Unaudited Interim Consolidated Financial Information of

Liberty Utilities Co.

For the three and six months ended June 30, 2023 and 2022

Liberty Utilities Co.
Unaudited Interim Consolidated Statements of Operations

	Three months ended June 30,		Six months ended June 30,	
(thousands of U.S. dollars)	**2023**	**2022**	**2023**	**2022**
Revenue				
Electricity sales and distribution	**$ 276,514**	$ 240,096	**$ 543,815**	$ 474,429
Gas sales and distribution	**97,699**	110,263	**343,552**	350,426
Water reclamation and distribution	**70,517**	66,973	**131,114**	121,644
Other revenue	**2,963**	3,233	**6,245**	5,692
	447,693	420,565	**1,024,726**	952,191
Expenses				
Electricity purchased	**77,868**	79,653	**185,556**	160,213
Gas purchased	**31,827**	47,155	**158,863**	169,245
Water purchased	**3,857**	3,329	**7,726**	6,152
Operations and maintenance	**142,416**	118,225	**254,630**	235,961
Depreciation of utility plant	**70,630**	61,559	**142,713**	123,331
Taxes other than income taxes	**32,870**	32,324	**66,564**	64,257
Other	**5,137**	1,036	**7,293**	6,016
	364,605	343,281	**823,345**	765,175
Operating income	**83,088**	77,284	**201,381**	187,016
Interest expense	**24,232**	6,188	**44,912**	9,783
Interest on related-party debt	**9,850**	11,503	**18,760**	22,920
Interest and other income	**(8,844)**	(4,688)	**(19,044)**	(8,471)
Pension and other post-employment non-service costs	**5,007**	2,836	**9,697**	5,996
Other net losses	**45,083**	5,770	**48,503**	8,643
	75,328	21,609	**102,828**	38,871
Earnings before income taxes	**7,760**	55,675	**98,553**	148,145
Income tax expense				
Current	**296**	(175)	**623**	413
Deferred	**1,262**	12,414	**24,521**	42,332
	1,558	12,239	**25,144**	42,745
Net earnings	**6,202**	43,436	**73,409**	105,400
Net effect of non-controlling interests	**(10,823)**	419	**(22,114)**	(7,510)
Net earnings attributable to the shareholder of Liberty Utilities Co.	**17,025**	43,017	**95,523**	112,910

Liberty Utilities Co.
Unaudited Interim Consolidated Statements of Comprehensive Income (Loss)

(thousands of U.S. dollars)	Three months ended June 30, 2023	Three months ended June 30, 2022	Six months ended June 30, 2023	Six months ended June 30, 2022
Net earnings	**$ 6,202**	$ 43,436	**$ 73,409**	$ 105,400
Other comprehensive income (loss) ("OCI"):				
Change in pension and other post-employment benefits, net of tax recovery of $281 and $445 (2022 - tax recovery of $32 and $30), respectively	**(873)**	(98)	**(1,351)**	(91)
Change in fair value of cash flow hedges, net of tax recovery of $134 and $268 (2022 - tax recovery of $138 and $276), respectively	**(388)**	(388)	**(777)**	(777)
OCI, net of tax	**(1,261)**	(486)	**(2,128)**	(868)
Comprehensive income	**4,941**	42,950	**71,281**	104,532
Comprehensive income (loss) attributable to the non-controlling interests	**(10,823)**	419	**(22,114)**	(7,510)
Comprehensive income attributable to the shareholder of Liberty Utilities Co.	**$ 15,764**	$ 42,531	**$ 93,395**	$ 112,042

Liberty Utilities Co.
Unaudited Interim Consolidated Balance Sheets

(thousands of U.S. dollars)

	June 30, 2023	December 31, 2022
ASSETS		
Utility plant, net	**$ 7,717,537**	$ 7,583,710
Intangible assets, net	**14,075**	15,346
Goodwill	**1,107,689**	1,103,494
Regulatory assets	**1,002,471**	960,696
Long-term investments	**3,815**	3,976
Restricted cash	**24,605**	38,033
Other assets	**38,206**	34,922
	9,908,398	9,740,177
Current assets:		
Cash and cash equivalents	**6,122**	—
Fuel and natural gas in storage	**46,750**	73,230
Supplies and consumables inventory	**114,376**	94,045
Accounts receivable, net	**282,596**	353,079
Regulatory assets	**131,911**	187,829
Prepaid expenses and other current assets	**35,455**	42,274
Derivative instruments	**3,603**	2,931
	620,813	753,388
	$ 10,529,211	$ 10,493,565

