



Second Quarter Report

Quarterly Report for the period
ended June 30, 2025

NORTHLAND POWER INC.

Management's Discussion and Analysis

Table of Contents

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

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

SECTION 1: OVERVIEW

Introduction

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

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

Forward-Looking Statements

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

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

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

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

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

Non-IFRS Financial Measures

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

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

Adjusted EBITDA

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

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

Free Cash Flow

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

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

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

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

SECTION 2: NORTHLAND'S BUSINESS

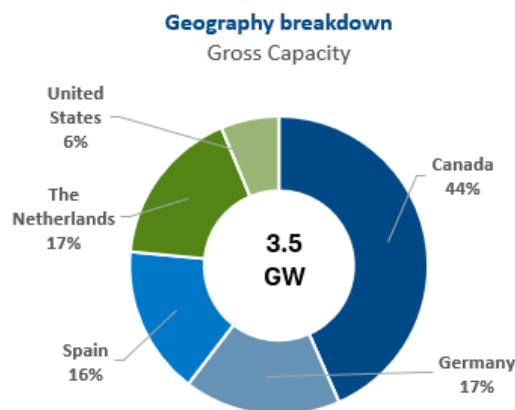
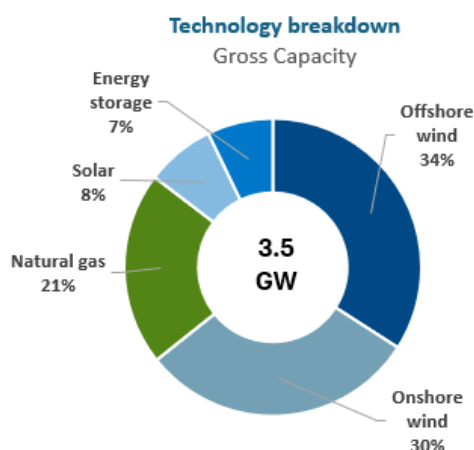
As of June 30, 2025, Northland owns or has a net economic interest in 3,014 MW of power-producing facilities with a total gross operating capacity of approximately 3,498 MW and a regulated utility. Northland's facilities produce electricity for sale, primarily under long-term PPAs, energy storage capacity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

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

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

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

(2) Presented at Northland's economic interest.



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

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

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

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

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

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

SECTION 3: CONSOLIDATED HIGHLIGHTS

3.1: Significant Events

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

Project Updates:

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

Oneida Energy Storage Project

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

Hai Long Offshore Wind Project

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

Baltic Power Offshore Wind Project

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

Other Growth Activity

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

Others:

Executive Changes

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

Guidance Update

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

3.2: Operating Highlights

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

Summary of Consolidated Results

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

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

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

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

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

(5) Presented at Northland's economic interest.

SECTION 4: RESULTS OF OPERATIONS

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

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

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

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

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

4.1: Operating Results

Offshore Wind Facilities

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

Variability within Operating Results

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

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

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

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

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

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

Operating Performance

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

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

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

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

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

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

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

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

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

Revenue per MWh of each facility

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

The following table summarizes operating results by facility:

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

(1) Revenue from non-curtailed production only.

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

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

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

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

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

Onshore Renewable & Energy Storage Facilities

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

Spain revenue structure and regulatory changes

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

The revenue for each facility has four components:

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

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

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

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

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

Operating Performance

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

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

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

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

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

Natural Gas Facilities

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

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

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

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

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

Utility

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

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

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

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

4.2: General and Administrative Costs

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

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

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

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

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

4.3: Growth Expenditures

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

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

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

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

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

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

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

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

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

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

4.4: Consolidated Results

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

Second Quarter

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

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

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

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

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

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

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

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

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

Year to date

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

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

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

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

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

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

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

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

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

4.5: Adjusted EBITDA

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

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

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

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

Second Quarter

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

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

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

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

Year to date

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

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

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

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

4.6: Free Cash Flow

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

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

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

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

The following table reconciles Adjusted EBITDA to Free Cash Flow:

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

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

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

Second Quarter

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

The significant factors decreasing Free Cash Flow were:

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

The factor offsetting the decrease in Free Cash Flow was:

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

Year to date

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

The significant factors decreasing Free Cash Flow were:

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

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

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

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

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

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

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

SECTION 5: CHANGES IN FINANCIAL POSITION

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

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

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

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

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

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

SECTION 6: EQUITY, LIQUIDITY AND CAPITAL RESOURCES

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

Dividends

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

DRIP

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

Equity

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

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

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

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

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

Liquidity and Capital Resources

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

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

Year to date

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

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

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

Factors partially offsetting cash provided by operating activities include:

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

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

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

Factor partially offsetting cash used in investing activities includes:

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

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

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

Factors partially offsetting cash used in financing activities were:

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

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

Property, Plant and Equipment

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

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

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

Debt

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

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

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

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

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

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

Corporate Credit Facilities and Letters of Credit

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

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

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

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

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

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

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

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

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

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

Debt Covenants

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

SECTION 7: SUMMARY OF QUARTERLY CONSOLIDATED RESULTS

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

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

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

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

SECTION 8: CONSTRUCTION, DEVELOPMENT AND ACQUISITION ACTIVITIES

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

Hai Long Offshore Wind Project

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

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

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

Baltic Power Polish Offshore Wind Project

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

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

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

Oneida Energy Storage Project

Northland owns 69.7% of the project in partnership with 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 announced that the 250 MW/1.0 GWh Oneida project – the largest operating battery energy storage facility in Canada – successfully entered commercial operations ahead-of-schedule and under-budget. The project was completed with no lost time incidents, reflecting Northland's strong commitment to health and safety. Oneida operates under a 20-year capacity contract with Ontario's Independent Electricity System Operator.

South Korean Offshore Wind Projects

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

ScotWind Offshore Wind Project

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

Jurassic BESS Project

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

SECTION 9: OUTLOOK

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

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

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

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

SECTION 10: LITIGATION, CLAIMS AND CONTINGENCIES

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

SECTION 11: FUTURE ACCOUNTING POLICIES

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

SECTION 12: FINANCIAL RISKS AND UNCERTAINTIES

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

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

SECTION 13: CONTROLS AND PROCEDURES OVER FINANCIAL REPORTING

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

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

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

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

Changes In Internal Control over Financial Reporting

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

Interim condensed consolidated financial statements

Table of contents

Primary statements

Interim condensed consolidated statements of financial position	30
Interim condensed consolidated statements of income (loss)	31
Interim condensed consolidated statements of comprehensive income (loss)	32
Interim condensed consolidated statements of changes in equity	33
Interim condensed consolidated statements of cash flows	35

Notes to the interim condensed consolidated financial statements

1. Description of Northland's business	36	Performance
2. Summary of accounting policies	37	12. Revenue from sale of energy and related products .
		49
Financial position		13. Operating, G&A and Development costs
		49
3. Property, plant and equipment	38	14. Net income (loss) per share
		50
4. Investment in joint ventures	39	15. Finance costs (income), net
		50
4.1 Reconciliation to equity investments carrying amounts	39	16. Operating segment information
		51
4.2 Summarized financial information of significant Joint ventures	40	
4.3 Hai Long offshore wind project	41	Others
4.4 Baltic Power offshore wind project	41	17. Litigation, claims, contingencies and commitments .
		54
5. Trade and other payables	42	17.1 Milestone payments for development project acquisitions
		54
6. Corporate credit facilities	42	17.2 Contingencies and commitments
		54
7. Loans and borrowings	43	
7.1 Project level non-recourse borrowing	43	
8. Provisions and other liabilities	44	
9. Equity	45	
9.1 Common shares	45	
9.2 Preferred share dividends	45	
9.3 Ordinary dividends	45	
10. Non-controlling interests	46	
11. Financial instruments	47	
11.1 Fair value hierarchy of derivative financial instruments	48	

Interim condensed consolidated statements of financial position

In thousands of Canadian dollars

<i>(Unaudited)</i>			
As at		June 30, 2025	December 31, 2024
Assets			
Cash and cash equivalents	\$	737,506	\$ 613,319
Restricted cash		55,555	59,073
Trade and other receivables		285,749	535,961
Other current assets		113,108	119,730
Derivative assets (Note 11)		36,470	63,979
Total current assets	\$	1,228,388	\$ 1,392,062
Property, plant and equipment (Note 3)		9,007,864	8,879,101
Contracts and other intangible assets		400,081	393,886
Goodwill		627,112	617,607
Finance lease receivable		110,529	113,884
Derivative assets (Note 11)		183,035	248,869
Deferred tax asset		34,080	38,174
Investment in joint ventures (Note 4)		1,131,641	1,023,068
Other non-current assets		971,617	897,687
Total non-current assets	\$	12,465,959	\$ 12,212,276
Total assets	\$	13,694,347	\$ 13,604,338
Liabilities and equity			
Trade and other payables (Note 5)	\$	258,823	\$ 368,791
Loans and borrowings (Note 7)		989,899	862,626
Dividends payable (Note 9.3)		26,812	26,657
Current portion of provision and other liabilities (Note 8)		26,993	32,114
Derivative liabilities (Note 11)		47,903	40,907
Total current liabilities	\$	1,350,430	\$ 1,331,095
Loans and borrowings (Note 7)		5,822,922	6,147,273
Corporate credit facilities (Note 6)		225,348	175,919
Provisions and other liabilities (Note 8)		683,825	648,408
Derivative liabilities (Note 11)		354,986	187,404
Deferred tax liability		518,274	557,826
Total non-current liabilities	\$	7,605,355	\$ 7,716,830
Total liabilities	\$	8,955,785	\$ 9,047,925
Equity			
Common shares (Note 9.1)	\$	5,220,894	\$ 5,193,412
Preferred shares		144,843	144,843
Contributed surplus		6,501	6,281
Accumulated other comprehensive income (loss)		292,270	43,620
Deficit		(1,358,122)	(1,202,043)
Equity attributable to shareholders	\$	4,306,386	\$ 4,186,113
Non-controlling interests ("NCI") (Note 10)		432,176	370,300
Total equity	\$	4,738,562	\$ 4,556,413
Total liabilities and equity	\$	13,694,347	\$ 13,604,338

See accompanying notes.

