ECHELON FINANCIAL HOLDINGS INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three months ended March 31, 2020

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MANAGEMENT'S DISCUSSION AND ANALYSIS

For the three months ended March 31, 2020

References to "EFH" or "Company" in this Management's Discussion and Analysis refer to Echelon Financial Holdings Inc. on a consolidated basis, both now and in its predecessor forms.

Important Note:

The unaudited condensed consolidated interim financial statements for the quarters ended March 31, 2020, and 2019 have been prepared in accordance with International Financial Reporting Standards (IFRS) applicable to the preparation of interim financial statements, including IAS 34 Interim Financial Reporting. The policies applied in the unaudited condensed consolidated interim financial statements are based on IFRS and have been consistent with those of the previous financial year except for the ones explained in note 4 in the unaudited condensed consolidated interim financial statements.

The following discussion should be read in conjunction with EFH's unaudited condensed consolidated interim financial statements for the three months ended March 31, 2020 and 2019, with the notes to the unaudited condensed consolidated interim financial statements, and with management's discussion and analysis (MD&A) and audited annual consolidated financial statements and accompanying notes for 2019. The financial data in this discussion has been prepared in accordance with IFRS and has been derived from the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2020 and 2019.

The following commentary is current as of May 26, 2020. Additional information relating to EFH is available on SEDAR at www.sedar.com. Certain totals, subtotals and percentages may not reconcile due to rounding.

EFH uses both IFRS and certain non-IFRS measures to assess performance. Securities regulators require that companies caution readers about non-IFRS measures that do not have a standardized meaning under IFRS and are unlikely to be comparable to similar measures used by other companies. EFH analyzes performance based on underwriting income and underwriting ratios such as combined, expense and loss ratios, which are non-IFRS measures. Underwriting income is defined as net earned premiums less net claims incurred, net acquisition expenses, general expenses, integration costs and excludes any impact of change in discount rate on claims and corporate expenses.

The following discussion contains forward-looking information that involves risk and uncertainties based on current expectations. This information includes, but is not limited to, statements about the operations, business, financial condition, priorities, targets, ongoing objectives, strategies and outlook of EFH. These statements, which appear in this MD&A (including the documents incorporated by reference herein), generally can be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "plan", "would", "should", "could", "trend", "predict", "likely", "potential" or "continue" or the negative thereof and similar variations.

This information is based upon certain material factors or assumptions that were applied in drawing a conclusion or making a projection as reflected in the forward-looking information. By its nature, this information is subject to inherent risks and uncertainties that may be general or specific. A variety of material factors, many of which are beyond EFH's control, affect the operations, performance and results of EFH and its business, and could cause actual results to differ materially from the expectations expressed in any of this forward-looking information.

COMPANY OVERVIEW

EFH operates in the property and casualty ("P&C") insurance industry in Canada through The Insurance Company of Prince Edward Island ("ICPEI"), a provincially regulated P&C insurance company.

On November 9, 2018, the Company entered into a definitive agreement to sell Echelon Insurance, its main operating subsidiary, and the unregulated warranty business of Echelon Financial Holdings Inc. ("Discontinued Operations") and the sale was completed on May 31, 2019.

After the sale of Echelon Insurance and the unregulated warranty business of Echelon Financial Holdings Inc., the Company has insurance operations in ICPEI and investments and cash in Echelon Financial Holdings Inc.

BASIS OF PRESENTATION

This MD&A is based on information in the audited consolidated financial statements and accompanying notes there to for the year ended December 31, 2019 and the unaudited condensed consolidated interim financial statements for the three months ended March 31, 2020.

As a result of the Company's sale of Echelon Insurance and the unregulated warranty business of Echelon Financial Holdings Inc., the results of these operations have been presented as discontinued. See the Discontinued Operations section of this MD&A.

IFRS 9 FINANCIAL INSTRUMENTS AND IFRS 17 INSURANCE CONTRACTS

In March of this year, the IASB announced the delay of the implementation date for IFRS 17 to January 1, 2023 with retrospective application. Since the Company has deferred the adoption of IFRS 9 until the adoption of IFRS 17, the implementation date for IFRS 9 with retrospective application will be delayed to January 1, 2023.

