Consolidated Financial Statements of the

ONTARIO LOTTERY AND GAMING CORPORATION

for the years ended March 31, 2026 and 2025

ONTARIO LOTTERY AND GAMING CORPORATION

Table of Contents

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 IFRS Accounting Standards (IFRS), as issued by the International Accounting Standards Board (IASB). Where required, management has made informed judgements and estimates in accordance with IFRS.

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 Chief Audit Executive, 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.

Duncan Hannay
President and Chief Executive Officer

Pinder Basi
Chief Financial and Operations Officer

June 18, 2026

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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 consolidated financial statements of Ontario Lottery and Gaming Corporation (the Corporation), which comprise:

- the consolidated statements of financial position as at March 31, 2026 and March 31, 2025
- 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 policy information

(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, 2026 and March 31, 2025, 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 of:

- 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 2025-26".

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 2025-26 as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the 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.

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.
- Provide those charged with governance with a statement that we have compiled 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 18, 2026

Ontario Lottery and Gaming Corporation
Consolidated Statements of Financial Position
As at March 31, 2026 and 2025
(in millions of Canadian dollars)

	Notes		2026		2025
Assets					
Current assets					
Cash		$	280	$	300
Restricted cash	5		135		123
Trade and other receivables	6		130		146
Due from service providers	13		27		40
Prepaid expenses			26		25
Inventories	7		43		47
Other asset	13		16		-
Total current assets			657		681
Non-current assets					
Restricted cash	5		72		72
Property, plant and equipment	8		736		794
Right-of-use assets	9		204		198
Finance lease receivable	9		136		141
Other asset	9,13		106		99
Total non-current assets			1,254		1,304
Total assets		**$**	**1,911**	**$**	**1,985**
Liabilities and Equity					
Current liabilities					
Trade and other payables	10	$	433	$	440
Provisions	11		99		70
Due to operator and service providers	13		142		110
Due to the Government of Canada	15		46		38
Contract liabilities	16		53		57
Lease liabilities	9		24		22
Long-term debt	17		18		12
Total current liabilities			815		749
Non-current liabilities					
Lease liabilities	9		356		356
Provisions	11		118		141
Due to operator and service providers	13		72		72
Contract liabilities	16		60		84
Long-term debt	17		49		62
Employee benefits	23		8		8
Total non-current liabilities			663		723
Total liabilities			1,478		1,472
Equity					
Retained earnings			371		451
Contributed surplus			62		62
Total equity			433		513
Total liabilities and equity		**$**	**1,911**	**$**	**1,985**

Commitments (Note 13 and 24)
Contingencies (Note 25)
Subsequent events (Note 11(b) and 17(a))

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, 2026 and 2025
(in millions of Canadian dollars)

	Notes	2026	2025
Proceeds from Lottery and Gaming		$ 9,089	$ 9,309
Less: Lottery prizes		(2,501)	(2,594)
Gaming revenue		6,588	6,715
Less: Service Provider fees		(2,061)	(2,083)
Net gaming revenue		4,527	4,632
Lease revenue	9	123	120
Non-gaming revenue		39	44
Revenue	16	4,689	4,796
Expenses (income)			
Stakeholder payments	19	951	1,166
Commissions and fees	18	465	482
Personnel		327	325
Marketing and promotion		192	179
Win contribution	14	190	193
Systems maintenance		120	112
Amortization	8,9	81	85
Ticket printing, distribution and testing		64	67
General operating, administration and other	21	56	62
Facilities		47	51
Finance costs		22	17
Regulatory fees		17	13
Food, beverage and other purchases		16	16
Gains on disposal of property, plant and equipment, net	20	(17)	-
Finance income		(21)	(26)
		2,510	2,742
Net income and comprehensive income		$ 2,179	$ 2,054

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, 2026 and 2025
(in millions of Canadian dollars)

	Notes	Retained earnings	Contributed surplus	Total
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
Net income and comprehensive income		2,179	-	2,179
Payments to the Province of Ontario	12	(2,259)	-	(2,259)
Balance at March 31, 2026		$ 371	$ 62	$ 433

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, 2026 and 2025
(in millions of Canadian dollars)

