

2022 OASC Jurisdiction Report

Manitoba Liquor & lotteries



Beverage Alcohol Financial Results*

\$000,000	Fiscal 2021/22	Fiscal 2020/21	\$ Δ	% Δ
Net Sales	873.2	886.0	-12.8	-1.4%
Gross Margin	452.2	424.9	27.3	6.4%
Total Expenses	126.4	128.2	-1.8	-1.4%
Net Income	325.8	322.9	2.9	0.9%
CAPEX	2.2	8.0	-5.8	-72.5%

* Please do not include Cannabis Results



Product Details

9 Litre Equivalent Cases (000's)	Fiscal 2021/22	Fiscal 2020/21	Cases Δ	% Δ
Spirits	890	900	- 10	-1.1%
Wines	1,270	1,370	-100	-7.3%
Beers	7,730	8,260	-530	-6.4%
Refreshments* <i>(including Ciders)</i>	14,800	12,100	2700	22.3%
Liqueurs <i>(included with Spirits)</i>				

* Include all Ready to Drink products including Cider and Seltzer Products



Product Details

Sales in 000,000	Fiscal 2021/22	Fiscal 2020/21	\$ Δ	% Δ
Spirits	281.5	282.1	-0.6	-0.2%
Wines	166.8	174.0	-7.2	-4.1%
Beers	322.8	340.5	-17.7	-5.2%
Refreshments*	94.5	79.3	15.2	19.2%
Liqueurs <i>(included with Spirits)</i>				

* Include all Ready to Drink products including Cider and Seltzer Products



Fiscal 2022/23 YTD Beverage Alcohol Financial Results

(To Current Fiscal Year-to-Date)

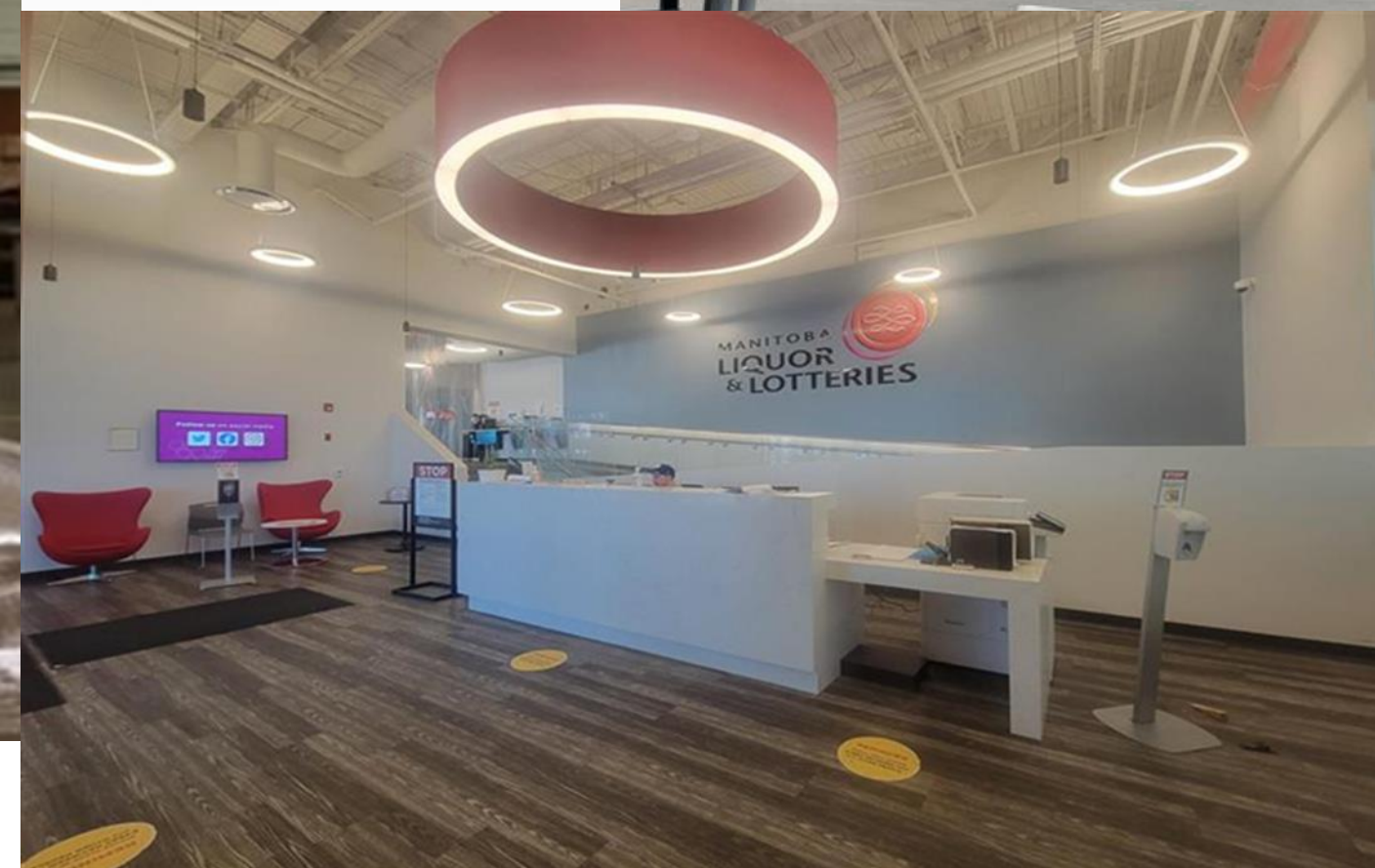
\$000,000	Fiscal 2022/23 (April-June)	Fiscal 2021/22 (April-June)	\$ Δ	% Δ
Net Sales	227.0	223.6	3.4	1.5%
Gross Margin	115.5	114.1	1.4	1.2%
Total Expenses	34.6	34.5	0.1	0.3%
Net Income	80.9	79.6	1.3	1.6%

