



ANNUAL REPORT 2023





PNE

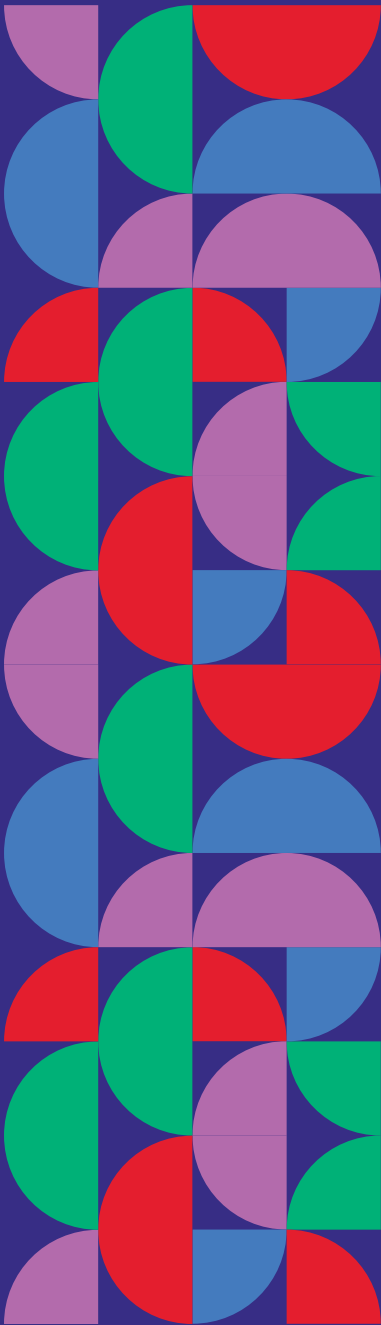


TABLE OF CONTENTS

Letter from the PNE President and PNE Board Chair 5

Who We Are 6

Governance 7

Year at a Glance 8

Our BRAND-New Look 12

Revenue-Generating Activities 14

 The PNE Fair 14

 Prize Home Lottery 20

 Winter Fair 22

 Winter Lottery 23

 Playland 24

 Fright Nights 27

 Year-Round Events 29

Investing in the Park and Our Community 33

 Master Plan 33

 Capital Projects 35

 Facility Maintenance 35

 Park Care 36

 Technology and Process Improvements 37

 Partnerships 38

 Community Programs 40

 Accessibility 41

Our People 41

 SafeConnect 45

Governance 46

 Report of Management’s Responsibility for Financial Statements 46

 Corporate Governance 47

 Corporate Governance Practices 47

 2023 Auditor 47

Financial Statements 49



THE LAND WHERE WE LIVE, WORK AND PLAY

The PNE acknowledges that we are fortunate to work, play and provide memorable experiences for British Columbians from the unceded territories of the xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh (Squamish) and səliłwətał (Tsleil-Waututh) Nations. We thank them for having cared for these lands and waters and look forward to working with them in partnership as we continue to build this great city together.



LETTER FROM THE PNE PRESIDENT AND PNE BOARD CHAIR

2023 was a pivotal year for the PNE, as we were laser-focused on investment for the future. Our investments will have a significant impact on the evolution of our organization, Hastings Park, the events and attractions industry, and British Columbia. Major developments were made in advancing the Hastings Park-PNE Master Plan. We also made critical on-site infrastructure upgrades to support our growth, invested in the implementation of new business solutions, launched a new PNE brand and welcomed two new members onto our executive leadership team who will help to shape the future of our organization.

Strides were made toward realizing the Hastings Park-PNE Master Plan in 2023, including the construction of ThunderVolt, Canada's fastest new launch coaster, which opens to the public in summer 2024. As well, design of the iconic new Amphitheatre was completed, with demolition of the historic amphitheatre scheduled to begin early 2024. Through our partners at the City of Vancouver, Amphitheatre construction will take place through 2024 and 2025, with a targeted completion date of early 2026. Important upgrades were also made on-site to power, sewer and IT infrastructure to support Master Plan developments. The team also remained focused on green space improvements in the Sanctuary.

To capture our evolution and reflect our exciting future, we also launched the new PNE brand in 2023. More than a visual identity, our brand is the story of who we are and what we stand for. Our new brand embodies the PNE's essence: *Bringing play to everyday*. With a modernized upgrade to our logo, a bright new colour palette and a simplification of our

name from "Pacific National Exhibition" to "PNE", we stepped into our future embodying the playful experiences we offer to our guests 365 days a year. Our new brand look is showcased throughout this Annual Report.

In 2021 and 2022, the PNE experienced very strong financial years. In 2023, as we continued to build the team and infrastructure required to once again operate at full capacity, British Columbians began to feel the impact of inflation, with interest rate increases not seen since the 1980s as well as a rising cost of living, which left people with reduced disposable income. A downward adjustment in consumer spending patterns was felt across the events, attractions and entertainment industry. Although the PNE welcomed more guests to our events than in our past three years, we faced the rising cost of labour, goods and services, along with reduced consumer spending across events on-site. While the team effectively managed expenses and found significant savings to offset reduced revenue throughout the year, we experienced several extraordinary, one-time budget pressures in 2023 that resulted in a financial loss. The PNE achieved total revenues of \$71.45 million and a negative net income of \$4.37 million. The team expects to return to positive net income in 2024.

We would like to take this opportunity to thank our incredible PNE team, from our Board of Directors, executive leaders, directors and managers to our union, part-time, seasonal, casual and Fair staff. The dedication of our team allows us to continue to host iconic and memorable experiences for our guests. We look forward to sharing many more memories in 2024 and beyond.



SHELLEY FROST
President



SARAH KIRBY-YUNG
PNE Board Chair

WHO WE ARE

The PNE is a vibrant non-profit organization that is dedicated to creating memorable experiences, positively impacting our community and creating first-class events.

Our purpose is to inspire joy and deliver memorable experiences.

Founded in 1910, the Pacific National Exhibition (PNE) operates from a 114-acre site at Hastings Park, a multi-facility venue in Vancouver where the organization produces the annual summer Fair, a Winter Fair and Playland Amusement Park, as well as hosting client and partner events and activities. The PNE also manages the site's year-round park and facilities, including multiple cultural gardens, a sanctuary and a spectacular park. We also facilitate and support community impact initiatives, and 100% of our profits go back into the site, community grants and the upkeep of the park.

More than 2.5 million visitors from across the province travel to the PNE each year to experience their favourite musician, hobby or team, to connect with their families or to take a peaceful walk through the Sanctuary and our cultural gardens. Hastings Park has been home to many "first" moments for British Columbians—such as a first job, first roller coaster ride, first date, first concert and many others.





GOVERNANCE

The PNE is a statutory, non-profit organization wholly owned by the City of Vancouver. The organization is governed by our Board of Directors. The PNE remains operationally financially self-sufficient. Revenue generated from our various activity streams provides the funds to independently operate and maintain the grounds and programming at Hastings Park. The PNE management team and Board of Directors are committed to keeping the organization strong, healthy and vibrant while focused on the future to ensure many more memories are made on this active and evolving site.

In 2022, the Hastings Park-PNE Board of Directors welcomed a new Board Chair, Sarah Kirby-Yung. Councillor Sarah Kirby-Yung is committed to a livable and vibrant Vancouver, and believes that arts and culture are a vital part of a great city. She is currently serving her second term on Vancouver City Council. Prior to Vancouver City Council, she served on the Vancouver Park Board. Her professional background is in marketing and communications, and she has held senior management roles in the tourism and hospitality sector. Sarah is joined by eight other directors. One of these positions is the Vice Chair, which is always held by the General Manager of the Vancouver Park Board to ensure synergy between the two organizations.



YEAR AT A GLANCE

The 2023 fiscal year focused on investing in the future of the PNE, with major progress made on the Hastings Park-PNE Master Plan and infrastructure upgrades undertaken to support our future growth. The economic downturn and reductions in consumer spending experienced across the events, attractions and entertainment industry had a direct impact on our projected event revenue and, as a result, we ended the year in a deficit. However, with strong demand across our business streams and major new offerings on our horizon with the ThunderVolt launch coaster and the new year-round Amphitheatre, we head into the coming year with renewed optimism.



We continue to perform as a 365-day-a-year entertainment destination, and we are proud of our incredible event achievements in 2023.

Figure 1 **TOTAL REVENUE**

2017	55,546,193
2018	55,499,380
2019	60,976,282
2020	14,625,994
2021	41,653,785*
2022	85,398,032**
2023	71,451,081

*Includes \$4,105,663 in both provincial and federal grants
** Includes \$17,394,337 in one-time government grants

PNE FAIR & PNE WINTER FAIR

The PNE Fair celebrated its 113th year in 2023, welcoming 626,531 guests over 15 days, from August 19 to September 4. The event remains BC’s largest ticketed event; attendance in 2023 exceeded 2022 numbers by nearly 100,000 guests, bringing the event much closer to pre-pandemic attendance levels.

The PNE Winter Fair returned for its second year with festive entertainment, food, music, light displays and activities for guests of all ages. The mild winter allowed the event to stay open every night, without travel or snow impacts. We were excited to welcome BCAA onboard as our presenting partner—and we look forward to continuing to work with BCAA to build this phenomenal event.

PLAYLAND & FRIGHT NIGHTS

Playland opened for 58 operational days in 2023, an increase of 10 operational days from the previous season. With more than 209,500 attendees, the amusement park made encouraging strides towards its pre-pandemic capacity. We celebrated the 65th anniversary of the iconic Wooden Coaster and undertook essential infrastructure upgrades to modernize the park.

Fright Nights launched with a sold-out weekend and welcomed a new haunted house—The Void—to its repertoire, much to the delight of its 80,209 attendees.



YEAR AT A GLANCE, CONTINUED

YEAR-ROUND EVENTS

The PNE continues to prove itself as a year-round entertainment destination, with concerts, shows, festivals, film and television, sport, and trade and consumer shows, and long-term tenants utilizing the diversity and multi-venue nature of our site.

More than 278,000 guests enjoyed events on-site throughout 2023. Popular shows and events included Disney On Ice, Monster Jam, and artists Arctic Monkeys and Queens of the Stone Age. Festivals also remained popular, with five festivals over seven event days. We also hosted nine sporting events over 15 event days, 13 trade and consumer shows over 31 event days, and more than 180 filming days across 12 projects. CircusWest and Rolla Skate Club remain long-term tenants of the Garden Auditorium and Rollerland, respectively, and we welcomed back seven hockey teams for 130 days on our seasonal rink in the PNE Agrodome.



COMMUNITY SUPPORT

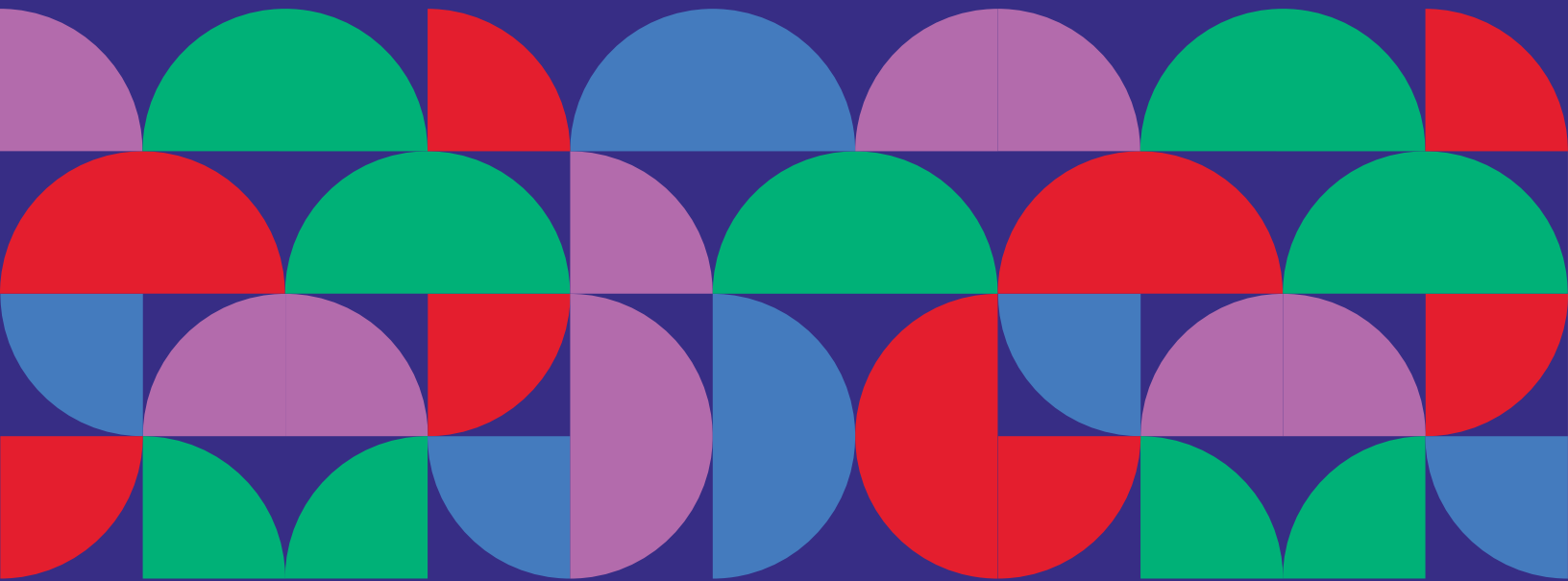
The PNE had a strong return to its full pre-pandemic Community Program capacity in 2023. The team operated five ticket donation programs, donating more than 72,000 tickets to charities, non-profits, and the PNE's neighbouring residents and businesses. The PNE's \$10,000 Community Grant Fund was reinstated, and a new three-year educational community partnership began with the Hastings Park Conservancy (HPC) and the Northwest Wildlife Preservation Society (NWPS) to bring hundreds of children from five local elementary schools through the Sanctuary.

