

PGRI PUBLIC GAMING

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The most-watched New Year's Eve Program in the U.S.

celebrates the New Year with a nationwide celebration of the first **Powerball® Millionaire**

Also including Executive Summaries of panel discussions and keynote presentations from the World Lottery Summit Vancouver and PGRI Lottery Expo NYC

Start the Year with More Strategy

Enhancing the Instant Game Portfolio

For product managers, the start of the new year is one of potential. It's traditionally the time to evaluate both fiscal year and calendar year performance and make any necessary adjustments based on how sales are tracking, and plan for success. It's also the ideal time to explore instant scratch innovations and new game concepts to help further enhance the portfolio and keep players engaged year-round. Exciting inks, finishes, play styles and one-of-a-kind game enhancements sizzle at retail and entertain existing players and attract new customers.

Building an instant game portfolio that resonates with players and generates profit takes know-how, and above all it takes a balance of art and science.

"Players are looking for fun. They want that thrill of excitement. And that's why Scientific Games tests every new innovation extensively with player research before presenting them to a lottery customer," says Danielle Hodges, Director of Global Product Innovation & Development, who just won the company's 2022 Innovator of the Year Award.

Every price point, playstyle and product enhancement in an instant game portfolio is strategically planned by lottery product managers. At Scientific Games, data comes into play to make sure there's just the right balance of products to deliver sales performance.

"Data is key to how we make recommendations that grow our customer's business and deliver unparalleled player experiences. We aren't focused on simply reporting, we're focused on generating value through insights, our advanced business analytics tools and data science," explains Hodges. "While Scientific Games is known for game innovation, we have multiple teams and technologies across our business that support our innovative culture but make sure all new product development is as data-driven as possible."

That strategy has paid off, with the company currently partnering as the sole or primary provider to nine of the top 10-performing instant game lotteries in the world.

12 Strategic Product Enhancements

"With millions of products competing for attention at retail and online, standing out becomes more challenging every year," says Hodges. "For this reason, *Strategic Product Enhancements* have never been more important. As players adopt higher price points, a premium product is expected."

Since 2018, 51% of games in the \$10 and higher price point categories produced by Scientific Games for U.S. lotteries had

at least one *Strategic Product Enhancement*. These games generated more than 60% of retail sales across those price point categories.

Delivering value in the entertainment experience brings players back to engage further and creates loyalty to the lottery's brand. Here are 12 different ways to do it, only from Scientific Games.

1. Ice Ink

The subtle, frosty shimmer of *Ice Ink* is the perfect way to add pop to games for a premium player experience. The intriguing, crystalized color is an upgrade to fluorescent inks that can also refresh core games. While *Ice Ink Pink* is the favorite among 13 lotteries that launched a total of 17 *Lady Luck*-themed games, other colors have been a hit with families of games and games featuring scenes or pulses.

The South Carolina Education Lottery launched the first official *Ice Ink* game, a three scene product that used three different *Ice Ink* colors. After 18 weeks, the *My Million Dollar* series sold at 101% with reorder and an index of 156.

Since 2019, the Washington Lottery has used *Ice Ink* in Green, Orange, Pink and Gold to enhance their *SLINGO* and *LOTERIA* games. These games collectively have performed 9% better than other games in their price point categories.

2. Dimension

Unique to the industry, the reflective shine of *Dimension* takes games to the next level with a subtle, dimensional luxury. Developed by Scientific Games UK teams in 2018 and launched internationally, this versatile game enhancement is coming to the U.S. in early 2023. A transparent holographic overlay allows the graphics below to shine through, creating a reflective effect



on the entire ticket including the scratch-off area. Or it can be used to highlight specific areas on the ticket.

Dimension offers well-known holographic patterns like *Cracked Ice* and *Stella* (stars). A Scientific Games exclusive, *Spheric Lens* is the newest three-dimensional pattern that creates depth and movement at different angle refractions. *Spheric Lens* has the dimensional effect of spherical circles that simultaneously appear above and below the game graphics.

3. Platinum Foil

Instant games shine bright like never before with *Platinum Foil's* limitless combinations of color and high-impact graphics on a mirror-like surface. Spanning categories and themes including licensed properties, multipliers, extended play and blowout games, *Platinum Foil* is proven to be one of the easiest and most versatile ways to upgrade a game and potentially reach more players.

