



INVESTOR PRESENTATION SPRING 2023

Disclaimer Statement

This presentation was compiled by the Treasury Management Branch of the Saskatchewan Ministry of Finance. The information in this presentation is for general information purposes only and does not constitute an offer to sell or a solicitation of offers to purchase securities. Certain forward-looking information or forward-looking statements have been included in this presentation for such general information purposes. These statements are based on the Province of Saskatchewan's current estimates or projections which the Province believes are reasonable. Such statements are not guarantees of future performance, and accordingly, you should not place reliance on them. Forward-looking information or statements involve known and unknown risks, uncertainties and other factors which could cause the state of the Province's economy to differ materially from the forecasts and economic outlook expressed or implied by any forward-looking information or statements. Forward-looking information or statements speak only as of the date they are made. Saskatchewan undertakes no obligation to update any forward-looking information or statements to reflect new information, future events or otherwise, except as may be required under applicable law. While the information in this presentation, when posted or released, was believed to be reasonably accurate as of its date, no warranty is made as to the accuracy or completeness of this document or the information it contains.

Saskatchewan and Selected Provinces



Saskatchewan
651,036 km²
1,214,618 people
\$69,822 GDP/capita



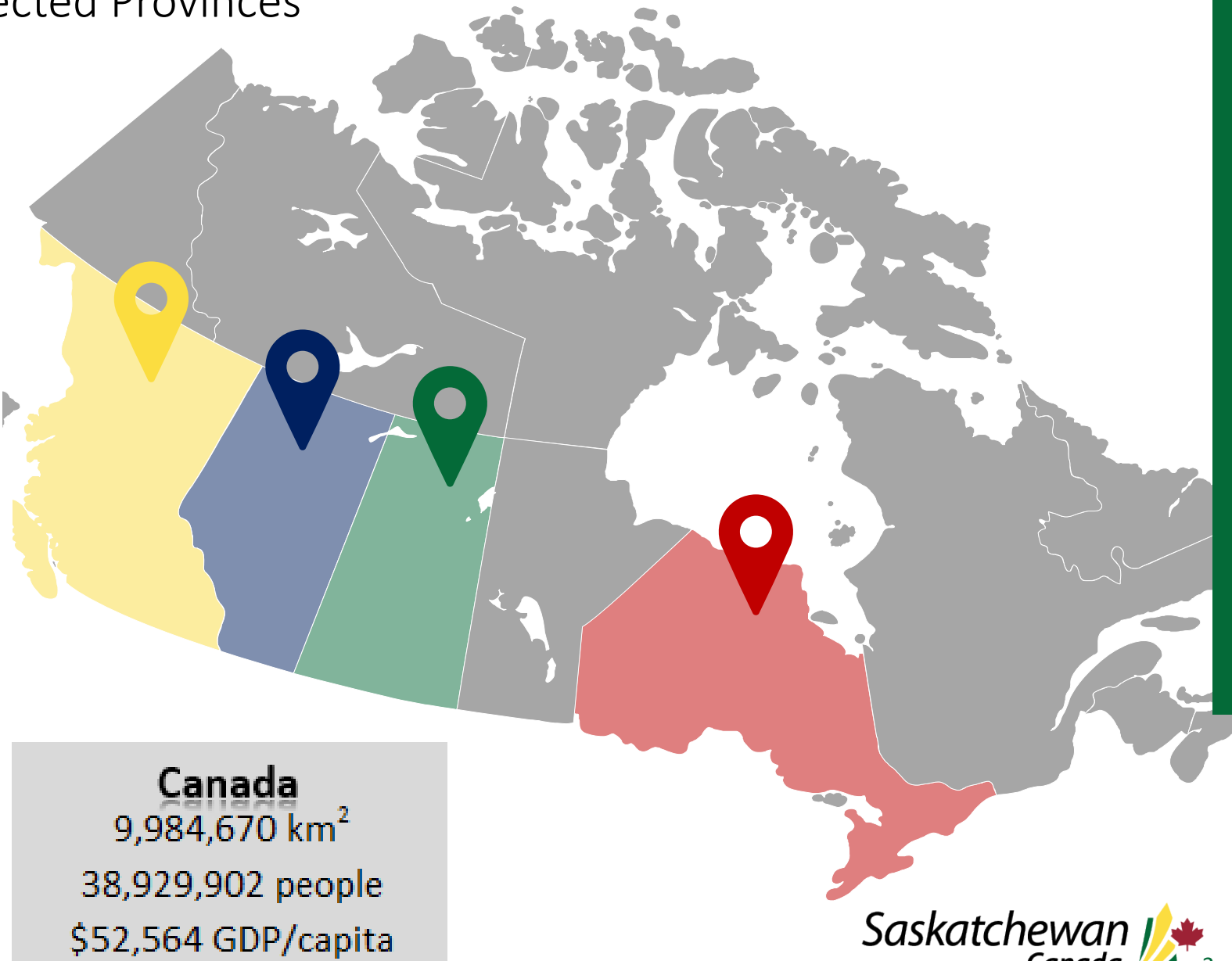
Alberta
661,848 km²
4,647,178 people
\$75,510 GDP/capita



Ontario
1,076,395 km²
15,386,407 people
\$54,413 GDP/capita



British Columbia
944,735 km²
5,399,118 people
\$54,227 GDP/capita



The Saskatchewan Difference

Economic Stability

- Diversified economy balances cyclicalities of non-renewable resources and agriculture
- Growing population
- Canada's most affordable provincial jurisdiction when combining low tax, housing and utility costs
- Majority government with strong mandate – next election in 2024

Fiscal Responsibility

- Budget balance and low debt are Saskatchewan's fiscal anchors – among lowest net debt/GDP of provinces
- Long history of managing variable revenue leads to fiscal forecast conservatism
- Competitive business tax combined with attractive manufacturing and value-added processing incentives

Financial Flexibility

- Strong credit ratings
- Low reliance on federal transfer payments
- Access to over \$7B in liquidity (\$4B short-debt capacity, \$2.5B sinking fund, \$1.5B cash reserves)

Credit Ratings

Agency	Long-Term Date of Last Action	Short-Term	Trend	ESG Scoring
Moody's	Aa1 May 21, 2021	Not Rated	Stable	CIS-2 Neutral
Standard & Poor's	AA June 21, 2017	A-1+	Stable	-
DBRS Morningstar	AA (low) June 18, 2020	R-1 (middle)	Stable	ESG Assessment Relevant/Not significant
Fitch	AA December 13, 2013	F1+	Stable	ESG Relevance Level 3 Neutral/Minimal

Forest

Covers northern portion of the province —

34 million hectares

(84 million acres)



