

# NORTHLAND POWER INC.

## Management’s Discussion and Analysis

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This Management’s Discussion and Analysis (“**MD&A**”), dated February 25, 2026 contains forward-looking statements that are based on certain estimates and assumptions that were considered reasonable on the date hereof; 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 audited 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 MD&A is to explain the 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 audited consolidated financial statements for the years ended December 31, 2025, and 2024, and Northland’s most recent Annual Information Form for the year ended December 31, 2025, dated February 25, 2026 (“2025 AIF”). These materials are available on the Company’s SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca) and on Northland’s website at [www.northlandpower.com](http://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 February 25, 2026; 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 implementation, timing and anticipated benefits of Northland’s new strategic plan, the timing for and attainment of the Hai Long and Baltic Power offshore wind projects, 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 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, Northland’s anticipated credit rating, 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, Northland’s ability to execute on its growth strategy, 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, unforeseeable site conditions, including geological and geotechnical 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 2025 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 dividends on common share and discretionary investment-related decisions (refer to *Section 5.3: Growth Expenditures*). Free Cash Flow is calculated as Northland's share of cash provided by operating activities adjusted for changes in operating working capital; non-expansory 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 (used) 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 5.5: Adjusted EBITDA* for a reconciliation of consolidated net income (loss) under IFRS to reported Adjusted EBITDA and *Section 5.6: Free Cash Flow* for a reconciliation of cash provided by operating activities under IFRS to reported Free Cash Flow.

## **SECTION 2: STRATEGY AND KEY FACTORS SUPPORTING SUSTAINABLE PERFORMANCE & GROWTH**

### **Business Objective**

Northland's objective is to provide its Shareholders with a total return through a combination of dividends and share value growth, driven by disciplined capital allocation and safe and reliable operations. Northland aims to deliver this objective by (i) owning and operating high-quality, contracted assets that deliver long-term cash flow, and (ii) pursuing disciplined asset growth through prudent market selection, operational excellence, and value creation to support the energy transition while maintaining financial strength.

### **Business Strategy**

Northland's business strategy focuses on delivering reliable energy and capacity primarily across key markets in the Americas, Europe, and Asia. The Company's portfolio emphasizes offshore wind, onshore renewable generation and battery energy storage, complemented by natural gas facilities that provide dispatchable energy. As a global developer and operator, Northland leverages its diversified technology mix and geographic reach to capitalize on the global energy transition and growing demand for electricity.

### **Strategic Focus and Growth**

As part of its strategy introduced in November 2025, Northland's business is segmented into two geographic regions: International and Americas. Northland is targeting expansion of its asset base in key strategic markets, aiming to double its gross operating capacity to over 7 GW by 2030. This growth will be driven by the completion of major construction projects—Hai Long (Taiwan) and Baltic Power (Poland)—as well as the advancement of 1.4–1.8 GW of new gross operating capacity through organic development, accretive acquisitions of mid- to late-stage assets and value enhancement initiatives across our existing fleet.

Northland's growth strategy is based on three core pillars:

- **Deliver:** Execute on projects in construction, maintain operational excellence, and be the partner of choice for stakeholders.
- **Strengthen:** Streamline operations, reinforce capital discipline, and improve cost performance to enhance organizational resilience.
- **Grow:** Deepen presence in core markets, high-grade the project pipeline, and pursue value-accretive opportunities in renewables, energy storage, and natural gas.

### ***Technologies, Regions and Market Diversification***

Northland's portfolio includes offshore wind, onshore wind and solar, battery energy storage and natural gas facilities, with operations and development activities across North America, Europe, Asia, and South America. The Company currently operates 3.5 GW of gross capacity, with 2.2 GW under construction and a development pipeline of approximately 9 GW. The following provides an overview of Northland's two business units, International and Americas.

#### • ***International Business Unit***

Northland's International business includes a portfolio of offshore wind and onshore renewable assets, with a presence across Europe and Asia. The Company operates 1.8 GW of gross capacity internationally, of which 1.2 GW is offshore wind located in the North Sea and the remaining capacity is onshore renewables located in Spain. An additional 2.1 GW of offshore wind capacity is currently under construction. This business unit represented approximately 59% of Northland's 2025 Adjusted EBITDA from facilities.

The Hai Long offshore wind project in Taiwan, with a gross capacity of 1.0 GW (in which Northland holds 31% economic interest), is one of the largest offshore wind farms in Asia and is expected to achieve commercial operations in 2027. Baltic Power, a 1.1 GW project in Poland (in which Northland holds 49% economic interest), is expected to achieve commercial operations in the second half of 2026. Both projects are underpinned by long-term contracts—20-30 years for Hai Long and 25 years for Baltic Power—providing revenue stability and supporting Northland's growth objectives.

In Spain, Northland owns and operates a diverse portfolio of onshore wind and solar assets totaling 560 MW. The large portion of the Spanish portfolio benefits from a regulated asset base framework, providing stable, long-term returns, and is strategically positioned to support grid reliability and decarbonization efforts. Northland is pursuing value enhancement opportunities in Spain, such as the potential addition of grid-scale battery storage at existing sites. The Company's international strategy emphasizes market selection based on macroeconomic fundamentals, policy support, and attractive contracting structures, with a focus on core markets such as Poland, Spain, and the UK. In Poland, Northland is expanding its footprint through the Baltic Power offshore wind project and the recent acquisition of two late-stage battery energy storage projects, further strengthening its position in a rapidly evolving energy market.

#### • ***Americas Business Unit***

The Americas business portfolio includes onshore wind and solar facilities located in Canada and the United States, battery energy storage in Canada, natural gas-fired power plants located in Canada, and a regulated electric utility serving over 500,000 customers in Colombia. Northland operates 1.7 GW of onshore wind, solar, natural gas, and battery energy storage gross capacity in the Americas, with approximately 85% of these assets situated in Canada and the remainder, which is onshore wind, situated in the state of New York. In 2025, the Americas region contributed approximately 41% of Northland's Adjusted EBITDA from facilities.

Northland's Canadian operations are anchored by a mix of onshore wind, solar, battery energy storage and natural gas assets. In May 2025, the Company achieved commercial operations at the 250 MW Oneida Energy Storage facility in Ontario, one of Canada's largest operating battery energy storage projects, which was delivered ahead of schedule and under budget. The Company's current onshore renewables portfolio consists of 0.3 GW of battery energy storage system and 0.5 GW of onshore wind and solar assets that span over multiple provinces, with a focus on high-availability and long-term contracted facilities.

Northland's United States operations include 0.2 GW of onshore wind located in the state of New York.

The Company's natural gas assets, totaling 737 MW, are located in Ontario and Saskatchewan and play a critical role in supporting grid reliability. Northland continues to invest in natural gas infrastructure, with the Collisard project in Alberta—a 120 MW peaking facility—currently in advanced development. The Thorold facility in Ontario recently underwent a 23 MW capacity upgrade, enabling a five-year contract extension and further enhancing Northland's flexible generation capabilities.

In Colombia, Northland owns and operates EBSA, a regulated electric utility that distributes and retails electricity to over half a million customers. EBSA's revenues are derived from a stable, regulated framework, and the utility is recognized for its operational excellence and commitment to safety.

The Americas business also includes a growing pipeline of development projects, with a focus on expanding renewable generation, battery energy storage, and natural gas capacity in Canada to meet rising electricity demand.

Looking forward, Northland will continue to leverage its home market advantage in Canada and capitalize on emerging opportunities in battery energy storage and flexible generation. The Americas region remains a cornerstone of Northland's strategy, providing a stable foundation for growth, innovation and the delivery of reliable, sustainable energy solutions.

### ***Cost Savings and Operational Efficiency***

A key component of Northland's strategy is a comprehensive cost optimization program across operating, general & administrative (G&A), and development expenses. This initiative is designed to unlock more than \$50 million in annual savings by 2028, supporting disciplined growth and shareholder value creation. Core elements of this program are:

- **Operating Expense (Opex) Efficiencies:** Northland leverages technology, analytics and best practices in asset management to optimize maintenance contracts and drive continuous improvement across its portfolio.
- **General and Administrative Cost Reductions:** The transition to two regional hubs, enables streamlined corporate functions, elimination of duplication, and scaling expertise to enhance operational agility.
- **Development Expense (Devex) Discipline:** Centralized project evaluation and capital allocation, ensuring only the projects with the right risk and reward profiles advance.

These measures are designed to support growth, margin enhancement, and balance sheet strength, enabling Northland to pursue accretive opportunities without reliance on external equity financing.

### ***Capital Discipline and Financial Resilience***

Northland is committed to maintaining an investment-grade credit rating and has more than 95% of revenue under long-term contracts, providing more predictable cash flows and funding certainty. The Company's financial framework prioritizes:

- **Disciplined capital allocation:** Investing only in projects that meet strategic and financial criteria, focusing resources on the most accretive opportunities in core markets.
- **Sustainable shareholder returns:** Targeting attractive returns to shareholders through dividend payments and compound annual growth in free cash flow per share.
- **Balance sheet flexibility:** Preserving liquidity and financial strength, enabling the Company to navigate market cycles and seize growth opportunities.

This disciplined approach, combined with operational excellence, and cost leadership, positions Northland to deliver lasting value to shareholders through prudent financial management and operational execution.

## SECTION 3: NORTHLAND’S BUSINESS

As of December 31, 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, Poland, Spain and the United States. Refer to the 2025 AIF for additional information on Northland’s key operating facilities as of December 31, 2025, and refer to *SECTION 9: CONSTRUCTION, DEVELOPMENT AND ACQUISITION ACTIVITIES* for additional information on Northland’s key development projects.

Northland’s MD&A and audited consolidated financial statements include the results of its operations, as summarized in the following table:

	Gross Capacity (MW) <sup>(1)</sup>	Net Capacity (MW) <sup>(1) (2)</sup>
<b>International</b>	<b>1,752</b>	<b>1,453</b>
Offshore Wind	1,192	902
Onshore Wind	444	435
Onshore Solar	116	116
<b>Americas</b>	<b>1,746</b>	<b>1,561</b>
Onshore Wind	613	533
Onshore Solar	146	131
Storage	250	174
Natural Gas	737	723
Utility	n/a	n/a
<b>Total</b>	<b>3,498</b>	<b>3,014</b>

(1) As at December 31, 2025, Northland’s economic interest increased from December 31, 2024, upon Oneida energy storage project achieving commercial operation in May 2025 (refer to Section 4.1: 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 business unit. 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
<b>Construction Projects</b>							
Hai Long	Taiwan	Offshore Wind	1.0	31% <sup>(1)</sup>	Under construction	30-year PPA <sup>(2)</sup>	2026 and 2027
Baltic Power	Poland	Offshore Wind	1.1	49%	Under construction	25-year CfD <sup>(3)</sup>	2026
Jurassic BESS	Canada	Energy Storage	0.1	100%	Under construction	15-year tolling agreement	2026
<b>Total Construction Projects</b>			<b>2.2</b>				
<b>Growth Pipeline</b>							
International	Europe and Asia	Offshore Wind and Energy Storage	6.3		Early/mid/late-stage		
Americas	Canada and United States	Onshore Wind, Solar, Energy Storage and Natural Gas	2.9		Early/mid/late-stage		2027 - 2030+
<b>Total Growth Pipeline</b>			<b>9.2</b>				
<b>Total Pipeline</b>			<b>11.4</b>				

(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.