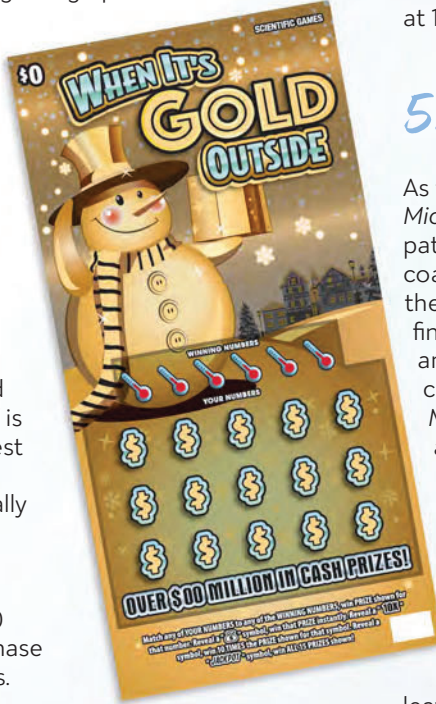
In a recent Scientific Games *ONEVoice* panel of over 1,000 players, 76% had strong purchase intent for *Platinum Foil* games.

Platinum Foil offers all the benefits of foil but elevates a product further. It's perfect for designs that maximize the display area, similar to Scientific Games' *Integrated Holographic* enhancement. *Platinum Foil's* versatility allows for any number of specialty inks or coatings to be used, and it's a great way to target variable imaging, because of its brilliant white play area for maximum contrast on *HD Games*, the company's digitally printed 3D play symbols.

The North Carolina Education Lottery was the first to use *Platinum Foil* on their family of *Carolina Jackpot* games with a second-chance promotion. Together the games performed above average across their price point categories.

4. LuxShimmer

Elevate games and the lottery's brand with the luxury, shimmering semi-transparent coating of *LuxShimmer*, which shifts and changes the intensity of the graphics and colors beneath. Darker under colors create a more vibrant shimmer, while lighter backgrounds create a subtle water mark effect revealed when the game reflects light. *LuxShimmer* blends seamlessly over the display



and overprint areas without any need for separation, creating a unique game design perfect for scene, pulse and families of games.

The Colorado Lottery and Pennsylvania Lottery utilized *LuxShimmer* on their *Founding Fathers and Presidents* and *Money Family* of games, respectively. After 16 weeks, the Colorado Lottery's family of games collectively indexed at 114 and the Pennsylvania Lottery's at 116.

5. MicroMotion

As the exclusive, worldwide provider of *MicroMotion*, Scientific Games uses a patented process with a series of special coatings on a highly reflective foil to create the illusion of motion on games. The finished products reflect light at varying angles to create a dazzling effect. The company's innovators re-engineered *MicroMotion* with formulated inks and a specialty holographic foil hybrid combined with visual graphic enhancements and new patterns that demand players' attention.

Based on the stellar success of its \$10 *Snow Much Fun* game in 2021 featuring *MicroMotion* snowflakes, the Pennsylvania Lottery brightened its \$10 *Ho Ho Holly* \$50 or \$100 holiday game in 2022 with *MicroMotion* holly leaves. Loaded with prizes and bonus play the game dazzled at retail, winning players over with a performance index of 130.

In fiscal year 2022, *MicroMotion* products performed nearly 15% better than other games in the U.S. at their price point categories.

6. HD Games

In 2017, SG was the first to bring players an enhanced play symbol experience. *HD Games* give players high-definition, easy-to-read numbers and play symbols for a modern, crystal-clear scratch experience. This patent pending game enhancement elevates the overall game experience with high definition variable imaging that allows much sharper detail with 3D characters, prize symbols and fonts.

Every *HD Games* product starts with a premium paper stock, followed by a full or spot HD gloss, depending on the game design. Underneath the high-definition imaging, players find a brighter play area with improved contrast and clarity. Deep within this new, brighter play area is the new *SecurTag*, an additional security tool for authenticating top prize winners. The ticket



back features a second display color that can pair with price point color themes to help retailers and warehouse employees easily identify games.

Since 2017, *HD Games* contributed over \$4 billion in sales to the industry with more than 100 games launched. Players are clearly enjoying the 3D play experience, with *HD Games* performing about 12% better than other games in their price point category. In fiscal year 2022, *HD Games* sales grew by nearly 36%.

7. Sparkle Select

Scientific Games expanded its innovative *Sparkle* product line to include the brand new *Sparkle Select* series of foils. *Sparkle Select* combines the best of brilliant metallics with the intriguing glow of holographics to give games an extra wow factor.

