 2022</b>	\$ 1	\$ 1,370	\$ 517	\$ (580)	\$ (318)	\$ 171	\$ 1,161
Settlement of liability awards	—	25	—	—	—	—	25
Vesting of RSUs, net of tax withholdings and other	—	(9)	—	—	—	—	(9)
Purchase of treasury stock	—	—	—	(171)	—	—	(171)
Purchase of SciPlay Class A common stock	—	(23)	—	—	—	—	(23)
Acquisition of SciPlay noncontrolling interest, net of tax effects	—	(300)	—	—	—	(188)	(488)
Stock-based compensation	—	55	—	—	—	—	55
Net income	—	—	163	—	—	17	180
Other comprehensive income	—	—	—	—	35	—	35
<b>December 31, 2023</b>	<b>\$ 1</b>	<b>\$ 1,118</b>	<b>\$ 680</b>	<b>\$ (751)</b>	<b>\$ (283)</b>	<b>\$ —</b>	<b>\$ 765</b>
Settlement of liability awards	—	67	—	—	—	—	67
Vesting of RSUs, net of tax withholdings and other	—	(52)	—	—	—	—	(52)
Purchase of treasury stock	—	—	—	(465)	—	—	(465)
Stock-based compensation	—	67	—	—	—	—	67
Net income	—	—	336	—	—	—	336
Other comprehensive loss	—	—	—	—	(82)	—	(82)
<b>December 31, 2024</b>	<b>\$ 1</b>	<b>\$ 1,200</b>	<b>\$ 1,016</b>	<b>\$ (1,216)</b>	<b>\$ (365)</b>	<b>\$ —</b>	<b>\$ 636</b>
Settlement of liability awards	—	44	—	—	—	—	44
Vesting of RSUs, net of tax withholdings and other	—	(39)	—	—	—	—	(39)
Purchase of treasury stock	—	—	—	(885)	—	—	(885)
Stock-based compensation	—	71	—	—	—	—	71
Net income	—	—	276	—	—	—	276
Other comprehensive income	—	—	—	—	142	—	142
<b>December 31, 2025</b>	<b>\$ 1</b>	<b>\$ 1,276</b>	<b>\$ 1,292</b>	<b>\$ (2,101)</b>	<b>\$ (223)</b>	<b>\$ —</b>	<b>\$ 245</b>

See accompanying notes to consolidated financial statements.

**LIGHT & WONDER, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in millions)

	Years Ended December 31,		
	2025	2024	2023
<b>Cash flows from operating activities:</b>			
Net income	\$ 276	\$ 336	\$ 180
<b>Adjustments to reconcile net income to net cash provided by operating activities:</b>			
Depreciation, amortization and impairments	406	361	384
Contingent acquisition considerations fair value adjustments	20	(6)	16
Change in deferred income taxes	(21)	(108)	(84)
Stock-based compensation	121	110	118
Non-cash interest expense	10	9	10
Provision for bad debts and inventory charges	4	14	12
Loss on debt financing transactions	5	2	15
Foreign currency transaction net losses, (gain) on sale of assets and other, net	35	(10)	21
<b>Changes in assets and liabilities, net of effects of acquisitions:</b>			
Receivables	(62)	(148)	(68)
Inventories	(19)	2	(29)
Other assets and liabilities	(14)	(14)	(10)
Income taxes payable, net	(7)	25	(40)
Accounts payable and accrued liabilities	40	59	65
<b>Net cash provided by operating activities</b>	<b>794</b>	<b>632</b>	<b>590</b>
<b>Cash flows from investing activities:</b>			
Capital expenditures	(310)	(294)	(242)
Acquisitions of businesses and assets, net of cash acquired	(861)	(5)	(4)
Proceeds from sale of investments and other, net <sup>(1)</sup>	—	41	(5)
<b>Net cash used in investing activities</b>	<b>(1,171)</b>	<b>(258)</b>	<b>(251)</b>

	Years Ended December 31,		
	2025	2024	2023
Cash flows from financing activities:			
Borrowings under revolving credit facilities	760	—	205
Repayments under revolving credit facilities	(530)	—	(205)
Proceeds from issuance of senior notes and term loans	1,800	—	550
Repayments of notes and term loans (including redemption premium)	(700)	—	(562)
Payments on long-term debt	(32)	(11)	(22)
Payments of debt issuance and deferred financing costs	(20)	(4)	(8)
Payments on license obligations	(36)	(34)	(31)
Payments of contingent acquisition considerations	(2)	(16)	(14)
Purchase of L&W common stock	(880)	(462)	(170)
Purchase of SciPlay's Class A common stock and acquisition of noncontrolling interest	—	—	(519)
Net redemptions of common stock under stock-based compensation plans and other	(39)	(50)	(12)
Net cash provided by (used in) financing activities	321	(577)	(788)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	10	(6)	3
Decrease in cash, cash equivalents and restricted cash	(46)	(209)	(446)
Cash, cash equivalents and restricted cash, beginning of period	312	521	967
Cash, cash equivalents and restricted cash, end of period	<u>\$ 266</u>	<u>\$ 312</u>	<u>\$ 521</u>
Supplemental cash flow information:			
Cash paid for interest	\$ 289	\$ 286	\$ 306
Income taxes paid	118	164	147
Distributed earnings from equity investments	—	2	4
Cash paid for contingent acquisition considerations included in operating activities	—	22	17
Supplemental non-cash transactions:			
Acquisition of brand license intangible asset in exchange for a minimum guarantee obligation	\$ 28	\$ 1	\$ 2

(1) The year ended December 31, 2023 includes \$3 million in cash used in discontinued operations.

See accompanying notes to consolidated financial statements.

**LIGHT & WONDER, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(amounts in USD, table amounts in millions, except per share amounts)**

**(1) Description of the Business and Summary of Significant Accounting Policies**

*Description of the Business*

We are a leading cross-platform global games company with a focus on content and digital markets. Our portfolio of revenue-generating activities primarily includes supplying game content and gaming machines, CMSs and table game products and services to licensed gaming entities, and electronic pull-tabs and related services to charitable gaming entities; providing social casino and other online games, including casual gaming, to retail customers; and providing a comprehensive suite of digital gaming content, distribution platforms, player account management systems, as well as various other iGaming content and services. We report our results of operations in three reportable business segments—Gaming, SciPlay and iGaming—representing our different products and services.

*Basis of Presentation and Principles of Consolidation*

The accompanying consolidated financial statements have been prepared in accordance with U.S. GAAP. The accompanying consolidated financial statements include the accounts of L&W, its wholly-owned subsidiaries and those subsidiaries in which we have a controlling financial interest. All intercompany balances and transactions have been eliminated in consolidation.

*Use of Estimates*

The preparation of financial statements in conformity with U.S. GAAP 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Significant Accounting Policies**

Additional accounting policy disclosures are provided within the applicable Notes.

*Cash and cash equivalents*

Cash and cash equivalents include all cash balances and highly liquid investments with an original maturity of three months or less. We place our temporary cash investments with high credit quality financial institutions. At times, such investments in U.S. accounts may be in excess of the Federal Deposit Insurance Corporation insurance limit.

*Restricted cash*

We are required by gaming regulations to maintain sufficient reserves in restricted cash accounts to be used for the purpose of funding payments to WAP jackpot winners. These restricted cash balances are based primarily on the jackpot meters displayed to slot players or for previously won jackpots and vary by jurisdiction. Compliance with maintaining adequate restricted cash balances and complying with appropriate investment guidelines for jackpot funding is periodically reported to gaming authorities. Additionally, restricted cash as of December 31, 2024 included Gaming operation transactions collected on behalf of certain customers and funds that the Company designated as restricted associated with the Aristocrat Matters as described in Note 19. The cash was designated as unrestricted as of December 31, 2025, as the matters were ultimately settled in January of 2026. See Note 19 for further information.

*Minimum guarantees under licensing agreements*

We enter into long-term license agreements with third parties in which we are obligated to pay a minimum guaranteed amount of royalties, typically periodically over the life of the contract. These license agreements provide us with access to a portfolio of major brands to be used across our business segments in building our strong brand presence across multiple channels of distributions. We account for the minimum guaranteed obligations within accrued and other long-term liabilities at the onset of the license arrangement and record a corresponding licensed asset within intangible assets, net. The licensed intangible assets related to the minimum guaranteed obligations are amortized over the term of the license agreement with the amortization expense recorded in D&A. The long-term liability related to the minimum guaranteed obligations is reduced as payments are made as required under the license agreement. We assess the recoverability of license agreements whenever events arise or circumstances change that indicate the carrying value of the licensed asset may not be recoverable. Recoverability of the licensed asset and the amount of impairment, if any, are determined using our policy for intangible assets with finite useful lives.

Amortization expense related to these licenses and recorded in D&A for the years ended December 31, 2025, 2024 and 2023 was \$26 million, \$27 million and \$30 million, respectively.

The following are our total minimum guaranteed obligations for the periods presented:

	As of December 31,	
	2025	2024
Current liabilities	\$ 22	\$ 30
Other long-term liabilities	33	23
Total minimum guarantee obligations	\$ 55	\$ 53
Weighted average remaining term (in years)	2	2

The following are our remaining expected future payments of minimum guarantee obligations:

	Year Ending December 31,				
	2026	2027	2028	2029	2030 and After
Expected future payments	\$ 22	\$ 17	\$ 6	\$ 5	\$ 5

#### *Other assets*

We capitalize debt issuance costs associated with long-term line-of-credit arrangements and amortize such amounts ratably over the term of the arrangement as an adjustment to interest expense. Other assets also include the fair value of our interest rate swaps and other long-term deposits, prepaid expenses and investments.

We assess the recoverability of our other long-term assets whenever events arise or circumstances change that indicate the carrying value of the asset may not be recoverable.

#### *Other long-term liabilities*

We record various liabilities with terms longer than one year past the balance sheet date, including income taxes payable, license liabilities, WAP annuity liabilities and contingent consideration liabilities.

#### *Noncontrolling interest*

On October 23, 2023, we acquired the remaining approximately 17% equity interest in SciPlay not already owned by us pursuant to a merger (the “SciPlay Merger”) in an all-cash transaction of \$496 million, excluding transaction fees and expenses. Prior to the SciPlay Merger, we owned a controlling financial interest in SciPlay, approximately 83% of SciPlay’s outstanding common stock, and we have consolidated SciPlay for all periods presented. The noncontrolling interest share of equity in SciPlay is reflected as noncontrolling interest in the accompanying consolidated financial statements for periods prior to October 23, 2023. As a result of SciPlay Merger, SciPlay ceased to be publicly traded and became a wholly-owned subsidiary of L&W.

#### *Advertising costs*

The cost of advertising is expensed as incurred and totaled \$165 million, \$177 million and \$160 million in 2025, 2024 and 2023, respectively.

#### *R&D*

R&D relates primarily to software product development costs incurred until technological feasibility has been established and costs that do not meet internal-use software capitalization criteria. Employee-related costs associated with product development are included in R&D. Such costs are expensed as incurred.

### Other income, net

Other income, net for the years ended December 31, 2025, 2024 and 2023 primarily consisted of the following:

	Year Ended December 31,		
	2025	2024	2023
Foreign currency transaction net loss	\$ (21)	\$ (6)	\$ (29)
Interest income	16	20	34
Gain on sale of assets	—	28	—
Other, net	6	6	6
Total	\$ 1	\$ 48	\$ 11

### Foreign currency translation and Comprehensive income

We have significant operations where the local currency is the functional currency, including our operations in the U.K., Europe, Australia and Canada. Assets and liabilities of foreign operations are translated at period-end rates of exchange and results of operations are translated at the average rates of exchange for the period. Gains or losses resulting from translating the foreign currency financial statements are accumulated as a separate component of accumulated other comprehensive loss in stockholders' equity. In addition to unrealized gains and losses from our foreign currency translation adjustments, our comprehensive income includes the effective portion of derivative financial instruments designated as hedging instruments.

### New Accounting Guidance

The FASB issued ASU No. 2023-09, *Income Taxes (Topic 740)* in December 2023. The new guidance establishes new income tax disclosure requirements, in addition to modifying and eliminating certain existing requirements. Under the new guidance, entities must consistently categorize, and provide greater disaggregation of information in, the rate reconciliation. They must also further disaggregate income taxes paid. The standard is intended to provide more detailed income tax disclosures that will be useful in capital allocation decisions. The new guidance applies to all entities subject to income taxes and is in effect for annual periods beginning after December 15, 2024. We prospectively adopted this standard during the current fiscal year, and the adoption of this guidance did not have a material effect on our consolidated financial statements.

The FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures* (Subtopic 220-40) in November 2024. This new guidance requires public companies to disclose, in the notes to the financial statements, specified information about certain costs and expenses at each interim and annual reporting period, including purchases of inventory, employee compensation, depreciation and intangible asset amortization that is included in each relevant expense caption. This guidance also requires a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively, among other increased disclosures. The amendments in ASU No. 2024-03 are effective for all public entities for fiscal years beginning after December 15, 2026, and early adoption is permitted. We are currently evaluating the impact of adopting this guidance.

The FASB issued ASU No. 2025-06, *Intangibles — Goodwill and Other — Internal-Use Software* (Subtopic 350-40) in September 2025. The new guidance aims to modernize the accounting for internal-use capitalized software costs and removes all references to prescriptive and sequential software development stages (referred to as “project stages”) throughout Subtopic 350-40. An entity is therefore required to start capitalizing internal-use software costs when management has authorized and committed to funding the software project, and when it is probable that the project will be completed and the software will be used to perform the function intended (the “probable-to-complete” recognition threshold). The amendments in ASU No. 2025-06 are effective for all public entities for fiscal years beginning after December 15, 2027, and early adoption as of the beginning of an annual period is permitted. We have not yet adopted this guidance as of December 31, 2025, but we expect to adopt this guidance during 2026 and currently do not expect the adoption will have material effect on our consolidated financial statements.

We do not expect that any other recently issued accounting guidance will have a significant effect on our consolidated financial statements.

## (2) Reportable Segments

We report our operations in three reportable business segments—Gaming, SciPlay and iGaming—representing our different products and services. Our Gaming reportable business segment generally sells game content and gaming machines, VGTs and VLTs (including conversion kits and parts), and leases or otherwise provides gaming content, gaming machines and server-based systems, as well as electronic pull-tabs and related services to charitable gaming entities. It also sells and supports CMS-based software and hardware, licenses PTG content and supplies Shufflers and other table products utilities to

commercial, tribal and governmental gaming operators. Our SciPlay reportable business segment develops, markets and operates a portfolio of social games played on various online platforms. Our iGaming reportable business segment provides a comprehensive suite of digital gaming content, distribution platforms and player account management systems, as well as various other iGaming content and services. See Note 3 for the products and services from which each reportable segment derives its revenues.

In evaluating financial performance, our CODM (defined as our Chief Executive Officer) focuses on adjusted earnings before interest, taxes, depreciation and amortization (“AEBITDA”) as management’s primary segment measure of profit or loss, which is described in footnote (5) to the below table. Our CODM uses reportable business segment AEBITDA to evaluate the performance of each reportable business segment and allocate resources. Additionally, AEBITDA is one of the key metrics used in our incentive compensation program. The accounting policies for our reportable business segments are the same as those described in these Notes.

The following tables present our reportable segment information:

	Year Ended December 31, 2025					
	Gaming	SciPlay	iGaming	Total Reportable Segments	Unallocated and Reconciling Items <sup>(1)</sup>	Total
Total revenue	\$ 2,183	\$ 794	\$ 337	\$ 3,314	\$ —	\$ 3,314
Cost of revenue <sup>(2)</sup>	(564)	(207)	(114)	(885)	—	(885)
Payroll and related <sup>(3)</sup>	(337)	(99)	(63)	(499)	—	(499)
Other segment reconciling items <sup>(4)</sup>	(120)	(200)	(35)	(355)	(132)	(487)
AEBITDA <sup>(5)</sup>	1,162	288	125	1,575	(132)	1,443
<i>Reconciling items to net income before income taxes:</i>						
Restructuring and other	(33)	(3)	(13)	(49)	(170)	(219)
D&A					(406)	(406)
Interest expense					(314)	(314)
Loss on debt refinancing transactions					(5)	(5)
Other income, net					(13)	(13)
Stock-based compensation					(121)	(121)
Net income before income taxes						\$ 365
Assets as of December 31, 2025	\$ 4,817	\$ 482	\$ 937	\$ 6,236	\$ 226	\$ 6,462
Capital expenditures for the year ended December 31, 2025	\$ 247	\$ 22	\$ 27	\$ 296	\$ 14	\$ 310

(1) Includes amounts not allocated to the business segments (including corporate costs) and items to reconcile the total reportable business segments AEBITDA to our consolidated net income before income taxes.

(2) Excludes D&A.

(3) Excludes stock-based compensation.

(4) Primarily represents various other non-payroll related operating expenses, including but not limited to, professional and legal services, marketing, facilities and operating leases, maintenance, and other operating expenses.

(5) AEBITDA is reconciled to net income before income taxes with the following adjustments, as applicable: (1) depreciation and amortization expense and impairment charges (including goodwill impairments); (2) restructuring and other, which includes charges or expenses attributable to: (i) employee severance; (ii) management restructuring and related costs; (iii) restructuring and integration; (iv) cost savings initiatives; (v) major litigation; and (vi) acquisition- and disposition-related costs, strategic initiatives, and other unusual items; (3) interest expense; (4) loss on debt refinancing transactions; (5) change in fair value of investments and remeasurement of debt and other; (6) other income (expense), net, including foreign currency gains or losses and earnings (loss) from equity investments; and (7) stock-based compensation. AEBITDA is presented as our primary segment measure of profit or loss.

**Year Ended December 31, 2024**

	<b>Gaming</b>	<b>SciPlay</b>	<b>iGaming</b>	<b>Total Reportable Segments</b>	<b>Unallocated and Reconciling Items<sup>(1)</sup></b>	<b>Total</b>
Total revenue	\$ 2,068	\$ 821	\$ 299	\$ 3,188	\$ —	\$ 3,188
Cost of revenue <sup>(2)</sup>	(603)	(231)	(97)	(931)	—	(931)
Payroll and related <sup>(3)</sup>	(321)	(102)	(70)	(493)	—	(493)
Other segment reconciling items <sup>(4)</sup>	(117)	(216)	(34)	(367)	(153)	(520)
AEBITDA <sup>(5)</sup>	1,027	272	98	1,397	(153)	1,244
<i>Reconciling items to net income before income taxes:</i>						
Restructuring and other	(2)	(1)	(4)	(7)	(87)	(94)
D&A					(361)	(361)
Interest expense					(293)	(293)
Loss on debt financing transactions					(2)	(2)
Other income, net					37	37
Stock-based compensation					(110)	(110)
Net income before income taxes						<u>\$ 421</u>
Assets as of December 31, 2024	\$ 3,964	\$ 444	\$ 735	\$ 5,143	\$ 278	\$ 5,421
Capital expenditures for the year ended December 31, 2024	\$ 238	\$ 18	\$ 24	\$ 280	\$ 14	\$ 294

(1) Includes amounts not allocated to the business segments (including corporate costs) and reconciling items to reconcile the total reportable business segments AEBITDA to our consolidated net income before income taxes.

(2) Excludes D&A.

(3) Excludes stock-based compensation.

(4) Primarily represents various other non-payroll related operating expenses, including but not limited to, professional and legal services, marketing, facilities and operating leases, maintenance, and other operating expenses.

(5) AEBITDA is described in footnote (5) to the first table in this Note 2.

**Year Ended December 31, 2023**

	<b>Gaming</b>	<b>SciPlay</b>	<b>iGaming</b>	<b>Total Reportable Segments</b>	<b>Unallocated and Reconciling Items<sup>(1)</sup></b>	<b>Total</b>
Total revenue	\$ 1,850	\$ 777	\$ 275	\$ 2,902	\$ —	\$ 2,902
Cost of revenue <sup>(2)</sup>	(553)	(235)	(84)	(872)	—	(872)
Payroll and related <sup>(3)</sup>	(274)	(98)	(63)	(435)	—	(435)
Other segment reconciling items <sup>(4)</sup>	(105)	(201)	(33)	(339)	(138)	(477)
AEBITDA <sup>(5)</sup>	918	243	95	1,256	(138)	1,118
<i>Reconciling items to net income before income taxes:</i>						
Restructuring and other	(11)	(10)	(25)	(46)	(46)	(92)
D&A					(384)	(384)
Interest expense					(309)	(309)
Loss on debt financing transactions					(15)	(15)
Other income, net					5	5
Stock-based compensation					(118)	(118)
Net income before income taxes						<u>\$ 205</u>
Capital expenditures for the year ended December 31, 2023	\$ 181	\$ 18	\$ 30	\$ 229	\$ 13	\$ 242

(1) Includes amounts not allocated to the business segments (including corporate costs) and reconciling items to reconcile the total reportable business segments AEBITDA to our consolidated net income before income taxes.

(2) Excludes D&A.

(3) Excludes stock-based compensation.

(4) Primarily represents various other non-payroll related operating expenses, including but not limited to, professional and legal services, marketing, facilities and operating leases, maintenance, and other operating expenses.

(5) AEBITDA is described in footnote (5) to the first table in this Note 2.

The following tables present revenue by customer location and property and equipment by geographic location:

	Year Ended December 31,		
	2025	2024	2023
<b>Revenue:</b>			
U.S.	\$ 2,270	\$ 2,087	\$ 1,948
Other	1,044	1,101	954
Total	<u>\$ 3,314</u>	<u>\$ 3,188</u>	<u>\$ 2,902</u>
	As of December 31,		
	2025	2024	
<b>Property and equipment, net:</b>			
U.S.	\$ 294	\$ 238	
Other	54	48	
Total	<u>\$ 348</u>	<u>\$ 286</u>	

### (3) Revenue Recognition

The following table disaggregates our revenues by type within each of our business segments:

	Year Ended December 31,		
	2025	2024	2023
<b>Gaming</b>			
Gaming operations	\$ 860	\$ 690	\$ 661
Gaming machine sales	821	865	708
Gaming systems	285	302	268
Table products	217	211	213
Total	<u>\$ 2,183</u>	<u>\$ 2,068</u>	<u>\$ 1,850</u>
<b>SciPlay</b>			
Third-party platforms and other <sup>(1)</sup>	\$ 644	\$ 733	\$ 768
Direct-to-consumer platforms	150	88	9
Total	<u>\$ 794</u>	<u>\$ 821</u>	<u>\$ 777</u>
<b>iGaming</b>	<u>\$ 337</u>	<u>\$ 299</u>	<u>\$ 275</u>

(1) Other primarily represents advertising revenue, which was not material in the periods presented.

#### General

We evaluate the recognition of revenue and rental income based on the criteria set forth in ASC 606 or ASC 842, as appropriate. Revenue is recognized net of incentive rebates and discounts when control of the promised goods or services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. Sales taxes and all other items of a similar nature are excluded from the measurement of the transaction price, and shipping and handling activities are treated as a fulfillment of our promise to transfer the goods and are, hence, included in cost of products.

Our credit terms are predominately short term in nature. We also grant extended payment terms under certain Gaming contracts, with financing terms of more than 12 months, generally where the sale is secured by the related equipment sold. For these contracts with customers for which the financing component is determined to be significant to the contract, and that have financing terms of more than 12 months, the contract transaction price is adjusted for the effect of a financing component.

Any sales commissions associated with the sale or placement of our products and services are expensed as incurred, as contracts associated with sales commissions are generally completed within a one-year period.

#### Contracts with Customers with Multiple Promised Goods and Services

We enter into contracts with customers that include multiple promises (such as gaming machines, gaming systems hardware and software, installation, service and maintenance, warranties and maintenance bundled promises). For such

contracts, the transaction price is allocated to each distinct performance obligation using an estimate of stand-alone selling price, which is generally based on observable prices or a cost plus margin approach. The establishment of stand-alone selling price requires judgment as to whether there is a sufficient quantity of items sold or substantively renewed on a stand-alone basis, and those prices demonstrate an appropriate level of concentration to conclude that a stand-alone selling price exists.

The guidance in ASC 606 requires that we apply judgments or estimates to determine both the performance obligations and the stand-alone selling prices of identified performance obligations. Contracts with multiple promised goods and services described above will often involve significant judgment in determining whether each promise is distinct or should be combined with other promises in such contracts in concluding on the distinct performance obligations for such contracts. Such judgment generally requires an assessment of the level of integration and interdependency between individual components, particularly in our gaming systems contracts with customers. Associated with these same contracts, we also apply significant judgment to determine the stand-alone selling prices of the identified performance obligations.

#### *Gaming Operations*

Gaming operations revenues are generated by providing customers access to proprietary land-based gaming equipment and content, electronic table game products and VLTs under a variety of recurring operating, service or rental contracts, for which consideration is based upon a percentage of Coin-in, a percentage of Net win, or a fixed daily/monthly fee, with variability generally resolved in the reporting period. For these contracts with customers, we generally transfer control and recognize revenue or rental income over time based on the amount we expect to receive as described and classify such revenue or rental income as services revenue. Payments from customers under these contracts are typically due on a monthly basis. Jackpot expense for our WAP services is recorded as a reduction to revenue, which decreased revenue by \$23 million, \$23 million, and \$17 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Grover Charitable Gaming (“Grover”) revenues are generated by providing customers with access to proprietary electronic pull-tabs equipment and content for which consideration is based upon a revenue participation model, with variability generally resolved in the reporting period. For these contracts with customers, we generally transfer control and recognize revenue over time based on the amount we expect to receive. Payments from customers under these contracts are typically due on a monthly or more frequent basis.

The amount of rental income revenue in services revenue within the consolidated statements of operations that is outside the scope of ASC 606 was \$603 million, \$539 million and \$498 million for the years ended December 31, 2025, 2024 and 2023, respectively.

#### *Gaming Machine Sales*

These contracts with customers include the sale of gaming machines, including game content, electronic table game products and parts (including game themes and conversion kits). We transfer control and recognize revenue from the sale of gaming machines at a point in time upon delivery of gaming machines to our customers or distributors pursuant to the terms of the contract.

#### *Gaming Systems*

Gaming systems contracts with customers can include a comprehensive suite of technology solutions provided to gaming operators, including perpetual or term-based licenses to core system solutions and non-core system solutions and other applications and tools. Gaming systems products also include the *iVIEW* touch screen display, which facilitates the player experience, bonus features, customer service, employee functions and ongoing hardware and software maintenance services and upgrades.

Determination of performance obligations and timing of the transfer of control varies by contract. Generally, these contracts contain multiple promised goods and services, including the following: (i) core system software license; (ii) non-core system software license(s); (iii) professional services; (iv) system-based hardware; (v) in-game hardware products and (vi) software and hardware maintenance and product support.

Control transfers, and we recognize revenue, from the sale of perpetual or term-based gaming systems licenses and various hardware products at a point in time when the gaming system is available for use by a customer which is no earlier than the commencement of the license term, and for the hardware products upon delivery. For contracts that include new core gaming system installations, control is not considered transferred until control of the core gaming system license is transferred as the additional promises are generally highly dependent on the core gaming system. Software and hardware maintenance and product support services are considered stand-ready obligations; therefore, control transfers and revenue is recognized over time over the term of the maintenance and support period.

## Table Products

Table products revenue is generated from supplying and maintaining or selling table game products, primarily including automatic card shufflers, deck checkers, table roulette chip sorters and other land-based table gaming equipment. We transfer control and recognize revenue from the sale of table products at a point in time upon delivery to our customers or distributors pursuant to the terms of the contract. For supply and maintenance contracts, for which consideration is primarily based on a fixed monthly fee, we generally transfer control and recognize rental income over the term of the supply period and classify such rental income as service revenue. Such contracts are generally short-term in nature. We also license our proprietary table games content, for which revenue is recognized at a point in time under the licensing of intellectual property guidance as such licenses are functional licenses or over time for subscription arrangements to our proprietary table games content library.

## SciPlay

SciPlay in-app purchase revenues are generated from the sale of virtual coins, chips and bingo cards (“coins, chips and cards”), which players can use to play casino-style slot games, table games and bingo games (i.e., spin in the case of slot games, bet in the case of table games and use bingo cards in the case of bingo games). SciPlay distributes its games through various global social online platforms, such as *Facebook*, *Apple*, *Google*, *Amazon* and *Microsoft*, as well as its own proprietary direct-to-consumer in-app purchase platform. Control transfers, and SciPlay recognizes revenues, from player purchases of coins, chips and cards as the coins, chips and cards are consumed for game play and cannot be redeemed nor exchanged for cash. SciPlay determined through a review of play behavior that game players generally do not purchase additional coins, chips and cards until their existing coins, chips and cards balances have been substantially consumed. As SciPlay is able to track the duration between purchases of coins, chips and cards for individual game players for specific games, SciPlay is able to reliably estimate the period of time over which coins, chips and cards are consumed. Accordingly, for most games, SciPlay recognizes revenue using an item-based revenue model. Because SciPlay has control over the content and functionality of games before they are accessed by the end user, SciPlay has determined it is the principal and, as a result, revenues are recorded on a gross basis. Payment processing fees paid to third-party platform providers (such as *Facebook*, *Apple*, *Amazon*, *Google* and *Microsoft*) and to our direct-to-consumer payment processor are recorded within cost of services.

SciPlay also has contractual relationships with various advertising service providers for advertisements within certain games. Revenue from advertisements is recognized at a point in time when the advertisements are displayed. The transaction price is generally determined by a master contract or third-party statement of activity and based on the stated revenue share percentages. These revenues were immaterial for all periods presented.

All SciPlay revenue is classified as services revenue.

## iGaming

iGaming revenue is generated from various games made available via our aggregation platforms, remote gaming servers and various other platforms, which deliver a wide spectrum of internally developed and branded games and popular third-party provided games to gaming operators. iGaming revenue is also generated from platform technology solutions, which provide gaming operators optional portals for reporting and administrative functions. We provide daily access to these platforms and are typically compensated based on variable consideration, such as a percentage of net gaming revenue with variability generally resolved in the reporting period. All iGaming revenue is classified as services revenue.

## Contract Liabilities and Other Disclosures

The following table summarizes the activity in our contract liabilities for the reporting period:

	<b>Year Ended December 31, 2025</b>	
Contract liability balance, beginning of period <sup>(1)</sup>	\$	21
Liabilities recognized during the period		24
Amounts recognized in revenue from beginning balance		(17)
Contract liability balance, end of period <sup>(1)</sup>	\$	28

(1) Contract liabilities are included within Accrued liabilities and Other long-term liabilities in our consolidated balance sheets.

The timing of revenue recognition, billings and cash collections results in billed receivables, unbilled receivables (contract assets), and customer advances and deposits (contract liabilities) on our consolidated balance sheets. Other than contracts with customers with financing arrangements exceeding 12 months, revenue recognition is generally proximal to conversion to cash.

The following table summarizes our opening and closing balances in our receivables and contract assets:

	Receivables		Contract Assets <sup>(1)</sup>	
End of period balance, December 31, 2024	\$	682	\$	43
End of period balance, December 31, 2025		785		43

(1) Contract assets are included primarily within Prepaid expenses, deposits and other current assets in our consolidated balance sheets.

#### (4) Restructuring and Other

Restructuring and other includes charges or expenses attributable to: (i) employee severance; (ii) management restructuring and related costs; (iii) restructuring and integration; (iv) cost savings initiatives; (v) major litigation; and (vi) acquisition- and disposition-related costs, strategic initiatives and other unusual items. The following table summarizes pre-tax restructuring and other costs for the periods presented:

	Year Ended December 31,		
	2025	2024	2023
Employee severance and related	\$ 15	\$ 6	\$ 16
Legal and related (see Note 19)	130	79	—
Strategic review, acquisition and related <sup>(1)</sup>	37	1	40
Contingent acquisition considerations <sup>(2)</sup>	25	—	19
Restructuring, integration and other	12	8	17
Total	\$ 219	\$ 94	\$ 92

(1) Includes costs associated with the SciPlay Merger, ASX listing, Grover acquisition, sale of discontinued operations (including ongoing separation activities), rebranding and related activities.

(2) Represents contingent consideration fair value adjustment (see Note 15).

#### (5) Basic and Diluted Net Income Attributable to L&W Per Share

Basic and diluted net income attributable to L&W per share is based upon net income attributable to L&W divided by the weighted average number of common shares outstanding during the period. Diluted earnings per share reflects the effect of the assumed exercise of stock options and RSUs only in the periods in which such effect would have been dilutive to net income from continuing operations.

The below table presents a reconciliation of weighted average shares used in the calculation of basic and diluted earnings per share.

	Year Ended December 31,		
	2025	2024	2023
Weighted average shares for basic earnings per share	83	89	91
RSUs	2	2	2
Weighted average shares for diluted earnings per share	85	91	93

#### (6) Receivables, Allowance for Credit Losses and Credit Quality of Receivables

##### Receivables

Receivables are recorded at the invoiced amount less allowance for credit losses and imputed interest, if any. For a portion of our receivables, we have provided extended payment terms with installment payment terms greater than 12 months and, in certain international jurisdictions, up to 36 months. Interest income, if any, is recognized ratably over the life of the receivable, and any related fees or costs to establish the receivables are charged to selling, general and administrative expense as incurred, as they are immaterial. Actual or imputed interest, if any, is determined based on current market rates at the time the receivables with extended payment terms originated and is recorded ratably over the payment period, which approximates the effective interest method. We generally impute interest income on all receivables with payment terms greater than one year that do not contain a stated interest rate. Our general policy is to recognize interest on receivables until a receivable is deemed non-performing, which we define as payments being overdue by 180 days beyond the agreed-upon terms. When a receivable is deemed to be non-performing, the item is placed on non-accrual status and interest income is recognized on a cash basis. Accrued interest, non-performing receivables and interest income were immaterial for all periods presented.

The following table summarizes the components of current and long-term receivables, net:

	As of December 31,	
	2025	2024
<b>Current:</b>		
Receivables <sup>(1)</sup>	\$ 718	\$ 620
Allowance for credit losses	(29)	(35)
Current receivables, net	689	585
<b>Long-term:</b>		
Receivables <sup>(1)</sup>	98	102
Allowance for credit losses	(2)	(5)
Long-term receivables, net	96	97
<b>Total receivables, net</b>	<b>\$ 785</b>	<b>\$ 682</b>

(1) Included \$27 million and \$71 million in Current and Long-term receivables, respectively, as of December 31, 2025, and \$20 million and \$69 million in Current and Long-term receivables, respectively, as of December 31, 2024, related to sales-type leases receivables.

#### Allowance for Credit Losses

The receivables allowance for credit losses is our best estimate of the amount of expected credit losses in our existing receivables over the contractual term. We evaluate our exposure to credit loss on both a collective and individual basis. We evaluate such receivables on a geographic basis and take into account any relevant available information, which begins with historical credit loss experience and consideration of current and expected conditions and market trends (such as general economic conditions, other microeconomic and macroeconomic considerations, etc.) and reasonable and supportable forecasts that could impact the collectability of such receivables over the contractual term individually or in the aggregate. Changes in circumstances relating to these factors may result in the need to increase or decrease our allowance for credit losses in the future.

We manage our receivable portfolios using both geography and delinquency as key credit quality indicators. The following table summarizes geographical delinquencies of total receivables, net:

	As of December 31, 2025		As of December 31, 2024	
	Total	Balances over 90 days past due	Total	Balances over 90 days past due
<b>Receivables:</b>				
U.S. and Canada	\$ 438	\$ 2	\$ 369	\$ 4
International	378	27	353	39
Total receivables	816	29	722	43
<b>Receivables allowance:</b>				
U.S. and Canada	(14)	—	(15)	(1)
International	(17)	(5)	(25)	(15)
Total receivables allowance	(31)	(5)	(40)	(16)
<b>Receivables, net</b>	<b>\$ 785</b>	<b>\$ 24</b>	<b>\$ 682</b>	<b>\$ 27</b>

Account balances are charged against the allowances after all internal and external collection efforts have been exhausted and the potential for recovery is considered remote.

The activity in our allowance for receivable credit losses for the years ended December 31, 2025 and 2024 is as follows:

	2025			2024
	Total	U.S. and Canada	International	Total
Beginning allowance for credit losses	\$ (40)	\$ (15)	\$ (25)	\$ (41)
Provision	1	—	1	(5)
Charge-offs and recoveries	8	1	7	6
Allowance for credit losses as of December 31	<u>\$ (31)</u>	<u>\$ (14)</u>	<u>\$ (17)</u>	<u>\$ (40)</u>

At December 31, 2025, 3% of our total receivables, net, were past due by over 90 days, compared to 4% at December 31, 2024.

### *Credit Quality of Receivables*

In our Gaming machine sales business, we file UCC-1 financing statements domestically in order to retain a security interest in the gaming machines that underlie a significant portion of our domestic receivables until the receivable balance is fully paid. However, the value of the gaming machines, if repossessed, may be less than the balance of the outstanding receivable. For international customers, depending on the country and our historic collection experience with the customer, we may obtain pledge agreements, bills of exchange, guarantees, post-dated checks or other forms of security agreements designed to enhance our ability to collect the receivables, although a majority of our international receivables do not have these features. In our Gaming operations business, because we own the Participation gaming machines that are leased or otherwise provided to the customer, in a bankruptcy the customer has to generally either accept or reject the lease or other agreement and, if rejected, our gaming machines are returned to us. Our receivables related to revenue earned on Participation gaming machines and all other revenue sources are typically unsecured claims.

Due to the significance of our gaming machines to the ongoing operations of our casino customers, we may be designated as a key vendor in any bankruptcy filing by a casino customer, which can enhance our position above other creditors in the bankruptcy. Due to our successful collection experience and our continuing relationship with casino customers and their businesses, it is infrequent that we repossess gaming machines from a customer in partial settlement of outstanding receivable balances. In those unusual instances where repossession occurs to mitigate our exposure on the related receivable, the repossessed gaming machines are subsequently resold in the used gaming machine market; however, we may not fully recover the receivable from this re-sale.

We have certain concentrations of outstanding receivables in international locations that impact our assessment of the credit quality of our receivables. We monitor the macroeconomic and political environment in each of these locations in our assessment of the credit quality of our receivables. The international customers with significant concentrations (generally deemed to be exceeding 10%) of our receivables with terms longer than one year are in the Latin America region (“LATAM”) and are primarily comprised of Mexico and Argentina. The following table summarizes our LATAM receivables:

	As of December 31, 2025		
	Total	Current	Balances over 90 days past due
Receivables	\$ 56	\$ 49	\$ 7
Allowance for credit losses	(14)	(10)	(4)
Receivables, net	\$ 42	\$ 39	\$ 3

We continuously review receivables and, as information concerning credit quality and/or overall economic environment arises, reassess our expectations of future losses and record an incremental reserve if warranted at that time. Our current allowance for credit losses represents our current expectation of credit losses; however, future expectations could change as international unrest or other macro-economic factors impact the financial stability of our customers.

The fair value of receivables is estimated by discounting expected future cash flows using current interest rates at which similar loans would be made to borrowers with similar credit ratings and remaining maturities. As of December 31, 2025 and 2024, the fair value of receivables, net, approximated the carrying value due to contractual terms of receivables generally being less than 24 months.