Sales in 000,000	Fiscal 2022/23 (April-June)	Fiscal 2021/22 (April-June)	\$ Δ	% Δ
Spirits	70.9	66.1	4.8	7.3%
Wines	41.3	39.2	2.1	5.4%
Beers	83.0	89.4	-6.4	-7.2%
Refreshments <i>(including Cider)</i>	30.6	28.0	2.6	9.3%
Liqueurs <i>(included with Spirits)</i>				



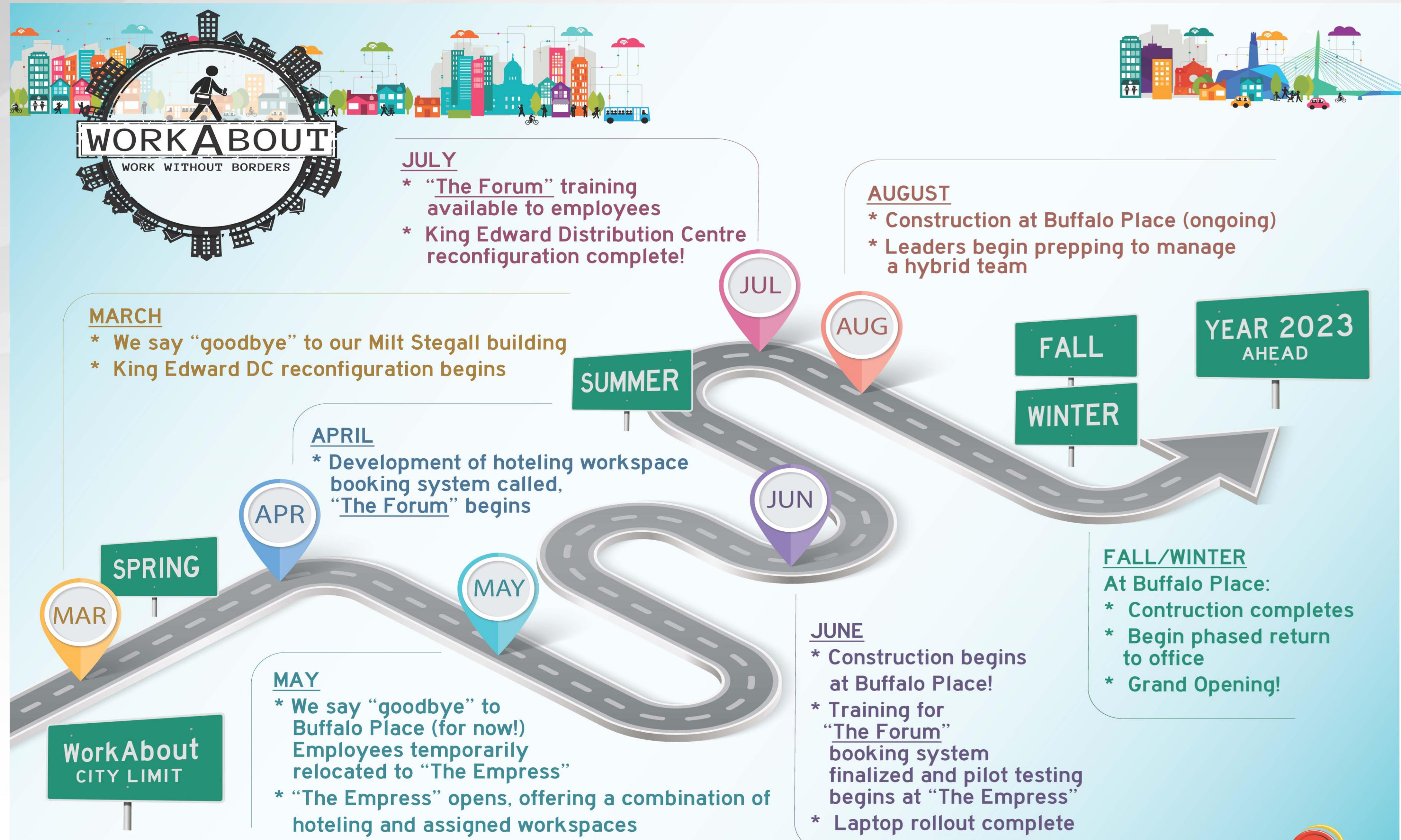
WHAT'S NEW?