Farmland

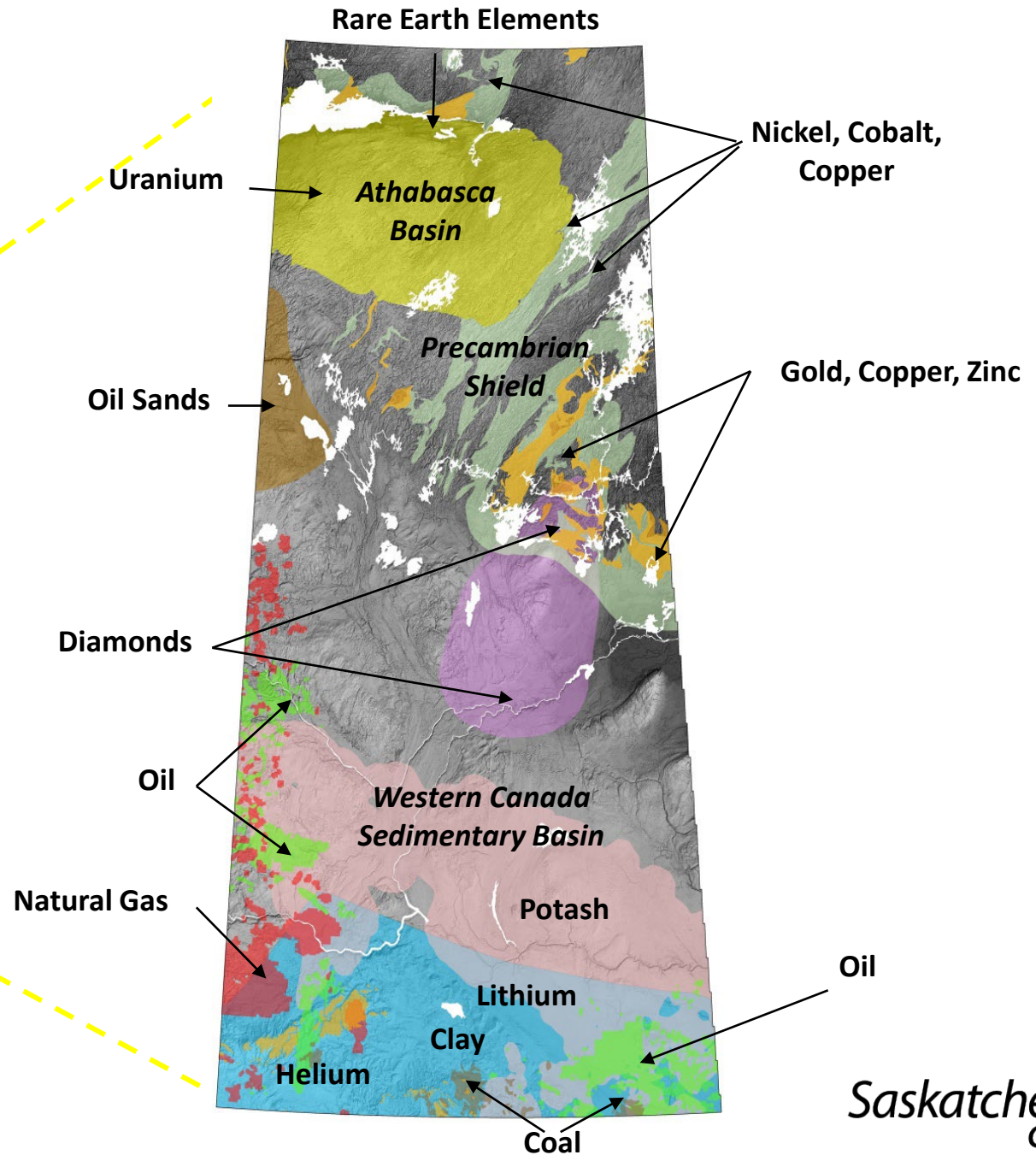
Covers most of the remaining area —

24 million hectares

(60 million acres)



Subsurface Minerals



Crown Sector



Investment & Economic Growth

CIC Asset Management Inc.
(CIC AMI)



Utilities

Saskatchewan Power Corporation (SaskPower)
Saskatchewan Telecommunications (SaskTel)
SaskEnergy Inc. (SaskEnergy)
Saskatchewan Water Corporation (SaskWater)



Insurance

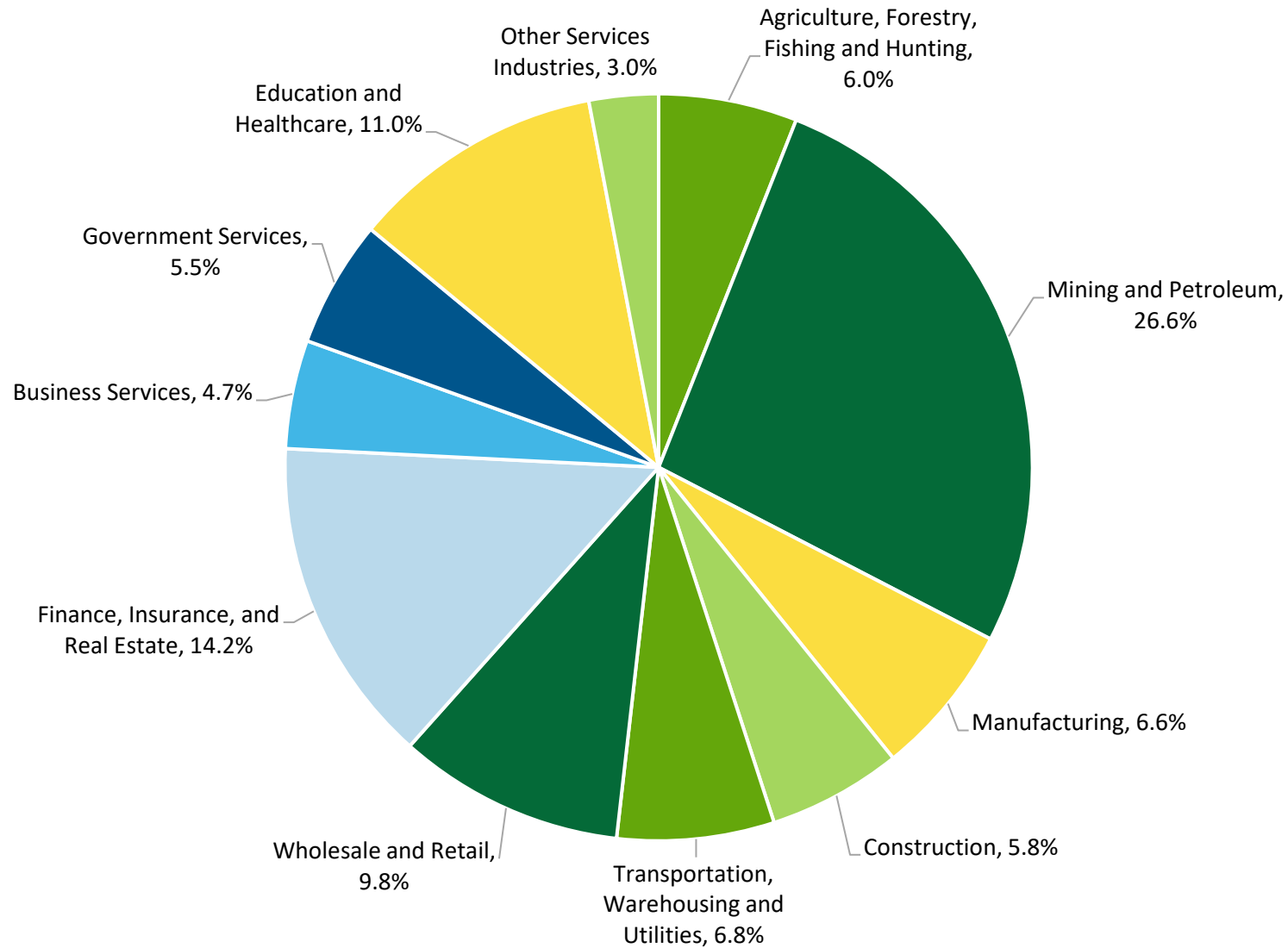
Saskatchewan Government Insurance (SGI CANADA)



Entertainment

Saskatchewan Gaming Corporation (SGC)
Lotteries and Gaming Saskatchewan (LGS)

Diversified Economy



Saskatchewan Real GDP and Share by Industry, 2021

GDP at Basic Prices by Industry, Chained (2012) dollars
Source: Statistics Canada, table 36-10-0402-01, accessed March 2023

Agriculture

- 40% of Canada's total farm area
- Agri-food exports reached \$18.4 billion in 2022
- In 2021, Saskatchewan produced:
 - 56% of the world's canary seed exports
 - 51% of the world's lentil exports
 - 43% of the world's dry pea exports
 - 35% of the world's durum wheat exports