	Notes	2026	2025
Cash flows from operating activities			
Net income and comprehensive income		$ 2,179	$ 2,054
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	81	85
Gains on disposal of property, plant and equipment, net	20	(17)	-
Net finance costs (income)		1	(9)
Other long-term employee benefits	23.iii	-	(1)
Operating cash flows before change in non-cash working capital and restricted cash		2,244	2,129
Changes in non-cash working capital and restricted cash:			
(Increase) decrease in restricted cash		(12)	13
Decrease in trade and other receivables		16	79
(Increase) in other asset		(23)	(22)
Decrease (increase) in due from service providers		13	(15)
(Increase) in prepaid expenses		(1)	(4)
Decrease (increase) in inventories		4	(9)
(Decrease) increase in trade and other payables		(4)	20
(Decrease) increase in provisions		(1)	169
Increase (decrease) in due to operator and service providers		32	(9)
Increase in due to the Government of Canada		8	2
(Decrease) in contract liabilities		(29)	(21)
Net cash from operating activities		2,247	2,332
Cash flows from (used in) from investing activities			
Interest received		16	22
Proceeds on sale of property, plant and equipment	20	57	-
Capital expenditures	8	(47)	(66)
Net cash from (used in) investing activities		26	(44)
Cash flows from (used in) financing activities			
Interest paid		(8)	(9)
Proceeds from long-term debt	17	3	7
Repayments of long-term debt	17	(12)	(11)
Payment of lease liabilities	9	(17)	(16)
Payments to the Province of Ontario	12	(2,259)	(2,210)
Net cash (used in) financing activities		(2,293)	(2,239)
(Decrease) increase in cash		(20)	49
Cash, beginning of year		300	251
Cash, end of year		$ 280	$ 300
Supplemental disclosure relating to non-cash investing activities:			
Acquisition of property, plant and equipment not yet paid for		$ 1	$ 2

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

1. Reporting entity

Ontario Lottery and Gaming Corporation (OLG or the Corporation) is a Crown agency 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 one of the regional marketing organizations for national lottery games who all collectively participate in the Interprovincial Lottery Corporation.

The Corporation has Casino Operating and Services Agreements (COSAs) with 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 (Note16).

The Corporation had an operating agreement with Caesars Entertainment Windsor Limited (CEWL) for the operation of Caesars Windsor which ended on March 3, 2026. The Corporation consolidated the financial position and results of operations for Caesars Windsor up to and including March 2, 2026 in the consolidated financial statements, which was the period the Corporation controlled its operations. On March 3, 2026, the new COSA between the Corporation and CEWL, the Windsor Service Provider, became effective (Note 13.b and 20).

The Corporation is also directly funding and helping to support the horse racing industry in Ontario (Note 24.b).

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 18, 2026.

2. Basis of preparation

a. Statement of compliance

These consolidated financial statements include the accounts of the Corporation including Caesars Windsor, up to and including March 2, 2026, and the Corporation's 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 22.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.

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 (Note16)
- Contingencies (Note 25)

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:

- Provisions (Note 11)
- Revenue (Note16)

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.

e. Adoption of new accounting standards

Accounting standards, interpretations and amendments effective for accounting years beginning on January 1, 2025 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, 2026 and March 31, 2025.

a. Basis of consolidation

The consolidated financial statements include the accounts of the Corporation including Caesars Windsor, up to and including March 2, 2026, and OGAC. 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:

Enterprise Lottery (Lottery):

- Sales from retail Lottery products (including regional and national LOTTO, INSTANT and Sports) before the deduction of prizes, and
- Sales from Lottery products (including regional and national LOTTO) purchased on OLG's digital gaming platform (iLottery) before the deduction of prizes.

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

- Net win before the deduction of service provider fees.

iGaming (iCasino and iSports):

- Net win from casino-style games (iCasino) and digital Sports products (iSports) played on OLG’s digital gaming platform.

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, 2026. 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".

(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
22	Financial risk management & financial instruments
23	Employee benefits
25	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 22 for further details on the Corporation's financial risk management and financial instruments.

5. Restricted cash

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

		2026		**2025**
Current				
Prize funds on deposit (a)	$	99	$	91
Funds held on behalf of digital gaming patrons		32		30
Other (b)		4		2
	$	135	$	123
Non-current				
Cash held in escrow (c)		72		72
	$	72	$	72
Restricted cash	$	207	$	195

a. Prize funds on deposit are funds set aside for the estimated gross prizes outstanding of $137 million (2025 – $129 million) less an estimate for prizes not expected to be claimed by customers of $38 million (2025 – $38 million). The corresponding liability is presented within trade and other payables (Note 10).