### **(7) Inventories, net**

Inventories are stated at the lower of cost or net realizable value. Cost is determined on the first-in, first-out or weighted moving average method. Our inventory primarily consists of gaming machines and table products for sale and related parts. We determine the lower of cost or net realizable value of our inventory based on estimates of potentially excess and obsolete inventories after considering historical and forecasted demand and average selling prices. Our policy is to continuously review and assess the value of our inventory. We continuously monitor demand, assess our internal outlook and rationalize our product roadmap, all of which could result in recording adjustments to the valuation of inventory.

Inventories, net consisted of the following:

	As of December 31,	
	2025	2024
Parts and work-in-process	\$ 131	\$ 126
Finished goods	38	32
Total inventories, net	\$ 169	\$ 158

Parts and work-in-process include parts for gaming machines and our finished goods inventory primarily consist of gaming machines for sale.

We record inventory valuation charges in cost of products and recorded charges of \$11 million, \$14 million and \$14 million for the years ended December 31, 2025, 2024 and 2023, respectively.

#### (8) Property and Equipment, net

Property and equipment are stated at cost, and when placed into service, are depreciated using the straight-line method over the estimated useful lives of the assets as follows:

Item	Estimated Life in Years
Gaming equipment	1 - 5
Machinery and equipment	3 - 15
Transportation equipment	3 - 8
Furniture and fixtures	5 - 10
Buildings and improvements	15 - 40

Costs incurred for equipment associated with specific Gaming contracts not yet placed into service are classified as construction in progress and are not depreciated until placed into service. Leasehold improvements are amortized over the lesser of the term of the corresponding lease or their useful life.

We periodically review the estimated useful lives of our fixed assets and assess the recoverability of long-lived assets (or asset groups) whenever events or changes in circumstances indicate that the carrying value of such an asset (or asset groups) may not be recoverable.

Property and equipment, net consisted of the following:

	As of December 31,	
	2025	2024
Land	\$ 6	\$ 6
Buildings and leasehold improvements	63	64
Gaming machinery and equipment	806	745
Furniture and fixtures	29	29
Construction in progress	6	9
Other property and equipment	99	102
Less: accumulated depreciation	(661)	(669)
Total property and equipment, net	\$ 348	\$ 286

Depreciation expense is excluded from cost of services, cost of products and other operating expenses and is separately presented within D&A.

	Year Ended December 31,		
	2025	2024	2023
Depreciation expense	\$ 179	\$ 134	\$ 117

#### (9) Acquisitions

We account for business combinations in accordance with ASC 805, which requires us to recognize all (and only) the assets acquired and liabilities assumed in the transaction and establishes the acquisition-date fair value as the measurement

objective for all assets acquired and liabilities assumed in a business combination, with certain exceptions for contract assets and contract liabilities in accordance with ASC 606. Certain provisions of this standard prescribe, among other things, the determination of acquisition-date fair value of consideration paid in a business combination (including contingent consideration) and the exclusion of transaction- and acquisition-related costs from acquisition accounting. If the assets acquired do not meet the definition of a business under the acquisition method of accounting, the transaction is accounted for as an acquisition of assets rather than a business combination. In an asset acquisition, we allocate the cost of the group of assets acquired to the individual assets acquired or liabilities assumed based on the relative fair values of net identifiable assets acquired and no goodwill is recorded.

#### Acquisition of Grover

On May 16, 2025, we completed the acquisition of Grover for an upfront consideration of \$850 million, subject to certain customary purchase price adjustments as set forth in the purchase agreement, and up to \$200 million in cash in the aggregate in the form of contingent acquisition consideration payments based on achievement of certain revenue metrics over a four-year period. Grover is a leading provider of electronic pull-tabs currently distributed over six U.S. states: North Dakota, Ohio, Virginia, Kentucky, New Hampshire and Indiana (since December 2025).

We accounted for this acquisition using the acquisition method of accounting whereby the total purchase price was allocated to tangible and intangible assets acquired and liabilities assumed based on respective estimated fair values. We incurred \$15 million in acquisition-related costs, which were recorded in restructuring and other for the year ended December 31, 2025.

The following table summarizes the allocation of the purchase price:

	May 16, 2025
Accounts receivable	\$ 9
Property and equipment	52
Intangible assets	464
Goodwill	392
Other current and non-current assets	1
Total assets	918
Total current and non-current liabilities	4
Net assets acquired	\$ 914
Consideration transferred:	
Cash, net of purchase price adjustments	\$ 858
Fair value of contingent consideration <sup>(1)</sup>	56
Total consideration transferred	\$ 914

(1) The fair value was determined using an income approach primarily based on reaching certain revenue-based metrics, with a discount rate of 6% and a maximum payout of up to \$200 million.

Accounts receivable and other current and non-current assets and liabilities were valued at the existing carrying values, which approximated their estimated fair values. The fair value of property and equipment, which primarily consisted of electronic pull-tab gaming devices, was determined using replacement cost and cost-plus pricing.

The fair values of intangible assets that have been identified were determined using a combination of the excess earnings method and the relief from royalty method using Level 3 inputs in the fair value hierarchy established by ASC 820. The discount rates used in the valuation analysis ranged between 14% and 15%, and the royalty rates used were between 2% and 18%. The following table details the intangible assets that have been identified:

	Fair Value	Weighted Average Useful Life (Years)
Customer relationships	\$ 345	15
Intellectual property <sup>(1)</sup>	91	5-7
Trade name	28	15

(1) Primarily consists of game content and platform technology.

The factors contributing to the recognition of acquired goodwill are based on enhanced financial and operational scale, market diversification and expansion, expected synergies, assembled workforce and other strategic benefits. We expect the resultant goodwill to be deductible for income tax purposes.

Grover revenue and net income since the acquisition date and through December 31, 2025 included in the consolidated statements of operations and comprehensive income were not material. The Grover operating segment was aggregated with our Gaming reportable business segment (see Note 2).

#### (10) Intangible Assets, net and Goodwill

##### *Intangible Assets, net*

Intangible assets with finite useful lives are amortized on a straight-line basis over their estimated useful lives of two to fifteen years with no estimated residual values, which materially approximates the expected pattern of use. Factors considered when assigning useful lives include legal, regulatory and contractual provisions, product obsolescence, demand, competition and other economic factors. The following tables present certain information regarding our intangible assets as of December 31, 2025 and 2024.

	As of December 31,					
	2025			2024		
	Gross Carrying Value	Accumulated Amortization	Net Balance	Gross Carrying Value	Accumulated Amortization	Net Balance
Amortizable intangible assets:						
Customer relationships	\$ 1,252	\$ (703)	\$ 549	\$ 898	\$ (624)	\$ 274
Intellectual property	1,044	(873)	171	924	(801)	123
Licenses	312	(258)	54	290	(242)	48
Brand names	129	(127)	2	128	(125)	3
Trade names	190	(163)	27	161	(159)	2
Patents and other	12	(7)	5	11	(7)	4
Total intangible assets	<u>\$ 2,939</u>	<u>\$ (2,131)</u>	<u>\$ 808</u>	<u>\$ 2,412</u>	<u>\$ (1,958)</u>	<u>\$ 454</u>

The following reflects intangible amortization expense included within D&A:

	Year Ended December 31,		
	2025	2024	2023
Amortization expense <sup>(1)</sup>	\$ 147	\$ 149	\$ 199

(1) The year ended December 31, 2023 includes \$29 million in incremental expense related to a change in estimate that accelerated amortization related to certain legacy trade names and an intangible assets non-cash impairment charge of \$4 million related to SciPlay restructuring of a certain foreign studio.

Estimated intangible asset amortization expense for the year ending December 31, 2026 and each of the subsequent four years is as follows:

	Year Ending December 31,				
	2026	2027	2028	2029	2030
Amortization expense	\$ 151	\$ 145	\$ 118	\$ 96	\$ 56

We assess the recoverability of long-lived assets and intangible assets with finite useful lives whenever events arise or circumstances change that indicate the carrying value of an asset may not be recoverable. Recoverability of long-lived assets (or asset groups) to be held and used is measured by a comparison of the carrying value of the asset (or asset group) to the expected net future undiscounted cash flows to be generated by that asset (or asset group). Any impairment of other long-lived assets and intangible assets with finite lives is measured by the amount by which the carrying value of the asset exceeds the fair market value of the asset.

## Goodwill

The table below reconciles the change in the carrying value of goodwill, by reportable business segment, for the period from December 31, 2023 to December 31, 2025.

	Gaming <sup>(1)</sup>	SciPlay	iGaming	Totals
Balance as of December 31, 2023	\$ 2,388	\$ 210	\$ 347	\$ 2,945
Foreign currency adjustments	(18)	(1)	(23)	(42)
Other	(13)	—	—	(13)
Balance as of December 31, 2024	2,357	209	324	2,890
Foreign currency adjustments	36	8	45	89
Acquired goodwill <sup>(2)</sup>	392	—	—	392
Balance as of December 31, 2025	\$ 2,785	\$ 217	\$ 369	\$ 3,371

(1) Accumulated goodwill impairment charges for the Gaming reportable business segment as of December 31, 2025 were \$989 million.

(2) Represents goodwill related to the Grover acquisition (see Note 9).

Goodwill represents the excess of the purchase price over the fair value of the assets acquired and liabilities assumed of acquired companies. We test goodwill for impairment annually as of October 1 of each fiscal year or more frequently if events arise or circumstances change that indicate that it is “more likely than not” that the fair value of a reporting unit is less than its carrying value.

We evaluate goodwill at the reporting unit level by comparing the carrying value of each reporting unit to its fair value using a quantitative impairment test or qualitative assessment, as deemed appropriate. Under the qualitative assessment option, we first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value, which is commonly referred to as “Step 0.” If it is determined that it is not more likely than not that the fair value is less than the carrying value, goodwill is not considered impaired. For reporting units where we perform the quantitative test, we are required to compare the fair value of each reporting unit, which we primarily determine using an income approach based on the present value of discounted cash flows and a market approach, to the respective carrying value, which includes goodwill. If the fair value of the reporting unit is less than its carrying value, an impairment charge is recognized for the amount by which the carrying value exceeds the reporting unit’s fair value determined based on the quantitative test, not to exceed the total amount of goodwill allocated to that reporting unit.

We review our operating segments in accordance with ASC 350 to determine reporting units within our operating segments based on the availability of discrete financial information that is regularly reviewed by segment management. We determined that we have seven reporting units: Gaming, U.K. Gaming, Casino Management Systems, Table Products, Grover, SciPlay and iGaming. For reportable business segment information, see Note 2.

Our annual goodwill impairment tests as of October 1, 2025 indicated it was more likely than not that the fair values of each of our reporting units that have goodwill exceeded their respective carrying values.

### (11) Software, net

We capitalize direct costs used in the development of internal-use software. Amounts capitalized are amortized over a period of two to ten years on a straight-line basis.

We purchase, license and incur costs to develop external use software and game themes (collectively referred to as software) to be used in the products we sell, lease or market to customers. Costs incurred in creating software are expensed when incurred as R&D until technological feasibility has been established, after which costs are capitalized up to the date the software is available for general release to customers. Generally, the software we develop reaches technological feasibility when a working model of the software is available. We capitalize the payments made for software that we purchase or license for use in our products that has previously met the technological feasibility criteria prior to our purchase or license. Additionally, we incur and capitalize regulatory approval costs for our game themes after technological feasibility is achieved. Amortization of capitalized software costs is recorded over the estimated economic life, which is typically two to ten years.

Software, net consisted of the following:

	As of December 31,	
	2025	2024
Software	\$ 1,151	\$ 1,137
Accumulated amortization	(960)	(976)
Software, net	\$ 191	\$ 161

In the years ended December 31, 2025 and 2024, we capitalized \$102 million and \$87 million, respectively, of development expenditures.

The following reflects amortization of software included within D&A:

	Year Ended December 31,		
	2025	2024	2023
Amortization expense	\$ 80	\$ 78	\$ 68

## (12) Accrued Liabilities

Accrued liabilities consisted of the following:

	As of December 31,	
	2025	2024
Compensation and benefits <sup>(1)</sup>	\$ 131	\$ 140
Accrued interest	44	31
Minimum guarantee license obligations	22	31
Legal matters	144	89
Contract liabilities (including customer advances, deposits and funds held on behalf of customers)	28	21
Taxes, other than income	28	16
Operating lease liabilities	18	16
Contingent acquisition consideration liabilities	7	8
Other	113	95
Total	\$ 535	\$ 447

(1) Includes \$57 million and \$44 million in liability-classified equity awards as of December 31, 2025 and 2024, respectively.

## (13) Leases and Other Commitments

### Leases

Our operating leases primarily consist of real estate leases such as offices, warehouses and game development studios. Our leases have remaining lease terms ranging from one to nine years, some of which include options to extend the leases for up to three years or to terminate the leases within one year. Our finance leases are immaterial.

Our total operating lease expense was \$26 million, \$24 million and \$23 million for the years ended December 31, 2025, 2024 and 2023, respectively. The total amount of variable and short-term lease payments was immaterial for all periods presented.

Supplemental balance sheet and cash flow information related to operating leases is as follows:

	As of December 31,			
	2025		2024	
Operating lease right-of-use assets	\$	43	\$	44
Accrued liabilities		18		16
Operating lease liabilities		29		31
Total operating lease liabilities	\$	47	\$	47
Weighted average remaining lease term, years		3		3
Weighted average discount rate		6 %		6 %

	Year Ended December 31,					
	2025		2024		2023	
Cash paid for amounts included in the measurement of lease liabilities:						
Operating cash flows for operating leases	\$	22	\$	23	\$	22
Right-of-use assets obtained in exchange for new lease liabilities:						
Operating leases	\$	19	\$	12	\$	16

Lease liability maturities are as follows:

	2026	2027	2028	2029	2030	Thereafter	Less Imputed Interest	Total
Operating leases	\$ 21	\$ 14	\$ 9	\$ 4	\$ 2	\$ 2	\$ (5)	\$ 47

As of December 31, 2025, we did not have material additional operating leases that have not yet commenced.

#### *Other Commitments*

##### U.S. 401(k) plan

We have a 401(k) plan for U.S.-based employees. Those employees who participate in our 401(k) plan are eligible to receive matching contributions from us for the first 6% of participant contributions (as defined in the plan document). Contribution expense for the years ended December 31, 2025, 2024 and 2023 amounted to \$10 million, \$9 million and \$9 million, respectively.

**(14) Long-term Debt***Outstanding Debt*

The following table reflects our outstanding debt:

	As of December 31,					
	2025			2024		
	Final Maturity	Rate(s)	Face Value	Unamortized debt discount/premium and deferred financing costs, net	Book Value	Book Value
<b>Senior Secured Credit Facilities:</b>						
LNWI Revolver	2030	variable	\$ 230	\$ —	\$ 230	\$ —
LNWI Term Loan A	2028	variable	790	(2)	788	—
LNWI Term Loan B	2029	variable	2,134	(18)	2,116	2,133
<b>LNWI Senior Notes:</b>						
2028 Unsecured Notes	2028	7.000%	—	—	—	695
2029 Unsecured Notes	2029	7.250%	500	(3)	497	496
2031 Unsecured Notes	2031	7.500%	550	(6)	544	543
2033 Unsecured Notes	2033	6.250%	1,000	(15)	985	—
Other	—	—	3	—	3	3
<b>Total long-term debt outstanding</b>			<b>\$ 5,207</b>	<b>\$ (44)</b>	<b>\$ 5,163</b>	<b>\$ 3,870</b>
Less: current portion of long-term debt					(53)	(23)
<b>Long-term debt, excluding current portion</b>					<b>\$ 5,110</b>	<b>\$ 3,847</b>
Fair value of debt <sup>(1)</sup>			<b>\$ 5,269</b>			

(1) Fair value of our fixed rate and variable interest rate debt is classified within Level 2 in the fair value hierarchy and has been calculated based on the quoted market prices of our securities.

The following reflects the principal amount of debt payments due over the next five years and beyond as of December 31, 2025:

Due	Total Principal Due	Series of Debt	Principal Due per Series of Debt
2026	\$ 53	Term Loan A	\$ 30
		Term Loan B	22
		Other	1
2027	63	Term Loan A	40
		Term Loan B	22
		Other	1
2028	743	Term Loan A	720
		Term Loan B	22
		Other	1
2029	2,568	Term Loan B	2,068
		2029 Unsecured Notes	500
2030	230	Drawn Revolving Credit Facility	230
2031 and beyond	1,550	2031 Unsecured Notes	550
		2033 Unsecured Notes	1,000
Unamortized discount and deferred financing costs	(44)		
<b>Total debt book value as of December 31, 2025</b>	<b>\$ 5,163</b>		

## *Credit Agreements*

L&W and certain of its subsidiaries are party to the LNWI Credit Agreement. As of December 31, 2025, this credit agreement included (a) the LNWI Revolver, a revolving credit facility of \$1.0 billion scheduled to mature February 10, 2030, with up to \$350 million available for issuances of letters of credit and (b) the LNWI Term Loan B, a term loan facility with an initial aggregate principal amount of \$2.2 billion that matures April 14, 2029.

The LNWI Term Loan B amortizes in equal quarterly installments in an amount equal to 1.00% per annum of the stated principal amount thereof, with the remaining balance due at final maturity. LNWI may voluntarily prepay all or any portion of outstanding amounts under the LNWI Credit Agreement at any time, without premium or penalty, subject to redeployment costs in the case of a prepayment of Adjusted Term SOFR Rate (as defined in the LNWI Credit Agreement) loans on a day that is not the last day of the relevant interest period.

The interest rate for the Term Loan B was either (i) Adjusted Term SOFR Rate (as defined in the LNWI Credit Agreement) plus 2.25% per annum or (ii) a base rate plus 1.25% per annum. The interest rate for revolver borrowings is either (i) Adjusted Term SOFR Rate (or an alternative benchmark rate for non-US dollar borrowings) plus 1.75% per annum or (ii) a base rate plus 0.75% per annum, with one 0.25% per annum step-up and one 0.25% per annum step-down based on LNWI's Consolidated Net First Lien Leverage Ratio (as defined in the LNWI Credit Agreement) at the end of future fiscal quarters. LNWI is required to pay commitment fees to revolving lenders on the actual daily unused portion of the revolving commitments at a rate of 0.25% per annum through maturity, subject to a step-down to 0.20% per annum or a step-up to 0.30% per annum based upon the achievement of certain Consolidated Net First Lien Leverage Ratios.

On May 15, 2025 (the "TLA Closing Date"), LNWI entered into the LNWI Credit Agreement A, pursuant to which LNWI borrowed an aggregate principal amount of \$800 million in term loans under the LNWI Term Loan A facility. The proceeds of the loans were used to complete the Grover acquisition and pay fees and expenses related thereto. Loans under the LNWI Term Loan A will mature on May 15, 2028 and, beginning with the first fiscal quarter ending on September 30, 2025, will amortize in quarterly installments in aggregate amounts equal to (i) for the first four full fiscal quarters following the TLA Closing Date, 0.625% of the aggregate principal amount of the LNWI Term Loan A funded on the TLA Closing Date and (ii) for each fiscal quarter following the fourth full fiscal quarter following the TLA Closing Date, 1.25% of the aggregate principal amount of such LNWI Term Loan A funded on the TLA Closing Date, with any outstanding balance due and payable at maturity. Loans under the LNWI Term Loan A will bear interest at either (i) Adjusted Term SOFR Rate (as defined in the LNWI Credit Agreement A) plus, based upon certain leverage tests, between 2.00% and 1.50% per annum or (ii) a base rate plus between 1.00% and 0.50% per annum. The LNWI Term Loan A is subject to customary affirmative covenants and negative covenants as well as a financial covenant. The financial covenant is tested at the end of each fiscal quarter, and it requires that the Company not be in excess of a maximum consolidated net first lien leverage ratio of 4.50:1.00.

On January 22, 2026, we amended the LNWI Credit Agreement and reduced the applicable margin on the LNWI Term Loan B. Following the amendment, the interest rate for the Term Loan B is either (i) Adjusted Term SOFR Rate (as defined in the LNWI Credit Agreement) plus 2.00% per annum or (ii) a base rate plus 1.00% per annum.

### *2029, 2031 and 2033 Unsecured Notes*

On August 23, 2023, LNWI issued \$550 million in aggregate principal amount of its 2031 Unsecured Notes. The net proceeds of the 2031 Unsecured Notes offering, together with cash on hand, were used to redeem \$550 million in previously outstanding notes and pay accrued and unpaid interest thereon plus related premiums, fees and expenses.

On November 26, 2019, LNWI issued \$700 million in aggregate principal amount of its 2028 Unsecured Notes and \$500 million in aggregate principal amount of its 2029 Unsecured Notes. We used the net proceeds of the 2028 Unsecured Notes and the 2029 Unsecured Notes, together with cash on hand and borrowings under the revolving credit facility, to redeem \$1.4 billion in previously outstanding notes and pay accrued and unpaid interest thereon plus related premiums, fees, and costs, which redemption was completed on December 12, 2019, and to pay related fees and expenses of the offering.

On September 24, 2025, LNWI issued \$1.0 billion in aggregate principal amount of 6.250% senior unsecured notes due 2033 pursuant to an indenture among LNWI, as issuer, the Company, the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee. The 2033 Unsecured Notes bear interest at the rate of 6.250% per annum, which accrues from September 24, 2025 and is payable semiannually in arrears on April 1 and October 1 of each year, beginning on April 1, 2026. We may redeem all or any portion of the 2033 Unsecured Notes at any time on or after October 1, 2028, at the prices specified in the indenture. We may redeem all or any portion of the 2033 Unsecured Notes at any time on or after October 1, 2030 at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest, if any, to the date of the redemption plus a "make whole" premium. We used the net proceeds of the 2033 Unsecured Notes to redeem all \$700 million of the 2028 Unsecured Notes, pay accrued and unpaid interest thereon plus related fees and expenses and pay all outstanding

borrowings under the LNWI Revolver, with any remaining proceeds used for general corporate purposes, which included repurchases of the Company's equity.

The following table sets forth the date of the indenture, redemption prices and dates and ranking, guarantees and collateral for each of our outstanding series of notes:

Series of Notes	Indenture Date	Redeemable at Make Whole Price Prior To <sup>(1)</sup>	Ranking, Guarantees and Collateral
2029 Unsecured Notes	November 26, 2019	November 15, 2024	Senior Unsecured
2031 Unsecured Notes	August 23, 2023	September 1, 2026	Senior Unsecured
2033 Unsecured Notes	September 24, 2025	October 1, 2028	Senior Unsecured

(1) Refers to the date prior to which such series of notes may be redeemed at a redemption price equal to 100% of the principal amount of such notes plus accrued and unpaid interest, if any, to the date of redemption plus a "make whole" premium. On or after such date, such notes may be redeemed at the prices specified in the indenture governing such notes.

#### *Ranking, Guarantees and Collateral*

Borrowings under the LNWI Credit Agreement and LNWI Credit Agreement A are senior secured obligations of LNWI, rank equally to all of LNWI's existing and future senior debt and rank senior to all of LNWI's existing and future senior subordinated debt, if any. The Unsecured Notes are senior unsecured obligations of LNWI, rank equally to all of LNWI's existing and future senior debt and rank senior to all of LNWI's existing and future senior subordinated debt, if any.

Borrowings under the LNWI Credit Agreement, LNWI Credit Agreement A and the Senior Notes are guaranteed by us and each of our current and future direct and indirect wholly-owned domestic subsidiaries (other than LNWI and certain immaterial subsidiaries), subject to certain customary exceptions as set forth in the LNWI Credit Agreement, LNWI Credit Agreement A and the indentures governing such notes. Borrowings under the LNWI Credit Agreement, LNWI Credit Agreement A and the Senior Notes are structurally subordinated to all of the liabilities of our Non-Guarantor Subsidiaries.

The obligations under the LNWI Credit Agreement and LNWI Credit Agreement A are secured by a first priority lien on (1) substantially all the property and assets (real and personal, tangible and intangible) of LNWI and the other guarantors, and (2) 100% of the capital stock (or other equity interests) of the direct domestic subsidiaries of L&W, LNWI and the guarantors and 65% of the capital stock (or other equity interests) of the direct foreign subsidiaries of L&W, LNWI and the guarantors, in each case, subject to certain customary exceptions.

#### *Restrictive Covenants*

The credit facilities are subject to customary affirmative and negative covenants as well as a financial covenant. The financial covenant in the LNWI Credit Agreement is solely for the benefit of the revolving facility, is tested at the end of each fiscal quarter if the outstanding borrowings (excluding up to \$5 million of undrawn letters of credit and any cash collateralized letters of credit) under the revolving facility exceed 30% of the commitments under the revolving facility, and requires that L&W and its Restricted Subsidiaries not be in excess of a maximum Consolidated Net First Lien Leverage Ratio of 4.50:1.00. The LNWI Credit Agreement A also includes a similar financial covenant, as applicable to the Term Loan A facility.

Failure to comply with any of the covenants in these agreements could result in a default under these agreements and under other agreements containing cross-default provisions. Such a default would permit lenders to accelerate the maturity of the debt under these agreements and other agreements containing cross-default provisions and, in the case of the LNWI Credit Agreement, to foreclose upon any collateral securing such debt.

We were in compliance with the financial covenants under our debt agreements as of December 31, 2025.

#### *Debt Issuance Costs and Loss on Debt Financing Transactions*

We capitalize debt issuance costs associated with long-term financing arrangements and amortize the deferred debt issuance costs over the term of the arrangement using the effective interest method. The capitalized debt issuance costs associated with long-term debt financing, other than line-of-credit arrangements, are presented as a direct reduction from the carrying value of long-term debt, consistent with the treatment of unamortized debt discount. In connection with the issuance of the 2031 Unsecured Notes and 2033 Unsecured Notes, we capitalized \$8 million and \$15 million, respectively, in financing costs presented as a reduction to long-term debt.

The following are components of the loss on debt financing transactions resulting from debt extinguishment and modification accounting:

	Years Ended December 31,		
	2025	2024	2023
Repayment of principal balance at premium	\$ —	\$ —	\$ 12
Unamortized debt discount and deferred financing costs, net	5	2	3
Total loss on debt financing transactions	<u>\$ 5</u>	<u>\$ 2</u>	<u>\$ 15</u>

### (15) Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset and liability in an orderly transaction between market participants at the measurement date. We estimate the fair value of our assets and liabilities when required using an established three-level hierarchy in accordance with ASC 820.

The fair value of our financial assets and liabilities is determined by reference to market data and other valuation techniques as appropriate. We believe the fair value of our financial instruments, which are principally cash and cash equivalents, restricted cash, receivables, other current assets, accounts payable and accrued liabilities, approximates their recorded values. Our assets and liabilities measured at fair value on a recurring basis are described below.

#### *Derivative Financial Instruments*

As of and for the year ended December 31, 2025, we held the following derivative instruments that were accounted for pursuant to ASC 815:

#### Interest Rate Swap Contracts

We use interest rate swap contracts as described below to manage exposure to interest rate fluctuations by reducing the uncertainty of future cash flows on a portion of our variable rate debt.

In April 2022, we entered into interest rate swap contracts to hedge a portion of our interest expense associated with our variable rate debt to effectively fix the interest rate that we pay. These interest rate swap contracts were designated as cash flow hedges under ASC 815. We pay interest at a weighted-average fixed rate of 2.8320% and receive interest at a variable rate equal to one-month Chicago Mercantile Exchange Term SOFR. The total notional amount of these interest rate swaps was \$700 million as of December 31, 2025. These hedges mature in April 2027.

Our hedges are highly effective in offsetting changes in our future expected cash flows due to the fluctuation in the variable rates associated with our variable rate debt. We qualitatively monitor the effectiveness of these hedges on a quarterly basis. As a result of the effective matching of the critical terms on our variable rate interest expense being hedged to the hedging instruments being used, we expect these hedges to remain highly effective.

All gains and losses from these hedges are recorded in other comprehensive income (loss) until the future underlying payment transactions occur. Any realized gains or losses resulting from the hedges are recognized (together with the hedged transaction) as interest expense. We estimate the fair value of our interest rate swap contracts by discounting the future cash flows of both the fixed rate and variable rate interest payments based on market yield curves. The inputs used to measure the fair value of our interest rate swap contracts are categorized as Level 2 in the fair value hierarchy as established by ASC 820.

The following table shows the loss and interest income on our interest rate swap contracts:

	Year Ended December 31,		
	2025	2024	2023
Loss recorded in accumulated other comprehensive loss, net of tax	\$ (12)	\$ (1)	\$ (7)
Interest income recorded related to interest rate swap contracts	10	17	15

We do not expect to reclassify material amounts from accumulated other comprehensive loss to interest expense in the next twelve months.

The following table shows the effect of interest rate swap contracts designated as cash flow hedges on interest expense in the consolidated statements of operations:

	Year Ended December 31,		
	2025	2024	2023
Total interest expense which reflects the effects of cash flow hedges	\$ (314)	\$ (293)	\$ (309)
Hedged item	(20)	(20)	(20)
Derivative designated as hedging instrument	30	37	35

The following table shows the fair value of our hedges:

Balance Sheet Line Item	As of December 31,	
	2025	2024
Interest rate swaps <sup>(1)</sup>	\$ 5	\$ 19
Other assets		

(1) The inputs used to measure the fair value of our interest rate swap contracts are categorized as Level 2 in the fair value hierarchy.

### Contingent Acquisition Consideration Liabilities

In connection with our acquisitions, we have recorded certain contingent acquisition consideration liabilities (including redeemable non-controlling interest), of which the values are primarily based on reaching certain revenue or earnings-based metrics. The related liabilities were recorded at fair value on their respective acquisition dates as a part of the consideration transferred and are remeasured each reporting period (other than for redeemable non-controlling interest, which is measured based on its redemption value). The inputs used to measure the fair value of our liabilities are categorized as Level 3 in the fair value hierarchy.

The table below reconciles the change in the contingent acquisition consideration liabilities (including deferred purchase price) for the period from December 31, 2024 to December 31, 2025.

	Total	Included in Accrued Liabilities	Included in Other Long-Term Liabilities
Balance as of December 31, 2024	\$ 15	\$ 8	\$ 7
Additions <sup>(1)</sup>	56		
Payments	(2)		
Fair value adjustments <sup>(1)</sup>	25		
Other adjustments <sup>(2)</sup>	(6)		
Balance as of December 31, 2025	\$ 88	\$ 7	\$ 81

(1) Represents contingent consideration liability related to the Grover acquisition (see Note 9) including change in the fair value subsequent to the acquisition date (see Note 4).

(2) Represents extinguishment of \$6 million in redeemable non-controlling interest liability associated with SciPlay's acquisition of Alictus Yazilim Anonim Şirketi in 2022, as specified financial targets were not met. The gain was recorded in other (expense) income, net in our consolidated statements of operations.

### (16) Stockholders' Equity

The following reflects total stock-based compensation expense recognized under all programs:

	Year Ended December 31,		
	2025	2024	2023
Related to L&W RSUs	\$ 121	\$ 110	\$ 89
Related to SciPlay RSUs <sup>(1)</sup>	—	—	29
Total <sup>(2)</sup>	\$ 121	\$ 110	\$ 118

(1) Stock-based compensation expense related to SciPlay RSUs was for awards granted prior to the SciPlay Merger. Upon completion of the SciPlay Merger in 2023, these RSUs were converted to awards denominated in L&W shares.

(2) The years ended December 31, 2025, 2024 and 2023 include \$50 million, \$43 million and \$63 million, respectively, classified as liability awards.

The following table sets forth the change in the number of shares of common stock outstanding during the fiscal years ended December 31, 2025 and 2024:

	December 31,	
	2025	2024
Shares outstanding as of beginning of period	86	90
Shares issued as part of equity-based compensation plans and the employee stock purchase plan (“ESPP”), net of shares surrendered	2	1
Shares repurchased into treasury stock	(11)	(5)
Shares outstanding as of end of period	<u>77</u>	<u>86</u>

#### *L&W Stock-Based and Other Incentive Compensation*

Pursuant to our incentive stock plans, we offer stock-based compensation in the form of stock options and RSUs to employees and our non-employee directors. The terms of such stock option and RSU awards, including the vesting schedule of such awards, are determined at our discretion and subject to the terms of the applicable equity-based compensation plan. We also offer an ESPP, which allows for a total of up to 2 million shares of common stock to be purchased by eligible employees under offerings made each January 1 and July 1. Employees participate through payroll deductions up to a maximum of 15% of eligible compensation. The term of each offering period is six months, and shares are purchased on the last day of the offering period at a 15% discount to the stock’s market value. For offering periods in 2025, 2024 and 2023, we issued approximately 48,000, 45,000 and 38,000 shares of common stock, respectively, at average prices of \$85.22, \$79.91 and \$63.85 per share, respectively.

Options granted over the last several years have generally become exercisable in four equal installments beginning on the first anniversary of the date of grant or when certain performance targets are determined to have been met. All such options have been granted with a maximum term of ten years. RSUs typically vest in three equal installments beginning on the first anniversary of the date of grant or when certain performance targets are determined to have been met.

Effective November 13, 2025, the Company’s common stock was delisted from the Nasdaq Stock Market and the following day began trading as a sole listing on the ASX through CHESS Depositary Interests (“CDIs”). Each CDI represents a beneficial interest in one share of the Company’s common stock. Following the transition to the sole ASX listing, equity-based awards granted under the Company’s equity compensation plans, including RSUs and stock options, are ultimately settled in the Company’s equivalent number of CDIs for participants subject to Australian settlement requirements. Unless otherwise indicated, all amounts presented are reported in U.S. dollars, and amounts disclosed for ASX-related purposes are translated from Australian dollars to U.S. dollars using the applicable spot exchange rate.

We recognize expense for stock-based compensation plans based on the estimated grant date fair value of the related awards in accordance with ASC 718. Stock options are granted with exercise prices that are not less than the fair market value of our common stock on the date of grant. We periodically grant certain stock-based awards that are contingent upon L&W or certain of our subsidiaries achieving certain pre-determined financial performance targets. Upon determining that the performance target is probable, the fair value of the award is recognized over the service period. Determining the probability of achieving a performance target requires estimates and judgment.

As of December 31, 2025, we had approximately 27 million shares of common stock authorized for awards under the 2003 Incentive Compensation Plan, as amended and restated (the “2003 Plan”) (plus available shares from a pre-existing equity-based compensation plan). As of December 31, 2025, we had approximately 3 million shares reserved under the 2003 Plan for future grants of equity awards and less than 0.1 million shares available under a pre-existing plan.

## Stock Options

A summary of the changes in stock options outstanding under our equity-based compensation plans during 2025 is presented below:

	Number of Options	Weighted Average Remaining Contract Term (Years)	Weighted Average Exercise Price (per share)	Aggregate Intrinsic Value
Options outstanding as of December 31, 2024	1.5	2.0	\$ 35.27	\$ 77
Granted	—	—	\$ —	\$ —
Exercised	—	—	\$ 31.98	\$ 3
Cancelled	—	—	\$ —	\$ —
Options outstanding as of December 31, 2025	1.5	1.0	\$ 35.52	\$ 74
Options exercisable as of December 31, 2025	1.5	1.0	\$ 35.25	\$ 74
Options expected to vest as of December 31, 2025	—	7.7	\$ 74.69	\$ —

The weighted-average grant date fair value of options granted during 2024 was \$80.36. No stock options were granted during the years ended December 31, 2025 and 2023. The aggregate intrinsic value of the options exercised during the years ended December 31, 2025, 2024 and 2023 was approximately \$3 million, \$2 million and \$14 million, respectively.

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option pricing model. The weighted-average assumptions used in the model are outlined in the following table:

	2025	2024	2023
Assumptions:			
Expected volatility	N/A	70 %	N/A
Risk-free interest rate	N/A	3.88 %	N/A
Dividend yield	N/A	—	N/A
Expected life (in years)	N/A	6	N/A

The computation of the expected volatility is based on historical daily stock prices over a period commensurate with the expected life of the option. Expected life is based on annual historical employee exercise behavior of option grants with similar vesting periods and option expiration dates. The risk-free interest rate is based on the yield of zero-coupon U.S. Treasury securities of comparable terms.

At December 31, 2025, unrecognized stock-based compensation expense relating to unvested stock options was not material. During the year ended December 31, 2025, we received \$1 million in cash from the exercise of stock options.

## Restricted Stock Units

A summary of the changes in RSUs outstanding under our equity-based compensation plans during 2025 is presented below:

	Number of Restricted Stock Units	Weighted Average Grant Date Fair Value
Unvested RSUs as of December 31, 2024	2.0	\$ 75.49
Granted	1.2	\$ 104.84
Vested	(1.4)	\$ 80.79
Cancelled	(0.1)	\$ 87.64
Unvested RSUs as of December 31, 2025	1.7	\$ 90.80

The weighted-average grant date fair value of RSUs granted during 2025 and 2024 was \$104.84 and \$99.11, respectively. The fair value of each RSU grant is based on the market value of our common stock at the time of the grant. At December 31, 2025, we had \$85 million of unrecognized stock-based compensation expense relating to all unvested RSUs amortized over a weighted-average period of approximately one year. The fair value at vesting date of RSUs vested during the years ended December 31, 2025, 2024 and 2023 was \$133 million, \$172 million and \$62 million, respectively.

## Share Repurchase Program

On June 11, 2024, our Board of Directors approved a share repurchase program, as amended on July 31, 2025, under which the Company is authorized to repurchase, from time to time through June 12, 2027, up to an aggregate amount of \$1.5 billion of shares of outstanding common stock or CDIs. Repurchases under the share repurchase program may be effected at the discretion of the Transaction Committee of the Board of Directors through one or more open market repurchases, privately negotiated transactions, including block trades, accelerated share repurchases, issuer tender offers or other derivative contracts or instruments, “10b5-1” plan, or other financial or other arrangements, or a combination of the foregoing. The share repurchase program may be suspended or discontinued at any time.

During the years ended December 31, 2025, 2024 and 2023, we repurchased 10.1 million, 4.8 million and 2.4 million shares of common stock and/or CDIs, respectively, under the repurchase programs at an aggregate cost of \$885 million, \$465 million and \$171 million (including excise tax), respectively.

### (17) Accumulated Other Comprehensive Loss

The accumulated balances for each classification of other comprehensive loss are presented below:

	Foreign Currency Items	Derivative Financial Instruments <sup>(1)</sup>	Accumulated Other Comprehensive Loss
Balance at January 1, 2023	\$ (342)	\$ 24	\$ (318)
Change during period	42	(7)	35
Reclassified into operations	—	—	—
Balance at December 31, 2023	<u>\$ (300)</u>	<u>\$ 17</u>	<u>\$ (283)</u>
Change during period	(81)	(1)	(82)
Reclassified into operations	—	—	—
Balance at December 31, 2024	<u>\$ (381)</u>	<u>\$ 16</u>	<u>\$ (365)</u>
Change during period	154	(12)	142
Reclassified into operations	—	—	—
Balance at December 31, 2025	<u>\$ (227)</u>	<u>\$ 4</u>	<u>\$ (223)</u>

(1) The change during the period is net of income taxes of \$2 million, \$— million and \$2 million in 2025, 2024 and 2023, respectively.

### (18) Income Taxes

Income taxes are determined using the liability method of accounting for income taxes, under which deferred tax assets (“DTAs”) and deferred tax liabilities (“DTLs”) are recognized for the expected future tax consequences of temporary differences between the financial reporting and tax basis of assets and liabilities. If, based upon all available evidence, both positive and negative, it is more likely than not that such DTAs will not be realized, a valuation allowance is recorded.