Interim condensed consolidated statements of income (loss)

In thousands of Canadian dollars except for Share and per Share information

(Unaudited)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Income				
Revenue from sale of energy and related products (Note 12)	\$ 509,132	\$ 528,974	\$ 1,157,652	\$ 1,283,894
Finance lease income	2,487	2,612	5,006	5,252
Total Income	\$ 511,619	\$ 531,586	\$ 1,162,658	\$ 1,289,146
Expenses				
Operating costs (Note 13)	166,628	166,558	341,552	327,580
General and administrative ("G&A") costs (Note 13)	27,984	25,399	55,504	55,511
Development costs (Note 13)	13,217	17,141	26,605	25,122
Fair value adjustment relating to the disposal group held for sale	—	—	—	43,884
Depreciation of property, plant and equipment (Note 3)	166,082	155,967	323,335	310,028
Amortization of contracts and other intangible assets	15,651	14,496	30,498	28,827
Total expenses	\$ 389,562	\$ 379,561	\$ 777,494	\$ 790,952
Operating income (loss)	\$ 122,057	\$ 152,025	\$ 385,164	\$ 498,194
Finance costs (Note 15)	(96,720)	(98,117)	(180,381)	(186,848)
Finance income (Note 15)	13,983	21,532	27,105	37,824
Foreign exchange gain (loss)	13,792	(5,549)	44,261	(1,665)
Fair value gain (loss) on financial instruments (Note 11)	(144,433)	82,446	(287,923)	(3,016)
Share of profit (loss) from joint ventures (Note 4)	(22,315)	94,644	53,039	133,452
Other income (expense)	(4,660)	66,445	6,589	65,329
Income (loss) before income taxes	\$ (118,296)	\$ 313,426	\$ 47,854	\$ 543,270
Income taxes (provision) recovery				
Current	16,554	(37,113)	(36,964)	(110,189)
Deferred	48,593	(13,957)	46,778	(21,428)
Total income taxes	\$ 65,147	\$ (51,070)	\$ 9,814	\$ (131,617)
Net income (loss)	\$ (53,149)	\$ 262,356	\$ 57,668	\$ 411,653
Net income (loss) attributable to:				
Non-controlling interests ("NCI") (Note 10)	9,595	16,266	53,580	89,960
Shareholders of the Company (Note 14)	(62,744)	246,090	4,088	321,693
Net income (loss)	\$ (53,149)	\$ 262,356	\$ 57,668	\$ 411,653
Weighted average number of Shares outstanding - basic and diluted (000s) (Note 14)	261,502	256,659	261,097	256,070
Net income (loss) attributable to common shareholders per Share - basic and diluted (Note 14)	\$ (0.25)	\$ 0.95	\$ 0.00	\$ 1.24

See accompanying notes.

Interim condensed consolidated statements of comprehensive income (loss)

In thousands of Canadian dollars

(Unaudited)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Net income (loss)	\$ (53,149)	\$ 262,356	\$ 57,668	\$ 411,653
Items that may be re-classified into net income (loss):				
Exchange rate differences on translation of foreign operations	89,823	(112,523)	327,408	(70,131)
Share of other comprehensive income (loss) of a joint venture	18,028	(3,613)	(7,380)	(11,212)
Change in fair value of derivative contracts (Note 11)	(11,721)	(11,933)	(35,284)	(10,349)
Deferred tax recovery (expense)	(503)	7,770	(11,320)	5,095
Items that will not be re-classified into net income (loss):				
Re-measurement of pension obligation	1,062	1,450	1,541	1,474
Other comprehensive income (loss)	\$ 96,689	\$ (118,849)	\$ 274,965	\$ (85,123)
Total comprehensive income (loss)	\$ 43,540	\$ 143,507	\$ 332,633	\$ 326,530
Total comprehensive income (loss) attributable to:				
Non-controlling interests	23,561	17,756	79,895	94,696
Shareholders of the Company	19,979	125,751	252,738	231,834
Total comprehensive income (loss)	\$ 43,540	\$ 143,507	\$ 332,633	\$ 326,530

See accompanying notes.

Interim condensed consolidated statements of changes in equity

In thousands of Canadian dollars

<i>(Unaudited)</i>	Common shares	Preferred shares	Deficit	Contributed surplus	Accumulated other comprehensive income (loss)	Equity attributable to shareholders	Non- controlling interests	Total equity
December 31, 2024	\$ 5,193,412	\$ 144,843	\$ (1,202,043)	\$ 6,281	\$ 43,620	\$ 4,186,113	\$ 370,300	\$ 4,556,413
Net income (loss)	—	—	4,088	—	—	4,088	53,580	57,668
Deferred tax recovery (expense)	—	—	—	—	(11,369)	(11,369)	49	(11,320)
Exchange rate differences on translation of foreign operations	—	—	—	—	295,557	295,557	31,851	327,408
Share of other comprehensive income (loss) of a joint venture	—	—	—	—	(7,380)	(7,380)	—	(7,380)
Change in fair value of derivative contracts (Note 11)	—	—	—	—	(29,687)	(29,687)	(5,597)	(35,284)
Re-measurement of pension obligation	—	—	—	—	1,529	1,529	12	1,541
Total comprehensive income (loss)	\$ —	\$ —	\$ 4,088	\$ —	\$ 248,650	\$ 252,738	\$ 79,895	\$ 332,633
Share-based compensation reserve	—	—	—	220	—	220	—	220
Additional contribution by NCI (Note 10)	—	—	—	—	—	—	5,185	5,185
Increase in NCI arising on dilution of interest in subsidiaries (Note 10)	—	—	(603)	—	—	(603)	5,288	4,685
Dividends to NCI (Note 10)	—	—	—	—	—	—	(28,492)	(28,492)
Common shares issued under DRIP and dividends declared	27,482	—	(156,744)	—	—	(129,262)	—	(129,262)
Preferred share dividends (Note 9.2)	—	—	(2,820)	—	—	(2,820)	—	(2,820)
June 30, 2025	\$ 5,220,894	\$ 144,843	\$ (1,358,122)	\$ 6,501	\$ 292,270	\$ 4,306,386	\$ 432,176	\$ 4,738,562

See accompanying notes.

Interim condensed consolidated statements of changes in equity (continued)

In thousands of Canadian dollars

<i>(Unaudited)</i>	Common shares	Preferred shares	Deficit	Contributed surplus	Accumulated other comprehensive income (loss)	Equity attributable to shareholders	Non- controlling interests	Total equity
December 31, 2023	\$ 5,085,387	\$ 144,843	\$ (1,158,682)	\$ 5,976	\$ 107,653	\$ 4,185,177	\$ 297,547	\$ 4,482,724
Net income (loss)	—	—	321,693	—	—	321,693	89,960	411,653
Deferred tax recovery (expense)	—	—	—	—	5,072	5,072	23	5,095
Exchange rate differences on translation of foreign operations	—	—	—	—	(73,174)	(73,174)	3,043	(70,131)
Share of other comprehensive income (loss) of a joint venture	—	—	—	—	(11,212)	(11,212)	—	(11,212)
Change in fair value of derivative contracts (Note 11)	—	—	—	—	(12,007)	(12,007)	1,658	(10,349)
Re-measurement of pension obligation	—	—	—	—	1,462	1,462	12	1,474
Total comprehensive income (loss)	\$ —	\$ —	\$ 321,693	\$ —	\$ (89,859)	\$ 231,834	\$ 94,696	\$ 326,530
Share-based compensation reserve	—	—	—	195	—	195	—	195
Additional contribution provided by NCI (Note 10)	—	—	—	—	—	—	782	782
Dividends to NCI (Note 10)	—	—	—	—	—	—	(21,961)	(21,961)
Common shares issued under DRIP and dividends declared	52,532	—	(153,760)	—	—	(101,228)	—	(101,228)
Preferred share dividends (Note 9.2)	—	—	(3,111)	—	—	(3,111)	—	(3,111)
June 30, 2024	\$ 5,137,919	\$ 144,843	\$ (993,860)	\$ 6,171	\$ 17,794	\$ 4,312,867	\$ 371,064	\$ 4,683,931

See accompanying notes.

