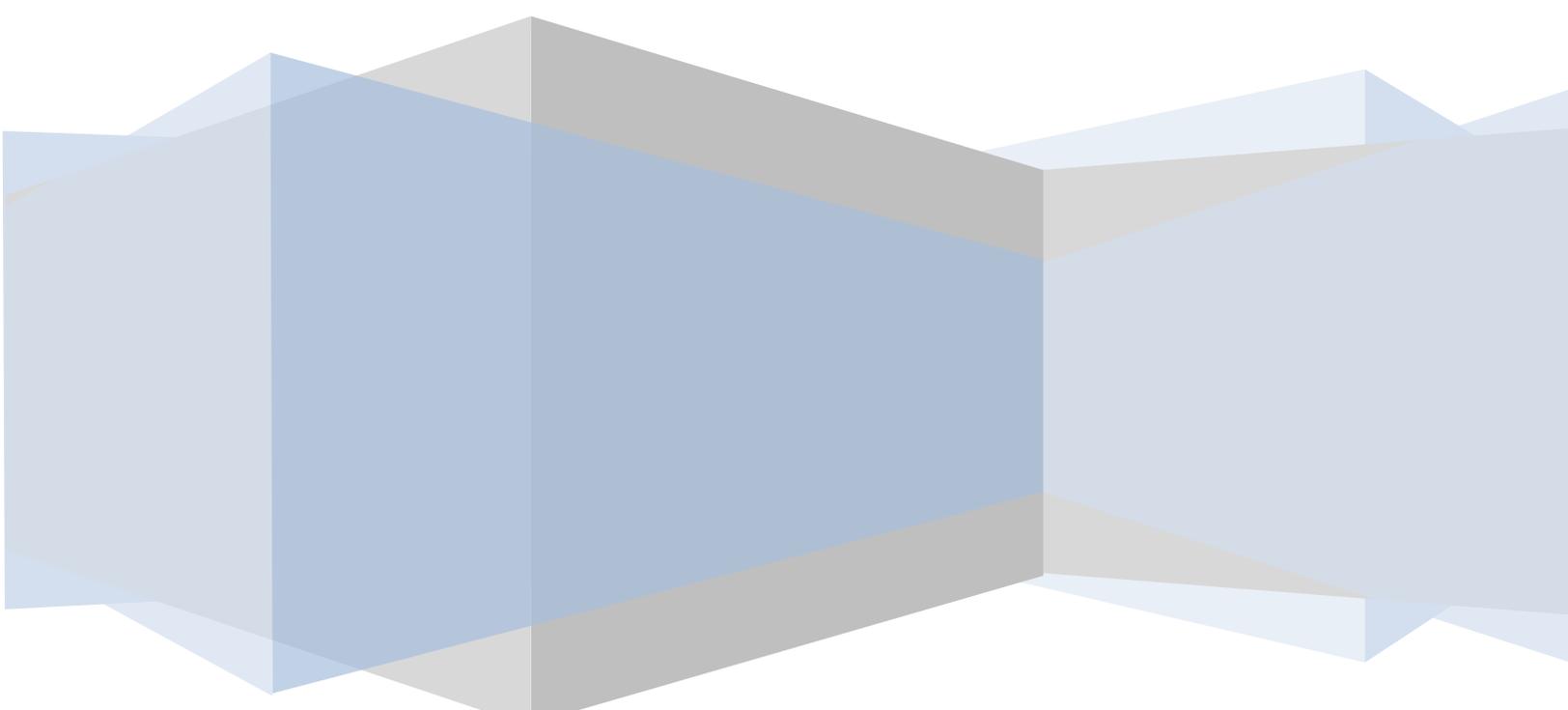


Quarter 1 Financial Report

For the period ended June 30, 2020

Introduction.....	1
CIC Consolidated Management’s Discussion and Analysis	3
CIC Condensed Consolidated Interim Financial Statements	10
CIC Separate Management’s Discussion and Analysis	20
CIC Condensed Separate Interim Financial Statements.....	24



Introduction

Crown Investments Corporation of Saskatchewan (CIC) is the Provincial Government's holding corporation for its commercial Crown corporations. CIC has invested equity in its subsidiary corporations and collects dividends from these corporations.

The purpose of the following discussion is to provide users of CIC's financial statements with an overview of its financial health. This narrative on CIC's 2020-21 first quarter financial results should be read in conjunction with the March 31, 2020 audited consolidated and separate financial statements. The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated interim financial statements are consistent with those disclosed in CIC's March 31, 2020 audited consolidated financial statements, except as described in Note 3 to the unaudited condensed consolidated interim financial statements.

To facilitate greater transparency and accountability, CIC prepares two different sets of financial statements: CIC's consolidated financial statements that report on the commercial Crown sector; and CIC's separate financial statements that reflect its role as a holding corporation for the Province.

CIC Consolidated Financial Statements

CIC's consolidated financial statements include CIC's results consolidated with the results of its subsidiary corporations. The unaudited condensed consolidated interim financial statements (herein after referred to as the "consolidated financial statements") are prepared in accordance with International Financial Reporting Standards (IFRS) and include:

- Financial results of subsidiary Crown corporations;

SaskEnergy Incorporated (SaskEnergy)	Saskatchewan Telecommunications
Saskatchewan Gaming Corporation (SGC)	Holding Corporation and Saskatchewan
Saskatchewan Government Insurance (SGI CANADA)	Telecommunications (collectively SaskTel)
Saskatchewan Opportunities Corporation (SOCO)	Saskatchewan Water Corporation (SaskWater)
Saskatchewan Power Corporation (SaskPower)	

- Financial results of wholly-owned subsidiary share capital corporations;

CIC Asset Management Inc. (CIC AMI)
CIC Economic Holdco Ltd.
First Nations and Métis Fund Inc. (FNMF)
Saskatchewan Immigrant Investor Fund Inc. (SIIF)

- Dividends paid by CIC to the General Revenue Fund (GRF); and
- CIC's operating costs, public policy expenditures and interest earned on cash and cash equivalents and equity earnings on equity accounted investees.

Consolidated earnings represent the total earnings in the Crown sector, taking into consideration the elimination of all inter-group transactions (i.e. revenues and expenses between Crown corporations and dividends paid by Crown corporations to CIC).

CIC Separate Financial Statements

CIC's separate financial statements represent CIC's earnings as the shareholder of the Saskatchewan commercial Crown sector. They assist CIC in determining its capacity to pay dividends to the Province's GRF. The unaudited condensed separate interim financial statements have been prepared in accordance with IAS 27 - *Separate Financial Statements* and IAS 34 - *Interim Financial Reporting* at the request of the Saskatchewan Legislative Assembly. These financial statements are intended to isolate CIC's cash-flow, capital support for certain subsidiary corporations, and public policy expenditures. These financial statements include:

- Dividends from subsidiary Crown corporations;
- Dividends from the Corporation's investment in Information Services Corporation;
- Grants to subsidiary corporations; and
- CIC's operating results and public policy expenditures.

CIC CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Financial Statements

Management's Discussion and Analysis

Management's Discussion & Analysis (MD&A) highlights the primary factors that have an impact on the consolidated financial results and operations of CIC. It should be read in conjunction with CIC's consolidated financial statements and supporting notes for the period ended June 30, 2020. These consolidated financial statements have been prepared in accordance with IAS 34 - *Interim Financial Reporting*.

The consolidated financial statements do not include all the disclosures included in CIC's annual audited consolidated financial statements. Accordingly, these consolidated financial statements should be read in conjunction with CIC's March 31, 2020 audited consolidated financial statements. The accounting policies and methods of computation used in the preparation of these consolidated financial statements are consistent with those disclosed in CIC's March 31, 2020 audited consolidated financial statements, except as described in Note 3 to these consolidated financial statements.

For purposes of CIC's consolidated MD&A, "CIC" and "the Corporation" refers to the consolidated entity.