(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

		2026		2025
Trade receivables	$	85	$	102
Casino Gaming service providers' deposits		28		24
Other receivables		17		20
Trade and other receivables	$	130	$	146

The Corporation's accounting policy and exposure to credit risks and impairment losses related to trade and other receivables is disclosed in Note 22.

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, 2026 were $79 million (March 31, 2025 – $83 million).

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

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 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.

(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, 2024	$ 130	$ 1,862	$ 242	$ 22	$ 80	$ 83	$ 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	$ 1,872	$ 250	$ 20	$ 105	$ 82	$ 61	$ 2,520
Balance at April 1, 2025	$ 130	$ 1,872	$ 250	$ 20	$ 105	$ 82	$ 61	$ 2,520
Additions and assets put into use	-	13	33	3	6	6	(15)	46
Disposals and retirements	-	(1)	(103)	-	-	(88)	-	(192)
Balance at March 31, 2026	$ 130	$ 1,884	$ 180	$ 23	$ 111	$ -	$ 46	$ 2,374

(in millions of Canadian dollars)

8. Property, plant and equipment (continued)

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, 2024	$ 41	$ 1,341	$ 188	$ 20	$ 43	$ 67	$ -	$ 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	$ 1,368	$ 193	$ 9	$ 48	$ 67	$ -	$ 1,726
Balance at April 1, 2025	$ 41	$ 1,368	$ 193	$ 9	$ 48	$ 67	$ -	$ 1,726
Amortization for the period	-	27	18	3	15	-	-	63
Disposals and retirements	-	-	(84)	-	-	(67)	-	(151)
Balance at March 31, 2026	$ 41	$ 1,395	$ 127	$ 12	$ 63	$ -	$ -	$ 1,638

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, 2025	$ 89	$ 504	$ 57	$ 11	$ 57	$ 15	$ 61	$ 794
Balance at March 31, 2026	$ 89	$ 489	$ 53	$ 11	$ 48	$ -	$ 46	$ 736

Immaterial adjustments were made to reclassify opening accumulated amortization between buildings, furniture, fixtures and equipment and land-based gaming assets, with no impact on the face of the financial statements. Assets subject to operating lease agreements where OLG is the lessor or sub-lessor include land of $89 million (March 31, 2025 - $63 million) and buildings with a net book value of $488 million (March 31, 2025 - $323 million).

9. Leases

a. Accounting policy

i. As a lessee

The Corporation assesses whether a contract contains, a lease at inception. A lease exists 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. The Corporation has elected not to recognize right-of-use assets and lease liabilities for:

- leases of low value assets; and
- short-term leases with a lease term of 12 months or less.

Right-of-use asset

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.

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 liability

Lease liabilities are initially measured at the present value of the lease payments discounted using the interest rate implicit in the lease or 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;
- 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.

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 classifies leases as a finance lease when the contract substantially transfers all of the risks and rewards incidental to owning the underlying asset, otherwise as 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.

(in millions of Canadian dollars)

9. Leases (continued)

ii. As a lessor (continued)

Finance leases

Finance leases are recognized as a finance lease receivable initially measured at the present value of the lease payments receivable by the Corporation, and subsequently reduced as lease payments received are apportioned between a reduction in the finance lease receivable and finance income over the lease term.

Operating leases

Operating leases income is recognized on a straight-line basis over the term of the lease in lease revenue.

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. For some leases, extension options were included in the lease term after consideration of the likelihood of the Corporation exercising the options. The lease payments comprise fixed and variable payments over the term of the lease.

Right-of-use assets

Cost	**2026**	**2025**
Balance at April 1	$ 311	$ 310
Additions	17	-
Modifications	(7)	1
Disposals	(3)	-
Balance at March 31	$ 318	$ 311

Accumulated amortization	**2026**	**2025**
Balance at April 1	$ 113	$ 97
Amortization for the year	18	16
Disposals/Modifications	(17)	-
Balance at March 31	$ 114	$ 113

Carrying amount	**2026**	**2025**
Balance at March 31	$ 204	$ 198

(in millions of Canadian dollars)

9. Leases (continued)

i. As a lessee (continued)

Lease liabilities

		2026		2025
Balance at April 1	$	378	$	394
Additions		22		-
Interest expense		11		12
Variable lease payment adjustments		5		8
Derecognized		(1)		-
Interest payments		(11)		(12)
Principal payments		(24)		(24)
Balance at March 31	$	380	$	378
Current	$	24	$	22
Non-current		356		356
	$	380	$	378

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.

