Financial statements of

MLSE Foundation

June 30, 2025

Deloitte.

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Independent Auditor's Report

To the Board of Directors of
MLSE Foundation

Opinion

We have audited the financial statements of MLSE Foundation (the "Foundation"), which comprise the statement of financial position as at June 30, 2025, the statements of revenue and expenses and changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at June 30, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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 the Foundation'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 management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Foundation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS 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 GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our 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 the Foundation'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 the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation 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.

We 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 we identify during our audit.

Deloitte LLP

Chartered Professional Accountants
Licensed Public Accountants
December 11, 2025

MLSE Foundation
Statement of financial position
As at June 30, 2025

	Notes	2025 $	2024 $
Assets			
Current assets			
Cash	3		
Restricted		**2,559,195**	3,419,169
Unrestricted		**7,317,942**	2,919,108
Investments	4	**2,034,296**	2,056,995
Accounts receivable		**554,384**	316,034
Due from related parties	5	**566,335**	2,087,312
Harmonized Sales Tax recoverable		**441,650**	479,026
Prepaid expenses and other assets		**30,243**	31,519
		13,504,045	11,309,163
Capital assets	6	**2,183**	6,733
		13,506,228	11,315,896
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	12	**491,867**	530,965
Due to related parties	5	**2,364**	41,522
Deferred contributions	7	**2,185,817**	2,840,153
		2,680,048	3,412,640
Commitments and contingencies	9		
Net assets			
Invested in capital assets		**2,183**	6,733
Unrestricted		**10,823,997**	7,896,523
		10,826,180	7,903,256
		13,506,228	11,315,896

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

Approved by Board

K. Marshall, Director

, Director

MLSE Foundation
Statement of revenue and expenses and changes in net assets
Year ended June 30, 2025

	Notes	2025 $	2024 $
Revenue			
Donations			
Contributions	5	**4,651,756**	5,245,377
Government grants		**344,628**	616,254
Gifts-in-kind		**198,797**	579,961
Sponsorships		**715,000**	750,000
Fundraising			
50/50 programs	8	**7,999,848**	5,032,444
Events and activities		**3,416,694**	3,594,423
Interest income		**251,059**	346,300
		17,577,782	16,164,759
Expenses			
Fundraising			
50/50 programs	8	**4,964,961**	3,006,978
Other		**1,415,148**	1,951,477
Gifts-in-kind		**198,797**	579,961
Administration		**158,542**	127,115
		6,737,448	5,665,531
Excess of revenue over expenses before charitable activities		**10,840,334**	10,499,228
Charitable activities			
Youth Centre for Sports Development			
Grants and sponsorships	5 and 8	**4,626,326**	4,561,254
Other grants and sponsorships	8	**2,642,832**	3,704,536
Other		**648,252**	1,286,675
		7,917,410	9,552,465
Excess of revenue over expenses for the year		**2,922,924**	946,763
Net assets, beginning of year		**7,903,256**	6,956,493
Net assets, end of year		**10,826,180**	7,903,256

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

MLSE Foundation

Statement of cash flows

Year ended June 30, 2025

	2025	2024
	$	$
Operating activities		
Excess of revenue over expenses for the year	**2,922,924**	946,763
Items not affecting cash		
Gifts-in-kind - donation revenue	**(198,797)**	(579,961)
Gifts-in-kind - expenses	**198,797**	579,961
Amortization of capital assets	**4,550**	8,476
Interest income on investments	**(74,459)**	(115,450)
Accrued interest income on investments	**(34,296)**	(56,995)
	2,818,719	782,794
Changes in non-cash working capital items		
Accounts receivable	**(238,350)**	511,451
Due to/from related parties, net	**1,481,819**	(1,799,545)
Harmonized Sales Tax recoverable	**37,376**	(283,595)
Prepaid expenses and other assets	**1,276**	18,291
Accounts payable and accrued liabilities	**(39,098)**	(331,773)
Deferred contributions	**(654,336)**	(435,431)
	3,407,406	(1,537,808)
Investing activities		
Acquisition of investments	**(2,000,000)**	(2,000,000)
Proceeds from maturity of investments	**2,131,454**	3,159,882
	131,454	1,159,882
Increase (decrease) in cash during the year	**3,538,860**	(377,926)
Cash, beginning of year	**6,338,277**	6,716,203
Cash, end of year	**9,877,137**	6,338,277
Cash consists of		
Restricted	**2,559,195**	3,419,169
Unrestricted	**7,317,942**	2,919,108
	9,877,137	6,338,277

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

1. Nature and status of Foundation

MLSE Foundation (the "Foundation") was incorporated under the Canada Corporations Act on October 24, 1994 and transitioned to the Canada Not-for-Profit Corporations Act on October 21, 2014. The Foundation is a Registered Charity under Section 149.1 of the Income Tax Act; accordingly, it is not subject to income tax provided certain conditions are complied with.

The main objective of the Foundation is to support the restoration, refurbishment, and ongoing development of athletic, community and recreational facilities providing a safer environment for youth activities and to make charitable distributions in the form of grants, sponsorship and gifts-in-kind to registered charities in the Province of Ontario.

