

# Interim Condensed Consolidated Financial Statements

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# Interim Condensed Consolidated Statements of Financial Position

In thousands of Canadian dollars

<i>(Unaudited)</i>			
As at		June 30, 2022	December 31, 2021
<b>Assets</b>			
Cash and cash equivalents	\$	942,767	\$ 673,692
Restricted cash		140,955	155,631
Trade and other receivables		474,952	383,308
Other current assets		86,569	77,950
Derivative assets <a href="#">(Note 9)</a>		228,613	124,112
<b>Total current assets</b>	\$	<b>1,873,856</b>	\$ 1,414,693
Property, plant and equipment <a href="#">(Note 3)</a>		9,099,647	9,586,466
Contracts and other intangible assets		483,803	497,635
Goodwill		742,550	753,373
Finance lease receivable		128,664	131,280
Derivative assets <a href="#">(Note 9)</a>		461,525	148,559
Long-term deposits		93,717	99,697
Deferred tax asset		27,940	60,931
Investment in joint ventures <a href="#">(Note 4)</a>		124,686	131,134
Other assets		68,630	53,563
<b>Total assets</b>	\$	<b>13,105,018</b>	\$ 12,877,331
<b>Liabilities and equity</b>			
Trade and other payables	\$	570,750	\$ 504,583
Facility-level loans and borrowings <a href="#">(Note 5)</a>		675,930	677,378
Dividends payable		26,468	24,946
Derivative liabilities <a href="#">(Note 9)</a>		187,989	197,638
<b>Total current liabilities</b>	\$	<b>1,461,137</b>	\$ 1,404,545
Facility-level loans and borrowings <a href="#">(Note 5)</a>		6,407,058	6,914,836
Corporate credit facilities <a href="#">(Note 6)</a>		—	41,825
Provisions and other liabilities		707,179	728,817
Derivative liabilities <a href="#">(Note 9)</a>		62,048	290,651
Deferred tax liability		650,085	530,946
<b>Total liabilities</b>	\$	<b>9,287,507</b>	\$ 9,911,620
<b>Equity</b>			
Common shares <a href="#">(Note 7.1)</a>	\$	4,343,020	\$ 4,005,462
Preferred shares		260,880	260,880
Contributed surplus		4,947	3,586
Accumulated other comprehensive loss		(152,526)	(279,964)
Deficit		(909,806)	(1,233,085)
<b>Equity attributable to shareholders</b>		<b>3,546,515</b>	2,756,879
Non-controlling interests (NCI) <a href="#">(Note 8)</a>		270,996	208,832
<b>Total equity</b>		<b>3,817,511</b>	2,965,711
<b>Total liabilities and equity</b>	\$	<b>13,105,018</b>	\$ 12,877,331

See accompanying notes.

# Interim Condensed Consolidated Statements of Income (Loss)

In thousands of Canadian dollars except per Share and Share information

<i>(Unaudited)</i>	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
<b>Sales</b>				
Electricity and related products	\$ 416,473	\$ 354,002	\$ 974,065	\$ 911,549
Regulated electricity	138,855	51,071	275,285	106,199
Other	1,464	3,248	2,496	3,339
<b>Total sales</b>	\$ 556,792	\$ 408,321	\$ 1,251,846	\$ 1,021,087
<b>Cost of sales</b>				
Fuel purchases	50,637	24,413	89,559	71,022
Regulated electricity purchases	21,204	16,220	41,572	33,630
<b>Total cost of sales</b>	71,841	40,633	131,131	104,652
<b>Gross profit</b>	\$ 484,951	\$ 367,688	\$ 1,120,715	\$ 916,435
<b>Expenses</b>				
Operating costs	77,070	79,189	157,325	150,656
General and administrative (“G&A”) costs	19,926	14,864	39,654	30,761
Development costs	14,846	14,468	32,614	28,173
Depreciation of property, plant and equipment	144,614	145,137	292,029	290,437
<b>Total expenses</b>	\$ 256,456	\$ 253,658	\$ 521,622	\$ 500,027
Investment income	259	889	512	1,866
Finance lease income	2,830	2,927	5,686	5,878
<b>Operating income</b>	\$ 231,584	\$ 117,846	\$ 605,291	\$ 424,152
Finance costs, net <a href="#">(Note 11)</a>	77,483	75,530	159,240	162,620
Amortization of contracts and other intangible assets	15,545	9,703	25,603	19,643
Impairment <a href="#">(Note 12)</a>	—	—	—	29,981
Foreign exchange (gain) loss	34,575	16,365	66,949	46,031
Fair value (gain) loss on derivative contracts <a href="#">(Note 9)</a>	(234,705)	24,966	(362,949)	(30,017)
Other (income) expense	(14,888)	3,432	(25,260)	4,390
<b>Income (loss) before income taxes</b>	\$ 353,574	\$ (12,150)	\$ 741,708	\$ 191,504
<b>Provision for (recovery of) income taxes</b>				
Current	26,717	7,125	90,296	41,700
Deferred	58,991	(12,905)	95,966	4,785
<b>Total income taxes</b>	\$ 85,708	\$ (5,780)	\$ 186,262	\$ 46,485
<b>Net income (loss)</b>	\$ 267,866	\$ (6,370)	\$ 555,446	\$ 145,019
<b>Net income (loss) attributable to:</b>				
Non-controlling interests <a href="#">(Note 8)</a>	29,834	4,958	88,272	55,436
Common shareholders	238,032	(11,328)	467,174	89,583
<b>Net income (loss)</b>	\$ 267,866	\$ (6,370)	\$ 555,446	\$ 145,019
<b>Weighted average number of shares outstanding - basic and diluted (000s) <a href="#">(Note 10)</a></b>	232,321	220,182	230,019	211,284
<b>Net income (loss) per share - basic and diluted <a href="#">(Note 10)</a></b>	\$ 1.01	\$ (0.06)	\$ 2.01	\$ 0.40

See accompanying notes.