Interim condensed consolidated statements of cash flows

In thousands of Canadian dollars

(Unaudited)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Operating activities				
Net income (loss)	\$ (53,149)	\$ 262,356	\$ 57,668	\$ 411,653
Items not involving cash:				
Depreciation of property, plant and equipment (Note 3)	166,082	155,967	323,335	310,028
Amortization of contracts and other intangible assets	15,651	14,496	30,498	28,827
Fair value adjustment relating to the disposal group held for sale	—	—	—	43,884
Finance costs, net (Note 15)	82,737	76,585	153,276	149,024
Fair value (gain) loss on financial instruments	144,433	(82,446)	287,923	3,016
Unrealized foreign exchange (gain) loss	(13,428)	5,537	(43,301)	3,186
Loss (gain) on divestment or change of ownership interest in subsidiaries and joint ventures	—	(63,901)	—	(63,901)
Deferred tax expense (recovery)	(48,593)	13,957	(46,778)	21,428
Share of (profit) loss from joint ventures (Note 4)	22,315	(94,644)	(53,039)	(133,452)
Others	457	(2,785)	(10,096)	(1,304)
	\$ 316,505	\$ 285,122	\$ 699,486	\$ 772,389
Net change in working capital related to operations	134,572	(114,124)	174,399	(298,975)
Cash provided by (used in) operating activities	\$ 451,077	\$ 170,998	\$ 873,885	\$ 473,414
Investing activities				
Purchase of property, plant and equipment	(26,977)	(245,594)	(49,156)	(456,285)
Additional equity contribution to the joint ventures	—	—	—	(82,101)
Proceeds from divestment of ownership interest in subsidiaries and joint ventures	—	215,175	—	215,175
Loans provided to the joint ventures	—	(146,633)	—	(228,021)
Others	7,968	21,642	19,752	31,111
Cash provided by (used in) investing activities	\$ (19,009)	\$ (155,410)	\$ (29,404)	\$ (520,121)
Financing activities				
Proceeds from borrowings, net of transaction costs	33,916	477,684	92,604	824,376
Repayment of borrowings	(375,980)	(270,503)	(512,933)	(475,090)
Interest paid	(106,328)	(105,421)	(160,475)	(161,296)
Common share dividends	(78,451)	(49,836)	(129,107)	(100,994)
Dividends to NCI (Note 10)	(4,422)	(21,763)	(28,492)	(21,961)
Preferred share dividends (Note 9.2)	(1,388)	(1,553)	(2,820)	(3,111)
Equity contribution by NCI (Note 10)	—	—	5,185	782
Others	2,914	10,510	(6,151)	(10,333)
Cash provided by (used in) financing activities	\$ (529,739)	\$ 39,118	\$ (742,189)	\$ 52,373
Effect of exchange rate differences on cash and cash equivalents	7,515	(2,669)	21,895	3,791
Net change in cash and cash equivalents during the period	\$ (90,156)	\$ 52,037	\$ 124,187	\$ 9,457
Cash and cash equivalents, beginning of the period	827,662	697,664	613,319	740,244
Cash and cash equivalents, end of the period	\$ 737,506	\$ 749,701	\$ 737,506	\$ 749,701

See accompanying notes.

Notes to the interim condensed consolidated financial statements

1. Description of Northland's business

Northland Power Inc. (the “**Company**” or “**NPI**”) owns or holds net economic interests, through its subsidiaries and joint ventures (together referred in here as “**Northland**” or the “**Group**”), in power producing and energy storage facilities and a power distribution utility, as well as in the projects under construction or development phases. Northland’s facilities produce electricity for sale, primarily under long-term Power Purchase Agreements (“**PPAs**”), energy storage capacity contracts or other revenue arrangements with creditworthy counterparties. Northland’s utility business is a distributor and retailer of electricity, compensated under a regulated framework. These operating assets are located in Canada, Colombia, Germany, the Netherlands, Spain, and the United States of America (the “**United States**”). Northland’s assets under construction are located in Canada, Poland and Taiwan. Northland’s assets under development are located in Canada, South Korea, Scotland, and the United States.

Northland is incorporated under the laws of Ontario, Canada, with common shares (“**Shares**”), Series 1 cumulative rate reset preferred shares (“**Series 1 Preferred Shares**”) and Series 2 cumulative floating rate preferred shares (“**Series 2 Preferred Shares**”) that are publicly traded on the Toronto Stock Exchange (“**TSX**”). Northland’s registered office is located in Toronto, Ontario.

These unaudited interim condensed consolidated financial statements (the “**interim consolidated financial statements**”) include results of the Group, of which the most significant subsidiaries and joint ventures, as of June 30, 2025 are listed in the following table:

Name of the entities	Geographic region	Relationship	Effective ownership % ⁽¹⁾
Offshore Wind			
Buitengaats C.V. and ZeeEnergie C.V. (“ Gemini ”)	The Netherlands	Subsidiary	60%
Nordsee One GmbH (“ Nordsee One ”)	Germany	Subsidiary	85%
Northland Deutsche Bucht GmbH (“ Deutsche Bucht ”)	Germany	Subsidiary	100%
Baltic Power Offshore Wind Project (“ Baltic Power ”)	Poland	Joint Venture	49%
NP Hai Long Holding BV (“ Hai Long Hold Co ”) ⁽²⁾	Taiwan	Joint Venture	31%
Onshore Renewable & Energy Storage Facilities			
Northland Power Spain Holdings, S.L.U. (“ Spanish portfolio ”) ⁽³⁾	Spain	Subsidiary	99%
Natural Gas			
North Battleford Power L.P. (“ North Battleford ”)	Canada	Subsidiary	100%
Thorold CoGen L.P. (“ Thorold ”)	Canada	Subsidiary	100%
Utility			
Empresa de Energía de Boyacá S.A E.S.P (“ EBSA ”)	Colombia	Subsidiary	99%

(1) As at June 30, 2025, Northland’s economic interest remained unchanged from December 31, 2024.

(2) Northland holds 51% shareholding in NP Hai Long Holding BV (“**Hai Long Hold Co**”) which holds 60% investment in the underlying offshore wind projects (the “**Hai Long Project**”). As a result, Northland’s effective economic interest in the Hai Long Project, is 31%.

(3) Northland owns 100% ownership interest in all the facilities within the Spanish Portfolio, except for Elecdey Lezuza, S.A. (a wind facility), where Northland’s ownership interest is at 66%.

2. Summary of accounting policies

2.1 Basis of preparation and statement of compliance

These interim consolidated financial statements of Northland are prepared in accordance with *International Accounting Standard (IAS) 34, Interim Financial Reporting*, applying the accounting policies which Northland outlined in its December 31, 2024, annual consolidated financial statements. These accounting policies are in line with International Financial Reporting Standards (IFRS) guidelines. The interim consolidated financial statements do not include all the information and disclosures, required under IFRS, as applicable for the annual consolidated financial statements and therefore, should be read in conjunction with Northland's 2024 annual consolidated financial statements. These interim consolidated financial statements are presented in Canadian dollars and all values are presented in thousands except where otherwise indicated. The comparative financial information has been reclassified from the previously presented to conform to the current period presentation.

The interim consolidated financial statements for the three and six months ended June 30, 2025, were approved by the Board of Directors on August 13, 2025 ("**Approval Date**").

2.2 Seasonality of operations

Northland's power generation and utilities distribution assets can experience higher or lower demand in the summer or winter months depending on the type of the generation facilities and specific regional weather conditions. Consequently, Northland's interim operating results are subject to seasonal fluctuations and, thus, interim results are not necessarily indicative of annual results.

2.3 Basis of consolidation

The interim consolidated financial statements include Northland's direct and indirect subsidiaries, which are fully consolidated on the date Northland obtains control and continue to be consolidated until the date such control ceases. Northland determines that it has control over an investee, if facts and circumstances indicate that Northland is exposed to or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power. All intra-group balances and transactions are eliminated on consolidation.

2.4 New standards or amendments and forthcoming requirements

The accounting policies applied to prepare these interim consolidated financial statements are consistent with those followed to prepare Northland's annual consolidated financial statements for the year ended December 31, 2024, except for the adoption of the applicable new standards or amendments to the existing standards, if any, with an effective date for the accounting periods commencing on or after January 1, 2025, as noted in the annual consolidated financial statements of Northland. Northland has not early adopted any standard, interpretation or amendments to the existing standards that have been issued but are not yet effective as of June 30, 2025.

3. Property, plant and equipment

The following table summarizes movement in Northland's property, plant and equipment by category:

	Plant and operating equipment	Land, buildings and leasehold improvements	Lease right- of-use (ROU) asset	Other equipment	Construction- in-progress	Total
As at December 31, 2024	\$ 6,678,001	\$ 1,345,955	\$ 165,987	\$ 17,770	\$ 671,388	\$ 8,879,101
Additions	1,880	13	2,095	282	46,982	51,252
Disposals and other movements	(1,203)	(9,298)	(1,478)	(140)	(9,149)	(21,268)
Depreciation expense	(259,702)	(52,696)	(7,860)	(3,077)	—	(323,335)
Transfers (a)	566,444	54,008	—	2,081	(622,533)	—
Exchange adjustments	366,697	51,155	5,476	94	(1,308)	422,114
As at June 30, 2025	\$ 7,352,117	\$ 1,389,137	\$ 164,220	\$ 17,010	\$ 85,380	\$ 9,007,864

(a) Transfers from capital work in progress include \$616 million and \$4 million, which have been reclassified from construction in progress to the relevant asset categories within property, plant, and equipment, and contract and other intangibles assets, respectively. These represent the capitalized costs of the Oneida Energy Storage Project which started commercial operations during the six months ended June 30, 2025.

