

Financial Statements 2023-2024

Financial Statements of  
iGaming Ontario  
Year ended March 31, 2024

iGaming Ontario

Management Statement of Responsibility for Financial Reporting

Responsibility for Financial Reporting:

The accompanying Financial Statements of iGaming Ontario (IGO) have been prepared in accordance with International Financial Reporting Standards (IFRS). The preparation of Financial Statements in conformity with IFRS requires management to make judgments, estimations, and assumptions (that affect the application of accounting policies and reported amounts of assets, liabilities, revenues and expenses). Estimations and underlying assumptions are reviewed on an ongoing basis.

Management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, and that reliable financial information is available on a timely basis. The system includes formal policies and procedures and an organizational structure that provides for appropriate delegation of authority and segregation of responsibilities.

The Board of Directors, through the Finance, Audit and Risk Management Committee, is responsible for ensuring management fulfills its responsibilities for financial reporting and internal controls.

The Financial Statements have been audited by the Office of the Auditor General of Ontario. The Auditor’s responsibility is to express an opinion on whether the financial statements are fairly represented in accordance with International Financial Reporting Standards. The Independent Auditor’s Report outlines the scope of the Auditor General’s examination and opinion.

Martha Otton  
Executive Director  
Date: July 31, 2024

Jerry Zhang  
Director, Strategic Business Services  
Date: July 31, 2024

INDEPENDENT AUDITOR’S REPORT

To iGaming Ontario



Opinion

I have audited the financial statements of iGaming Ontario, which comprise the statement of financial position as at March 31, 2024, and the statements of income and comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of iGaming Ontario as at March 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of iGaming Ontario in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, 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 iGaming Ontario'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 iGaming Ontario either intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing iGaming Ontario's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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 these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 iGaming Ontario'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 iGaming Ontario's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause iGaming Ontario 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. I am responsible for the direction, supervision and performance of the group audit and I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

Shelley Spence, CPA, CA, LPA  
Auditor General  
Toronto, Ontario  
July 31, 2024

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iGaming Ontario

Statement of Financial Position

As at March 31, 2024 and 2023  
(In thousands of dollars)

|                      | Note | 2024       |    | 2023    |
|----------------------|------|------------|----|---------|
| Assets               |      |            |    |         |
| Current Assets       |      |            |    |         |
| Cash                 |      | \$ 164,056 | \$ | 130,017 |
| Restricted cash      | 5    | 8,520      |    | 9,802   |
| Accounts receivable  | 6    | 65,920     |    | 35,749  |
| Prepaid assets       |      | 523        |    | 121     |
| Total current assets |      | 239,019    |    | 175,689 |



|                                                  |      |            |            |
|--------------------------------------------------|------|------------|------------|
| Non-current assets                               |      |            |            |
| Property and equipment                           | 7    | 401        | 116        |
| Right-of-use assets                              | 9(a) | 122        | -          |
| Other long-term assets                           | 9(c) | 30         | -          |
| Total assets                                     |      | \$ 239,572 | \$ 175,805 |
| Liabilities and Equity                           |      |            |            |
| Current liabilities                              |      |            |            |
| Accounts payable and accrued liabilities         | 8    | 67,199     | 42,353     |
| Current portion of lease liabilities             | 9(b) | 88         | -          |
| Due to Alcohol and Gaming Commission of Ontario  | 11   | 1,316      | 2,703      |
| Due to Government of Canada                      | 14   | 22,712     | 18,162     |
| Due to Ontario First Nations Limited Partnership | 15   | 7,356      | -          |
| Due to Gaming Operators                          | 5    | 8,520      | 9,802      |
| Derivative liabilities                           | 16   | 17,700     | 15,130     |
| Total current liabilities                        |      | 124,891    | 88,150     |
| Non-current liabilities                          |      |            |            |
| Non-pension employee benefits                    | 12   | 215        | 178        |
| Lease liabilities                                | 9(b) | 46         | -          |
| Total liabilities                                |      | 125,152    | 88,328     |
| Equity                                           |      |            |            |
| Retained earnings                                |      | 114,420    | 87,477     |
| Total equity                                     |      | 114,420    | 87,477     |
| Total liabilities and equity                     |      | \$ 239,572 | \$ 175,805 |

Commitments (Note 20)  
Contingencies (Note 21)  
Subsequent events (Note 22)

See accompanying notes to financial statements.

On behalf of the Board:

Chair

Director

## iGaming Ontario

### Statement of Income and Comprehensive Income

Year ended March 31, 2024 and 2023  
(In thousands of dollars)

|                                                    | Note     | 2024         | 2023         |
|----------------------------------------------------|----------|--------------|--------------|
| Gaming revenue                                     | 10       | \$ 2,199,891 | \$ 1,259,865 |
| Operator payments                                  |          | (1,761,918)  | (1,019,996)  |
| Net gaming revenue                                 |          | 437,973      | 239,869      |
| Other income                                       |          | 7,206        | 4,894        |
| Expenses                                           |          |              |              |
| Stakeholder expenses                               | 17       | 254,402      | 133,721      |
| Salaries and benefits                              | 11, 12   | 11,440       | 8,768        |
| General operating, administration and other        | 9(b), 11 | 2,037        | 4,719        |
| Information technology and infrastructure services | 11       | 764          | 1,104        |
| Marketing and promotion                            | 11       | 509          | 221          |
| Depreciation                                       | 7, 9(a)  | 84           | 29           |
|                                                    |          | 269,236      | 148,562      |
| Net income and comprehensive income                |          | \$ 175,943   | \$ 96,201    |