COVID-19 PANDEMIC

The rapid spread of the COVID-19 virus, which was declared by the World Health Organization to be a pandemic on March 11, 2020, and actions taken in Canada and globally in response to COVID-19, have significantly disrupted business activities. ICPEI implemented its emergency operational plan which included transitioning most employees to work from home and only a small number of staff in the office to perform functions which could not be performed remotely. Although the office was closed to the public, claim services and support for brokers continued during this time. Since May 4, 2020, ICPEI has begun a partial reopening of its office in Charlottetown.

ICPEI has provided a number of accommodations to its policyholders if they experience hardship because of COVID-19 and adjust their auto premiums due to reduction of use. ICPEI has only experienced a very minor increase in the number of customer defaults and very few requests to lower monthly premiums based on lower usage of vehicles. These did not have a significant impact on the results of the Company in the first quarter of 2020 as it recorded a provision of $200.

The number of motor vehicle claims decreased significantly in the month of March and its impact is reflected in the lower claims expense in the first quarter of 2020. The experience for April is similar to March of this year. ICPEI suspended a recently approved auto rate increase in New Brunswick which was to be effective June 1, 2020 and filed for a slight reduction in auto rates in the Halifax Nova Scotia territory.

The effects on the Company's development of critical estimates during the first quarter of 2020 are described below:

Investment valuation

The Company's valuation technique and recognition of impairment remain unchanged. The Company's investments are valued at fair value using Level 1 or Level 2 inputs that are primarily based on quoted market prices. The Company has no Level 3 investments that require more assumptions and judgement in their valuation. As a result of the market volatility in March, the Company recorded a loss in investment of $749 in its profit and loss and $2,370 of unrealized loss in its other comprehensive loss. Market volatility continued and in April the Company recovered some of those losses.

Provision for unpaid claims

ICPEI does not provide insurance coverage specifically for pandemic risk. However, in its commercial property policies, it offers coverage for business interruption. Based on outside legal counsel review and Insurance Bureau of Canada guidance, ICPEI does not believe that business interruption claims from pandemic Covid-19 are covered perils. No provision has been made. ICPEI will monitor all developments.

Credit risk

During the first quarter of 2020, the Company's exposure to credit risk increased primarily due to the potential effects of COVID-19 pandemic on the Company's reinsurers, insurance contract receivables from customers, and issuers of the Company's investments in bonds. There were no significant changes used in the first quarter of 2020 to monitor and evaluate credit risks. There was no downgrade of reinsurers' credit rating and there were no significant delinquent payments from customers. Valuation of investment bonds is based on observable market values which already reflect the associated credit risks associated with the issuers.

FIRST QUARTER HIGHLIGHTS

- Direct written premiums increased in the first quarter by $1.1 million over the same period in 2019 as Company implemented rate increases. COVID-19 pandemic did not have a significant impact on direct premiums written for the first quarter of 2020.
- Underwriting income was $0.4 million better than the same period in 2019 as earned premium was $0.9 million higher while net incurred claims was $0.2 million lower; offset by higher net acquisition and operating expenses, which included a charge of $0.2 million directly related to COVID-19.
- Investment income was $0.6 million lower in the first quarter compared to same period in 2019 largely due to adverse performance of preferred shares portfolio which had negative fair value change of $0.8 million that was charged to income. Equity market had a major downturn in the month of March 2020 because of COVID 19 Pandemic resulting in a net unrealized loss of $2.4 million in other comprehensive loss and a $0.1 million write down on equity investment in this quarter.
- Closing book value per share of $7.29 compared to $7.45 at end of 2019; largely due to the impact of other comprehensive loss to shareholders.
- ICPEI has applied for a license to write commercial insurance in Quebec on a limited basis and expects to be able to commence operations in the third quarter of this year.

The financial information below compares three months ended March 31, 2020 results with the same period in 2019.

	3 months ended March 31	
($ THOUSANDS except per share amounts)	**2020**	**2019**
Direct written and assumed premiums	8,037	6,957
Net earned premiums	8,459	7,541
Net claims incurred	4,386	4,551
Net acquisition costs	1,890	1,663
Operating expenses	1,337	922
Corporate expense	340	503
Underwriting income (1)	846	405
Investment (loss) income (2)	(21)	555
Impact of change in discount rate on claims	131	(171)
Net income before income taxes	616	286
Income tax expense	168	83
Net income on continued operations	448	203
Net (loss) on discontinued operations	-	(9,187)
Net Income (loss)	448	(8,984)
Net income (loss) attributed to:		
Shareholders of the Company – continued operations	331	82
Shareholders of the Company – discontinued operations	-	(9,187)
Non-controlling interest – continued operations	117	121
Earnings (loss) per share		
Continued operations		
Basic	$0.03	$0.01
Diluted	$0.03	$0.01
Discontinued operations		
Basic	-	($0.77)
Diluted	-	($0.77)

(1) Underwriting income excludes impact of change in claims discount rates and corporate expenses.