Forward-Looking Information

Throughout the quarterly report, and particularly in the following discussion, forward-looking statements are made. These statements can be recognized by terms such as "outlook," "expect," "anticipate," "project," "continue," or other expressions that relate to estimations or future events. By their nature, forward-looking statements require assumptions based on current information, management experience and historical performance. Forward-looking information is subject to uncertainties, and, as a result, forward-looking statements are not a guarantee about the future performance of CIC and its subsidiary Crown corporations.

Readers should not place undue reliance on forward-looking statements, as several factors could cause actual results to differ materially from estimates, predictions and assumptions. Factors that can influence performance include, but are not limited to: global pandemics, weather conditions, commodity markets, general economic and political conditions, interest and exchange rates, competition and the regulatory environment. Given these uncertainties, assumptions contained in the forward-looking statements may or may not occur.

Management's Discussion and Analysis (continued)

Major Lines of Business

CIC is involved in a broad array of industries through various forms of investment. A number of investments are held as wholly-owned subsidiaries, while others are associates, joint ventures and joint operations, held through CIC's wholly-owned subsidiaries.

The following table lists significant wholly-owned subsidiaries, including the respective business line, which CIC consolidates in its financial statements:

Type	Investment	Major Business Line
Utilities	Saskatchewan Power Corporation (SaskPower)	Electricity
	Saskatchewan Telecommunications Holding Corporation and Saskatchewan Telecommunications (collectively SaskTel)	Information and Communications Technology
	SaskEnergy Incorporated (SaskEnergy)	Natural Gas Storage and Delivery
	Saskatchewan Water Corporation (SaskWater)	Water and Wastewater Management
Insurance	Saskatchewan Government Insurance (SGI CANADA)	Property and Casualty Insurance
Entertainment	Saskatchewan Gaming Corporation (SGC)	Entertainment
Investment and Economic Growth	CIC Asset Management Inc. (CIC AMI)	Investments
	Saskatchewan Opportunities Corporation (SOCO)	Research Parks
	Saskatchewan Immigrant Investor Fund (SIIF)	Construction Loans

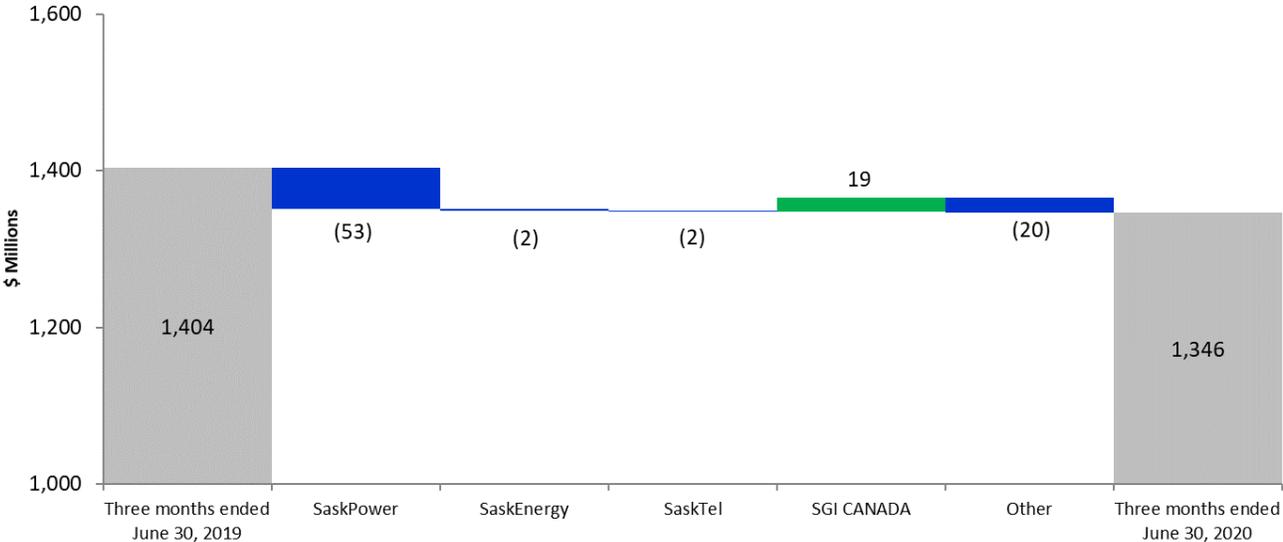
Subsidiary Corporation Earnings (millions of dollars) (unaudited)	For the three months ended	
	June 30 2020	June 30 2019
SGI CANADA	\$ 69.1	\$ 37.4
SaskTel	33.6	22.6
SaskPower	22.2	67.5
SaskEnergy	8.0	(0.1)
SaskWater	3.1	3.4
SOCO	0.7	1.0
CIC AMI	0.3	0.3
SIIF	-	5.6
SGC	(9.3)	6.3
CIC (Separate)	33.7	45.1
Other¹	<u>(35.0)</u>	<u>(51.4)</u>
Net earnings	<u>\$ 126.4</u>	<u>\$ 137.7</u>

¹ Includes First Nations and Métis Fund Inc., CIC Economic Holdco Ltd., CIC's investment in Information Services Corporation and consolidation adjustments. Consolidation adjustments reflect the elimination of all inter-entity transactions, such as grants from CIC to Crown corporations, revenues and expenses between Crown corporations and dividends paid by Crown corporations to CIC.

The Corporation's consolidated net earnings for the three months ended June 30, 2020 were \$126.4 million (2019 - \$137.7 million), \$11.3 million lower than the same period in 2019. The Corporation experienced lower net earnings in the period primarily due to decreased earnings at SaskPower and a loss at SGC partially offset by increased earnings at SGI CANADA, SaskTel and SaskEnergy. A more detailed discussion of net earnings is included on the pages following.

Management’s Discussion and Analysis (continued)

Changes in Revenue



Revenue for the three months ended June 30, 2020 was \$1,346.2 million (2019 - \$1,404.4 million), a \$58.2 million decrease over the same period in 2019 primarily related to decreases at SaskPower and SaskGaming, which was partially offset by increases at SGI CANADA.

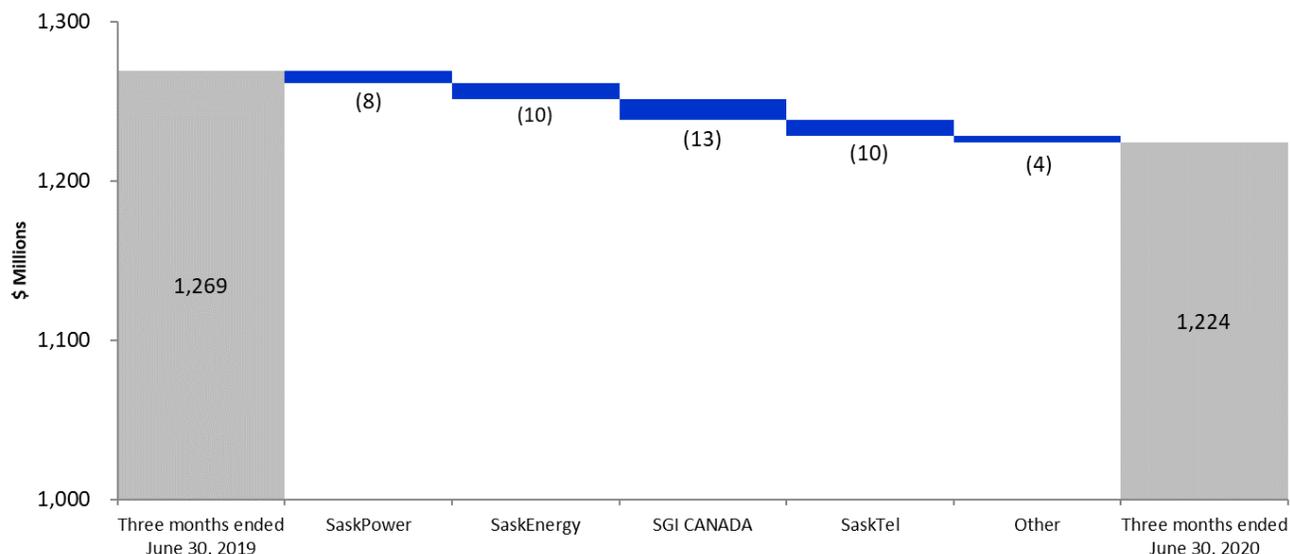
SaskPower revenue decreased by \$52.6 million primarily due to lower Saskatchewan electricity sales as a result of a 10 per cent decrease in demand compared to the same period in the prior year attributed to the COVID-19 pandemic and economic conditions. Revenue also decreased due to lower customer contributions, as well as lower exports and electricity trading profits due to lower prices in the Alberta market.

