

MISSISSIPPI LOTTERY CORPORATION
STATEMENT OF NET POSITION
For the Second Quarter Ending December 31, 2020

ASSETS

Current Assets:

| | |
|------------------------------|-----------------|
| Cash | \$40,506,550.30 |
| Retailer accounts receivable | 12,540,931.17 |
| Prepaid insurance | 173,512.23 |
| Other current assets | 136,751.79 |
| Total current assets | 53,357,745.49 |

Noncurrent assets:

| | |
|-------------------------------------|--------------|
| Capital assets, net of depreciation | 1,670,489.77 |
| Total noncurrent assets | 1,670,489.77 |

| | |
|--------------|---------------|
| Total assets | 55,028,235.26 |
|--------------|---------------|

LIABILITIES

Current liabilities:

| | |
|--|---------------|
| Due to State of MS Lottery Proceeds Fund | 9,828,078.61 |
| Prizes payable | 41,016,941.53 |
| Accounts payable | 1,296,746.29 |
| Accrued liabilities | 426,350.56 |
| Unearned revenues | 789,628.50 |
| Total liabilities | 53,357,745.49 |

NET POSITION

| | |
|------------------------------------|-----------------|
| Investment in capital assets | 1,670,489.77 |
| Restricted | - |
| Total net position | 1,670,489.77 |
| Total liabilities and net position | \$55,028,235.26 |

These financial statements are unaudited and prepared for informational purposes

MISSISSIPPI LOTTERY CORPORATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Second Quarter Ending December 31, 2020

| | October | % | November | % | December | % |
|--|----------------------|----------------|----------------------|----------------|----------------------|----------------|
| OPERATING REVENUES | | | | | | |
| Instant ticket sales | \$28,949,588.00 | 86.77% | \$26,467,964.00 | 85.79% | \$29,031,606.00 | 81.84% |
| Draw style game sales | 4,413,465.00 | 13.23% | 4,385,290.50 | 14.21% | 6,443,706.00 | 18.16% |
| Gross ticket sales | 33,363,053.00 | 100.00% | 30,853,254.50 | 100.00% | 35,475,312.00 | 100.00% |
| Less instant tickets provided as prizes | (2,738,770.00) | (8.21%) | (2,470,607.00) | (8.01%) | (2,644,596.00) | (7.45%) |
| Net ticket sales | 30,624,283.00 | 91.79% | 28,382,647.50 | 91.99% | 32,830,716.00 | 92.55% |
| OPERATING PRIZE EXPENSE | | | | | | |
| Net prizes | 19,642,595.56 | 58.88% | 16,787,313.85 | 54.41% | 19,161,280.72 | 54.01% |
| GROSS PROFIT ON SALE OF TICKETS | 10,981,687.44 | 32.92% | 11,595,333.65 | 37.58% | 13,669,435.28 | 38.53% |
| OTHER ADMINISTRATIVE OPERATING EXPENSES | | | | | | |
| Retailer commissions | 2,001,762.78 | 6.00% | 1,851,289.56 | 6.00% | 2,128,488.00 | 6.00% |
| Gaming vendor fees | 1,021,633.49 | 3.06% | 945,734.41 | 3.07% | 1,062,340.28 | 2.99% |
| Contractor Fees | 7,478.77 | 0.02% | 958.56 | 0.00% | 4,603.09 | 0.01% |
| Advertising | 451,508.91 | 1.35% | 378,653.93 | 1.23% | 273,076.68 | 0.77% |
| Other gaming expense | 5,996.76 | 0.02% | 3,816.47 | 0.01% | 7,848.91 | 0.02% |
| Salaries and benefits | 468,536.36 | 1.40% | 468,516.76 | 1.52% | 435,173.24 | 1.23% |
| Retailer merchandising and marketing | 13,479.55 | 0.04% | 1,583.55 | 0.01% | 7,222.55 | 0.02% |
| Rent, utilities, and maintenance | 29,127.05 | 0.09% | 27,912.34 | 0.09% | 28,330.67 | 0.08% |
| Depreciation | 30,834.24 | 0.09% | 30,834.24 | 0.10% | 30,834.24 | 0.09% |
| Professional fees | 36,642.66 | 0.11% | 46,072.86 | 0.15% | 37,796.41 | 0.11% |
| General, administrative, and other operating | 66,440.89 | 0.20% | 55,582.92 | 0.18% | 65,951.01 | 0.19% |
| Total other administrative operating expenses | 4,133,441.46 | 12.39% | 3,810,955.60 | 12.35% | 4,081,665.08 | 11.51% |
| OTHER OPERATING REVENUE | 186,191.00 | 0.56% | 150,120.00 | 0.49% | 204,392.00 | 0.58% |
| TOTAL OPERATING INCOME | 7,034,436.98 | 21.08% | 7,934,498.05 | 25.72% | 9,792,162.20 | 27.60% |
| NONOPERATING REVENUES (EXPENSES) | | | | | | |
| Other revenue | - | 0.00% | - | 0.00% | - | 0.00% |
| Interest revenue | 4,707.95 | 0.01% | 4,752.52 | 0.02% | 5,082.17 | 0.01% |
| Proceeds to State of Mississippi | (7,069,979.17) | (21.19%) | (7,970,084.81) | (25.83%) | (9,828,078.61) | (27.70%) |
| Total nonoperating revenues (expenses) | (7,065,271.22) | (21.18%) | (7,965,332.29) | (25.82%) | (9,822,996.44) | (27.69%) |
| CHANGE IN NET POSITION | (30,834.24) | (0.09%) | (30,834.24) | (0.10%) | (30,834.24) | (0.09%) |
| NET POSITION | | | | | | |
| Net position, beginning of period | 1,762,992.49 | 5.28% | 1,732,158.25 | 5.61% | 1,701,324.01 | 4.80% |
| Net position, end of period | \$1,732,158.25 | 5.19% | \$1,701,324.01 | 5.51% | \$1,670,489.77 | 4.71% |