See accompanying notes to financial statements.



iGaming Ontario

Statement of Changes in Equity

Year ended March 31, 2024, and 2023  
(In thousands of dollars)

|                                       | Note | 2024       | 2023       |
|---------------------------------------|------|------------|------------|
| Equity (deficit) at beginning of year |      | \$ 87,477  | \$ (8,724) |
| Net income for the year               |      | 175,943    | 96,201     |
| Dividends declared during the year    | 13   | (149,000)  | -          |
| Equity at end of year                 |      | \$ 114,420 | \$ 87,477  |

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

iGaming Ontario

Statement of Cash Flows

Years ended March 31, 2024 and 2023  
(In thousands of dollars)

|                                                              | 2024       | 2023       |
|--------------------------------------------------------------|------------|------------|
| Operating activities:                                        |            |            |
| Net income for the year                                      | \$ 175,943 | \$ 96,201  |
| Adjustments for:                                             |            |            |
| Depreciation of property and equipment                       | 62         | 29         |
| Depreciation of right-of-use assets                          | 22         | -          |
| Interest expense on leases                                   | 1          | -          |
| Change in fair value of derivative liabilities               | 2,570      | 15,130     |
| Interest income                                              | (7,206)    | (2)        |
| Changes in working capital:                                  |            |            |
| Increase in accounts receivables                             | (30,171)   | (35,749)   |
| Increase in prepaid assets                                   | (402)      | (121)      |
| Increase in other long-term assets                           | (30)       | -          |
| Decrease in due to Alcohol and Gaming Commission of Ontario  | (1,387)    | (5,181)    |
| Increase in due to Government of Canada                      | 4,550      | 17,541     |
| Increase in due to Ontario First Nations Limited Partnership | 7,356      | -          |
| Increase in accounts payables and accrued liabilities        | 24,846     | 42,192     |
| (Decrease) / increase in due to Gaming Operators             | (1,282)    | 9,802      |
| Increase in non-pension employee benefits                    | 37         | 51         |
| Cash provided by operating activities                        | 174,909    | 139,893    |
| Investing activities:                                        |            |            |
| Additions to property and equipment                          | (347)      | (79)       |
| Interest received                                            | 7,206      | 2          |
| Cash provided by (used in) investing activities              | 6,859      | (77)       |
| Financing activities:                                        |            |            |
| Payment of dividend to the Province of Ontario               | (149,000)  | -          |
| Additions to right-of-use assets                             | (11)       | -          |
| Cash used in financing activities                            | (149,011)  | -          |
| Net increase in cash and restricted cash during the year     | 32,757     | 139,816    |
| Cash and restricted cash, beginning of year                  | 139,819    | 3          |
| Cash and restricted cash, end of year                        | \$ 172,576 | \$ 139,819 |
| Cash                                                         | 164,056    | 130,017    |
| Restricted cash                                              | 8,520      | 9,802      |
| Cash and restricted cash, end of year                        | \$ 172,576 | \$ 139,819 |

## iGaming Ontario

### Notes to Financial Statements

Years ended March 31, 2024 and 2023  
(In thousands of dollars)

#### 1. Reporting entity

iGaming Ontario (iGO or the Corporation) was established without share capital on July 6, 2021 as a subsidiary corporation of the Alcohol and Gaming Commission of Ontario (AGCO) pursuant to Ontario Regulation 517/21 under the *Alcohol, Cannabis and Gaming Regulation and Public Protection Act, 1996* and continued under Ontario Regulation 722/21 under the *Alcohol and Gaming Commission of Ontario Act, 2019* (the "Regulation").

The Corporation is responsible to develop, undertake and organize online gaming, to promote responsible gambling with respect to online gaming, and to conduct and manage the online gaming in accordance with the *Criminal Code (Canada)* and the *Gaming Control Act, 1992* and the regulations made under those Acts. iGO makes payments out of the revenue that it receives from all online gaming and that it generates from its conduct and management of those online gaming in the order of priority established in the Regulation. iGO transfers most of its earnings in the form of a dividend to the Province's Consolidated Revenue Fund. Refer to related parties (Note 13) and subsequent events (Note 22).

The AGCO is responsible for overseeing iGaming Ontario's conduct and management of online gaming. The AGCO's Board of Directors provide recommendations to the Attorney General regarding appointments to the board of iGaming Ontario. The Attorney General is responsible for appointing board members to iGaming Ontario based on these recommendations.

The financial results of iGaming Ontario are not included in the AGCO's financial statements as iGaming Ontario is controlled by the Province of Ontario and is included in the consolidated financial statement of the Province by the modified equity method.

Pursuant to the *Income Tax Act*, iGO is exempt from income taxes.

The Corporation's head office and corporate office, respectively, are located at: 4711 Yonge Street, Suite 602, North York, Ontario, Canada, M2N 6K8.

On April 4, 2022, iGO launched the new market for online gaming in Ontario. On this date, private gaming companies ("Gaming Operators") that executed an operating agreement ("Operating Agreement") with iGO and obtained registration with the AGCO began to offer their games to players in Ontario.

Under the Operating Agreements, iGO appoints Gaming Operators as its agents solely to operate websites that offer, on behalf of iGO, online games to players in the Province of Ontario. The Corporation conducts and manages the regulated online gaming market in Ontario, while the Gaming Operators provide their services, in accordance with the terms of the Operating Agreement.

The Corporation does not control these Gaming Operators and therefore, does not consolidate the financial position or results of operations of these Gaming Operators.

As at March 31, 2024, iGO has entered into Operating Agreements with 49 (2023 – 46) Gaming Operators.

