

**LABRADOR - ISLAND LINK HOLDING CORPORATION  
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**June 30, 2025**

**(Unaudited)**

**LABRADOR - ISLAND LINK HOLDING CORPORATION**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**(Unaudited)**

As at (thousands of Canadian dollars)	Notes	June 30 2025	December 31 2024
<b>ASSETS</b>			
Current assets			
Cash		<b>233,771</b>	234,126
Restricted cash		<b>348,837</b>	323,034
Trade and other receivables		<b>859</b>	1,336
Related party receivable	11	<b>57,779</b>	61,255
Other current assets		<b>8,722</b>	6,402
<b>Total current assets</b>		<b>649,968</b>	626,153
Non-current assets			
Property, plant and equipment	3	<b>4,894,279</b>	4,934,699
Intangible assets		<b>68,866</b>	71,306
Right-of-use assets		<b>586</b>	586
<b>Total assets</b>		<b>5,613,699</b>	5,632,744
<b>LIABILITIES AND EQUITY</b>			
Current liabilities			
Trade and other payables	4	<b>31,432</b>	39,860
Contract liability		<b>2,312</b>	2,171
Current portion of long-term debt	5	<b>21,000</b>	21,000
Current portion of Class B limited partnership units	6	<b>95,145</b>	94,664
Current portion of lease liabilities		<b>4</b>	4
<b>Total current liabilities</b>		<b>149,893</b>	157,699
Non-current liabilities			
Long-term debt	5	<b>3,325,355</b>	3,335,890
Class B limited partnership units	6	<b>878,000</b>	884,747
Lease liabilities		<b>634</b>	634
<b>Total liabilities</b>		<b>4,353,882</b>	4,378,970
Shareholder's equity			
Share capital		<b>1</b>	1
Shareholder contributions		<b>1,256,427</b>	1,250,499
Retained earnings		<b>3,389</b>	3,274
<b>Total equity</b>		<b>1,259,817</b>	1,253,774
<b>Total liabilities and equity</b>		<b>5,613,699</b>	5,632,744

Commitments and contingencies (Note 12)

*See accompanying notes*

**LABRADOR - ISLAND LINK HOLDING CORPORATION**  
**CONSOLIDATED STATEMENT OF PROFIT AND COMPREHENSIVE INCOME**  
(Uaudited)

<i>For the period ended June 30 (thousands of Canadian dollars)</i>	Notes	<b>Three months ended</b>		<b>Six months ended</b>	
		<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Revenue	11	<b>107,214</b>	106,683	<b>214,326</b>	212,909
Other income (expense)		<b>547</b>	(6,400)	<b>633</b>	(6,400)
<b>Total revenue</b>		<b>107,761</b>	100,283	<b>214,959</b>	206,509
Operating costs	8	<b>658</b>	1,180	<b>1,169</b>	2,673
Depreciation and amortization		<b>23,372</b>	23,377	<b>46,746</b>	46,757
Net finance expense	9	<b>45,644</b>	40,693	<b>90,841</b>	80,536
<b>Total expenses</b>		<b>69,674</b>	65,250	<b>138,756</b>	129,966
<b>Total profit and comprehensive income for the period</b>		<b>38,087</b>	35,033	<b>76,203</b>	76,543