% shown as a percentage of gross ticket sales

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MISSISSIPPI LOTTERY CORPORATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Second Quarter Ending December 31, 2020

| | 2nd Qtr | | YTD | % |
|--|----------------------|----------------|----------------------|----------------|
| | Oct.1-Dec. 31, 2020 | % | | |
| OPERATING REVENUES | | | | |
| Instant ticket sales | \$84,449,158.00 | 84.71% | \$194,605,398.00 | 87.72% |
| Draw style game sales | 15,242,461.50 | 15.29% | 27,234,832.00 | 12.28% |
| Gross ticket sales | 99,691,619.50 | 100.00% | 221,840,230.00 | 100.00% |
| Less instant tickets provided as prizes | (7,853,973.00) | (7.88%) | (18,152,908.00) | (8.18%) |
| Net ticket sales | 91,837,646.50 | 92.12% | 203,687,322.00 | 91.82% |
| OPERATING PRIZE EXPENSE | | | | |
| Net prizes | 55,591,190.13 | 55.76% | 127,810,173.66 | 57.61% |
| GROSS PROFIT ON SALE OF TICKETS | 36,246,456.37 | 36.36% | 75,877,148.34 | 34.20% |
| OTHER ADMINISTRATIVE OPERATING EXPENSES | | | | |
| Retailer commissions | 5,981,540.34 | 6.00% | 13,314,045.45 | 6.00% |
| Gaming vendor fees | 3,029,708.18 | 3.04% | 6,824,562.37 | 3.08% |
| Contractor Fees | 13,040.42 | 0.01% | 20,144.75 | 0.01% |
| Advertising | 1,103,239.52 | 1.11% | 1,585,445.48 | 0.71% |
| Other gaming expense | 17,662.14 | 0.02% | 89,705.11 | 0.04% |
| Salaries and benefits | 1,372,226.36 | 1.38% | 2,739,144.88 | 1.23% |
| Retailer merchandising and marketing | 22,285.65 | 0.02% | 44,005.37 | 0.02% |
| Rent, utilities, and maintenance | 85,370.06 | 0.09% | 172,964.97 | 0.08% |
| Depreciation | 92,502.72 | 0.09% | 182,574.37 | 0.08% |
| Professional fees | 120,511.93 | 0.12% | 269,618.71 | 0.12% |
| General, administrative, and other operating | 187,974.82 | 0.19% | 351,970.82 | 0.16% |
| Total other administrative operating expenses | 12,026,062.14 | 12.06% | 25,594,182.28 | 11.54% |
| OTHER OPERATING REVENUE | 540,703.00 | 0.54% | 1,005,928.30 | 0.45% |
| TOTAL OPERATING INCOME | 24,761,097.23 | 24.84% | 51,288,894.36 | 23.12% |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Other revenue | - | 0.00% | 903.25 | 0.00% |
| Interest revenue | 14,542.64 | 0.01% | 27,006.90 | 0.01% |
| Proceeds to State of Mississippi | (24,868,142.59) | (24.95%) | (51,453,200.15) | (23.19%) |
| Total nonoperating revenues (expenses) | (24,853,599.95) | (24.93%) | (51,425,290.00) | (23.18%) |
| CHANGE IN NET POSITION | (92,502.72) | (0.09%) | (136,395.64) | (0.06%) |
| NET POSITION | | | | |
| Net position, beginning of period | 1,762,992.49 | 1.77% | 1,806,885.41 | 0.81% |
| Net position, end of period | \$1,670,489.77 | 1.68% | \$1,670,489.77 | 0.75% |

% shown as a percentage of gross ticket sales

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