



**2024–25 ANNUAL REPORT
ONTARIO LOTTERY AND GAMING
CORPORATION**

TABLE OF CONTENTS

Land Acknowledgement	2
Message from the Chair of the Board	3
Message from the President and Chief Executive Officer	5
Overview	7
OLG's Benefit to the Province of Ontario	8
Financial Highlights	9
Ontario Gaming Market	11
Delivering on Our Mandate	12
"Game ON" Plan	13
"Game ON" Strategic Priorities	13
Sustainability at OLG	21
Responsible Gambling – PlaySmart Program	21
Commitment to Indigenous Communities	22
Equity, Diversity and Inclusion	22
Governance	24
Board of Directors	25
Executive Leadership Team	27
Management's Discussion and Analysis	28
Management's Responsibility for Annual Reporting	55
Independent Auditor's Report	56
Consolidated Financial Statements	60
Notes to the Consolidated Financial Statements	64
Unaudited Supplementary Schedule	100

LAND ACKNOWLEDGEMENT

We are all Treaty People.

Above all, we acknowledge and offer our gratitude to Mother Earth.

We honour the history of Turtle Island – the ancestral home and territories of many Indigenous Peoples including First Nations, Inuit, and Métis peoples.

As those who call these lands home, we recognize our duty to walk together in peace, friendship, and love. We share in the many gifts of Mother Earth and respect all the land, in keeping with the traditions of Indigenous Peoples.

OLG pledges to foster the principles of Truth and Reconciliation. We acknowledge the Treaty relationship and honour Indigenous knowledge, cultures, and practices.

Using heart thinking, we will seek to understand, respect, and sustain this beautiful land we share: “for as long as the sun shines, the grass grows, and the rivers flow.”

MESSAGE FROM THE CHAIR OF THE BOARD

Fiscal 2024–25 marked my third year as Chair of the Board, and I remain confident in OLG’s ability to deliver outstanding entertainment experiences for our customers, while continuing to provide meaningful value to the Province and people of Ontario.

OLG has always existed to contribute to a better Ontario. Over the past five decades, we have proudly returned close to \$64 billion to the Province — helping to strengthen communities and First Nations, create jobs, and support our many partners across Ontario.

As a Board, we take seriously our responsibility to support OLG in fulfilling its mandate. Through our focus on compliance, accountability, transparency, and effective risk management, we help ensure that Ontarians continue to place their trust in OLG. This year, we strengthened our oversight framework by establishing a new sub-committee of the Board’s Audit and Risk Management Committee, dedicated specifically to compliance oversight.

Throughout fiscal 2024–25, the Board observed strong leadership and sound management across all areas of OLG. Despite significant external changes — including persistent economic pressures and the continued growth of Ontario’s digital gaming market — the corporation advanced its strategic priorities and remained focused on sustainable growth.

The Board extends its appreciation to OLG’s management team, for their continued leadership in driving forward the organization’s strategy. The focus on digital innovation, lottery performance, and preparing for future success in land-based gaming has positioned OLG to stay competitive and meet the evolving expectations of our customers.

The gaming industry is changing more rapidly than ever before, and so too is the role of modern gaming providers. For OLG, this means continuing to offer safe, engaging, and enjoyable experiences — while also providing proactive tools and resources that help players keep gaming fun and within healthy limits.

The Board shares OLG’s unwavering commitment to responsible gambling and to minimizing the potential harms associated with gaming. In fiscal 2024–25, we placed particular emphasis on reducing risks to player health and promoting safer play. We know that prioritizing player wellbeing is not only the right thing to do — it also supports long-term growth, revenue generation, and financial stability for the benefit of Ontarians and our shareholder, the Government of Ontario.

This past year also brought a change in our reporting relationship with the government. In June 2024, the Board began reporting to the Minister of Tourism, Culture and Gaming — transitioning from the Minister of Finance, to whom we had reported since 2009. We look forward to working closely with our new Minister and Ministry colleagues to build on OLG’s momentum and deliver even greater value to the people of Ontario.

What we accomplished in fiscal 2024–25 is a direct reflection of the dedication, talent, and hard work of OLG’s employees. On behalf of the Board, I want to thank each and every team member for your commitment to our mission and for the important contributions you make every day to building a better Ontario.

As we enter a new fiscal year, the Board remains focused on guiding OLG’s continued evolution — delivering new and innovative gaming experiences while ensuring responsible gambling remains the foundation of everything we do.

We are confident that the steps OLG is taking today will position the corporation for even greater success in the years ahead.

A handwritten signature in black ink, appearing to read 'J. Warren', with a long, sweeping flourish extending to the right.

Jim Warren
Chair

MESSAGE FROM THE PRESIDENT AND CHIEF EXECUTIVE OFFICER

On behalf of all OLGers, I am pleased to present OLG's 2024–25 Annual Report, which highlights a year marked by progress against our strategic priorities and continued delivery on our promise of giving back to the people of Ontario.

As an organization, we navigated the ongoing challenges of continuing economic headwinds and a rapidly evolving gaming market, while effectively managing costs to deliver a strong return for the Province of Ontario. In fiscal 2024-25, OLG delivered \$2.2 billion — or over \$2.4 billion when excluding a one-time provision — in Net Profit to the Province (NPP). This adjusted NPP is up 3 per cent over prior year and is in addition to the more than \$1.3 billion of support we provided to Ontario First Nations, our host gaming communities, Ontario charities, Ontario's horse racing industry, and more.

Since the very first lottery draw 50 years ago, OLG has existed to do good. Giving back is at the heart of all we do — whether it is providing revenue to the Province to invest in government priorities, working with our partners to build stronger communities and create local jobs, or fostering a strong culture of safe, responsible gambling to help players make healthy gaming choices.

We're deeply committed to our customers and their player health and well-being remains our top priority. That's why we're enhancing our player protection efforts with a renewed focus on responsible gambling. We are expanding education, tools and resources to help prevent gambling harm — including enhanced self-exclusion supports and investing in the evolution of PlaySmart Centres in Land-based Gaming. As we look to engage the next generation of players — who are more digital savvy and socially conscious — we are also developing more personalized proactive supports that meet players where they are.

This commitment to player well-being goes hand in hand with our broader responsibility to the Province. We are proud to be the only gaming provider that reinvests 100 per cent of its profits back into the province — and we want to ensure our contributions can continue. That's why our strategy places the customer at the centre of everything we do as we deliver best-in-class products and experiences across more touchpoints and channels.

In Ontario's ever-expanding and evolving iGaming market, OLG continues to drive growth in our Digital Gaming business by providing players with an expansive experience that includes iCasino, iSports and iLottery. In fiscal 2024-25, Digital Gaming NPP reached a record \$378 million, while monthly average active player counts rose by 19 per cent.

We are growing our business by introducing new products and improving speed-to-market across all digital categories. This includes 'Arcade' — a new iCasino category that offers players a diverse range of Crash, Tap and Game Show games — which launched in June 2024.

While our Digital Gaming business was growing in fiscal 2024-25, we continued to strengthen our core business channels in Retail Lottery and Land-based Gaming.

In Retail Lottery, we are replenishing our product portfolio and extending our reach into new distribution channels. In fiscal 2024-25, this included rolling out additional self-serve lottery terminals to select retail locations to help us meet evolving consumer demand and behavioural shifts. The terminals offer all national and regional draw-based lottery games, as well as a variety of INSTANT products. In September 2024, we became the first lottery jurisdiction in Canada to introduce sales of select national lottery products in checkout lanes at Dollarama stores.

In Land-based Gaming, we continue to work with our casino service providers to ensure the long-term vibrancy and excitement of casino gaming in Ontario. Since 2017, casino service providers have invested approximately \$2.9 billion in private sector capital, creating jobs and delivering economic benefits across Ontario. In May 2024, I was thrilled to join representatives from Great Canadian Entertainment, the City of Toronto and the Government of Ontario to celebrate the grand opening of the new \$1 billion Great Canadian Casino Resort Toronto — a premier entertainment destination that is contributing to the local economy in Northwest Toronto.

OLG's Charitable Gaming program continued to make life better for Ontarians by supporting local charities that provide important services in communities across the province. In fiscal 2024-25, \$111 million was delivered to approximately 2,400 eligible participating charities — part of the \$630 million distributed through the program since fiscal 2005-06.

At the same time, we are strengthening our relationships with Indigenous Peoples in Ontario by building new pathways of understanding, respect, and action. We are developing a roadmap called the OLG Reconcili-Action Strategy, which will provide a thoughtful, actionable path to strengthen our relationship with First Nations while also advancing the principles of reconciliation. All of us at OLG are committed to this important work and the Thunderbird Network Employee Resource Group, which launched this year, is helping us celebrate Indigenous culture, strengthen knowledge, and connect with Indigenous communities.

We also remain committed to embracing Equity, Diversity and Inclusion and fostering a workplace where our employees can be themselves and use their perspectives and skills to benefit the people and the Province of Ontario. Our employees work tirelessly to deliver great gaming entertainment and make a real difference for people throughout the province. I am so grateful for the incredible contribution they make to OLG and our province, and I want to thank them for helping to put OLG on two Forbes' lists this year — Canada's Best Employers 2025 and Canada's Best Employers for Diversity 2024.

I am excited to work alongside our team of OLGers as we meet the challenges and capitalize on the opportunities ahead of us in the coming year. Together, we will build a stronger OLG — and unlock even more value from our business and partnerships for the benefit of people across this great province.



Duncan Hannay
President and Chief Executive Officer

OVERVIEW

The stated purpose of the Ontario Lottery and Gaming Corporation (OLG or the Corporation) is to contribute to a better Ontario by delivering great entertainment experiences for our customers. We provide gaming entertainment in a socially responsible manner that maximizes economic benefits for the people of Ontario, related economic sectors and gaming host communities.

We live by five Truths, which are an articulation of what we stand for and how we act:

- 1. We Care for Ontario.** We're here to do good. We help build communities, create jobs and support our partners. One hundred per cent of our profits are reinvested in Ontario. Giving back is at the heart of all we do. This defines us. Motivates us. Inspires us.
- 2. We Play as One Team.** We play. We share. We challenge. We respect, support and value each other and our partners. Only together can we compete and win.
- 3. We are Player Obsessed.** Knowing our players allows us to deliver the excitement they crave, in a safe and responsible way. That's what keeps them coming back. Their loyalty makes our business stronger and our ability to give back even greater.
- 4. We Dream Big & Champion Change.** We think big, move fast and welcome change. We are bold, curious, open and always taking our game to the next level.
- 5. We Celebrate Our Differences.** We all bring value to the team. And our different perspectives, backgrounds and orientations make OLG a great place to work. Together we are more creative, innovative and inclusive.

OLG conducts and manages the sale of lottery games (including national and regional Lotto, INSTANT and sports) and Land-based Gaming (Casino Gaming and Charitable Gaming) in the Province of Ontario, as well as our digital gaming platform (OLG.ca and the OLG/PROLINE Apps for iOS and Android). We also help support the horse racing industry in Ontario.

In fiscal 2024–25, OLG's financial reporting was organized under three lines of business:

Lottery (Retail) – OLG operates terminal-based lottery and sports games and offers INSTANT lottery products through over 10,000 retailers across the province.

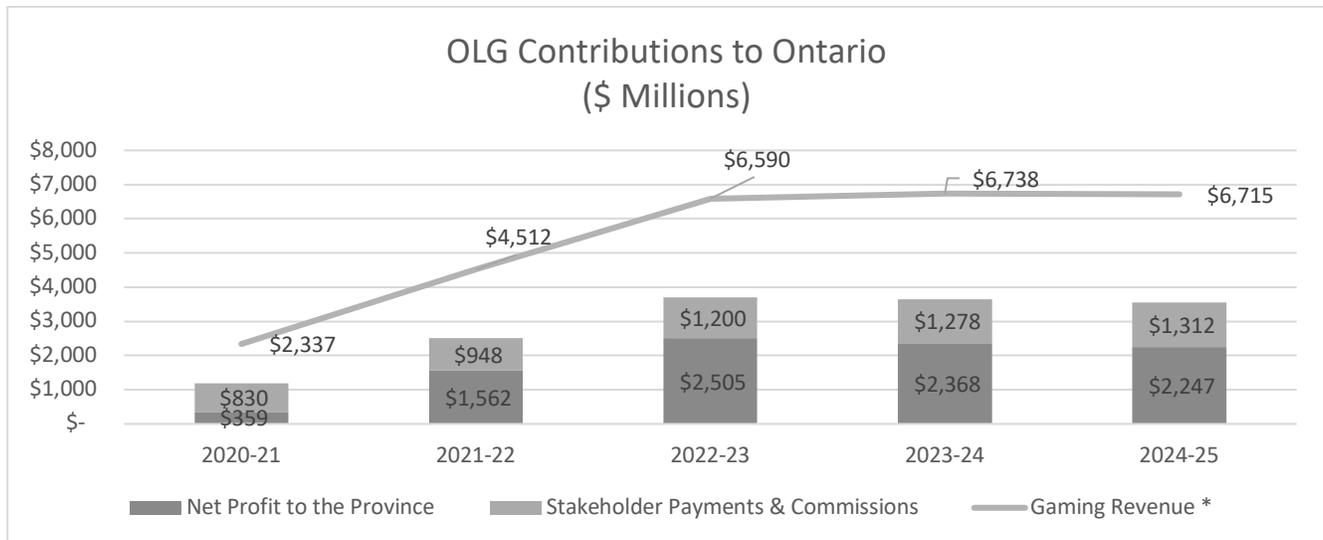
Land-based Gaming (Casino Gaming and Charitable Gaming) – OLG is responsible for conducting and managing gaming at 30 Casino Gaming facilities and 37 Charitable Gaming Centres across Ontario. The Land-based Gaming line of business is also responsible for OLG's key relationship with the horse racing industry.

Digital Gaming – OLG operates iCasino, iLottery and iSports through its digital gaming platform. The platform offers slots and table games (including Live Casino), nine Lotto games (including LOTTO MAX and LOTTO 6/49), as well as sports betting with PROLINE+.

OLG'S BENEFIT TO THE PROVINCE OF ONTARIO

Since 1975, OLG has generated approximately \$64 billion for the people and Province of Ontario, which has helped support provincial priorities including the operation of hospitals; problem gambling prevention and treatment; amateur sport; and local and provincial charities, among other initiatives. In addition, there are several direct beneficiaries of Lottery and Gaming proceeds, including host communities, Ontario First Nations, lottery retailers, charities and Ontario's horse racing industry.

OLG's operations contributed to the economy in many ways in fiscal 2024–25¹, some of which are highlighted below.



Stakeholder payments and commissions in fiscal 2024-25 (included in chart above):

- **\$312 million** in commissions to lottery retailers across the province
- **\$186 million** paid to Ontario First Nations (2008) Limited Partnership through revenue sharing agreements
- **\$102 million** in direct funding to Ontario's horse racing industry through the Amended and Restated Funding Agreement for Live Horse Racing
- **\$165 million** to municipalities and Ontario First Nations for hosting Land-based Casino Gaming facilities and Charitable Gaming Centres²
- **\$436 million** in payments to the Government of Canada for GST/HST and for not participating in the sale of lottery tickets
- **\$111 million** in Charitable Gaming proceeds distributed to participating local charities

¹ Fiscal year ended March 31, 2025 (April 1, 2024 to March 31, 2025).

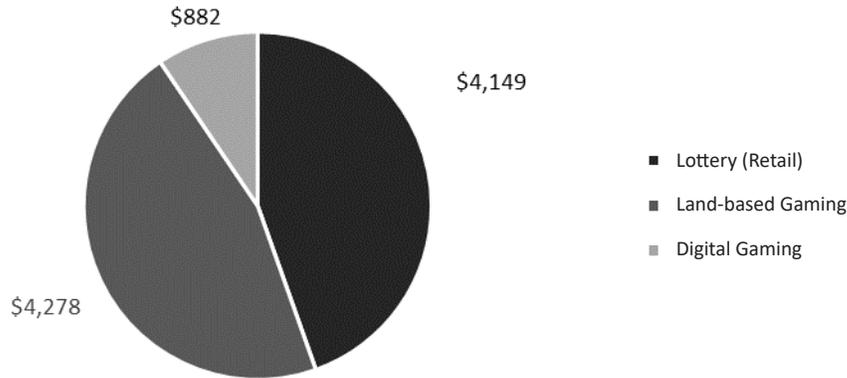
² Host municipalities also receive financial benefit from property tax revenue, development fees and other payments; as well as benefit from the creation of local jobs.

FINANCIAL HIGHLIGHTS¹

Proceeds² for OLG’s Lottery, Land-based Gaming and Digital Gaming lines of business were \$9.3 billion in fiscal 2024-25, aligned with prior year, despite continued economic pressures that impacted consumers’ discretionary entertainment spend. Digital Gaming proceeds once again saw significant growth in fiscal 2024-25, increasing \$132 million or 18 per cent from prior year. This was offset by reduced Land-based Gaming proceeds of \$75 million due to lower spend per casino patron, as well as lower Lottery proceeds of \$72 million primarily due to lower retail proceeds for Regional, INSTANT and Sports games.

OLG consolidated NPP³ was \$2.2 billion, a decrease of \$121 million or 5 per cent compared to prior year, primarily due to a provision related to an ongoing legal matter. Excluding this provision, NPP would have been \$2.4 billion or up 3 per cent versus prior year.

Proceeds by Line of Business
(in millions of dollars)



(in millions of dollars) for the fiscal year ended March 31	2024-25	2023-24
Proceeds		
Lottery (Retail)	\$4,149	\$4,221
Land-based Gaming	\$4,278	\$4,353
Digital Gaming	\$882	\$750
Total OLG Proceeds	\$9,309	\$9,324
Net Profit to the Province	\$2,247	\$2,368

¹ Numbers have been rounded or truncated for ease of readability. Consequently, certain charts or tables may not add or cross-tabulate.

² Proceeds is a non-IFRS measure which the Corporation considers to be a key measure of performance that is most reflective of its product offerings and its relationships with third parties.

³ NPP is a non-IFRS measure which the Corporation considers to be most reflective of its financial performance and uses it for setting targets for the Corporation.

Proceeds for each line of business are defined as follows:

Lottery (Retail):

- Sales from retail Lottery products (including regional and national LOTTO, INSTANT and Sports) before the deduction of prizes.

Land-based Gaming (Casino Gaming and Charitable Gaming):

- Net win before the deduction of service provider fees.

Digital Gaming:

- Net win from casino-style games (iCasino) and digital Sports products (iSports) played on OLG's digital gaming platform; and
- Sales from Lottery products purchased on OLG's digital gaming platform (iLottery) before the deduction of prizes.

Proceeds from Lottery and Gaming does not include revenue from non-gaming sources (e.g., food and beverage service, accommodations) or leases.

ONTARIO GAMING MARKET

OLG offers traditional gaming products, as well as new gaming products and entertainment experiences, to ensure we meet and exceed the expectations of our current and future customers — always with a steadfast focus on player health and continuously improving our PlaySmart responsible gambling program.

We are expanding our popular lottery product portfolio and extending our reach into new distribution channels. In June 2024, following a successful pilot project, we began to roll out an additional 569 self-serve lottery terminals in select retail locations, bringing the total number of terminals in market to 710. The terminals offer all national and regional draw-based lottery games, as well as a variety of INSTANT products. In September 2024, Ontario became the first province to introduce sales of select national lottery products in checkout lanes at Ontario Dollarama stores.

In Land-based Casino Gaming, we continue to work with our partners to advance development plans that will support the long-term vibrancy and excitement of the casino experience in Ontario for years to come. Since 2017, Land-based Casino Gaming service providers have made approximately \$2.9 billion in capital investments across the province, creating jobs and driving economic development in local communities. In fiscal 2024-25, a major, \$350 million redevelopment of the casino at Rideau Carleton Raceway in Ottawa continued, with a grand opening expected in fiscal 2025-26. Also, construction was underway this year on an expansion and refresh of Casino London, as well as a significant refurbishment at Casino Rama Resort — with both projects expected to be completed in fiscal 2025-26.

In Digital Gaming, we are growing our business by improving speed-to-market across all digital categories. When Ontario's online gaming market opened in April 2022, OLG went from being the only legal online gaming provider in the province to being one of many. Today, digital players have more gaming options than ever before — and their preferences and needs are rapidly changing. OLG is well positioned to compete in the evolving digital space. We offer a wide range of entertainment choices, and we continue to introduce new products and experiences for players, like 'Arcade', a new iCasino category that launched on OLG.ca and the OLG App in June 2024.

We will continue to compete by drawing on our strengths and remaining focused on providing better customer experiences with innovative offerings for our customers for years to come — while building on our foundational commitment to strong responsible gambling principles.

DELIVERING ON OUR MANDATE

Through our operations, OLG is helping to make Ontario stronger by providing revenue to Ontario to support government priorities. This is our mandate as a crown agency.

In fiscal 2024-25, we reported to our shareholder, the Government of Ontario, through the Minister of Tourism, Culture and Gaming, who provided direction to OLG through our Board of Directors and sets specific priorities for the Corporation. Guided by these priorities, OLG established its own objectives and strategic direction that ensure we deliver on our mandate and contribute to a stronger Ontario. The priorities for the fiscal year for OLG outlined by the government included:

1. Continued development and execution on initiatives that foster marketplace competitiveness, operational efficiencies and revenue generation.
2. Evaluate opportunities for new casino offerings, including rolling out self-serve lottery terminals and the expansion of digital offerings in a responsible manner, while ensuring appropriate approvals and alignment with government priorities.
3. Improving customer-focused approaches to ensure adherence to responsible gambling standards, social responsibility, and customer privacy.
4. Ensuring anti-money laundering (AML) processes for all gaming operators align with requirements established under *the Federal Proceeds of Crime (Money Laundering) and Terrorist Financing Act*, and other regulatory and legislative requirements as needed, and continue to provide the Ministry updates on progress, changes or engagements impacting AML policies, as needed.
5. Working with the Alcohol and Gaming Commission of Ontario (AGCO) to ensure compliance with all regulations and a safe and regulated gaming space for consumers.
6. Advancing the internet gaming market and identifying opportunities to enhance responsible gambling and AML measures online, as well as working closely with iGaming Ontario, AGCO and government.
7. Proceeding with OLG's land-based casino modernization process, including the ongoing Windsor Casino procurement, leveraging private-sector financial capital and expertise, improving customer experience.
8. Completing action plans in response to Treasury Board Secretariat's Ontario Internal Audit Division recommendations to improve operational efficiencies, enhance accountability and revenue delivered to the Province of Ontario.
9. Continuing to work with government and agency partners to review and act on opportunities for red tape reduction to improve operational efficiencies and reduce administrative burden for customers and operators, while complying with government directives.
10. Continuing to work with government to support relationships with First Nations partners including the Ontario First Nations (2008) Limited Partnership, to improve information-sharing and continued good-faith discussions on revenue sharing and other priorities.
11. Helping the horse racing industry build a more sustainable future for rural businesses, jobs and communities that depend on it.
12. Supporting the government's efforts to increase economic opportunities in the Niagara Falls region.
13. Continuing to work with AGCO to review each agency's respective roles and responsibilities in oversight of the gaming sector.

