



## **FIRST QUARTER REPORT 2025-26**

**For the three months ended June 30, 2025**

## Corporate Overview

Lotteries and Gaming Saskatchewan Corporation (LGS or the Corporation) was established April 1, 2023, as a Crown Corporation to conduct and manage gaming for the province of Saskatchewan. LGS became fully operational June 1, 2023. LGS conducts and manages video lottery terminals (VLTs) within Saskatchewan and lottery and gaming-related activities through the Western Canada Lottery Corporation (WCLC), slot machines at all Saskatchewan Indian Gaming Authority (SIGA) casinos, online gaming within Saskatchewan through the PlayNow platform operated by SIGA and both Saskatchewan Gaming Corporation (SaskGaming) casinos. LGS owns 100 per cent of the shares of SaskGaming which operates Casino Regina and Casino Moose Jaw. LGS owns 100 per cent of the shares of LGS Holdings Inc. which owns the VLTs within Saskatchewan and slot machines used at SIGA casinos.

## Outlook

Throughout this report, and particularly in the following discussion, forward-looking statements are made. These statements can be recognized by terms such as “outlook,” “expect,” “anticipate,” “project,” “continue,” or other expressions that relate to estimations or future events. By their nature, forward-looking statements require assumptions based on current information, management experience and historical performance. Forward-looking information is subject to uncertainties, and as a result, forward-looking statements are not a guarantee for the future performance of LGS.

Readers should not place undue reliance on forward-looking statements, as several factors could cause actual results to differ materially from estimates, predictions, and assumptions. Factors that can influence performance include, but are not limited to: weather conditions, general economic and geo-political conditions, interest and exchange rates, global pandemics, competition and the regulatory environment. Given these uncertainties, assumptions contained in the forward-looking statements may or may not occur.

## Management’s Discussion and Analysis

The Management’s Discussion and Analysis highlights the primary factors that impacted the financial results and financial health of LGS for the three-month period ended June 30, 2025 (Q1 2026). This narrative on LGS’s 2026 first quarter financial results should be read in conjunction with the March 31, 2025, audited consolidated financial statements. The accounting policies and methods of computation used in the preparation of these unaudited condensed consolidated interim financial statements are consistent with those disclosed in LGS’s March 31, 2025, audited consolidated financial statements. The LGS unaudited condensed consolidated interim financial statements do not include all the disclosures that would be included in LGS’s annual audited consolidated financial statements.

## Financial Results

In Q1 2026, LGS reported a net income of \$68.3 million (Q1 2025 — \$55.0 million). Before transfers to the General Revenue Fund (GRF) totaling \$51.4 million (Q1 2025 — \$34.2 million), net income was \$119.7 million (Q1 2025 — \$89.2 million).

The first quarter of the 2026 fiscal year marked high earnings for the gaming sector in Saskatchewan. Continued growth in revenue from land—based casinos and VLTs is driven by strong economic conditions which has resulted in more disposable income in the province and increased guest spending. The following diagram illustrates net income by category and the distribution to the General Revenue Fund.



\* Includes \$3.8 million for LGS Costs (operating, salaries, wages, and short-term employee benefits, employee future benefits, depreciation, interest, charitable grants)

LGS provided \$51.4 million in payments to the GRF in Q1 2026 (Q1 2025 — \$34.2 million) for its legislative requirements as per the *Lotteries and Gaming Saskatchewan Corporation Act* and Gaming Framework Agreement to fund the First Nations Trust, Community Initiatives Fund, Community Development Corporation, First Nations Addictions Rehabilitation Foundation and the Métis Development Fund as well as the lottery licensing fee LGS receives from SaskSport. Amounts paid increased in comparison to the prior year due to the sources of income and their respective legislated requirements as well as timing of payments. These payments are dependent on income from SaskGaming and SIGA casinos. For breakdown of how income is split, see <https://lgsask.com/about-us/faqs>.