Management assessed the available positive and negative evidence to estimate whether sufficient future taxable income will be generated to permit use of existing DTAs in each taxpaying jurisdiction. On the basis of this evaluation, as of December 31, 2025, a valuation allowance of \$71 million has been recorded to recognize only the portion of the DTAs that are more likely than not to be realized; however, the amount of the DTAs considered realizable could be adjusted if estimates of future taxable income during the carry forward period change or if objective negative evidence in the form of cumulative losses is no longer present and additional weight is given to subjective evidence such as projections for future growth.

We apply a recognition threshold and measurement attribute related to uncertain tax positions taken or expected to be taken on our tax returns. We recognize a tax benefit for financial reporting of an uncertain income tax position when it has a greater than 50% likelihood of being sustained upon examination by the taxing authorities. We measure the tax benefit of an uncertain tax position based on the largest benefit that has a greater than 50% likelihood of being ultimately realized including evaluation of settlements.

On July 4, 2025, the One Big Beautiful Bill Act (“OBBBA”) was enacted in the U.S. The OBBBA includes significant provisions, such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act, modifications to the international tax framework and the restoration of favorable tax treatment for certain business provisions. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. We have accounted for the impact of the OBBBA on our consolidated financial statements as of December 31, 2025 and continue to evaluate any further potential impacts from provisions taking effect at a later time.

The components of net income before income taxes are as follows:

	Year Ended December 31,		
	2025	2024	2023
United States	\$ 133	\$ 191	\$ 92
Foreign	232	230	113
Net income from continuing operations before income tax expense	<u>\$ 365</u>	<u>\$ 421</u>	<u>\$ 205</u>

The components of income tax expense (benefit) are as follows:

	Year Ended December 31,		
	2025	2024	2023
<b>Current</b>			
U.S. Federal	\$ 20	\$ 61	\$ 53
U.S. State	9	22	6
Foreign	78	84	50
<b>Total</b>	<u>107</u>	<u>167</u>	<u>109</u>
<b>Deferred</b>			
U.S. Federal	(2)	(61)	(61)
U.S. State	1	(4)	(15)
Foreign	(17)	(17)	(8)
<b>Total</b>	<u>(18)</u>	<u>(82)</u>	<u>(84)</u>
<b>Total income tax expense</b>	<u>\$ 89</u>	<u>\$ 85</u>	<u>\$ 25</u>

The reconciliation of the U.S. federal statutory tax rate to the actual tax rate for the year ended December 31, 2025 is as follows:

	Year Ended December 31, 2025	
	Amount	Percent
U.S. federal statutory income tax	\$ 77	21.0 %
State and local income tax, net of federal (national) income tax effect <sup>(1)</sup>	8	2.2 %
Foreign tax effects:		
Australia	7	1.8 %
India	6	1.5 %
Malta	5	1.4 %
Gibraltar	5	1.4 %
Other foreign jurisdictions	(3)	(0.9)%
Effect of cross-border tax laws:		
Foreign derived intangible income ("FDII")	(4)	(1.2)%
Other	2	0.6 %
Tax credits:		
Research and development credits	(5)	(1.4)%
Foreign tax credits	(7)	(1.8)%
Changes in valuation allowances	3	0.7 %
Non-taxable or non-deductible items:		
Stock-based compensation	(6)	(1.6)%
Other	3	0.8 %
Changes in unrecognized tax benefits	13	3.5 %
Impact of internal restructuring	(9)	(2.4)%
Other	(6)	(1.3)%
Income tax expense	<u>\$ 89</u>	<u>24.3 %</u>

(1) The majority (greater than 50%) of the tax effect in this category is attributable to state taxes in California, New York, New Jersey, and Illinois.

Our 2025 effective tax rate was impacted by the effect of worldwide tax rates on foreign earnings and uncertain tax positions, partially offset by tax benefits of internal restructurings.

The reconciliation of the U.S. federal statutory tax rate to the actual tax rate for the years ended December 31, 2024 and 2023 is as follows:

	Year Ended December 31,	
	2024	2023
Statutory U.S. federal income tax rate	21.0 %	21.0 %
State tax expense	2.2 %	1.8 %
Foreign earnings at rates different than U.S. federal rate	1.6 %	3.4 %
Foreign withholding taxes	0.9 %	3.1 %
Valuation allowance adjustments	1.5 %	3.4 %
Permanent items	(4.0)%	(1.7)%
Tax credits	(2.5)%	(4.7)%
Impact of internal planning and restructuring	(3.0)%	(6.4)%
Impact of sale of discontinued operations	— %	(6.9)%
Other	2.6 %	(0.9)%
Effective income tax rate	<u>20.3 %</u>	<u>12.1 %</u>

Our 2024 effective tax rate was impacted by the effect of worldwide tax rates on foreign earnings, more than offset by tax benefits of internal restructuring and tax credits. Our 2023 effective tax rate was impacted by the effect of worldwide tax

rates on foreign earnings, more than offset by tax benefits of internal restructuring and the impact of discontinued operations in 2022.

The following is a summary of the income taxes paid (net of refunds) by jurisdiction:

	Year Ended December 31, 2025	
United States - Federal <sup>(1)</sup>	\$	(2)
United States - State and Local		10
Australia		47
Austria		12
Sweden		10
United Kingdom		8
India		9
Other Foreign		24
<b>Total income taxes paid</b>	<b>\$</b>	<b>118</b>

(1) 2024 U.S. Federal tax payments were \$85 million. 2025 U.S. Federal tax payments were reduced by the impact of favorable provisions related to OBBBA and excess 2024 U.S. Federal tax payments applied to 2025 estimated taxes.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying values of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The deferred income tax balances are established using the enacted statutory tax rates and are adjusted for changes in such rates in the period of change.

	As of December 31,	
	2025	2024
<b>Deferred tax assets:</b>		
Reserves and other accrued expenses	\$ 130	\$ 90
Net operating loss carry forwards	74	82
Capitalized research and development expenditures	52	85
Interest limitation carry forwards	82	60
Stock compensation	27	33
Property and equipment	9	8
Differences in financial reporting and tax basis for:		
Other	41	41
Less: Valuation allowance	(71)	(67)
<b>Realizable deferred tax assets</b>	<b>344</b>	<b>332</b>
<b>Deferred tax liabilities:</b>		
Differences in financial reporting and tax basis for:		
Identifiable intangible assets	(49)	(57)
Property and equipment	(31)	(35)
Other	(21)	(23)
<b>Total deferred tax liabilities</b>	<b>(101)</b>	<b>(115)</b>
<b>Net deferred tax asset on balance sheet</b>	<b>\$ 243</b>	<b>\$ 217</b>

At December 31, 2025, we had the following NOL, interest limitation, R&D credit, and state tax credit carry forwards:

	December 31, 2025		
	Federal	State	Foreign
NOL carry forwards	\$ —	\$ 506	\$ 257
Interest limitation carry forwards	238	151	97
Tax credits	7	2	—

The state and foreign NOL carryforwards can be carried forward for periods that vary from five years to indefinitely. Federal tax credits expire through 2034. State tax credits expire through 2031. The interest limitation carryforwards can be carried forward indefinitely in all applicable jurisdictions.

At December 31, 2025 and 2024, we had the following valuation allowances:

	December 31,	
	2025	2024
Federal	\$ 9	\$ 6
State	13	13
Foreign	49	48

Undistributed earnings of subsidiaries are accounted for as a temporary difference, except that DTLs are not recorded for undistributed earnings of foreign subsidiaries that are deemed to be indefinitely reinvested in foreign jurisdictions. The Tax Cuts and Jobs Act of 2017 (“Tax Act”) required the Company to compute a tax on previously undistributed earnings and profits of its foreign subsidiaries upon transition from a worldwide tax system to a territorial tax system during the year ended December 31, 2017. The repatriation of such amounts in the future should generally be exempt from income taxes in the U.S. (as a result of the Tax Act) and in those jurisdictions that have a similar territorial system of taxation. Substantially all of our current year foreign cash flows are not intended to be indefinitely reinvested offshore, and therefore the tax effects of repatriation (including applicable withholding taxes) of such cash flows are provided for in our financial reporting.

#### *Unrecognized Tax Benefits*

The total amount of unrecognized tax benefits (“UTBs”) as of December 31, 2025 was \$74 million. Of this amount, \$74 million, if recognized, would be included in our Consolidated Statements of Operations and Comprehensive Income and have an impact on our effective tax rate. During the fourth quarter of 2025, we recognized approximately \$7 million of tax benefits due to expiration of statutes of limitations on tax positions.

We recognize interest and penalties for unrecognized tax benefits in income tax expense. The amounts recognized for interest and penalties during the years ended December 31, 2025, 2024 and 2023 were not material.

We file income tax returns in the U.S. Federal jurisdiction and various state and foreign jurisdictions. We are generally not subject to examination for periods prior to December 31, 2021; however as we utilize our net operating losses, prior periods can be subject to examination. The Company’s U.S. federal income tax returns for tax years 2021 and 2022 are currently under examination by the Internal Revenue Service. There are no other ongoing material U.S. federal, state, local or non-U.S. examinations by tax authorities.

The Company had the following activity for unrecognized tax benefits:

	Year Ended December 31,		
	2025	2024	2023
Balance at beginning of period	\$ 67	\$ 72	\$ 73
Tax positions related to current year additions	7	1	2
Additions for tax positions of prior years	7	4	1
Tax positions related to prior year reductions	—	—	(4)
Reductions due to lapse of statute of limitations on tax positions	(7)	(10)	—
Balance at end of period	<u>\$ 74</u>	<u>\$ 67</u>	<u>\$ 72</u>

#### **(19) Litigation**

We are involved in various legal proceedings, including those discussed below. We record an accrual for legal contingencies when it is both probable that a liability has been incurred and the amount or range of the loss can be reasonably estimated (although, as discussed below, there may be an exposure to loss in excess of the accrued liability). We evaluate our accruals for legal contingencies at least quarterly and, as appropriate, establish new accruals or adjust existing accruals to reflect (1) the facts and circumstances known to us at the time, including information regarding negotiations, settlements, rulings and other relevant events and developments, (2) the advice and analyses of counsel and (3) the assumptions and judgment of management. Legal costs associated with our legal proceedings are expensed as incurred. We had accrued liabilities of \$144 million and \$89 million for all of our legal matters that were contingencies as of December 31, 2025 and 2024, respectively.

Substantially all of our legal contingencies are subject to significant uncertainties and, therefore, determining the likelihood of a loss and/or the measurement of any loss involves a series of complex judgments about future events. Consequently, the ultimate outcomes of our legal contingencies could result in losses in excess of amounts we have accrued. We may be unable to estimate a range of possible losses for some matters pending against us or our subsidiaries, even when the amount of damages claimed against us or our subsidiaries is stated because, among other things: (1) the claimed amount may be exaggerated or unsupported; (2) the claim may be based on a novel legal theory or involve a large number of parties; (3) there may be uncertainty as to the likelihood of a class being certified or the ultimate size of the class; (4) there may be uncertainty as to the outcome of pending appeals or motions; (5) the matter may not have progressed sufficiently through discovery or there may be significant factual or legal issues to be resolved or developed; and/or (6) there may be uncertainty as to the enforceability of legal judgments and outcomes in certain jurisdictions. Other matters have progressed sufficiently that we are able to estimate a range of possible loss. For those legal contingencies disclosed below, and those related to the previously disclosed settlement agreement entered into in February 2015 with SNAI S.p.a. (“SNAI”), as to which a loss is reasonably possible, whether in excess of a related accrued liability or where there is no accrued liability, and for which we are able to estimate a range of possible loss, the current estimated range is up to approximately \$14 million in excess of the accrued liabilities (if any) related to those legal contingencies. This aggregate range represents management’s estimate of additional possible loss in excess of the accrued liabilities (if any) with respect to these matters based on currently available information, including any damages claimed by the plaintiffs, and is subject to significant judgment and a variety of assumptions and inherent uncertainties. For example, at the time of making an estimate, management may have only preliminary, incomplete, or inaccurate information about the facts underlying a claim; its assumptions about the future rulings of the court or other tribunal on significant issues, or the behavior and incentives of adverse parties, regulators, indemnitors or co-defendants, may prove to be wrong; and the outcomes it is attempting to predict are often not amenable to the use of statistical or other quantitative analytical tools. In addition, from time to time an outcome may occur that management had not accounted for in its estimate because it had considered that outcome to be remote. Furthermore, as noted above, the aggregate range does not include any matters for which we are not able to estimate a range of possible loss. Accordingly, the estimated aggregate range of possible loss does not represent our maximum loss exposure. Any such losses could have a material adverse impact on our results of operations, cash flows or financial condition. The legal proceedings underlying the estimated range will change from time to time, and actual results may vary significantly from the current estimate.

#### *Colombia Litigation*

Our subsidiary, LNWI, owned a minority interest in Wintech de Colombia S.A., or Wintech (now liquidated), which formerly operated the Colombian national lottery under a contract with Empresa Colombiana de Recursos para la Salud, S.A. (together with its successors, “Ecosalud”), an agency of the Colombian government. The contract provided for a penalty against Wintech, LNWI and the other shareholders of Wintech of up to \$5 million if certain levels of lottery sales were not achieved. In addition, LNWI delivered to Ecosalud a \$4 million surety bond as a further guarantee of performance under the contract. Wintech started the instant lottery in Colombia but, due to difficulties beyond its control, including, among other factors, social and political unrest in Colombia, frequently interrupted telephone service and power outages, and competition from another lottery being operated in a province of Colombia that we believe was in violation of Wintech’s exclusive license from Ecosalud, the projected sales level was not met for the year ended June 30, 1993.

In 1993, Ecosalud issued a resolution declaring that the contract was in default. In 1994, Ecosalud issued a liquidation resolution asserting claims for compensation and damages against Wintech, LNWI and other shareholders of Wintech for, among other things, realization of the full amount of the penalty, plus interest, and the amount of the bond. LNWI filed separate actions opposing each resolution with the Tribunal Contencioso of Cundinamarca in Colombia (the “Tribunal”), which upheld both resolutions. LNWI appealed each decision to the Council of State. In May 2012, the Council of State upheld the contract default resolution, which decision was notified to us in August 2012. In October 2013, the Council of State upheld the liquidation resolution, which decision was notified to us in December 2013.

In July 1996, Ecosalud filed a lawsuit against LNWI in the U.S. District Court for the Northern District of Georgia asserting many of the same claims asserted in the Colombia proceedings, including breach of contract, and seeking damages. In March 1997, the District Court dismissed Ecosalud’s claims. Ecosalud appealed the decision to the U.S. Court of Appeals for the Eleventh Circuit. The Court of Appeals affirmed the District Court’s decision in 1998.

In June 1999, Ecosalud filed a collection proceeding against LNWI to enforce the liquidation resolution and recover the claimed damages. In May 2013, the Tribunal denied LNWI’s merit defenses to the collection proceeding and issued an order of payment of approximately 90 billion Colombian pesos, or approximately \$30 million, plus default interest (potentially accrued since 1994 at a 12% statutory interest rate). LNWI filed an appeal to the Council of State, and on December 10, 2020, the Council of State issued a ruling affirming the Tribunal’s decision. On December 16, 2020, LNWI filed a motion for clarification of the Council of State’s ruling, which was denied on April 15, 2021. On April 22, 2021, LNWI filed a motion for reconsideration relating to that decision, which the Council of State denied on February 21, 2022. On May 24, 2022, the case

was transferred from the Council of State to the Tribunal for further proceedings. On August 18, 2022, LNWI filed a constitutional challenge to the Council of State's December 10, 2020 decision with that court, which was denied on October 7, 2022. On December 7, 2022, LNWI filed an appeal with the Council of State from the denial of the constitutional challenge, which was denied on May 24, 2023. On June 28, 2023, the Colombian Constitutional Court received the record of the constitutional appeal for further consideration, and on September 26, 2023, that court selected LNWI's constitutional appeal for further consideration. On April 25, 2024, LNWI was notified that, by means of a decision dated April 5, 2024, a three-judge panel of the Colombian Constitutional Court denied LNWI's constitutional appeal. On April 30, 2024, LNWI filed a motion to have that panel ruling declared null and void by the full Chamber of the Colombian Constitutional Court. On November 7, 2024, LNWI was notified that, by means of a decision dated August 8, 2024, the full Chamber of the Colombian Constitutional Court denied LNWI's motion filed on April 30, 2024. The matter has been remanded to the Tribunal for further proceedings, and on April 30, 2025, the Tribunal issued an order directing the parties to comply with the December 10, 2020 decision of the Council of State. The matter remains pending before the Tribunal.

LNWI believes it has various defenses, including on the merits, against Ecosalud's claims. Although we believe these claims will not result in a material adverse effect on our consolidated results of operations, cash flows or financial position, it is not feasible to predict the final outcome, and we cannot assure that these claims will not ultimately be resolved adversely to us or result in material liability.

#### *SNAI Litigation*

On April 16, 2012, certain VLTs operated by SNAI in Italy and supplied by Barcrest Group Limited ("Barcrest") erroneously printed what appeared to be winning jackpot and other tickets with a face amount in excess of €400.0 million. SNAI has stated, and system data confirms, that no jackpots were actually won on that day. The terminals were deactivated by the Italian regulatory authority. Following the incident, we understand that the Italian regulatory authority revoked the certification of the version of the gaming system that Barcrest provided to SNAI and fined SNAI €1.5 million, but determined to not revoke SNAI's concession to operate VLTs in Italy.

In October 2012, SNAI filed a lawsuit in the Court of First Instance of Rome in Italy against Barcrest and The Global Draw Limited ("Global Draw"), our subsidiary which acquired Barcrest from IGT-UK Group Limited, a subsidiary of IGT, claiming liability arising out of the April 2012 incident and asserting claims based on theories of breach of contract and tort. The lawsuit sought to terminate SNAI's agreement with Barcrest and damages arising from the deactivation of the terminals, including among other things, lost profits, expenses and costs, potential awards to players who have sought to enforce what appeared to be winning jackpot and other tickets, compensation for lost profits sought by managers of the gaming locations where SNAI VLTs supplied by Barcrest were installed, damages to commercial reputation and any future damages arising from SNAI's potential loss of its concession or inability to obtain a new concession.

In February 2015, we entered into a settlement agreement with SNAI that provides, among other things, for us to make a €25.0 million upfront payment to SNAI, which payment was made in February 2015, and to indemnify SNAI against certain potential future losses. In connection with the settlement, the parties' pending claims in the Court of First Instance of Rome were dismissed on February 19, 2015. To date, we have paid €9.4 million to SNAI pursuant to our indemnification obligations.

#### *In re Automatic Card Shufflers Litigation Matter*

On April 2, 2021, Casino Queen, Inc. and Casino Queen Marquette, Inc. filed a putative class action complaint in the United States District Court for the Northern District of Illinois against L&W, Bally Technologies, Inc. and LNWI Gaming, Inc., f/k/a Bally Gaming, Inc. In the complaint, the plaintiffs assert federal antitrust claims arising from the defendants' procurement of particular U.S. patents. The plaintiffs allege that the defendants used those patents to create an allegedly illegal monopoly in the market for automatic card shufflers sold or leased in the United States. The plaintiffs seek to represent a putative class of all persons and entities that directly purchased or leased automatic card shufflers within the United States from the defendants, or any predecessor, subsidiary, or affiliate thereof, at any time between April 1, 2009, and the present. The complaint seeks unspecified money damages, which the complaint asks the court to treble, the award of plaintiffs' costs of suit, including attorneys' fees, and the award of pre-judgment and post-judgment interest. On June 11, 2021, the defendants filed a motion to dismiss plaintiffs' complaint, which the court denied on May 19, 2022. Discovery closed on December 1, 2023. On February 16, 2024, the respondents filed a motion for summary judgment, which is pending. Also on February 16, 2024, claimant filed a motion for partial summary judgment and a motion for class certification, which are pending. On May 8, 2025, the court held a hearing on the pending motions for summary judgment. We are currently unable to determine the likelihood of an outcome or estimate a range of reasonably possible losses, if any. We believe that the claims are without merit, and intend to vigorously defend against them.

### *Mohawk Gaming Enterprises Matter*

On November 9, 2020, Mohawk Gaming Enterprises LLC, d/b/a Akwesasne Mohawk Casino Resort, filed a demand for a putative class arbitration before the American Arbitration Association against L&W, Bally Technologies, Inc. and LNW Gaming, Inc., f/k/a Bally Gaming, Inc. (“Respondents”). In the complaint, the claimant asserts federal antitrust claims arising from the respondents’ procurement of particular U.S. patents. The claimant alleges that the respondents used those patents to create an allegedly illegal monopoly in the market for automatic card shufflers sold or leased in the United States. The claimant seeks to represent a putative class of all persons and entities that directly purchased or leased automatic card shufflers within the United States from the respondents, or any predecessor, subsidiary, or affiliate thereof, at any time between April 1, 2009, and the present. The complaint seeks unspecified money damages, which the complaint asks the arbitration panel to treble, and the award of claimant’s costs of suit, including attorneys’ fees. Respondents filed their answering statement on December 9, 2020. On October 29, 2021, the claimant filed a memorandum in support of class arbitration, which Respondents opposed on December 3, 2021. On February 8, 2022, the Arbitrator issued a clause construction award, finding that the arbitration could proceed on behalf of a class or classes. On February 11, 2022, Respondents filed a petition to vacate the award in the New York Supreme Court. The Court denied Respondents’ petition on August 9, 2022, and on August 16, 2022, Respondents appealed to the New York Appellate Division, First Department, which denied Respondents’ appeal on June 22, 2023. On April 15, 2022, Respondents filed a motion to dismiss the claimant’s complaint, which the Arbitrator denied on July 26, 2022. Discovery closed on December 1, 2023. On February 16, 2024, the respondents filed a motion for summary judgment. Also on February 16, 2024, claimant filed a motion for partial summary judgment and a motion for class certification. On December 9, 2024, the Arbitrator denied the motions for summary judgment and issued a class determination award, certifying a class. On January 9, 2025, Respondents filed a petition to vacate the award in New York Supreme Court. The Court denied Respondents’ petition and granted Claimant’s cross-petition to confirm the award on July 2, 2025, and on July 7, 2025, Respondents appealed to the New York Appellate Division, First Department. On November 14, 2025, the Arbitrator entered a scheduling order setting the evidentiary hearing in this matter for April 15 to 30 and May 6 to 13, 2026. We are currently unable to determine the likelihood of an outcome or estimate a range of reasonably possible losses, if any. We believe that the claims in the arbitration demand are without merit, and intend to vigorously defend against them.

### *Allah Beautiful Matter*

On December 19, 2022, claimant Prince Imanifest Allah Beautiful filed an arbitration demand against respondent SciPlay Corporation before the American Arbitration Association. The demand asserts claims for alleged violations of New Jersey’s anti-gambling statutes and seeks unspecified money damages, including recovery of monies allegedly lost by New Jersey players of SciPlay’s online social casino games other than the claimant. On March 7, 2023, respondent filed its answering statement to claimant’s arbitration demand. On March 4, 2024, respondent filed a motion to dismiss the claimant’s arbitration demand, which the Arbitrators denied on April 24, 2024. On September 30, 2024, the parties entered into a written term sheet to resolve the matter, subject to the execution of a written settlement agreement and judicial approval of the settlement terms. On October 1, 2024, the Arbitrators granted respondent’s unopposed motion to stay the matter, and the American Arbitration Association closed the case as settled on December 9, 2024. The parties signed a written settlement agreement on January 6, 2025, which received final court approval on November 26, 2025.

### *Sprinkle Matter*

On December 12, 2022, claimant Matthew Sprinkle filed an arbitration demand against respondent SciPlay Corporation before the American Arbitration Association. The demand asserts claims for alleged violations of Ohio’s anti-gambling statutes and seeks unspecified money damages, including recovery of monies allegedly lost by Ohio players of SciPlay’s online social casino games other than the claimant. On March 7, 2023, respondent filed its answering statement to claimant’s arbitration demand. On March 4, 2024, respondent filed a motion to dismiss the claimant’s arbitration demand, which the Arbitrators denied on April 24, 2024. On September 30, 2024, the parties entered into a written term sheet to resolve the matter, subject to the execution of a written settlement agreement and judicial approval of the settlement terms. On October 1, 2024, the Arbitrators granted respondent’s unopposed motion to stay the matter, and the American Arbitration Association closed the case as settled on December 9, 2024. The parties signed a written settlement agreement on January 6, 2025, which received final court approval on November 26, 2025.

### *Andrea Sornberger Matter*

On March 8, 2023, plaintiff Andrea Sornberger filed a complaint against SciPlay Corporation and SciPlay Games, LLC in the Circuit Court of the Franklin County, Alabama. The complaint asserts claims for alleged violations of Alabama anti-gambling statutes and seeks unspecified money damages, including recovery of monies allegedly lost by Alabama players of SciPlay’s online social casino games other than the plaintiff, the award of interests and costs, and injunctive and other relief. On April 12, 2023, defendants removed the action to the United States District Court for the Northern District of Alabama. On August 24, 2023, plaintiff voluntarily dismissed her complaint without prejudice, and re-filed it in the Circuit Court of Franklin

County, Alabama. On September 27, 2023, defendants removed the re-filed action to the United States District Court for the Northern District of Alabama. On October 26, 2023, plaintiff filed a motion to remand the action to the Circuit Court of Franklin County, Alabama. On September 30, 2024, the parties entered into a written term sheet to resolve the matter, subject to the execution of a written settlement agreement and judicial approval of the settlement terms. On October 8, 2024, the Court granted the Plaintiff's unopposed motion to stay the case and stayed the case until October 29, 2024. On November 12, 2024, the parties jointly stipulated to dismiss the case without prejudice to time-related defenses, should the settlement agreement between the parties not become final. The parties signed a written settlement agreement on January 6, 2025, which received final court approval on November 26, 2025. On March 25, 2025, the Court dismissed the case with prejudice, provided, however, that if the terms of the settlement were not fully consummated within 45 days of the order, then the Court would entertain a petition to reinstate the action. On March 28, 2025, plaintiff filed an unopposed motion to vacate the dismissal with prejudice and asked the Court to enter a dismissal order consistent with the parties' agreed-upon stipulation of dismissal; on January 9, 2026, the Court denied the motion as moot.

#### *Roberts Matter*

On July 25, 2023, claimant Donovan Roberts filed an arbitration demand against respondent SciPlay Corporation before the American Arbitration Association. The demand asserts claims for alleged violations of Kentucky's anti-gambling statutes and seeks unspecified money damages, including recovery of monies allegedly lost by Kentucky players of SciPlay's online social casino games other than the claimant. On October 6, 2023, respondent filed its answering statement to claimant's arbitration demand. On May 30, 2024, respondent filed a motion to dismiss the claimant's arbitration demand. On August 12, 2024, the Arbitrators granted respondent's motion to dismiss in part, and dismissed the claimant's claims seeking to recover losses of other Kentucky residents. The Arbitrators allowed claimant's claim for his own personal alleged losses to proceed. On September 30, 2024, the parties entered into a written term sheet to resolve the matter, subject to the execution of a written settlement agreement and judicial approval of the settlement terms. In response to respondent's unopposed request to stay the matter, on October 3, 2024, the Arbitrators marked the case file inactive, and the American Arbitration Association closed the case as settled on January 9, 2026. The parties signed a written settlement agreement on January 6, 2025, which received final court approval on November 26, 2025.

#### *Ebersole Matter*

On July 25, 2023, claimant Christopher Ebersole filed an arbitration demand against respondent SciPlay Corporation before the American Arbitration Association. The demand asserts claims for alleged violations of Ohio's anti-gambling statutes and seeks unspecified money damages, including recovery of monies allegedly lost by Ohio players of SciPlay's online social casino games other than the claimant. On October 12, 2023, respondent filed its answering statement to claimant's arbitration demand. On April 1, 2024, respondent filed a motion to dismiss the claimant's arbitration demand, which the Arbitrators denied on May 16, 2024. On September 30, 2024, the parties entered into a written term sheet to resolve the matter, subject to the execution of a written settlement agreement and judicial approval of the settlement terms. On October 1, 2024, the Arbitrators granted respondent's unopposed motion to stay the matter, and the American Arbitration Association closed the case as settled on June 13, 2025. The parties signed a written settlement agreement on January 6, 2025, which received final court approval on November 26, 2025.

#### *Murnaghan Matter*

On July 25, 2023, claimant Hope Murnaghan filed an arbitration demand against respondent SciPlay Corporation before the American Arbitration Association. The demand asserts claims for alleged violations of Massachusetts' anti-gambling statutes and seeks unspecified money damages, including recovery of monies allegedly lost by Massachusetts players of SciPlay's online social casino games other than the claimant. On October 12, 2023, respondent filed its answering statement to claimant's arbitration demand. On April 1, 2024, respondent filed a motion to dismiss the claimant's arbitration demand, which the Arbitrators denied on May 16, 2024. On September 30, 2024, the parties entered into a written term sheet to resolve the matter, subject to the execution of a written settlement agreement and judicial approval of the settlement terms. On October 1, 2024, the Arbitrators granted respondent's unopposed motion to stay the matter, and the American Arbitration Association closed the case as settled on June 12, 2025. The parties signed a written settlement agreement on January 6, 2025, which received final court approval on November 26, 2025.

#### *Ewing Matter*

On November 30, 2023, plaintiff Lauren Ewing filed a lawsuit against SciPlay Corporation and SciPlay Games LLC in the Circuit Court for the 14th Judicial District of Tennessee. The complaint asserts claims for alleged violations of Tennessee's anti-gambling statutes and seeks unspecified money damages, including recovery of monies allegedly lost by Tennessee players of SciPlay's online social casino games. On December 15, 2023, defendants removed the action to the United States District Court for the Eastern District of Tennessee. On January 12, 2024, plaintiff filed a motion to remand the action to the Circuit

Court for the 14th Judicial District of Tennessee. On January 22, 2024, defendants filed a motion to dismiss plaintiff's complaint and a motion to compel arbitration of plaintiff's claims. On September 26, 2024, the United States District Court for the Eastern District of Tennessee granted plaintiff's motion to remand the case to State court. In light of the remand order, the District Court did not rule on defendants' motions to dismiss and to compel arbitration. On September 30, 2024, the parties entered into a written term sheet to resolve the matter, subject to the execution of a written settlement agreement and judicial approval of the settlement terms. On October 7, 2024, defendants filed a petition for permission to appeal the District Court's remand order with the United States Court of Appeals for the Sixth Circuit. On October 23, 2024, the District Court granted defendants' motion to stay its remand order until the Sixth Circuit fully disposes of the petition for permission to appeal. On January 30, 2025, the Sixth Circuit granted the parties' joint motion to stay the case until April 30, 2025. The Sixth Circuit has periodically extended the stay, but dismissed the appeal on January 21, 2026 after granting the parties' joint stipulation to voluntarily dismiss the appeal with prejudice. The parties signed a written settlement agreement on January 6, 2025, which received final court approval on November 26, 2025. On January 22, 2026, the State court dismissed the case after the parties entered a stipulated dismissal with prejudice.

#### *Fuqua Matter*

On August 22, 2024, plaintiff Dianne Fuqua filed a complaint against SciPlay Corporation and SciPlay Games, LLC in the United States District Court for the Western District of Kentucky. The complaint asserts claims for alleged violations of Kentucky anti-gambling statutes and seeks unspecified money damages, including recovery of monies allegedly lost by Kentucky players of SciPlay's online social casino games other than the plaintiff, the award of interest and costs, and unspecified other relief. On September 30, 2024, the parties entered into a written term sheet to resolve the matter, subject to the execution of a written settlement agreement and judicial approval of the settlement terms. On October 7, 2024, the Court granted Plaintiff's unopposed motion to stay and stayed all deadlines for 30 days. The Court has periodically extended the stay, but dismissed the case on January 20, 2026 after the plaintiff filed a notice of voluntary dismissal with prejudice. The parties signed a written settlement agreement on January 6, 2025, which received final court approval on November 26, 2025.

#### *Timothy Sornberger Matter*

On January 9, 2025, plaintiffs Timothy Sornberger, Donovan Roberts, Matthew Sprinkle, Hope Murnaghan, Luke Whitney, Prince Imanifest Allah Beautiful, and Christopher Ebersole filed a putative multistate class action complaint against SciPlay Corporation and SciPlay Games, LLC in the Circuit Court of Franklin County, Alabama. The complaint asserts claims for alleged violations of anti-gambling statutes of the states of Alabama, Tennessee, Kentucky, Ohio, New Jersey, and Massachusetts. The plaintiffs seek to represent putative classes of individuals in their respective home states who spent money playing SciPlay's online social casino games during various periods of time. The complaint seeks unspecified money damages, including recovery of monies allegedly lost by players of SciPlay's online social casino games in the enumerated states, the award of interests and costs, attorneys' fees and expenses and unspecified other relief. On January 17, 2025, the parties filed a notice of a proposed class settlement and a motion to stay the deadlines to answer or otherwise respond to the complaint. On January 17, 2025, the court stayed all deadlines in the action, pending the filing of a motion for preliminary approval of a class action settlement, which the plaintiffs filed on August 5, 2025. Also on August 5, 2025, the court entered an order preliminarily approving the class action settlement and setting a fairness hearing on the class action settlement for November 26, 2025. On November 26, 2025, the court held a fairness hearing on the class action settlement, gave final approval to the settlement, entered final judgment, and dismissed the case with prejudice.

#### *De Guzman Matter*

On January 13, 2026, plaintiff Mark De Guzman filed a putative class action complaint against Sciplay Corporation and SciPlay Games, LLC in the United States District Court for the Northern District of California. The complaint asserts claims for alleged violations under California's Unfair Competition Law, California's Consumer Legal Remedies Act, and California's Penal Code, and for unjust enrichment. The plaintiff seeks to represent a putative class of California residents who spent money playing SciPlay's online social casino games during the four years preceding the filing of plaintiff's complaint. Plaintiff's complaint seeks an order certifying the proposed class, and further seeks unspecified money damages, rescission, restitution, and injunctive relief, the award of interest, costs, and plaintiff's reasonable attorney's fees, and unspecified other equitable relief. Defendants' responsive pleadings to the complaint are not yet due. We are currently unable to determine the likelihood of an outcome or estimate a range of possible losses, if any. We believe that the claims in the complaint are without merit, and intend to vigorously defend against them.

#### *Herman Matter*

On January 15, 2026, plaintiff Sean Herman filed a putative class action complaint against SciPlay Corporation and SciPlay Games, LLC in the United States District Court for the Western District of Washington. The complaint asserts claims for alleged violations of Washington State's anti-gambling statutes and Washington State's Consumer Protection Act. The

plaintiff seeks to represent a putative class of Washington State residents who spent money playing SciPlay's online social casino games during the three years preceding the filing of plaintiff's complaint. Plaintiff's complaint seeks an order certifying the proposed class, and further seeks unspecified money damages, rescission, restitution, and injunctive relief, the award of interest, costs, and plaintiff's reasonable attorneys' fees, and unspecified other equitable relief. Defendants' responsive pleadings to the complaint are not yet due. We are currently unable to determine the likelihood of an outcome or estimate a range of reasonably possible losses, if any. We believe that the claims in the complaint are without merit, and intend to vigorously defend against them.

*Aristocrat Matter (United States)*

On February 26, 2024, Aristocrat Technologies, Inc. and Aristocrat Technologies Australia Pty Limited brought a civil action in the United States District Court for the District of Nevada against L&W, LNW Gaming, Inc. and SciPlay Corporation. Plaintiffs assert claims for trade secret misappropriation, copyright infringement, trade dress infringement and unfair competition, and deceptive trade practices, relating to defendants' *DRAGON TRAIN™* and *JEWEL OF THE DRAGON®* games. Plaintiffs' operative complaint seeks preliminary and permanent injunctive relief, unspecified damages, the award of reasonable attorneys' fees and costs, pre-judgment and post-judgment interest, and declaratory relief. Simultaneously with the filing of the complaint on February 26, 2024, the plaintiffs filed a motion to expedite discovery, which the court granted in part and denied in part on March 26, 2024. On April 9, 2024, defendants filed a motion to dismiss plaintiffs' complaint, which the court granted in part and denied in part on June 24, 2024. On May 22, 2024, the plaintiffs filed a motion for a preliminary injunction, which the district court granted on September 23, 2024. On July 15, 2024, the plaintiffs filed a First Amended Complaint, which defendants answered on August 12, 2024. On November 21, 2024, the plaintiffs filed a motion to enforce the district court's preliminary injunction, which the court denied on January 3, 2025. On March 14, 2025, the plaintiffs filed a Second Amended Complaint, which defendants answered on April 11, 2025. On July 15, 2025, the plaintiffs filed a motion to extend the current pretrial deadlines, which the court granted on October 2, 2025. On July 17, 2025, the parties jointly filed a proposed stipulated order regarding the court's preliminary injunction entered in September 2024. On October 17, 2025, the court granted plaintiffs' renewed motion to obtain discovery of math models for certain Light & Wonder hold and spin games released since 2021. On December 11, 2025, the parties filed a stipulated motion to extend the current pretrial deadlines, which the court granted on December 16, 2025. On January 12, 2026, the parties jointly filed a motion to stay the action until March 12, 2026, in view of a settlement reached by the parties. On January 12, 2026, the court entered an order directing the parties to file, by March 12, 2026, either documents to dismiss the action or a joint status report informing the court of the status of the settlement.

*Aristocrat Matter (Australia)*

On October 4, 2024, Aristocrat Technologies Australia Pty Limited brought a civil action in the Federal Court of Australia against L&W and LNW Gaming ANZ Pty Ltd., among other defendants. Plaintiff asserts claims for breach of confidence, breach of contract (against other defendants) and inducing breach of contract, breaches of the Australian Consumer Law, and copyright infringement relating to defendants' Dragon Train games, and breach of confidence relating to defendants' Jewel of the Dragon games. Plaintiff's complaint seeks preliminary and permanent injunctive relief, unspecified damages or an account of profits, and the award of costs. On October 4, 2024, the plaintiff filed a motion for an interlocutory injunction, which it amended on November 12, 2024. On February 3, 2025, L&W and LNW Gaming ANZ Pty Ltd. filed a defense to plaintiff's complaint. On February 6, 2025, the court denied plaintiff's motion for interlocutory injunction. On May 26, 2025, the plaintiff filed an amended complaint, and on June 3, 2025, L&W and LNW Gaming ANZ Pty Ltd. filed a defense to plaintiff's amended complaint. On July 7, 2025, the court entered an order directing that evidence in the proceeding is to be heard by the court in two tranches, with final orders being made after a hearing on the second tranche of evidence. The trial relating to the first tranche of evidence is provisionally scheduled for June 29, 2026 through July 17, 2026. On January 12, 2026, the plaintiffs, L&W and LNW Gaming ANZ Pty Ltd. jointly notified the court that they had reached a settlement between them. Under the terms of the agreement, Light & Wonder consented to an approximately \$128 million payment to conclude the matters at issue, and the plaintiffs, L&W and LNW Gaming ANZ Pty Ltd. promised to provide further updates relating to the settlement on or before March 11, 2026.