2. Significant accounting policies

Financial statement presentation

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, published by the Chartered Professional Accountants of Canada.

The significant accounting policies are summarized below:

Financial instruments

Financial assets and financial liabilities are initially recognized at a fair value when the Foundation becomes a party to the contractual provision of the financial instrument. Subsequently, all financial instruments are measured at amortized cost.

Revenue recognition

The Foundation follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when they are received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Interest income is recognized as revenue when received or receivable.

Capital assets

Capital assets are stated at cost less accumulated amortization. Contributed capital assets are stated at their estimated fair value at the date of contribution.

Capital assets consist of office furniture and equipment, which is amortized on the straight-line basis over 3-5 years.

Pledges

Pledged donations are only recorded when received and are presented as Fundraising – Events and activities revenue in the statement of revenue and expenses and changes in net assets.

Gifts-in-kind donations and expenses

Gifts-in-kind donations and expenses are recognized in these financial statements if the Foundation would have purchased the goods or services in the ordinary course of business and are recorded at fair market value when received.

2. Significant accounting policies (continued)

Activities and expenses

(i) Allocation of expenses

The Foundation engages in fundraising and charitable programs. When appropriate, the cost of each program includes the allocation of costs of personnel and other expenses that are directly related to the program. No allocations were required during 2025 or 2024.

(ii) 50/50 programs

The Foundation conducts its own 50/50 draws at certain sporting events and concerts throughout the year as a registered electronic gaming provider under Alcohol and Gaming Commission of Ontario ("AGCO") gaming licenses at Scotiabank Arena, BMO Field and Coca-Cola Coliseum. The Foundation sells 50/50 tickets online and in person on event nights, with the combined amount reported as gross ticket sales. Online tickets are only available for purchase within Ontario. As the Foundation holds the lottery license for the draw and is responsible for paying the prize winners, gross ticket sales are recorded as revenue, and costs of the draws including prizes for the winners, lottery licenses, ticket printing and other direct costs related to the administration of the program are recorded as expenses. Winners' prizes are 50% of gross ticket sales but in some instances additional funds are included in the jackpot amount paid in full to the winner. The excess of revenues over expenses may be granted to AGCO approved beneficiaries and is included in Other grants and sponsorships expenses in the Statement of revenue and expenses and changes in net assets.

All prizes must be claimed within six months of the relevant draw, unless otherwise specified by the Foundation. If at the expiry of six months the prize has not been claimed, the Foundation will put an administrative hold on the prize monies. Twelve months after the relevant draw date, the prize monies will be granted to an approved beneficiary.

Additional disclosure is provided in Note 8.

(iii) Other fundraising expenses

Other fundraising expenses are expenses directly attributable to donations, sponsorships and specific fundraising events and activities.

(iv) Other grants and sponsorships expenses

Other grants and sponsorships expenses are recognized as charitable activities on the Statement of revenue and expenses and changes in net assets in the fiscal year that the grants and sponsorships are approved by the Foundation.

(v) Other charitable activities

Other charitable activities include the direct costs related to the Foundation providing grants and supporting its charitable partners as well as the restoration, refurbishment and ongoing development of athletic, community and recreational facilities.

2. Significant accounting policies (continued)

Contributed services

The work of the Foundation is dependent on the donated services of many volunteers. Due to the difficulty in determining their fair value, contributed services are not recognized in these financial statements.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The account balances that require significant estimate are accrued liabilities, deferred contributions, gift-in-kind donations and gift-in-kind expenses.

3. Cash

Cash consists of the following:

	2025 $	2024 $
Restricted		
Deferred contributions (Note 7)	**2,185,817**	2,840,153
Unclaimed 50/50 prizes (Note 12)	**123,378**	217,016
Grants payable (Note 12)	**20,000**	132,000
50/50 funds held for outstanding letters of credit (Note 9)	**230,000**	230,000
Total	**2,559,195**	3,419,169
Unrestricted	**7,317,942**	2,919,108
	9,877,137	6,338,277

4. Investments

Investments are recorded at cost plus accrued interest and are comprised of unrestricted non-redeemable short-term guaranteed investment certificates with a Canadian Chartered Bank with an interest rate of between 3.13% and 3.16% (between 5.09% and 5.33% in 2024) per annum maturing between September 2025 and December 2025 (between December 2024 and June 2025).

5. Related party transactions

Maple Leaf Sports & Entertainment Ltd. ("MLSE")

The Foundation works in conjunction with MLSE, as its sole member, in utilizing the promotional benefits of the trademarks of the Toronto Maple Leafs, Toronto Raptors, Toronto FC and Toronto Argonauts, and additional resources for its charitable activities. The amounts due from MLSE are unsecured, interest free and due on demand.

5. Related party transactions (continued)

Maple Leaf Sports & Entertainment Ltd. ("MLSE") (continued)

During the year, MLSE donated $500,000 ($1,000,000 in 2024) to the Foundation and purchased tickets to Foundation events of $340,538 ($348,260 in 2024).

