

NORTHLAND POWER INC.

Management's Discussion and Analysis

Table of Contents

SECTION 1: OVERVIEW	<u>2</u>	SECTION 5: CHANGES IN FINANCIAL POSITION	<u>20</u>
SECTION 2: NORTHLAND'S BUSINESS	<u>5</u>	SECTION 6: EQUITY, LIQUIDITY AND CAPITAL RESOURCES	<u>21</u>
SECTION 3: CONSOLIDATED HIGHLIGHTS	<u>7</u>	SECTION 7: SUMMARY OF QUARTERLY CONSOLIDATED RESULTS	<u>25</u>
3.1: Significant Events	<u>7</u>	SECTION 8: CONSTRUCTION, DEVELOPMENT AND ACQUISITION ACTIVITIES	<u>26</u>
3.2: Operating Highlights	<u>8</u>	SECTION 9: OUTLOOK	<u>27</u>
SECTION 4: RESULTS OF OPERATIONS	<u>9</u>	SECTION 10: LITIGATION, CLAIMS AND CONTINGENCIES	<u>27</u>
4.1: Operating Results	<u>10</u>	SECTION 11: FUTURE ACCOUNTING POLICIES	<u>27</u>
4.2: General and Administrative Costs	<u>15</u>	SECTION 12: FINANCIAL RISKS AND UNCERTAINTIES ..	<u>27</u>
4.3: Growth Expenditures	<u>15</u>	SECTION 13: CONTROLS AND PROCEDURES OVER FINANCIAL REPORTING	<u>28</u>
4.4: Consolidated Results	<u>16</u>		
4.5: Adjusted EBITDA	<u>17</u>		
4.6: Free Cash Flow	<u>18</u>		

This Management's Discussion and Analysis ("MD&A"), contains forward-looking statements that are based on certain estimates and assumptions that were considered reasonable on August 13, 2025; actual results may differ materially. Certain prior period disclosures have been reclassified for consistency with the current period presentation. Northland's Audit Committee reviewed this MD&A and the associated unaudited interim condensed consolidated financial statements and notes, and its Board of Directors approved these documents prior to their release.

SECTION 1: OVERVIEW

Introduction

The purpose of this Management's Discussion and Analysis ("MD&A") is to explain the consolidated financial results of Northland Power Inc. ("Northland" or the "Company") and to assist the reader in understanding the nature and importance of changes and trends as well as the risks and uncertainties that may affect the operating results and financial position of the Company. This MD&A should be read in conjunction with Northland's unaudited interim condensed consolidated financial statements for the three and six months ended June 30, 2025 and 2024, as well as its audited consolidated financial statements for the years ended December 31, 2024, and 2023 ("2024 Annual Report") and Northland's most recent Annual Information Form dated February 26, 2025 ("2024 AIF"). These materials are available on the Company's SEDAR+ profile at www.sedarplus.ca and on Northland's website at www.northlandpower.com.

All amounts set out herein are in thousands of Canadian dollars, unless otherwise stated.

Forward-Looking Statements

This MD&A contains forward-looking statements that are based on certain estimates and assumptions that were considered reasonable on August 13, 2025; actual results may differ materially. Forward-looking statements are provided for the purpose of presenting information about management's current expectations and plans. Readers are cautioned that such statements may not be appropriate for other purposes. Northland's actual results could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, the events anticipated by the forward-looking statements may or may not transpire or occur. Forward-looking statements include statements that are not historical facts and are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects," "anticipates," "plans," "predicts," "believes," "estimates," "intends," "targets," "projects," "forecasts" or negative versions thereof and other similar expressions or future or conditional verbs such as "may," "will," "should," "would" and "could". These statements may include, without limitation, statements regarding future Adjusted EBITDA and Free Cash Flow, including respective per share amounts, dividend payments and dividend payout ratios, the timing for and attainment of the Hai Long and Baltic Power offshore wind, Jurassic BESS battery energy storage project and other growth activity and the anticipated contributions therefrom to Adjusted EBITDA and Free Cash Flow, the expected generating capacity of certain projects, guidance, anticipated dates of full commercial operations, forecasts as to overall project costs, the completion of construction, acquisitions, dispositions, whether partial or full, investments or financings and the timing thereof, the timing for and attainment of financial close and commercial operations for each project, the potential for future production from project pipelines, cost and output of development projects, the all-in interest cost for debt financing, the impact of currency and interest rate hedges, litigation claims, future funding requirements, and the future operations, business, financial condition, financial results, priorities, ongoing objectives, strategies and the outlook of Northland, its subsidiaries and joint ventures.

These statements are based upon certain material factors or assumptions that were applied in developing the forward-looking statements, including the design specifications of development projects, the provisions of contracts to which Northland or a subsidiary is a party, management's current plans and its perception of historical trends, current conditions and expected future developments, the ability to obtain necessary approvals, satisfy any closing conditions, satisfy any project finance lender conditions to closing sell-downs or obtain adequate financing regarding contemplated construction, acquisitions, dispositions, investments or financings, as well as other factors, estimates and assumptions that are believed to be appropriate in the circumstances. Although these forward-looking statements are based upon management's current reasonable expectations and assumptions, they are subject to numerous risks and uncertainties. Some of the factors that could cause results or events to differ from current expectations include, but are not limited to, risks associated with further regulatory and policy changes which could impair current guidance and expected returns, risks associated with merchant pool pricing and revenues, risks associated with sales contracts, the emergence of widespread health emergencies or pandemics, Northland's reliance on the performance of its offshore wind facilities at Gemini, Nordsee One and Deutsche Bucht for over 50% of its Adjusted EBITDA, counterparty and joint venture risks, contractual operating performance, variability of sales from generating facilities powered by intermittent renewable resources, wind and solar resource risk, unplanned maintenance risk, offshore wind concentration, natural gas and power market risks, commodity price risks, operational risks, recovery of utility operating costs, Northland's ability to resolve issues/delays with the relevant regulatory and/or government authorities, permitting, construction risks, project development risks, integration and acquisition risks, procurement and supply chain risks, financing risks, disposition and joint-venture risks, competition risks, interest rate and refinancing risks, liquidity risk, inflation risks, commodity availability and cost risk, construction material cost risks, impacts of regional or global conflicts, credit rating risk, currency fluctuation risk, variability of cash flow and potential impact on dividends, taxation, natural events, environmental risks, climate change, health and worker safety risks, market compliance risk, government regulations and policy risks, utility rate regulation risks, international activities, cybersecurity, data

protection and reliance on information technology, labour relations, labour shortage risk, management transition risk, geopolitical risk in and around the regions Northland operates in, large project risk, reputational risk, insurance risk, risks relating to co-ownership, bribery and corruption risk, terrorism and security, litigation risk and legal contingencies, and the other factors described in this MD&A and the 2024 AIF.

Northland has attempted to identify important factors that could cause actual results to materially differ from current expectations; however, there may be other factors that cause actual results to differ materially from such expectations. Northland's actual results could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, and Northland cautions you not to place undue reliance upon any such forward-looking statements. The forward-looking statements contained in this MD&A are, unless otherwise indicated, stated as of the date hereof and are based on assumptions that were considered reasonable as of the date hereof. Other than as specifically required by law, Northland undertakes no obligation to update any forward-looking statements to reflect events or circumstances after such date or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

Certain forward-looking information in this MD&A may also constitute a "financial outlook" within the meaning of applicable securities laws. Financial outlook involves statements about Northland's prospective financial performance, financial position or cash flows and is based on and subject to the assumptions about future economic conditions and courses of action and the risk factors described above in respect of forward-looking information generally, as well as any other specific assumptions and risk factors in relation to such financial outlook noted in this MD&A. Such assumptions are based on management's assessment of the relevant information currently available and any financial outlook included in this MD&A is provided for the purpose of helping readers understand Northland's current expectations and plans. Readers are cautioned that reliance on any financial outlook may not be appropriate for other purposes or in other circumstances and that the risk factors described above, or other factors may cause actual results to differ materially from any financial outlook. The actual results of Northland's operations will likely vary from the amounts set forth in any financial outlook and such variances may be material.

Non-IFRS Financial Measures

This MD&A includes references to the Company's adjusted earnings before interest, income taxes, depreciation and amortization ("**Adjusted EBITDA**"), Free Cash Flow and applicable payout ratios and per share amounts, which are measures not prescribed by International Financial Reporting Standards ("**IFRS**"), and therefore do not have any standardized meaning under IFRS and may not be comparable to similar measures presented by other companies. Non-IFRS financial measures are presented at Northland's share of underlying operations. These measures should not be considered alternatives to net income (loss), cash flow from operating activities or other measures of financial performance calculated in accordance with IFRS. Instead, these measures are provided to complement IFRS measures in the analysis of Northland's results of operations from management's perspective. Management believes that Northland's non-IFRS financial measures and applicable payout ratio and per share amounts are widely accepted and understood financial indicators used by investors and securities analysts to assess the performance of a company, including its ability to generate cash through operations.

Effective first quarter of 2025, to better align with peers, Northland began to report Free Cash Flow as cash generation from the business excluding growth expenditures and discontinued the use of 'Adjusted Free Cash Flow'. Growth expenditures will continue to be reported quarterly.

Adjusted EBITDA

Adjusted EBITDA represents the core operating performance of the business, excluding leverage, income tax and non-core accounting items. Adjusted EBITDA is calculated as Northland's share of net income (loss) adjusted for net finance costs; interest income from Gemini; the provision for (recovery of) income taxes; depreciation of property, plant and equipment; amortization of contracts and other intangible assets; fair value (gain) loss on derivative contracts; foreign exchange (gain) loss; impairment/write-off of capitalized growth projects and operating assets; (gain) loss on sale of operating facilities; (gain) loss on full divestiture of development facilities; including gain (loss) on dilution of controlled development assets; exclusion of Northland's share of (profit) loss from equity accounted investees; including Northland's share of Adjusted EBITDA from equity accounted investees; costs attributable to an asset or business acquisition; elimination of non-controlling interests and other adjustments as appropriate, such as management and incentive fees earned by Northland from non-wholly owned assets. For clarity, Northland's Adjusted EBITDA reflects a reduction of its share of general and administrative costs during development and construction that do not qualify for capitalization.