“GAME ON” PLAN

In fiscal 2024-25, OLG continued to focus on its Game ON strategy, which leverages our unique advantages and deepens and expands our purpose-led partnerships in order to succeed in an increasingly competitive market. The strategy builds on our strengths, such as our trusted brand and PlaySmart Responsible Gambling (RG) program, while unlocking value for the Province of Ontario and our partners.

Our strategy is guided by three aspirations designed to help us be the entertainment leader in Ontario:

1. To be a customer-obsessed gaming market leader in Canada with a globally admired digital entertainment platform and dominant multi-channel brand that is a center of excellence for product and technology innovation.
2. To be a top employer with a winning culture. This includes being an organization with an agile, delivery-focused, fun and accountable workforce, a competitive mindset, and an ability to attract and retain top talent.
3. To be an exemplary partner known for value creation that is distinguished by a proven record of delivery for our shareholder, stakeholders and business partners.

To realize our aspirations, we have outlined six strategic priorities for our business.

“GAME ON” — STRATEGIC PRIORITIES

PRIORITY 1: *Build a fun, inclusive and performance-driven culture that is a destination for top talent.*

We know that our strength is in the different perspectives, backgrounds and orientations we all bring to our work. Every OLGer adds value to our organization, and we are committed to building a culture that values and celebrates employee differences.

OLG recognizes Equity, Diversity, and Inclusion (EDI) as essential elements of our culture. Fully embracing EDI gives OLG a competitive business advantage to better understand and serve our diverse player base, foster a sense of wellbeing and belonging for our employees, and strengthen our contribution to a better Ontario.

As part of our EDI efforts, OLG is committed to building an inclusive workplace. Our Employee Resource Groups (ERG) are an important part of this effort. The groups bring together people who share a common identity, characteristics, or set of interests. In May 2024, OLG launched its seventh resource group, the Thunderbird Network, which is focused on advancing the principles of Truth and Reconciliation within OLG. This is in addition to six existing ERGs: Réseau français d'OLG; OLG Women's Network; OLG Pride Network; OLG Mental Wellness Network; OLG Cultural Diversity Network; and OLG Disability and Inclusion Network.

In November 2024, OLG conducted its annual Diversity and Inclusion Survey, which helps us better understand the makeup of OLG and how employees experience the organization's culture, programs and policies. This year, the number of OLGers who took part in the survey rose by 17 percentage points compared to the previous year. OLG's inclusion score was 68 per cent — though four per cent below target the score remains above industry benchmarks. In fiscal 2024-25, OLG began to transition to a new three-year EDI strategy and onboarded a new EDI team.

Our focus on EDI is one of the ways we are working to build a better work environment for our employees — and we are encouraged that many OLGers feel the organization is a great place to

work. Our annual Employee Engagement Survey, conducted in October 2024, resulted in an employee engagement score of 83 per cent, which was above target. And in January 2025, our employees helped put OLG on Forbes' list of Canada's Best Employers for a fourth consecutive year.

Psychological safety in the workplace makes employees feel valued, respected, and empowered to contribute to their fullest potential. Research has consistently shown that teams with psychological safety are more innovative, higher performing, and have a deeper sense of purpose. This fosters a winning culture that drives long-term success. In April 2024, OLG's EDI and Talent Development teams hosted workshop sessions for People Leaders designed to cultivate empathy, belonging, and psychological safety in the workforce. The course was made available to all OLGers in December 2024 and January 2025.

We are also focused on creating an environment where OLGers feel safe and supported to take smart risks that enable growth and innovation. In March 2025, OLG conducted its third Risk Culture Survey and saw its overall score increase to 81 per cent, above the target of 78 per cent. A score above 80 per cent indicates that employees feel OLG has a strong risk culture.

Our employees are dedicated to our purpose of contributing to a better Ontario, which includes maximizing value from our business for our shareholder, the Ontario government and ultimately the people of this province. We are focused on ensuring we are productively meeting our objectives by pursuing new ways of working and adopting agile approaches to delivering great entertainment experiences. One of the ways we track productivity is by measuring OLG's total NPP per full-time OLG employee, which in fiscal 2024-25 was \$1.6 million. While OLG continued to take steps to effectively manage its workforce in fiscal 2024-25, the continued economic and competitive challenges that impacted consumers' discretionary entertainment spend resulted in NPP per FTE being below the \$1.8 million target.

Measuring Progress			
Key Performance Indicator	Definition	2024-25 Target	2024-25 Actual
Inclusion Score	Measures OLG workplace inclusion leveraging the Diversio tool	72%*	68%
Employee Engagement Score**	Measures OLG employee sentiment	78-82%	83%
Risk Culture Score	Measures state of risk culture across the enterprise	78%*	81%
NPP per FTE	Measures OLG's total Net Profit to the Province per Full-Time OLG Employee	\$1.8M	\$1.6M

*Target updated from OLG's Fiscal 2025-28 Business Plan.

**OLG used McLean and Company employee engagement survey methodology to measure "almost" and "fully" engaged employees.

PRIORITY 2: Drive share growth in digital gaming space and accelerate speed to market.

OLG first introduced internet gaming in Ontario 10 years ago, in January 2015, with the launch of PlayOLG. Since then, the digital gaming landscape in our province has changed dramatically. Back then, OLG was competing against a grey market as the only legal online gaming provider in Ontario. Now, we are one of many licensed and regulated operators.

The opening of Ontario's market to other operators in April 2022 is providing digital players more gaming options than ever before — and their preferences and needs are rapidly evolving. OLG continues to compete and maintain strong market share in Ontario's growing digital gaming market by continuously improving and expanding our product offering and platforms.

We continue to focus on advancing our digital capability and retaining digital players, while relentlessly acquiring and onboarding new players. In fiscal 2024-25, digital gaming proceeds were \$882 million, 8 per cent above target, and average monthly active digital players rose by 19 per cent year over year. In addition, Net Profit to the Province from OLG’s digital business reached a new high of \$417 million.

Throughout the fiscal year, OLG launched several new digital gaming initiatives and products — and more than 300 new games were introduced on OLG.ca.

In June 2024, OLG launched ‘Arcade’, a new iCasino category that offers players a diverse range of games from classics to new takes on old favourites. Arcade games available on OLG.ca and the OLG App include Crash, Tap, and Game Shows.

And, in May 2024, OLG announced Group Play on OLG.ca and on the OLG app, which allows players to form online groups, purchase lottery tickets together and track prizes electronically. Lottery products available for Group Play include LOTTO MAX, LOTTO 649, ONTARIO 49, LOTTARIO and the option to add ENCORE.

In fiscal 2024-25, OLG expanded payment options on our digital platform to include popular providers like Amex, Apple Pay, and Interac (PROLINE+), while also enabling the use of bonus funds for players using Direct Pay. OLG also enhanced the player registration process by integrating the Persona AI Identity verification tool, which helped support an increase in player registrations. In addition, to benefit iLottery players, OLG has created a new type of account called a ‘Lite Account’ that moves the Know-Your-Customer portion of the process from registrations to redemptions.

Measuring Progress			
Key Performance Indicator	Definition	2024-25 Target	2024-25 Actual
Digital Gaming Proceeds	Measures OLG Gross Gaming Revenue	\$819M	\$882M

PRIORITY 3: *Optimize Land-based Gaming and execute on new opportunities for growth.*

In partnership with our Land-based Casino Gaming service providers, OLG remains committed to developing and sustaining the long-term vibrancy and excitement of the casino experience in Ontario. Our service providers invested an additional \$334 million in private sector capital during fiscal 2024-25, bringing the total invested since 2017 to approximately \$2.9 billion. These investments have created jobs and delivered economic benefits across Ontario.

In May 2024, OLG joined representatives of Great Canadian Entertainment, the City of Toronto and the Government of Ontario in celebrating the grand opening of the new Great Canadian Casino Resort Toronto. The \$1 billion resort development offers almost every playing experience: one of the largest gaming floors in the country, an entertainment centre, and horse racing. In addition, progress continued in fiscal 2024-25 on a major, \$350 million redevelopment of the casino at Rideau Carleton Raceway in Ottawa, with a grand opening expected in fiscal 2025-26. At the same time, construction was underway on an expansion and refresh of Casino London, as well as a significant refurbishment at Casino Rama Resort — with both projects expected to be completed in fiscal 2025-26.

Three Ontario casinos celebrated 25th anniversaries in fiscal 2024-25. In 1999, casinos in Sault Ste. Marie, London and Sudbury opened in May, September and November, respectively. Over the past 25 years, the three municipalities have received a combined total of \$192 million from OLG for hosting

the gaming sites — money that has contributed to economic development including infrastructure and job creation, as well as other local priorities.

In fiscal 2024-25, OLG continued its procurement process to select a service provider to handle the day-to-day gaming operations of the Windsor casino — the final site to go through OLG’s Land-based Gaming procurement process. OLG announced Caesars Entertainment Windsor Limited as the service provider for the Windsor casino on May 9, 2025.

We are also working with our partners to review and act on opportunities to reduce red tape, improve operational efficiencies and ease administrative burden for operators. In fiscal 2024-25, OLG completed agreement amendments for red tape reduction with all but one of our casino service providers.

In collaboration with our industry partners, OLG’s Charitable Gaming program continues to help make life better for Ontarians by supporting approximately 2,400 eligible participating charities. This support is generated through 37 Charitable Gaming Centres, which is a partnership between OLG, service providers, municipalities, and charitable organizations in Ontario. Since its inception in 2005, the Charitable Gaming program has raised more than \$630 million for charities across Ontario. By the end of fiscal 2024-25, the new Delta Bingo Etobicoke — Delta Bingo & Gaming’s flagship and largest location — was set to open to the public. The site, which was relocated from St. Clair Avenue West in Toronto, is the first Charitable Gaming Centre in Ontario to feature a full-service PlaySmart Centre.

OLG also supports Ontario’s horse racing industry with annual operational funding. In addition, we work in close partnership with Ontario Racing to help promote horse racing as a unique entertainment experience. In fiscal 2024-25, OLG conducted its second horse racing economic assessment survey in partnership with racetracks, horse racing groups and associations. The results of the survey will help OLG and the industry better understand how the horse racing landscape has changed since OLG’s first comprehensive economic impact study in 2019, as well as help quantify the current economic impact of the industry in Ontario.

Maintaining strong relationships with our industry partners is crucial to achieving our key strategic priorities and identifying new opportunities for growth. OLG tracks how satisfied our Land-based Gaming partners are with OLG using a Net Promoter Score (NPS) — a widely-used market research metric — which measures on an 11-point scale how likely it is a respondent will refer OLG as a supportive partner. Our fiscal 2024-25 NPS score was 39 — 11 points above target.

In fiscal 2024-25, Gross Gaming Revenue (also referred to as Proceeds) from Land-based Casino Gaming was \$3.8 billion, or 10 per cent below budget. In addition, Casino Gaming service providers employed approximately 9,137 full-time equivalent (FTE) employees. Land-based Casino Gaming Gross Gaming Revenue and service provider FTEs were below targets, as both were impacted by the continued economic pressures affecting discretionary spend at casino locations.

Measuring Progress			
Key Performance Indicator	Definition	2024-25 Target	2024-25 Actual
Land-based Gaming Partner Net Promoter Score	Measure of how satisfied service providers and industry partners are with OLG’s partnership using a customized version of the Net Promoter Score, a widely used market research metric	28	39
Land-based Casino Gaming Gross Gaming Revenue	Measures OLG Gross Gaming Revenue	\$4.26B	\$3.82B

Land-based Casino Gaming Service Provider FTEs	Measures total number of service provider FTEs at our land-based casino sites	10,035	9,137
Land-based Casino Gaming Capital Investment	Measures annual capital investment by service providers	\$275M	\$334M

PRIORITY 4: *Remove barriers to expand lottery and aggressively leverage as a competitive advantage.*

Lottery is core to our business and remains a key source of brand equity for us across the province. We are replenishing our popular lottery product portfolio and extending our reach into new distribution channels, while investing in new technology to allow for faster time-to-market and introducing new exciting and convenient ways to play.

In June 2024, we began rolling out an additional 569 self-serve lottery terminals in select retail locations, bringing the total number of terminals in market to 710. The terminals offer all national and regional draw-based lottery games, as well as a variety of INSTANT products. In September 2024, Ontario became the first province to introduce sales of select national lottery products in checkout lanes at Ontario Dollarama stores.

While we continue to expand our reach, we are also introducing new and exciting games — inspired by what our customers want — and improving existing games that our players love.

Customers now have the chance to win a larger LOTTO MAX jackpot for the same ticket price after the maximum jackpot prize amount grew from \$70 million to \$80 million in September 2024. The LOTTO MAX jackpot first reached the new \$80 million cap that same month — and one of the two winning tickets for that draw was sold in Ontario.

In June 2024, we launched TRIPLE MILLIONS — an exciting, new offering with a raffle-style game structure that guaranteed all prizes would be won. The limited-time game included 408 prizes ranging from \$1,000 to \$1 million, with three early bird prizes of \$50,000.

OLG is proud to be a longstanding supporter of amateur athletes in Ontario. In July 2024, just in time for the 2024 Olympic and Paralympic Games, OLG launched a new \$2 INSTANT QUEST FOR GOLD game, which featured Ontario amateur athletes who have received Quest for Gold funding during their careers. Ontario’s Quest for Gold program supports high-performance amateur athletes, easing the financial burden of training and living expenses, enabling them to pursue their Olympic and Paralympic dreams.

And, in November 2024, OLG launched its new, first-of-a-kind \$5 INSTANT MONEY MACHINE game. Top prize winners have the opportunity to step inside a real MONEY MACHINE where they have 30 seconds to collect as many “bills” as they can for a guaranteed prize between \$25,000 to \$100,000.

Beyond introducing new or improved products, we continue to seek new ways to offer unparalleled and engaging gaming experiences. This includes LOTTO MAX Thrift Drop, which launched in July 2024. The limited-time promotion offered Ontarians the chance to purchase items from a wearable art collection that included handmade hoodies, jackets and shirts made entirely from thrifted textiles. The purchase also included a lottery bonus that could be used toward one year’s worth of LOTTO MAX tickets. All proceeds from the Thrift Drop collection went to support an Ottawa-based charity dedicated to reducing textile waste and empowering women through sewing skills development.

In fiscal 2024-25, the lottery participation rate, which measures how often Ontarians play the lottery, was aligned with target at 46 per cent. In addition, total retail Lottery proceeds was \$4.15 billion, which

was below target due to lower average sales per jackpot for LOTTO MAX and LOTTO 6/49 and lower-than-expected Regional Lotto sales.

Measuring Progress			
Key Performance Indicator	Definition	2024-25 Target	2024-25 Actual
Player Participation	Measures how often Ontarians play with OLG	46%	46%
Retail Lottery Proceeds	Measures OLG's annual retail lottery performance	\$4.43B	\$4.15B

PRIORITY 5: *Obsess over understanding our customers and player health — and be exceptional partners to our stakeholders.*

Across all lines of business, OLG is prioritizing player health and evolving our products and ways of working to align to customer expectations. Customer obsession is guiding OLG towards a deeper understanding of players across products and channels. We are investing in our customer experience tools and platforms to gain a better understanding of the customer, so that we can rapidly interpret and respond to their emerging preferences — and improve the end-to-end customer journey.

In fiscal 2024-25, OLG implemented a customer data platform to help personalize marketing and player support across all channels and expanded our Voice of Customer program, a customer listening and experience management platform, to continually survey over 200,000 customers annually.

To measure how satisfied our players are with their gaming experience, OLG utilizes two customer satisfaction scores — one centered around products, the other around services. In fiscal 2024-25, our Customer Satisfaction Scores for products and services were 52 per cent and 73 per cent, respectively. Both scores were slightly below target by 1 per cent.

Fiscal 2024-25 was a challenging year to meet our customer satisfaction targets. Voice of Customer insights revealed a changing entertainment landscape, marked by declines in visits to traditional channels and evolving product preferences. This shift resulted in fewer casual players and heightened customer expectations.

Today's customers seek more fun, social, and interactive experiences that are convenient and on-demand. OLG is responding by introducing new experiences that resonate with both current and future players. This includes the launch of a new category — Arcade games — on OLG.ca and the OLG app, the introduction of Money Machine at Lottery retail locations and the addition of Same Game Parlays on PROLINE. To address the changing market and customer landscape, OLG also developed a new enterprise-wide customer segmentation and a cohesive plan to drive sustainable customer growth. This plan emphasizes the need for our brand, products, and experiences to evolve together and aligns our organization's focus on a customer segment for the future.

At OLG, player health is our focus. We know that success in responsible gambling requires an ecosystem of participants and activities, and a spirit of collaboration and partnership. That's why in October 2024, OLG brought its Land-based Gaming service providers and other industry representatives together for the PlaySmart forum — an annual event dedicated to sharing knowledge and driving positive change in responsible gambling at Ontario casinos and Charitable Gaming Centres. Since 2010, PlaySmart Champions have been advancing PlaySmart culture and awareness among staff and players at casinos across Ontario. In fiscal 2024-25, OLG introduced the role at

Charitable Gaming Centres, where champions are now supporting their colleagues as key enablers of positive play and harm reduction

All OLGers contribute to PlaySmart, no matter what job they do. OLG is committed to increasing internal awareness of the program and ensuring employees understand the importance of helping players to make informed choices when gambling. In March 2025, OLG hosted a PlaySmart forum specifically for OLG staff across the organization. The event featured expert guest speakers and educational workshops to equip employees with the tools and knowledge they need to keep player health at the forefront of all aspects of our business. In addition, OLG’s Customer Care Player Services staff completed additional comprehensive training in fiscal 2024-25. The training was delivered by facilitators in recovery from gambling disorder to help the Customer Care team identify and properly respond to problem gambling warning signs while interacting with players, particularly digital players. In the next fiscal year, OLG expects to launch refreshed and enhanced PlaySmart training for staff at all levels of the organization.

Empirical evidence is the foundation of PlaySmart and we use key performance indicators, metrics, and predictive analytics to continuously improve our efforts in a measurable way. This includes using an Enterprise Player Health Index (EPHI), which provides a measure of problem gambling risk in our player base across all OLG lines of business. While all divisional targets for player health were met in fiscal 2024-25, the overall EPHI target was below target by less than 1 per cent. This was the result of lower Lottery participation in the fourth quarter, which had a disproportionate impact on the enterprise result for the fiscal year. Lottery typically contributes a large share of the enterprise score and has historically shown strong player health results. OLG’s player health rates remain strong overall and our enterprise rate of 94 per cent compares favourably to the Ontario population baseline and results from other Canadian lottery and gaming jurisdictions.

OLG will continue to set ambitious divisional and enterprise targets for player health. We are committed to improving and evolving our PlaySmart responsible gambling program, through emerging research and best practices — because we value our players’ overall well-being and want them to play in an informed and responsible way.

Measuring Progress			
Key Performance Indicator	Definition	2024-25 Target	2024-25 Actual
Customer Satisfaction Score (Products)	Measures the rate of satisfied players across retail and digital products	53%*	52%
Customer Satisfaction Score (Services)	Measures the rate of satisfied players across retail and digital services	74%*	73%
Enterprise Player Health Index**	Measures OLG’s player health across all lines of business	95%*	94%

*Target updated from OLG’s Fiscal 2025-28 Business Plan.

**Score is calculated as an estimate of the % of all recent OLG players who are not identified as potentially high-risk for gambling problems using a problem gambling screener that is sent out quarterly.

PRIORITY 6: *Ensure internal operations enable efficient, effective and successful execution of our strategic priorities and organizational objectives.*

By strengthening our capabilities, processes and technology, we can ensure they enable effective and successful execution of our strategic priorities. Our operational enablers are OLG’s shared services

functions related to the technology, tools, people and processes that support how we work together, find efficiencies and mitigate risk.

OLG does not tolerate fraud, money laundering or financial crime at our gaming sites or through our services. We have a robust anti-money laundering and terrorist financing (AML) program, which aims to prevent, detect and disrupt potential money laundering and terrorist financing risks at all gaming sites that OLG conducts and manages; and to meet or exceed all AML regulatory requirements. OLG’s program works in collaboration with the entire AML ecosystem, including gaming site operators, regulators and law enforcement. Through the program, OLG is continually enhancing policies and procedures, providing training for operators and OLG staff, and monitoring potential issues. OLG also works with law enforcement to protect lottery retailers through fraud prevention education and has provided intelligence and evidence to law enforcement agencies leading to arrests of criminals targeting our retailers.

We take the integrity of gaming seriously and use an AML Health Index to measure the operating effectiveness of AML Compliance Program components. In fiscal 2024-25, OLG’s AML Health Index score was 93 per cent.

Cybersecurity is another important area of focus for OLG. We develop and deliver enterprise security strategies and programs to protect our information and technology, as well as ensure security mechanisms and controls are established for the organization and our third-party service providers.

In November 2024, we hosted our second cybersecurity summit for our Land-based casino service providers that focused on the topic of artificial intelligence (AI) and its rapid influence on the cybersecurity landscape. Our invited panel of industry partners and leading experts led important discussions on how AI can help the gaming industry protect itself from new and emerging threats. The insights and strategies they shared helped enable our gaming industry partners to bolster their own resilience to cybersecurity threats, ultimately helping us all better protect players.

In January 2025, following a successful pilot, OLG introduced a new email security solution for employees called Darktrace. Using AI to detect and respond to advanced email threats, Darktrace helps to intervene and protect OLGers from a full range of cyberattacks targeting email inboxes.

Measuring Progress			
Key Performance Indicator	Definition	2024-25 Target	2024-25 Actual
Anti-Money Laundering Health Index*	Measures a series of indicators that evaluate performance by OLG and service providers	85%	93%

**Composite score measuring the operating effectiveness of AML Compliance Program components.*

SUSTAINABILITY AT OLG

For 50 years, OLG has existed to do good. From the very first lottery draw in 1975, OLG has been contributing to a better Ontario — it is our purpose, what we stand for and what is guiding us on our path to a more sustainable future.