(2) Net investment income consists of interest income, dividend income, less investment expense.

Direct Written and Net Earned Premiums

In the first quarter of 2020, direct written premiums increased by $1.1 million compared to the same period in prior year. The increase was largely due to rate increases in personal auto in PEI and Nova Scotia.

Claims Incurred

For the quarter ended March 31, 2020, net claims expense was $0.2 million lower than same period in the prior year. This was the result of lower frequency of claims.

Acquisition Costs

Acquisition costs, which consist mainly of commissions, premium taxes and general expenses related to policy acquisitions, increased by $0.2 million in the quarter ended March 31, 2020 compared to same period last year as a result of higher premium volume

Operating Expenses

Operating expenses were higher by $0.4 million in the first quarter of 2020 compared to the same period prior year, because of amortization charges of $0.1 million on new fixed assets acquired and $0.2 million COVID-19 pandemic related expenses.

Underwriting Income

Underwriting Income of $0.8 million was recorded in the first quarter of 2020 compared to $0.4 million in the same period in 2019. The improvement in results is attributed to higher revenue and lower net claims incurred.

Impact of Change in Discount Rate on Claims

The discount rate used to discount future claims payment is based on the expected yield on investments. The discount rate used in the quarter ended March 31, 2020 was 2.83% compared to 2.50% for the quarter ended December 31, 2019. The change in discount rate was reflective of the interest yield in investments.

Investment Income

Investment income was $0.6 million lower in the first quarter as compared to same period last year. Interest income was higher by $0.3 million offset by preferred shares negative fair value change of $0.8 million charged to income and $0.1 million write down of equity investment.

Net Income before Income Taxes

Net income before taxes was $0.6 million in the first quarter as compared to income of $0.3 million in the first quarter of 2019. The improvements were due to improvements in underwriting results.

Income Taxes

For the quarter ended March 31, 2020, the total Income tax expense was $0.2 million as compared to $0.1 million for the same period last year. See effective tax rates note 10 to unaudited condensed consolidated interim financial statements for the three months ended March 31, 2020

Discontinued Operations

On November 9, 2018, the Company entered into a definitive agreement to sell Echelon Insurance, its main operating subsidiary, and the unregulated warranty business of Echelon Financial Holdings Inc. ("Discontinued Operations") and the sale was completed on May 31, 2019.

Net earnings of discontinued operations for the three months ended 2019 includes results of Echelon Insurance and the unregulated warranty business of Echelon Financial Holdings Inc. before their disposal.

Income statement results

$ Thousands	**3 months ended March 31**	
Revenues	**2020**	**2019**
Net earned premiums	-	74,120
Investment Income	-	3,137
Total Revenue	-	77,257
Expenses		
Net incurred claims	-	59,337
Net acquisition costs	-	18,303
Operating costs	-	8,633
Total Expenses	-	86,273
(Loss) before income taxes	-	(9,016)
Income tax (recovery)	-	(2,928)
Net (loss) on discontinued operations	-	(6,088)
Transaction costs relating to sale	-	(3,099)
Net Loss on discontinued operations	-	(9,187)

SEGMENTED FINANCIAL INFORMATION

The segmented results below exclude corporate expenses and the impact of change in discount rate on claims.

Personal Lines

	3 months ended March 31			
($THOUSANDS)	***2020***	***2019***	***$Variance***	***%Variance***
Direct written premiums	5,291	4,615	676	15
Net earned premiums	5,976	5,085	890	17
Total net claims	2,851	3,314	(465)	(14)
Claims ratio	47.7%	65.2%		
Expense ratio	36.5%	32.4%		
Combined ratio	84.2%	97.6%		
Underwriting income	945	121	824	681

Personal Lines recorded an underwriting income of $0.9 million compared to an underwriting income of $0.1 million in the same period last year. Direct written premiums increased by 15% in the quarter due to rate increases in PEI and Nova Scotia. The lower loss ratio was largely due to fewer numbers of claims compared to same period last year.