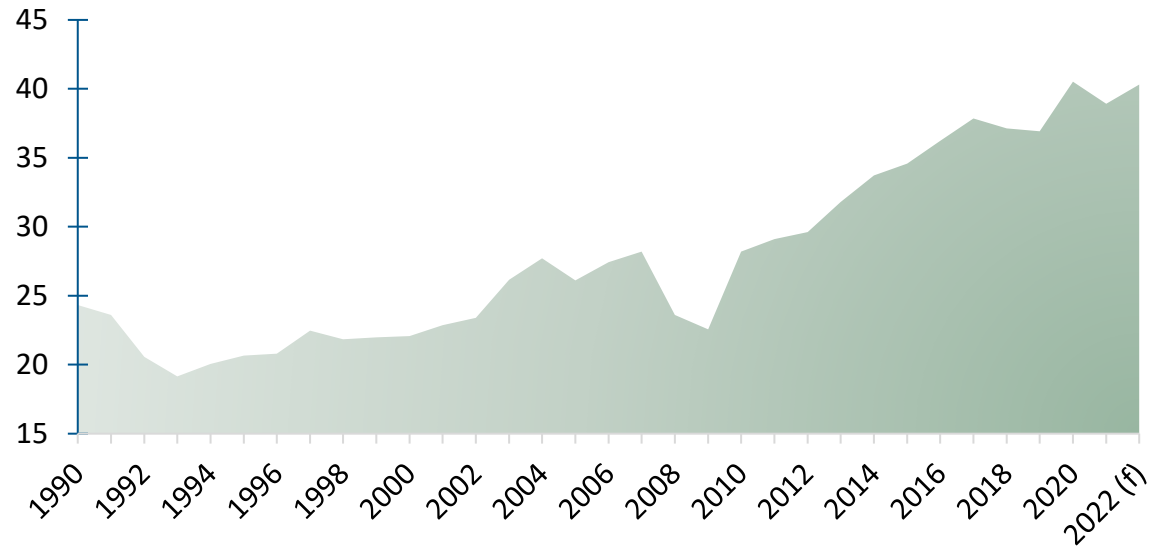
Sustainable Agricultural Practices

- Agriculture industry is among the most innovative and sustainable in the world
- Leader in zero-till farming, storing more carbon in farmland than any other province
- Crop production footprint much lower than global competitors and lower than Canadian averages
- Major producer of plant protein crops like lentils and dried peas
- Agriscience cluster in Saskatoon



Potash

World Potash Consumption (millions of metric tonnes)



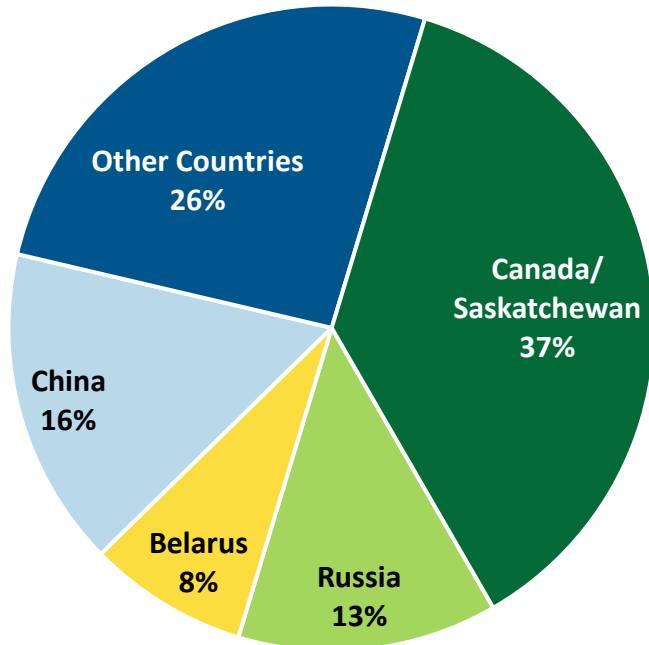
- By conservative estimates, Saskatchewan could supply current world demand for several hundred years

Source: <https://www.ifastat.org/databases/plant-nutrition>, accessed January 2022



Potash

2022 Production



- In 2022, Saskatchewan accounted for 37% of global potash production
- Saskatchewan's annual share is typically one-third

Source: Trade Data Online, accessed March 16, 2023



Sustainable Mining

- Saskatchewan produces potash with 50% fewer emissions than competing jurisdictions
- Province's high-grade uranium deposits are an important global source of zero-carbon energy
- Occurrences of 23 of the 31 critical minerals including: cobalt, copper, graphite, helium, lithium, nickel, platinum group metals and rare earth elements



Energy

- Saskatchewan is Canada's 2nd largest producer of oil and 3rd largest producer of natural gas in Canada
- Saskatchewan oil production is conventional light, medium and heavy crude
- Home to the world's largest high-grade uranium deposits



Clean Energy and Environmental Strategy



Targeting 50% renewable power sources by 2030



Transition to net zero may include small modular reactors



Methane emission targets



World's largest commercial carbon capture facility

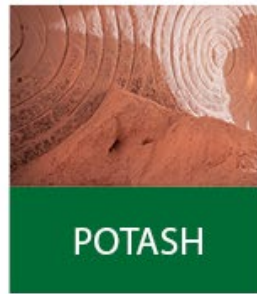


Capital Investment

- Private sector capital investment is expected to grow by 21.5%, from \$14.3 billion in 2022 to \$17.3 billion in 2023
- Mining and oil and gas investment is expected to increase by 41.5% in 2023 to \$7.8 billion
- 28 projects in the construction phase will result in an investment of over \$16 billion in the next three years



