

LABRADOR - ISLAND LINK GENERAL PARTNER (2021) CORPORATION
CONDENSED INTERIM FINANCIAL STATEMENTS

June 30, 2025

(Unaudited)

LABRADOR - ISLAND LINK GENERAL PARTNER (2021) CORPORATION
STATEMENT OF FINANCIAL POSITION
(Unaudited)

<i>As at (thousands of Canadian dollars)</i>	<i>Notes</i>	June 30 2025	December 31 2024
ASSETS			
Current assets			
Cash		1	1
Other receivables	4	2	4
Total assets		3	5
LIABILITIES AND EQUITY			
Current liabilities			
Other payables	3	2	4
Total liabilities		2	4
Shareholder's equity			
Share capital		1	1
Total equity		1	1
Total liabilities and equity		3	5

See accompanying notes

LABRADOR - ISLAND LINK GENERAL PARTNER (2021) CORPORATION
STATEMENT OF PROFIT AND COMPREHENSIVE INCOME
(Unaudited)

	Three months ended		Six months ended	
<i>For the period ended June 30 (thousands of Canadian dollars)</i>	2025	2024	2025	2024
Expenses				
Operating costs				
Salaries and benefits	-	1	2	2
Professional services	1	1	2	2
Cost recoveries	(1)	(2)	(4)	(4)
Total operating costs	-	-	-	-
Total profit and comprehensive income for the period	-	-	-	-

See accompanying notes

LABRADOR - ISLAND LINK GENERAL PARTNER (2021) CORPORATION
STATEMENT OF CHANGES IN EQUITY
(Unaudited)

<i>(thousands of Canadian dollars)</i>	Share Capital	Total
Balance at January 1, 2025	1	1
Total profit and comprehensive income for the period	-	-
Balance at June 30, 2025	1	1
Balance at January 1, 2024	1	1
Total profit and comprehensive income for the period	-	-
Balance at June 30, 2024	1	1

See accompanying notes

LABRADOR - ISLAND LINK GENERAL PARTNER (2021) CORPORATION
STATEMENT OF CASH FLOWS
(Unaudited)

	Three months ended		Six months ended	
<i>For the period ended June 30 (thousands of Canadian dollars)</i>	2025	2024	2025	2024
Operating activities				
Changes in non-cash working capital balances:				
Decrease in other receivables	4	2	2	1
Decrease in other payables	(4)	(2)	(2)	(1)
Net cash provided from (used in) operating activities	-	-	-	-
Net increase in cash	-	-	-	-
Cash, beginning of the period	1	1	1	1
Cash, end of the period	1	1	1	1
<i>See accompanying notes</i>				

LABRADOR - ISLAND LINK GENERAL PARTNER (2021) CORPORATION
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

1. DESCRIPTION OF BUSINESS

Labrador-Island Link General Partner (2021) Corporation (LIL GP (2021) or the Company) was incorporated on February 4, 2022 under the laws of the Province of Newfoundland and Labrador. LIL GP (2021) is a 100% owned subsidiary of Newfoundland and Labrador Hydro (Hydro) and is the general partner of the LIL (2021) Limited Partnership (LIL (2021) LP). LIL GP (2021)'s head office is located at 500 Columbus Drive, St. John's, Newfoundland and Labrador, A1B 0M4, Canada.

LIL (2021) LP holds the common shares of the Labrador-Island Link Holding Corporation and is administering a Federal Government of Canada (Canada) investment in the form of a committed convertible debenture in the amount of \$1 billion, which may be drawn in amounts of up to \$150 million per year. The convertible debenture is convertible at the sole option of Canada into Class B Units of LIL (2021) LP following the earlier of the full advance of the committed debenture balance and December 31, 2041.

The Company owns the only issued general partner unit of LIL (2021) LP, thereby constituting it the LIL (2021) LP general partner. As the general partner, in accordance with the LIL (2021) Limited Partnership Agreement (LIL (2021) LPA) relating to LIL (2021) LP and applicable law, LIL GP (2021) has the power to control and manage LIL (2021) LP. Labrador-Island Link Holding (2021) Corporation (LIL Holdco (2021)), a wholly owned subsidiary of Hydro, is the limited partner of LIL (2021) LP. LIL (2021) LP is expected to terminate on December 31, 2081, unless terminated earlier or extended in accordance with the LIL (2021) LPA.

- 1.1** Effective January 1, 2025, Nalcor Energy and its wholly owned subsidiary Newfoundland and Labrador Hydro were legislatively amalgamated into Hydro, a new legal corporation that continues under the name "Newfoundland and Labrador Hydro". The amalgamation was accounted for as a business combination under common control. Upon the amalgamation, LIL GP is wholly owned and controlled by the amalgamated entity (Hydro).

2. MATERIAL ACCOUNTING POLICIES

Statement of Compliance and Basis of Measurement

These condensed interim financial statements have been prepared in accordance with *International Accounting Standard 34 - Interim Financial Reporting* and have been prepared using accounting policies consistent with those used in the preparation of the annual audited financial statements for the year ended December 31, 2024.

These condensed interim financial statements do not include all of the disclosures normally found in LIL GP (2021)'s annual audited financial statements and should be read in conjunction with the annual audited financial statements.

These condensed interim financial statements have been prepared on a historical cost basis and are presented in Canadian dollars with all values rounded to the nearest thousand, except when otherwise noted. The Board of Directors of LIL GP (2021) has delegated the authority to approve the condensed interim financial statements to the Audit Committee of the Board of Directors of Hydro, which approved the condensed interim financial statements on August 14, 2025.

3. OTHER PAYABLES

Other payables as at June 30, 2025 consist of accrued liabilities relating to professional services of \$2 thousand (December 31, 2024 - \$4 thousand).

LABRADOR - ISLAND LINK GENERAL PARTNER (2021) CORPORATION
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

4. RELATED PARTY TRANSACTIONS

LIL GP (2021) enters into various transactions with its parent and other related parties. Unless otherwise noted, these transactions occur within the normal course of operations and are measured at the exchange amount, which is the amount of consideration agreed to by the related parties. Outstanding balances due to or from related parties are non-interest bearing with settlement normally within 30 days.

Related parties with which LIL GP (2021) transacts are as follows:

Related Party	Relationship
Hydro	100% shareholder of LIL GP (2021)
LIL (2021) LP	Limited partnership with LIL Holdco (2021)

Significant related party transactions, which are not otherwise disclosed separately in the condensed interim financial statements are summarized below:

			June 30	December 31
<i>As at (thousands of Canadian dollars)</i>			2025	2024
Other receivables:				
Parent			2	4