## SECTION 4: CONSOLIDATED HIGHLIGHTS

### 4.1: Significant Events

Significant events during 2025 and through the date of this MD&A are described below. Refer to *SECTION 9: CONSTRUCTION, DEVELOPMENT AND ACQUISITION ACTIVITIES* of this MD&A for additional relevant information.

#### **Construction Projects Update:**

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

#### **Hai Long Offshore Wind Project**

Northland continues to advance the 1.0 GW Hai Long project. The project currently has 37 out of 73 turbines installed, with 20 turbines generating power. As reported last quarter, turbine commissioning has been slower than expected and could impact pre-completion revenues in the amount of approximately \$150 - \$200 million (Northland share). The project is optimizing the commissioning schedule in preparation for in-water activities expected to resume in April 2026. The project is on track for 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. Offshore construction activities are progressing, including the installation of both offshore substations, all turbine monopile foundations, 30 of the turbines, and 2 out of 4 export cables. The local grid operator completed grid interconnection works, a key milestone for energization of the project. The project is on track for commercial operations in the second half of 2026, with overall costs aligned with original expectations.

#### **Oneida Energy Storage Project**

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

#### **Other Growth Activity**

In the second quarter of 2025, Northland closed the debt financing and commenced construction of the 80 MW Jurassic Battery Energy Storage System ("**Jurassic BESS**") project in Alberta. Construction activities are underway, including fabrication for key electrical equipment. Northland completed the installation of foundations for battery packs and transformers during the fourth quarter of 2025. Battery packs have arrived in Canada and are expected to be delivered to the site for installation in the coming months. The project is expected to cost approximately \$120 million and reach commercial operations in late 2026, aligned with the original expectations.

#### **Others:**

#### **Secured Polish Battery Energy Storage Projects**

On November 20, 2025, Northland acquired two late-stage pre-construction battery energy storage projects totaling 300 MW / 1.2 GWh in Poland.

The projects, Mieczysławów (200 MW / 800 MWh) and Kamionka (100 MW / 400 MWh), each has a four-hour duration and are located in western Poland. A portion of revenue is secured under 17-year capacity auction contracts indexed to inflation, and additional revenue is expected to be realized through energy arbitrage and participation in ancillary service markets. Northland has been working on late-stage development and procurement ahead of financing and the expected start of construction in 2026, with an estimated total cost of €200 million.

### ***Announced New Strategic Plan and 2030 Outlook***

On November 20, 2025, Northland held its 2025 Investor Day where management presented the Company's five-year strategic growth and funding plan. Highlights included: targeting to double operating capacity to 7 GW by 2030; implementing a regional operating model with a deepened focus on core markets of Canada and Europe; improving cost efficiency; selectively advancing high-quality opportunities; and raising investment return targets to 12+%.

### ***Nordsee One Offshore Wind Facility***

On November 18, 2025, Northland signed a five-year bilateral power purchase agreement with Shell Energy Europe Ltd. for approximately one-third of the production from its 332 MW Nordsee One offshore wind farm. The facility is operating under the German Renewable Energy Sources Act regime, which is scheduled to fully step down in 2027. The PPA, secured through a structured tendering process, commences in June 2027 for a five-year term.

### ***Thorold Natural Gas Facility Upgrade***

On November 25, 2025, Northland completed the performance test for a 23 MW capacity upgrade at the Thorold facility and executed an amended PPA extending the contract to April 30, 2035.

### ***Refinancing of EBSA's Credit Facility***

On December 5, 2025, Northland upsized the non-recourse credit facility associated with EBSA (the "EBSA Facility") by \$146 million with proceeds used to settle related foreign currency hedges.

### ***Common Share Dividend***

On November 12, 2025, Northland's Board of Directors approved an adjustment to Northland's dividend to \$0.72 per share on an annual basis. The change was applicable to the dividend payment on January 15, 2026, to shareholders of record on December 31, 2025.

### ***Refinancing of Oneida's Debt Facility***

In October 2025, Northland achieved term conversion of Oneida's debt facility and completed a \$147 million refinancing of the Tranche A facility with commercial lenders, maturing in March 2032. The project fully repaid its non-revolving credit facility, Tranche C, amounting to \$15 million.

### ***Refinancing of New York Wind's Debt Facility***

In October 2025, Northland refinanced its New York Wind projects debt facility, extending the maturity until February 2031.

### ***Preferred Shares Series 1 & Series 2 Rate Reset***

Effective September 30, 2025, Northland reset the cumulative rate on its Series 1 preferred shares. The fixed quarterly dividends on the Series 1 preferred shares will be paid at an annual rate of 5.70% (\$0.3564 per share per quarter) until September 29, 2030.

The quarterly floating rate dividends on the cumulative floating rate Series 2 preferred shares, will be paid at an annual rate, calculated for each quarter, of 2.80% over the annual yield on 90-day Government of Canada treasury bills.

## 4.2: Operating Highlights

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

### Summary of Consolidated Results

Year ended December 31,	2025	2024	2023
<b>FINANCIALS</b>			
Revenue from energy sales <sup>(1)</sup>	\$ 2,434,970	\$ 2,346,264	\$ 2,232,779
Operating income (loss) <sup>(1)</sup>	279,393	812,892	577,988
Net income (loss) <sup>(1)</sup>	(108,359)	371,389	(96,132)
Net income (loss) attributable to shareholders	(163,248)	271,825	(175,194)
Adjusted EBITDA (a non-IFRS measure) <sup>(2)</sup>	1,252,991	1,261,951	1,239,871
Cash provided by operating activities <sup>(1)</sup>	1,426,164	1,028,968	810,699
Free Cash Flow (a non-IFRS measure) <sup>(2)</sup>	382,094	394,420	497,978
Cash dividends paid	286,008	200,488	205,072
Total dividends declared <sup>(3)</sup>	\$ 303,185	\$ 309,024	\$ 303,469
Total assets	13,238,364	13,604,338	13,626,298
Total non-current liabilities	\$ 7,670,441	\$ 7,716,830	\$ 7,867,559
<b>Per share</b>			
Weighted average number of shares — basic and diluted (000s)	261,301	257,300	252,710
Net income (loss) attributable to common shareholders — basic and diluted	\$ (0.65)	\$ 1.03	\$ (0.72)
Free Cash Flow (a non-IFRS measure) <sup>(2)</sup>	\$ 1.46	\$ 1.53	\$ 1.97
Total dividends declared	\$ 1.16	\$ 1.20	\$ 1.20
<b>ENERGY VOLUMES</b>			
Electricity production in gigawatt hours (GWh) <sup>(4)</sup>	10,953	11,046	10,380
Northland's share of electricity production (GWh) <sup>(5)</sup>	9,502	9,621	8,947

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

(3) Represents total dividends declared to common shareholders, including dividends in cash or in shares under Northland's Dividend Reinvestment Plan.

(4) Includes 100% of electricity production from all direct and indirect subsidiaries, including those which are partially owned by Northland as well as Northland's share of pre-completion production from Hai Long.

(5) Presented at Northland's economic interest.

The following table provides Northland's share of pre-completion production and revenue from the Hai Long offshore wind project:

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
Electricity production (GWh)	32	—	35	—
Pre-completion revenue	\$ 8,757	—	\$ 9,843	—

## SECTION 5: RESULTS OF OPERATIONS

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

Three months ended December 31,	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	Electricity <sup>(1)</sup> production (GWh)		Revenue from energy sales <sup>(1)</sup>		Operating costs <sup>(1)</sup>		Operating income (loss) <sup>(1)</sup>		Adjusted EBITDA <sup>(2)</sup>		Free Cash Flow <sup>(2)</sup>	
<b>International</b>												
Offshore wind	1,543	1,272	\$ 385,207	\$ 279,756	\$ 67,096	\$ 44,632	\$ 217,353	\$ 136,252	\$ 243,033	\$ 181,137	\$ 65,908	\$ 29,105
Onshore renewables	248	251	44,602	53,764	14,923	13,900	5,873	18,994	29,060	38,431	3,390	13,000
<b>Total</b>	<b>1,791</b>	<b>1,523</b>	<b>\$ 429,809</b>	<b>\$ 333,520</b>	<b>\$ 82,019</b>	<b>\$ 58,532</b>	<b>\$ 223,226</b>	<b>\$ 155,246</b>	<b>\$ 272,093</b>	<b>\$ 219,568</b>	<b>\$ 69,298</b>	<b>\$ 42,105</b>
<b>Americas</b>												
Onshore renewables and energy storage	553	542	\$ 91,279	\$ 69,980	\$ 20,786	\$ 13,351	\$ 34,340	\$ 30,844	\$ 51,820	\$ 44,630	\$ 24,864	\$ 21,722
Natural gas	1,088	764	101,876	79,135	52,877	30,474	40,335	39,346	51,665	46,493	27,334	16,763
Utilities	n/a	n/a	97,044	91,797	48,391	48,647	32,684	32,640	40,129	41,194	14,746	18,494
<b>Total</b>	<b>1,641</b>	<b>1,306</b>	<b>\$ 290,199</b>	<b>\$ 240,912</b>	<b>\$ 122,054</b>	<b>\$ 92,472</b>	<b>\$ 107,359</b>	<b>\$ 102,830</b>	<b>\$ 143,614</b>	<b>\$ 132,317</b>	<b>\$ 66,944</b>	<b>\$ 56,979</b>
<b>Year ended December 31,</b>	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	Electricity <sup>(1)</sup> production (GWh)		Revenue from energy sales <sup>(1)</sup>		Operating costs <sup>(1)</sup>		Operating income (loss) <sup>(1)</sup>		Adjusted EBITDA <sup>(2)</sup>		Free Cash Flow <sup>(2)</sup>	
<b>International</b>												
Offshore wind	4,252	4,471	\$1,169,696	\$1,182,754	\$ 253,070	\$ 233,095	\$ (25,904)	\$ 551,119	\$ 678,513	\$ 716,842	\$ 146,022	\$ 167,234
Onshore renewables	920	985	190,353	218,073	54,523	50,064	41,590	80,314	133,098	158,889	43,038	67,749
<b>Total</b>	<b>5,172</b>	<b>5,456</b>	<b>\$1,360,049</b>	<b>\$1,400,827</b>	<b>\$ 307,593</b>	<b>\$ 283,159</b>	<b>\$ 15,686</b>	<b>\$ 631,433</b>	<b>\$ 811,611</b>	<b>\$ 875,731</b>	<b>\$ 189,060</b>	<b>\$ 234,983</b>
<b>Americas</b>												
Onshore renewables and energy storage	1,986	1,784	\$ 337,283	\$ 259,937	\$ 62,860	\$ 45,641	\$ 140,815	\$ 105,074	\$ 214,175	\$ 172,313	\$ 99,939	\$ 66,001
Natural gas	3,733	3,611	357,112	318,039	174,816	129,783	144,476	151,377	190,097	191,536	99,119	80,386
Utilities	n/a	n/a	371,533	356,781	194,841	195,711	126,303	114,849	160,705	149,678	69,260	64,003
<b>Total</b>	<b>5,719</b>	<b>\$ 5,395</b>	<b>\$1,065,928</b>	<b>\$ 934,757</b>	<b>\$ 432,517</b>	<b>\$ 371,135</b>	<b>\$ 411,594</b>	<b>\$ 371,300</b>	<b>\$ 564,977</b>	<b>\$ 513,527</b>	<b>\$ 268,318</b>	<b>\$ 210,390</b>