We work closely with all stakeholders to live our purpose every day — whether it is providing revenue to the Province to invest in government priorities, working with our partners to build stronger communities and create local jobs, or fostering a strong culture of safe, responsible gambling to help players make healthy gaming choices.

We recognize the important role our sustainability efforts play in strengthening the positive impact we have in Ontario. Sustainability connects the way we do good across all areas of our business and supports the bottom line by aiding the delivery of greater long-term impact and value. As we work to advance sustainability, we measure our impact against three core pillars of action — good for players, good for communities and good business. This includes our work in three priority areas: responsible gambling (RG), strengthening our relationships with Indigenous communities and our commitment to Equity, Diversity and Inclusion.

RESPONSIBLE GAMBLING — PLAYSMAK PROGRAM

We know that to keep doing good for Ontario, we must continue to put our players first and work to build a healthy, sustainable player base. OLG invests annually to prioritize player health and safety in a way that contributes to long-term revenue generation, growth, and the financial stability of our business — which in turn makes our ability to give back even greater.

In fiscal 2024-25, OLG directed over \$34 million to RG programming and resources, including PlaySmart Centres, education and technology, program delivery, staff training, and self-exclusion. We also continued our work renovating PlaySmart Centres (PSC) at casinos and Charitable Gaming Centres to create more accessible and informative educational spaces for players. PSCs are located in casinos and Charitable Gaming Centres and are operated on behalf of OLG by the Responsible Gambling Council (RGC). In July 2024, OLG, alongside Rama First Nation Chief Ted Williams and members of the RGC, celebrated the launch of the newly renovated and relocated PlaySmart Centre at Casino Rama Resort. All parties closely collaborated with Rama First Nation to incorporate culturally appropriate Anishinaabe elements into the Centre's design. At the end of fiscal 2024-25, nine PSCs had been renovated with more renovations slated for fiscal 2025-26.

In Digital Gaming, OLG continues to review and improve our RG program for online players, to build a healthy and sustainable digital player base. To elevate our commitment to support at-risk players, we are enhancing PlaySmart tools to provide more information and support, including the new My Play History Dashboard designed to help players track their play and PlaySmart limits. In fiscal 2024-25, OLG also launched the Virtual PlaySmart Centre that extends the responsible gambling support available at casinos to our online players through a dedicated phone number. Players who call the phone number are connected directly with RGC staff who can help provide or direct them to the resources they might need.

We know that self-exclusion can be an effective tool when players feel they need to stay away from gambling. Part of OLG's extensive suite of PlaySmart RG tools, My PlayBreak offers players flexibility, control and choice — whether they want to take a break from play at an Ontario casino or Charitable Gaming Centre, or on OLG.ca. In August 2024, iGaming Ontario announced it had selected a service provider to develop a new centralized self-exclusion system for Ontario, which will be the first of its

kind in North America. With the new centralized self-exclusion system, players will be able to self-exclude from all regulated iGaming sites in Ontario at once, including OLG.ca.

In fiscal 2024-25, OLG's PlaySmart program was recertified at the highest level (Level 4) by the World Lottery Association (WLA). OLG has been WLA certified at Level 4 since 2010. In addition, our internet gaming site, OLG.ca is RG Check accredited by RGC — the most comprehensive responsible gambling accreditation program in the world.

COMMITMENT TO INDIGENOUS COMMUNITIES

OLG is deeply committed to its relationship with First Nations through a more collaborative approach, and by work that advances the Truth and Reconciliation Commission of Canada. We are always looking for ways to strengthen our relationships with Indigenous Peoples in Ontario by building new pathways of understanding, respect, and action.

OLG shares 1.7 per cent of the Corporation's annual Gross Revenues as defined in the Gaming Revenue Sharing and Financial Agreement (GRSFA) to Ontario First Nations (2008) Limited Partnership (OFNLP), which then distributes it to 132 First Nations in Ontario. In fiscal 2024-25, \$186 million was paid to OFNLP through revenue sharing agreements. In addition, both the Mississaugas of Scugog Island First Nation, which hosts Great Blue Heron Casino, and Rama First Nation, which hosts Casino Rama, benefit directly from payments related to the gaming sites they host — as well as from direct and indirect economic development, including the creation of jobs.

We know that our commitment to Ontario's Indigenous communities must go past financial investments. We are developing a roadmap called the OLG Reconcili-Action Strategy, which will provide a thoughtful, actionable path to advance the principles of Truth and Reconciliation to strengthen our relationship with First Nations.

In May 2024, as an important step in our effort to engage our employees in this important work, we launched the first ever Indigenous-focused Thunderbird Network. The employee-led group will participate in the development and implementation of the Reconcili-Action Strategy within, and beyond OLG's walls, by helping OLGers celebrate Indigenous culture, strengthen knowledge, and build organizational capacity to connect with Indigenous communities.

In fiscal 2024-25, to help OLGers understand the impacts of Residential Schools, OLG employees participated in a number of sessions of Algoma University's Indigenous-led Grow with Gabegendaadowin training program. The course, named for a word meaning mutual respect, thoughtfulness, care, consideration, and awareness for others, is an interactive two-day learning program that works to bridge knowledge and culture gaps between Indigenous and non-Indigenous peoples, and will help our employees better serve those communities.

EQUITY, DIVERSITY AND INCLUSION

OLG values and fosters Equity, Diversity and Inclusion (EDI) as essential elements of our culture. We strive to create an environment where employees have the space to be themselves and use their unique perspectives, experiences and skills to benefit the people and the Province of Ontario.

Our commitment to EDI helps us better serve our communities. It provides insight into the makeup of our workforce and how employees engage with OLG's culture, programs and policies. EDI is a throughline across all aspects of OLG's business and understanding these principles supports us in achieving stronger results.

Our focus on EDI has driven meaningful advancements in building a more inclusive culture. Some of this progress has received external recognition. This include OLG being named to the Forbes Canada's Best Employers for Diversity list for the second consecutive year in July 2024.

In fiscal 2024-25, education for employees on various topics continued to be a focus including training for employees and leaders on building psychological safety for employees. In addition, our Employee Resource Groups hosted numerous educational events to raise awareness and broaden understanding of relevant and trending EDI topics. These events bring OLGers together in a safe place to express ideas, build allyship and share experiences that impact the workplace.

GOVERNANCE

The legislative authority of the Corporation is set out in the *Ontario Lottery and Gaming Corporation Act, 1999* (the Act). Classified as an Operational Enterprise Agency, OLG has a single shareholder, the Government of Ontario. In fiscal 2024-25, OLG reported through its Board of Directors to the Minister of Tourism, Culture and Gaming. Members of the Board of Directors and its Chair are appointed by the Lieutenant Governor in Council. Neither the Chair, nor the members of the Board, are full-time, nor are they members of management.

BOARD MANDATE

OLG's Board of Directors is appointed by the Lieutenant-Governor, through Orders-in-Council, on the recommendation of the Premier and the Minister. Board members bring with them experience from a wide range of businesses and industries, in both the public and private sectors, as well as a wide breadth of expertise in areas like Governance, Business Transformation, Public Policy, First Nations Relations, Cybersecurity, Corporate Social Responsibility, RG and more. The Board of Directors is responsible for ensuring that OLG's management is helping OLG achieve optimal performance and increasing shareholder value. The Board of Directors achieves this by:

- Establishing goals, objectives and strategies for OLG that are consistent with our mandate and applicable government policies;
- Approving the annual business plan, operating budget, and capital budgets;
- Defining and assessing business risks;
- Reviewing the adequacy and effectiveness of internal controls in managing risks;
- Appraising the performance of the President and Chief Executive Officer;
- Overseeing a code of conduct to ensure the highest standards in dealing with customers, suppliers, and staff, with due regard to ethical values and the interests of the community at large in all corporate endeavours;
- Tracking the overall performance of the Corporation;
- Remaining informed and provide input, as required, concerning communications with the Government of Ontario and stakeholders; and
- Ensuring compliance with key policies, laws and regulations.

BOARD OF DIRECTORS

The following directors served as members of the Board during fiscal 2024–25.

The total remuneration made to OLG’s Board of Directors in fiscal 2024–25 was \$282,600.

Director	Term(s)	Board Meetings Attended in fiscal 2024-25	Remuneration ¹
Jim Warren (Chair)	Dec. 21, 2021 to Dec. 20, 2024; Dec. 21, 2024 to Dec. 20, 2025	7	\$146,700
Joseph Bisceglia	Jun. 22, 2023 to Jun. 21, 2026	7	\$14,100
Karen Gordon	Mar. 30, 2022 to Mar. 29, 2025; April 24, 2025 to April 23, 2026	7	\$17,200
Vikram Khurana	Jan. 17, 2020 to Jan. 16, 2023; Jan. 17, 2023 to Jan. 16, 2026	6	\$15,100
Jean Major	Jun. 22, 2023 to Jun. 21, 2026	7	\$15,500
Tom Marinelli	Mar. 10, 2022 to Mar. 9, 2025	7	\$18,000
Robert Poirier	Mar. 30, 2022 to Mar. 29, 2025; April 24, 2025 to April 23, 2026	7	\$18,350
Jennifer Roedding	Mar. 10, 2022 to Mar. 9, 2025	7	\$25,050
Steve Williams	May 27, 2015 to May 26, 2017; May 27, 2017 to May 29, 2019; May 30, 2019 to May 29, 2021; May 30, 2021 to May 29, 2023; May 30, 2023 to May 29, 2025; June 5, 2025 to June 4, 2026	5	\$12,600
			Total: \$282,600

¹ Remuneration includes Board meeting attendance, preparation, participation in various Board committee meetings and other Board activities. Certain committee chairs receive additional remuneration.

Biographies of current Board members can be found at <https://about.olg.ca/our-company/our-people/our-board-of-directors/>

BOARD COMMITTEES

As of March 31, 2025, the OLG Board of Directors operated through four working committees.

AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee assists the Board in fulfilling its oversight responsibilities by reviewing and monitoring the Corporation's financial statements, systems of internal controls including those over financial reporting, capital expenditure program and Enterprise Risk Management program, as well as the compliance systems that have been established including OLG's Gaming Control Act, AML and cybersecurity compliance programs. The Committee also has a Sub-Committee to specifically assist with oversight of compliance. In addition, the Committee assists the Board by examining and overseeing the financial matters of the Corporation. It reviews the budget framework, policies, and procedures, oversees, and contributes to the development of the annual budget and projections and reviews financial performance.

GOVERNANCE AND CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Governance and Corporate Social Responsibility Committee assists the Board in developing and monitoring governance policies and practices. It helps identify policy areas for review and presents recommendations to the Board for consideration so that the Board can ensure the Corporation's adherence to high standards in corporate governance. In addition, the Committee assists the Board and the Corporation in fulfilling its social responsibility in the conduct of its business. It examines and oversees such areas as responsible gambling, game integrity and social responsibility considerations that are material to the delivery of gambling in Ontario.

PEOPLE, CULTURE AND COMPENSATION COMMITTEE

The People, Culture and Compensation Committee helps ensure that the Corporation has compensation, organizational structure and capabilities, health and safety, performance management, succession planning, employee relations, and sufficient organizational strength at the senior management level to achieve its short- and long-term goals. It also recommends, for Board approval, compensation and benefit plans.

TRANSFORMATION AND TECHNOLOGY COMMITTEE

The Transformation and Technology Committee assists the Board in overseeing matters pertaining to the development and review of the Corporation's strategic plans and the development, review and implementation of associated information technology and major business transformation plans and programs aimed at achieving the Corporation's mission, vision, strategic direction, objectives, and goals.

Information on OLG Board committees and their members can be found at <https://about.olg.ca/our-company/our-people/our-board-committees/>

EXECUTIVE LEADERSHIP TEAM

As of March 31, 2025, senior executives responsible for day-to-day operations were:

Duncan Hannay, President and Chief Executive Officer

Pinder Basi, Chief Financial Officer; Acting Chief Lottery & Customer Care Officer

Hestie Benn, Vice President, Internal Audit

Michelle Eaton, Senior Vice President, Corporate Affairs

Janine Leahey, Chief Technology & Information Officer

David Pridmore, Chief Gaming Officer

Tony Wong, Senior Vice President, Governance, Legal and Compliance, General Counsel and Corporate Secretary; Acting Chief Risk Officer

Esther Zdolec, Senior Vice President, People and Culture

Biographies of current ELT members can be found at <https://about.olg.ca/our-company/our-people/our-leadership-team/>

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the fiscal year ended March 31, 2025

1. Introduction and Disclosures

The following Management's Discussion and Analysis (MD&A) is a commentary on the consolidated financial position and financial performance of the Ontario Lottery and Gaming Corporation (OLG or the Corporation) and should be read together with the audited Consolidated Financial Statements of OLG for the fiscal year ended March 31, 2025.

The Consolidated Financial Statements have been prepared in accordance with IFRS Accounting Standards (IFRS). Amounts are presented in Canadian dollars and are rounded to the nearest million.

Certain comparative figures in this MD&A have been reclassified from OLG's fiscal 2023-24 annual report, where necessary, to conform to the current year's presentation. As well, certain budget figures in this MD&A have been updated from OLG's fiscal 2024-25 Business Plan. As a result of organizational changes between Lottery and Corporate Services in fiscal 2024-25 to support the Game ON strategy, certain expenses moved between lines of business. In addition, in order to present the portion of Corporate services that is attributed to supporting the revenue generating lines of business, Corporate services expenses have been allocated to the lines of business in fiscal 2024-25. Corporate Services expenses are incurred by functions that provide integral support to the operations and enable OLG's performance through people, strategic support and technology. Expertise and services are provided across the Corporation in support of the three lines of business.

Please note that financial figures have been rounded or truncated, which means that certain charts or tables may not add or cross-tabulate.

The Board of Directors, on the recommendation of its Audit and Risk Management Committee, approved the contents of this MD&A on June 24, 2025.

Forward-Looking Statements

This MD&A contains forward-looking statements about expected or potential future business and financial performance. For OLG, forward-looking statements include but are not limited to: statements about possible transformation initiatives; future revenue and profit guidance; and other statements about future events or conditions. Forward-looking statements involve uncertainties that could cause actual results to differ materially from those projected. These uncertainties include but are not limited to: the economic environment; customer demand; changes in government policy; the outcome of disputes; the competitive environment; and the timing and scale of potential capital investments.

Although such statements are based on management's current estimates, expectations and currently available competitive, financial and economic data, forward-looking statements are inherently uncertain. The reader is cautioned that a variety of factors could cause business conditions and results to differ materially from what is contained herein.

Non-IFRS measures

In the following analysis, OLG uses several key performance indicators and non-IFRS measures which management believes are useful in assessing the Corporation's performance. Readers are cautioned that these measures may not have standardized meanings under IFRS and therefore may not be comparable to similar terms used by other companies.

Proceeds from Lottery and Gaming (Proceeds) represents:

Lottery (Retail):

- Sales from retail Lottery products (including regional and national LOTTO, INSTANT and Sports) before the deduction of prizes.

Land-based Gaming (Casino Gaming and Charitable Gaming):

- Net win before the deduction of service provider fees.

Digital Gaming:

- Net win from casino-style games (iCasino) and digital Sports products (iSports) played on OLG's digital gaming platform, and
- Sales from Lottery products purchased on OLG's digital gaming platform (iLottery) before the deduction of prizes.

Lottery prizes, which are recorded as a reduction of proceeds from lottery and gaming, represent prizing for retail Lottery products and for Lottery products (excluding iSports products) purchased on OLG's digital gaming platform.

Service provider fees, which are recorded as a reduction of gaming revenue to arrive at net gaming revenue, represent fees paid to, or on behalf of, Charitable Gaming and Casino Gaming service providers.

The Corporation considers proceeds to be a key measure of performance that is most reflective of its product offerings and its arrangements with third parties.

Net Income before the undernoted represents net income before the deduction of win contribution and/or stakeholder payments primarily comprising horse racing funding, First Nations payments, charity payments, host municipality commissions and payments to the Government of Canada.

Net Profit to the Province (NPP) before Corporate Services Allocations ("NPP Before Allocations" or "NPP") is calculated on an accrual basis by adding back win contribution to net income. Win contribution is the amount the Corporation remits to the Province of Ontario equal to 20 per cent of gaming revenue, as defined, generated at Caesars Windsor, Casino Rama, Casino Niagara, Fallsview Casino and the Great Blue Heron Casino, in accordance with the Ontario Lottery and Gaming Corporation Act, 1999.

Net Profit to the Province referenced in this report reflects Net Profit to the Province before Corporate Services Allocations (excluding Corporate Services allocations).

The Corporation considers NPP to be most reflective of its financial performance and uses it for setting targets for the Corporation.

NPP after Corporate Services Allocations ("NPP After Allocations") is calculated as NPP after costs of corporate services division are allocated to each line of business.

Other non-IFRS measures used in this document may be specific to the line of business in which they are used and are defined when they are first introduced.

Reconciliations to Revenue and Net Income (Loss) by Line of Business

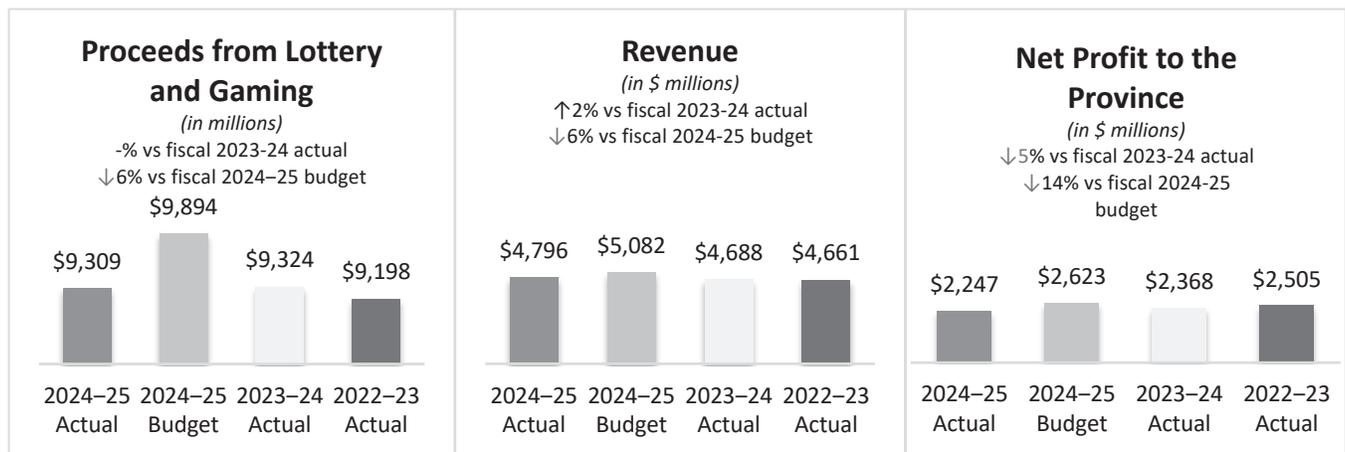
(in \$ millions)

	2024-25					2023-24				
	Lottery	Land-based Gaming	Digital	Corporate Services	Consolidated	Lottery	Land-based Gaming	Digital	Corporate Services	Consolidated
Proceeds bridged to Revenue										
Proceeds from Lottery and Gaming	\$ 4,149	\$ 4,278	\$ 882	\$ -	\$ 9,309	\$ 4,221	\$ 4,353	\$ 750	\$ -	\$ 9,324
Less: Lottery prizes	(2,443)	-	(151)	-	(2,594)	(2,466)	-	(120)	-	(2,586)
Gaming revenue	1,706	4,278	731	-	6,715	1,755	4,353	630	-	6,738
Less: Service provider fees	-	(2,083)	-	-	(2,083)	-	(2,211)	-	-	(2,211)
Net gaming revenue	1,706	2,195	731	-	4,632	1,755	2,142	630	-	4,527
Lease revenue	-	120	-	-	120	-	119	-	-	119
Non-gaming revenue	-	44	-	-	44	-	42	-	-	42
Revenue	\$ 1,706	\$ 2,359	\$ 731	\$ -	\$ 4,796	\$ 1,755	\$ 2,303	\$ 630	\$ -	\$ 4,688
NPP bridged to Net Income										
Net Profit (Loss) to the Province before Allocations	\$ 863	\$ 1,181	\$ 417	\$ (214)	\$ 2,247	\$ 922	\$ 1,318	\$ 328	\$ (200)	\$ 2,368
Less: Win contribution	-	(193)	-	-	(193)	-	(201)	-	-	(201)
Net Income (Loss)	\$ 863	\$ 988	\$ 417	\$ (214)	\$ 2,054	\$ 922	\$ 1,117	\$ 328	\$ (200)	\$ 2,167
NPP after allocations bridged to Net Income										
Net Profit to the Province after Allocations	\$ 750	\$ 1,119	\$ 378	\$ -	\$ 2,247	\$ 816	\$ 1,260	\$ 292	\$ -	\$ 2,368
Add: Corporate Services Allocations	113	62	39	(214)	-	106	58	36	(200)	-
Net Profit (Loss) to the Province before Allocations	\$ 863	\$ 1,181	\$ 417	\$ (214)	\$ 2,247	\$ 922	\$ 1,318	\$ 328	\$ (200)	\$ 2,368
Less: win contribution	-	(193)	-	-	(193)	-	(201)	-	-	(201)
Net Income (Loss)	\$ 863	\$ 988	\$ 417	\$ (214)	\$ 2,054	\$ 922	\$ 1,117	\$ 328	\$ (200)	\$ 2,167

2. Executive Summary

Despite continued economic challenges and a rapidly evolving gaming market — both factors impacting how much and where consumers choose to spend on discretionary entertainment — OLG delivered proceeds of \$9.3 billion in fiscal 2024-25, which is aligned with fiscal 2023-24. The provincial iGaming industry market has grown to almost \$4 billion, roughly the same size as the land-based casino market in Ontario, with a portion of this industry growth driven in part by the migration of play from land-based casinos.

With NPP of \$2.2 billion for the fiscal year – or over \$2.4 billion when excluding a one-time provision – OLG continues to be one of the largest contributors to the province amongst provincial Government Business Enterprises.