# Interim Condensed Consolidated Statements of Comprehensive Income (Loss)

In thousands of Canadian dollars

<i>(Unaudited)</i>	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
<b>Net income (loss)</b>	\$ 267,866	\$ (6,370)	\$ 555,446	\$ 145,019
<b>Items that may be re-classified into net income (loss):</b>				
Exchange rate differences on translation of foreign operations	(85,731)	(30,030)	(70,656)	(111,907)
Change in fair value of hedged derivative contracts <a href="#">(Note 9)</a>	103,663	31,091	277,391	112,222
Deferred tax recovery (expense)	(15,706)	(3,717)	(53,799)	(13,687)
<b>Items that will not be re-classified into net income (loss):</b>				
Re-measurement of pension obligation	1,329	(1,253)	1,917	(1,121)
Other comprehensive income (loss)	\$ 3,555	\$ (3,909)	\$ 154,853	\$ (14,493)
<b>Total comprehensive income (loss)</b>	\$ 271,421	\$ (10,279)	\$ 710,299	\$ 130,526
<b>Total comprehensive income (loss) attributable to:</b>				
Non-controlling interests <a href="#">(Note 8)</a>	29,293	10,311	115,687	62,994
Common shareholders	242,128	(20,590)	594,612	67,532
<b>Total comprehensive income (loss)</b>	\$ 271,421	\$ (10,279)	\$ 710,299	\$ 130,526

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, 2021	\$ 4,005,462	\$ 260,880	\$ (1,233,085)	\$ 3,586	\$ (279,964)	\$ 2,756,879	\$ 208,832	\$ 2,965,711
Net income (loss)	—	—	467,174	—	—	467,174	88,272	555,446
Deferred tax recovery (expense)	—	—	—	—	(52,628)	(52,628)	(1,171)	(53,799)
Exchange rate differences on translation of foreign operations	—	—	—	—	(57,823)	(57,823)	(12,833)	(70,656)
Change in fair value of hedged derivative contracts <a href="#">(Note 9)</a>	—	—	—	—	235,984	235,984	41,407	277,391
Re-measurement of pension obligation	—	—	—	—	1,905	1,905	12	1,917
Total comprehensive income (loss)	\$ —	\$ —	\$ 467,174	\$ —	\$ 127,438	\$ 594,612	\$ 115,687	\$ 710,299
Long term incentive plan <a href="#">(Note 7.1)</a>	—	—	—	1,361	—	1,361	—	1,361
Non-controlling interest disposal <a href="#">(Note 8)</a>	—	—	—	—	—	—	3,446	3,446
Additional contribution provided by NCI	—	—	—	—	—	—	289	289
Common shares issued, net of costs <a href="#">(Note 7.1)</a>	294,683	—	—	—	—	294,683	—	294,683
Deferred tax on share issuance cost <a href="#">(Note 7.1)</a>	1,118	—	—	—	—	1,118	—	1,118
Dividends to non-controlling interest <a href="#">(Note 8)</a>	—	—	—	—	—	—	(57,258)	(57,258)
Common share and dividends declared <a href="#">(Note 7.1, 7.3)</a>	41,757	—	(138,454)	—	—	(96,697)	—	(96,697)
Preferred share dividends <a href="#">(Note 7.2)</a>	—	—	(5,441)	—	—	(5,441)	—	(5,441)
<b>June 30, 2022</b>	<b>\$ 4,343,020</b>	<b>\$ 260,880</b>	<b>\$ (909,806)</b>	<b>\$ 4,947</b>	<b>\$ (152,526)</b>	<b>\$ 3,546,515</b>	<b>\$ 270,996</b>	<b>\$ 3,817,511</b>