Geographical Information

Northland operates in various geographic locations worldwide. The table below presents the consolidated property, plant, and equipment of its subsidiaries, excluding joint ventures, across these significant locations:

As at	June 30, 2025	December 31, 2024
The Netherlands	\$ 2,347,271	\$ 2,271,477
Germany	2,184,370	2,102,684
Canada	2,047,198	2,092,886
Spain	1,402,558	1,345,518
Colombia	535,189	539,581
United States	459,935	496,853
Others	31,343	30,102
Total	\$ 9,007,864	\$ 8,879,101

4. Investment in joint ventures

Below are Northland's significant joint ventures as at June 30, 2025 and December 31, 2024. The entities have share capital consisting solely of ordinary shares, which are held directly or indirectly by Northland:

Name of joint ventures	Carrying amount as at		Share of profit (loss) for the three months ended		Share of profit (loss) for the six months ended	
	June 30, 2025	December 31, 2024	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Hai Long Hold Co (Note 4.3)	\$ 644,607	\$ 652,770	\$ (8,502)	\$ 17,554	\$ (45,196)	\$ 45,510
Baltic Power (Note 4.4)	481,998	356,852	(13,189)	76,944	98,316	88,128
Others	5,036	13,446	(624)	146	(81)	(186)
Total	\$ 1,131,641	\$ 1,023,068	\$ (22,315)	\$ 94,644	\$ 53,039	\$ 133,452

The country of incorporation or registration is the same as their principal place of business. Northland's ownership interest is the same as the proportion of voting rights held. Northland's ownership and the place of business/country of incorporation of Hai Long and Baltic Power projects are disclosed in [Note 1](#) of the interim consolidated financial statements.

4.1 Reconciliation to equity investments carrying amounts

The table below provides a summary of changes in the underlying net assets of the significant joint ventures and their reconciliation to the carrying values of the investments in the joint ventures, as at June 30, 2025 and December 31, 2024:

	Opening net assets	Equity contribution	Total comprehensive income (loss) for the year	Currency translation gain (loss)	Closing net assets	Northland's ownership %	Northland's share in net assets	Other adjustments ⁽¹⁾	Carrying amount at Northland's share
Six months ended June 30, 2025									
Hai Long Hold Co	\$ 1,302,061	\$ —	\$ (103,091)	\$ 96,319	\$ 1,295,289	51%	\$ 660,597	\$ (15,990)	\$ 644,607
Baltic Power	750,287	—	201,219	62,256	1,013,762	49%	495,324	(13,326)	481,998
Total	\$ 2,052,348	\$ —	\$ 98,128	\$ 158,575	\$ 2,309,051		\$ 1,155,921	\$ (29,316)	\$ 1,126,605
Year ended December 31 2024									
Hai Long Hold Co	\$ 1,031,926	\$ 161,807	\$ 108,328	\$ —	\$ 1,302,061	51%	\$ 664,051	\$ (11,281)	\$ 652,770
Baltic Power	738,327	—	404	11,556	750,287	49%	366,590	(9,738)	356,852
Total	\$ 1,770,253	\$ 161,807	\$ 108,732	\$ 11,556	\$ 2,052,348		\$ 1,030,641	\$ (21,019)	\$ 1,009,622

(1) These represent the elimination of Northland's share in the interest expense on the Shareholder's loans provided to these joint ventures.

4.2 Summarized financial information of significant Joint ventures

Below is a summary of the financial information for significant joint ventures, reflecting the amounts reported in the financial statements of each joint venture and indicating 100% ownership instead of Northland's proportionate share. This summarized financial information has been adjusted by Northland while applying the equity method of accounting, including acquisition date fair value adjustments and differences in accounting policies:

a) Summarized statement of financial position, at 100%

	Current assets			Non-current assets	Current liabilities			Non-current financial liabilities	Net assets
	Cash and cash equivalents	Other current assets	Total current assets		Financial liabilities	Other current liabilities	Total current liabilities		
As at June 30, 2025									
Hai Long Hold Co	\$ 664	\$ 2,867	\$ 3,531	\$ 2,305,778	\$ 631	\$ —	\$ 631	\$ 1,013,389	\$ 1,295,289
Baltic Power	132,656	134,047	266,703	4,411,155	116,470	166,803	283,273	3,380,823	1,013,762
Total	\$ 133,320	\$ 136,914	\$ 270,234	\$ 6,716,933	\$ 117,101	\$ 166,803	\$ 283,904	\$ 4,394,212	\$ 2,309,051
As at December 31, 2024									
Hai Long Hold Co	\$ 2,060	\$ 924	\$ 2,984	\$ 2,216,718	\$ 1,793	\$ —	\$ 1,793	\$ 915,848	\$ 1,302,061
Baltic Power	49,499	106,999	156,498	3,228,233	208,422	89,815	298,237	2,336,207	750,287
Total	\$ 51,559	\$ 107,923	\$ 159,482	\$ 5,444,951	\$ 210,215	\$ 89,815	\$ 300,030	\$ 3,252,055	\$ 2,052,348

b) Summarized statement of comprehensive income, at 100%

	Interest income / (expense)	G&A	Depreciation and amortization	Fair value changes	Share of profit (loss) from joint venture	Income tax recovery (expense)	Net income (loss)	Other comprehensive income (loss)	Total comprehensive income (loss)
Six months ended June 30, 2025									
Hai Long Hold Co	\$ 5,714	\$ (1,287)	\$ —	\$ (14,406)	\$ (81,145)	\$ 2,504	\$ (88,620)	\$ (14,471)	\$ (103,091)
Baltic Power	(65)	(4,071)	(257)	205,612	—	—	201,219	—	201,219
Total	\$ 5,649	\$ (5,358)	\$ (257)	\$ 191,206	\$ (81,145)	\$ 2,504	\$ 112,599	\$ (14,471)	\$ 98,128
Six months ended June 30, 2024									
Hai Long Hold Co	\$ 3,093	\$ (880)	\$ —	\$ 188	\$ 87,410	\$ (575)	\$ 89,236	\$ (21,984)	\$ 67,252
Baltic Power	—	(2,369)	(262)	183,000	—	—	180,369	—	180,369
Total	\$ 3,093	\$ (3,249)	\$ (262)	\$ 183,188	\$ 87,410	\$ (575)	\$ 269,605	\$ (21,984)	\$ 247,621

c) Letters of credit and parental guarantees issued by Northland

The following table outlines the letters of credit and parental guarantees provided by Northland as the sponsor to support the credit obligations associated with the development and construction activities of these joint ventures.

As at	June 30, 2025	December 31, 2024
Hai Long Hold Co	\$ 701,487	\$ 672,323
Baltic Power	72,076	66,895
Total	\$ 773,563	\$ 739,218

As of June 30, 2025, Hai Long's material capital commitments aggregate to \$2.5 billion (December 2024 - \$2.3 billion). Northland's share of these commitments amounts to \$753 million (December 2024 - \$659 million).

As of June 30, 2025, Baltic Power's material capital commitments and letters of credit aggregate to \$1.6 billion (December 2024 - \$2.1 billion) and \$480 million (December 2024 - \$685 million), respectively. Northland's share in these commitments amounts to \$1.1 billion (December 2024 - \$1.4 billion).

4.3 Hai Long offshore wind project

Northland holds 51% (December 2024 - 51%) shareholding in NP Hai Long Holding BV ("**Hai Long Hold Co**") which has 60% (December 2024 - 60%) investment in the underlying offshore wind projects (the "**Hai Long Project**"). As a result, Northland's economic interest in the Hai Long Project, is 31% (December 2024 - 31%). Certain key activities of the Hai Long Project are jointly controlled by Northland together with other shareholders of the Hai Long Project. Consequently, Northland recognized its investment in the Hai Long Project as a jointly controlled investment and, accounted for using the equity method in accordance with *IAS 28 (Investment in Associates and Joint venture)*.

Hai Long Project has secured a 20-year long-term non-recourse project financing amounting to \$5 billion (equivalent NT\$117 billion). The loan carries an average interest at the rate of TAIBOR plus 1.83%. As of June 30, 2025, the Hai Long Project has drawn down \$2.6 billion (December 2024 - \$1.7 billion) of project debt.

Northland has provided a long-term shareholder loan aggregating \$474 million (December 2024 - \$440 million) to the Hai Long Project. The loan carries interest at the rate of 6% per annum. The loan has a contractual maturity of 20 years with semi-annual repayments, due on 30 June and 31 December each year, commencing upon the Hai Long Project achieving commercial operations. The carrying value of this shareholder loan approximates its fair value. In the interim condensed consolidated statements of financial position, this loan, together with the accrued interest, is carried at \$517 million (December 2024 - \$465 million). The loan is classified as non-current and presented under other non-current assets.

For the three and six months ended June 30, 2025, Northland provided project management services to the Hai Long Project amounting to \$5 million and \$10 million (June 2024 - \$5 million and \$11 million), respectively.

4.4 Baltic Power offshore wind project

Northland holds a 49% interest in the Baltic Power Offshore Wind Project ("**Baltic Power**"). Baltic Power is structured as a standalone legal entity, and Northland has an interest in the net assets of Baltic Power. Accordingly, Northland has classified its interest in Baltic Power as a joint venture, accounted for under the equity method in accordance with *IAS 28 (Investment in Associates and Joint venture)*.

Baltic Power has secured 20-year long-term non-recourse project financing amounting to CAD \$5 billion (equivalent €4 billion). The loan carries average interest at the rate of EURIBOR +1.3% per annum. As of June 30, 2025, Baltic has drawn down \$2.6 billion (December 2024 - \$1.5 billion) of project debt.

