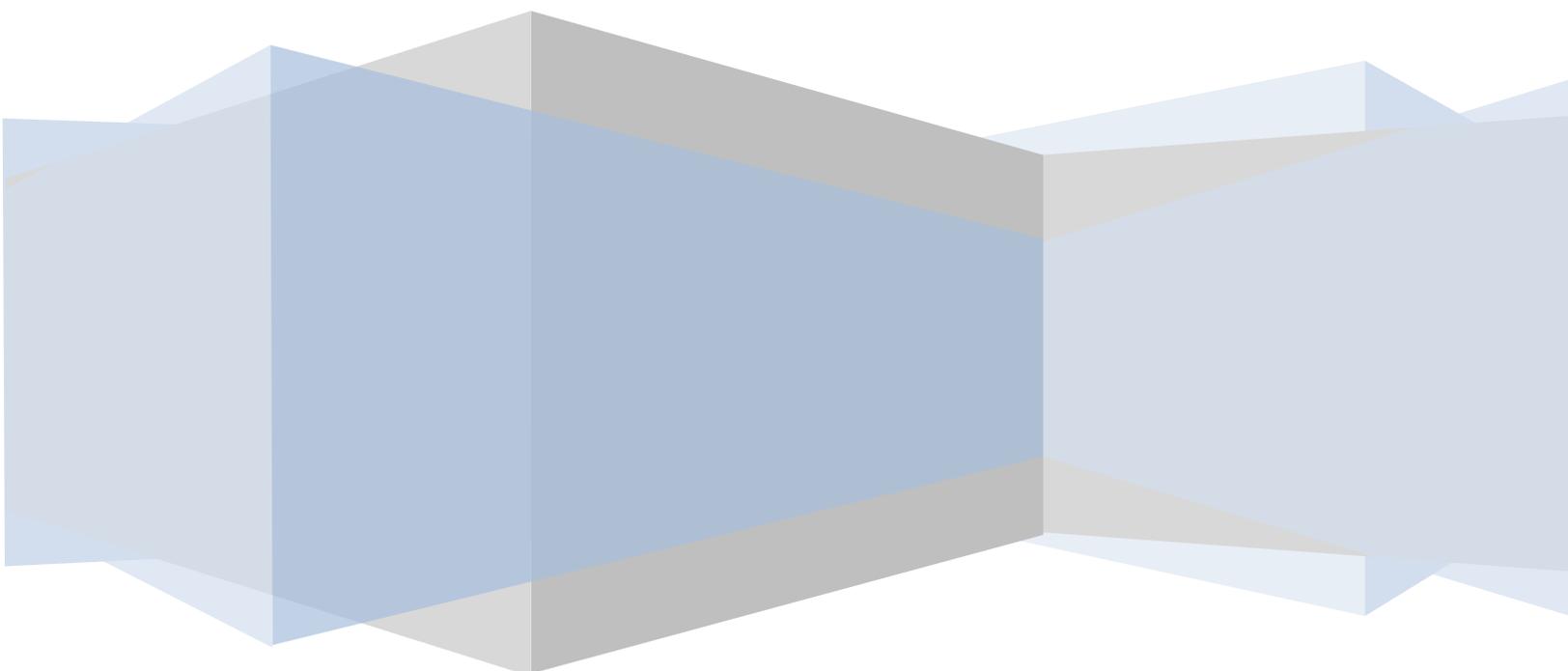


Quarter 2 Financial Report

For the period ended September 30, 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 second 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 September 30, 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 six months ended	
	September 30 2021	September 30 2020
SaskTel	\$ 56.1	\$ 76.4
SGI CANADA	51.8	64.6
SaskEnergy	27.3	12.2
SaskPower	12.8	19.0
SaskWater	5.9	6.8
SGC	3.1	(4.2)
SOCO	0.7	0.8
CIC AMI ¹	-	0.7
CIC (Separate)	66.9	79.7
Other ²	(71.2)	(81.0)
Net earnings	\$ 153.4	\$ 175.0