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, 2020	\$ 2,955,840	\$ 260,880	\$ (1,147,633)	\$ 3,225	\$ (279,418)	\$ 1,792,894	\$ 209,877	\$ 2,002,771
Net income (loss) <a href="#">(Note 10)</a>	—	—	89,583	—	—	89,583	55,436	145,019
Deferred tax recovery (expense)	—	—	—	—	(13,353)	(13,353)	(334)	(13,687)
Exchange rate differences on translation of foreign operations	—	—	—	—	(103,421)	(103,421)	(8,486)	(111,907)
Change in fair value of hedged derivative contracts <a href="#">(Note 9)</a>	—	—	—	—	95,837	95,837	16,385	112,222
Re-measurement of pension obligation	—	—	—	—	(1,114)	(1,114)	(7)	(1,121)
<b>Total comprehensive income (loss)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 89,583</b>	<b>\$ —</b>	<b>\$ (22,051)</b>	<b>\$ 67,532</b>	<b>\$ 62,994</b>	<b>\$ 130,526</b>
Long term incentive plan <a href="#">(Note 7.1)</a>	604	—	—	51	—	655	—	655
Recognition of put option	—	—	—	46	—	46	—	46
Common shares issued, net of costs <a href="#">(Note 7.1)</a>	949,597	—	—	—	—	949,597	—	949,597
Deferred tax on share issuance cost <a href="#">(Note 7.1)</a>	10,140	—	—	—	—	10,140	—	10,140
Dividends to non-controlling interest <a href="#">(Note 8)</a>	—	—	—	—	—	—	(56,786)	(56,786)
Common share and dividends declared <a href="#">(Note 7.3)</a>	42,691	—	(128,382)	—	—	(85,691)	—	(85,691)
Preferred share dividends <a href="#">(Note 7.2)</a>	—	—	(5,397)	—	—	(5,397)	—	(5,397)
<b>June 30, 2021</b>	<b>\$ 3,958,872</b>	<b>\$ 260,880</b>	<b>\$ (1,191,829)</b>	<b>\$ 3,322</b>	<b>\$ (301,469)</b>	<b>\$ 2,729,776</b>	<b>\$ 216,085</b>	<b>\$ 2,945,861</b>

See accompanying notes.

# Interim Condensed Consolidated Statements of Cash Flows

In thousands of Canadian dollars

<i>(Unaudited)</i>	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
<b>Operating activities</b>				
Net income (loss)	\$ 267,866	\$ (6,370)	\$ 555,446	\$ 145,019
Items not involving cash or operations:				
Depreciation of property, plant and equipment	144,614	145,137	292,029	290,437
Amortization of contracts and other intangibles	15,545	9,703	25,603	19,643
Impairment of goodwill	—	—	—	29,981
Finance costs, net	77,483	103,864	159,240	165,245
Fair value (gain) loss on derivative contracts <a href="#">(Note 9)</a>	(234,705)	13,077	(362,949)	(41,906)
Unrealized foreign exchange (gain) loss	34,575	16,365	66,949	46,031
Deferred tax expense (recovery)	58,991	(12,905)	95,966	4,785
Other	(26,402)	5,128	(32,336)	8,169
	\$ 337,967	\$ 273,999	\$ 799,948	\$ 667,404
Net change in working capital related to operations	(25,630)	87,077	(40,992)	102,126
<b>Cash provided by operating activities</b>	<b>\$ 312,337</b>	<b>\$ 361,076</b>	<b>\$ 758,956</b>	<b>\$ 769,530</b>
<b>Investing activities</b>				
Purchase of property, plant and equipment	(107,358)	(95,134)	(192,858)	(146,227)
Acquisitions, net	—	—	—	(81,621)
Restricted cash utilization (funding)	2,871	(44,294)	8,778	(45,362)
Other	32,937	(1,968)	33,050	(2,267)
<b>Cash used in investing activities</b>	<b>\$ (71,550)</b>	<b>\$ (141,396)</b>	<b>\$ (151,030)</b>	<b>\$ (275,477)</b>
<b>Financing activities</b>				
Proceeds from borrowings, net of transaction costs	105,487	31,586	422,992	202,587
Repayment of borrowings	(600,876)	(721,198)	(683,426)	(894,167)
Interest paid	(89,417)	(102,672)	(161,995)	(153,107)
Restricted cash utilization (funding)	12,112	8,408	(4,692)	74,949
Common share dividends	(48,442)	(43,386)	(95,835)	(83,339)
Dividends to non-controlling interests <a href="#">(Note 8)</a>	(21,242)	(16,647)	(57,258)	(58,279)
Preferred share dividends <a href="#">(Note 7.2)</a>	(2,741)	(2,698)	(5,441)	(5,397)
Common shares issued, net of costs <a href="#">(Note 7.1)</a>	165,673	949,597	294,683	949,597
Other	(873)	(2,083)	2,028	(7,055)
<b>Cash provided by (used in) financing activities</b>	<b>\$ (480,319)</b>	<b>\$ 100,907</b>	<b>\$ (288,944)</b>	<b>\$ 25,789</b>
Effect of exchange rate differences on cash and cash equivalents	(21,335)	(6,862)	(49,907)	(91,158)
<b>Net change in cash and cash equivalents during the period</b>	<b>(260,867)</b>	<b>313,725</b>	<b>269,075</b>	<b>428,684</b>
Cash and cash equivalents, beginning of period	1,203,634	549,948	673,692	434,989
<b>Cash and cash equivalents, end of period</b>	<b>\$ 942,767</b>	<b>\$ 863,673</b>	<b>\$ 942,767</b>	<b>\$ 863,673</b>

See accompanying notes.

# Notes to the Interim Condensed Consolidated Financial Statements

## 1. Description of Northland's Business

Northland Power Inc. (“**Northland**”) owns or holds net economic interests, through its subsidiaries, in power-producing facilities and a power distribution utility as well as in projects under construction or in development phases. Northland’s facilities produce electricity from clean energy sources for sale primarily under long-term power purchase agreements (PPAs) or other revenue arrangements with creditworthy counterparties. Northland’s utility is a distributor and retailer of electricity compensated under a regulated framework. These operating assets provide stable cash flow and are primarily located in Canada, Germany, the Netherlands, Spain and Colombia. Northland’s significant assets under construction and development are located in Mexico, Taiwan, Poland, Germany, Colombia 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**”), Series 2 cumulative floating rate preferred shares (“**Series 2 Preferred Shares**”) and Series 3 cumulative rate reset preferred shares (“**Series 3 Preferred Shares**”) that are publicly traded on the Toronto Stock Exchange (“**TSX**”). Northland is the parent company for the subsidiaries that operate Northland’s business. Northland’s registered office is located in Toronto, Ontario.