We also worked hard to hear from residents, respond to concerns and rebuild the confidence of the community after sound issues faced in 2022. We prioritized communication with the PNE neighbourhood and wider community, hosting two open houses and many one-to-one meetings, launching a brand-new community information hub on the PNE website, and reinstating the community e-newsletter Pinwheel News. The team also hosted the Community Corner at the 15-day PNE Fair, answering community questions and engaging directly with visitors and neighbours.



OUR BRAND-NEW LOOK

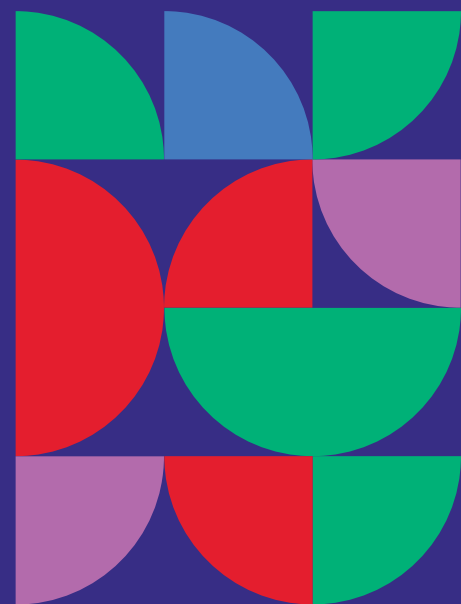
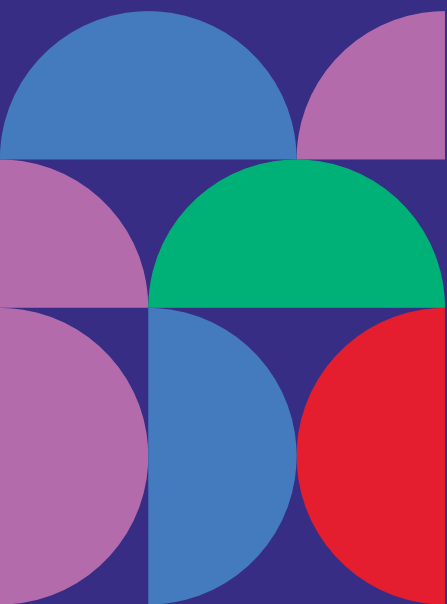
The PNE you love, with a NEW BRAND look.



The future is bright for the PNE, and in 2023 we launched a new identity to reflect that. The PNE hosts and manages many of BC's most iconic events 365 days a year. From concerts, festivals and thrilling rides to sports, activity and community gatherings, PLAY is at the heart of everything we do.

The PNE began to look at evolving our brand in 2021. We wanted the brand to reflect the variety of experiences we offer across everything we do. Many people do not connect the business of the PNE beyond the PNE Fair. Is the PNE a place or a Fair? Our research showed they didn't understand that the PNE operates Playland, Fright Nights, the Pacific Coliseum, the Winter Fair, etc.

After extensive research, including a variety of discovery formats such as small group workshops, surveys, one-on-one interviews and market research, we formed the strategic positioning for our brand.



To capture the essence of play, our logo evolved in a bold way that signals the expanding variety of experiences happening at our venues, the people who make those memorable experiences possible and the social benefit that those experiences create in our communities. This simplified yet dynamic design reflects both our incredible history and the next era for BC's premier event and entertainment organization.

As part of our new brand, we started using the simplified name PNE for general use. We understood that it was what our guests already called us and, as a year-round entertainment destination, we had evolved beyond a Pacific National Exhibition.

The new brand was launched online and through our digital outputs in June, with the physical roll-out across the site happening throughout the summer. Guests to the PNE Fair saw the new branding in person for the first time, giving the historic event a fresh look.

Our refreshed brand will help us meet the demands of the business and capture the attention of our audiences while aligning with our bold and exciting organizational goals and objectives.

REVENUE-GENERATING ACTIVITIES

THE PNE FAIR

The PNE Fair celebrated its 113th year in 2023, welcoming 626,531 guests over 15 days, from August 19 to September 4. The event remains BC’s largest ticketed event; attendance in 2023 exceeded 2022 numbers by nearly 100,000 guests, bringing the event much closer to pre-pandemic attendance levels.

Figure 2 FAIR ATTENDANCE

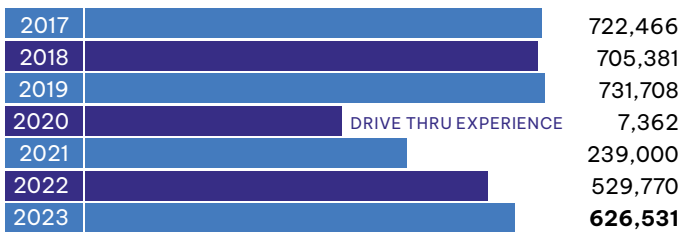
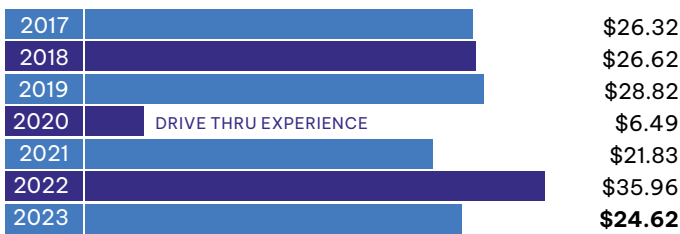


Figure 3 FAIR TOTAL REVENUES (in millions)



Note: Previous year’s revenues include Lottery and Winter Fair

It was an iconic year for the Fair, with the final shows in the historic amphitheatre before it was demolished to make way for the new covered year-round Amphitheatre. On the closing night of the Fair, Blue Rodeo played to a sold-out crowd of 7,000 guests, bringing 57 years of music in the iconic venue to a close.

The Indigenous Marketplace expanded its footprint this year, with more vendors, the return of Canoe Cultures demonstrating canoe carving and the introduction of a First Nations performance stage.

Other highlights of the 2023 Fair included BC Lions Day on August 27, with players and their promo team getting involved in the Fair’s festivities, hosting autograph sessions and putting their skills to the test in the SuperDogs arena.

Red Robinson Day on August 31 was a memorable celebration of the legendary DJ and broadcaster, who had a lifelong connection to the PNE Fair. Robinson passed away on April 1, 2023, at the age of 86. The day included a special display of vintage cars, the dedication of a bench that now sits permanently in Hastings Park and a performance by Elvis tribute artist Aaron Wong.

New to the Fair in 2023 was an immersive Monet exhibit in the North Forum. More than 400 of Claude Monet’s artworks were brought to new life in Beyond Monet, a unique and exhilarating multimedia experience. The family-friendly immersive exhibition wrapped guests in light and colour that focused and refocused into the flowers and landscapes of Monet’s brilliant masterpieces.



The PNE Express Train also made its debut at the Summer Fair. This fun, open-air electric train with two cars and an old-fashioned conductor took guests on a train ride through our secret, nature-filled Hastings Park Sanctuary alongside the duck pond, over a bridge and under the canopy of trees filled with our resident bird friends. To the delight of the kids, KC Bear also rode along for much of the day.

The wildly popular Knights of Valour was back, drawing thousands of guests each day to watch the full-contact, live and unchoreographed jousting show with thrilling horsemanship, bravery and chivalry on full display.

Our nighttime finale show, Remix Inferno-A Pyro Music Spectacular, also drew huge



crowds every night to celebrate the Fair as high-flying hits erupted into hot musical mashups in the sky.

We were also thrilled to welcome back crowd favourites, including the SuperDogs presenting “Barkade”, The Flying Fools High Dive Show and the ever-popular Dueling Pianos.



The PNE Fair was founded on agricultural roots, and this remains at the core of who we are. Each year, we share stories of our province's diverse agricultural sector and educate visitors about growing, shopping and eating local. The PNE believes in the need for education around healthy food and food security, and there's never been a more vital time to educate the public. The Fair offers a fantastic opportunity to showcase agriculture to our urban guests, educating them about food production while making it engaging and fun. We are grateful to our industry partners, as their support allows the ongoing expansion of our agriculture programming.



At the heart of the Agriculture Barns at the PNE is the 4-H Festival. 4-H is a youth development program for participants six to 21 years old that focuses on knowledge, leadership, citizenship and personal development. With 266 participants and 352 animals on display in 2023, it was another successful year for the 4-H Festival. Every year, hundreds of hard-working kids from across the province travel to the PNE 4-H Festival to compete for prizes to support their future ventures and education in agriculture production.



Farm Country in the Agricultural Barns showcased a variety of farm animals throughout the 15-day fair, including llamas, alpacas, horses (big and small), cows of all varieties, chicks and chickens, ducks, fancy birds, sheep, pigs, goats and more. Visitors had the opportunity to see and interact with the animals, and to learn more about them during our farm hand demonstrations throughout the day.

The Journey of BC Food exhibit was back celebrating BC agriculture and food. The exhibit, part of the Province's Buy BC program, is located inside the Agricultural Barns. Every year, thousands of guests learn about where their food comes from, and the connections from farm to table.

The AGRI-A'MOO'SEMENT area of the livestock barns once again offered visitors the chance to



try their hand at archery, take in the Magic Bean Agriculture Show, watch the pig races or hop on a pony ride.

The Kidz Discovery Farm, presented in partnership with many of our industry partners, allowed kids to try their hand at becoming a ‘farmer for an hour’ while showcasing 10 sectors of agriculture with different interactive activities. Visitors tried their hand at milking a cow, pedalling a tractor, collecting eggs and harvesting apples in this educational and fun exhibit. In partnership with AutismBC, we again hosted two sensory-friendly mornings, where the barns were open exclusively to families with neurodiverse children, and KC Bear was on-site to greet more than 400 guests each morning. Families were able to experience the Fair and the animals in a sensory-controlled, low-stimulation environment. Without this opportunity, many families would not have been able to take in the Fair experience.

We are grateful for the ongoing support of our returning partners BCAA, TransLink, Metro Vancouver, Safeway, Chevrolet, Coca-Cola, Labatt, Parallel 49 and Southern Glazers, along with our agriculture partners the Ministry of Agriculture and Food, BC Egg Marketing Board, BC Cattlemen’s Association, BC Dairy Association and BC Chicken Association. After a four-year hiatus, we were also pleased to welcome back Tim Hortons as our Community Stage partner, supporting our community entertainment programming.

The PNE also welcomed TD Bank through two initiatives. The Youth Accessibility Program presented by TD, which was specifically designed to enhance life experiences for disadvantaged youth, aged 13-18 years, across Metro Vancouver by offering them access to PNE events and a new job skills program. The Vibrant Planet initiative provided support for the Sanctuary revitalization project.

While we saw an encouraging increase in attendance at the 2023 Fair, and a big step towards pre-pandemic event sizes, we noted that



PARTNERSHIP HIGHLIGHTS

The Fair welcomed guests to engage with new and returning partners:

4

Community programming on the Tim Hortons Stage in Festival Park **after a four-year hiatus**



Summer Night Concerts at the Chevrolet Stage



Family-friendly entertainment on the BCAA ToonCity stage



TransLink’s **Ride and Shine** exhibit



Metro Vancouver’s exhibit **Together We Make Our Region Strong** in Festival Park



Agriculture partners, families and professional chefs at the **Safeway Cooking Stage**

15

A multitude of brands hosting **experiential marketing booths** throughout the 15 days

guests were more cost-conscious as cost-of-living and inflation pressures impacted disposable income available for entertainment. This affected overall Fair revenues.



SUMMER NIGHT CONCERTS

The Summer Night Concert series showcased a diverse lineup of performances and marked the final year of concerts in the historic PNE amphitheatre, with tens of thousands turning out to enjoy the shows played in front of the iconic backdrop of the North Shore mountains.

Saturday, August 19	TLC
Sunday, August 20	Boyz II Men
Tuesday, August 22	Tenille Townes
Wednesday, August 23	Boney M. FEATURING Maizie Williams
Thursday, August 24	Yung Gravy & bbno\$
Friday, August 25	Billy Talent
Saturday, August 26	AQUA
Sunday, August 27	Billy Idol
Tuesday, August 29	Pink Martini FEATURING China Forbes
Wednesday, August 30	Doug and the Slugs WITH THE VSO
Thursday, August 31	Pat Benatar & Neil Giraldo
Friday, September 1	Jason Derulo
Saturday, September 2	Stars of Drag
Sunday, September 3	Walk off the Earth
Monday, September 4	Blue Rodeo: 30 Years IN July



PRIZE HOME LOTTERY

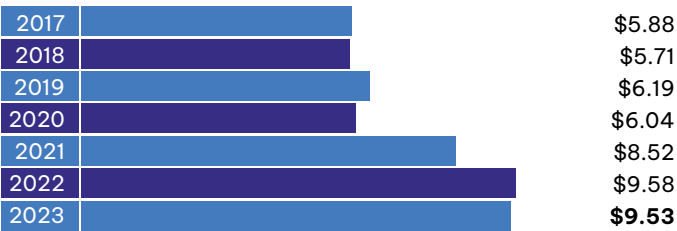
THE GRAND PRIZE HOME

Continuing an 89-year tradition, the PNE Prize Home Lottery transformed lives and made dreams come true again in 2023. The grand prize—a \$2.3-million dream home in Langley, BC—was awarded to Mark Zappa from New Westminster. Mark, 53, had never owned a home and was living in a small apartment facing maintenance issues when he won the jackpot in September. He planned to move into his brand-new home as soon as possible.

