

## Operational Highlights

- Nova Scotia had a \$1,000,000 Atlantic 49 winner, a \$1,000,000 Lotto Max winner, five TAG \$100,000 winners, one Jungle Tumble Jackpot winner, and two Holiday Gift Pack big winners in the quarter.
- There were nine Lotto Max \$50+ million plus MAXMILLION draws and one Lotto 6/49 jackpot over \$20 million.
- Seven new Scratch'N Win tickets and 11 new Digital Instant games were launched in the quarter.
- Proof of Vaccination requirements began in early October. Social distancing requirements and capacity limitations were re-introduced in mid-December as the Omicron variant of COVID-19 spread across Nova Scotia. Both casinos remained open throughout the quarter with masking requirements in place. Video lottery terminals were also impacted by these mandates and resulted in decreased revenues due to customer hesitancy.
- Prior to the increased public health measures, the Halifax casino re-instated entertainment and hosted three sold-out Songwriters Circle shows in early December.
- “Bring Back Your Favourite Game Contest” was launched. The contest gave players the opportunity to vote for one of eight retro video lottery games through the alc.ca website.

For more information visit: [www.gamingns.ca](http://www.gamingns.ca)

## Community Highlights

- *Support4Sport* provided \$1.1 million in dedicated profits to support amateur sports in Nova Scotia. Highlights included supporting the Nova Scotia Sport Hall of Fame Induction Night, which recognized champions of sport from across the province.
- *Support4Culture* provided \$0.6 million to support arts, culture and heritage in Nova Scotia. Activities included supporting Nova Scotia Music Week in Truro, which featured local artists from across the province. *Support4Culture* was also a proud partner of the Annual Mayor's Bike Ride at the Devour! Food Film Festival in Wolfville.
- *Support4Communities* activities included sharing information on COVID-19 event protocols, in preparation for the return of Casino Night fundraisers in the future.



### **\$37.8 million was paid to the province in the third quarter.**

This is \$5.0 million higher than the same quarter last year, primarily due to fewer restrictions as the COVID-19 pandemic had subsided prior to the resurgence in mid-December 2021.

Overall, revenue from gaming is higher than the same quarter last year due to certain casino and VLT site closures for a portion of this quarter last year.

Contributions and expenditures for responsible gambling and prevention programming initiatives totaled \$1.4 million.

## Consolidated Statement of Financial Position

As at December 31, 2021 (unaudited) [in thousands]

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 5,912	\$ 8,132
Cash – restricted	8,040	7,524
Cash – casino capital replacement reserve	10,826	8,443
Trade and other receivables	6,889	6,980
Prepaid expenses	797	839
Inventories	<u>3,452</u>	<u>2,585</u>
	<u>35,916</u>	<u>34,503</u>
<b>Non-current assets</b>		
Property, plant and equipment	61,280	70,118
Disputed HST assessments	86,086	80,913
Investment in Atlantic Lottery Corporation	14,774	7,330
Investment in Interprovincial Lottery Corporation	<u>1</u>	<u>1</u>
	<u>162,141</u>	<u>158,362</u>
	<u>\$ 198,057</u>	<u>\$ 192,865</u>
<b>LIABILITIES and EQUITY</b>		
<b>Current liabilities</b>		
Trade and other payables	18,153	19,349
Deferred revenue	685	774
Liabilities for unclaimed prizes	8,040	7,524
Due to Atlantic Gaming Equipment Limited	4,335	5,541
Other liabilities	1,872	1,823
Due to Province of Nova Scotia	<u>122,108</u>	<u>118,863</u>
	<u>155,193</u>	<u>153,874</u>
<b>Non-current liabilities</b>		
Due to Atlantic Gaming Equipment Limited	8,066	10,455
Other long term liabilities	<u>1,793</u>	<u>1,660</u>
	<u>9,859</u>	<u>12,115</u>
<b>EQUITY</b>		
Casino capital replacement reserve	18,231	19,546
Accumulated other comprehensive income	<u>14,774</u>	<u>7,330</u>
	<u>33,005</u>	<u>26,876</u>
	<u>\$ 198,057</u>	<u>\$ 192,865</u>

**DID YOU  
KNOW?**

Nova Scotia Gaming Corporation is the Crown Corporation responsible for managing the business of for-profit gaming in the province. 100% of our profits are returned to government for programs and causes that are important to Nova Scotians.

