

Operational Highlights

- On March 15, Nova Scotia suspended operations of video lottery terminals and closed its two casinos due to the threat of a new coronavirus called COVID-19.
- Ten new Scratch'N Win tickets, seven new Digital Instants and a new video lottery game "Sizzling Phoenix" were launched.
- There were 14 Lotto Max \$50+ million plus MAXMILLION draws and two Lotto 6/49 jackpots over \$20 million.
- Nova Scotia had a \$1 million Twist winner.
- Casino Nova Scotia promotions included a "Big Vegas Buffet", continuation of the "Beat the Boss" contest and the gifting program. Entertainment included several Songwriters Circle events as part of the Nova Scotia Music Hall of Fame Inductee celebrations in February.
- The Voluntary Self Exclusion Program was updated in January 2020, providing more options to people seeking a break from casino play.

For more information visit: www.gamingns.ca

Community Highlights

- Support4Sport* provided \$1.0 million in dedicated profits for amateur sports in Nova Scotia and supported awareness efforts through social media, including a special International Women's Day video featuring Hockey Nova Scotia's Executive Director, Amy Walsh.
- Support4Culture* provided \$1.7 million to support arts, culture and heritage in Nova Scotia. A wide range of initiatives was supported, including artist projects, African Heritage Month, Mi'kmaq Heritage Month and screen writer development.
- The Responsible Gambling Resource Centres in the casinos distributed approximately 650 pieces of responsible gambling information to patrons, and yourbestbet.ca had over 830 unique visitors
- NSGC supported one Monte Carlo night as part of the *Support4Communities* Casino Nights program, helping to raise more than \$2,000 for a charity organization in Eastern Shore.



\$28.3 million was paid to the Province in the fourth quarter.

This is \$2.8 million lower than the same quarter last year, primarily due to lower profits in video lottery and casinos.

Overall, revenue from gaming is lower than the same quarter last year primarily due to the suspension of operations of video lottery terminals and casinos as a result of COVID-19.

Contributions and expenditures for responsible gambling and prevention programming initiatives totalled \$1.6 million.

Consolidated Statement of Financial Position

As at March 31, 2020 (unaudited) (in thousands)

	<u>2020</u>	<u>2019</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 5,320	\$ 8,375
Cash – restricted	6,624	4,859
Cash – casino capital replacement reserve	7,324	8,454
Trade and other receivables	6,813	9,794
Prepaid expenses	447	321
Inventories	<u>2,746</u>	<u>2,937</u>
	<u>29,274</u>	<u>34,740</u>
Non-current assets		
Property, plant and equipment	74,821	67,224
Disputed HST assessments	77,301	69,320
Investment in Atlantic Lottery Corporation	7,330	3,404
Investment in Interprovincial Lottery Corporation	<u>1</u>	<u>1</u>
	<u>159,453</u>	<u>139,949</u>
	<u>\$ 188,727</u>	<u>\$ 174,689</u>
LIABILITIES and EQUITY		
Current liabilities		
Trade and other payables	17,009	20,014
Deferred revenue	528	544
Liabilities for unclaimed prizes	6,624	4,859
Due to Atlantic Gaming Equipment Limited	5,541	6,297
Other liabilities	1,968	1,339
Due to Province of Nova Scotia	<u>116,603</u>	<u>112,840</u>
	<u>147,673</u>	<u>145,893</u>
Non-current liabilities		
Due to Atlantic Gaming Equipment Limited	13,857	7,482
Other long term liabilities	<u>1,846</u>	<u>255</u>
	<u>15,703</u>	<u>7,737</u>
EQUITY		
Casino capital replacement reserve	18,021	17,655
Accumulated other comprehensive income	<u>7,330</u>	<u>3,404</u>
	<u>25,351</u>	<u>21,059</u>
	<u>\$ 188,727</u>	<u>\$ 174,689</u>

DID YOU
KNOW?

Nova Scotia Gaming Corporation is the Crown Corporation responsible for managing the business of gaming in the province. We help make Nova Scotia a better place by returning 100% of the profits to government for programs and causes that are important to Nova Scotians.