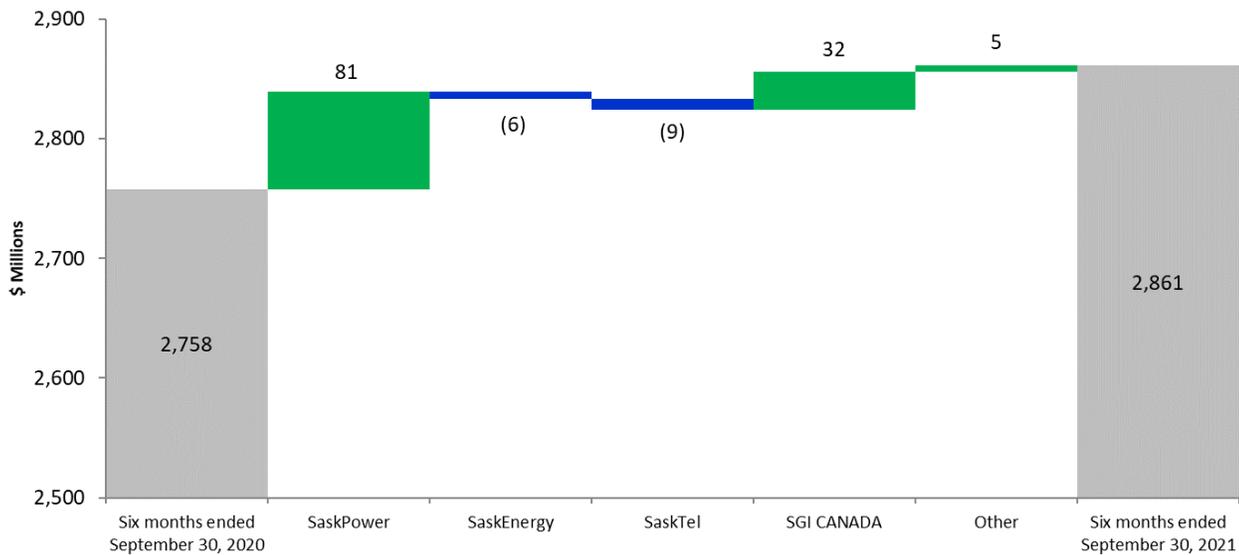
¹ On April 1, 2021, FNMf, SIIIF, and CIC AMI amalgamated. All assets, liabilities, and obligations were amalgamated, and the entity is operating as CIC AMI. Prior year CIC AMI amounts include the results of CIC AMI, FNMf and SIIIF.

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 six months ended September 30, 2021 were \$153.4 million (2020 - \$175.0 million), \$21.6 million lower than the same period in 2020. Lower earnings were experienced at SaskTel, SGI CANADA, 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



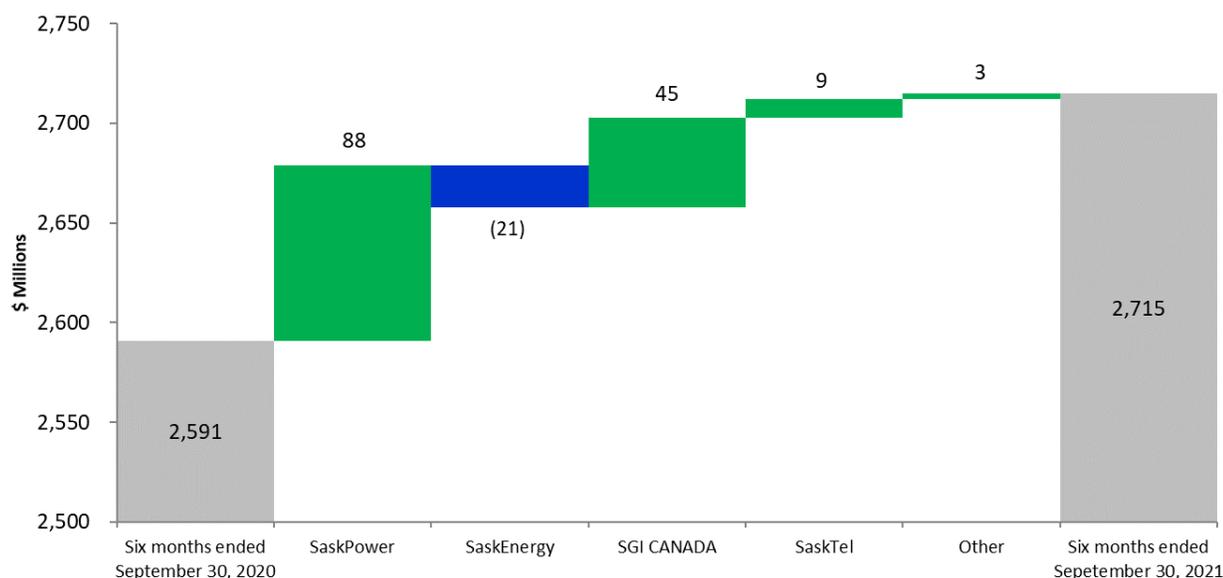
Revenue for the six months ended September 30, 2021 was \$2,861.0 million (2020 - \$2,757.9 million), a \$103.1 million increase over the same period in 2020 primarily related to increases at SaskPower and SGI CANADA.

