

Operational Highlights

- Single events sports betting was approved in Nova Scotia on February 11th, giving sports fans more options for wagering on their favourite team or event.
- There were seven Lotto Max \$50+ million plus MAXMILLION draws and five Lotto 6/49 jackpots over \$20 million.
- Nova Scotia had one Crossword, one Set for Life, and six big TAG winners in the quarter.
- Eight new Scratch'N Win tickets and 11 new Digital Instant games were launched this quarter.
- Three new Video Lottery games were launched in the quarter.
- Casino operations continued to be impacted by COVID-19 restrictions for the first half of the quarter. In late February, the Province eased public health restrictions and the casinos gradually reintroduced marketing and promotional activities and reopened the buffet. Video Lottery terminals were also impacted by these restrictions and resulted in lower revenues for the first two months of the quarter.

Community Highlights

- Nova Scotia Gaming's Gambling Literacy Awareness Week and Campaign launched in January 2022. The campaign was in market for 6 weeks, generating 697 quiz entries, over 1.8 million video views and 5.2 million impressions across all tactics.
- *Support4Sport* provided \$1.1 million in dedicated profits to support amateur sports in Nova Scotia. Highlights included supporting the Shattering the Glass Female Leadership in Sport Conference, which brought together stakeholders from across the province to discuss athlete-centric program design.
- *Support4Culture* provided \$2.9 million to support arts, culture and heritage in Nova Scotia. Activities included supporting the 2022 Robert Merritt Theatre Awards, which highlighted the inspiring work of the sector over the past two years.
- *Support4Communities* activities included sharing information on COVID-19 event protocols, in preparation for the return of Casino Night fundraisers in the future.



FINANCIAL
HIGHLIGHTS

\$35.7 million paid to the Province in the fourth quarter

This is \$1.0 million higher than the same quarter last year, primarily due to easing of COVID-19 restrictions.

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 \$1.5 million.

Consolidated Statement of Financial Position

As at March 31, 2022 (unaudited) (in thousands)

ASSETS	2022	2021
Current assets		
Cash and cash equivalents	\$ 8,111	\$ 8,188
Cash – restricted	7,087	6,145
Cash – casino capital replacement reserve	12,126	6,948
Trade and other receivables	11,190	5,992
Prepaid expenses	302	303
Inventories	3,336	3,186
	<u>42,152</u>	<u>30,762</u>
Non-current assets		
Property, plant and equipment	56,814	65,279
Disputed HST assessments	87,117	82,254
Investment in Atlantic Lottery Corporation	25,778	14,774
Investment in Interprovincial Lottery Corporation	1	1
	<u>169,710</u>	<u>162,308</u>
	<u>\$ 211,862</u>	<u>\$ 193,070</u>
LIABILITIES and EQUITY		
Current liabilities		
Trade and other payables	18,581	16,832
Deferred revenue	859	510
Liabilities for unclaimed prizes	7,088	6,145
Due to Atlantic Gaming Equipment Limited	3,826	4,335
Other liabilities	1,911	1,931
Due to Province of Nova Scotia	128,356	121,946
	<u>160,621</u>	<u>151,699</u>
Non-current liabilities		
Due to Atlantic Gaming Equipment Limited	8,014	10,937
Other long term liabilities	1,414	2,001
	<u>9,428</u>	<u>12,938</u>
EQUITY		
Casino capital replacement reserve	16,035	13,659
Accumulated other comprehensive income	25,778	14,774
	<u>41,813</u>	<u>28,433</u>
	<u>\$ 211,862</u>	<u>\$ 193,070</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 Income

For the fourth quarter ended March 31, 2022 (unaudited) (in thousands)