Liberty Utilities Co.
Unaudited Interim Consolidated Balance Sheets (continued)

(thousands of U.S. dollars)

	June 30, 2023	December 31, 2022
LIABILITIES AND EQUITY		
Shareholder’s equity:		
Shareholder’s capital	**$ 4,811,425**	$ 4,811,425
Retained earnings	**231,638**	202,328
Accumulated other comprehensive income (“AOCI”)	**28,658**	30,786
Total equity attributable to shareholder of Liberty Utilities Co.	**5,071,721**	5,044,539
Non-controlling interests	**506,053**	525,680
Total shareholder's equity	**5,577,774**	5,570,219
Redeemable non-controlling interest	**5,767**	6,520
Long-term debt	**1,317,200**	1,319,579
Long-term debt from related parties	**882,628**	897,729
Deferred income taxes	**721,332**	689,132
Regulatory liabilities	**571,318**	577,013
Other long-term liabilities	**203,245**	202,823
Pension and other post-employment benefits obligation	**91,090**	91,971
Derivative instruments	**110**	271
	3,786,923	3,778,518
Current liabilities:		
Accounts payable	**123,303**	154,920
Accrued liabilities	**243,779**	328,433
Due to related parties	**195,301**	142,555
Long-term debt	**498,623**	407,010
Other current liabilities	**37,200**	48,606
Regulatory liabilities	**56,503**	52,735
Pension and other post-employment benefits obligation	**2,707**	2,707
Derivative instruments	**1,331**	1,342
	1,158,747	1,138,308
	$ 10,529,211	$ 10,493,565

Liberty Utilities Co.
Unaudited Interim Consolidated Statements of Equity

(thousands of U.S. dollars)
For the three months ended June 30, 2023

	Liberty Utilities Co.				
	Shareholder's capital	**Retained earnings**	**Accumulated other comprehensive income (loss)**	**Non-controlling interests**	**Total**
Balance, March 31, 2023	**$ 4,811,425**	**$ 249,174**	**$ 29,919**	**$ 514,298**	**$ 5,604,816**
Net earnings (loss)	**—**	**17,025**	**—**	**(10,823)**	**6,202**
Contributions received from non-controlling interests	**—**	**—**	**—**	**2,247**	**2,247**
Redeemable non-controlling interest not included in equity	**—**	**—**	**—**	**331**	**331**
Dividends paid	**—**	**(34,561)**	**—**	**—**	**(34,561)**
Other comprehensive loss	**—**	**—**	**(1,261)**	**—**	**(1,261)**
Balance, June 30, 2023	**$ 4,811,425**	**$ 231,638**	**$ 28,658**	**$ 506,053**	**$ 5,577,774**

(thousands of U.S. dollars)
For the three months ended June 30, 2022

	Liberty Utilities Co.				
	Shareholder's capital	**Retained earnings**	**Accumulated other comprehensive income (loss)**	**Non-controlling interests**	**Total**
Balance, March 31, 2022	$ 4,680,367	$ 120,874	$ 9,037	$ 537,279	$ 5,347,557
Net earnings	—	43,017	—	419	43,436
Contributions received from non-controlling interests	—	—	—	2,477	2,477
Redeemable non-controlling interest not included in equity	—	—	—	1,339	1,339
Dividends paid	—	(33,457)	—	—	(33,457)
Other comprehensive loss	—	—	(486)	—	(486)
Balance, June 30, 2022	$ 4,680,367	$ 130,434	$ 8,551	$ 541,514	$ 5,360,866

(thousands of U.S. dollars)
For the six months ended June 30, 2023

	Liberty Utilities Co.				
	Shareholder's capital	**Retained earnings**	**Accumulated other comprehensive income (loss)**	**Non-controlling interests**	**Total**
Balance, December 31, 2022	**$ 4,811,425**	**$ 202,328**	**$ 30,786**	**$ 525,680**	**$ 5,570,219**
Net earnings (loss)	**—**	**95,523**	**—**	**(22,114)**	**73,409**
Contributions received from non-controlling interests	**—**	**—**	**—**	**1,825**	**1,825**
Redeemable non-controlling interest not included in equity	**—**	**—**	**—**	**662**	**662**
Dividends paid	**—**	**(66,213)**	**—**	**—**	**(66,213)**
Other comprehensive loss	**—**	**—**	**(2,128)**	**—**	**(2,128)**
Balance, June 30, 2023	**$ 4,811,425**	**$ 231,638**	**$ 28,658**	**$ 506,053**	**$ 5,577,774**