SaskPower revenue increased by \$81.4 million primarily due to higher Saskatchewan electricity sales as a result of increased demand in 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 sales prices and increased sales volumes to Alberta.

SGI CANADA revenue increased by \$32.2 million primarily due to premium growth in all Saskatchewan lines of business. This growth relates to annual inflationary increases, rate increases in personal and agro 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 six months ended September 30, 2021 were \$2,715.1 million (2020 - \$2,591.2 million), a \$123.9 million increase from the same period in 2020 primarily related to increases at SaskPower and SGI CANADA, partially offset by a decrease at SaskEnergy.

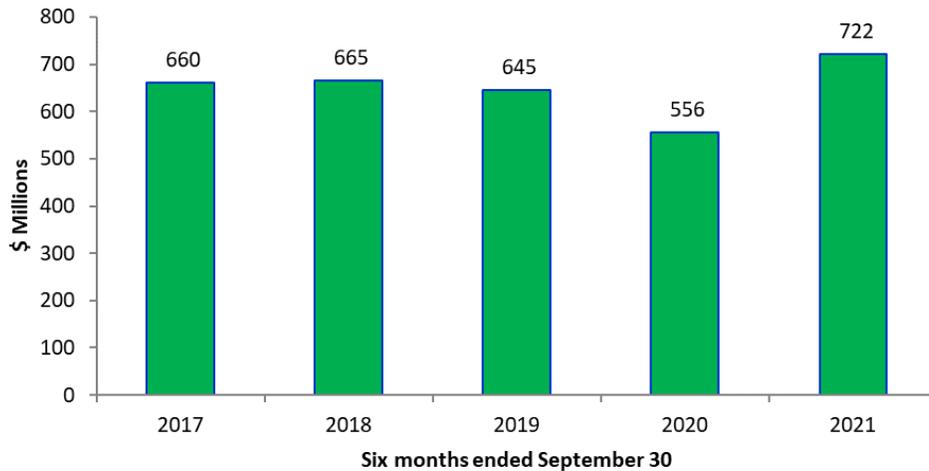
Total operating and net finance expense increased at SaskPower by \$87.7 million primarily due to higher fuel and purchased power costs due to lower cost hydro generation being replaced with more expensive fuel sources in response to low water levels, increased generation volumes to support increased demand, and higher federal carbon charges.

Total operating and net finance expense decreased at SaskEnergy by \$20.9 million primarily due to favourable non-cash market value adjustments on natural gas contracts as a result of increased natural gas prices that are higher than contracted amounts.

Total operating and net finance expense increased at SGI CANADA by \$45.2 million primarily due to lower investment earnings. Equity returns remained positive, but at levels lower than the previous 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.