Management believes Adjusted EBITDA is a meaningful measure of Northland's operating performance because it excludes certain items included in the calculation of net income (loss) that may not be appropriate determinants of long-term operating performance.

Free Cash Flow

Free Cash Flow represents the cash generated from the business before discretionary investment-related decisions (refer to *Section 4.3: Growth Expenditures*), and cash returns, including dividends. Free Cash Flow is calculated as Northland's share of cash provided by operating activities adjusted for changes in operating working capital; non-expansionary capital expenditures; major maintenance, decommissioning and debt reserves; interest incurred on outstanding debt (except for the interest on corporate-level debt raised to finance the capitalized growth project); scheduled principal repayments and net up financing proceeds; funds set aside (utilized) for scheduled principal repayments; preferred share dividends; elimination of non-controlling interests; Northland's share of Free Cash Flow from equity accounted investees; interest income from Northland's subordinated loan to Gemini ("**Gemini sub-debt**"); repayment of Gemini sub-debt; proceeds from government grants; gain (loss) from the sale of operating and development facilities and where net proceeds are received in respect of certain transactions entered in to generate cash flow as part of an active asset management strategy of the overall portfolio; growth expenditures; and other adjustments as appropriate. Free Cash Flow excludes pre-completion sales required to service debt and related operating costs for projects under construction and excludes costs attributable to an asset or business acquisition.

Where Northland controls the distribution policy of its investments, the Free Cash Flow reflects Northland's portion of the investment's underlying Free Cash Flow; otherwise, Northland includes the cash distributions received from the investment. Free Cash Flow from foreign operations is translated to Canadian dollars at the exchange rate Northland realizes on cash distributions.

Management believes Free Cash Flow is a meaningful measure of Northland's ability to generate cash flow after ongoing obligations to reinvest in growth and fund dividend payments.

For reconciliations of these non-IFRS financial measures to their nearest IFRS measure, refer to *Section 4.5: Adjusted EBITDA* for a reconciliation of consolidated net income (loss) under IFRS to reported Adjusted EBITDA and *Section 4.6: Free Cash Flow* for a reconciliation of cash provided by operating activities under IFRS to reported Free Cash Flow.

SECTION 2: NORTHLAND'S BUSINESS

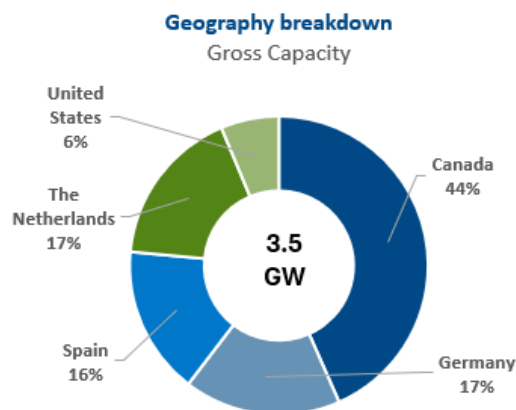
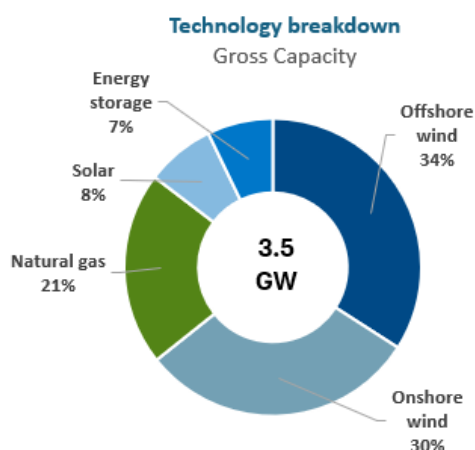
As of June 30, 2025, Northland owns or has a net economic interest in 3,014 MW of power-producing facilities with a total gross operating capacity of approximately 3,498 MW and a regulated utility. Northland's facilities produce electricity for sale, primarily under long-term PPAs, energy storage capacity contracts or other revenue arrangements with creditworthy counterparties. Northland's utility business is a distributor and retailer of electricity, compensated under a regulated framework. These operating assets are located in Canada, Colombia, Germany, the Netherlands, Spain, and the United States of America (the **"United States"**). Northland's assets under construction are located in Canada, Poland and Taiwan. Northland's assets under development are located in Canada, South Korea, Scotland, and the United States. Refer to the 2024 AIF for additional information on Northland's key operating facilities as of December 31, 2024, and refer to **SECTION 8: CONSTRUCTION, DEVELOPMENT AND ACQUISITION ACTIVITIES** for additional information on Northland's key development projects.

Northland's MD&A and unaudited interim condensed consolidated financial statements include the results of its operations, as summarized in the following table:

	Gross Capacity (MW) ⁽¹⁾	Net Capacity (MW) ^{(1) (2)}
Offshore Wind	1,192	902
Onshore Renewables & Energy Storage		
Wind	1,057	968
Solar	262	247
Storage	250	174
Natural Gas	737	723
Utility	n/a	n/a
Total	3,498	3,014

(1) As at June 30, 2025, Northland's economic interest increased from December 31, 2024, upon Oneida energy storage project achieving commercial operation in May 2025 (refer to Section 3.1: Significant Events of this MD&A for more information).

(2) Presented at Northland's economic interest.



In addition to operational assets, summarized below are Northland's projects under construction and project pipeline by technology. Management continuously assesses the development project pipeline to determine feasibility, alignment with the Company's investment criteria, and development stage. For this reason, the development pipeline below and the respective gross production capacities will change as projects move through various stages of their development cycles and are added or removed from the list.

Project	Geographic Region	Technology	Gross Capacity (GW)	Current ownership	Development Stage	Contract type	Estimated COD
Construction Projects							
Hai Long	Taiwan	Offshore Wind	1.0	31% ⁽¹⁾	Under construction	30-year PPA ⁽²⁾	2026 and 2027
Baltic Power	Poland	Offshore Wind	1.1	49%	Under construction	25-year CfD ⁽³⁾	2026
Jurassic BESS	Canada	Energy Storage	0.1	100%	Under construction	15-year tolling agreement	2026
Total Construction Projects			2.2				
Growth Pipeline							
Onshore Renewables & Energy Storage	Canada, United States and Europe	Wind, Solar and Energy Storage	2.0		Early/mid/late-stage	2027 - 2030+	
Offshore Wind	Europe and Asia	Offshore Wind	5.5		Early-stage		
Natural Gas & Utilities ⁽⁴⁾	Canada	Natural Gas	1.0		Early-stage		
Total Growth Pipeline			8.5				
Total Pipeline			10.7				

(1) Northland holds a 31% effective economic interest in the Hai Long offshore wind projects indirectly through a joint venture.

(2) Hai Long 2A (0.3 GW) has a Feed-In-Tariff ("FIT") for 20 years. Hai Long 2B (0.2 GW) and Hai Long 3 (0.5 GW) have a Corporate Power Purchase Agreement ("CPPA") for 30 years.

(3) CfD means Contract for Difference, a subsidy mechanism in which the difference between a fixed reference price and the market revenue is paid to the project.

(4) Includes natural gas projects identified but not yet secured.

SECTION 3: CONSOLIDATED HIGHLIGHTS

3.1: Significant Events

Significant events during the second quarter of 2025 and through the date of this MD&A are described below. Refer to *SECTION 8: CONSTRUCTION, DEVELOPMENT AND ACQUISITION ACTIVITIES* of this MD&A for additional relevant information.

Project Updates:

Northland remains disciplined in the execution of construction projects and prioritizing new growth projects within its development pipeline that are strategically and financially consistent with its investment approach. The successful achievement of commercial operations of selected projects within the Company's pipeline is expected to deliver long-term, sustainable growth in the Company's Adjusted EBITDA and Free Cash Flow. The following provides updates on the progress of Northland's growth initiatives.

Oneida Energy Storage Project

On May 7, 2025, Northland announced that the 250 MW/1.0 GWh Oneida project – the largest operating battery energy storage facility in Canada – successfully entered commercial operations ahead-of-schedule and under-budget. The project was completed with no lost time incidents, reflecting Northland's strong commitment to health and safety. Oneida operates under a 20-year capacity contract with Ontario's Independent Electricity System Operator.

Hai Long Offshore Wind Project

Northland continues to advance the 1.0 GW Hai Long project, achieving first power during the quarter. Offshore construction is progressing, with all wind turbine foundation piles installed and turbine installation and inter-array cabling underway. The project remains on track for full commercial operations in 2027, with overall costs aligned with original expectations.

Baltic Power Offshore Wind Project

Northland continues to advance the 1.1 GW Baltic Power project, with onshore substation construction underway and fabrication progressing on key components including offshore substation topsides, export cables, wind turbine parts, and inter-array cables. Offshore work continues, with wind turbine installation now in progress. The project remains on track for full commercial operations in the second half of 2026, with overall costs aligned with original expectations.

Other Growth Activity

During the quarter, Northland closed the debt financing and started construction of the 80 MW Jurassic Battery Energy Storage System ("**Jurassic BESS**") project in Alberta. Northland has commenced early works at the project site including ground clearing, fabrication for key electrical equipment and installation of foundations for battery packs. The project cost is approximately \$120 million and expected to reach commercial operations in late 2026.

Others:

Executive Changes

Effective July 11, 2025, Yonni Fushman, Chief Administrative and Legal Officer and Corporate Secretary, departed the Company to pursue another opportunity. Jaime Hurtado, formerly Northland's Head of Legal, Engineering & Construction, has been appointed General Counsel on an interim basis and will serve as Corporate Secretary.