Fiscal 2024–25 results compared to prior year:

Proceeds from Lottery and Gaming

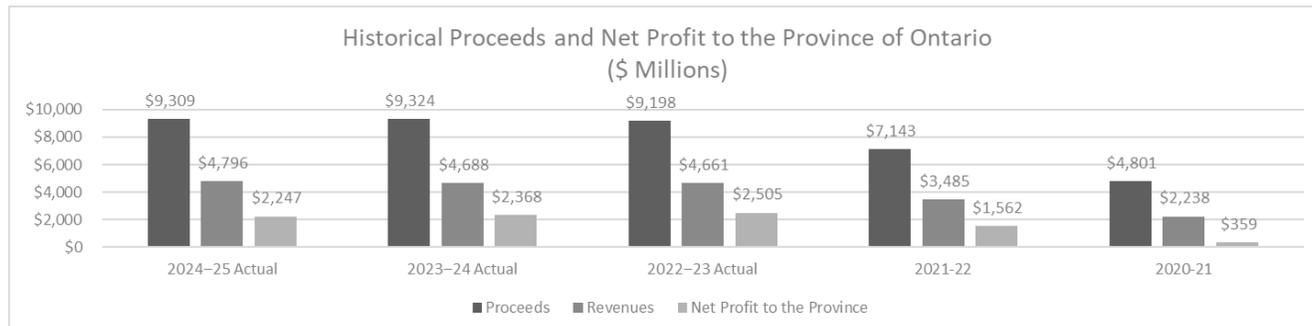
OLG’s proceeds from Lottery and Gaming were \$9.3 billion, aligned with prior year. Despite ongoing economic and competitive challenges, OLG delivered record Digital Gaming and Charitable Gaming proceeds. Digital Gaming proceeds were up \$132 million in fiscal 2024-25, marking significant year-over-year growth, while Charitable Gaming was up \$61 million from prior year. This growth was offset by reduced Casino Gaming and Lottery proceeds due to the continued effects of economic pressures on discretionary spend and increased digital gaming competition.

Revenues

Total revenues include net gaming revenue (total proceeds less lottery prizes and service provider fees), lease revenue and non-gaming revenue. For fiscal 2024-25, total revenues were \$4.8 billion, an increase of \$108 million or 2 per cent compared to prior year, primarily due to the strong performance of Digital and Charitable Gaming, as well as the return of casino gaming service providers to the historical Casino Operating and Services Agreement (COSA) compensation model.

NPP

A historical trending of OLG's total proceeds, revenues and NPP follows:



OLG consolidated NPP was \$2.2 billion, a decrease of \$121 million or 5 per cent compared to prior year, primarily due to a provision related to an ongoing legal matter. Without this provision, NPP would have been three per cent higher than prior year.

Fiscal 2024-25 results compared to budget:

Proceeds from Lottery and Gaming

OLG proceeds fell short of budget by \$585 million or 6 per cent due to continued economic and competitive challenges that resulted in lower-than-expected sales per jackpot for national draw-based lottery games and fewer casino visits and lower spend per casino patron consistent with other Canadian jurisdictions. Digital Gaming proceeds, meanwhile, exceeded budget driven primarily by higher-than-expected player count for iCasino and more high-value jackpots for iLottery.

Revenues

For fiscal 2024-25, revenues were unfavourable to budget by \$286 million or 6 per cent due to lower-than-expected Land-based Gaming and Lottery results, while Digital Gaming revenue exceeded budget as noted above.

NPP

NPP was unfavourable to budget by \$376 million or 14 per cent primarily due to the flow through impact of proceeds and revenue noted above and a provision related to an ongoing legal matter. Without this provision, NPP would have been \$187 million or 7 per cent below budget.

3. Results of Operations – Lines of Business

A. Lottery (Retail)

Highlights:

- Lottery retail proceeds and NPP were \$4.1 billion and \$863 million, respectively.
- Lottery retail prizes provided to OLG’s valued customers totaled \$2.4 billion.
- The maximum LOTTO MAX jackpot increased from \$70 million to \$80 million in September 2024.
- Regional Lotto launched TRIPLE MILLIONS – a new, limited availability, raffle game featuring guaranteed prizes up to \$1 million.
- New INSTANT ticket products included \$5 MONEY MACHINE – which features a new, interactive experience for top prize winners to win up to \$100,000.
- OLG deployed an additional 569 self-serve lottery terminals at select retail locations, bringing the total self-serve lottery terminals in retail to 710.
- OLG’s retailer base grew to over 10,000 retailers across the province by adding almost 500 new Dollarama locations that offer LOTTO MAX and LOTTO 6/49 along with new lottery retail partners like The Beer Store, Pizza Pizza and Canadian Tire.

Summary data from Statement of Comprehensive Income – Lottery (Retail)

	For the fiscal year			
	(in millions of dollars)			
	2024-25	2023-24	\$ Variance	% Variance
Proceeds	\$ 4,149	\$ 4,221	(72)	(2)
Less: Lottery prizes	(2,443)	(2,466)	23	1
Revenue	1,706	1,755	(49)	(3)
Expenses before Stakeholder payments	626	619	(7)	(1)
Net income before the undernoted	1,080	1,136	(56)	(5)
Less: Stakeholder payments	(217)	(214)	(3)	(1)
Net income	863	922	(59)	(6)
Net Profit to the Province before Allocations	\$ 863	\$ 922	(59)	(6)
Less: Corporate Services Allocations	(113)	(106)	(7)	(7)
Net Profit to the Province after Allocations	\$ 750	\$ 816	(66)	(8)

A.1. Year over year financial results

Proceeds

Lottery retail proceeds for fiscal 2024-25 were \$4.1 billion, a decrease of \$72 million or 2 per cent from the prior year, primarily due to lower retail proceeds for regional, INSTANT and sports games.

The following table shows Lottery retail proceeds and prize information by type of game:

Product Grouping	Number of Games		Proceeds (in millions of dollars)		Percentage of Proceeds		Prizes (in millions of dollars)	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
For the fiscal year								
Lotto (national and regional)	16	16	\$ 2,259	\$ 2,237	54%	53%	\$ 1,154	\$ 1,109
INSTANT	127	113	\$ 1,578	\$ 1,632	38%	39%	\$ 1,060	\$ 1,099
Sports	2	2	\$ 312	\$ 352	8%	8%	\$ 229	\$ 258
Totals	145	131	\$ 4,149	\$ 4,221	100%	100%	\$ 2,443	\$ 2,466

Below are items that affected OLG's year-over-year performance:

- Proceeds for national Lotto games (e.g., LOTTO MAX, LOTTO 6/49) increased \$42 million in fiscal 2024-25 primarily driven by a record number of LOTTO MAX jackpots exceeding \$50 million, including four \$80 million jackpots; partly offset by lower sales per jackpots.
- Proceeds for regional Lotto games (e.g., ENCORE, LOTTARIO and ONTARIO 49) decreased \$20 million from prior year, primarily due to lower sales of DAILY and WATCH & WIN games.
- Proceeds for INSTANT games decreased by \$54 million compared to prior year reflecting broader North American lottery industry trends influenced by economic factors such as decreased discretionary spending, fewer retail store trips, and lower spend per trip.
- Proceeds for retail Sports decreased \$40 million compared to prior year, primarily due to a new policy which limits PROLINE wagers to \$100 per outcome, individually or combined, per customer, per day, per location.

Revenue

Lottery retail revenue was \$1.7 billion in fiscal 2024-25, a decrease of \$49 million or 3 per cent compared to prior year. The decrease was primarily due to the lower regional, INSTANT and sports proceeds, as described previously. Also contributing to the decrease was an Interprovincial Lottery Corporation (ILC) prize reserve refund which reduced prize expense in fiscal 2023-24.

NPP

NPP for fiscal 2024-25 was \$863 million, a decrease of \$59 million or 6 per cent compared to prior year. The lower revenue discussed previously, along with inflationary cost increases impacting ticket printing and system maintenance costs, amongst others, drove this variance.

A.2. Fiscal 2024–25 results compared to budget

Proceeds

Proceeds trailed budget by \$278 million or 6 per cent, primarily due to lower average sales per jackpot for LOTTO MAX and LOTTO 6/49 and lower-than-expected Regional Lotto sales. This was attributable to a shift in the launch of POWERBUCKS, a new retail Watch & Win game featuring the POWERBUCKS progressive jackpot as the top instant prize, from fiscal 2024–25

to 2025–26, as well as the cancellation of two event-style games. Also contributing to the shortfall were lower-than-expected INSTANT sales, driven by economic conditions, and lower-than-expected Sports proceeds driven by reduced consecutive wagering limits. This was partly offset by a record number of high value LOTTO MAX jackpots.

OLG is addressing the shortfall compared to budget by implementing the following strategies:

- Continued channel expansion via lottery self-serve terminals and new retailers
- High and low jackpot strategies to maximize awareness and expand player participation
- Media shift to maximize reach and Winners campaigns to combat winnability barrier
- Marketing shift to high-performing regional products and mid-priced games to attract casual and lapsed players
- New earned media tactics to support national games
- Continuation of price/value tactics to increase purchase frequency and sales

Revenue

Revenue was below budget by \$127 million or 7 per cent, due to lower proceeds, as described above, partially offset by lower prizing associated with lower proceeds.

OLG is addressing the shortfall compared to budget as discussed above in proceeds.

NPP

NPP trailed budget by \$107 million or 11 per cent, primarily due to lower revenue partially offset by lower marketing spend (due to shift in launch of POWERBUCKS), higher ILC recoveries due to higher interest income on funds held by the ILC and reduced regulatory fees.

OLG is addressing the shortfall compared to budget as discussed above in proceeds.

A.3. Lottery trends and risks

Lottery faces a number of risks:

- A reliance on a core player base that is shrinking in size and growing in age.
- Changes in consumer trends and expectations, including movement away from traditional retail channels.
- The ability of OLG's aging lottery platform to support current business needs and capitalize on new opportunities.
- Delayed impact of monetary policy easing, concerns over rising geo-political tensions, tariffs and other macro-economic factors that may have a greater-than-anticipated impact on discretionary spending.

To mitigate these risks, OLG's three-year Lottery strategy capitalizes on emerging market trends, targets newer and less active player segments, and creates unique customer experiences. This strategy is a continuation of the Game ON plan and aligns with the strategic pillars identified within. It will help OLG to:

- Understand and disseminate insights to define less active player segments and grow player participation for the future.
- Identify target customer preferences to devise actionable retention and acquisition strategies.
- Encourage testing of new ideas and improve speed to market to drive innovation across growth levers.

- Develop new products and experiences designed to attract new customers to the category and foster omni-channel growth.
- Enhance front-line services to drive increased personalization in service delivery.
- Leverage lottery terminals to enable new product offerings and stronger account management in the retail channel.
- Advance lottery technology to better align with business needs, innovations, product priorities and emerging trends and optimize resourcing plans to meet project timelines.

B. Land-based Gaming

Land-based Gaming represents Casino Gaming, Charitable Gaming and Horseracing.

Casino Gaming includes 29 Casino Gaming facilities operated by service providers under OLG's modernization model and one Casino Gaming facility operated by an operator under the former operating model. OLG is responsible for conducting and managing all 30 facilities.

Charitable Gaming comprises 37 Charitable Gaming Centres, which are operated by service providers. OLG is also responsible for conducting and managing Charitable Gaming Centres.

The Corporation continues to support the horseracing industry in Ontario through a 19-year funding agreement signed on April 1, 2019. This agreement ensures that OLG will continue to provide financial support for purses, operations, breeding programs and capital improvements at racetracks.

Highlights:

- Land-based Gaming saw proceeds of \$4.3 billion and NPP of \$1.2 billion.
- Casino Gaming proceeds and NPP were \$3.8 billion and \$1.5 billion, respectively.
- Charitable Gaming achieved record proceeds and NPP of \$458 million and \$38 million, respectively.
- Charitable Gaming achieved record annual payments to Ontario charities in fiscal 2024-25 of \$111 million, and surpassed life-to-date payments to charities of \$600 million.
- Great Canadian Entertainment held the grand opening of Great Canadian Casino Resort Toronto in May 2024.
- Hard Rock Ottawa continued construction at the Hard Rock Hotel & Casino Ottawa, with a launch date projected for fiscal 2025-26.
- Gateway continued construction of an expansion and refresh of Casino London and a refresh at Casino Rama with completion dates projected in late fiscal 2025-26.
- Casino Windsor procurement activities continued with a transition to the modernization model planned for late fiscal 2025-26.

Summary data from Statement of Comprehensive Income – Land-based Gaming¹

	For the fiscal year (in millions of dollars)			
	2024-25	2023-24	\$ Variance	% Variance
Proceeds	\$ 4,278	\$ 4,353	(75)	(2)
Less: Service provider fees	(2,083)	(2,211)	128	6
Net gaming revenue	2,195	2,142	53	2
Lease revenue	120	119	1	1
Non-gaming revenue	44	42	2	5
Revenue	2,359	2,303	56	2
Expenses before Stakeholder payments/Win contribution	305	317	12	4
Net income before the undernoted	2,054	1,986	68	3
Less: Stakeholder payments/Win contribution	(1,066)	(869)	(197)	(23)
Net income	988	1,117	(129)	(12)
Add: Win contribution	193	201	(8)	(4)
Net Profit to the Province before Allocations	\$ 1,181	\$ 1,318	(137)	(10)
Less: Corporate Services Allocations	(62)	(58)	(4)	(7)
Net Profit to the Province after Allocations	\$ 1,119	\$ 1,260	(141)	(11)

¹Land-based Gaming includes Casino Gaming, Charitable Gaming and Horse Racing costs.

B1. Casino Gaming

Summary data from Statement of Comprehensive Income – Casino Gaming

	For the fiscal year (in millions of dollars)			
	2024-25	2023-24	\$ Variance	% Variance
Proceeds¹	\$ 3,820	\$ 3,956	(136)	(3)
Less: Service provider fees	(1,817)	(1,977)	160	8
Net gaming revenue	2,003	1,979	24	1
Lease revenue	120	119	1	1
Non-gaming revenue	44	42	2	5
Revenue	2,167	2,140	27	1
Expenses before Stakeholder payments/Win contribution	296	297	1	0
Net income before the undernoted	1,871	1,843	28	2
Less: Stakeholder payments/Win contribution	(537)	(548)	11	2
Net income	1,334	1,295	39	3
Add: Win contribution	193	201	(8)	(4)
Net Profit to the Province before Allocations	\$ 1,527	\$ 1,496	31	2
Less: Corporate Services Allocations	(58)	(54)	(4)	(7)
Net Profit to the Province after Allocations	\$ 1,469	\$ 1,442	27	2

¹ Province wide payouts at land-based casinos were 91.5% for slots, 78.5% for live table games and 92.2% for sportsbook in fiscal 2024-25 (fiscal 2023-24 – 91.7%, 78.6% and 91.4%, respectively). The payout metric for live table games is calculated using table games hold, a metric consistently used for live table games across the gaming industry. This metric does not account for all wagers placed on live table games; however, it provides the percentage of all gaming chips purchased by customers that are retained by the casino.

B1.1. Year over year financial results

Proceeds

Casino Gaming proceeds of \$3.8 billion in fiscal 2024–25, declined \$136 million or 3 per cent compared to prior year, primarily a result of lower spend per casino patron resulting from continued unfavourable economic conditions affecting consumer discretionary spending and increased competition from online digital casino gaming competitors. This decrease was partially offset by stronger performance in the first quarter of fiscal 2024-25 by the Gateway casinos, following temporary closures in fiscal 2023-24 in response to a cybersecurity incident.

Revenue

Revenue for Casino Gaming includes net gaming revenue, lease revenue and non-gaming revenue. Net gaming revenue represents total proceeds less service provider fees.

Net gaming revenue for service provider-operated sites includes net win generated at the facility, as well as net win from Caesars Windsor, which is run by an operator under the former operating model. OLG recognizes net gaming revenue after the deduction of service provider fees. OLG does not recognize non-gaming revenue generated at service provider-operated sites.

Despite lower proceeds, revenue for fiscal 2024–25 was \$2.2 billion, an increase of \$27 million or 1 per cent compared to prior year, driven by lower service provider fees due to the remaining casino gaming service providers returning to the pre-pandemic COSA compensation model from an interim compensation structure in August 2024.

NPP

NPP for fiscal 2024–25 was \$1.5 billion, an increase of \$31 million or 2 per cent compared to prior year, primarily due to the flow through impact of higher revenue.

B1.2. Fiscal 2024–25 results compared to budget

Proceeds

Proceeds for fiscal 2024–25 fell short of budget by \$443 million or 10 per cent primarily due to lower-than-expected casino visitation, driven by continued unfavourable economic conditions impacting consumer's discretionary entertainment spending and increasing competition from the online digital casino gaming market.

OLG is addressing the shortfall compared to budget by implementing the following strategies:

- Casino Service Providers continue to enhance facilities, amenities, product offerings and events to drive traffic; OLG is continuing to provide market intelligence to assist their efforts
- Ongoing exploration of growth opportunities (e.g., digital affiliate program, expansion of sportsbook operations, etc.)

Revenue

Revenue fell short of budget by \$247 million or 10 per cent, mainly due to lower proceeds, partially offset by lower associated service provider fees.

OLG is addressing the shortfall compared to budget as discussed above in proceeds.

NPP

NPP for fiscal 2024–25 fell short of budget by \$198 million or 11 per cent. The decrease compared to budget was driven primarily by lower proceeds and revenue, partially offset by lower municipality payments and HST associated with the lower proceeds.

OLG is addressing the shortfall compared to budget as discussed above in proceeds.

B1.3. Casino Gaming – Other key performance indicators

The following are additional Casino Gaming key performance indicators for fiscal 2024-25 compared to prior fiscal years:

For the Fiscal Year	2024-25	2023–24	2022-23	2021-22
Total patrons (in millions)	28.5	28.6	25.1	10.2
Net win per Patron ¹	\$134	\$138	\$ 153	\$198
Total number of slots ²	27,192	27,484	27,040	26,854
Total number of tables	816	822	768	692
Service providers capital investment (in millions) ³	\$334	\$380	\$374	\$333

¹ Net win per patron is derived by dividing proceeds before the deduction of Service Provider fees (net win) by the number of patrons.

² Comparative figures have been restated from OLG's fiscal 2023-24 Annual Report

³ Represents approximated capital spend information obtained from service providers' reports. These amounts are not included in the Corporation's Consolidated Financial Statements.

Patron visits were marginally down in fiscal 2024–25 due to the continued economic pressures affecting discretionary spending, despite operational disruptions in the prior year related to the temporary closures of Gateway casinos in response to a cyber incident and Casino Toronto labour disruption. Net win per patron was also down from prior year for the same reasons as noted above.

Casino Gaming modernization has encouraged private sector capital investment across the province, including expansion and improvements to gaming and non-gaming amenities, which improves the customer experience. Service providers' capital investment in 2024–25 was \$334 million.

B1.4. Casino Gaming trends and risks

Prominent risks to Casino Gaming include:

- Site closures or restricted operations associated with labour disruptions, cybersecurity incidents, extreme weather, pandemics, and other external events.
- Potential changes in Casino Gaming consumer behaviour resulting from increased competition for entertainment spend, particularly in the online digital casino gaming space, demographic changes, and lingering pandemic-related impacts.
- Delays in obtaining necessary approvals and/or material changes in scope related to service provider development projects, which are key to growing Casino Gaming revenue.
- Reliance on the private sector to generate incremental revenue, which can be influenced by many factors, some outside the control of service providers.
- Delayed impact of monetary policy easing, concerns over rising geo-political tensions, tariffs

and other macro-economic factors that may have a greater-than-anticipated impact on discretionary spending.

To mitigate these risks, OLG is:

- Continuing with its Game ON strategy, which prioritizes the pursuit of new opportunities for growth and innovation for the benefit of Ontario.
- Enabling service providers to deliver entertainment options and solutions in an increasingly competitive ecosystem.
- Driving synergies and developing partnerships across Lottery, Land-based Gaming and Digital channels of the gaming business.
- Managing Casino Operating and Services Agreements for all modernized gaming bundles to ensure efficient and effective execution of operational responsibilities, and to ensure service providers can execute on growth opportunities.
- Maintaining close alignment with our valued partners and service providers to help support them as they manage and grow their business.
- Continuing to focus on strong governance, augmented by enhanced performance dashboards to ensure ongoing monitoring of private sector partners.

B2. Charitable Gaming

Summary data from Statement of Comprehensive Income – Charitable Gaming

	For the fiscal year (in millions of dollars)			
	2024-25	2023-24	\$ Variance	% Variance
Proceeds	\$ 458	\$ 397	61	15
Less: Service provider fees	(266)	(234)	(32)	(14)
Revenue	192	163	29	18
Expenses before Stakeholder payments	3	3	-	-
Net income before the undernoted	189	160	29	18
Less: Stakeholder payments	(151)	(127)	(24)	(19)
Net income	38	33	5	15
Net Profit to the Province before Allocations	\$ 38	\$ 33	5	15
Less: Corporate Services Allocations	(4)	(4)	-	-
Net Profit to the Province after Allocations	\$ 34	\$ 29	5	17

B2.1. Year over year financial results

Proceeds

Charitable Gaming achieved record proceeds of \$458 million in fiscal 2024–25, an increase of \$61 million or 15 per cent compared to fiscal 2023–24, driven by strong performance at Charitable Gaming Centres. Fiscal 2024-25 saw higher visitation and continued growth in cabinet players.

Charitable Gaming service providers continue to adapt their business, aligning gaming positions to customer demand, refreshing game themes and enhancing the bingo and gaming management systems.

Revenue

Revenue for Charitable Gaming includes net gaming revenue generated at Charitable Gaming Centres operated by Charitable Gaming service providers, in accordance with the Charitable Gaming Centre Service Providers Agreements. OLG recognizes net gaming revenue after the deduction of service provider fees which are comprised primarily of a variable fee (calculated as a percentage of gaming revenue) and other fees paid or payable to, or on behalf of, service providers.

Charitable Gaming revenue was \$192 million, an increase of \$29 million or 18 per cent compared to prior year, driven by the increase in proceeds for the reasons discussed above and partially offset by the increase in associated service provider fees.

NPP

In fiscal 2024–25, Charitable Gaming achieved a record NPP of \$38 million, an increase of \$5 million or 15 per cent compared to prior year. The increase was mainly due to the flow through impact of higher proceeds and revenue, partially offset by increased charity payments and municipal commissions, a function of increased proceeds, and increased HST on higher service provider fees.

B2.2. Fiscal 2024–25 results compared to budget

Proceeds

Charitable Gaming proceeds exceeded budget by \$73 million or 19 per cent, primarily due to continued product alignment to meet increased customer demand and a moderate increase in visitations.

Revenue

Charitable Gaming revenue exceeded budget by \$37 million or 24 per cent, mainly due to higher proceeds partially offset by the increase in associated service provider fees.