Analysis of Consolidated Capital Resources

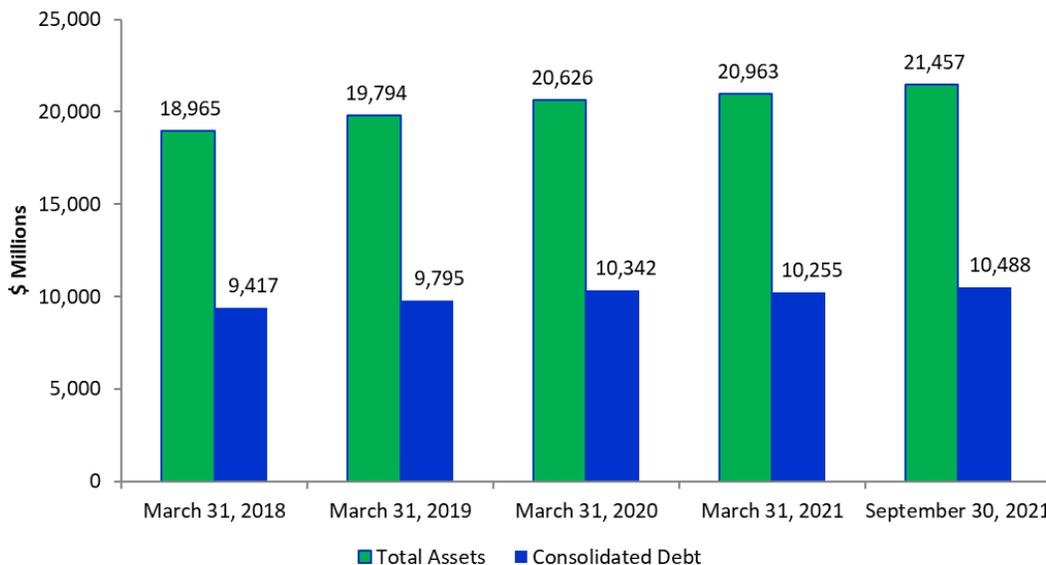
Capital Spending



For the six months ended September 30, 2021, property, plant and equipment, intangible asset and investment property purchases were \$721.8 million (2020 - \$555.7 million), a \$166.1 million increase from the same period in 2020. Major capital expenditures included:

- \$427.9 million at SaskPower related to the Great Plains Power Station in Moose Jaw, connecting customers to the electric 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;
- \$160.7 million at SaskTel on Fibre to the Premises, 5G network modernization, wireless network enhancements, and basic network growth and enhancements which includes a deposit on acquiring spectrum licenses; and
- \$122.3 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 September 30, 2021 was \$10,488.4 million (March 31, 2021 - \$10,254.7 million), a \$233.7 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 September 30, 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 six months ended	
	September 30 2021	September 30 2020
Net cash from operating activities	\$ 777.6	\$ 601.0
Net cash used in investing activities	(747.6)	(637.8)
Net cash from (used in) financing activities	46.0	(49.6)
Change in cash and cash equivalents	\$ 76.0	\$ (86.4)

Net cash from operating activities for the six months ended September 30, 2021 was \$777.6 million (2020 - \$601.0 million). The \$176.6 million increase is primarily due to favourable changes in non-cash working capital balances.

Net cash used in investing activities for the six months ended September 30, 2021 was \$747.6 million (2020 - \$637.8 million). The \$109.8 million increase is primarily due to higher capital spending at SaskPower on the Great Plains Power Station. This was partially offset by increased net investment proceeds at SGI CANADA due to portfolio management.

Net cash from financing activities for the six months ended September 30, 2021 was \$46.0 million (2020 - \$49.6 million used in financing activities). The \$95.6 million change was 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 no 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.

The Corporation projects continued strong operating performance. 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.

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.

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) September 30 2021	(Audited*) March 31 2021
ASSETS			
Current			
Cash and cash equivalents		\$ 411,037	\$ 334,740
Short-term investments		125,722	136,320
Short-term investments under securities lending program		122,598	140,140
Accounts receivable		1,031,688	1,077,345
Derivative financial assets		110,882	24,140
Inventories		348,557	291,513
Prepaid expenses		260,614	255,309
Contract assets		70,961	66,567
Contract costs		19,469	19,224
		2,501,528	2,345,298
Restricted cash and cash equivalents		4,508	4,508
Long-term investments		2,076,991	1,934,777
Long-term investments under securities lending program		211,974	199,772
Contract assets		25,345	32,396
Contract costs		56,197	57,110
Investments in equity accounted investees		111,692	108,860
Property, plant and equipment		15,225,207	15,038,612
Right-of-use assets		618,008	646,549
Investment property		164,869	166,126
Intangible assets		413,108	413,910
Other assets		47,867	14,967
		\$ 21,457,294	\$ 20,962,885
LIABILITIES AND PROVINCE'S EQUITY			
Current			
Bank indebtedness		\$ 705	\$ 408
Trade and other payables		1,057,387	995,680
Derivative financial liabilities		49,157	63,188
Notes payable		749,945	814,004
Deferred revenue		652,512	578,585
Provisions		324,621	281,904
Lease liabilities		54,299	50,674
Long-term debt due within one year		500,220	243,900
Contract liabilities		88,952	84,757
		3,477,798	3,113,100
Provisions		986,790	968,493
Lease liabilities		991,694	1,011,025
Long-term debt		9,238,208	9,196,802
Contract liabilities		161,102	164,905
Employee future benefits		218,873	239,158
Other liabilities		43,072	38,748
		15,117,537	14,732,231
Equity advances		808,889	808,889
Retained earnings		5,343,833	5,300,447
Accumulated other comprehensive income	7	187,035	121,318
		6,339,757	6,230,654
		\$ 21,457,294	\$ 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)