*See accompanying notes*

**LABRADOR - ISLAND LINK HOLDING CORPORATION**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**(Unaudited)**

<i>(thousands of Canadian dollars)</i>	Note	Share Capital	Shareholder Contributions	Retained Earnings	Total
<b>Balance at January 1, 2025</b>		<b>1</b>	<b>1,250,499</b>	<b>3,274</b>	<b>1,253,774</b>
<b>Total profit and comprehensive income for the period</b>		-	-	<b>76,203</b>	<b>76,203</b>
<b>Dividends</b>	<b>7</b>	-	-	<b>(76,088)</b>	<b>(76,088)</b>
<b>Shareholder contributions</b>		-	<b>5,928</b>	-	<b>5,928</b>
<b>Balance at June 30, 2025</b>		<b>1</b>	<b>1,256,427</b>	<b>3,389</b>	<b>1,259,817</b>
 Balance at January 1, 2024		 1	 1,225,695	 119,224	 1,344,920
<b>Total profit and comprehensive income for the period</b>		-	-	<b>76,543</b>	<b>76,543</b>
<b>Dividends</b>	<b>7</b>	-	-	<b>(189,967)</b>	<b>(189,967)</b>
<b>Shareholder contributions</b>		-	<b>15,508</b>	-	<b>15,508</b>
<b>Balance at June 30, 2024</b>		<b>1</b>	<b>1,241,203</b>	<b>5,800</b>	<b>1,247,004</b>

*See accompanying notes*

**LABRADOR - ISLAND LINK HOLDING CORPORATION**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**(Unaudited)**

<i>For the period ended June 30 (thousands of Canadian dollars)</i>	<i>Notes</i>	<b>Three months ended</b>		<b>Six months ended</b>	
		<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Operating activities</b>					
Profit for the period		<b>38,087</b>	35,033	<b>76,203</b>	76,543
Adjustments to reconcile profit to cash provided from operating activities:					
Depreciation and amortization		<b>23,372</b>	23,377	<b>46,746</b>	46,757
Loss on disposal of property, plant and equipment	3	<b>1,305</b>	5,737	<b>1,305</b>	5,737
Loss on disposal of intangible assets		<b>10</b>	-	<b>10</b>	-
Finance income	9	<b>(4,832)</b>	(4,399)	<b>(9,923)</b>	(9,722)
Finance expense	9	<b>50,476</b>	45,092	<b>100,764</b>	90,258
		<b>108,418</b>	104,840	<b>215,105</b>	209,573
Changes in non-cash working capital balances	13	<b>(1,314)</b>	(3,151)	<b>(2,550)</b>	871
Change in contract liability		<b>392</b>	(12,529)	<b>141</b>	(10,913)
Interest received		<b>4,883</b>	4,480	<b>10,003</b>	10,030
Interest paid		<b>(49,325)</b>	(49,434)	<b>(59,245)</b>	(59,375)
<b>Net cash provided from operating activities</b>		<b>63,054</b>	44,206	<b>163,454</b>	150,186
<b>Investing activities</b>					
Additions to property, plant and equipment	3	<b>(1,628)</b>	(4,713)	<b>(4,973)</b>	(8,222)
Additions to intangible assets		<b>(133)</b>	(91)	<b>(229)</b>	(132)
Decrease in related party receivable		<b>610</b>	408	<b>3,476</b>	3,041
Changes in non-cash working capital balances	13	<b>(8,333)</b>	91	<b>(7,820)</b>	(2,519)
<b>Net cash used in investing activities</b>		<b>(9,484)</b>	(4,305)	<b>(9,546)</b>	(7,832)
<b>Financing activities</b>					
Repayment of long-term debt		<b>(10,500)</b>	(10,500)	<b>(10,500)</b>	(10,500)
Increase in restricted cash		<b>(8,277)</b>	(6,700)	<b>(25,803)</b>	(24,288)
Distributions of Class B limited partnership units	6	<b>(15,391)</b>	(11,883)	<b>(47,800)</b>	(36,091)
Shareholder contributions		<b>5,928</b>	15,508	<b>5,928</b>	15,508
Dividends	7	<b>(25,993)</b>	(27,024)	<b>(76,088)</b>	(189,967)
<b>Net cash used in financing activities</b>		<b>(54,233)</b>	(40,599)	<b>(154,263)</b>	(245,338)
Net decrease in cash		<b>(663)</b>	(698)	<b>(355)</b>	(102,984)
Cash, beginning of the period		<b>234,434</b>	743	<b>234,126</b>	103,029
Cash, end of the period		<b>233,771</b>	45	<b>233,771</b>	45