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

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

## 5.1: Operating Results

### International Business Unit

Northland's International business unit consists of operating offshore wind facilities located in Germany and the Netherlands, along with onshore wind and solar facilities in Spain. For the year ended December 31, 2025, International business unit contributed 59% to Northland's reported Adjusted EBITDA from facilities.

### **Offshore Wind Facilities**

Northland's three operating offshore wind facilities, Gemini, Nordsee One and Deutsche Bucht, within the international business unit comprise 902 MW (at Northland's share), 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 generation is subject to seasonal variability 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 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 year ended December 31, 2025, Gemini, Nordsee One and Deutsche Bucht contributed approximately 21%, 13% and 15%, 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, which expire in 2027 and 2032, respectively, 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. In the fourth quarter of 2025, as scheduled in the EEG for Nordsee One, the subsidy price stepped down to €154/MWh for all turbines. This rate will remain in effect until October 2026. Thereafter, the turbines will gradually begin to phase out from the EEG subsidy mechanism to merchant market pricing, starting with those commissioned earliest. The final turbine is scheduled to receive this rate until April 2027. On November 18, 2025, Northland signed a five-year bilateral power purchase agreement with Shell, effective from June 2027, for approximately one-third of the production from Nordsee One. Please refer to Section 4.1: Significant Events for further information.

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 December 31, 2025, the APX price for the year was €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 December 31,				
	2025 <sup>(1)</sup>	2024 <sup>(1)</sup>	Historical Average <sup>(2)</sup>	Historical High <sup>(2)</sup>	Historical Low <sup>(2)</sup>
Electricity production (GWh)					
Gemini	816	700	777	832	700
Nordsee One	385	331	344	385	298
Deutsche Bucht	342	241	297	342	233
<b>Total</b>	<b>1,543</b>	<b>1,272</b>			

	Year ended December 31,				
	2025 <sup>(1)</sup>	2024 <sup>(1)</sup>	Historical Average <sup>(2)</sup>	Historical High <sup>(2)</sup>	Historical Low <sup>(2)</sup>
Electricity production (GWh)					
Gemini	2,315	2,394	2,374	2,496	2,193
Nordsee One	1,019	1,130	1,066	1,130	968
Deutsche Bucht	918	947	941	1,003	872
<b>Total</b>	<b>4,252</b>	<b>4,471</b>			

(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 December 31, 2025 increased 21% or 271 GWh compared to the same quarter of 2024, due to higher wind resource across all offshore wind facilities and lower grid outages. Electricity production for the year ended December 31, 2025 decreased 5% or 219 GWh compared to 2024, due to lower wind resource across all offshore wind facilities experienced in the first half of 2025.

*Commercial availability* for the three months ended December 31, 2025 was at 97%. Commercial availability for the year ended December 31, 2025 was at 96%.

*Revenue from energy sales* of \$385 million for the three months ended December 31, 2025 increased 38% or \$105 million, compared to the same quarter of 2024, due to higher production across offshore wind facilities. Revenue from energy sales of \$1,170 million for the year ended December 31, 2025 decreased 1% or \$13 million compared to 2024, due to lower production across all offshore wind facilities.

*Operating income* of \$217 million for the three months ended December 31, 2025 increased 60% or \$81 million compared to the same quarter of 2024, due to the same factor noted above. Operating loss of \$26 million for the year ended December 31, 2025 compared to the operating income of \$551 million in 2024, due to the recognition of impairment expense as a non-cash accounting adjustment, partially offset by the same factor noted above.

*Adjusted EBITDA* of \$243 million for the three months ended December 31, 2025 increased 34% or \$62 million compared to the same quarter of 2024, due to the same factor noted above. Adjusted EBITDA of \$679 million for the year ended December 31, 2025 decreased 5% or \$38 million compared to 2024, due to the same factor noted above.

### Revenue per MWh of each facility

For the three months and year ended December 31, 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 December 31,		2025	2024	2025	2024	2025	2024	2025	2024
		Total		Gemini <sup>(3)</sup>		Nordsee One		Deutsche Bucht	
<b>Paid production</b>	GWh	1,543	1,272	816	700	385	331	342	241
Non-curtailed production	GWh	1,492	1,136	813	693	347	248	332	195
Curtailed production	GWh	51	136	3	7	38	83	10	46
<b>Revenue per MWh <sup>(1) (2)</sup></b>	€/MWh	150	139	136	108	150	190	182	183
From market	€/MWh	74	85	72	70	76	112	77	103
From subsidy	€/MWh	76	54	64	38	74	78	105	80

  

Year ended December 31,		2025	2024	2025	2024	2025	2024	2025	2024
		Total		Gemini <sup>(3)</sup>		Nordsee One		Deutsche Bucht	
<b>Paid production</b>	GWh	4,252	4,471	2,315	2,394	1,019	1,130	918	947
Non-curtailed production	GWh	4,013	4,131	2,284	2,354	887	937	842	840
Curtailed production	GWh	239	340	31	40	132	193	76	107
<b>Revenue per MWh <sup>(1) (2)</sup></b>	€/MWh	173	177	170	167	167	192	182	182
From market	€/MWh	77	89	74	63	79	128	80	118
From subsidy	€/MWh	96	88	96	104	88	64	102	64
<b>Subsidy price</b>	€/MWh			169	169	154	194	184	184

(1) Revenue from non-curtailed production only.

(2) Revenue from curtailed production amounted to \$16 million (2024: \$39 million) and \$60 million (2024: \$87 million) for the three months and the year ended December 31, 2025, respectively.

(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 ten months of this year.

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

		Three months ended December 31,		Year ended December 31,	
		2025	2024	2025	2024
<b>Unpaid curtailment production</b>					
Due to negative prices	GWh	21	16	113	96
Due to grid outages	GWh	—	57	55	112
		21	73	168	208
<b>Adverse impact on revenue</b>					
Due to negative prices	\$	5,622	\$ 4,585	\$ 31,774	\$ 27,011
Due to grid outages		—	15,599	16,150	30,507
	\$	5,622	\$ 20,184	\$ 47,924	\$ 57,518

### Onshore Renewable Facilities

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.

Northland's onshore renewables within International business unit comprise 551 MW (at Northland's share) of onshore wind and solar facilities in Spain. 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**"). For the year ended December 31, 2025, Northland's onshore renewable facilities in Spain contributed approximately 10% to Northland's reported Adjusted EBITDA from facilities.

The revenue for each facility has four components:

- Return on investment ("**Ri**"), sized to complete the target return based on the market revenue assumed ex-ante (the "**posted price**");
- 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;
- Market revenue, at pool prices; and
- "**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 settled 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 December 31,		Year ended December 31,	
	2025	2024	2025	2024
Ri revenue	\$ 16,619	\$ 15,281	\$ 66,480	\$ 59,567
Market revenue	22,510	24,404	80,098	68,852
Band adjustment	5,473	14,079	43,775	89,654
<b>Total revenue</b>	<b>\$ 44,602</b>	<b>\$ 53,764</b>	<b>\$ 190,353</b>	<b>\$ 218,073</b>

  

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
Ri revenue	€ 10,244	€ 10,244	€ 40,977	€ 40,202
Market revenue	13,875	16,360	49,370	46,468
Band adjustment	3,372	9,438	26,982	60,507
<b>Total revenue</b>	<b>€ 27,491</b>	<b>€ 36,042</b>	<b>€ 117,329</b>	<b>€ 147,177</b>

  

Regulated Posted price per MWh	€ 89	€ 109	€ 89	€ 109
Market Revenue per MWh	€ 56	€ 65	€ 54	€ 47
Production (GWh)	248	251	920	985

*Electricity production* for the three months ended December 31, 2025 of 248 GWh was in line with the same quarter of 2024. Electricity production of 920 GWh for the year ended December 31, 2025 was 7% or 66 GWh lower than 2024, due to low wind and solar resources at the Spanish facilities.

*Commercial availability* for the three months ended December 31, 2025 was at 97%. Commercial availability for the year ended December 31, 2025 was at 98%.

*Revenue from energy sales* of \$45 million for the three months ended December 31, 2025 decreased 17% or \$9 million compared to the same quarter of 2024, due to lower market prices at the Spanish facilities. Revenue from energy sales of \$190 million for the year ended December 31, 2025 decreased 13% or \$28 million compared to 2024, due to lower production at the Spanish facilities.

*Operating income* of \$6 million for the three months ended December 31, 2025, decreased 69% or \$13 million compared with the same quarter of 2024, due to the same factor as noted above. *Operating income* of \$42 million for the year ended December 31, 2025 decreased 48% or \$39 million compared to 2024, due to the same factor noted above.

*Adjusted EBITDA* of \$29 million for the three months ended December 31, 2025 decreased 24% or \$9 million compared to 2024, due to the same factor noted above. *Adjusted EBITDA* of \$133 million for the year ended December 31, 2025 decreased 16% or \$26 million compared to 2024, due to the same factor noted above.

## **Americas Business Unit**

Northland's Americas business unit includes natural gas, onshore wind, solar, and energy storage facilities in Canada, onshore wind projects in the United States, and regulated utility operations in Colombia. For the year ended December 31, 2025, Americas business unit contributed 41% to Northland's reported Adjusted EBITDA from facilities.