New Hampshire's \$500,000 *Fortune* game was the first to use *Sparkle Select* with a *Gold Twinkle* pattern that blends small holographic twinkling dots with a beautiful gold finish. The game went on to become the Lottery's most successful \$10 game that year and reached \$500,000 per week in sales by week five. The game sustained

popularity with players, and the Lottery is now on its third iteration of \$500,000 *Fortune* which has been enhanced with the *Lots of Dots Sparkle* pattern in purple, green and yellow.

The Delaware Lottery's \$10 *Lion Share* game featuring Scientific Games' advanced graphics and *Copper Hasty Sparkle Select* pattern exceeded expectations through week 10, selling 41% better than the other \$10 games in the market.

In 2021, the Pennsylvania Lottery launched its first \$50 game. Featuring *Sparkle Select*, in the first 10 weeks retail sales were more than double other \$50 games in the U.S. launched that year on average. The *Green Jungle* pattern highlights money graphics across the \$5 *Million Money Maker* game. Pennsylvania players embraced the game, and it was reordered after only five weeks on sale.

8. Monopoly Secret Vault

Guess the code and win BIG. The excitement builds as players scratch to reveal Mr. MONOPOLY's vault filled with riches and colorful, holographic play symbols. The latest addition to the globally recognized brand, *MONOPOLY Secret Vault* features new assets and designs for lottery games while maintaining the classic *MONOPOLY* icons consumers know and love.

Offering unique opportunities for *Strategic Product Enhancements*, *MONOPOLY Secret Vault* is an extension of lottery's highest-performing licensed brand and it's offered exclusively by Scientific Games.

9. Rose Gold Sparkle

The beauty of rose gold blends with shimmering metallic sparkle for a truly dazzling effect on games. The color has grown in popularity in fashion, décor and many other consumer products over the past several years. Now, it's available in lottery games with Scientific Games' *Rose Gold Sparkle* – a brilliant metallic with a rose holographics glow. Now available in digitally printed *HD Games* fonts to seamlessly bring the luxury theme into the play area.

Since 2018, a total of 12 *Rose Gold* games have launched with an average index of 105.

10. Punch N' Play



This unique enhancement extends the excitement as players advance through multiple steps and levels in a coordinates-based game featuring a fold and hole punches. Players scratch the coordinates and mark the corresponding play spots on the grid. If three matching symbols based on the prize legend are revealed, the player wins.

The opportunity to win continues as players then fold the ticket at the score, punch out the perforated holes, and scratch the corresponding spots on the grid to reveal more symbols. If matching symbols based on the prize legend appear, the player wins.

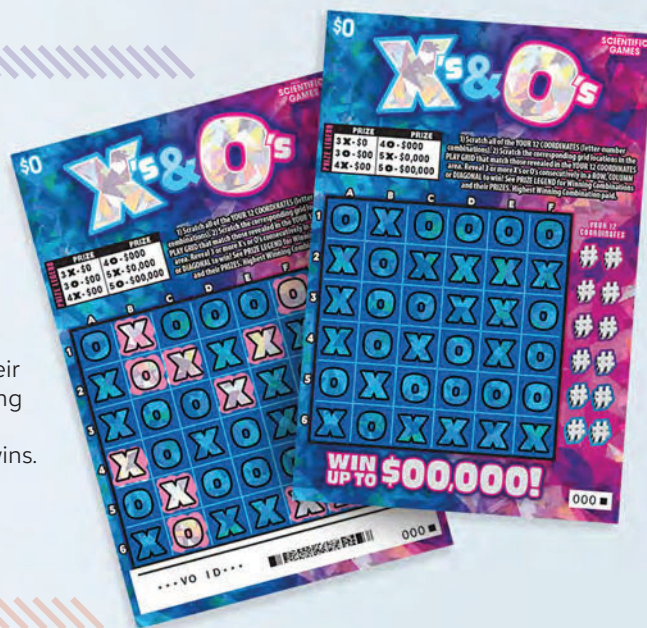
In *Punch N' Play* product testing, players responded positively. Extended play game fans particularly loved the extra ways to play with the fold and hole punches.



11. X's & O's

A new twist on a classic player favorite! The more consecutive X's & O's, the more players win as they scratch to reveal bright holographic play symbols. This brand new *Strategic Product Enhancement* from the Scientific Games Dream Team is a breakthrough playstyle and perfect for pairing with the high-definition vibrancy of *HD Games*.