Guidance Update

Revised 2025 full year financial guidance for Adjusted EBITDA and Free Cash Flow per share, driven primarily by low wind resource across our offshore wind facilities during the first half of the year. Refer to the Outlook section for additional information.

3.2: Operating Highlights

The following table presents key IFRS and non-IFRS financial measures and operating results:

Summary of Consolidated Results

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
FINANCIALS				
Revenue from energy sales ⁽¹⁾	\$ 509,132	\$ 528,974	\$ 1,157,652	\$ 1,283,894
Operating income ⁽¹⁾	122,057	152,025	385,164	498,194
Net income (loss) ⁽¹⁾	(53,149)	262,356	57,668	411,653
Net income (loss) attributable to shareholders	(62,744)	246,090	4,088	321,693
Adjusted EBITDA (a non-IFRS measure) ⁽³⁾	245,325	268,190	606,510	722,056
Cash provided by operating activities ⁽¹⁾	451,077	170,998	873,885	473,414
Free Cash Flow (a non-IFRS measure) ⁽³⁾	58,444	68,594	215,718	294,325
Cash dividends paid	78,451	49,836	129,107	200,488
Total dividends declared ⁽²⁾	\$ 78,451	\$ 77,061	\$ 156,744	\$ 153,760
Per share				
Weighted average number of shares — basic and diluted (000s)	261,502	256,659	261,097	256,070
Net income (loss) attributable to common shareholders — basic and diluted	\$ (0.25)	\$ 0.95	\$ 0.00	\$ 1.24
Free Cash Flow — basic (a non-IFRS measure) ⁽³⁾	\$ 0.22	\$ 0.27	\$ 0.83	\$ 1.15
Total dividends declared	\$ 0.30	\$ 0.30	\$ 0.60	\$ 0.60
ENERGY VOLUMES				
Electricity production in gigawatt hours (GWh) ⁽⁴⁾	2,094	2,563	5,108	6,030
Northland's share of electricity production (GWh) ⁽⁵⁾	1,825	2,258	4,466	5,255

(1) Represents fully consolidated financial information on 100% basis for all direct and indirect subsidiaries including those partially owned by Northland. Share of profit (loss) from joint ventures have been included only in the net income measures, as required by IFRS.

(2) Represents total dividends to common shareholders, including dividends in cash or in shares under Northland's dividend reinvestment plan.

(3) See Forward-Looking Statements and Non-IFRS Financial Measures above.

(4) Includes 100% of electricity production from all direct and indirect subsidiaries including those which are partially owned by Northland.

(5) Presented at Northland's economic interest.

SECTION 4: RESULTS OF OPERATIONS

The following table summarizes operating results from subsidiaries by technology and geography:

Three months ended June 30,	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Electricity ⁽¹⁾ production (GWh)		Revenue from energy sales ⁽¹⁾		Operating costs ^{(1) (2)}		Operating income ⁽¹⁾		Adjusted EBITDA ⁽³⁾		Free Cash Flow ⁽³⁾	
Offshore Wind Facilities	718	893	\$ 213,065	\$ 241,035	\$ 59,278	\$ 65,081	\$ 47,984	\$ 75,907	\$ 108,226	\$ 130,927	\$ 17,412	\$ 8,916
Onshore Renewable & Energy Storage Facilities												
North America	494	425	\$ 90,036	\$ 68,693	\$ 16,498	\$ 9,642	\$ 40,061	\$ 30,955	\$ 59,217	\$ 47,793	\$ 26,770	\$ 18,198
Spain	204	227	40,280	45,101	11,869	12,064	5,123	10,229	27,435	30,250	6,683	12,457
	698	652	\$ 130,316	\$ 113,794	\$ 28,367	\$ 21,706	\$ 45,184	\$ 41,184	\$ 86,652	\$ 78,043	\$ 33,453	\$ 30,655
Natural Gas Facilities												
Canada	672	913	\$ 74,776	\$ 75,800	\$ 33,347	\$ 28,243	\$ 31,241	\$ 38,415	\$ 42,315	\$ 50,058	\$ 18,603	\$ 23,148
Utilities												
Colombia	n/a	n/a	\$ 88,872	\$ 91,413	\$ 45,640	\$ 48,256	\$ 29,421	\$ 30,412	\$ 40,242	\$ 39,543	\$ 18,660	\$ 16,466
Six months ended June 30,	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Electricity ⁽¹⁾ production (GWh)		Revenue from energy sales ⁽¹⁾		Operating costs ^{(1) (2)}		Operating income ⁽¹⁾		Adjusted EBITDA ⁽³⁾		Free Cash Flow ⁽³⁾	
Offshore Wind Facilities	1,837	2,466	\$ 531,733	\$ 689,628	\$ 110,528	\$ 114,242	\$ 213,697	\$ 376,487	\$ 309,785	\$ 427,890	\$ 81,481	\$ 149,025
Onshore Renewable & Energy Storage Facilities												
North America	1,115	932	\$ 168,220	\$ 134,426	\$ 28,393	\$ 21,079	\$ 78,250	\$ 59,513	\$ 111,085	\$ 91,147	\$ 51,470	\$ 32,843
Spain	479	532	96,470	103,687	25,430	23,319	25,234	36,374	70,471	75,394	27,662	36,784
	1,594	1,464	\$ 264,690	\$ 238,113	\$ 53,823	\$ 44,398	\$ 103,484	\$ 95,887	\$ 181,556	\$ 166,541	\$ 79,132	\$ 69,627
Natural Gas Facilities												
Canada	1,667	1,920	\$ 173,162	\$ 164,425	\$ 79,355	\$ 64,485	\$ 74,328	\$ 81,633	\$ 96,249	\$ 104,783	\$ 49,058	\$ 49,944
Utilities												
Colombia	n/a	n/a	\$ 184,439	\$ 179,745	\$ 97,850	\$ 100,087	\$ 61,455	\$ 55,622	\$ 80,742	\$ 73,191	\$ 38,646	\$ 30,805

(1) Represent fully consolidated financial information on 100% basis for all direct and indirect subsidiaries including those which are partially owned by Northland.

(2) 'Cost of sales' has been reclassified within 'operating costs', mainly relating to natural gas facilities and utilities.

(3) See Forward-Looking Statements and Non-IFRS Financial Measures above.

4.1: Operating Results

Offshore Wind Facilities

Northland's three operating offshore wind facilities, Gemini, Nordsee One and Deutsche Bucht, are located off the coasts of the Netherlands and Germany. Wind power generation harnesses wind energy by converting the kinetic energy of wind into electrical energy. Wind facilities are subject to seasonality and, accordingly, tend to produce more electricity during the first and fourth quarters due to denser air and higher winds compared to the second and third quarters, which is reflected in the respective fiscal quarter's results. In addition, variability in offshore wind results in similar fluctuations in quarter-to-quarter financial results. Exposure to market prices, and turbine or grid availability can also have a significant effect on financial results. For the six months ended June 30, 2025, Gemini, Nordsee One and Deutsche Bucht contributed approximately 21%, 13% and 12%, respectively, to Northland's reported Adjusted EBITDA from facilities.

Variability within Operating Results

Each of the offshore wind facilities participates in the power market and receives pool prices for their generation, which are then increased through a subsidy mechanism to the target subsidy price, if the market revenue is below the subsidy target price:

- Gemini has revenue agreements with the Government of the Netherlands, which expire in 2031. Under these agreements, the subsidy mechanism ("**SDE**") effectively tops up the revenue to €169/MWh for 2,385 GWh of generation.
- Nordsee One and Deutsche Bucht have revenue contracts with the German government under the German Renewable Energy Sources Act (the "**EEG**"), whereby the top-up mechanism ensures a minimum fixed unit price of €194/MWh and €184/MWh, respectively, per MWh generated. This quarter, as scheduled in the EEG, the unit price started to step down to €154/MWh for the early commissioned Nordsee One turbines, with the last turbine receiving this rate in April 2027.

The subsidy mechanisms comprise other provisions that can impact the facilities' results:

- The SDE is subject to an annual contractual floor price (the "**SDE floor**"), thereby exposing Gemini to market price risk if the Dutch wholesale market price ("**APX**") falls below the effective annual SDE floor of €51/MWh. As of June 30, 2025, the APX price for the year was estimated to be approximately €87/MWh.
- The SDE fixes the revenue at €169/MWh for 2,385 GWh of generation, but due to the settlement's formula, it is paid on the first 1,908 GWh. As a result, typically the revenue per MWh reported is higher in the first three quarters and lower in the last quarter of the year. Revenue averages to €169/MWh on an annual basis.
 - If the facility produces more than 2,385 GWh in the year, the additional volume produced earns the yearly average captured price ("**CP**").
 - If the facility produces less than 2,385 GWh in the year, the asset effectively receives the subsidy for a volume higher than the actual volume produced.

The subsidy received on 1,908 GWh is equal to $[(€169 * 1.25) - (CP * 1.25)]$. This calculation is applicable for every MWh up to 1,908 GWh. The yearly average CP is effectively calculated by reducing the APX with the Profile and Imbalance ("**P&I**") factor, that accounts for the profile of the generation and the costs associated with grid balancing. The annual P&I factor is adjusted quarterly based on Gemini's own data. The final P&I factor number is officially published by the Netherlands Enterprise Agency in the subsequent year.

- Under the EEG mechanism, the tariff compensates for most of the production curtailments the system operator requires. However, the facilities do not receive revenue for periods where the market power price remains negative for longer than six consecutive hours ("**negative prices**").
- Under the EEG, the facilities are also subject to unpaid curtailments by the German system operator for scheduled and unscheduled grid repairs ("**grid outages**") of up to 28 days annually at each facility, which can affect earnings.