Less than one year	$	35
One to five years		144
More than five years		285
Total undiscounted lease liabilities	$	464
Less: Imputed interest on leases		(84)
Total discounted lease liabilities	$	380

Amounts recognized in the consolidated statements of cash flows

		2026		2025
Total cash outflow for leases	$	30	$	35

ii. As a lessor

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.

(in millions of Canadian dollars)

9. Leases (continued)

ii. As a lessor (continued)

For a certain land and casino complex lease, a Land-based Casino Gaming service provider prepaid $61 million for its use. 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 then fair value of the land and building. The prepayment was allocated between deferred lease revenue (Note 16.b.ii) and due to Land-based Casino Gaming service provider representing an estimate of the fair value for the put option held by the Land-based Casino Gaming service provider (Note 13.b).

For leases where the operating lease revenue was recognized however the lessor rent payments were deferred to future periods, the Corporation recognized the deferrals as a non-current other asset of $69 million (March 31, 2025 – $69 million) in the consolidated statements of financial position.

Caesars Windsor

On March 3, 2026, the Corporation and CEWL entered into a 20-year lease agreement for the Caesars Windsor property. As part of the lease agreement, CEWL is required to pay the Corporation approximately $27 million per year subject to Consumer Price Index (CPI) adjustments.

Operating lease income		**2026**		**2025**
Lease revenue from fixed lease payments	$	46	$	44
Lease revenue from variable lease payments		77		76
Total operating lease revenue	$	123	$	120

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.

Less than one year	$	75
One to five years		298
More than five years		900
	$	1,273

Finance leases

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.

Finance lease receivable, gross	$	150
Less: expected credit losses		(7)
Finance lease receivable	$	143
Current finance lease receivable (presented with other receivables)	$	7
Non-current finance lease receivable	$	136

(in millions of Canadian dollars)

9. Leases (continued)

ii. As a lessor (continued)

The Corporation's accounting policy and exposure to credit risks and impairment losses related to finance lease receivable is disclosed in Note 22.

Finance lease income		2026		2025
Finance income on the finance lease receivable	$	4	$	4

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.

Less than one year	$	12
One to five years		52
More than five years		113
Total undiscounted lease payments receivable	$	177
Unearned finance income		(27)
Total discounted lease payments receivable	$	150

10. Trade and other payables

		2026		2025
Trade payables and accruals	$	153	$	151
Unclaimed and estimated lottery prizes payable		99		91
Progressive jackpot liability		62		68
Short-term employee benefits		29		32
Commissions payable		41		39
Customer deposits		28		33
Other payables and accruals		21		26
Trade and other payables	$	433	$	440

The Corporation’s accounting policy and exposure to liquidity risks related to trade and other payables is disclosed in Note 22.

(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 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, 2025	$ 206	$ 5	$ 211
Increases and additional provisions	3	-	3
Unwinding of discount	7	-	7
Changes in estimate	(4)	-	(4)
Balance at March 31, 2026	$ 212	$ 5	$ 217
Current	94	5	99
Non-current	118	-	118
	$ 212	$ 5	$ 217

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 25), unless the likelihood of the outcome is remote or if such disclosure would seriously prejudice a pending litigation or dispute.

As at March 31, 2026, 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. Subsequent to year-end, the provision balance of $205 million was reclassified between current and non-current trade and other payables, of which $70 million was paid.

Other provisions

Other provisions primarily include provisions for decommissioning obligations.

(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 $2,259 million in fiscal 2025-26 (fiscal 2024-25 - $2,210 million) within the consolidated statements of changes in equity;
- Ontario Infrastructure and Lands Corporation - office facility lease with lease payments of $3 million (fiscal 2024-25 - $5 million) recognized within Facility costs; and $2 million recognized within Amortization (fiscal 2024-25 - nil) in the consolidated statements of comprehensive income and outstanding balances of $10 million (fiscal 2024-25 - nil) within Right-of-use assets and $10 million (fiscal 2024-25 - nil) within Lease liabilities in the consolidated statements of financial position;
- Province of Ontario (paid to OFA) - win contribution (Note 14);
- OFA - loan agreements (Note 17);
- Ontario Pension Board - post-employment benefit plans (Note 23.b.ii);
- Workplace Safety and Insurance Board (WSIB) - other long-term employee benefits (Note 23.b.iii);
- Alcohol and Gaming Commission of Ontario - fees of $14 million in fiscal 2025-26 recognized within Regulatory Fees (fiscal 2024-25 - $11 million), and fees of $4 million in fiscal 2025-26 within Service Provider fees (fiscal 2024-25 - $2 million) in the consolidated statements of comprehensive income and
- Other related parties - total transactions of $7 million in fiscal 2025-26 (fiscal 2024-25 - $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 2025-26 includes short-term employee benefits, post-employment benefits and directors' fees totaling $5 million (fiscal 2024-25 - $5 million).