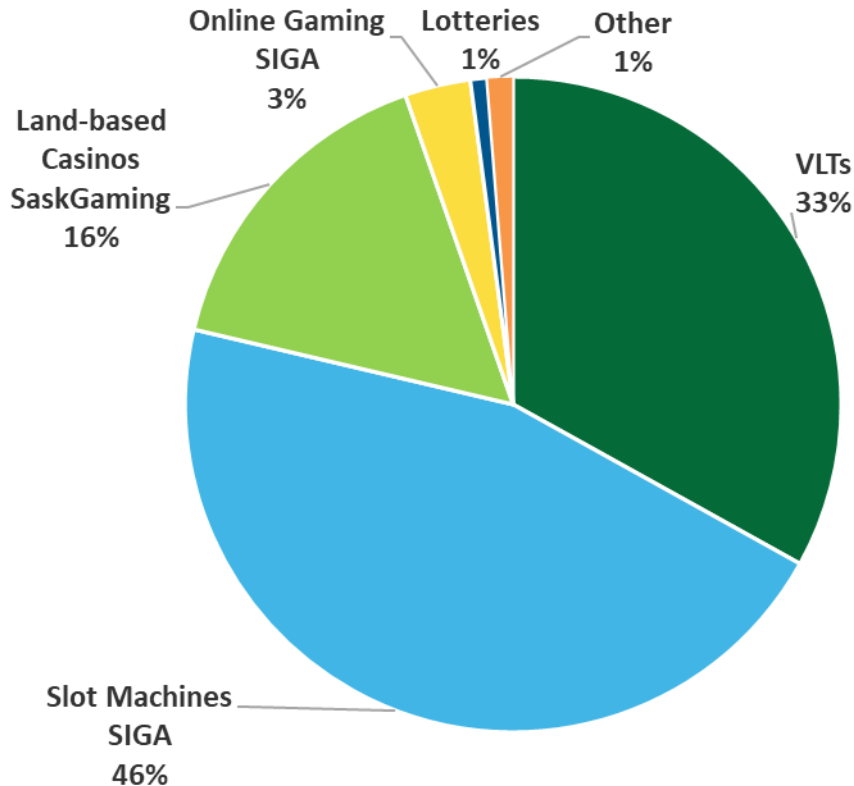
Commissions to site contractors for VLTs are included in expenses, totaling \$13.2 million (Q1 2025 — \$11.9 million). This increase over the previous year is a result of higher revenue as sites receive 18 per cent of net revenue from VLTs. Estimated funding of \$21.4 million (Q1 2025 — \$20.8 million) from lotteries does not flow through LGS, but LGS has conduct and management responsibilities for lotteries. The following diagram depicts where the funding is generated from and where it is distributed.



Payments to the GRF are related to funding the First Nations Trust, Community Development Corporations, Community Initiatives Fund and Clarence Campeau Development Corporation  
 \*\* Money does not flow through LGS.  
 \*\*\*Includes \$2.5 million payment to First Nations Addictions Rehabilitation Foundation

## Revenue

Revenue for LGS consists of revenue from land-based casinos and slot machines (62 per cent), VLTs (33 per cent), online gaming (3 per cent), lotteries (1 per cent) and other (1 per cent).



Revenue from Q1 2026 reached \$219.5 million (Q1 2025 — \$182.6 million). Growth was observed across all key segments, including land-based casinos, online gaming and VLT revenue. This strong performance was primarily driven by efforts to enhance the gaming experience and favorable economic conditions which has led to higher guest spending.

Revenue from VLTs totaled \$72.6 million in Q1 2026 (Q1 2025 — \$65.2 million). Revenue from land-based casinos consisted of \$35.1 million in Q1 2026 from SaskGaming (Q1 2025 — \$31.3 million) and revenue of \$100.1 million in Q1 2026 from SIGA as an operator (Q1 2025 — \$75.8 million). The sustained increase in VLT and land-based casino revenue reflected favorable provincial economic conditions and higher guest spending.

Online gaming revenue reached \$7.1 million in Q1 2026 from SIGA as the operator (Q1 2025 — \$5.4 million). Since its launch in November 2022, the online gaming segment has shown consistent improvement despite stiff competition from established unregulated and illegal operators in the online gaming market.

LGS received a lottery licensing fee from Sask Sport totaling \$1.8 million in Q1 2026 (Q1 2025 — \$1.7 million).

Other revenue amounted to \$2.8 million in Q1 2026 (Q1 2025 — \$3.2 million). This category includes lease charges to SIGA for the use of slot machines.

## Expenses

Total expenses for Q1 2026 amounted to \$99.8 million (Q1 2025 — \$93.4 million).