These financial statements were authorized for issue by the Board of Directors of iGO on July 31, 2024.

#### 2. Basis of presentation

##### a. Statement of compliance:

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

##### b. Functional and presentation currency:

These 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.

##### c. Use of estimates and judgements:

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

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

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

- Revenue (Note 4(a))
- Due to the Government of Canada (Note 14)
- Due to Ontario First Nations Limited Partnership (Note 15)
- Derivative liabilities (Note 16)
- Contingencies (Note 21)

#### 3. New accounting standards and interpretations

Adoption of new accounting pronouncements:

*Amendments to IAS 1 - Presentation of Financial Statements*

On February 12, 2021, the IASB issued Definition of Accounting Estimates (Amendments to IAS 8) and Disclosure Initiative – Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements). The amendments require the disclosure of material accounting policy information rather than disclosing significant accounting policies and clarifies how to distinguish changes in accounting policies from changes in accounting estimates. The adoption of the new amendments has been applied to the disclosure of material accounting policies in note 4 of these financial statements however the amendments did not result in any change to the Corporation's accounting policies or application thereof.

*IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors*

Amendments to IAS 8, issued in February 2021, introduced a new definition of “accounting estimates” to replace the definition of “change in accounting estimates” and also include clarification intended to help entities distinguish changes in accounting policies from changes in accounting estimates. The adoption of the new standard did not materially impact the financial statements of the Corporation.

Standards issued but not yet effective:

The Corporation has not yet applied the following new interpretation and amendment to the standard that have been issued but is not yet effective. Unless otherwise stated, the Corporation does not plan to early adopt the amended standard and interpretation.

*Amendments to IAS 1 – Classification of Liabilities as Current or Non-current*

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the Statement of Financial Position and not the amount or timing of recognition of any asset, liability, income, or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of “settlement” to make clear that settlement refers to the transfer to the counter-party of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after January 1, 2024, with early application permitted. The amendments are not expected to have a material impact on the Corporation.

**4. Material accounting policies**

**a. Gaming Revenue**

The Corporation earns revenue from offering online games through a network of Gaming Operators. These services, performed under Operating Agreements, are accounted for as a single performance obligation composed of a series of distinct services that are substantially the same and have the same pattern of transfer (i.e. distinct days of service). Gaming revenue generated from online games is recorded in the same period the games are played. Gaming revenue is measured at the fair value of the consideration received or receivable.

The Corporation's gaming revenue includes the gross amounts, or wagers collected by Gaming Operators from players less winnings paid to players and less eligible deductions. Wagers include rake fees, tournament fees and other fees. Eligible deductions are cashable payments to players derived from the wagering of promotional play funds such as free bets or bonuses dependant on conditions and up to a limit specified in Operating Agreements.

The Corporation has used significant judgment in determining that it should recognize revenue on a gross basis as it is the principal for the online lottery schemes. To determine that the Corporation is the principal, it considers whether it obtains control of the services before these are transferred to the players. In making this evaluation, several factors are considered, most notably whether the Corporation has primary responsibility for fulfilment to the players based on the terms of the Operating Agreements.

The Corporation disaggregates revenue into the following products and is shown in Note 10:

- *Casino* games includes slots, live and computer-based table games, and peer-to-peer bingo.
- *Betting* includes betting on sports, esports as well as proposition and novelty bets.
- *Peer-to-Peer Poker* includes cash games and tournaments where players play against each other.

Significant judgment is needed to determine whether gaming bets and online casino gaming transactions are within the scope of IFRS 9 – Financial Instruments (“IFRS 9”) or IFRS 15 – Revenue from Contracts with Customers (“IFRS 15”).

Transactions where an Operator takes a position against a player and the revenue varies depending on the likelihood of the occurrence of a specified event meet definition of derivatives and are accounted for in accordance with IFRS 9. In such transactions, revenue is recorded as the gain or loss on betting transactions settled during the period plus fair value adjustments on open bets under IFRS 9. The Corporation accounts for Betting and Casino transactions in accordance with IFRS 9.

Transactions where Gaming Operators are only administering games without taking any position are accounted for in accordance with IFRS 15. The Corporation accounts for Peer-to-Peer Poker transactions in accordance with IFRS 15.

Gaming revenue includes the Corporation's net gains or net losses on derivative financial liabilities measured at fair value through profit and loss as discussed in Note 16.

**b. Operator payments:**

In accordance with the terms of each Operating Agreement, Gaming Operators accept, on behalf of and as agent for the Corporation, bets on eligible online games offered on Gaming Operators' websites. Gaming Operators are also required to pay, on behalf of and as agent for the Corporation, all winnings to players. Gaming Operators remit all wagers less winnings and eligible deductions to iGO. The Corporation remits 80% of the gaming revenue deposited back to each Gaming Operator as variable compensation for the online services they provide to players as iGO's agent, in accordance with the terms of the Operating Agreement and any related policies. The Corporation reflects the 80% Gaming Operator revenue share payment as a cost of earning gaming revenues.

The cost is recorded in the Statement of Income and Comprehensive Income simultaneously as the gaming revenue is earned.

**c. Cash:**

Cash is comprised of cash held with financial institutions and excludes restricted cash related to performance security received from Gaming Operators under Operating Agreements.

**d. Restricted cash:**

Restricted cash, represents the amounts of cash deposited into a segregated bank account from certain Gaming Operators to satisfy performance security requirements under their Operating Agreement (Note 5). These funds are held in accordance with the terms of the Operating Agreement and a separate agreement signed between iGO and the respective Gaming Operator.