Operating Performance

An important indicator for performance of offshore wind facilities is the current and historical average power production of the facility. The following tables summarize actual electricity production and the historical average, high and low, for the applicable operating periods of each offshore facility:

Three months ended June 30,					
	2025 ⁽¹⁾	2024 ⁽¹⁾	Historical Average ⁽²⁾	Historical High ⁽²⁾	Historical Low ⁽²⁾
Electricity production (GWh)					
Gemini	418	498	443	498	385
Nordsee One	151	207	185	220	150
Deutsche Bucht	149	188	162	188	141
Total	718	893			

Six months ended June 30,					
	2025 ⁽¹⁾	2024 ⁽¹⁾	Historical Average ⁽²⁾	Historical High ⁽²⁾	Historical Low ⁽²⁾
Electricity production (GWh)					
Gemini	1,006	1,318	1,151	1,318	1,006
Nordsee One	431	608	530	609	431
Deutsche Bucht	400	540	472	540	400
Total	1,837	2,466			

(1) Includes GWh produced and attributed to paid curtailments.

(2) Represents the historical power production since the commencement of commercial operation of the respective facility (2017 for Gemini and Nordsee One and 2020 for Deutsche Bucht) and excludes unpaid curtailments.

Electricity production for the three months ended June 30, 2025 decreased 19% or 174 GWh compared to the same quarter of 2024, primarily due to lower wind resource across all offshore wind facilities and higher unpaid curtailments related to negative prices at German offshore wind facilities, partially offset by lower unpaid curtailments related to grid outages at German facilities. Electricity production for the six months ended June 30, 2025 decreased 26% or 629 GWh compared to the same period of 2024, primarily due to the same factors as above.

Commercial availability for the three months ended June 30, 2025 was on plan at 95%. Commercial availability for the six months ended June 30, 2025 was on plan at 95%.

Revenue from energy sales of \$213 million for the three months ended June 30, 2025 decreased 12% or \$28 million, compared to the same quarter of 2024, primarily due to the lower production across all offshore wind facilities. Revenue from energy sales of \$532 million for the six months ended June 30, 2025 decreased 23% or \$158 million compared to the same period of 2024, primarily due to the same factor as above.

Operating income and Adjusted EBITDA of \$48 million and \$108 million, respectively, for the three months ended June 30, 2025 decreased 37% or \$28 million and 17% or \$23 million compared to the same quarter of 2024, primarily due to the same factors noted above. Operating income and Adjusted EBITDA of \$214 million and \$310 million, respectively, for the six months ended June 30, 2025 decreased 43% or \$163 million and 28% or \$118 million compared to the same period of 2024, due to the same factors noted above.

Revenue per MWh of each facility

For the three and six months ended June 30, 2025, the revenue per MWh from the offshore wind facilities was in line with expectations.

The following table summarizes operating results by facility:

Three months ended June 30, 2025		Total	Gemini ⁽³⁾	Nordsee One ⁽⁴⁾	Deutsche Bucht ⁽⁴⁾
Production	GWh	718	418	151	149
Non-curtailed production	GWh	678	409	130	139
Revenue per MWh ^{(1) (2)}	€/MWh	189	188	190	181
From market	€/MWh	73	76	67	64
From subsidy	€/MWh	116	112	123	117
Six months ended June 30, 2025		Total	Gemini ⁽³⁾	Nordsee One ⁽⁴⁾	Deutsche Bucht ⁽⁴⁾
Production	GWh	1,837	1,006	431	400
Non-curtailed production	GWh	1,705	992	349	364
Revenue per MWh ^{(1) (2)}	€/MWh	189	188	189	182
From market	€/MWh	80	76	84	84
From subsidy	€/MWh	109	112	105	98
Subsidy price	€/MWh		169	194	184

(1) Revenue from non-curtailed production only.

(2) Revenue from curtailed production amounted to \$9 million (2024: \$15 million) and \$35 million (2024: \$36 million) for the three months and six months ended June 30, 2025.

(3) The revenue per MWh for Gemini averaged approximately €169/MWh annually. However, as described above, due to the timing of the subsidy payment, the revenue per MWh was higher in the first and second quarters of this year.

(4) The revenue per MWh on Nordsee One and Deutsche Bucht was stable for the non-curtailed production.

The following table summarizes the unpaid curtailments in German offshore wind facilities at 100% share:

		Three months ended June 30,		Six months ended June 30,	
		2025	2024	2025	2024
Unpaid curtailment production					
Due to negative prices	GWh	(51)	(31)	(68)	(33)
Due to grid outages	GWh	(1)	(33)	(3)	(41)
		(52)	(64)	(71)	(74)
Adverse impact on revenue					
Due to negative prices		\$ 14,363	\$ 10,852	\$ 18,882	\$ 11,509
Due to grid outages		265	8,779	781	10,951
		\$ 14,628	\$ 19,631	\$ 19,663	\$ 22,460

Onshore Renewable & Energy Storage Facilities

Northland's onshore renewables and energy storage comprise 1,389 MW (at Northland's share) of onshore wind, solar and storage facilities in Canada, the United States and Spain. Onshore wind facilities are operationally similar to offshore wind, with lower operating costs and generally lower wind resource. Solar power facilities have lower fixed operating costs per unit of capacity than other renewable power technologies. Electricity production from solar facilities tends to be less variable than wind but is limited to available sunlight, which is generally higher in the second and third quarters than in the first and fourth quarters. For the six months ended June 30, 2025, Northland's onshore renewable and energy storage facilities in Canada and Spain contributed approximately 17% and 11%, respectively, to Northland's reported Adjusted EBITDA from facilities.

Spain revenue structure and regulatory changes

Northland's Spanish portfolio is comprised of onshore wind (435 MW), solar photovoltaic (66 MW) and concentrated solar (50 MW) assets located throughout Spain. The Spanish portfolio operates under a regulated asset base framework that guarantees a specified pre-tax rate of return of 7.4% for 20 sites and 7.1% for 12 sites, over the full regulatory life of the facilities, regardless of settled wholesale power price ("**pool price**").

The revenue for each facility has four components:

- The return on investment ("**Ri**"), sized to complete the target return based on the market revenue assumed ex-ante (the "**posted price**");
- The return on operations ("**Ro**"), compensates when operating costs are higher than the market revenues. Note that Ro is not being received in the current environment;
- The market revenue, at pool prices; and
- The "**band adjustments**", which are an ex-post positive or negative settlement to compensate for the difference between the market revenue, at pool prices and the revenue at the regulatory posted price. If the pool price is lower than the regulatory posted price, the band adjustment mechanism adds the additional revenue to achieve a reasonable return. Conversely, if the pool price is higher than the posted price, the band adjustment mechanism reduces revenues in the period.

For a given year, both market revenue and the corresponding band adjustment are recognized in Adjusted EBITDA and Free Cash Flow. However, the band adjustments are paid in the following years. Accordingly, the current year's cash distributions depend only on the pool prices, capture rate, Ri and Ro components of revenue.

The table below outlines revenue components from the Spanish asset portfolio included in the consolidated results:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Ri revenue	€ 10,244	€ 9,948	€ 20,489	€ 19,709
Market revenue	5,776	6,388	25,075	16,158
Band adjustment	10,142	14,293	17,095	34,762
Total revenue	€ 26,162	€ 30,629	€ 62,659	€ 70,629
Regulated Posted price per MWh	€ 89	€ 109	€ 89	€ 109
Market Revenue per MWh	€ 28	€ 28	€ 52	€ 30
Production (GWh)	204	227	479	532

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Ri revenue	\$ 15,772	\$ 14,648	\$ 31,544	\$ 28,934
Market revenue	8,893	9,406	38,606	23,721
Band adjustment	15,615	21,047	26,320	51,032
Total revenue	\$ 40,280	\$ 45,101	\$ 96,470	\$ 103,687

Operating Performance

Electricity production at the onshore renewable and energy storage facilities for the three months ended June 30, 2025 was 7% or 45 GWh higher than the same quarter of 2024, primarily due to high wind conditions at the New York and Canadian onshore wind facilities, partially offset by low wind conditions at the Spanish wind facilities. Electricity production for the six months ended June 30, 2025 was 9% or 130 GWh higher than the same period of 2024, primarily due to the same factors as above.

Commercial availability for the three months ended June 30, 2025 was on plan at 97%. Commercial availability for the six months ended June 30, 2025 was on plan at 97%.

Revenue from energy sales of \$130 million for the three months ended June 30, 2025 increased 15% or \$17 million compared to the same quarter of 2024, primarily due to the contribution from the Oneida energy storage facility commencing operations this quarter, as well as the higher production from New York and Canadian onshore wind facilities, partially offset by lower production from Spanish wind facilities. Revenue from energy sales of \$265 million for the six

months ended June 30, 2025 increased 11% or \$27 million compared to the same period of 2024, primarily due to the same factors as above.

Operating income and *Adjusted EBITDA* of \$45 million and \$87 million, respectively, for the three months ended June 30, 2025 increased 10% or \$4 million and 11% or \$9 million, respectively, compared to the same quarter of 2024, primarily due to the same factors noted above. Operating income and Adjusted EBITDA of \$103 million and \$182 million for the six months ended June 30, 2025 increased 8% or \$8 million and 9% or \$15 million, respectively, compared to the same period of 2024, primarily due to the same factors noted above.

Natural Gas Facilities

The contractual structures of Northland's natural gas facilities ensure that each facility's gross profit is generally stable, within a seasonal profile, regardless of production or sales levels, so long as the plant is available. Under certain revenue agreements, the facility is reimbursed for certain costs of sales by the counterparty, including the cost of natural gas. For the six months ended June 30, 2025, Northland's natural gas facilities contributed approximately 14% of reported Adjusted EBITDA from facilities, with the two largest facilities, North Battleford and Thorold accounting for approximately 13%.

