

## Operational Highlights

- Lotto Max fans were thrilled this quarter by the chance to win on 18 MaxMillion draws (\$50+ million).
- Exciting wins for Nova Scotian players this quarter included one Instant, three Lotto Max, and five large TAG prizes in the quarter.
- Atlantic Lottery launched several new ticket games this quarter including: seven Scratch'N Win, three Breakopen, and 10 Digital Instant games. Two new Video Lottery games were also launched in the quarter.
- Casino Nova Scotia continued to resume normal operations through the first quarter with the reintroduction of events and promotional activities.
- Casino Nova Scotia entertained guests this quarter by hosting Comedy Fest events in April and Songwriters Circle events in May. The buffet offering was also expanded and the monthly rewards package was reintroduced for Player's Club members.

## Community Highlights

- *Support4Sport* provided \$1.1 million in dedicated profits to support amateur sports in Nova Scotia, and contributed to the 2022 *Support4Sport* Awards, which highlighted outstanding achievements by athletes, coaches, and officials.
- *Support4Culture* provided \$1.1 million to support arts, culture and heritage in Nova Scotia. Activities included supporting the 2022 Screen Nova Scotia Awards, which celebrated the outstanding work of the sector over the past two years.
- *Support4Communities* activities included supporting Sport Nova Scotia's Ceilidh and Casino Night fundraiser.
- Nova Scotia Gaming's "Know the Game" campaign, aimed at promoting gambling literacy, continued through the first quarter. Activities included a digital media buy and in-person activations throughout Nova Scotia from Sydney to Yarmouth. Of those surveyed, a majority (93%) either strongly (65%) or somewhat (28%) agreed that the activation provided them with helpful information.



## FINANCIAL HIGHLIGHTS

### **\$39.9 million paid to the Province in the first quarter**

This is \$14.9 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 casino and VLT site closures from late April to mid June of last year.

Contributions and expenditures for responsible gambling and prevention programming initiatives totaled \$2.1 million.

## Consolidated Statement of Financial Position

As at June 30, 2022 (unaudited) (in thousands)

<b>ASSETS</b>	<u>2022</u>	<u>2021</u>
<b>Current assets</b>		
Cash and cash equivalents	\$ 7,268	\$ 11,573
Cash – restricted	6,750	6,088
Cash – casino capital replacement reserve	13,203	7,468
Trade and other receivables	10,963	10,494
Prepaid expenses	1,244	759
Inventories	3,529	3,209
	<u>42,957</u>	<u>39,591</u>
<b>Non-current assets</b>		
Property, plant and equipment	56,288	63,798
Disputed HST assessments	88,720	83,246
Investment in Atlantic Lottery Corporation	25,778	14,774
Investment in Interprovincial Lottery Corporation	1	1
	<u>170,787</u>	<u>161,819</u>
	<u>\$ 213,744</u>	<u>\$ 201,410</u>
<b>LIABILITIES and EQUITY</b>		
<b>Current liabilities</b>		
Trade and other payables	17,860	21,433
Deferred revenue	788	569
Liabilities for unclaimed prizes	6,750	6,088
Due to Atlantic Gaming Equipment Limited	3,826	4,335
Other liabilities	1,950	1,877
Due to Province of Nova Scotia	130,171	126,127
	<u>161,345</u>	<u>160,429</u>
<b>Non-current liabilities</b>		
Due to Atlantic Gaming Equipment Limited	7,543	9,925
Other long-term liabilities	1,346	1,937
	<u>8,889</u>	<u>11,862</u>
<b>EQUITY</b>		
Casino capital replacement reserve	17,732	14,345
Accumulated other comprehensive income	25,778	14,774
	<u>43,510</u>	<u>29,119</u>
	<u>\$ 213,744</u>	<u>\$ 201,410</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 first quarter ended June 30, 2022 (unaudited) (in thousands)



	2022					2021						
	Casinos	Ticket Lottery	Video Lottery	RG	Other	1st Quarter and Year to date	Casinos	Ticket Lottery	Video Lottery	RG	Other	1st Quarter and Year to date
Revenues	\$ 20,316	\$ 32,406	\$ 31,693	\$ -	\$ -	\$ 84,415	\$ 6,225	\$ 36,113	\$ 13,826	\$ -	\$ -	\$ 56,164
Expenses	17,058	13,392	11,447	378	638	42,913	5,279	13,065	8,084	154	708	27,290
Net Profit	3,258	19,014	20,246	(378)	(638)	41,502	946	23,048	5,742	(154)	(708)	28,874
Contributions	-	-	-	(1,700)	(3,608)	(5,308)	-	-	-	(1,700)	(3,355)	(5,055)
Net Income before win tax	3,258	19,014	20,246	(2,078)	(4,246)	36,194	946	23,048	5,742	(1,854)	(4,063)	23,819
Win Tax	3,749	-	-	-	-	3,749	1,155	-	-	-	-	1,155
Payment to Province	\$ 7,007	\$ 19,014	\$ 20,246	\$ (2,078)	\$ (4,246)	\$ 39,943	\$ 2,101	\$ 23,048	\$ 5,742	\$ (1,854)	\$ (4,063)	\$ 24,974

## Consolidated Statement of Changes in Equity

For the first quarter ended June 30, 2022  
(unaudited) (in thousands)

	2022	2021
	1st Quarter and Year to date	1st Quarter and Year to date
Casino Capital Replacement Reserve		
Casino Capital Replacement Reserve, beginning of period	\$ 16,035	\$ 13,659
Change in reserve	1,697	686
Casino Capital Replacement Reserve, end of period	17,732	14,345
Accumulated Other Comprehensive Income		
Accum. Other Comprehensive Income, beginning of period	25,778	14,774
Other comprehensive income (loss)	-	-
Accum. Other Comprehensive Income, end of period	25,778	14,774
Retained Earnings		
Retained Earnings, beginning of period	-	-
Net Income	39,943	24,974
Payment to Province	(39,943)	(24,974)
Retained Earnings, end of period	-	-
Equity, end of period	\$ 43,510	\$ 29,119

## Consolidated Statement of Cash Flows

For the first quarter ended June 30, 2022 (unaudited) (in thousands)

	<u>2022</u>	<u>2021</u>
<b>Operating</b>		
Net income	\$ 39,943	\$ 24,974
Depreciation and amortization	1,334	1,613
Loss on disposal of property, plant and equipment	13	-
Net transfers of property, plant and equipment	100	(49)
Net changes in short-term liabilities	(90)	(91)
Net changes in non-cash working capital	<u>(1,366)</u>	<u>2,905</u>
	<u>39,934</u>	<u>29,352</u>
<b>Financing</b>		
Distribution of profit to the Province	(39,943)	(24,974)
Net change in other long-term liabilities	(67)	(64)
Net change in Due to Atlantic Gaming Equipment Limited	<u>(472)</u>	<u>(1,012)</u>
	<u>(40,482)</u>	<u>(26,050)</u>
<b>Investing</b>		
Purchases of capital assets, net additions	(980)	(148)
Increase in Casino Capital Replacement Reserve, net of cash	685	231
	<u>(295)</u>	<u>83</u>
Net (decrease) increase in cash and cash equivalents	(843)	3,385
Cash and cash equivalents, beginning of quarter	<u>8,111</u>	<u>8,188</u>
Cash and cash equivalents, end of quarter	<u>\$ 7,268</u>	<u>\$ 11,573</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 million since it was introduced in 2006. *Support4Culture* has raised over \$25 million since 2012 and supports arts and culture programs in the province.