Expenses included operating costs, salaries and employee benefits, future benefits, depreciation, commissions, taxes, charitable grants, contractual obligations, and net finance expenses. As outlined in Note 7, these are categorized by operating areas: land-based casinos (SaskGaming), slot machines and online gaming (SIGA), VLTs, lotteries, and other activities.

The largest expense components were related to SIGA operations at \$46.5 million (Q1 2025 — \$42.2 million) and SaskGaming at \$20.1 million (Q1 2025 — \$19.8 million) for land-based casino operations. Online gaming platform expenses paid to SIGA totaled \$4.5 million (Q1 2025 — \$3.8 million), while VLT-related expenses reached \$22.2 million (Q1 2025 — \$20.9 million).

Operating expenses in Q1 2026 were \$29.4 million (Q1 2025 — \$28.5 million) and employee compensation was \$39.2 million (Q1 2025 — \$35.0 million), both expenses continue to be influenced by inflationary pressures and the need to meet guest service expectations. Depreciation expenses totaled \$8.7 million in Q1 2026 (Q1 2025 — \$9.7 million), primarily related to slot machines, VLTs, and casino facilities.

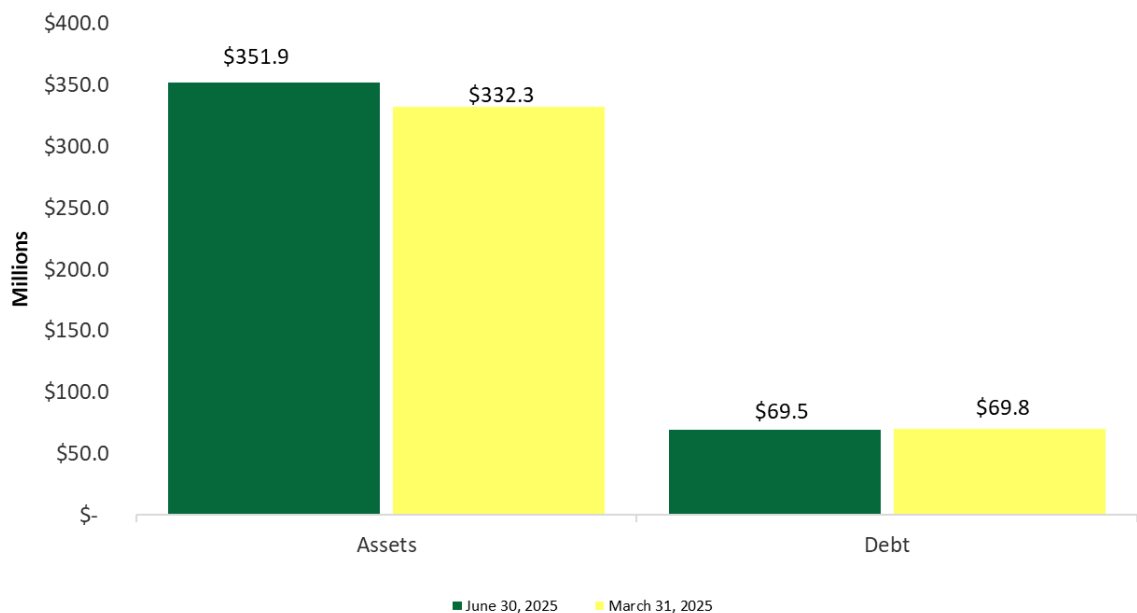
An 18 per cent site commission on VLT revenue resulted in payments of \$13.2 million in Q1 2026 (Q1 2025 — \$11.9 million) to support local businesses hosting VLTs. Tax expenses amounted to \$4.0 million in Q1 2026 (Q1 2025 — \$3.8 million), primarily comprising property taxes and GST.

Charitable grants in Q1 2026 totaled \$2.0 million (Q1 2025 — \$1.2 million), supporting charitable and religious organizations licensed by SLGA to conduct gaming events in Saskatchewan.

Contractual obligations of \$2.2 million in Q1 2026 (Q1 2025 — \$2.2 million) reflect payments to organizations including the Regina Exhibition Association Ltd., Moose Jaw Exhibition Association Ltd., Indigenous Gaming Regulators Inc., and Saskatoon Prairieland Park Corporation, in accordance with long-standing agreements.