Commercial Lines

	3 months ended March 31			
($THOUSANDS)	***2020***	***2019***	***$Variance***	***%Variance***
Direct written premiums	2,746	2,343	403	17
Net earned premiums	2,483	2,455	28	1
Total net claims	1,535	1,237	298	24
Claims ratio	61.8%	50.4%		
Expense ratio	42.2%	37.7%		
Combined ratio	104%	88.1%		
Underwriting income (loss)	(99)	284	(383)	(135)

Commercial Lines recorded an underwriting loss of $0.1 million compared to an underwriting income of $0.3 million in the same period last year. Direct written premiums increased by 17% in the quarter due to rate increases. Loss ratio for the quarter was higher due to a large loss in Nova Scotia.

SUMMARY OF QUARTERLY RESULTS

The following quarterly financial summary has been restated to exclude Discontinued Operations except for investment income, net income, earnings per share, and book value per share information.

A summary of the Company's last eight quarters is as follows:

($ THOUSANDS except per share amounts)

	2020	2019				2018		
	Q1	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**
Direct written and assumed premiums	8,037	8,629	10,271	10,972	6,957	7,469	9,284	10,425
Net earned premiums	8,459	8,573	8,362	7,921	7,541	7,660	7,609	7,497
Underwriting income (loss)	846	(811)	(1,286)	128	405	1,809	(997)	(547)
Impact of change in net claims discount rate	131	(71)	(78)	(138)	(171)	142	69	56
Investment Income	(21)	1,083	874	430	555	280	380	377
Net Income (Loss)	448	(530)	(673)	55,602	(8,984)	(7,426)	170	3,964
Earnings (loss) per share								
(a) Basic	$0.03	($0.03)	($0.04)	$4.64	($0.76)	($0.65)	$0.02	$0.34
(b) Diluted	$0.03	($0.01)	($0.04)	$4.55	($0.76)	($0.65)	$0.02	$0.33
Selected financial ratios								
Book value per share (1)	$7.29	$7.45	$7.46	$7.48	$11.74	$12.21	$12.89	$12.88

(1) In Q2 - 2019, the Company paid a dividend of $8.80 per share to shareholders.

The quarterly results reflect the seasonality of the Company's business. Typically quarter one and quarter four premium written is lower than quarter two and quarter three. However, underwriting results may vary significantly from quarter to quarter.

UPDATE ON QUDOS LITIGATION:

Arbitration Proceedings between New Nordic Advisors Limited and EFH

New Nordic Advisors Limited (NNA) filed a Statement of Claim with the Danish Institute of Arbitration in October 2018. The Claim sought €45.8 million in damages arising from the sale of 100% of EFH's interest in QIC Holdings ApS to New Nordic Odin Denmark Ltd in March of 2017. The Statement of Claim alleged breach of contract and willful misrepresentation. On July 16, 2019 the claim was dismissed with costs (approx. C$365,000) which have been paid to EFH. There is no right to an appeal.

Arbitration Proceedings between New Nordic Odin Denmark ApS and EFH

On August 2, 2019 New Nordic Odin Denmark (NNOD) filed a Statement of Claim with the Danish Institute of Arbitration. The Claim is essentially the same claim made by NNA but with a different plaintiff. The Claim seeks €45.8 million in damages arising from the sale of 100% of EFH's interest in QIC Holdings ApS to NNOD in March of 2017. The Statement of Claim alleges breach of contract and willful misrepresentation with respect to the amount of required reserves for Qudos claim liabilities and the overall value of Qudos. It is alleged that officers of Qudos and EFH were aware of the underfunded reserves and failed to disclose to NNOD. A preliminary defence has been filed by EFH, pleading that NNOD has no legal right to bring the claim and seeking an order for security for costs. EFH is required to file a substantive defence but is delayed due to the COVID-19 Pandemic. EFH does not believe there is any merit to the claim and expects that the case will be heard in the fourth quarter of 2020.

BALANCE SHEET ANALYSIS

The Balance Sheet analysis that follows should be read in conjunction with the unaudited condensed consolidated interim financial statements for the quarter ended March 31, 2020, and notes therein.

Balance Sheet Highlights

Selected balance sheet highlights and book value per share details are as follows:

($ THOUSANDS except per share amounts)	As at March 31, 2020	As at December 31, 2019
Cash and short-term deposits	70,252	70,932
Investments	44,948	48,019
Total assets	139,062	144,020
Provision for unpaid claims	25,691	26,629
Unearned premiums	17,501	18,749
Total equity attributable to shareholders	87,542	89,475
Book value per share (1)	$7.29	$7.45

(1) Shareholders' equity divided by the number of shares issued and outstanding

Investments

EFH has an investment policy that seeks to provide a stable income base to support EFH's liabilities in line with its risk appetite and tolerance. In addition to this risk-return analysis, the chosen asset mix also considers the amount of regulatory capital that is required.