### ***Onshore Renewable & Energy Storage Facilities***

Northland's onshore renewables and energy storage within the Americas business unit comprise 838 MW (at Northland's share) of onshore wind, solar and storage facilities in Canada and the United States. For the year ended December 31, 2025, Northland's onshore renewable and energy storage facilities in North America contributed approximately 16% to Northland's reported Adjusted EBITDA from facilities.

### ***Operating Performance***

*Electricity production* for the three months ended December 31, 2025 of 553 GWh was in line with the same quarter of 2024. *Electricity production* of 1,986 GWh for the year ended December 31, 2025 was 11% or 203 GWh higher than 2024, due to higher wind resource at the New York and Canadian onshore wind facilities.

*Commercial availability* for the three months and the year ended December 31, 2025 was at 97%.

*Revenue from energy sales* of \$91 million for the three months ended December 31, 2025 increased 30% or \$21 million compared to the same quarter of 2024, due to the contribution from the Oneida energy storage facility commencing operations in the second quarter of 2025. *Revenue from energy sales* of \$337 million for the year ended December 31, 2025 increased 30% or \$77 million compared to 2024, due to the same factors as above.

*Operating income* and *Adjusted EBITDA* of \$34 million and \$52 million, respectively, for the three months ended December 31, 2025, increased 11% or \$4 million and 16% or \$7 million, respectively, compared to the same quarter of 2024, due to the same factor noted above. *Operating income* and *Adjusted EBITDA* of \$141 million and \$214 million for the year ended December 31, 2025 increased 34% or \$36 million and 24% or \$42 million, respectively, compared to 2024, 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 year ended December 31, 2025, Northland's natural gas facilities contributed approximately 14% of reported Adjusted EBITDA, with the two largest facilities, North Battleford and Thorold accounting for approximately 13%.

*Electricity production* of 1,088 GWh for the three months ended December 31, 2025 increased 42% or 324 GWh compared to the same quarter of 2024, due to higher market demand for dispatchable power. *Electricity production* of 3,733 GWh for the year ended December 31, 2025 was in line with 2024.

*Commercial availability* for the three months ended December 31, 2025 was at 90%. *Commercial availability* for the year ended December 31, 2025 was at 93%.

*Revenue from energy sales* of \$102 million for the three months ended December 31, 2025 increased 29% or \$23 million as compared to the same quarter of 2024, due to higher market demand for dispatchable power. *Revenue from energy sales* of \$357 million for the year ended December 31, 2025 increased 12% or \$39 million compared to 2024, due to the same factors noted above.

*Adjusted EBITDA* of \$52 million for the three months ended December 31, 2025 increased 11% or \$5 million compared to the same quarter of 2024, due to the factor noted above. *Adjusted EBITDA* of \$190 million for the year ended December 31, 2025 was in line with 2024.

## 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 year ended December 31, 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 \$97 million for the three months ended December 31, 2025 increased 6% or \$5 million compared to the same quarter of 2024, due to growth in the asset base. Revenue from energy sales of \$372 million for the year ended December 31, 2025 increased 4% or \$15 million compared to 2024, due to the same factor as noted above.

Operating income and Adjusted EBITDA of \$33 million and \$40 million, respectively, for the three months ended December 31, 2025 were in line with the same quarter of 2024. Operating income and Adjusted EBITDA of \$126 million and \$161 million, respectively, for the year ended December 31, 2025 increased 10% or \$11 million and 7% or \$11 million, respectively, compared to 2024, due to the same factor as noted above.

## 5.2: General and Administrative Costs

The following table summarizes Northland’s general and administrative (“G&A”) costs:

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
Corporate G&A	\$ 20,359	\$ 21,264	\$ 84,467	\$ 85,476
Operations G&A <sup>(1)</sup>	12,908	5,967	34,208	27,624
<b>Total G&amp;A costs</b>	<b>\$ 33,267</b>	<b>\$ 27,231</b>	<b>\$ 118,675</b>	<b>\$ 113,100</b>

(1) Operations G&A is included in the respective business unit’s Adjusted EBITDA and Free Cash Flow presented in Section 5: Results of Operations.

Corporate G&A costs of \$20 million for the three months ended December 31, 2025 were in line with the same quarter of 2024. Corporate G&A costs of \$84 million for the year ended December 31, 2025 were in line with the same period of 2024.

Operations G&A costs of \$13 million for the three months ended December 31, 2025 increased 116% or \$7 million compared the same quarter of 2024, due to certain non-recurring administrative expenses. Operations G&A costs of \$34 million for the year ended December 31, 2025 increased 24% or \$7 million compared to 2024, due to the same factors noted above.

### 5.3: Growth Expenditures

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

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
Business development <sup>(1)</sup>	\$ 4,398	\$ 2,530	\$ 11,332	\$ 5,868
Project development	7,217	7,457	22,114	14,533
Development overhead	8,987	9,515	30,487	42,707
<b>Development costs</b>	<b>\$ 20,602</b>	<b>\$ 19,502</b>	<b>\$ 63,933</b>	<b>\$ 63,108</b>
Joint venture project costs <sup>(2)</sup>	2,151	6,285	8,354	8,164
<b>Growth expenditures <sup>(3)</sup></b>	<b>\$ 21,354</b>	<b>\$ 23,054</b>	<b>\$ 67,040</b>	<b>\$ 66,841</b>

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

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

(3) 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 months and the year ended December 31, 2025 of \$1 million and \$5 million, respectively.

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 December 31, 2025, were higher compared to the same quarter of 2024, due to higher activities in onshore renewables business. Business development costs for the year ended December 31, 2025, were higher compared to 2024, 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 year ended December 31, 2025, project development costs were higher than 2024, due to higher spending on priority offshore wind projects. Refer to *SECTION 9: CONSTRUCTION, DEVELOPMENT AND ACQUISITION ACTIVITIES* for additional information on identified development projects.

*Development overhead* 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 year ended December 31, 2025, were lower than 2024, due to lower personnel costs.

## 5.4: Consolidated Results

The following discussion of the significant factors contributing to the consolidated financial results should be read in conjunction with Northland's audited consolidated financial statements for the year ended December 31, 2025.

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
Electricity production (GWh)	3,472	2,836	10,953	11,046
Revenue from energy sales	\$ 722,841	\$ 571,867	\$ 2,434,970	\$ 2,346,264
Finance lease income	2,420	2,551	9,880	10,383
<b>Total income</b>	<b>\$ 725,261</b>	<b>\$ 574,418</b>	<b>\$ 2,444,850</b>	<b>\$ 2,356,647</b>
<b>Expenses</b>				
Operating costs	204,102	147,584	740,110	649,936
General and administrative costs	33,267	27,231	118,675	113,100
Development costs	20,602	19,502	63,933	63,108
Impairment of non-financial assets	630	—	527,155	—
Fair value adjustment relating to the disposal group classified as held for sale	—	—	—	43,884
Depreciation of property, plant and equipment	160,170	148,796	652,887	615,343
Amortization of contracts and intangible assets	15,972	14,734	62,697	58,384
<b>Total expenses</b>	<b>\$ 434,743</b>	<b>\$ 357,847</b>	<b>\$ 2,165,457</b>	<b>\$ 1,543,755</b>
<b>Operating income</b>	<b>\$ 290,518</b>	<b>\$ 216,571</b>	<b>\$ 279,393</b>	<b>\$ 812,892</b>
Finance costs	(82,987)	(97,116)	(355,238)	(392,022)
Finance income	10,898	17,358	52,273	71,388
Foreign exchange gain (loss)	(8,313)	(6,353)	55,555	716
Fair value gain (loss) on financial instruments	49,637	9,797	(378,439)	(93,695)
Share of profit (loss) from joint ventures	118,166	23,105	193,534	43,734
Other income (expense)	(2,335)	53,722	3,679	120,543
<b>Income (loss) before income taxes</b>	<b>\$ 375,584</b>	<b>\$ 217,084</b>	<b>\$ (149,243)</b>	<b>\$ 563,556</b>
<b>Income taxes (provision) recovery</b>				
Current	(64,229)	(65,419)	(119,207)	(198,035)
Deferred	(21,540)	(1,196)	160,091	5,868
Total income taxes	\$ (85,769)	\$ (66,615)	\$ 40,884	\$ (192,167)
<b>Net income (loss)</b>	<b>\$ 289,815</b>	<b>\$ 150,469</b>	<b>\$ (108,359)</b>	<b>\$ 371,389</b>
<b>Net income (loss) attributable to common shareholders per share - basic and diluted</b>	<b>\$ 0.93</b>	<b>\$ 0.49</b>	<b>\$ (0.65)</b>	<b>\$ 1.03</b>

## Fourth Quarter

*Revenue from energy sales* of \$723 million increased 26% or \$151 million compared to the same quarter of 2024, due to higher production across International business unit offshore wind facilities, the contribution from the Oneida energy storage facility, and market demand for dispatchable power at natural gas facilities.

*Operating costs* of \$204 million increased 38% or \$57 million compared to 2024, due to Gemini's export cable repair insurance claim received in the fourth quarter of 2024, Oneida energy storage facility commencing operations in the second quarter of 2025, higher market demand of dispatchable power at natural gas facilities and higher natural gas prices.

*Corporate and Operational G&A costs* of \$33 million increased 22% or \$6 million compared to 2024, due to certain non-recurring administrative expenses.

*Development costs* of \$21 million were in line with the same quarter of 2024.

*Finance costs* of \$83 million decreased 15% or \$14 million due to scheduled principal repayments on facility-level loans.

*Fair value gain on financial instruments* was \$50 million due to net movement in the fair value of derivatives related to foreign exchange and interest rate contracts.

*Foreign exchange loss* of \$8 million was due to fluctuations in foreign exchange rates.

*Share of profit from joint ventures* was \$118 million due to the gains on fair value of derivatives, partially offset by the foreign exchange losses, at the joint ventures.

*Net income* was \$290 million in the fourth quarter of 2025 compared to \$150 million in the same quarter of 2024, as a result of the factors described above.

## Year to date

*Revenue from energy sales* of \$2,435 million increased 4% or \$89 million compared to 2024, due to the contribution from the Oneida energy storage facility, higher wind conditions at the Americas business unit wind facilities, higher revenue from natural gas facilities and higher revenue from EBSA due to the growth in asset base. This was partially offset by the lower wind resource across the International business unit wind facilities experienced in the first half of 2025.

*Operating costs* of \$740 million increased 14% or \$90 million compared to 2024, due to Gemini's export cable repair insurance claim received in the fourth quarter of 2024, Oneida energy storage facility commencing operations in the second quarter of 2025, higher market demand of dispatchable power at natural gas facilities and higher natural gas prices.