Players scratch to reveal coordinates and mark them on their play grid utilizing the company's patented *ClearMark* marking system. If three or more X's or O's are revealed in a row, column or diagonal based on the prize legend, the player wins. And the more X's or O's in a row, the more the player wins!



12. Loteria Bonus Night 3D

It's authentic *LOTERIA*, unlike anything lottery players have yet to experience as scratch game bonus symbols come to life in a digital second-chance promotion. This unique augmented reality game extension connects players from a physical *LOTERIA* scratch game purchased at retail to a life-like second-chance win opportunity played exclusively via the *LOTERIA Bonus Night 3D* mobile app (available on the App Store and Google Play).

The timing for augmented reality is right for lottery games. While lotteries have experimented with AR products in the past, AR mobile technology is now widely accessible. Currently, there are an estimated 1.1 billion AR user devices worldwide, expected to rise to 1.7 billion by 2024. Nearly 100% of mobile smartphones sold today are now augmented reality enabled.



The scratch game, AR second-chance digital extension and mobile app were created by Scientific Games' global game studios in partnership with Fremantle, the exclusive licensor of the original Don Clemente *LOTERIA*.

Behind the scenes at Scientific Games, engineers, chemists and production specialists are testing new inks and papers while innovation and game design teams collaborate with marketing analysts to make sure lotteries have the best-performing products for their portfolios. The analysts study performance trends from game launch through entire lifecycle and prepare customized marketing plans for each customer.

"Lotteries want to generate maximum proceeds to their beneficiaries while delivering a memorable experience for players," Hodges explains. "We help them deliver an experience that brings the player back to the retailer or takes them online to continue engaging with the lottery. We help create that ecosystem through the science of total portfolio management."

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The Science Inside *the Success*



130
lottery customers in
50 COUNTRIES

5
INSTANT
GAME
production facilities on
4 CONTINENTS

3,000+
employees

40+
locations
worldwide

With 70% of global instant scratch game retail sales, 30+ iLottery customers, 40+ systems customers, and partner to the largest government sports betting program in the world, Scientific Games brings 50 years of innovation and experience to responsibly drive lottery performance.



The Science Inside the Scratch



MAP
analytics for
portfolio planning

Industry's
LARGEST
licensed property
library with
100+ BRANDS

4,000
unique games
designed annually

PAYOUT
optimization tools

Scientific Games is the partner of choice for 18 of the 20 top-performing instant game lotteries in the world.*



*Based on weekly per capita sales
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GAME NIGHT

These classic games are ready to *Play*

ROCK'EM SOCK'EM ROBOTS
 THE ORIGINAL FIGHTING ROBOTS!
POW! BAM! WHACK!

\$0

YOUR SCORE THEIR SCORE
 GAME 1 PRIZE
 GAME 2 PRIZE
 GAME 3 PRIZE
 GAME 4 PRIZE
 GAME 5 PRIZE
 GAME 6 PRIZE
 GAME 7 PRIZE
 GAME 8 PRIZE
 GAME 9 PRIZE
 GAME 10 PRIZE
 GAME 11 PRIZE
 GAME 12 PRIZE
 GAME 13 PRIZE
 GAME 14 PRIZE
 GAME 15 PRIZE

WIN UP TO \$300,000!
 If YOUR SCORE beats THEIR SCORE within the same GAME, win PRIZE shown for that GAME. Reveal a \$5 symbol within a GAME, win DOUBLE the PRIZE shown for that GAME.

UNO

\$3

Reveal a prize in the BONUS spot, win that amount.

BONUS

YOUR UNO™ CARDS

GAME BOARD

SEE BACK FOR PLAY INSTRUCTIONS

PRIZE
 PRIZE
 PRIZE
 PRIZE
 PRIZE
 PRIZE

PRIZE \$1,000!

MAGIC 8 BALL™

\$2

WINNING NUMBERS

YOUR NUMBERS

PRIZE PRIZE
 PRIZE PRIZE
 PRIZE PRIZE
 PRIZE PRIZE
 PRIZE PRIZE
 PRIZE PRIZE

If any one or more of YOUR NUMBERS match either of the WINNING NUMBERS, you win the prize shown below your matching number(s).
 Reveal a (2X), (5X) or (10X) symbol and multiply the prize won by 2, 5 or 10 TIMES respectively!

MAGIC BONUS BOX

Reveal a (YES) symbol in the MAGIC BONUS BOX and win ALL 10 PRIZES shown!

WIN UP TO \$10,000!

Contact your Scientific Games representative for details.



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