*See accompanying notes*

**LABRADOR - ISLAND LINK HOLDING CORPORATION**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)**

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**1. DESCRIPTION OF BUSINESS**

Labrador-Island Link Holding Corporation (LIL Holdco or the Company) was incorporated on July 31, 2012 under the laws of the Province of Newfoundland and Labrador. LIL Holdco is a 100% owned subsidiary of LIL (2021) Limited Partnership (LIL (2021) LP). LIL Holdco's head office is located at 500 Columbus Drive, St. John's, Newfoundland and Labrador, A1B 0M4, Canada.

LIL Holdco is a limited partner in the Labrador-Island Link Limited Partnership (LIL LP) and together with the Labrador-Island Link General Partner Corporation (LIL GP), represent LIL (2021) LP's interests in LIL LP. KKR Island Link Incorporated (KKR) is the remaining limited partner, and when combined with LIL (2021) LP's interests, represents 100% of LIL LP. LIL Holdco is controlled by Newfoundland and Labrador Hydro (Hydro) through its ownership of 100% of the common shares of Labrador-Island Link Holding (2021) Corporation (LIL Holdco (2021)), the limited partner of LIL (2021) LP.

LIL LP was established to carry on the business of designing, engineering, constructing, commissioning, owning, financing and sustaining the assets and property constituting the Labrador-Island Link (LIL). LIL LP has entered into the LIL Lease and the Transmission Funding Agreement (TFA) with Labrador-Island Link Operating Corporation (LIL Opco) and Hydro. These agreements effectively provide Hydro with transmission services over the LIL. LIL Opco maintains and operates the LIL on behalf of LIL LP.

**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 Holdco (2021) is wholly owned and controlled by the amalgamated entity (Hydro).

**2. MATERIAL ACCOUNTING POLICIES**

**2.1 Statement of Compliance and Basis of Measurement**

These condensed consolidated 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 consolidated financial statements for the year ended December 31, 2024.

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

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

**2.2 Basis of Consolidation**

These condensed consolidated interim financial statements include the financial statements of LIL Holdco and LIL LP. Intercompany transactions and balances have been eliminated upon consolidation.

**LABRADOR - ISLAND LINK HOLDING CORPORATION**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)**

**3. PROPERTY, PLANT AND EQUIPMENT**

<i>(thousands of Canadian dollars)</i>	Transmission and Terminals	Service Facilities and Other	Construction in Progress	Total
<b>Cost</b>				
Balance at January 1, 2024	5,030,008	50,344	7,108	5,087,460
Additions	-	-	22,072	22,072
Disposals	(10,747)	(112)	(1,279)	(12,138)
Transfers	7,607	515	(8,122)	-
<b>Balance at December 31, 2024</b>	<b>5,026,868</b>	<b>50,747</b>	<b>19,779</b>	<b>5,097,394</b>
<b>Additions</b>	<b>-</b>	<b>-</b>	<b>4,973</b>	<b>4,973</b>
<b>Disposals</b>	<b>(1,296)</b>	<b>(9)</b>	<b>-</b>	<b>(1,305)</b>
<b>Adjustments</b>	<b>-</b>	<b>-</b>	<b>198</b>	<b>198</b>
<b>Transfers</b>	<b>4,481</b>	<b>(21)</b>	<b>(4,460)</b>	<b>-</b>
<b>Balance at June 30, 2025</b>	<b>5,030,053</b>	<b>50,717</b>	<b>20,490</b>	<b>5,101,260</b>
<b>Depreciation</b>				
Balance at January 1, 2024	64,649	9,549	-	74,198
Depreciation	86,293	2,368	-	88,661
Disposals	(61)	(103)	-	(164)
<b>Balance at December 31, 2024</b>	<b>150,881</b>	<b>11,814</b>	<b>-</b>	<b>162,695</b>
<b>Depreciation</b>	<b>43,110</b>	<b>1,176</b>	<b>-</b>	<b>44,286</b>
<b>Balance at June 30, 2025</b>	<b>193,991</b>	<b>12,990</b>	<b>-</b>	<b>206,981</b>
<b>Carrying value</b>				
Balance at January 1, 2024	4,965,359	40,795	7,108	5,013,262
Balance at December 31, 2024	4,875,987	38,933	19,779	4,934,699
<b>Balance at June 30, 2025</b>	<b>4,836,062</b>	<b>37,727</b>	<b>20,490</b>	<b>4,894,279</b>