Net finance expense was \$1.1 million in Q1 2026 (Q1 2025 — \$1.3 million) and primarily reflects financing costs related to capital reinvestment.

## Debt and Capital Expenditures

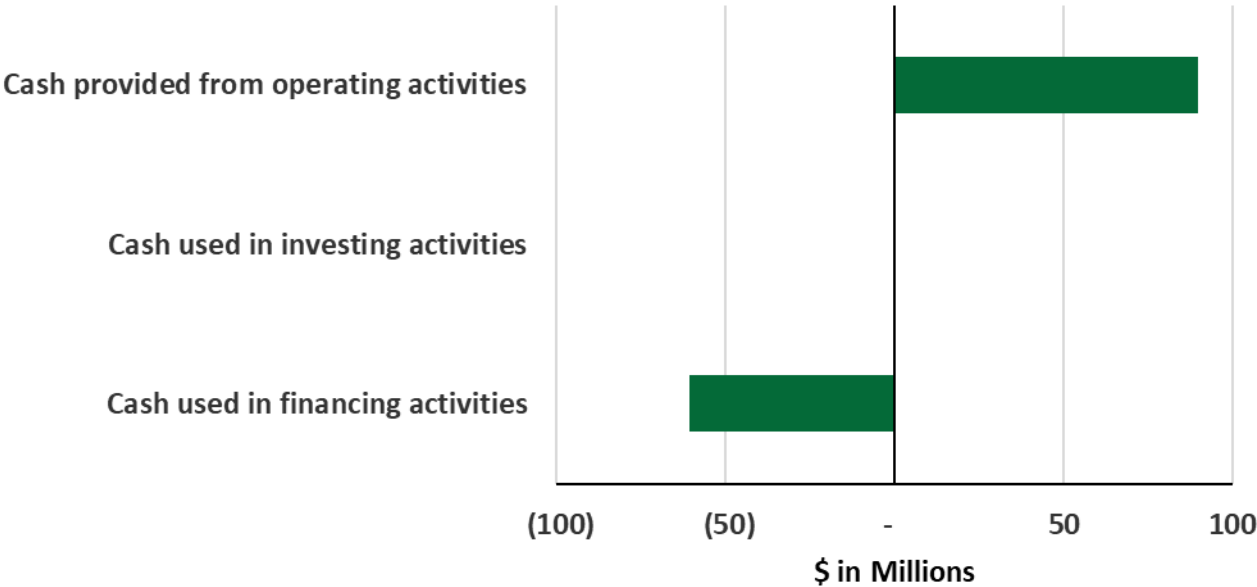


As of June 30, 2025, LGS has consolidated debt of \$69.5 million (March 31, 2025 (2025) — \$69.8 million) to support assets of \$351.9 million (2025 — \$332.3 million). As of June 30, 2025, LGS held \$49.0 million (2025 — \$78.1 million) in a promissory note which was originally used to fund the purchase of SLGA Holding Inc. which resulted in no new debt for government as a whole. In addition, in the 2024 fiscal year, SLGA transferred a long-term payable from SIGA to LGS. In exchange for the long-term payable, LGS has a long-term payable to SLGA to repay the amount that was transferred. As of June 30, 2025, the long-term payable was \$20.5 million (2025 — \$24.0 million).

LGS’s capital expenditure totaled \$1.9 million in Q1 2026 (Q1 2025 — \$2.6 million). The majority of spending was directed towards the regular replacement of slot machines, operational equipment and property modernization for SaskGaming casinos. Capital expenditures were expectedly low in Q1 2026 as most slot machine and VLT purchases will occur later in the fiscal year. Acquisition of slot machines and VLTs are essential to maintaining consistent revenue performance.

Looking ahead, capital investment decisions may be affected by fluctuations in foreign exchange rates, interest rates and trade tariffs.

## Cash Flows



### Operating Activities

Cash provided by operating activities totaled \$89.8 million in Q1 2026 (Q1 2025 — \$68.7 million). This amount reflects net income of \$68.3 million (Q1 2025 — \$55.0 million) adjusted for non-cash items of \$9.8 million (Q1 2025 — \$10.9 million) and slightly offset by a \$11.6 million net decrease from changes in working capital and other adjustments (Q1 2025 — \$2.7 million).

