

SASKENERGY INCORPORATED
DISTRIBUTION DIVISION
Statement of Financial Position
As at March 31

(thousands)	2022	2021
Assets		
Current assets		
Trade and other receivables	\$ 154,998	\$ 120,976
Intercompany receivables	10,078	8,299
Natural gas in storage held for resale	5,927	13,801
Inventory of supplies	12,983	9,562
Assets held for sale	778	3,924
Fair value of derivative instruments	131,201	18,123
	315,965	174,685
Right of use	10,996	12,936
Intangible assets	48,591	57,162
Property, plant and equipment	1,429,953	1,409,216
Debt retirement funds	65,528	61,099
	\$ 1,871,033	\$ 1,715,098
Liabilities and Shareholder's equity		
Current liabilities		
Bank indebtedness	\$ 73,785	\$ 51,543
Trade and other payables	89,226	76,859
Intercompany payables	14,746	14,147
Dividends payable	8,600	3,907
Contract liability	7,354	3,833
Current portion of lease liability	3,009	4,483
Fair value of derivative instruments	46,670	7,539
	243,390	162,311
Employee future benefits	3,639	4,381
Lease liability	5,311	5,795
Provisions	135,845	179,540
Long-term debt	677,917	677,938
	1,066,102	1,029,965
Shareholder's equity		
Share capital	166,949	166,949
Retained earnings	641,476	518,309
Other components of equity	(3,494)	(125)
	804,931	685,133
	\$ 1,871,033	\$ 1,715,098

SASKENERGY INCORPORATED
DISTRIBUTION DIVISION
Statement of Comprehensive Income
For the years ended March 31

	2022			2021		
	Income before Market Value Adjustments	Market Value Adjustments	Total	Income before Market Value Adjustments	Market Value Adjustments	Total
(thousands)						
Revenue						
Natural gas sales	\$ 504,974	\$ (41,399)	\$ 463,575	\$ 355,398	\$ (10,642)	\$ 344,756
Delivery	310,656	-	310,656	306,358	-	306,358
Customer capital contributions	21,490	-	21,490	20,959	-	20,959
	837,120	(41,399)	795,721	682,715	(10,642)	672,073
Expenses						
Natural gas purchases (net of change in inventory)	506,318	(115,633)	390,685	366,533	(18,271)	348,262
Employee benefits	82,326	-	82,326	78,708	-	78,708
Operating and maintenance	108,600	-	108,600	110,431	-	110,431
Depreciation and amortization	59,903	-	59,903	57,386	-	57,386
Saskatchewan taxes	7,965	-	7,965	6,853	-	6,853
	765,112	(115,633)	649,479	619,911	(18,271)	601,640
Net income before the following	72,008	74,234	146,242	62,804	7,629	70,433
Finance income	1,098	-	1,098	2,225	-	2,225
Finance expenses	(31,281)	-	(31,281)	(30,565)	-	(30,565)
Net finance expenses	(30,183)	-	(30,183)	(28,340)	-	(28,340)
Other gains	22,109	-	22,109	760	-	760
Net income	\$ 63,934	\$ 74,234	\$ 138,168	\$ 35,224	\$ 7,629	\$ 42,853
Actuarial adjustment on defined benefit plan	124	-	124	(209)	-	(209)
Change in fair value of debt retirement fund	-	(3,369)	(3,369)	-	(2,229)	(2,229)
Total comprehensive income	\$ 64,058	\$ 70,865	\$ 134,923	\$ 35,015	\$ 5,400	\$ 40,415

SASKENERGY INCORPORATED
DISTRIBUTION DIVISION
Statement of Changes in Equity
For the years ended March 31

(thousands)	Retained Earnings	Share Capital	Other Components of Equity	Total
Balance at April 1, 2020	\$ 486,714	\$ 166,949	\$ 2,104	\$ 655,767
Total comprehensive income	42,853	-	(2,438)	40,415
Transfer to retained earnings	(209)	-	209	-
Dividends	(11,049)	-	-	(11,049)
Balance at March 31, 2021	\$ 518,309	\$ 166,949	\$ (125)	\$ 685,133
Balance at April 1, 2021	\$ 518,309	\$ 166,949	\$ (125)	\$ 685,133
Total comprehensive income	138,168	-	(3,245)	134,923
Transfer to retained earnings	124	-	(124)	-
Dividends	(15,125)	-	-	(15,125)
Balance at March 31, 2022	\$ 641,476	\$ 166,949	\$ (3,494)	\$ 804,931

SASKENERGY INCORPORATED
DISTRIBUTION DIVISION
Statement of Cash Flows
For the years ended March 31

(thousands)	2022	2021
Operating activities		
Net income	\$ 138,168	\$ 42,853
Add (deduct) items not requiring an outlay of cash		
Net change in fair value of derivative instrument assets and liabilities	(73,947)	(7,915)
Change in revaluation of natural gas in storage to net realizable value	(286)	286
Depreciation and amortization	59,903	57,386
Net finance expenses	30,183	28,340
Other gains	(22,109)	(760)
Other non-cash items	(188)	(49)
	131,724	120,141
Net change in non-cash working capital related to operations	(14,886)	(16,774)
Cash provided by operating activities	116,838	103,367
Investing activities		
Additions to intangible assets	(1,914)	(10,221)
Additions to property, plant and equipment	(85,778)	(83,067)
Proceeds on disposals of assets	5,004	1,911
Decommissioning costs	(7,987)	(4,750)
Cash used in investing activities	(90,675)	(96,127)
Financing activities		
Debt retirement funds installments	(6,700)	(6,200)
Debt retirement funds redemptions	-	12,070
Proceeds from long-term debt	-	55,560
Repayment of long-term debt	-	(33,971)
Repayment of principal on lease liability	(4,313)	(6,284)
Interest paid	(26,960)	(27,308)
Dividends paid	(10,432)	(8,657)
Cash used in financing activities	(48,405)	(14,790)
Increase (decrease) in cash and cash equivalents	(22,242)	(7,550)
Cash and cash equivalents, beginning of period	(51,543)	(43,993)
Cash and cash equivalents, end of period	\$ (73,785)	\$ (51,543)