**e. Property and equipment:**

**i. Recognition and measurement:**

Property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

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

Gains and losses on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognized on a net basis in the Statement of Income and Comprehensive Income.

**ii. Depreciation:**

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

Depreciation is recognized in the Statement of Income and Comprehensive Income on a straight-line basis over the estimated useful life of each component of an item of property and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

- |                          |            |
|--------------------------|------------|
| • Computer equipment     | 3 years    |
| • Furniture and fixtures | 5 years    |
| • Video equipment        | 5 years    |
| • Leasehold improvements | Lease term |

f. Leases:

The Corporation assesses whether a contract is or contains a lease at inception of the contract. A lease conveys the right to direct the use and obtain substantially all of the economic benefits of an identified asset for a period of time in exchange for consideration. All leases are accounted for by recognizing a right-of-use asset and a lease liability at the commencement date except for leases of low value assets and short-term leases with a lease term of 12 months or less.

The right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, increased for lease payments made at or before commencement, and increased for any initial direct costs incurred. They are subsequently measured at cost less any accumulated depreciation. The right-of-use assets are depreciated over the shorter period of the lease term and useful life of the underlying asset.

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Corporation's incremental borrowing rate, unless the implicit interest rate in the lease can be readily determined. Subsequently, the lease liability is measured by increasing the liability to reflect interest on the lease liability (using the effective interest method) and decreasing the liability to reflect the lease payments made.

Variable rent payments that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occur and are included in the general operating, administration and other expenses in the Statement of Income and Comprehensive Income.

g. Financial instruments:

i. Financial assets:

Initial Recognition and Measurement:

The Corporation recognizes a financial asset when it becomes party to the contractual provisions of the instrument. Financial assets are measured initially at their fair value plus, in the case of financial assets not subsequently measured at fair value through profit or loss, transaction costs that are directly attributable to their acquisition. Transaction costs attributable to the acquisition of financial assets subsequently measured at fair value through profit or loss or through other comprehensive income are expensed in the Statement of Income and Comprehensive Income when incurred.

Classification and subsequent measurement:

Subsequent to initial recognition, financial assets are classified as, and subsequently measured at, amortized cost, fair value through other comprehensive income or fair value through profit or loss. The Corporation determines the classification of its financial assets, together with any embedded derivatives, based on the business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets are classified as follows:

- Amortized cost – Assets that are held for collection of contractual cash flows where those cash flows are solely payments of principal and interest are measured at amortized cost. Interest revenue is calculated using the effective interest method and gains or losses arising from impairment, and derecognition are recognized in the Statement of Income and Comprehensive Income. Financial assets measured at amortized cost comprise of cash, restricted cash, and accounts receivable.
- Fair value through other comprehensive income – Assets that are held for collection of contractual cash flows and for selling the financial assets, and for which the contractual cash flows are solely payments of principal and interest, are measured at fair value through other comprehensive income. All changes in the carrying amount of the financial assets are recognized in other comprehensive income. Upon derecognition, the cumulative gain or loss previously recognized in other comprehensive income is reclassified to the Statement of Income and Comprehensive Income. The Corporation does not hold any financial assets measured at fair value through other comprehensive income.
- Mandatorily or designated at fair value through profit or loss – Assets that do not meet the criteria to be measured at amortized cost, or fair value through other comprehensive income, are measured at fair value through profit or loss. All interest income and changes in the financial assets' carrying amount are recognized in the Statement of Income and Comprehensive Income. The Corporation does not hold any financial assets mandatorily or designated measured at fair value through profit or loss.

Derecognition of financial assets:

The Corporation derecognizes a financial asset when its contractual rights to the cash flows from the financial asset expire.

ii. Financial liabilities:

Recognition and initial measurement:

The Corporation recognizes a financial liability when it becomes party to the contractual provisions of the instrument. At initial recognition, the Corporation measures financial liabilities at their fair value plus transaction costs that are directly attributable to their issuance, with the exception of financial liabilities subsequently measured at fair value through profit or loss ("FVTPL") for which transaction costs are immediately recorded in the Statement of Income and Comprehensive Income.

Classification and subsequent measurement:

Subsequent to initial recognition, all financial liabilities are measured at amortized cost using the effective interest rate method or FVTPL.

The Corporation's non-derivative financial liabilities measured at amortized cost are comprised of accounts payables and accrued liabilities, due to AGCO, due to Gaming Operators, due to Ontario First Nations Limited Partnership, and due to Government of Canada. Subsequent to initial recognition, these financial liabilities are measured at amortized cost using the effective interest method, if applicable. Interest expense is recognized in the Statement of Income and Comprehensive Income.

The Corporation's derivative financial liabilities measured at FVTPL consist of unsettled betting transactions as at the financial reporting date. Subsequent to initial recognition, these financial liabilities are measured at fair value. Net gains or losses are recognized in gaming revenue on the Statement of Income and Comprehensive Income.

Derecognition of financial liabilities:

The Corporation derecognizes a financial liability only when its contractual obligations are discharged, cancelled or expire.

iii. Fair values measurement:

The Corporation, when applicable, provides disclosure of the three-level hierarchy that reflects the significance of the inputs used in making the fair value measurement. The three levels of fair value hierarchy based on the reliability of inputs are as follows:

- Level 1 - inputs are quoted prices in active markets for identical assets and liabilities.
- Level 2 - inputs are based on observable market data, either directly or indirectly other than quoted prices; and includes the derivative liability.
- Level 3 - inputs are not based on observable market data.

j. Impairment:

Financial assets:

At each reporting date, the Corporation assesses whether financial assets carried at amortized cost are credit impaired. The Corporation applies the simplified approach for accounts receivables. Using the simplified approach, the Corporation records a loss allowance equal to the expected credit losses ("ECL") resulting from all possible default events over the assets' contractual lifetime.