Northland has provided a long-term shareholder loan aggregating to \$220 million (December 2024 - \$196 million) to Baltic Power. The loan carries average interest at the rate of EURIBOR plus 3.7%. The loan has a contractual maturity of 23 years with semi-annual repayments, due in February and August each year, commencing upon Baltic Power Project achieving commercial operations. The carrying value of this shareholder loan approximates its fair value. In the interim condensed consolidated statements of financial position, this loan, together with the accrued interest, is carried at \$241 million (December 2024 - \$217 million). The loan is classified as non-current and presented under other non-current assets.

For the three and six months ended June 30, 2025, Northland provided project management services to Baltic Power, amounting to \$4 million and \$8 million (2024 - \$3 million and \$6 million), respectively.

5. Trade and other payables

Northland's trade and other payables are summarized as follows:

As at	June 30, 2025	December 31, 2024
Trade payables	\$ 104,308	\$ 169,026
Tax payable	32,338	64,531
Short-term loans payable to joint ventures	—	15,977
Other payables and accrued liabilities	122,177	119,257
Total	\$ 258,823	\$ 368,791

Other payables and accrued liabilities include accruals in relation to operational costs, development and construction projects amounting to \$107 million (December 2024 - \$104 million).

6. Corporate credit facilities

The composition of Northland's corporate credit facilities are summarized in the table below:

	Facility size	Amount drawn	Outstanding letters of credit ⁽²⁾	Available capacity	Maturity
As at June 30, 2025					
Sustainability linked syndicated revolving facility ⁽¹⁾	\$ 1,250,000	\$ 225,348	\$ 84,076	\$ 940,576	Aug. 2029
Bilateral letter of credit ("LC") facility I	150,000	—	148,890	1,110	Jun. 2026
Bilateral LC facility II ⁽³⁾	104,254	—	42,199	62,055	n/a
Export credit agency backed LC facility I	100,000	—	71,285	28,715	Mar. 2026
Export credit agency backed LC facility II	200,000	—	173,949	26,051	n/a
Hai Long related LC Facility	500,000	—	494,052	5,948	Sep. 2027
Total	\$ 2,304,254	\$ 225,348	\$ 1,014,451	\$ 1,064,455	
As at December 31, 2024					
Sustainability linked syndicated revolving facility ⁽¹⁾	\$ 1,250,000	\$ 175,919	\$ 116,918	\$ 957,163	Aug. 2029
Bilateral letter of credit ("LC") facility	\$ 150,000	\$ —	\$ 135,060	14,940	Jun. 2026
Export credit agency backed LC facility I	\$ 100,000	\$ —	\$ 72,037	27,963	Mar. 2026
Export credit agency backed LC facility II	\$ 200,000	\$ —	\$ 140,043	59,957	n/a
Hai Long related LC Facility	\$ 500,000	\$ —	\$ 483,440	16,560	Sep. 2027
Total	\$ 2,200,000	\$ 175,919	\$ 947,498	\$ 1,076,583	

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

(2) As at June 30, 2025, outstanding LCs include those issued in favor of joint ventures, amounting to \$701 million (December 2024 - \$672 million).

(3) On March 31, 2025, Northland secured an additional Euro denominated bilateral letter of credit facility amounting to €65 million (CAD equivalent 104 million, converted at the period-end exchange rates). This facility does not have a specified maturity date.

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

Amounts drawn and letters of credit under the syndicated revolving facility, bilateral letter of credit and Hai Long related LC facility are collateralized by a general security agreement that constitutes a first-priority lien on all of Northland's real property, present and future property and assets.

As at June 30, 2025, and at the approval date of these interim consolidated financial statements, Northland has complied with all the applicable financial covenants under the respective corporate credit facility agreements.

7. Loans and borrowings

Northland's loans and borrowings, excluding the corporate credit facilities ([Note 6](#)), are comprised of the following:

As at	June 30, 2025	December 31, 2024
Project level non-recourse borrowings (Note 7.1)	\$ 6,297,739	\$ 6,490,653
Tax equity financing	21,110	26,801
Loans and borrowings at the project level	\$ 6,318,849	\$ 6,517,454
Green Subordinated Notes	493,972	492,445
Total loans and borrowings	\$ 6,812,821	\$ 7,009,899
Less: Current portion of loans and borrowings (a)	989,899	862,626
Non-current portion of loans and borrowings	\$ 5,822,922	\$ 6,147,273

(a) Current portion of the loans and borrowings, as at June 30, 2025, is comprised of \$978 million and \$12 million (December 2024 - \$848 million and \$15 million), relating to project level borrowings ([Note 7.1](#)) and tax equity financing, respectively.

7.1 Project level non-recourse borrowings

Northland generally finances projects and its operating facilities through non-recourse, secured credit arrangements at the subsidiary level. These loans and borrowings are summarized in the table below:

Name of the projects	Rate ⁽¹⁾	Maturity	June 30, 2025	December 31, 2024
New York Wind	2.2%	2026	\$ 241,429	\$ 256,264
Nordsee One	2.3%	2026	170,069	254,900
EBSA (NPCDI)	4.6%	2027	751,363	751,468
Jardin	6.0%	2029	42,353	46,529
Thorold	6.3%	2030	193,635	202,089
Kirkland Lake	4.1%	2030	26,296	41,741
Gemini	3.6%	2031	1,585,525	1,638,939
Deutsche Bucht	2.4%	2031	806,300	806,093
Mont Louis	6.6%	2031	44,189	47,144
North Battleford	5.0%	2032	405,469	422,620
Solar Phase I	4.4%	2032	113,056	120,901
Solar Phase II	4.5%	2034	86,922	91,598
McLean's	6.0%	2034	83,065	86,647
Grand Bend	4.2%	2035	237,034	246,245
Cochrane Solar	4.6%	2035	122,324	128,816
Spy Hill	4.1%	2036	105,139	108,350
Spanish Portfolio	2.0%	2042	786,728	757,709
Oneida Storage	2.4%	7.1 (b)	482,525	482,600
Jurassic BESS	4.4%	7.1 (c)	14,318	—
Total borrowings and Weighted Average rate	3.5%		\$ 6,297,739	\$ 6,490,653
Current			978,399	847,658
Non-current			\$ 5,319,340	\$ 5,642,995

(1) The weighted average all-in interest rates of the subsidiary borrowings.

(2) Amounts drawn under the above project level non-recourse borrowings, as at June 30, 2025 and December 31, 2024, exclude letters of credit secured by the facilities or project-level credit agreements.

As at June 30, 2025 and at the approval date of these interim consolidated financial statements, Northland has complied with all the applicable financial covenants under the respective loan agreements.

(a) As at June 30, 2025, \$134 million of letters of credit secured by facility or project-level credit agreements were outstanding (December 2024 - \$177 million).

(b) The project financing for the Oneida Energy Storage Project consists of a non-revolving construction and term loan credit facility, comprising of Tranche A and Tranche B, amounting to \$148 million and \$356 million, respectively. Additionally, a non-revolving credit facility, represented by Tranche C, provides \$15 million to cash collateralize letters of credit. As at June 30, 2025, \$116 million and \$356 million has been drawn under Tranche A and Tranche B respectively. The term maturity dates of Tranche A and C were linked with the project's commercial operations date. Upon reaching commercial operations, Tranche C has been reduced to \$5 million. In accordance with the terms of the loan agreement, Tranche A will be converted into a term loan during the later part of the year. Accordingly, at June 30, 2025, Tranche A has been classified as non-current. The term maturity date of Tranche B is May 2045.

(c) On April 9, 2025, Northland closed the lending agreement in relation to the Jurassic BESS Project, securing a term loan and ITC bridge facility amounting to \$94 million and \$11 million respectively. As of June 30, 2025, \$4 million and \$10 million have been drawn under the term loan and ITC bridge facilities, respectively. The maturity dates of the term loan and ITC bridge facility are linked with the project achieving commercial operations, with final repayment due 5 years and 2 years after the commercial operations date, respectively.

(d) On June 6, 2025, Northland amended the long-term debt of its Spanish portfolio by rescheduling a component of debt repayments. Based on the revised terms, Northland has assessed this amendment as a modification of the loan, as defined under IFRS 9.

8. Provisions and other liabilities

Details of Northland's provisions and liabilities are summarized below:

As at	June 30, 2025	December 31, 2024
Decommissioning liabilities	\$ 446,336	\$ 415,201
Lease liability	175,976	177,163
Loan payable to the non-controlling shareholder of a subsidiary (a)	37,748	35,196
Pension and benefits	28,335	30,045
Others	22,423	22,917
Total provisions and other liabilities	\$ 710,818	\$ 680,522
Less: Current portion of provisions and other liabilities	(26,993)	(32,114)
Non-current portion of provisions and other liabilities	\$ 683,825	\$ 648,408

(a) Loan payable to a shareholder represents amount owed by Nordsee One under a shareholder loan arrangement on which interest is accrued at an annual rate of 10% and repayments are made based on the partner's share of distributable funds from operations.