SaskGaming revenue decreased by \$30.9 million as a result of the temporary closure of Casino Regina and Casino Moose Jaw from March 17 to July 8, 2020.

SGI CANADA revenue increased by \$18.9 million primarily due to increased premiums written in Saskatchewan and British Columbia. Saskatchewan experienced growth in all lines of business except commercial auto and bonds. British Columbia premiums written increased due to continued increases in personal and commercial lines.

Management's Discussion and Analysis (continued)

Changes in Total Operating Expenses and Net Finance Expense



Total operating expenses and net finance expense for the three months ended June 30, 2020 were \$1,224.5 million (2019 - \$1,268.9 million), a \$44.4 million decrease from the same period in 2019 primarily related to decreases at SaskPower, SaskEnergy, SGI CANADA and SaskTel.

Total operating and net finance expense decreased at SaskPower by \$7.6 million primarily due to reduced maintenance at generation facilities from the timing of overhauls. This decrease was partially offset by higher contracted prices for coal and natural gas compared to the same period last year, as well as higher depreciation and interest from continued infrastructure development.

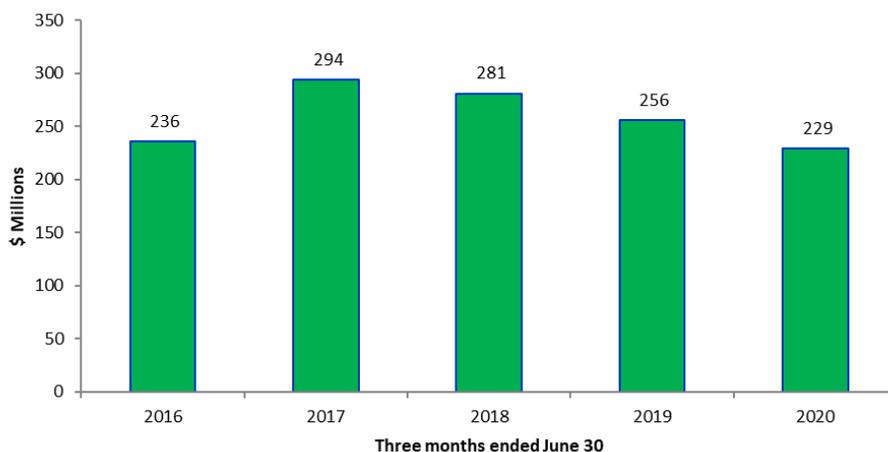
Total operating and net finance expense decreased at SaskEnergy by \$9.7 million primarily due to favourable non-cash market value adjustments on natural gas purchase contracts compared to the prior period. This was partially offset by higher transportation costs due to growing demand for imported natural gas from Alberta since natural gas receipts from Saskatchewan producers are declining, which has resulted in more natural gas being transported over greater distances. Further offsetting the decrease was higher depreciation expense from continued capital reinvestment to ensure the integrity and reliability of the transmission and distribution system.

Total operating and net finance expense decreased at SGI CANADA by \$12.7 million primarily due to higher investment earnings as domestic and foreign equity markets recovered following the outbreak of the COVID-19 pandemic, as well as lower auto claim costs outside of Saskatchewan due to fewer drivers on the road during the COVID-19 pandemic. This was partially offset by increased claims and related expenses as a result of premium growth and an increase in the number of severe storm claims compared to the same period last year.

Total operating and net finance expense decreased at SaskTel by \$10.4 million primarily due to decreased spending on consulting, advertising and other operating expenses, partially related to the impact of the COVID-19 pandemic. Further, SaskTel had lower net salaries and wages as a result of operational efficiencies across the organization, streamlining functions through automation and providing self-serve tools for customers.

Management's Discussion and Analysis (continued)

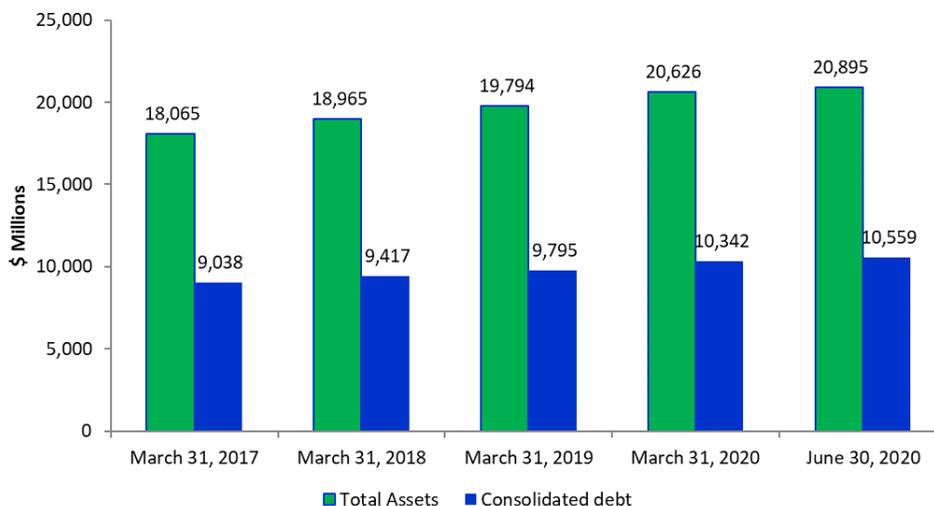
Capital Spending



For the three months ended June 30, 2020, property, plant and equipment, intangible asset and investment property purchases were \$228.9 million (2019 - \$256.1 million), a \$27.2 million decrease from the same period in 2019. Major capital expenditures included:

- \$122.4 million at SaskPower related to generation sustainment activities, connecting customers to the electric system, increasing capacity, and sustaining transmission and distribution infrastructure;
- \$42.3 million at SaskEnergy primarily related to customer connections, system expansions to meet customer growth, and spending to ensure the safety and integrity of its extensive distribution and transmission systems; and
- \$59.1 million at SaskTel on Fibre to the Premises, network capacity enhancements to manage increased demand during the COVID-19 pandemic, wireless network enhancements and basic network growth and enhancements.

Consolidated Debt



Consolidated debt at June 30, 2020 was \$10,559.0 million (March 31, 2020 - \$10,342.2 million), a \$216.8 million increase from March 31, 2020. The increase is primarily due to additional debt at SaskPower, SaskEnergy and SaskTel used to fund a portion of their capital expenditures during the period, the Crown Utility Interest Waiver Program and to ensure the Crowns had enough cash on hand as COVID-19 continues to impact credit markets.

Management's Discussion and Analysis (continued)

Liquidity and Capital Resources

CIC and its subsidiary Crowns finance capital requirements through internally generated cash flow and borrowing. The GRF borrows in capital markets on behalf of Crowns. The GRF has sufficient access to capital markets for anticipated borrowing requirements.

Province of Saskatchewan Credit Ratings on Long-Term Debt as at June 30, 2020

Moody's Investor Service	Aaa
Standard & Poor's	AA
Dominion Bond Rating Service	AA (low)

Cash Flow Highlights

(millions of dollars)
(unaudited)

For the three months ended

	June 30 2020	June 30 2019
Net cash from operating activities	\$ 214.8	\$ 292.2
Net cash used in investing activities	(287.1)	(278.8)
Net cash from (used in) financing activities	145.7	(41.5)
Change in cash and cash equivalents	<u>\$ 73.4</u>	<u>\$ (28.1)</u>

Operating, Investing and Financing Activities

Net cash from operating activities for the three months ended June 30, 2020 was \$214.8 million (2019 - \$292.2 million), a decrease of \$77.4 million. Cash from operating activities decreased primarily due to lower net earnings and changes in non-cash working capital balances.