	July 1 to September 30 2021	July 1 to September 30 2020	April 1 to September 30 2021	April 1 to September 30 2020
INCOME FROM OPERATIONS				
Revenue	\$ 1,447,272	\$ 1,411,698	\$ 2,861,019	\$ 2,757,916
Other income	1,507	2,019	2,504	5,316
	1,448,779	1,413,717	2,863,523	2,763,232
EXPENSES				
Operating	748,109	739,324	1,433,600	1,366,311
Salaries, wages and short-term employee benefits	216,111	218,074	441,809	434,417
Employee future benefits	15,965	17,960	32,461	35,527
Depreciation and amortization	252,934	237,421	502,270	473,782
Loss on disposal of property, plant and equipment	8,988	10,527	13,459	12,152
Impairment losses (reversals)	222	(30)	225	(30)
Provision for decommissioning and environmental remediation	12	9	12	12
Saskatchewan taxes and fees	46,154	42,969	89,855	85,588
	1,288,495	1,266,254	2,513,691	2,407,759
RESULTS FROM OPERATING ACTIVITIES				
	160,284	147,463	349,832	355,473
Finance income	28,241	39,592	65,608	105,269
Finance expenses	(138,875)	(140,125)	(267,057)	(288,687)
NET FINANCE EXPENSES				
	(110,634)	(100,533)	(201,449)	(183,418)
Share of net earnings from equity accounted investees	2,999	1,665	5,003	2,987
NET EARNINGS				
	52,649	48,595	153,386	175,042
OTHER COMPREHENSIVE INCOME				
Defined benefit plan actuarial gains (losses)	19,747	(21,089)	22,750	(79,075)
Unrealized (losses) gains on sinking funds	(15,258)	(10,370)	2,930	37,311
Unrealized gains on cash flow hedges	24,422	18,078	39,808	19,585
Amounts amortized to net earnings and included in net finance expenses	115	115	229	230
OTHER COMPREHENSIVE INCOME				
	29,026	13,266	65,717	(21,949)
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO THE PROVINCE OF SASKATCHEWAN				
	\$ 81,675	\$ 35,329	\$ 219,103	\$ 153,093

(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)	-	175,042	(21,949)	153,093
Dividends to GRF	-	(66,000)	-	(66,000)
Balance at September 30, 2020	\$ 808,889	\$ 4,974,068	\$ 118,648	\$ 5,901,605
Balance at October 1, 2020	\$ 808,889	\$ 4,974,068	\$ 118,648	\$ 5,901,605
Total comprehensive income	-	410,379	2,670	413,049
Dividends to GRF	-	(84,000)	-	(84,000)
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	-	153,386	65,717	219,103
Dividends to GRF	-	(110,000)	-	(110,000)
Balance at September 30, 2021	\$ 808,889	\$ 5,343,833	\$ 187,035	\$ 6,339,757

(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 September 30 2021	April 1 to September 30 2020
OPERATING ACTIVITIES			
Net earnings		\$ 153,386	\$ 175,042
Adjustments to reconcile net earnings to cash from operating activities	9	653,281	623,646
		806,667	798,688
Net change in non-cash working capital balances related to operations		230,453	90,674
Income taxes paid		(2,471)	(6,910)
Interest paid		(257,012)	(281,416)
Net cash from operating activities		777,637	601,036
INVESTING ACTIVITIES			
Interest received		12,180	11,012
Dividends received		170	410
Purchase of investments		(559,677)	(683,997)
Proceeds from sale and collection of investments		523,724	593,344
Purchase of property, plant and equipment		(653,229)	(529,633)
Costs related to the sale of property, plant and equipment		(2,333)	(3,220)
Purchase of intangible assets		(36,514)	(25,335)
Purchase of investment property		(2,832)	(761)
Increase in restricted cash and cash equivalents		-	(4)
(Increase) decrease in other assets		(29,104)	345
Net cash used in investing activities		(747,615)	(637,839)
FINANCING ACTIVITIES			
Decrease in notes payable		(64,065)	(716,761)
(Decrease) increase in other liabilities		(956)	3,232
Debt proceeds from the GRF		301,527	938,363
Debt repayments to the GRF		-	(183,971)
Debt repayments to other lenders		(254)	(1,049)
Principal repayments of lease liabilities		(20,605)	(16,889)
Sinking fund instalments		(59,669)	(56,119)
Sinking fund redemptions		-	49,558
Dividends paid		(110,000)	(66,000)
Net cash from (used in) financing activities		45,978	(49,636)
NET CHANGE IN CASH AND CASH EQUIVALENTS DURING PERIOD		76,000	(86,439)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD		334,332	399,308
CASH AND CASH EQUIVALENTS, END OF PERIOD		\$ 410,332	\$ 312,869
Cash and cash equivalents consists of:			
Cash and cash equivalents		411,037	312,869
Bank indebtedness		(705)	-
		\$ 410,332	\$ 312,869

(See accompanying notes)

Crown Investments Corporation of Saskatchewan
Notes to Condensed Consolidated Interim Financial Statements
September 30, 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. 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 November 24, 2021.