The home was a luxurious, fully furnished Craftsman dream home in Langley with a Scandinavian aesthetic and hygge-inspired interior accents that was built by Lanstone Homes in collaboration with Wesmont Homes. Designed by Brown & Co and furnished by Yaletown Interiors, it offered five bedrooms and five and a half bathrooms, a modern kitchen with Fisher & Paykel appliances, a rec room and a listening lounge. The 3,773-square-foot home also included a one-bedroom, one-bathroom legal basement suite.

The PNE Prize Home was Step 3 certified as a fully electric home through the continued support of BC Hydro, along with Aquatech Heating and Air Conditioning who upgraded the home to a climate heat pump system. The home also included an induction range in the main kitchen, provided by Fisher & Paykel Appliances Canada Inc., and a robotic mower and yard maintenance package supplied by Husqvarna Canada.

Figure 4 **PRIZE LOTTERY TOTAL REVENUES** (in millions)



THE LOTTERY

In addition to the grand prize, the lottery also awarded \$891,425 to one lucky 50/50 winner, three vehicles from Chevrolet, two vehicles from Cadillac, two seven-day cruises to Mexico or the Caribbean from Holland America Group along with \$1,500 cash, a travel trailer from Woody’s RV World, a Harley-Davidson motorcycle from Trev Deeley Motorcycles, and a hot tub package from Beachcomber Hot Tubs Group.

Four early-bird draws also took place throughout the summer, awarding three seven-day cruise packages to Europe, Canada, and New England or Alaska from Holland America Group, and a Chevrolet Bolt EV.

In 2023, 751,571 Prize Home Lottery tickets were sold, with proceeds from the lottery supporting a variety of non-profit programs at the PNE, including agriculture, art and community as well as educational incentives.



Prize Home Winner Mark



“The PNE Prize Home is a beloved tradition and awarding it to its new owner is one of the most special events of the year for our organization. This year’s Prize Home showcases state-of-the-art craftsmanship, cutting-edge technology, and BC building products. We extend our warmest congratulations to Mark, now the proud homeowner of this beautiful Langley home.”

—Shelley Frost, CEO & President



WINTER FAIR

The PNE Winter Fair returned for its second year of festive local entertainment, food, music, light displays and activities for guests of all ages. Mild winter weather allowed tens of thousands of families to enjoy this fantastical holiday experience over its 15-day run between December 6 and 23.

New in 2023, Nutcracker on Ice performed twice each night in the Pacific Coliseum to a thrilled audience as flames shot up from the ice and ‘snow’ fell from above for an immersive entertainment experience. The Magic of Santa family show delighted thousands of children, with the new location in the north end of the Pacific Coliseum allowing more people to attend each show.

The introduction of ice bumper cars in the Agrodome was an overwhelming success, with the new activity selling out every night. The other half of the Agrodome ice rink offered ice skating on the Tim Hortons Rink, which remained a very popular activity with guests.

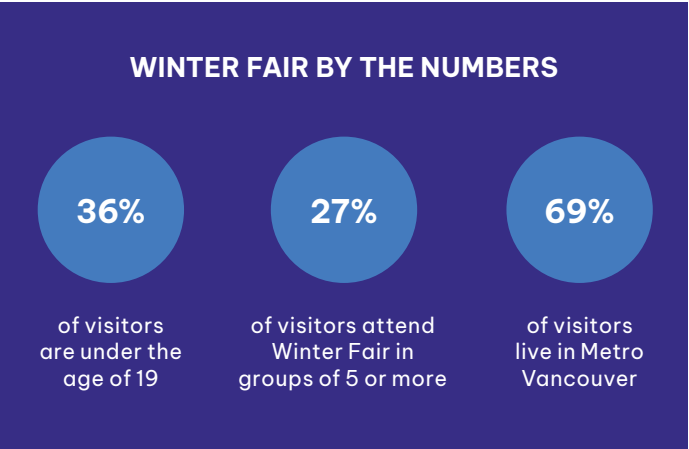
The PNE Express Train also made its debut at the Winter Fair. The fun, open-air electric train with two cars and an old-fashioned conductor took guests on a train ride filled with glowing lights, fantastical displays and endless fun, with KC Bear also riding along.

The PNE Express Train also made its Winter Fair debut in 2023, taking guests on a magical holiday journey through the WinterLights display, which was presented by BC Hydro and was the perfect backdrop for festive family photos, and the Holiday Eats & Treats market had something for everyone.

WINTER FAIR BY THE NUMBERS

Winter Fair Attendance: 79,493

Winter Fair Revenue:\$2,161,605



We were grateful to welcome BCAA onboard as the presenting partner; through its member rewards program, BCAA members were able to save on admission tickets.

As with the summer PNE Fair, despite seeing very encouraging increases in attendance, the impact that inflation and the increased cost of living had on consumer spending was evident.

The PNE Winter Fair promises to be an annual festive highlight for families in the Lower Mainland as it continues to adapt and grow year over year.





WINTER LOTTERY

Now in its fourth year, the Winter Lottery saw a winner drawn every day in February 2024. Twenty-eight daily cash prizes ranging from \$2,500 to \$35,000 were awarded to the lucky winners, as well as a new vehicle prize for 2023, a Chevrolet 2023 Equinox AWD RS.

WINTER LOTTERY

Winter Lottery tickets sold:	69,964
Total retail value of lottery prizes:	\$227,500
Total ticket sales revenue:	\$852,510

A WINNER'S STORY

One lucky winner of a \$10,000 prize decided to surprise his wife by telling her they were going to pick something up from Lost and Found at the PNE offices. PNE staff played along when they arrived at the office, pretending they didn't know anything about the visit before finally presenting them with \$10,000 in cash – which, after recovering from her confusion and surprise, the wife was delighted to accept.

HIGHLIGHTS

4th

year of the Winter Lottery, again with focus on a **Calendar Raffle**



Sold tickets through PNE Winter Fair and through our website and call centre

28

Offered **28 cash prizes** and **1 vehicle prize** throughout February, total prizing of **\$227,500**

PLAYLAND

In the summer of 2023, Playland was open Wednesday to Sunday from June 3 to August 18, a total of 58 operational days. This was an increase of 10 operational days from 2022, with Playland building momentum towards its pre-pandemic capacity.

In 2023, we continued to experience post-pandemic attendance recovery, with a total seasonal attendance of 209,554. In line with industry trends, however, the spend per guest was down, as people found themselves with less disposable income due to the rising cost of living.

PLAYLAND BY THE NUMBERS

59%

of visitors are
age 24
or under

27%

of visitors attend
with a mix of adults
and kids

63%

of visitors
live in Metro
Vancouver



GROUP SALES SNAPSHOT

- Playland school year-end parties:28,418 guests
- Playland corporate events:..... 18,400 guests
- Private Playland rental events:... 5 events / 11,274 guests
- Playland birthday parties:1,206 guests



Playland continues to be an exciting destination for companies to celebrate with large outdoor corporate events. This is one of many group sales programs, including birthday parties, corporate BBQs and private park rentals that support attendance growth in Playland.

We also brought back the Playland Season Passes after a three-year hiatus; over 1,600 passes were sold to Playland enthusiasts.

WAYS TO SAVE OFFERINGS

The BCAA Member Rewards program has been extremely popular, offering their members discounts on Playland. In 2023, we sold 14,247 tickets through this program.

We celebrated National Hot Dog Day, and introduced Maple Leaf Foods as a new partner to Playland.

Highlights during the Playland season included two major events: the South Asian Family Festival, which welcomed more than 8,000 guests to the park, and the second annual Happyland Music Festival, which included a selection of Playland rides as part of the event.

THE COASTER TURNS 65

Playland's beloved and iconic Wooden Coaster turned 65 in 2023, marked with a ceremony in August. The PNE Board Chair, Vancouver councillor Sarah Kirby-Yung, declared August 2 "Playland Wooden Coaster Day in the City of Vancouver".

To celebrate, we expanded our offerings with a VIP add-on to Sunday mornings. VIP guests were invited to arrive early for an exclusive Coaster ride and a behind-the-scenes tour to see the mechanics that make it run. Each guest also received their Coaster photo and collectable wooden pin, and enjoyed the Playland food and beverages, including a special Parallel 49 beer, the Coaster Crush.

A special anniversary hot dog was also launched for the season, named the 58 Special, after the year the Coaster opened. The hot dog featured edible hickory sticks on top to represent the wooden slats that make up the track, and the 1958 Vancouver Sun front page article about the opening of the coaster was printed on the liner of the serving basket.

In the past 65 years, more than 32 million rides have been enjoyed on the Wooden Coaster. People who enjoyed the ride as kids now return with their children and grandchildren to experience the same thrill, making it an iconic Vancouver experience.

TRIPLE CELEBRATION

"It was at one of our VIP add-on Sunday mornings that I met Barb and Carol—twins from Vancouver celebrating their 65th birthday. They not only share a birthday year with the Coaster, but they worked at the PNE as teenagers—it was their first job. Meeting them reminded me of the lifelong impacts that we have on our guests and team members. We are a part of who they are and the memories they share."

—Roxann Bury-Howard, PNE Director of Guest Experience & Playland Operations

Figure 5 **PLAYLAND ATTENDANCE**

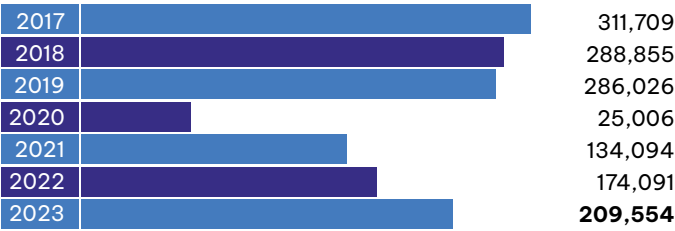
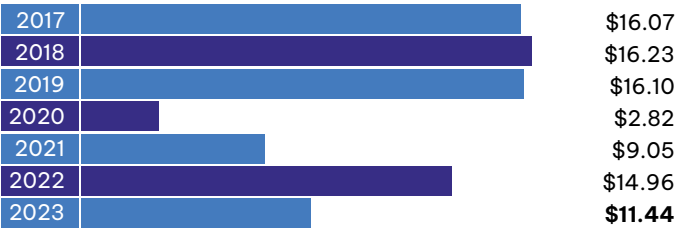


Figure 6 **PLAYLAND TOTAL REVENUES** (in millions)



Note: Previous year's revenues include Fright Nights

GETTING MORE SCREAM TIME

Encouraging people to get out of the house and into more interactive leisure pursuits, the marketing campaign centred on the message “Get More Scream Time”, showing people leaving their phones, TVs and “screen time” as they ditched the sofa seat for a roller coaster seat.

The campaign was inspired by the growing societal trend towards avoiding spending too much time on devices and screens, and spending more time on “in real life” fun.

PLAYLAND PARK UPGRADES

We strive to constantly improve and modernize so we continue delivering memorable experiences to our guests. We made significant improvements across Playland in 2023 to improve both staff and guest experiences.

Accessibility ramps were built at both the Guest Experience and First Aid offices to accommodate our expanding roster of team members. To improve guest experience, the washrooms at the south end of the site were renovated and modernized. With guest experience in mind, investments were also made to improve the look of the park, soften the look of fence lines and simultaneously reduce



graffiti opportunities. To provide shelter for guests on hot or wet days, tents were installed over queue lines at six additional rides.

Digital screens were installed as part of a multi-year technology upgrade. These screens allow us to share changing information with guests easily and quickly, and promote relevant events; they can also be used as an additional entertainment tool. The screens have reduced the costs previously incurred to print and replace signs each season.

We invested in a \$2.5-million upgrade over two fiscal years to the Wooden Coaster to ensure it is available to guests for decades to come, and guests were able to see progress being made on our \$18-million investment in ThunderVolt, the new electric launch coaster scheduled to open in 2024.

We continued to upgrade our ride theming with the rebranding of the Log Flume as the Cedar Rapids Log Flume, updating the Gone Fishin' food stand, which now serves noodle bowls and related dishes, as Wok n' on Sunshine. The historic Scrambler ride got a colourful makeover and new location on the south side of the site, and Drop Zone and The Revelation were both retired to make way for ThunderVolt.

Kettle Creek's landscaping was updated in May 2023, with new flowers and river rocks brought in to surround the ride. Additionally, 2,000 square feet of irrigation were installed around the historic Wooden Coaster in the same month.

PLAYLAND PARTNERSHIPS

As a long-time supporter of the PNE through our waste diversion and sustainability programming, the Encorp Pacific Return-It program supplied 65 yellow bins to collect returnable cans and bottles throughout the year. In 2023, Return-It increased its on-site presence with a takeover of our beloved Roll-a-Ball game. With character racers and custom-designed plush giveaways, Return-It was able to focus key educational messaging to both our guests and our staff. All returnable containers collected contributed back to our community programming.