NPP

Charitable Gaming NPP increased \$14 million or 60 per cent compared to budget, primarily due to higher proceeds and revenue and delayed gaming management system project costs. This was partially offset by increased charity payments, municipality commissions, service provider fees and HST on service provider fees associated with the increased proceeds.

B2.3. Charity payments

OLG makes direct-to-charity contributions to charity associations associated with the Charitable Gaming centres, which are included in stakeholder payments. Charities receive a commission based on a percentage of net gaming win for their participation at local Charitable Gaming centres. The payments to more than 2,400 eligible participating charities totaled \$111 million in fiscal 2024–25, an increase of \$15 million from prior year, primarily due to higher proceeds.

Since its launch in fiscal 2005–06, the Charitable Gaming Program has raised over \$630 million for local charities (as of March 31, 2025).

B2.4. Charitable Gaming trends and risks

With all 37 Charitable Gaming centres operating under the revitalized business model, Charitable Gaming service providers have greater flexibility to grow their businesses through facility upgrades, selection of games from a robust product library, customer service improvements, and increased marketing, which has raised player awareness of Charitable Gaming centres in the market.

Prominent risks to Charitable Gaming include:

- Site closures or restricted operations associated with extreme weather, cybersecurity incidents, pandemics and other external events.
- Potential changes in Charitable Gaming consumer behaviour resulting from increased competition for entertainment spend, demographic changes, and lingering pandemic-related impacts.
- Delays and/or material changes in scope related to service provider capital projects, Bingo Management System conversions and loyalty program implementations, which are key to maintaining the Charitable Gaming revenue.
- Significant or unanticipated cannibalization of Charitable Gaming from expansion in Casino Gaming and/or online digital casino gaming.
- Delayed impact of monetary policy easing, concerns over rising geo-political tensions, tariffs

and other macro-economic factors that may have a greater-than-anticipated impact on discretionary spending.

To mitigate these risks, OLG is:

- Working collaboratively with industry partners and service providers to maintain a robust product portfolio and enhance the charitable gaming player experience.
- Supporting service providers in implementing a new Bingo Management System to improve efficiency and enhance player experience.
- Continuing an overall market management role to proactively manage future opportunities and risk in the Charitable Gaming industry as the market evolves.

B3. Horse Racing and Other Expenses

Horse racing and other expenses includes Stakeholder payments to the horse racing industry related to the Amended and Restated Funding Agreement for Live Horse Racing which commenced in fiscal 2019-20, as well as expenses associated with providing advice and support to the industry. Other expenses also include a portion of Stakeholder payments to the Ontario First Nations (2008) Limited Partnership (OFNLP) pursuant to revenue sharing obligations.

Summary data from Statement of Comprehensive Income – Horseracing and Other

	For the fiscal year (in millions of dollars)			
	2024-25	2023-24	\$ Variance	% Variance
Horse Racing and other expenses	\$ 384	\$ 211	(173)	(82)

B3.1. Year over year financial results

Horse racing and other expenses were \$384 million, an increase of \$173 million or 82 per cent compared to prior year, due to a provision related to an ongoing legal matter.

B3.2. Fiscal 2024–25 results compared to budget

Horse racing and other expenses were \$384 million, an increase of \$176 million or 85 per cent compared to budget due to a provision related to an ongoing legal matter.

C. Digital Gaming

Highlights:

- Digital Gaming generated record proceeds and NPP of \$882 million and \$417 million, respectively, which represents an NPP margin of 47 per cent.
- Average monthly active digital players rose by 19 per cent, compared to prior year.
- Average monthly proceeds per digital customer was \$177, compared to \$179 for fiscal 2023-24, with the decrease primarily driven by the increase in players.
- iCasino added 1 new game provider and launched more than 300 new games.
- Launched Arcade games which offers players a diverse range of Crash, Tap and Game Show games.
- Integrated vendors to provide valuable insights for customer experiences and enhanced game exploration features.
- Introduced simplified registration and checkout process for digital lottery players to enhance customer experience.
- The maximum LOTTO MAX jackpot was increased from \$70 million to \$80 million in September 2024.
- Introduced Persona AI identify verification tool, which helped support increased player registration.
- Launched additional payment methods like American Express, Apple Pay, and Interac on the digital platform.

Summary data from Statement of Comprehensive Income – Digital

	For the fiscal year (in millions of dollars)			
	2024-25	2023-24	\$ Variance	% Variance
Proceeds¹	\$ 882	\$ 750	132	18
Less: Lottery prizes	(151)	(120)	(31)	(26)
Revenue	731	630	101	16
Expenses before Stakeholder payments	261	251	(10)	(4)
Net income before the undernoted	470	379	91	24
Less: Stakeholder payments	(53)	(51)	(2)	(4)
Net income	417	328	89	27
Net Profit to the Province before Allocations	\$ 417	\$ 328	89	27
Less: Corporate Services Allocations	(39)	(36)	(3)	(8)
Net Profit to the Province after Allocations	\$ 378	\$ 292	86	29

¹ Province wide payouts in iCasino were 95.1% for slots and 97.6% for table games in fiscal 2024-25 (fiscal 2023-24 – 95.2% and 97.6%, respectively).

C1. Year over year financial results

Proceeds

Digital Gaming proceeds for fiscal 2024–25 were \$882 million, an increase of \$132 million or 18 per cent compared to prior year. These results were driven by higher player counts, the launch of several new iCasino products and iLottery sales growth primarily due to higher National jackpots than prior year.

Revenue

Digital Gaming revenue was \$731 million in fiscal 2024–25, an increase of \$101 million or 16 per cent compared to prior year for reasons consistent with the discussion above, partially offset by increased prizes correlated with increased iLottery sales.

NPP

NPP for fiscal 2024–25 was \$417 million, an increase of \$89 million or 27 per cent compared to prior year. The increase is mainly due to the flow through impact of higher proceeds and revenue, partially offset by increased commissions and fees paid to iCasino service providers, higher system development costs and increased HST on higher taxable expenses.

C2. Fiscal 2024–25 results compared to budget

Proceeds

Digital Gaming proceeds exceeded budget by \$63 million or 8 per cent, primarily due to higher-than-expected player counts for iCasino and strong performance of iLottery due to higher-than-expected jackpots for the year.

Revenue

Digital Gaming revenue exceeded budget by \$51 million or 7 per cent, largely driven by the flow impact of higher proceeds compared to budget, partially offset by higher-than-expected lottery prizes correlated with higher iLottery sales.

NPP

NPP exceeded budget by \$78 million or 23 per cent, primarily due to the flow through of proceeds and revenue combined with lower personnel costs due to timing of hirings and lower consulting spend.

C3. Digital Gaming trends and risks

Prominent risks to Digital Gaming include:

- Continued pressure to compete for existing and new players in Ontario’s open and highly competitive online gaming market against internationally recognized brands operating in multiple jurisdictions across North America and around the world.
- Delayed impact of monetary policy easing, concerns over rising geo-political tensions, tariffs and other macro-economic factors that may have a greater-than-anticipated impact on discretionary spending.

To mitigate these risks, OLG is continuing with its Game ON strategy to help maintain and grow market share. This includes:

- Offering a wide range of iCasino games, iLottery products and iSports products, as well as working closely with current and prospective vendors (e.g., new sportsbook provider) to constantly evaluate product mix, and evolve to respond to customer expectations.
- Managing the portfolio of products based on ongoing analysis of customer trends, while

introducing new game providers to deliver competitive experiences to players. This includes focusing on certain game categories, like Live Casino, that have mass appeal and ensuring we have all the major game suppliers in Ontario available to our players.

- Implementing customer acquisition and retention strategies, including developing partnerships across Land-based Gaming and Digital channels.
- Improving personalization and customization through targeted and segmented player programs, continuously evolving personalization (game recommendations, marketing, etc.), and customization options to maintain pace with market trends.
- Differentiating OLG.ca from the competition by providing an omni-channel gaming experience with the full integration of our PlaySmart RG program, while building on the significant brand recognition and trust OLG has among Ontarians as the only gaming provider that reinvests 100 per cent of its profits back into Ontario.

D. Corporate Services

Corporate Services expenses are incurred by functions that provide integral support to the operations and enable OLG's performance through people, strategic support and technology. Expertise and services are provided across the Corporation in support of the three lines of business.

Corporate Services expenses are related to Corporate Affairs; Finance, Risk, Strategy, and Analytics; Governance, Legal and Compliance; People and Culture; Internal Audit; and Enterprise Information Technology. These enabling functions provide the Corporation with expertise in core information technology systems support and development; financial management; analytics and insights related to line of business revenue; administration and operations; commercial business management and procurement; project management services; legal, risk, audit and compliance; internal and external communications; branding and marketing; social responsibility; responsible gambling and stakeholder relations. Corporate Services employees protect the public and commercial interests of Ontario by ensuring that OLG directly, or through its third-party service providers, is delivering gaming entertainment to the province in a responsible manner while optimizing value.

Corporate Services expenses also includes payments to the Government of Canada.

Summary data from Statement of Comprehensive Income

	For the fiscal year (in millions of dollars)			
	2024-25	2023-24	\$ Variance	% Variance
Corporate Services Expenses	\$ 214	\$ 200	(14)	(7)

D1. Year over year financial results

Corporate Services expenses were \$214 million, an increase of \$14 million or 7 per cent compared to prior year, primarily due to investments in responsible gambling and technology as well as increased amortization associated with OLG's new financial reporting system and the modernization of OLG's corporate offices to support a hybrid work model.

D2. Fiscal 2024-25 results compared to budget

Corporate Services expenses were below budget by \$13 million or 6 per cent with OLG's continued focus on expenditure management resulting in savings in personnel, through controlled hiring, and lower-than-expected legal and consulting costs. OLG also realized higher interest income on cash balances.

4. Full-time Equivalent (FTE)¹

OLG employees possess strong backgrounds in commercial business enterprise management; fiscal management; enterprise strategy; legal, risk and compliance; technology; stakeholder management; customer experience; design, branding, and marketing; and gaming entertainment. These skills direct and support the organization in the achievement of our Strategic Priorities and initiatives. OLG is committed to improving operating efficiency through acquiring and retaining highly skilled talent while managing expenses in a competitive talent market. From March 31, 2023 to March 31, 2025, FTEs consistently decreased by 2 per cent per year from 1,451 in fiscal 2022-23 to 1,395 in fiscal 2024-25 through controlled hiring.

For the years ended March 31

FTEs	2025	2024	2023
Non-Executive	1,368	1,393	1,421
Executives (Vice President and above)	27	27	30
Total	1,395	1,420	1,451

¹FTE is the annualized total number of paid hours divided by the maximum number of compensable hours in a full-time schedule as at March 31.

5. Financial Condition

Liquidity and capital resources

For the fiscal year (in millions of dollars)

Cash flows (used in) provided by:	2024-25	2023-24	\$ Variance	% Variance
Operating activities	\$ 2,332	\$ 2,142	190	9
Investing activities	(44)	(66)	22	33
Financing activities	(2,239)	(2,050)	(189)	(9)
Increase in cash	\$ 49	\$ 26	23	88

Cash provided by operating activities:

Cash flows provided by operating activities increased compared to the prior year primarily due to the timing of daily gaming revenue deposits from casino gaming service providers.

Cash used in investing activities:

Cash flows used in investing activities decreased primarily due to fewer capital expenditures in the year. Fiscal 2024-25 saw fewer purchases of the new self-serve lottery terminals compared to fiscal 2023-24 due to the project rollout schedule. In addition, fiscal 2024-25 had fewer technology capital expenditures compared to fiscal 2023-24.

Cash used in financing activities:

Cash flows used in financing activities increased from prior year, primarily due to increased payments to the Province of Ontario in fiscal 2024-25, which were \$2.2 billion compared to \$2.1 billion in fiscal 2023-24.

Capital risk management

The capital structure of the Corporation consists of cash, restricted cash, long-term debt and equity, which is comprised of retained earnings and contributed surplus.

The Corporation is required to finance certain capital expenditures with debt obtained from the Ontario Financing Authority. The approvals of the Minister of Tourism, Culture and Gaming and the Minister of Finance are required for the Corporation to borrow funds for major capital expenditures.

The Corporation's objectives in managing capital are to ensure sufficient resources are available to fund future growth of its operations and to provide returns to the Province of Ontario.

The Board of Directors is responsible for the oversight of management, including the establishment of policies related to financial and risk management. The Corporation manages its capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Corporation is not subject to any externally imposed capital requirements. Refer to Note 21 of the Notes to the Consolidated Financial Statements for further details on the Corporation's financial risk management and financial instruments.

6. Enterprise Risk Management

Overview

OLG has a formal Enterprise Risk Management (ERM) program that supports the organization in operating within Board approved Risk appetites and tolerances and enables smart risk-taking as we deliver on our mandate and strategy. Our risk management framework and process adhere to best practices and the Ontario Government Enterprise Risk Management Directive. As part of this program, the Board and Executive Management are responsible for ensuring that risks are identified, assessed, and monitored. To ensure the success of our strategy, we prioritize and mitigate key risks that require management focus:

External Environment

OLG's long-range projections are based on informed assumptions about trends in customer behaviour. There is a risk that these assumptions will not materialize as anticipated because of changes in the environment, including shifts in the gaming market, like many markets, towards digital options, increasing competition from legalized online gaming providers, new lottery options and other entertainment options, and macro-economic factors affecting discretionary spending.

To address these risks, OLG analyzes customer trends, and implements strategies to acquire new customers and retain existing customers, prioritizing:

- Management of a portfolio of core and innovative products based on ongoing performance against targets.
- Expansion of OLG's physical presence into new retail environments.
- Optimization of casino offerings.
- Personalization of customer experiences by leveraging technology.

Private Sector Engagement

OLG is increasingly reliant on third parties to deliver and support critical growth initiatives in our Game ON strategy. Partnering with third parties comes with the inherent risk that they do not deliver as expected. This is why OLG continues to mature our third-party management programs and prioritizes work with private sector partners to address this risk and ensure performance expectations are met.

In particular, the performance of Land-based Gaming service providers can materially impact OLG. To help ensure financial and non-financial obligations are met, OLG continues to collaborate with service providers as they work to address opportunities and challenges in the operating environment, such as changing customer preferences for gaming products.

An Enterprise Third Party Management (ETPM) department was formally established in fiscal 2023–24 to ensure vendors are held accountable for delivering value, managing risks effectively, and maintaining mutually beneficial partnerships. This framework underscores accountability through clear governance, continuous performance monitoring, and collaborative risk mitigation via the following:

- A tiered segmentation model for its vendors, categorizing them by risk and requiring heightened governance and monitoring for higher-tier vendors.

- KPIs and targets for operating divisions are set and monitored quarterly to ensure vendors meet agreed standards for service delivery, quality, and value for money.
- Regular top-to-top executive meetings between OLG leadership and third parties ensure alignment, identification of risks, and timely mitigation strategies.

People & Culture

To acquire and retain the talent and leadership to support the achievement of OLG's priorities, our Game ON strategy focuses on creating an environment where employees are engaged and invested in the health of our organization. This includes employing agile ways of working, employing a hybrid work model, and adapting workspaces to enable flexibility and collaboration for OLGers. Providing a safe and supportive environment is a priority contributing to the development of a more inclusive and diverse workforce and enabling employees to achieve exceptional results.

Compliance & Responsible Gambling

OLG operates in a highly regulated environment. With changes in the gaming environment, laws, regulations, and government policies evolve. There may also be changes to customer gambling behaviour as we expand our reach and deliver new offerings to customers through the implementation of our Game ON strategy.

A focus on compliance is crucial as we implement our strategy, adapting to an evolving regulatory landscape. Maintaining the trust of our customers, partners and shareholder throughout these changes is also critical. OLG has programs in place that:

- Maintain compliance with laws, regulations, and policies, including Gaming Control Act, anti-money laundering, responsible gambling, and privacy.
- Continue to enhance measures to detect, disrupt and prevent money laundering.
- Strengthen responsible gambling culture, awareness, and accountability with dedicated resources that research and monitor gambling behaviour, deliver tools that enable healthy play, and interventions for high-risk players.
- Support the design of products and services, and the maintenance of operating controls to achieve a high standard of integrity.

Technology

Everything we do relies on technology. As we expand our offerings and adopt new or emerging technologies including artificial intelligence, we must ensure that access to systems and/or information is not compromised and ensure that our systems can continue to sustain and enable growth of the core business. Managing these areas of risk is part of OLG's day-to-day operations including:

- Protecting against cyber threats by ensuring that people, processes, and technology underlying OLG's cybersecurity program effectively address existing threats and can proactively address new and emerging threats.
- Setting expectations and monitoring private sector partner performance to maintain an adequate level of security.

- Assessing and improving legacy technologies in Lottery to meet current and future needs
- Maintaining organizational resilience through ongoing evolution of response plans that enable effective and timely response and recovery from any technology failures.
- Increasing product and customer centricity by optimizing the enterprise information technology support model.

7. Material Accounting Policies and Use of Estimates and Judgments

To conform with IFRS, the preparation of the Consolidated Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Consolidated Financial Statements are included in the following notes:

- Revenue
- Leases
- Consolidation
- Provisions
- Contingencies

Areas of significant estimation and uncertainty that may have a significant effect on the amounts recognized in the Consolidated Financial Statements, and could result in a material adjustment within the next fiscal year, are discussed in the following notes:

- Property, plant and equipment – impairment, useful lives and residual values
- Provisions
- Lease liabilities, right-of-use assets and finance lease receivable
- Revenue and contract liabilities
- Valuation of financial instruments including credit risk for expected credit losses
- Employee benefits

The Corporation's significant accounting policies, estimates and judgments have been reviewed and discussed with the Audit Risk and Management Committee of the Board of Directors. The Corporation's significant accounting policies are described in the Notes to the Consolidated Financial Statements.

Adoption of new Accounting Standards

Accounting standards, interpretations and amendments effective for accounting years beginning on April 1, 2024 did not materially affect the Corporation's Consolidated Financial Statements.



MANAGEMENT'S RESPONSIBILITY FOR ANNUAL REPORTING

The accompanying consolidated financial statements of the Ontario Lottery and Gaming Corporation and all information in this annual report are the responsibility of management and have been approved by the Board of Directors.

The consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards. Where required, management has made informed judgements and estimates in accordance with International Financial Reporting Standards.

The Board of Directors oversees management's responsibilities for financial reporting through its Audit and Risk Management Committee, which is composed entirely of directors who are neither officers nor employees of the Corporation. The Audit and Risk Management Committee reviews the financial statements and recommends them to the Board for approval. This Committee meets periodically with management, internal audit and the external auditors.

To discharge its responsibility, management maintains an appropriate system of internal control to provide reasonable assurance that relevant and reliable consolidated financial statements are produced and that the Corporation's assets are properly safeguarded. The Corporation maintains a staff of internal auditors whose functions include reviewing internal controls and their applications, on an ongoing basis. The reports prepared by the internal auditors are reviewed by the Committee. The Vice President, Internal Audit, responsible for Internal Audit, reports functionally to the Audit and Risk Management Committee and administratively to the President and Chief Executive Officer.

KPMG LLP, the independent auditor appointed by the Board of Directors upon the recommendation of the Audit and Risk Management Committee, has examined the consolidated financial statements. Their report outlines the scope of their examination and their opinion on the consolidated financial statements. The independent auditor has full and unrestricted access to the Committee.

A handwritten signature in black ink, appearing to read 'D. Hannay', written over a horizontal line.

Duncan Hannay
President and Chief Executive Officer

June 24, 2025

A handwritten signature in black ink, appearing to read 'P. Basi', written over a horizontal line.

Pinder Basi
Chief Financial Officer



KPMG LLP

Vaughan Metropolitan Centre
100 New Park Place, Suite 1400
Vaughan, ON L4K 0J3
Canada
Telephone 905 265 5900
Fax 905 265 6390

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Ontario Lottery and Gaming Corporation and to the Minister of Tourism, Culture and Gaming of Ontario

Opinion

We have audited the financial statements of Ontario Lottery and Gaming Corporation (the Corporation), which comprise:

- the consolidated statements of financial position as at March 31, 2025 and March 31, 2024
- the consolidated statements of comprehensive income for the years then ended
- the consolidated statements of changes in equity for the years then ended
- the consolidated statements of cash flows for the years then ended
- and notes to the consolidated financial statements, including a summary of material accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Corporation as at March 31, 2025 and March 31, 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"Auditor's Responsibilities for the Audit of the Financial Statements"** section of our auditor's report.

We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Other Information

Management is responsible for the other information. Other information comprises:

- the information included in Management's Discussion and Analysis.
- the information, other than the financial statements and the auditor's report thereon, included in a document likely to be entitled "OLG Annual Report 2024-25".

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated

We obtained the information included in Management's Discussion and Analysis and the OLG Annual Report 2024-25 as at the date of this auditor's report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.



