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# Earnings Release

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## ROYAL CANADIAN MINT REPORTS PROFITS AND PERFORMANCE FOR Q3 2021

**OTTAWA, ONTARIO – November 19, 2021** – The Royal Canadian Mint (the “Mint”) is pleased to announce its financial results for the third quarter of 2021 that provide insight into our activities, the markets influencing our businesses and our expectations for the next 12 months.

“The Mint continues to demonstrate that its business strategy and operations are aligning well with the needs of its customers and building a strong foundation for the future,” said Marie Lemay, President and CEO of the Royal Canadian Mint. “The work of our teams in implementing our customer-centric strategy and delivering operational efficiencies with a clear focus on our precious metal and circulation businesses has been instrumental to our healthy results.”

The financial results should be read in conjunction with the Mint’s 2021 third quarter 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 Mint’s revenue increased by 2% in the third quarter of 2021 and consolidated profit before income tax and other items was \$18.8 million (2020 – \$10.5 million) for the quarter. The Mint saw an increase in overall revenue for its Circulation businesses, partially offset by a decrease in overall revenue for its Precious Metal businesses. The increase was mainly due to higher foreign circulation revenue in the quarter from a higher volume and mix of coins recognized. The Mint’s profit margin percentage improved 1.0% compared to the third quarter of 2020 mainly due to stronger performance from the sales of numismatic products
- Consolidated revenue increased to \$811.6 million in 2021 (2020 – \$795.4 million). Revenue from Circulation businesses increased to \$53.7 million in 2021 (2020 – \$36.1 million):
  - Revenue from the Foreign Circulation business increased 139% when compared to Q3 2020 with production and shipment of 290 million foreign coins and blanks, compared to 98 million coins in Q3 2020.
  - Revenue relating to Canadian coin circulation services in the quarter was largely consistent with last year. Canadian circulation coins sold to the Department of Finance for inventory were 191 million pieces in the quarter (2020 – 198 million pieces).

Revenue from Precious metal businesses decreased to \$757.9 million in 2021 (2020 – \$759.3 million):

- Revenue from the Bullion Products and Services business decreased 1% due to an increase in volume of customer inventory deals and lower precious metal prices which was offset by higher gold and silver volumes. Gold bullion volumes increased 3% quarter over quarter to 310.4 thousand ounces (2020 – 300.1 thousand ounces)

- and silver bullion volumes increased 19% to 9.8 million ounces (2020 – 8.2 million ounces).
- Sales of numismatic products increased to \$24.9 million in 2021 (2020 – \$22.0 million) due to an increase in sales of gold and silver products in 2021 as a result of an increase in product launches.
  - Overall, operating expenses increased 12% when compared to Q3 2020 to \$26.6 million (2020 – \$23.7 million) due mainly to planned consulting and contingent workforce costs related to the implementation of the Mint’s business transformation initiatives.
  - Cash and cash equivalents increased to \$106.2 million (December 31, 2020 - \$67.3 million).

**Consolidated results and financial performance**  
(in CAD \$ millions)

	13 weeks ended				39 weeks ended			
	October 2, 2021	September 26, 2020	Change		October 2, 2021	September 26, 2020	Change	
			\$	%			\$	%
Revenue	\$ 811.6	\$ 795.4	16.2	2	\$ 2,667.9	\$ 1,823.3	844.6	46
Profit before income tax and other items <sup>(1)</sup>	\$ 18.8	\$ 10.5	8.3	79	\$ 69.9	\$ 18.7	51.2	274
Profit before income tax and other items margin	2.3%	1.3%			2.6%	1.0%		
Profit for the period	\$ 9.2	\$ 16.3	(7.1)	(44)	\$ 43.5	\$ 25.6	17.9	70

(1) A reconciliation from Profit for the period to Profit before income tax and other items is included on page 11 of the Mint’s 2021 Third Quarter Report.

	As at			
	October 2, 2021	December 31, 2020	\$ Change	% Change
Cash and cash equivalents	\$ 106.2	\$ 67.3	38.9	58
Inventories	\$ 75.4	\$ 57.6	17.8	31
Capital assets	\$ 157.0	\$ 161.1	(4.1)	(3)
Total assets	\$ 449.3	\$ 379.4	69.9	18
Working capital	\$ 169.9	\$ 112.9	57.0	50

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 to continue to affect its performance in 2021. The Mint continues to prioritize the health and safety of its employees and is adjusting its work protocols as required by the provinces and the local health authorities.

To read more of the Mint’s Third Quarter Report for 2021, 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

*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 2020 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, 2020. The forward-looking statements included in this Earnings Release are made only as of November 17, 2021, 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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