*Evolution Matter*

On May 28, 2024, Evolution Malta Limited, Evolution Gaming Malta Limited, and SIA Evolution Latvia brought a civil action in the United States District Court for the District of Nevada against L&W and LNW Gaming, Inc. Plaintiffs assert claims for patent infringement and trade secret misappropriation relating to defendants' ROULETTEX® and POWERX® games and defendants' 88 Fortunes Blaze Live Roulette game. Plaintiffs' complaint seeks preliminary and permanent injunctive relief, unspecified damages, the award of attorneys' fees and costs, interest, and declaratory relief. On July 24, 2024, defendants filed a motion to dismiss plaintiffs' complaint, which the court granted as to plaintiffs' claims for patent infringement on February 11, 2025. On August 16, 2024, defendants filed a motion to stay discovery, which the court denied on November 7, 2024. On February 7, 2025, defendants filed a motion to compel arbitration of plaintiffs' claims for trade secret

misappropriation, or, in the alternative, to dismiss the claims, which the court granted on September 30, 2025. On April 10, 2025, Plaintiffs filed a First Amended Complaint and on May 15, 2025, defendants filed a motion to dismiss that First Amended Complaint, which the court denied as moot on September 30, 2025. Also on April 10, 2025, Plaintiffs filed a motion for leave to file a Second Amended Complaint, which the court granted on June 30, 2025. Plaintiffs filed their Second Amended Complaint on June 30, 2025, and defendants filed a motion to dismiss the claims for patent infringement in that complaint on August 8, 2025, which is pending. Also on August 8, 2025, the parties filed a joint stipulation to stay all discovery until and through January 16, 2026, which the court granted on August 11, 2025. On February 2, 2026, defendants filed a motion to stay all discovery pending the court's ruling on defendants' motion to dismiss plaintiffs' Second Amended Complaint, and the resolution of pending Inter Partes Review proceedings involving the majority of the patents asserted in the action. On February 3, 2026, the court entered a scheduling order setting certain pretrial deadlines, including a fact discovery deadline of October 27, 2026. We are currently unable to determine the likelihood of an outcome or estimate a range of reasonably possible losses, if any. We believe that the claims in the complaint are without merit and intend to vigorously defend against them.

**SCHEDULE II**  
**LIGHT & WONDER, INC. AND SUBSIDIARIES**  
**Valuation and Qualifying Accounts**  
**Years Ended December 31, 2025, 2024 and 2023**  
(in millions)

<b>Allowance for credit losses</b>	<b>Balance at beginning of period</b>	<b>Additions</b>	<b>Deductions<sup>(1)</sup></b>	<b>Balance at end of period</b>
Year Ended December 31, 2025	\$ 40	—	(9)	\$ 31
Year Ended December 31, 2024	\$ 41	5	(6)	\$ 40
Year Ended December 31, 2023	\$ 40	5	(4)	\$ 41

(1) Amounts written off, net of recovery, and related impact of foreign currency exchange.

<b>Tax-related valuation allowance</b>	<b>Balance at beginning of period</b>	<b>Additions / (deductions)<sup>(1)</sup></b>	<b>Balance at end of period</b>
Year Ended December 31, 2025	\$ 67	4	\$ 71
Year Ended December 31, 2024	\$ 65	2	\$ 67
Year Ended December 31, 2023	\$ 68	(3)	\$ 65

(1) Amounts written off, net of recovery, and related impact of foreign currency exchange.

### 3. Exhibits

#### EXHIBIT INDEX

<b>Exhibit Number</b>	<b>Description</b>
2.1	<a href="#"><u>Agreement and Plan of Merger, dated as of January 30, 2013, entered into by and among Scientific Games Corporation (as predecessor to Light &amp; Wonder, Inc.), Scientific Games International, Inc. (as predecessor to Light &amp; Wonder International, Inc.), SG California Merger Sub, Inc. and WMS Industries Inc. (incorporated by reference to Exhibit 2.1 to Scientific Games Corporation's Current Report on Form 8-K filed on February 5, 2013).</u></a>
2.2	<a href="#"><u>Agreement and Plan of Merger, dated as of August 1, 2014, by and among the Scientific Games Corporation (as predecessor to Light &amp; Wonder, Inc.), Scientific Games International, Inc. (as predecessor to Light &amp; Wonder International, Inc.), Scientific Games Nevada, Inc. and Bally Technologies, Inc. (incorporated by reference to Exhibit 2.1 to Scientific Games Corporation's Current Report on Form 8-K filed on August 4, 2014).</u></a>
2.3	<a href="#"><u>Arrangement Agreement, dated as of September 20, 2017, among Scientific Games Corporation (as predecessor to Light &amp; Wonder, Inc.), Bally Gaming And Systems UK Limited and NYX Gaming Group Limited (incorporated by reference to Exhibit 2.1 to Scientific Games Corporation's (as predecessor to Light &amp; Wonder, Inc.) Current Report on Form 8-K filed on September 21, 2017).</u></a>
2.4	<a href="#"><u>First Amendment to Arrangement Agreement, dated as of November 21, 2017, among Scientific Games Corporation (as predecessor to Light &amp; Wonder, Inc.), Bally Gaming And Systems UK Limited and NYX Gaming Group Limited (incorporated by reference to Exhibit 2.1 to Scientific Games Corporation's (as predecessor to Light &amp; Wonder, Inc.) Current Report on Form 8-K filed on November 27, 2017).</u></a>
2.5	<a href="#"><u>Agreement and Plan of Merger, dated as of September 18, 2017, by and between Scientific Games Corporation (as predecessor to Light &amp; Wonder, Inc.) and SG Nevada Merger Company, a Nevada corporation and a wholly-owned subsidiary of Scientific Games Corporation (as predecessor to Light &amp; Wonder, Inc.) (incorporated by reference to Exhibit 2.1 to Scientific Games Corporation's (as predecessor to Light &amp; Wonder, Inc.) Current Report on Form 8-K filed on September 18, 2017).</u></a>
2.6	<a href="#"><u>Agreement and Plan of Merger, dated August 8, 2023, by and among Light &amp; Wonder, Inc., Bern Merger Sub, Inc. and SciPlay Corporation (incorporated by reference to Exhibit 2.1 to Light &amp; Wonder, Inc.'s Current Report on Form 8-K filed on August 8, 2023).*</u></a>
2.7	<a href="#"><u>Asset Purchase Agreement, dated as of February 17, 2025, by and among Grover Gaming, Inc., G2 Gaming, Inc. and LNW Gaming, Inc. (incorporated by reference to Exhibit 2.1 to Light &amp; Wonder, Inc.'s Current Report on Form 8-K filed February 18, 2025).*</u></a>
3.1	<a href="#"><u>Restated Articles of Incorporation of Light &amp; Wonder, Inc., filed with the Secretary of State of the State of Nevada on August 5, 2022 (incorporated by reference to Exhibit 3.1(a) to Light &amp; Wonder, Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2022).</u></a>
3.2	<a href="#"><u>Second Amended and Restated Bylaws of Light &amp; Wonder, Inc., effective as of April 28, 2022 (incorporated by reference to Exhibit 3.2 to Light &amp; Wonder, Inc.'s Current Report on Form 8-K filed on April 29, 2022).</u></a>
3.3	<a href="#"><u>Third Amended and Restated Bylaws of Light &amp; Wonder, Inc., effective as of August 3, 2023 (incorporated by reference to Exhibit 3.2 to Light &amp; Wonder, Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2023).</u></a>
3.4	<a href="#"><u>Fourth Amended and Restated Bylaws of Light &amp; Wonder, Inc., effective as of November 13, 2025 (incorporated by reference to Exhibit 3.1 to Light &amp; Wonder, Inc.'s Current Report on Form 8-K filed on November 14, 2025).</u></a>
3.5	<a href="#"><u>Certificate of Withdrawal of Certificate of Designation of Series A Junior Participating Preferred Stock, filed with the Secretary of State of the State of Nevada on August 8, 2023 (incorporated by reference to Exhibit 3.3 to Light &amp; Wonder, Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2023).</u></a>

- 4.1 [Amended and Restated Rights Agreement, dated as of January 10, 2018, between Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\) and American Stock Transfer & Trust Company, LLC which includes the Form of Certificate of Designation of Series A Junior Participating Preferred Stock of Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\) as Exhibit A, the Form of Right Certificate as Exhibit B, the Summary of Rights to Purchase Shares of Preferred Stock of Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\) as Exhibit C and a the Form of Consent to Jurisdiction as Exhibit D \(incorporated by reference to Exhibit 4.3 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Current Report on Form 8-K filed on January 10, 2018\).](#)
- 4.2 [Amendment to Amended and Restated Rights Agreement, dated as of June 16, 2020, to the Amended and Restated Rights Agreement, dated as of January 10, 2018, by and between Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\) and American Stock Transfer & Trust Company, LLC \(incorporated by reference to Exhibit 4.1 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Current Report on Form 8-K filed on June 19, 2020\).](#)
- 4.3 [Indenture, dated as of November 26, 2019, among Scientific Games International, Inc. \(as predecessor to Light & Wonder International, Inc.\), as issuer, Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\), the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, relating to the 7.000% Senior Unsecured Notes due 2028 \(incorporated by reference to Exhibit 4.1 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Current Report on Form 8-K filed on November 26, 2019\).](#)
- 4.4 [Supplemental Indenture, dated as of January 23, 2020, by and among Scientific Games International, Inc. \(as predecessor to Light & Wonder International, Inc.\) as issuer, Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\), NYX Digital Gaming \(USA\), LLC and the other guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee, relating to the Indenture, dated as of November 26, 2019, as amended and supplemented, relating to the 7.000% Senior Unsecured Notes due 2028 \(incorporated by reference to Exhibit 4.47 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Annual Report on Form 10-K for the year ended December 31, 2019\).](#)
- 4.5 [Supplemental Indenture, dated as of January 5, 2021, by and among Scientific Games International, Inc., \(as predecessor to Light & Wonder International, Inc.\) as issuer, SGI Lottery LLC and the guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee, relating to the Indenture, dated as of November 26, 2019, as amended and supplemented, relating to the 7.000% Senior Unsecured Notes due 2028 \(incorporated by reference to Exhibit 4.43 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Annual Report on Form 10-K for the year ended December 31, 2020\).](#)
- 4.6 [Indenture, dated as of November 26, 2019, among Scientific Games International, Inc. \(as predecessor to Light & Wonder International, Inc.\), as issuer, Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\), the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, relating to the 7.250% Senior Unsecured Notes due 2029 \(incorporated by reference to Exhibit 4.2 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Current Report on Form 8-K filed on November 26, 2019\).](#)
- 4.7 [Supplemental Indenture, dated as of January 23, 2020, by and among Scientific Games International, Inc. \(as predecessor to Light & Wonder International, Inc.\) as issuer, Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\), NYX Digital Gaming \(USA\), LLC and the other guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee, relating to the Indenture, dated as of November 26, 2019, as amended and supplemented, relating to the 7.250% Senior Unsecured Notes due 2029 \(incorporated by reference to Exhibit 4.49 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Annual Report on Form 10-K for the year ended December 31, 2019\).](#)
- 4.8 [Supplemental Indenture, dated as of January 5, 2021, by and among Scientific Games International, Inc. \(as predecessor to Light & Wonder International, Inc.\), as issuer, SGI Lottery LLC and the other guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee, relating to the Indenture, dated as of November 26, 2019, as amended and supplemented, relating to the 7.250% Senior Unsecured Notes due 2029 \(incorporated by reference to Exhibit 4.46 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Annual Report on Form 10-K for the year ended December 31, 2020\).](#)
- 4.9 [Supplemental Indenture, dated as of August 19, 2021, by and among Scientific Games International, Inc. \(as predecessor to Light & Wonder International, Inc.\), Scientific Games, Inc. and the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, relating to the Indenture, dated as of November 26, 2019, as amended and supplemented, relating to the 7.000% Senior Unsecured Notes due 2028 \(incorporated by reference to Exhibit 4.6 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Quarterly Report on Form 10-Q for the quarter ended September 30, 2021\).](#)

- 4.10 [Supplemental Indenture, dated as of August 19, 2021, by and among Scientific Games International, Inc. \(as predecessor to Light & Wonder International, Inc.\), Scientific Games, Inc. and the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, relating to the Indenture, dated as of November 26, 2019, as amended and supplemented, relating to the 7.250% Senior Unsecured Notes due 2029 \(incorporated by reference to Exhibit 4.7 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Quarterly Report on Form 10-Q for the quarter ended September 30, 2021\).](#)
- 4.11 [Supplemental Indenture, dated as of September 30, 2021, among Scientific Games International, Inc. \(as predecessor to Light & Wonder International, Inc.\), as issuer, Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\), the other guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee, relating to the Indenture, dated as of November 26, 2019, as amended and supplemented, relating to the 7.000% Senior Unsecured Notes due 2028 \(incorporated by reference to Exhibit 4.6 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Current Report on Form 8-K filed on October 1, 2021\).](#)
- 4.12 [Supplemental Indenture, dated as of September 30, 2021, among Scientific Games International, Inc. \(as predecessor to Light & Wonder International, Inc.\), as issuer, Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\), the other guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee, relating to the Indenture, dated as of November 26, 2019, as amended and supplemented, relating to the 7.250% Senior Unsecured Notes due 2029 \(incorporated by reference to Exhibit 4.7 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Current Report on Form 8-K filed on October 1, 2021\).](#)
- 4.13 [Supplemental Indenture, dated as of October 19, 2021, among Scientific Games International, Inc. \(as predecessor to Light & Wonder International, Inc.\), as issuer, Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\), the other guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee, relating to the Indenture, dated as of November 26, 2019, as amended and supplemented, relating to the 7.000% Senior Unsecured Notes due 2028. \(incorporated by reference to Exhibit 4.68 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Annual Report on Form 10-K for the fiscal year ended December 31, 2021\).](#)
- 4.14 [Supplemental Indenture, dated as of October 19, 2021, among Scientific Games International, Inc. \(as predecessor to Light & Wonder International, Inc.\), as issuer, Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\), the other guarantors party thereto, and Deutsche Bank Trust Company Americas, as trustee, relating to the Indenture, dated as of November 26, 2019, as amended and supplemented, relating to the 7.250% Senior Unsecured Notes due 2029 \(incorporated by reference to Exhibit 4.69 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Annual Report on Form 10-K for the fiscal year ended December 31, 2021\).](#)
- 4.15 [Supplemental Indenture, dated as of April 27, 2022, by and among Scientific Games International, Inc. \(as predecessor to Light & Wonder International, Inc.\), as issuer, L&W Merger Sub, Inc. and the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, relating to the Indenture, dated as of November 26, 2019, as amended and supplemented, relating to the 7.250% Senior Unsecured Notes due 2029 \(incorporated by reference to Exhibit 4.1 to Light & Wonder, Inc.'s Quarterly Report on Form 10-Q for the quarter ended March 31, 2022\).](#)
- 4.16 [Supplemental Indenture, dated as of April 27, 2022, by and among Scientific Games International, Inc. \(as predecessor to Light & Wonder International, Inc.\), as issuer, L&W Merger Sub, Inc. and the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, relating to the Indenture, dated as of November 26, 2019, as amended and supplemented, relating to the 7.000% Senior Unsecured Notes due 2028 \(incorporated by reference to Exhibit 4.2 to Light & Wonder, Inc.'s Quarterly Report on Form 10-Q for the quarter ended March 31, 2022\).](#)
- 4.17 [Indenture, dated as of August 23, 2023, among Light and Wonder International, Inc., as issuer, Light & Wonder, Inc., the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, relating to the 7.500% Senior Unsecured Notes due 2031 \(incorporated by reference to Exhibit 4.1 to Light & Wonder, Inc.'s Current Report on Form 8-K filed on August 23, 2023\).](#)
- 4.18 [Supplemental Indenture, dated as of December 22, 2023, by and among Light & Wonder International, Inc., as issuer, SciPlay Corporation, SciPlay Games, LLC and the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, relating to the Indenture, dated as of November 26, 2019, as amended and supplemented, relating to the 7.000% Senior Unsecured Notes due 2028 \(incorporated by reference to Exhibit 4.1 to Light & Wonder, Inc.'s Current Report on Form 8-K filed on December 22, 2023\).](#)
- 4.19 [Supplemental Indenture, dated as of December 22, 2023, by and among Light & Wonder International, Inc., as issuer, SciPlay Corporation, SciPlay Games, LLC and the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, relating to the Indenture, dated as of November 26, 2019, as amended and supplemented, relating to the 7.250% Senior Unsecured Notes due 2029 \(incorporated by reference to Exhibit 4.2 to Light & Wonder, Inc.'s Current Report on Form 8-K filed on December 22, 2023\).](#)

- 4.20 [Supplemental Indenture, dated as of December 22, 2023, by and among Light & Wonder International, Inc., as issuer, SciPlay Corporation, SciPlay Games, LLC and the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, relating to the Indenture, dated as of August 23, 2023, as amended and supplemented, relating to the 7.500% Senior Unsecured Notes due 2031 \(incorporated by reference to Exhibit 4.3 to Light & Wonder, Inc.'s Current Report on Form 8-K filed on December 22, 2023\).](#)
- 4.21 [Indenture, dated as of September 24, 2025, among Light and Wonder International, Inc., as issuer, Light & Wonder, Inc., the other guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, relating to the 6.250% Senior Unsecured Notes due 2033 \(incorporated by reference to Light & Wonder, Inc.'s Current Report on Form 8-K filed on September 24, 2025\).](#)
- 4.22 [Description of Securities.\(†\)](#)
- 10.1 [Credit Agreement, dated as of April 14, 2022, by and among Scientific Games International, Inc. \(as predecessor to Light & Wonder International, Inc.\), as the borrower, Light & Wonder, Inc., as a guarantor, the several banks and other financial institutions or entities from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent, collateral agent, issuing lender and swingline lender \(incorporated by reference to Exhibit 10.1 to Light & Wonder, Inc.'s Current Report on Form 8-K filed on April 15, 2022\).](#)
- 10.2 [Amendment No. 1, dated as of January 16, 2024, among Light and Wonder International, Inc., as the borrower, Light & Wonder, Inc., as holdings, the several banks and other financial institutions or entities from time to time parties thereto and JPMorgan Chase Bank, N.A., as administrative agent, collateral agent, issuing lender and swingline lender, which amended the Credit Agreement, dated as of April 14, 2022 \(incorporated by reference to Exhibit 10.1 to Light & Wonder, Inc.'s Current Report on Form 8-K filed January 16, 2024\).](#)
- 10.3 [Amendment No. 2, dated as of July 17, 2024, among Light and Wonder International, Inc., as the borrower, Light & Wonder, Inc., as holdings, the several banks and other financial institutions or entities from time to time parties thereto and JPMorgan Chase Bank, N.A., as administrative agent, collateral agent, issuing lender and swingline lender, which amended the Credit Agreement, dated as of April 14, 2022 \(incorporated by reference to Exhibit 10.1 to Light & Wonder, Inc.'s Current Report on Form 8-K filed July 17, 2024\).](#)
- 10.4 [Amendment No. 3, dated as of February 10, 2025, among Light and Wonder International, Inc., as the borrower, Light & Wonder, Inc., as holdings, the several banks and other financial institutions or entities from time to time parties thereto and JPMorgan Chase Bank, N.A., as administrative agent, collateral agent, issuing lender and swingline lender, which amended the Credit Agreement, dated as of April 14, 2022 \(incorporated by reference to Exhibit 10.1 to Light & Wonder, Inc.'s Current Report on Form 8-K filed February 10, 2025\).](#)
- 10.5 [Amendment No. 4, dated as of January 22, 2026, among Light and Wonder International, Inc., as the borrower, Light & Wonder, Inc., as holdings, the several banks and other financial institutions or entities from time to time parties thereto and JPMorgan Chase Bank, N.A., as administrative agent, collateral agent, issuing lender and swingline lender, which amended the Credit Agreement, dated as of April 14, 2022 \(incorporated by reference to Exhibit 10.1 to Light & Wonder, Inc.'s Current Report on Form 8-K filed January 22, 2026\).](#)
- 10.6 [Credit Agreement, dated as of May 15, 2025, by and among Light and Wonder International, Inc., as the borrower, Light & Wonder, Inc., as a guarantor, the several banks and other financial institutions or entities from time to time party thereto and JPMorgan Chase Bank, N.A., as administrative agent and collateral agent \(incorporated by reference to Exhibit 10.1 to Light & Wonder, Inc.'s Current Report on Form 8-K filed on May 16, 2025\).](#)
- 10.7 [Escrow Credit Agreement, dated as of October 1, 2014, among SGMS Escrow Corp., the several lenders from time to time parties thereto, and Bank of America, N.A., as administrative agent \(incorporated by reference to Exhibit 10.2 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Current Report on Form 8-K filed on October 7, 2014\).](#)
- 10.8 [Guarantee and Collateral Agreement, dated as of October 18, 2013, by and among Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\), Scientific Games International, Inc. \(as predecessor to Light & Wonder International, Inc.\), the guarantor parties named therein and Bank of America, N.A. as collateral agent \(incorporated by reference to Exhibit 10.2 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Current Report on Form 8-K filed on October 18, 2013\).](#)
- 10.9 [Collateral Agreement, dated as of November 21, 2014, among Scientific Games International, Inc. \(as predecessor to Light & Wonder International, Inc.\), as issuer, Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\), the subsidiary guarantors party thereto and Deutsche Bank Trust Company Americas, as collateral agent, related to the 7.000% Senior Secured Notes due 2022 \(incorporated by reference to Exhibit 10.1 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Current Report on Form 8-K filed on November 26, 2014\).](#)

- 10.10 [Amendment No. 1, dated as of February 14, 2017, among Scientific Games International, Inc. \(as predecessor to Light & Wonder International, Inc.\), Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\) and the other guarantors party thereto and Deutsche Bank Trust Company Americas, as collateral agent, relating to the Collateral Agreement, dated as of November 21, 2014 \(incorporated by reference to Exhibit 10.2 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Current Report on Form 8-K filed on February 14, 2017\).](#)
- 10.11 [Share Purchase Agreement, dated as of April 26, 2011, by and among Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\), Global Draw Limited, IGT-UK Group Limited, Cyberview International, Inc. and International Game Technology \(incorporated by reference to Exhibit 10.1 to Scientific Games Corporation's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011\).](#)
- 10.12 [Light & Wonder, Inc. Amended and Restated 2003 Incentive Compensation Plan \(Amended and Restated as of November 4, 2025\).\\*\\*\(†\)](#)
- 10.13 [1995 Equity Incentive Plan, as amended \(incorporated by reference to Exhibit 10.14 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Annual Report on Form 10-K for the fiscal year ended October 31, 1997\).\\*\\*](#)
- 10.14 [Omnibus Amendment of Compensation and Benefit Plans, effective January 10, 2018, to amend the Plans, as defined therein, to reflect the merger of Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\), a Delaware corporation \("Parent"\) into SG Nevada Merger Company, a Nevada corporation and a wholly-owned subsidiary of Parent \(incorporated by reference to Exhibit 10.3 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Quarterly Report on Form 10-Q for the quarter ended March 31, 2018\).\\*\\*](#)
- 10.15 [Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\) Amended and Restated 2016 Employee Stock Purchase Plan \(Amended and Restated as of November 4, 2025\).\\*\\*\\*\(†\)](#)
- 10.16 [Employment Agreement, dated as of August 2, 2021 \(effective as of September 1, 2021\), by and between Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\) and James Sottile \(incorporated by reference to Exhibit 10.3 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Quarterly Report on Form 10-Q for the quarter ended June 30, 2021\).\\*\\*](#)
- 10.17 [Amendment to Employment Agreement, effective as of June 20, 2025, by and between Light & Wonder, Inc. and James Sottile \(incorporated by reference to Exhibit 10.3 to Light & Wonder, Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2025\).\\*\\*](#)
- 10.18 [Consulting Agreement, dated as of June 20, 2025, by and between Light & Wonder, Inc. and James Sottile \(incorporated by reference to Exhibit 10.4 to Light & Wonder, Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2025\).\\*\\*](#)
- 10.19 [Employment Agreement, dated as of July 6, 2019 \(effective as of March 1, 2020\), by and between Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\) and Matthew Wilson \(incorporated by reference to Exhibit 10.4 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Quarterly Report on Form 10-Q for the quarter ended March 31, 2020\).\\*\\*](#)
- 10.20 [Amendment to Employment Agreement, dated as of March 24, 2020 \(effective as of April 5, 2020\), by and between Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\) and Matthew Wilson \(incorporated by reference to Exhibit 10.5 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Quarterly Report on Form 10-Q for the quarter ended March 31, 2020\).\\*\\*](#)
- 10.21 [Amendment to Employment Agreement, dated as of June 30, 2020 \(effective as of July 1, 2020\), by and between Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\) and Matthew Wilson \(incorporated by reference to Exhibit 10.9 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Quarterly Report on Form 10-Q for the quarter ended June 30, 2020\).\\*\\*](#)
- 10.22 [Amendment to Employment Agreement, dated as of July 24, 2020, by and between Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\) and Matthew Wilson \(incorporated by reference to Exhibit 10.6 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Quarterly Report on Form 10-Q for the quarter ended September 30, 2020\).\\*\\*](#)
- 10.23 [Amendment to Employment Agreement, dated as of November 14, 2022 \(effective as of October 10, 2022\), by and between Light & Wonder, Inc. and Matthew Wilson \(incorporated by reference to Exhibit 10.35 to Light & Wonder, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2022\).\\*\\*](#)

- 10.24 [Amended and Restated Consulting Agreement, dated as of October 1, 2020, by and between Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\) and Jamie Odell \(incorporated by reference to Exhibit 10.15 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Quarterly Report on Form 10-Q for the quarter ended September 30, 2020\).\\*\\*](#)
- 10.25 [Amended and Restated Consulting Agreement, dated as of December 5, 2023, by and between Light & Wonder, Inc. and Jamie Odell \(incorporated by reference to Exhibit 10.23 to Light & Wonder, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2023\).\\*\\*](#)
- 10.26 [Amendment to the Amended and Restated Consulting Agreement, dated as of June 23, 2025, by and between Light & Wonder, Inc. and Jamie Odell \(incorporated by reference to Exhibit 10.5 to Light & Wonder, Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2025\).\\*\\*](#)
- 10.27 [Amended and Restated Consulting Agreement, dated as of October 1, 2020, by and between Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\) and Antonia Korsanos \(incorporated by reference to Exhibit 10.11 to Scientific Games Corporation's \(as predecessor to Light & Wonder, Inc.\) Quarterly Report on Form 10-Q for the quarter ended September 30, 2020\).\\*\\*](#)
- 10.28 [Amended and Restated Consulting Agreement, dated as of December 5, 2023, by and between Light & Wonder, Inc. and Antonia Korsanos \(incorporated by reference to Exhibit 10.25 to Light & Wonder, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2023\).\\*\\*](#)
- 10.29 [Amended and Restated Employment Agreement, dated as of October 10, 2022, by and between Light & Wonder, Inc. and Siobhan Lane \(incorporated by reference to Exhibit 10.38 to Light & Wonder, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2022\).\\*\\*](#)
- 10.30 [Employment Agreement, effective as of August 25, 2023, by and between Light & Wonder, Inc. and Vanja Kalabic \(incorporated by reference to Exhibit 10.1 to Light & Wonder, Inc.'s Quarterly Report on Form 10-Q for the quarter ended September 30, 2023\).\\*\\*](#)
- 10.31 [Employment Agreement, effective as of December 13, 2023, by and between Light & Wonder, Inc. and Oliver Chow \(incorporated by reference to Exhibit 10.28 to Light & Wonder, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2023\).\\*\\*](#)
- 19.1 [Securities Trading Policy.\(†\)](#)
- 21 [List of Subsidiaries.\(†\)](#)
- 23.1 [Consent of Deloitte & Touche LLP, Independent Registered Public Accounting Firm.\(†\)](#)
- 31.1 [Certification of Chief Executive Officer pursuant to Rule 13a-14\(a\) under the Securities Exchange Act of 1934.\(†\)](#)
- 31.2 [Certification of Chief Financial Officer pursuant to Rule 13a-14\(a\) under the Securities Exchange Act of 1934.\(†\)](#)
- 32.1 [Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.\\*\\*\\*](#)
- 32.2 [Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.\\*\\*\\*](#)
- 99.1 [Terms and Conditions of Equity Awards to Key Employees under the Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\) 2003 Incentive Compensation Plan, for awards granted prior to 2021 \(incorporated by reference to Exhibit 99.4 to Light & Wonder, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2023\).\\*\\*](#)
- 99.2 [Terms and Conditions of Equity Awards to Key Employees under the Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\) 2003 Incentive Compensation Plan \(Amended and Restated June 12, 2019\), for awards granted in 2021 or later \(incorporated by reference to Exhibit 99.1 to Light & Wonder, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2023\).\\*\\*](#)
- 99.3 [Terms and Conditions of Equity Awards to Key Employees under the Scientific Games Corporation \(as predecessor to Light & Wonder, Inc.\) 2003 Incentive Compensation Plan \(Amended and Restated June 12, 2019\), for awards granted in 2025 or later \(incorporated by reference to Exhibit 99.1 to Light & Wonder, Inc.'s Quarterly Report on Form 10-Q for the quarter ended March 31, 2025\).\\*\\*](#)

99.4	<a href="#">Terms and Conditions of Equity Awards to Key Employees under the Scientific Games Corporation (as predecessor to Light &amp; Wonder, Inc.) 2003 Incentive Compensation Plan (Amended and Restated November 4, 2025), for awards granted in 2026 or later.**(†)</a>
99.5	<a href="#">Terms and Conditions of Equity Awards to Non-Employee Directors under the Scientific Games Corporation (as predecessor to Light &amp; Wonder, Inc.) 2003 Incentive Compensation Plan (Amended and Restated June 12, 2019) (incorporated by reference to Exhibit 99.2 to Light &amp; Wonder, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2023).**</a>
99.6	<a href="#">Terms and Conditions of Equity Awards to Consultants under the Scientific Games Corporation (as predecessor to Light &amp; Wonder, Inc.) 2003 Incentive Compensation Plan (Amended and Restated June 12, 2019) (incorporated by reference to Exhibit 99.3 to Light &amp; Wonder, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2023).**</a>
99.7	<a href="#">Gaming Regulations.(†)</a>
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Label 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 - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

\* Schedules and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. Light & Wonder agrees to furnish supplementally to the SEC a copy of any omitted schedule or exhibit upon request, subject to Light & Wonder's right to request confidential treatment of any requested schedule or exhibit.

\*\*Management contracts and compensation plans and arrangements in which directors and/or executive officers are eligible to participate.

\*\*\* Furnished herewith.

(†) Filed herewith.

The agreements and other documents filed as exhibits to this Annual Report on Form 10-K are not intended to provide factual information or other disclosure other than with respect to the terms of the agreements or other documents themselves, and you should not rely on them for that purpose. In particular, any representations and warranties made by us in these agreements or other documents were made solely within the specific context of the relevant agreement or document and may not describe the actual state of affairs as of the date they were made or at any other time.

#### ITEM 16. FORM 10-K SUMMARY

Not applicable.



**DESCRIPTION OF THE REGISTRANT'S SECURITIES  
REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES  
EXCHANGE ACT OF 1934**

*Our shares of Common Stock (as defined below) are the only securities of Light & Wonder, Inc. registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act").*

The following summarizes the material terms of the Common Stock (as defined below) of Light & Wonder, Inc. (the "Company") as set forth in the Company's Restated Articles of Incorporation (the "Charter"), and the Company's Fourth Amended and Restated Bylaws (the "Bylaws"). While we believe that the following description covers the material terms of such securities, the following summary may not contain all of the information that may be important to you and is subject to and qualified in its entirety by reference to applicable Nevada law, including Chapters 78 and 92A of the Nevada Revised Statutes (the "NRS"), and to the Charter and the Bylaws, each of which is filed as an exhibit to the Annual Report on Form 10-K of which this Exhibit 4.22 is a part. As used herein, unless otherwise expressly stated or the context otherwise requires, the terms "Company", "we", "our" and "us" refer to Light & Wonder, Inc. and not to any of its subsidiaries.

### **General**

We are incorporated under the laws of the State of Nevada. The rights of our stockholders are governed by the NRS, the Charter and the Bylaws.

### **Authorized Stock**

Under the Charter, our authorized capital stock totals 202,000,000 shares, consisting of (i) 200,000,000 shares of common stock, par value \$0.001 per share (the "Common Stock"), and (ii) 2,000,000 shares of preferred stock, par value \$0.001 per share (the "Preferred Stock").

### **Common Stock**

All shares of Common Stock that are issued and outstanding have been validly issued and are fully paid and nonassessable. Under the NRS, stockholders generally are not personally liable for a corporation's acts or debts.

The holders of Common Stock have no preemptive, subscription or redemption rights and are not entitled to the benefits of any sinking fund.

### *Voting Rights*

The holders of Common Stock are entitled to notice of and to attend all meetings of the stockholders of the Company and are entitled to one vote per share on all matters to be voted on by the Company's stockholders.

### *Dividends*

Subject to certain rights of holders of any Preferred Stock of the Company having preference as to dividends and except as otherwise provided by the Charter or the NRS, the holders of Common Stock are entitled to receive dividends if, as and when declared by the board of directors of the Company (the “Board”), out of any funds legally available for such purpose. When and as dividends are declared thereon, whether payable in cash, property or securities of the Company, the holders of Common Stock will be entitled to share, ratably according to the number of shares of Common Stock held by them, in such dividends.

The NRS provides that no distribution (including dividends on, or purchases, redemptions, repurchases or other acquisitions of, shares of capital stock or distributions of indebtedness, to or for the benefit of stockholders) may be made if, after giving effect to such distribution, (i) the Company would not be able to pay its debts as they become due in the usual course of business or (ii) except as otherwise specifically permitted by the Charter, the Company’s total assets would be less than the sum of its total liabilities plus the amount that would be needed immediately after the time of a dissolution to satisfy the preferential rights of preferred stockholders (the condition in this clause (ii), the “Balance Sheet Test”). Directors may consider financial statements prepared on the basis of accounting practices that are reasonable in the circumstances, a fair valuation, including but not limited to unrealized appreciation and depreciation, and any other method that is reasonable in the circumstances. Pursuant to NRS 78.288(2)(b) and the Charter, the Company is specifically allowed to make any distribution that otherwise would be prohibited by the Balance Sheet Test.

### *Liquidation Rights*

In the event of any liquidation, dissolution or winding up of the Company, whether voluntary or involuntary, or any distribution of any of its assets to any of its stockholders other than by dividends from funds legally available therefor, and other than payments made upon redemptions or purchases of shares of the Company, after payment in full of the amount which the holders of Preferred Stock are entitled to receive in such event and, in the case of liquidation, dissolution or winding up, after paying or adequately providing for the payment of the Company’s liabilities and obligations, the holders of Common Stock shall be entitled to share, ratably according to the number of shares of Common Stock held by them, in the remaining assets of the Company available for distribution to its stockholders.

### **Preferred Stock**

Under the Charter, the Board is authorized, without further stockholder action, to issue up to 2,000,000 shares of Preferred Stock in one or more series by filing a certificate of designation in the manner prescribed by the NRS.

## Articles of Incorporation and Bylaws

Stockholders' rights and related matters are governed by the NRS, the Charter and the Bylaws. Certain provisions of the Charter and the Bylaws, descriptions of which are summarized herein, may have the effect, either alone or in combination with each other, of discouraging or making more difficult a tender offer or takeover attempt that is opposed by the Board but that a stockholder might consider to be in its best interest or otherwise effect the rights of our stockholders more generally. Such provisions may also adversely affect prevailing market prices for our capital stock. We believe that such provisions are necessary to enable us to develop our business in a manner that will foster our long-term growth without disruption caused by the threat of a takeover not deemed by the Board to be in our best interests and those of our stockholders.

### *Compliance with Gaming Laws*

The Charter provides that all securities of the Company are held subject to all applicable gaming laws and the suitability standards, qualifications and requirements of the gaming authorities that regulate the operation and conduct of the business of the Company or any of its affiliates. Accordingly, any person who (i) refuses or fails to comply with the requests of a gaming authority within a reasonable period of time, (ii) withdraws or requests the withdrawal of a pending application for a gaming license from any gaming authority in anticipation of such person being denied such gaming license or receiving such gaming license subject to materially burdensome or unacceptable terms or conditions, (iii) is determined or shall have been determined by any gaming authority not to be suitable or qualified to own or control securities of the Company or an affiliate of the Company or (iv) whose ownership or control of securities of the Company may result, in the judgment of the Board, in the failure of the Company or any of its affiliates to obtain, maintain, retain, renew or qualify for a gaming license, or cause or otherwise result in the imposition of any materially burdensome or unacceptable terms or conditions on any gaming license, shall sell or otherwise dispose of their securities or other interests in the Company, or the Company may redeem such securities, pursuant to a notice given by the Company (a "Notice").

### *Restrictions on Transfer*

Under the Bylaws, immediately upon the transmittal by the Company of a Notice, the securities specified in such Notice shall become invalid securities (the "Invalid Securities"). Any direct or indirect acquisition, sale, transfer, exchange, assignment, liquidation, conveyance, pledge, abandonment, distribution, contribution or other disposition of Invalid Securities (a "Prohibited Transfer"), shall be void *ab initio*, unless prior approval of the Board is obtained. No employee or agent of the Company shall record any Prohibited Transfer and the purported transferee of a Prohibited Transfer shall not be recognized as a security holder of the Company for any purpose whatsoever in respect of the Invalid Securities. Once Invalid Securities have been acquired by the Company they shall cease to be Invalid Securities.

### *Restrictions on Business Combinations*

The Company has not opted out of the Nevada combinations with interested stockholders statutes, which apply to Nevada corporations with 200 or more stockholders of record. Under NRS 78.411 to 78.444, inclusive, certain business combinations with an interested stockholder (one who beneficially owns, directly or indirectly, 10% or more of the voting power, or is an affiliate or associate of the Company who, within the previous two years immediately before the date in question, was the beneficial owner, directly or indirectly, of 10% or more of the voting power) of the Company are subject to a two-year moratorium unless (i) the combination or the transaction by which such person first became an interested stockholder is approved by the Board before the person became an interested stockholder, or (ii) the combination is approved by the Board and, at or after that time, the combination is approved at a meeting of the stockholders by the affirmative vote of the holders of at least 60% of the outstanding voting power not beneficially owned by the interested stockholder or its affiliates or associates. After the two-year period has elapsed, the Company may not consummate a business combination with an interested stockholder unless (i) the combination or transaction by which the person first became an interested stockholder is approved by the Board before the person first became an interested stockholder; (ii) the combination is approved by a majority of the outstanding voting power not beneficially owned by the interested stockholder or its affiliates or associates; or (iii) the interested stockholder satisfies certain fair value requirements. These statutes do not apply to any combination of the Company and an interested stockholder after the expiration of four years after the person first became an interested stockholder.

### *Acquisition of Controlling Interests*

The Company has not opted out of the Nevada acquisition of controlling interest statutes (NRS 78.378 to 78.3793, inclusive), which protect the Company and its stockholders from persons acquiring a “controlling interest” in the Company. Pursuant to NRS 78.379, any person who acquires a controlling interest in the Company may not exercise voting rights with respect to any control shares unless such voting rights are conferred by a majority of the voting power of the Company and, if the acquisition would adversely affect any other outstanding class or series, the holders of a majority of such class or series, excluding the shares of the interested stockholders, by resolution approved at a special or annual meeting of the stockholders held upon the request and at the expense of the acquiring person. The NRS provides that a “controlling interest” means the ownership of outstanding voting shares of the Company sufficient to enable the acquiring person, directly or indirectly and individually or in association with others, to exercise (i) one fifth or more but less than one third, (ii) one third or more but less than a majority, or (iii) a majority or more, of the voting power of the Company in the election of directors, and voting rights must be conferred by a majority of the disinterested stockholders as each threshold is reached and/or exceeded. In the event that a controlling interest is accorded full voting rights and the acquiring person acquires a controlling interest with a majority or more of all the voting power, any stockholder, other than the acquiring person, who does not vote in favor of authorizing voting rights for the control shares is entitled to dissent and demand payment of the fair value of such person’s shares.