Consolidated Statement of Net and Comprehensive Income

For the fourth quarter ended March 31, 2020 (unaudited) (in thousands)



	2020						2019							
	Casinos	Ticket Lottery	Video Lottery	RG	Other	4th Quarter	Year to date	Casinos	Ticket Lottery	Video Lottery	RG	Other	4th Quarter	Year to date
Revenues	\$ 17,390	\$ 69,393	\$ 26,208	\$ -	\$ 29	\$ 113,020	\$ 457,590	\$ 20,628	\$ 57,097	\$ 31,971	\$ -	\$ 28	\$ 109,724	\$ 461,383
Expenses	15,352	56,279	8,368	399	3,487	83,885	320,706	17,655	45,317	10,541	526	4,901	78,940	316,754
Net Profit	2,038	13,114	17,840	(399)	(3,458)	29,135	136,884	2,973	11,780	21,430	(526)	(4,873)	30,784	144,629
Contributions	-	-	-	(1,192)	(2,770)	(3,962)	(15,713)	-	-	-	(1,223)	(2,174)	(3,397)	(14,967)
Net Income before win tax	2,038	13,114	17,840	(1,591)	(6,228)	25,173	121,171	2,973	11,780	21,430	(1,749)	(7,047)	27,387	129,662
Win Tax	3,086	-	-	-	-	3,086	15,320	3,684	-	-	-	-	3,684	15,585
Net Income	\$ 5,124	\$ 13,114	\$ 17,840	\$ (1,591)	\$ (6,228)	\$ 28,259	\$ 136,491	\$ 6,657	\$ 11,780	\$ 21,430	\$ (1,749)	\$ (7,047)	\$ 31,071	\$ 145,247
Other comprehensive income	-	-	-	-	3,926	3,926	3,926	-	-	-	-	(1,337)	(1,337)	(1,337)
Net and comprehensive income	\$ 5,124	\$ 13,114	\$ 17,840	\$ (1,591)	\$ (2,302)	\$ 32,185	\$ 140,417	\$ 6,657	\$ 11,780	\$ 21,430	\$ (1,749)	\$ (8,384)	\$ 29,734	\$ 143,910

Consolidated Statement of Changes in Equity

For the fourth quarter ended March 31, 2020
(unaudited) (in thousands)

	2020		2019	
	4th Quarter	Year to date	4th Quarter	Year to date
Casino Capital Replacement Reserve, beginning of period	\$ 21,519	\$ 17,655	\$ 20,399	\$ 16,723
Change in reserve	(3,498)	366	(2,744)	932
Casino Capital Replacement Reserve, end of period	18,021	18,021	17,655	17,655
Accum. Other Comprehensive Income, beginning of period	3,404	3,404	4,741	4,741
Other comprehensive income (loss)	3,926	3,926	(1,337)	(1,337)
Accum. Other Comprehensive Income, end of period	7,330	7,330	3,404	3,404
Retained Earnings, beginning of period	-	-	-	-
Net Income	28,299	136,491	31,071	145,247
Payment to Province	(28,299)	(136,491)	(31,071)	(145,247)
Retained Earnings, end of period	-	-	-	-
Equity, end of period	\$ 25,351	\$ 25,351	\$ 21,059	\$ 21,059

Consolidated Statement of Cash Flows

For the fourth quarter ended March 31, 2020 (unaudited) (in thousands)

	<u>2020</u>	<u>2019</u>
Operating		
Net and comprehensive income	\$ 28,259	\$ 31,701
Depreciation	6,674	6,112
Loss on disposal of capital assets	95	50
Net transfers of property, plant and equipment	(2,735)	(1,234)
Net changes in short term liabilities	189	-
Net changes in non-cash working capital	<u>(5,959)</u>	<u>(3,164)</u>
	<u>26,523</u>	<u>33,465</u>
Financing		
Allocation of income to Province	(28,259)	(31,701)
Net changes in other long term liabilities	342	-
Net changes in obligation to Atlantic Gaming Equipment Limited	<u>(352)</u>	<u>(376)</u>
	<u>(28,269)</u>	<u>(32,077)</u>
Investing		
Purchases of capital assets, net additions	(296)	(749)
Increase in Casino Capital Replacement Reserve, net of cash	<u>(4,523)</u>	<u>(3,679)</u>
	<u>(4,819)</u>	<u>(4,428)</u>
Net increase / (decrease) in cash & cash equivalents	(6,565)	(3,040)
Cash & cash equivalents, beginning of quarter	<u>11,885</u>	<u>11,415</u>
Cash & cash equivalents, end of quarter	<u>\$ 5,320</u>	<u>\$ 8,375</u>

**DID YOU
KNOW?**

Proceeds from the sale of designated lottery products fund the *Support4Sport* program. *Support4Sport* is the largest source of funding for amateur sports in the province and has helped raise over \$42 million since it was introduced in 2006.