(thousands of U.S. dollars)
For the six months ended June 30, 2022

	Liberty Utilities Co.				
	Shareholder's capital	**Retained earnings**	**Accumulated other comprehensive income (loss)**	**Non-controlling interests**	**Total**
Balance, December 31, 2021	$ 4,047,967	$ 111,081	$ 9,419	$ 543,610	4,712,077
Net earnings (loss)	—	112,910	—	(7,510)	105,400
Contributions received from non-controlling interests	—	—	—	2,477	2,477
Issuance of common shares	632,400	—	—	—	632,400
Redeemable non-controlling interest not included in equity	—	—	—	2,937	2,937
Dividends paid	—	(93,557)	—	—	(93,557)
Other comprehensive loss	—	—	(868)	—	(868)
Balance, June 30, 2022	$ 4,680,367	$ 130,434	$ 8,551	$ 541,514	$ 5,360,866

Liberty Utilities Co.
Unaudited Interim Consolidated Statements of Cash Flows

(thousands of U.S dollars)	Three months ended June 30, 2023	Three months ended June 30, 2022	Six months ended June 30, 2023	Six months ended June 30, 2022
Cash provided by (used in):				
Operating Activities				
Net earnings	**$ 6,202**	$ 43,436	**$ 73,409**	105,400
Items not affecting cash:				
Depreciation of utility plant	**70,630**	61,559	**142,713**	123,331
Deferred taxes	**1,262**	12,414	**24,521**	42,332
Cost of equity funds used for construction	**(568)**	(459)	**(1,226)**	(968)
Pension and post-employment expense in excess of (lower than) contributions	**2,635**	880	**850**	(3,601)
Other	**35,481**	1,089	**33,429**	3,427
Changes in non-cash operating items	**142,615**	(3,209)	**8,460**	(149,465)
	258,257	115,710	**282,156**	120,456
Financing Activities				
Increase in long-term debt	**—**	—	**30,801**	607,697
Repayment of long-term debt	**(30,801)**	(82,471)	**(30,801)**	(79,467)
Repayment of long-term debt from related parties	**—**	—	**(15,000)**	—
Net change in commercial paper	**(1,187)**	165,000	**91,613**	(173,700)
Dividends paid to parent	**(34,561)**	(33,457)	**(66,213)**	(93,557)
Production-based cash contributions from non-controlling interests	**—**	2,477	**—**	2,477
Issuance of common shares, net of costs	**—**	—	**—**	632,400
Increase in other long-term liabilities	**1,979**	2,069	**5,472**	5,268
Decrease in other long-term liabilities	**(882)**	(3,099)	**(1,445)**	(4,143)
	(65,452)	50,519	**14,427**	896,975
Investing Activities				
Additions to utility plant	**(199,431)**	(149,054)	**(299,602)**	(378,117)
Acquisition of operating entities	**—**	(284)	**—**	(632,797)
Increase in other assets	**(2,747)**	(1,378)	**(4,287)**	(1,602)
	(202,178)	(150,716)	**(303,889)**	(1,012,516)
Increase (decrease) in cash, cash equivalents and restricted cash	**(9,373)**	15,513	**(7,306)**	4,915
Cash, cash equivalents and restricted cash, beginning of period	**40,100**	28,531	**38,033**	39,129
Cash, cash equivalents and restricted cash, end of period	**$ 30,727**	$ 44,044	**$ 30,727**	$ 44,044

Supplemental disclosure of cash flow information:	**2023**	**2022**	**2023**	**2022**
Cash paid during the period for interest expense	**$ 25,889**	$ 30,638	**$ 49,564**	$ 47,517
Cash paid during the period for income taxes	**$ 398**	$ 660	**$ 487**	$ 660
Non-cash transactions: additions to utility plant in accruals	**$ 136,963**	$ 94,757	**$ 136,963**	$ 94,757

I, Darren Myers, Chief Financial Officer of Liberty Utilities Co, certify that based on my knowledge, the Statements of Operations, Unaudited Interim Consolidated Statements of Comprehensive Income (Loss), Unaudited Interim Consolidated Balance Sheets, and Unaudited Interim Consolidated Statements of Cash Flows included in this document, fairly present in all material respects the financial condition and results of operations of Liberty Utilities Co as of, and for, the periods presented in this document in conformity with U.S. generally accepted accounting principles.

Aug 28, 2023
(signed) Darren Myers
Darren Myers
Chief Financial Officer