**4. TRADE AND OTHER PAYABLES**

<i>As at (thousands of Canadian dollars)</i>	Note	June 30 2025	December 31 2024
Trade payables and accruals		15,344	23,474
Accrued interest		9,794	9,809
HST payable		5,524	5,391
Due to related parties	11	770	1,186
		31,432	39,860

**LABRADOR - ISLAND LINK HOLDING CORPORATION**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)**

**5. LONG-TERM DEBT**

The following table represents the value of long-term debt measured at amortized cost:

<i>As at (thousands of Canadian dollars)</i>	Face Value	Coupon Rate %	Year of Issue	Year of Maturity	June 30 2025	December 31 2024
Tranche A	725,000	3.76	2013	2033	<b>725,124</b>	725,131
Tranche B	600,000	3.86	2013	2045	<b>600,073</b>	600,075
Tranche C	1,075,000	3.85	2013	2053	<b>1,075,161</b>	1,075,163
Tranche 10	-	1.75	2017	2025	-	10,500
Tranche 11-20	105,000	1.84-2.37	2017	2025-2030	<b>105,007</b>	105,009
Tranche 21-30	105,000	2.41-2.64	2017	2030-2035	<b>105,028</b>	105,030
Tranche 31-40	105,000	2.66-2.80	2017	2035-2040	<b>105,071</b>	105,074
Tranche 41-50	105,000	2.81-2.86	2017	2040-2045	<b>105,081</b>	105,083
Tranche 51-60	105,000	2.84-2.86	2017	2045-2050	<b>105,109</b>	105,111
Tranche 61-70	105,000	2.85	2017	2050-2055	<b>105,164</b>	105,167
Tranche 71-74	315,000	2.85	2017	2055-2057	<b>315,537</b>	315,547
<b>Total</b>	<b>3,345,000</b>				<b>3,346,355</b>	3,356,890
Less: maturities of debt within one year					<b>(21,000)</b>	(21,000)
					<b>3,325,355</b>	3,335,890

**6. LIMITED PARTNERSHIP UNITS**

**Class B Limited Partnership Units**

<i>As at (thousands of Canadian dollars)</i>	Units	June 30 2025	December 31 2024
Class B limited partnership units, beginning of the period	25	<b>979,411</b>	25
Contributions	-	-	233,116
Accrued interest	-	<b>41,534</b>	-
Distributions	-	<b>(47,800)</b>	-
Tax adjustment amount	-	-	50
<b>Class B limited partnership units, end of the period</b>	<b>25</b>	<b>973,145</b>	25
Less: maturities within one year		<b>(95,145)</b>	(94,664)
		<b>878,000</b>	884,747

**7. SHAREHOLDER'S EQUITY**

**Dividends**

<i>For the period ended June 30 (thousands of Canadian dollars)</i>	Three months ended 2025	Three months ended 2024	Six months ended 2025	Six months ended 2024
Declared and paid during the period				
Common dividend for current period	<b>25,993</b>	27,024	<b>76,088</b>	189,967

**LABRADOR - ISLAND LINK HOLDING CORPORATION**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)**

**8. OPERATING COSTS**

<i>For the period ended June 30 (thousands of Canadian dollars)</i>	<b>Three months ended</b>		<b>Six months ended</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Salaries and benefits	<b>375</b>	425	<b>726</b>	810
Professional fees	<b>190</b>	327	<b>300</b>	575
Maintenance and materials	<b>88</b>	265	<b>123</b>	971
Other operating costs	<b>5</b>	163	<b>20</b>	317
	<b>658</b>	1,180	<b>1,169</b>	2,673

