

**Consolidated Financial Information of
Liberty Utilities Co.
For the years ended December 31, 2022 and 2021**

Liberty Utilities Co.
Consolidated Statements of Comprehensive Income

	Year ended December 31,	
(thousands of U.S. dollars)	2022	2021
Revenue		
Electricity sales and distribution	\$ 1,047,809	\$ 983,263
Gas sales and distribution	626,661	474,867
Water reclamation and distribution	274,272	144,605
Other revenue	12,739	11,042
	1,961,481	1,613,777
Expenses		
Electricity purchased	366,828	402,227
Gas purchased	315,532	177,892
Water purchased	18,308	12,664
Operations and maintenance	457,590	393,392
Depreciation of utility plant	263,046	214,118
Taxes other than income taxes	127,113	77,867
Other	24,409	14,201
	1,572,826	1,292,361
Operating income	388,655	321,416
Interest expense	44,951	23,132
Interest on related-party debt	41,705	46,077
Interest and other income	(16,492)	(10,877)
Pension and other post-employment non-service costs	13,248	18,499
Acquisition-related costs	16,553	10,622
Other net loss	3,586	7,120
	103,551	94,573
Earnings before income taxes	285,104	226,843
Income tax expense		
Current	760	859
Deferred	65,850	48,674
	66,610	49,533
Net earnings	218,494	177,310
Net effect of non-controlling interests	(18,569)	(18,754)
Net earnings attributable to the shareholder of Liberty Utilities Co.	237,063	196,064
Other comprehensive income (loss) ("OCI"), net of tax		
Change in pension and other post-employment benefits, net of tax expense of \$8,325 (2021 - tax expense of \$9,176) respectively	22,922	25,177
Change in fair value of cash flow hedges, net of tax recovery of \$536 (2021 - recovery of \$536), respectively	(1,555)	(1,571)
	21,367	23,606
Comprehensive income	\$ 258,430	\$ 219,670

Liberty Utilities Co. **Consolidated Balance Sheets**

	December 31, 2022	December 31, 2021
<i>(thousands of U.S. dollars)</i>		
ASSETS		
Utility plant, net	\$ 7,583,710	\$ 6,516,071
Intangible assets, net	15,346	16,981
Goodwill	1,103,494	979,743
Regulatory assets	960,696	885,849
Long-term investments	3,976	4,136
Restricted cash	38,033	30,991
Other assets	34,922	19,603
	9,740,177	8,453,374
Current assets:		
Cash and cash equivalents	—	8,138
Fuel and natural gas in storage	73,230	49,713
Supplies and consumables inventory	94,045	71,555
Accounts receivable, net	353,079	248,255
Regulatory assets	187,829	156,651
Prepaid expenses	42,274	36,943
Derivative instruments	2,931	1,387
	753,388	572,642
	\$ 10,493,565	\$ 9,026,016

Liberty Utilities Co. **Consolidated Balance Sheets**

	December 31, 2022	December 31, 2021
<i>(thousands of U.S dollars)</i>		
LIABILITIES AND EQUITY		
Shareholder's equity:		
Shareholder's capital	\$ 4,811,425	\$ 4,047,967
Retained earnings	202,328	111,081
Accumulated other comprehensive income ("AOCI")	30,786	9,419
Total equity attributable to shareholder of Liberty Utilities Co.	5,044,539	4,168,467
Non-controlling interests	525,680	543,610
Total shareholder's equity	5,570,219	4,712,077
Redeemable non-controlling interest	6,520	12,989
Long-term debt	1,319,579	713,740
Long-term debt from related parties	897,729	1,091,287
Deferred income taxes	689,132	599,753
Regulatory liabilities	577,013	510,379
Other long-term liabilities	202,823	194,185
Pension and other post-employment benefits obligation	91,971	193,594
Derivative instruments	271	—
	3,778,518	3,302,938
Current liabilities:		
Accounts payable	154,920	145,593
Accrued liabilities	328,433	195,522
Due to related parties	142,555	175,115
Other long-term liabilities	48,606	75,505
Regulatory liabilities	52,735	63,617
Pension and other post-employment benefits obligation	2,707	2,602
Derivative instruments	1,342	1,348
Long-term debt	407,010	338,710
	1,138,308	998,012
Commitments and contingencies		
Subsequent events		
	\$ 10,493,565	\$ 9,026,016