Page 3

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Page 4

- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

June 24, 2025

Ontario Lottery and Gaming Corporation
Consolidated Statements of Financial Position
As at March 31, 2025 and 2024
(in millions of Canadian dollars)

	Notes	2025	2024
Assets			
Current assets			
Cash		\$ 300	\$ 251
Restricted cash	5	123	131
Trade and other receivables	6	146	225
Due from service providers	13	40	25
Prepaid expenses		25	21
Inventories	7	47	38
Total current assets		681	691
Non-current assets			
Restricted cash	5	72	77
Property, plant and equipment	8	794	798
Right-of-use assets	9	198	213
Finance lease receivable	9	141	145
Other asset	9,13	99	77
Total non-current assets		1,304	1,310
Total assets		\$ 1,985	\$ 2,001
Liabilities and Equity			
Current liabilities			
Trade and other payables	10	\$ 440	\$ 422
Provisions	11	70	42
Due to operator and service providers	13	110	114
Due to the Government of Canada	15	38	36
Contract liabilities	16	57	54
Lease liabilities	9	22	24
Long-term debt	17	12	12
Total current liabilities		749	704
Non-current liabilities			
Lease liabilities	9	356	370
Provisions	11	141	-
Due to operator and service providers	13	72	77
Contract liabilities	16	84	108
Long-term debt	17	62	64
Employee benefits	22	8	9
Total non-current liabilities		723	628
Total liabilities		1,472	1,332
Equity			
Retained earnings		451	607
Contributed surplus		62	62
Total equity		513	669
Total liabilities and equity		\$ 1,985	\$ 2,001

Commitments (Note 13 and 23)
Contingencies (Note 24)
Subsequent event (Note 13 and 25)

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

Approved on behalf of the Board



Jim Warren, Chair



Jean Major, Director

Ontario Lottery and Gaming Corporation
Consolidated Statements of Comprehensive Income
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

	Notes	2025	2024
Proceeds from Lottery and Gaming		\$ 9,309	\$ 9,324
Less: Lottery prizes		(2,594)	(2,586)
Gaming revenue		6,715	6,738
Less: Service Provider fees		(2,083)	(2,211)
Net gaming revenue		4,632	4,527
Lease revenue	9	120	119
Non-gaming revenue		44	42
Revenue	16	4,796	4,688
Expenses (income)			
Stakeholder payments	19	1,166	953
Commissions and fees	18	482	476
Personnel		325	323
Win contribution	14	193	201
Marketing and promotion		179	184
Systems maintenance		112	99
Amortization	8,9	85	83
Ticket printing, distribution and testing		67	67
General operating, administration and other	20	62	64
Facilities		51	52
Food, beverage and other purchases		16	17
Finance costs		17	15
Regulatory fees		13	11
Finance income		(26)	(24)
		2,742	2,521
Net income and comprehensive income		\$ 2,054	\$ 2,167

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

Ontario Lottery and Gaming Corporation
Consolidated Statements of Changes in Equity
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

	Notes	Retained earnings	Contributed surplus	Total
Balance at March 31, 2023		\$ 500	\$ 62	\$ 562
Net income and comprehensive income		2,167	-	2,167
Payments to the Province of Ontario	12	(2,060)	-	(2,060)
Balance at March 31, 2024		\$ 607	\$ 62	\$ 669
Net income and comprehensive income		2,054	-	2,054
Payments to the Province of Ontario	12	(2,210)	-	(2,210)
Balance at March 31, 2025		\$ 451	\$ 62	\$ 513

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

Ontario Lottery and Gaming Corporation
Consolidated Statements of Cash Flows
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

	Notes	2025	2024
Cash flows from operating activities			
Net income and comprehensive income		\$ 2,054	\$ 2,167
Adjustments to reconcile profit for the period to net cash from operating activities:			
Amortization of property, plant and equipment and right-of-use assets	8,9	85	83
Net finance (income)		(9)	(9)
Other long-term employee benefits	22.iii	(1)	-
Operating cash flows before change in non-cash working capital and restricted cash		2,129	2,241
Changes in non-cash working capital and restricted cash:			
Decrease (increase) in restricted cash		13	(21)
Decrease (increase) in trade and other receivables		79	(95)
(Increase) in other asset		(22)	(8)
(Increase) in due from service providers		(15)	(2)
(Increase) in prepaid expenses		(4)	(1)
(Increase) in inventories		(9)	(3)
Increase in trade and other payables		20	35
Increase in provisions		169	11
(Decrease) increase due to operator and service providers		(9)	25
Increase (decrease) in due to the Government of Canada		2	(6)
(Decrease) in contract liabilities		(21)	(34)
Net cash from operating activities		2,332	2,142
Cash flows (used in) from investing activities			
Interest received		22	21
Capital expenditures	8	(66)	(87)
Net cash (used in) investing activities		(44)	(66)
Cash flows (used in) from financing activities			
Interest paid		(9)	(9)
Proceeds from long-term debt	17	7	44
Repayments of long-term debt	17	(11)	(11)
Payment of lease liabilities	9	(16)	(14)
Payments to the Province of Ontario	12	(2,210)	(2,060)
Net cash (used in) financing activities		(2,239)	(2,050)
Increase in cash		49	26
Cash, beginning of year		251	225
Cash, end of year		\$ 300	\$ 251
<i>Supplemental disclosure relating to non-cash investing activities:</i>			
Acquisition of property, plant and equipment not yet paid for		\$ 2	\$ 5

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

Ontario Lottery and Gaming Corporation

Notes to the Consolidated Financial Statements

For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

1. Reporting entity

Ontario Lottery and Gaming Corporation (OLG or the Corporation) was established without share capital on April 1, 2000 pursuant to the *Ontario Lottery and Gaming Corporation Act, 1999*. The Corporation is classified as an Operational Enterprise Agency of the Ontario government and is responsible for conducting and managing;

- Lottery games (including national and regional Lotto, INSTANT and sports),
- Digital Gaming (on OLG.ca and OLG app), and
- Land-based Gaming (comprising Casino Gaming and Charitable Gaming).

The Corporation is also directly funding and helping to support the horse racing industry in Ontario (Note 23.d).

Ontario Gaming Assets Corporation (OGAC) is a wholly owned subsidiary of the Corporation. The Corporation consolidates the financial position and results of these operations in the consolidated financial statements.

The Corporation is one of the regional marketing organizations for national lottery games who all collectively participate in the Interprovincial Lottery Corporation.

The Corporation has an operating agreement with Caesars Entertainment Windsor Limited (CEWL) for the operation of casino, hotel, entertainment and food and beverage facilities at Caesars Windsor. The Corporation consolidates the financial position and results of these operations in the consolidated financial statements. The Corporation does not consolidate the financial position and results of operations of CEWL.

The Corporation entered into Casino Operating and Services Agreements (COSAs) with certain Land-based Casino Gaming service providers (Note 13.b) and Charitable Gaming Centre Service Providers Agreements (CGCSPAs) with Charitable Gaming service providers (individually, and collectively, the service providers). The Corporation does not control these service providers and therefore does not consolidate the financial position or results of operations of these service providers. OLG continues to conduct and manage Land-based Gaming sites while the service providers assume control of the day-to-day operations.

The Corporation's head office and corporate office, respectively, are located at:

- 70 Foster Drive, Suite 800, Sault Ste. Marie, Ontario, P6A 6V2
- 4120 Yonge Street, Suite 600, Toronto, Ontario, M2P 2B8

These consolidated financial statements were authorized for issue by the Board of Directors of the Corporation on June 24, 2025.

Ontario Lottery and Gaming Corporation

Notes to the Consolidated Financial Statements

For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

2. Basis of preparation

a. Statement of compliance

These consolidated financial statements include the accounts of the Corporation including Caesars Windsor, and the wholly owned subsidiary, (OGAC), and have been prepared in accordance with IFRS Accounting Standards (IFRS), as issued by the International Accounting Standards Board (IASB).

b. Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis except for the revaluation of certain financial instruments classified as financial liabilities through profit and loss that are measured at fair value (Note 21.a.ii).

c. Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars. The Canadian dollar is the Corporation's functional currency and the currency of the primary economic environment in which the Corporation operates.

d. Use of estimates and judgments

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are included in the following notes:

- Consolidation (Note 3.a)
- Leases (Note 9)
- Provisions (Note 11)
- Revenue (Note 16)
- Contingencies (Note 24)

Areas of significant estimation and uncertainty that may have a significant effect on the amounts recognized in the consolidated financial statements, and could result in a material adjustment within the next fiscal year, are discussed in the following notes:

- Property, plant and equipment – impairment, useful lives and residual values (Note 8)
- Lease liabilities, right-of-use assets and finance lease receivable (Note 9)
- Provisions (Note 11)
- Revenue and contract liabilities (Note 16)
- Valuation of financial instruments including credit risk for expected credit losses (Note 21)
- Employee benefits (Note 22)

Ontario Lottery and Gaming Corporation

Notes to the Consolidated Financial Statements

For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

2. Basis of preparation (continued)

e. Adoption of new accounting standards

Accounting standards, interpretations and amendments effective for accounting years beginning on January 1, 2024 did not materially affect the Corporation's consolidated financial statements.

3. Material accounting policies

The following accounting policies have been applied consistently by the Corporation in the consolidated financial statements as at and for the years ended March 31, 2025 and March 31, 2024.

a. Basis of consolidation

The consolidated financial statements include the accounts of the Corporation, OGAC and Caesars Windsor. The Corporation does not control any of the Land-based Casino Gaming or Charitable Gaming service providers and therefore does not consolidate their respective financial position and results. Control is achieved when the Corporation is exposed to, or has rights to, variable returns from its involvement with an entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated on consolidation.

b. Income taxes

As the Corporation is an agent of the Crown, it is not subject to federal or provincial corporate income taxes or corporate capital taxes.

c. Consolidated statements of comprehensive Income presentation

Proceeds from Lottery and Gaming represents:

Lottery (Retail):

- Sales from retail Lottery products (including regional and national LOTTO, INSTANT and Sports) before the deduction of prizes.

Land-based Gaming (Casino Gaming and Charitable Gaming):

- Net win before the deduction of service provider fees.

Digital Gaming:

- Net win from casino-style games (iCasino) and digital Sports products (iSports) played on OLG's digital gaming platform, and
- Sales from Lottery products purchased on OLG's digital gaming platform (iLottery) before the deduction of prizes.

Ontario Lottery and Gaming Corporation

Notes to the Consolidated Financial Statements

For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

3. Material accounting policies (continued)

c. Consolidated statements of comprehensive income presentation (continued)

Lottery prizes, which are recorded as a reduction of proceeds from lottery and gaming, represent prizing for retail Lottery products and for Lottery products (excluding iSports products) purchased on OLG's digital gaming platform.

Service provider fees, which are recorded as a reduction of gaming revenue to arrive at net gaming revenue, represent fees paid to, or on behalf of, Charitable Gaming service providers under the terms of the respective CGCSPAs, or Casino Gaming service providers under the terms of the respective COSAs. Also included in service provider fees are other adjustments, which primarily comprise:

- Reclassification of amounts to lease revenue, to reflect fair value consideration to the lease component of the arrangement (Note 16.a.iii), and
- Recognition of amounts related to advanced consideration received from certain bundles (Note 16.b.ii)

d. Accounting standards issued but not yet effective

A number of new amendments to standards take effect in future fiscal reporting periods beginning on or after January 1, 2025. Early application is permitted; however, the Corporation has not elected to adopt these amendments early in preparing these consolidated financial statements. A summary of those that may have a material impact to the consolidated financial statements of the Corporation are set out below:

IFRS 18, Presentation and Disclosure in Financial Statements (IFRS 18)

IFRS 18 will replace IAS 1, Presentation of Financial Statements and applies for annual reporting periods beginning on or after January 1, 2027. IFRS 18 introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance on aggregation and disaggregation of financial statement line items.

The Corporation is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the consolidated statements of comprehensive income, the additional disclosures required for MPMs and the impact on how information is grouped in the financial statements, including for items currently labelled as "other".

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

3. Material accounting policies (continued)

e. Other material accounting policies

Note	Topic
7	Inventories
8	Property, plant and equipment
9	Leases
11	Provisions
16	Revenue
21	Financial risk management & financial instruments
22	Employee benefits
24	Contingencies

4. Capital risk management

The capital structure of the Corporation consists of cash, restricted cash, long-term debt and equity, which is comprised of retained earnings and contributed surplus.

The Corporation is required to finance certain capital expenditures with debt obtained from the Ontario Financing Authority (OFA). The approvals of the Minister of Tourism, Culture and Gaming and the Minister of Finance are required for the Corporation to borrow funds for major capital expenditures.

The Corporation's objectives in managing capital are to ensure sufficient resources are available to fund future growth of its operations and to provide returns to the Province of Ontario.

The Board of Directors is responsible for the oversight of management, including the establishment of policies related to financial and risk management. The Corporation manages its capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Corporation is not subject to any externally imposed capital requirements. Refer to Note 21 for further details on the Corporation's financial risk management and financial instruments.

5. Restricted cash

Restricted cash, consisting of the following items and respective amounts, is held in separate bank or escrow accounts.

	2025	2024
Current		
Prize funds on deposit (a)	\$ 91	\$ 92
Funds held on behalf of digital gaming patrons	30	35
Other (b)	2	4
	\$ 123	\$ 131
Non-current		
Cash held in escrow (c)	72	77
	\$ 72	\$ 77
Restricted cash	\$ 195	\$ 208

- a. Prize funds on deposit are funds set aside for the estimated gross prizes outstanding of \$129 million (2024 – \$133 million) less an estimate for prizes not expected to be claimed by customers of \$38 million (2024 – \$41 million).

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

5. Restricted cash (continued)

- b. Other restricted cash represents unused OFA loan proceeds and funds held in trust on behalf of the Ontario horse racing industry not yet distributed.
- c. Cash held in escrow are funds held in accordance with escrow agreements with Land-based Gaming service providers, with a corresponding liability recognized (Note 13.b). The funds are not available for use and can only be released to the Corporation or the Land-based Gaming Casino service provider under certain circumstances pursuant to the agreements.

6. Trade and other receivables

	2025	2024
Trade receivables	\$ 102	\$ 145
Casino Gaming service providers' deposits	24	66
Other receivables	20	14
Trade and other receivables	\$ 146	\$ 225

The Corporation's accounting policy and exposure to credit risks and impairment losses related to trade and other receivables is disclosed in Note 21.

7. Inventories

a. Accounting policy

Inventories are valued at the lower of cost and net realizable value. Cost is determined using the specific identification or weighted average cost methods. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to complete the sale.

b. Explanatory information

Inventory costs included in expenses for the year ended March 31, 2025 were \$83 million (March 31, 2024 – \$84 million).

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

8. Property, plant and equipment

a. Accounting policy

i. Recognition and measurement

Major capital purchases that have a useful life beyond one year are measured at cost less accumulated amortization and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

ii. Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Corporation and its cost can be measured reliably. The carrying amount of the replaced part is derecognized upon replacement. The cost of the day-to-day servicing of property, plant and equipment is recognized as incurred in the consolidated statements of comprehensive income.

iii. Amortization

Amortization is calculated over the depreciable amount, which is the cost of an asset, less its residual value.

Amortization is recognized in the consolidated statements of comprehensive income on a straight-line basis over the estimated useful life of each component of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives are as follows:

Assets	Rate
Buildings	10 to 50 years
Furniture, fixtures and equipment	3 to 10 years
Leasehold improvements	Lesser of useful life or term of lease
Lottery gaming assets	5 to 7 years
Land-based gaming assets	5 to 10 years

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

8. Property, plant and equipment (continued)

iii. Amortization (continued)

Land assets are carried at cost, less any recognized impairment losses and are not amortized.

Property, plant and equipment are amortized when they are ready for their intended use. Construction in progress and assets not yet in use are stated at cost, less any recognized impairment loss. Amortization of these assets is determined on the same basis as other property assets and commences when the assets are ready for their intended use.

Amortization methods, useful lives and residual values are reviewed at each fiscal year end and are adjusted if appropriate.

iv. Impairment

The carrying amounts of the Corporation's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or Cash Generating Unit (CGU) is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets.

The Corporation's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset is allocated.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the consolidated statements of comprehensive income. Impairment losses recognized in respect of CGUs are allocated to reduce, on a pro rata basis, the carrying amounts of the assets in the unit or group of units.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization, if no impairment loss had been recognized.

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

8. Property, plant and equipment (continued)

Cost

	Land	Buildings	Furniture, fixtures and equipment	Leasehold improvements	Lottery gaming assets	Land-based gaming assets	Construction in progress and assets not yet in use	Total
Balance at April 1, 2023	\$ 130	\$ 1,816	\$ 278	\$ 25	\$ 90	\$ 93	\$ 23	\$ 2,455
Additions and assets put into use	-	7	13	-	-	12	56	88
Disposals and retirements	-	-	(23)	(3)	(10)	(9)	-	(45)
Balance at March 31, 2024	\$ 130	\$ 1,823	\$ 268	\$ 22	\$ 80	\$ 96	\$ 79	\$ 2,498
Balance at April 1, 2024	\$ 130	\$ 1,823	\$ 268	\$ 22	\$ 80	\$ 96	\$ 79	\$ 2,498
Additions and assets put into use	-	10	27	11	29	6	(18)	65
Disposals and retirements	-	-	(19)	(13)	(4)	(7)	-	(43)
Balance at March 31, 2025	\$ 130	\$ 1,833	\$ 276	\$ 20	\$ 105	\$ 95	\$ 61	\$ 2,520

Accumulated amortization and accumulated impairment losses

	Land	Buildings	Furniture, fixtures and equipment	Leasehold improvements	Lottery gaming assets	Land-based gaming assets	Construction in progress and assets not yet in use	Total
Balance at April 1, 2023	\$ 41	\$ 1,273	\$ 220	\$ 22	\$ 42	\$ 81	\$ -	\$ 1,679
Amortization for the period	-	40	8	1	11	6	-	66
Disposals and retirements	-	-	(23)	(3)	(10)	(9)	-	(45)
Balance at March 31, 2024	\$ 41	\$ 1,313	\$ 205	\$ 20	\$ 43	\$ 78	\$ -	\$ 1,700
Balance at April 1, 2024	\$ 41	\$ 1,313	\$ 205	\$ 20	\$ 43	\$ 78	\$ -	\$ 1,700
Amortization for the period	-	27	20	2	13	7	-	69
Disposals and retirements	-	-	(15)	(13)	(8)	(7)	-	(43)
Balance at March 31, 2025	\$ 41	\$ 1,340	\$ 210	\$ 9	\$ 48	\$ 78	\$ -	\$ 1,726

Carrying amounts

	Land	Buildings	Furniture, fixtures and equipment	Leasehold improvements	Lottery gaming assets	Land-based gaming assets	Construction in progress and assets not yet in use	Total
Balance at March 31, 2024	\$ 89	\$ 510	\$ 63	\$ 2	\$ 37	\$ 18	\$ 79	\$ 798
Balance at March 31, 2025	\$ 89	\$ 493	\$ 66	\$ 11	\$ 57	\$ 17	\$ 61	\$ 794

Furniture, fixtures and equipment opening balances were adjusted with no change to net book value. Assets subject to operating lease agreements where OLG is the lessor or sub-lessor include land of \$63 million (March 31, 2024 - \$63 million) and buildings with a net book value of \$323 million (March 31, 2024 - \$338 million).

Ontario Lottery and Gaming Corporation

Notes to the Consolidated Financial Statements

For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

9. Leases

a. Accounting policy

i. As a lessee

At the inception of a contract, the Corporation assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. All leases are accounted for by recognizing a right-of-use asset and a lease liability at the commencement date except for:

- leases of low value assets (based on the value of the underlying asset when new); and
- short-term leases with a lease term of 12 months or less. The right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for lease payments made at or before commencement of the lease or initial direct costs incurred.

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date and discounted using the interest rate implicit in the lease, or, if that rate cannot be readily determined, the Corporation's incremental borrowing rate. Generally, the Corporation uses its incremental borrowing rate as the discount rate. Lease payments include fixed payments, variable lease payments that depend on an index or a rate, initially using the index or rate as at the commencement date, lease payments in extension periods if the Corporation is reasonably certain to exercise an extension option and penalties for early termination of a lease unless the Corporation is reasonably certain not to terminate early.

For contracts that both convey a right to the Corporation to use an identified asset and require services to be provided to the Corporation by the lessor, the Corporation has elected to account for the entire contract as a lease.

Right-of-use assets are subsequently measured at cost less any accumulated amortization and impairment losses and adjusted for certain remeasurements of the lease liability.

Lease liabilities are subsequently measured at amortized cost and are remeasured when there is a change in future lease payments arising from a change in an index or rate or if there is a change in assessment of whether the Corporation will exercise an extension or termination option.

ii. As a lessor

The Corporation determines at lease inception whether a lease is a finance lease or an operating lease based on whether the lease substantially transfers all of the risks and rewards incidental to owning the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

When the Corporation is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

9. Leases (continued)

ii. As a lessor (continued)

The Corporation recognizes lease payments received under operating leases as income on a straight-line basis over the term of the lease as lease revenue in the consolidated statements of comprehensive income.

The Corporation recognizes assets held under a finance lease presented as a finance lease receivable at an amount equal to the net investment in the lease. Finance lease receivables are initially measured at the present value of the lease payments receivable by the Corporation. Lease payments received are apportioned between a reduction in the finance lease receivable and finance income over the lease term.

b. Explanatory information

i. As a lessee

The Corporation leases land and property (office facilities, prize centre retail space, warehouses and a casino complex) under long-term leases. Extension options are included in the determination of the lease term when the Corporation can reasonably expect to exercise that option. The lease payments comprise fixed and variable payments over the term of the lease.

Right-of-use assets

Cost	2025	2024
Balance at April 1	\$ 310	\$ 302
Additions	-	1
Modifications	1	8
Disposals	-	(1)
Balance at March 31	\$ 311	\$ 310

Accumulated amortization	2025	2024
Balance at April 1	\$ 97	\$ 81
Amortization for the year	16	17
Disposals	-	(1)
Balance at March 31	\$ 113	\$ 97

Carrying amount	2025	2024
Balance at March 31	\$ 198	\$ 213

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

9. Leases (continued)

i. As a lessee (continued)

Lease liabilities

	2025	2024
Balance at April 1	\$ 394	\$ 403
Additions	-	1
Interest expense	12	12
Variable lease payment adjustments	8	11
Interest payments	(12)	(12)
Principal payments	(24)	(21)
Balance at March 31	\$ 378	\$ 394
Current	\$ 22	\$ 24
Non-current	356	370
	\$ 378	\$ 394

The following table sets out a maturity analysis of contractual lease payments showing the undiscounted contractual lease payments to be made by the Corporation after the reporting date.

As at March 31	
2026	\$ 32
2027	32
2028	32
2029	32
2030	31
Thereafter	311
Total undiscounted lease liabilities	\$ 470
Less: Imputed interest on leases	(92)
Total discounted lease liabilities	\$ 378

Amounts recognized in the consolidated statements of cash flows

	2025	2024
Total cash outflow for leases	\$ 35	\$ 33

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

9. Leases (continued)

ii. As a lessor

Lease income from the lease contracts in which the Corporation acts as a lessor are as follows:

	2025	2024
Finance lease		
Finance income on the finance lease receivable	\$ 4	\$ 4
Operating lease		
Lease revenue from fixed lease payments	\$ 44	\$ 44
Lease revenue from variable lease payments	76	75
Total operating lease revenue	\$ 120	\$ 119

Operating leases

The Corporation leases or subleases casino complex properties and land in long-term lease arrangements to Land-based Casino Gaming service providers as operating leases. The lease payments typically comprise fixed and variable payments over the term.

For a certain land and building lease, a Land-based Casino Gaming service provider prepaid \$61 million for use of the land and building. The Land-based Casino Gaming service provider has the option to terminate the lease agreement at any time and upon termination, the Corporation is required to pay the Land-based Casino Gaming service provider the then fair value of the land and building. The prepayment represents a portion of deferred lease revenue (Note 16.b.ii) and an estimate of the fair value of the Corporation's obligation related to the put option held by the Land-based Casino Gaming service provider (Note 13.b).

