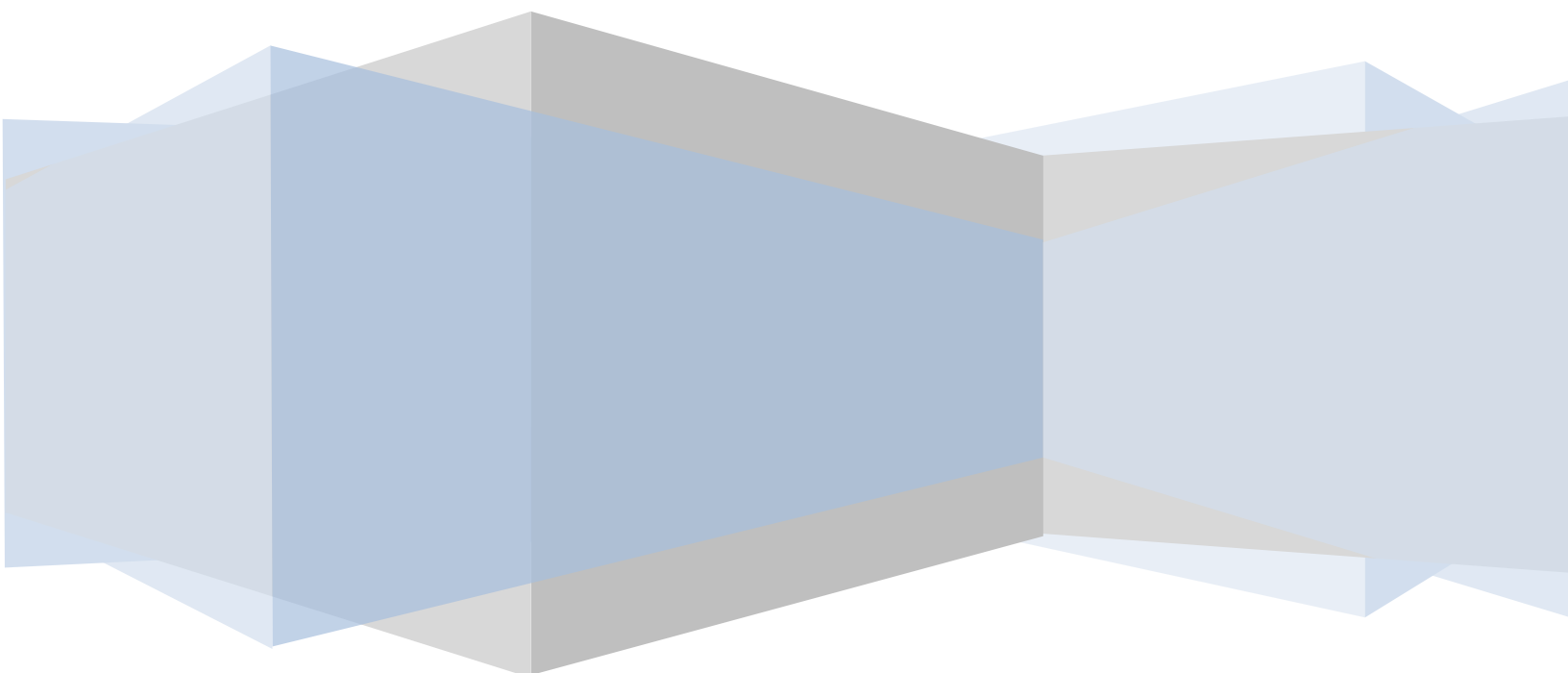


Quarter 3 Financial Report

For the period ended December 31, 2021

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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 2021-22 third quarter financial results should be read in conjunction with the March 31, 2021 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, 2021 audited consolidated 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 Gaming Corporation (SGC)
Saskatchewan Government Insurance (SGI CANADA)
Saskatchewan Opportunities Corporation (SOCO)

Saskatchewan Power Corporation (SaskPower)
Saskatchewan Telecommunications
Holding Corporation (SaskTel)
Saskatchewan Water Corporation (SaskWater)

- Financial results of CIC Asset Management Inc. (CIC AMI)¹, a wholly-owned subsidiary share capital corporation;
- 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).

¹ On April 1, 2021, First Nations and Métis Fund Inc. (FNMF), Saskatchewan Immigrant Investor Fund Inc. (SIIF), and CIC AMI amalgamated. All assets, liabilities, and obligations were amalgamated and the entity is operating as CIC AMI.

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

CIC Consolidated Management Discussion & Analysis

Preface

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 condensed consolidated financial statements and supporting notes for the period ended December 31, 2021. 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, 2021 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, 2021 audited 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.

A Closer View of CIC's Holdings

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 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 (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) ¹	Investments
	Saskatchewan Opportunities Corporation (SOCO)	Research Parks

Consolidated Net Earnings

Subsidiary Corporation Earnings (millions of dollars) (unaudited)	For the nine months ended	
	December 31 2021	December 31 2020
SGI CANADA	\$ 101.1	\$ 129.0
SaskTel	84.5	107.0
SaskEnergy	44.7	29.3
SaskPower	21.8	94.2
SaskWater	8.3	8.5
SGC	6.0	(5.9)
SOCO	1.4	0.7
CIC AMI¹	(0.1)	2.8
CIC (Separate)	142.8	180.3
Other²	<u>(146.3)</u>	<u>(173.6)</u>
Net earnings	<u>\$ 264.2</u>	<u>\$ 372.3</u>