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.

Crown Investments Corporation of Saskatchewan
Notes to Condensed Consolidated Interim Financial Statements
September 30, 2021
(thousands of dollars)
(unaudited)

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.

Crown Investments Corporation of Saskatchewan
Notes to Condensed Consolidated Interim Financial Statements
September 30, 2021
(thousands of dollars)
(unaudited)

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 September 30, 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.

Crown Investments Corporation of Saskatchewan
Notes to Condensed Consolidated Interim Financial Statements
September 30, 2021
(thousands of dollars)
(unaudited)

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:

	September 30 2021	March 31 2021
Total debt (a)	\$ 10,488,373	\$ 10,254,706
Less: Sinking funds	(1,177,716)	(1,103,952)
Net debt	9,310,657	9,150,754
Equity	6,339,757	6,230,654
<u>Capitalization</u>	<u>\$ 15,650,414</u>	<u>\$ 15,381,408</u>
Debt ratio	59.5%	59.5%

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

Crown Investments Corporation of Saskatchewan
Notes to Condensed Consolidated Interim Financial Statements
September 30, 2021
(thousands of dollars)
(unaudited)

7. Accumulated other comprehensive income

	September 30	March 31
	2021	2021
Items that may be subsequently reclassified to net earnings:		
Unrealized losses on sinking funds	\$ (1,566)	\$ (4,496)
Unrealized gains (losses) on cash flow hedges	38,604	(1,204)
Realized losses on cash flow hedges	(10,548)	(10,777)
	26,490	(16,477)
Items that will not be reclassified to net earnings:		
Impact of changes in defined benefit plan actuarial assumptions	160,545	137,795
	\$ 187,035	\$ 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	April 1 to
	June 30	September 30
	2021	2020
Adjustments to reconcile net earnings to cash provided from operating activities		
Depreciation and amortization	\$ 502,270	\$ 473,782
Share of earnings from investments in equity accounted investees	(5,003)	(2,987)
Defined benefit pension plan expense	1,778	2,809
Provision for decommissioning and environmental remediation liabilities	12	12
Unrealized gains on derivative financial instruments	(51,387)	(24,957)
Inventory recoveries	(3,241)	(5,828)
Loss on disposal of property, plant and equipment	13,459	12,152
Impairment losses (recoveries)	225	(30)
Net finance expenses	201,449	183,418
Reclassification of natural gas hedges transitional market value losses	(9,162)	(10,139)
Other non-cash items	2,881	(4,586)
	\$ 653,281	\$ 623,646

Crown Investments Corporation of Saskatchewan
Notes to Condensed Consolidated Interim Financial Statements
September 30, 2021
(thousands of dollars)
(unaudited)

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:

September 30, 2021				
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 411,037	\$ -	\$ -	\$ 411,037
Bank indebtedness	705	-	-	705
Restricted cash and cash equivalents	4,508	-	-	4,508
Notes payable	749,945	-	-	749,945
Investments - fair value through profit or loss	270,732	867,777	212,352	1,350,861
Investments - fair value through other comprehensive income	-	1,177,716	-	1,177,716
Investments - amortized cost	-	8,708	-	8,708
Long-term debt	-	10,989,350	-	10,989,350
Physical natural gas contracts - net	-	61,245	-	61,245
Natural gas price swaps - net	-	65	-	65
Foreign exchange forward contracts - net	-	415	-	415

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)

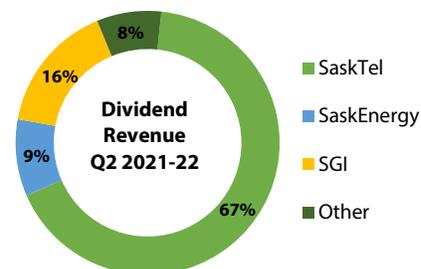
CIC SEPARATE FINANCIAL STATEMENTS

CIC Separate Management Discussion & Analysis

Analysis of 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 September 30, 2021 second 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 Second Quarter Earnings (millions of dollars) (unaudited)	For the six months ended	
	September 30 2021	September 30 2020
Dividend revenue	\$ 63.0	\$ 84.1
Add: Finance and other revenue	0.4	0.2
Impairment recovery (loss)	8.6	(0.6)
Less: Operating, salaries and other expenses	<u>(5.0)</u>	<u>(4.0)</u>
Total Separate Earnings	<u>\$ 67.0</u>	<u>\$ 79.7</u>