The Corporation uses historic actual credit losses as the basis for estimating ECLs and uniformly applies this estimate to its gross balance (net of balances already fully impaired and written off) at each reporting date. The Corporation believes this amount to best reflect the ECL.

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 Statement of Income and 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.

k. Provisions:

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 reviewed at each reporting date and adjusted to reflect current best estimates. The Corporation has a provision for gaming revenue sharing payments to the Ontario First Nations Limited Partnership. Refer to Note 15 for further disclosure.

l. Employee benefits:

i. Defined benefit pension plan:

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 provides defined benefit pension plan through the Public Service Pension Fund (PSPF). The Corporation does not have a net obligation in respect of the defined benefit pension plan as the plan is a sole-sponsored defined benefit plan established by the Province of Ontario, and there is no contractual agreement or stated policy for charging the net defined benefit cost of the plan to the Corporation. The Province of Ontario controls all entities included in the pension plan.

The Corporation's contributions to the plan are accounted for on a defined contribution basis. Accordingly, the Corporation's contributions are charged to the Statement of Income and Comprehensive Income in the period the contributions become payable.

ii. Other long-term employee defined benefit plan:

Separation payment benefits:

The Corporation provides separation payment benefits to some of its employees. This benefit was grandfathered for eligible AGCO employees hired by iGO prior to June 30, 2022. These employees are entitled to separation payment in the event of retirement, resignation, or death.

Former full-time AGCO employees hired prior to April 1, 2015, and who have completed at least five years of continuous service as a permanent full-time employee with the AGCO as of April 1, 2015, are eligible for a separation payment equivalent to one week's base pay for each year of active service up to a maximum of 16 weeks upon retirement, resignation, or death.

Former full-time AGCO employees hired prior to April 1, 2015 and who had not completed five years of continuous service as a permanent full-time employee as of April 1, 2015, will only be eligible for a separation payment in the event of retirement, resignation, or death if they have completed at least 10 years of continuous service as a permanent full-time employee as of the date of their retirement, resignation, or death.

iii. Accumulated compensated leaves:

The Corporation also provides a facility to some of its employees for accumulating their annual earned leaves up to a cap of 125 days. Accumulated leaves can be encashed at the end of the employee's service.

The Corporation's obligation for the other long-term employee benefits are the amounts of future benefits that employees have earned in return for their service in the current and prior periods. These benefits are discounted to determine their present values and are unfunded. The discount rate is the yield at the reporting date on AA/AAA credit-rated bonds that have maturity dates approximating the terms of the Corporation's obligations. The calculation is performed using the projected unit credit method. Any gains and losses are recognized in the Statement of Income and Comprehensive Income in the period in which they arise.

iv. 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.

The Corporation also provides a facility to its employees to carry forward one year's vacation from one calendar year to the next. The annual cost of staff vacation is recognized as an expense in the financial statements on an accrual basis.

l. Shared resources costs:

AGCO provides certain resources to iGO including the provision of goods, or services by AGCO personnel and through any third-party that has been procured by the AGCO for that purpose ("Shared Resources"). The Shared Resources are charged back to iGO using an overhead rate or based on direct usage if the costs are directly attributable to iGO.

m. General operating, administration and other:

General operating, administration and other expenses are primarily comprised of office supplies and consumables, travel, telecommunication, office space rental, interest expense, and other miscellaneous expenses.

n. Other income:

Other income represents interest income earned on bank account balances which is recognized when deposited, and imputed interest income on the refundable office lease security deposit.

o. Goods and services tax / Harmonized sales tax (GST/HST):

The Corporation calculates and remits GST/HST for gaming related operations to the Government of Canada on the basis it will be a Prescribed Registrant pursuant to the Games of Chance (GST/HST) Regulations of the Excise Tax Act.

5. Restricted cash

Restricted cash represents cash received from Gaming Operators as performance security and held by iGO in a segregated bank account (Note 4(d)). Pursuant to Operating Agreements, Gaming Operators are required to submit a performance security with the Corporation that may be in form of cash deposits, letter of credits, surety bonds or any other instrument acceptable to the Corporation. Under Operating Agreements, performance security serves as collateral and may be drawn upon by the Corporation to satisfy payments of debts and liabilities of Gaming Operators with the Corporation, losses for which the Gaming Operators are responsible, or for any winnings not paid by Gaming Operators as at March 31, 2024. Due to Gaming Operators represents the liability related to this restricted cash.

The Corporation recognizes the performance security held by iGO in a segregated bank account in the Statement of Financial Position. Performance security issued or maintained by Gaming Operators are not recognized by the Corporation.