The NRS provides that the acquisition of controlling interest statutes do not apply to any acquisition of a controlling interest in the Company if the articles of incorporation or bylaws of the Company in effect on the 10th day following the acquisition of a controlling interest by the acquiring person provide that the provisions of those sections do not apply to the Company or to an acquisition of a controlling interest specifically by types of existing or future stockholders, whether or not identified. In addition, NRS 78.3788 provides that the acquisition of controlling interest statutes apply only to a corporation that has 200 or more stockholders of record, at least 100 of whom have had addresses in Nevada appearing on the Company's stock ledger at all times during the preceding 90 days, and which does business directly or indirectly in Nevada. NRS 78.378(2) provides that the Company may impose stricter requirements on the acquisition of a controlling interest if it so desires.

#### *Advance Notice Requirements for Stockholder Proposals and Director Nominations*

The Bylaws establish advance notice procedures for stockholder proposals and the nomination, other than by or at the direction of the Board, of candidates for election as directors. These procedures provide that the notice of stockholder proposals and stockholder nominations for the election of directors at an annual meeting must be in writing and received by our secretary at least 90 days but not more than 120 days prior to the first anniversary of our preceding year's annual meeting. However, if the date of our annual meeting is more than 30 days earlier than, or more than 60 days later than, such anniversary date, notice by a stockholder will be considered timely if it is delivered not earlier than the close of business on the 120th day prior to the date of such annual meeting and not later than the close of business on the 90th day prior to the date of such annual meeting or, if the first public announcement of the date of such annual meeting is less than 100 days prior to the date of such annual meeting, the 10th day following the day on which public announcement of the date of the annual meeting is first made by the Company. The notice of nominations for the election of directors must set forth certain information required by our Bylaws, including in connection with Rule 14a-19 of the Exchange Act, concerning the stockholder giving the notice and each nominee.

By requiring advance notice of nominations by stockholders, these procedures afford the Board an opportunity to consider the qualifications of the proposed nominees and, to the extent deemed necessary or desirable by the Board, to inform stockholders about these qualifications. By requiring advance notice of other proposed business, these procedures provide the Board with an opportunity to inform stockholders of any business proposed to be conducted at a meeting, together with any recommendations as to the Board's position on action to be taken on such business. This should allow stockholders to better decide whether to attend a meeting or to grant a proxy for the disposition of any such business.

#### *Amendments*

The Bylaws provide that a majority of the total number of directors or of the stockholders at any meeting upon proper notice has the power to amend, alter or repeal the Bylaws. NRS 78.390 requires the approval of the Board and a majority of the stockholders entitled to vote (or

such greater proportion of the voting power as may be required in certain cases) for an amendment to the Charter.

#### *Removal of Directors*

Any director or one or more of the incumbent directors may be removed as a director at any special meeting of the stockholders either with or without cause by the vote of the holders of not less than two-thirds of the voting power of the issued and outstanding stock entitled to vote generally in the election of directors, excluding stock entitled to vote only upon the happening of a fact or event unless such fact or event has occurred. If the entire Board or any one or more directors are so removed, new directors may be elected at the same meeting.

#### *Forum Selection Clause*

Under the Bylaws, to the fullest extent permitted by law, and unless the Company consents in writing to the selection of an alternative forum, the Eighth Judicial District Court of Clark County, Nevada, is the sole and exclusive forum for any actions, suits or proceedings, whether civil, administrative or investigative, (a) brought in the name or right of the Company or on its behalf, (b) asserting a claim for breach of any fiduciary duty owed by any current or former director, officer, stockholder, employee, or agent or fiduciary of the Company to the Company or the Company's stockholders, (c) for any internal action (as defined in NRS 78.046), including any action asserting a claim against the Company arising pursuant to any provision of NRS Chapters 78 or 92A, the Charter or the Bylaws, any agreement entered into pursuant to NRS 78.365 or as to which the NRS confers jurisdiction on the district court of the State of Nevada, (d) to interpret, apply, enforce or determine the validity of the Charter or the Bylaws or (e) asserting a claim governed by the internal affairs doctrine; provided that such exclusive forum provisions will not apply to suits brought to enforce any liability or duty created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. In the event that the Eighth Judicial District Court of Clark County, Nevada does not have jurisdiction over any such action, suit or proceeding, then any other state district court located in the State of Nevada shall be the sole and exclusive forum therefor and in the event that no state district court in the State of Nevada has jurisdiction over any such action, suit or proceeding, then a federal court located within the State of Nevada shall be the sole and exclusive forum therefor. Unless the Company consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the sole and exclusive forum for the resolution of any claim asserting a cause of action arising under the Securities Act of 1933, as amended, against any person in connection with any offering of the Company's securities, including, for the avoidance of doubt, any auditor, underwriter, expert, control person, or other defendant, which person shall have the right to enforce this clause.

#### **Limitation on Personal Liability**

The Charter provides that the liability of directors and officers of the Company be eliminated or limited to the fullest extent permitted by the NRS (including, without limitation, NRS 78.7502 and 78.751). Pursuant to NRS 78.138, a director or officer of the Company shall

not be individually liable to the Company, its stockholders or creditors for any damages as a result of any act or failure to act in his or her capacity as a director or officer unless (i) the presumption that directors and officers act in good faith, on an informed basis and with a view to the interests of the Company has been rebutted; and (ii) it is proven that (a) the director's or officer's act or failure to act constituted a breach of his or her fiduciary duties as a director or officer and (b) the breach of those duties involved intentional misconduct, fraud or a knowing violation of law. Directors may also be liable for unlawful distributions, including the payment of dividends or for stock purchases, redemptions or repurchases, or for distributions of indebtedness, under certain circumstances.

[[8394144v.2]]

AMENDED AND RESTATED 2003 INCENTIVE COMPENSATION PLAN

1. **Purpose.** The purpose of this 2003 Incentive Compensation Plan, as amended and restated (the “Plan”), is to assist Light & Wonder, Inc., a Nevada corporation (the “Company”), and its subsidiaries in attracting, retaining, motivating and rewarding executives, directors, employees, and other persons who provide services to the Company and/or its subsidiaries, to provide for equitable and competitive compensation opportunities, to encourage long-term service, to recognize individual contributions and reward achievement of Company goals, and promote the creation of long-term value for stockholders by closely aligning the interests of participants with those of stockholders. The Plan authorizes stock-based and cash-based performance incentives for participants, to encourage such persons to expend their maximum efforts in the creation of stockholder value.

2. **Definitions.** For purposes of the Plan, the following terms shall be defined as set forth below, in addition to such terms defined in Section 1 hereof:

(a) “409A Awards” means Awards that constitute a deferral of compensation under Code Section 409A.

(b) “affiliate” means (a) any entity that, directly or indirectly, is controlled by, controls or is under common control with, the Company and (b) any entity in which the Company has a significant equity interest, in either case, as determined by the Committee.

(c) “ASX” means the Australian Securities Exchange.

(d) “ASX Listing Rules” means the official listing rules of the ASX as they apply to the Company from time to time.

(e) “Award” means any award of Options, SARs, Restricted Stock, Deferred Stock, Stock or CDIs granted as a bonus or in lieu of another award, Dividend Equivalents, Other Stock-Based Awards or Performance Awards together with any other right or interest granted to a Participant under the Plan.

(f) “Beneficiary” means the person, persons, trust, or trusts which have been designated by a Participant in his or her most recent written beneficiary designation filed with the Committee to receive the benefits specified under the Plan upon such Participant’s death to the extent permitted under Section 10(b) hereof. If, upon a Participant’s death, there is no designated Beneficiary or surviving designated Beneficiary, then the term Beneficiary means the person, persons, trust, or trusts entitled by will or the laws of descent and distribution to receive such benefits.

(g) “Beneficial Owner” shall have the meaning ascribed to such term in Rule 13d-3 under the Exchange Act and any successor to such Rule.

(h) “Board” means the Company’s Board of Directors.

(i) “Change in Control” means Change in Control as defined with related terms in Section 9 hereof.

(j) “CDIs” means the CHESS Depository Interests of the Company corresponding to Stock that are traded on the ASX (or any other stock exchange based in Australia).

(k) “Code” means the Internal Revenue Code of 1986, as amended from time to time, including regulations thereunder and successor provisions and regulations, proposed regulations and other applicable guidance or pronouncement of the Department of the Treasury and Internal Revenue Service.

(l) “Committee” means the Compensation Committee of the Board, the composition and governance of which is established in the Committee’s Charter as approved from time to time by the Board and other corporate governance documents of the Company, or another committee or subcommittee of the Board as appointed by the Board, to the extent permitted by applicable law. No action of the Committee shall be void or deemed to be without authority due to the failure of any member, at the time the action was taken, to meet any qualification standard set forth in the Committee’s Charter or the Plan.

(m) “Corporations Act” means the *Corporations Act 2001* (Cth).

(n) “Deferred Stock” means a conditional right, granted to a Participant under Section 6(e) hereof, to receive Stock or CDIs, at the end of a specified vesting and/or deferral period.

(o) “Dividend Equivalent” means a conditional right, granted to a Participant under Section 6(g) hereof, to receive cash, Stock, CDIs, other Awards, or other property equal in value to dividends paid with respect to a specified number of shares of Stock or CDIs.

(p) “Effective Date” means June 10, 2025.

(q) “Eligible Person” means each executive officer and other officer or employee of the Company or any of its subsidiaries or affiliates including each such person (who may also be a director of the Company, each non-employee director of the Company) each other consultant or adviser who provides substantial services to the Company and/or its subsidiaries or affiliates and who is designated as eligible by the Committee, and any person who has been offered employment by the Company or a subsidiary or affiliate; provided that such prospective employee may not receive any payment or exercise any right relating to an Award until such person has commenced employment with the Company or a subsidiary or affiliate. An employee on leave of absence may be considered as still in the employ of the Company or a subsidiary or affiliate for purposes of eligibility for participation in the Plan.

(r) “Exchange Act” means the Securities Exchange Act of 1934, as amended from time to time, including rules thereunder and successor provisions and rules thereto.

(s) “Fair Market Value” means, as of any given date, the fair market value of Stock, CDIs, other Awards, or other property as determined in good faith by the Committee or under procedures established by the Committee. Unless otherwise determined by the Committee, the Fair Market Value of Stock or CDIs shall be the average of the high and low sales prices of Stock or CDIs (as applicable) on a given date or, if there are no sales on that date, on the latest previous date on which there were sales, reported for composite transactions in securities listed on the principal trading market on which Stock or CDIs (as applicable) is then listed. Fair Market Value relating to the exercise price or grant price of any Option or SAR that is intended to be a Non-409A Award shall conform to requirements under Code Section 409A.

(t) “Incentive Stock Option” or “ISO” means any Option intended to be and designated as an incentive stock option within the meaning of Code Section 422 or any successor provision thereto.

(u) “Non-409A Awards” means Awards that do not constitute a deferral of compensation under Code Section 409A. Although the Committee retains authority under the Plan to grant Awards on terms that will qualify them as 409A Awards, Awards will be interpreted in a manner such that they will qualify as Non-409A Awards (with conforming terms, as provided in Section 10(h) hereof) unless otherwise expressly specified by the Committee.

(v) “Option” means a conditional right, granted to a Participant under Section 6(b) hereof, to purchase Stock, CDIs or other Awards at a specified price during specified time periods.

(w) “Other Stock-Based Awards” means Awards granted to a Participant under Section 6(h) hereof.

(x) “Participant” means a person who has been granted an Award under the Plan which remains outstanding, including a person who is no longer an Eligible Person.

(y) “Performance Award” means a conditional right, granted to a Participant under Section 7 hereof, to receive cash, Stock, CDIs or other Awards or payments, as determined by the Committee, based upon the achievement of performance criteria specified by the Committee.

(z) “Performance Goals” means: (1) earnings per share (basic or fully diluted); (2) revenues; (3) earnings, before or after taxes, from operations (generally or specified operations), before or after interest expense, depreciation, amortization, incentives, or extraordinary or special items or other adjustments; (4) cash flow, free cash flow, cash flow return on investment (discounted or otherwise), net cash provided by operations, or cash flow in excess of cost of capital; (5) return on net assets, return on assets, return on investment, return on capital, return on equity; (6) economic value created; (7) operating margin or operating expense; (8) net income; (9) Stock price or total stockholder return; (10) strategic business criteria, consisting of one or more objectives based on meeting specified market penetration, geographic business expansion goals, new products, ventures or facilities, cost targets, internal controls, compliance, customer satisfaction and services, human resources management, supervision of litigation and information technology and goals relating to acquisitions or divestitures of subsidiaries, affiliates, joint ventures or facilities, in each case, in absolute terms, as a goal relative to performance in prior periods or as a goal compared to the performance of one or more comparable companies or an index covering multiple companies or (11) any other criteria established by the Committee.

(aa) “Restricted Stock” means Stock or CDIs granted to a Participant under Section 6(d) hereof, that is subject to certain restrictions and to a risk of forfeiture.

(ab) “Rule 16b-3” means Rule 16b-3, as from time to time in effect and applicable to the Plan and Participants, promulgated by the Securities and Exchange Commission under Section 16 of the Exchange Act.

(ac) “Stock” means the Company’s Common Stock, \$0.001 par value, and such other securities as may be substituted (or resubstituted) for Stock pursuant to Section 10(c) hereof.

(ad) “Stock Appreciation Rights” or “SAR” means a conditional right granted to a Participant under Section 6(c) hereof.

(ae) “subsidiary” means any entity in which the Company, directly or indirectly, possesses fifty (50%) or more of the total combined voting power of all classes of its stock.

### 3. *Administration.*

(a) **Authority of the Committee.** Except as otherwise provided below, the Plan shall be administered by the Committee. The Committee shall have full and final authority, in each case subject to and consistent with the provisions of the Plan, to select Eligible Persons to become Participants, grant Awards, determine the type, number and other terms and conditions of, and all other matters relating to, Awards, prescribe Award agreements (which need not be identical for each Participant) and rules and regulations for the administration of the Plan, construe and interpret the Plan and Award agreements and correct defects, supply omissions, or reconcile inconsistencies therein, and to make all other decisions and determinations as the Committee may deem necessary or advisable for the administration of the Plan. The foregoing notwithstanding, the Board shall perform the functions of the Committee for purposes of granting Awards under the Plan to non-employee directors, and may perform any function of the Committee under the Plan for any purpose (subject to Nasdaq Listing Rule 5635(c)), including for the purpose of ensuring that transactions under the Plan by Participants who are then subject to Section 16 of the Exchange Act in respect of the Company are exempt under Rule 16b-3. In any case in which the Board is performing a function of the Committee under the Plan, each reference to the Committee herein shall be deemed to refer to the Board, except where the context otherwise requires. Any action of the Committee shall be final, conclusive and binding on all persons, including the Company, its subsidiaries, Participants, Beneficiaries, transferees under Section 10(b) hereof, or other persons claiming rights from or through a Participant, and stockholders.

(b) **Manner of Exercise of Committee Authority.** The Committee may act through subcommittees, including for purposes of perfecting exemptions under Rule 16b-3, in which case the subcommittee shall be subject to and have authority under the charter applicable to the Committee, and the acts of the subcommittee shall be deemed to be acts of the Committee hereunder. The Committee may otherwise act with members of the Committee abstaining or recusing themselves to ensure compliance with regulatory requirements or to promote effective governance, as determined by the Committee. The express grant of any specific power to the Committee, and the taking of any action by the Committee, shall not be construed as limiting any power or authority of the Committee. The Committee may delegate to officers or managers of the Company or any subsidiary or affiliate, or committees thereof, the authority, subject to such terms as the Committee shall determine, to perform such functions, including administrative functions, as the Committee may determine, to the fullest extent permitted under Section 78.200 and other applicable provisions of the Nevada Revised Statutes. The Committee may appoint agents to assist it in administering the Plan.

(c) **Limitation of Liability.** The Committee and each member thereof, and any person acting pursuant to authority delegated by the Committee, shall be entitled, in good faith, to rely or act upon any report or other information furnished by any executive officer, other officer or employee of the Company or a subsidiary or affiliate, the Company’s independent auditors, certified public accountants, consultants or any other agents assisting in the administration of the Plan. Members of the Committee, any person acting pursuant to authority delegated by the Committee, and any officer or employee of the Company or a subsidiary or affiliate acting at the direction or on behalf of the Committee or a delegee shall not be personally liable for any action or determination taken or made in good faith with respect to the Plan, and shall, to the extent permitted by law, be fully indemnified and protected by the Company with respect to any such action or determination. The foregoing right of indemnification shall not be available to the extent that a court of competent jurisdiction in a final judgment or other final

adjudication, in either case not subject to further appeal, determines that the acts or omissions of the person seeking indemnity giving rise to the indemnification claim resulted from such person's bad faith, fraud or willful criminal act or omission. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which such persons may be entitled pursuant to the Company's organizational documents relating to the creation and governance of the Company or the Committee, as a matter of law, or otherwise, or any power that the Company may have to indemnify them or hold them harmless.

4. ***Shares Available Under the Plan.***

(a) **Number of Shares Available for Delivery.** Subject to adjustment as provided in Section 10(c) hereof, the total number of shares of Stock or CDIs reserved and available for delivery in connection with Awards under the Plan, all of which may be granted as ISOs, shall be equal to the sum of (i) 2,300,000 plus (ii) any shares that were available immediately prior to the Effective Date or thereafter have or will become available. Any shares of Stock or CDIs delivered under the Plan shall consist of authorized and unissued shares or treasury shares. Notwithstanding the foregoing, the number of shares of Stock or CDIs that may be issued in connection with Awards under the Plan must not exceed the limits prescribed by ASX Listing Rules, unless shareholder approval is obtained in accordance with the ASX Listing Rules.

(b) **Share Counting Rules.** Subject to the provisions of this Section 4(b), the Committee may adopt reasonable counting procedures to ensure appropriate counting, avoid double counting and make adjustments if the number of shares of Stock or CDIs actually delivered differs from the number of shares previously counted in connection with an Award. Any shares which are (i) underlying an Option or SAR that is cancelled or terminated without having been exercised, including due to expiration or forfeiture, (ii) subject to an Award (other than an Option or SAR) which is cancelled, terminated or forfeited, (iii) not delivered to a Participant because all or a portion of the Award is settled in cash, or (iv) withheld in connection with an Award (other than an Option or SAR) to satisfy tax withholding obligations, shall in each case again be available for Awards under the Plan. Shares repurchased on the open market with the proceeds from the exercise of an Option may not again be made available for Awards under the Plan. The payment of dividends and Dividend Equivalents, other than in shares of Stock or CDIs, in conjunction with outstanding Awards shall not be counted against the shares available for Awards under the Plan. In addition, in the case of any Award granted in substitution for an award of a company or business acquired by the Company or a Subsidiary or Affiliate, shares issued or issuable in connection with such substitute Award shall not be counted against the number of shares reserved under the Plan, but shall be available under the Plan by virtue of the Company's assumption of the plan or arrangement of the acquired company or business except as may be required by reason of Code Section 422. This Section 4(b) shall apply to the number of shares reserved and available for ISOs only to the extent consistent with applicable regulations relating to ISOs under the Code. Because shares will count against the number reserved in Section 4(a) upon delivery (or later vesting) and subject to the share counting rules under this Section 4(b), the Committee may determine that Awards may be outstanding that relate to more shares than the aggregate remaining available under the Plan, so long as Awards will not result in delivery and vesting of shares in excess of the number then available under the Plan.

5. ***Eligibility; Per-Person Award Limitations.***

(a) **Grants to Eligible Persons.** Awards may be granted under the Plan only to Eligible Persons.

(b) **Non-Employee Director Limits.** Notwithstanding the foregoing, no non-employee director may be paid or granted, in any fiscal year, cash compensation and equity

awards (including any Awards issued under the Plan) with an aggregate value greater than \$750,000 (with the value of each Award (or any other equity award) based on its grant date fair value (determined in accordance with U.S. generally accepted accounting principles)) (such limit, the “Non-employee Director Pay Limit”); provided that the foregoing limitation shall not apply in respect of any Awards issued to a non-employee director (A) in respect of any one-time initial equity grant upon a non-employee director’s initial appointment to the Board or (B) in the event of extraordinary circumstances, to the extent the non-employee director receiving such additional compensation does not participate in the decision to award such compensation or in other contemporaneous compensation decisions involving other non-employee directors. Any cash compensation paid or Awards (or any other equity awards) granted to an individual for his or her services as an employee, or for his or her services as a consultant (other than as a non-employee director), will not be subject to the Non-employee Director Pay Limit. Any compensation that is deferred will be counted toward the Non-employee director Pay Limit for the year in which it was first earned, and not when paid or settled (if later).

## 6. *Specific Terms of Awards.*

(a) **General.** Awards may be granted on the terms and conditions set forth in this Section 6. In addition, the Committee may impose on any Award or the exercise thereof, at the date of grant or thereafter (subject to Sections 10(e) and 10(h) hereof), such additional terms and conditions, not inconsistent with the provisions of the Plan, as the Committee shall determine, including terms requiring forfeiture of Awards in the event of termination of employment by the Participant and terms permitting a Participant to make elections relating to his or her Award. The Committee shall retain full power and discretion to accelerate, waive or modify, at any time, any term or condition of an Award that is not mandatory under the Plan, subject to Section 10(h) hereof. The Committee shall require the payment of lawful consideration for an Award to the extent necessary to satisfy the requirements of the Nevada Revised Statutes, and may otherwise require payment of consideration for an Award except as limited by the Plan.

(b) **Options.** The Committee is authorized to grant Options to Participants on the following terms and conditions and subject to compliance with the ASX Listing Rules for so long as CDIs are listed on the ASX:

(i) **Exercise Price.** The exercise price per share of Stock or CDI purchasable under an Option shall be determined by the Committee; provided that such exercise price shall be not less than the Fair Market Value of a share of Stock or CDI on the date of grant of such Option except that, in connection with a merger, consolidation or reorganization of the Company or any of its subsidiaries, the Committee may grant Options with an exercise price per share of Stock or CDI less than the market value of the Common Stock or CDIs on the date of grant if such Options are granted in exchange for, or upon conversion of, options to purchase capital stock of any other entity which is a party to such merger, consolidation or reorganization, and such Option so granted does not enlarge the aggregate in-the-money value of the original award at the acquisition date.

(ii) **Time and Method of Exercise.** The Committee shall determine the term of the Option, subject to Section 8(b) hereof, and the time or times at which or the circumstances under which an Option may be exercised in whole or in part (including based on achievement of performance goals and/or future service requirements), whether or not the Option will be a 409A Award or Non-409A Award, the methods by which such exercise price may be paid or deemed to be paid, the form of such payment (subject to Sections 10(h) and (i) hereof), including, without limitation, cash, Stock or CDIs (including Stock or CDIs deliverable upon exercise, other Awards or awards granted under other plans of the Company or any subsidiary or affiliate, or other property (including through broker-assisted “cashless exercise” arrangements, to the extent

permitted by applicable law)), and the methods by or forms in which Stock or CDIs will be delivered or deemed to be delivered in satisfaction of Options to Participants (including, to the extent permitted under Code Section 409A, deferred delivery of shares of Stock or CDIs as mandated by the Committee, with such deferred shares of Stock or CDIs subject to any vesting, forfeiture or other terms as the Committee may specify).

(iii) **ISOs.** The terms of any ISO granted under the Plan shall comply in all respects with the provisions of Code Section 422. ISOs may be granted only to employees of the Company or any of its subsidiaries. To the extent that the aggregate Fair Market Value (determined as of the time the Option is granted) of the Stock or CDI with respect to which ISOs granted under this Plan and all other plans of the Company and any subsidiary are first exercisable by any employee during any calendar year shall exceed the maximum limit (currently, \$100,000), if any, imposed from time to time under Code Section 422, such Options shall be treated as Options that are not ISOs.

(c) **Stock Appreciation Rights.** The Committee is authorized to grant SARs to Participants on the following terms and conditions and subject to compliance with the ASX Listing Rules for so long as CDIs are listed on the ASX:

(i) **Right to Payment.** A SAR shall confer on the Participant to whom it is granted a right to receive, upon exercise thereof, the excess of (A) the Fair Market Value of one share of Stock or CDI on the date of exercise over (B) the grant price per share of the SAR as determined by the Committee, which grant price shall be not less than the Fair Market Value of a share of Stock or CDIs on the date of grant of such SAR.

(ii) **Other Terms.** The Committee shall determine, at the date of grant or thereafter, the term of each SAR, subject to Section 8(b) hereof, the time or times at which and the circumstances under which an SAR may be exercised in whole or in part (including based on achievement of performance goals and/or future service requirements), the method of exercise, method of settlement, form of consideration payable in settlement, method by or forms in which Stock or CDIs will be delivered or deemed to be delivered to Participants, whether or not the SAR will be a 409A Award or Non-409A Award, and any other terms and conditions of any SAR. The Committee may require that an outstanding Option be exchanged for a SAR exercisable for Stock or CDI having vesting, expiration, and other terms substantially the same as the Option.

(d) **Restricted Stock.** The Committee is authorized to grant Restricted Stock to Participants on the following terms and conditions:

(i) **Grant and Restrictions.** Restricted Stock shall be subject to such restrictions on transferability, risk of forfeiture and other restrictions, if any, as the Committee may impose, which restrictions may lapse separately or in combination at such times, under such circumstances (including based on achievement of performance goals and/or future service requirements), in such installments or otherwise, as the Committee may determine at the date of grant or thereafter. Except to the extent restricted under the terms of the Plan and any Award agreement relating to the Restricted Stock, a Participant granted Restricted Stock shall have all of the rights of a stockholder, including the right to vote the Restricted Stock and the right to receive dividends thereon (subject to any mandatory reinvestment or other requirement imposed by the Committee). During the restricted period applicable to the Restricted Stock, subject to Section 10(b) hereof, the Restricted Stock may not be sold, transferred, pledged, hypothecated, margined, or otherwise encumbered by the Participant.

(ii) Forfeiture. Except as otherwise determined by the Committee, upon termination of employment during the applicable restriction period, Restricted Stock that is at that time subject to restrictions shall be forfeited and reacquired by the Company; provided that the Committee may provide, by rule or regulation or in any Award agreement, or may determine in any individual case, that restrictions or forfeiture conditions relating to Restricted Stock shall be waived in whole or in part in the event of terminations resulting from specified causes, and the Committee may in other cases waive in whole or in part the forfeiture of Restricted Stock, subject to the ASX Listing Rules for as long as CDIs are listed on the ASX.

(iii) Certificates for Stock. Restricted Stock granted under the Plan may be evidenced in such manner as the Committee shall determine. If certificates representing Restricted Stock are registered in the name of the Participant, the Committee may require that such certificates bear an appropriate legend referring to the terms, conditions and restrictions applicable to such Restricted Stock, that the Company retain physical possession of the certificates, and/or that the Participant deliver a stock power to the Company, endorsed in blank, relating to the Restricted Stock.

(iv) Dividends and Splits. As a condition to the grant of an Award of Restricted Stock, the Committee may require that any cash dividends paid on a share of Restricted Stock be automatically reinvested in additional shares of Restricted Stock or applied to the purchase of additional Awards under the Plan. Stock distributed in connection with a Stock split or Stock dividend, and cash or other property distributed as a dividend, shall be subject to restrictions and a risk of forfeiture to the same extent as the Restricted Stock with respect to which such Stock, cash or other property has been distributed. References to Stock in this Section 6(d)(iv) refers to CDI issued in respect of Stock.

(e) **Deferred Stock.** The Committee is authorized to grant Deferred Stock to Participants, which are rights to receive Stock or CDIs at the end of a specified vesting and/or deferral period, subject to the following terms and conditions:

(i) Award and Restrictions. Settlement of an Award of Deferred Stock shall occur upon satisfaction of the vesting criteria and/or expiration of the deferral period specified for such Deferred Stock by the Committee (or, if permitted by the Committee, as elected by the Participant). Deferred Stock shall be subject to such restrictions (which may include a risk of forfeiture) as the Committee may impose, if any, which restrictions may lapse at the expiration of the deferral period or at earlier specified times (including based on achievement of performance goals and/or future service requirements), separately or in combination, in installments or otherwise, as the Committee may determine.

(ii) Forfeiture. Except as otherwise determined by the Committee, upon termination of employment during the applicable vesting and/or deferral period or portion thereof to which forfeiture conditions apply (as provided in the Award agreement evidencing the Deferred Stock), all Deferred Stock that is at that time subject to vesting and/or deferral (other than a deferral at the election of the Participant) shall be forfeited; provided that the Committee may provide, by rule or regulation or in any Award agreement, or may determine in any individual case, that restrictions or forfeiture conditions relating to Deferred Stock shall be waived in whole or in part in the event of terminations resulting from specified causes, and the Committee may in other cases waive in whole or in part the forfeiture of Deferred Stock, subject to the ASX Listing Rules for as long as CDIs are listed on the ASX. Deferred Stock subject to a risk of

forfeiture may be called “restricted stock units” or otherwise designated by the Committee.

(iii) **Dividend Equivalents.** Unless otherwise determined by the Committee at date of grant, Dividend Equivalents on the specified number of shares of Stock or CDIs covered by an Award of Deferred Stock shall be awarded. Such Dividend Equivalents shall either accrue with respect to such Deferred Stock at the dividend payment date in cash or in shares of Stock, CDIs or additional Awards of Deferred Stock having a Fair Market Value equal to the amount of such dividends, in each case, subject to the same vesting and/or deferral conditions as the underlying Award of Deferred Stock to which such Dividend Equivalents relate. Dividend Equivalents accrued in cash may be deemed invested in such investment vehicles as the Committee shall determine or permit the Participant to elect.

(f) **Bonus Stock or CDIs and Awards in Lieu of Obligations.** The Committee is authorized to grant Stock or CDIs as a bonus, or to grant Stock, CDIs or other Awards in lieu of obligations of the Company or a subsidiary or affiliate to pay cash or deliver other property under the Plan or under other plans or compensatory arrangements, subject to such terms as shall be determined by the Committee.

(g) **Dividend Equivalents.** The Committee is authorized to grant Dividend Equivalents to a Participant, entitling the Participant to receive cash, Stock, CDIs other Awards, or other property equivalent to all or a portion of the dividends paid with respect to a specified number of shares of Stock or CDIs. Dividend Equivalents may be awarded on a free-standing basis or in connection with another Award. The Committee may provide that Dividend Equivalents shall be paid or distributed when accrued or shall be deemed to have been reinvested in additional Stock, CDIs, Awards, or other investment vehicles, and subject to restrictions on transferability, risks of forfeiture and such other terms as the Committee may specify. The foregoing notwithstanding, (i) dividends and dividend equivalents will not be credited or payable with respect to an Option or SAR, except that this provision will not limit adjustments authorized under Section 10(c) hereof; and (ii) in the event Dividend Equivalents are awarded in connection with another Award, the Participant shall receive such Dividend Equivalents only to the extent that the applicable vesting criteria for such Award have been satisfied and, in the case of Dividend Equivalents relating to a Performance Award, such Dividend Equivalents shall be forfeitable to the extent the related Performance Award remains forfeitable upon failure to achieve the specified performance conditions.

(h) **Other Stock-Based Awards.** The Committee is authorized, subject to limitations under applicable law, to grant to Participants such other Awards that may be denominated or payable in, valued in whole or in part by reference to, or otherwise based on, or related to, Stock or CDIs, as deemed by the Committee to be consistent with the purposes of the Plan, including, without limitation, convertible or exchangeable debt securities, other rights convertible or exchangeable into Stock or CDIs, purchase rights for Stock or CDIs, Awards with value and payment contingent upon performance of the Company or any other factors designated by the Committee, and Awards valued by reference to the book value of Stock or CDIs or the value of securities of or the performance of specified subsidiaries or affiliates. The Committee shall determine the terms and conditions of such Awards. Stock or CDIs delivered pursuant to an Award in the nature of a purchase right granted under this Section 6(h) shall be purchased for such consideration, paid for at such times, by such methods, and in such forms, including, without limitation, cash, Stock, CDIs, other Awards, or other property, as the Committee shall determine.

7. **Performance Awards.** The Committee is authorized to grant Performance Awards on the terms and conditions specified in this Section 7. Performance Awards may be

denominated as a cash amount, number of shares of Stock or CDIs, or specified number of other Awards (or a combination) which may be earned upon achievement or satisfaction of performance conditions specified by the Committee. In addition, the Committee may specify that any other Award shall constitute a Performance Award by conditioning the right of a Participant to exercise the Award or have it settled, or the timing thereof, upon achievement or satisfaction of such performance conditions as may be specified by the Committee, including any Performance Goals; provided that, in the case of non-employee directors, the Committee may grant cash retainers or other fees that are not subject to performance conditions. The Committee may use such business criteria and other measures of performance as it may deem appropriate in establishing any performance conditions, and may (subject to the ASX Listing Rules, for as long as CDIs are listed on the ASX)

exercise its discretion to reduce or increase the amounts payable under any Award subject to performance conditions, except in the case of any Performance Award denominated in shares at the grant date (i.e., an Award classified as equity under Financial Accounting Standards Board (FASB) Accounting Standards Codification 718 (“FASB ASC Topic 718”)), no discretion to increase the amounts payable (except as provided under Section 10(c) hereof) shall be reserved unless such reservation of discretion is expressly stated by the Committee at the time it acts to authorize or approve the grant of such Performance Award.

#### 8. *Certain Provisions Applicable to Awards.*

(a) **Substitute Awards.** Subject to the restrictions on “repricing” set forth in Section 10(e) hereof and the ASX Listing Rules for as long as CDIs are listed on the ASX, Awards granted under the Plan may, in the discretion of the Committee, be granted in substitution or exchange for, any other Award or any award granted under another plan of the Company, any subsidiary or affiliate, or any business entity to be acquired by the Company or a subsidiary or affiliate, or any other right of a Participant to receive payment from the Company or any subsidiary or affiliate.

(b) **Term of Awards.** The term of each Award shall be for such period as may be determined by the Committee; provided that in no event shall the term of any Option or SAR exceed a period of ten years (or, in the case of an ISO, such shorter term as may be required under Code Section 422).

(c) **Form and Timing of Payment under Awards; Deferrals.** Subject to the terms of the Plan (including Sections 10(h) and (i) hereof) and any applicable Award agreement, payments to be made by the Company or a subsidiary upon the exercise of an Option or other Award or settlement of an Award may be made in cash, Stock, CDIs, other Awards, or other property, and may be made in a single payment or transfer, in installments, or on a deferred basis. The settlement of any Award may be accelerated in the discretion of the Committee or upon occurrence of one or more specified events (in addition to a Change in Control, subject to Sections 10(h) and (i) hereof). Installment or deferred payments may be required by the Committee (subject to Sections 10(e) and 10(h) hereof, including the consent provisions thereof in the case of any deferral of an outstanding Award not provided for in the original Award agreement) or permitted at the election of the Participant on terms and conditions established by the Committee. Payments may include, without limitation, provisions for the payment or crediting of reasonable interest on installment or deferred payments or the grant or crediting of Dividend Equivalents or other amounts in respect of installment or deferred payments denominated in Stock or CDIs. Any payment deferred pursuant to this Section 8(c) shall represent only an unfunded, unsecured promise by the Company to pay the amount credited thereto to the Participant in the future. In the case of any 409A Award that is vested and no

longer subject to a risk of forfeiture (within the meaning of Code Section 83) and deferred at the election of the Participant, such Award will be distributed to the Participant, upon application of the Participant, if the Participant has had an unforeseeable emergency within the meaning of Code Sections 409A(a)(2)(A)(vi) and 409A(a)(2)(B)(ii), in accordance with Code Section 409A(a)(2)(B)(ii).

(d) **Additional Award Forfeiture Provisions.** The Committee may condition a Participant's right to receive a grant of an Award, to exercise the Award, to retain Stock or CDIs acquired in connection with an Award, or to retain the profit or gain realized by a Participant in connection with an Award, including cash received upon sale of Stock or CDIs acquired in connection with an Award, upon compliance by the Participant with specified conditions relating to non-competition, confidentiality of information relating to the Company, non-solicitation of customers, suppliers, and employees of the Company, cooperation in litigation, non-disparagement of the Company and its officers, directors and affiliates, the absence of a restatement of the Company's financial statements, and other restrictions upon, or covenants of, the Participant, including during specified periods following termination of employment or service to the Company.

(e) **Exemptions from Section 16(b) Liability.** With respect to a Participant who is then subject to the reporting requirements of Section 16(a) of the Exchange Act in respect of the Company, the Committee shall implement transactions under the Plan and administer the Plan in a manner intended to cause each transaction with respect to such Participant to be exempt from liability under Rule 16b-3 or otherwise not subject to liability under Section 16(b) of the Exchange Act, except that this provision shall not limit sales by such a Participant, and such a Participant may elect to engage in other non-exempt transactions under the Plan. The Committee may authorize the Company to repurchase any Award or shares of Stock or CDIs deliverable or delivered in connection with any Award (subject to Section 10(i) hereof) in order to avoid a Participant who is subject to Section 16 of the Exchange Act incurring liability under Section 16(b) of the Exchange Act. Unless otherwise specified by the Participant, equity securities or derivative securities acquired under the Plan which are disposed of by a Participant shall be deemed to be disposed of in the order acquired by the Participant.

(f) **Prohibition on Loans.** No term of an Award shall provide for a personal loan to a Participant.

(g) **Forfeiture and Clawback Provisions.** Each Award (including any proceeds, gains or other economic benefit actually or constructively received by a Participant upon any receipt or exercise of such Award or upon the receipt or resale of any shares of Stock, CDIs, cash or other property underlying such Award) shall be subject to the provisions of any clawback policy implemented by the Company, whether or not such clawback policy was in place at the time of grant of such Award, to the extent set forth in such clawback policy and/or in the agreement evidencing such Award.

## 9. ***Change in Control.***

(a) **Effect of "Change in Control".** In the event of a "Change in Control", the following provisions shall apply unless otherwise provided in the Award agreement, subject to the ASX Listing Rules for as long as CDIs are listed on the ASX:

(i) Any Award carrying a right to exercise that was not previously exercisable and vested shall become fully exercisable and vested (at target for Performance Awards) as of the time of the Change in Control; except to the extent of any waiver by the Participant and subject to applicable restrictions set forth in Section 10(a) hereof;

(ii) The restrictions, deferral of settlement, and forfeiture conditions applicable to any other Award granted under the Plan shall lapse, such Awards shall be deemed fully vested (at target for Performance Awards) as of the time of the Change in Control and, except as otherwise provided in an award agreement or in the Plan, consideration in respect of such awards shall be payable within 60 days following the time of the Change in Control, in each case, except to the extent of any waiver by the Participant and subject to applicable restrictions set forth in Section 10(a) hereof; and

(iii) With respect to any outstanding Award subject to achievement of performance goals and conditions under the Plan, such performance goals and other conditions will be deemed to be met at target if and to the extent so provided by the Committee.