Net cash used in investing activities for the three months ended June 30, 2020 was \$287.1 million (2019 - \$278.8 million). The \$8.3 million increase is primarily due to higher investment activity at SGI CANADA which was somewhat offset by decreased spending on capital assets at SaskEnergy, SaskPower and SaskTel. SGI CANADA's investment purchases and proceeds fluctuate from quarter to quarter to balance its investment portfolio and pay claims.

Net cash from financing activities for the three months ended June 30, 2020 was \$145.7 million (2019 - \$41.5 million used in financing activities). The increase of \$187.2 million was due to increased long-term debt proceeds and a decrease in dividends paid. This was slightly offset by increased payments on notes payable and debt repayments made to the GRF. The decrease in notes payable and increase in long-term debt proceeds is primarily due to the Crown sector transferring short-term debt to long-term debt, due to low interest rates being available on provincial long-term debt. Lower dividends paid is a result of the Crowns' reduced capacity to pay a dividend due to the economic slowdown during the COVID-19 pandemic.

Debt Management

CIC and its subsidiary Crowns prudently manage debt to maintain and enhance financial flexibility. The CIC Board has approved debt ratio targets for CIC and its commercial subsidiaries that take into account their individual circumstances and industry benchmarks.

Management's Discussion and Analysis (continued)

Outlook

The Corporation's outlook for net earnings is highly dependent upon the performance and management of the subsidiary corporations. Earnings expectations are also subject to many variables including: global pandemics, weather conditions, commodity markets, general economic and geopolitical conditions, interest and exchange rates, competition and the regulatory environment.

The Corporation projects a continued stable operating performance, but will face challenges with the pandemic. Net earnings are largely driven by utility Crowns that have relatively stable operating environments, stable or growing customer demand, and rates that are set in accordance with commercial principles. The Corporation anticipates significant ongoing challenges including maintaining and expanding utility infrastructure at SaskPower, SaskEnergy and SaskWater; keeping pace with industry technological change and competition at SaskTel and SGI CANADA and claims related to severe storms at SGI CANADA. Significant capital expenditures in these companies are expected in the medium term.

Further challenging the Corporation is the slowing of the economy as a result of the COVID-19 pandemic. The Corporation has assessed and continues to monitor the impact of COVID-19 on its operations. The magnitude and duration of COVID-19 is uncertain and, if it causes significant disruption for an extended period of time, the impacts to the Corporation will increase. Potential impacts include loss of revenue, supply chain disruptions, challenges associated with a remote or unavailable workforce and potential asset impairment. As a result of the pandemic, SGC temporarily closed Casino Regina and Casino Moose Jaw and is at risk of having to take similar precautions in the future.

In addition, continued volatility in financial markets may further affect valuation of pension liabilities, provisions, portfolio investments, and natural gas price management instruments and inventory.

Crown Investments Corporation of Saskatchewan
Condensed Consolidated Interim Statement of Financial Position
As at
(thousands of dollars)

	(Unaudited) June 30 2020	(Audited*) March 31 2020
	Note	
ASSETS		
Current		
Cash and cash equivalents	\$ 472,717	\$ 399,308
Short-term investments	363,664	311,405
Accounts receivable	1,076,844	1,033,040
Derivative financial assets	24,367	22,102
Restricted cash and cash equivalents	18	10
Inventories	283,701	255,854
Prepaid expenses	240,012	241,664
Contract assets	58,844	61,548
Contract costs	17,319	16,735
	2,537,486	2,341,666
Restricted cash and cash equivalents	4,557	4,557
Long-term investments	2,172,889	2,032,800
Contract assets	18,449	22,341
Contract costs	57,459	58,349
Investments in equity accounted investees	73,649	73,412
Property, plant and equipment	14,750,508	14,785,672
Right-of-use assets	679,978	695,150
Investment property	167,452	169,240
Intangible assets	410,300	415,273
Other assets	22,144	27,050
	\$ 20,894,871	\$ 20,625,510
LIABILITIES AND PROVINCE'S EQUITY		
Current		
Trade and other payables	\$ 805,460	\$ 892,964
Derivative financial liabilities	94,357	105,373
Notes payable	854,322	1,449,573
Deferred revenue	581,762	545,625
Provisions	276,011	267,303
Long-term debt due within one year	415,999	441,246
Lease liabilities	45,305	44,444
Contract liabilities	111,894	99,922
	3,185,110	3,846,450
Provisions	981,547	1,022,755
Lease liabilities	1,034,408	1,043,008
Long-term debt	9,288,711	8,451,387
Contract liabilities	168,367	169,950
Employee future benefits	301,366	241,650
Other liabilities	36,086	35,798
	14,995,595	14,810,998
Province of Saskatchewan's Equity		
Equity advances	808,889	808,889
Retained earnings	4,958,473	4,865,026
Accumulated other comprehensive income	7 131,914	140,597
	5,899,276	5,814,512
	\$ 20,894,871	\$ 20,625,510

Commitments and contingencies 8

(See accompanying notes)

*As presented in the audited March 31, 2020 consolidated financial statements.

Crown Investments Corporation of Saskatchewan
Condensed Consolidated Interim Statement of Comprehensive Income
For the Period
(thousands of dollars)
(unaudited)

	April 1 to June 30 2020	April 1 to June 30 2019
INCOME FROM OPERATIONS		
Revenue	\$ 1,346,218	\$ 1,404,452
Other income	3,297	88
	1,349,515	1,404,540
EXPENSES		
Operating	626,987	638,186
Salaries, wages and short-term employee benefits	216,343	232,116
Employee future benefits	17,567	10,480
Depreciation and amortization	236,361	225,775
Loss on disposal of property, plant and equipment	1,625	3,207
Impairment reversals	-	(8)
Provision for decommissioning and environmental remediation liabilities	3	1
Saskatchewan taxes and fees	42,619	48,209
	1,141,505	1,157,966
RESULTS FROM OPERATING ACTIVITIES		
	208,010	246,574
Finance income	65,677	32,396
Finance expenses	(148,562)	(143,392)
NET FINANCE EXPENSES		
	(82,885)	(110,996)
Share of net earnings from equity accounted investees	1,322	2,115
NET EARNINGS		
	126,447	137,693
OTHER COMPREHENSIVE (LOSS) INCOME		
Defined benefit plan actuarial loss	(57,986)	(23,474)
Unrealized gains on sinking funds	47,681	24,556
Unrealized gains on cash flow hedges	1,507	1,843
Amounts amortized to net earnings and included in net finance expenses	115	115
OTHER COMPREHENSIVE (LOSS) INCOME		
	(8,683)	3,040
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO THE PROVINCE OF SASKATCHEWAN		
	\$ 117,764	\$ 140,733

(See accompanying notes)

**Crown Investments Corporation of Saskatchewan
Condensed Consolidated Interim Statement of Changes in Equity
For the Period
(thousands of dollars)
(unaudited)**

Attributable to the Province of Saskatchewan

	Equity Advances	Retained Earnings	Accumulated Other Comprehensive Income (Note 7)	Total Equity
Balance at April 1, 2019	\$ 908,889	\$ 4,679,664	\$ 77,120	\$ 5,665,673
Total comprehensive income	-	137,693	3,040	140,733
Dividends to GRF	-	(129,500)	-	(129,500)
Balance at June 30, 2019	\$ 908,889	\$ 4,687,857	\$ 80,160	\$ 5,676,906
Balance at July 1, 2019	\$ 908,889	\$ 4,687,857	\$ 80,160	\$ 5,676,906
Total comprehensive income	-	297,669	60,437	358,106
Equity advances repaid to the GRF	(100,000)	-	-	(100,000)
Dividends to GRF	-	(120,500)	-	(120,500)
Balance at March 31, 2020	\$ 808,889	\$ 4,865,026	\$ 140,597	\$ 5,814,512
Balance at April 1, 2020	\$ 808,889	\$ 4,865,026	\$ 140,597	\$ 5,814,512
Total comprehensive income (loss)	-	126,447	(8,683)	117,764
Dividends to GRF	-	(33,000)	-	(33,000)
Balance at June 30, 2020	\$ 808,889	\$ 4,958,473	\$ 131,914	\$ 5,899,276