6. Accounts receivable

7. Property and equipment

|                                    | Computer<br>Equipment | Audio-video<br>Equipment | Office<br>Furniture | Leasehold<br>Improvements | Total  |
|------------------------------------|-----------------------|--------------------------|---------------------|---------------------------|--------|
| <b>Costs</b>                       |                       |                          |                     |                           |        |
| Balance at March 31, 2022          | \$ 82                 | \$ -                     | \$ -                | \$ -                      | \$ 82  |
| Additions                          | 60                    | 19                       | -                   | -                         | 79     |
| Balance at March 31, 2023          | 142                   | 19                       | -                   | -                         | 161    |
| Additions                          | 57                    | 133                      | 113                 | 44                        | 347    |
| Balance at March 31, 2024          | \$ 199                | \$ 152                   | \$ 113              | \$ 44                     | \$ 508 |
| <b>Accumulated depreciation</b>    |                       |                          |                     |                           |        |
| Balance at March 31, 2022          | \$ 16                 | \$ -                     | \$ -                | \$ -                      | \$ 16  |
| Depreciation for the year          | 29                    | -                        | -                   | -                         | 29     |
| Balance at March 31, 2023          | 45                    | -                        | -                   | -                         | 45     |
| Depreciation for the year          | 50                    | 8                        | 2                   | 2                         | 62     |
| Balance at March 31, 2024          | \$ 95                 | \$ 8                     | \$ 2                | \$ 2                      | \$ 107 |
| Carrying amounts at March 31, 2023 | 97                    | 19                       | -                   | -                         | 116    |
| Carrying amounts at March 31, 2024 | \$ 104                | \$ 144                   | \$ 111              | \$ 42                     | \$ 401 |

8. Accounts payable and accrued liabilities

|                                                    | 2024      | 2023      |
|----------------------------------------------------|-----------|-----------|
| Accounts payable – Gaming Operators                | \$ 66,290 | \$ 40,155 |
| Accounts payable and accrued liabilities – general | 567       | 1,938     |
| Short-term employee benefits                       | 342       | 260       |
|                                                    | \$ 67,199 | \$ 42,353 |

Accounts payable to Gaming Operators consists of \$52,723 (2023 – \$29,679) relating to the 80% revenue share of gaming revenue and eligible deductions of \$13,567 (2023 – \$10,476) as at March 31, 2024. The Corporation's accounting policy and exposure to liquidity risks related to accounts payable and accrued liabilities is disclosed in Note 18.

9. Leases

The Corporation entered into an office sublease effective January 1, 2024. The sublease term is for 20 months. The lease payments were discounted using the Corporations incremental borrowing rate of 4.35%, which is the applicable rate of the Ontario Financial Authority ("OFA") at the lease commencement.

(a) Right-of-use assets:

The following table presents the changes in the carrying amount of the right-of-use asset for the year ended March 31, 2024:

|                                   | Office<br>premises |
|-----------------------------------|--------------------|
| <b>Costs</b>                      |                    |
| Balance at March 31, 2023         | \$ -               |
| Additions                         | 144                |
| Balance at March 31, 2024         | \$ 144             |
| <b>Accumulated depreciation</b>   |                    |
| Balance at March 31, 2023         | \$ -               |
| Depreciation for the period       | 22                 |
| Balance at March 31, 2024         | \$ 22              |
| Carrying amount at March 31, 2023 | -                  |
| Carrying amount at March 31, 2024 | \$ 122             |

Depreciation expense for the year ended March 31, 2024 was \$22 (2023 – Nil) recorded in Statement of Income and Comprehensive Income.

(b) Lease liabilities:

The following table presents the changes in the lease liability for the year ended March 31, 2024:

|                           | 2024   | 2023 |
|---------------------------|--------|------|
| Balance at March 31, 2023 | \$ -   | -    |
| Additions                 |        | 133  |
| Interest expense          |        | 1    |
| Balance at March 31, 2024 | \$ 144 | -    |
| Current portion           | \$ 88  | \$ - |
| Long-term portion         | 46     | -    |

Interest expense on this lease obligation for the year ended March 31, 2024 was \$1 (2023 – Nil) recorded in Statement of Income and Comprehensive Income. Total cash outflow for the year ended March 31, 2024 was \$11 (2023 – Nil).

The following table sets out a maturity analysis of lease liabilities reflecting the future contractual lease payments that are expected to be made over the next five years and thereafter:

|                                   | As of March 31 |
|-----------------------------------|----------------|
| 2025                              | \$92           |
| 2026                              | 46             |
| Total undiscounted lease payments | 138            |
| Less: Imputed interest on lease   | 4              |
| Total discounted lease payments   | \$134          |

(c) Other long-term assets:

Other long-term assets of \$30 (2023 – Nil) is the present value of refundable office lease security deposit. The refundable office lease security deposit was discounted using the Corporation’s incremental borrowing rate, which is the applicable rate of the OFA at the lease commencement.

10. Gaming revenue

The following table details the disaggregation of the Corporation’s gaming revenue by product for the year ended March 31, 2024:

|                                                          | Casino       | Betting     | Peer-to-Peer<br>Poker | Total        |
|----------------------------------------------------------|--------------|-------------|-----------------------|--------------|
| Wagers                                                   | \$51,919,931 | \$9,731,594 | \$1,623,749           | \$63,275,274 |
| Less: Winnings and eligible deductions                   | (50,303,207) | (9,206,025) | (1,563,581)           | (61,072,813) |
| Less: Net change in fair value of derivative liabilities | -            | (2,570)     | -                     | (2,570)      |
| Gaming revenue                                           | \$1,616,724  | \$522,999   | \$60,168              | \$2,199,891  |

The following table details the disaggregation of the Corporation’s gaming revenue by product for the year ended March 31, 2023:

|                                                          | Casino       | Betting     | Peer-to-Peer<br>Poker | Total        |
|----------------------------------------------------------|--------------|-------------|-----------------------|--------------|
| Wagers                                                   | \$27,582,415 | \$6,969,460 | \$992,369             | \$35,544,244 |
| Less: Winnings and eligible deductions                   | (26,727,415) | (6,586,185) | (955,435)             | (34,269,249) |
| Less: Net change in fair value of derivative liabilities | -            | (15,130)    | -                     | (15,130)     |
| Gaming revenue                                           | \$854,786    | \$368,145   | \$36,934              | \$1,259,865  |

11. Due to the Alcohol and Gaming Commission of Ontario

On April 1, 2023, AGCO and iGO entered into a Shared Resources Agreement (the “Agreement”), pursuant to which AGCO provides payroll, procurement, facilities, communication, customer service, call centre, and website-related services on a cost recovery basis (“Shared Resources”). The total cost of these Shared Resources was \$555 (2023 – \$1,808), plus HST of \$68 (2023 – \$235), and is included within the related expense categories on the Statement of Income and Comprehensive Income and balances on the Statement of Financial Position. The Agreement expired on March 31, 2024 and was renewed on April 1, 2024 for another year.

