

## Operational Highlights

- Nova Scotia had a \$1 million Lotto 6/49 winner and a \$500,000 winner in Lotto Max and Daily Grand.
- Barcoded Breakopen tickets were re-introduced with the launch of two new games “Flaming 7’s” and “Super Bar”, as well as the Scratch’N Win holiday pack lineup.
- Eight new Digital Instant games were launched; “Breakopen Casino”, “Cash Cab”, “Blizzard Bucks”, “Merry Multiplier”, “Holiday Towers”, “Walrus Bucks”, “Lucky Larry’s Lobstermania” and “Tic-Tac-Toe”.
- There were nine Lotto Max \$50+ million plus MAXMILLION draws and three Lotto 6/49 jackpots over \$20 million.
- Nova Scotia’s two casinos remained closed until October 5. The casino and video lottery sites in Halifax and parts of Hants County closed again on November 26 for the remainder of the quarter due to an increase in COVID-19 cases.

## Community Highlights

- *Support4Sport* provided \$1.1 million in dedicated profits for amateur sports in Nova Scotia to develop community and sport programs for athletes, coaches and officials. The Nova Scotia Women and Girls Task Force was launched, aiming to increase programs and services targeted to women and girls in sport.
- *Support4Culture* provided \$0.6 million to support arts, culture and heritage in Nova Scotia, such as pandemic recovery support for the Bus Stop Theatre Co-operative, the Highland Arts Theatre and the Rossini Opera Festival.
- The 2020 Responsible Gambling Awareness Week included activities aimed at reaching Nova Scotians virtually with important educational messages about responsible gambling.
- *Support4Communities* Casino Nights activities were paused through the quarter due to concerns over the spread of COVID-19. NSGC is working to offer resources and virtual seminars in the coming months.



FINANCIAL  
HIGHLIGHTS

### **\$32.8 million was paid to the Province in the third quarter.**

This is \$6.3 million lower than the same quarter last year, primarily due to lower profits in casinos.

Overall, revenue from gaming is lower than the same quarter last year due to public health measures, including some closures, at the casinos and video lottery sites to mitigate the COVID-19 pandemic.

Contributions and expenditures for responsible gambling and prevention programming initiatives totalled \$1.5 million.

## Consolidated Statement of Financial Position

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

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 9,351	\$ 11,885
Cash – restricted	7,524	6,427
Cash – casino capital replacement reserve	8,443	6,299
Trade and other receivables	6,980	10,903
Prepaid expenses	839	908
Inventories	<u>2,585</u>	<u>2,614</u>
	<u>35,722</u>	<u>39,036</u>
<b>Non-current assets</b>		
Property, plant and equipment	70,118	80,000
Disputed HST assessments	80,913	75,357
Investment in Atlantic Lottery Corporation	7,330	3,404
Investment in Interprovincial Lottery Corporation	<u>1</u>	<u>1</u>
	<u>158,362</u>	<u>158,762</u>
	<u>\$ 194,084</u>	<u>\$ 197,798</u>
<b>LIABILITIES and EQUITY</b>		
<b>Current liabilities</b>		
Trade and other payables	20,568	23,669
Deferred revenue	774	670
Liabilities for unclaimed prizes	7,524	6,427
Due to Atlantic Gaming Equipment Limited	5,541	6,297
Other liabilities	1,823	1,811
Due to Province of Nova Scotia	<u>118,863</u>	<u>118,508</u>
	<u>155,093</u>	<u>157,382</u>
<b>Non-current liabilities</b>		
Due to Atlantic Gaming Equipment Limited	10,455	13,444
Other long term liabilities	<u>1,660</u>	<u>2,049</u>
	<u>12,115</u>	<u>15,493</u>
<b>EQUITY</b>		
Casino capital replacement reserve	19,546	21,519
Accumulated other comprehensive income	<u>7,330</u>	<u>3,404</u>
	<u>26,876</u>	<u>24,923</u>
	<u>\$ 194,084</u>	<u>\$ 197,798</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 third quarter ended December 31, 2020 (unaudited) (in thousands)