**9. NET FINANCE EXPENSE**

<i>For the period ended June 30 (thousands of Canadian dollars)</i>	<b>Three months ended</b>		<b>Six months ended</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Finance income				
Interest on restricted cash	<b>4,763</b>	4,294	<b>9,837</b>	9,599
Other interest	<b>69</b>	105	<b>86</b>	123
	<b>4,832</b>	4,399	<b>9,923</b>	9,722
Finance expense				
Interest and fees on long-term debt	<b>29,413</b>	29,500	<b>58,840</b>	59,015
Interest on Class B limited partnership units	<b>20,784</b>	15,349	<b>41,534</b>	30,897
Other interest	<b>279</b>	243	<b>390</b>	346
	<b>50,476</b>	45,092	<b>100,764</b>	90,258
Net finance expense	<b>45,644</b>	40,693	<b>90,841</b>	80,536

**10. FINANCIAL INSTRUMENTS**

**Fair Value**

The estimated fair values of financial instruments as at June 30, 2025 and December 31, 2024 are based on relevant market prices and information available at the time. Fair value estimates are based on valuation techniques which are significantly affected by the assumptions used including the amount and timing of future cash flows and discount rates reflecting various degrees of risk. As such, the fair value estimates disclosed are not necessarily indicative of the amounts that LIL Holdco might receive or incur in actual market transactions.

As a significant number of LIL Holdco's assets and liabilities do not meet the definition of a financial instrument, the fair value estimates disclosed do not reflect the fair value of LIL Holdco as a whole.

**Establishing Fair Value**

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the nature of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## LABRADOR - ISLAND LINK HOLDING CORPORATION

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value. For assets and liabilities that are recognized at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. There were no transfers between Level 1, 2 and 3 fair value measurements during the period ended June 30, 2025 and the year ended December 31, 2024.

	Carrying Level	Carrying Value	Fair Value	Carrying Value	Fair Value
<i>As at (thousands of Canadian dollars)</i>		<b>June 30, 2025</b>		<b>December 31, 2024</b>	
Financial liabilities					
Long-term debt, including amount due within one year	<b>2</b>	<b>3,346,355</b>	<b>3,051,413</b>	3,356,890	3,112,374
Class B limited partnership units, including amount due within one year	<b>3</b>	<b>973,145</b>	<b>973,145</b>	979,411	979,411

The fair values of cash, restricted cash, trade and other receivables, related party receivable and trade and other payables approximate their carrying values due to their short-term maturity.

The fair values of Level 2 financial instruments are determined using quoted prices in active markets, which in some cases are adjusted for factors specific to the asset or liability. Level 2 fair values of other risk management assets and liabilities and long-term debt are determined using observable inputs other than unadjusted quoted prices, such as interest rate yield curves.

The Class B limited partnership units are carried at amortized cost, calculated using the effective interest method, which approximates fair value. The effective interest rate as at June 30, 2025 is 8.9% (December 31, 2024 - 8.7%) which is the rate that discounts the estimated future cash flows to the amortized cost of the financial liabilities. Due to the unobservable nature of the effective interest rate and resulting discounted cash flows associated with the units, the instruments have been classified as Level 3.

The table below sets forth a summary of changes in fair value of the Company's Level 3 financial liabilities given a one percent change in the discount rate while holding other variables constant:

<i>(thousands of Canadian dollars)</i>	1% increase in discount rate	1% decrease in discount rate
Class B limited partnership units	(72,882)	69,363

#### 11. RELATED PARTY TRANSACTIONS

LIL Holdco 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.