The AGCO also paid the salaries and benefits of iGO employees of \$10,795 (2023 – \$5,611) and is included in salaries and benefits in the Statement of Income and Comprehensive Income, and other direct expenses of \$10 (2023 - \$2,055), plus HST of \$0 (2023 - \$38), and is included within the related expense categories on the Statement of Income and Comprehensive Income. These costs are fully recovered by AGCO.

As at March 31, 2024, \$1,316 (2023 – \$2,703) is outstanding, inclusive of HST, and is included in Due to the Alcohol and Gaming Commission of Ontario in the Statement of Financial Position.

12. Employee benefits

a. Defined benefit pension plan:

The Corporation’s required contributions of \$721 (2023 – \$464) is included in salaries and benefits expenses on the Statement of Income and Comprehensive income. The expected contribution to the plan for the next fiscal period amounts to \$904.

b. Non-pension employee benefits (unfunded):

The present value of the Corporation’s unfunded other post-employment benefit plans is \$215 (2023 – \$178).

The main assumptions underlying the valuation are as follows:

- The liability at year-end being the present value of future liability was determined using a discount rate of 4.6% to 5.0% (2023 – 3.5% to 4.2%) representing an estimate of the yield on high quality corporate bonds as at the valuation date. A 1% increase or decrease in the discount rate would result in a decrease of \$9 (2023 – \$6) or increase of \$18 (2023 – \$8) to the liability, respectively.
- Future general salary levels were assumed to increase at 3.5% (2023 - 3.5%) per annum.
- Cost of living adjustments (“COLA”) were assumed to increase at 2.0% (2023 – 1.0%) per annum.

13. Related parties

The Corporation is a legal subsidiary of the AGCO and is also related to various other government agencies, ministries and Crown corporations. All transactions with these related parties are in 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.

Related party transactions include:

- Dividends issued to the Province of Ontario (paid to Ministry of Attorney General) of \$149 million during the year ended March 31, 2024 (2023 – Nil) recorded within the Statement of Changes in Equity;
- Transactions with the AGCO (Note 11);
- Contributions to the Public Service Pension Fund (Note 4(k)(i) and Note 12(a));

- Key management personnel compensation; and
- Recovery of AGCO's regulatory costs.

Key management personnel compensation

The Corporation's key management personnel, consisting of its Board of Directors and senior leadership members including the Executive Director and their direct reports, have authority and responsibility for overseeing, planning, directing and controlling the activities of the Corporation.

Key management personnel compensation includes:

|                                           | 2024     | 2023     |
|-------------------------------------------|----------|----------|
| Salaries and short-term employee benefits | \$ 2,235 | \$ 1,804 |
| Post employment benefits                  | 163      | 138      |
| Directors' fees                           | 12       | 14       |
|                                           | \$ 2,410 | \$ 1,956 |

Recovery of AGCO's regulatory cost relating to iGaming's Internet Gaming Market

Under Section 12.1 of the AGCO Act, the AGCO is permitted to direct payment from the Corporation. The Operator Agreements between the Corporation and Gaming Operators establish that Gaming Operators are responsible for costs charged by the AGCO in regulating the internet gaming market, regardless of whether the costs are initially billed to the Corporation by the AGCO or billed directly to Gaming Operators. For the year ended March 31, 2024, an amount of \$5,543 (2023 - \$4,254) was billed and collected from the Gaming Operators directly by the AGCO.

14. Due to the Government of Canada

The Corporation remits GST/HST to the Government of Canada on the basis it will be a Prescribed Registrant 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 online gaming activities.

The non-recoverable GST/HST payable to suppliers and the additional imputed tax payable to the Government of Canada on online gaming-related expenses were recorded as Stakeholder expenses on the Statement of Income and Comprehensive Income (Note 17).

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

Gaming Operators qualify as distributors as defined in the *Excise Tax Act*. GST/HST of 13 per cent is self-assessed on the fees paid to Gaming Operators for services provided pursuant to Operating Agreements (see Note 4(o)).

15. Due to First Nations Limited Partnership

The Gaming Revenue Sharing and Financial Agreement (GRSFA) exists between the Province of Ontario and its agents (including the Corporation and the Ontario Lottery and Gaming Corporation), the Ontario First Nations Limited Partnership and the Ontario First Nations (2008) Limited Partnership (OFNLP). Pursuant to the GRSFA, the Corporation's gaming revenues are subject to revenue sharing payments to the OFNLP. Each fiscal year, monthly payments are to be made aggregating to an amount equal to 1.7 per cent of the prior fiscal year's Gross Revenues of the Corporation, as defined in the GRSFA.