These unaudited interim condensed consolidated financial statements (“**Interim Consolidated Financial Statements**”) include the results of Northland and its subsidiaries, of which the most significant are listed in the following table:

	Geographic region <sup>(1)</sup>	% voting ownership as at June 30, 2022 <sup>(2)</sup>
<b>Offshore Wind</b>		
Buitengaats C.V. and ZeeEnergie C.V. (“ <b>Gemini</b> ”)	The Netherlands	60.0 %
Nordsee One GmbH (“ <b>Nordsee One</b> ”)	Germany	85.0 %
Northland Deutsche Bucht GmbH (“ <b>Deutsche Bucht</b> ”)	Germany	100.0 %
<b>Onshore Renewable</b>		
Nine solar facilities (“ <b>Solar</b> ”)	Canada	100.0 %
Northland Power Spain Holdings, S.L.U. (“ <b>Spanish portfolio</b> ”)	Spain	98.5 %
<b>Efficient Natural Gas<sup>(4)</sup></b>		
Kirkland Lake Power Corp. (“ <b>Kirkland Lake</b> ”) <sup>(3)</sup>	Canada	100.0 %
North Battleford Power L.P. (“ <b>North Battleford</b> ”)	Canada	100.0 %
Thorold CoGen L.P. (“ <b>Thorold</b> ”)	Canada	100.0 %
<b>Utility</b>		
Empresa de Energía de Boyacá S.A E.S.P (“ <b>EBSA</b> ”)	Colombia	99.4 %

(1) Geographic region corresponds to place of incorporation or, in the case of partnerships, registration, for all entities listed except North Battleford which is registered in Ontario, Canada.

(2) As at June 30, 2022, Northland’s economic interest remain unchanged from December 31, 2021. Northland owns 100% ownership interest in all the facilities within the Spanish Portfolio, except for one wind facility, where Northland’s ownership interest is at 66.2%.

(3) Northland holds a 68% controlling interest in Canadian Environmental Energy Corporation (**CEEC**), which holds 100% of the voting shares of Kirkland Lake. Northland's effective net economic interest in Kirkland Lake is approximately 87%.

(4) On April 7, 2022, Northland completed sale of its equity interest in Iroquois Falls and Kingston.

## 2. Summary of Significant Accounting Policies

### 2.1 Basis of Preparation and Statement of Compliance

These Interim Consolidated Financial Statements of Northland and its subsidiaries were prepared in accordance with International Accounting Standard (IAS) 34, *Interim Financial Reporting*, utilizing the accounting policies Northland outlined in its December 31, 2021 audited annual consolidated financial statements. The accounting policies are in line with International Financial Reporting Standards (IFRS) guidelines. The Interim Consolidated Financial Statements do not include all of the information and disclosures required in the annual consolidated financial statements and therefore should be read in conjunction with Northland’s 2021 audited 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. Certain prior period disclosures have been reclassified for consistency with the current period presentation.

The Interim Consolidated Financial Statements for the three and six months ended June 30, 2022 were approved by the Board of Directors on August 11, 2022.

### 2.2 Seasonality of operations

Northland’s power generation and utilities distribution assets can experience higher or lower demand in the summer or winter depending on the specific regional weather. 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 comprise the financial statements of Northland and its subsidiaries as at and for the three and six months ended June 30, 2022. Subsidiaries are fully consolidated on the date Northland obtains control and continue to be consolidated until the date that such control ceases. Control is achieved when Northland is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Northland reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the interim condensed consolidated statements of financial position and interim condensed consolidated statements of income (loss) from the date Northland gains control until the date control ceases. All intra-group balances, income and expenses and unrealized gains and losses resulting from intra-group transactions are eliminated in full.

### 2.4 New standards or amendments and forthcoming requirements

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of Northland’s audited annual consolidated financial statements for the year ended December 31, 2021, except for the adoption of the applicable new standards effective as of January 1, 2022, as noted in the audited annual consolidated financial statements of Northland.

Northland has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

## 3. Property, Plant and Equipment

As at	June 30, 2022	December 31, 2021
Property, plant and equipment (“PP&E”), net	\$ 8,165,804	\$ 8,812,225
Construction-in-progress	787,936	622,189
Lease right-of-use (ROU) asset	145,907	152,052
<b>Total property, plant and equipment, net</b>	<b>\$ 9,099,647</b>	<b>\$ 9,586,466</b>

As at June 30, 2022, construction-in-progress primarily relates to the capitalization of construction projects including the La Lucha project in Mexico, the Hai Long project in Taiwan, the New York Wind projects in the United States and a solar project in Colombia.

On April 7, 2022, Northland completed the sale of two efficient natural gas facilities in Ontario, Canada with a net book value of \$5 million as at the sale date.