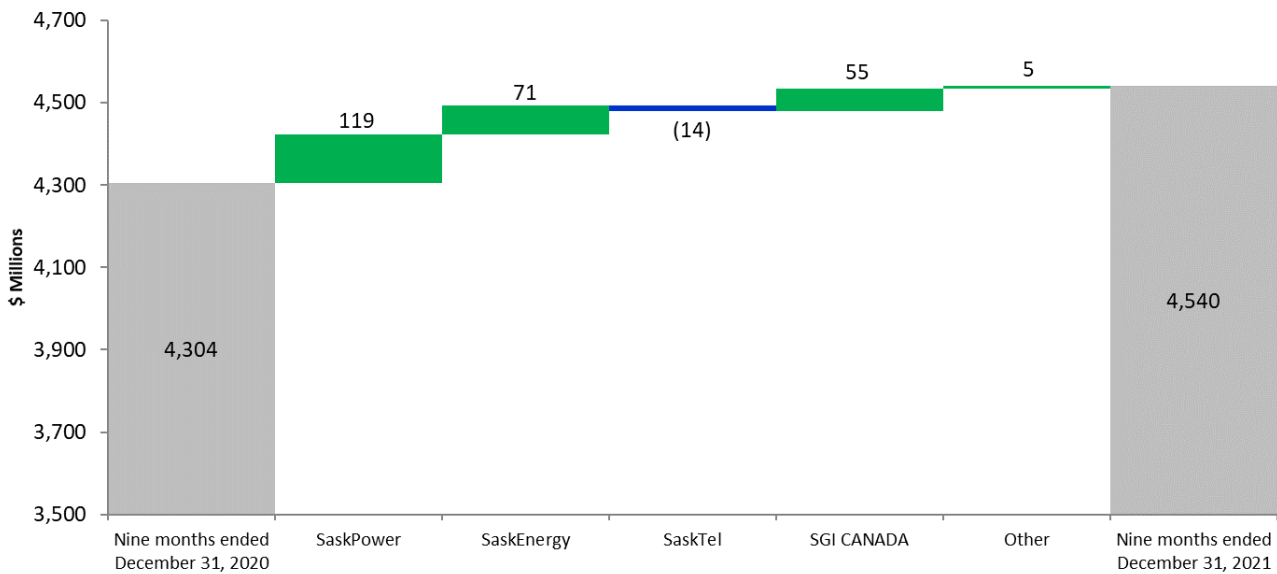
¹ On April 1, 2021, FNMF, SIF, and CIC AMI amalgamated. All assets, liabilities, and obligations were amalgamated, and the entity is operating as CIC AMI. Prior year CIC AMI amounts include the results of CIC AMI, FNMF and SIF.

² Includes CIC Economic Holdco Ltd. (dissolved January 22, 2021), 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 nine months ended December 31, 2021 were \$264.2 million (2020 - \$372.3 million), \$108.1 million lower than the same period in 2020. Lower earnings were experienced at SGI CANADA, SaskTel, and SaskPower, while SaskEnergy experienced increased earnings. A more detailed discussion of net earnings is included on the pages following.

Analysis of Consolidated Revenues and Expenses

Changes in Revenue



Revenue for the nine months ended December 31, 2021 was \$4,540.2 million (2020 - \$4,303.8 million), a \$236.4 million increase over the same period in 2020 primarily related to increases at SaskPower, SaskEnergy, and SGI CANADA.

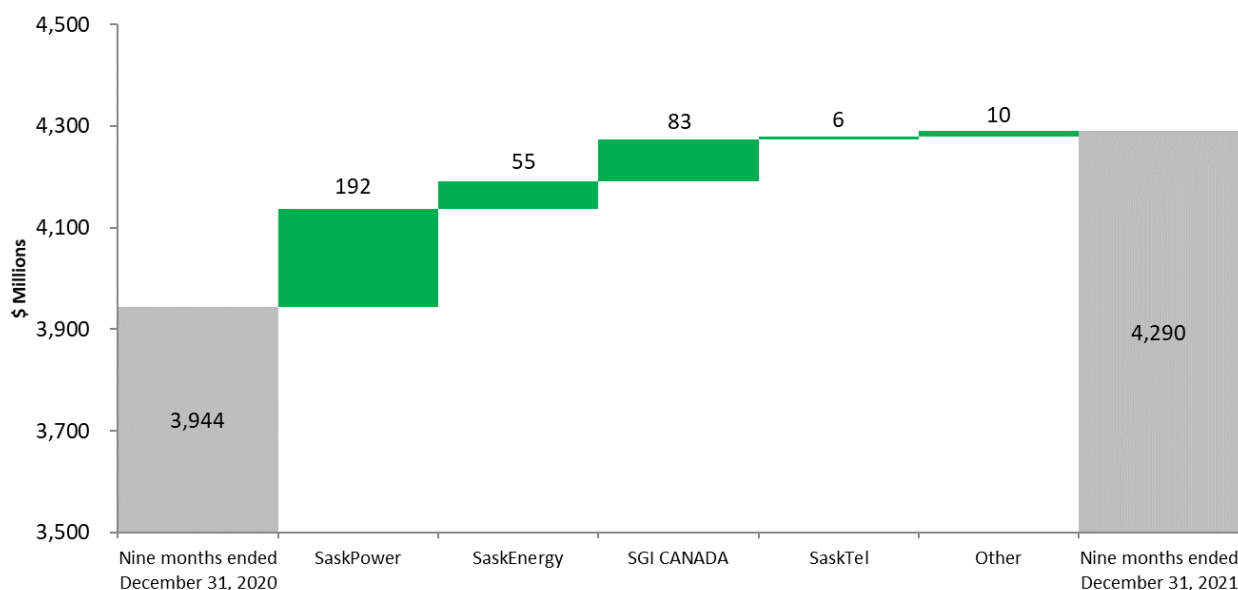
SaskPower revenue increased by \$119.2 million primarily due to increased demand from all customers, except agriculture, and increased carbon charges. This increase is largely attributed to the improved economic conditions in the province as Saskatchewan continues to recover from the COVID-19 pandemic. Export and electricity trading revenue also increased due to higher sale prices and increased sales volumes to Alberta.

SaskEnergy revenue increased by \$70.6 million primarily due to more opportunities to purchase and sell natural gas in the market to generate earnings and a commodity rate increase effective November 1, 2021. Transportation and storage revenue was also higher due to rate increases effective April 1, 2021.