Alongside the game takeover, we welcomed Craftsman Collision as our Rock-n-Cars bumper car partner, and IRIS eyewear came onboard with a fun, app-based scavenger hunt that included weekly giveaways in IRIS stores.



FRIGHT NIGHTS

Celebrating its 20th year as Western Canada's scariest Halloween experience, Fright Nights opened at Playland for another horrifying season of chills and thrills. Running from October 6 to 31 with a sold-out opening weekend, Playland once again transformed into a terrifying Halloween-themed experience with eight haunted houses,

15+ hair-raising rides, creepy décor, roaming monsters and gripping live performances.

The haunted house Carnevil made a much-anticipated return for the first time since 2019. In this clown-themed haunted house, the clowns are humanoid creatures who live right under our feet in the sewers below, where they multiply and grow when they encounter radioactive toxic waste.

The haunted house Hollywood Horrors was retired to make way for The Void—the newest addition to our haunted house repertoire. The Void was designed as a deserted park ranger station set among the thick forests of the Pacific Northwest, where monstrous beasts live and mysterious disappearances take place. At one of the scariest haunted houses in Fright Nights history, guests are taken on a terrifying journey through swamps and howling caves. This multi-sensory experience of sight, sound, smell and touch became a crowd favourite and an exciting new offering for returning guests. Now in its second year, the Opening Scareamony proved popular at the beginning of each night, with rides throughout the night and roving performers continuing to entertain guests between houses.

Attendance numbers were strong and met our targets; however, the spend per guest was down compared with previous years, in line with industry trends and other PNE events.

FRIGHT NIGHTS BY THE NUMBERS



Figure 7 FRIGHT NIGHTS ATTENDANCE

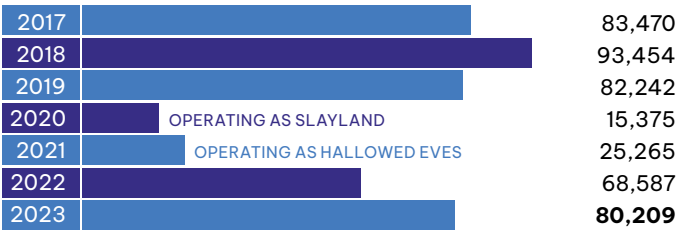


Figure 8 FRIGHT NIGHTS TOTAL REVENUES (in millions)





YEAR-ROUND EVENTS

The PNE continues to prove itself as a 365-day-a-year entertainment destination, with year-round events taking place across our indoor venues and outdoor spaces. Year-round events encompass all uses of the site and venues, outside of our Playland and PNE Fair business activity. In 2023, we saw more than 278,000 visitors attending concerts, sporting events, cultural and family shows, film shoots, trade and consumer shows, festivals and community events, and activities hosted by our long-term tenants such as Rolla Skate Club, Community Ice and CircusWest.

COMMUNITY TENANTS

130

Our Community Ice program operated for **130 days**

12,419

Rolla Skate Club events brought in **12,419 guests**

400

CircusWest has an average of **400 students annually**

CONCERTS & SHOWS

We had an exciting year of music with 33 concerts (not including our 15 Summer Night Concerts). A heavily saturated concert market, in combination with the economic downturn and a reduction in consumer spending meant that ticket sales were less predictable than previous years. Despite that, 11 of the 34 shows sold out, including Sabrina Carpenter, Satinder Sartaaj, boygenius, Jungle, Arctic Monkeys, Babymetal & Dethklok, Daniel Caesar, Doms Night, Armin van Buuren, Loud Luxury and Gareth Emery. Arctic Monkeys was the most well-attended show of the year, with more than 12,000 guests in the Pacific Coliseum.

We were proud to continue to expand the diversity of our concert lineup, growing our market for Asian rock and pop, South Asian, and religious concerts. It was also a strong year for electronic dance

YEAR-ROUND EVENTS BY THE NUMBERS



HIGHLIGHTS

53,171 Disney on Ice: 53,171 guests

41,853 Monster Jam: 41,853 guests across Spring/Fall events



The Billie Jean King Cup Qualifiers were held at the Pacific Coliseum in April 2023, and Canada went on to win their first final and title, 2-0, in winning the 2023 Billie Jean King Cup in Italy in November 2023.



Notable Pacific Coliseum concerts included Arctic Monkeys, Daniel Caesar, Queens of the Stone Age & Boygenius.

music (EDM), at 12 of the total 33 shows. Blueprint's Foundation series continued to grow with the PNE; the first event of the series took place at the Forum in February 2023, with the one-year anniversary show filling the Pacific Coliseum in February 2024. The next instalment is set to welcome 6,000 guests per day at the outdoor edition in May 2024.

FESTIVALS

Festivals remain popular with our guests and a growing market for the PNE, and we hosted five festivals over seven event days in 2023. The festivals showcased an array of musical styles, performances, market vendors, cuisines, craft beverages, and activities. These included Vancouver Craft Beer Week, Rosé Disco, Punchbowl, South-Asian Family Festival, Harvest Haus, Hopscotch and the Nisga'a Ts'amiks Vancouver Society's Hoobiye Festival.

FILM

With film and film-related parking providing a complementary way to use our site and venues when not in use for events, the writers' strike (May to September) and actors' strike (July to November)



Photo @JWPhotoworks



both had a significant impact on our organization over the seven-month period. By the end of 2023 and into 2024, the resurgence of the film and television industry saw the return of bookings, and filming for commercials continued. With the resurgence, we booked 78 days of film activity on-site across 13 projects. The projects ranged from reality television to drama, music videos, feature films and commercials, as well as large production equipment testing and set builds, proving the vast diversity of the PNE’s film-related offerings.

Despite the reduced parking from the film and television strikes, we still booked more than 248

parking days on-site across 34 individual bookings. To diversify beyond film and television, we also sold parking to music tours and overflow parking from other venues and for private corporate events taking place on the site.

SPORT

We welcomed nine sporting events for 15 event days throughout the year, ranging from high school wrestling championships to youth dance and cheer competitions to The 2023 Billie Jean King Cup Qualifiers championship tennis matches with tennis star Leyla Fernandez.

A highlight of the year was the 7 Gen Skate Festival, an Indigenous-led skateboard event supported by the Province of British Columbia. The all-inclusive event was produced by the Generations Skateboard Society and featured pro and amateur contests with more than \$20,000 in prize money. It also had an exhibitor marketplace, skate demos and clinics, food trucks, live music and Indigenous ceremonies and culture sharing.

TRADE & CONSUMER SHOWS

Trade and consumer shows remain a stable market for the PNE, with a noticeable increase in attendance in 2023/24. We hosted 13 trade and consumer shows over 31 event days, including the Vancouver Gift Expo, the 38th annual Vancouver Train Expo, the Vancouver Gem Show, B2B tradeshow, seasonal craft fairs and pop culture/collectibles shows.

Figure 9 **FACILITY SALES TOTAL REVENUES** (in millions)

2017		\$12.95
2018		\$12.37
2019		\$15.41
2020		\$4.23
2021		\$7.03
2022		\$15.76
2023		\$16.31

Increased attendance was particularly noticeable at the Vancouver Comic & Toy Show, and at Make-It, which is one of the most popular and well-attended craft fairs in Canada, with biannual shows in Vancouver and Edmonton.

LONG-TERM TENANTS

CircusWest remains our long-term tenant in the Garden Auditorium. They saw exciting growth in their June showcase—outgrowing their show space and moving their year-end performance to the Forum, allowing for a much larger audience. Their showcase “A New World Circus” performed twice daily for four days.

Rolla Skate Club is also a valued long-term tenant, bringing Rollerland, Vancouver’s original roller-skate venue, back to life. With kids, family and adult programming, they have diverse offerings for skaters of all abilities. Every Saturday, they hosted their in-house disco-themed skate night, as well as semi-regular Roller Derbies to attract participants and spectators.

COMMUNITY ICE

From October to March, we welcomed back seven of our regular hockey teams (three adult, four minor) to train and play on our seasonal rink in the PNE Agrodome. The rink was in use from 6 a.m. to 11:30 p.m. for 130 days throughout the season, closing only for PNE events, special bookings and statutory holidays.



INVESTING IN THE PARK AND OUR COMMUNITY

MASTER PLAN

2023 was a major year for investing in the future success of the PNE and the industries we serve. Significant progress was made on both Playland’s new launch coaster and the iconic new Amphitheatre, with both projects setting the tone for future transformational growth and modernization of the PNE site.

Progress in the Hastings Park-PNE Master Plan signifies our commitment to providing memorable experiences for visitors, and signifies our ability to adapt and grow while continuing to honour our rich history.

LAUNCH COASTER

Installation of the fastest launch coaster in Canada began in 2022. This complex project included installing all tracks, columns, and electrical and mechanical systems—all of which was completed by the end of this calendar year.

ThunderVolt was named by the PNE after receiving and being inspired by more than 3,000 suggestions from the public.

“It was important to the PNE that the name reflected the ride experience: speed and electricity while being rooted in nature. We anticipate it will be immediately embraced by Playland coaster enthusiasts due to its unique and thrilling features, as the coaster strikes that perfect balance between fun and thrill, and it will be an impressive addition to Playland’s ride roster in 2024.”

—Shelley Frost, CEO & President



ThunderVolt will carry 12 passengers at a time through a supernatural environment that pulses as the ride system charges, leading up to its launch. The three-car train will blast off with 1.3 Gs of acceleration through an illuminated tunnel, up a steep incline before an 18-metre drop.

Built by Zamperla, the ride will be an immersive journey where the wild energy of the West Coast is reflected in every design detail. From the signs, launch tube and buildings to the landscape and sound design, graphic elements and overall atmosphere, the design incorporates natural elements that are unique to Vancouver and BC.

The bright yellow track colour with magenta draws bold attention and exemplifies the bold new vision for the future of Playland.

THUNDERVOLT LANDSCAPE DESIGN BY THE NUMBERS

779

Trees planted

2,879

Shrubs planted

30,451

Sq ft of grass

AMPHITHEATRE

Vancouver-based firm Revery Architecture completed the design of the iconic new Amphitheatre in 2023, and Ellis Don, a leading construction services company, was awarded the construction contract for the venue in the fall of 2023.

Through the design process, Stages Consultant, a theatre planning, acoustics planning and sound equipment design firm collaborated with the PNE and Revery to develop a world-class sound and lighting plan for the Amphitheatre that will provide an exceptional experience for our guests while at the same time reducing the impacts of sound in the neighbourhood.

The design will offer our arts, culture and community groups access to built-in infrastructure that will allow them to simply ‘plug and play’, making it an affordable and accessible venue option for a wide array of groups.

Demolition of the existing space began in March 2024, including the removal of the old amphitheatre washrooms, a building along the northwest side of Playland, and the existing bleachers. After careful consultation with our biologists, the removal of trees within the construction area also began, with appropriate trees being gifted to First Nations artists, and the remainder converted to woodchips and returned to the Hastings Park ecosystem through landscaping.

Construction of the Amphitheatre will continue through 2024 and 2025, with a targeted completion date in spring 2026.

INFRASTRUCTURE UPGRADES

Infrastructure upgrades were undertaken to support the development of the Amphitheatre project. This included major electrical upgrades, water main improvements, sanitary sewer design, storm sewer relocation, and IT and security infrastructure upgrades across the park. In a 113-year-old site, this work is critical for the ongoing growth and success of the organization.





CAPITAL PROJECTS

As a 113-year-old organization, investing in our infrastructure remains a top priority to ensure continued efficiency, safety, accessibility and sustainability for Hastings Park and the people who interact with it.

In 2023, renovations to the Triple O's washroom facilities in Playland were completed, now offering an accessible, barrier-free and unisex facility with new fixtures, LED lighting and automatic doors.

To increase the PNE's ice-making capacity, the ice compressors and condensers were replaced in the ice plant. This allowed us to host multiple ice events across two venues during the 2023 Winter Fair: in the Pacific Coliseum for performances of Nutcracker on Ice, and in the Agrodome rink for ice-skating and ice bumper cars.

Essential upgrades were done in the Forum and Rollerland, with fall arrest systems installed in both buildings to ensure facility maintenance activity can continue safely and effectively. Roof repair and drainage work was completed around the perimeter of Rollerland, and the exterior doors were replaced.

The iconic Wooden Coaster underwent a major \$2.5-million refurbishment from 2022 to 2023, including the installation of a new automated system to allow for two-train operation and track renovations permitted by Technical Safety BC. These ongoing refurbishments ensure that this 65-year-old ride will remain a crowd favourite for decades to come.

We completed our site-wide lighting overhaul in early 2023, replacing outdated, energy-intensive light fixtures with high-efficiency LED alternatives. As part of that project, the lighting on the exterior of the Pacific Coliseum was upgraded to state-of-the-art lighting, programmable with a variety of colours and designs. This project places the Pacific Coliseum among other major Vancouver venues, such as BC Place, Science World and Canada Place, that light up to acknowledge important dates and causes throughout the year. The system launched on Wednesday, June 21, 2023, when the Pacific Coliseum was lit up in orange in recognition of National Indigenous Peoples Day. Visit pne.ca to see our calendar of light-up events for 2024.

FACILITY MAINTENANCE

Facility maintenance is crucial for the upkeep of the PNE's historic infrastructure and as an investment in the ongoing growth and success of the organization.