## 4. Investment in Joint Ventures

Set out below are the significant joint ventures of Northland as at June 30, 2022. The entities have share capital consisting solely of ordinary shares, which are held directly or indirectly, by Northland. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of business / country of incorporation	% of ownership Interest as of		Carrying Amount as of	
		June 30, 2022	Dec. 31, 2021	June 30, 2022	Dec. 31, 2021
Baltic Power	Poland	48.6 %	48.6 %	\$ 120,712	\$ 128,111
Others				3,974	3,023
<b>Total investments in joint ventures</b>				<b>\$ 124,686</b>	<b>\$ 131,134</b>

With respect to Baltic Power pursuant to a joint venture agreement executed in 2021, Northland has made purchase price commitments of €33 million (\$46 million) to be funded over the period until March 2023, of which €16 million (\$22 million) have been funded as of June 30, 2022. These commitments have been recognized within trade and other payables and provisions and other liabilities in the Interim Consolidated Financial Statements.

The tables below provide summarized financial information for significant joint ventures. The information disclosed reflects the amounts presented in the interim condensed consolidated financial statements of the relevant joint venture and not Northland's share of those amounts. They have been amended to reflect adjustments made by Northland when using the equity method, including acquisition date fair value adjustments and differences in accounting policies.

### Summarized statement of financial position

	Current assets			Non-current assets	Current liabilities			Non-current liabilities			Net Assets
	Cash and cash equivalents	Other current assets	Total current assets		Financial liabilities*	Other current liabilities	Total current liabilities	Financial liabilities*	Other non-current liabilities	Total non-current liabilities	
<b>As of June 30, 2022</b>											
Baltic Power	\$ 46,887	\$ 34,372	\$ 81,259	\$ 172,647	\$ —	\$ 15,388	\$ 15,388	\$ —	\$ —	\$ —	\$ 238,518
<b>As of December 31, 2021</b>											
Baltic Power	\$ 52,520	\$ 42,399	\$ 94,919	\$ 177,719	\$ 15,404	\$ 147	\$ 15,551	\$ 10	\$ —	\$ 10	\$ 257,077

\* Financial liabilities exclude trade payables, which are included within the other liabilities.

### Reconciliation to carrying amounts

	Opening Net assets	FV of net assets acquired	Equity contribution	Net income (loss) for the period	Currency translation gain (loss)	Closing Net assets	Northland's share in %	Northland's share in net assets	Other adjustments	Carrying amount
<b>As of June 30, 2022</b>										
Baltic Power	\$ 257,077	\$ —	\$ —	\$ 29	\$ (18,588)	\$ 238,518	48.6 %	\$ 115,824	\$ 4,888	\$ 120,712
<b>As of December 31, 2021</b>										
Baltic Power	\$ —	\$ 139,065	\$ 131,738	\$ (5,287)	\$ (8,439)	\$ 257,077	48.6 %	\$ 124,837	\$ 3,274	\$ 128,111

### Summarized statement of comprehensive income

Six months ended	Interest income	Depreciation and amortization	Interest expense	Development expenses	Net income (loss)	Total comprehensive income (loss)
<b>June 30, 2022</b>						
Baltic Power	\$ 1,162	\$ (98)	\$ (77)	\$ —	\$ 29	\$ 29
<b>June 30, 2021</b>						
Baltic Power	\$ —	\$ —	\$ (1,054)	\$ (3,902)	\$ (5,413)	\$ (5,413)

### Nordsee Offshore Wind Cluster

In January 2022, Northland and its German partner, RWE Renewables GmbH (**RWE**), announced the formation of a Nordsee Offshore Wind Cluster (the "**Cluster**") partnership encompassing Nordsee Two GmbH ("**N2**"), Nordsee Three GmbH ("**N3**") and Offshore-Windpark Delta Nordsee GmbH ("**Delta**"). As a result, Northland reduced its ownership interest in N2 and N3 from 85% to 49% and acquired a 49% interest in Delta. The loss of control in N2 and N3 resulted in a gain of \$15 million (€10 million). Subsequent to the loss of control, since Northland and RWE jointly control N2, N3 and Delta under the terms of the agreement, the three projects are accounted using the equity method of accounting. As a part of this transaction, Northland also committed to paying \$20 million (€14 million) to RWE on the date of the final investment decision taken for Delta, expected in 2026 to fund the historical development expenses of Delta. As of June 30, 2022, the carrying value of the Cluster amounts to \$0.3 million (€0.2 million) and the carrying value of loan receivables from the Cluster amounts to \$8 million (€6 million).