Top International Export Products



\$16.3B



\$13.3B



\$4.7B



\$3.5B



\$2.7B



\$2.0B



\$1.1B



\$913M



\$697M

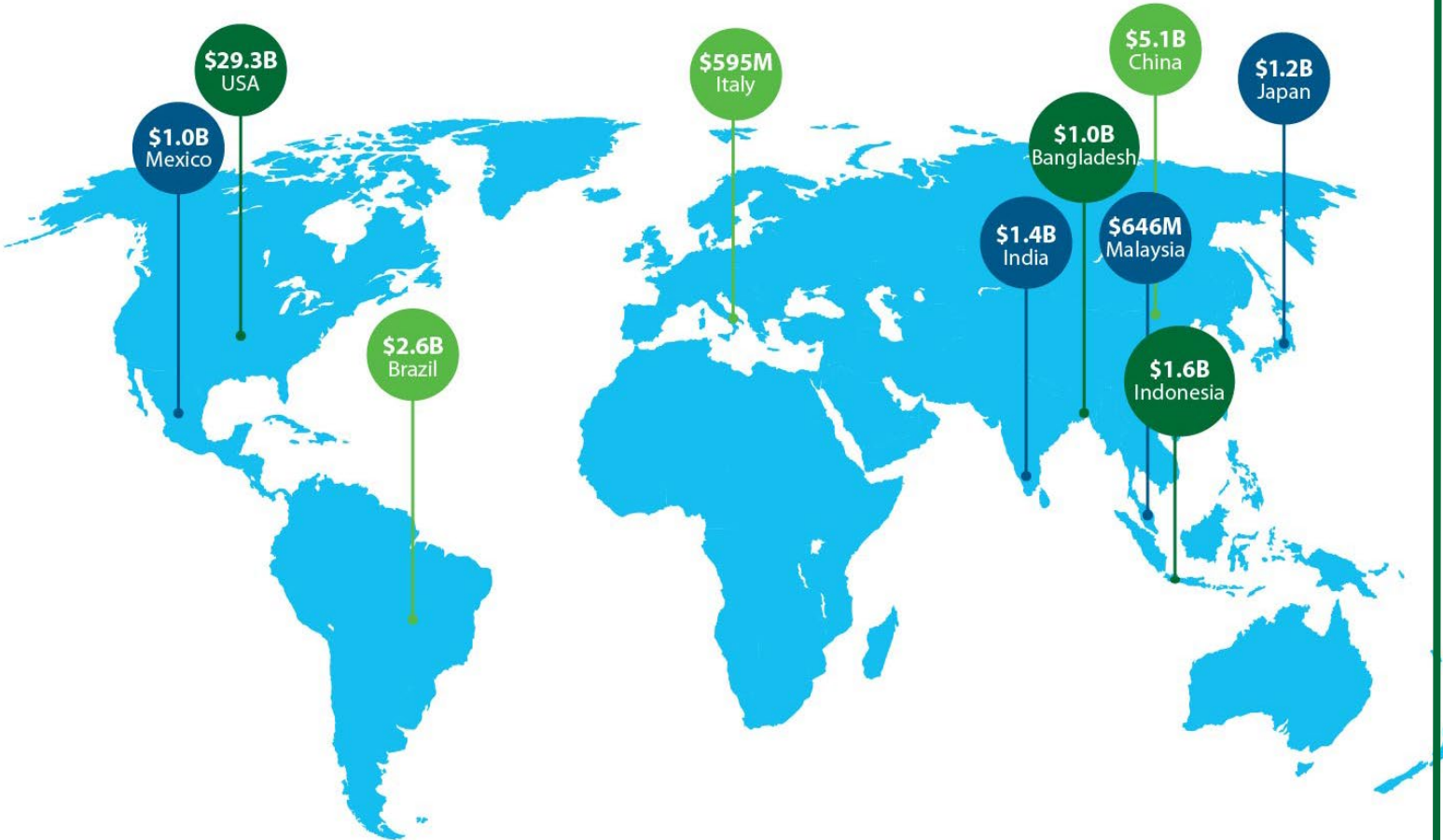


\$529M

Source: Canada Trade Data Online, accessed Feb 2023

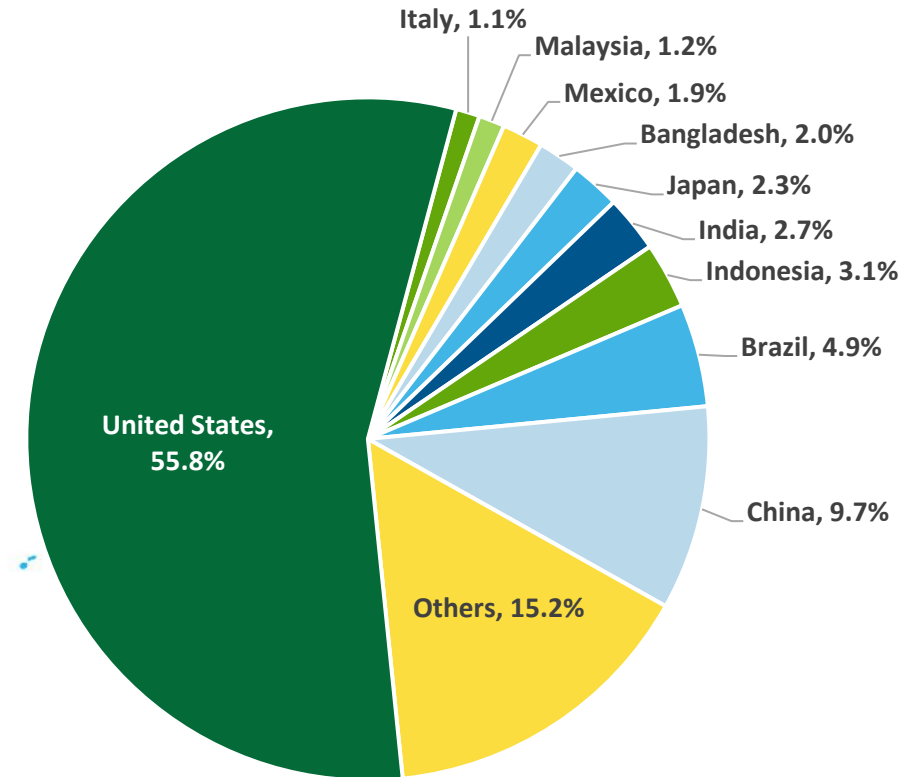
TOTAL EXPORTS FOR 2022 = \$52B

Top Export Markets



Source: Canada Trade Data Online, accessed Feb 2023
Data may not total 100% due to rounding

2022



Economic Outlook

Saskatchewan Economic Forecast

(per cent change unless otherwise noted)

	2021 Actual	2022 Estimate	2023 Forecast	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
Real GDP	(0.9)	4.8	1.3	1.8	2.2	2.3	2.3
Nominal GDP	13.1	19.9	0.8	1.2	2.6	3.0	2.5
CPI*	2.6	6.6	3.7	2.2	2.0	2.0	2.1
Employment growth (000s)*	14.2	19.8	5.4	5.7	8.1	8.7	7.5
Unemployment rate (%)*	6.6	4.7	5.3	5.3	5.5	5.6	5.5
Retail sales	14.6	7.5	2.3	2.4	3.3	3.1	2.9

* Actuals for 2022

Sources: Statistics Canada (January 2023) and Ministry of Finance (January 2023)

2023-24 Budget and Medium-Term Outlook

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
(millions of dollars)	Actual	Forecast	Budget	Forecast	Forecast	Forecast
Revenue	18,136	20,262	19,678	19,372	19,816	20,314
Expense	19,604	19,115	18,660	19,164	19,681	20,213
Surplus (Deficit)	(1,468)	1,147	1,017	208	134	101
<u>Key Metrics</u>						
Gross Debt (\$M)*	29,671	30,520	30,855	32,583	34,866	37,374
Net Debt (\$M)	15,488	14,968	14,128	14,815	15,411	15,760
Net Debt as % of GDP	17.5	14.1	13.2	13.7	13.9	13.8

* Effective for the 2023-24 Budget, debt is presented on a gross basis.

Forecast reflects moderating non-renewable resource revenues.

Resource Assumptions and Sensitivities

Key Resource Assumptions

	2021-22 Actuals	2022-23 Forecast	2023-24 Budget	2024-25 Outlook	2025-26 Outlook	2026-27 Outlook
WTI Oil Price (US\$/barrel)	77.07	90.67	79.50	77.25	75.75	78.25
Light-Heavy Differential (% of WTI)	12.7	19.3	23.8	18.5	16.5	15.0
Well-head Oil Price (C\$/barrel) ¹	77.54	92.33	78.07	77.21	74.76	78.24
Oil Production (million barrels)	162.9	167.2	170.5	178.7	184.0	186.2
Potash Price (mine netback, US\$/KCl tonne) ²	333	562	369	372	372	361
Potash Price (mine netback, C\$/K ₂ O tonne) ²	683	1,205	814	803	785	761
Potash Sales (million KCl tonnes) ²	22.6	22.8	25.0	25.0	25.0	25.1
Potash Sales (million K ₂ O tonnes) ²	13.8	13.9	15.3	15.3	15.2	15.3
Canadian Dollar (US cents)	79.77	76.18	74.35	75.95	77.65	77.78
Wheat (C\$ per tonne) ³	300.0	433.6	423.8	389.7	419.9	415.2
Canola (C\$ per tonne) ³	665.4	915.4	865.7	823.7	877.0	864.0
Total Crop Production (all crops, million tonnes) ³	22.4	34.8	34.8	38.0	37.7	37.2