In addition, MLSE directly incurred salaries and related operating costs on behalf of the Foundation of approximately $1,153,000 ($1,040,000 in 2024) for which MLSE did not seek reimbursement and therefore no amounts have been recorded in these financial statements.

Youth Centre for Sports Development (operating as MLSE LaunchPad) ("MLSE LaunchPad")

MLSE LaunchPad was incorporated under the Canada Not-for-Profit Corporation Act on March 16, 2015 as a not-for-profit corporation without share capital. MLSE LaunchPad obtained its Registered Charity status under Section 149.1 of the Income Tax Act on February 8, 2017 and commenced operations on that date. MLSE LaunchPad is not subject to income tax provided certain conditions are complied with.

The Foundation, at the direction of MLSE, has committed to provide on-going funding to MLSE LaunchPad, whose sole member is also MLSE (see Note 9(i)).

During the year, the Foundation made charitable disbursements to MLSE LaunchPad of $4,626,326 ($4,561,254 in 2024) which are included in Grants and sponsorships expenses in the statement of revenue and expenses and changes in net assets

Due from/to related parties

The due from related parties balance consists of the following:

	2025 **$**	2024 $
MLSE	**566,335**	2,087,312

The due to related parties balance consists of the following:

	2025 **$**	2024 $
MLSE LaunchPad	**2,364**	41,522

6. Capital assets

	Cost **$**	**Accumulated amortization** **$**	**2025** **Net book value** **$**	2024 Net book value $
Office furniture and equipment	**90,996**	**88,813**	**2,183**	6,733

7. Deferred contributions

Deferred contributions represent unspent resources externally restricted for specific program expenses, or distributions to various charities and organizations in the form of grants or sponsorships. Changes in the deferred contributions balance are as follows:

	2025 **$**	2024 $
Balance, beginning of year	**2,840,153**	3,275,584
Amounts received during the year	**8,317,745**	9,251,016
Amounts recognized as revenue during the year	**(8,972,081)**	(9,686,447)
Balance, end of year	**2,185,817**	2,840,153

The balance is comprised of the following:

	2025 **$**	2024 $
Contributions to MLSE LaunchPad	**127,378**	661,770
Approved grants and sponsorships	**2,058,439**	2,178,383
	2,185,817	2,840,153

Amounts related to deferred contributions of $2,185,817 ($2,840,153 in 2024) are included in the restricted cash balance in Note 3.

8. 50/50 programs

	2025 **$**	2024 $
Revenue		
Ticket sales	**7,794,899**	4,845,382
Seeding revenue	**75,000**	35,000
Interest income	**129,949**	152,062
	7,999,848	5,032,444
Expenses		
Prizes	**3,791,263**	2,242,729
Other	**1,173,698**	764,249
	4,964,961	3,006,978
Excess of revenue over expenses before charitable activities	**3,034,887**	2,025,466
Charitable activities – other grants and sponsorships	**2,803,397**	1,350,000
Excess of revenue over expenses	**231,490**	675,466

8. 50/50 programs (continued)

Ticket sales revenue includes prior period balances for unclaimed prizes and partnership grants of $362,961 ($261,675 in 2024), while excluding unclaimed prizes and partnership grants not disbursed in 2025 of $31,757 ($181,393 in 2024). These prior period balances are recognized as revenue once the corresponding grants have been issued to AGCO approved beneficiaries. The grants are included in charitable activities - other grants and sponsorships. Charitable activities – other grants and sponsorships expenses are split between MLSE LaunchPad $2,292,337 ($1,000,000 in 2024) and other charitable organizations $511,060 ($350,000 in 2024).

9. Commitments and contingencies

(i) Commitments

The Foundation has funding commitments for distributions to charities and for specific programs. The future commitments are as follows:

	MLSE LaunchPad $	Other charitable organizations $	Total $
2026	2,500,000	50,000	2,550,000
2027	2,500,000	—	2,500,000
2028	2,500,000	—	2,500,000
2029	2,500,000	—	2,500,000
2030	2,500,000	—	2,500,000
Thereafter to 2035	12,500,000	—	12,500,000
	25,000,000	50,000	25,050,000

(ii) Contingencies

At June 30, 2025, the Foundation has outstanding letters of credit for 50/50 Lottery Licenses to the Ministry of Finance of $230,000 ($230,000 as at June 30, 2024).

10. Overdraft facility

The Foundation has an available $500,000 overdraft facility with a Canadian chartered bank. The balance was undrawn as at June 30, 2025 and 2024. The overdraft facility bears interest at the Canadian chartered bank's prime rate per annum.

11. Guarantee

Indemnification has been provided to all directors and officers of the Foundation for various items including, but not limited to, all costs to settle suits or actions due to their involvement with the Foundation, subject to certain restrictions. As at June 30, 2025, no suits or actions were outstanding. The Foundation has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions.

12. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities include nil with respect to government remittances as at June 30, 2025 and 2024.

In addition, grants payable of $20,000 ($132,000 in 2024) and unclaimed 50/50 prizes of $123,378 ($217,016 in 2024) are included in accounts payable and accrued liabilities as at June 30, 2025.