



Quarterly Financial Report

For the three months ended June 30, 2026

For further information:

Corporate Communications

Manitoba Liquor & Lotteries

Unit A – 1555 Buffalo Place

Winnipeg, MB R3T 1L9

(204) 957-2500

1-800-782-0363

mbll.ca

THIS PUBLICATION IS AVAILABLE IN
ALTERNATE FORMATS, UPON REQUEST

Consolidated Statement of Financial Position

As at June 30

(\$000s, unaudited)

	2026	2025
Assets		
Current assets		
Cash	\$ 45,045	\$ 44,467
Trade and other receivables	53,710	56,814
Inventories	66,434	69,460
Prepayments	17,598	15,520
	<u>182,787</u>	<u>186,261</u>
Non-current assets		
Other receivable	8,631	8,631
Property and equipment, net	375,911	349,854
Right-of-use assets, net	57,847	56,323
Intangible assets, net	6,079	7,349
	<u>448,468</u>	<u>422,157</u>
Total assets	<u>\$ 631,255</u>	<u>\$ 608,418</u>
Liabilities and equity		
Current liabilities		
Trade and other payables	\$ 155,559	\$ 148,921
Contract liabilities	13,738	12,766
Payable to the Province of Manitoba	102,229	93,519
Current portion of long-term debt	49,557	48,738
Current portion of lease liabilities	8,309	8,765
	<u>329,392</u>	<u>312,709</u>
Non-current liabilities		
Long-term debt	236,602	232,646
Lease liabilities	60,261	58,063
	<u>296,863</u>	<u>290,709</u>
Equity		
Retained earnings	5,000	5,000
Total liabilities and equity	<u>\$ 631,255</u>	<u>\$ 608,418</u>

Consolidated Statement of Cash Flows

For the three months ended June 30
(\$000s, unaudited)

	2026	2025
Operating activities		
Net income	\$ 187,106	\$ 192,460
Add (deduct):		
Depreciation related to property and equipment	10,221	9,092
Depreciation on assets related to		
Conduct and Management agreements	584	339
Depreciation related to right-of-use assets	2,355	2,343
Amortization related to intangible assets	479	501
Interest on financing activities	3,310	3,207
Gain on disposal of property and equipment	(102)	(82)
	203,953	207,860
Changes in non-cash working capital items:		
Increase in trade and other receivables	(5,807)	(10,168)
Increase in inventories	(3,003)	(7,343)
Increase in prepayments	(6,410)	(4,988)
Decrease in trade and other payables	(767)	(3,802)
Increase (decrease) in contract liabilities	658	(1,553)
Cash provided by operating activities	188,624	180,006
Investing activities		
Purchase of property and equipment	(13,608)	(2,263)
Purchase of intangible assets	(102)	(22)
Proceeds from disposal of property and equipment	113	88
Cash used in investing activities	(13,597)	(2,197)
Financing activities		
Cash distributions to the Province of Manitoba:		
Current year	(155,000)	(171,000)
Proceeds from long-term debt	-	10,677
Payment of principal and interest on long-term debt	(15,293)	(15,305)
Payment of principal and interest on lease liabilities	(2,945)	(2,885)
Cash used in financing activities	(173,238)	(178,513)
Net increase (decrease) in cash during the period	1,789	(704)
Cash, beginning of the period	43,256	45,171
Cash, end of the period	\$ 45,045	\$ 44,467

Operational Highlights

Consolidated net income and comprehensive income for the three months ended June 30, 2026 was \$187.1 million, a decrease of \$5.4 million from the same period last year.

NET INCOME BY LINE OF BUSINESS

(in thousands)	2026	2025
Cannabis Operations	\$ 13,740	\$ 12,864
Casinos	30,054	29,398
Liquor Operations	77,041	81,788
Lottery	5,486	10,009
Online Gaming	13,854	10,351
Video Lotto	46,931	48,050
Total	\$ 187,106	\$ 192,460

Revenue, net of cost of sales, increased \$6.4 million from last year, while the share of profit of Western Canada Lottery Corporation decreased \$4.3 million. On the expenditure side, operating expenses increased \$6.1 million; depreciation and amortization, GST expense and interest expense net of interest income increased \$1.5 million; and allocations and payments decreased by \$0.1 million.



Consolidated Statement of Operations

For the three months ended June 30
(\$000s, unaudited)



	2026							2025
	Cannabis Operations	Casinos	Liquor Operations	Lottery	Online Gaming	Video Lotto	Total	Total
Revenue	\$ 45,056	\$ 73,335	\$ 228,412	\$ 399	\$ 22,650	\$ 87,617	\$ 457,469	\$ 451,040
Cost of sales	30,186	3,255	108,868	300	6,073	30,405	179,087	179,081
	14,870	70,080	119,544	99	16,577	57,212	278,382	271,959
Expenses								
Operating	653	31,993	34,859	2,255	3,708	3,897	77,365	71,284
Depreciation and amortization	-	5,185	4,090	-	23	3,757	13,055	11,936
Goods and Services Tax	-	845	-	65	619	729	2,258	2,024
	653	38,023	38,949	2,320	4,350	8,383	92,678	85,244
Operating income	14,217	32,057	80,595	(2,221)	12,227	48,829	185,704	186,715
Share of profit of Western Canada Lottery Corporation	-	-	-	8,009	2,001	-	10,010	14,326
Interest expense	-	(1,330)	(992)	(10)	(5)	(973)	(3,310)	(3,207)
Interest income	12	92	99	9	14	160	386	392
Income before allocations and payments	14,229	30,819	79,702	5,787	14,237	48,016	192,790	198,226
Allocations and payments	489	765	2,661	301	383	1,085	5,684	5,766
Net income and total comprehensive income	\$ 13,740	\$ 30,054	\$ 77,041	\$ 5,486	\$ 13,854	\$ 46,931	\$ 187,106	\$ 192,460

Notes to the Consolidated Financial Statements

1. These interim consolidated financial statements should be read in conjunction with the Manitoba Liquor and Lotteries Corporation 2025-26 Annual Report.
2. These interim consolidated financial statements have been prepared following the same accounting policies that are disclosed in the Annual Report.