¹The average price per barrel of Saskatchewan light, medium and heavy oil

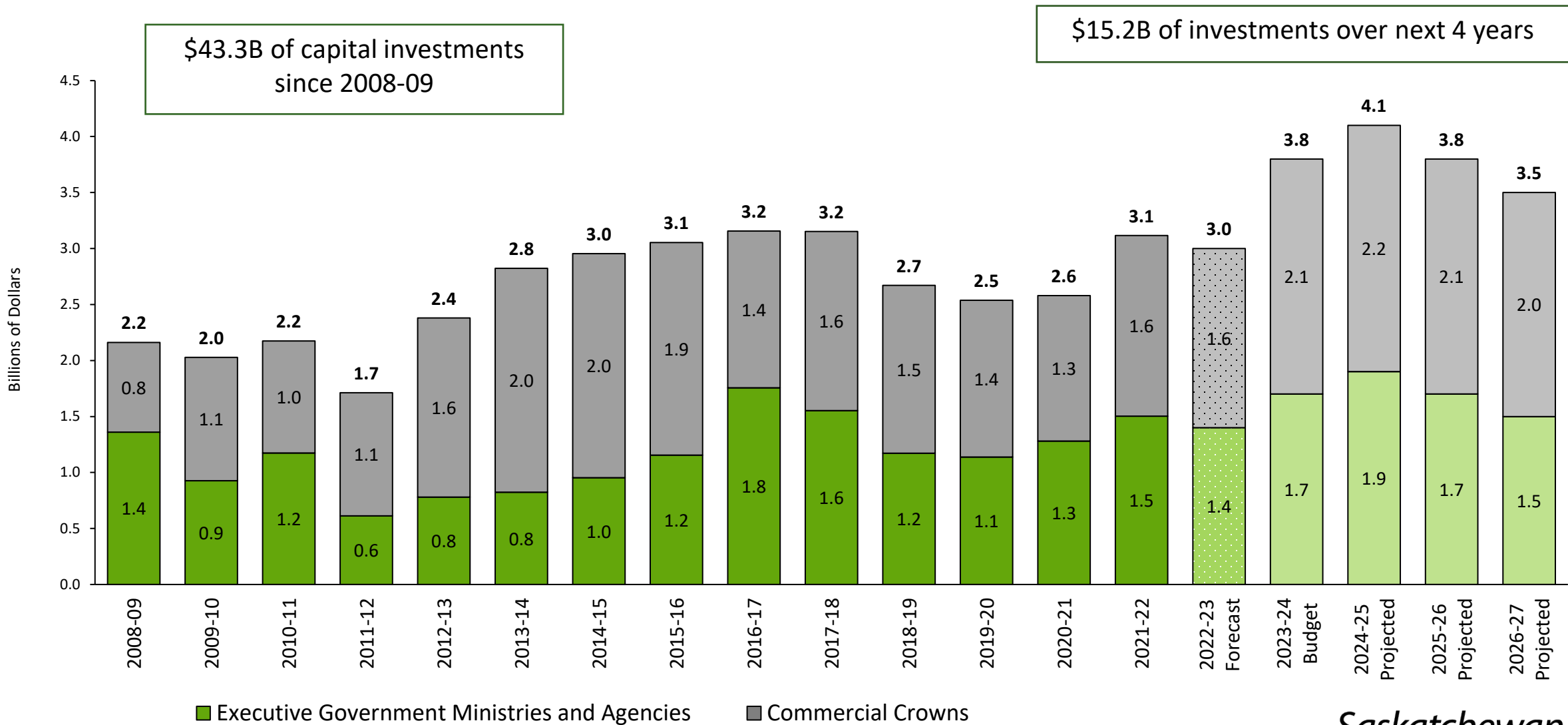
²Ministry of Finance calculations derived from calendar-year forecasts

³Expressed in calendar-years, with 2023 used for 2023-24

Key Sensitivities

- **WTI Oil Prices**
 - \$16M for each US\$1/barrel
- **Exchange Rate**
 - \$45M for each U.S. cent
- **Potash Prices**
 - \$54M for each US\$10/KCl tonne

Government Capital Expenditures



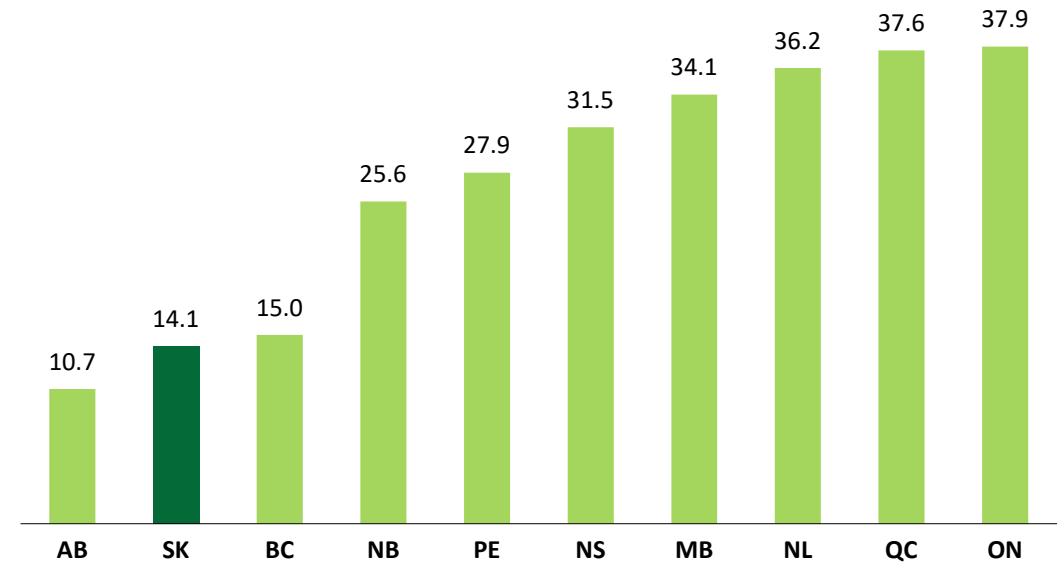
Low Debt Burden

Gross Debt As at March 31

	2021-22	2022-23	2023-24
(millions of dollars)	Actual	Forecast	Budget
General Revenue Fund			
- Operating	9,914.8	8,451.9	7,463.9
- Saskatchewan Capital Plan	8,504.3	9,771.1	10,371.1
Other Government Service Organizations	319.4	270.2	248.8
Taxpayer-Supported Debt	18,738.5	18,493.2	18,083.8
Government Business Enterprises	10,932.2	12,026.9	12,771.5
Self-Supporting Debt	10,932.2	12,026.9	12,771.5
Total	29,670.7	30,520.1	30,855.3

- Two years of surpluses eliminates need for new GRF operating borrowing and reduces operating debt by \$2.4B from 2021-22 Actual.
- Generates \$117M in annual interest savings.

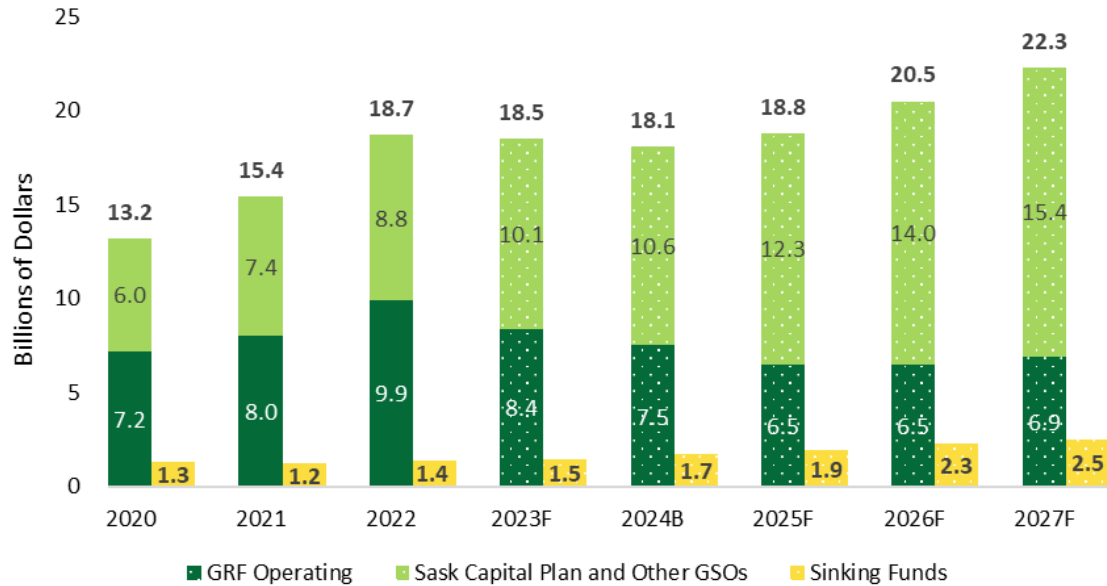
Net Debt as a % of GDP Forecast 2022-23 Fiscal Yearend Projection