Electricity production of 672 GWh for the three months ended June 30, 2025 decreased 26% or 241 GWh compared to the same quarter of 2024, primarily due to lower operating availability resulting from a planned maintenance outage at North Battleford. Electricity production for the six months ended June 30, 2025 decreased 13% or 253 GWh compared to the same period of 2024, primarily due to the same factors as above, partially offset by the higher market demand for dispatchable power.

Commercial availability for the three months ended June 30, 2025 was on plan at 98%. Commercial availability for the six months ended June 30, 2025 was on plan at 95%.

Revenue from energy sales of \$75 million for the three months ended June 30, 2025 was largely in line with the same quarter of 2024. Revenue from energy sales of \$173 million for the six months ended June 30, 2025 increased 5% or \$9 million compared to the same period of 2024, primarily due to higher margins on market electricity and higher natural gas prices resulting in increased energy rates, partially offset by the lower operating availability because of outages at the natural gas facilities in the current period.

Adjusted EBITDA of \$42 million for the three months ended June 30, 2025 decreased 15% or \$8 million as compared to the same quarter of 2024, primarily due to lower operating availability because of planned outages at the natural gas facilities. Adjusted EBITDA of \$96 million for the six months ended June 30, 2025 decreased 8% or \$9 million as compared to the same period of 2024, primarily due to the same factor as above.

Utility

Empresa de Energía de Boyacá S.A E.S.P ("**EBSA**") holds the sole franchise rights for electricity distribution in the Boyacá region of Colombia and is an electricity retailer for the regulated residential sector in the region. EBSA owns and operates an extensive distribution network, serving just over half a million customers. EBSA's net sales are almost entirely regulated, of which the vast majority is earned from its distribution business and the remainder primarily from its electricity retail business. For the six months ended June 30, 2025, EBSA contributed approximately 12% of reported Adjusted EBITDA from facilities.

EBSA earns revenue by charging customers a rate approved under the regulatory framework administered by the local regulator, the Comisión de Regulación de Energía y Gas ("**CREG**"). The rate charged is set for an expected five-year period. It includes amounts retained by EBSA as retailer and distributor and amounts passed through to other electricity system participants, such as the transmission operator. EBSA's portion of the rate is determined based on its asset base (i.e. the "**rate base**"), inflation indexation per the established Colombian producer price index and a regulated weighted average cost of capital of approximately 12.09% for an expected five-year period. The rate base takes into account the depreciated cost of existing equipment and anticipated future investments for maintenance and growth. EBSA's portion of the rate also includes standardized allowances set by the regulator intended to cover fixed and variable operating costs. The rate is designed to ensure EBSA earns a predictable and stable return.

Revenue from energy sales of \$89 million for the three months ended June 30, 2025 was largely in line with the same quarter of 2024. Revenue from energy sales of \$184 million for the six months ended June 30, 2025 increased 3% or \$5 million compared to the same period of 2024, primarily due to the growth in the asset base.

Operating income and Adjusted EBITDA of \$29 million and \$40 million, respectively, for the three months ended June 30, 2025 were largely in line with the same quarter of 2024. Operating income and Adjusted EBITDA of \$61 million and \$81 million, respectively, for the six months ended June 30, 2025 increased 10% or \$6 million and 10% or \$8 million, respectively, compared to the same period of 2024, primarily due to the growth in the asset base.

4.2: General and Administrative Costs

The following table summarizes Northland's general and administrative ("G&A") costs:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Corporate G&A	\$ 20,884	\$ 19,101	\$ 41,615	\$ 41,665
Operations G&A ⁽¹⁾	7,100	6,298	13,889	13,846
Total G&A costs	\$ 27,984	\$ 25,399	\$ 55,504	\$ 55,511

(1) Operations G&A is included in the respective segment's Adjusted EBITDA and Free Cash Flow presented in *Section 4: Results of Operations*.

Corporate G&A costs of \$21 million for the three months ended June 30, 2025 were 9% or \$2 million higher compared to the same quarter of 2024, primarily due to higher long-term incentive plan costs. Corporate G&A costs of \$42 million for the six months ended June 30, 2025 were largely in line with the same period of 2024.

Operations G&A costs of \$7 million for the three months ended June 30, 2025 were 13% or \$1 million higher compared to the same quarter of 2024, primarily due to Oneida energy storage facility entering commercial operations earlier this quarter. Operations G&A costs of \$14 million for the six months ended June 30, 2025 were largely in line with the same period of 2024.

4.3: Growth Expenditures

The following table summarizes development costs (charged to expense under IFRS) and growth expenditures for non-IFRS financial measures:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Business development ⁽³⁾	\$ 1,209	\$ 3,874	\$ 1,914	\$ 665
Project development	4,397	2,155	8,257	3,351
Development overhead	7,611	11,112	16,434	21,106
Development costs	\$ 13,217	\$ 17,141	\$ 26,605	\$ 25,122
Joint venture project costs ⁽¹⁾	2,015	567	4,444	1,244
Growth expenditures ⁽²⁾	\$ 14,096	\$ 17,205	\$ 28,617	\$ 25,529

(1) Includes Northland's share of development costs incurred at Baltic Power, Hai Long and other joint venture projects.

(2) Excludes acquisition costs but includes share of project development costs incurred by joint ventures. Excludes non-controlling portion of the development costs for the three and six months ended June 30, 2025 of \$1 million and \$2 million, respectively.

(3) During the first quarter of 2024, Northland was reimbursed for business development costs relating to certain early-stage development activity from prior years.

To achieve its long-term growth objectives, Northland deploys early-stage investment capital ("growth expenditures") to advance projects in its pipeline.

Business development costs are incurred to identify and explore prospective business and development opportunities, which are expected to result in identifiable development projects intended to be pursued to completion. These may include costs incurred for projects that ultimately may not be pursued to acquisition or to completion. Business development costs for the three months ended June 30, 2025, were lower compared to the same quarter of 2024, primarily due to a more focused market strategy. Business development costs for the six months ended June 30, 2025, were higher compared to 2024, primarily due to reimbursement for business development costs relating to certain early-stage development activity in 2024.

Project development costs are attributable to identified early- to mid-stage development projects that are likely to generate cash flow over the long-run, though do not yet meet capitalization criteria under IFRS. For the three and six months ended June 30, 2025, project development costs were higher than 2024, primarily due to higher spending on priority offshore

wind projects. Refer to *SECTION 8: CONSTRUCTION, DEVELOPMENT AND ACQUISITION ACTIVITIES* for additional information on identified development projects.

Development overhead primarily relates to personnel, rent and other office costs not directly attributable to specific development projects. Development overhead reflects Northland's resources and development offices in key target jurisdictions focused on securing long-term growth opportunities in those jurisdictions. Development overhead costs for the three and six months ended June 30, 2025, were lower than 2024, primarily due to lower personnel costs.

4.4: Consolidated Results

The following discussion of the significant factors contributing to the consolidated financial results should be read in conjunction with Northland's unaudited interim condensed consolidated financial statements for the six months ended June 30, 2025.

Second Quarter

Revenue from energy sales of \$509 million decreased 4% or \$20 million compared to the same quarter of 2024, primarily due to lower wind resource across offshore wind and Spanish onshore wind facilities. This decrease was partially offset by the contribution from the Oneida energy storage facility commencing operations this quarter and high wind conditions at the New York and Canadian onshore wind facilities.

Operating costs of \$167 million were largely in line with the same quarter of 2024.

Corporate and Operational G&A costs of \$28 million increased 10% or \$3 million compared to the same quarter of 2024, primarily due to higher long-term incentive plan costs.

Development costs of \$13 million decreased 23% or \$4 million compared to the same quarter of 2024, primarily due to a more focused market strategy.

Finance costs of \$97 million were largely in line with the same quarter of 2024.

Fair value loss on financial instruments was \$144 million primarily due to net movement in the fair value of derivatives related to foreign exchange and interest rate contracts.

Foreign exchange gain of \$14 million was primarily due to fluctuations in foreign exchange rates.

Share of loss from joint ventures was \$22 million primarily due to losses on the fair value of derivatives.

Net loss of \$53 million in the second quarter of 2025 compared to net income of \$262 million in the same quarter of 2024, primarily as a result of the factors described above.

Year to date

Revenue from energy sales of \$1,158 million decreased 10% or \$126 million compared to 2024, primarily due to lower wind resource across offshore wind and Spanish onshore wind facilities. This decrease was partially offset by the contribution from the Oneida energy storage facility commencing operations this quarter, higher wind conditions at the New York and Canadian onshore wind facilities, higher margins from natural gas facilities and higher revenue from EBSA primarily due to the growth in asset base.

Operating costs of \$342 million increased 4% or \$14 million compared to 2024, primarily due to higher market demand of dispatchable power at one of the natural gas facilities and higher natural gas prices.

Corporate and Operational G&A costs of \$56 million for the six months ended June 30, 2025 was largely in line with 2024.

Development costs of \$27 million increased 6% or \$1 million compared to 2024, primarily due to higher spending on priority offshore wind projects and reimbursement for business development costs relating to certain early-stage development activity in 2024.

Finance costs of \$180 million decreased 3% or \$6 million primarily due to scheduled principal repayments on facility-level loans.

Fair value loss on financial instruments was \$288 million, primarily due to net movement in the fair value of derivatives related to foreign exchange and interest rate contracts.

Foreign exchange gain of \$44 million was primarily due to fluctuations in the foreign exchange rates.

Share of profit from joint ventures was \$53 million primarily due to the gains on fair value of derivatives at the joint ventures.

Net income of \$58 million in the six months ended June 30, 2025 compared to \$412 million in 2024, primarily as a result of the factors described above.