## Consolidated Statement of Net Income

For the third quarter ended December 31, 2021 (unaudited) (in thousands)



	2021						2020							
	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	\$ 15,794	\$ 30,867	\$ 27,026	\$ -	\$ -	\$ 73,687	\$ 211,026	\$ 6,336	\$ 31,177	\$ 25,416	\$ -	\$ -	\$ 62,929	\$ 154,529
Expenses	13,341	13,078	8,217	346	602	35,585	102,493	5,602	13,704	7,554	346	733	27,939	72,217
Net Profit	2,453	17,789	18,809	(346)	(602)	38,102	108,533	734	17,473	17,862	(346)	(733)	34,990	82,312
Contributions	-	-	-	(1,100)	(2,163)	(3,263)	(11,418)	-	-	-	(1,200)	(2,155)	(3,355)	(11,680)
Net Income before win tax	2,453	17,789	18,809	(1,446)	(2,765)	34,839	97,115	734	17,473	17,862	(1,546)	(2,888)	31,635	70,632
Win Tax	2,971	-	-	-	-	2,971	7,640	1,166	-	-	-	-	1,166	1,166
Payment to Province	\$ 5,424	\$ 17,789	\$ 18,809	\$ (1,446)	\$ (2,765)	\$ 37,810	\$ 104,755	\$ 1,900	\$ 17,473	\$ 17,862	\$ (1,546)	\$ (2,888)	\$ 32,801	\$ 71,798

## Consolidated Statement of Changes in Equity

For the third quarter ended December 31, 2021  
(unaudited) (in thousands)

	2021		2020	
	3rd Quarter	Year to date	3rd Quarter	Year to date
Casino Capital Replacement Reserve, beginning of period	\$ 16,444	\$ 13,659	\$ 18,047	\$ 18,021
Change in reserve	1,787	4,572	1,499	1,525
Casino Capital Replacement Reserve, end of period	18,231	18,231	19,546	19,546
Accum. Other Comprehensive Income, beginning of period	14,774	14,774	7,330	7,330
Other comprehensive income (loss)	-	-	-	-
Accum. Other Comprehensive Income, end of period	14,774	14,774	7,330	7,330
Retained Earnings, beginning of period	-	-	-	-
Net Income	37,810	104,755	32,801	71,798
Payment to Province	(37,810)	(104,755)	(32,801)	(71,798)
Retained Earnings, end of period	-	-	-	-
Equity, end of period	\$ 33,005	\$ 33,005	\$ 26,876	\$ 26,876

## Consolidated Statement of Cash Flows

For the third quarter ended December 31, 2021 (unaudited) [in thousands]

	<u>2021</u>	<u>2020</u>
<b>Operating</b>		
Net income	\$ 37,810	\$ 32,801
Depreciation and amortization	1,359	1,598
Loss on disposal of capital assets	-	26
Net transfers of property, plant and equipment	(15)	(2,904)
Net changes in short term liabilities	(93)	12
Net changes in non-cash working capital	<u>(6,056)</u>	<u>(4,164)</u>
	<u>33,005</u>	<u>27,369</u>
<b>Financing</b>		
Allocation of income to Province	(37,810)	(32,801)
Net changes in other long term liabilities	(75)	(120)
Net changes in obligation to Atlantic Gaming Equipment Limited	<u>(815)</u>	<u>1,041</u>
	<u>(38,700)</u>	<u>(31,880)</u>
<b>Investing</b>		
Purchases of capital assets, net additions	(348)	(251)
Increase in Casino Capital Replacement Reserve, net of cash	403	300
	<u>55</u>	<u>49</u>
Net decrease in cash & cash equivalents	(5,640)	(4,462)
Cash & cash equivalents, beginning of quarter	<u>11,552</u>	<u>12,594</u>
Cash & cash equivalents, end of quarter	<u>\$ 5,912</u>	<u>\$ 8,132</u>

DID YOU  
KNOW?

Proceeds from the sale of designated lottery products fund the *Support4Sport* and *Support4Culture* programs. *Support4Sport* is the largest source of funding for amateur sports in the province and has helped raise over \$51.0 million since it was introduced in 2006. *Support4Culture* has raised \$25 million since 2012 and supports arts and culture programs in the province.