SGI CANADA revenue increased by \$54.6 million primarily due to premium growth in all Saskatchewan lines of business. This growth relates to annual inflationary increases, rate increases in personal and agriculture lines, and additional risks and coverages being added to existing policies.

Analysis of Consolidated Revenues and Expenses *(continued)*

Changes in Total Operating Expenses and Net Finance Expense



Total operating expenses and net finance expense for the nine months ended December 31, 2021 were \$4,290.2 million (2020 - \$3,944.3 million), a \$345.9 million increase from the same period in 2020 primarily related to increases at SaskPower, SaskEnergy, and SGI CANADA.

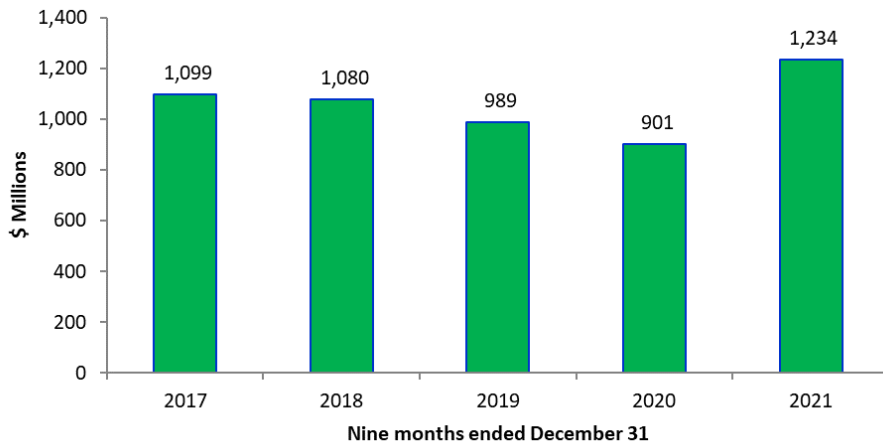
Total operating and net finance expense increased at SaskPower by \$191.5 million primarily due to lower cost hydro generation being replaced with more expensive fuel sources in response to low water levels, increased generation volumes to support increased demand, and higher federal carbon charges.

Total operating and net finance expense increased at SaskEnergy by \$55.2 million primarily due to more opportunities to purchase and sell natural gas in the market to generate earnings. This was partially offset by favourable, non-cash market value adjustments on natural gas contracts as a result of increased natural gas prices that are higher, at the end of Q3, than contracted amounts.

Total operating and net finance expense increased at SGI CANADA by \$82.7 million. Net finance expense includes investment earnings and losses. Year over year investment earnings have declined and therefore have less of an impact on offsetting finance expenses. Equity returns remained positive, but at levels lower than the previous year as the economic recovery from COVID-19 moderated compared to the prior year. Increases in interest rates generated lower returns on fixed income investments during the period compared to strong returns from decreasing interest rates in the prior period. Despite lagging the strong recovery in markets experienced last year, SGI CANADA's portfolio generated positive returns from both its equity and fixed income assets during the period. Claims also increased primarily due to premium growth.

Analysis of Consolidated Capital Resources

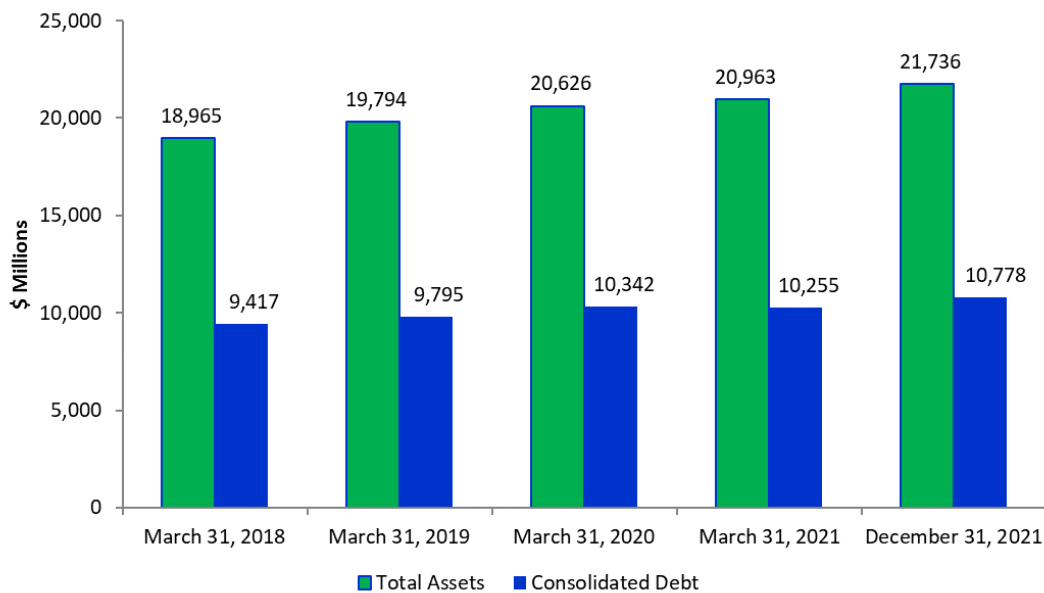
Capital Spending



For the nine months ended December 31, 2021, property, plant and equipment, intangible asset and investment property purchases were \$1,233.9 million (2020 - \$900.6 million), a \$333.3 million increase from the same period in 2020. Major capital expenditures included:

- \$650.8 million at SaskPower related to the Great Plains Power Station in Moose Jaw, connecting customers to the electricity system, increasing capacity, and sustaining transmission and distribution infrastructure including funding from the Power Grid Renewal Grant provided through the Ministry of SaskBuilds and Procurement;
- \$362.9 million at SaskTel on Fibre to the Premises, 5G network modernization, wireless network enhancements, and basic network growth and enhancements; and
- \$202.1 million at SaskEnergy primarily related to customer connections, system expansions to meet customer growth including the 85-kilometer gas line from Rosetown to Vanscoy, and spending to ensure the safety and integrity of its extensive distribution and transmission systems.