Net Earnings

Net earnings for the six months ended September 30, 2021 were \$67.0 million (2020 - \$79.7 million), a decrease of \$12.7 million. The decrease in net earnings is primarily due to lower dividend revenue of \$21.1 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 six months ended September 30, 2021 was \$63.0 million (2020 - \$84.1 million). The \$21.1 million decrease is primarily due to most subsidiary Crown corporations experiencing decreased earnings, negatively impacting their dividend capacity. The second quarter of 2021-22 resulted in lower dividends declared compared to the same period of 2020-21 from SaskTel (\$7.0 million), SaskPower (\$8.7 million) and SGI CANADA (\$6.1 million). Crown dividend capacity considers infrastructure reinvestment requirements, financial performance, and debt reduction, if required. SaskTel was positively impacted by the work from home environment last year that resulted in demand for equipment and services. In 2021-22, SaskTel experienced decreases in equipment demand and continued loss in wireline revenues as customers remove their landlines and use mobile devices exclusively. In addition, SaskTel continues to invest in rural areas and continues to invest in wireless and fibre, which is increasing depreciation and reducing earnings. SaskPower did not declare a dividend in the first and second quarters as it was forecasting a net loss for 2021-22. The net loss is a result of SaskPower’s efforts to support customers during the pandemic. SaskPower will

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.

Crown Investments Corporation of Saskatchewan
Notes to Condensed Consolidated Interim Financial Statements
September 30, 2021
(thousands of dollars)
(unaudited)

Analysis of Financial Results *(continued)*

Dividend Revenue *(continued)*

continue to reassess its financial capacity throughout the year and if it improves, may provide a dividend in 2021-22. SGI CANADA experienced large investment earnings last year as a result of the rebound in the markets from a low in March 2020. SGI CANADA continues to experience strong investment returns but not at the same magnitude as last year.

For the first six months of this fiscal year, dividends from subsidiary Crown corporations are based on 50 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 six months ended September 30, 2021 experienced a \$3.6 million recovery of expenses (2020 - \$4.6 million expenses) due to the FNMF impairment reversal. Excluding this reversal, the expenses are consistent with the same period of 2020-21 as the COVID-19 pandemic continued to impact training and travel.

Liquidity and Capital Resources

Cash Flow Highlights (millions of dollars) (unaudited)	For the six months ended	
	September 30 2021	September 30 2020
Net cash from operating activities	\$ 124.2	\$ 80.2
Net cash used in investing activities	(11.4)	(4.6)
Net cash used in financing activities	<u>(110.2)</u>	<u>(66.2)</u>
Net change in cash	\$ <u>2.6</u>	\$ <u>9.4</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 six months ended September 30, 2021 was \$124.2 million (2020 - \$80.2 million), an increase of \$44.0 million. Cash from operating activities increased primarily due to a \$66.4 million decrease in dividends receivable from subsidiary Crown corporations partially offset by lower net earnings.

Net cash used in investing activities for the six months ended September 30, 2021 was \$11.4 million (2020 - \$4.6 million), an increase in cash used of \$6.8 million. In the first half of 2021-22, 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 closed during the first and fourth quarters of 2020-21 as a result the COVID-19 pandemic.

Net cash used in financing activities for the six months ended September 30, 2021 was \$110.2 million (2020 - \$66.2 million), an increase in cash used of \$44.0 million. This is a result of a higher dividend payment to the GRF of \$110.0 million in 2021-22 compared to \$66.0 million in the same period last year. CIC had capacity to pay a higher dividend as it had more cash from strong Crown earnings in the prior year.

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 makes adjustments to the value of the investment if it judges the investment to have other than a temporary increase or decline in carrying value. CIC AMI has a mandate to divest its investments.