4.5: Adjusted EBITDA

The following table reconciles net income (loss) to Adjusted EBITDA:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Net income (loss)	\$ (53,149)	\$ 262,356	\$ 57,668	\$ 411,653
Adjustments:				
Finance costs, net	82,737	76,585	153,276	149,024
Provision for (recovery of) income taxes	(65,147)	51,070	(9,814)	131,617
Depreciation of property, plant and equipment	166,082	155,967	323,335	310,028
Amortization of contracts and intangible assets	15,651	14,496	30,498	28,827
Fair value (gain) loss on financial instruments	144,433	(83,962)	287,923	(8)
Foreign exchange (gain) loss	(13,792)	5,549	(44,261)	1,665
Fair value adjustment relating to the disposal group held for sale	—	—	—	43,884
Elimination of non-controlling interests	(55,186)	(53,719)	(134,306)	(163,914)
Share of (profit) loss from joint ventures	22,315	(94,644)	(53,039)	(133,452)
Others ⁽¹⁾	1,381	(65,508)	(4,770)	(57,268)
Adjusted EBITDA ⁽²⁾	\$ 245,325	\$ 268,190	\$ 606,510	\$ 722,056

(1) Others primarily include Northland's share of Adjusted EBITDA from equity accounted investees, Gemini interest income, finance lease (lessor) and other expenses (income).

(2) See Forward-Looking Statements and Non-IFRS Financial Measures above.

Second Quarter

Adjusted EBITDA of \$245 million for the three months ended June 30, 2025 decreased 9% or \$23 million compared to the same quarter of 2024. The significant factors decreasing Adjusted EBITDA include:

- \$23 million decrease in operating results at the offshore wind facilities, primarily due to lower production, as described above; and
- \$8 million decrease in operating results from natural gas facilities, primarily due to a planned outage at North Battleford, as described above.

The factor partially offsetting the decrease in the Adjusted EBITDA was:

- \$12 million increase due to the contribution from the Oneida energy storage facility commencing operations this quarter and high wind conditions at the New York and Canadian onshore wind facilities, as described above.

Year to date

Adjusted EBITDA of \$607 million for the six months ended June 30, 2025 decreased 16% or \$116 million compared to the same period of 2024. The significant factors decreasing Adjusted EBITDA include:

- \$118 million decrease in operating results at the offshore wind facilities, primarily due to lower production, as described above;
- \$11 million decrease in operating results from Spanish portfolio, as described above, and sale of La Lucha solar facility in 2024; and
- \$9 million decrease in operating results from natural gas facilities, as described above.

The factors partially offsetting the decrease in the Adjusted EBITDA were:

- \$20 million increase due to the contribution from the Oneida energy storage facility commencing operations this quarter and high wind conditions at the New York and Canadian onshore wind facilities, as described above; and
- \$8 million increase in operating results at EBSA, as described above.

4.6: Free Cash Flow

The following table reconciles cash flow from operations to Free Cash Flow:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Cash provided by operating activities	\$ 451,077	\$ 170,998	\$ 873,885	\$ 473,414
Adjustments:				
Net change in non-cash working capital balances related to operations	(134,572)	114,124	(174,399)	298,975
Non-expansory capital expenditures	(835)	(1,326)	(892)	(1,639)
Restricted funding for major maintenance, debt and decommissioning reserves	15,882	(7,677)	13,819	(12,165)
Interest	(73,078)	(82,366)	(137,224)	(144,415)
Scheduled principal repayments on facility debt	(416,824)	(270,503)	(478,002)	(329,062)
Funds set aside (utilized) for scheduled principal repayments	207,983	102,073	96,680	(7,874)
Preferred share dividends	(1,388)	(1,553)	(2,820)	(3,111)
Consolidation of non-controlling interests	(14,576)	(15,741)	(50,730)	(83,591)
Others ⁽¹⁾	10,679	43,360	46,784	78,264
Growth expenditures	14,096	17,205	28,617	25,529
Free Cash Flow ⁽²⁾	\$ 58,444	\$ 68,594	\$ 215,718	\$ 294,325

(1) Others mainly include the effect of foreign exchange rates and hedges, interest rate hedge, Nordsee One interest on shareholder loans, acquisition costs, lease payments, interest income, Northland's share of Free Cash Flow from equity accounted investees, investment income, and other non-cash expenses adjusted in working capital excluded from Free Cash Flow in the period.

(2) See Forward-Looking Statements and Non-IFRS Financial Measures above.

The following table reconciles Adjusted EBITDA to Free Cash Flow:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Adjusted EBITDA ⁽²⁾	\$ 245,325	\$ 268,190	\$ 606,510	\$ 722,056
Adjustments:				
Scheduled debt repayments	(170,131)	(137,551)	(310,022)	(276,803)
Interest expense	(55,974)	(57,844)	(104,195)	(96,788)
Current taxes	13,073	(36,368)	(38,561)	(106,120)
Non-expansory capital expenditure	(581)	(1,189)	(603)	(1,461)
Utilization (funding) of maintenance and decommissioning reserves	12,849	(7,302)	10,786	(10,979)
Lease payments, including principal and interest	(2,804)	(317)	(6,726)	(3,381)
Preferred dividends	(1,388)	(1,553)	(2,820)	(3,111)
Foreign exchange hedge gain (loss)	(3,030)	(3,086)	18,322	12,891
Others ⁽¹⁾	7,009	28,409	14,410	32,492
Growth expenditures	14,096	17,205	28,617	25,529
Free Cash Flow ⁽²⁾	\$ 58,444	\$ 68,594	\$ 215,718	\$ 294,325

(1) Others mainly include repayment of Gemini subordinated debt, and interest rate and foreign currency hedge settlements.

(2) See Forward-Looking Statements and Non-IFRS Financial Measures above.

Second Quarter

Free Cash Flow of \$58 million for the three months ended June 30, 2025 was 15% or \$10 million lower than the same quarter of 2024.

The significant factors decreasing Free Cash Flow were:

- \$26 million decrease in Adjusted EBITDA (gross of growth expenditures) due to the factors described above; and
- \$12 million increase in scheduled debt repayments on facility-level loans and net movement in funds set aside for maintenance and decommissioning reserves.

The factor offsetting the decrease in Free Cash Flow was:

- \$31 million as a result of German trade tax refund receivable.

Year to date

Free Cash Flow of \$216 million for the six months ended June 30, 2025 was 27% or \$79 million lower than the same period of 2024.

The significant factors decreasing Free Cash Flow were:

- \$112 million decrease in Adjusted EBITDA (gross of growth expenditures) due to the factors described above;
- \$12 million decrease from foreign exchange and interest rate hedges, and other settlements;
- \$11 million increase in scheduled debt repayments on facility-level loans and net movement in funds set aside for maintenance and decommissioning reserves; and
- \$8 million increase in net finance costs.

The factors partially offsetting the decrease in Free Cash Flow were:

- \$31 million as a result of German trade tax refund receivable; and
- \$36 million decrease in current taxes as a result of lower operating results.

The following table summarizes dividends paid, payout ratios as well as per share amounts:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
For the period				
Cash dividends paid to shareholders	\$ 78,451	\$ 49,836	\$ 129,107	\$ 200,488
Total dividends paid to shareholders ⁽¹⁾	\$ 78,451	\$ 76,938	\$ 156,589	\$ 308,512
Weighted avg. number of shares — basic and diluted (000s)	261,502	256,659	261,097	256,070
Per share (\$/share)				
Dividends paid	\$ 0.30	\$ 0.30	\$ 0.60	\$ 0.60
Free Cash Flow — basic and diluted ⁽²⁾	\$ 0.22	\$ 0.27	\$ 0.83	\$ 1.15
Pay-out ratios on a rolling four-quarter basis				
Free Cash Flow payout ratio — cash dividend ⁽²⁾			72 %	37 %
Free Cash Flow payout ratio — total dividends ^{(1) (2)}			99 %	56 %

(1) Represents dividends paid in cash and in shares under the DRIP.

(2) See Forward-Looking Statements and Non-IFRS Financial Measures above.

SECTION 5: CHANGES IN FINANCIAL POSITION

The following table provides a summary of account balances derived from the unaudited interim condensed consolidated statements of financial position as at June 30, 2025 and December 31, 2024:

As at	June 30, 2025	December 31, 2024
Assets		
Cash and cash equivalents	\$ 737,506	\$ 613,319
Restricted cash	55,555	59,073
Trade and other receivables	285,749	535,961
Other current assets	113,108	119,730
Property, plant and equipment, net	9,007,864	8,879,101
Contracts and other intangible assets, net	400,081	393,886
Derivative assets	219,505	312,848
Deferred tax asset	34,080	38,174
Investment in joint ventures	1,131,641	1,023,068
Other assets ⁽¹⁾	1,709,258	1,629,178
Total assets	\$ 13,694,347	\$ 13,604,338
Liabilities		
Trade and other payables	\$ 258,823	\$ 368,791
Loans and borrowings	6,812,821	7,009,899
Derivative liabilities	402,889	228,311
Deferred tax liability	518,274	557,826
Other liabilities ⁽²⁾	962,978	883,098
Total liabilities	\$ 8,955,785	\$ 9,047,925
Total Equity	4,738,562	4,556,413
Total liabilities and equity	\$ 13,694,347	\$ 13,604,338

(1) Includes goodwill, finance lease receivable and other non-current assets.

(2) Includes dividends payable, corporate credit facilities, provisions and other liabilities.

Significant changes in Northland's unaudited interim condensed consolidated statements of financial position were as follows:

- *Cash and cash equivalents* increased by \$124 million, primarily due to favourable working capital movements.
- *Trade and other receivables* decreased by \$250 million, primarily due to cash realization of SDE revenue at Gemini.
- *Property, plant and equipment* increased by \$129 million, primarily due to fluctuations in the foreign exchange rates, partially offset by a depreciation expense.
- *Net derivative liability* increased by \$268 million from a net derivative asset at December 31, 2024, primarily due to the effect of interest rates in Canada, the US and Europe, and the net movement in Euro and COP exchange rates against the Canadian dollar.
- *Investment in joint ventures* increased by \$109 million, primarily due to fluctuations in the foreign exchange rates and the share of profit from joint ventures.
- *Loans and borrowings* decreased by \$197 million, mainly due to the scheduled principal repayments on facility-level loans, partially offset by the fluctuations in the foreign exchange rates.

