

MISSISSIPPI LOTTERY CORPORATION
STATEMENT OF NET POSITION
For the Second Quarter Ending December 31, 2025

ASSETS

Current Assets:

Cash	\$62,102,951.36
Retailer accounts receivable	12,456,686.60
Prepaid insurance	203,155.14
Other current assets	1,237,707.66
Total current assets	<u>76,000,500.76</u>

Noncurrent assets:

Restricted prize reserve on deposit	2,426,771.68
Capital assets, net	816,557.77
Right-to-use lease assets, net	851,528.84
Total noncurrent assets	<u>4,094,858.29</u>

Total assets 80,095,359.05

LIABILITIES

Current liabilities:

Due to State of MS Lottery Proceeds Fund	13,241,964.31
Prizes payable	63,146,118.52
Accounts payable	1,500,806.44
Accrued liabilities	699,292.12
Unearned revenues	545,031.00
Lease liability	231,258.05
Total current liabilities	<u>79,364,470.44</u>

Noncurrent liabilities:

Lease liability	730,888.61
Total noncurrent liabilities	<u>730,888.61</u>

Total liabilities 80,095,359.05

NET POSITION

Net investment in capital assets	705,939.95
Restricted for prize reserve on deposit	2,426,771.68
Unrestricted (deficit)	(3,132,711.63)
Total net position	<u>0.00</u>

Total liabilities and net position \$80,095,359.05

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MISSISSIPPI LOTTERY CORPORATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Second Quarter Ending December 31, 2025

	October	%	November	%	December	%
OPERATING REVENUES						
Instant ticket sales	\$23,801,585.00	61.75%	\$24,027,421.00	56.91%	\$25,608,807.00	53.55%
Draw style game sales	14,740,591.00	38.25%	18,189,165.00	43.09%	22,209,502.50	46.45%
Gross ticket sales	38,542,176.00	100.00%	42,216,586.00	100.00%	47,818,309.50	100.00%
Less tickets provided as prizes	(223,780.00)	(0.58%)	(320,706.00)	(0.76%)	(288,424.00)	(0.60%)
Net ticket sales	38,318,396.00	99.42%	41,895,880.00	99.24%	47,529,885.50	99.40%
Other operating revenues	143,120.50	0.37%	176,345.00	0.42%	142,361.00	0.30%
TOTAL OPERATING REVENUES	38,461,516.50	99.79%	42,072,225.00	99.66%	47,672,246.50	99.69%
OPERATING PRIZE EXPENSE						
Prize expense, net	24,408,850.19	63.33%	26,312,293.93	62.33%	29,766,830.04	62.25%
OTHER ADMINISTRATIVE OPERATING EXPENSES						
Retailer commissions	2,312,300.25	6.00%	2,532,648.06	6.00%	2,868,812.13	6.00%
Gaming vendor fees	1,094,943.68	2.84%	1,163,123.01	2.76%	966,817.03	2.02%
Contractor Fees	3,175.00	0.01%	3,875.00	0.01%	3,375.00	0.01%
Advertising	247,161.05	0.64%	222,635.75	0.53%	223,215.47	0.47%
Other gaming expense	36,720.34	0.10%	(123,342.51)	(0.29%)	27,197.31	0.06%
Salaries and benefits	505,996.90	1.31%	519,265.51	1.23%	519,819.34	1.09%
Retailer merchandising and marketing	4,114.95	0.01%	1,539.33	0.00%	1,964.33	0.00%
Rent, utilities, and maintenance	10,410.90	0.03%	10,422.37	0.02%	11,043.43	0.02%
Depreciation	54,828.96	0.14%	54,828.97	0.13%	54,829.00	0.11%
Professional fees	39,140.50	0.10%	36,378.10	0.09%	40,890.05	0.09%
General, administrative, and other operating	95,680.13	0.25%	86,681.90	0.21%	110,948.00	0.23%
Total other administrative operating expenses	4,404,472.66	11.43%	4,508,055.49	10.68%	4,828,911.09	10.10%
TOTAL OPERATING EXPENSES (inclusive of prize expense, net)	28,813,322.85	74.76%	30,820,349.42	73.01%	34,595,741.13	72.35%
TOTAL OPERATING INCOME	9,648,193.65	25.03%	11,251,875.58	26.65%	13,076,505.37	27.35%
NONOPERATING REVENUES (EXPENSES)						
Other revenue	2,547.81	0.01%	7,960.20	0.02%	1,268.38	0.00%
Interest revenue	180,616.67	0.47%	167,723.03	0.40%	167,773.02	0.35%
Interest expense	(3,582.46)	(0.01%)	(3,582.46)	(0.01%)	(3,582.46)	(0.01%)
Proceeds to State of Mississippi	(9,827,775.67)	(25.50%)	(11,423,976.35)	(27.06%)	(13,241,964.31)	(27.69%)
Total nonoperating revenues (expenses)	(9,648,193.65)	(25.03%)	(11,251,875.58)	(26.65%)	(13,076,505.37)	(27.35%)
CHANGE IN NET POSITION	0.00	0.00%	0.00	0.00%	0.00	0.00%
NET POSITION						
Net position, Beginning of Year	0.00	0.00%	0.00	0.00%	0.00	0.00%
Net Position, End of Year	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0.00%