13. Due to / from operator and service providers

Due from service providers

		2026		2025
Due from Land-based Casino Gaming service providers (b)	$	21	$	35
Due from Charitable Gaming service providers (c)		8		7
Less: expected credit losses		(2)		(2)
Due from service providers	$	27	$	40

(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 22.

Due to operator and service providers

		2026		2025
Current				
Due to operator (a)	$	-	$	18
Due to Land-based Casino Gaming service providers (b)		142		92
		142		110
Non-current				
Due to Land-based Casino Gaming service providers (b)		72		72
Due to operator and service providers	$	214	$	182

The Corporation's accounting policy and exposure to liquidity risks related to due to operator and service providers is disclosed in Note 22.

a. Due to operator

Up to and including March 2, 2026, the operator of Caesars Windsor received operator fees pursuant to the respective operating agreement.

Pursuant to the operating agreement, the Corporation paid fees to the operator of Caesars Windsor and payroll costs to the operator's subsidiary, the employer of the employees working at that facility. All operator's fees and payroll costs, incurred up to and including March 2, 2026, was expensed in the Corporation's consolidated statements of comprehensive income.

b. Due to Land-based Casino Gaming service providers

The current amount due to Land-based Casino Gaming service providers represents the accrued service provider fees. 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. 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).

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 within current other asset of $16 million (March 31, 2025 - nil) and non-current other asset of $37 million (March 31, 2025 - $30 million) in the consolidated statements of financial position.

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.

(in millions of Canadian dollars)

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

b. Due to 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	March 3, 2026	March 2, 2046

* In process of construction as of March 31, 2026.

c. Due from Charitable Gaming service providers

As at March 31, 2026, 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, 2035, 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.

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 $190 million for fiscal 2025–26 (fiscal 2024–25 – $193 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, 2026, the amount due to the Government of Canada was $46 million (March 31, 2025 – $38 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 22.

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.

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 up to and including March 2, 2026) 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

The Corporation recognized non-gaming revenue at Caesars Windsor, until the site transitioned on March 3, 2026.

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.

16. Revenue (continued)

iii. Lease revenue

The Corporation has lease revenue from leases or subleases of casino complex properties and land (Note 9).

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.

Customer loyalty incentive programs were only offered at Caesars Windsor. The Corporation recognized the customer loyalty incentive programs at Caesars Windsor, up until the site transitioned on March 3, 2026.

Complimentary items

When complimentary goods and services (at Caesars Windsor up until the site transitioned on March 3, 2026) 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.

Cash incentives

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.

(in millions of Canadian dollars)

16. Revenue (continued)

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.

b. Explanatory information

i. Disaggregation of revenue

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

2026	Enterprise Lottery	Land-based Gaming		iGaming	Total
		Casino Gaming	Charitable Gaming		
Proceeds from Lottery and Gaming	$ 4,289	$ 3,748	$ 496	$ 556	$ 9,089
Less: Lottery prizes	(2,501)	-	-	-	(2,501)
Gaming revenue	$ 1,788	$ 3,748	$ 496	$ 556	$ 6,588
Less: Service Provider fees	-	(1,775)	(286)	-	(2,061)
Net gaming revenue	$ 1,788	$ 1,973	$ 210	$ 556	$ 4,527
Lease revenue	-	123	-	-	123
Non-gaming revenue	-	39	-	-	39
Revenue	$ 1,788	$ 2,135	$ 210	$ 556	$ 4,689

Revenue from administered games / other transactions in exchange for a defined good or service	3,777
Revenue from wagered games	912
Revenue	$ 4,689

(in millions of Canadian dollars)

16. Revenue (continued)

i. Disaggregation of revenue (continued)