	2020						2019							
	Casinos	Ticket Lottery	Video Lottery	RG	Other	3rd Quarter	Year to date	Casinos	Ticket Lottery	Video Lottery	RG	Other	3rd Quarter	Year to date
Revenues	\$ 6,336	\$ 86,703	\$ 25,482	\$ -	\$ -	\$ 118,521	\$ 307,331	\$ 22,623	\$ 66,740	\$ 32,705	\$ -	\$ -	\$ 122,068	\$ 344,569
Expenses	5,602	69,244	7,606	346	733	83,531	225,019	18,925	53,359	9,919	424	1,070	83,697	236,820
Net Profit	734	17,459	17,876	(346)	(733)	34,990	82,312	3,698	13,381	22,786	(424)	(1,070)	38,371	107,749
Contributions	-	-	-	(1,200)	(2,155)	(3,355)	(11,680)	-	-	-	(1,120)	(2,108)	(3,228)	(11,751)
Net Income before win tax	734	17,459	17,876	(1,546)	(2,888)	31,635	70,632	3,698	13,381	22,786	(1,544)	(3,178)	35,143	95,998
Win Tax	1,166	-	-	-	-	1,166	1,166	4,006	-	-	-	-	4,006	12,234
Payment to Province	\$ 1,900	\$ 17,459	\$ 17,876	\$ (1,546)	\$ (2,888)	\$ 32,801	\$ 71,798	\$ 7,704	\$ 13,381	\$ 22,786	\$ (1,544)	\$ (3,178)	\$ 39,149	\$ 108,232

## Consolidated Statement of Changes in Equity

For the third quarter ended December 31, 2020  
(unaudited) (in thousands)

	2020		2019	
	3rd Quarter	Year to date	3rd Quarter	Year to date
Casino Capital Replacement Reserve, beginning of period	\$ 18,047	\$ 18,021	\$ 20,230	\$ 17,655
Change in reserve	1,499	1,525	1,289	3,864
Casino Capital Replacement Reserve, end of period	19,546	19,546	21,519	21,519
Accum. Other Comprehensive Income, beginning of period	7,330	7,330	3,404	3,404
Other comprehensive income (loss)	-	-	-	-
Accum. Other Comprehensive Income, end of period	7,330	7,330	3,404	3,404
Retained Earnings, beginning of period	-	-	-	-
Net Income	32,801	71,798	39,149	108,232
Payment to Province	(32,801)	(71,798)	(39,149)	(108,232)
Retained Earnings, end of period	-	-	-	-
Equity, end of period	\$ 26,876	\$ 26,876	\$ 24,923	\$ 24,923

## Consolidated Statement of Cash Flows

For the third quarter ended December 31, 2020 (unaudited) (in thousands)

	<u>2020</u>	<u>2019</u>
<b>Operating</b>		
Net income	\$ 32,801	\$ 39,149
Depreciation	1,663	2,070
Loss on disposal of capital assets	26	5
Net transfers of property, plant and equipment	(2,904)	293
Net changes in short term liabilities	12	(11)
Net changes in non-cash working capital	<u>(2,945)</u>	<u>64</u>
	<u>28,653</u>	<u>41,570</u>
<b>Financing</b>		
Allocation of income to Province	(32,801)	(39,149)
Net changes in other long term liabilities	(120)	38
Net changes in obligation to Atlantic Gaming Equipment Limited	<u>1,041</u>	<u>3,110</u>
	<u>(31,880)</u>	<u>(36,001)</u>
<b>Investing</b>		
Purchases of capital assets, net additions	(251)	(7,679)
Increase in Casino Capital Replacement Reserve, net of cash	<u>235</u>	<u>2,552</u>
	<u>(16)</u>	<u>(5,127)</u>
Net increase / (decrease) in cash & cash equivalents	(3,243)	442
Cash & cash equivalents, beginning of quarter	<u>12,594</u>	<u>11,443</u>
Cash & cash equivalents, end of quarter	<u>\$ 9,351</u>	<u>\$ 11,885</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 \$46.8 million since it was introduced in 2006.