*Corporate and Operational G&A costs* of \$119 million for the year ended December 31, 2025 increased 5% or \$6 million compared to the same quarter of 2024, due to certain non-recurring administrative expenses.

*Development costs* of \$64 million were in line with 2024.

*Finance costs* of \$355 million decreased 9% or \$37 million due to scheduled principal repayments on facility-level loans.

*Fair value loss on financial instruments* was \$378 million, due to net movement in the fair value of derivatives related to foreign exchange and interest rate contracts.

*Foreign exchange gain* of \$56 million was due to fluctuations in the foreign exchange rates.

*Share of profit from joint ventures* was \$194 million, due to the gains on fair value of derivatives, partially offset by the foreign exchange losses, at the joint ventures.

*Impairment expense* of \$527 million was recognized as a non-cash accounting adjustment for the Nordsee One offshore wind facility due to a transition from the subsidized price regime under the German Renewable Energy Sources Act to market pricing by May 2027.

*Net loss* was \$108 million in the year ended December 31, 2025 compared to net income of \$371 million in 2024, as a result of the factors described above.

## 5.5: Adjusted EBITDA

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

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
<b>Net income (loss)</b>	\$ 289,815	\$ 150,469	\$ (108,359)	\$ 371,389
Adjustments:				
Finance costs, net	72,089	79,758	302,965	320,634
Provision for (recovery of) income taxes	85,769	66,615	(40,884)	192,167
Depreciation of property, plant and equipment	160,170	148,796	652,887	615,343
Amortization of contracts and intangible assets	15,972	14,734	62,697	58,384
Fair value (gain) loss on financial instruments	(49,637)	(11,333)	378,439	87,592
Foreign exchange (gain) loss	8,313	6,353	(55,555)	(716)
Impairment of non-financial assets	630	—	527,155	—
Fair value adjustment relating to the disposal group held for sale	—	—	—	43,884
Elimination of non-controlling interests	(85,977)	(62,892)	(278,526)	(267,108)
Share of (profit) loss from joint ventures	(118,166)	(23,105)	(193,534)	(43,734)
Others <sup>(1)</sup>	10,545	(57,256)	5,706	(115,884)
<b>Adjusted EBITDA <sup>(2)</sup></b>	\$ 389,523	\$ 312,139	\$ 1,252,991	\$ 1,261,951

(1) "Others" mainly 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.

### Fourth Quarter

Adjusted EBITDA of \$390 million for the three months ended December 31, 2025 increased 25% or \$77 million compared to the same quarter of 2024. The factors increasing Adjusted EBITDA include:

- \$62 million increase in operating results at the International business unit offshore wind facilities, due to higher production, as described above;
- \$14 million increase due to the pre-completion revenue from the Hai Long offshore wind project and lower joint venture project costs; and
- \$11 million increase due to the contribution from the Oneida energy storage facility commencing operations in the second quarter of 2025.

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

- \$9 million decrease in operating results from the International business unit onshore wind facilities, as described above.

### Year to date

Adjusted EBITDA of \$1,253 million for the year ended December 31, 2025 decreased 1% or \$9 million compared to the same period of 2024. The factors decreasing Adjusted EBITDA include:

- \$38 million decrease in operating results at the International business unit offshore wind facilities, due to lower production, as described above; and
- \$26 million decrease in operating results from the International business unit onshore wind facilities, as described above.

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

- \$42 million increase due to the contribution from the Oneida energy storage facility and high wind conditions at the Americas business unit onshore wind facilities, as described above; and
- \$11 million increase in operating results at EBSA, as described above.

## 5.6: Free Cash Flow

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

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
<b>Cash provided by operating activities</b>	\$ 227,177	\$ 359,631	\$ 1,426,164	\$ 1,028,968
Adjustments:				
Net change in non-cash working capital balances related to operations	174,192	(43,309)	(28,106)	305,084
Non-expansory capital expenditures	(2,541)	(1,789)	(3,795)	(5,272)
Restricted funding for major maintenance, debt and decommissioning reserves	(16,148)	(8,532)	(2,429)	(20,677)
Interest	(68,973)	(61,913)	(272,498)	(263,499)
Scheduled principal repayments on facility debt	(253,379)	(340,184)	(772,211)	(714,051)
Funds set aside (utilized) for scheduled principal repayments	60,934	148,788	—	—
Preferred share dividends	(2,126)	(1,500)	(6,323)	(6,162)
Consolidation of non-controlling interests	(32,850)	(19,810)	(93,662)	(93,254)
Growth expenditures	21,354	23,054	67,040	66,841
Others <sup>(1)</sup>	13,759	26,214	67,914	96,442
<b>Free Cash Flow <sup>(2)</sup></b>	\$ 121,399	\$ 80,650	\$ 382,094	\$ 394,420

(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 December 31,		Year ended December 31,	
	2025	2024	2025	2024
<b>Adjusted EBITDA <sup>(2)</sup></b>	\$ 389,523	\$ 312,139	\$ 1,252,991	\$ 1,261,951
Adjustments:				
Scheduled debt repayments	(163,597)	(151,576)	(631,607)	(578,563)
Interest expense	(51,928)	(48,611)	(202,668)	(193,575)
Current taxes	(59,731)	(47,131)	(120,380)	(175,112)
Non-expansory capital expenditure	(2,034)	(2,015)	(2,999)	(5,078)
Utilization (funding) of maintenance and decommissioning reserves	(4,712)	(7,845)	5,974	(18,716)
Lease payments, including principal and interest	(3,441)	(2,908)	(13,304)	(12,586)
Preferred dividends	(2,126)	(1,500)	(6,323)	(6,162)
Foreign exchange hedge gain (loss)	(13,434)	(307)	(2,355)	12,584
Growth expenditures	21,354	23,054	67,040	66,841
Others <sup>(1)</sup>	11,525	7,350	35,725	42,836
<b>Free Cash Flow <sup>(2)</sup></b>	\$ 121,399	\$ 80,650	\$ 382,094	\$ 394,420

(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.

## Fourth Quarter

Free Cash Flow of \$121 million for the three months ended December 31, 2025 was 51% or \$41 million higher than the same quarter of 2024.

The factor increasing Free Cash Flow was:

- \$76 million increase in Adjusted EBITDA (gross of growth expenditures) due to the factors described above.

The factors offsetting the increase in Free Cash Flow were:

- \$13 million increase in current taxes as a result of higher operating results;
- \$12 million decrease from foreign exchange hedges, lease payments, and other settlements; and
- \$10 million increase in scheduled debt repayments on facility-level loans and net movement in funds set aside for maintenance and decommissioning reserves.

## Year to date

Free Cash Flow of \$382 million for the year ended December 31, 2025 was 3% or \$12 million lower than the same period of 2024.

The factors decreasing Free Cash Flow were:

- \$29 million increase in scheduled debt repayments on facility-level loans and net movement in funds set aside for maintenance and decommissioning reserves;
- \$22 million decrease from foreign exchange and interest rate hedges, and other settlements; and
- \$11 million increase in net finance costs.

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

- \$29 million as a result of German trade tax refund receivable; and
- \$26 million decrease in current taxes.

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

	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
<b>For the period</b>				
Cash dividends paid to shareholders	\$ 78,451	\$ 49,284	\$ 286,008	\$ 200,488
Total dividends paid to shareholders <sup>(1)</sup>	\$ 78,451	\$ 77,686	\$ 313,491	\$ 308,512
Weighted avg. number of shares — basic and diluted (000s)	261,502	259,166	261,301	257,300
<b>Per share (\$/share)</b>				
Dividends paid	\$ 0.30	\$ 0.30	\$ 1.20	\$ 1.20
Free Cash Flow — basic and diluted <sup>(2)</sup>	\$ 0.46	\$ 0.31	\$ 1.46	\$ 1.53
<b>Pay-out ratios on a rolling four-quarter basis</b>				
Free Cash Flow payout ratio — cash dividend <sup>(2)</sup>			75 %	51 %
Free Cash Flow payout ratio — total dividends <sup>(1) (2)</sup>			82 %	78 %

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

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

## SECTION 6: CHANGES IN FINANCIAL POSITION

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

As at	December 31, 2025	December 31, 2024
<b>Assets</b>		
Cash and cash equivalents	\$ 643,285	\$ 613,319
Restricted cash	35,619	59,073
Trade and other receivables	395,731	535,961
Other current assets	114,057	119,730
Property, plant and equipment, net	8,173,938	8,879,101
Contracts and other intangible assets, net	392,618	393,886
Derivative assets	277,874	312,848
Deferred tax asset	123,670	38,174
Investment in joint ventures	1,234,595	1,023,068
Other assets <sup>(1)</sup>	1,846,977	1,629,178
<b>Total assets</b>	<b>\$ 13,238,364</b>	<b>\$ 13,604,338</b>
<b>Liabilities</b>		
Trade and other payables	\$ 283,130	\$ 368,791
Loans and borrowings	6,631,967	7,009,899
Derivative liabilities	433,234	228,311
Deferred tax liability	504,295	557,826
Other liabilities <sup>(2)</sup>	961,196	883,098
<b>Total liabilities</b>	<b>\$ 8,813,822</b>	<b>\$ 9,047,925</b>
<b>Total equity</b>	<b>4,424,542</b>	<b>4,556,413</b>
<b>Total liabilities and equity</b>	<b>\$ 13,238,364</b>	<b>\$ 13,604,338</b>

(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 audited consolidated statements of financial position were as follows:

- *Cash and cash equivalents* increased by \$30 million, due to favourable working capital movements.
- *Trade and other receivables* decreased by \$140 million, due to cash realization of SDE revenue at Gemini.
- *Property, plant and equipment* decreased by \$705 million, due to impairment on Nordsee One offshore wind facility and depreciation expense, partially offset by fluctuations in the foreign exchange rates and construction-related activities.
- *Net derivative liability* increased by \$240 million from a net derivative asset at December 31, 2024, 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 \$212 million, due to fluctuations in the foreign exchange rates and the share of profit from joint ventures.
- *Other assets* increased by \$218 million, due to the recognition of Oneida's Investment Tax Credit receivable under the Canadian Federal Clean Technology Investment Tax Credit program.
- *Loans and borrowings* decreased by \$378 million, mainly due to the scheduled principal repayments on facility-level loans, partially offset by the fluctuations in the foreign exchange rates.

## SECTION 7: 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, 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

On November 12, 2025, Northland's Board of Directors approved an adjustment to Northland's dividend to \$0.72 per share on an annual basis. The change was applicable to the dividend payment on January 15, 2026, to shareholders of record on December 31, 2025. The Board of Directors regularly reviews the dividend as part of Northland's strategic planning process balancing the Company's growth objectives and investor preferences with the principles of prudent financial management and balance sheet strength.