9. Equity

9.1 Common shares

Northland is authorized to issue an unlimited number of Shares. Changes in the issued and outstanding common shares during the six months ended June 30, 2025 is summarized as follows:

	June 30, 2025		December 31, 2024	
	Shares	Amount	Shares	Amount
Shares outstanding, at the beginning	259,947,326	\$ 5,193,412	254,939,822	\$ 5,085,387
Shares issued under the DRIP	1,554,718	27,482	5,007,504	108,025
Total common shares outstanding, at the end	261,502,044	\$ 5,220,894	259,947,326	\$ 5,193,412

Dividend Reinvestment Plan (DRIP)

Northland offers a Dividend Reinvestment Plan (**DRIP**) that enables shareholders to reinvest their dividends into additional shares, as defined by the DRIP guidelines. Northland may on its discretion, adjust the applicable discount and issue shares from its treasury or acquire them through market purchases.

Effective April 15, 2025, Northland implemented changes to DRIP. The discount on shares issued under the DRIP was reduced from 3% to 0%. Accordingly, DRIP shares during the three months ended June 30, 2025, were acquired through secondary market purchases rather than issued from treasury. These changes apply to dividends paid to shareholders of the record as of March 31, 2025 ([Note 9.3](#)).

Share-based Compensation

Northland's share-based compensation plans allow for a maximum of 3,100,000 shares to be reserved and granted to employees of Northland and its subsidiaries. As at June 30, 2025, 1,153,043 shares remain available for future issuance under these compensation plans. For the three and six months ended June 30, 2025, Northland expensed \$5 million and \$8 million (2024 - \$3 million and \$3 million) of costs under the share-based compensation plans. No forfeitures are assumed to occur.

9.2 Preferred share dividends

As at June 30, 2025, Northland's preferred shares balance contains Series 1 and Series 2 Preferred Shares. Preferred share dividends, excluding tax, were paid as follows:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Series 1 Preferred Shares	\$ 953	\$ 953	\$ 1,906	\$ 1,906
Series 2 Preferred Shares	435	600	914	1,205
Total	\$ 1,388	\$ 1,553	\$ 2,820	\$ 3,111

9.3 Ordinary dividends

Ordinary dividends declared per share and in aggregate were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Aggregate dividends declared				
Dividends in cash (a)	\$ 78,451	\$ 49,708	\$ 135,832	\$ 100,566
Dividends in shares issued from treasury (Note 9.1)	—	27,353	20,912	53,194
Total	\$ 78,451	\$ 77,061	\$ 156,744	\$ 153,760
Ordinary dividends declared per Share	\$ 0.30	\$ 0.30	\$ 0.60	\$ 0.60

a) For the three and six months ended June 30, 2025, dividend declared included an amount of \$5 million and \$5 million (2024: nil and nil), respectively, paid in Northland shares, acquired through the secondary market. Additionally, dividends amounting to \$27 million, remained unpaid as at June 30, 2025 (December 2024 - \$27 million).

10. Non-controlling interests

Non-controlling interests (NCI) relate to the interests not owned by Northland. Subsidiaries with non-controlling interests that are material to Northland's interim consolidated financial statements include Gemini (40%), Nordsee One (15%) and GMS Solar (37.5%). Summarized financial information for these subsidiaries (representing 100% ownership) is as follows:

As at June 30, 2025	Current assets	Non-current assets	Current liabilities	Non-current liabilities
Gemini	\$ 262,518	\$ 2,458,301	\$ 327,737	\$ 1,596,803
Nordsee One	109,074	1,135,253	124,540	509,816
GMS Solar	197,989	186,741	203,020	117,723
Others ⁽¹⁾	312,886	2,005,868	229,204	1,128,137
Total	\$ 882,467	\$ 5,786,163	\$ 884,501	\$ 3,352,479

(1) Others include McLean's (50.0%), Grand Bend (50.0%), CEEC (61.6%), EBSA (0.6%), Oneida (30.3%), ScotWind Projects (24.5%) and Elecdey Lezuza, S.A under the Spanish portfolio (33.8%).

As at December 31, 2024	Current assets	Non-current assets	Current liabilities	Non-current liabilities
Gemini	\$ 275,769	\$ 2,376,260	\$ 359,247	\$ 1,590,757
Nordsee One	77,196	1,142,276	159,549	536,139
GMS Solar	231,586	196,328	235,105	125,013
Others ⁽¹⁾	319,436	1,999,436	240,679	1,163,754
Total	\$ 903,987	\$ 5,714,300	\$ 994,580	\$ 3,415,663

(1) Others include McLean's (50.0%), Grand Bend (50.0%), CEEC (61.6%), EBSA (0.6%), Oneida (27.6%), ScotWind Projects (24.5%) and Elecdey Lezuza, S.A under the Spanish portfolio (33.8%).

An analysis of changes in NCI during the six months ended June 30, 2025, and 2024 is as follows:

	Gemini	Nordsee One	GMS Solar	Others	Total
As at January 1, 2025	\$ 280,529	\$ 81,443	\$ 15,295	\$ (6,967)	\$ 370,300
Additional contribution by NCI	—	—	—	5,185	5,185
Increase in NCI arising on dilution of interest (a)	—	—	—	5,288	5,288
Net income (loss) attributable to NCI ⁽¹⁾	39,780	6,725	400	6,675	53,580
Dividends distributions attributable to NCI ⁽¹⁾	(20,896)	—	(1,425)	(6,171)	(28,492)
Allocation of other comprehensive income (loss) ⁽¹⁾	18,801	6,426	(403)	1,491	26,315
As at June 30, 2025	\$ 318,214	\$ 94,594	\$ 13,867	\$ 5,501	\$ 432,176
As at January 1, 2024	\$ 219,509	\$ 67,935	\$ 18,774	\$ (8,671)	\$ 297,547
Additional contribution by NCI	—	—	—	782	782
Net income (loss) attributable to NCI ⁽¹⁾	76,383	7,744	411	5,422	89,960
Dividends distributions attributable to NCI ⁽¹⁾	(17,547)	—	(63)	(4,351)	(21,961)
Allocation of other comprehensive income (loss) ⁽¹⁾	2,662	152	335	1,587	4,736
As at June 30, 2024	\$ 281,007	\$ 75,831	\$ 19,457	\$ (5,231)	\$ 371,064

(1) Net income (loss), dividends distributions, and allocation of other comprehensive income (loss) are presented at the respective NCI's ownership interest.

(a) On March 17, 2025, the Mississaugas of the Credit Business Corporation signed a partnership agreement in relation to acquisition of ownership interest in the Oneida Energy Storage Project. This led to a reduction in Northland's ownership, from 72% to 70%. Following management's assessment, it has been concluded that Northland retains the control over the Oneida Energy Storage Project. Consequently, Northland continues to consolidate the project's assets and liabilities in accordance with IFRS 10 - Consolidated Financial Statements.

11. Financial instruments

The objective of Northland's hedges is to reduce volatility in its cash flow related to changes in foreign exchange, interest rates and market prices for gas and power. The nature of the risks that Northland is exposed to, and the related hedge objectives did not change in the three and six months ended June 30, 2025. The derivative financial instruments consist of the following:

As at June 30, 2025	Current assets	Current liabilities	Non-current assets	Non-current liabilities	Net
Derivatives designated for hedge accounting					
Interest rate contracts	\$ 10,105	\$ (4,343)	\$ 27,914	\$ (6,253)	\$ 27,423
Foreign exchange contracts	—	—	66	(380)	(314)
Derivatives not designated for hedge accounting					
Interest rate contracts	17,306	(8,896)	126,889	(29,817)	105,482
Foreign exchange contracts	6,936	(24,738)	28,166	(139,621)	(129,257)
Cross currency interest rate contracts	2,123	—	—	(61,851)	(59,728)
Embedded derivatives ⁽¹⁾	—	(9,926)	—	(117,064)	(126,990)
Total	\$ 36,470	\$ (47,903)	\$ 183,035	\$ (354,986)	\$ (183,384)

(1) Represents embedded derivative relating to the energy price and capacity components linked to the market in 20-year indexed Renewable Energy Certificate (REC) agreement with the New York State Energy Research and Development Authority (NYSERDA) for the New York Wind projects.

As at December 31, 2024	Current assets	Current liabilities	Non-current assets	Non-current liabilities	Net
Derivatives designated for hedge accounting					
Interest rate contracts	\$ 16,499	\$ (2,314)	\$ 28,971	\$ (6,019)	\$ 37,137
Foreign exchange contracts	—	—	775	—	775
Derivatives not designated for hedge accounting					
Interest rate contracts	23,629	(3,040)	129,515	(28,413)	121,691
Foreign exchange contracts	19,549	(29,042)	89,608	(30,558)	49,557
Cross currency interest rate contracts	4,302	—	—	(20,680)	(16,378)
Embedded derivatives ⁽¹⁾	—	(6,511)	—	(101,734)	(108,245)
Total	\$ 63,979	\$ (40,907)	\$ 248,869	\$ (187,404)	\$ 84,537

(1) Represents embedded derivative relating to the energy price and capacity components linked to the market in 20-year indexed Renewable Energy Certificate (REC) agreement with the New York State Energy Research and Development Authority (NYSERDA) for the New York Wind projects.