(See accompanying notes)

Crown Investments Corporation of Saskatchewan
Condensed Consolidated Interim Statement of Cash Flows
For the Period
(thousands of dollars)
(unaudited)

Note	April 1 to June 30 2020	April 1 to June 30 2019
OPERATING ACTIVITIES		
Net earnings	\$ 126,447	\$ 137,693
Adjustments to reconcile net earnings to cash from operating activities	9 302,880	342,251
Net change in non-cash working capital balances related to operations	(55,925)	(37,488)
Income taxes paid	(5,991)	-
Interest paid	(152,553)	(150,238)
Net cash from operating activities	214,858	292,218
INVESTING ACTIVITIES		
Interest received	5,959	7,215
Dividends received	207	2,209
Purchase of investments	(516,067)	(348,355)
Proceeds from sale and collection of investments	452,747	313,987
Purchase of property, plant and equipment	(217,454)	(232,940)
(Costs related to) proceeds from sale of property, plant and equipment	(932)	2,778
Purchase of intangible assets	(11,138)	(22,818)
Purchase of investment property	(300)	(382)
Increase in restricted cash and cash equivalents	(8)	(483)
(Increase) decrease in other assets	(123)	10
Net cash used in investing activities	(287,109)	(278,779)
FINANCING ACTIVITIES		
Decrease in notes payable	(595,236)	(406,171)
(Decrease) increase in other liabilities	(725)	10
Debt proceeds from the GRF	838,988	556,263
Debt repayments to the GRF	(25,386)	-
Debt proceeds from other lenders	-	68
Debt repayments to other lenders	(386)	(16,673)
Principal repayments of lease liabilities	(9,237)	(8,835)
Sinking fund instalments	(41,428)	(36,678)
Sinking fund redemptions	12,070	-
Dividends paid	(33,000)	(129,500)
Net cash from (used in) financing activities	145,660	(41,516)
NET CHANGE IN CASH AND CASH EQUIVALENTS DURING PERIOD	73,409	(28,077)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	399,308	193,170
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 472,717	\$ 165,093

(See accompanying notes)

Crown Investments Corporation of Saskatchewan
Notes to Condensed Consolidated Interim Financial Statements
June 30, 2020
(thousands of dollars)
(unaudited)

1. General information

Crown Investments Corporation of Saskatchewan (CIC) is a corporation domiciled in Canada. The address of CIC's registered office and principal place of business is 400 - 2400 College Avenue, Regina, SK, S4P 1C8. The condensed consolidated interim financial statements of CIC comprise CIC and its subsidiaries (collectively referred to as "CIC" or "the Corporation") and CIC's interest in associates, joint ventures and joint operations with principal activities as described in Note 4 (a).

The results included in these condensed consolidated interim financial statements should not be taken as indicative of the performance to be expected for a full fiscal year due to the seasonal nature of corporate operations.

2. Basis of preparation

a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 - *Interim Financial Reporting*. The condensed consolidated interim financial statements do not include all of the information required for full annual financial statements, and accordingly should be read in conjunction with the March 31, 2020 audited consolidated financial statements.

The condensed consolidated interim financial statements were authorized for issue by the Board of Directors on September 9, 2020.

b) Functional and presentation currency

These condensed consolidated interim financial statements are presented in Canadian dollars, which is CIC's functional currency.

3. Application of revised accounting standards

The following amendments to standards, effective for annual periods beginning on or after January 1, 2020, have been applied in preparing these interim condensed consolidated financial statements:

IFRS 3, *Business Combinations*

The Corporation has adopted the amendments to IFRS 3, *Business Combinations* with a date of initial application of April 1, 2020. In accordance with the transitional provisions of IFRS 3, the Corporation has applied IFRS 3 prospectively. The amendments to IFRS 3 may affect whether future acquisitions are accounted for as business combinations or asset acquisitions, along with the resulting allocation of the purchase price between goodwill and net identifiable assets acquired. The adoption of the amendments to IFRS 3 has not had a significant impact on the financial statements.

4. Significant accounting policies

The accounting policies and methods of computation used in the preparation of these condensed consolidated interim financial statements are consistent with those disclosed in CIC's March 31, 2020 audited consolidated financial statements, except as described in Note 3.

The accounting policies have been applied consistently to all periods presented in these condensed consolidated interim financial statements and have been consistently applied by CIC's subsidiaries.

a) Basis of consolidation

Subsidiaries

Saskatchewan provincial Crown corporations are either designated as subsidiary Crown corporations of CIC or created as CIC Crown corporations under *The Crown Corporations Act, 1993* (the Act). The Act assigns specific financial and other responsibilities regarding these corporations to CIC.

Crown Investments Corporation of Saskatchewan
Notes to Condensed Consolidated Interim Financial Statements
June 30, 2020
(thousands of dollars)
(unaudited)

4. Significant accounting policies (continued)

In addition to the Crown corporations listed below, the Corporation also consolidates the accounts of the following wholly owned share capital subsidiaries: CIC Asset Management Inc.; First Nations and Métis Fund Inc.; CIC Economic Holdco Ltd.; and Saskatchewan Immigrant Investor Fund Inc., all of which are domiciled in Canada.

Unaudited condensed separate interim financial statements for CIC have been prepared to show the financial position and results of operations of the corporate entity. In addition, condensed interim financial statements for each of the undernoted Crown corporations, which are consolidated in these financial statements, are prepared and released publicly:

Wholly owned subsidiaries domiciled in Canada	Principal activity
Saskatchewan Power Corporation (SaskPower)	Electricity
Saskatchewan Telecommunications Holding Corporation and Saskatchewan Telecommunications (collectively SaskTel)	Information and communications technology
SaskEnergy Incorporated (SaskEnergy)	Natural gas storage and delivery
Saskatchewan Water Corporation (SaskWater)	Water and wastewater management
Saskatchewan Government Insurance (SGI CANADA)	Property and casualty insurance
Saskatchewan Gaming Corporation (SGC)	Entertainment
Saskatchewan Opportunities Corporation (SOCO)	Research parks

Associates and joint ventures (investments in equity accounted investees)

Associates are those entities in which CIC has significant influence, but not control, over strategic financial and operating decisions. Significant influence is presumed to exist when CIC holds between 20.0 and 50.0 per cent of the voting power of another entity. CIC has classified its investment in Information Services Corporation as an associate.

Joint ventures are those entities over whose activities CIC has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions; and provide CIC with rights to the net assets of the arrangement.

Associates and joint ventures are accounted for using the equity method and are recognized initially at cost. CIC's investment includes any goodwill identified at acquisition, net of accumulated impairment losses. The condensed consolidated interim financial statements include CIC's share of the total comprehensive income and equity movements of equity accounted investees, after adjustments to align the accounting policies with those of CIC, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When CIC's share of losses exceeds its interest in equity accounted investees, the carrying amount of that interest is reduced and the recognition of further losses is discontinued except to the extent that CIC has an obligation or has made payments on behalf of the investee.

Joint operations

Joint operations are those entities over whose activities CIC has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions; and provide CIC with rights to the assets and obligations for the liabilities, related to the arrangement. The condensed consolidated interim financial statements include CIC's proportionate share of joint operation assets, incurred liabilities, income and expenses.

CIC has classified its 50.0 per cent interest in the Totnes Natural Gas Storage Facility as joint operations.

4. Significant accounting policies (continued)

Transactions eliminated on consolidation

Inter-group balances and transactions, and any unrealized income and expenses arising from inter-group transactions, are eliminated in preparing the condensed consolidated interim financial statements. Unrealized gains arising from transactions with investments in equity accounted investees are eliminated against the investment to the extent of CIC's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

b) New standards not yet adopted

The following standard is not yet effective for the period ended June 30, 2020 and has not been applied in preparing these condensed consolidated interim financial statements.