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MISSISSIPPI LOTTERY CORPORATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Second Quarter Ending December 31, 2025

	2nd Qtr		YTD	
	Oct.1-Dec. 31, 2025	%		%
OPERATING REVENUES				
Instant ticket sales	\$73,437,813.00	57.12%	\$146,971,121.00	57.85%
Draw style game sales	55,139,258.50	42.88%	107,064,324.00	42.15%
Gross ticket sales	128,577,071.50	100.00%	254,035,445.00	100.00%
Less tickets provided as prizes	(832,910.00)	(0.65%)	(1,852,678.00)	(0.73%)
Net ticket sales	127,744,161.50	99.35%	252,182,767.00	99.27%
Other operating revenues	461,826.50	0.36%	930,620.77	0.37%
TOTAL OPERATING REVENUES	128,205,988.00	99.71%	253,113,387.77	99.64%
OPERATING PRIZE EXPENSE				
Prize expense, net	80,487,974.16	62.60%	159,946,757.42	62.96%
OTHER ADMINISTRATIVE OPERATING EXPENSES				
Retailer commissions	7,713,760.44	6.00%	15,240,349.26	6.00%
Gaming vendor fees	3,224,883.72	2.51%	6,718,379.04	2.64%
Contractor Fees	10,425.00	0.01%	20,858.00	0.01%
Advertising	693,012.27	0.54%	1,379,848.91	0.54%
Other gaming expense	(59,424.86)	(0.05%)	16,565.40	0.01%
Salaries and benefits	1,545,081.75	1.20%	2,913,838.16	1.15%
Retailer merchandising and marketing	7,618.61	0.01%	18,438.57	0.01%
Rent, utilities, and maintenance	31,876.70	0.02%	63,274.08	0.02%
Depreciation	164,486.93	0.13%	330,183.55	0.13%
Professional fees	116,408.65	0.09%	328,204.75	0.13%
General, administrative, and other operating	293,310.03	0.23%	593,274.18	0.23%
Total other administrative operating expenses	13,741,439.24	10.69%	27,623,213.90	10.87%
TOTAL OPERATING EXPENSES (inclusive of prize expense, net)	94,229,413.40	73.29%	187,569,971.32	73.84%
TOTAL OPERATING INCOME	33,976,574.60	26.43%	65,543,416.45	25.80%
NONOPERATING REVENUES (EXPENSES)				
Other revenue	11,776.39	0.01%	25,438.26	0.01%
Interest revenue	516,112.72	0.40%	1,047,605.65	0.41%
Interest expense	(10,747.38)	(0.01%)	(21,494.76)	(0.01%)
Proceeds to State of Mississippi	(34,493,716.33)	(26.83%)	(66,594,965.60)	(26.21%)
Total nonoperating revenues (expenses)	(33,976,574.60)	(26.43%)	(65,543,416.45)	(25.80%)
CHANGE IN NET POSITION	0.00	0.00%	0.00	0.00%
NET POSITION				
Net position, Beginning of Year	0.00	0.00%	0.00	0.00%
Net Position, End of Year	\$0.00	0.00%	\$0.00	0.00%