2025	Enterprise Lottery (a)	Land-based Gaming		iGaming (a)	Total
		Casino Gaming	Charitable Gaming		
Proceeds from Lottery and Gaming	$ 4,446	$ 3,820	$ 458	$ 585	$ 9,309
Less: Lottery prizes	(2,594)	-	-	-	(2,594)
Gaming revenue	$ 1,852	$ 3,820	$ 458	$ 585	$ 6,715
Less: Service Provider fees	-	(1,817)	(266)	-	(2,083)
Net gaming revenue	$ 1,852	$ 2,003	$ 192	$ 585	$ 4,632
Lease revenue	-	120	-	-	120
Non-gaming revenue	-	44	-	-	44
Revenue	$ 1,852	$ 2,167	$ 192	$ 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

(a) Certain comparative figures in this revenue disclosure have been reclassified, where necessary, to conform to the current year's presentation. As a result of the Corporation's internal reporting focus on measuring total lottery performance, revenues and expenses associated with sales of Lottery products (national and regional LOTTO) on OLG's digital platform moved from iGaming (previously known as Digital) to the Enterprise Lottery (previously known as Lottery) line of business. iLottery proceeds, prizes and revenue of $297 million, $151 million and $146 million respectively, was reclassified from iGaming to Enterprise Lottery.

(in millions of Canadian dollars)

16. Revenue (continued)

ii. Contract liabilities

	2026	2025
Gaming Bundle contract liabilities (a)	$ 83	$ 108
Deferred lease revenue (b)	14	15
Deferred lottery and sports revenue	5	6
Expected prize payout	5	6
Gift cards	6	6
	113	141
Less: current portion	(53)	(57)
Contract liabilities	$ 60	$ 84

The amount of $36 million included in contract liabilities at March 31, 2025 has been recognized as revenue in fiscal 2025-26 (fiscal 2024-25 - $34 million).

a. Gaming bundle contract liabilities

These liabilities represent consideration received in advance from the Niagara and GTA gaming bundle service providers which will be recognized in revenue in future periods.

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 which will be recognized in lease revenue in future periods (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 22.

	2026	2025
Lottery terminals loan (a)	$ 6	$ 18
Self-serve lottery terminals loan (b)	61	56
	67	74
Less: current portion	(18)	(12)
Long-term debt	$ 49	$ 62

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, 2026 was $2 million (March 31, 2025 – $3 million).

(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 consolidated into facility two on April 30, 2021. 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 was repaid 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 2025-26, the Corporation drew $3 million on facility one, bringing the total cumulative loan balance to $61 million inclusive of interest. Facility one was consolidated into facility two on December 31, 2025. Facility two, is repayable over five years in equal-blended semi-annual installments of $7 million. The loan bears interest and fees of 3.568 per cent per annum and is unsecured.

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:

2027	$	18
2028		12
2029		12
2030		12
2031		13
	$	67

(in millions of Canadian dollars)

18. Commissions and fees

		2026		2025
Lottery retailer commissions (a)	$	299	$	312
Operator fees (b)		153		157
Other (c)		13		13
Commissions and fees	$	465	$	482

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, up to and including March 2, 2026 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		2026		2025
Payments to the Government of Canada	15	$	417	$	436
Revenue sharing payment to OFNLP	24.a		169		170
Municipal commissions (a)			155		155
Horse racing funding	24.b		88		102
Charity payments			120		111
Other (b)			2		192
Stakeholder payments		$	951	$	1,166

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).

(in millions of Canadian dollars)

20. Gains on disposal of Caesars Windsor Bundle

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. This resulted in a disposal group held for sale, with the sale completed on March 3, 2026. The carrying values of the assets and liabilities that were held for sale and subsequently sold comprised the following:

		2026
Cash	$	20
Property, plant and equipment (Note 9)		40
Inventory		3
Other		5
Assets held for sale	$	68
Trade payables and other		12
Liabilities held for sale	$	12

The transaction relating to the Windsor Gaming Bundle was completed on March 3, 2026 and resulted in gains on disposal of $17 million (see Note 1 and Note 16 for the related long-term gaming revenue share model entered into by the Corporation and the Service Provider and Note 9 for the lease arrangement).

21. General operating, administration and other

		2026		**2025**
General and administration (a)	$	59	$	64
Research and development		6		6
ATM fees		(4)		(4)
Miscellaneous income		(5)		(4)
General operating, administration and other	$	56	$	62

a. General and administration

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

22. 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.

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.