IFRS 17, Insurance Contracts

In May 2017, the IASB issued IFRS 17 on the accounting for insurance contracts, which would replace IFRS 4, *Insurance Contracts*. IFRS 17 applies to annual periods beginning on or after January 1, 2023, with earlier application permitted if IFRS 15 and IFRS 9 are also adopted. While early adoption is permitted under the standard, the Office of the Superintendent of Financial Institutions (OSFI) has indicated that early adoption is not allowed. While the Corporation is not federally regulated, it generally follows OSFI's guidance in such matters. The standard represents a comprehensive IFRS accounting model for insurance contracts and is expected to have a significant impact on the financial statements. The Corporation is in the process of assessing the impact of the new proposed standard.

5. Status of CIC

CIC was established by Order in Council 535/47 dated April 2, 1947 and is continued under the provisions of *The Crown Corporations Act, 1993*. CIC is an agent of Her Majesty in Right of the Province of Saskatchewan and as a provincial Crown corporation is not subject to federal and provincial income taxes. Certain associates, joint ventures, joint operations and subsidiaries are not provincial Crown corporations and are subject to federal and provincial income taxes.

6. Equity advances and capital disclosures

CIC does not have share capital. However, CIC has received advances from the GRF to form its equity capitalization. The advances are an equity investment in CIC by the GRF.

Due to its ownership structure, CIC has no access to capital markets for equity. Equity advances in CIC are determined by the shareholder on an annual basis. Dividends to the GRF are determined through the Saskatchewan provincial budget process on an annual basis.

CIC closely monitors its debt level utilizing the debt ratio as a primary indicator of financial health. The debt ratio measures the amount of debt in CIC's capital structure. CIC uses this measure in assessing the extent of financial leverage and in turn, its financial flexibility.

Too high a ratio relative to target indicates an excessive debt burden that may impair CIC's ability to withstand downturns in revenues and still meet fixed payment obligations. The ratio is calculated as net debt divided by capitalization at the end of the period.

Crown Investments Corporation of Saskatchewan
Notes to Condensed Consolidated Interim Financial Statements
June 30, 2020
(thousands of dollars)
(unaudited)

6. Equity advances and capital disclosures (continued)

CIC reviews the debt ratio targets of all its subsidiary Crown corporations on an annual basis to ensure consistency with industry standards. This review includes subsidiary Crown corporations' plans for capital spending. The target debt ratios for subsidiary Crown corporations are approved by the CIC Board. CIC uses targeted debt ratios to compile a weighted average debt ratio for the CIC Crown sector.

CIC raises most of its capital requirements through internal operating activities and long-term debt through the GRF. This type of borrowing allows CIC to take advantage of the Province of Saskatchewan's strong credit rating and receive financing at attractive interest rates.

CIC made no changes to its approach to capital management during the period.

The debt ratio is as follows:

	June 30 2020	March 31 2020
Total debt (a)	\$ 10,559,032	\$ 10,342,206
Less: Sinking funds	(1,284,473)	(1,198,312)
Net debt	9,274,559	9,143,894
Equity	5,899,276	5,814,512
Capitalization	\$ 15,173,835	\$ 14,958,406
Debt ratio	61.1%	61.1%

a) Total debt includes long-term debt, long-term debt due within one year and notes payable.

7. Accumulated other comprehensive income

	June 30 2020	March 31 2020
Items that may be subsequently reclassified to net earnings:		
Unrealized gains on sinking funds	\$ 80,662	\$ 32,981
Unrealized losses on cash flow hedges	(11,839)	(13,346)
Realized losses on cash flow hedges	(11,121)	(11,236)
	57,702	8,399
Items that will not be reclassified to net earnings:		
Impact of changes in defined benefit plan actuarial assumptions	74,212	132,198
	\$ 131,914	\$ 140,597

8. Commitments and contingencies

CIC has various legal matters pending which, in the opinion of management, will not have a material effect on CIC's consolidated financial position or results of operations. Should the ultimate resolution of actions differ from management's assessments and assumptions, a material adjustment to CIC's financial position or results of operations could result.

Crown Investments Corporation of Saskatchewan
Notes to Condensed Consolidated Interim Financial Statements
June 30, 2020
(thousands of dollars)
(unaudited)

9. Condensed consolidated interim statement of cash flows

	April 1 to June 30 2020	April 1 to June 30 2019
Adjustments to reconcile net earnings to cash provided from operating activities		
Depreciation and amortization	\$ 236,361	\$ 225,775
Share of earnings from investments in equity accounted investees	(1,322)	(2,115)
Defined benefit pension plan expense	1,403	842
Provision for decommissioning and environmental remediation liabilities	3	1
Unrealized (gains) losses on derivative financial instruments	(7,914)	10,366
Inventory (recoveries) write downs	(1,971)	3,926
Loss on disposal of property, plant and equipment	1,625	3,207
Impairment reversals	-	(8)
Net finance expenses	82,885	110,996
Other non-cash items	(8,190)	(10,739)
	\$ 302,880	\$ 342,251

10. Fair value of financial instruments

Fair value measurements are categorized into levels within a fair value hierarchy based on the nature of inputs used in the valuation.

Level 1 - Unadjusted quoted prices for identical assets or liabilities are readily available from an active market. The Corporation defines an active market based on the frequency of valuation, any restrictions or illiquidity on disposition of the underlying asset or liability, and trading volumes.

Level 2 - Inputs, other than quoted prices included in level 1 that are observable either directly or indirectly.

Level 3 - Inputs are not based on observable market data.

CIC's financial instruments at fair value are categorized within this hierarchy as follows:

June 30, 2020

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 472,717	\$ -	\$ -	\$ 472,717
Restricted cash and cash equivalents	4,575	-	-	4,575
Notes payable	854,322	-	-	854,322
Investments carried at fair value through profit or loss	219,188	770,676	198,728	1,188,592
Investments carried at fair value through other comprehensive income	-	1,284,473	-	1,284,473
Investments - amortized cost	-	63,466	-	63,466
Long-term debt	-	12,253,067	-	12,253,067
Physical natural gas contracts - net	-	929	-	929
Natural gas price swaps - net	-	(72,831)	-	(72,831)
Physical electricity forwards - net	-	1,856	-	1,856
Electricity contracts for differences - net	-	56	-	5

Crown Investments Corporation of Saskatchewan
Notes to Condensed Consolidated Interim Financial Statements
June 30, 2020
(thousands of dollars)
(unaudited)

10. Fair value of financial instruments (continued)

March 31, 2020

	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 399,308	\$ -	\$ -	\$ 399,308
Restricted cash and cash equivalents	4,567	-	-	4,567
Notes payable	1,449,573	-	-	1,449,573
Investments carried at fair value through profit or loss	182,047	705,020	195,633	1,082,700
Investments carried at fair value through other comprehensive income	-	1,198,312	-	1,198,312
Investments – amortized cost	-	63,163	-	63,163
Long-term debt	-	10,283,692	-	10,283,692
Physical natural gas contracts - net	-	(7,089)	-	(7,089)
Natural gas price swaps - net	-	(79,459)	-	(79,459)
Physical electricity forwards - net	-	3,277	-	3,277

11. Comparative information

Certain of the comparative information have been reclassified to conform to the current period's presentation.

CIC SEPARATE FINANCIAL STATEMENTS



Crown Investments Corporation
of Saskatchewan

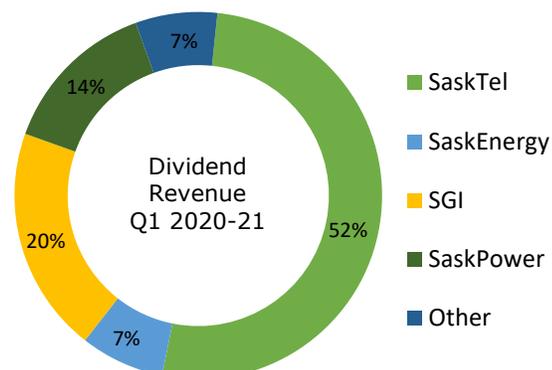
Separate Financial Statements

Management's Discussion and Analysis

CIC is the Provincial Government's holding company for its commercial Crowns. CIC has invested equity in its subsidiary Crown corporations and collects dividends from these corporations. Dividends are based on the overall financial health of the subsidiary Crown and its need for capital investment and debt reduction, if required.