SECTION 6: EQUITY, LIQUIDITY AND CAPITAL RESOURCES

Northland maintains sufficient liquidity to meet short- and medium-term cash needs and ensures that it has access to sufficient resources to capitalize on investment opportunities and to meet growth expenditure commitments, monthly cash dividend requirements and other needs in the normal course of operations. Northland finances these commitments through cash flow from operations, non-recourse project financing, securing partnerships and partner contributions, corporate credit facilities, and debt and equity issuances from time to time.

Dividends

Northland's Board of Directors and management are committed to maintaining the current monthly dividend of \$0.10 per share (\$1.20 per share on an annual basis) and are confident that Northland has adequate access to funds to meet its dividend commitment, including operating cash flows and corporate funds. The Board of Directors reviews the dividend policy at least annually as part of Northland's overall capital allocation strategy to balance growth requirements and investor preferences.

DRIP

Northland offers a Dividend Reinvestment Plan ("DRIP") which provides shareholders with the right to reinvest the dividends on their common shares. Northland approved a change in the discount on its DRIP issuances from 3% to 0% and confirmed the intention to source shares through secondary market purchases rather than treasury issuances. Such changes were effective as of April 15, 2025 and for the dividend payable thereon to shareholders of record on March 31, 2025. Pursuant to the terms of the DRIP, Northland has the discretion, from time to time, to change the applicable discount and source of shares.

Equity

The change in common shares during 2025 and 2024 was as follows:

As at	June 30, 2025	December 31, 2024
Common shares		
Shares outstanding, beginning of year	259,947,326	254,939,822
Shares issued under the DRIP	1,554,718	5,007,504
Total common shares outstanding, end of period	261,502,044	259,947,326

Preferred shares outstanding as at June 30, 2025, and December 31, 2024 were as follows:

As at	June 30, 2025	December 31, 2024
Preferred shares		
Series 1	4,762,246	4,762,246
Series 2	1,237,754	1,237,754
Total preferred shares outstanding, end of period	6,000,000	6,000,000

In June 2025, Fitch Ratings reaffirmed Northland's corporate investment grade credit rating at BBB (stable). In 2024, Standard & Poor's reaffirmed Northland's rating at BBB (stable).

Liquidity and Capital Resources

The following table reconciles Northland's opening cash and cash equivalents to closing cash and cash equivalents:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Cash and cash equivalents, beginning of period	\$ 827,662	\$ 697,664	\$ 613,319	\$ 740,244
Cash provided by (used in) operating activities	451,077	170,998	873,885	473,414
Cash provided by (used in) investing activities	(19,009)	(155,410)	(29,404)	(520,121)
Cash provided by (used in) financing activities	(529,739)	39,118	(742,189)	52,373
Effect of exchange rate differences	7,515	(2,669)	21,895	3,791
Cash and cash equivalents, end of period	\$ 737,506	\$ 749,701	\$ 737,506	\$ 749,701

Year to date

Cash and cash equivalents for the six months ended June 30, 2025, increased \$124 million due to cash provided by operations of \$874 million and \$22 million effect of foreign exchange translation, partially offset by cash used in investing activities of \$29 million and \$742 million in financing activities.

Cash provided by operating activities for the six months ended June 30, 2025 was \$874 million primarily comprising:

- \$738 million in non-cash and non-operating items such as depreciation and amortization, finance costs, changes in fair value of financial instruments and deferred taxes;
- \$174 million in changes in working capital due to the timing of payables, receivables and deposits; and
- \$58 million of net income.

Factors partially offsetting cash provided by operating activities include:

- \$53 million share of profit from joint ventures; and
- \$43 million unrealized foreign exchange gain.

Cash used in investing activities for the six months ended June 30, 2025 was \$29 million, primarily comprising:

- \$49 million used mainly for construction at Oneida energy storage project.

Factor partially offsetting cash used in investing activities includes:

- \$20 million mainly from interest income and other investing activities.

Cash used in financing activities for the six months ended June 30, 2025 was \$742 million, primarily comprising:

- \$478 million in scheduled principal repayments on the facility-level debt;
- \$169 million in interest and other payments; and
- \$160 million of common and preferred share dividends as well as dividends to non-controlling interest.

Factors partially offsetting cash used in financing activities were:

- \$39 million in net drawdown under the corporate syndicated revolving facility; and
- \$5 million of equity contribution from non-controlling interest.

Movement of foreign currencies, including primarily the Euro, U.S. dollar and Colombian peso, against the Canadian dollar increased cash and cash equivalents by \$22 million for the six months ended June 30, 2025. Northland aims to mitigate the effects of exchange rate fluctuations through a variety of mechanisms, including foreign exchange hedges and natural hedges from having corporate debt denominated in USD or Euro for operating expenditures.

Property, Plant and Equipment

The following table provides a continuity of the cost of property, plant and equipment for the six months ended June 30, 2025:

	Balance as at Jan 1, 2025	Additions	Provisions, disposals, transfers and other ⁽¹⁾	Exchange rate differences	Balance as at Jun 30, 2025
Operations:					
Offshore wind	\$ 6,936,078	\$ 1,655	\$ 17,346	\$ 539,568	\$ 7,494,647
Onshore renewables & energy storage	3,892,401	2,075	592,523	99,879	4,586,878
Natural gas	1,341,571	1,405	(164)	—	1,342,812
Utility	690,607	11,934	(11,021)	15,650	707,170
Construction:					
Onshore renewables & energy storage	605,294	29,963	(604,456)	(753)	30,048
Corporate	146,092	4,220	(37,221)	2,124	115,215
Total	\$ 13,612,043	\$ 51,252	\$ (42,993)	\$ 656,468	\$ 14,276,770

(1) Includes amounts accrued under the long-term incentive plan ("LTIP").

Debt

Northland's operating facilities and projects under construction are financed primarily with non-recourse project debt with fixed or hedged interest rates and repayment schedules tied to the terms of the project offtake agreement. Following the commercial operations date, each project is structured as a special-purpose entity so that an adverse event at one facility would not affect Northland's other facilities. By owning and operating high-quality assets and applying its deep, long-term experience, Northland expects to continue to enjoy a competitive cost of capital, which maximizes returns from growth opportunities.

The following table provides a continuity of Northland's debt for the six months ended June 30, 2025:

	Balance as at Jan 1, 2025	Financings, net of costs	Repayments	Amort. of costs/fair value	Exchange rate differences	Others	Balance as at Jun 30, 2025
Operations:							
Offshore wind	\$ 2,699,930	\$ —	\$ (349,455)	\$ 8,098	\$ 203,320	\$ —	\$ 2,561,893
Onshore renewables & energy storage ⁽²⁾	1,808,661	1,149	(82,369)	992	42,228	7,548	1,778,209
Natural gas	774,806	(206)	(45,102)	1,347	—	(305)	730,540
Utility	751,457	—	(1,076)	529	205	249	751,364
Construction:							
Onshore renewables & energy storage	482,600	17,605	—	720	—	(4,082)	496,843
Corporate:							
Green Notes	492,445	—	—	1,527	—	—	493,972
Corporate Credit Facilities ⁽¹⁾	172,450	74,056	(34,931)	217	—	10,775	222,567
Total	\$ 7,182,349	\$ 92,604	\$ (512,933)	\$ 13,430	\$ 245,753	\$ 14,185	\$ 7,035,388

(1) Deferred financing cost associated with the syndicated revolving facility is included within the other non-current assets in the interim condensed consolidated statements of financial position.

(2) As at June 30, 2025, Onshore renewables & energy storage - Operations includes tax equity financing in relation to New York onshore wind projects amounting to \$21 million.

Additionally, as at June 30, 2025, \$566 million of letters of credit were outstanding under non-recourse project-level credit facilities for operational use.

Corporate Credit Facilities and Letters of Credit

Northland's corporate credit facilities are available for general corporate purposes, to support operational, construction and development opportunities and to provide letters of credit issued on behalf of Northland. The corporate credit facilities are summarized in the following table:

As at June 30, 2025	Facility size	Amount drawn ⁽²⁾	Outstanding letters of credit ⁽³⁾	Available capacity	Maturity date
Sustainability linked syndicated revolving facility ⁽¹⁾	\$ 1,250,000	\$ 225,348	\$ 84,076	\$ 940,576	Aug. 2029
Bilateral letter of credit ("LC") facility I	150,000	—	148,890	1,110	Jun. 2026
Bilateral LC facility II ⁽⁵⁾	104,254	—	42,199	62,055	n/a
Export credit agency backed letter of credit facility I	100,000	—	71,285	28,715	Mar. 2026
Export credit agency backed letter of credit facility II ⁽⁴⁾	200,000	—	173,949	26,051	n/a
Hai Long related letter of credit facility	500,000	—	494,052	5,948	Sep. 2027
Total	\$ 2,304,254	\$ 225,348	\$ 1,014,451	\$ 1,064,455	

(1) As at June 30, 2025, the amounts drawn under the syndicated revolving facility are denominated in Euro amounting to €141 million (CAD equivalent of \$225 million, converted at the period-end exchange rates).

(2) Deferred financing cost, as at June 30, 2025, associated with the syndicated revolving facility amounting to \$3 million (December 31, 2024 - \$3 million) is included within the other non-current assets in the interim condensed consolidated statements of financial position.

(3) As at June 30, 2025, outstanding letters of credit include LCs issued in favor of a joint venture amounting to \$701 million.

(4) This facility does not have a specified maturity date.