For leases where rent payments have been deferred to future periods, the Corporation recognized the deferrals as an other asset of \$69 million (March 31, 2024 – \$69 million) in the consolidated statements of financial position.

The following table sets out a maturity analysis of contractual lease payments due to the Corporation under operating leases, showing the undiscounted contractual lease payments to be received after the reporting date.

As at March 31	
2026	\$ 42
2027	42
2028	42
2029	42
2030	42
Thereafter	502
	\$ 712

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

9. Leases (continued)

Finance lease

The Corporation subleases a parking lot and an entertainment centre in long-term lease arrangements to Land-based Casino Gaming service providers as finance leases. The lease payments comprise fixed and variable payments over the term of the leases.

The following table sets out a maturity analysis of contractual lease payments under finance leases, showing the undiscounted contractual lease payments to be received after the reporting date.

As at March 31	
2026	\$ 11
2027	11
2028	12
2029	12
2030	13
Thereafter	126
Total undiscounted lease payments receivable	\$ 185
Unearned finance income	(30)
Finance lease receivable, gross	\$ 155
Less: expected credit losses	(7)
Finance lease receivable	\$ 148
Current finance lease receivable (presented within other receivables)	\$ 7
Non-current finance lease receivable	\$ 141

The Corporation's accounting policy and exposure to credit risks and impairment losses related to finance lease receivable is disclosed in Note 21.

10. Trade and other payables

	2025	2024
Trade payables and accruals	\$ 151	\$ 128
Unclaimed and estimated lottery prizes payable	91	93
Progressive jackpot liability	68	63
Short-term employee benefits	32	33
Commissions payable	39	39
Customer deposits	33	39
Other payables and accruals	26	27
Trade and other payables	\$ 440	\$ 422

The Corporation's accounting policy and exposure to liquidity risks related to trade and other payables is disclosed in Note 21.

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

11. Provisions

a. Accounting policy

Provisions are liabilities of uncertain timing and amount. A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance costs.

Provisions are reviewed at each reporting date and adjusted to reflect current best estimates.

b. Explanatory information

	Legal claims	Other provisions	Total
Balance at April 1, 2024	\$ 37	\$ 5	\$ 42
Increases and additional provisions	189	-	189
Amounts paid	(20)	-	(20)
Balance at March 31, 2025	\$ 206	\$ 5	\$ 211
Current	65	5	70
Non-current	141	-	141
Total	\$ 206	\$ 5	\$ 211

Legal claims

The ultimate outcome of legal proceedings (including potential settlements and awards) depends on several factors and may vary significantly from original estimates. Legal proceedings for which no provision has been recognized (including where the outcome cannot be assessed at this time) as the outcome is not probable or the amount cannot be reliably estimated, are disclosed as contingent liabilities (Note 24), unless the likelihood of the outcome is remote or if such disclosure would seriously prejudice a pending litigation or dispute.

As at March 31, 2025, the provision for legal claims includes a provision in relation to a legal claim involving an ongoing contractual dispute relating to how the revenue sharing payment has been calculated for certain gaming products since approximately fiscal 2012-13 (Note 19.b). Non-current legal claims provision includes estimated payments expected annually up to and including until February 2033.

Other provisions

Other provisions primarily include provisions for decommissioning obligations.

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

12. Related parties

The Corporation is related to various other government agencies, ministries and Crown corporations. The related party and the associated transactions include:

- Province of Ontario (paid to OFA) - payments to Province of \$2,210 million in fiscal 2024-25 (fiscal 2023-24 - \$2,060 million) within the consolidated statements of changes in equity;
- Ontario Infrastructure and Lands Corporation - office facility lease with lease payments of \$5 million in fiscal 2024-25 recognized within Facility Costs in the consolidated statements of comprehensive income (fiscal 2023-24 \$5 million);
- Province of Ontario (paid to OFA) - win contribution (Note 14);
- OFA - loan agreements (Note 17);
- Ontario Pension Board - post-employment benefit plans (Note 22.b.ii);
- Workplace Safety and Insurance Board (WSIB) - other long-term employee benefits (Note 22.b.iii);
- Alcohol and Gaming Commission of Ontario - fees of \$11 million in fiscal 2024-25 recognized within Regulatory Fees (fiscal 2023-24 - \$10 million), and fees of \$2 million in fiscal 2024-25 within Service Provider fees (fiscal 2023-24 - \$2 million) in the consolidated statements of comprehensive income and
- Other related parties - total transactions of \$4 million in fiscal 2024-25 (fiscal 2023-24 - \$4 million).

All transactions with these related parties are within the normal course of operations and are measured at the exchange amounts, which are the amounts of consideration established and agreed to by the related parties.

Transactions with key management personnel

The Corporation's key management personnel, consisting of the Corporation's Board of Directors and Executive Leadership Team members, have authority and responsibility for overseeing, planning, directing and controlling the activities of the Corporation.

Key management personnel compensation for fiscal 2024-25 includes short-term employee benefits, post-employment benefits and directors' fees totaling \$5 million (fiscal 2023-24 - \$5 million).

13. Due to / from operator and service providers

Due from service providers

	2025	2024
Due from Land-based Casino Gaming service providers (b)	\$ 35	\$ 21
Due from Charitable Gaming service providers (c)	7	6
Less: expected credit losses	(2)	(2)
Due from service providers	\$ 40	\$ 25

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

13. Due to / from operator and service providers (continued)

The Corporation's accounting policy and exposure to credit risks and impairment losses related to due from service providers is disclosed in Note 21.

Due to operator and service providers

	2025	2024
Current		
Due to operator (a)	\$ 18	\$ 18
Due to Land-based Casino Gaming service providers (b)	92	96
	110	114
Non-current		
Due to Land-based Casino Gaming service providers (b)	72	77
Due to operator and service providers	\$ 182	\$ 191

The Corporation's accounting policy and exposure to liquidity risks related to due to operator and service providers is disclosed in Note 21.

a. Due to operator

i. Caesars Windsor

Under the terms of the operating agreement for Caesars Windsor, the operator is entitled to receive an operator's fee calculated as a percentage of Gross Revenue and as a percentage of Net Operating Margin, both as defined in the related operating agreement.

The Corporation and CEWL have an Additional Services and Extension Agreement (ASEA) which extended the term of the operating agreement relating to Caesars Windsor. The Extension Term, as defined in the ASEA, commenced on August 1, 2020 and ends March 3, 2026. Pursuant to the terms of the ASEA, the operator is entitled to the Operator's Fee as defined in the operating agreement and, an Extension Payment. During the last six months of the ASEA, the operator is entitled to a Fixed Operator Fee, as defined, in lieu of the Operator's Fee.

At Caesars Windsor, the operator's subsidiary is the employer of the employees working at that facility. All payroll and payroll-related costs are charged to the Corporation monthly and expensed in the Corporation's consolidated statements of comprehensive income.

b. Due to / from Land-based Casino Gaming service providers

Under the terms of the COSAs, each service provider is entitled to receive service provider fees, primarily comprising a fixed fee and a variable fee. The current amount due to Land-based Casino Gaming service providers represents the accrued service provider fees. Also included is an estimate of the amount due to the West GTA Gaming Bundle service provider in the event the service provider terminates a lease agreement early or at expiry (Note 9.b.ii).

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

13. Due to / from operator and service providers (continued)

b. Due to / from Land-based Casino Gaming service providers (continued)

Due to the calculation method and the timing of settlement, the Corporation may have amounts receivable from certain gaming bundles at the end of the fiscal year. Certain amounts receivable from Land-based Casino Gaming service providers are subject to interest. Where amounts receivable from Land-based Casino Gaming service providers cannot be settled on a net basis or OLG does not intend to settle in this manner, these amounts have been presented separately from those that are due to service providers.

The non-current amount due to Land-based Casino Gaming service providers represents cash held in escrow (Note 5) in accordance with escrow agreements that are repayable at the end of the agreements unless certain conditions are met.

Consideration provided to the Central gaming bundle service provider in advance is recognized as an other asset of \$30 million (March 31, 2024 - \$8 million) in the consolidated statements of financial position.

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

13. Due to / from operator and service providers (continued)

b. Due to / from Land-based Casino Gaming service providers (continued)

The chart below outlines the Land-based Casino gaming bundles:

Bundle	Sites	Service provider	COSA effective date	COSA expiration date
East	Thousand Islands Kawartha Downs Belleville Peterborough	Ontario Gaming East Limited Partnership (OGELP)	January 11, 2016	March 31, 2040
Southwest	Point Edward London Clinton Chatham Hanover Woodstock Sarnia	Gateway Casinos & Entertainment Limited (Gateway)	May 9, 2017	March 31, 2037
North	Sault Ste. Marie Thunder Bay Sudbury North Bay Kenora (New Build*)	Gateway	May 30, 2017	March 31, 2037
Ottawa	Rideau	HR Ottawa L.P. (Hard Rock)	September 12, 2017	March 31, 2037
Greater Toronto Area	Toronto Ajax Great Blue Heron Pickering	Ontario Gaming GTA Limited Partnership (OGGLP)	January 23, 2018	January 22, 2039
West Greater Toronto Area	Brantford Flamboro Mohawk Grand River	Ontario Gaming West GTA Limited Partnership (OGWGLP)	May 1, 2018	March 31, 2038
Central	Innisfil Casino Rama Wasaga Beach	Gateway	July 18, 2018	July 31, 2041
Niagara	Casino Niagara Fallsview	MGE Niagara Entertainment Inc. (MGE)	June 11, 2019	March 31, 2040
Windsor	Caesars Windsor	Caesars Entertainment Windsor Limited was selected on May 09, 2025 (Note 25)	TBD	TBD

* In process of construction as of March 31, 2025.

c. Due from Charitable Gaming service providers

As at March 31, 2025, 37 Charitable Gaming Centres across Ontario are operated by Charitable Gaming service providers. Under the terms of the CGCSPAs, which are set to expire on March 31, 2030, each Charitable Gaming service provider is entitled to Service provider fees primarily comprising a variable fee (calculated as a percentage of gaming revenue). The amount due from Charitable Gaming service providers represents amounts owed to the Corporation.

Ontario Lottery and Gaming Corporation

Notes to the Consolidated Financial Statements

For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

14. Win contribution

The Corporation remits a contribution to the Province of Ontario equal to 20 per cent of gaming revenue generated at the respective sites, as defined, from Caesars Windsor, Casino Rama, Casino Niagara, Fallsview Casino and the Great Blue Heron Casino in accordance with the *Ontario Lottery and Gaming Corporation Act, 1999*, which amounted to \$193 million for fiscal 2024–25 (fiscal 2023–24 – \$201 million). The Corporation retains the responsibility to remit the contribution once a site is operated by a Land-based Casino Gaming service provider.

15. Due to Government of Canada

As at March 31, 2025, the amount due to the Government of Canada was \$38 million (March 31, 2024 – \$36 million). The recognition of this obligation requires management to make certain estimates regarding the nature, timing and amounts associated with the due to the Government of Canada liability. The Corporation's accounting policy and exposure to liquidity risks related to due to Government of Canada is disclosed in Note 21.

The amounts paid to the Government of Canada include:

a. Payments on behalf of the Province of Ontario

The provincial lottery corporations make payments to the Government of Canada under an agreement dated August 1979 between the provincial governments and the Government of Canada. The agreement stipulates that the Government of Canada will not participate in the sale of lottery tickets. The amount is recorded in stakeholder payments in the consolidated statements of comprehensive income (Note 19).

b. Goods and Services Tax / Harmonized Sales Tax (GST/HST)

As a prescribed registrant, the Corporation makes GST/HST remittances to the Government of Canada pursuant to the Games of Chance (GST/HST) Regulations of the Excise Tax Act. The Corporation's net tax for a reporting period is calculated using net tax attributable to both gaming and non-gaming activities.

The net tax attributable to non-gaming activities is calculated in the same way as it is for any other GST/HST registrant in Canada. The non-recoverable GST/HST payable to suppliers and the additional imputed tax payable to the Government of Canada on gaming-related expenses were recognized as payments to the Government of Canada, which is recorded in stakeholder payments in the consolidated statements of comprehensive income (Note 19).

The net tax attributable to gaming activities results in a 26 per cent tax burden on most taxable gaming expenditures incurred by the Corporation.

Ontario Lottery and Gaming Corporation

Notes to the Consolidated Financial Statements

For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

16. Revenue

a. Accounting policy

Revenue is measured at the fair value of the consideration received or receivable. Revenue represents the core operating business transactions accounted for under both IFRS 15, Revenue from Contracts with Customers (IFRS 15) and IFRS 9, Financial Instruments (IFRS 9). IFRS 15 reflects revenue earned from transactions where the Corporation administers games amongst players (administered games) as well as other transactions made in exchange for a defined good or service. IFRS 9 reflects revenue from transactions where the Corporation takes a position against the customer such that the Corporation's net gain or loss on the transaction is determined by an uncertain future event (wagering transactions). For administered games, the Corporation can more definitively determine its return on a sales transaction, whereas under IFRS 9 there is greater uncertainty. Significant judgment is needed to determine whether gaming transactions are within the scope of IFRS 9 or IFRS 15.

i. Gaming revenue and Net gaming revenue

Under IFRS 15:

Revenue from lottery tickets for which results are determined based on a draw is recognized when the related draw occurs net of awarded prizes. These tickets are sold to customers either by contracted lottery retailers or on OLG's digital gaming platform.

INSTANT lottery games revenue is recognized net of the predetermined prize structure at the time retailers make them available for sale to the public. This is indicated by the retailers' activation of tickets which acts as a proxy for the eventual sale to the customer.

OLG recognizes net gaming revenue generated at Charitable Gaming Centres operated by Charitable Gaming service providers, in the same period the games are played. Net gaming revenue is determined after the deduction of service providers' fees, primarily comprising a variable fee (calculated as a percentage of gaming revenue).

OLG recognizes net gaming revenue generated at Land-based Casino Gaming sites operated by Land-based Casino Gaming service providers, in the same period the games are played. Net gaming revenue is determined after the deduction of service providers' fees, primarily comprising a fixed fee and a variable fee (calculated as a percentage of gaming revenue).

Under IFRS 9:

For any lottery, sports betting and casino game offerings (Caesars Windsor and digital casino) which fall under the scope of IFRS 9, revenue is recognized in the same period the related draw occurs, event is settled or game is played. Revenue represents the difference between the amounts earned through lottery and sports ticket sales or gaming wagers less prize payouts, net of any changes in accrued jackpot liabilities, fair value remeasurements of unsettled sports betting positions and liabilities under customer loyalty incentive programs.

ii. Non-gaming revenue

Under IFRS 15, revenue earned from accommodations, food and beverage, entertainment and other services is recognized in the period it is earned. OLG does not recognize non-gaming revenue generated at sites operated by Land-based Casino Gaming and Charitable Gaming service providers.

Ontario Lottery and Gaming Corporation

Notes to the Consolidated Financial Statements

For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

16. Revenue (continued)

iii. Lease revenue

Under IFRS 15, the Corporation leases certain properties in exchange for fixed and variable lease payments, as applicable, pursuant to lease agreements, including property tax and operating cost reimbursements under certain leases. The fixed and variable payments are recognized in lease revenue as they are earned. In addition to these payments, an adjustment is made for certain leases with service providers in accordance with IFRS 15, to reallocate net gaming revenue to lease revenue with the objective of recognizing a fair market value lease payment.

iv. Other items in revenue

Customer loyalty incentive programs

For programs that allow customers to earn points based on the volume of play during gaming or through purchases of non-gaming amenities, these points are recognized as a separate deliverable in the revenue transaction.

For programs that provide customers the right to receive cash, a financial liability is recognized when the points are granted and a corresponding amount equal to the cash value is recognized as a reduction to revenue. When the points are redeemed, expire or are forfeited, the financial liability is derecognized.

For programs that provide customers the right to receive free or discounted goods and services and/or free play, a financial liability is recognized when the points are awarded and a corresponding amount equal to the fair value is recognized as a reduction to revenue. The revenue is deferred until the points are redeemed, expire or are forfeited; at which time the financial liability is derecognized.

Complimentary items and cash incentives

When complimentary goods and services or free play/tickets are provided to customers not in conjunction with a gaming transaction, the Corporation does not recognize revenue from the complimentary goods and services or free tickets.

When a player is awarded a cash incentive, a financial liability is recognized when the incentive is granted and a corresponding amount equal to the cash value is recognized as a reduction to revenue. When the cash incentive is redeemed, expires or is forfeited, the financial liability is derecognized.

Contract liabilities

Funds collected for unsettled sports betting positions and lottery games for which results are determined based on the outcome of an event or a draw, and for which tickets are sold in advance of the event or draw, are recorded as contract liabilities representing the portion of gaming revenue to be recognized once the related draw occurs or event is settled and a separate portion for prizes that the Corporation expects to be returned to players.

Contract liabilities also includes prepaid lease revenue and consideration received from Land-based Casino Gaming service providers which is recognized on a straight-line basis over the duration of the respective COSA.

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

16. Revenue (continued)

b. Explanatory information

i. Disaggregation of revenue

The Corporation's revenue disaggregated by line of business is as follows:

2025	Lottery	Land-based Gaming		Digital Gaming		Total
		Casino Gaming	Charitable Gaming	iLottery	iCasino/iSports	
Proceeds from Lottery and Gaming	\$ 4,149	\$ 3,820	\$ 458	\$ 297	\$ 585	\$ 9,309
Less: Lottery prizes	(2,443)	-	-	(151)	-	(2,594)
Gaming revenue	\$ 1,706	\$ 3,820	\$ 458	\$ 146	\$ 585	\$ 6,715
Less: Service Provider fees	-	(1,817)	(266)	-	-	(2,083)
Net gaming revenue	\$ 1,706	\$ 2,003	\$ 192	\$ 146	\$ 585	\$ 4,632
Lease revenue	-	120	-	-	-	120
Non-gaming revenue	-	44	-	-	-	44
Revenue	\$ 1,706	\$ 2,167	\$ 192	\$ 146	\$ 585	\$ 4,796
Revenue from administered games / other transactions in exchange for a defined good or service						3,819
Revenue from wagered games						977
Revenue						\$ 4,796

2024	Lottery	Land-based Gaming		Digital Gaming		Total
		Casino Gaming	Charitable Gaming	iLottery	iCasino/iSports	
Proceeds from Lottery and Gaming	\$ 4,221	\$ 3,956	\$ 397	\$ 242	\$ 508	\$ 9,324
Less: Lottery prizes	(2,466)	-	-	(120)	-	(2,586)
Gaming revenue	\$ 1,755	\$ 3,956	\$ 397	\$ 122	\$ 508	\$ 6,738
Less: Service Provider fees	-	(1,977)	(234)	-	-	(2,211)
Net gaming revenue	\$ 1,755	\$ 1,979	\$ 163	\$ 122	\$ 508	\$ 4,527
Lease revenue	-	119	-	-	-	119
Non-gaming revenue	-	42	-	-	-	42
Revenue	\$ 1,755	\$ 2,140	\$ 163	\$ 122	\$ 508	\$ 4,688
Revenue from administered games / other transactions in exchange for a defined good or service						3,761
Revenue from wagered games						927
Revenue						\$ 4,688

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

16. Revenue (continued)

ii. Contract liabilities

	2025	2024
Gaming Bundle contract liabilities (a)	\$ 108	\$ 132
Deferred lease revenue (b)	15	17
Deferred lottery and sports revenue	6	4
Expected prize payout	6	4
Gift cards	6	5
	141	162
Less: current portion	(57)	(54)
Contract liabilities	\$ 84	\$ 108

The amount of \$34 million included in contract liabilities at March 31, 2024 has been recognized as revenue in fiscal 2024-25 (fiscal 2023-24 - \$38 million).

a. Niagara and GTA gaming bundle contract liabilities

These liabilities represent consideration received in advance from the Niagara and GTA gaming bundle service providers.

b. Deferred lease revenue

Deferred lease revenue represents an amount prepaid from the West GTA gaming bundle service provider for the use of land and building where the casino in Brantford resides (Note 9.b.ii).

17. Long-term debt

The Corporation's accounting policy and exposure to liquidity risks related to long-term debt is disclosed in Note 21.

	2025	2024
Lottery terminals loan (a)	\$ 18	\$ 29
Self-serve lottery terminals loan (b)	56	47
	74	76
Less: current portion	(12)	(12)
Long-term debt	\$ 62	\$ 64

On June 1, 2012, the Province of Ontario amended the *Ontario Lottery and Gaming Corporation Act, 1999* to require the Corporation to finance certain capital expenditures with debt obtained from the OFA. The approval of the Minister of Finance is required for the Corporation to borrow funds for major capital expenditures.

Interest expense from long-term debt included in finance cost for the year ended March 31, 2025 was \$3 million (March 31, 2024 – \$2 million).

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

17. Long-term debt (continued)

a. Lottery terminals loan

In February 2018, the Corporation entered into a loan agreement with the OFA, involving two facilities, to finance the replacement and expansion of the lottery terminal network and the implementation of an enhanced communications network. Facility one, with a cumulative balance of \$56 million inclusive of interest, was repaid with facility two on April 30, 2021. The facility two loan is repayable over five years in average semi-annual payments of \$6 million. The loan bears interest and fees of 1.641 per cent per annum and is unsecured. The loan is due April 30, 2026.

b. Self-serve lottery terminals loan

On May 3, 2022, the Corporation entered into a loan agreement with the OFA, involving two facilities, to borrow an amount up to \$56 million to finance the purchase and installation of self-serve lottery terminals. During fiscal 2024-25, the Corporation drew \$7 million on facility one, bringing the total cumulative loan balance to \$56 million inclusive of interest. Facility one is repayable, inclusive of interest accrued, at the earlier of the project completion date or December 31, 2025 with facility two. Facility one bears interest equal to the three-month Ontario Treasury Bill Rate plus 0.533 percent per annum compounded quarterly and is unsecured. Facility two, which has not yet been drawn, will be repayable over five years in equal-blended semi-annual installments of principal and interest.

c. Payments over the next five years

Principal payments related to long-term debt that are expected to be made over the next five years and thereafter are approximated as follows:

As at March 31	Principal payments
2026	\$ 12
2027	16
2028	11
2029	11
2030	12
Thereafter	12
	\$ 74

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

18. Commissions and fees

	2025	2024
Lottery retailer commissions (a)	\$ 312	\$ 319
Operator fees (b)	157	147
Other (c)	13	10
Commissions and fees	\$ 482	\$ 476

a. Lottery retailer commissions

Commissions paid to lottery retailers are based on revenue earned by OLG, ticket redemptions or sales of major prize-winning tickets.

b. Operator fees

Operator fees include fees paid to the operator of Caesars Windsor and to lottery and digital service providers.

c. Other

These primarily comprise fees paid to third parties related to PlaySmart Centres.