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Related parties with which LIL Holdco transacts are as follows:

Related Party	Relationship
Hydro	100% shareholder of LIL Holdco (2021)
KKR	Limited Partner holding 25 Class B limited partnership units of LIL LP
Labrador Transmission Corporation	Wholly-owned subsidiary of Hydro
LIL GP	Wholly-owned subsidiary of Hydro, general partner of LIL LP
LIL Holdco (2021)	Wholly-owned subsidiary of Hydro, limited partner of LIL (2021) LP
LIL (2021) LP	100% shareholder of LIL Holdco
LIL Opco	Wholly-owned subsidiary of Hydro
Lower Churchill Management Corporation	Wholly-owned subsidiary of Hydro
Muskrat Falls Corporation	Wholly-owned subsidiary of Hydro

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

		June 30 2025	December 31 2024
<i>As at (thousands of Canadian dollars)</i>			
<b>Trade and other receivables:</b>			
Other related parties		-	40
<b>Related party receivable:</b>			
Other related parties	(a)	<b>57,779</b>	61,255
<b>Trade and other payables:</b>			
Other related parties	Note 4	<b>770</b>	1,186
<b>Contract liability:</b>			
Other related parties		<b>2,312</b>	2,171
 <i>For the period ended June 30 (thousands of Canadian dollars)</i>			
 <b>Revenue:</b>			
Other related parties	(b)	<b>107,214</b>	106,683
<b>Operating costs:</b>			
Other related parties		<b>153</b>	90
		Three months ended 2025	Six months ended 2025
			2024

(a) LIL LP has a non-interest bearing receivable from LIL Opco which is payable from LIL Opco upon demand as cash is required to fund remaining construction costs of the LIL assets.

(b) LIL LP earned revenue from LIL Opco in relation to the LIL Lease.

## 12. COMMITMENTS AND CONTINGENCIES

- (a) LIL LP is required to make mandatory distributions as determined by LIL GP in accordance with the Labrador-Island Link Limited Partnership Agreement (Partnership Agreement).
- (b) As part of the LIL Project Finance Agreement, LIL LP has pledged its current and future assets as security to the Collateral Agent.
- (c) Under the terms and conditions of the Partnership Agreement and the Newfoundland and Labrador Development Agreement, LIL Holdco has committed to fund its share of the capital expenditures of the LIL.

## LABRADOR - ISLAND LINK HOLDING CORPORATION

### NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Unaudited)

- (d) LIL LP has entered into the LIL Lease and the TFA with LIL Opc and Hydro, whereby LIL LP has committed to design, construct and sustain the LIL and LIL Opc operates and maintains the LIL and provides such other services as agreed to ensure safe and reliable transmission of electricity. Revenue allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) related to transmission sales under the LIL Lease as at June 30, 2025 is \$428 million (December 31, 2024 - \$426 million) within one year and \$19,976 million (December 31, 2024 - \$20,088 million) in more than one year.
- (e) LIL Holdco is subject to legal claims with respect to construction and other various matters. For some legal claims, it is not possible at this time to predict with any certainty the outcome of such litigation. Should these claims result in an unfavourable outcome for the Company, they may have a significant adverse effect on the Company's financial position.
- (f) Outstanding commitments for capital projects total approximately \$18.2 million as at June 30, 2025 (December 31, 2024 - \$10.4 million).

### 13. SUPPLEMENTARY CASH FLOW INFORMATION

<i>For the period ended June 30 (thousands of Canadian dollars)</i>	<b>Three months ended</b>		<b>Six months ended</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Trade and other receivables	753	(2,625)	363	(1,604)
Prepayments	15	13	30	27
Inventories	(1,388)	302	(2,350)	117
Trade and other payables	(9,027)	(750)	(8,413)	(188)
Changes in non-cash working capital balances	(9,647)	(3,060)	(10,370)	(1,648)
 Related to:				
Operating activities	(1,314)	(3,151)	(2,550)	871
Investing activities	(8,333)	91	(7,820)	(2,519)
	(9,647)	(3,060)	(10,370)	(1,648)