Sources: Net Debt: Jurisdictions most recent data (as of March 25, 2023).
GDP: SK-Saskatchewan Ministry of Finance. All other provinces-CBoC

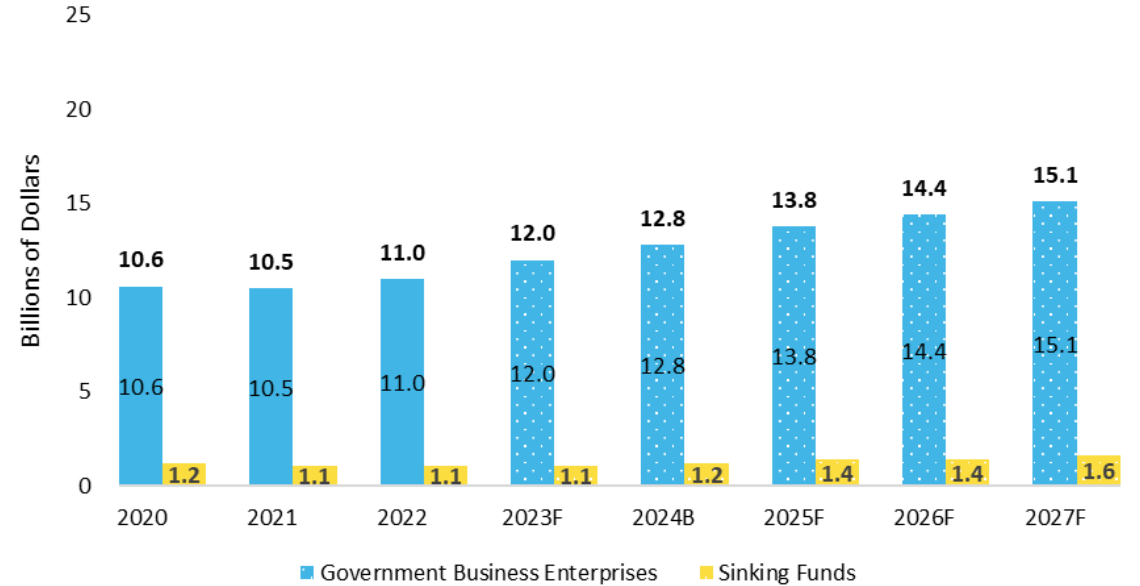
Gross Debt

Gross Taxpayer-Supported Debt
As at March 31



- Government capital debt growth offset by operating debt reduction.

Gross Self-Supporting Debt
As at March 31



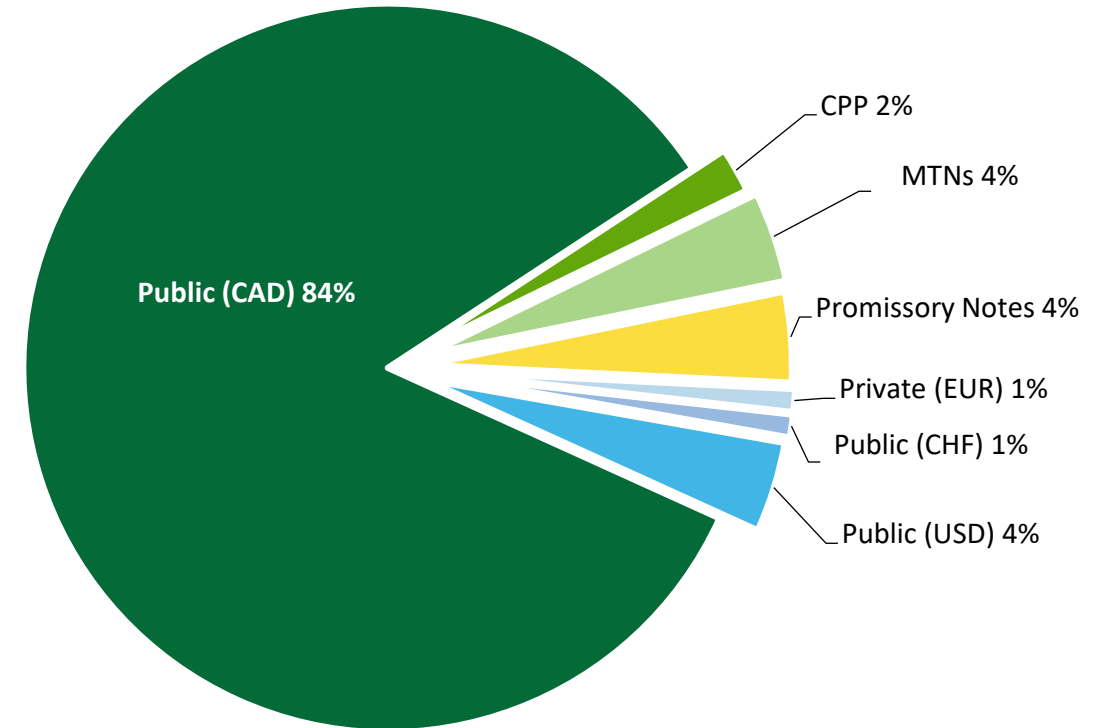
- Crown debt increasing to support capital projects including energy transition.

Debt and Liquidity

- CAD benchmark curve
 - Global SEC USD shelf
 - Opportunistic offshore issuance
 - Longer term debt maturity profile (~15 years)
- Sinking fund (~CAD \$2.5B)
 - \$4.0B short debt capacity (\$1.0B drawn)
 - \$1.25B – \$1.75B liquid reserves