## 5. Facility-level Loans and Borrowings

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

	Rate <sup>(1)</sup>	Maturity	Amount drawn as at June. 30, 2022 <sup>(2)</sup>	Amount drawn as at Dec. 31, 2021 <sup>(2)</sup>
EBSA <sup>(3)</sup>	3.7 %	2024	\$ 518,528	\$ 518,096
New York Wind	1.4 %	2024	229,549	129,624
Nordsee One <sup>(3)</sup>	2.3 %	2026	572,465	678,059
Jardin <sup>(3)</sup>	6.0 %	2029	69,570	73,223
Kirkland Lake	4.2 %	2030	46,688	11,800
Thorold <sup>(3)</sup>	6.7 %	2030	219,762	227,137
Gemini <sup>(3)(5)</sup>	4.0 %	2030	1,954,139	2,206,204
Mont Louis	6.6 %	2031	61,142	63,723
Solar Phase I <sup>(3)(4)</sup>	4.4 %	2032	154,843	162,121
North Battleford <sup>(3)</sup>	5.0 %	2032	521,132	539,032
Deutsche Bucht <sup>(3)</sup>	2.4 %	2031	1,005,240	1,125,771
Solar Phase II <sup>(4)</sup>	4.3 %	2034	111,799	116,026
McLean's	6.0 %	2034	103,365	106,587
Cochrane Solar <sup>(3)</sup>	4.6 %	2035	153,165	159,084
Grand Bend	4.2 %	2035	289,389	297,469
Spy Hill <sup>(3)</sup>	4.1 %	2036	122,085	124,584
Spanish portfolio <sup>(6)</sup>	3.3% - 4.1%	2026-2041	950,127	1,053,674
<b>Weighted average and total</b>	<b>3.5 %</b>		<b>\$ 7,082,988</b>	<b>\$ 7,592,214</b>
Current			675,930	677,378
Long-term			\$ 6,407,058	\$ 6,914,836

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

(2) Excludes letters of credit secured by facility or project-level credit agreements.

(3) Net of transaction costs and/or fair value adjustments.

(4) Solar Phase I and Solar Phase II include the nine entities that comprise Solar.

(5) Includes the amount drawn on the senior debt and the third-party portion of subordinated debt.

(6) The weighted average interest rate and the weighted average remaining term to maturity for all the facility-level loans is 3.9% and 13 years, respectively.

As at June 30, 2022, \$100 million of letters of credit secured by facility or project-level credit agreements was outstanding (December 31, 2021 - \$94 million).

On June 2, 2022, Northland restructured and upsized its Kirkland Lake credit facility (the "Kirkland Lake facility"). The aggregate amount of the financing was upsized by \$34 million, net of closing costs, to \$47 million, and the loan maturity date was extended by eight years to March 31, 2030. The restructured Kirkland Lake facility continues to be denominated in Canadian dollars, with the applicable interest rate increasing to 4.2% (all in rate) from the previous rate of 2.8%.

For the six months ended June 30, 2022, Northland complied with all applicable contractual covenants, except for: (i) the requirement to fully fund certain debt service reserve and unplanned maintenance reserve accounts; and (ii) the covenants restricting the making of a distribution prior to ensuring those applicable reserves were fully funded, which were identified during the period. The foregoing matters do not constitute events of default under the applicable credit agreements if cured in accordance with the terms of such agreements. As at June 30, 2022, the required corrective actions have been taken in accordance with the applicable agreements. Accordingly, as at June 30, 2022 and as at the approval date of these Interim Consolidated Financial Statements, Northland continues to have an unconditional right to defer the payment of the loan over the contractually agreed term.

## 6. Corporate Credit Facilities

The corporate credit facilities are summarized in the table below:

	Facility size	Amount drawn as at June 30, 2022 <sup>(4)</sup>	Outstanding letters of credit	Available capacity	Maturity	Amount drawn as at December 31, 2021
Sustainability linked loan (SLL) syndicated revolving facility <sup>(2)</sup>	\$ 1,000,000	\$ —	\$ 161,017	\$ 838,983	Sep. 2026	\$ 44,722
Bilateral letter of credit facility	150,000	—	134,528	15,472	Mar. 2023	—
Export credit agency backed letter of credit facility <sup>(3)</sup>	100,000	—	48,150	51,850	Mar. 2023	—
Export credit agency backed letter of credit facility	50,000	—	37,789	12,211	n/a <sup>(1)</sup>	—
<b>Total</b>	<b>\$ 1,300,000</b>	<b>\$ —</b>	<b>\$ 381,484</b>	<b>\$ 918,516</b>		<b>\$ 44,722</b>
Less: deferred financing costs		<b>2,154</b>				<b>2,897</b>
<b>Total, net</b>		<b>\$ (2,154)</b>				<b>\$ 41,825</b>

(1) The \$50 million facility does not have a specified maturity date.

(2) The amount drawn on the syndicated revolving facility as at June 30, 2022 was nil (December 31, 2021 - US\$30 million, CAD nil and €5 million converted to CAD at the period-end exchange rates).

(3) During the first quarter, Northland got this credit facility maturity extended to March 2023.

(4) Deferred financing cost associated with the syndicated revolving facility is included within the other assets in the consolidated statement of financial position.

During the six months ended June 30, 2022, Northland made net repayment of \$45 million on the syndicated revolving facility.

Amounts drawn under the syndicated revolving facility are collateralized by a debenture security and general security agreement that constitutes a first-priority lien on all of the real property and present and future property and assets of Northland.

## 7. Equity

### 7.1 Common Shares

Northland is authorized to issue an unlimited number of Shares. The change in Shares during 2022 and 2021 was as follows:

	June 30, 2022		December 31, 2021	
	Shares	Amount	Shares	Amount
Shares outstanding, beginning of year	226,882,751	\$ 4,005,462	202,171,075	\$ 2,955,840
Shares issued under Equity offering	7,487,700	294,683	22,500,500	949,597
Shares issued under the LTIP	—	—	21,967	911
Shares issued under the DRIP	1,121,768	41,757	2,189,209	88,973
Change in deferred taxes <sup>(1)</sup>	—	1,118	—	10,141
<b>Total common shares outstanding, end of period</b>	<b>235,492,219</b>	<b>\$ 4,343,020</b>	<b>226,882,751</b>	<b>\$ 4,005,462</b>

(1) Relate to difference in treatment between tax and IFRS.