### 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. These 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	December 31, 2025	December 31, 2024
<b>Common shares</b>		
Shares outstanding, beginning of year	259,947,326	254,939,822
Shares issued under the DRIP	1,554,718	5,007,504
<b>Total common shares outstanding, end of period</b>	<b>261,502,044</b>	259,947,326

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

As at	December 31, 2025	December 31, 2024
<b>Preferred shares</b>		
Series 1	4,981,651	4,762,246
Series 2	1,018,349	1,237,754
<b>Total preferred shares outstanding, end of period</b>	<b>6,000,000</b>	6,000,000

Holders of Series 1 preferred shares and Series 2 preferred shares had the right, at their option, to convert all or part of their shares, on a one-for-one basis, into shares of the other series, respectively, effective December 31, 2025. Pursuant to this option, 6,200 Series 1 preferred shares were converted to Series 2 preferred shares and 225,605 Series 2 preferred shares were converted into Series 1 preferred shares.

Effective September 30, 2025, Northland reset the cumulative rate on its Series 1 preferred shares. The fixed quarterly dividends on the Series 1 preferred shares will be paid at an annual rate of 5.70% (\$0.3564 per share per quarter) until September 29, 2030.

The quarterly floating rate dividends on the cumulative floating rate Series 2 preferred shares, will be paid at an annual rate, calculated for each quarter, of 2.80% over the annual yield on 90-day Government of Canada treasury bills.

In June 2025, Fitch Ratings reaffirmed Northland's corporate investment grade credit rating at BBB (stable). In January 2026, S&P Global Ratings reaffirmed Northland's issuer credit 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 December 31,		Year ended December 31,	
	2025	2024	2025	2024
<b>Cash and cash equivalents, beginning of period</b>	\$ 842,214	\$ 596,233	\$ 613,319	\$ 740,244
Cash provided by (used in) operating activities	227,177	359,631	1,426,164	1,028,968
Cash provided by (used in) investing activities	(41,216)	74,010	(99,364)	(448,811)
Cash provided by (used in) financing activities	(380,084)	(418,827)	(1,323,210)	(720,248)
Effect of exchange rate differences	(4,806)	2,272	26,376	13,166
<b>Cash and cash equivalents, end of period</b>	\$ 643,285	\$ 613,319	\$ 643,285	\$ 613,319

### Fourth Quarter

Cash and cash equivalents for the fourth quarter of 2025 decreased \$199 million from September 30, 2025, due to cash used in investing activities of \$41 million, financing activities of \$380 million, effect of foreign exchange translation of \$5 million, partially offset by cash provided by operations of \$227 million.

The decrease in cash and cash equivalents during the quarter was due to net repayment of borrowings, partially offset by cash provided by operations.

### Year to date

Cash and cash equivalents for the year ended December 31, 2025, increased \$30 million due to cash provided by operations of \$1,426 million and \$26 million effect of foreign exchange translation, partially offset by cash used in investing activities of \$99 million and financing activities of \$1,323 million.

Cash provided by operating activities for the year ended December 31, 2025 was \$1,426 million comprising:

- \$1,758 million in non-cash and non-operating items such as depreciation and amortization, impairment of non-financial assets, finance costs, changes in fair value of financial instruments and deferred taxes; and
- \$28 million in changes in working capital due to the timing of payables, receivables and deposits.

Factors partially offsetting cash provided by operating activities include:

- \$194 million share of profit from joint ventures;
- \$58 million unrealized foreign exchange gain; and
- \$108 million of net loss.

Cash used in investing activities for the year ended December 31, 2025 was \$99 million, comprising:

- \$136 million used mainly for construction at Oneida energy storage project and Jurassic BESS; and
- \$29 million used mainly for the acquisition of two battery energy storage projects in Poland.

Factor partially offsetting cash used in investing activities includes:

- \$65 million mainly from interest income and other investing activities.

Cash used in financing activities for the year ended December 31, 2025 was \$1,323 million, comprising:

- \$1,018 million in scheduled principal repayments on the facility-level debt;
- \$332 million in interest and other payments; and
- \$393 million of common and preferred share dividends as well as dividends to non-controlling interest.

Factors partially offsetting cash used in financing activities were:

- \$41 million in net drawdown under the corporate syndicated revolving facility;
- \$373 million of draws on project-level debt for construction of onshore renewables & energy storage projects; and
- \$5 million of equity contribution from non-controlling interest.

Movement of foreign currencies, including the Euro, U.S. dollar and Colombian peso, against the Canadian dollar increased cash and cash equivalents by \$26 million for the year ended December 31, 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 U.S. dollar 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 year ended December 31, 2025:

	Balance as at Jan 1, 2025	Additions	Provisions, disposals, transfers and other <sup>(1)</sup>	Exchange rate differences	Balance as at Dec 31, 2025
<b>International</b>					
<b>Operations:</b>					
Offshore wind	\$ 6,936,078	\$ 12,836	\$ (17,201)	\$ 578,814	\$ 7,510,527
Onshore renewables	1,633,874	8,288	(7,048)	131,101	1,766,215
<b>Americas</b>					
<b>Operations:</b>					
Onshore renewables	2,258,527	10,484	442,823	(24,182)	2,687,652
Natural gas	1,341,571	6,354	22,849	—	1,370,774
Utility	690,607	44,118	(12,528)	81,991	804,188
<b>Construction:</b>					
Onshore renewables & energy storage	605,294	60,942	(613,751)	—	52,485
<b>Corporate</b>	146,092	4,404	(18,284)	653	132,865
<b>Total</b>	<b>\$ 13,612,043</b>	<b>\$ 147,426</b>	<b>\$ (203,140)</b>	<b>\$ 768,377</b>	<b>\$ 14,324,706</b>

(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 featuring fixed or hedged interest rates and repayment schedules aligned with project offtake agreements. Each project operates as a special-purpose entity following commercial operations, ensuring that adverse events at one facility do not affect Northland's other assets.

The following table provides a continuity of Northland's debt for the year ended December 31, 2025:

	Balance as at Jan 1, 2025	Financings, net of costs	Repayments	Amort. of costs/fair value	Exchange rate differences	Transfers	Others	Balance as at Dec 31, 2025
<b>International</b>								
<b>Operations:</b>								
Offshore wind	\$2,699,930	\$ —	\$ (616,858)	\$ 16,234	\$ 216,203	\$ —	\$ —	<b>\$2,315,509</b>
Onshore renewables	757,708	18,350	(68,115)	7,468	55,422	—	—	<b>770,833</b>
<b>Americas</b>								
<b>Operations:</b>								
Onshore renewables & energy storage <sup>(2)</sup>	1,050,953	164,866	(250,308)	2,557	(12,796)	482,525	(16,688)	<b>1,421,109</b>
Natural gas	774,806	—	(80,231)	2,694	—	—	(91)	<b>697,178</b>
Utility	751,457	145,390	(2,210)	1,048	933	—	(5,802)	<b>890,816</b>
<b>Construction:</b>								
Onshore renewables & energy storage	482,600	44,090	—	172	—	(482,525)	(4,082)	<b>40,255</b>
<b>Corporate:</b>								
Green Notes	492,445	—	—	3,822	—	—	—	<b>496,267</b>
Corporate Credit Facilities <sup>(1)</sup>	172,450	493,348	(452,809)	2,379	5,764	—	3,482	<b>224,614</b>
<b>Total</b>	<b>\$7,182,349</b>	<b>\$ 866,044</b>	<b>\$ (1,470,531)</b>	<b>\$ 36,374</b>	<b>\$ 265,526</b>	<b>\$ —</b>	<b>\$ (23,181)</b>	<b>\$6,856,581</b>

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

(2) As at December 31, 2025, Onshore renewables & energy storage - Operations within Americas includes tax equity financing in relation to New York onshore wind projects amounting to \$20 million.

Additionally, as at December 31, 2025, \$558 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 December 31, 2025	Facility size	Amount drawn <sup>(2)</sup>	Outstanding letters of credit <sup>(3)</sup>	Available capacity	Maturity date
Sustainability linked syndicated revolving facility <sup>(1)</sup>	\$ 1,250,000	\$ 226,752	\$ 152,282	\$ 870,966	Aug. 2029
Bilateral letter of credit ("LC") facility I	150,000	—	135,752	14,248	Jun. 2026
Bilateral LC facility II <sup>(5)</sup>	104,754	—	42,148	62,606	n/a
Export credit agency backed letter of credit facility I	100,000	—	45,864	54,136	Mar. 2026
Export credit agency backed letter of credit facility II <sup>(4)</sup>	200,000	—	172,606	27,394	n/a
Hai Long related letter of credit facility	500,000	—	453,429	46,571	Sep. 2027
<b>Total</b>	<b>\$ 2,304,754</b>	<b>\$ 226,752</b>	<b>\$ 1,002,081</b>	<b>\$ 1,075,921</b>	

(1) As at December 31, 2025, the amounts drawn under the syndicated revolving facility are denominated in Euro amounting to €141 million (CAD equivalent of \$227 million, converted at the period-end exchange rates).

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

(3) As at December 31, 2025, outstanding letters of credit include LCs issued in favor of a joint venture amounting to \$661 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 \$1,002 million of corporate letters of credit issued as at December 31, 2025, \$709 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 \$931 million of available liquidity as at December 31, 2025, including \$39 million of cash on hand and approximately \$892 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 December 31, 2025, Northland and its investees were in compliance with all financial covenants under their applicable corporate and non-recourse credit agreements.