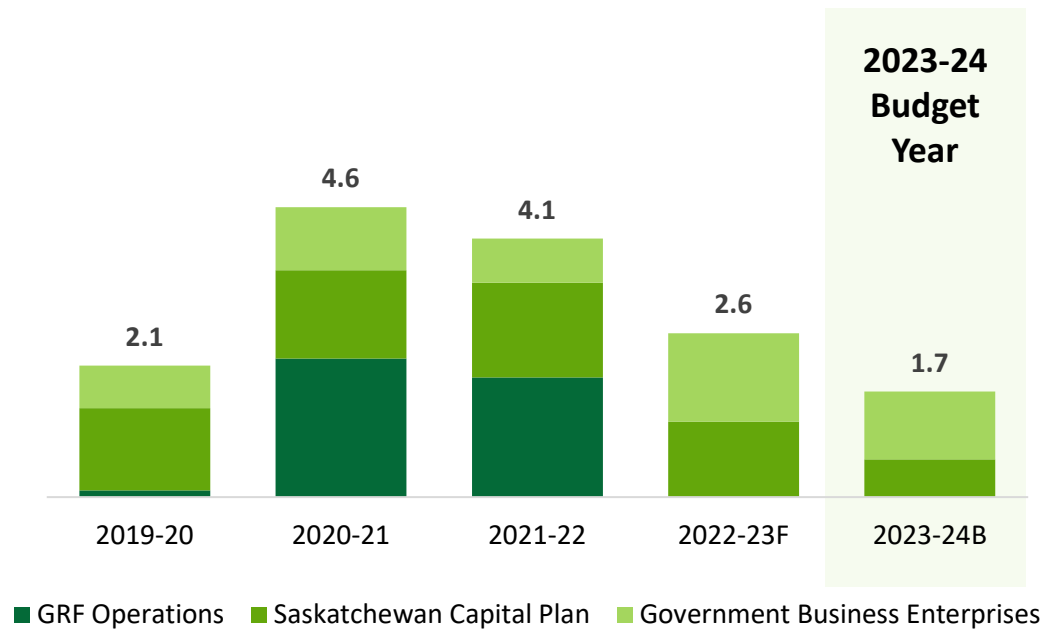
Gross Debt Outstanding

as at March 31, 2023



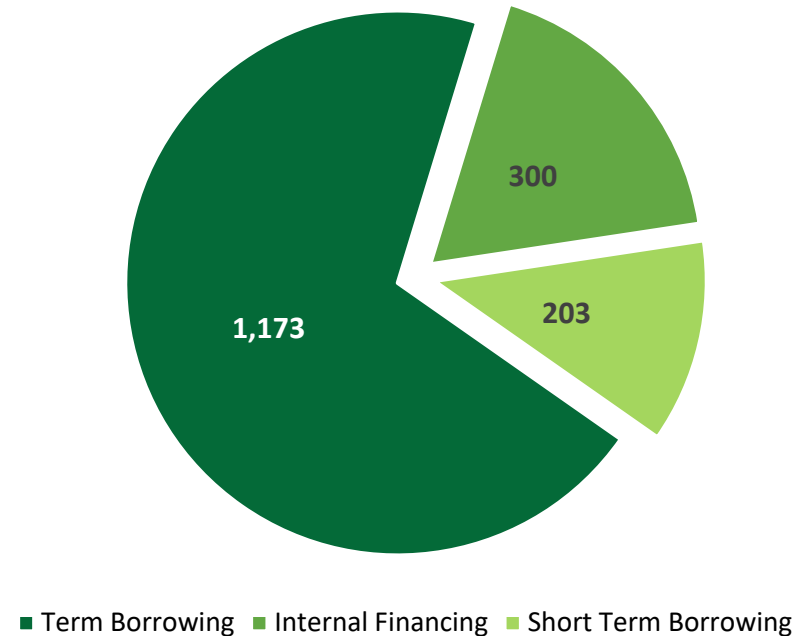
Borrowing Requirements

Annual Borrowing Requirements
(billions of dollars)



- No operating borrowing for fiscal 2022-23 and 2023-24

2023-24 Term and Short-Term Borrowing
(millions of dollars)



- \$300M of term GBE borrowing to be financed internally

Appendix



Economic Indicators in 2022

	<u>Saskatchewan</u>			<u>Canada</u>	
	Level	% Change	Rank	% Change	Period
Population at Oct. 1 (000s)	1,205.1	1.9	7	2.3	Oct.
Employment (000s)*	581.5	3.5	6	4.0	Jan. - Dec.
Unemployment Rate (%)*	4.7	n.a	4	5.3	Jan. - Dec.
Employment Rate (%)*	64.6	n.a	2	62.0	Jan. - Dec.
Consumer Price Index (2002=100)*	153.9	6.6	3	6.8	Jan. - Dec.
Average Weekly Earnings (\$)*	1,141.0	3.0	8	3.2	Jan. - Dec.
Retail Sales (\$B)**	24.5	7.5	6	8.1	Jan. - Dec.
Wholesale Trade (\$B)**	47.3	47.1	1	11.7	Jan. - Dec.
New Motor Vehicle Sales (# of Units)**	41,747	(1.9)	1	(5.9)	Jan. - Dec.
Food Services & Drinking Places Sales (\$M)**	2,171.7	15.3	8	26.6	Jan. - Dec.
Manufacturing Sales (\$B)**	26.1	27.6	3	18.0	Jan. - Dec.
International Goods Exports (\$B)**	52.4	41.6	2	24.4	Jan. - Dec.
Building Permits (\$B)**	2.1	21.9	3	6.8	Jan. - Dec.
Housing Starts (# of Units)**	4,211.0	0.9	5	(3.4)	Q1 - Q4
Investment in Building Construction (\$B)**	5.0	26.1	2	11.3	Jan. - Dec.
Residential (\$B)**	3.7	24.3	2	10.7	Jan. - Dec.
Non-residential (\$B)**	1.3	31.4	1	13.3	Jan. - Dec.

Source: Statistics Canada, February 15, 2023

*Year to date average

**Year to date total

Revenue Summary

	2021-22	2022-23	2022-23	2023-24	Change from Budget	
(millions of dollars)	Actuals	Budget	Forecast	Budget	\$	%
Taxation	8,202.3	8,092.8	9,692.1	9,633.8	1,541.0	19.0
Non-renewable resources	2,920.0	2,910.1	4,512.4	3,344.6	434.5	14.9
GBE Net Income	837.6	742.5	272.9	529.1	(213.4)	(28.7)
Other own-source revenue	2,717.1	2,192.5	2,423.2	2,615.6	423.1	19.3
Federal Transfers	3,459.1	3,219.7	3,361.4	3,554.6	334.9	10.4
Total Revenue	18,136.2	17,157.6	20,262.0	19,677.7	2,520.1	14.7

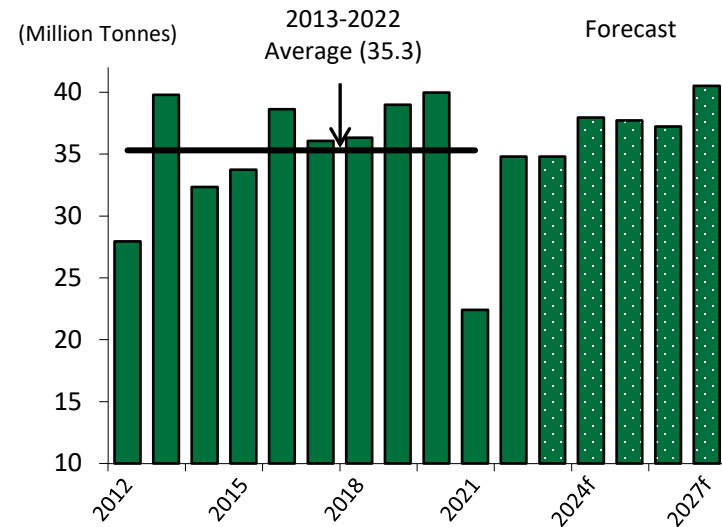
Strong broad-based economic growth in 2022, and forecasted growth in 2023, help to create a solid revenue base for 2023-24

Expense Summary

	2021-22	2022-23	2022-23	2023-24	Change from	
(millions of dollars)	Actuals	Budget	Forecast	Budget	Budget	Forecast
Agriculture	3,194.4	1,040.1	1,799.4	1,449.8	409.8	(349.6)
Community development	682.9	729.9	785.9	866.0	136.1	80.1
Economic development	520.8	327.7	777.5	367.4	39.7	(410.1)
Education	3,685.3	3,800.4	3,776.2	4,035.7	235.3	259.5
Environment and natural resources	403.1	371.9	358.8	254.4	(117.4)	(104.4)
Financing charges	718.2	812.0	816.7	812.2	0.2	(4.5)
General government	463.6	544.6	573.5	540.1	(4.5)	(33.4)
Health	6,882.9	6,823.5	6,973.1	7,056.3	232.7	83.2
Protection of persons and property	961.3	936.2	1,017.5	968.5	32.4	(49.0)
Social services and assistance	1,458.4	1,623.9	1,602.3	1,665.2	41.2	62.9
Transportation	633.5	610.3	633.7	644.6	34.3	10.9
Total Expense	19,604.4	17,620.6	19,114.7	18,660.2	1,039.7	(454.4)