Liberty Utilities Co.
Consolidated Statements of Equity

Liberty Utilities Co.						
<i>(thousands of U.S. dollars)</i>	Shareholder's capital	Retained earnings	Accumulated other comprehensive income (loss)	Non- controlling interests	Total	
Balance, December 31, 2020	\$ 3,058,387	\$ 3,915	\$ (14,187)	\$ —	\$ 3,048,115	
Net earnings (loss)	—	196,064	—	(18,754)	177,310	
Redeemable non-controlling interest not included in equity	—	—	—	6,902	6,902	
Issuance of common shares	989,580	—	—	—	989,580	
Contributions received from non-controlling interests	—	—	—	526,321	526,321	
Non-controlling interest assumed on asset acquisition	—	—	—	29,141	29,141	
Dividends paid	—	(88,898)	—	—	(88,898)	
Other comprehensive income	—	—	23,606	—	23,606	
Balance, December 31, 2021	\$ 4,047,967	\$ 111,081	\$ 9,419	\$ 543,610	\$ 4,712,077	
Net earnings (loss)	—	237,063	—	(18,569)	218,494	
Redeemable non-controlling interest not included in equity	—	—	—	6,298	6,298	
Issuance of common shares	763,458	—	—	—	763,458	
Contributions received from non-controlling interests	—	—	—	4,837	4,837	
Dividends declared and distributions to non-controlling interests	—	(145,816)	—	(10,496)	(156,312)	
Other comprehensive income	—	—	21,367	—	21,367	
Balance, December 31, 2022	\$ 4,811,425	\$ 202,328	\$ 30,786	\$ 525,680	\$ 5,570,219	

Liberty Utilities Co.

Consolidated Statements of Cash Flows

	Year ended December 31,	
(thousands of U.S dollars)	2022	2021
Cash provided by (used in):		
Operating Activities		
Net earnings	\$ 218,494	177,310
Items not affecting cash:		
Depreciation of utility plant	263,046	214,118
Deferred taxes	65,850	48,674
Cost of equity funds used for construction purposes	(1,899)	(721)
Pension and post-employment expense lower than contributions	(10,797)	(3,981)
Other	8,498	4,184
Changes in non-cash operating items	(236,211)	(387,961)
	306,981	51,623
Financing Activities		
Increase in long-term debt	13,654,857	7,945,850
Repayment of long-term debt	(13,173,064)	(8,521,827)
Dividends paid to related party	(145,816)	(88,898)
Production-based cash contributions from non-controlling interests	2,452	526,321
Distributions to non-controlling interests	(10,496)	—
Issuance of common shares, net of costs	763,458	989,580
Proceeds from settlement of derivative assets	(2,659)	—
Increase in other long-term liabilities	17,331	27,320
Decrease in other long-term liabilities	(6,580)	(4,573)
	1,099,483	873,773
Investing Activities		
Additions to utility plant	(763,628)	(906,428)
Increase in other assets	(11,135)	(670)
Acquisition of operating entities	(632,797)	(20,361)
	(1,407,560)	(927,459)
Decrease in cash, cash equivalents and restricted cash	(1,096)	(2,063)
Cash, cash equivalents and restricted cash, beginning of period	39,129	41,192
Cash, cash equivalents and restricted cash, end of period	\$ 38,033	\$ 39,129
Supplemental disclosure of cash flow information:	2022	2021
Cash paid during the period for interest expense	\$ 97,067	\$ 91,647
Cash paid during the period for income taxes	\$ 1,232	\$ 750
Non-cash transactions: additions to utility plant in accruals	\$ 103,631	\$ 81,885

I, Darren Myers, Chief Financial Officer of Liberty Utilities Co, certify that based on my knowledge, the Statements of Comprehensive Income, Consolidated Balance Sheets, and 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.

April 28, 2023

(signed) Darren Myers
Darren Myers
Chief Financial Officer