The foregoing notwithstanding, any benefit or right provided under this Section 9 in the case of any Non-409A Award shall be limited to those benefits and rights permitted under Code Section 409A, and any benefit or right provided under this Section 9 that would result in a distribution of a 409A Award at a time or in a manner not permitted by Code Section 409A shall be limited to the extent necessary so that the distribution is permitted under Code Section 409A. For this purpose, the distribution of a 409A Award: (i) triggered by a Change in Control will occur within 60 days following a Change in Control if the Change in Control also constitutes a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the assets of the Company, in each case, within the meaning of Code Section 409A(a)(2)(A)(v) and the applicable regulations thereunder, otherwise distribution will occur at the earliest time permitted under Code Section 409A without incurring additional taxes or penalties; and (ii) triggered by a termination of employment with or service to the Company or a subsidiary following a Change in Control by a specified employee, within the meaning of Code Section 409A(a)(2)(B)(i), will not occur until the first business day following the date that is six months after such termination.

(b) **Definition of “Change in Control”.** A “Change in Control” shall mean the occurrence of any of the following events:

(i) during any period of 24 consecutive calendar months, individuals who were members of the Board on the first day of such period (the “Incumbent Directors”) cease for any reason to constitute a majority of the members of the Board; provided, however, that any individual becoming a member of the Board subsequent to the first day of such period whose appointment, election, or nomination for election, by the Company’s stockholders was approved by a vote of at least a majority of the Incumbent Directors shall be considered as though such individual were an Incumbent Director; provided further, however, that no such individual shall be an Incumbent Director if such individual’s initial assumption of office occurs as a result of, or in connection with, (A) an actual or threatened proxy contest with respect to the election or removal of members of the Board, (B) an actual or threatened solicitation of proxies or consents by or on behalf of any Person or Persons (whether or not acting in concert) other than the Board or (C) an agreement with any Person or Persons (whether or not acting in concert) to avoid or settle any such contest or solicitation;

(ii) the consummation of (A) a merger, consolidation, statutory share exchange or similar form of transaction involving (x) the Company or (y) any of its subsidiaries, but in the case of this clause (y) only if Company Voting Securities (as defined below) are issued or issuable (a “Reorganization”) or (B) the sale, transfer or

other similar disposition for value of all or substantially all the assets of the Company to any Person or Persons (other than (1) any disposition to an affiliate or (2) any dividend or distribution of assets (including the stock of any affiliate) to the stockholders of the Company) (a “Sale”), in each case, if such Reorganization or Sale requires the approval of the Company’s stockholders under the law of the Company’s jurisdiction of organization (whether such approval is required for such Reorganization or Sale or for the issuance of securities of the Company in such Reorganization or Sale), unless, immediately following such Reorganization or Sale, (1) all or substantially all the Persons who were the “beneficial owners” (as used in Rule 13d-3 under the Exchange Act (or a successor rule thereto)) of the securities eligible to vote for the election of the members of the Board (“Company Voting Securities”) outstanding immediately prior to the consummation of such Reorganization or Sale continue to beneficially own, directly or indirectly, more than 50% of the combined voting power of the then-outstanding voting securities of the corporation or other entity resulting from such Reorganization or Sale (including a corporation or other entity that, as a result of such transaction, owns the Company or all or substantially all of the Company’s assets either directly or through one or more subsidiaries) (the “Continuing Company”) in substantially the same relative proportions as their ownership, immediately prior to the consummation of such Reorganization or Sale, of the outstanding Company Voting Securities (excluding, for such purposes, any outstanding voting securities of the Continuing Company that such beneficial owners hold immediately following the consummation of the Reorganization or Sale as a result of their ownership prior to such consummation of voting securities of any corporation or other entity involved in or forming part of such Reorganization or Sale other than the Company), (2) no Person (excluding any employee benefit plan (or related trust) sponsored or maintained by the Continuing Company, or any entity controlled by the Continuing Company) beneficially owns, directly or indirectly, 40% or more of the combined voting power of the then-outstanding voting securities of the Continuing Company and (3) at least a majority of the members of the board of directors of the Continuing Company were Incumbent Directors at the time of the execution of the definitive agreement providing for such Reorganization or Sale or, in the absence of such an agreement, at the time at which approval of the Board was obtained for such Reorganization or Sale;

(iii) the stockholders of the Company approve a plan of complete liquidation or dissolution of the Company unless such liquidation or dissolution is part of a transaction or series of transactions described in paragraph (ii) above that does not otherwise constitute a Change in Control; or

(iv) any Person, corporation or other entity (other than (A) the Company or (B) any trustee or other fiduciary holding securities under an employee benefit plan of the Company or an affiliate) becomes the beneficial owner (as used in Rule 13d-3 under the Exchange Act (or a successor rule thereto)), directly or indirectly, of securities of the Company representing 40 % or more of the combined voting power of the Company Voting Securities; provided, however, that for purposes of this subparagraph (iv), the following acquisitions shall not constitute a Change in Control: any acquisition (w) directly from the Company, (x) by any employee benefit plan (or related trust) sponsored or maintained by the Company or an affiliate, (y) by an underwriter temporarily holding such Company Voting Securities pursuant to an offering of such securities or any acquisition by a pledgee of Company Voting Securities holding such securities as collateral or temporarily holding such securities upon foreclosure of the underlying obligation or (z) pursuant to a Reorganization or Sale that does not constitute a Change in Control for purposes of subparagraph (ii) above.

For purposes of the foregoing, “Person” means a “person” or “group” within the meaning of Sections 13(d) and 14(d)(2) of the Exchange Act.

10. **General Provisions.**

(a) **Compliance with Legal and Other Requirements.** The Company may, to the extent deemed necessary or advisable by the Committee and subject to Section 10(h) hereof, postpone the issuance, vesting or other delivery of Stock or CDIs or payment of other benefits under any Award until completion of such registration or qualification of such Stock or CDIs or other required action under any applicable law (including federal or state law), rule, or regulation, listing or other required action with respect to any stock exchange or automated quotation system upon which the Stock, CDIs or other securities of the Company are listed or quoted, or compliance with any other obligation of the Company, as the Committee may consider appropriate, and may require any Participant to make such representations, furnish such information and comply with or be subject to such other conditions as it may consider appropriate in connection with the issuance or delivery of Stock, CDIs or payment of other benefits in compliance with applicable laws, rules, and regulations, listing requirements, or other obligations. The foregoing notwithstanding, in connection with a Change in Control, the Company shall take or cause to be taken no action, and shall undertake or permit to arise no legal or contractual obligation, that results or would result in any postponement of the issuance or delivery of Stock, CDIs or payment of benefits under any Award or the imposition of any other conditions on such issuance, delivery or payment, to the extent that such postponement or other condition would represent a greater burden on a Participant than existed on the 90th day preceding the Change in Control. For the avoidance of doubt, this permits the Company to defer the vesting of Awards (including the removal of any restrictions) in order to manage insider trading risks arising under the Corporations Act or other risks arising due to CDIs being listed on the ASX; provided that the Company will seek to implement any such actions in a manner that avoids or reduces any taxes or penalties imposed by Code Section 409A.

(b) **Limits on Transferability; Beneficiaries.** No Award or other right or interest of a Participant under the Plan shall be pledged, hypothecated or otherwise encumbered or subject to any lien, obligation or liability of such Participant to any party, or assigned or transferred by such Participant otherwise than by will or the laws of descent and distribution or to a Beneficiary upon the death of a Participant, and such Awards or rights that may be exercisable shall be exercised during the lifetime of the Participant only by the Participant or his or her guardian or legal representative, except that Awards and other rights may be transferred for estate planning purposes to one or more Beneficiaries or other transferees during the lifetime of the Participant, and may be exercised by such transferees in accordance with the terms of such Award, but only if and to the extent such transfers are permitted by the Committee pursuant to the express terms of an Award agreement (subject to any term and conditions which the Committee may impose thereon). A Beneficiary, transferee, or other person claiming any rights under the Plan from or through any Participant shall be subject to all terms and conditions of the Plan and any Award agreement applicable to such Participant, except as otherwise determined by the Committee, and to any additional terms and conditions deemed necessary or appropriate by the Committee.

(c) **Adjustments.** In the event that any large and non-recurring dividend or other distribution (whether in the form of cash or property other than Stock or CDIs), recapitalization, forward or reverse split, Change in Control, Stock dividend, reorganization, merger, consolidation, spin-off, combination, repurchase, share exchange, liquidation, dissolution or other similar corporate transaction or event affects the Stock or CDIs such that an adjustment is determined by the Committee to be appropriate or, in the case of any outstanding Award, necessary in order to prevent dilution or enlargement of the rights of the Participant, then

the Committee shall, in such equitable manner as it may determine, adjust any or all of (i) the number and kind of shares of Stock or CDIs which may be delivered in connection with Awards granted thereafter, (ii) the number and kind of shares of Stock or CDIs by which annual per-person Award limitations are measured under Section 5(b) hereof, (iii) the number and kind of shares of Stock or CDIs subject to or deliverable in respect of outstanding Awards, and (iv) the exercise price, grant price or purchase price relating to any Award or, if deemed appropriate, the Committee may make provision for a payment of cash or property to the holder of an outstanding Option (subject to Sections 10(h) and (i) hereof). In furtherance of the foregoing, a Participant who has a legally binding right to compensation under an outstanding Award shall have a legal right to an adjustment to such Award if the Award constitutes a “share-based payment arrangement” and there occurs an “equity restructuring” as such terms are defined under FASB ASC Topic 718. In addition, the Committee is authorized to make adjustments in the terms and conditions of, and the criteria included in, Awards (including Performance Awards and performance goals) in recognition of unusual or nonrecurring events (including, without limitation, events described in the preceding sentence, as well as acquisitions and dispositions of businesses and assets, including, without limitation, a Change in Control) affecting the Company, any subsidiary or affiliate or other business unit, or the financial statements of the Company or any subsidiary or affiliate, or in response to changes in applicable laws, regulations, accounting principles, tax rates and regulations or business conditions or in view of the Committee’s assessment of the business strategy of the Company, any subsidiary or affiliate or business unit thereof, performance of comparable organizations, economic and business conditions, personal performance of a Participant, and any other circumstances deemed relevant; provided that adjustments to Non-409A Awards will be made only to the extent permitted under Code Section 409A. Furthermore, in the event of the occurrence of any transaction or event as described in this Section 10(c), the Committee, in its sole discretion, and on such terms and conditions as it deems appropriate, may: (A) provide for the termination of any Award in exchange for an amount of cash and/or other property with an aggregate value equal to the value of such Award, as determined by the Committee in its sole discretion; (B) provide that an Award shall be assumed by the successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for by similar options, rights or awards covering the stock of the successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and applicable exercise or purchase price, in all cases, as determined by the Committee; or (C) replace such Award with other rights or property selected by the Committee. For so long as the Company is listed on the ASX, in the event of any reorganization or other transaction that would trigger any requirement to adjust or otherwise modify the Award, then the Committee shall seek to determine an adjustment or other modification that will comply with the ASX Listing Rules and not result in any adverse accounting impact to the Company under U.S. Generally Accepted Accounting Principles or to the Participant under Code Section 409A or any other applicable tax or securities law. In particular, the Committee will make adjustments in accordance with ASX Listing Rules 6.22 or 7.22 (or any replacement rules) to the extent those ASX Listing Rules apply and no waiver has been granted to the Company. For the avoidance of doubt, if such a modification or adjustment is not possible, the Committee shall be permitted, without the consent of Participants, to implement a modification or adjustment necessary to comply with the ASX Listing Rules that will nonetheless result in such adverse impact.

(d) **Taxes.** The Company and any subsidiary or affiliate is authorized to withhold from any Award granted, or require a Participant to remit, any payment relating to an Award, including from a distribution of Stock or CDIs, or any other payment to a Participant, amounts of withholding and other taxes due or potentially payable in connection therewith, and to take such other action as the Committee may deem advisable to enable the Company and Participants to satisfy obligations for the payment of withholding taxes and other tax obligations relating to any Award. This authority shall include authority to withhold or receive Stock, CDIs or other property and to make cash payments in respect thereof in satisfaction of a Participant’s

tax obligations, either on a mandatory or elective basis, in the discretion of the Committee, or in satisfaction of other tax obligations if such withholding will not result in additional accounting expense to the Company. Other provisions of the Plan notwithstanding, only the minimum amount of Stock or CDIs deliverable in connection with an Award necessary to satisfy statutory withholding requirements will be withheld, unless withholding of any additional amount of Stock or CDIs will not result in additional accounting expense to the Company.

(e) **Changes to the Plan and Awards.** The Board may amend, alter, suspend, discontinue, or terminate the Plan or the Committee's authority to grant Awards under the Plan without the consent of stockholders or Participants, except that any amendment or alteration to the Plan shall be subject to the approval of the Company's stockholders not later than the annual meeting the record date for which is at or following the date of such Board action if such stockholder approval is required by any federal or state law or regulation or the rules of any stock exchange or automated quotation system on which the Stock may then be listed or quoted, and the Board may otherwise, in its discretion, determine to submit other such changes to the Plan to stockholders for approval; provided that without the consent of an affected Participant, no such Board action may materially and adversely affect the rights of such Participant under any previously granted and outstanding Award. For this purpose, actions that alter the timing of federal income taxation of a Participant will not be deemed material unless such action results in an income tax penalty on the Participant. The Committee may waive any conditions or rights under, or amend, alter, suspend, discontinue, or terminate any Award theretofore granted and any Award agreement relating thereto; provided that the Committee shall have no authority to waive or modify any Award term after the Award has been granted to the extent the waived or modified term would be mandatory under the Plan for any Award newly granted at the date of the waiver or modification; and provided further, that, without the consent of an affected Participant, no such Committee action may materially and adversely affect the rights of such Participant under such Award. Without the prior approval of stockholders, the Committee will not amend or replace previously granted Options in a transaction that constitutes a "repricing". For this purpose, a "repricing" means: (i) amending the terms of an Option or SAR after it is granted to lower its exercise price, except pursuant to Section 10(c) hereof; (ii) any other action that is treated as a repricing under generally accepted accounting principles; or (iii) repurchasing for cash or canceling an Option or SAR at a time when its exercise or grant price is equal to or greater than the fair market value of the underlying Stock or CDI, in exchange for another Option, Restricted Stock, or other equity, unless the cancellation and exchange occurs in connection with a merger, acquisition, spin-off or other similar corporate transaction. A cancellation and exchange described in clause (iii) of the preceding sentence will be considered a repricing regardless of whether the Option, Restricted Stock or other equity is delivered simultaneously with the cancellation, regardless of whether it is treated as a repricing under generally accepted accounting principles, and regardless of whether it is voluntary on the part of the Option holder. Notwithstanding the foregoing, for so long as the Company is listed on the ASX, any change or other modification that would otherwise be permitted by this Section 10(e) shall not be permitted if it would result in a violation of ASX Listing Rule 6.23.

(f) **Limitation on Rights Conferred under Plan.** Neither the Plan nor any action taken hereunder shall be construed as (i) giving any Eligible Person or Participant the right to continue as an Eligible Person or Participant or in the employ or service of the Company or a subsidiary or affiliate, (ii) interfering in any way with the right of the Company or a subsidiary or affiliate to terminate any Eligible Person's or Participant's employment or service at any time, (iii) giving an Eligible Person or Participant any claim to be granted any Award under the Plan or to be treated uniformly with other Participants and employees, or (iv) conferring on a Participant any of the rights of a stockholder of the Company unless and until the Participant is duly issued or transferred shares of Stock or CDIs in accordance with the terms of an Award.

(g) **Unfunded Status of Awards; Creation of Trusts.** The Plan is intended to constitute an “unfunded” plan for incentive and deferred compensation. With respect to any payments not yet made to a Participant or obligation to deliver Stock or CDIs pursuant to an Award, nothing contained in the Plan or any Award shall give any such Participant any rights that are greater than those of a general creditor of the Company; provided that the Committee may authorize the creation of trusts and deposit therein cash, Stock, CDIs, other Awards or other property, or make other arrangements to meet the Company’s obligations under the Plan. Such trusts or other arrangements shall be consistent with the “unfunded” status of the Plan unless the Committee otherwise determines with the consent of each affected Participant. The trustee of such trusts may be authorized to dispose of trust assets and reinvest the proceeds in alternative investments, subject to such terms and conditions as the Committee may specify and in accordance with applicable law.

(h) **Certain Limitations on Awards to Ensure Compliance with Code Section 409A.** For purposes of the Plan, references to an Award term or event (including any authority or right of the Company or a Participant) being “permitted” under Code Section 409A mean, for a 409A Award, that the term or event will not cause the Participant to be liable for payment of interest or a tax penalty under Code Section 409A and, for a Non-409A Award, that the term or event will not cause the Award to be treated as subject to Code Section 409A. Other provisions of the Plan notwithstanding, the terms of any 409A Award and any Non-409A Award, including any authority of the Company and rights of the Participant with respect to the Award, shall be limited to those terms permitted under Code Section 409A, and any terms not permitted under Code Section 409A shall be automatically modified and limited to the extent necessary to conform with Code Section 409A. For this purpose, other provisions of the Plan notwithstanding, the Company shall have no authority to accelerate distributions relating to 409A Awards in excess of the authority permitted under Code Section 409A, any distribution subject to Code Section 409A(a)(2)(A)(i) (separation from service) and the applicable regulations thereunder to a “specified employee” as defined under Code Section 409A(a)(2)(B)(i), shall not occur earlier than the earliest time permitted under Code Section 409A(a)(2)(B)(i) and the applicable regulations thereunder, and any authorization of payment of cash to settle a Non-409A Award shall apply only to the extent permitted under Code Section 409A for such Award. Non-409A Awards that are “grandfathered” under Code Section 409A and that, but for such grandfathered status, would be deemed 409A Awards shall be subject to the terms and conditions of the Plan as amended and restated as of May 5, 2005 other than Sections 6(b)(ii) and 6(c)(ii); provided that if any provision adopted by amendment to the Plan or an Award Agreement after October 3, 2004, would constitute a material modification of a grandfathered Non-409A Award, such provision will not be effective as to such Award unless so stated by the Committee in writing with specific reference to this provision of Section 10(h). To further ensure compliance with the requirements of Code Section 409A, Awards other than grandfathered Awards shall be subject to the Company’s Section 409A Compliance Rules, if any. The Company makes no representations or warranties as to the tax treatment of any Award under Code Section 409A or otherwise. The Company shall have no obligation under this Section 10(h) or otherwise to take any action (whether or not described herein) to avoid the imposition of taxes, penalties or interest under Code Section 409A with respect to any Award and shall have no liability to any Participant or any other person if any Award, compensation or other benefits under the Plan are determined to constitute non-compliant “nonqualified deferred compensation” subject to the imposition of taxes, penalties and/or interest under Code Section 409A.

(i) **Nonexclusivity of the Plan.** Neither the adoption of the Plan by the Board nor its submission to the stockholders of the Company for approval shall be construed as creating any limitations on the power of the Board or a committee thereof to adopt such other incentive arrangements as it may deem desirable.

(j) **Payments in the Event of Forfeitures; Fractional Shares.** Unless otherwise determined by the Committee, in the event of a forfeiture of an Award with respect to which a Participant paid cash or other consideration, the Participant shall be repaid the amount of such cash or other consideration. No fractional shares of Stock or CDIs shall be issued or delivered pursuant to the Plan or any Award. The Committee shall determine whether cash, other Awards or other property shall be issued or paid in lieu of such fractional shares or whether such fractional shares or any rights thereto shall be forfeited or otherwise eliminated.

(k) **Awards to Participants Outside the United States.** The Committee may modify the terms of any Award under the Plan made to or held by a Participant who is then resident or primarily employed outside of the United States in any manner deemed by the Committee to be necessary or appropriate in order that such Award shall conform to laws, regulations, and customs of the country in which the Participant is then resident or primarily employed, or so that the value and other benefits of the Award to the Participant, as affected by foreign tax laws and other restrictions applicable as a result of the Participant's residence or employment abroad shall be comparable to the value of such an Award to a Participant who is resident or primarily employed in the United States. An Award may be modified under this Section 10(k) in a manner that is inconsistent with the express terms of the Plan, so long as such modifications will not contravene any applicable law or regulation or result in actual liability under Section 16(b) of the Exchange Act for the Participant whose Award is modified.

(l) **Governing Law.** The validity, construction and effect of the Plan, any rules and regulations under the Plan, and any Award agreement shall be determined in accordance with the Nevada Revised Statutes, the contract and other laws of the State of Nevada without giving effect to principles of conflicts of laws, and applicable federal law.

(m) **Plan Effective Date and Termination.** The Plan was adopted by the Board of Directors on April 24, 2003 and became effective upon its approval by the Company's stockholders on June 23, 2003. The Plan was amended and restated upon its approval by the Company's stockholders on each of June 14, 2005, June 10, 2008, June 17, 2009, June 7, 2011, June 11, 2014, and June 10, 2015, and further amended, effective January 10, 2018, in connection with the Company's reincorporation, and further amended and restated upon its approval by the Company's stockholders on each of June 12, 2019, June 9, 2021 and June 10, 2025 [and by the Board on October [●], 2025]. Unless earlier terminated by action of the Board of Directors, the Plan will remain in effect until such time as no Stock remains available for delivery under the Plan and the Company has no further rights or obligations under the Plan with respect to outstanding Awards under the Plan; provided, however, that no new Awards may be granted more than 10 years after the date of the latest approval of the Plan by stockholders of the Company.

(n) **Australian Compliance.** For so long as the Company is listed on the ASX, where necessary to satisfy the ASX Listing Rules (i) the Company shall be permitted to amend or modify any outstanding Award, provided that the Company shall seek, to the extent practicable, to cause such amendment or modification to not result in any adverse consequences to the Company under U.S. Generally Accepted Accounting Principles or to the Participant under Code Section 409A or any other applicable tax or securities law and (ii) the Company shall satisfy the requirement to deliver Shares or CDIs in respect of Awards with Shares or CDIs purchased on the market. Awards do not carry any entitlement to participate in new issues of Stock or CDIs by the Company prior to the vesting and exercise (if applicable) of the Award.

**LIGHT & WONDER, INC.**  
**AMENDED AND RESTATED 2016 EMPLOYEE STOCK PURCHASE PLAN**  
*(Effective November 14, 2025)*

SECTION 1. Purpose of Plan. (a) The purpose of the Light & Wonder, Inc. Amended and Restated 2016 Employee Stock Purchase Plan is to provide Eligible Employees with the opportunity to purchase Stock or CDIs of the Company by means of voluntary, systematic payroll deductions and thereby acquire an interest in the future of the Company.

(a) It is the intention of the Company that the Plan qualify as an “employee stock purchase plan” under Section 423 of the Code. The provisions of the Plan shall be construed so as to comply in all respects with the requirements of the Code applicable to employee stock purchase plans.

SECTION 2. Definitions.

“ASX” means the Australian Securities Exchange.

“ASX Listing Rules” means the official listing rules of the ASX as they apply to the Company from time to time.

“Board of Directors” means the Board of Directors of Light & Wonder, Inc.

“CDIs” means the CHESS Depository Interests of the Company corresponding to Stock that are traded on the ASX (or any other stock exchange based in Australia).

“Closing Price” of the Stock or CDIs means, on any business day, the last sale price for a share of such Stock or CDIs as reported on the principal market on which the Stock or CDIs is traded.

“Code” means the Internal Revenue Code of 1986, as amended.

“Committee” means the Compensation Committee of the Board of Directors or a committee duly authorized by the Board of Directors to administer the Plan.

“Company” means Light & Wonder, Inc.

“Compensation” means the Participant’s base wages, or base salary, as applicable, (not including any bonuses, commissions or similar payments) and shall include (and all calculations based upon the Participant’s Compensation shall include) all amounts that would be included in the Participant’s taxable income as base wages or base salary but for the fact that such amount was contributed to a qualified plan pursuant to an elective deferral under Section 401(k) of the Code or contributed under a salary reduction agreement pursuant to Section 125 of the Code or deferred pursuant to a non-qualified deferred compensation plan, in each case, to the full extent permitted by law and applicable regulations, if any.

“Eligible Employee” means an employee of the Company or a Subsidiary who meets the eligibility requirements set forth in Section 5 of the Plan.

“*Fair Market Value*” means, unless the Board of Directors determines otherwise in good faith, on any given day the Closing Price of the Stock or CDIs on such day (or, if there was no Closing Price on such day, the latest day prior thereto on which there was a Closing Price). A good faith determination by the Board of Directors as to fair market value shall be final and binding.

“*Highly Compensated Employee*” means an employee of the Company or a Subsidiary whose Compensation in the immediately preceding calendar year exceeded the greater of \$250,000 and the amount provided for under Section 414(q)(1)(B) (i) of the Code.

“*Participant*” shall have the meaning set forth in Section 6(b) of the Plan.

“*Plan*” means this Light & Wonder, Inc. Amended and Restated 2016 Employee Stock Purchase Plan.

“*Purchase Date*” shall have the meaning set forth in Section 10(a) of the Plan.

“*Purchase Period*” means each of the periods pursuant to Section 6 of the Plan during which the Plan remains in effect, except as otherwise provided in Section 18(c) of the Plan.

“*Purchase Right*” shall mean a right to purchase shares of Stock or CDIs pursuant to the Plan.

“*Specified Percentage*” shall have the meaning set forth in Section 7(a) of the Plan.

“*Stock*” means the Common Stock, par value \$0.01 per share, of the Company.

“*Subsidiary*” means a “subsidiary corporation” as defined in Section 424(f) of the Code that the Board of Directors has designated as a subsidiary whose employees are, subject to the specific requirements of the Plan, eligible to participate in the Plan.

**SECTION 3. Administration of Plan.** The Plan shall be administered by the Committee. The Committee shall have the right to determine all questions regarding the interpretation and application of the provisions of the Plan and to make, administer, and interpret such rules and regulations as it deems necessary or advisable with respect to the Plan. The Committee’s decisions will be final and binding. At the request of the Committee, the Company may appoint a “Plan Administrator” to carry out the ministerial functions necessary to implement the decisions and actions of the Committee with respect to any offering under the Plan.

**SECTION 4. Stock and CDIs.** Under the Plan, there is available an aggregate of 2,000,000 shares of Stock or CDIs (subject to adjustment as provided in Section 17 of the Plan) for sale pursuant to the exercise of Purchase Rights granted under the Plan to Eligible Employees. The Stock or CDIs to be delivered upon exercise of Purchase Rights under the Plan may be either (a) shares of authorized but unissued Stock or CDIs or (b) shares of reacquired Stock or CDIs, as the Board of Directors may determine. With respect to the offering applicable to a Purchase Period, the Committee will specify the number of shares to be made available and such other terms and conditions not inconsistent with the Plan as may, in the opinion of the

Committee, be necessary or appropriate; *provided, however*, that absent a determination by the Committee, the maximum number of shares of Stock or CDIs then available for purchase under the Plan shall be offered in each Purchase Period for which such determination was not made. All shares included in any offering under the Plan in excess of the total number of shares of Stock or CDIs for which Purchase Rights are granted hereunder and all shares of Stock or CDIs with respect to Purchase Rights granted hereunder that are not exercised or are cancelled or deemed to be cancelled as provided herein shall continue to be reserved for the Plan and shall be available for inclusion in any subsequent offering under the Plan. Notwithstanding the foregoing, the number of shares of Stock or CDIs that may be issued under the Plan must not exceed the limits prescribed by ASX Listing Rules (the “*ASX Limit*”), unless shareholder approval is obtained in accordance with the ASX Listing Rules. In the event the number of shares of Stock or CDIs to be issued would be limited by the ASX Limit, the procedures set forth in the second paragraph of Section 8 shall apply.

SECTION 5. Eligible Employees. (a) Except as otherwise provided below, each individual who is an employee of the Company or a Subsidiary, who has a customary working schedule of at least twenty (20) hours per week will be eligible to participate in the Plan.

(a) Any employee who, immediately after the grant of a Purchase Right, would own or be considered to own (in accordance with the provisions of Sections 423 and 424(d) of the Code) stock possessing five percent (5%) or more of the total combined voting power or value of all classes of stock (including CDIs) of the Company or a parent or subsidiary of the Company, will cease to be eligible to receive such Purchase Right pursuant to the Plan.

(b) With respect to a Purchase Period, each employee who, as of the first day of such Purchase Period, is a Highly Compensated Employee will not be eligible to participate in such Purchase Period.

(c) The Plan will be operated in compliance with the limitations on purchases of stock contained in Section 423(b)(8) of the Code, as described in Section 8 of the Plan.

SECTION 6. Purchase Periods; Method of Participation. (a) Unless the Board of Directors determines otherwise, an offering of shares of Stock or CDIs under the Plan shall be made with respect to each Purchase Period. Each Purchase Period shall be of six- months duration. Each Purchase Period shall commence on either January 1 or July 1 of the calendar year.

(a) Each person who will be an Eligible Employee on the first day of a Purchase Period may elect to participate in the Plan by executing and delivering, within a reasonable time frame prior to the first day of the Purchase Period as specified by the Committee, a payroll deduction authorization form in accordance with Section 7 of the Plan. Such employee will thereby become a participant (“*Participant*”) in the Plan for that Purchase Period and each subsequent Purchase Period unless he or she withdraws from participation in the Plan in accordance with Section 12 of the Plan.

SECTION 7. Payroll Deduction Amounts and Procedures. (a) The payroll deduction authorization form completed by the Participant will request withholding by means of payroll deductions from Compensation payable during the applicable Purchase Period at a rate, expressed as a whole percentage, of not less than 1%, except as provided in Section 7(b) of the Plan, nor more than 15% of his or her Compensation payable during the applicable Purchase Period (based on the rate in effect on the first day of the applicable Purchase Period) (the “*Specified Percentage*”). The amount equal to the Specified Percentage of the Participant’s Compensation for the applicable Purchase Period will be withheld from the Participant’s Compensation in installments over the term of the Purchase Period (one installment each pay

period during the Purchase Period, with the amount of the installments to be as nearly equal as is practicable, subject to adjustment resulting from a change in the Specified Percentage as permitted in Section 7(b) of the Plan). Such withheld amounts will be credited to a withholding account for the Participant. The Participant's payroll deduction authorization will remain in effect for subsequent Purchase Periods until amended by the Participant in accordance with Section 7(b) or Section 7(c) of the Plan, or until the Participant withdraws from the Plan in accordance with Section 12 of the Plan.

(a) A Participant may, subject to the provisions set forth elsewhere in the Plan, elect to decrease by one or more whole percentages (including to zero) the Specified Percentage of his or her payroll deductions for the current Purchase Period by delivering written notice to the Company of such election within a reasonable time period before the April 1 or October 1 that marks the first day of the second three months of such Purchase Period, as applicable, as specified by the Committee. The reduction in the Specified Percentage will take place as of the applicable April 1 or October 1 date or as soon thereafter as practicable, as determined by the Company, and will remain in effect for subsequent Purchase Periods unless amended in accordance with this Section 7(b) of the Plan or Section 7(c) of the Plan or the Participant withdraws from the Plan in accordance with Section 12 of the Plan. If a Participant elects to reduce his or her contribution rate to zero percent, amounts contributed to the Plan prior to the date such reduction is effective for the current Purchase Period will be used to purchase shares of Stock or CDIs at the end of such Purchase Period but no further contributions will be made during the balance of the Purchase Period or during subsequent Purchase Periods unless the Participant completes a new authorization form in accordance with Section 6(a) of the Plan.

(b) A Participant may increase (but not above 15%) or reduce (but not below 1%) the Specified Percentage of his or her payroll deduction authorization for a future Purchase Period by written notice delivered to the Company, within a reasonable time period specified by the Committee, prior to the first day of the Purchase Period as to which the change is to be effective.

**SECTION 8. Grant of Purchase Rights.** Each person who is a Participant on the first day of a Purchase Period will as of such day be granted a Purchase Right for such Purchase Period, and the number of whole shares of Stock or CDIs subject to such Purchase Right shall be the maximum number of shares of Stock or CDIs the Participant can purchase during the applicable Purchase Period, as calculated in accordance with the next sentence (subject to any adjustments in accordance with Section 17 of the Plan). Such Purchase Right will be for the number of whole shares of Stock or CDIs determined by dividing (i) an amount equal to 15% of such Participant's Compensation payable during the applicable Purchase Period (assuming continued employment throughout such Purchase Period) at the rate in effect on the first day of the applicable Purchase Period by (ii) 85% of the Fair Market Value of a share of Stock or CDIs as of the first day of the applicable Purchase Period and disregarding any fractional shares.

In the event the total maximum number of shares of Stock or CDIs for which Purchase Rights would otherwise be granted in accordance with this Section 8 under any offering hereunder exceeds the number of shares of Stock or CDIs offered or available under the Plan, the Company shall reduce the maximum number of shares of Stock or CDIs for which Participants may be granted Purchase Rights to allot the shares of Stock or CDIs available in such manner as it shall determine, but generally pro rata, and shall grant Purchase Rights to purchase only such reduced number of shares of Stock or CDIs. In such event, the payroll deductions to be made pursuant to the authorizations therefor shall be reduced accordingly (without regard to the otherwise applicable minimum contributions) and the Company shall give written notice of such reduction to each Participant affected thereby.

Notwithstanding the foregoing, no Participant may be granted a Purchase Right to purchase shares of Stock or CDIs under the Plan which, when aggregated with his or her rights to purchase shares of Stock or CDIs under all other stock purchase plans of the Company pursuant to Section 423 of the Code, would permit such Participant to purchase shares of Stock or CDIs with a Fair Market Value (determined as of the first day of the applicable Purchase Period) in excess of \$25,000 in any calendar year.

SECTION 9. Purchase Price. The purchase price for shares of Stock or CDIs issued pursuant to the exercise of a Purchase Right will be 85% of Fair Market Value as of the day on which the Purchase Right is deemed exercised. The purchase price for shares of Stock or CDIs purchased pursuant to the Plan will be payable only by means of payroll deductions as provided herein.

SECTION 10. Exercise of Purchase Rights. (a) Each employee who is a Participant on the last day of a Purchase Period will be deemed on such day to have exercised, to the extent of such Participant's withholding, the Purchase Right granted to him or her for that Purchase Period (such date, the "*Purchase Date*"). The exercise shall be for the purchase of the maximum number of whole shares of Stock or CDIs subject to the Purchase Right which can be purchased with the entire withholding amount in the Participant's account, but not to exceed the number of shares determined under Section 8 of the Plan. In the event that the amount of the Participant's withholding is in excess of the total purchase price for the shares of Stock or CDIs so issued, the balance of the account shall be returned to the Participant, provided, that if such excess amount is less than the purchase price of one share of Stock or CDIs, such excess amount shall be retained by the Company in the Participant's withholding account and shall be available for application toward the purchase price of shares of Stock or CDIs in a subsequent Purchase Period. The entire balance of the Participant's withholding account following the final Purchase Period shall be returned to the Participant.

(a) As promptly as practicable after the end of the Purchase Period, the Company will deliver the shares of Stock or CDIs purchased upon exercise of the Purchase Right to a brokerage firm, as may be designated by the Committee from time to time, which will hold shares of Stock or CDIs in individual accounts established for the benefit of each Participant. The brokerage account may be in the name of the Participant or, if such Participant so indicates on the appropriate form, in the Participant's name jointly with another person, with right of survivorship. A Participant may not transfer (other than by inheritance) any shares of Stock or CDIs acquired by such Participant under this Plan for six months following the date such shares are issued to such Participant, unless the Committee determines otherwise. Any stock certificates or other documentation issued to a Participant representing the shares of Stock or CDIs so purchased shall bear a legend referring to this restriction on transfer. Any attempt to transfer any shares of Stock or CDIs acquired under this Plan other than in accordance with this Plan shall be considered null and void and of no effect.

(b) Notwithstanding anything herein to the contrary, the obligation of the Company to issue and deliver shares of Stock or CDIs under the Plan is subject to the approval required of any governmental authority in connection with the authorization, issuance, sale or transfer of said shares of Stock or CDIs, to any requirements of any national securities exchange applicable thereto, and to compliance by the Company with other applicable legal requirements in effect from time to time, including without limitation any applicable tax withholding requirements.

SECTION 11. Use of Funds; Interest; No Fractional Share Interests. (a) All payroll deductions received or held by the Company under the Plan may be used by the

Company for any corporate purpose and the Company shall not be obligated to segregate such payroll deductions; *provided, however,* that the Company may elect, at its sole discretion, to segregate such payroll deductions for the benefit of Participants. Until paid over to the applicable Participant or used to purchase shares of Stock or CDIs as provided hereunder, the amount of each Participant's payroll deductions in connection with any applicable offering shall represent an indebtedness of the Company to such Participant.

(a) No interest will be payable on withholding accounts, including upon the return of the balance in a withholding account to the applicable Participant; *provided, however,* that the Company may elect, at its sole discretion, to pay interest on such withholding accounts on a non-discriminatory basis at a market rate of interest calculated pursuant to procedures established by the Company, all as determined in good faith by the Committee in its sole discretion.

(b) No fractional shares of Stock or CDIs or fractional interests in shares of Stock or CDIs will be issued or credited to a Participant's account under the Plan.

SECTION 12. Withdrawal and Cancellation. (a) A Participant who holds a Purchase Right under the Plan may at any time prior to exercise thereof under Section 10 of the Plan withdraw from participation in the Plan by written notice delivered to the Company. Upon such withdrawal, the Participant shall cease to be a Participant, such Purchase Right shall be deemed cancelled in its entirety, and the balance in his or her withholding account will be returned to him or her as soon as practicable.

(a) If a Participant reduces to zero his or her future payroll deductions with respect to the then current Purchase Period pursuant to Section 7(b) of the Plan, the Participant shall continue to be a Participant for such Purchase Period unless the Participant elects by notice in writing to the Company to withdraw from participation in the Plan as provided in Section 12(a) of the Plan. The Participant's reduction to zero, however, will be treated as an election by the Participant to withdraw from the Plan with respect to subsequent Purchase Periods.

(b) Any Participant who withdraws from participation in the Plan as provided herein may, as of the beginning of a subsequent Purchase Period, again become a Participant in accordance with Section 6 of the Plan.

(c) If a Participant's payroll deduction terminates for any reason not otherwise provided for in this Section 12 of the Plan, the Participant will be deemed to have withdrawn from participation in the Plan, his or her Purchase Right shall be cancelled in its entirety, and the balance in his or her withholding account will be returned to him or her as soon as practicable.

SECTION 13. Termination of Employment. Subject to Section 14 of the Plan, upon the termination of a Participant's service with the Company or a Subsidiary for any reason, such person will cease to be a Participant, and any Purchase Right held by such Participant under the Plan will be deemed cancelled, the balance of his or her withholding account will be returned to him or her, and such person will have no further rights under the Plan.

SECTION 14. Designation of Beneficiary; Death of Participant. (a) A Participant may file a written designation of a beneficiary who is to receive any shares of Stock or CDIs and cash to the Participant's credit under the Plan in the event of such Participant's death prior to delivery to him or her of any such shares and cash. Such designation of beneficiary may be changed by the Participant at any time by written notice. Upon the death of a Participant and upon receipt by the Company of proof of the identity and existence at the Participant's death of a beneficiary validly designated by the Participant under the Plan, the Company shall deliver such

shares and cash to such beneficiary. In the event of the death of a Participant and in the absence of a beneficiary validly designated under the Plan who is living at the time of such Participant's death, the Company shall deliver such shares and cash to the executor or administrator of the estate of the Participant, or if no such executor or administrator has been appointed (to the actual knowledge of the Company) the Company shall deliver such shares and cash to the applicable court having jurisdiction over the administration of such estate. No designated beneficiary shall, prior to the death of the Participant by whom he or she has been designated, acquire any interest in the shares of Stock or CDIs or cash credited to the Participant under the Plan.