DC MIGRATION TO 1000 KING EDWARD



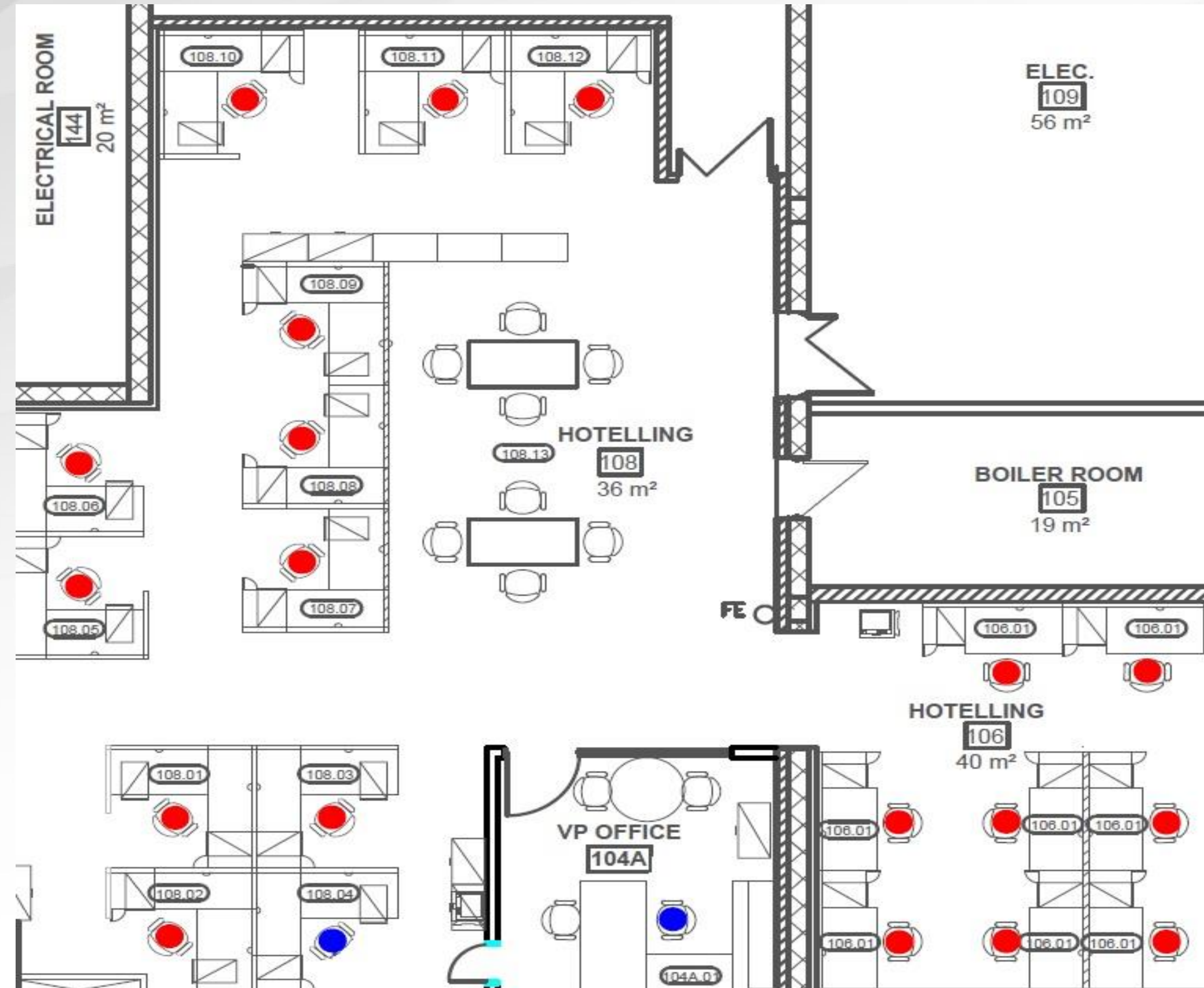
WHAT'S NEW?

HYBRID WORKPLACE MODEL



WHAT'S NEW?

HYBRID WORKPLACE MODEL



WHAT'S NEW?

CUSTOMER SELF SERVICE (CSS)