The change in derivative financial instruments for the six months ended June 30, 2025, and June 30, 2024, is as follows:

	Balance as at January 1 asset (liability)	Designated in hedge relationships		Fair value changes on derivatives not designated in hedge relationships ⁽²⁾	Foreign exchange gain (loss)	Balance as at June 30, asset (liability)
		Changes in fair value recognized in OCI ⁽¹⁾	Fair value changes ⁽²⁾			
2025						
Interest rate contracts	\$ 158,828	\$ (20,384)	\$ 3,313	\$ (16,214)	\$ 7,362	\$ 132,905
Foreign exchange contracts	50,332	(14,900)	13,813	(177,139)	(1,677)	(129,571)
Cross currency interest rate contracts	(16,378)	—	—	(43,350)	—	(59,728)
Embedded derivatives	(108,245)	—	—	(18,745)	—	(126,990)
Total	\$ 84,537	\$ (35,284)	\$ 17,126	\$ (255,448)	\$ 5,685	\$ (183,384)
2024						
Interest rate contracts	\$ 234,176	\$ 11,949	\$ 6,641	\$ 42,417	\$ 1,748	\$ 296,931
Foreign exchange contracts	10,399	(22,298)	7,425	76,605	(623)	71,508
Cross currency interest rate contracts	(9,579)	—	—	3,876	—	(5,703)
Embedded derivatives	26,106	—	—	(120,513)	—	(94,407)
Total	\$ 261,102	\$ (10,349)	\$ 14,066	\$ 2,385	\$ 1,125	\$ 268,329

(1) Amounts recognized in the interim condensed consolidated statements of comprehensive income (loss), as fair value changes is presented net of amounts reclassified to the interim condensed consolidated statements of income (loss) on settlement.

(2) These amounts represent fair value changes, recognized in the interim condensed consolidated statements of income (loss), net of realized gains and losses on settlements during the six months ended June 30, 2025 and 2024. Realized gains and losses are recorded in "Finance costs, net" for interest rate contracts, "Foreign exchange (gain) loss" for foreign exchange contracts and "Fair value (gain) loss on derivative contracts" for commodity contracts.

(3) Movement in derivative contracts, during the six months ended June 30, 2025, does not include cash and accrued payments amounting to \$7 million (June 2024 - \$5 million) and realized fair value loss amounting to \$39 million (June 2024 - \$17 million realized fair value loss), relating to the contracts that were settled or terminated during the period.

11.1. Fair value hierarchy of derivative financial instruments

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement, as defined in Northland's 2024 audited annual consolidated financial statements. As at June 30, 2025, all derivative financial instruments, except for embedded derivatives, are categorized as level 2. Embedded derivatives are categorized as level 3.

The table below sets out the significant unobservable inputs used to value level 3 derivative financial instruments:

Derivative financial instrument	Valuation technique	Significant unobservable inputs	Range	% change	Sensitivity of input to the fair value (In CAD)
Embedded derivatives ⁽¹⁾	Long-term price forecast	Average illiquid forward energy prices (per MWh)	US\$ 55.56-US \$57.92	5% increase / (decrease) in average forward energy prices	\$ 11,946

(1) Represents embedded derivative relating to the energy price and capacity components linked to the market in 20-year indexed Renewable Energy Certificate (REC) agreement with the New York State Energy Research and Development Authority (NYSERDA) for the New York Wind projects.

12. Revenue from sale of energy and related products

The majority of Northland's revenues come from sources such as energy sales and distribution in the regulated markets, and sales of energy, capacity, and environmental attributes through PPAs with independent system operators and credit worthy corporate customers. Northland categorizes these revenue streams into the following groups:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Non-regulated energy sales and capacity	\$ 357,663	\$ 388,546	\$ 856,935	\$ 990,793
Regulated energy sales and distribution	124,499	134,520	270,075	277,695
Battery energy storage and capacity	15,032	—	15,032	—
Other revenues ⁽¹⁾	11,938	5,908	15,610	15,406
Total revenues	\$ 509,132	\$ 528,974	\$ 1,157,652	\$ 1,283,894

(1) Other revenues are mainly comprised of sale of environmental attributes earned through energy generated from Northland's renewable facilities.

Northland's revenues disaggregated by significant geographic locations are presented as follows:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Canada	\$ 150,429	\$ 132,607	\$ 306,861	\$ 273,675
The Netherlands	125,790	133,367	294,547	373,558
Germany	87,275	107,668	237,186	316,070
Colombia	88,872	91,413	184,439	179,745
Spain	40,280	45,101	96,470	103,687
United States	14,384	11,886	34,521	25,176
Others	2,102	6,932	3,628	11,983
Total	\$ 509,132	\$ 528,974	\$ 1,157,652	\$ 1,283,894

13. Operating, G&A and Development costs

Northland's operating, G&A and development costs are presented as follows:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Operating costs	\$ 166,628	\$ 166,558	\$ 341,552	\$ 327,580
General and administrative costs	27,984	25,399	55,504	55,511
Development costs	13,217	17,141	26,605	25,122
Total	\$ 207,829	\$ 209,098	\$ 423,661	\$ 408,213

Analysis of above costs by nature is presented as follows:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Maintenance cost	\$ 62,432	\$ 61,061	\$ 119,705	\$ 116,127
Salaries, benefits and allowances	30,731	34,051	70,165	77,410
Purchase of natural gas (Note 16)	21,982	18,841	57,675	45,494
Purchase of regulated electricity (Note 16)	21,623	26,757	50,309	57,570
Transmission and distribution expenses	11,979	10,768	22,808	20,605
Purchase of non-regulated electricity (Note 16)	4,212	—	4,212	—
Others	54,870	57,620	98,787	91,007
Total	\$ 207,829	\$ 209,098	\$ 423,661	\$ 408,213

14. Net income (loss) per share

The basic and diluted net income (loss) is calculated as follows:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Net income (loss) during the period attributable to shareholders	\$ (62,744)	\$ 246,090	\$ 4,088	\$ 321,693
Less: preferred share dividends, net (Note 9.2)	(1,388)	(1,553)	(2,820)	(3,111)
Net income (loss) attributable to common shareholders for basic and diluted earnings	\$ (64,132)	\$ 244,537	\$ 1,268	\$ 318,582
Weighted average number of Shares outstanding, basic and diluted	261,502,044	256,659,325	261,097,416	256,070,178
Net income (loss) attributable to common shareholders per Share - basic and diluted	\$ (0.25)	\$ 0.95	\$ 0.00	\$ 1.24

15. Finance costs (income), net

Net finance costs consist of the following:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Interest on borrowings and bank fees	\$ 86,383	\$ 83,560	\$ 159,456	\$ 161,027
Amortization of deferred financing costs	6,331	10,974	12,966	18,825
Accretion of decommissioning liabilities	2,756	2,277	5,454	4,628
Lease interest	1,250	1,306	2,505	2,368
Finance costs, gross	\$ 96,720	\$ 98,117	\$ 180,381	\$ 186,848
Less: Finance income	(13,983)	(21,532)	(27,105)	(37,824)
Finance costs, net	\$ 82,737	\$ 76,585	\$ 153,276	\$ 149,024

For the three and six months ended June 30, 2025, finance costs of \$2 million and \$7 million (2024 - \$4 million and \$8 million), were incurred on borrowings related to the facilities under construction which were capitalized as borrowing costs under construction-in-progress.

16. Operating segment information

Northland has identified operating segments as outlined below based on the nature of operations, asset class and materiality. Management reviews the performance of its operating segments based on their operating income, which is defined as sales less operating expenses, which are summarized below:

	External sales	Inter-company sales ⁽¹⁾	Finance lease income	Total income	Operating costs ⁽²⁾	G&A and development costs	Depreciation and amortization	Operating income	Finance costs, net
Three months ended June 30, 2025									
Offshore wind facilities	\$ 213,065	\$ —	\$ —	\$ 213,065	\$ 59,278	\$ 2,785	\$ 103,018	\$ 47,984	\$ 29,130
Onshore renewable & energy storage facilities									
North America	90,036	—	—	90,036	16,498	858	32,619	40,061	15,425
Spain	40,280	—	—	40,280	11,869	249	23,039	5,123	11,422
	\$ 130,316	\$ —	\$ —	\$ 130,316	\$ 28,367	\$ 1,107	\$ 55,658	\$ 45,184	\$ 26,847
Natural gas facilities									
Canada	74,776	—	2,487	77,263	33,347	54	12,621	31,241	9,955
Utilities									
Colombia	88,872	—	—	88,872	45,640	5,248	8,563	29,421	81
Others⁽¹⁾	2,103	22,214	—	24,317	(4)	32,007	1,873	(9,559)	16,724
Elimination	—	(22,214)	—	(22,214)	—	—	—	(22,214)	—
Total	\$ 509,132	\$ —	\$ 2,487	\$ 511,619	\$ 166,628	\$ 41,201	\$ 181,733	\$ 122,057	\$ 82,737
Three months ended June 30, 2024									
Offshore wind facilities	\$ 241,035	\$ —	\$ —	\$ 241,035	\$ 65,081	\$ 1,451	\$ 98,596	\$ 75,907	\$ 33,186
Onshore renewable & energy storage facilities									
North America	68,693	—	—	68,693	9,642	643	27,453	30,955	15,218
Spain	45,101	—	—	45,101	12,064	952	21,856	10,229	1,006
	\$ 113,794	\$ —	\$ —	\$ 113,794	\$ 21,706	\$ 1,595	\$ 49,309	\$ 41,184	\$ 16,224
Natural gas facilities									
Canada	75,800	—	2,612	78,412	28,243	41	11,713	38,415	11,077
Utilities									
Colombia	91,413	—	—	91,413	48,256	3,582	9,163	30,412	514
Others⁽¹⁾	6,932	23,617	—	30,549	3,272	35,871	1,682	(10,276)	15,584
Elimination	—	(23,617)	—	(23,617)	—	—	—	(23,617)	—
Total	\$ 528,974	\$ —	\$ 2,612	\$ 531,586	\$ 166,558	\$ 42,540	\$ 170,463	\$ 152,025	\$ 76,585

(1) Other external sales include energy marketing activities. Other inter-segment sales include inter-company management fees, energy marketing activities and maintenance services, which are eliminated on consolidation.