### Investing Activities

Cash used in investing activities was \$0.3 million in Q1 2026 (Q1 2025 — \$1.1 million). The change was due to capital expenditures of \$1.9 million (Q1 2025 — \$2.6 million), which was somewhat offset by repayments on the SIGA loan totaling \$0.7 million (Q1 2025 — \$0.7 million), interest received totaling \$0.6 million (Q1 2025 — \$0.7 million) and proceeds from the sale of property and equipment amounting to \$0.2 million in Q1 2026 (Q1 2025 — \$nil).

## **Financing Activities**

Cash used in financing activities amounted to \$60.5 million in Q1 2026 (Q1 2025 – \$72.0 million). This included a \$0.4 million reduction in the promissory note balance (Q1 2025 — \$17.6 million increase), a \$0.7 million decrease in the long-term payable to SLGA (Q1 2025 — \$0.7), and lease liability repayments of \$0.2 million (Q1 2025 — \$0.2 million). Additionally, LGS distributed \$60.0 million in dividends to Crown Investments Corporation (Q1 2025 — \$53.5 million).



# **Lotteries and Gaming Saskatchewan Corporation** **Condensed Consolidated Interim Statement of Financial Position** **As at**

(Thousands of Dollars)	<u>Note</u>	<u>June 30, 2025</u>	<u>March 31, 2025</u>
<b>ASSETS</b>			
Current assets:			
Cash		\$ 88,768	\$ 59,787
Accounts receivable	4	61,856	65,252
Inventory and prepaid expenses		3,270	1,483
Current portion of long-term receivable		<u>3,060</u>	<u>3,060</u>
		156,954	129,582
Long-term receivable		22,447	23,147
Property and equipment	6	156,667	163,759
Investment in associate		<u>15,854</u>	<u>15,854</u>
		<u><u>\$ 351,922</u></u>	<u><u>\$ 332,342</u></u>
<b>LIABILITIES AND EQUITY</b>			
Current liabilities:			
Trade and other payables		\$ 13,595	\$ 13,816
Payable to the General Revenue Fund		47,599	35,628
Dividend payable		45,278	59,960
Promissory note		48,988	48,615
Current portion of long-term payable		3,060	3,060
Current portion of lease liabilities		<u>917</u>	<u>895</u>
		159,437	161,974
Long-term payable		17,447	18,147
Lease liabilities		<u>2,053</u>	<u>2,290</u>
		<u>178,937</u>	<u>182,411</u>
Retained earnings		<u>172,985</u>	<u>149,931</u>
		<u><u>\$ 351,922</u></u>	<u><u>\$ 332,342</u></u>

(See accompanying notes)

# **Lotteries and Gaming Saskatchewan Corporation** **Condensed Consolidated Interim Statement of** **Comprehensive Income** **For The Three Months Ended June 30**

(Thousands of Dollars)	Note	April 1 to June 30, 2025	April 1 to June 30, 2024
Revenue	7	\$ 219,460	\$ 182,622
Operating expenses	7	29,394	28,499
Salaries, wages and short-term employee benefits	7	37,218	33,171
Employee future benefits	7	1,958	1,781
Depreciation	7	8,729	9,671
Commissions	7	13,236	11,903
Taxes	7	3,962	3,752
Charitable grants	7	1,981	1,173
Contractual obligations	7	2,204	2,204
Net finance expense	7	1,112	1,277
		99,794	93,431
Income before payment to the General Revenue Fund		119,666	89,191
Payment to the General Revenue Fund	7	51,334	34,214
Comprehensive income		\$ 68,332	\$ 54,977

(See accompanying notes)

# **Lotteries and Gaming Saskatchewan Corporation** **Condensed Consolidated Interim Statement of Changes in Equity** **For The Three Months Ended June 30, 2025**

**(Thousands of Dollars)**

	<b>2026</b>	<b>2025</b>
	<b>Retained Earnings</b>	<b>Retained Earnings</b>
Equity, beginning of year	\$ 149,931	\$ 116,403
Comprehensive income	68,332	54,977
Dividends	<u>(45,278)</u>	<u>(37,617)</u>
Equity, June 30	<u>\$ 172,985</u>	<u>\$ 133,763</u>
Equity, July 1	\$ 172,985	\$ 133,763
Comprehensive income	-	168,536
Dividends	<u>-</u>	<u>(152,368)</u>
Equity, end of year	<u>\$ 172,985</u>	<u>\$ 149,931</u>