SITE IMPROVEMENTS

In June 2023, we upgraded electrical and IT systems in the centre of the park, known as Centre Grounds. More than 150 metres of new electrical power runs and IT fibre data runs were connected to five new IT kiosks and two new electrical distribution kiosks to better support our event utilities. The following month saw improvements to plumbing in the same area, to improve services for events in Centre Grounds.

Throughout the year, extensive remediation repairs were undertaken in Rollerland and on its roof. In March

2024, the water main at the Garden Auditorium was replaced, as it had reached the end of its life.

Also in March 2024, we replaced a backflow preventor in Playland ensuring better control of groundwater in the area.

Throughout the year, exterior pressure washing and painting was undertaken on the Pacific Coliseum, the Agrodome and Forum doors, railings, site lamp posts, fire hydrants, outbuildings and retaining walls. Restorative painting was also completed along the South Forum entrance.

PARK CARE

STEWARDSHIP OF HASTINGS PARK

The PNE is the proud steward of Hastings Park, caring for the expansive green spaces, the Sanctuary and the specialized gardens on-site.

In November 2023, our gardening team planted an impressive 5,000 tulip, crocus and daffodil bulbs to brighten the site for many future springs.

We continued to work closely with the Vancouver Japanese Gardeners Association, and our site gardeners worked with their members to prune some of the ornate maples in Momiji Garden.

The Italian Gardens saw drainage added around the foundation to stop surface runoff. We also worked to reclaim areas near the top of the fountain from invasive grass.

Our snow plan was reviewed with the Grounds & Garden team and improved to ensure minimal impacts during harsh winters.

Unfortunately, due to drought conditions the province has experienced for the past number of years, an August 2023 arborist field report identified 43 dead trees. For the safety of park users, those trees were removed and returned to the Hastings Park ecosystem

in the form of chippings and mulch for landscaping. Those trees will be replaced with species able to survive our new climate, to ensure their health and longevity for many years to come.

We also added four wildlife trees that were dead but were pruned to provide a beneficial home for birds and wildlife.

SANCTUARY REVITALIZATION

Thanks to the support of TD Bank, the Sanctuary revitalization project saw masses of invasive blackberry cleared in January 2024 and a new trail and sitting area created in February, with five tons of dead tree chippings repurposed into landscaping.

We also added over 1,000 square feet of new Sanctuary pond area, including a new pathway, two sitting areas and a huge new turf area reclaimed from the blackberry that was removed.

The continuation of the urban fishing program and stocking of the Sanctuary Pond with trout also took place in 2023.





TECHNOLOGY AND PROCESS IMPROVEMENTS

Significant milestones were achieved in 2023 to optimize and integrate the PNE's technology and systems, supporting the modernization of systems and the future growth of the organization.

VOLANTÉ POINT OF SALE

The new Volanté Point of Sale (POS) system was expanded into Games and Guest Services, as well as to our external food vendors, eliminating cashier errors and manual reconciliation. The migration from the Global Payments gift card program to Ackroo gift cards allowed guests to use loadable cards across the entire site, including at external games and food vendors, resulting in a cashless site in time for Fair. The integration of Clover payment terminals with the new gift cards introduced a user-friendly, centrally managed system with enhanced security measures.

Leading accounting firm MNP LLP validated our compliance with Payment Card Industry (PCI) standards, for our existing and new payment processing systems, ensuring that robust security measures were in place and that the PNE was fully PCI-compliant across all systems.

NETWORK INFRASTRUCTURE

To support the growing connectivity demands across the site, we significantly expanded our network infrastructure and footprint. This helped to support the Volanté POS system, new digital signage across the site, security cameras and many other technology upgrades.

MOMENTUS

In 2023, the PNE continued to roll out the implementation of the world-class event management software program, Momentus (previously called Ungerboeck). The software was adopted for the year-round event business stream after configuring it to match our business, including resource lists, packages and costs, along with training and report development. Several departments adopted the system for managing

CRM and contracting, including Exhibit Space & Corporate Partnerships. The PNE's Year-Round Event operations teams became fully engaged with the software after comprehensive training, and they now use it for planning, work orders, recording statistics and reporting.

This has transformed business processes and has been a significant shift in the way we manage our business, as the centralized location for sharing event information has created numerous efficiencies.

LIMBLE

The Facilities and Maintenance team also launched a new Facilities and Ground Works Request Portal to manage all internal employee work requests, creating a more efficient way to process, track and capture data on year-round work requests. The system is accessed via our new intranet site, the Loop, where employees can submit requests for anything from cleaning up graffiti spotted on-site to setting up new workstations to general repairs.

MOBARO

This specialized asset management system for amusement park rides was fully rolled out allowing

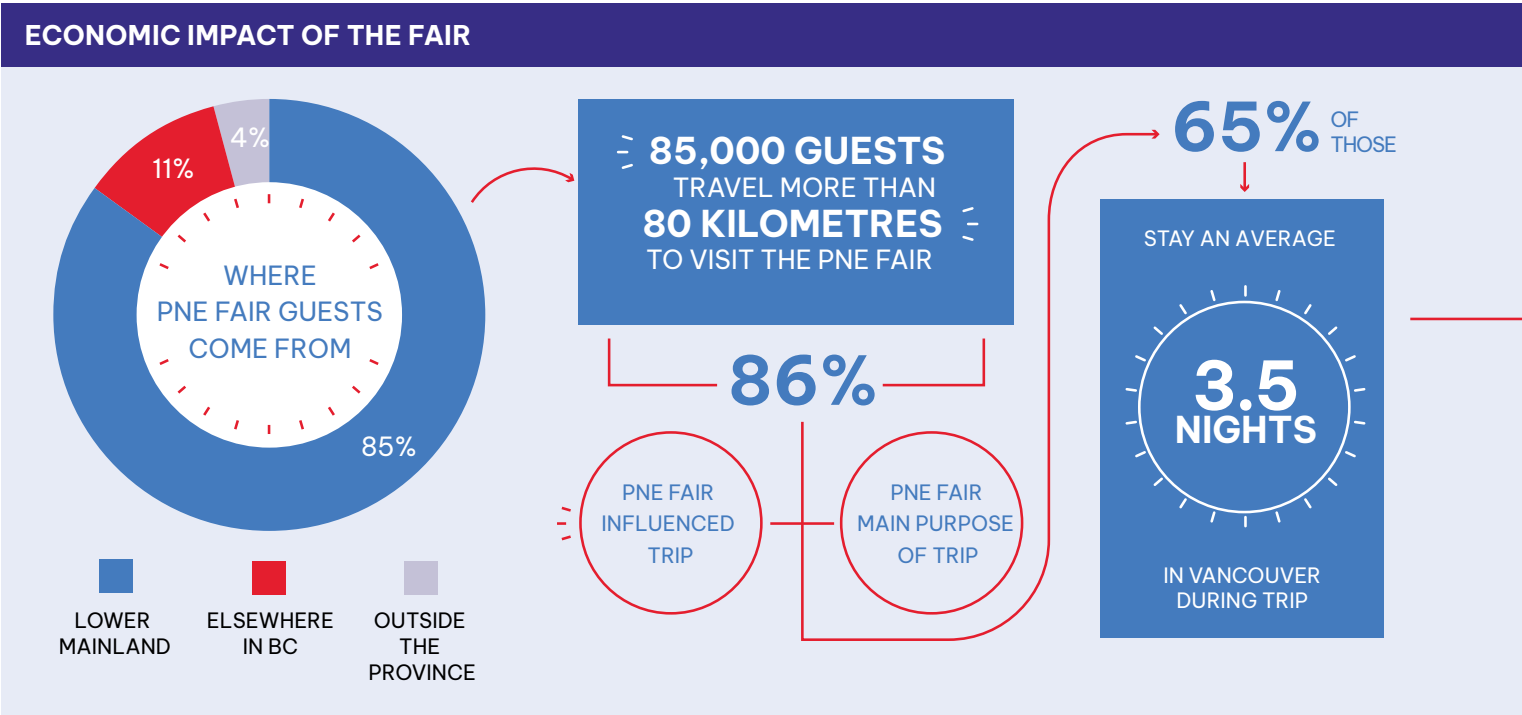
the team to more effectively track maintenance records and communicate with engineers and approval authorities.

PARTNERSHIPS

The PNE Partnerships team continues to rebuild the partnership portfolio coming out of the pandemic, with brands eager to create one-of-a-kind experiences at the PNE and to engage with our guests in authentic and creative ways.

Through 2023, the PNE Partnership team activated a campaign to build brand awareness of the PNE, the Hastings Park-PNE Master Plan and the on-site activities. The campaign sparked interest, conversations, proposals and site tours from local and national brands across Canada. In April 2023, we launched the open call for naming rights of the new Amphitheatre, with the successful candidate to be announced in 2024.

In 2023, we continued to offer our site safety initiative with BCAA; our local food initiatives featuring



Safeway, our agriculture partners and Buy BC through the Ministry of Agriculture and Food; and our sustainability initiatives through BC Hydro in our PNE Prize Home and with our recycling partners, including Return-It and the Binners' Project.

Ticket accessibility was provided through our Ways to Save campaigns, with BCAA member rewards and TransLink two-for-one days on Fair Fridays. We were also excited to welcome BCAA onboard as the presenting partner for our second annual Winter Fair in December.

In partnership with TD Bank, the PNE delivered three strong community-facing programs in 2023. The Youth Accessibility Ticket Donation Program provided thousands of tickets to the PNE Fair and the PNE Winter Fair to non-profit charities supporting disadvantaged youth. The Job Skills Program focused on providing at-risk youth in Metro Vancouver with information on how to obtain valuable job and life skills, aiming to inspire youth to start or continue their employment journeys. The Vibrant Planet Program ensured the Sanctuary revitalization project saw masses of invasive blackberry cleared in January 2024 and a new trail and sitting area created in February, with five tons of dead tree chippings repurposed into landscaping.



40% OF THOSE

SPEND MORE THAN

\$1.7
MILLION

PER YEAR ON LOCAL
ACCOMMODATIONS

20%
OF THOSE

EXTEND TRAVEL
ELSEWHERE IN CANADA,
SPENDING AN ADDITIONAL

\$5.5
MILLION

PER YEAR

The PNE is grateful for the ongoing support of our partners as we continue to provide memorable experiences to our park visitors and event guests.

COMMUNITY PROGRAMS

In 2023, we had a strong return to our full pre-pandemic Community Program capacity.

The team operated five ticket donation programs, donating more than 72,000 tickets to charities, non-profits, and the PNE's neighbouring residents and businesses, providing free attendance to the PNE Fair,



PNE Winter Fair, Fright Nights and Playland, as well as concerts and shows.

Thanks to the generous support of TD Bank, thousands of tickets were donated to non-profit charities supporting disadvantaged youth across Metro Vancouver. The new Youth Accessibility Ticket Donation Program allowed youth and their support adults to attend the PNE Fair, the PNE Winter Fair and a concert featuring Yung Gravy & bbno\$ free of charge.

The PNE's \$10,000 Community Grant Fund, which was reinstated in 2023, was awarded across nine groups and organizations in the Hastings-Sunrise neighbourhood to support their events, programs and initiatives. PNE Community Events in 2023 included the inaugural Neighbourhood Easter Egg Hunt, the Terry Fox Run for five local schools, who returned to Hastings Park for the first time since 2019, and a series of free Neighbourhood Skate Days throughout the winter.

We prioritized communication with the PNE neighbourhood and wider community in 2023. Two open houses were hosted in May and November, many one-to-one meetings were arranged with executive staff and PNE neighbours, a brand-new community information hub was added to the PNE website, and the community e-newsletter Pinwheel News was restarted. The team also hosted the Community Corner at the 15-day PNE Fair, sharing the PNE's community initiatives, answering community questions and engaging directly with visitors and neighbours. The Community Advisory Group (CAG), an important part of the PNE's governance structure, met six times throughout the year, with the group providing critical insight and feedback for PNE leadership.

We continue to work closely with the Japanese Canadian Hastings Park Interpretive Centre Society (JCHPICS) as they progress through the design phase of their Centre, which will eventually be housed in the former Agricultural Barns cafeteria.

A new three-year community partnership, the Sanctuary education program, began with the

Hastings Park Conservancy (HPC) and the Northwest Wildlife Preservation Society (NWPS). Funded by the PNE, this program is led by wildlife, nature and Indigenous educators and brings hundreds of children from five local elementary schools through the Sanctuary three times per year.

As part of the lighting renewal project, coloured lighting was added to the exterior of the Pacific Coliseum. Launched with a bright orange light on June 21, 2023, in support of National Indigenous Peoples Day, the lighting is now offered to charities and non-profits to light up for free, in support of their social cause.

ACCESSIBILITY

With our 113-year-old venues and site, we face significant accessibility barriers and continue to work to address them. We are dedicated to ensuring an inclusive and enjoyable experience for all of our guests, and our goal is to ensure everyone can access our events in comfort and safety.

To ensure physical accessibility and inclusivity, every PNE event offers accessible parking and accessible washrooms, with accessible seating and viewing areas available for all shows in the Pacific Coliseum and the Amphitheatre. Wheelchair rentals are available at Playland, the PNE Fair, Fright Nights and the PNE Winter Fair. Fright Nights also offers wheelchair-accessible haunted houses, and Playland has accessibility accommodations at 24 of the 29 rides and attractions.