(2) Cost of natural gas purchase and electricity amounting to \$22 million and \$26 million (June 2024 - \$19 million and \$27 million), has been included within the operating costs. [\(Note 13\)](#).

	External sales	Inter-company sales ⁽¹⁾	Finance lease income	Total income	Operating costs ⁽²⁾	G&A and development costs	Depreciation and amortization	Other items	Operating income	Finance costs, net
Six months ended June 30, 2025										
Offshore wind facilities	\$ 531,733	\$ —	\$ —	\$ 531,733	\$ 110,528	\$ 5,222	\$ 202,286	\$ —	\$ 213,697	\$ 55,746
Onshore renewable & energy storage facilities										
North America	168,220	—	—	168,220	28,393	1,700	59,877	—	78,250	29,146
Spain	96,470	—	—	96,470	25,430	647	45,159	—	25,234	16,451
	\$ 264,690	\$ —	\$ —	\$ 264,690	\$ 53,823	\$ 2,347	\$ 105,036	\$ —	\$ 103,484	\$ 45,597
Natural gas facilities										
Canada	173,162	—	5,006	178,168	79,355	149	24,336	—	74,328	20,258
Utilities										
Colombia	184,439	—	—	184,439	97,850	7,620	17,514	—	61,455	172
Others ⁽¹⁾	3,628	41,674	—	45,302	(4)	66,771	4,661	—	(26,126)	31,503
Elimination	—	(41,674)	—	(41,674)	—	—	—	—	(41,674)	—
Total	\$1,157,652	\$ —	\$ 5,006	\$1,162,658	\$ 341,552	\$ 82,109	\$ 353,833	\$ —	\$ 385,164	\$ 153,276
Six months ended June 30, 2024										
Offshore wind facilities	\$ 689,628	\$ —	\$ —	\$ 689,628	\$ 114,242	\$ 3,796	\$ 195,103	\$ —	\$ 376,487	\$ 60,205
Onshore renewable & energy storage facilities										
North America	134,426	—	—	134,426	21,079	908	52,926	—	59,513	29,909
Spain	103,687	—	—	103,687	23,319	1,098	42,896	—	36,374	4,827
	\$ 238,113	\$ —	\$ —	\$ 238,113	\$ 44,398	\$ 2,006	\$ 95,822	\$ —	\$ 95,887	\$ 34,736
Natural gas facilities										
Canada	164,425	—	5,252	169,677	64,485	134	23,425	—	81,633	21,978
Utilities										
Colombia	179,745	—	—	179,745	100,087	6,293	17,743	—	55,622	661
Others ⁽¹⁾	11,983	46,367	—	58,350	4,368	68,404	6,762	43,884	(65,068)	31,444
Elimination	—	(46,367)	—	(46,367)	—	—	—	—	(46,367)	—
Total	\$1,283,894	\$ —	\$ 5,252	\$1,289,146	\$ 327,580	\$ 80,633	\$ 338,855	\$ 43,884	\$ 498,194	\$ 149,024

(1) Other external sales include energy marketing activities. Other inter-segment sales include inter-company management fees, energy marketing activities and maintenance services, which are eliminated on consolidation.

(2) Cost of natural gas purchase and electricity amounting to \$58 million and \$55 million (June 2024 - \$45 million and \$58 million) has been included within the operating costs. [\(Note 13\)](#).

Summarized below are the key balances from each segment:

	PP&E, net	Contracts and other intangible assets, net ⁽¹⁾	Goodwill	Investment in joint ventures	Total assets
As at June 30, 2025					
Offshore wind facilities	\$ 4,531,641	\$ 274,964	\$ —	\$ —	\$ 5,410,805
Onshore renewable & energy storage facilities					
North America	1,761,260	13,581	54,741	—	2,086,297
Spain	1,402,558	—	—	—	1,708,752
	\$ 3,163,818	\$ 13,581	\$ 54,741	\$ —	\$ 3,795,049
Natural gas facilities					
Canada	653,758	29,311	120,229	—	1,071,311
Utilities					
Colombia	535,189	16,839	452,142	—	1,150,699
Others	123,458	65,386	—	1,131,641	2,266,483
Total	\$ 9,007,864	\$ 400,081	\$ 627,112	\$ 1,131,641	\$ 13,694,347
As at December 31, 2024					
Offshore wind facilities	\$ 4,374,161	\$ 279,516	\$ —	\$ —	\$ 5,264,854
Onshore renewable & energy storage facilities					
North America	1,246,859	6,904	54,741	—	1,505,304
Spain	1,345,518	—	—	—	1,616,123
	\$ 2,592,377	\$ 6,904	\$ 54,741	\$ —	\$ 3,121,427
Natural gas facilities					
Canada	673,236	30,489	120,229	—	1,125,623
Utilities					
Colombia	539,581	6,168	442,637	—	1,133,549
Others	699,746	70,809	—	1,023,068	2,958,885
Total	\$ 8,879,101	\$ 393,886	\$ 617,607	\$ 1,023,068	\$ 13,604,338

(1) Contracts and other intangible assets - Others, includes \$25 million (December 2024 - \$26 million) in relation to an option lease agreement, entered with the Scottish government which provides Northland with development exclusivity over the awarded sites for a period of up to 10 years.

17. Litigation, claims, contingencies and commitments

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 period ended June 30, 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.

17.1 Milestone payments for development project acquisitions

In the normal course of business, Northland enters into acquisition agreements that may result in Northland making additional payments to the seller and/or directly to the development project previously acquired, upon the successful completion of certain milestones. As at June 30, 2025, Northland's best estimate of the future contingent payments is approximately \$121 million of milestone payments under its development project arrangements which are expected to be paid between 2026 and 2030. Due to the uncertainties associated with the outcome of the future development activities and the related milestones, these contingent payments have not been recognized in the interim condensed consolidated statements of financial position.

17.2 Contingencies and commitments

The following is a summary of the material commitments that NPI and its subsidiaries have entered into as at June 30, 2025, in addition to the commitments outlined in the above notes.

The majority of Northland's revenues are earned under long-term PPAs with government-related entities. In certain circumstances, if a facility fails to meet the performance requirements under its respective PPA, penalties may apply, or the contract may be terminated after a specified period of time.

Certain Northland gas facilities and corporate subsidiaries have entered into agreements for the purchase of natural gas and natural gas transportation for various terms. Certain contracts include penalties for failure to purchase a minimum annual volume of natural gas or, in the case of transportation agreements, include substantial demand charges incurred whether or not gas is shipped.

Northland's natural gas turbines and wind turbines are maintained under long-term contracts with the original equipment suppliers. In certain circumstances, if Northland were to terminate any of the agreements, the termination payment would be material.

Under certain circumstances, Northland provides parental guarantees to third-parties in respect of its subsidiaries. As at June 30, 2025, outstanding parental guarantees issued totaled \$391 million (December 2024 - \$406 million) and related primarily to the development, construction and operation of its facilities.

Northland's share of contingencies and commitments in relation to its joint ventures are disclosed in [\(Note 4.2 \(c\)\)](#).

Corporate Information

Directors and Executive Officers Of Northland Power Inc.

Directors

Mr. Ian Pearce, Board Chair

Mr. John W. Brace

Mr. Doyle Beneby

Ms. Lisa Colnett

Mr. Kevin Glass

Mr. Keith Halbert

Ms. Helen Mallovy Hicks

Mr. Eckhardt Ruemmler

Ms. Ellen Smith

Executive Officers

Ms. Christine Healy
President & CEO

Mr. Jeff Hart
Chief Financial Officer

Ms. Rachel Stephenson
Chief People Officer

Mr. Calvin MacCormack
EVP, Natural Gas & Utilities

Ms. Michelle Chislett
EVP, Onshore Renewables & Energy Storage

Mr. Pierre-Emmanuel Frot
EVP, Project Management Office

Mr. Toby Edmonds
EVP, Offshore Wind

Mr. Jaime Hurtado Cola
General Counsel (Interim)

General Information

Registrar and Transfer Agent

Computershare Trust Company of Canada
100 University Avenue
Toronto, Ontario, Canada
M5J 2Y1
Attention: Equity Services

Common Shares and Preferred Shares

Northland's common shares and Series 1 and Series 2 preferred shares are listed on the Toronto Stock Exchange and trade under the symbols NPI, NPI.PR.A and NPI.PR.B respectively.

Tax Considerations

Northland's common shares, preferred shares and convertible unsecured subordinated debentures are qualified investments for RRSPs and DPSPs under the Income Tax Act (Canada).

Contact Information

Investor Relations

Adam Beaumont
SVP, Capital Markets

investorrelations@northlandpower.com
416-962-6262

Northland Power Inc.
30 St. Clair Avenue West
Suite 300
Toronto, Ontario, Canada
M4V 3A1

416-962-6262

northlandpower.com



Global Head Office
30 St. Clair Avenue West
Suite 300
Toronto, Ontario, Canada
M4V 3A1

northlandpower.com
investorrelations@northlandpower.com



Intelligent Energy. Greener Planet.