Consolidated Debt



Consolidated debt at December 31, 2021 was \$10,777.8 million (March 31, 2021 - \$10,254.7 million), a \$523.1 million increase from March 31, 2021. The increase is primarily due to additional debt used to fund a portion of Crown capital expenditures during the period.

Analysis of Consolidated Capital Resources *(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 December 31, 2021

Moody's Investor Service	Aa1
Standard & Poor's	AA
Dominion Bond Rating Service	AA (low)

Operating, Investing and Financing Activities

Cash Flow Highlights (millions of dollars) (unaudited)	For the nine months ended	
	December 31 2021	December 31 2020
Net cash from operating activities	\$ 1,039.4	\$ 956.5
Net cash used in investing activities	(1,352.5)	(1,035.1)
Net cash from financing activities	<u>283.7</u>	<u>41.5</u>
Net change in cash and cash equivalents	<u>\$ (29.4)</u>	<u>\$ (37.1)</u>

Net cash from operating activities for the nine months ended December 31, 2021 was \$1,039.4 million (2020 - \$956.5 million). The \$82.9 million increase is primarily due to favourable changes in non-cash working capital balances and lower average interest rates on outstanding debt.

Net cash used in investing activities for the nine months ended December 31, 2021 was \$1,352.5 million (2020 - \$1,035.1 million). The \$317.4 million increase is primarily due to higher capital spending at SaskPower on the Great Plains Power Station.

Net cash from financing activities for the nine months ended December 31, 2021 was \$283.7 million (2020 - \$41.5 million). The \$242.2 million increase is primarily due to increased net borrowing for capital requirements. This was partially offset by increased dividends paid to the GRF as a result of improved cash from operating activities and decreased sinking fund redemptions due to fewer debt repayments to the GRF in the period.

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.

Outlook and Key Factors Affecting Performance

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. Earnings are largely driven by utility Crowns that have 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 as well as adapting to any regulatory changes; 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.

The Corporation is recovering from 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.

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)

	Note	(Unaudited) December 31 2021	(Audited*) March 31 2021
ASSETS			
Current			
Cash and cash equivalents	\$	304,941	\$ 334,740
Short-term investments		130,588	136,320
Short-term investments under securities lending program		138,030	140,140
Accounts receivable		1,075,200	1,077,345
Derivative financial assets		65,859	24,140
Inventories		354,765	291,513
Prepaid expenses		237,837	255,309
Contract assets		76,092	66,567
Contract costs		20,199	19,224
		2,403,511	2,345,298
Restricted cash and cash equivalents		4,508	4,508
Long-term investments		2,254,362	1,934,777
Long-term investments under securities lending program		127,340	199,772
Contract assets		29,767	32,396
Contract costs		56,228	57,110
Investments in equity accounted investees		113,572	108,860
Property, plant and equipment		15,391,897	15,038,612
Right-of-use assets		616,586	646,549
Investment property		163,505	166,126
Intangible assets		556,951	413,910
Other assets		17,883	14,967
		\$ 21,736,110	\$ 20,962,885
LIABILITIES AND PROVINCE'S EQUITY			
Current			
Bank indebtedness	\$	-	\$ 408
Trade and other payables		993,405	995,680
Derivative financial liabilities		42,082	63,188
Notes payable		1,039,549	814,004
Deferred revenue		658,735	578,585
Provisions		320,383	281,904
Lease liabilities		58,173	50,674
Long-term debt due within one year		496,320	243,900
Contract liabilities		84,061	84,757
		3,692,708	3,113,100
Provisions		985,267	968,493
Lease liabilities		988,997	1,011,025
Long-term debt		9,241,901	9,196,802
Contract liabilities		159,228	164,905
Employee future benefits		207,038	239,158
Other liabilities		45,353	38,748
		15,320,492	14,732,231
Equity advances		808,889	808,889
Retained earnings		5,414,682	5,300,447
Accumulated other comprehensive income	7	192,047	121,318
		6,415,618	6,230,654
		\$ 21,736,110	\$ 20,962,885

Commitments and contingencies 8

(See accompanying notes)

*As presented in the audited March 31, 2021 consolidated financial statements.

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

	October 1 to December 31 2021	October 1 to December 31 2020	April 1 to December 31 2021	April 1 to December 31 2020
INCOME FROM OPERATIONS				
Revenue	\$ 1,679,154	\$ 1,545,835	\$ 4,540,173	\$ 4,303,751
Other income	2,549	2,164	5,053	7,480
	1,681,703	1,547,999	4,545,226	4,311,231
EXPENSES				
Operating	933,722	747,070	2,367,322	2,113,381
Salaries, wages and short-term employee benefits	217,313	215,327	659,122	649,744
Employee future benefits	17,333	18,043	49,794	53,570
Depreciation and amortization	254,727	245,889	756,997	719,671
Loss on disposal of property, plant and equipment	7,549	9,296	21,008	21,448
Impairment (reversals) losses	-	(10,245)	225	(10,275)
Provision for decommissioning and environmental remediation	52	13	64	25
Saskatchewan taxes and fees	42,555	38,755	132,410	124,343
	1,473,251	1,264,148	3,986,942	3,671,907
RESULTS FROM OPERATING ACTIVITIES				
	208,452	283,851	558,284	639,324
Finance income	37,145	65,781	102,753	171,050
Finance expenses	(138,961)	(154,766)	(406,018)	(443,453)
NET FINANCE EXPENSES				
	(101,816)	(88,985)	(303,265)	(272,403)
Share of net earnings from equity accounted investees	4,213	2,418	9,216	5,405
NET EARNINGS				
	110,849	197,284	264,235	372,326
OTHER COMPREHENSIVE INCOME (LOSS)				
Defined benefit plan actuarial gains (losses)	13,943	(21,216)	36,693	(100,291)
Unrealized gains (losses) on sinking funds	10,555	(14,711)	13,485	4,874
Unrealized (losses) gains on cash flow hedges	(19,601)	(9,997)	20,207	27,314
Amounts amortized to net earnings and included in net finance expenses	115	114	344	344
OTHER COMPREHENSIVE INCOME (LOSS)				
	5,012	(45,810)	70,729	(67,759)
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO THE PROVINCE OF SASKATCHEWAN				
	\$ 115,861	\$ 151,474	\$ 334,964	\$ 304,567