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

	Note	(Unaudited) September 30 2021	(Audited*) March 31 2021
ASSETS			
Current			
Cash and cash equivalents		\$ 85,592	\$ 82,965
Interest and accounts receivable		1	77
Dividends receivable		29,526	95,905
		115,119	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		128	161
Right-of-use assets		3,638	3,844
		\$ 1,228,272	\$ 1,271,997
LIABILITIES AND PROVINCE'S EQUITY			
Current			
Interest and accounts payable		\$ 1,758	\$ 2,265
Lease liabilities		399	397
		2,157	2,662
Lease liabilities		3,254	3,453
		5,411	6,115
Equity advances		808,889	808,889
Retained earnings		413,972	456,993
		1,222,861	1,265,882
		\$ 1,228,272	\$ 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	July 1 to September 30 2021	July 1 to September 30 2020	April 1 to September 30 2021	April 1 to September 30 2020
INCOME FROM OPERATIONS					
Dividend revenue	6	\$ 30,610	\$ 48,347	\$ 62,983	\$ 84,069
Other income		73	170	73	170
		30,683	48,517	63,056	84,239
EXPENSES					
Operating		881	371	1,333	693
Salaries and short-term employee benefits		1,562	1,399	3,230	2,812
Employee future benefits		113	98	217	196
Impairment loss (recovery)	7	-	547	(8,642)	613
Depreciation		125	136	249	277
		2,681	2,551	(3,613)	4,591
EARNINGS FROM OPERATIONS					
		28,002	45,966	66,669	79,648
Finance income		221	32	332	45
Finance expense		(11)	(2)	(22)	(5)
NET FINANCE INCOME					
		210	30	310	40
NET EARNINGS					
		28,212	45,996	66,979	79,688
OTHER COMPREHENSIVE INCOME					
		-	-	-	-
TOTAL COMPREHENSIVE INCOME					
ATTRIBUTABLE TO THE PROVINCE					
OF SASKATCHEWAN					
		\$ 28,212	\$ 45,996	\$ 66,979	\$ 79,688

(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	-		79,688		79,688
Dividend to the GRF	-		(66,000)		(66,000)
Balance at September 30, 2020	\$ 808,889		\$ 348,222		\$1,157,111
Balance at October 1, 2020	\$ 808,889		\$ 348,222		\$ 1,157,111
Total comprehensive income	-		192,771		192,771
Dividends to the GRF	-		(84,000)		(84,000)
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	-		66,979		66,979
Dividend to the GRF	-		(110,000)		(110,000)
Balance at September 30, 2021	\$ 808,889		\$ 413,972		\$ 1,222,861

(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 September 30 2021	April 1 to September 30 2020
OPERATING ACTIVITIES		
	\$ 66,979	\$ 79,688
Net earnings		
Items not affecting cash from operations		
Depreciation	249	277
Impairment (recovery) loss	(8,642)	613
Net finance income	(310)	(40)
	58,276	80,538
Net change in non-cash working capital balances related to operations	65,948	(317)
Interest paid	(22)	(5)
Net cash from operating activities	124,202	80,216
INVESTING ACTIVITIES		
Interest received	332	45
Purchase of investments	-	(613)
Equity advances to Crown corporations	(11,700)	(4,000)
Purchase of equipment	(10)	(62)
Net cash used in investing activities	(11,378)	(4,630)
FINANCING ACTIVITIES		
Dividend paid to the GRF	(110,000)	(66,000)
Principal repayment of lease liabilities	(197)	(213)
Net cash used in financing activities	(110,197)	(66,213)
NET CHANGE IN CASH AND CASH EQUIVALENTS DURING PERIOD	2,627	9,373
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	82,965	11,297
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 85,592	\$ 20,670

(See accompanying notes)

Crown Investments Corporation of Saskatchewan
Notes to Interim Separate Financial Statements
September 30, 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 November 24, 2021.

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 November 24, 2021. 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
September 30, 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

	September 30 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 September 30 2021	April 1 to September 30 2020
SaskTel	\$ 42,076	\$ 49,050
SGI CANADA	10,000	16,100
SaskEnergy	5,903	5,284
SaskWater	2,672	2,333
Information Services Corporation	2,170	2,170
SOCO	162	346
SaskPower	-	8,786
	\$ 62,983	\$ 84,069

Crown Investments Corporation of Saskatchewan
Notes to Interim Separate Financial Statements
September 30, 2021
(thousands of dollars)
(unaudited)

7. Impairment (recovery) loss

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 September 30 2021	April 1 to September 30 2020
Decrease (increase) in interest and accounts receivable	\$ 76	\$ (41)
Decrease in dividends receivable	66,379	385
Decrease in interest and accounts payable	(507)	(661)
	\$ 65,948	\$ (317)