### Dividend Reinvestment Plan

The DRIP provides shareholders the right to reinvest their dividends in Shares with a discount to the market price as defined in the DRIP. Shares issued under the DRIP can be sourced from treasury or purchased on the secondary market at the election of Northland's Board of Directors. Northland's Board of Directors has the discretion to alter the discount or source of Shares issued under the DRIP.

Effective with the dividend paid on September 15, 2020, Northland changed the discount rate applicable to its DRIP, whereby common shareholders may elect to reinvest their dividends in common shares to 3% discount, from the previous 0% discount.

## Share-based Compensation

Northland's Long-Term Incentive Plan (**LTIP**) provides for a maximum of 3,100,000 Shares to be reserved and available for grant to employees of Northland and its subsidiaries. As at June 30, 2022, 1,178,303 Shares remain available for future issuance under the LTIP. Shares may be awarded based on development profits, which arise from new projects or acquisitions ("**Development LTIP**"). The costs recognized for LTIP in the period depend on management's best estimate of a project's expected development profit and expected timing of project milestones. Awards under the LTIP may be settled in Shares or in cash, at the discretion of Northland's Board of Directors.

For the three and six months ended June 30, 2022, Northland expensed nil and \$0.5 million (2021 - \$0.4 million and \$0.4 million), respectively, of costs under the LTIP. No forfeitures are assumed to occur. The balance of accrued awards related to the Development LTIP is included in liabilities since these awards are expected to be settled in cash. For the three and six months ended June 30, 2022, Northland settled nil and \$2 million (2021 - nil and nil), respectively, of Development LTIP awards in cash related to development projects.

Shares may also be awarded under the LTIP to recognize achievements or attract and retain executives ("**Deferred Rights**"). Grants of Deferred Rights vest over a maximum of a three-year period, and the expected cost is expensed over the vesting period.

In addition to the LTIP, stock-based compensation in the form of Restricted Share Units (**RSU**) and Deferred Share Units (**DSU**) may be granted by Northland to employees and directors. These awards are settled and paid in cash and accounted for as a liability until paid.

## Equity offering

During the six months ended June 30, 2022, Northland established an At-The-Market equity program ("**ATM program**") that allows Northland to issue up to an equivalent of \$500 million of common shares from treasury to the public from time to time, at Northland's discretion. Any Common Shares sold in the ATM Program will be sold through the TSX. The ATM Program will be effective until the earlier of July 16, 2023 and the date that all of the common shares issuable under the ATM Program have been issued, unless terminated prior to such date in accordance with the terms of the Equity Distribution agreement dated March 1, 2022.

During the three and six months ended June 30, 2022, Northland issued 4,308,600 and 7,487,700 common shares, respectively, under the ATM program at an average price of \$38.98 and \$39.94 per common share, respectively, for gross proceeds of \$168 million and \$299 million (net proceeds \$166 million and \$295 million), respectively.

Under the ATM program, as at August 11, 2022, Northland has issued a total of 7,918,000 shares at an average price of \$39.85 per share for gross proceeds of \$315 million (net proceeds \$311 million).

## 7.2 Preferred Shares

Preferred share dividends, excluding tax, were paid as follows:

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Series 1	\$ 953	\$ 953	\$ 1,906	\$ 1,906
Series 2	264	221	487	443
Series 3	1,524	1,524	3,048	3,048
<b>Total</b>	<b>\$ 2,741</b>	<b>\$ 2,698</b>	<b>\$ 5,441</b>	<b>\$ 5,397</b>

## 7.3 Dividends

Dividends declared per Share and in aggregate were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Dividends declared per Share	\$ 0.30	\$ 0.30	\$ 0.60	\$ 0.60
Aggregate dividends declared				
Dividends in cash	48,470	44,568	96,330	84,973
Dividends in shares	21,487	23,074	42,124	43,409
<b>Total</b>	<b>\$ 69,957</b>	<b>\$ 67,642</b>	<b>\$ 138,454</b>	<b>\$ 128,382</b>

## 8. Non-controlling Interests

Non-controlling interests relate to the interests not owned by Northland. Subsidiaries with non-controlling interests that are material to Northland's consolidated financial statements include Gemini (40%), Nordsee One (15%) and CEEC (32%). CEEC has voting control of Kirkland Lake but ownership interest of 8.8% as a result of non-voting ownership interest held by third-parties.

Summarized financial information for subsidiaries with material non-controlling interests in the interim condensed consolidated statements of financial position (shown at 100% totals) are as follows:

As at June 30, 2022	Current assets <sup>(1)</sup>		Long-term assets		Current liabilities		Long-term liabilities	
Gemini	\$	390,246	\$	2,592,417	\$	404,488	\$	2,062,309
Nordsee		114,114		1,120,157		167,036		862,603
CEEC		58,486		32,689		48,574		51,784
Other <sup>(2)</sup>		321,849		1,631,187		271,143		658,899
<b>Total</b>	<b>\$</b>	<b>884,695</b>	<b>\$</b>	<b>5,376,450</b>	<b>\$</b>	<b>891,241</b>	<b>\$</b>	<b>3,635,595</b>

As at December 31, 2021	Current assets <sup>(1)</sup>		Long-term assets		Current liabilities		Long-term liabilities	
Gemini	\$	349,101	\$	2,891,749	\$	394,389	\$	2,451,059
Nordsee		114,737		1,205,921		181,720		984,941
CEEC		35,392		23,738		27,805		10,046
Other <sup>(2)</sup>		296,412		888,494		265,942		693,043
<b>Total</b>	<b>\$</b>	<b>795,642</b>	<b>\$</b>	<b>5,009,902</b>	<b>\$</b>	<b>869,856</b>	<b>\$</b>	<b>4,139,089</b>

(1) As at June 30, 2022, restricted cash of \$32 million (Dec 2021 - \$47 million) is included for Gemini, \$27 million (Dec 2021 - \$29 million) for Nordsee One where the availability of funds is intended for debt repayments.