# **Lotteries and Gaming Saskatchewan Corporation** **Condensed Consolidated Interim Statement of Cash** **For the Three Months Ended June 30**

(Thousands of Dollars)	<u>Note</u>	<u>April 1, 2025 to June 30, 2025</u>	<u>April 1, 2024 to June 30, 2024</u>
Operating activities:			
Comprehensive income		\$ 68,332	\$ 54,977
Adjustments for:			
Net finance expense		1,112	1,277
Depreciation	6	8,729	9,671
Changes in non-cash working capital balances:			
Accounts receivable		3,396	13,147
Inventory and prepaid expenses		(1,787)	(1,731)
Trade and other payables		(221)	(3,785)
Payable to the General Revenue Fund		11,971	(2,900)
Interest paid		<u>(1,737)</u>	<u>(2,001)</u>
		<u>89,795</u>	<u>68,655</u>
Investing activities:			
Interest received		625	724
Proceeds from sale of property and equipment	6	235	22
Decrease in long-term receivable		700	692
Purchases of property and equipment	6	<u>(1,872)</u>	<u>(2,569)</u>
		<u>(312)</u>	<u>(1,131)</u>
Financing activities:			
Dividends paid		(59,960)	(53,530)
Increase in promissory note		373	(17,616)
Decrease in long-term payable		(700)	(692)
Repayment of lease liabilities		<u>(215)</u>	<u>(197)</u>
		<u>(60,502)</u>	<u>(72,035)</u>
Net change in cash		28,981	(4,511)
Cash, beginning of year		<u>59,787</u>	<u>52,767</u>
Cash, end of year		<u><u>\$ 88,768</u></u>	<u><u>\$ 48,256</u></u>

(See accompanying notes)

# **Lotteries and Gaming Saskatchewan Corporation**

## **Notes to the Condensed Consolidated Interim Financial Statements**

### **For the Three Months Ended June 30**

#### **1. Description of Business**

Lotteries and Gaming Saskatchewan Corporation (LGS or the Corporation) along with its subsidiaries LGS Holdings Inc. and Saskatchewan Gaming Corporation (SaskGaming), is a corporation domiciled in Canada. The address of LGS's registered office and principal place of business is 2055 Albert Street, Regina, SK, S4P 2T8. The Corporation is a Saskatchewan Provincial Crown corporation operating under the authority of *The Lotteries and Gaming Corporation Act* and, as such, the Corporation and its wholly owned subsidiaries are not subject to Federal or Provincial income taxes in Canada. LGS must operate in accordance with statutory provisions established under Section 207 of the *Criminal Code of Canada* and *The Alcohol and Gaming Regulation Act, 1997*. Regulation of LGS's operations is controlled by the separately constituted Saskatchewan Liquor and Gaming Authority (SLGA).

LGS consolidates the management oversight (conduct and management) for casinos, Video Lottery Terminals (VLTs), lotteries, and online gaming. LGS owns the slot machines at the Saskatchewan Indian Gaming Authority (SIGA) casinos. Revenue and expenses at SIGA's casinos are included in these condensed consolidated interim financial statements.

#### **2. Basis of Preparation**

##### **a) Statement of compliance**

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, *Interim Financial Reporting*. These condensed consolidated interim financial statements do not include all of the disclosures included in the Corporation's annual consolidated financial statements. Accordingly, these condensed consolidated interim financial statements should be read in conjunction with the Corporation's most recent annual consolidated financial statements.

The accounting policies used in the preparation of these condensed consolidated interim financial statements conform with those used in the Corporation's most recent annual consolidated financial statements.

The condensed consolidated interim financial statements were authorized for issue by the Board of Directors on August 27, 2025.

b) Basis of measurement

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for financial instruments which are classified as fair value through profit and loss, which are measured at fair value.

c) Functional and presentation currency

These condensed consolidated interim financial statements are presented in Canadian dollars, which is LGS's functional currency and have been rounded to the nearest thousand unless stated otherwise.

d) Use of estimates and judgements

The preparation of financial statements in accordance with International Financial Reporting Standards (IFRS) requires management to make estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements include: classification of financial instruments, useful lives and depreciation rates of property and equipment, impairment, leases and revenue recognition.