The Province of Ontario directed the Corporation to pay the OFNLP, commencing in April 2023, monthly payments aggregating to an amount equal to 1.7 per cent of the prior fiscal year's unadjusted gross gaming revenue (wagers less winnings) as defined by the Operating Agreements between the Corporation and Gaming Operators. For certain gaming product categories, the determination of what constitutes Gross Revenues is subject to an ongoing dispute and no revenue sharing payments relating to those matters in dispute are currently being made until the dispute is resolved. There is measurement uncertainty relating to the amount and timing of revenue sharing payments for the contested gaming product categories.

As at March 31, 2024, the Corporation recorded a provision for \$7,356, which is recorded in Due to Ontario First Nations Limited Partnership in the Statement of Financial Position. For the year ended March 31, 2024, the Corporation expensed \$24,021, which is recorded in Stakeholder expenses in the Statement of Income and Comprehensive Income (Note 17).

16. Derivative liabilities

Derivative liability of \$17,700 (2023 - \$15,130) represents the net liability position of all bets placed and open as of March 31, 2024. The derivative liabilities are carried at fair value through profit or loss determined using Level 3 fair value measurement inputs. Fair value is calculated by using appropriate historical hold percentage applied to the outstanding open bet balance. A fair value adjustment of \$2,570 (2023 - \$15,130) was recorded in revenue on the Statement of Income and Comprehensive Income for the year ended March 31, 2024.

A 1% increase or decrease in hold percentage would result in \$188 (2023 - \$161) decrease or increase in the fair value of derivative liability at March 31, 2024 and corresponding increase or decrease in net income and comprehensive income for the year ended March 31, 2024.

17. Stakeholder expenses

Stakeholder expenses includes:

|                                 | Note | 2024       | 2023       |
|---------------------------------|------|------------|------------|
| GST/HST expense                 | 14   | \$ 230,381 | \$ 133,721 |
| OFNLP's share of gaming revenue | 15   | 24,021     | -          |
| Stakeholder expenses            |      | \$ 254,402 | \$ 133,721 |

18. Financial risk management and financial instruments

The carrying values of cash, restricted cash, accounts receivables, due to AGCO, due to Government of Canada, due to Ontario First Nations Limited Partnership, due to Gaming Operators, and accounts payable and accrued liabilities approximate their fair values because of the short-term nature of these financial instruments. Lease liability is carried at amortized cost using the effective interest method which approximates fair value.

The Corporation's financial instruments expose it to a variety of risks. The Corporation has implemented a risk management program to identify and mitigate exposure to credit risk, and liquidity risk.

i. Credit risk:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. In the normal course of business, the Corporation is exposed to credit risk from its cash and accounts receivable. iGO holds its cash accounts with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. The accounts receivable represents the Corporation's maximum exposure to credit risk, however, this risk is mitigated by letters of credit or cash deposited by the Gaming Operators and held by iGO in a segregated bank account, as part of performance security pursuant to the Operating Agreement with each operator (Note 5). Historically, the Corporation also has not experienced any significant losses in accounts receivables.

ii. 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 manages liquidity risk by maintaining sufficient balances in cash, and managing credit risk as outlined above. The Corporation is exposed to this risk mainly in respect of accounts payable and accrued liabilities, due to AGCO, due to Ontario First Nations Limited Partnership, due to Government of Canada, derivative liability, and due to Gaming Operators, which are all contractually due within one year. Refer to Note 9 for the undiscounted contractual maturity of lease liability. The Corporation maintains the required balance in a segregated bank account for amounts due to Gaming Operators (Note 5).

19. Capital Management



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.

The Corporation defines capital as total equity. At March 31, 2024, capital under management was equity of \$114,420 (2023 – \$87,477).

20. Commitments

Below is a summary of the Corporation's future payments for contractual commitments that are not recognized as liabilities as at March 31, 2024:

|      | HST on lease commitments |    | Suppliers (b) |     | Total  |
|------|--------------------------|----|---------------|-----|--------|
|      | (a)                      |    |               |     |        |
| 2025 | \$                       | 24 | \$            | 331 | \$ 355 |
| 2026 |                          | 12 |               | 111 | 123    |
| 2027 |                          | -  |               | 100 | 100    |
| 2028 |                          | -  |               | 100 | 100    |
|      | \$                       | 36 | \$            | 642 | \$ 678 |

a. HST on lease commitments:

The Corporation has entered into an agreement to sublease office space. The non-recoverable HST and the additional imputed tax payable to the Government of Canada (Note 14) on the future lease payments (Note 9(b)) are approximated as summarized above.

b. Suppliers:

The Corporation has contractual obligations under service contracts with various suppliers with future payments as at March 31, 2024. The future payments are approximated as summarized above.

Refer to Note 15 for information on Corporation's commitment to make monthly revenue share payments to OFNLP.

21. Contingencies

- a. On November 28, 2022, the Mohawk Council of Kahnawake ("MCK") served a notice of application with the Ontario Superior Court against the Corporation and the Attorney General of Ontario seeking 'a declaration that the Ontario government does not "conduct and manage" online lottery as required under s. 207(1)(a) of the Criminal Code" The application was heard on February 20 and 21, 2024. On May 13, 2024, the Ontario Superior Court dismissed the MCK's application. On May 22, 2024, MCK publicly announced that it did not intend to appeal the decision.
- b. The Corporation is, from time to time, involved in other various legal proceedings of a character normally incidental to its business. 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.

22. Subsequent events

The Corporation declared and paid a dividend of \$44 million on April 24, 2024, and \$46 million on July 11, 2024 to the Province of Ontario.

The Corporation made monthly interim revenue sharing payments to OFNLP of \$2,611 on April 12, 2024, April 25, 2024, May 30, 2024, June 27, 2024, and July 25, 2024.

Refer to Note 21 for an update on the MCK litigation subsequent to year end.