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MISSISSIPPI LOTTERY CORPORATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	2nd Qtr FY2026	2nd Qtr FY2025	Over/(Under) 2nd Qtr Variance	YTD FY2026	YTD FY2025	Over/(Under) YTD Variance
OPERATING REVENUES						
Instant ticket sales	\$73,437,813.00	\$73,501,090.00	(\$63,277.00)	\$146,971,121.00	\$144,741,834.00	\$2,229,287.00
Draw style game sales	55,139,258.50	39,273,407.50	15,865,851.00	107,064,324.00	76,116,088.00	30,948,236.00
Gross ticket sales	128,577,071.50	112,774,497.50	15,802,574.00	254,035,445.00	220,857,922.00	33,177,523.00
Less tickets provided as prizes	(832,910.00)	(786,563.00)	(46,347.00)	(1,852,678.00)	(1,662,385.00)	(190,293.00)
Net ticket sales	127,744,161.50	111,987,934.50	15,756,227.00	252,182,767.00	219,195,537.00	32,987,230.00
Other operating revenues	461,826.50	466,839.41	(5,012.91)	930,620.77	917,068.91	13,551.86
TOTAL OPERATING REVENUES	128,205,988.00	112,454,773.91	15,751,214.09	253,113,387.77	220,112,605.91	33,000,781.86
OPERATING PRIZE EXPENSE						
Prize expense, net	80,487,974.16	70,616,141.44	9,871,832.72	159,946,757.42	138,932,835.66	21,013,921.76
OTHER ADMINISTRATIVE OPERATING EXPENSES						
Retailer commissions	7,713,760.44	6,765,738.79	948,021.65	15,240,349.26	13,250,064.58	1,990,284.68
Gaming vendor fees	3,224,883.72	3,255,909.41	(31,025.69)	6,718,379.04	6,381,640.05	336,738.99
Contractor Fees	10,425.00	9,625.00	800.00	20,858.00	20,691.60	166.40
Advertising	693,012.27	740,812.58	(47,800.31)	1,379,848.91	1,507,358.57	(127,509.66)
Other gaming expense	(59,424.86)	168,310.92	(227,735.78)	16,565.40	232,832.14	(216,266.74)
Salaries and benefits	1,545,081.75	1,538,518.29	6,563.46	2,913,838.16	2,888,341.36	25,496.80
Retailer merchandising and marketing	7,618.61	9,350.72	(1,732.11)	18,438.57	31,041.34	(12,602.77)
Rent, utilities, and maintenance	31,876.70	33,943.85	(2,067.15)	63,274.08	66,977.92	(3,703.84)
Depreciation	164,486.93	176,574.05	(12,087.12)	330,183.55	341,858.28	(11,674.73)
Professional fees	116,408.65	141,537.06	(25,128.41)	328,204.75	296,074.47	32,130.28
General, administrative, and other operating	293,310.03	233,580.73	59,729.30	593,274.18	493,343.47	99,930.71
Total other administrative operating expenses	13,741,439.24	13,073,901.40	667,537.84	27,623,213.90	25,510,223.78	2,112,990.12
TOTAL OPERATING EXPENSES (inclusive of prize expense, net)	94,229,413.40	83,690,042.84	10,539,370.56	187,569,971.32	164,443,059.44	23,126,911.88
TOTAL OPERATING INCOME	33,976,574.60	28,764,731.07	5,211,843.53	65,543,416.45	55,669,546.47	9,873,869.98
NONOPERATING REVENUES (EXPENSES)						
Other revenue	11,776.39	212,972.47	(201,196.08)	25,438.26	243,419.87	(217,981.61)
Interest revenue	516,112.72	536,726.92	(20,614.20)	1,047,605.65	1,147,404.45	(99,798.80)
Interest expense	(10,747.38)	(13,123.95)	2,376.57	(21,494.76)	(26,247.90)	4,753.14
Proceeds to State of Mississippi	(34,493,716.33)	(29,501,306.51)	(4,992,409.82)	(66,594,965.60)	(57,034,122.89)	(9,560,842.71)
Total nonoperating revenues (expenses)	(33,976,574.60)	(28,764,731.07)	(5,211,843.53)	(65,543,416.45)	(55,669,546.47)	(9,873,869.98)
CHANGE IN NET POSITION	0.00	0.00	0.00	0.00	0.00	0.00
NET POSITION						
Net position, Beginning of Year	0.00	0.00	0.00	0.00	0.00	0.00
Net Position, End of Year	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

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MISSISSIPPI LOTTERY CORPORATION
PRIZE EXPENSE % CALCULATION
For the Second Quarter Ending December 31, 2025

	2nd Qtr Oct.1-Dec. 31, 2025	%	YTD	%
OPERATING REVENUES				
Instant ticket sales	\$73,437,813.00	57.12%	\$146,971,121.00	57.85%
Draw ticket sales	\$55,139,258.50	42.88%	\$107,064,324.00	42.15%
Gross ticket revenue	128,577,071.50	100.00%	254,035,445.00	100.00%
TOTAL PRIZES				
Prize Expense	80,487,974.16	62.60%	159,946,757.42	62.96%
Tickets provided as prizes	832,910.00	0.65%	1,852,678.00	0.73%
Total Prizes	81,320,884.16	63.25%	161,799,435.42	63.69%

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