As a proud partner of Easter Seals Canada, we offer the Access2 Entertainment Card program—granting caregivers complimentary access to Playland, the PNE Fair, Fright Nights and the PNE Winter Fair. In partnership with the City of Vancouver’s Leisure Access Pass program, we offer half-price entry to all PNE events for low-income families. For parents, we offer stroller rentals at both Playland and the PNE Fair, as well

as complimentary booster seats at all Pacific Coliseum family shows, for the comfort and safety of young children.

Safety and well-being are prioritized, with first aid and security assistance available at all PNE events. The PNE is also a proud participant in the Vancouver Police Department (VPD) Safe Place program, which is designed to support and assist members of the LGBTQ2+ community. If someone finds themselves targeted by bullying or harassment, or is a victim of a crime, our premises are a safe place to call the police and wait for assistance.

OUR PEOPLE

With a team of more than 3,500 employees across all business activities in 2023, the PNE remains a major employer in the Lower Mainland and the largest employer of youth in BC. The PNE is dedicated to creating an inclusive and enjoyable environment for all employees and offers full-time, part-time, union, excluded and seasonal work opportunities.

LONG SERVICE MILESTONES CELEBRATED	
55 years.....	1 employee
45 years.....	3 employees
40 years.....	2 employees
35 years.....	2 employees
30 years.....	3 employees
25 years.....	13 employees
20 years.....	8 employees
15 years.....	19 employees
10 years.....	7 employees



CELEBRATING LONG SERVICE

The PNE's dedication to developing staff shows in the vast number who have stayed or returned, year after year. In 2023, we celebrated our long-service staff who were marking significant milestones. Among those was Debie Leyshon, who celebrated an incredible 55 years at the PNE.

ACCOMMODATING ALL INDIVIDUALS

The PNE is proud to be an equal opportunity employer, committed to creating an inclusive workforce that reflects the diverse community we proudly serve. We are proud of our commitment to fostering an inclusive workplace where all employees are treated with fairness, respect and dignity. In 2023, we ran a robust accommodation program during mass-hiring efforts for Playland and the PNE Fair. Those accommodations include modifications or adjustments that reduce or eliminate barriers to full participation in the workplace, and that create more accessible and inclusive work environments.

The PNE partners with a wide range of organizations to help achieve this goal as well as to further support the hiring of people of all abilities. What started out as a single referral from one individual/organization has now transitioned into

a process for all, allowing us to break barriers and create equal opportunities for everyone.

Organizations we partner with include Inclusion BC; Ready, Willing and Able (RWA); posAbilities and WorkBC. We also take referrals from the Spectrum Society, Burnaby Association for Community Inclusion (BACI) and Canadian Mental Health Association (CMHA) Vancouver-Fraser Branch. In 2023, we hired 19 of 38 applicants—a very encouraging expansion of the program, from seven hires of 17 applicants in 2022.

RECOGNIZING OUR STAFF

We ran a range of staff recognition programs in 2023 for all our employee groups.

Cheers for Peers allowed full-time managers to recognize up to 10 of their peers and full-time union staff with Guusto gift cards. Every quarter, managers were also able to nominate staff from the same groups for one of four \$100 grand prizes.

The Spotlight Program allowed full-time managers overseeing part-time, seasonal or Fair staff to award those staff with Guusto gift cards when those employees were going above and beyond to contribute to the PNE's success.

Gifts for Shifts was our Fright Nights initiative, with hourly seasonal staff members receiving one entry into the weekly draw for Guusto gift cards for each shift worked. In addition to the gift cards, each prize included a plushy, treats and some fun Halloween extras. At the end of the Fright Nights season, a grand prize draw was held for a \$500 gift card, with 10 runners-up, who each won two Cineplex vouchers.

To celebrate the hard work of our staff, we held our first-ever staff BBQ in 2023. The executive team cooked at five stations, serving over 645 members of our team in September after the Fair.

The PNE's health and wellness initiatives in 2023 included virtual yoga sessions, mindfulness

“Their proactive efforts to understand and address the needs of each candidate has created a workplace where everyone can feel valued, respected and empowered. By providing essential accommodations, support and training, the PNE ensured that every candidate had the necessary tools and resources to actively participate and excel in each stage of the recruitment process.”

—Inclusion BC



Photo from left to right: Jennifer Campbell, Donald Lee, Rob Crema, Debbie Leyshon

DEBIE LEYSHON—55 YEARS

“What I love about working here is that it’s never dull and no two days are ever the same.”

—Debie Leyshon, de facto PNE Archivist and Historian

workshops, and monthly communication about health and wellness events and how to access mental health support through the Employee Assistance Program (EAP). These initiatives played an important role in supporting employees’ physical and emotional well-being, leading to higher levels of engagement.

ROB CREMA

For Rob Crema, the PNE has offered him the training, experience, career development and diversity of work that has kept him interested and inspired for more than four decades.

Celebrating 45 years in 2023, Rob started at the PNE as a Fair sweeper—a summer job while he was

in Grade 11. He went on to earn Architectural & Economic Building Technology Diplomas at BCIT, continuing to work at the PNE between semesters. When he was laid off from his first architectural job during the building industry crash in the 80s, he returned to the PNE as a foreperson, working across event setup, event tear-down and general site maintenance.

From there, Rob began to work on special projects, including the development of Momiji Garden and the greening of Centre Grounds. In 1992, he was promoted to a management role, taking on larger-scale projects, including Empire Field and the development of the Sanctuary and the Italian Gardens.

Rob continued to learn and develop his career at the PNE, constantly inspired by the next project. He was promoted to director in 2007. He acknowledges his fellow managers through the 90s for everything he learned and his growth on the job. “They provided such a good knowledge base to learn from—they’d encourage you to keep learning and training,” he says.

“It’s always challenging and always exciting. There is something different every day. There were

always opportunities and there's always been as much career progression as I've wanted. It's also a beautiful setting—I still don't get tired of the view."

Now the Director of Project Technical Services, Rob works as part of the PNE's Project Management Office and is involved in bringing the launch coaster and new Amphitheatre to life. He calls the PNE "a hard place to retire from".

"I'm semi-retired, but that's what's keeping me here. Looking after these projects—they're the biggest projects we've undertaken since the 1970s. They keep me interested and focused, and the end result is going to be amazing."

Having built his career under the leadership of his managers, Rob now appreciates the opportunity to pass on his expertise. "Now I have knowledge to share," he says. "I want to see the PNE succeed, so I'm around to assist anybody, anytime. I enjoy helping out!"

Rob says he is looking forward to seeing the new launch coaster in action and to enjoying his first show in the new Amphitheatre, knowing he played a team role in bringing both to reality.

JENNIFER CAMPBELL

Jenn Campbell's history with the PNE, which spans three generations, has taken her from her first summer job at age 15 to her current position as Director of Sales and Business Development. Little did Jenn know that, when she took on a holiday job

in the PNE parade as a teenager, it would be the start of her now-33-year career at the organization.

Her family's legacy at the PNE started with her grandfather, who contributed to the final stages of the Wooden Coaster as a contract millwright. He continued his tenure as a ride technician at Playland which, at that time, operated as Happyland. Jenn's mother, following in his footsteps, started at the PNE in 1970, initially working in the cash office, ticketing and agriculture, progressing to manage ticketing operations, and eventually becoming an account manager in finance. In addition, her uncle worked at Playland, her aunt worked with the agricultural team, and her father worked as a carpenter for a couple of years, building the old Amphitheatre steps/seats which have recently been demolished.

As a teenager, Jenn remembers spending her summers at the PNE with her cousins while her mother was at work. Remarkably, she set a record of 28 consecutive rides on the iconic Wooden Coaster in a single day, a feat still remembered by her long-service colleagues.

Jenn's working journey at the PNE evolved through various roles in her teens and 20s, from the laundry department for staff uniforms to inter-office mail sorting and delivery. Her summers were spent at the Guest Experience booth, and she fondly remembers when she and a friend received backstage passes to a Beastie Boys concert, providing them with the unique opportunity to hang out with the band.

Despite initially working towards and being accepted into nursing school, her trajectory took an unexpected turn when she was offered full-time work in PNE Sales due to her natural talent. This marked the beginning of her career on the business side of the PNE, eventually leading to her role as Director of Facility Sales and, later, as Director of Group Sales.

Over the years, her achievements have been significant, including the growth of trade and consumer shows from four to 20 per year. Jenn takes

DONALD LEE—38 YEARS

"The greatest gift the PNE has given to me is the chance to become friends with all the wonderful people that I work with."

—Donald Lee,
Director of Event Operations

pride in taking on non-traditional events and making them successful on the PNE property, showcasing her commitment to innovation and creativity. Her most memorable events include working with the Truth and Reconciliation Commission of Canada, hosting an Electrical Workers event for 6,000 people and organizing the Chinese Lantern Festival for two consecutive years.

Jenn says she has always valued the strong female leadership within the organization, and feels very excited for the future, particularly with the

development of the new Amphitheatre, which will offer new opportunities for arts, culture and community events.

When walking around Hastings Park, Jenn sees plaques and benches dedicated to her former leaders and feels a profound connection to the PNE's history. In her own words, "I can't imagine not being part of it."

SAFECONNECT

Now in its fourth year, SafeConnect, Canada's Amusement Industry Safety Conference, brings together industry experts from across North America for a week of collective learning and industry best practice.

The PNE hosted SafeConnect again in early 2024, engaging expert speakers from a wide range of industry peers, including Technical Safety BC, WorkSafeBC, Zamperla Rides, Adventureworks, and Ontario's Technical Standards and Safety Authority.

The five-day event provides a knowledge-sharing platform to encourage conversation and foster working relationships across the amusement industry. With ASTM Standards as the guiding benchmark, curriculum is developed to build participant awareness and knowledge of the Standards. Industry participants have the opportunity to earn valuable CEU credits and obtain their Maintenance Technician Certificate, Level I or II, Ride Inspector Certificate, Level I or II and/or Operations Technician Certificate, Level I or II.

The event mixes hands-on learning and classroom-style sessions, with topics covering the full spectrum of amusement industry safety, including documentation, audits, inspections, CSA compliance, and young and new worker safety.

We are excited to see how this event has grown from a necessity to a sought-after education opportunity. We look forward to continuing to expand its reach and impact and to provide our Playland team with hands-on, industry-leading professional development.



GOVERNANCE

REPORT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The *Pacific National Exhibition Incorporation Act* of 1973, later amended by the *2003 Pacific National Exhibition Enabling and Validating Act*, requires the PNE to table an Annual Report containing information about the organization's performance. PNE management prepares the following financial statements and related information and is responsible for their integrity. As in all cases, the statements include amounts based on management's estimates and judgments. We believe that these statements fairly represent the PNE's current financial position. Management is also responsible for the accuracy and completeness of the information presented in the PNE's Annual Report. To fulfill this responsibility, management maintains financial and management control systems and practices that provide reasonable assurance the information is accurate and complete. PNE officials who have provided the information contained in the 2023 Annual Report have verified its completeness and accuracy. Our independent auditors, KPMG LLP, have audited the financial statements in accordance with Canadian Public Sector Accounting Standards and formed an independent opinion on the financial statements prepared by management.



SHELLEY FROST
President and
Chief Executive Officer



GIL RINAS
Controller

CORPORATE GOVERNANCE

2023 BOARD OF DIRECTORS

The Hastings Park-PNE Board of Directors, as appointed by Vancouver City Council, were as follows for 2023:

CHAIR

Sarah Kirby-Yung, Councillor, City of Vancouver

VICE CHAIR

Donnie Rosa, General Manager, Park Board
City of Vancouver (until May 2023)

Steve Jackson, General Manager, Park Board
City of Vancouver (October 2023–present)

TREASURER

Patrice Impey, General Manager, Financial
Services, City of Vancouver

DIRECTORS

Paul Mochrie, Deputy City Manager,
City of Vancouver

Rachel Roy, Lawyer with Allevato, Quail & Roy

Ty Speer, CEO, St. John’s Ambulance

Maury Kask, Director, Retired Executive.
ICD Director (July 2021–present)

Raj Sihota, Vice President, British Columbia for
Strategies 360 (July 2021–present)

EXECUTIVE MANAGEMENT COMMITTEE

President and Chief Executive Officer
Shelley Frost

Vice President, Human Resources
Stacy Shields

Vice President, Sales, Marketing and
Business Development
Karen Massicotte

Vice President, Event Operations
Shauna Wilton (from June 2023)

Vice President, Facilities, Maintenance and
Master Plan Projects
Ming Tian (from August 2023)

Vice President, Finance and Corporate Services
David Crawford (until November 2023)

Executive Assistant and Corporate Secretary
Salome Valente

2023 AUDITOR

KPMG LLP

777 Dunsmuir Street	T: 604-691-3000
P.O. Box 10426	F: 604-691-3031
Vancouver, BC V7Y 1K3	kpmg.ca

CORPORATE GOVERNANCE PRACTICES

The Pacific National Exhibition is a non-profit organization owned by the City of Vancouver. The company’s business affairs are the responsibility of the Board of Directors, a City Council-appointed body. The PNE’s Board of Directors is committed to ensuring that corporate governance practices are open and effective, and that the Board is fully accountable and assumes responsibility for the stewardship of the organization. The Board discharges responsibility of day-to-day operations to the President and Chief Executive Officer, who in turn selects and oversees the rest of the management team. The Board encourages management, under the direction of the President and Chief Executive Officer, to make clear and appropriate executive decisions.

FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Pacific National Exhibition:

OPINION

We have audited the financial statements of Pacific National Exhibition ("PNE"), which comprise:

- the statement of financial position as at March 31, 2024
- the statement of operations for the year then ended
- the statement of changes in net debt for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PNE as at March 31, 2024, and its results of operations, its changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

BASIS FOR OPINION

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our auditor's report.

We are independent of PNE in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have

obtained is sufficient and appropriate to provide a basis for our opinion.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing PNE's ability to continue as a going concern, disclosing as applicable matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate PNE or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing PNE's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of PNE's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis

of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on PNE's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause PNE to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



KPMG
Chartered Professional
Accountants

Vancouver, Canada
July 25, 2024

STATEMENT OF FINANCIAL POSITION

March 31, 2024, with comparative information as at March 31, 2023

	As at March 31, 2024	As at March 31, 2023
Financial Assets		
Accounts receivable (notes 4 and 5)	\$ 1,247,807	\$ 7,989,564
	1,247,807	7,989,564
Liabilities		
Bank indebtedness (note 6)	712,804	4,997,842
Bank loans (note 6)	15,577,476	6,833,882
Accounts payable and accrued liabilities (notes 5 and 7)	19,871,292	17,694,971
Deferred revenue	867,784	961,013
	37,029,356	30,487,708
Net debt	(35,781,549)	(22,498,144)
Non-Financial Assets		
Tangible capital assets (note 9)	54,381,326	45,531,819
Inventories held for use	846,121	871,459
Prepaid expenses	1,834,550	1,741,563
	57,061,997	48,144,841
Contingent liabilities (note 12)		
Subsequent event (note 9(c))		
Accumulated surplus	\$ 21,280,448	\$ 25,646,697

See accompanying notes to financial statements.

Approved on behalf of the Board:



Sarah Kirby-Yung, Director



Maury Kask, Director

STATEMENT OF OPERATIONS

Year ended March 31, 2024, with comparative information for the year ended March 31, 2023

	Budget for the year ended March 31, 2024 (Note 2(j))	Year ended March 31, 2024	Year ended March 31, 2023
Revenue:			
Fairs and festivals	\$ 42,272,379	\$ 37,179,401	\$ 35,963,037
Playland	20,523,193	17,176,132	14,960,431
Year-round events	18,963,623	16,313,457	15,760,603
Government grants (note 10)	-	-	17,394,337
Other	273,208	782,091	1,319,624
	82,032,403	71,451,081	85,398,032
Expenses (note 13):			
Advertising	2,520,960	2,727,795	2,324,709
Agriculture	914,685	856,552	789,310
Entertainment	6,649,254	6,525,535	7,166,789
Exhibit space	578,151	581,414	552,287
Fair and festival operations	1,579,890	1,930,672	1,082,334
Finance and corporate services	7,588,916	10,767,825	6,307,777
Food and beverage	10,031,655	9,301,960	8,220,295
Games	1,590,334	1,058,698	1,154,726
Guest services	713,050	662,530	420,932
Information services	1,932,716	1,532,701	1,430,465
Lotteries	5,414,416	5,553,896	5,162,945
Marketing and sponsorship	2,087,977	1,649,300	1,459,085
Office of the President	3,194,584	1,377,393	1,085,324
Operations	3,361,658	843,093	830,336
People and culture (human resources)	3,530,824	2,386,381	2,600,636
Playland tech services	10,160,493	9,530,809	7,744,968
Public safety and parking	4,760,220	5,146,634	4,241,939
Sales and group sales	937,497	956,491	860,652
Tech services	7,210,954	7,794,724	6,341,911
Ticketleader	4,707,485	4,632,927	3,983,416
	79,465,719	75,817,330	63,760,836
Annual surplus (deficit)	2,566,684	(4,366,249)	21,637,196
Accumulated surplus, beginning of year	25,646,697	25,646,697	4,009,501
Accumulated surplus, end of year	\$ 28,213,381	\$ 21,280,448	\$ 25,646,697

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN NET DEBT

Year ended March 31, 2024, with comparative information for the year ended March 31, 2023

	Budget for the year ended March 31, 2024	Year ended March 31, 2024	Year ended March 31, 2023
	(Note 2(j))		
Annual surplus (deficit)	\$ 2,566,684	\$ (4,366,249)	\$ 21,637,196
Acquisition of tangible capital assets	(4,000,898)	(13,274,937)	(28,092,115)
Loss on disposal of tangible capital assets	-	661,186	86,297
Amortization of tangible capital assets	3,508,180	3,764,244	2,701,877
	2,073,966	(13,215,756)	(3,666,745)
Acquisition of inventories held for use	-	(3,968,149)	(3,704,916)
Increase in prepaid expenses	-	(4,100,464)	(2,488,867)
Consumption of inventories held for use	-	3,993,487	3,671,689
Use of prepaid expenses	-	4,007,477	4,481,223
	-	(67,649)	1,959,129
Decrease (increase) in net debt	2,073,966	(13,283,405)	(1,707,616)
Net debt, beginning of year	(22,498,144)	(22,498,144)	(20,790,528)
Net debt, end of year	\$ (20,424,178)	\$ (35,781,549)	\$ (22,498,144)

See accompanying notes to financial statements.

STATEMENT OF CASH FLOWS

Year ended March 31, 2024, with comparative information for the year ended March 31, 2023

	Year ended March 31, 2024	Year ended March 31, 2023
Cash provided by (used in):		
Operations:		
Annual surplus (deficit)	\$ (4,366,249)	\$ 21,637,196
Items not involving cash:		
Loss on disposal of tangible capital assets	661,186	86,297
Amortization of tangible capital assets	3,764,244	2,701,877
Changes in non-cash operating working capital:		
Decrease (increase) in accounts receivable	6,741,757	(3,292,793)
Decrease (increase) in inventories held for use	25,338	(33,227)
Decrease (increase) in prepaid expenses	(92,987)	1,992,356
Increase (decrease) in accounts payable and accrued liabilities	2,176,321	(5,921,818)
Decrease in deferred revenue	(93,229)	(310,386)
Net change in cash from operating activities	8,816,381	16,859,502
Capital activities:		
Cash used to acquire tangible capital assets	(13,274,937)	(28,092,115)
Net change in cash from capital activities	(13,274,937)	(28,092,115)
Financing activities:		
Proceeds from (repayment of) bank indebtedness	(4,285,038)	4,997,842
Proceeds from bank loans	8,743,594	1,479,898
Net change in cash from financing activities	4,458,556	6,477,740
Decrease in cash	-	(4,754,873)
Cash, beginning of year	-	4,754,873
Cash, end of year	\$ -	\$ -

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2024

1. AUTHORITY, PURPOSE, AND NATURE OF OPERATIONS:

Pacific National Exhibition (“PNE”) is a premier entertainment destination in the Province of British Columbia. It has four main activity streams: an annual 15-day fair, Playland amusement park, year-round facilities which are utilized to celebrate a variety of community, social, cultural, ethnic and commercial events, and the care and development of the park. PNE is a non-profit organization and is not subject to income taxes.

PNE was established in 1910 and incorporated in 1973 under the Pacific National Exhibition Incorporation Act of the Province of British Columbia. The mission of PNE is to enrich the quality of life at Hastings Park, Vancouver, by providing family entertainment that invites its guests to celebrate Vancouver’s heritage, culture and diverse communities in a vibrant urban park.

Effective January 1, 2004, PNE became a wholly owned subsidiary of the City of Vancouver and is an independently operated entity. PNE’s operations are conducted on land and buildings owned by the City of Vancouver.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

(a) Basis of presentation:

These financial statements of PNE have been prepared by management in accordance with Canadian public sector accounting standards of the Chartered Professional Accountants of Canada.

(b) Revenue recognition:

Fairs and festivals revenue includes amounts earned from events that are organized by the PNE. Year-round events revenue includes amounts earned from events that are organized by third parties at the PNE site.

Admissions, ride passes, and other fees and charges related to events are initially deferred and recorded as revenue when earned during the event. Revenue from the sale of food and beverages is recorded upon completion of the sale. Sales of goods and services are recognized as revenue at the time the products are delivered, or the services are provided, if collection is reasonably assured.

Contributions from funders are recorded as receivable if the amount can be reasonably estimated and collection is reasonably assured. Contributions with a designated purpose are deferred until used for the intended purpose. Government transfers, including contributions from the City of Vancouver and senior government, are recognized as revenue in the period that the transfer is authorized by the transferring government, and eligibility criteria, if any, have been met by PNE, except when and to the extent that the transfer gives rise to a liability and is recognized as revenue when and in proportion to how the liability is settled.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2024

(c) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

(i) Tangible capital assets:

Tangible capital assets are initially recorded at cost, which includes amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Interest is not capitalized when external debt is obtained to finance the construction of the tangible capital assets.

The costs, less residual value, of the tangible capital assets are amortized as shown below.

Asset	Basis	Rate
Machinery, furniture and equipment	Declining balance	10% to 30%
Playland rides and equipment	Straight-line	15 years to 25 years

Assets under construction, which includes deposits paid for the purchase of tangible capital assets prior to the assets being received by PNE, are not amortized until the asset is available for productive use. Tangible capital assets are written down when conditions indicate that they no longer contribute to PNE's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value.

(ii) Leased tangible capital assets:

Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases, and the related payments are charged to expenses as incurred.

(iii) Inventories held for use:

Inventories held for use are recorded at the lower of cost and replacement cost.

Inventories consist of stores, plush toys, merchandise, and food and beverages that are held for use as part of the operations. Cost is determined using the weighted average method. Cost of inventories includes acquisition and all costs incurred to deliver inventory to PNE's head office, including freight, non-refundable taxes, duties, and other costs charged directly by the suppliers.

Replacement cost is the estimated current price to replace the items.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2024

(iv) Prepaid expenses:

Prepaid expenses are expensed over the periods expected to benefit from them.

(d) Financial instruments:

Financial instruments consist of accounts receivable, accounts payable and accrued liabilities, bank indebtedness, bank loans and foreign currency hedge instruments. Financial instruments are recorded at fair value on initial recognition. Derivative instruments that are quoted in an active market are reported at fair value. As at March 31, 2024, there are no derivative instruments held by PNE. All other financial instruments are subsequently recorded at cost or amortized cost unless management has elected to carry the instruments at fair value. PNE has not elected to carry any other financial instruments at fair value.

Unrealized changes in fair value would be recognized on the statement of remeasurement gains and losses. They are recorded in the statement of operations when they are realized. There are no unrealized changes in fair value as at March 31, 2024, and March 31, 2023. As a result, PNE does not have a statement of remeasurement gains and losses.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the statement of operations.

(e) Employee future benefits:

The PNE and its employees make contributions to Municipal Pension Plan (the “Plan”) which is a multi-employer jointly trustee plan. The Plan is a defined benefit plan, providing a pension on retirement based on the member’s age at retirement, length of service and highest earnings averaged over 5 years. Inflation adjustments are contingent upon available funding. As the assets and liabilities of the Plan are not segregated by entity, the Plan is accounted for as a defined contribution plan, and any contributions by PNE to the Plan are expensed as incurred.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2024

(f) Liability for contaminated sites:

A liability for contaminated sites is recognized when a site is not in productive use and the following criteria are met:

- (a) An environmental standard exists;
- (b) Contamination exceeds the environmental standard;
- (c) PNE is directly responsible or accepts responsibility;
- (d) It is expected that future economic benefits will be given up; and
- (e) A reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of remediation and post-remediation, including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site. There are no contaminated sites liabilities recorded as at March 31, 2024, and March 31, 2023.

(g) Asset retirement obligations:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- (a) There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- (b) The past transaction or event giving rise to the liability has occurred;
- (c) It is expected that future economic benefits will be given up; and
- (d) A reasonable estimate of the amount can be made.

The estimate of the asset retirement obligation includes costs directly attributable to the asset retirement activities and is recorded as a liability and increase to the related tangible capital assets. There are no asset retirement obligations as at March 31, 2024, and March 31, 2023.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2024

(h) Use of estimates:

The preparation of the financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Where actual results differ from these estimates and assumptions, the impact will be recorded in future periods when the difference becomes known.

(i) Foreign currency:

Foreign currency transactions are translated into Canadian dollars at the exchange rate in effect on the transaction date.

Monetary assets and liabilities denominated in foreign currencies are reflected in the financial statements in equivalent Canadian dollars at the exchange rate in effect on the financial statement date. Unrealized foreign exchange gains and losses are recognized in the statement of remeasurement gains and losses. There are no significant unrealized gains or losses as at March 31, 2024, and March 31, 2023. As a result, PNE does not have a statement of remeasurement gains and losses.

(j) Budget information:

Budget information has been provided for comparative purposes and has been derived from the Corporate Plan for the year ended March 31, 2024, approved by the Board of Directors of the PNE on April 6, 2023. This budget is reflected in the statement of operations and statement of changes in net debt. Some expenditures, such as for tangible capital assets and certain events, may be adjusted and approved subsequent to the original approved budget. These adjusted budget amounts are not presented in these financial statements. Expenditures may occur during the year or subsequent to the year it is budgeted for.

3. ADOPTION OF NEW ACCOUNTING STANDARDS:

(a) Revenue:

On April 1, 2023, PNE adopted PS 3400 Revenue. The new accounting standard establishes a single framework to categorize revenue to enhance the consistency of revenue recognition and its measurement. The adoption of this new standard did not have an impact on the amounts presented in the financial statements.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2024

(b) Purchased intangibles:

On April 1, 2023, PNE adopted PSG-8 Purchased Intangibles. The new accounting guideline permits the recognition of intangible assets that are acquired through an arm's length transaction between willing parties provided the purchased intangible meets the recognition criteria for an asset. The adoption of this new guideline did not have an impact on the amounts presented in the financial statements.