(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, 2020	\$ 808,889	\$ 4,865,026	\$ 140,597	\$ 5,814,512
Total comprehensive income (loss)	-	372,326	(67,759)	304,567
Dividends to GRF	-	(106,000)	-	(106,000)
Balance at December 31, 2020	\$ 808,889	\$ 5,131,352	\$ 72,838	\$ 6,013,079
Balance at January 1, 2021	\$ 808,889	\$ 5,131,352	\$ 72,838	\$ 6,013,079
Total comprehensive income	-	213,095	48,480	261,575
Dividends to GRF	-	(44,000)	-	(44,000)
Balance at March 31, 2021	\$ 808,889	\$ 5,300,447	\$ 121,318	\$ 6,230,654
Balance at April 1, 2021	\$ 808,889	\$ 5,300,447	\$ 121,318	\$ 6,230,654
Total comprehensive income	-	264,235	70,729	334,964
Dividends to GRF	-	(150,000)	-	(150,000)
Balance at December 31, 2021	\$ 808,889	\$ 5,414,682	\$ 192,047	\$ 6,415,618

(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 December 31 2021	April 1 to December 31 2020
OPERATING ACTIVITIES			
Net earnings		\$ 264,235	\$ 372,326
Adjustments to reconcile net earnings to cash from operating activities	9	1,029,433	970,225
		1,293,668	1,342,551
Net change in non-cash working capital balances related to operations		154,981	60,052
Income taxes paid		(3,805)	(8,749)
Interest paid		(405,437)	(437,381)
Net cash from operating activities		1,039,407	956,473
INVESTING ACTIVITIES			
Interest received		19,408	19,153
Dividends received		170	612
Purchase of investments		(889,747)	(848,967)
Proceeds from sale and collection of investments		757,158	703,465
Purchase of property, plant and equipment		(1,030,812)	(859,572)
Costs related to the sale of property, plant and equipment		(5,809)	(9,125)
Purchase of intangible assets		(199,551)	(39,119)
Purchase of investment property		(3,488)	(1,949)
Increase in restricted cash and cash equivalents		-	(42)
Decrease in other assets		182	490
Net cash used in investing activities		(1,352,489)	(1,035,054)
FINANCING ACTIVITIES			
Increase (decrease) in notes payable		225,536	(441,746)
Increase in other liabilities		11,749	5,247
Debt proceeds from the GRF		306,952	938,363
Debt repayments to the GRF		(3,900)	(439,369)
Debt repayments to other lenders		(386)	(1,869)
Principal repayments of lease liabilities		(35,004)	(29,107)
Sinking fund instalments		(73,292)	(72,413)
Sinking fund redemptions		2,036	188,351
Dividends paid		(150,000)	(106,000)
Net cash from financing activities		283,691	41,457
NET CHANGE IN CASH AND CASH EQUIVALENTS DURING PERIOD		(29,391)	(37,124)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD		334,332	399,308
CASH AND CASH EQUIVALENTS, END OF PERIOD		\$ 304,941	\$ 362,184

(See accompanying notes)

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 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, 2021 audited consolidated financial statements.

The condensed consolidated interim financial statements were authorized for issue by the Board of Directors on February 24, 2022.

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

Certain new standards, interpretations, and amendments to existing standards, effective for annual periods beginning on or after January 1, 2021, have been applied in preparing these interim condensed consolidated financial statements.

There was no material impact to the interim financial statements upon adoption of these new standards, interpretations, and amendments.

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, 2021 audited consolidated financial statements, except as described in Note 3.

4. Significant accounting policies *(continued)*

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.

In addition to the Crown corporations listed below, the Corporation also consolidates the accounts of a wholly-owned share capital subsidiary CIC Asset Management Inc. (CIC AMI), which is domiciled in Canada. On April 1, 2021, First Nations and Métis Fund Inc., Saskatchewan Immigrant Investor Fund Inc. and CIC AMI amalgamated. All assets, liabilities and obligations were amalgamated and the entity is operating as CIC AMI.

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

Saskatchewan Power Corporation (SaskPower)

Saskatchewan Telecommunications Holding Corporation (SaskTel)

SaskEnergy Incorporated (SaskEnergy)

Saskatchewan Water Corporation (SaskWater)

Saskatchewan Government Insurance (SGI CANADA)

Saskatchewan Gaming Corporation (SGC)

Saskatchewan Opportunities Corporation (SOCO)

Principal activity

Electricity

Information and communications technology

Natural gas storage and delivery

Water and wastewater management

Property and casualty insurance

Entertainment

Research parks

Associates (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.

Associates 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 commences until the date that significant influence 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.

4. Significant accounting policies *(continued)*

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 a joint operation.

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 December 31, 2021 and has not been applied in preparing these condensed consolidated interim financial statements.

IFRS 17, *Insurance Contracts*

IFRS 17, *Insurance Contracts* was issued in May 2017 and will replace IFRS 4. The intent of the standard is to establish consistent recognition, measurement, presentation and disclosure principles to provide relevant and comparable reporting of insurance contracts across jurisdictions.

The standard requires entities to measure insurance contract liabilities as the risk-adjusted present value of the cash flows plus the contractual service margin, which represents the unearned profit the entity will recognize as future service is provided. This is referred to as the general model. Expedients are specified, provided the insurance contracts meet certain conditions. If, at initial recognition or subsequently, the contractual service margin becomes negative, the contract is considered onerous and the excess is recognized immediately in net earnings. The standard also includes significant changes to the presentation and disclosure of insurance contracts within entities' financial statements.