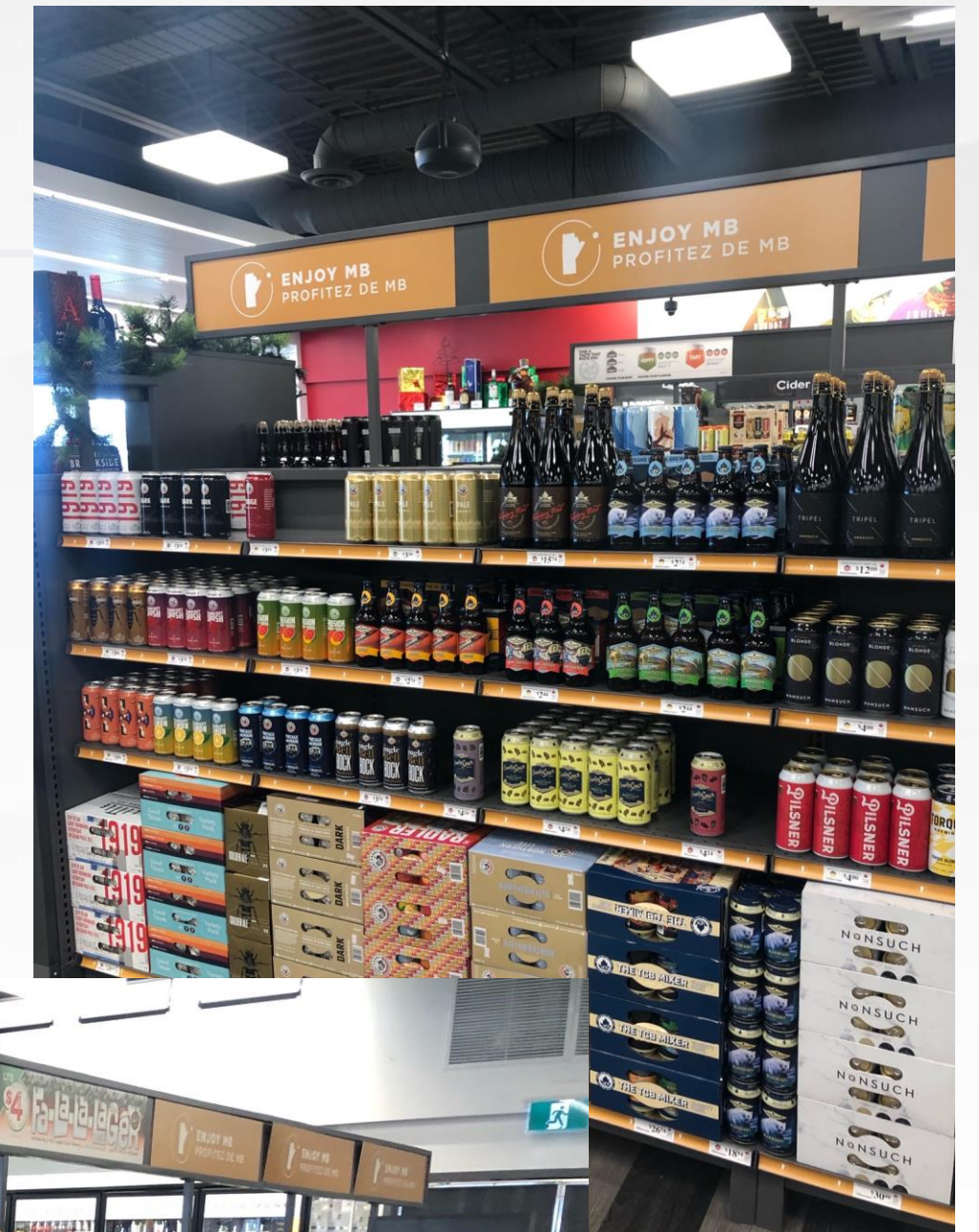
- CSS provides commercial customers with ease of access ordering 24/7.
- Customers can import and export order templates, view up to date inventory levels, and search products on sale or promotion.



WHAT'S NEW?

REFRESHMENT BEVERAGE FIXTURES

- 20% to 40% increased holding power
- Improved stock efficiencies
- Larger assortments
- Increased merchandising options
- 7 stores in F'22 – approx. \$565K
- 6 stores in F'23 – approx. \$500K
- 12 stores in F'24 – approx. \$1M
- 4 complete stores in F'24 - \$1.2M



WHAT'S NEW?

CONTROLLED ENTRANCES

- Installed in 46 of 63 Liquor Marts
- Less thefts
- Less lost time
- Lower customer counts
- Increased basket size
- More engaged staff
- Improve atmosphere for customers
- Allowing adults with minors 11 and under



WHAT'S NEW?

BYOB – BRING YOUR OWN BAG

OVERALL OBJECTIVE OF THIS PROJECT

To transition Liquor Mart customers away from the use of single use paper bags and into reusable options.

Single use paper bags represent a significant portion of MBLL's annual greenhouse gas (GHG) emission inventory.



KEY HIGHLIGHTS:

The elimination of bags alone will reduce the GHG emissions by:

923 metric tons*
(9%) Reduction from 2020 levels.

This project will also reduce paper waste by approximately:

130 tons*
One ton of paper requires 24 mature trees, 682.5 gallons of oil, and 7,000 gallons of water.

In 2020 the financial cost to MBLL in relation to paper bags was approximately:

452,000 CAD

MBLL can realize large cost savings and support these sustainability objectives.

WHAT'S NEW?

LIQUOR TRANSFORMATION

To develop the people, processes, and systems of a business that supports increased retailing opportunities while reducing supply chain costs and ensuring all partners have opportunities for success!

EMERGING ISSUES

IN FRONT OF US

- Collective bargaining starting this fall
- Employee retention & succession planning challenges
- Employee mental health continues to be a focus for MBLL
- Slowly moving back to pre-covid practices
- X-Store POS software upgrade



Questions?