## Financial Commitments and Contractual Obligations

In the ordinary course of business, Northland enters into financial and derivative contracts. The contractual maturities of Northland's material financial liabilities as at December 31, 2025, are summarized in the following table:

	2026	2027	2028	2029	2030	>2030
<b>Derivative contracts (at 100%)</b>						
Canadian dollar interest rate swaps	\$ 61,159	\$ 59,942	\$ 53,724	\$ 52,237	\$ 49,565	\$ 311,473
Euro foreign exchange contracts	97,724	204,137	207,350	174,298	174,051	1,297,402
Euro interest rate swaps	3,677	3,313	2,833	2,387	1,931	5,432
Colombian peso foreign exchange contracts	496,960	8,860	—	—	—	—
U.S. dollar foreign exchange contracts	46,614	18,312	21,149	20,287	28,081	196,384
U.S. dollar interest rate swaps	6,260	6,056	5,839	5,637	5,230	37,551
New Taiwan dollar foreign exchange contracts	—	142,843	61,514	62,842	64,187	265,376
Cross currency interest rate contracts	\$ 42,392	\$ 42,392	\$ 537,589	\$ —	\$ —	\$ —
<b>Facility-level debt at Northland's share</b>						
Gemini	€ 101,896	€ 109,241	€ 111,698	€ 114,769	€ 106,526	€ 17,368
Nordsee One	59,507	—	—	—	—	—
Deutsche Bucht	71,444	67,828	61,747	64,973	67,906	149,759
Spain	43,998	45,721	44,755	45,106	41,813	240,298
Total in Euro	€ 276,845	€ 222,790	€ 218,200	€ 224,848	€ 216,245	€ 407,425
New York Wind	US\$ 15,805	US\$ 14,175	US\$ 11,259	US\$ 11,106	US\$ 11,169	US\$ 129,936
Total in Canadian dollar <sup>(1)</sup>	\$ 472,360	\$ 382,096	\$ 370,679	\$ 381,302	\$ 367,372	\$ 839,254
EBSA <sup>(2)</sup>	2,018	893,518	2,018	504	—	—
All other facilities <sup>(3)</sup>	162,854	161,022	183,224	208,120	209,183	681,886
<b>Total facility level debt at Northland's share</b>	<b>\$ 637,232</b>	<b>\$ 1,436,636</b>	<b>\$ 555,921</b>	<b>\$ 589,926</b>	<b>\$ 576,555</b>	<b>\$ 1,521,140</b>
Interest payments including swap derivative contracts	187,105	168,267	112,002	90,273	70,788	141,122
<b>Corporate liabilities</b>						
Corporate credit facilities, including interest	7,133	7,537	8,523	184,972	—	—
Convertible debentures, including interest	46,250	46,250	523,125	—	—	—
<b>Total</b>	<b>\$ 1,632,506</b>	<b>\$ 2,144,545</b>	<b>\$ 2,089,569</b>	<b>\$ 1,182,859</b>	<b>\$ 970,388</b>	<b>\$ 3,775,880</b>

(1) Using long-term foreign exchange rates.

(2) EBSA Facility is expected to be renewed annually.

(3) Other includes debt service costs of the efficient natural gas and onshore renewable facilities.

Management does not currently expect a material financial impact to Northland and continues to monitor and manage the transition.

## ***Non-Financial Commitments and Contractual Obligations***

The following table summarizes all material fixed contractual commitments and obligations as at December 31, 2025, for non-financial contracts. The amounts are based on the assumptions of a 2% annual consumer price index increase, a Canadian dollar/Euro exchange rate of \$1.63 and Canadian dollar/U.S. dollar exchange rate of \$1.35. The table includes maintenance and services agreements and natural gas transportation demand charges for which Northland is liable whether or not natural gas is shipped. The construction commitment relates to the ongoing expansionary capex in EBSA under regulated asset base and construction of the Jurassic BESS project. The cash obligations related to the leases for land and buildings, dismantlement and management fees to non-controlling interest partners are also included.

	2026	2027	2028	2029	2030	>2030
Maintenance agreements	\$ 243,480	\$ 243,512	\$ 184,971	\$ 187,915	\$ 279,867	\$1,412,958
Construction and others; excluding debt, interest and fees	91,848	52,709	46,391	51,025	—	—
Natural gas supply and transportation, fixed portion	23,162	23,595	23,634	24,077	24,534	89,794
Leases	11,376	11,600	11,591	11,679	11,654	131,728
Decommissioning liabilities	—	—	—	—	—	734,303
Management fees	5,643	5,754	5,865	5,980	6,097	97,543
<b>Total</b>	<b>\$ 375,509</b>	<b>\$ 337,170</b>	<b>\$ 272,452</b>	<b>\$ 280,676</b>	<b>\$ 322,152</b>	<b>\$2,466,326</b>

Except in circumstances where cancellation of the agreements would result in material penalties, the above table does not include variable contractual obligations of Northland (which typically relate directly to production or meeting performance criteria). Such obligations include natural gas purchase costs, variable natural gas transportation costs and variable payments to maintenance providers. Except for certain onshore renewable and efficient natural gas facilities' PPAs, the electricity supply contracts contain no penalties for failure to supply.

## SECTION 8: 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, U.S. 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>	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Revenue from energy sales	\$ 723	\$ 554	\$ 509	\$ 649	\$ 572	\$ 491	\$ 529	\$ 755
Operating income (loss)	291	(396)	122	263	217	98	152	346
Net income (loss)	290	(456)	(53)	111	150	(191)	262	149
Adjusted EBITDA	390	257	245	361	312	228	268	454
Cash provided by operating activities	227	325	451	423	360	196	171	294
Free Cash Flow	\$ 121	\$ 45	\$ 58	\$ 157	\$ 81	\$ 19	\$ 69	\$ 226
<b>Per share statistics</b>								
Net income (loss) attributable to common shareholders — basic and diluted	\$ 0.93	\$ (1.58)	\$ (0.25)	\$ 0.25	\$ 0.49	\$ (0.70)	\$ 0.95	\$ 0.29
Free Cash Flow	\$ 0.46	\$ 0.17	\$ 0.22	\$ 0.60	\$ 0.31	\$ 0.08	\$ 0.27	\$ 0.88
Total dividends declared	\$ 0.26	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30

## SECTION 9: 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 a 31% interest in Hai Long, along with its partners, Gentari International Renewables Pte. Ltd. (29% interest), and Mitsui & Co. Ltd., and Enterprize Energy Group (40% interest), 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, in which 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 4.1: 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% interest.

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 4.1: Significant Events* for further information.

### ***Oneida Energy Storage Project***

Northland owns a 69.7% interest in the Oneida energy storage project, in partnership with NRStor Inc., Six Nations of the Grand River Development Corporation, Mississaugas of the Credit Business Corporation and Aecon Group Inc.

On May 7, 2025, Northland's 250 MW/1.0 GWh Oneida battery energy storage project successfully entered commercial operations ahead of schedule and under budget. The project was completed with no lost time incidents, demonstrating Northland's 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-stage 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.

### ***ScotWind Offshore Wind Projects***

Development on Spiorad na Mara, the fixed foundation offshore wind project, is ongoing with community consultation completed and consent submissions occurring in the coming months. Havbredey, the floating offshore wind project, has been de-prioritized.

### ***Jurassic BESS Project***

Please refer to *Section 4.1: Significant Events* for further information.

## SECTION 10: OUTLOOK

The Company's outlook focuses on execution during a period of elevated construction activity. Near-term priorities include the safe construction and delivery of Hai Long and Baltic Power projects. The Company has also implemented a simplified, regionally focused operating structure to enhance efficiency and align strategic and financial objectives.

Northland anticipates generating revenue from Hai Long and Baltic Power in 2026. For Hai Long, the revenue generated will be used to fund the construction of the project and will not be included in Free Cash Flow until the project reaches commercial operations, anticipated in 2027. Baltic Power is expected to achieve commercial operations in the second half of 2026.

### **Adjusted EBITDA**

Management expects 2026 Adjusted EBITDA of \$1.45 - \$1.65 billion, representing an increase from 2025 Adjusted EBITDA of \$1.25 billion. Several factors are expected to contribute to this increase:

- Hai Long contribution of \$150 - \$200 million;
- Baltic Power contribution of \$70 - \$120 million expected to start in the second half of 2026; and
- Full year contribution from Oneida and partial year contribution from Jurassic BESS of approximately \$15 million.

Increase in Adjusted EBITDA is expected to be partially offset by:

- Lower Nordsee One contribution of approximately \$20 million due to scheduled contract step-down.

Northland has assumed development expenditures will be approximately \$50 million. The Company intends to be selective and pursue only those projects that meet its strategic objectives and targeted returns.

### **Free Cash Flow**

Management expects 2026 Free Cash Flow of \$1.05 - \$1.25 per share, which is lower than the 2025 Free Cash Flow of \$1.46 per share. Several factors contributing to this variance include:

- One-time 2025 items including the non-recurrence of the German tax benefit (\$0.12), deferral of Spanish debt repayments (\$0.07), and other items (\$0.03) that combine to approximately \$0.22 per share;
- Foreign exchange hedging costs (\$0.10) and higher debt service for the natural gas business (\$0.05) are anticipated to total approximately \$0.15 per share; and
- Lower capitalized interest on hybrid debt as Oneida has commenced operations and Baltic Power assets will have commenced operations (\$0.10), along with other costs (\$0.05) that combines to approximately \$0.15 per share.

Decrease in Free Cash Flow is expected to be partially offset by:

- Baltic Power contribution net of debt repayments and other various items by approximately \$0.20 per share.

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 2025 AIF.

## SECTION 11: LITIGATION, CLAIMS AND CONTINGENCIES

Litigation, claims and other contingencies arise from time to time in the ordinary course of business for Northland. There are no legal or regulatory proceedings that involve a claim for damages or penalty exceeding 10% of Northland's current assets in respect of which Northland is or was a party, or in respect of which any of Northland's property is or was the subject during the year ended December 31, 2025, nor are there any such proceedings known to Northland to be contemplated. 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 28 of the 2025 audited consolidated financial statements for additional information including any contingencies arising as a result of completed acquisitions.

## SECTION 12: SUSTAINABILITY STRATEGY

Northland's Sustainability strategy is focused on advancing the energy transition and decarbonization efforts by expanding our renewable energy portfolio and fostering a workplace where a talented, diverse and committed group of people can build meaningful careers. We prioritize building collaborative relationships and partnerships with local and Indigenous communities, ensuring human rights are upheld throughout our supply chain and maintaining the highest standards of responsible governance.

For further information on Northland's climate-related strategy, goals and objectives, please refer to the Company's most recent sustainability report, which can be found at <https://www.northlandpower.com/en/about-northland/sustainability.aspx>, and the *Climate-Related Target Risk* in the "Risk Factors" section of the 2025 AIF.

## SECTION 13: 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 December 31, 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 2025 audited consolidated financial statements.

## SECTION 14: FINANCIAL RISKS AND UNCERTAINTIES

Northland's activities expose it to a variety of risks. Refer to the 2025 AIF for a summary of factors in addition to those discussed below that could significantly affect the operations and financial results of Northland.

Northland's risk management objective, as it relates to financial risks and uncertainties, is to mitigate fluctuations in cash flows and to provide more stable cash flows available to fund growth and pay dividends to shareholders. 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. The risks associated with Northland's financial instruments and Northland's policies for mitigating these risks are described below. Refer to Note 18 of the 2025 Annual Report for additional information on Northland's risk management approach.

For information on Northland's key risks, uncertainties, financial instruments and contractual commitments, refer to Northland's 2025 Annual Report and the 2025 AIF filed electronically at [www.sedarplus.ca](http://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 2025 Annual Report or 2025 AIF.