(a) In the event of the death of a Participant, any Purchase Right held by the Participant at such time shall be deemed to be immediately cancelled and any cash, CDIs and/or Stock credited to the Participant under the Plan will be delivered to his or her designated beneficiary or, in the absence of a living designated beneficiary, the executor or administrator of his or her estate (or if no such executor or administrator has been appointed (to the actual knowledge of the Company), to the applicable court having jurisdiction over the administration of such estate) as soon as practicable after the end of the current Purchase Period.

SECTION 15. Participant's Rights; Rights Not Transferable. All Participants will have the same rights and privileges under the Plan; *provided*, that the use of Compensation (which varies among Eligible Employees) as the basis for determining the number of shares for which an Eligible Employee electing to participate in an offering under the Plan may be granted a Purchase Right shall not be construed to create a difference in such rights and privileges so long as each Eligible Employee has the right to elect the same percentage of his Compensation as a payroll deduction under Section 7 of the Plan. Each Participant's rights and privileges with respect to any Purchase Right may be exercisable during the Participant's lifetime only by him or her, and may not be sold, pledged, assigned, or transferred in any manner. In the event any Participant violates the terms of this Section, any Purchase Right held by such Participant may be terminated by the Company and, upon return to the Participant of the balance of his or her withholding account, all his or her rights under the Plan will terminate.

SECTION 16. Employment Rights and Stockholder Rights. (a) Nothing contained in the provisions of the Plan will be construed to give to any employee the right to be retained in the employ of the Company or a Subsidiary or to interfere with the right of the Company or a Subsidiary to discharge any employee at any time. The loss of existing or potential profit in Purchase Rights will not constitute an element of damages in the event of termination of employment for any reason, even if the termination is in violation of an obligation to the Participant.

(a) Neither an Eligible Employee nor a Participant shall have any rights as a stockholder with respect to shares subject to a Purchase Right issued hereunder until such Purchase Right has been exercised and shares issued in accordance with the terms of the Plan.

SECTION 17. Change in Capitalization. In the event of any change in the outstanding Stock or CDIs by reason of a stock dividend, spin-off, recapitalization, merger, consolidation, reorganization, or other capital change, after the effective date of the Plan, the aggregate number of shares of Stock or CDIs available under the Plan, the number of shares of Stock or CDIs under Purchase Rights granted but not exercised, the maximum number of shares of Stock or CDIs subject to a Purchase Right pursuant to Section 8(a) of the Plan, and the Purchase Right price shall be appropriately adjusted in an equitable manner, as determined by the Committee in its sole discretion.

SECTION 18. Amendment and Termination of Plan; Rights Upon Termination. (a) The Company reserves the right at any time or times to amend the Plan to any extent and in any manner it may deem advisable by proper action of the Board of Directors; *provided*,

*however*, that any amendment relating to the aggregate number of shares of Stock or CDIs which may be issued under the Plan (other than an adjustment provided for in Section 17 of the Plan) or to the employees (or class of employees) eligible to receive Purchase Rights under the Plan will have no force or effect unless it is approved by the shareholders of the Company within twelve months of its adoption; and *provided further*, that no such amendment shall make any change in any Purchase Right previously granted which would adversely affect the rights of any Participant without the express written consent of such Participant.

(a) The Plan shall terminate: (i) automatically when all the Stock or CDIs reserved for the purposes of the Plan has been purchased or (ii) notwithstanding anything in Section 18(a) of the Plan to the contrary, at any time, as the Board of Directors, acting in its sole discretion, shall specify.

(b) If the Plan is terminated, the Board of Directors may elect in its sole discretion to (i) complete the purchase of shares of Stock or CDIs underlying outstanding Purchase Rights on the first Purchase Date following the date of termination of the Plan or (ii) deliver to each Participant the then balance of such Participant's withholding account, if any (or any combination of clauses (i) and (ii) as the Board of Directors may elect in its sole discretion), in each case, as soon as reasonably practicable following the date of termination of the Plan. Upon such termination, no Participant shall have any right to acquire shares of Stock or CDIs under the Plan (other than under clause (i) of this Section or in connection with Purchase Rights exercised with respect to completed Purchase Periods where the shares of Stock or CDIs have not yet been delivered to the Participant) and the participation of all Participants shall terminate immediately as of the date of termination of the Plan.

SECTION 19. Governmental Approvals or Consents. The Board of Directors may make such changes in the Plan and include such terms in any offering under the Plan as may be necessary or desirable, in the opinion of counsel, so that the Plan will comply with the rules and regulations of any governmental authority and so that Participants will be eligible for tax benefits under the Code or the laws of any state.

SECTION 20. Costs and Expenses. No brokerage commissions or fees shall be charged by the Company in connection with the purchase of shares of Stock or CDIs by Participants under the Plan. All costs and expenses incurred in administering the Plan shall be borne by the Company.

SECTION 21. ASX Listing Compliance. For so long as the Company is listed on the ASX, in the event of any reorganization or other transaction that would trigger any requirement under the ASX Listing Rules to adjust or otherwise modify the Purchase Rights, then the Committee shall seek to determine an adjustment or other modification that will comply with the ASX Listing Rules and not result in the disqualification of the Plan as an "employee stock purchase plan" for purposes of Section 423 of the Code or otherwise result in the loss of any favorable tax treatment for Participants. For the avoidance of doubt, if such a modification or adjustment is not possible, the Committee shall be permitted, without the consent of Participants, to implement a modification or adjustment necessary to comply with the ASX Listing Rules that will nonetheless result in such disqualification or loss of favorable tax treatment.

IN WITNESS WHEREOF, the Company has caused this Amended and Restated Employee Stock Purchase Plan to be executed on its behalf this 10th day of November 2025 (to be effective on the 14th day of November 2025).

LIGHT & WONDER, INC.

By: /s/ James Sottile

Its: Executive Vice President and Chief  
Legal Officer

[[8165413]]



## Securities Trading Policy

---

LIGHT & WONDER, INC.

Company number 666710836

Adopted by the Board on November 4, 2025 (effective  
November 14, 2025)

## 1 What is this Policy about?

---

The purpose of this Policy is to:

- ensure that public confidence is maintained in the reputation of Light & Wonder, Inc. and its subsidiaries (collectively **Light & Wonder** or the **Company**), directors and employees of Light & Wonder and in the trading of the Company's securities;
- outline the policy and procedures that apply to directors and employees when dealing in the Company's securities; and
- recognise that some types of dealing in securities are prohibited by law.

The Company will take a substance over form approach and will have regard to the intent and spirit of this Policy when applying and enforcing it.

If you are confronted with a situation where your common sense or good judgment tells you that trading may not be appropriate, you should refrain from trading or seek guidance from the Company Secretary or Chief Legal Officer.

This Policy is designed to ensure compliance with both Australian and US securities laws, including the *Corporations Act 2001* (Cth) (**Corporations Act**), ASX Listing Rules, and the relevant US federal securities laws. In this Policy, a reference to '**securities**' means common shares and derivative securities relating to the Company's common stock such as put and call options (whether or not issued by the Company) and convertible debentures or preferred shares, as well as CHESSE Depository Interests (**CDIs**) (as defined in the ASX Listing Rules), debt securities such as bonds and notes and any other securities the Company may issue from time to time.

For the purposes of this Policy, '**dealing**' or '**deal**' includes purchases, sales, gifts, donations, acquisitions or disposals of any of the Company's securities. It also includes the exercising of options over securities.

## 2 Who must comply with this Policy?

---

This Policy applies to all of Light & Wonder's Directors, employees, consultants and independent contractors engaged by Light & Wonder (collectively, **Employees**).

Certain parts of this Policy apply only to **Restricted Persons** who, for the purposes of this Policy, are:

- directors of the Company;
- other key management personnel of Light & Wonder (including the CEO and any other direct reports to the CEO) (**Senior Executives**);
- officers subject to Section 16 of the Securities Exchange Act of 1934 (**Exchange Act**) (**Section 16 Officers**); and
- other persons who regularly possess, or by virtue of their position within the Company are likely to have access to, Inside Information (as defined below) and who have been advised by the Chief Legal Officer that they are subject to special restrictions under this Policy (**Nominated Employees**).

Employees must ensure that their Connected Persons only deal in securities when the Employee to whom they are connected would be permitted to do so under this Policy. The same restrictions that apply to Employees apply equally to their Connected Persons. For Restricted Persons, this means their Connected Persons must also comply with the requirements in section 4 of this Policy.

For the purposes of this Policy, "**Connected Persons**" include:

- family members residing with the Employee, and any other individuals living in the Employee's household;
- family members not residing in the household whose securities transactions covered by this Policy are:
  - directed by the Employee,
  - subject to the Employee's influence or control (for example, parents or children who consult the Employee before trading), or
  - financially dependent on the Employee;
- any other person who may reasonably be expected to influence, or be influenced by, the Employee in relation to dealings with the Company or Company securities; and
- trusts or other entities controlled by the Employee or by any member of their household.

## 3 Restrictions applying to all Employees

---

### 3.1 No dealing while in possession of Inside Information

Employees must not:

- deal, directly or indirectly through Connected Persons or other persons or entities, in the Company's securities if:
  - they are aware of Inside Information in relation to the Company; or
  - the Company has notified Employees that they must not deal in securities (either for a specified period, or until the Company gives further notice).
- deal in any securities of any other companies while in possession of Inside Information relating to that company.
- encourage another person to deal in securities of any company while in possession of Inside Information relating to that company.
- directly or indirectly communicate Inside Information to another person where they know, or ought reasonably to know, that the person is likely to deal in securities to which the Inside Information relates or encourage someone else to do so ("**tipping**").

**Inside Information** is information that:

- is not generally known or available to the market (referred to as "non-public" information under US federal securities law); and
  - if it were generally available to the market, a reasonable person would expect it to have a material effect (upwards or downwards) on the price or value of a security; or
  - a reasonable investor would consider important in deciding whether to buy, hold or sell a security (referred to as "material information" under US federal securities law).

Information is 'generally available to the market' if:

- it consists of a readily observable matter;
- it has been made known in a manner that would, or would be likely to, bring it to the attention of people who commonly invest in the relevant securities (for example, released as an ASX announcement, SEC filing or press release in accordance with the SEC's Regulation Fair Disclosure) and a reasonable period of time has passed since the information was made known; or
- it consists of deductions, conclusions or inferences made or drawn from either or both of the kinds of generally available information described above.

Inside Information may include matters of supposition, matters that are not yet certain and matters relating to a person's intentions.

- References to 'Inside Information' in this Policy should be read as including 'material non-public information' as that term is used in US federal securities law.

The Company may not, directly or indirectly, buy or sell the Company's securities while in possession of Inside Information related to the Company unless such trading activity otherwise complies with all applicable US federal and Australian securities laws.

### **3.2 The Front Page Test**

It is important that public confidence in Light & Wonder is maintained. It would be damaging to Light & Wonder's reputation if the market or the general public perceived that Employees might be taking advantage of their position in Light & Wonder to make financial gains (by dealing in securities on the basis of Inside Information).

As a guiding principle, Employees should ask themselves:

*If the market was aware of all the current circumstances, could I be perceived to be taking advantage of my position in an inappropriate way? How would it look if the transaction were reported on the front page of the newspaper? (The **Front Page Test**)*

If the Employee is unsure, he or she should consult the Chief Legal Officer and refrain from trading in Company securities.

Where any approval is required for a dealing under this Policy, approval will not be granted where the dealing would not satisfy the Front Page Test.

### **3.3 No speculative dealing**

Employees must not deal in the Company's securities on a speculative basis, including short-selling. Short selling involves borrowing and selling securities in the hope that they can be bought back at a lower price in the future to close out the short position at a profit.

### **3.4 Publicly traded options**

Employees may not engage in transactions in publicly traded options in the Company's securities, such as puts, calls or derivative securities, on an exchange or in any other organised market.

### **3.5 Hedging and other arrangements**

#### **Hedging**

Hedging includes entering into any arrangements that operate to limit the economic risk associated with holding the Company's securities.

You may not enter into hedging or monetisation transactions or similar arrangements designed to hedge or offset any decrease in the market price of the Company's securities.

#### **Standing orders**

You may not place standing orders (e.g. open orders at set prices) involving Company securities. A broker-executed standing order while you hold Inside Information may result in unlawful trading.

#### **Margin lending and pledging**

You may not hold the Company's securities in a margin account or pledge the Company's securities as collateral for a loan.

The restriction on purchasing Company securities on margin does not apply to the "cashless exercise" of options (i.e., the exercise of an option where the seller sells some of the securities underlying the option to pay the taxes required to be withheld, the

exercise price of the options so exercised, and/or broker commissions related to the transactions).

### 3.6 Dealing in other companies' securities

Employees may come into possession of Inside Information regarding another company where they are directly involved in client relationship management, negotiating contracts or through a relationship as the customer or supplier of that company. For example, an employee may become aware that Light & Wonder is about to sign a major agreement with another company.

Employees must not deal in the securities in another company if they are aware of Inside Information in relation to that company, no matter how they came into possession of the Inside Information.

## 4 Additional restrictions applying to Restricted Persons

---

### 4.1 No dealing in blackout periods

Restricted Persons must not deal in Company securities during the following blackout periods:

- the period beginning at the close of trading on the ASX on the last day of the applicable fiscal quarter and ending after the close of one full trading day on the ASX as well as one full trading day on a US national securities exchange following the public release of the Company's financial results for such quarter (for example, if the Company announces financial results after the ASX closes (and before a US national securities exchange opens) on a Wednesday, the first time you can buy or sell Company securities is the opening of the ASX on the following Friday (or after a US national securities exchange closes on the following Thursday); and
- any other period that the Chief Legal Officer specifies from time to time (for example, during the period of time during which the Company is in the process of assembling material non-public information to be released by means of a press release or SEC filing, or during the occurrence of a material event that is known by only a few directors or executives).
- The existence of an event-specific blackout specified by the Chief Legal Officer will not be announced, other than to those who are aware of the event giving rise to the blackout and to Restricted Persons, and should not be disclosed to any other person.

### 4.2 Exceptional circumstances

If a Restricted Person needs to deal in securities during a blackout period due to exceptional circumstances and is **not** in possession of any Inside Information, then, they may apply for approval to deal. Exceptional circumstances are likely to include severe financial hardship or compulsion by court order.

Approval to deal will only be granted if the Restricted Person's application is accompanied by sufficient evidence (in the opinion of the person providing clearance) that the dealing is the most reasonable course of action available in the circumstances.

Unless otherwise specified in the notice, any dealing permitted under this section 4.2 must comply with the other sections of this Policy (to the extent applicable).

### 4.3 Approval required for dealing outside blackout periods

- (a) During any period that is not a trading blackout period under section 4.1, Restricted Persons must, prior to any proposed dealing, seek approval for the proposed dealing in the Company's securities.
- (b) There are certain times during the year when approval under this Policy is more likely to be granted. These are the 4 week periods immediately following:

- (1) the day after release of the Company's full-year results;
- (2) the day after release of the Company's half-year results; and
- (3) the day after release of the Company's quarterly results for the first and third fiscal quarters.

Restricted Persons who wish to seek approval to trade under this Policy are encouraged to do so during these periods. Trading at any time (even if approval has been obtained under this Policy) remains subject to insider trading laws.

#### **4.4 Written request process**

- (a) Requests for approval under 4.2 or 4.3 should be submitted to the Chief Legal Officer (unless the request is made by the Chief Legal Officer, in which case, the request should be submitted to the CEO).
- (b) A request for approval to deal will be answered as soon as practicable. The approver, having consulted with members of management as appropriate, may:
  - (1) grant or refuse the request; or
  - (2) impose conditions on the dealing in their discretion.
- (c) The approver is not obliged to provide reasons for any aspect of their decision, and may revoke their approval at any time. If a request is not approved or an approval is revoked, that fact must be kept confidential.
- (d) Following receipt of approval to deal, the approved dealing must occur within 5 business days following approval (or such other time specified in the approval), otherwise the approval is no longer effective and fresh approval must be sought.
- (e) Approval under this Policy is not an endorsement of the dealing. Personnel are responsible for their own compliance with the law.
- (f) The Chief Legal Officer will report any waivers or permissions to trade during a blackout to the Board at the next scheduled board meeting.

#### **4.5 Directors – confirmation of trade required**

Following any trade, Directors and Section 16 Officers must promptly notify the Chief Legal Officer, ideally by close of business on the day the trade is entered. This is to assist the Company to comply with its disclosure obligations under the ASX Listing Rules and to help ensure compliance with individual reporting obligations pursuant to Section 16 of the Exchange Act.

Directors and Section 16 Officers must ensure timely compliance with all applicable US reporting obligations. This includes filing a Form 4 with the SEC within two business days of most transactions in Company securities (including gifts), and filing a Form 144 prior to certain open market sale of Company shares. While the Company may assist with these filings, ultimate responsibility for compliance rests with the individual.

#### **4.6 Section 16 and Rule 144 Compliance**

Directors and Section 16 Officers are also responsible for compliance with Section 16 of the Exchange Act (including provisions related to disgorgement of "short-swing profits" and restrictions on short sales of the Company's securities) and Rule 144 of the Securities Act of 1933 in connection with their transactions in the Company's securities.

## **5 Excluded Dealings**

---

Sections 4.1 and 4.3 of this Policy do not apply to the following:

- (a) participation in an employee, executive or director equity plan operated by the Company, including:
  - (1) purchases of Company securities under the employee share purchase plan resulting from an employee's periodic payroll contributions;

- (2) the exercise of a share option for cash; and
- (3) the issuance of shares upon vesting of an award of restricted share units (**RSUs**) or the concurrent withholding by the Company of a portion of those units to satisfy applicable withholding taxes,

however for the avoidance of doubt, sections 3.3, 4.1 and 4.3 would still apply in the following circumstances:

- (4) any dealing in securities in the Company granted under an employee, executive or director equity plan after those securities cease to be held under the terms of that plan (for example, any sale of shares received on vesting of RSUs);
  - (5) a cashless exercise of the option through a broker, as this entails selling a portion of the underlying shares to cover the costs of exercise; and
  - (6) any election (or change of an election) you may make regarding your tax withholding method (e.g., “netting” shares vs. payment in cash) in connection with a vesting of an award of RSUs.
- (b) The following categories of trades:
- acquisition of Company securities through a dividend reinvestment plan;
  - acquisition of Company securities through a share purchase plan available to all retail shareholders;
  - acquisition of Company securities through a rights issue; and
  - the disposal of Company securities through the acceptance of merger consideration, a scheme of arrangement or tender offer/equal access buy-back.
- (c) Dealings that result in no effective change to the beneficial interest in the securities (for example, transfers of Company securities already held into a superannuation fund or trust of which the Employee is a beneficiary).
- (d) Trading under a pre-approved non-discretionary trading plan, where the Employee did not enter into the plan or amend the plan during a blackout period, the plan does not permit the Employee to exercise any influence or discretion in relation to trading under the plan and the plan cannot be cancelled during a blackout period, other than in exceptional circumstances.
- (e) Bona fide gifts of the Company’s securities where the donor has taken appropriate steps approved by the Chief Legal Officer to ensure that the recipient will not sell the Company’s securities while the donor is aware or in possession of Inside Information. Bona fide gifts by Restricted Persons are subject to the additional procedures set forth herein that apply to other transactions by Restricted Persons.

Given such dealings in section 5 **remain subject to the insider trading rules** in the Corporations Act, Employees should still consider any legal or reputational issues (and discuss any concerns they have with the Chief Legal Officer) before proceeding with the dealing.

## 6 Post-employment trading

---

If you are aware of Inside Information when your employment or engagement ends, you must not trade until that information becomes public and one full trading day has elapsed, or it ceases to be material.

## 7 Unauthorised Disclosure of information

---

All Company information is confidential. Maintaining the confidentiality of Company information is essential for competitive, security and other business reasons, as well as to comply with securities laws. You should treat all information you learn about the Company or its business plans in connection with your employment or service as confidential and proprietary to the Company. Inadvertent disclosure of confidential or Inside Information may expose the Company and you to significant risk of investigation and litigation

Responses to investors, analysts or media on behalf of the Company must only be made by authorised spokespersons. Refer to the Disclosure Policy for more information.

Employees should not post or share Inside Information on social media, blogs, forums or messaging platforms. Internally, Inside Information should be only disseminated on a strict need-to-know basis.

## 8 What happens if this Policy is breached?

---

- (a) Breaches of this Policy will be regarded by the Company as serious and will be subject to appropriate sanctions. Any person who is suspected of breaching this Policy may be suspended from attending the workplace on full pay pending the outcome of investigations into the alleged breach. Any person who breaches this Policy could face disciplinary action (including forfeiture of securities and/or suspension or termination of employment).
- (b) Breaches of the insider trading laws have serious consequences for both the personnel concerned and the Company. Penalties under the Corporations Act include financial penalties and imprisonment. Under US federal securities law, violation of this Policy may result in both civil and criminal penalties, including substantial fines and imprisonment.
- (c) Employees are expected to report actual or suspected violations to the Chief Legal Officer, or their delegate. Supervisors who fail to take steps to prevent insider trading or tipping or who ignore it may also be liable under applicable securities laws and may be subject to discipline by the Company.

## 9 Other

---

- (a) Employees should contact the Chief Legal Officer (or their delegate) if they are unsure about whether it is acceptable to deal or communicate with others in relation to the Company's securities or other securities or if they have any other queries about this Policy.
- (b) Restricted Persons must acknowledge and certify their understanding of, and intent to comply with, this Policy (by email or other method specified by the Chief Legal Officer).
- (c) The Chief Legal Officer may delegate their responsibilities under this Policy and must do so if they will not be contactable for an extended period of time.

**LIGHT & WONDER, INC. SUBSIDIARIES**

(All subsidiaries are 100% owned unless otherwise stated)

(List includes only subsidiaries in which Light &amp; Wonder holds equal to or greater than 50% of the subsidiary)

Authentic Gaming Limited (Malta)  
 Authentic Gaming Malta Limited (Malta)  
 Bally Gaming and Systems S.A. (Uruguay)  
 Barcrest Development B.V. (Netherlands) (50%)  
 Barcrest Group Limited (England and Wales)  
 Content Media Holding Ltd (Malta)  
 Content Media Operations Sweden AB (Sweden)  
 Cryptologic Limited (Guernsey)  
 ELK Studios Malta Ltd (Malta)  
 ELKAB Studios AB (Sweden)  
 Global Draw Limited (England and Wales)  
 Light and Wonder Gibraltar Limited (Gibraltar)  
 Light and Wonder International, Inc. (Delaware)  
 Light and Wonder Services Philippines, Inc. (Philippines)  
 Lightning Box Games Pty Limited (Australia)  
 LNW Cayman Holdings LLC (Nevada)  
 LNW Cayman1 Ltd. (Cayman Islands)  
 LNW Cayman2 Ltd. (Cayman Islands)  
 LNW Gaming (Brazil) Limitada (Brazil)  
 LNW Gaming Africa Proprietary Limited (Republic of South Africa) (74.8%)  
 LNW Gaming Alberta Inc. (Canada)  
 LNW Gaming Alderney Ops Limited (Gibraltar)  
 LNW Gaming and Systems France (France)  
 LNW Gaming and Systems Holdings Limited (England and Wales)  
 LNW Gaming and Systems, S. de R.L. de C.V. (Mexico)  
 LNW Gaming ANZ Pty Ltd (Australia)  
 LNW Gaming Argentina S.A.U. (Argentina)  
 LNW Gaming Asia Limited (Macau)  
 LNW Gaming Australia Holdings I Pty Ltd (Australia)  
 LNW Gaming Bulgaria EOOD (Bulgaria)  
 LNW Gaming Canada Ltd. (Canada)  
 LNW Gaming Design Qingdao Company Limited (China)  
 LNW Gaming Gibraltar Limited (Gibraltar)  
 LNW Gaming Group LLC (Nevada)  
 LNW Gaming International, S.L.U. (Spain)  
 LNW Gaming Italy S.r.l. (Italy)  
 LNW Gaming (Krakow) sp. z.o.o. (Poland)  
 LNW Gaming Malta Holdings Limited (Malta)  
 LNW Gaming Malta Limited (Malta)  
 LNW Gaming New Zealand Pty Limited (New Zealand)  
 LNW Gaming Peru S.R.L. (Peru)  
 LNW Gaming Puerto Rico, LLC (Puerto Rico)  
 LNW Gaming Singapore Pte. Ltd. (Singapore)  
 LNW Gaming UK Limited (England and Wales)  
 LNW Gaming, Inc. (Nevada)  
 LNW GmbH (Austria)  
 LNW Hellas Single Shareholder Limited Liability Company (Greece)

LNW Holdco, Inc. (Delaware)  
LNW Holding Company Limited (Guernsey)  
LNW India Solutions Private Limited (India)  
LNW Ireland Holdings Limited (Ireland)  
LNW Services Pty Ltd (Australia)  
LNW Sweden AB (Sweden)  
LNW Tables, Inc. (Nevada)  
LNW Tables, Inc. & Co KG (Austria)  
LNW UK Holdings Limited (England and Wales)  
NextGen Gaming (USA) LLC (Nevada)  
Playzido Limited (England and Wales)  
Scientific Connections India Private Limited (India)  
SciPlay Corporation (Nevada)  
SciPlay Games, LLC (Nevada)  
SciPlay Games (Israel) Ltd. (Israel)  
SciPlay Games Turkey Yazilim Gelistirme Limited Sirketi (Turkey)  
SHFL entertainment (Argentina) S.R.L. (Argentina)  
SHFL entertainment (Australasia) Holdings Pty Limited (Australia)  
Stargames Pty Ltd (Australia)  
WagerLogic Limited (Cyprus)  
WMS Gaming Services Europe, S.L. (Spain)

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in Registration Statement Nos. 333-05811, 333-44983, 333-110141, 333-134043, 333-157638, 333-161232, 333-191817, 333-197948, 333-200463, 333-213432, 333-213434, 333-232987, 333-263188, and 333-275135 on Form S-8 and Nos. 333-74590, 333-84742, 333-110477, 333-112452, 333-124107, 333-141720, 333-155346-0, and 333-165743 on Form S-3 of our reports dated February 24, 2026, relating to the financial statements of Light & Wonder, Inc. and the effectiveness of Light & Wonder, Inc.'s internal control over financial reporting appearing in this Annual Report on Form 10-K of Light & Wonder, Inc. for the year ended December 31, 2025.

/s/ Deloitte & Touche LLP

Las Vegas, Nevada  
February 24, 2026

**Certification by Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Matthew R. Wilson, certify that:

1. I have reviewed this Annual Report on Form 10-K of Light & Wonder, Inc.;
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 registrant as of, and for, the periods presented in this report;
4. The registrant'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 Rules 13a-15(f) and 15d-15(f)) for the registrant 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 registrant, 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 registrant'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 registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant'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 registrant'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 registrant's internal control over financial reporting.

/s/ Matthew R. Wilson

Matthew R. Wilson  
Chief Executive Officer

Date: February 24, 2026

**Certification by Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Oliver Chow, certify that:

1. I have reviewed this Annual Report on Form 10-K of Light & Wonder, Inc.;
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 registrant as of, and for, the periods presented in this report;
4. The registrant'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 Rules 13a-15(f) and 15d-15(f)) for the registrant 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 registrant, 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 registrant'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 registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant'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 registrant'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 registrant's internal control over financial reporting.

/s/ Oliver Chow

---

Oliver Chow  
Chief Financial Officer

Date: February 24, 2026

**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 of Light & Wonder, Inc. (the “Company”) on Form 10-K for the period ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Matthew R. Wilson, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 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; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

/s/ Matthew R. Wilson

---

Matthew R. Wilson  
Chief Executive Officer  
February 24, 2026

**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 10-K of Light & Wonder, Inc. (the “Company”) for the period ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Oliver Chow, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 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; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

/s/ Oliver Chow

---

Oliver Chow

Chief Financial Officer

February 24, 2026

**LIGHT & WONDER, INC. (FKA SCIENTIFIC GAMES CORPORATION)**  
**2003 INCENTIVE COMPENSATION PLAN**  
**AS AMENDED AND RESTATED JUNE 10, 2025**

**TERMS AND CONDITIONS OF EQUITY AWARDS TO KEY EMPLOYEES**

THIS AGREEMENT, made as of the [DATE], between LIGHT & WONDER, INC. (the “Company”) and [NAME] (the “Participant”).

WHEREAS, the Compensation Committee (the “Committee”) administers the Light & Wonder, Inc. (FKA Scientific Games Corporation) 2003 Incentive Compensation Plan, as amended from time to time (the “Plan”);

WHEREAS, the Participant is eligible to receive awards under the Plan in connection with the Participant’s employment with the Company (or any of its applicable affiliates) (“Employment”); and

WHEREAS, the Committee may from time to time approve awards for the Participant in such amounts and at such times as the Committee may determine in its sole discretion, which awards shall be subject to the terms and conditions of the Plan and this Agreement, as such terms and conditions may be amended or supplemented from time to time by the Committee.

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter set forth, the parties agree as follows:

1. Grants. Pursuant and subject to the terms and conditions set forth herein and in the Plan, the Participant may be granted the following types of awards (“Awards”) with respect to the Company Securities (as defined below) pursuant to an Award notice, which will state the type of Award, the number of shares subject to the Award and any other terms determined by the Committee in its sole discretion:

(a) *Stock Options* (“Options”) -- representing a right to purchase Company Securities at an exercise price per share that is equal to or greater than the fair market value of a Company Security on the date of grant. The Committee will generally set the exercise price of Options and “Performance Options” (as defined below) at the fair market value of the Company Securities on the date of grant. The Options and Performance Options do not become exercisable until satisfaction of an applicable vesting period. The Options and Performance Options are “Non-Qualified Stock Options” (*i.e.*, they do not constitute “incentive stock options” within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended (“Code”).

(b) *Restricted Stock Units* (“Units”) -- representing a right to receive Company Securities following satisfaction of an applicable vesting period subject to the conditions, restrictions and limitations set forth in Section 6(e) of the Plan, this Agreement and the Award notice.

(c) *Performance Conditioned Restricted Stock Units* (“Performance Units”) or *Stock Options* (“Performance Options”) -- representing (i) with respect to Performance Units, a right to receive Company Securities and (ii) with respect to Performance Options, a right to purchase Company Securities at an exercise price per share that is equal to or greater than the fair market value of a Company Security on the date of grant, in both cases, following satisfaction of an applicable vesting period and subject to performance requirements established by the Committee at the time of grant, which may be based on Company or individual performance criteria for an annual or other applicable performance period, and subject to such other conditions, restrictions and limitations set forth in Section 7 of the Plan, this Agreement and the Award notice.

(d) For purposes of this Agreement, Company Securities shall mean either Stock or CDIs (each as defined in the Plan), as determined by the Company.

2. Incorporation of Plan by Reference. All terms, conditions and restrictions of the Plan are incorporated in, and made a part of, this Agreement as if stated herein. If there is any conflict between the terms and conditions of the Plan and this Agreement, the terms and conditions of the Plan, as interpreted by the Committee, shall govern. Except as otherwise provided herein, all capitalized terms used in this Agreement shall have the meaning given to such terms in the Plan. In addition, if there is any conflict between this Agreement and the terms of any written employment contract between the Participant and the Company (or any of its applicable affiliates), the terms of the written employment contract will govern (except to the extent the terms set forth in this Agreement or the Award notice expressly apply notwithstanding anything to the contrary set forth in such employment contract), subject to the mandatory terms of the Plan.

3. Restriction on Transfer of Awards. Awards under the Plan may not be sold, assigned, transferred, pledged, hypothecated, margined, or otherwise encumbered or disposed of by the Participant, except for transfers upon the death of the Participant.

4. Vesting Schedule for Awards. Unless otherwise set forth in the applicable Award notice, an Award under the Plan will be granted with a three-year ratable vesting schedule such that 33.33% of the total Award will vest on each of the first two anniversaries of the grant date and 33.34% will vest on the third anniversary of the grant date. In the case of Performance Units and Performance Options, vesting will also be conditioned on satisfaction of performance criteria established by the Committee. With respect to such Performance Units and Performance Options, where the applicable performance criteria is not solely based on the Company’s achievement of a specified stock price or average stock price value of the Company Securities, the Committee will determine whether the performance criteria applicable to an Award have been satisfied within 90 days following the end of the applicable performance period(s) (but not later than the March 15 following the year in which the performance period ended). Notwithstanding anything contained to the contrary in this Agreement (or in any prior award agreement), in any Award notice or in any other document (including any employment contract), in the event that the Participant’s Employment is terminated prior to the Committee’s determination as to the satisfaction of any performance criteria to which any Award of Performance Units or Performance Options is subject, such Performance Units or Performance Options, as applicable, will neither vest nor accelerate unless and until a determination is or has been made by the Committee that such criteria have been satisfied, at which time such Performance Units or Performance Options may vest or accelerate to the extent provided in, and in accordance with, any applicable contract and the Plan (it being understood and agreed that nothing in this Agreement shall grant any right to any such acceleration or vesting upon any such

termination). For the avoidance of doubt, in the event that the criteria are determined not to have been satisfied, such Award shall immediately lapse and be forfeited.

5. Method of Exercise of Vested Options and Performance Options. Awards of Options and Performance Options, to the extent vested, shall be exercisable in whole or in part by the Participant delivering notice to the Plan Administrator (as defined below) in accordance with the terms of the Award. Payment for Company Securities purchased upon the exercise of an Option or Performance Option, and any applicable withholding taxes, shall be made on the effective date of such exercise through any of the following means: (i) in cash, by certified check, bank cashier's check or wire transfer; (ii) through a brokered exercise with the Plan Administrator under which a portion of the proceeds from a sale are withheld for such exercise price and applicable taxes; or (iii) if permitted by the Company at the time of exercise, by surrendering Company Securities. The notification to the Plan Administrator shall be made in accordance with its procedures. The Company Securities purchased upon the exercise of an Option or Performance Option shall be delivered as soon as practicable following exercise in accordance with the procedures established by the Company or the Plan Administrator from time to time. Options and Performance Options may only be exercised by the Participant or, if the Participant is incapacitated, by the Participant's guardian or legal representative; provided that an exercise by a guardian or legal representative shall not be effective unless and until the Company has received evidence satisfactory to it as to the authority of such guardian or legal representative.

6. Distribution of Vested Units and Performance Units. Subject to Section 8, as soon as administratively practicable after each applicable vesting date of an Award of Units or Performance Units (generally within three business days and in no event more than 15 business days), the Company will deliver to the Participant a number of Company Securities equal to the number of Units or Performance Units that vested as of an applicable vesting date less the number of shares, if any, withheld in satisfaction of applicable withholding taxes as discussed in Section 7(b).

7. Taxes. To the extent required by applicable federal, state, local or foreign law, the Participant shall make arrangements satisfactory to the Company for the satisfaction of any withholding tax obligations that arise with respect to an Award. The Company shall not be required to issue shares until such obligations are satisfied. The methods permitted by the Company for the payment of taxes are as follows:

(a) *Options and Performance Options.* In the case of Options and Performance Options, the acceptable methods for making payment for taxes shall be the same as those for payment of the exercise price for Options and Performance Options as discussed in Section 5 above. If Company Securities are used to satisfy the applicable taxes, the taxes must be calculated at the Participant's minimum applicable tax rates.

(b) *Units and Performance Units.* In the case of Units and Performance Units, unless otherwise determined by the Committee, the Company will withhold from any shares deliverable upon the vesting of Units or Performance Units a number of shares sufficient to satisfy the minimum applicable withholding taxes; provided, however, that, unless otherwise determined by the Committee, the Participant will be permitted to elect, in accordance with procedures adopted from time to time by the Company, to pay the tax withholding amount in cash, in which case no shares will be withheld and the Participant will be required to pay the amount of the taxes in full by the vesting date, in cash, by certified check, bank cashier's check or wire transfer.

8. Expiration of Awards; Effect of Termination.

(a) *Units and Performance Units.* Subject to the provisions of the Plan and this Agreement, except to the extent otherwise specifically provided under the terms of any Award notice with respect to Units or Performance Units (as the case may be):

(i) in the event the Employment of the Participant terminates for any reason (other than by the Company without Cause, by reason of death or Disability or Retirement (in each case, as defined below)) including, for the avoidance of doubt, any termination as a consequence of Participant's resignation and whether or not the Company exercises a right on or following such resignation to end the Participant's Employment prior to the end of the Participant's contractual notice period (if any), all unvested Units and Performance Units shall be immediately forfeited;

(ii) in the event the Employment of the Participant terminates by the Company without Cause or by reason of Retirement, a Pro Rata Portion of all unvested Units or Performance Units shall, subject to the Committee's determination as to the satisfaction of any performance criteria in the case of any Performance Units (and for the avoidance of doubt, if such performance criteria is not satisfied, such Performance Units shall be forfeited) and subject to the execution of the Release (defined below), fully vest and become non-forfeitable and, in all other respects, all such Units or Performance Units shall be governed by the plans and programs and the agreements and other documents pursuant to which such Units or Performance Units were granted; or

(iii) in the event the Employment of the Participant terminates by reason of death or Disability, all unvested Units or Performance Units shall fully vest and become non-forfeitable as of the date of death or the date of such termination, as the case may be, and, in all other respects, all such Units or Performance Units shall be governed by the plans and programs and the agreements and other documents pursuant to which such Units or Performance Units were granted.

(iv) In the event any Units or Performance Units vest in accordance with this Section 8, then solely for purposes of determining the date(s) upon which Company Securities shall be distributed to the Participant in accordance with Section 6, the vesting date shall be (x) in the case of death or Disability, the date of such death or Disability, (y) in the case of any Performance Units that remain subject to achievement of performance criteria, the date the Committee determines the level of achievement of the performance criteria or, if later, the Release Effective Date (as defined below) and (z) in the case of a Participant's Retirement or termination without Cause, the Release Effective Date.