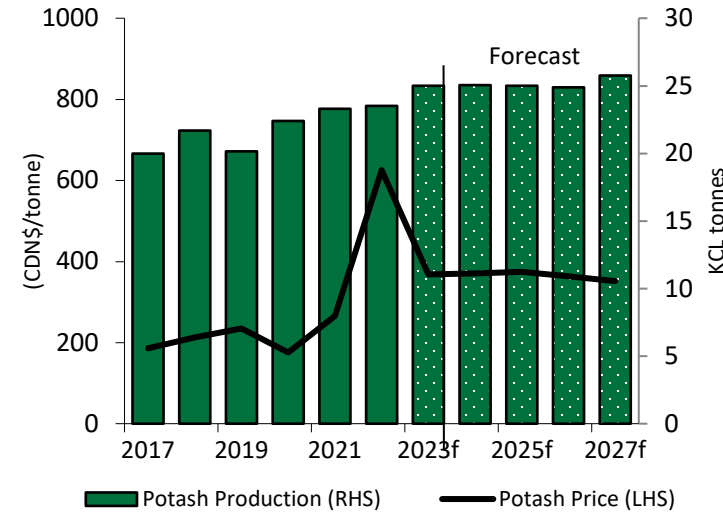
Commodity Update

Saskatchewan Crop Production



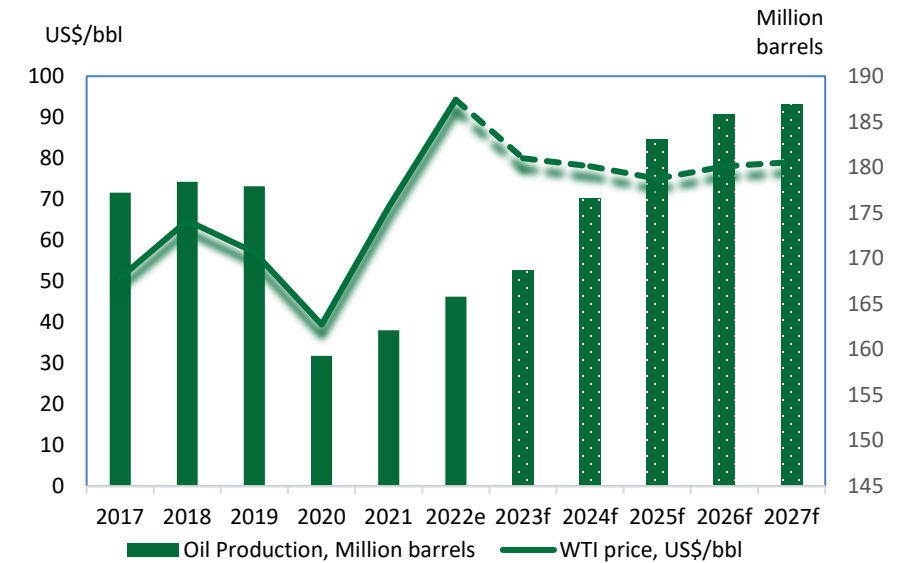
Sources: Statistics Canada (January 2023), Ministry of Agriculture (January 2023)

Saskatchewan Potash Price and Production



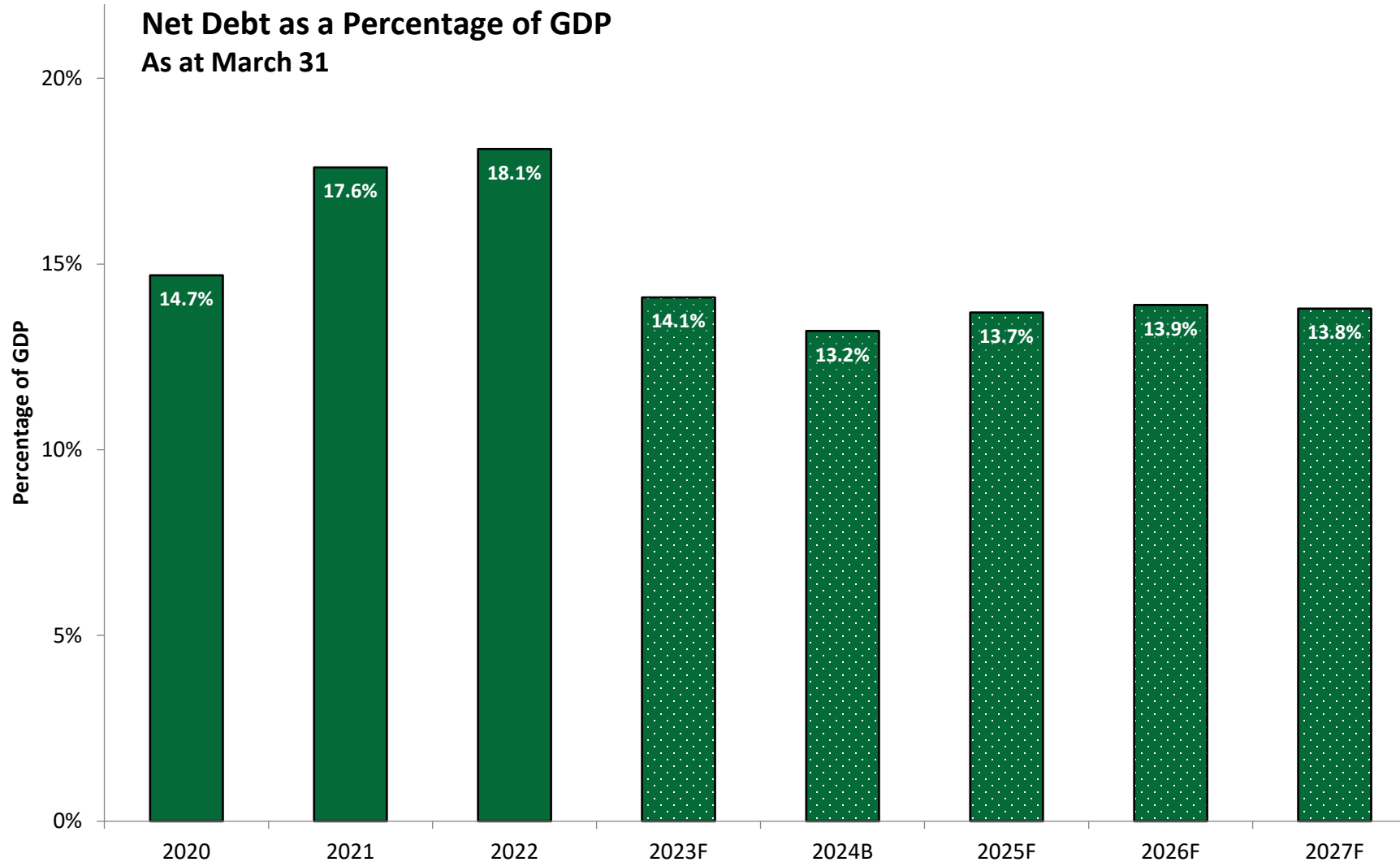
Source: Ministry of Energy and Resources (February 2023)

WTI Oil Price and Saskatchewan Oil Production



Source: Ministry of Energy and Resources

Net Debt to GDP



Contact Information

Rod Balkwill

Executive Director
Treasury Management Branch
1 (306) 787-9473
rod.balkwill@gov.sk.ca

Joe McMaster

Assistant Director, Capital Markets
Treasury Management Branch
1 (306) 787-0928
joe.mcmaster@gov.sk.ca

Tammi Keith

Director, Capital Markets
Treasury Management Branch
1 (306) 787-6605
tammi.keith@gov.sk.ca

Shanna Hoffman

Director, Risk Management and Reporting
Treasury Management Branch
1 (306) 787-3925
shanna.hoffman@gov.sk.ca