(5) On March 31, 2025, Northland secured an additional bilateral letter of credit facility amounting to €65 million. This facility does not have a specified maturity date.

Of the \$1,014 million of corporate letters of credit issued as at June 30, 2025, \$744 million relates to projects under development or construction.

Northland's corporate credit facilities include provisions that allow for renewals at Northland's option, subject to approval by the lenders.

Northland had access to \$1,048 million of available liquidity as at June 30, 2025, including \$107 million of cash on hand and approximately \$941 million of available capacity on its corporate revolving credit facilities.

Debt Covenants

Northland generally conducts its business activities indirectly through separate subsidiary legal entities and is dependent on the distribution of cash from those subsidiary entities to fund development expenses, defray its corporate expenses, repay corporate debt and pay cash dividends to its shareholders. Most operating subsidiaries hold non-recourse debt, which typically prohibits distributions if the loan is in default (notably for non-payment of principal or interest) or if the entity fails to achieve a benchmark debt service coverage ratio, which is the ratio of EBITDA to scheduled principal and interest payments over a specified time period. As of June 30, 2025, Northland and its subsidiaries were in compliance with all financial covenants under the applicable credit agreements.

SECTION 7: SUMMARY OF QUARTERLY CONSOLIDATED RESULTS

Northland's consolidated financial results are affected by seasonal factors, contract provisions and extraordinary items, which result in quarterly variations. Northland's quarterly net income (loss) also varies due to any non-cash impairments/recoveries and foreign exchange adjustments required to translate Euro, US dollar and Colombian peso denominated balances to the appropriate quarter-end Canadian dollar equivalent and due to fair value movements of financial derivative contracts.

Accounting policies and principles have been applied consistently for all periods presented in the following table:

<i>In millions of dollars, except per share information</i>	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
Revenue from energy sales	\$ 509	\$ 649	\$ 572	\$ 491	\$ 529	\$ 755	\$ 626	\$ 513
Operating income ⁽¹⁾	122	263	217	98	152	346	57	146
Net income (loss)	(53)	111	150	(191)	262	149	(268)	43
Adjusted EBITDA	245	361	312	228	268	454	389	267
Cash provided by operating activities	451	423	360	196	171	294	136	148
Free Cash Flow	58	157	81	19	69	226	191	64
Per share statistics								
Net income (loss) attributable to common shareholders — basic and diluted	\$ (0.25)	\$ 0.25	\$ 0.49	\$ (0.70)	\$ 0.95	\$ 0.29	\$ (1.13)	\$ 0.14
Free Cash Flow — basic	\$ 0.22	\$ 0.60	\$ 0.31	\$ 0.08	\$ 0.27	\$ 0.88	\$ 0.75	\$ 0.25
Total dividends declared	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30

(1) Includes amortization of contracts and other intangible assets.

SECTION 8: CONSTRUCTION, DEVELOPMENT AND ACQUISITION ACTIVITIES

Summarized below are Northland's most significant projects under construction and under development:

Hai Long Offshore Wind Project

Northland owns 31% of Hai Long, along with its partners, Gentari International Renewables Pte. Ltd. (29%), and Mitsui & Co. Ltd., and Enterprize Energy Group (40%), which has a total capacity of 1,022 MW (313 MW net to Northland).

In 2018, Northland was awarded a 20-year FIT contract from the Ministry of Economic Affairs of Taiwan for 300 MW and later signed a CPPA for Hai Long 2B and 3 for a combined capacity of up to 744 MW. The agreement is with an investment-grade counterparty (S&P: AA-) and is for a 30-year period at a fixed-price.

Please refer to *Section 3.1: Significant Events* for further information.

Baltic Power Polish Offshore Wind Project

Northland owns 49% interest in the Baltic Power offshore wind project in the Polish Baltic Sea, which has a total capacity of 1,140 MW of offshore wind generation. Northland's partner Orlen S.A. holds the remaining 51%.

In June 2021, Baltic Power secured a 25-year CfD from Poland's Energy Regulatory Office under the Polish Offshore Wind Act at a guaranteed price of PLN 319.60 per MWh, which is adjusted to annual indexation by Poland's annual average consumer price index. The PPA is denominated in Euros and includes an inflation indexation feature commencing with the base year 2021.

Please refer to *Section 3.1: Significant Events* for further information.

Oneida Energy Storage Project

Northland owns 69.7% of the project in partnership with NRSor Inc., Six Nations of the Grand River Development Corporation, Mississaugas of the Credit Business Corporation and Aecon Group Inc.

On May 7, 2025, Northland announced that the 250 MW/1.0 GWh Oneida project – the largest operating battery energy storage facility in Canada – successfully entered commercial operations ahead-of-schedule and under-budget. The project was completed with no lost time incidents, reflecting Northland's strong commitment to health and safety. Oneida operates under a 20-year capacity contract with Ontario's Independent Electricity System Operator.

South Korean Offshore Wind Projects

Northland has multiple early development projects in South Korea totaling over 2.5 GW. Active development across the South Korea portfolio is currently on pause pending confirmation of regulatory framework for future auctions and grid connections. During the quarter, Northland relinquished the permitting rights for one project totaling 885 MW.

ScotWind Offshore Wind Project

Northland has two offshore wind leases in the Crown Estate Scotland with a total combined capacity of 2,340 MW. In 2023, the Company signed a partnership agreement with ESB, a leading Irish energy company, for a 24.5% interest in the two offshore wind projects. The project is undergoing community consultation assessment.

Jurassic BESS Project

Please refer to *Section 3.1: Significant Events* for further information.

SECTION 9: OUTLOOK

In 2025, Northland continues to deliver key milestones across its construction portfolio. Upon reaching commercial operations, these projects will expand Northland's operations into new jurisdictions, including the Taiwan Strait and Baltic Sea, and are expected to enhance production capacity and reduce portfolio volatility.

Northland continues to pursue its development pipeline to further enhance its cash flow profile. To capitalize on the market opportunity presented by growing demand for electricity and energy security, Northland is pursuing opportunities in offshore wind, onshore renewables, battery storage, and natural gas.

Primarily driven by lower-than-expected wind resource in our offshore wind facilities to date, management anticipates Adjusted EBITDA to be in the range of \$1.2 billion to \$1.3 billion, compared to the previous guidance of \$1.3 billion to \$1.4 billion. Free Cash Flow is now projected to be between \$1.15 and \$1.35 per share, compared to \$1.30 to \$1.50 per share previously projected. This revision reflects similar assumptions for the remainder of 2025 consistent with the original financial guidance. Free Cash Flow per share guidance includes the favourable impact from a recent tax ruling in Germany, which contributed to the operating results from our German facilities.

The information in this Outlook constitutes forward-looking information within the meaning of applicable Canadian securities laws, is based on several assumptions and is subject to risks and uncertainties. See Forward-Looking Statements in this document as well as the Risk Factors in the 2024 AIF.

SECTION 10: LITIGATION, CLAIMS AND CONTINGENCIES

Litigation, claims and other contingencies arise from time to time in the ordinary course of business for Northland. None of these contingencies, individually or in aggregate, are expected to result in a liability that would have a material adverse effect on Northland. Refer to Note 17 of the unaudited interim condensed consolidated financial statements for additional information including any contingencies arising as a result of completed acquisitions.

SECTION 11: FUTURE ACCOUNTING POLICIES

Management assesses each new or amended IFRS to determine whether it may have a material impact on Northland's consolidated financial statements. As at June 30, 2025, there have been no accounting pronouncements by the International Accounting Standards Board expected to materially affect Northland's consolidated financial statements beyond those described in Note 2.19 of the 2024 annual consolidated financial statements and Note 2.4 of the unaudited interim condensed consolidated financial statements.

SECTION 12: FINANCIAL RISKS AND UNCERTAINTIES

For information on Northland's key risks, uncertainties, financial instruments and contractual commitments, refer to Northland's 2024 Annual Report and the 2024 AIF filed electronically at www.sedarplus.ca under Northland's profile. Management does not believe there have been material changes in the business environment or risks faced by Northland during the period that have not been disclosed in the 2024 Annual Report or 2024 AIF.

Northland's risk management objective, as it relates to financial risks and uncertainties, is to mitigate fluctuations in cash flows and ensure stable cash levels available to pay dividends to shareholders and fund growth. Northland does not seek to mitigate fair value risk. Northland classifies financial risks into market risk, counterparty risk and liquidity risk, noting that these risks can be impacted by geopolitical or regulatory uncertainties. Northland manages financial risks by identifying, evaluating and mitigating such risks, in compliance with internal policies and external requirements under non-recourse project financing arrangements. Northland uses derivative financial instruments to manage certain financial risks but does not engage in speculative activity. Material financial risks are monitored and reported regularly to the Audit Committee of the Board of Directors. Refer to Note 18 of the 2024 Annual Report for additional information on Northland's risk management approach.

SECTION 13: CONTROLS AND PROCEDURES OVER FINANCIAL REPORTING

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Management, including the CEO and the CFO, are responsible for establishing and maintaining adequate disclosure controls and procedures (“**DC&P**”) and internal controls over financial reporting (“**ICFR**”) as defined under National Instrument 52-109 Certification of Disclosure in Issuers’ Annual and Interim Filings of the Canadian Securities Administrators.

DC&P are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the CEO and CFO, on a timely basis so that appropriate decisions can be made regarding public disclosure. ICFR are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with IFRS.

In designing and evaluating such controls, it should be recognized that due to inherent limitations, any control, no matter how well designed and operated, can provide only reasonable assurance, not absolute, and may not prevent or detect all misstatements. Further, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may change. Additionally, management is required to use judgment in evaluating controls and procedures.

Changes In Internal Control over Financial Reporting

There were no changes made to Northland’s ICFR in the quarter ended June 30, 2025, that have materially affected, or are reasonably likely to materially affect, Northland’s ICFR.