IFRS 17 applies to annual periods beginning on or after January 1, 2023. The standard is to be applied retrospectively unless impracticable, in which case a modified retrospective approach or fair value approach is to be used for transition. The standard represents a comprehensive IFRS accounting model for insurance contracts and is expected to have a significant impact on financial reporting on the Corporation's property and casualty insurance segment. The Corporation is evaluating the impact this standard will have on the consolidated financial statements.

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 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.

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:

	December 31 2021	March 31 2021
Total debt (a)	\$ 10,777,770	\$ 10,254,706
Less: Sinking funds	(1,205,705)	(1,103,952)
Net debt	9,572,065	9,150,754
Equity	6,415,618	6,230,654
Capitalization	\$ 15,987,683	\$ 15,381,408
Debt ratio	59.9%	59.5%

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

7. Accumulated other comprehensive income

	December 31 2021	March 31 2021
Items that may be subsequently reclassified to net earnings:		
Unrealized gains (losses) on sinking funds	\$ 8,989	\$ (4,496)
Unrealized gains (losses) on cash flow hedges	19,003	(1,204)
Realized losses on cash flow hedges	(10,433)	(10,777)
	17,559	(16,477)
Items that will not be reclassified to net earnings:		
Impact of changes in defined benefit plan actuarial assumptions	174,488	137,795
	\$ 192,047	\$ 121,318

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.

9. Condensed consolidated interim statement of cash flows

	April 1 to December 31 2021	April 1 to December 31 2020
Adjustments to reconcile net earnings to cash provided from operating activities		
Depreciation and amortization	\$ 756,997	\$ 719,671
Share of earnings from investments in equity accounted investees	(9,216)	(5,405)
Defined benefit pension plan expense	4,237	4,474
Provision for decommissioning and environmental remediation liabilities	64	25
Unrealized gains on derivative financial instruments	(29,135)	(13,009)
Inventory recoveries	(2,636)	(6,097)
Loss on disposal of property, plant and equipment	21,008	21,448
Impairment losses (recoveries)	225	(10,275)
Net finance expenses	303,265	272,403
Reclassification of natural gas hedges transitional market value losses	(13,328)	(14,683)
Other non-cash items	(2,048)	1,673
	\$ 1,029,433	\$ 970,225

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:

December 31, 2021				
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 304,941	\$ -	\$ -	\$ 304,941
Restricted cash and cash equivalents	4,508	-	-	4,508
Notes payable	1,039,549	-	-	1,039,549
Investments - fair value through profit or loss	288,117	924,405	222,849	1,435,371
Investments - fair value through other comprehensive income	-	1,205,705	-	1,205,705
Investments - amortized cost	-	9,244	-	9,244
Long-term debt	-	11,267,917	-	11,267,917
Physical natural gas contracts - net	-	38,992	-	38,992
Natural gas price swaps - net	-	(15,370)	-	(15,370)
Foreign exchange forward contracts - net	-	155	-	155

March 31, 2021				
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 334,740	\$ -	\$ -	\$ 334,740
Bank indebtedness	408	-	-	408
Restricted cash and cash equivalents	4,508	-	-	4,508
Notes payable	814,004	-	-	814,004
Investments - fair value through profit or loss	281,194	803,174	206,163	1,290,531
Investments - fair value through other comprehensive income	-	1,103,952	-	1,103,952
Investments - amortized cost	-	16,497	-	16,497
Long-term debt	-	10,595,738	-	10,595,738
Physical natural gas contracts - net	-	9,857	-	9,857
Natural gas price swaps - net	-	(48,905)	-	(48,905)

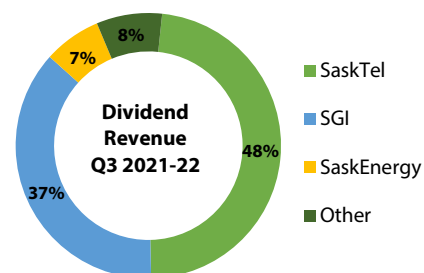
CIC SEPARATE FINANCIAL STATEMENTS

CIC Separate Management Discussion & Analysis

Analysis of CIC Separate Financial Results

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 December 31, 2021 third quarter results should be read in conjunction with the March 31, 2021 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 Third Quarter Earnings (millions of dollars) (unaudited)	For the nine months ended	
	December 31 2021	December 31 2020
Dividend revenue	\$ 141.9	\$ 187.5
Add: Finance and other revenue	0.6	0.3
Impairment recovery	8.6	-
Less: Operating, salaries and other expenses	(8.3)	(6.6)
Grants to Saskatchewan Immigrant Investor Fund Inc. (SIIF)	-	(0.9)
Total Separate Earnings	\$ 142.8	\$ 180.3

Net Earnings

Net earnings for the nine months ended December 31, 2021 were \$142.8 million (2020 - \$180.3 million), a decrease of \$37.5 million. The decrease in net earnings is primarily due to lower dividend revenue of \$45.6 million partially offset by an impairment recovery of \$8.6 million on the loan to CIC Asset Management Inc.¹ (formerly loan to First Nations and Métis Fund Inc.) as it has financial capacity, following amalgamation, to repay the loan due to CIC. A more detailed discussion of the net earnings is included on the following pages.

Dividend Revenue

Dividend revenue for the nine months ended December 31, 2021 was \$141.9 million (2020 - \$187.5 million). The \$45.6 million decrease is primarily due to most subsidiary Crown corporations experiencing decreased earnings, negatively impacting their dividend capacity. The third quarter of 2021-22 resulted in lower dividends declared compared to the same period of 2020-21 from SaskPower (\$28.4 million), SaskTel (\$17.5 million) and SaskEnergy (\$3.4 million). These decreases were offset by an increase in dividends declared from SGI CANADA (\$2.3 million). Crown dividend capacity considers infrastructure reinvestment requirements, financial performance, and debt reduction, if required.