(c) Public private partnerships:

On April 1, 2023, PNE adopted PS 3160 Public Private Partnerships. The new accounting standard includes requirements for the recognition, measurement and classification of infrastructure procured through a public private partnership. The adoption of this new standard did not have an impact on the amounts presented in the financial statements.

4. ACCOUNTS RECEIVABLE:

	As at March 31, 2024	As at March 31, 2023
Accounts receivable	\$ 1,347,867	\$ 8,103,129
Allowance for doubtful accounts	(100,060)	(113,565)
	\$ 1,247,807	\$ 7,989,564

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2024

5. DUE FROM (TO) GOVERNMENT AND OTHER GOVERNMENT ORGANIZATIONS:

Included in accounts receivable and accounts payable and accrued liabilities are the following amounts due from (to) government. Other than the Major Festivals and Events Support Initiative, Tourism Relief Fund, the Canada Emergency Wage Subsidy and the Tourism and Hospitality Recovery Program, the amounts below arise from the normal course of operations:

	As at March 31, 2024	As at March 31, 2023
Accounts receivable:		
Major Festivals and Events (note 10)	\$ -	\$ 1,110,966
Tourism Relief Fund (note 10)	-	5,132,024
City of Vancouver	230,314	155,408
	\$ 230,314	\$ 6,398,398
Accounts payable and accrued liabilities:		
City of Vancouver	\$ (65,353)	\$ (10,612)
Payroll tax remittances	(75,872)	(178,116)
Indirect and other taxes	(126,393)	(296,527)
Canada Emergency Wage Subsidy (a)	(7,015,823)	(6,507,415)
Tourism and Hospitality Recovery Program (b)	(1,418,684)	(1,138,622)
Program settlement	(956,133)	-
	\$ (9,658,258)	\$ (8,131,292)

(a) Due to the COVID-19 pandemic, the Canadian government introduced the Canada Emergency Wage Subsidy (“CEWS”) to assist organizations who meet certain eligibility requirements. This program ended in October 2021. The process of assessing PNE’s eligibility to retain these cash payments received is in progress. As a result, the total amount received, including accrued interest, as at March 31, 2024, of \$7,015,823 (as at March 31, 2023 - \$6,507,415) has been recorded in accounts payable and accrued liabilities.

(b) Due to the COVID-19 pandemic, the Canadian government introduced the Tourism and Hospitality Recovery Program (“THRP”) to assist organizations in the tourism, hospitality, arts, entertainment or recreation sectors who meet certain eligibility requirements. The process of assessing PNE’s eligibility to retain these cash payments is in progress. As a result, the total amount received, including accrued interest, as at March 31, 2024, of \$1,418,684 (as at March 31, 2023 - \$1,138,622) has been recorded in accounts payable and accrued liabilities.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2024

6. BANK INDEBTEDNESS AND BANK LOANS:

	As at March 31, 2024	As at March 31, 2023
Bank indebtedness	\$ 712,804	\$ 4,997,842
Bank loans:		
Demand operating loan	5,000,000	3,000,000
Instalment loan for capital	10,577,476	3,833,882
	15,577,476	6,833,882
	\$ 16,290,280	\$ 11,831,724

PNE has a revolving facility with a Canadian chartered bank. During the year ended March 31, 2024, the facility agreement was amended for the period of April 25, 2023, to October 31, 2023, to provide a temporary maximum borrowing of \$16,000,000 in operating credit and \$16,000,000 for instalment loan for capital purchases. Effective November 1, 2023, the limit reverted to \$11,000,000 (as at March 31, 2023 - \$11,000,000) in operating credit and \$21,000,000 (as at March 31, 2023 - \$21,000,000) for instalment loan for capital purchases. The facilities bear interest at the bank prime rate minus 0.25%. The operating loan and bank indebtedness are due on demand and have no specific terms of repayment. The instalment loan for capital is repayable on demand, and prior to repayment being demanded, on a 10-year straight-line principal reduction basis, payable monthly together with accrued interest. Early repayment of the instalment loan for capital is permitted.

Outstanding repayments for the instalment loan for capital if the bank does not demand repayment are as follows:

Year ended	
March 31, 2025	\$ 1,605,568
March 31, 2026	1,350,377
March 31, 2027	1,234,937
March 31, 2028	1,234,937
March 31, 2029	973,613
Thereafter	4,178,044
	\$ 10,577,476

PNE's U.S. dollar bank account balance and a limited guarantee from the City of Vancouver of \$32,000,000 (as at March 31, 2023 - \$32,000,000) has been provided as security for the bank indebtedness, operating loan and instalment loan for capital.

As at March 31, 2024, PNE has issued a letter of credit for \$80,000 (2023 - \$80,000) for its liquor operations.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2024

7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES:

	As at March 31, 2024	As at March 31, 2023
Accounts payables and accrued liabilities	\$ 9,782,132	\$ 8,784,386
Canada Emergency Wage Subsidy (note 5(a))	7,015,823	6,507,415
Tourism and Hospitality Recovery Program (note 5(b))	1,418,684	1,138,622
Salaries and benefits payable	1,201,104	815,334
Accrued vacation pay	453,549	449,214
	\$ 19,871,292	\$ 17,694,971

8. PENSION BENEFITS:

PNE and its employees contribute to the Plan, a jointly trustee pension plan. The Plan's Board of Trustees, representing plan members and employers, is responsible for the management of the Plan, including investment of the assets and administration of benefits. The Plan is a defined benefit multi-employer contributory pension plan. The Plan has approximately 256,000 active members, of whom 178 are employees of PNE, and 129,000 retired members.

Every three years, an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The latest actuarial valuation as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis and a balance of \$3,185 million in the rate stabilization account. The next valuation will be as at December 31, 2024, with results available in 2025. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

During the year ended March 31, 2024, PNE paid \$1,112,191 (year ended March 31, 2023 - \$880,773) for employer contributions while employees contributed \$1,028,568 (year ended March 31, 2023 - \$814,550) to the Plan.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2024

9. TANGIBLE CAPITAL ASSETS:

Cost	As at March 31, 2023	Additions	Disposals	Transfers	As at March 31, 2024
Machinery, furniture and equipment	\$ 32,627,781	\$ -	\$ -	\$ 4,966,346	\$ 37,594,127
Playland rides and equipment	34,694,817	-	-	2,087,755	36,782,572
Assets under construction and deposits	11,644,449	13,274,937	(661,186)	(7,054,101)	17,204,099
Total	\$ 78,967,047	\$ 13,274,937	\$ (661,186)	\$ -	\$ 91,580,798

Accumulated amortization	As at March 31, 2023	Amortization expense	Disposals	As at March 31, 2024
Machinery, furniture and equipment	\$ 7,083,808	\$ 2,562,874	\$ -	\$ 19,646,682
Playland rides and equipment	16,351,420	1,201,370	-	17,552,790
Total	\$ 33,435,228	\$ 3,764,244	\$ -	\$ 37,199,472

Net book value	As at March 31, 2023	As at March 31, 2024
Machinery, furniture and equipment	\$ 15,543,973	\$ 17,947,445
Playland rides and equipment	18,343,397	19,229,782
Assets under construction and deposits	11,644,449	17,204,099
Total	\$ 45,531,819	\$ 54,381,326

(a) Assets under construction and deposits:

Assets under construction and deposits having a value of \$17,204,099 (as at March 31, 2023 - \$11,644,449) have not been amortized. Amortization will commence when the asset is put into service.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2024

(b) Write-down of tangible capital assets:

There were no write-downs of tangible capital assets in the year ended March 31, 2024 (2023 - nil).

(c) Subsequent event:

In July 2024, PNE's new ThunderVolt roller coaster was put into operations resulting in a transfer of \$16,368,062 from assets under construction and deposits to Playland rides and equipment. Amortization of these expenditures commenced in July 2024.

10. GOVERNMENT GRANTS:

During the year ended March 31, 2023, PNE recognized \$17,394,337 of government grants revenue, of which \$6,242,990 was recorded in accounts receivable at year-end. The grants, administered by Pacific Economic Development Canada on behalf of the Canadian government, funded eligible costs incurred for certain technology, site improvement and capital upgrade projects that increased the accessibility and long-term operational viability of the annual fair and year-round events. There were no government grants received by PNE during the year ended March 31, 2024.

11. FINANCIAL RISK MANAGEMENT:

PNE has exposure to the following risks from its use of financial instruments: credit risk, market risk, liquidity risk and foreign exchange risk.

The Board of Directors ensures that PNE has identified its major risks and ensures that management monitors and controls them.

(a) Credit risk:

Credit risk is the risk of financial loss to PNE if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Such risks arise principally from certain financial assets held by PNE consisting of accounts receivable.

It is management's opinion that PNE is not exposed to significant credit risk arising from its accounts receivable. Management monitors and assesses the collectability and makes a provision for doubtful accounts based on this assessment.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2024

(b) Market risks:

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect PNE's income. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing the return on risk.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. Fixed rate instruments are subject to fair value risk while floating rate instruments are subject to cash flow risks. PNE is exposed to cash flow risks related to its bank indebtedness and bank loans which bear a floating rate of interest.

Foreign exchange risk, which is mainly related to accounts payable and accrued liabilities, is the risk to PNE's operations that arises from fluctuations in foreign exchange rates and the degree of volatility of those rates. PNE may use foreign currency swaps to mitigate this risk. There are no derivative instruments outstanding at year-end.

(c) Liquidity risk:

Liquidity risk is the risk that PNE will not be able to meet its financial obligations as they become due.

PNE manages liquidity risk by continually monitoring actual and forecasted cash flows from operations and anticipated investing and financing activities to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to PNE's reputation.

There has been no significant change to the risk exposures related to financial instruments from the prior period.

12. CONTINGENT LIABILITIES:

PNE may, from time to time, be involved in claims and litigation that arise in the normal course of business. In the event that any such claims or litigation are resolved against PNE, such outcomes or resolutions could have a material effect on the business, financial condition, or results of operations of PNE. As at March 31, 2024, the outcome of the claims or litigation is not determinable.

NOTES TO FINANCIAL STATEMENTS

Year ended March 31, 2024

13. EXPENSES BY OBJECT:

The following is a summary of expenses by object:

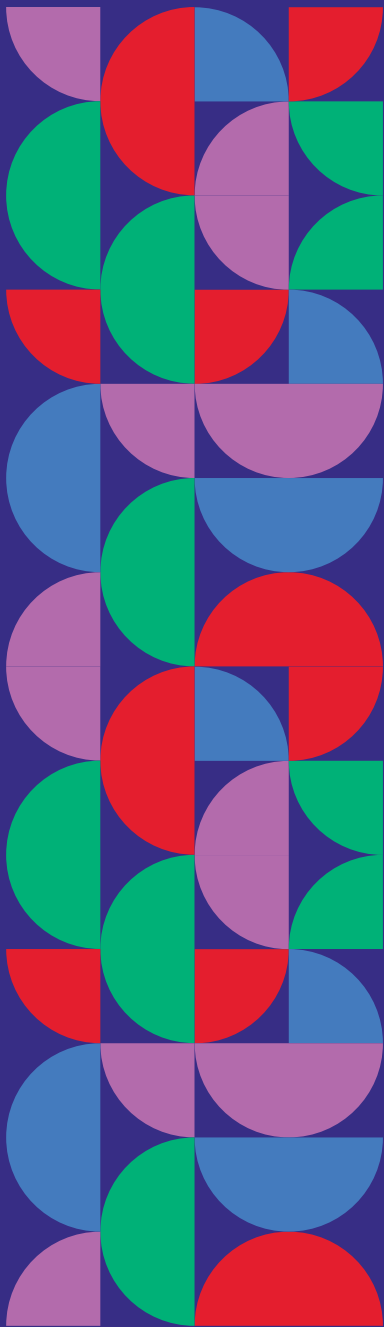
	Year ended March 31, 2024	Year ended March 31, 2023
Cost of goods sold	\$ 3,606,823	\$ 3,536,827
General and administrative	34,574,199	31,718,971
Payroll	30,114,408	25,490,601
Loss on disposal of tangible capital assets	661,186	86,297
Amortization of tangible capital assets	3,764,244	2,701,877
Interest - bank loans and accounts payable and accrued liabilities (notes 5(a) and 5(b))	1,926,290	40,984
Interest - term finance	214,047	185,279
Program settlement	956,133	-
	\$ 75,817,330	\$ 63,760,836

14. CONTRACTUAL RIGHTS:

PNE's contractual rights arise from rights to receive payments under rental, ticketing and other agreements. PNE has contractual rights to receive the following amounts in the next five fiscal years and thereafter:

Year ended	
March 31, 2025	\$ 849,769
March 31, 2026	256,789
March 31, 2027	66,789
March 31, 2028	41,524
March 31, 2029	41,524
Thereafter	6,921
	\$ 1,263,316

PNE is entitled to receive revenue from other franchise, exhibitors, ticketing and rental contracts. The revenue from these agreements cannot be quantified and have not been included in the amounts noted above.



PNE



2901 E Hastings St.
Vancouver, BC V5K 5J1, Canada

(604) 253 2311
info@pne.ca