This narrative on CIC's separate June 30, 2020 first quarter results should be read in conjunction with the March 31, 2020 audited separate financial statements.

For the purposes of this narrative on CIC's separate financial results, "CIC" refers to the holding company.



Financial Results

CIC Separate First Quarter Earnings (millions of dollars) (unaudited)	For the three months ended	
	June 30 2020	June 30 2019
Dividend revenue	\$ 35.7	\$ 52.4
Add: Finance and other revenue	-	0.5
Less: Operating, salaries and other expenses	(2.0)	(2.2)
Grants to Saskatchewan Immigrant Investor Fund Inc. (SIIF)	-	(5.6)
Total Separate Earnings	\$ 33.7	\$ 45.1

Net Earnings

Net earnings for the three months ended June 30, 2020 were \$33.7 million (2019-20 - \$45.1 million), a decrease of \$11.4 million. The decrease in net earnings is primarily due to lower dividend revenue of \$16.7 million partially offset by a decrease in grants to subsidiary corporations of \$5.6 million. A more detailed discussion of the net earnings is included on the following pages.

Dividend Revenue

Dividend revenue for the three months ended June 30, 2020 was \$35.7 million (2019-20 - \$52.4 million). The \$16.7 million decrease is primarily due to most subsidiary Crown corporations experiencing decreases in forecast earnings due to the COVID-19 pandemic, negatively impacting their dividend capacity. The first quarter of 2020-21 resulted in lower dividends declared compared to the same period of 2019-20 from SaskTel (\$10.7 million), SGI CANADA (\$2.9 million), SaskGaming (\$4.4 million) and SaskPower (\$1.4 million). These decreases were partially offset by a higher dividend declared by SaskEnergy (\$2.6 million). Crown dividend capacity considers infrastructure reinvestment requirements, financial performance and debt reduction, if required.

Management's Discussion and Analysis (continued)

Dividend Revenue (continued)

For the first three months of this fiscal year, dividends from subsidiary Crown corporations are based on 25 per cent of forecast dividends for the year. The forecast dividend is typically based on a percentage of operating earnings; however, various factors may lead to an amount being set on an alternate basis. Operating earnings excludes any non-cash fair market value adjustments on items such as financial instruments and inventory. Dividend targets are based on the overall financial health of the subsidiary Crown and its need for capital investment and debt reduction, if required. These targets are subject to change during the year if there is a significant change in circumstances.

Operating, Salaries and Other Expenses

Operating, salaries and other expenses for the three months ended June 30, 2020 were \$2.0 million (2019-20 - \$2.2 million). CIC continues to show restraint and these expenses are consistent with the same period of 2019-20.

Grants to SIIF

In the three months ended June 30, 2020, CIC provided Nil (2019-20 - \$5.6 million) in grants to SIIF to support its repayments to the Government of Canada relating to the Immigrant Investor Program (IIP). In the prior year, SIIF recorded an impairment on a developer loan, which resulted in the requirement for grants to meet its repayment obligations. Overall, SIIF has been very successful in delivering its mandate to finance construction of more than 1,500 entry level homes in Saskatchewan by committing capital to construct 2,224 entry level homes in the province.

SIIF was established in 2010 to participate in the Government of Canada's IIP. SIIF used IIP funds to deliver the Government of Saskatchewan's HeadStart on a Home program that assisted developers in building affordable entry-level housing in Saskatchewan. Funds received from the IIP are to be paid back to the Federal Government, after a term of five years, with the final repayment projected to be in 2024.

Management's Discussion and Analysis (continued)

Liquidity and Capital Resources

Cash Flow Highlights (millions of dollars) (unaudited)	For the three months ended	
	June 30 2020	June 30 2019
Net cash from operating activities	\$ 46.4	\$ 88.7
Net cash (used in) from investing activities	(4.1)	2.5
Net cash used in financing activities	<u>(33.1)</u>	<u>(129.6)</u>
Net change in cash	<u>\$ 9.2</u>	<u>\$ (38.4)</u>

Liquidity

CIC finances its capital requirements through internally generated cash flow and, infrequently, through borrowing from the GRF. The GRF borrows on CIC's behalf in capital markets.

Operating, Investing and Financing Activities

Net cash from operating activities for the three months ended June 30, 2020 was \$46.4 million (2019-20 - \$88.7 million), a decrease of \$42.3 million. Cash from operating activities decreased primarily due to lower earnings, before the impacts of non-cash items, as a result of COVID-19 pandemic negatively impacting earnings at many Crown corporations and dividends to CIC. Crowns declare dividends to CIC and pay them three months later. The first quarter of 2020-21 resulted in Crowns declaring lower dividends to CIC, which significantly decreases cash from operations.

Net cash used in investing activities for the three months ended June 30, 2020 was \$4.1 million (cash from in 2019-20 - \$2.5 million), a decrease in cash of \$6.6 million. In the first quarter of 2020-21, CIC provided SaskGaming with an equity advance of \$4.0 million to fund re-opening of the Regina and Moose Jaw casinos, which were closed in March 2020 as a result the COVID-19 pandemic. CIC received proceeds from the sale of property, plant and equipment in the first quarter of 2019-20 and did not receive any in 2020-21. In April 2019, the STC Regina maintenance facility was sold resulting in \$2.1 million in total net proceeds.

Net cash used in financing activities for the three months ended June 30, 2020 was \$33.1 million (2019-20 - \$129.6 million), a decrease in cash used of \$96.5 million. In the fourth quarter of 2018-19, the Crowns experienced strong earnings, which resulted in declaring a large dividend to CIC. CIC subsequently paid a \$129.5 million dividend to the GRF on June 28, 2019. In 2020-21, many Crown Corporations' earnings from operations have been impacted by the COVID-19 pandemic and dividends declared to CIC at Q1 were considerably lower. CIC's first quarter 2020-21 dividend payment to the GRF was \$33.0 million on June 30, 2020.

Debt Management

CIC as a legal entity has no debt. Currently, CIC does not expect to borrow in 2020-21.

Management's Discussion and Analysis (continued)

Outlook and Key Factors Affecting Performance

Since CIC is a holding company, the key factor affecting its earnings is the level of subsidiary Crown corporation earnings and, in turn, dividends. The CIC Board determines dividend levels after considering medium term reinvestment needs within each Crown corporation to sustain operations, to grow and diversify, and for debt reduction if necessary. The Crown earnings and dividend levels are impacted by, but not limited to, global pandemics, weather conditions, commodity markets, general economic and political conditions, interest rates, performance, competition, regulatory environment and technology changes.

CIC regularly assesses the appropriateness of the carrying value of its investments and writes down an investment if it judges the investment to have other than a temporary decline in carrying value. There is a mandate to divest CIC's investments in CIC AMI, CIC Economic Holdco and FNMF.

**Crown Investments Corporation of Saskatchewan
Condensed Separate Interim Statement of Financial Position
As at
(thousands of dollars)**

	Note	(Unaudited) June 30 2020	(Audited*) March 31 2020
ASSETS			
Current			
Cash and cash equivalents		\$ 20,510	\$ 11,297
Interest and accounts receivable		144	107
Dividends receivable		34,637	47,647
		55,291	59,051
Equity advances to Crown corporations	5	1,089,731	1,085,731
Investments in share capital corporations		675	675
Property, plant and equipment		200	217
Right-of-use assets		172	278
		\$ 1,146,069	\$ 1,145,952
LIABILITIES AND PROVINCE'S EQUITY			
Current			
Interest and accounts payable		\$ 1,781	\$ 2,250
Lease liabilities		151	254
		1,932	2,504
Lease liabilities		22	25
		1,954	2,529
Province of Saskatchewan's Equity			
Equity advances		808,889	808,889
Retained earnings		335,226	334,534
		1,144,115	1,143,423
		\$ 1,146,069	\$ 1,145,952

(See accompanying notes)

*As presented in the audited March 31, 2020 Separate Statement of Financial Position.