EFH's investment portfolio is invested in accordance with its investment policy. Fair values for most investments are determined by reference to observable market data.

Fair Value of Investments

The following table sets forth EFH's invested assets as at March 31, 2020 and December 31, 2019.

($ THOUSANDS)	Fair values			
Available for sale	**As at March 31, 2020**	**% of Total**	**As at December 31, 2019**	**% of Total**
Fixed income				
Canadian				
Federal	4,650		5,053	
Provincial	3,191		2,771	
Corporate	4,388		4,336	
Total fixed income	12,229	10.6%	12,160	10.2%
Corporate value pooled fund	4,953		5,320	
Money market pooled funds	772		604	
Short-term fixed income and mortgage pooled funds	13,767		13,550	
Total pooled funds	19,492	16.9%	19,474	16.4%
Common shares				
Canadian	1,149		1,798	
Foreign	1,606		2,057	
Global Equity Pooled Fund	7,549		8,784	
Total common shares	10,304	9.0%	12,639	10.6%
Total available for sale	42,025		44,273	
Fair value through profit or loss				
Preferred shares	2,923		3,746	
Total preferred shares	2,923	2.5%	3,746	3.2%
Total investments	44,948	39.0%	48,019	40.4%
Cash and short-term deposits	70,252	61.0%	70,932	59.6%
Total investments including cash and short-term deposits	115,200	100%	118,951	100%

Impairment Assets and Provisions for Losses

EFH has an established policy to write down or make a provision for any investment with objective evidence that the value of the investment is impaired.

A gross unrealized loss of $1.3 million on Available for Sale (AFS) investments at March 31, 2020 (December 31, 2019 – $0.4 million) is recorded, net of tax, in the amount of $1.1 million (December 31, 2019 – $0.3 million) in Accumulated Other Comprehensive Income.

Management has reviewed currently available information regarding those financial assets where estimated fair values are less than amortized cost. For those investments that are considered impaired, the Company records the difference between the amortized cost of the financial assets and its fair value as an impairment which reduces investment income recorded in the year.

An impairment of $0.1 million on AFS investments was recognized for the period ended March 31, 2020 (March 31, 2019- Nil).

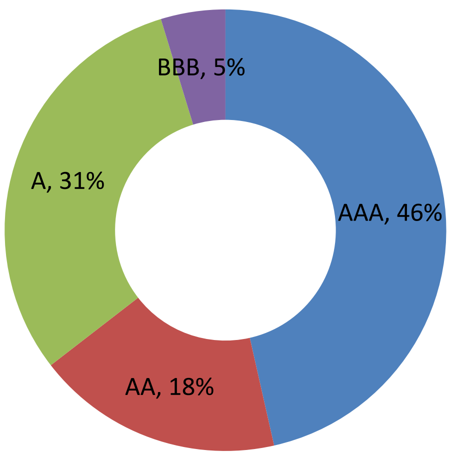
Fixed Income Securities

EFH holds fixed income securities to provide a steady, predictable level of income with reasonable liquidity and minimal risk of loss and a fixed sum at maturity. EFH's portfolio is diversified by selecting various types of government and corporate bonds. Constraints on types of issuers take liquidity, diversification and risk into account by limiting the portfolio mix by issuer.

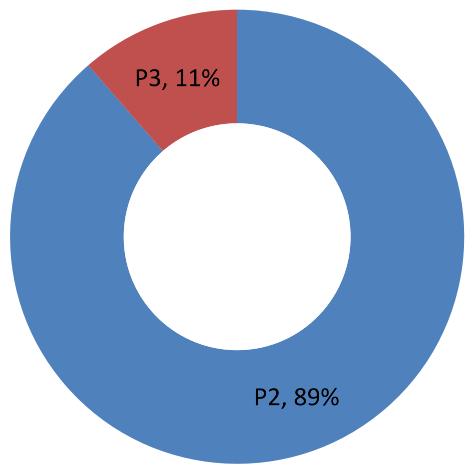
EFH's bond portfolio has a high overall credit quality with an average rating of AA. The preferred shares have an average rating of P2. The duration of the bond portfolio is 2.6 years.