### **Market Risk**

Market risk is the risk that future cash flows and returns will fluctuate because of the changes in market prices and rates. Loans and borrowings, including the \$500 million issued and outstanding Fixed-to-Fixed rate Green Subordinated notes, Series 2023-A (the "**Green Notes**"), and preferred shares are affected by interest rates and credit spreads. Revenue and supply contracts are exposed to currency rates and commodity prices. Northland is also exposed to currency risk at Corporate level due to its international footprint. Some of these risks are covered by derivative instruments. Significant market risks to which Northland is exposed are discussed below.

#### **(i) Interest Rate Risk**

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with an instrument will fluctuate due to changes in market interest rates. Northland endeavors to manage this risk by securing fixed-rate debt or entering into interest rate swap agreements prior to or around the time of financial close that effectively convert floating rate interest exposures to a fixed rate. In the context of project financing, the exposure is generally mitigated prior to or around the time of financial close. In certain jurisdictions, such as Taiwan, Northland is unable to secure interest rate swaps for the full tenor of underlying debt; in those cases Northland manages the risk with rolling hedge strategies.

Changes in the fair value of interest rate swap contracts designated for hedge accounting are recorded in Northland's consolidated statements of comprehensive income (loss) to the extent that the hedge arrangements are effective. The fair values for these interest rate swap contracts are based on calculations and valuation models using observable market rates.

### *(ii) Credit Spread Risk*

Credit spread risk as it affects Northland refers to the risk that the loan margin charged by current or future lenders (a borrower-specific margin added to the underlying interest rate) will increase, making the cost of debt capital more expensive. Credit spread risk cannot be hedged. Northland manages this risk by: (i) entering into long-term financings with defined credit spreads over the amortization period whenever possible; (ii) ensuring loans are fully amortized (repaid) by maturity; and (iii) monitoring credit markets and making prudent decisions about the timing and method of original financings, refinancing and repricing opportunities.

### *(iii) Currency Risk*

Currency risk arises because the Canadian dollar equivalent of transactions, assets or liabilities denominated in foreign currencies may vary due to changes in foreign exchange rates. Northland is mainly exposed to changes in the Euro, US dollar, Colombian peso, Taiwan dollar and Polish Zloty. Northland is also exposed to currency rate fluctuation on construction projects with expenses in currencies different than the funding currency, operating assets with expenses in currencies different than the revenue currency, or development expenses on early-stage projects in other jurisdictions. Primary exposure to Northland arises from the Euro-denominated financial statements and cash distributions at Gemini, Nordsee One, Deutsche Bucht, and the Spanish Portfolio, Colombian peso-denominated financial statements and cash distributions from EBSA, and development spending at the pipeline projects. Management manages this risk by hedging material net foreign currency cash flows to the extent practical and economical to minimize material cash flow fluctuations.

From time to time, Northland enters into long-term foreign exchange contracts to secure foreign exchange conversion rates for a majority of forecasted Euro-denominated cash inflows from Gemini, Nordsee One, Deutsche Bucht, the Spanish Portfolio, and Baltic power, as well as a portion of the anticipated New Taiwan Dollar cash inflows from Hai Long. Additionally, Northland has established a short-term rolling hedge program to maintain foreign exchange conversion rates on a portion of distributions from EBSA.

### *(iv) Commodity Price Risk*

Commodity price risk arises where: (i) PPA revenues or components of PPA revenues depend upon certain electricity market indices; (ii) government subsidy or feed-in-tariff programs define a floor price but electricity market prices may be lower than those floors; (iii) a portion of revenue is not contracted and subject to changes in electricity prices; (iv) PPA revenues for efficient natural gas facilities are fixed, not linked to natural gas prices or the cost of natural gas is not at all or inefficiently passed through to the off-taker; (v) the value of a financial instrument or cash flows associated with the instrument fluctuates due to changes in commodity prices; or (vi) the price of a component in a supply agreement is linked to the price of one or several commodities.

Northland manages this risk by: (i) entering into PPAs that provide a fixed price for all, or substantially all, electricity production, provide a price linked to commodity prices or include pass-through of commodity costs to the off-taker; (ii) entering into financial power and natural gas hedges to stabilize contractual economics or protect against a specific risk, including natural gas costs and electricity prices, when practical and economical; (iii) including contingencies in construction budgets when they are exposed to commodity prices; (iv) avoiding commodity risk in supply contracts or passing through to the off-taker, whenever possible.

Northland has exposure to Dutch electricity market prices under Gemini's PPA when the market price falls below the contractual floor price. For the year ended December 31, 2025, the average wholesale market price was above the contractual floor price, so the revenue was not impacted by this floor.

Northland has indirect exposure to German electricity market prices under the Nordsee One and Deutsche Bucht PPAs whereby the facilities do not receive revenue for periods where the market power price remains negative for longer than six consecutive hours. In the fourth quarter of 2025, as scheduled in the EEG for Nordsee One, the subsidy price stepped down to €154/MWh for all turbines. This rate will remain in effect until October 2026. Thereafter, the turbines will gradually begin to phase out from the EEG subsidy mechanism to merchant market pricing, starting with those commissioned earliest. The final turbine is scheduled to receive this tariff until April 2027.

## **Financial Counterparty Risk**

Counterparty risk is the risk that a counterparty fails to perform its contractual obligations which could result in losses in financial assets. Northland is exposed to counterparty risk in several areas including: (i) cash and cash equivalents held with banks and financial institutions; (ii) counterparty exposures arising from: (a) contractual obligations, which include but are not limited to sales contracts, equipment supply, delivery, installation and maintenance contracts, fuel supply and fuel transportation agreements, energy marketing contracts and construction contracts, (b) derivative financial instruments, (c) trade receivables due from customers, (d) loan receivables due from partners and other entities, and (e) claims payable by an insurer; and (iii) unfunded loan commitments from financial institutions for the construction of projects. The maximum exposure to counterparty risk, other than for the loan commitments, is equal to the carrying value of the financial assets.

Northland manages counterparty risk by contracting with highly creditworthy counterparties wherever possible, such as government-related entities and large financial institutions. Northland's cash, derivative financial instruments, unfunded loan commitments and insurance policies are contracted with creditworthy financial institutions. Northland's gas, transportation, equipment supply/ installation, maintenance and construction contracts are with highly rated and/or large, well-capitalized counterparties wherever possible. Northland also manages counterparty risk by conducting comprehensive initial credit analyses on potential counterparties to material and/or long-term contracts and monitoring counterparties over time.

The nature of Northland's business and contractual arrangements, and the quality of its counterparties generally serve to minimize counterparty risk.

## **Liquidity Risk**

Liquidity risk is the risk that Northland: (i) may not have sufficient funds to settle a transaction on the due date; (ii) may be forced to sell financial assets or terminate financial liabilities at a value that is not the fair market value; or (iii) may be unable to settle or recover a financial asset at all. Liquidity risk arises through an excess of financial obligations over available financial assets at any point in time.

Northland manages liquidity risk to maintain sufficient cash or readily available funding in order to meet expected liquidity requirements. Northland achieves this by: (i) maintaining prudent cash balances, availability under committed credit facilities and access to capital markets; (ii) implementing financing structures and derivatives or hedging strategies that minimize the risk of material cash flow impacts; and (iii) actively monitoring open positions to assess and proactively adapt to possible market liquidity concerns.

Northland is also subject to internal liquidity risk because it conducts its business activities through separate legal entities (subsidiaries and affiliates) and is dependent on cash distributions from those entities to defray corporate expenses and pay dividends. Most operating subsidiaries hold non-recourse debt. Such non-recourse financing agreements typically prohibit 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 Adjusted EBITDA to scheduled loan principal and interest payments over a specified time period. For the year ended December 31, 2025, Northland and its investees were in compliance with all financial covenants under the applicable corporate and non-recourse credit agreements.

Northland will be required to refinance, renew or extend debt instruments as they become due. The ability to refinance, renew or extend debt instruments is dependent on the capital markets up to the time of maturity and any credit ratings for Northland at the relevant time, which may affect the availability, pricing or terms and conditions of replacement financings.

Refer to Note 28 in the audited consolidated financial statements for the year ended December 31, 2025, for additional information related to Northland's commitments and obligations.

## **Taxation**

Northland's operations are complex, and located in several countries, and the computation of the provision for income taxes involves understanding and interpreting tax legislation and regulations, jurisprudence and administrative policies that are continually changing. Northland and its subsidiaries are subject to audits by the local tax authorities and while Northland believes that its tax filings have been made in material compliance with all applicable laws, assurance cannot be provided that the Canadian or other relevant taxing authorities will agree with tax positions taken, including with respect to expenses and renewable energy tax incentives claimed and the cost of depreciable assets. In particular, in some cases of new legislation, tax authorities have not yet developed administrative policies or issued interpretative guidance. A successful challenge by an applicable taxing authority regarding such tax positions could adversely affect the operations and financial position of Northland.

Income, withholding and sales tax laws in the jurisdictions in which Northland and its subsidiaries do business could change in a manner that adversely affects Northland and its shareholders. There also can be no assurance that renewable energy tax incentives will continue to be available or on what terms. Northland and its subsidiaries are also subject to various uncertainties concerning the interpretation and application of domestic and international tax laws that could affect its profitability and cash flows.

Northland undertakes all transactions for commercial reasons and strives to structure them in a tax-efficient manner. These transactions and financing structures could be challenged by the Canadian and/or local tax authority. Before entering into these transactions and structures, legal and tax experts are engaged to ensure these transactions and structures are in compliance with all tax laws, rules and regulations. A successful challenge by the Canadian or local tax authority to transactions and structures entered into by Northland and its subsidiaries may have an adverse effect on Northland and its Free Cash Flow.

## SECTION 15: CRITICAL ACCOUNTING ESTIMATES

Preparing the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Northland's operating facilities and investments primarily operate under long-term contracts with creditworthy counterparties. As a result, management believes it is not exposed to critical accounting estimates to the same degree as merchant businesses of comparable size. For Northland, the amounts recorded for depreciation of property, plant and equipment and contracts, fair value of financial assets and financial liabilities, decommissioning liabilities, deferred development costs, leases, LTIP, impairment of non-financial assets, income taxes and accounting for non-wholly owned subsidiaries are based on estimates and management's judgment. By their nature, these estimates are subject to measurement uncertainty, and changes in these estimates may affect the audited consolidated financial statements of future periods. Estimates and accounting judgments are based on historical experience, current trends and other assumptions that are believed to be reasonable under the circumstances.

## SECTION 16: 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.

Management of Northland, including the CEO and CFO, have evaluated the design and operating effectiveness of Northland's DC&P and ICFR. Based on the evaluation, the CEO and CFO concluded that the design and operation of Northland's DC&P and ICFR were effective as at December 31, 2025.

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 year ended December 31, 2025, that have materially affected, or are reasonably likely to materially affect, Northland's ICFR.