



Earnings Release

ROYAL CANADIAN MINT REPORTS PROFITS AND PERFORMANCE FOR Q3 2023

OTTAWA, ONTARIO – November 24, 2023 – The Royal Canadian Mint (the “Mint”) is announcing its financial results for the third quarter of 2023 that provide insight into its activities, the markets influencing its businesses and its expectations for the next 12 months.

“The Mint’s projected 2023 financial performance is tracking to target, despite the sudden and significant decline in global bullion demand in the third quarter,” said Marie Lemay, President and CEO of the Royal Canadian Mint. “We expect that our strong performance in the first half of 2023, combined with our agility to adapt to the realities of a dynamic marketplace, will minimize the impacts of headwinds and maximize opportunities.”

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

Financial and Operational Highlights

- The financial results for the third quarter of 2023 were below 2022 levels primarily from lower bullion volumes due to weaker demand in the global bullion market, higher precious metal costs and higher operating expenses. Results were positively impacted by the success of the numismatics products celebrating the reign of Queen Elizabeth II and the coronation of King Charles III, as well as higher gold market pricing. The Mint expects to meet its financial goals for 2023, as set out in the Mint’s Corporate Plan.
- Consolidated revenue decreased to \$360.6 million in 2023 (2022 – \$728.7 million). Revenue from the Precious Metals business decreased to \$328.4 million in 2023 (2022 – \$687.2 million):
 - Gold bullion volumes decreased 52% quarter over quarter to 170.1 thousand ounces (2022 – 354.3 thousand ounces) while silver bullion volumes decreased 64% to 3.4 million ounces (2022 – 9.6 million ounces).
 - Revenue from numismatic product sales increased 39% quarter over quarter.Revenue from the Circulation business decreased to \$32.2 million in 2023 (2022 – \$41.5 million):
 - Revenue from the Foreign Circulation business decreased 44%, quarter over quarter due to an unfavourable mix of coins and blanks in new contracts, despite higher volumes from new contracts awarded in 2023 as compared to 2022.
 - Revenue from Canadian coin circulation products and services decreased 12% quarter over quarter as less coins were required to replenish inventories.
- Overall, operating expenses increased 17% quarter over quarter to \$35.8 million (2022 – \$30.6 million) mainly due to planned increases in employee compensation to support on-going operations, and in consulting expenses to support the digital program, as well as the timing of planned commemorative coin program marketing campaigns year over year.

- Cash and cash equivalents and short-term investment decreased to \$78.1 million (December 31, 2022 - \$79.3 million).

Consolidated results and financial performance

(in millions)

	13 weeks ended				39 weeks ended			
	September 30, 2023	October 1, 2022	Change		September 30, 2023	October 1, 2022	Change	
			\$	%			\$	%
Revenue	\$ 360.6	\$ 728.7	(368.1)	(51)	\$ 1,841.8	\$ 2,435.6	(593.8)	(24)
(Loss) profit for the period	\$ (5.8)	\$ 7.8	(13.6)	(174)	\$ 15.0	\$ 24.7	(9.7)	(39)
(Loss) profit before income tax and other items ¹	\$ (8.7)	\$ 12.2	(20.9)	(171)	\$ 23.4	\$ 42.5	(19.1)	(45)
(Loss) profit before income tax and other items margin ²	(2.4)%	1.7%			1.3%	1.7%		

(1) (Loss) profit before income tax and other items is a non-GAAP financial measure. A reconciliation from (loss) profit for the period to (loss) profit before income tax and other items is included on page 12 of the Mint's 2023 Third Quarter Report.

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

	As at			
	September 30, 2023	December 31, 2022	\$ Change	% Change
Cash and cash equivalents and short-term investment	\$ 78.1	\$ 79.3	(1.2)	(2)
Inventories	\$ 75.2	\$ 56.2	19.0	34
Capital assets	\$ 164.1	\$ 152.5	11.6	8
Total assets	\$ 389.5	\$ 380.2	9.3	2
Working capital	\$ 109.4	\$ 105.3	4.1	4

As part of its enterprise risk management program, 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 changes in the macro-economic environment and other external events around the globe to continue to impact its performance in 2023. The Mint continues to mitigate potential risks as they arise through its enterprise risk management process.

To read more of the Mint's Third Quarter Report for 2023, please visit 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 one of the largest and most versatile mints in the world, producing award-winning collector coins, market-leading bullion products, as well as Canada's prestigious military and civilian honours. As an established London and COMEX Good Delivery refiner, the Mint also offers a full spectrum of best-in-class gold and silver refining services. As an organization that strives to take better care of the environment, to cultivate safe and inclusive workplaces and to make a positive impact on the communities where it operates, the Mint integrates environmental, social and governance practices in every aspect of its operations.

For more information on the Mint, its products and services, visit www.mint.ca. Follow the Mint on [LinkedIn](#), [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 2022 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, 2022. The forward-looking statements included in this Earnings Release are made only as of November 22, 2023, 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:

Alex Reeves
Senior Manager, Public Affairs
Tel: (613) 884-6370
reeves@mint.ca