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Non-consolidated financial  
statements of  
**Barrie Hydro Holdings Inc.**

December 31, 2018

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## Notice to Reader

On the basis of information provided by management, we have compiled the non-consolidated balance sheet of Barrie Hydro Holdings Inc. as at December 31, 2018 and the non-consolidated statement of operations and retained earnings for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.



Chartered Professional Accountants  
Licensed Public Accountants  
May 14, 2019

**Barrie Hydro Holdings Inc.****Non-consolidated statement of operations and retained earnings**

Year ended December 31, 2018

(Unaudited - see Notice to Reader)

	<b>2018</b>	2017
	<b>\$</b>	<b>\$</b>
<b>Revenue</b>		
Dividend income	<b>8,060,230</b>	4,104,395
Change in fair value of derivative financial instrument	<b>(8,836)</b>	41,364
Interest revenue	<b>89,181</b>	16,273
	<b>8,140,575</b>	4,162,032
<b>Expenses</b>		
Administration fees	<b>100,000</b>	100,348
Interest and penalties	<b>97,386</b>	87,858
Professional fees	<b>12,834</b>	4,500
Miscellaneous	<b>676</b>	554
	<b>210,896</b>	193,260
Income before undernoted item	<b>7,929,679</b>	3,968,772
Gain on loss of control of investment	-	77,079,163
Equity earnings of investees	<b>(5,020)</b>	379,728
Loss on dilution of interest in PowerStream Holdings Inc.	-	(4,053,248)
Income before income taxes	<b>7,924,659</b>	77,374,415
<b>Income taxes</b>		
Current	<b>3,048,689</b>	1,258,990
Future	-	26,525,865
	<b>3,048,689</b>	27,784,855
<b>Net income</b>	<b>4,875,970</b>	49,589,560
Retained earnings, beginning of year	<b>79,426,862</b>	29,837,302
Dividend refund	<b>3,009,167</b>	-
Dividends paid	<b>(7,850,000)</b>	-
<b>Retained earnings, end of year</b>	<b>79,461,999</b>	79,426,862

**Barrie Hydro Holdings Inc.**  
**Non-consolidated balance sheet**

As at December 31, 2018  
(Unaudited - see Notice to Reader)

	<b>2018</b>	2017
	<b>\$</b>	<b>\$</b>
<b>Assets</b>		
Current assets		
Cash	<b>454,607</b>	2,701,124
Accounts receivable	<b>12,258</b>	7,942
	<b>466,865</b>	2,709,066
Investment in Alectra Inc.	<b>182,102,578</b>	182,102,578
Investment in Barrie Hydro Energy Services Inc.	<b>235,083</b>	240,103
Derivative financial asset	<b>32,528</b>	41,364
	<b>182,837,054</b>	185,093,111
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities	<b>3,500</b>	3,955
Income taxes payable	<b>80,588</b>	1,251,889
Due to related parties	<b>260,709</b>	405,147
Bank loan	<b>3,305,000</b>	4,280,000
	<b>3,649,797</b>	5,940,991
Deferred tax liability	<b>26,525,865</b>	26,525,865
	<b>30,175,662</b>	32,466,856
<b>Shareholder's equity</b>		
Share capital		
Authorized		
Unlimited common shares		
Stated		
1,100 common shares	<b>73,199,393</b>	73,199,393
Retained earnings	<b>79,461,999</b>	79,426,862
	<b>152,661,392</b>	152,626,255
	<b>182,837,054</b>	185,093,111