22. Financial risk management and financial instruments (continued)

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.

22. 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.

22. 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, 2026 and March 31, 2025, 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, 2026.

As at March 31, 2026, the gross amount due from service providers was $29 million (March 31, 2025 - $42 million) primarily due from one Land-based Casino Gaming service provider (March 31, 2025 - three Land-based Casino Gaming service providers) which represents 74 per cent (March 31, 2025 - 83 per cent) of the gross amount due from service providers.

As at March 31, 2026, the Corporation had a provision for expected credit losses of $2 million (March 31, 2025 - $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, 2026, the gross amount of finance lease receivables was $150 million (March 31, 2025 - $155 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, 2026, the Corporation had a provision for expected credit losses of $7 million (March 31, 2025 - $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.

(in millions of Canadian dollars)

22. 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:

2026	Carrying amount	Contractual cash flows	<1 year	1 - 2 years	3 - 5 years	> 5 years
Lease liabilities (Note 9)	$ 380	$ 464	$ 36	$ 36	$ 107	$ 285
Trade and other payables (Note 10)	433	433	433	-	-	-
Due to service providers (Note 13)	214	214	142	-	-	72
Due to Government of Canada (Note 15)	46	46	46	-	-	-
Long-term debt (Note 17)	67	72	19	13	40	-
	$ 1,140	$ 1,229	$ 676	$ 49	$ 147	$ 357

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

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.

22. Financial risk management and financial instruments (continued)

v. Market risk (continued)

At March 31, 2026, 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, 2026, the Corporation had unrestricted cash of $280 million (March 31, 2025 – $300 million), current restricted cash of $135 million (March 31, 2025 – $123 million) and non-current restricted cash of $72 million (March 31, 2025 – $72 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).

22. 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.

23. 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.

23. 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 created defined contribution pension plans for its employees, which were funded by the Corporation up to and including March 2, 2026. The pension expense for Caesars Windsor defined contribution plans for fiscal 2025–26 amounted to $7 million (fiscal 2024–25 – $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 2025–26 was $12 million (fiscal 2024–25 – $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, 2026 was $9 million (March 31, 2025 – $9 million), of which $8 million (March 31, 2025 – $8 million) was included in non-current employee benefits liability and $1 million (March 31, 2025 – $1 million) was included in trade and other payables (Note 10). The accrued benefit costs are based on actuarial assumptions.

During the period that CEWL was the operator of Caesars Windsor, CEWL was a Schedule 1 employer under the Act and was not subject to the financial reporting requirements of self-insured employers.

(in millions of Canadian dollars)

24. Commitments

The Corporation has computer hardware and software maintenance, marketing, lottery and digital gaming services and ticket printing arrangements with future payments as at March 31, 2026. The future payments are approximated as summarized below.

2027	$	68
2028		9
2029		4
2030		3
	$	84

a. 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 2025–26, $169 million was expensed (fiscal 2024–25 – $170 million) as a revenue sharing payment to OFNLP (Note 19).

b. 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.

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

25. 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.

Ontario Lottery and Gaming Corporation
Unaudited Supplementary Schedule
For the years ended March 31, 2026 and 2025
(in millions of Canadian dollars)

Supplemental Information (unaudited)

The Corporation has three lines of business (Enterprise Lottery, Land-based Gaming and iGaming) 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.

2026	Enterprise Lottery	Land-based Gaming	iGaming	Corporate Services	Total
Net income (loss)	$ 892	$ 1,217	$ 286	$ (216)	$ 2,179
Add: Win Contribution (a)	-	190	-	-	190
Net Profit (loss) to the Province (b) before Allocations	892	1,407	286	(216)	2,369
Less: Corporate Services Allocations	(121)	(59)	(36)	216	-
Net Profit to the Province (b) after Allocations	$ 771	$ 1,348	$ 250	$ -	$ 2,369

2025	Enterprise Lottery (c)	Land-based Gaming	iGaming (c)	Corporate Services	Total
Net income (loss)	$ 946	$ 988	$ 334	$ (214)	$ 2,054
Add: Win Contribution (a)	-	193	-	-	193
Net Profit (loss) to the Province (b) before Allocations	946	1,181	334	(214)	2,247
Less: Corporate Services Allocations	(119)	(62)	(33)	214	-
Net Profit to the Province (b) after Allocations	$ 827	$ 1,119	$ 301	$ -	$ 2,247

(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.