(b) *Options and Performance Options.* The Options and Performance Options granted by the Company will expire at a date specified in the Award notice, which shall be not later than the tenth anniversary of the grant date (the "Scheduled Expiration Date"). Subject to the provisions of the Plan and this Agreement, except to the extent otherwise specifically provided under the terms of any Award notice with respect to Options or Performance Options (as the case may be):

(i) in the event the Employment of the Participant terminates for any reason (other than by the Company without Cause, by reason of death or Disability or Retirement) including, for the avoidance of doubt, any termination as a consequence of Participant's resignation and whether or not the Company exercises a right on or following such resignation to end the Participant's Employment prior to the end of the

Participant's contractual notice period (if any), (A) all unvested Options and Performance Options shall immediately expire on the date of termination and (B) the portion of any Options and Performance Options that vested prior to such termination (other than a termination for Cause, in which event all such vested Options and Performance Options shall be immediately forfeited) shall remain exercisable until the earlier of three (3) months after such termination and the Scheduled Expiration Date and, in all other respects, shall be governed by the plans and programs and the agreements and other documents pursuant to which such Options or Performance Options, as applicable, were granted;

(ii) in the event the Employment of the Participant terminates by the Company without Cause or by reason of Retirement, a Pro Rata Portion of all unvested Options or Performance Options shall, subject to the Committee's determination as to the satisfaction of any performance criteria in the case of any Performance Options (and for the avoidance of doubt, if such performance criteria is not satisfied, such Performance Options shall be forfeited) and subject to the execution of the Release, fully vest and become non-forfeitable, and such Options and Performance Options (together with the portion of any Options or Performance Options that vested prior to such termination) shall remain exercisable by the Participant until the earlier of (A) the first anniversary of such termination (or, if later, the date the performance criteria are deemed satisfied) and (B) the Scheduled Expiration Date and, in all other respects, all such Options or Performance Options shall be governed by the plans and programs and the agreements and other documents pursuant to which such Options or Performance Options were granted;

(iii) in the event the Employment of the Participant terminates by reason of death or Disability, all unvested Options and Performance Options shall fully vest and become non-forfeitable as of the date of death or the date of such termination, as the case may be, and such Options and Performance Options (together with the portion of any Options or Performance Options that vested prior to such death or termination) shall remain exercisable by the Participant (or, in the case of death, Participant's executor or administrator or "Beneficiary" (as defined below)) until the earlier of (A) the first anniversary of such death or termination and (B) the Scheduled Expiration Date and, in all other respects, all such Options or Performance Options shall be governed by the plans and programs and the agreements and other documents pursuant to which such Options or Performance Options were granted.

For purposes of this Agreement, "Pro Rata Portion" means a number of Units, Performance Units, Options or Performance Options, as applicable, equal to the number of Company Securities subject to the Award multiplied by a fraction, the numerator of which is equal to the number of days elapsed from the applicable grant date through the date that the Participant's Employment is terminated, inclusive, and the denominator of which is the total number of days in the applicable vesting schedule for such Award; provided that, the Pro Rata Portion shall be reduced by a number of Company Securities subject to any portion of the Award that has otherwise vested on or prior to the date of such termination; provided further that the Company may, in its sole discretion, determine to reduce the Pro Rata Portion by removing any portion of the time period that would otherwise be reflected in the numerator during which the Participant was on garden leave or otherwise not actively providing services to the Company and that exceeded, in the aggregate, the lesser of two (2) months and a period equal to one third of the Participant's contractual notice period (if any). The vesting of any Pro Rata Portion in the event the Employment of the Participant terminates by the Company without Cause or due to

Retirement is conditioned on (x) the Participant signing the Company's standard employment release agreement (the "Release") within the time period provided by the Company and (y) such Release becoming irrevocable (the first business day after the date such signed and unrevoked Release becomes irrevocable, the "Release Effective Date"; provided that if the period during which the Release may become effective and irrevocable may span two calendar years, then the Release Effective Date shall not be earlier than the first business day in the second calendar year). Any Company Securities resulting from application of a Pro Rata Portion shall be rounded down to the nearest whole share.

By way of illustration, if an Award consists of 300 Units (i.e., an Award with respect to 300 Company Securities) vesting in three equal annual tranches (i.e., a 1,096 day vesting period, including an extra day in respect of a leap year) and the Participant is terminated without Cause 546 days into the vesting period, then the Pro Rata Portion would be calculated as follows (assuming no use of Company discretion to reduce the numerator for a garden leave period as described in the immediately preceding paragraph): (i) 546, representing the days elapsed in the vesting period as of the date of termination; *divided by* (ii) 1,096, representing the total number of days in the vesting period; *multiplied by* (iii) 300, representing the total number of shares subject to the Award; and (iv) *less* 100, representing the portion of the award that has vested prior to the date of termination. The resulting number of shares, 49.45, would be rounded down to 49.

For purposes of this Agreement, "Cause" shall have the meaning provided in any employment contract entered into between the Company and the Participant or, if not defined therein or no such contract exists, shall mean any of the following: (i) the Participant's breach of the terms of any employment or other agreement with any of the Company and its subsidiaries and affiliates (collectively, "LNW"); (ii) the Participant's failure substantially to perform his or her duties in a satisfactory manner; (iii) the Participant's material act or omission that is or may be injurious to LNW, monetarily or otherwise; (iv) the Participant's material violation of LNW's policies, including the Code of Conduct; (v) Participant's failure to qualify (or failure to remain qualified) under any suitability or licensing requirements to which Participant may be subject by reason of Participant's position with LNW; (vi) Participant's failure to cooperate with or respond to any regulatory requests for information in connection with such licensing requirements; (vii) Participant's failure to timely file required license applications; (viii) the denial of any license application submitted by Participant; and (ix) the Participant's commission of a felony, any other crime involving moral turpitude or any act involving dishonesty or fraud. Any rights LNW may have hereunder in respect of the events giving rise to Cause shall be in addition to the rights LNW may have under any other agreement with the Participant or at law or in equity. Any determination of whether the Participant is (or is deemed to have been) terminated for Cause shall be made, in the case where the Participant is an executive officer, by the Committee in its discretion, and in the case where the Participant is not an executive officer, by the Chief Legal Officer, in consultation with the Chief People Capability Officer. The Participant's termination for Cause shall be effective as of the date of the occurrence of the event giving rise to Cause, regardless of when the determination of Cause is made.

For purposes of this Agreement, “Beneficiary” means the person, persons, trust, or trusts which have been designated by a Participant in his or her most recent written beneficiary designation filed with the Company to receive the benefits specified under the Plan upon such Participant’s death. If, upon a Participant’s death, there is no designated Beneficiary or surviving designated Beneficiary, then the term Beneficiary means a person, persons, trust, or trusts entitled by will or the laws of descent and distribution to receive such benefits. A Beneficiary or other person claiming any rights under the Plan from or through any Participant shall be subject to all terms and conditions of the Plan and any Award agreement applicable to such Participant and to any additional terms and conditions deemed necessary or appropriate by the Committee.

For purposes of this Agreement, “Retirement” means the Participant voluntarily retires from the employ of the Company on or after the attainment of age 65 (or, for Participants employed outside the United States, any alternative date required to comply with local law).

Notwithstanding anything to the contrary herein, in order for any such retirement to qualify as a Retirement, the Participant must have given written notice, in a form reasonably satisfactory to the Company, to the Participant’s supervisor, with a copy to the Chief People Capability Officer of the Company (or, if the Participant is the Chief People Capability Officer of the Company, to the Chief Executive Officer of the Company) that (i) represents to the Company the Participant’s intent to retire from the Company, in particular that the Participant will not provide services to any person or entity that would violate any non-competition covenant applicable to the Participant, and (ii) specifies the intended date of such retirement, which must be at least 30 days after the date such written notice is given. Any failure to comply with the foregoing, or any violation of the Participant’s representations contained in such notice, shall result in a reclassification of the Participant’s termination of Employment as a voluntary termination that did not qualify as a Retirement and the forfeiture or any unvested Awards or the requirement to repay to the Company any amounts or shares received in respect of Awards that vested as a result of such Retirement.

(c) *Definition of Disability.* For purposes of this Agreement, “Disability” shall mean the Participant’s becoming eligible to receive benefits under any LNW-sponsored long-term disability program under which the Participant is eligible for coverage, determined in accordance with Section 409A of the Code.

(d) *Last Day to Exercise an Option or Performance Option.* If an Option’s or Performance Option’s expiration date determined under this Section 8 falls on a day which is not a business day, then the last day to exercise the Option or Performance Option shall be the last business day before such date.

## 9. Other Terms.

(a) *No Shareholder Rights.* Until Company Securities covered by an Award are issued to the Participant in connection with the exercise of an Option or Performance Option or the vesting of Units or Performance Units, the Participant shall have no voting, dividend or other rights as a stockholder of the Company for any purpose.

(b) *Consideration for Grant.* Participant shall not be required to pay any cash consideration for the grant of an Award. In the case of grants of Units and Performance Units, as

to which cash consideration at the time of grant or vesting shall not be required, the Participant's Employment from the grant date to the date of vesting shall be deemed to be consideration for the grant, which services have a value at least equal to the aggregate par value of the shares being newly issued in connection with the grant. The foregoing notwithstanding, an Award may be granted in exchange for the Participant's surrender of another Award or other right to compensation, if and to the extent permitted by the Committee.

(c) *Insider Trading Policy Applicable.* Participant acknowledges that sales of shares received with respect to Awards will be subject to the LNW's policies regulating trading by employees.

(d) *Exercise of Discretion.* Notwithstanding anything herein to the contrary, any determination with respect to the satisfaction or achievement of the performance criteria applicable to Awards shall be made by the Committee in its sole discretion, having regard to any matters that the Committee considers relevant (including any adjustments for unusual or non-recurring items that the Committee considers appropriate).

10. Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party hereto, upon any breach or default of any party under this Agreement, shall impair any such right, power or remedy of such party, nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in a writing signed by such party and shall be effective only to the extent specifically set forth in such writing.

11. Integration. This Agreement, the Plan and the other documents, including without limitation, the Award notice, which form a part of this Agreement, and any employment contract between the Participant and the Company contain the entire understanding of the parties with respect to the subject matter herein. There are no restrictions, agreements, promises, representations, warranties, covenants or undertakings with respect to the subject matter hereof (except for any other agreement related to non-competition, non-solicitation, proprietary or confidential information, inventions or similar agreements) other than those expressly set forth herein. This Agreement, including, without limitation, the Plan, supersedes all prior agreements and understandings (except for any employment contract between the Participant and the Company and any other agreement related to non-competition, non-solicitation, proprietary or confidential information, inventions or similar agreements) between the parties with respect to its subject matter. The obligations under this Agreement shall supplement and be in addition to (and not replace or otherwise modify or affect) any restrictive covenant or other obligations set forth in any employment agreement, non-competition, non-solicitation, proprietary or confidential information, inventions or similar agreement and this Agreement shall remain in full force and effect even if any employment agreement, non-competition, non-solicitation, proprietary or confidential information, inventions or similar agreement, or any section thereof, is determined to be void, illegal, or otherwise unenforceable. If, notwithstanding the foregoing, obligations related to non-competition, non-solicitation, proprietary or confidential information and inventions in another agreement with Participant are deemed to conflict with provisions in this Agreement, then the obligation that provides the greatest protection to the Company's legitimate protectable interests shall be the controlling obligation irrespective of the sequence in which the obligations were entered into by Participant.

12. Governing Law; Venue/Forum. In order to promote uniformity and predictability of treatment concerning matters related to the Awards by the Company, the laws of the State of

Nevada where the Company is incorporated will govern the Agreement, the construction of its terms, and the interpretation of the rights and duties of the parties, regardless of any conflicts of law principles of Nevada or any other state. Any legal action arising from or related to this Agreement shall be litigated in a state or federal court of competent jurisdiction located in Las Vegas, Nevada. The parties expressly consent to the personal jurisdiction of the aforementioned courts over them and waive any all objections to the foregoing venue/forum selection (including, without limitation, any objection based on amount of contact with the selected venue, or the cost, convenience or location of relevant persons).

13. Restrictive Covenants Condition. The Participant hereby acknowledges and agrees that the receipt of Awards, including any right to exercise an Option or Performance Option, receive the Company Securities following a vesting date or to retain the profit from the sale of Company Securities subject to an Award, is conditioned upon Participant's compliance with the restrictive covenants in Section 14-17 of this Agreement.

14. Noncompetition; Non-solicitation.

(a) Participant acknowledges the highly competitive nature of the business of LNW and that Participant's access to LNW's confidential records and proprietary information and ability to develop relationships with LNW's customers and employees renders Participant special and unique within LNW's industries. Participant hereby agrees that during his or her Employment, and during the Covered Time (as defined below), Participant, alone or with others, will not perform the same or substantially the same job duties as Participant performed for the Company, directly or indirectly, (as owner, investor, partner, stockholder, employer, employee, consultant, advisor, director or otherwise) for any Competing Business. For purposes of this Section 14, "Competing Business" shall mean any business or operations (i) (A) involving the design, development, manufacture, production, sale, lease, license, provision, operation, or management (as the case may be) of (I) gaming machines, terminals or devices (including video or reel spinning slot machines, video poker machines, video lottery terminals and fixed odds betting terminals); (II) gaming (including server-based gaming), or other wagering systems, regardless of whether such systems are land-based, internet-based or mobile (including control and monitoring systems, local or wide-area progressive systems and redemption systems); (III) real money gaming- or social gaming-related proprietary or licensed content (including themes, entertainment and brands), platforms, websites and loyalty and customer relationship management programs regardless of whether any of the foregoing are land-based, internet-based or mobile-based; (IV) social casino games, social bingo games or hyper-casual games or websites or mobile phone or tablet applications (or similar known, or hereafter existing, technologies) featuring social casino games, social bingo games or hyper-casual games or any related marketing, distribution, or other services or programs; (V) interactive casino gaming products or services, including interactive casino-game themed games and platforms for websites or mobile phone or tablet applications (or similar known, or hereafter existing, technologies); (VI) gaming utility products (including shufflers, card-reading shoes, deck checkers and roulette chip sorters), table games (including live, simulated, online, social gaming, interactive and electronic) and related products and services; (VII) slot accounting, casino management, casino marketing, player tracking, video lottery, bingo or similar gaming- or casino- related systems and related peripheral hardware, software and services; or (VIII) ancillary products (including equipment, hardware, software, marketing materials, chairs and signage) or services (including field service, maintenance and support) related to any of the foregoing under sub-clauses (I) through (VII) above; or (B) in which LNW is then or was within the previous 12 months engaged, or in which LNW, to Participant's knowledge, contemplates to engage in during Participant's Employment or the Covered Time, (ii) in which Participant is or was engaged or involved (whether in a supervisory capacity or otherwise) on behalf of LNW or with respect to which Participant has obtained proprietary or confidential information, and (iii) which is or was, to Participant's knowledge, conducted or contemplated to be conducted anywhere in the United

States or in any other geographic area where LNW does business during Participant's Employment or the Covered Time.

(b) Participant hereby agrees that, during his or her Employment and for twelve months after the date of Participant's termination from Employment, whether voluntary or involuntary and regardless of the reason for termination, (the "Termination Date"), Participant shall not, directly or indirectly: (i) solicit or attempt to induce any of the employees, agents, consultants or representatives of LNW to terminate his, her, or its relationship with LNW; (ii) solicit or attempt to induce any of the employees, agents, consultants or representatives of LNW to become employees, agents, consultants or representatives of any other person or entity; or (iii) hire any person who, to Participant's actual knowledge, is, or was within 180 days prior to such hiring, an employee of LNW.

(c) Participant hereby agrees that, during his or her Employment and for twelve months after Participant's Termination Date, Participant shall not, without LNW's prior written consent, directly or indirectly, whether for Participant's own account or for the account of any other person, firm, corporation or business organization, solicit or perform services of a type offered by LNW, for any customer, partner, vendor, distributor, with whom Participant worked with on behalf of LNW or about which Participant received confidential information during his or her Employment. Participant shall also not solicit or provide services of a type offered by LNW to any prospective customer, partner, vendor, or distributor to whom LNW made a proposal within the last 12 months prior to the Termination Date in which the Participant participated or about which the Participant received confidential information. Participant further agrees not to solicit or attempt to induce any partner, customer, vendor or distributor of LNW to curtail or cancel any business with LNW. Participant acknowledges and agrees that the restrictions contained in this subsection 14(c) are reasonable and necessary to protect LNW's legitimate interests in its customer, partner, vendor, and distributor relationships, goodwill, and confidential information.

(d) Participant hereby agrees that, during his or her Employment and for twelve months after Participant's Termination Date, upon the earlier of Participant (i) negotiating with any Competitor (as defined below) concerning possible employment with the Competitor, (ii) responding to (other than for the purpose of declining) an offer of employment from a Competitor, or (iii) becoming employed by a Competitor, (A) Participant will provide copies of this Agreement to the Competitor, and (B) in the case of any circumstance described in (i), (ii), or (iii) above occurring during Participant's Employment or during the twelve months after Participant's Termination Date, Participant will promptly provide notice to the Company of such circumstances. Participant further agrees that the Company may provide notice to a Competitor of Participant's obligations under this Agreement. For purposes of this Agreement, "Competitor" shall mean any person or entity (other than LNW) that engages, directly or indirectly, in the United States or anywhere else LNW does business in any Competing Business.

(e) Participant understands that the restrictions in this Section 14 may limit Participant's ability to earn a livelihood in a business similar to the business of LNW where Participant's job responsibilities in the new business would be the same or substantially similar to the job duties performed for LNW during the twelve months preceding Participant's departure from LNW but nevertheless agrees and acknowledges that Participant willingly entered into this Agreement and agreed that the consideration provided under this Agreement is sufficient to justify such restrictions and that Participant agreed to be bound by these restrictions in exchange for such consideration. In consideration thereof and in light of Participant's education, skills and abilities, Participant hereby agrees that Participant will not assert in any forum that such restrictions prevent Participant from earning a living or otherwise should be held void or unenforceable.

(f) For purposes of this Section 14, “Covered Time” shall mean six months immediately following the Participant’s Termination Date and, if LNW in its sole discretion elects, for up to an additional six months if LNW, in its sole discretion, to pay Participant on regular paydays an amount equal to Participant’s base rate of pay at the time of termination, less standard withholdings, during this additional extended period of non-competition. LNW shall give Participant written notice of the election to extend the non-competition period at least thirty days before the expiration of the initial six-month term. The written notice of election shall be mailed to the last address LNW had on record for the Participant.

Notwithstanding anything herein to the contrary, nothing in this Agreement shall (i) prohibit Participant from making reports of possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes-Oxley Act of 2002, or of any other whistleblower protection provisions of state or federal law or regulation, or (ii) require notification or prior approval by LNW of any reporting described in clause (i). Participant understands that activities protected by Sections 15 and 16 may include disclosure of trade secret or confidential information within the limitations permitted by the Defend Trade Secrets Act (“DTSA”). And, in this regard, Participant acknowledges notification that under the DTSA no individual will be held criminally or civilly liable under federal or state trade secret law for disclosure of a trade secret (as defined in the Economic Espionage Act) that is: (A) made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and made solely for the purpose of reporting or investigating a suspected violation of law; or, (B) made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal so that it is not made public. And, an individual who pursues a lawsuit for retaliation by an employer for reporting a suspected violation of the law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal, and does not disclose the trade secret, except as permitted by court order.

15. Proprietary Information; Inventions.

(a) Participant hereby acknowledges that, during the course of his or her Employment, Participant necessarily will have (and during any affiliation with LNW prior to his or her Employment Participant may have had) access to and make use of proprietary information and confidential records of LNW. Participant covenants that Participant shall not during his or her Employment or at any time thereafter, directly or indirectly, use for his or her own purpose or for the benefit of any person or entity other than LNW, nor otherwise disclose to any person or entity, any such proprietary information, unless and to the extent such disclosure has been authorized in writing by the Company or is otherwise required by law. The term “proprietary information” means: (i) the software products, programs, applications, and processes utilized by LNW; (ii) the name or address of any customer or vendor of LNW or any information concerning the transactions or relations of any customer or vendor of LNW or with LNW; (iii) any information concerning any product, technology, or procedure employed by LNW but not generally known to its customers or vendors or competitors, or under development by or being tested by LNW but not at the time offered generally to customers or vendors; (iv) any information relating to LNW’s computer software, computer systems, pricing or marketing methods, sales margins, cost of goods, cost of material, capital structure, operating results, borrowing arrangements or business plans; (v) any information identified as confidential or proprietary in any line of business engaged in by LNW; (vi) any information that, to Participant’s actual knowledge, LNW ordinarily maintains as confidential or proprietary; (vii) any business

plans, budgets, advertising or marketing plans; (viii) any information contained in any of LNW's written or oral policies and procedures or manuals; (ix) any information belonging to customers, vendors or any other person or entity which LNW, to Participant's actual knowledge, has agreed to hold in confidence; and (x) all written, graphic, electronic data and other material containing any of the foregoing. Participant acknowledges that information that is not novel or copyrighted or patented may nonetheless be proprietary information. The term "proprietary information" shall not include information generally known or available to the public or information that becomes available to Participant on an unrestricted, non-confidential basis from a source other than LNW or any of its directors, officers, employees, agents or other representatives (without breach of any obligation of confidentiality of which Participant has knowledge, after reasonable inquiry, at the time of the relevant disclosure by Participant). Notwithstanding the foregoing and Section 16, Participant may disclose or use proprietary information or confidential records solely to the extent (A) such disclosure or use may be required or appropriate in the performance of Participant's Employment, (B) required to do so by a court of law, by any governmental agency having supervisory authority over the business of LNW or by any administrative or legislative body (including a committee thereof) with apparent jurisdiction to order Participant to divulge, disclose or make accessible such information (provided that in such case Participant shall first give the Company prompt written notice of any such legal requirement, disclose no more information than is so required and cooperate fully with all efforts by LNW to obtain a protective order or similar confidentiality treatment for such information), (C) such information or records becomes generally known to the public without Participant's violation of this Agreement, or (D) disclosed to Participant's spouse, attorney or personal tax and financial advisors to the extent reasonably necessary to advance Participant's tax, financial and other personal planning (each an "Exempt Person"); provided, however, that any disclosure or use of any proprietary information or confidential records by an Exempt Person shall be deemed to be a breach of this Section 15 or Section 16 by Participant.

(b) Participant hereby agrees that all processes, technologies and inventions (collectively, "Inventions"), including new contributions, improvements, ideas and discoveries, whether patentable or not, conceived, developed, invented or made by Participant during his or her Employment (and during any affiliation with LNW prior to Participant's Employment) shall belong to the LNW, provided that such Inventions grew out of Participant's work with LNW, are related in any manner to the business (commercial or experimental) of LNW or are conceived or made on LNW's time or with the use of LNW's facilities or materials. Participant further agrees to: (i) promptly disclose such Inventions to the Company; (ii) assign to the LNW, without additional compensation, all patent and other rights to such Inventions for the United States and foreign countries; (iii) sign all papers necessary to carry out the foregoing; and (iv) give testimony in support of Participant's Inventions. If any Invention is described in a patent application or is disclosed to third parties, directly or indirectly, by Participant within two (2) years after the termination of Participant's Employment, it is to be presumed that the Invention was conceived or made during Participant's Employment. Participant agrees that Participant will not assert any rights to any Invention as having been made or acquired by him or her prior to the date of this Agreement, except for Inventions, if any, disclosed by Participant in writing in connection with his or her execution of this Agreement.

16. Confidentiality and Surrender of Records. Participant hereby agrees that Participant shall not, during his or her Employment or at any time thereafter (irrespective of the circumstances under which his or her Employment terminates), except to the extent required by law, directly or indirectly publish, make known or in any fashion disclose or retain any confidential records to, or permit any inspection or copying of confidential records by, any person or entity other than in the course of such person's or entity's employment or retention by LNW, and Participant further agrees to deliver promptly to the Company, any of the same following termination of his or her Employment for any reason or upon request by LNW. For purposes hereof, "confidential records" means those portions of correspondence, memoranda,

files, manuals, books, lists, financial, operating or marketing records, magnetic tape, or electronic or other media or equipment of any kind in Participant's possession or under Participant's control or accessible to Participant which contain any proprietary information. All confidential records shall be and remain the sole property of the Company during Participant's Employment and thereafter. Furthermore, Participant acknowledges that he or she may also have access to information related to LNW employees, customers, players, or other individuals which is protected under the various data privacy laws to which LNW is subject and such information is also considered confidential records required to be protected under the provisions of this Agreement.

17. Non-disparagement. Participant hereby agrees that Participant shall not, during his or her Employment and thereafter, disparage in any material respect LNW, any of their respective businesses, any of their respective officers, directors or employees, or the reputation of any of the foregoing persons or entities, whether orally, in writing, or otherwise, directly or by implication in communication with any person, including, but not limited to, customers, partners, vendors, distributors, or independent contractors of LNW or agents with whom LNW does business. Notwithstanding the foregoing, nothing in this Agreement shall preclude Participant from making truthful statements that are required by applicable law, regulation or legal process.

18. No Other Obligations. Participant hereby represents that Participant is not precluded or limited in his or her ability to undertake or perform his or her Employment by any contract, agreement or restrictive covenant. Participant covenants that Participant shall not employ the trade secrets or proprietary information of any other person in connection with his or her Employment without such person's written authorization.

19. Forfeiture of Outstanding Equity Awards; "Clawback" Policies. For the avoidance of doubt, Section 8(g) of the Plan shall apply with respect to Awards the Participant may receive.

20. Enforcement. Participant acknowledges and agrees that, by virtue of his or her position, Employment and access to and use of confidential records and proprietary information, any violation by Participant of any of the obligations contained in this Agreement would cause LNW immediate, substantial and irreparable injury for which it has no adequate remedy at law. Accordingly, Participant hereby agrees and consents to the entry of an injunction or other equitable relief by a court of competent jurisdiction restraining any violation or threatened violation of any obligation contained in this Agreement in addition to any other remedies. Participant waives posting of any bond otherwise necessary to secure such injunction or other equitable relief or to the extent such a bond is required by law it shall be limited to an amount of \$1,000. Rights and remedies provided for in this Agreement, including but not limited to injunctive relief, monetary damages, and all remedies contemplated by the Plan (including but not limited to termination or forfeiture of Awards), are cumulative and shall be in addition to rights and remedies otherwise available to the parties hereunder or under any other agreement or applicable law.

21. Data Privacy. For Participants in certain jurisdictions, the data privacy laws of such jurisdictions may require the Participant's consent to the use, disclosure and transfer to the Company and its Plan Administrator (as defined below) in the United States of certain personal information necessary to administer the Plan and any Awards the Participants may receive. Accordingly, if applicable, the Participant hereby acknowledges and agrees that the Participant's receipt of any Awards, including any right to exercise an Option or Performance Option, receive the Company Securities following vesting of an award of Units or Performance Units or retain the profit from the sale of Company Securities subject to an Award, is conditioned upon

Participant's consent to the use, disclosure and transfer to the Company and its Plan Administrator in the United States of such personal information.

22. Plan Administrator. The Company has retained Fidelity Stock Plan Services, LLC ("Fidelity") as a third-party administrator to assist in the administration and management of the Plan (the "Plan Administrator"). A listing of all Awards may be viewed through the Plan Administrator's website at [www.NetBenefits.com](http://www.NetBenefits.com) once the Participant has established an account with the Plan Administrator. The Plan Administrator shall handle the processing of Option and Performance Option exercises and vesting and settlement of Units and Performance Units. The Company reserves the right to replace Fidelity as the Plan Administrator at any time in the Company's sole discretion.

23. Participant Acknowledgment. The Participant hereby acknowledges receipt of a copy of the Plan. The Participant hereby acknowledges that all decisions, determinations and interpretations of the Committee in respect of the Plan, this Agreement and the Awards shall be final and conclusive. The Participant also acknowledges that the purpose of any Awards granted is to promote mutual interdependence between you and the Company and to further align your interests with the interests of the Company's stockholders. They are not issued by the Company for the purpose of fundraising or on-sale.

24. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. Counterpart signature pages to this Agreement transmitted by facsimile transmission, by electronic mail in portable document format (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original signature.

25. Successors and Assigns. The Company may assign any of its rights under this Agreement. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer set forth herein, this Agreement will be binding upon the Participant or and the Participant's beneficiaries, executors, administrators and the person(s) to whom the Award may be transferred by will or the laws of descent or distribution.

26. Severability. The invalidity or unenforceability of any provision of the Plan or this Agreement shall not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement shall be severable and enforceable to the extent permitted by law.

*[Remainder of page intentionally left blank.]*

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by its duly authorized officer, and the Participant has signed this Agreement on his or her own behalf, thereby representing that he or she has carefully read and understands this Agreement and the Plan as of the day and year first written above.

LIGHT & WONDER, INC.

By:

---

Roxane Lukas  
Executive Vice President and Chief People Capability  
Officer

PARTICIPANT:

---

[Participant Name]

## Gaming Regulations

### *Licensing and Suitability Determinations - Generally*

The manufacture, distribution and operation of gaming equipment and related software is subject to regulation and approval by various city, county, state, provincial, federal, tribal and foreign agencies, including the Nevada Gaming Control Board (the “Nevada Board”) and the Nevada Gaming Commission (collectively, “gaming authorities”). Gaming laws require us to obtain licenses or findings of suitability from gaming authorities for our company, including each of our subsidiaries engaged in manufacturing, distributing and operating gaming products and services, and certain of our directors, officers, major stockholders and key employees. The criteria used by gaming authorities to make determinations as to qualification and suitability of an applicant varies among jurisdictions, but generally require the submission of detailed personal and financial information followed by a thorough investigation. The burden of demonstrating suitability and the cost of the investigation resides with the applicant. In evaluating individual applicants, gaming authorities consider the individual’s character, criminal and financial history and, in some cases, the character of those with whom the applicant associates. Gaming authorities have very broad discretion in determining whether an applicant qualifies for licensing or should be found suitable. Gaming authorities may, subject to certain administrative proceeding requirements, (i) deny an application, or limit, condition, restrict, revoke or suspend any license, registration, finding of suitability or approval and (ii) fine any entity or person licensed, registered or found suitable or approved, for any cause they deem reasonable.

If any director, officer or employee of ours fails to qualify for a license or is found unsuitable (including due to the failure to submit the required documentation or application) by a gaming authority, we may deem it necessary, or be required to, sever our relationship with such person, which may include terminating the employment of any such person.

Gaming authorities may investigate any individual or entity having a material relationship to, or material involvement with, us or any of our subsidiaries, to determine whether such individual or entity is suitable or should be licensed as a business associate of ours. In addition, gaming authorities in Nevada, as well as other jurisdictions, monitor the activities of the entities they regulate both in their respective jurisdiction and in other jurisdictions to ensure that such entities are in compliance with local standards on a worldwide basis. The Nevada gaming authorities require us and our gaming subsidiaries, such as LNW Gaming, Inc. to maintain Nevada standards of conduct for all of our gaming activities and operations worldwide.

We are registered by the Nevada Gaming Commission as a publicly traded corporation (a “Registered Corporation”). As a Registered Corporation, we are required to periodically submit detailed financial and operating reports to the Nevada Board and provide any other information the Nevada Board may require.

### *Licensing Requirements of Security Holders*

Many jurisdictions require certain of our stockholders or holders of our debt securities to file an application, be investigated, and be found suitable to own any of our equity or debt securities, as applicable. For example, a holder of our stock or of our issued debt may be required to file an application, be investigated and be subject to a suitability hearing as a beneficial holder if the Nevada Gaming Commission has reason to believe that the holder’s ownership in our securities would be inconsistent with the commission’s public policies or those of the state of Nevada.

Many jurisdictions also require any person who acquires beneficial ownership of more than a certain percentage (typically five percent) of our voting securities and, in some jurisdictions, our non-voting securities, to report the acquisition to the gaming authorities and, in some cases, apply for a finding of suitability. Beneficial owners of more than 10% of our voting securities must apply to the Nevada Gaming Commission for a finding of suitability within thirty days after the Chair of the Nevada Board mails written notice requiring such filing. However, most gaming authorities, including the Nevada gaming authorities, allow an “institutional investor” to apply for a waiver that allows such institutional investor to acquire, in most cases, up to ten percent of our voting securities without applying for a finding of suitability. An institutional investor which acquires beneficial ownership of more than 10%, but not more than 25%, of our voting securities may apply to the Nevada Gaming Commission for a finding of suitability waiver if such institutional investor holds the voting securities for investment purposes only.

Any person who is found unsuitable by a gaming authority may be prohibited by applicable gaming regulations from holding, directly or indirectly, the beneficial ownership of any voting security or debt security of any public corporation which is registered with the gaming authority. In light of these regulations and their potential impact on our business, our amended and restated articles of incorporation and amended and restated bylaws prohibit persons or entities who fail to comply with informational or other regulatory requirements under applicable gaming laws, who are found unsuitable to hold our common stock by gaming authorities, whose stock ownership adversely affects our gaming licenses, or is a purported transferee of a stockholder who acquires shares made invalid pursuant to our amended and restated articles of incorporation and amended and restated bylaws, from owning stock in our company.

Any person who holds, directly or indirectly, any beneficial ownership of our securities, and, to the extent applicable, fails or refuses to apply for a license or a finding of suitability within the time period prescribed by the applicable gaming authorities, may be denied a license or found unsuitable, as applicable, and may be found guilty of a criminal offense. The same restrictions may also apply to a record owner who fails or refuses to identify a beneficial owner of our securities. Furthermore, we may be subject to disciplinary action if, after we receive notice that a person is unsuitable to be a stockholder or to have any other relationship with us or any of our subsidiaries, we:

- pay that person any dividend or interest upon our voting securities;
- allow that person to exercise, directly or indirectly, any voting right conferred through securities held by that person;
- pay remuneration in any form to that person for services rendered or otherwise;
- make any payment to the unsuitable person by way of principal, redemption, conversion, exchange, liquidation or similar transaction; or
- fail to pursue all lawful efforts to terminate our relationship with that person, including, if necessary, the immediate purchase of said voting securities for cash at fair market value.

#### ***Notification and Approval of Certain Transactions or Changes in Directors and Officers***

Depending on the jurisdiction, we may be required to notify, or obtain approval from gaming authorities with respect to certain transactions to which we or any of our subsidiaries are a party, including the following:

- material loans, leases, sales of securities and similar financing transactions;
- a public offering of our securities (or those of our subsidiaries) if the securities or their proceeds are intended to be used for certain gaming expenditures;
- repurchases of our voting securities (such as repurchases that treat security holders differently) above the current market price; and
- recapitalizations proposed in response to tender offers.

In addition, change of control transactions (whether through merger, consolidation, stock or asset acquisitions or otherwise) require prior approval of gaming authorities in certain jurisdictions. Entities seeking to acquire control of us or one of our subsidiaries must satisfy a variety of stringent standards established by the gaming authorities prior to assuming control. Gaming authorities may also require controlling stockholders, officers, directors and other persons having a material relationship with the proposed acquirer to be investigated and licensed as part of the approval process relating to a change of control transaction.

Any change in our directors or officers, including the directors or officers of our licensed subsidiaries, must be reported or, if such change relates to a position in which the individual is required to be licensed, qualified, found suitable or approved by the requisite gaming authority.

### ***Testing and Approvals for Gaming Products***

In Nevada and in most other jurisdictions, gaming devices and systems may not be sold or operated unless they have been approved by the relevant regulatory authority (or an agency of such authority). The authority will conduct rigorous testing of the gaming device or system and related equipment through a testing laboratory (which may be run by such gaming authority or by an independent third party) and may require a field trial of the gaming device, platform or system before determining that the gaming device, platform or system meets the agency's strict technical standards. As part of the approval process, gaming authorities may require equipment and software modifications and several rounds of approval.

We do not have control over the length of time that any regulatory agency or testing laboratory takes to review our products. However, we work closely with the gaming authority's staff, or the staff of the independent testing laboratory, as the case may be, to timely respond to inquiries and assist where possible in the evaluation, inspection and review of our products.

### ***Federal Registration***

The Federal Gambling Devices Act of 1962 (commonly known as the Johnson Act) generally makes it unlawful for a person to manufacture, transport or receive gaming machines or components across state lines unless that person has first registered with the Criminal Division of the United States Department of Justice. As required by the Johnson Act, certain of our entities must register and renew their registration annually with the Criminal Division of the United States Department of Justice in order to manufacture, sell, distribute, or operate gaming equipment. The Johnson Act also imposes on us various record-keeping and equipment-identification requirements. A violation of the Johnson Act may result in the seizure and forfeiture of gaming equipment, as well as the imposition of other penalties.

### ***Native American Regulation***

Numerous Native American tribes have become engaged in or have licensed gaming activities on Native American tribal lands as a means of generating revenue for tribal governments. Gaming on Native American lands, including the terms and conditions under which gaming equipment and systems can be sold or leased to Native American tribes, is or may be subject to regulation under the laws of the tribes, the laws of the state, and the Indian Gaming Regulatory Act of 1988 ("IGRA"), which includes regulation and oversight by the National Indian Gaming Commission ("NIGC") and the Secretary of the United States Department of the Interior. Furthermore, gaming on Native American lands may also be subject to the provisions of contracts (known as compacts) between states and Native American tribes, which are also administered by the Secretary of the United States Department of the Interior.

The IGRA classifies legalized gaming into three categories: "Class I" gaming consists of traditional Native American social and ceremonial games; "Class II" gaming consists of bingo, electronic aids to bingo, and, if played at the same location where bingo is offered, pull-tabs and other games similar to bingo; and "Class III" gaming consists of all other forms of gaming that are not included in either Class I or Class II, including traditional casino gaming machines.

Class I gaming is regulated exclusively at the Native American tribe level. We do not currently offer Class I gaming products or services.

Class II gaming is regulated by the NIGC and the laws of the Native American tribe conducting such gaming. Subject to the detailed requirements of the IGRA, federally recognized Native American tribes are typically permitted to conduct Class II gaming on Indian lands pursuant to tribal ordinances approved by the NIGC.

The IGRA generally permits Native American tribes to conduct Class III gaming activities on reservation lands subject to the detailed requirements of the IGRA, including NIGC approval of the Native American tribe's gaming ordinance and the entering into of a tribal-state compact between the Native American tribe and the state in which the Native American tribe intends to conduct Class III gaming activities on its trust lands. Tribal-state compacts vary from state to state. Many require that gaming suppliers meet ongoing registration and licensing requirements established by the state and/or the tribe and some impose background check requirements on the gaming suppliers' officers, directors and shareholders.

Under the IGRA, tribes are required to regulate gaming on their tribal lands under ordinances approved by the NIGC. These ordinances may impose standards and technical requirements on hardware and software and may impose registration, licensing and background check requirements on gaming suppliers and their officers, directors and shareholders.

### ***International Regulation***

We engage in the manufacture, distribution and operation of gaming equipment and systems and related products, as well as license our games and intellectual property, in various international markets worldwide. Many foreign jurisdictions permit the importation, sale and/or operation of gaming equipment in casino and non-casino environments. Where importation is permitted, some jurisdictions prohibit or restrict the payout feature of the traditional gaming machine or limit the operation of gaming machines to a controlled number of casinos or casino-like locations. Each gaming machine must comply with the individual jurisdiction's regulations. Some jurisdictions require the licensing of gaming suppliers.

In the U.K., the Gambling Act of 2005, and the accompanying secondary legislation, regulates, among other things, the type of licensed gaming activity that is carried out by operators, the licensing of the various types of venues for the conduct of licensed gaming activities, the categories and number of gaming machines allowed in each type of venue, the licensing and regulation of the supply and operation of those machines and the issuance of technical specifications, standards and licensing requirements for each category of gaming device. On December 8, 2020, the U.K. Government commenced its review of the Gambling Act 2005 and on April 27, 2023 it published a White Paper (policy paper) setting out its comprehensive package of reform proposals, many of which have now been implemented by the U.K. Government or British Gambling Commission. This included, in April 2025 and May 2025 respectively, the introduction of stake limits for online slots at £2 (those aged 18 to 24) / £5 (those aged 25 and over) and, in October 2025, the introduction of the statutory levy.

### ***Violation of Gaming Laws***

If we or any of our subsidiaries violate applicable gaming laws, our gaming licenses could be limited, conditioned, suspended or revoked by gaming authorities, and we could be subject to substantial fines. Furthermore, a violation of laws in one jurisdiction could result in disciplinary action in other jurisdictions. As a result, a violation of applicable gaming laws by us or any of our subsidiaries could have a material adverse effect on our financial condition, prospects and results of operations.