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# Earnings Release

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## ROYAL CANADIAN MINT REPORTS PROFITS AND PERFORMANCE FOR Q1 2022

**OTTAWA, ONTARIO – May 20, 2022** – The Royal Canadian Mint (the “Mint”) is pleased to announce its financial results for the first quarter of 2022 that provide insight into its activities, the markets influencing its businesses and its expectations for the next 12 months.

“The results of the first quarter of 2022 demonstrate that we have built a strong foundation from which we are able to respond to the changing needs of our customers and take advantage of new opportunities,” said Marie Lemay, President and CEO of the Royal Canadian Mint. “We are confident that our long-term strategy gives us the resilience to continue to generate good value for Canada and Canadians.”

The financial results should be read in conjunction with the Mint’s annual report available at [www.mint.ca](http://www.mint.ca). All monetary amounts are expressed in Canadian dollars, unless otherwise indicated.

### **Financial and Operational Highlights**

- The results of the first quarter of 2022 build on the exceptional performance seen in 2021. Compared to 2021, which yielded singular results, the Mint had 4% lower revenue while profit for the first quarter of 2022 was consistent with the same period in 2021 at \$14 million.
- Consolidated revenue decreased to \$865.0 million in 2022 (2021 – \$902.8 million). Revenue from Precious Metals businesses decreased to \$825.4 million in 2022 (2021 – \$852.0 million):
  - Bullion customer inventory deals, when revenue is recognized on a net basis, increased 17% quarter over quarter while gross bullion revenue only increased 4%.
  - Silver bullion volumes decreased 11% to 8.9 million ounces (2021 – 10.0 million ounces) while gold bullion volumes increased 12% quarter over quarter to 366.9 thousand ounces (2021 – 328.5 thousand ounces).
  - Sales of numismatic products remained similar quarter over year decreasing slightly by 4%.

Revenue from Circulation businesses decreased to \$39.6 million in 2022 (2021 – \$50.8 million):

- Revenue from the Foreign Circulation business decreased 40% quarter over quarter with production and shipment of 288 million foreign coins and blanks, compared to 319 million coins in 2021.
- Revenue from Canadian coin circulation products and services remained similar quarter over quarter, increasing slightly by 4%.
- Overall, operating expenses increased 8% quarter over quarter to \$27.6 million (2021 – \$25.6 million) mainly due to a planned increase in the number of employees to support the Mint's on-going operations and business transformation initiatives.
- Cash increased to \$88.6 million (December 31, 2021 - \$69.3 million).

## Consolidated results and financial performance

(in CAD \$ millions)

	13 weeks ended			
	April 2, 2022	April 3, 2021	\$ Change	% Change
Revenue	\$ 865.0	\$ 902.8	(37.8)	(4)
Profit for the period	\$ 14.4	\$ 13.8	0.6	4
Profit before income tax and other items <sup>1</sup>	\$ 15.8	\$ 26.0	(10.2)	(39)
Profit before income tax and other items margin <sup>2</sup>	1.8%	2.9%		

(1) Profit before income tax and other items is a non-GAAP financial measure. A reconciliation from profit for the period to profit before income tax and other items is included on page 11 of the Mint's 2022 First Quarter Report.

(2) Profit before income tax and other items margin is a non-GAAP financial measure and its calculation is based on profit before income tax and other items.

	As at			
	April 2, 2022	December 31, 2021	\$ Change	% Change
Cash	\$ 88.6	\$ 69.3	19.3	28
Inventories	\$ 79.3	\$ 86.5	(7.2)	(8)
Capital assets	\$ 153.5	\$ 154.2	(0.7)	-
Total assets	\$ 414.1	\$ 405.5	8.6	2
Working capital	\$ 134.2	\$ 122.5	11.7	10

As part of its business continuity plan, the Mint continues to actively monitor its global supply chain and logistics networks in support of its continued operations. Despite its best efforts, the Mint expects COVID-19 and emerging variants as well as other external events around the globe to continue to have an impact on its performance in 2022. The Mint continues to mitigate potential risks as they arise and prioritize the health and safety of its employees, adjusting its work protocols as required by the provinces and the local health authorities.

To read more of the Mint's First Quarter Report for 2022, please visit [www.mint.ca](http://www.mint.ca).

## About the Royal Canadian Mint

The Royal Canadian Mint is the Crown corporation responsible for the minting and distribution of Canada's circulation coins. The Mint is recognized as one of the largest and most versatile mints in the world, offering a wide range of specialized, high-quality coinage products and related services on an international scale. For more information on the Mint, its products and services, visit [www.mint.ca](http://www.mint.ca). Follow the Mint on [Twitter](#), [Facebook](#) and [Instagram](#).

## FORWARD LOOKING STATEMENTS AND NON-GAAP FINANCIAL MEASURES

*This Earnings Release contains non-GAAP financial measures that are clearly denoted where presented. Non-GAAP financial measures are not standardized under International Financial Reporting Standards (IFRS) and might not be comparable to similar financial measures disclosed by other corporations reporting under IFRS.*

*This Earnings Release contains forward-looking statements that reflect management's expectations regarding the Mint's objectives, plans, strategies, future growth, results of operations, performance, and business prospects and opportunities. Forward-looking statements are typically identified by words or phrases such as "plans", "anticipates", "expects", "believes", "estimates", "intends", and other similar expressions. These forward-looking statements are not facts, but only estimates regarding expected growth, results of operations, performance, business prospects and opportunities (assumptions). While management considers these assumptions to be reasonable based on available information, they may prove to be incorrect. These estimates of future results are subject to a number of risks, uncertainties and other factors that could cause actual results to differ materially from what the Mint expects. These risks, uncertainties and other factors include, but are not limited to, those risks and uncertainties set forth in the Risks to Performance section of the Management Discussion and Analysis in the Mint's 2021 annual report, as well as in Note 9 – Financial Instruments and Financial Risk Management to the Mint's Audited Consolidated Financial Statements for the year ended December 31, 2021. The forward-looking statements included in this Earnings Release are made only as of May 19, 2022, and the Mint does not undertake to publicly update these statements to reflect new information, future events or changes in circumstances or for any other reason after this date.*

### For more information, please contact:

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