### 3. Material Accounting Policies

The accounting policies applied by LGS in these condensed consolidated interim financial statements are consistent with those applied by LGS in its March 31, 2025 audited financial statements.

### 4. Accounts Receivable

(Thousands of Dollars)

	June 30, 2025	March 31, 2025
Accounts receivable - SIGA	\$ 61,064	\$ 64,706
Accounts receivable - Other	792	546
	<b>\$ 61,856</b>	<b>\$ 65,252</b>

## 5. Fair Value

Fair values approximate amounts at which financial instruments could be exchanged in an orderly transaction between market participants based on current markets for instruments with similar characteristics such as risk and remaining maturities. Fair value measurements are subjective in nature and represent point-in-time estimates which may not reflect fair value in the future.

The methods and assumptions used to develop fair value measurements have been prioritized into three levels as per the fair value hierarchy included in IFRS. Level one includes quoted prices (unadjusted) in active markets for identical assets or liabilities. Level two includes inputs other than quoted prices included in Level one that are observable for the asset or liability. Level three includes inputs that are not based on observable market data.

The following table presents the carrying amount and fair value of LGS's financial instruments. The table also identifies the financial instrument category and fair value hierarchy.

(Thousands of Dollars)			June 30, 2025		March 31, 2025	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Instruments	Classification <sup>1</sup>	Fair Value Hierarchy				
Cash	FVTPL	Level One	\$ 88,768	\$ 88,768	\$ 59,787	\$ 59,787
Accounts receivable	AC	N/A	61,856	61,856	65,252	65,252
Long-term receivable	AC	N/A	25,507	25,507	26,207	26,207
Trade and other payables	AC	N/A	13,595	13,595	13,816	13,816
Payable to the General Revenue Fund	AC	N/A	47,599	47,599	35,628	35,628
Dividend payable	AC	N/A	45,278	45,278	59,960	59,960
Promissory note	AC	N/A	48,988	48,988	48,615	48,615
Long-term payable	AC	N/A	20,507	20,507	21,207	21,207

Classification<sup>1</sup>

FVTPL - Fair value through profit or loss

AC - Amortized Cost

## 6. Property and Equipment

LGS leases building and land under a finance lease agreement. At June 30, 2025, the net carrying amount of leased building was \$10.0 million (March 31, 2025 — \$10.0 million) and the leased land was \$1.2 million (March 31, 2025 — \$1.2 million).

(Thousands of Dollars)

	Land	Building & renovations	Furniture & equipment	Right-of-use assets	Total
<b>Cost</b>					
Balance at April 1, 2024	\$ 15,154	\$ 72,668	\$ 273,295	\$ 8,689	\$ 369,806
Additions	-	490	2,079	-	2,569
Disposals	-	-	(5,357)	-	(5,357)
<b>Balance at June 30, 2024</b>	<b>\$ 15,154</b>	<b>\$ 73,158</b>	<b>\$ 270,017</b>	<b>\$ 8,689</b>	<b>\$ 367,018</b>
Additions	-	1,637	32,249	-	33,886
Disposals	-	(6,252)	(29,526)	-	(35,778)
<b>Balance at March 31, 2025</b>	<b>\$ 15,154</b>	<b>\$ 68,543</b>	<b>\$ 272,740</b>	<b>\$ 8,689</b>	<b>\$ 365,126</b>
Additions	-	596	1,073	203	1,872
Disposals	-	-	(4,296)	-	(4,296)
<b>Balance at June 30, 2025</b>	<b>\$ 15,154</b>	<b>\$ 69,139</b>	<b>\$ 269,517</b>	<b>\$ 8,892</b>	<b>\$ 362,702</b>
<b>Accumulated Depreciation</b>					
Balance at April 1, 2024	\$ -	\$ 33,893	\$ 166,895	\$ 3,029	\$ 203,817
Depreciation expense	-	1,276	8,292	81	9,649
Disposals	-	-	(5,313)	-	(5,313)
<b>Balance at June 30, 2024</b>	<b>\$ -</b>	<b>\$ 35,169</b>	<b>\$ 169,874</b>	<b>\$ 3,110</b>	<b>\$ 208,153</b>
Depreciation expense	-	2,899	24,352	899	28,150
Disposals	-	(5,532)	(29,404)	-	(34,936)
<b>Balance at March 31, 2025</b>	<b>\$ -</b>	<b>\$ 32,536</b>	<b>\$ 164,822</b>	<b>\$ 4,009</b>	<b>\$ 201,367</b>
Depreciation expense	-	979	7,736	249	8,964
Disposals	-	-	(4,296)	-	(4,296)
<b>Balance at June 30, 2025</b>	<b>\$ -</b>	<b>\$ 33,515</b>	<b>\$ 168,262</b>	<b>\$ 4,258</b>	<b>\$ 206,035</b>
<b>Carrying Amounts</b>					
<b>At June 30, 2024</b>	<b>\$ 15,154</b>	<b>\$ 37,989</b>	<b>\$ 100,143</b>	<b>\$ 5,579</b>	<b>\$ 158,865</b>
<b>At March 31, 2025</b>	<b>\$ 15,154</b>	<b>\$ 36,007</b>	<b>\$ 107,918</b>	<b>\$ 4,680</b>	<b>\$ 163,759</b>
<b>At June 30, 2025</b>	<b>\$ 15,154</b>	<b>\$ 35,624</b>	<b>\$ 101,255</b>	<b>\$ 4,634</b>	<b>\$ 156,667</b>