SaskPower did not declare a dividend in the first and second quarters as it was forecasting a net loss for 2021-22. SaskPower is projecting modest earnings, but significantly lower than last year, as a result of SaskPower’s efforts to

¹ CIC Asset Management Inc.(CIC AMI), the First Nations and Métis Fund Inc. and the Saskatchewan Immigrant Investor Fund Inc. amalgamated. All assets, liabilities and obligations were amalgamated, and the entity continued to operate as CIC AMI.

Analysis of CIC Separate Financial Results *(continued)*

Dividend Revenue *(continued)*

support customers during the pandemic. In 2021-22, SaskTel experienced unfavourable wireless revenue caused by the waiving of data charges during the pandemic in the first quarter along with customers shifting from landlines to using mobile devices exclusively. In addition, SaskTel continues to invest in wireless and fibre connectivity to rural areas which is increasing depreciation and reducing earnings. SaskEnergy's earnings and dividend capacity are impacted by decreased delivery revenues because of weather being warmer than the prior year. SGI CANADA earnings and dividends improved in 2021-22 mainly due to the strength of the investment markets along with premium earnings and claim costs trending better than expected due to lower auto claims with fewer drivers on the road during the pandemic.

For the first nine months of this fiscal year, dividends from subsidiary Crown corporations are based on 75 per cent of forecast dividends for the year. The 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.

Impairment Recovery

On April 1, 2021, CIC Asset Management Inc. (CIC AMI), the First Nations and Métis Fund Inc. (FNMF), and the Saskatchewan Immigrant Investor Fund Inc. (SIIF) amalgamated and continued to operate as CIC AMI. As a result of the amalgamation, CIC reversed its impairment losses of \$8.6 million on its investment in FNMF as CIC AMI has the financial capacity to repay the loan in the future.

Operating, Salaries and Other Expenses

Operating, salaries and other expenses for the nine months ended December 31, 2021 resulted in a \$0.4 million recovery of expenses (2020 - \$6.6 million expenses) mainly due to the FNMF impairment reversal. In 2021-22, CIC has taken on a more enhanced role in coordinating Crown collaboration across government supporting several policy-driven Crown initiatives. This initiative has increased salaries and benefit costs along with increased consulting fees. In addition, CIC supported the two rate reviews of the Saskatchewan Rate Review Panel. Excluding the impairment reversal, expenses are \$1.7 million higher than the same period of 2020-21.

Liquidity and Capital Resources

Cash Flow Highlights (millions of dollars) (unaudited)	For the nine months ended	
	December 31 2021	December 31 2020
Net cash from operating activities	\$ 151.5	\$ 125.3
Net cash used in investing activities	(11.2)	(4.0)
Net cash used in financing activities	<u>(150.3)</u>	<u>(106.3)</u>
Net change in cash	<u>\$ (10.0)</u>	<u>\$ (15.0)</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.

Analysis of CIC Separate Financial Results *(continued)*

Operating, Investing and Financing Activities

Net cash from operating activities for the nine months ended December 31, 2021 was \$151.5 million (2020 - \$125.3 million), an increase of \$26.2 million. Cash from operating activities increased primarily due to a \$18.1 million decrease in dividends receivable from subsidiary Crown corporations partially offset by lower net earnings. A decrease in dividends receivable equates to an increase in cash received by CIC.

Net cash used in investing activities for the nine months ended December 31, 2021 was \$11.2 million (2020 - \$4.0 million), an increase in cash used of \$7.2 million. As of December 31, 2021, CIC provided SaskGaming with an equity advance of \$11.7 million (2020-21 - \$4.0 million) to fund re-opening of the Regina and Moose Jaw casinos, which were temporarily closed for several months due to the COVID-19 restrictions.

Net cash used in financing activities for the nine months ended December 31, 2021 was \$150.3 million (2020 - \$106.3 million), an increase in cash used of \$44.0 million. This is a result of a higher dividend payment to the GRF of \$150.0 million at the end of Q3 compared to \$106.0 million in the same period last year. CIC had capacity to pay a higher dividend as it had more cash available at the end of 2020-21.

Debt Management

CIC as a legal entity has no debt. Currently, CIC does not expect to borrow in 2021-22.

Outlook and Key Factors Affecting Performance

The level of earnings of subsidiary Crown corporations is the key factor affecting CIC's earnings as a holding company, and thus CIC's ability to pay 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 geo-political conditions, interest rates, performance, competition, regulatory environment and technology changes. Market variability, any potential restrictions or business challenges from the pandemic and the continued recovery of economic activity may impact the Crowns for the remainder of 2021-22.

CIC regularly assesses the appropriateness of the carrying value of its investments and adjusts the value of investments if it judges them to have other than a temporary increase or decline in carrying value.

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

	Note	(Unaudited) December 31 2021	(Audited*) March 31 2021
ASSETS			
Current			
Cash and cash equivalents		\$ 72,998	\$ 82,965
Interest and accounts receivable		5	77
Dividends receivable		77,796	95,905
		150,799	178,947
Equity advances to Crown corporations	5	1,100,431	1,088,731
Investments in share capital corporations		8,956	314
Property, plant and equipment		108	161
Right-of-use assets		3,535	3,844
		\$ 1,263,829	\$ 1,271,997
LIABILITIES AND PROVINCE'S EQUITY			
Current			
Interest and accounts payable		\$ 1,620	\$ 2,265
Lease liabilities		399	397
		2,019	2,662
Lease liabilities		3,154	3,453
		5,173	6,115
Equity advances		808,889	808,889
Retained earnings		449,767	456,993
		1,258,656	1,265,882
		\$ 1,263,829	\$ 1,271,997

(See accompanying notes)