Crown Investments Corporation of Saskatchewan
Condensed Separate Interim Statement of Comprehensive Income
For the Period
(thousands of dollars)
(unaudited)

Note	April 1 to June 30 2020	April 1 to June 30 2019
INCOME FROM OPERATIONS		
Dividend	\$ 35,722	\$ 52,440
Other income	-	7
	35,722	52,447
EXPENSES		
Operating	322	497
Salaries and short-term employee benefits	1,413	1,468
Employee future benefits	98	87
Depreciation	141	127
Impairment loss	66	-
	2,040	2,179
EARNINGS FROM OPERATIONS		
	33,682	50,268
Finance income	13	459
Finance expenses	(3)	(5)
NET FINANCE INCOME		
	10	454
EARNINGS BEFORE PUBLIC POLICY INITIATIVES		
	33,692	50,722
Grants provided to SIIF	-	(5,606)
NET EARNINGS		
	33,692	45,116
OTHER COMPREHENSIVE INCOME		
	-	-
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO THE PROVINCE OF SASKATCHEWAN		
	\$ 33,692	\$ 45,116

(See accompanying notes)

**Crown Investments Corporation of Saskatchewan
Condensed Separate Interim Statement of Changes in Equity
For the period
(thousands of dollars)
(unaudited)**

Attributable to the Province of Saskatchewan

	Equity Advances	Retained Earnings	Total Equity
Balance at April 1, 2019	\$ 908,889	\$ 372,008	\$ 1,280,897
Total comprehensive income	-	45,116	45,116
Dividend to the GRF	-	(129,500)	(129,500)
Balance at June 30, 2019	\$ 908,889	\$ 287,624	\$ 1,196,513
Total comprehensive income	-	167,410	167,410
Dividends to the GRF	-	(120,500)	(120,500)
Equity advances repaid to the GRF	(100,000)	-	(100,000)
Balance at March 31, 2020	\$ 808,889	\$ 334,534	\$ 1,143,423
Balance at April 1, 2020	\$ 808,889	\$ 334,534	\$ 1,143,423
Total comprehensive income	-	33,692	33,692
Dividend to the GRF	-	(33,000)	(33,000)
Balance at June 30, 2020	\$ 808,889	\$ 335,226	\$ 1,144,115

(See accompanying notes)

**Crown Investments Corporation of Saskatchewan
Condensed Separate Interim Statements of Cash Flows
June 30, 2020
(thousands of dollars)
(unaudited)**

Note	April 1 to June 30 2020	April 1 to June 30 2019
OPERATING ACTIVITIES		
	\$ 33,692	\$ 45,116
Net earnings		
Items not affecting cash from operations		
Depreciation	141	127
Impairment loss	66	-
Net finance income	(10)	(454)
	33,889	44,789
Net change in non-cash working capital balances related to operations	7	43,865
Interest paid	(3)	(2)
Net cash from operating activities	46,390	88,652
INVESTING ACTIVITIES		
Interest received	13	459
Purchase of investments	(66)	-
Equity advances to Crown corporations	(4,000)	-
Proceeds from sale of property, plant and equipment	-	2,090
Purchase of equipment	(18)	-
Net cash (used in) from investing activities	(4,071)	2,549
FINANCING ACTIVITIES		
Dividend paid to the GRF	(33,000)	(129,500)
Principal repayment of lease liabilities	(106)	(108)
Net cash used in financing activities	(33,106)	(129,608)
NET CHANGE IN CASH AND CASH EQUIVALENTS DURING PERIOD	9,213	(38,407)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	11,297	64,444
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 20,510	\$ 26,037

(See accompanying notes)

Crown Investments Corporation of Saskatchewan
Notes to Separate Interim Statements
June 30, 2020
(thousands of dollars)
(unaudited)

1. General information

Crown Investments Corporation of Saskatchewan (CIC) is a corporation domiciled in Canada. The address of CIC's registered office and principal place of business is 400 - 2400 College Avenue, Regina, SK, S4P 1C8. CIC was established to act as a holding corporation for the Province's commercial Crown sector. CIC develops broad corporate policy, directs investments for its subsidiaries and provides dividends to the Province's General Revenue Fund (GRF). A list of CIC's subsidiaries is contained in Note 4.

2. Basis of preparation

a) Statement of compliance

The condensed separate interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 - *Interim Financial Reporting*. The policies set out have been consistently applied to all the periods presented unless otherwise noted. CIC's condensed separate interim financial statements are prepared at the request of the Legislative Assembly of Saskatchewan. The condensed separate interim financial statements do not include all the information required for full annual financial statements, and accordingly should be read in conjunction with the March 31, 2020 audited separate financial statements.

The condensed separate interim financial statements were authorized for issue by the CIC Board of Directors on September 9, 2020.

b) Functional and presentation currency

These condensed separate interim financial statements are presented in Canadian dollars, which is CIC's functional currency.

3. Summary of significant accounting policies

The accounting policies and methods of computation used in the preparation of these condensed separate interim financial statements are consistent with those disclosed in CIC's March 31, 2020 audited separate financial statements.

CIC's condensed separate interim financial statements do not consolidate the activities of its subsidiaries.

CIC prepares condensed consolidated interim financial statements. The unaudited condensed consolidated interim financial statements were authorized by the CIC Board of Directors on September 9, 2020. CIC's condensed consolidated interim financial statements should be referenced for further information.

4. Status of Crown Investments Corporation of Saskatchewan

CIC was established by Order in Council 535/47 dated April 2, 1947 and is continued under the provisions of *The Crown Corporations Act, 1993* (the Act). CIC is an agent of Her Majesty in Right of the Province of Saskatchewan and as a provincial Crown corporation is not subject to federal and provincial income taxes. Certain jointly controlled enterprises and subsidiaries are not provincial Crown corporations and are subject to federal and provincial income taxes.

The Act assigns specific financial and other responsibilities to CIC regarding Crown corporations designated or created as subsidiary Crown corporations of CIC under the Act. The following wholly owned Crown corporations have been designated or created by Order in Council:

Saskatchewan Power Corporation	Saskatchewan Telecommunications
SaskEnergy Incorporated	Saskatchewan Telecommunications
Saskatchewan Water Corporation	Holding Corporation
Saskatchewan Government Insurance	Saskatchewan Gaming Corporation
Saskatchewan Opportunities Corporation	

In addition to the above Crown corporations, CIC is the sole shareholder of CIC Asset Management Inc. (CIC AMI), First Nations and Métis Fund Inc. (FNMF), Saskatchewan Immigrant Investor Fund Inc. (SIIF), and CIC Economic Holdco Ltd., which are wholly owned share capital subsidiaries. All subsidiary Corporations are domiciled in Canada.

Crown Investments Corporation of Saskatchewan
Notes to Separate Interim Statements
June 30, 2020
(thousands of dollars)
(unaudited)

5. Equity advances to Crown corporations

	June 30 2020	March 31 2020
Saskatchewan Power Corporation	\$ 593,000	\$ 593,000
Saskatchewan Telecommunications Holding Corporation	237,000	237,000
Saskatchewan Opportunities Corporation	95,500	95,500
Saskatchewan Government Insurance	80,000	80,000
SaskEnergy Incorporated	71,531	71,531
Saskatchewan Water Corporation	8,700	8,700
Saskatchewan Gaming Corporation	4,000	-
	\$ 1,089,731	\$ 1,085,731

6. Dividend revenue

	April 1 to June 30 2020	April 1 to June 30 2019
Saskatchewan Telecommunications Holding Corporation	\$ 18,398	\$ 29,135
Saskatchewan Government Insurance	7,100	10,000
Saskatchewan Power Corporation	4,988	6,380
SaskEnergy Incorporated	2,642	-
Saskatchewan Water Corporation	1,163	836
Information Services Corporation	1,085	1,085
Saskatchewan Opportunities Corporation	346	636
Saskatchewan Gaming Corporation	-	4,368
	\$ 35,722	\$ 52,440

7. Net change in non-cash working capital balances related to operations

	April 1 to June 30 2020	April 1 to June 30 2019
(Increase) decrease in interest and accounts receivable	\$ (37)	\$ 21
Decrease in dividends receivable	13,010	44,782
Decrease in interest and accounts payable	(469)	(413)
Decrease in deferred revenue	-	(525)
	\$ 12,504	\$ 43,865