	2022						2021							
	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	\$ 14,843	\$ 31,211	\$ 26,851	\$ -	\$ -	\$ 72,905	\$ 283,931	\$ 11,873	\$ 30,579	\$ 28,252	\$ -	\$ -	\$ 70,704	\$ 225,233
Expenses	12,797	13,984	8,619	449	755	36,604	139,096	9,447	15,113	9,539	653	733	35,485	107,702
Net Profit	2,046	17,227	18,232	(449)	(755)	36,301	144,835	2,426	15,466	18,713	(653)	(733)	35,219	117,531
Contributions	-	-	-	(1,087)	(2,325)	(3,412)	(14,830)	-	-	-	(963)	(1,911)	(2,874)	(14,553)
Net Income before win tax	2,046	17,227	18,232	(1,536)	(3,080)	32,889	130,005	2,426	15,466	18,713	(1,616)	(2,644)	32,345	102,978
Win Tax	2,770	-	-	-	-	2,770	10,410	2,272	-	-	-	-	2,272	3,437
Payment to Province	\$ 4,816	\$ 17,227	\$ 18,232	\$ (1,536)	\$ (3,080)	\$ 35,659	\$ 140,415	\$ 4,698	\$ 15,466	\$ 18,713	\$ (1,616)	\$ (2,644)	\$ 34,617	\$ 106,415

Consolidated Statement of Changes in Equity

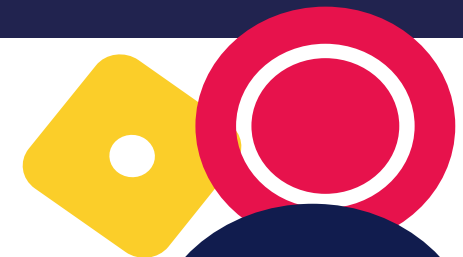
For the fourth quarter ended March 31, 2022
(unaudited) (in thousands)

	2022		2021	
	4th Quarter	Year to date	4th Quarter	Year to date
Casino Capital Replacement Reserve				
Casino Capital Replacement Reserve, beginning of period	\$ 18,231	\$ 13,659	\$ 19,546	\$ 18,021
Change in reserve	(2,196)	2,376	(5,887)	(4,362)
Casino Capital Replacement Reserve, end of period	16,035	16,035	13,659	13,659
Accumulated Other Comprehensive Income				
Accum. Other Comprehensive Income, beginning of period	14,774	14,774	7,330	7,330
Other comprehensive income (loss)	11,004	11,004	7,444	7,444
Accum. Other Comprehensive Income, end of period	25,778	25,778	14,774	14,774
Retained Earnings				
Retained Earnings, beginning of period	-	-	-	-
Net Income	35,659	140,415	34,617	106,415
Payment to Province	(35,659)	(140,415)	(34,617)	(106,415)
Retained Earnings, end of period	-	-	-	-
Equity, end of period	\$ 41,813	\$ 41,813	\$ 28,433	\$ 28,433

Consolidated Statement of Cash Flows

For the fourth quarter ended March 31, 2022 (unaudited) (in thousands)

	<u>2022</u>	<u>2021</u>
Operating		
Net income	\$ 35,659	\$ 34,617
Depreciation and amortization	5,401	6,227
Loss on disposal of capital assets	2	2
Net transfers of property, plant and equipment	(220)	(32)
Net changes in short term liabilities	251	323
Net changes in non-cash working capital	1,917	(1,550)
	<u>43,010</u>	<u>39,587</u>
Financing		
Allocation of income to Province	(35,659)	(34,617)
Net changes in other long term liabilities	(336)	361
Net changes in obligation to Atlantic Gaming Equipment Limited	(604)	(744)
	<u>(36,599)</u>	<u>(35,000)</u>
Investing		
Purchases of capital assets, net additions	(522)	(1,358)
Increase in Casino Capital Replacement Reserve, net of cash	(3,690)	(4,392)
	<u>(4,212)</u>	<u>(5,750)</u>
Net increase / (decrease) in cash & cash equivalents	2,199	(1,163)
Cash & cash equivalents, beginning of quarter	<u>5,912</u>	<u>9,351</u>
Cash & cash equivalents, end of quarter	<u>\$ 8,111</u>	<u>\$ 8,188</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 over \$25 million since 2012 and supports arts and culture programs in the province