*As presented in the audited March 31, 2021 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	October 1 to December 31 2021	October 1 to December 31 2020	April 1 to December 31 2021	April 1 to December 31 2020
INCOME FROM OPERATIONS					
Dividend revenue	6	\$ 78,881	\$ 103,461	\$ 141,864	\$ 187,530
Other income		-	-	73	170
		78,881	103,461	141,937	187,700
EXPENSES					
Operating		1,302	691	2,635	1,384
Salaries and short-term employee benefits		1,664	1,589	4,894	4,401
Employee future benefits		171	170	388	366
Impairment recovery	7	-	(613)	(8,642)	-
Depreciation		123	140	372	417
		3,260	1,977	(353)	6,568
EARNINGS FROM OPERATIONS		75,621	101,484	142,290	181,132
Finance income		184	39	516	84
Finance expense		(10)	(9)	(32)	(14)
NET FINANCE INCOME		174	30	484	70
EARNINGS BEFORE PUBLIC POLICY INITIATIVES		75,795	101,514	142,774	181,202
Grants to Saskatchewan Immigrant Investor Fund Inc.		-	(887)	-	(887)
NET EARNINGS		75,795	100,627	142,774	180,315
OTHER COMPREHENSIVE INCOME		-	-	-	-
TOTAL COMPREHENSIVE INCOME					
ATTRIBUTABLE TO THE PROVINCE					
OF SASKATCHEWAN		\$ 75,795	\$ 100,627	\$ 142,774	\$ 180,315

(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, 2020	\$ 808,889		\$ 334,534		\$ 1,143,423
Total comprehensive income	-		180,315		180,315
Dividend to the GRF	-		(106,000)		(106,000)
Balance at December 31, 2020	\$ 808,889		\$ 408,849		\$1,217,738
Balance at January 1, 2021	\$ 808,889		\$ 408,849		\$ 1,217,738
Total comprehensive income	-		92,144		92,144
Dividends to the GRF	-		(44,000)		(44,000)
Balance at March 31, 2021	\$ 808,889		\$ 456,993		\$ 1,265,882
Balance at April 1, 2021	\$ 808,889		\$ 456,993		\$ 1,265,882
Total comprehensive income	-		142,774		142,774
Dividend to the GRF	-		(150,000)		(150,000)
Balance at December 31, 2021	\$ 808,889		\$ 449,767		\$ 1,258,656

(See accompanying notes)

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

Note	April 1 to December 31 2021	April 1 to December 31 2020
OPERATING ACTIVITIES		
Net earnings	\$ 142,774	\$ 180,315
Items not affecting cash from operations		
Depreciation	372	417
Impairment recovery	7 (8,642)	-
Net finance income	(484)	(70)
	134,020	180,662
Net change in non-cash working capital balances related to operations	8 17,536	(55,392)
Interest paid	(32)	(14)
Net cash from operating activities	151,524	125,256
INVESTING ACTIVITIES		
Interest received	516	84
Equity advances to Crown corporations	(11,700)	(4,000)
Purchase of equipment	(10)	(66)
Net cash used in investing activities	(11,194)	(3,982)
FINANCING ACTIVITIES		
Dividend paid to the GRF	(150,000)	(106,000)
Principal repayment of lease liabilities	(297)	(320)
Net cash used in financing activities	(150,297)	(106,320)
NET CHANGE IN CASH AND CASH EQUIVALENTS DURING PERIOD	(9,967)	14,954
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	82,965	11,297
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 72,998	\$ 26,251

(See accompanying notes)

Crown Investments Corporation of Saskatchewan
Notes to Interim Separate Financial Statements
December 31, 2021
(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, 2021 audited separate financial statements.

The condensed separate interim financial statements were authorized for issue by the CIC Board of Directors on February 24, 2022.

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, 2021 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 February 24, 2022. 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.

Crown Investments Corporation of Saskatchewan
Notes to Interim Separate Financial Statements
December 31, 2021
(thousands of dollars)
(unaudited)

4. Status of Crown Investments Corporation of Saskatchewan *(continued)*

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:

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

In addition to the above Crown corporations, CIC is the sole shareholder of CIC Asset Management Inc. (CIC AMI), a wholly-owned share capital subsidiary which is domiciled in Canada. On April 1, 2021, First Nations and Métis Fund Inc., Saskatchewan Immigrant Investor Fund Inc. and CIC AMI amalgamated. All assets, liabilities and obligations were amalgamated, and the entity continued to operate as CIC AMI.

5. Equity advances to Crown corporations

	December 31 2021	March 31 2021
SaskPower	\$ 593,000	\$ 593,000
SaskTel	237,000	237,000
SOCO	94,500	94,500
SGI CANADA	80,000	80,000
SaskEnergy	71,531	71,531
SGC	15,700	4,000
SaskWater	8,700	8,700
	\$ 1,100,431	\$ 1,088,731

6. Dividend revenue

	April 1 to December 31 2021	April 1 to December 31 2020
SaskTel	\$ 67,523	\$ 85,050
SGI CANADA	52,500	50,250
SaskEnergy	10,256	13,646
SaskWater	4,298	4,174
Information Services Corporation	4,503	3,255
SaskPower	2,300	30,699
SOCO	484	456
	\$ 141,864	\$ 187,530

Crown Investments Corporation of Saskatchewan
Notes to Interim Separate Financial Statements
December 31, 2021
(thousands of dollars)
(unaudited)

7. Impairment recovery

On April 1, 2021, CIC Asset Management Inc. (CIC AMI), the First Nations and Métis Fund Inc. (FNMF), and the Saskatchewan Immigrant Investor Fund Inc. (SIIF) amalgamated and continued to operate as CIC AMI. As a result of the amalgamation, CIC's investment in FNMF that had been impaired by \$8.6 million in previous periods was reversed as CIC AMI has the financial capacity to repay the loan.

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

	April 1 to December 31 2021	April 1 to December 31 2020
Decrease (increase) in interest and accounts receivable	\$ 72	\$ (62)
Decrease (increase) in dividends receivable	18,109	(54,729)
Decrease in interest and accounts payable	(645)	(601)
	\$ 17,536	\$ (55,392)