The charts below show EFH's fixed income and preferred share portfolios by credit quality as at March 31, 2020:

Bond Ratings



Preferred Share Rating



Common Share Portfolio

The Global Equity Pooled Fund is managed by Burgundy Asset Management and the Canadian and USA common equities are largely managed by Silver Heights Capital Management Inc.

Recoverable from Reinsurers

($ THOUSANDS)	As at March 31, 2020	As at December 31, 2019
Reinsurers' share of unpaid claims	2,959	3,268
Reinsurers' share of unearned premiums	632	1,031
Total	3,591	4,299

As at March 31, 2020, the amount recoverable from reinsurers decreased by $0.7 million, down to $3.6 million from $4.3 million as at December 31, 2019. Reinsurers' share of unpaid claims decreased by $0.3 million as there was a large claim settled during the quarter. The reinsurers share of unearned premium decreased by $0.4 million as reinsurance premium in 2020 was lower than 2019. All reinsurers, with balances due, have a rating of A– or above as determined by A.M. Best.

Accounts Receivable

($ THOUSANDS)	As at March 31, 2020	As at December 31, 2019
Agents and brokers	9,223	9,918
Other	83	102
Total	9,306	10,020

Provision for Unpaid Claims

EFH establishes loss reserves to provide for future amounts required to pay claims related to insured events that have occurred and been reported but have not yet been settled, and related to events that have occurred but have not yet been reported to EFH. Provision for unpaid claims consists of the aggregate amount of individual case reserves established and management's estimate of claims incurred but not reported and provision for adverse development. Provisions for unpaid claims are discounted to present value. The Company determines the discount rate based on the expected return on its investment portfolio of assets with appropriate assumptions for interest rates relating to reinvestment of maturing investments. The investment portfolio has experienced an increase in yields compared to December 31, 2019. The discount rates used for December 31, 2019 and March 31, 2020 for ICPEI are as below:

	As at March 31, 2020	As at December 31, 2019
ICPEI	2.83%	2.50%

Share Capital

As of May 26, 2020, there were 12,006,558 common shares issued and outstanding.

LIQUIDITY AND CAPITAL MANAGEMENT

The purpose of liquidity management is to ensure there is sufficient cash to meet all of EFH's financial commitments and obligations as they come due. EFH believes that it has the flexibility to obtain, from internal sources, the funds needed to fulfill its cash requirements, during the following financial year and to satisfy regulatory capital requirements.

Echelon Financial Holdings Inc. is primarily a holding company and, as such, has limited direct operations of its own. Its principal assets are cash, an investment portfolio and ownership of ICPEI. Selected balance sheet items of Echelon Financial Holdings Inc. as at March 31, 2020 are as follows:

($) Thousand	
Cash and short-term deposits	$66,375
Portfolio investments	$10,010
Investment in Insurance Subsidiary	$11,588
Other assets	$1,502
Liabilities	$1,933

Accordingly, its future cash flows depend on its investment income and the availability of dividends and other statutorily permissible distributions from ICPEI. The ability to pay such dividends and to make such other distributions is limited by applicable laws and regulations of the jurisdictions in which the insurance subsidiary is domiciled, which subject the insurance subsidiary to significant regulatory restrictions. These laws and regulations require, among other things, that the insurance subsidiary maintain minimum solvency requirements and may also limit the amount of dividends that the insurance subsidiary can pay to its parent.

ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial statements have been prepared in accordance with IFRS and in compliance with IAS 34 "Interim Financial Reporting." Please refer to note 4 to unaudited condensed consolidated interim financial statements for the quarter ended March 31, 2020.

CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company's disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by EFH is recorded, processed, summarized and reported in a timely manner. This includes controls and procedures that are designed to ensure that information is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

As of March 31, 2020, an evaluation was carried out, under the supervision of the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures as defined under Multilateral Instrument 52-109. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the design of these disclosure controls and procedures was effective.

Internal Controls over Financial Reporting

As at the quarter ended March 31, 2020, the Chief Executive Officer and the Chief Financial Officer evaluated the design of the Company's internal control over financial reporting. Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the design of internal controls as at March 31, 2020, was effective to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

For a description of EFH's accounting policies, which are on an IFRS basis, refer to note 4 to unaudited condensed consolidated interim financial statements for the three months ended March 31, 2020. A description of EFH's critical accounting estimates and assumptions is also detailed in note 5 to unaudited condensed consolidated interim financial statements for the quarter ended March 31, 2020.