## 7. Detailed Operating Results

(Thousands of Dollars)

June 30, 2025										
	Slot machines - SIGA		Land-based casino - SaskGaming		VLT	SIGA - Online gaming		Lotteries	Other	Total
Revenue	\$	100,090	\$	35,141	\$	72,585	\$	7,052	\$	219,460
Expenses (1)		44,563		20,056		22,203		4,495		97,848
Other losses from SIGA gaming		(1,946)		-		-		-		(1,946)
Profit from operations		53,581		15,085		50,382		2,557		119,666
Payment to the General Revenue Fund		(40,810)		(7,543)		-		(1,279)		(51,334)
Comprehensive Income	\$	12,771	\$	7,542	\$	50,382	\$	1,278	\$	68,332

June 30, 2024										
	Slot machines - SIGA		Land-based casino - SaskGaming		VLT	SIGA - Online gaming		Lotteries	Other	Total
Revenue	\$	75,761	\$	31,339	\$	65,192	\$	5,420	\$	182,622
Expenses (1)		39,906		19,812		20,937		3,775		91,103
Other losses from SIGA gaming		(2,328)		-		-		-		(2,328)
Profit from operations		33,527		11,527		44,255		1,645		89,191
Payment to the General Revenue Fund		(26,177)		(5,764)		-		(822)		(34,214)
Comprehensive Income	\$	7,350	\$	5,763	\$	44,255	\$	823	\$	54,977

1. Includes operating expenses, salaries, wages and short-term employee benefits, employee future benefits, depreciation, commissions, taxes, charitable grants, contractual obligations and net finance expense

To implement the 2002 Framework Agreement, SLGA and SIGA made agreements for casino operations and slot machine management. The Amended and Restated Casino Operating Agreement required SIGA to pay the net profits from slot machines to SLGA. This agreement also ensured SLGA recovered the cost of slot machines, the related computer system and interest over the useful life. As of June 1, 2023, the requirements noted above regarding SLGA are now applicable to LGS, and the recovered cost and interest is recorded in Other (see chart above) for a total of \$2.8 million (2024-25 — \$3.2 million) over the first three months of 2025-26.

Effective for the year ended March 31, 2008, and subsequent years, the Amended and Restated Casino Operating Agreement between SIGA and LGS has been amended to exclude unrealized gains and losses on the interest rate swaps initiated on December 12, 2007, from the calculation of net Casino profits payable to LGS.

The VLT Division of Western Canada Lottery Corporation (WCLC) operates the VLTs and central computer system on behalf of LGS. WCLC provides accounting, purchasing, cash disbursements, human resources and technical services for the VLT program.

Under the Amended and Restated Casino Operating Agreement between SIGA and LGS, SIGA is permitted to charge its losses from table games and ancillary operations as an expense of slot machine operations. During the first three months of 2025-26, SIGA's losses from table game and ancillary operations of \$1.9 million (2024-25 — \$2.3 million) as well as SIGA's payments to Indigenous Gaming Regulators Inc. of \$0.8 million (2024-25 — \$0.8 million) and Saskatoon Prairieland Park Corporation of \$0.7 million (2024-25 — \$0.7 million) are recorded as an expense.