19. Stakeholder payments

	Notes	2025	2024
Payments to the Government of Canada	15	\$ 436	\$ 420
Revenue sharing payment to OFNLP	23.c	170	163
Municipal commissions (a)		155	157
Horse racing funding	23.d	102	113
Charity payments		111	96
Other (b)		192	4
Stakeholder payments		\$ 1,166	\$ 953

a. Municipal commissions

Municipalities that host a Land-based Casino Gaming facility receive a percentage of Electronic Games Revenue, Live Table Games Revenue and Sportsbook Revenue as defined in the Municipality Contribution Agreements. The Mississaugas of Scugog Island First Nation (MSIFN), as the host community of the Great Blue Heron Casino, receives a percentage of Electronic Games Revenue and Live Table Games Revenue as defined in the Contribution Agreement.

Municipalities that host Charitable Gaming Centres receive a commission based on a percentage of Adjusted Net Gaming Win, as defined in the Charitable Gaming Centre Municipality Agreements.

b. Other

Other Stakeholder payments include the MSIFN Revenue Share Payment as defined in the Revenue Share Agreement, and a provision in relation to a legal claim involving an ongoing contractual dispute arising under the GRSFA (Note 11).

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

20. General operating, administration and other

	2025	2024
General and administration (a)	\$ 70	\$ 71
ATM fees	(4)	(4)
Miscellaneous income	(4)	(3)
General operating, administration and other	\$ 62	\$ 64

a. General and administration

General and administration expenses are primarily comprised of office supplies and consumables, legal and consulting fees, settlements, research and development, travel, telecommunication, information technology and other miscellaneous expenses.

21. Financial risk management and financial instruments

a. Accounting policy

i. Financial assets

The Corporation initially recognizes financial assets on the trade date, which is the date the Corporation becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value plus any directly attributable transaction costs or the transaction price. Subsequently, their measurement depends on the category in which they are classified.

On initial recognition, a financial asset is classified as and subsequently measured at amortized cost, fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVTOCI) depending on the business model for managing the financial assets and the contractual terms of the cash flows.

The Corporation's financial assets classified as and subsequently measured at amortized cost are comprised of cash, restricted cash, trade and other receivables, due from service providers and finance lease receivable. Subsequent to initial recognition, these financial assets are measured at amortized cost using the effective interest method, less any allowance for expected losses.

The Corporation does not have FVTPL or FVOCI financial assets.

The Corporation derecognizes a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the rights to receive the contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

ii. Financial liabilities

The Corporation initially recognizes financial liabilities on the trade date at which the Corporation becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value.

On initial recognition, a financial liability is classified as and subsequently measured at amortized cost or FVTPL.

Ontario Lottery and Gaming Corporation

Notes to the Consolidated Financial Statements

For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

21. Financial risk management and financial instruments (continued)

ii. Financial liabilities (continued)

The Corporation's non-derivative financial liabilities measured at amortized cost are comprised of trade and other payables, due to operator and service providers, due to Government of Canada, long-term debt and lease liabilities. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method. Interest expense is recognized in profit or loss.

The Corporation's derivative financial liabilities measured at FVTPL include any current contract liabilities arising from wagering transactions as well as the liability relating to the Brantford lease arrangement (Note 16.b.ii). Subsequent to initial recognition, these financial liabilities are measured at fair value. Net gains or losses, including any interest expense, are recognized in profit or loss.

The Corporation derecognizes a financial liability when its contractual obligations are discharged, cancelled or have expired. On derecognition of a financial liability, the difference between the carrying amount and the consideration paid is recognized in profit or loss.

iii. Offsetting

Financial assets and liabilities are offset and the net amount presented in the consolidated statements of financial position only when the Corporation has a legally enforceable right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

iv. Impairment of financial assets

At each reporting date, the Corporation assesses financial assets carried at amortized cost under an expected credit loss model (ECL). ECLs are a probability-weighted estimate of credit losses based on the difference between the cash flows due to the Corporation in accordance with the contract and the cash flows the Corporation expects to receive, discounted at the effective interest rate of the financial asset.

The Corporation measures loss allowances at an amount equal to lifetime ECL, which are losses that result from all possible default events over the expected life of the financial asset. For trade receivables, receivables due from service providers and finance lease receivable, the Corporation uses historic actual credit losses adjusted for the current economic environment and forecasts of future conditions. The ECL is recorded in general operating, administration and other in the consolidated statements of comprehensive income.

Loss allowances on financial assets measured at amortized cost are deducted from the gross carrying amount of the asset, and the related impairment loss is recorded in the consolidated statements of comprehensive income. The gross carrying amount of a financial asset is written off when the Corporation has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

Ontario Lottery and Gaming Corporation

Notes to the Consolidated Financial Statements

For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

21. Financial risk management and financial instruments (continued)

b. Explanatory information

i. Overview

The Corporation has exposure to credit risk, liquidity risk and market risk from its use of financial instruments. This note presents information about the Corporation's exposure to each of these risks and the Corporation's objectives, policies and processes for measuring and managing them.

ii. Risk management framework

The Corporation has a formal Enterprise Risk Management Program, which conforms to the Ontario Management Board of Cabinet Risk Management Directive and guidelines. This program supports the Corporation in the identification, assessment, management, and monitoring of risks that could affect the achievement of financial and non-financial objectives.

The Board of Directors considers enterprise risks and risk appetite in board deliberations including strategic planning, budget reviews and approvals for material transactions. The Board of Directors, through its Audit and Risk Management Committee (ARMC), provides oversight, direction, and support for the Enterprise Risk Management Program. The ARMC is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc engagements to assess risk management controls and procedures, the results of which are reported to the ARMC.

The Corporation's financial risk management policies are established to identify and analyze the risks faced by the Corporation, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Corporation's activities.

The Corporation, through its policies, training and management standards and procedures, aims to enable employees at all levels of the organization to understand risks, to exercise appropriate risk-taking and to develop a strong control environment in which all employees understand their roles and obligations.

iii. Credit risk

Credit risk is the risk that the Corporation will suffer a financial loss due to a third party failing to meet its financial or contractual obligations to the Corporation. The Corporation has financial instruments that potentially expose it to a concentration of credit risk. The instruments consist of trade and other receivables, due from service providers and finance lease receivable. The gross trade and other receivables, due from service providers and finance lease receivable represents the Corporation's maximum exposure to credit risk, however, this risk is mitigated by letters of credit or escrow funds held with service providers, as discussed below.

Trade and other receivables

Trade and other receivables primarily includes credit provided to retailers of lottery products and outstanding Casino Gaming service providers' deposits and are due for settlement no more than 40 days from the date of recognition. The Corporation performs initial credit or similar evaluations and maintains reserves for potential credit losses on accounts receivable balances. The receivables from lottery retailers and Casino Gaming service providers are short term in nature and are collected by bank account sweeps or deposits made to the Corporation's bank accounts, making the likelihood of credit loss very low. Historically, the Corporation has not experienced any significant losses in trade and other receivables.

Ontario Lottery and Gaming Corporation

Notes to the Consolidated Financial Statements

For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

21. Financial risk management and financial instruments (continued)

iii. Credit risk (continued)

The amounts disclosed in the consolidated statements of financial position for trade and other receivables are net of expected credit losses. As at March 31, 2025 and March 31, 2024, the Corporation had an immaterial provision for expected credit losses. The Corporation believes that its provision for expected credit losses is sufficient to reflect the related credit risk.

Due from service providers

Amounts due from Land-based Casino Gaming service providers relate primarily to the calculation and the timing of settlement of service provider fees and are expected to be settled, within 120 days after year-end. Historically, the Corporation has not experienced any losses from amounts due from service providers. Pursuant to the COSAs, each Land-based Casino Gaming service provider has provided the Corporation with a letter of credit or escrow fund. The amount of each letter of credit or escrow fund is in excess of the amounts due to the Corporation at March 31, 2025.

As at March 31, 2025, the gross amount due from service providers was \$42 million (March 31, 2024 - \$27 million) primarily due from three Land-based Casino Gaming service providers which represents 83 per cent (March 31, 2024 - 78 per cent) of the gross amount due from service providers.

As at March 31, 2025, the Corporation had a provision for expected credit losses of \$2 million (March 31, 2024 - \$2 million), related to the outstanding amounts due from service providers. The Corporation believes that the provision for expected credit losses is sufficient to reflect the related credit risk.

Finance lease receivable

The finance lease receivable represents the payments to be received over the term of the leases.

As at March 31, 2025, the gross amount of finance lease receivables was \$155 million (March 31, 2024 - \$159 million) due from two Land-based Gaming service providers. To date, the Corporation has not experienced any losses from payments due under finance lease receivable.

As at March 31, 2025, the Corporation had a provision for expected credit losses of \$7 million (March 31, 2024 - \$7 million), related to the finance lease receivables. The Corporation believes that the provision for expected credit losses is sufficient to reflect the related credit risk.

iv. Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation's approach to managing liquidity is to ensure, as much as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions.

The Corporation manages its liquidity risk by performing regular reviews of net income and cash flows from operations and continuously monitoring the forecast against future liquidity needs.

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

21. Financial risk management and financial instruments (continued)
iv. Liquidity risk (continued)

The undiscounted contractual maturities of financial liabilities and the contractual cash flows including principal and interest of long-term debt are as follows:

2025	Carrying amount	Contractual cash flows	<1 year	1 - 2 years	3 - 5 years	> 5 years
Lease liabilities (Note 9)	\$ 378	\$ 470	\$ 32	\$ 32	\$ 95	\$ 311
Trade and other payables (Note 10)	440	440	440	-	-	-
Due to operator and service providers (Note 13)	182	182	110	-	-	72
Due to Government of Canada (Note 15)	38	38	38	-	-	-
Long-term debt (Note 17)	74	81	12	18	38	13
	\$ 1,112	\$ 1,211	\$ 632	\$ 50	\$ 133	\$ 396

2024	Carrying amount	Contractual cash flows	<1 year	1 - 2 years	3 - 5 years	> 5 years
Lease liabilities (Note 9)	\$ 394	\$ 495	\$ 35	\$ 32	\$ 93	\$ 335
Trade and other payables (Note 10)	422	422	422	-	-	-
Due to operator and service providers (Note 13)	191	191	114	-	-	77
Due to Government of Canada (Note 15)	36	36	36	-	-	-
Long-term debt (Note 17)	76	82	12	22	38	10
	\$ 1,119	\$ 1,226	\$ 619	\$ 54	\$ 131	\$ 422

v. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes interest rate risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Corporation has financial assets and liabilities that potentially expose it to interest rate risk.

The Corporation is subject to interest rate risk on its long-term debt.

Ontario Lottery and Gaming Corporation

Notes to the Consolidated Financial Statements

For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

21. Financial risk management and financial instruments (continued)

v. Market risk (continued)

At March 31, 2025, long-term debt consists of two loan agreements with the OFA. Each loan advance is subject to the interest rate at the time of advancement which is fixed during the borrowing period. The loan agreements have fixed interest rates for their entire terms of the repayment periods.

At March 31, 2025, the Corporation had unrestricted cash of \$300 million (March 31, 2024 – \$251 million), current restricted cash of \$123 million (March 31, 2024 – \$131 million) and non-current restricted cash of \$72 million (March 31, 2024 – \$77 million). The impact of fluctuations in interest rates is not significant and, accordingly, a sensitivity analysis of the impact of fluctuations in interest rates on net income has not been provided.

vi. Fair values measurement

The carrying values of cash, restricted cash and trade and other receivables approximate fair value because of the short-term nature of these financial instruments or because amounts are held in escrow accounts. The carrying values of due from service providers and finance lease receivable also approximate their fair values based on the recognition of an expected credit loss allowance. The carrying amounts of trade and other payables, current due to operator and service providers, due to the Government of Canada and certain current derivative contract liabilities approximate fair values because of the short-term nature of these financial instruments or because they are payable on demand.

Lease liabilities are carried at amortized cost using the effective interest method which approximates fair value. Non-current due to operator and service providers approximates fair value because the amounts due are held in escrow accounts. The fair value of the Corporation's long-term debt is not determinable given its related-party nature, and there is no observable market for the Corporation's long-term debt.

Financial instruments measured subsequent to initial recognition at fair value are grouped into one of three levels based on the degree to which the fair value is observable. The Corporation has determined the fair value of its financial instruments as follows:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., prices) or indirectly (i.e., derived from prices).

Ontario Lottery and Gaming Corporation

Notes to the Consolidated Financial Statements

For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

21. Financial risk management and financial instruments (continued)

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (i.e., unobservable inputs).

The lease arrangement for the Brantford property (Note 9.b.ii) requires the Corporation on expiry or termination of the lease to buy back the property of the then fair market value. Valuing this option requires level 3 (valuation techniques using non-observable data) inputs.

The Corporation's derivative financial liabilities representing wagering transactions of certain lottery draw based games that are set to take place in the future and unsettled sports betting positions involves level 3 (valuation techniques using non-observable data) inputs.

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instruments. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and, therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

22. Employee benefits

a. Accounting policy

i. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions are recognized as an employee benefit expense in the consolidated statements of comprehensive income in the periods during which services are rendered by the employees.

ii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan that requires entities to record their net obligation in respect of the plan and is not a defined contribution plan. The Corporation has defined benefit plans classified as state plans as there is no contractual agreement or stated policy for charging the net defined benefit cost of the plans to the Corporation. As such, the Corporation accounts for these post-employment benefits as a defined contribution plan and does not record additional liability for the plan deficit. The annual contribution made by the Corporation are recorded as an employee benefit expense in the consolidated statements of comprehensive income.

iii. Other long-term benefits

The Corporation's net obligation with respect to long-term employee benefits other than pension plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value and the fair value of any related assets is deducted.

Ontario Lottery and Gaming Corporation

Notes to the Consolidated Financial Statements

For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

22. Employee benefits (continued)

iv. Termination benefits

Termination benefits are recognized as an expense at the earlier of when the Corporation can no longer withdraw the offer of those benefits and when the Corporation recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, they are discounted to their present value.

v. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability and expense are recognized for the amount expected to be settled wholly within 12 months of the end of the reporting period if the Corporation has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b. Explanatory information

i. Defined contribution plans

The operator of Caesars Windsor has created defined contribution pension plans for its employees, which are funded by the Corporation. The pension expense for Caesars Windsor defined contribution plans for fiscal 2024–25 amounted to \$7 million (fiscal 2023–24 – \$7 million).

ii. Other post-employment benefit plans

The Corporation provides defined benefit pension plans through the Public Service Pension Fund (PSPF) and administered by the Ontario Pension Board. The Corporation does not have a net obligation in respect of the defined benefit pension plans as the plans are sole-sponsored defined benefit plans established by the Province of Ontario. The Province of Ontario controls all entities included in the pension plans.

Contribution rates for the PSPF are set by the *Public Service Pension Act*, whereby the Corporation matches all regular contributions made by the member. The Corporation's contribution and pension expense for fiscal 2024–25 was \$12 million (fiscal 2023–24 – \$12 million).

iii. Other long-term employee benefits

As a Schedule 2 employer under the *Workplace Safety and Insurance Act, 1997*, (the Act), the Corporation is individually responsible for the full cost of accident claims filed by its workers. The WSIB maintains full authority over the claims entitlement process and administers and processes claims payments on the Corporation's behalf. WSIB liabilities for self-insured employers are reported in the consolidated statements of financial position.

The WSIB accrual at March 31, 2025 was \$9 million (March 31, 2024 – \$10 million), of which \$8 million (March 31, 2024 – \$9 million) was included in non-current employee benefits liability and \$1 million (March 31, 2024 – \$1 million) was included in trade and other payables (Note 10). The accrued benefit costs are based on actuarial assumptions.

The operator of Caesars Windsor is a Schedule 1 employer under the Act and is not subject to the financial reporting requirements of self-insured employers.

Ontario Lottery and Gaming Corporation
Notes to the Consolidated Financial Statements
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

23. Commitments

	HST on lease commitments (a)	Suppliers (b)	Total
2026	\$ 10	\$ 79	\$ 89
2027	8	17	25
2028	7	8	15
2029	4	9	13
2030	3	8	11
	32	121	153
Thereafter	56	46	102
	\$ 88	\$ 167	\$ 255

a. HST on lease commitments

The Corporation and Caesars Windsor have entered into several agreements to lease property, plant and equipment from the Corporation's subsidiary. The non-recoverable HST and the additional imputed tax on the gaming-related assets payable to the Government of Canada (Note 15.b) on the future lease payments are approximated as summarized above.

b. Suppliers

The Corporation has computer hardware and software maintenance, utility service, marketing, lottery and digital gaming services and ticket printing arrangements with future payments as at March 31, 2025. The future payments are approximated as summarized above.

c. Ontario First Nations (2008) Limited Partnership

On February 19, 2008, Her Majesty the Queen in Right of Ontario, the Corporation, the Ontario First Nations Limited Partnership and Ontario First Nations (2008) Limited Partnership entered into the Gaming Revenue Sharing and Financial Agreement (GRSFA). Pursuant to the terms of the GRSFA and an Order-in-Council, the Corporation was directed to pay the Ontario First Nations (2008) Limited Partnership (OFNLP), commencing in fiscal 2011–12 for revenues generated in fiscal 2010–11 and in each fiscal year thereafter for the remaining initial 20-year term of the agreement, twelve monthly payments aggregating to an amount equal to 1.7 per cent of the prior fiscal year's Gross Revenues of the Corporation, as defined in accordance with the GRSFA. Pursuant to the GRSFA and other contractual commitments, during fiscal 2024–25, \$170 million was expensed (fiscal 2023–24 – \$163 million) as a revenue sharing payment to OFNLP (Note 19).

d. Horse Racing Funding Agreement

On April 1, 2019, the Corporation began directly funding the Ontario horse racing industry pursuant to the terms and conditions of a new Amended and Restated Funding Agreement for Live Horse Racing, which provides the industry with up to approximately \$117 million per year for up to 19 years. In addition, the Corporation originally committed to contribute \$3 million annually as part of the three-year transitional funding support of purses and operating costs for grassroots and signature-level racetracks. The transitional funding term was amended to continue to the end of the first term of the agreement, March 31, 2026.

The Corporation also provides the Ontario horse racing industry with advice and support in areas including responsible gambling, marketing and performance management.

Ontario Lottery and Gaming Corporation

Notes to the Consolidated Financial Statements

For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

24. Contingencies

The Corporation is, from time to time, involved in various legal proceedings of a character normally incidental to its business including related to the interpretation of its contracts. The Corporation makes significant judgements in determination of the probability of loss when assessing contingent liabilities. The Corporation believes either the probability of an outflow of resources is not determinable or it is not probable that the ultimate resolution of any of these proceedings and claims, individually or in total, will have a material adverse effect on the Corporation's business, financial results, or financial condition. The Corporation recognizes a provision for legal proceedings (including potential settlements and awards) during the period when the ultimate outcome becomes probable and if such amount is estimable (Note 11). Changes in the Corporation's assessment regarding the probability or estimate in a particular case is evaluated each period-end. Changes, if any, concerning these contingencies will be accounted for as a charge in the consolidated statements of comprehensive income.

25. Subsequent event

On May 9, 2025, OLG announced the selection of Caesars Entertainment Windsor Limited (CEWL) as the Service Provider for the Windsor Gaming Bundle. On the selection date, OLG and CEWL signed a Transition and Asset Purchase Agreement (TAPA) committing OLG to sell certain assets and CEWL agreed to purchase such assets and assume certain liabilities related to the Windsor Gaming Bundle which is expected to occur within the next fiscal year.

Ontario Lottery and Gaming Corporation
Unaudited Supplementary Schedule
For the years ended March 31, 2025 and 2024
(in millions of Canadian dollars)

Supplemental Information (unaudited)

The Corporation has three lines of business (Lottery, Land-based Gaming and Digital) and a Corporate Services division. The three lines of business are distinct revenue-generating business units that offer different products and services and are managed separately because of their different operating model or that they require different technologies and marketing strategies. The Corporate Services division provides support services to all of the revenue-generating lines of business and the costs associated with those services are allocated using a combination of direct and lump sum methodology. The following summarizes the overall results by line of business and the costs of corporate services allocated to each.

2025	Lottery	Land-based Gaming	Digital Gaming	Corporate Services	Total
Net income (loss)	\$ 863	\$ 988	\$ 417	\$ (214)	\$ 2,054
Add: Win Contribution (a)	-	193	-	-	193
Net Profit (loss) to the Province (b) before Allocations	863	1,181	417	(214)	2,247
Less: Corporate Services Allocations	(113)	(62)	(39)	214	-
Net Profit to the Province (b) after Allocations	\$ 750	\$ 1,119	\$ 378	\$ -	\$ 2,247

2024 (c)	Lottery	Land-based Gaming	Digital Gaming	Corporate Services	Total
Net income (loss)	\$ 922	\$ 1,117	\$ 328	\$ (200)	\$ 2,167
Add: Win Contribution (a)	-	201	-	-	201
Net Profit (loss) to the Province (b) before Allocations	922	1,318	328	(200)	2,368
Less: Corporate Services Allocations	(106)	(58)	(36)	200	-
Net Profit to the Province (b) after Allocations	\$ 816	\$ 1,260	\$ 292	\$ -	\$ 2,368

(a) Win contribution is the amount the Corporation remits to the Province of Ontario equal to 20 per cent of gaming revenue generated at various sites as defined in accordance with the *Ontario Lottery and Gaming Corporation Act, 1999*.

(b) Net Profit to the Province (NPP) is calculated on an accrual basis by adding back win contribution to net income (loss).

(c) Certain comparative figures in this Supplemental Information have been reclassified, where necessary, to conform to the current year's presentation.



olg.ca

SAULT STE. MARIE

70 Foster Drive, Suite 800
Sault Ste. Marie, ON P6A 6V2
705-946-6464

TORONTO

4120 Yonge Street, Suite 600
Toronto, ON M2P 2B8
416-224-1772



An Operational Enterprise Agency of the Province of Ontario

OLG Support Centre – Customer Inquiries

1-800-387-0098

ConnexOntario – Problem Gambling Support

1-866-531-2600

ISSN 1499 4887

*Ce rapport est également publié en français sous le nom de
Rapport annuel 2024-2025 de la Société des loteries et des jeux de l'Ontario.
Il est disponible en composant le 1-800-387-0098.*