(2) Other includes subsidiaries with non-controlling interests that are not individually material to Northland's consolidated financial statements, including: McLean's (50%), Grand Bend (50%), Cochrane Solar (37.5%), Energia (12%), EBSA (0.6%) and the Spanish portfolio (1.5%).

The change in material non-controlling interests during 2022 and 2021 is as follows:

		Gemini	Nordsee <sup>(3)</sup>	CEEC	Other <sup>(2)</sup>	Total
<b>As at January 1, 2022</b>	\$	149,464	\$ 32,988	\$ 10,847	\$ 15,533	\$ 208,832
Additional contribution by NCI		—	—	—	289	289
Net income (loss) attributable <sup>(1)</sup>		92,101	8,186	(21,122)	9,107	88,272
Dividends and distributions declared <sup>(1)</sup>		(45,064)	—	(5,193)	(7,001)	(57,258)
Allocation of other comprehensive income (loss) <sup>(1)</sup>		23,200	(790)	—	5,005	27,415
Disposal of non-controlling interests <sup>(4)</sup>		—	3,446	—	—	3,446
<b>As at June 30, 2022</b>	<b>\$</b>	<b>219,701</b>	<b>\$ 43,830</b>	<b>\$ (15,468)</b>	<b>\$ 22,933</b>	<b>\$ 270,996</b>

		Gemini	Nordsee <sup>(3)</sup>	CEEC	Other <sup>(2)</sup>	Total
<b>As at January 1, 2021</b>	\$	138,188	\$ 30,474	\$ 23,792	\$ 17,423	\$ 209,877
Net income (loss) attributable <sup>(1)</sup>		46,402	3,125	2,342	3,567	55,436
Dividends and distributions declared <sup>(1)</sup>		(44,413)	(4,296)	—	(8,077)	(56,786)
Allocation of other comprehensive income (loss) <sup>(1)</sup>		6,093	(189)	—	1,654	7,558
<b>As at June 30, 2021</b>	<b>\$</b>	<b>146,270</b>	<b>\$ 29,114</b>	<b>\$ 26,134</b>	<b>\$ 14,567</b>	<b>\$ 216,085</b>

(1) Net income (loss), dividends and distributions, and other comprehensive income (loss) are shown at the respective non-controlling interest share.

(2) Other includes subsidiaries with non-controlling interests that are not material to Northland's consolidated financial statements, including: McLean's (50%), Grand Bend (50%), Cochrane Solar (37.5%), Energia (12%), EBSA (0.6%) and Spanish portfolio (1.5%).

(3) As of January 1, 2022, Nordsee was comprised of NCI balances relating to Nordsee One, N2 and N3.

(4) Disposal of NCI relates to de-recognition of NCI interest of N2 and N3 due to formation of Nordsee Offshore Wind Cluster partnership, as disclosed in note 4. As of June 30, 2022, Northland holds a 49% interest in N2 and N3, and accounts them under equity method of accounting.

For three and six months ended June 30, 2021, as disclosed in note 16 of the annual financial statements for the year ended December 31, 2021, net income (loss) and other comprehensive income (loss) (“OCI”) attributable to common shareholders and NCI were adjusted. The change in allocation increased net income (loss) attributable to common shareholders and decreased net income (loss) attributable to NCI by \$3 million and \$12 million for three and six months ended June 30, 2021, respectively. This resulted in the net loss per share – basic and diluted, for three months ended June 30, 2021, decreased from \$0.08 per share to \$0.06 per share and net income per share – basic and diluted for, six months ended June 30, 2021, increased from \$0.34 per share to \$0.40 per share, respectively. In addition, the change in allocation decreased OCI attributable to common shareholders and increased OCI attributable to NCI by \$4 million and \$1 million for three and six months ended June 30, 2021, respectively.

## 9. Financial Instruments

The derivative financial instruments consist of the following:

As at June 30, 2022	Current assets	Current liabilities	Long-term assets	Long-term liabilities	Total
<b>Derivatives designated for hedge accounting</b>					
Interest Rate Contracts	\$ 1,196	\$ (25,634)	\$ 57,171	\$ (9,974)	\$ 22,759
Foreign Exchange Contracts	12,653	—	80,980	—	93,633
<b>Derivatives not designated for hedge accounting</b>					
Interest Rate Contracts	24,620	(1,878)	187,210	(8,803)	201,149
Foreign Exchange Contracts	43,655	(1,335)	98,686	(2,132)	138,874
Commodity Contracts	146,489	(159,142)	37,478	(41,139)	(16,314)
<b>Total</b>	<b>\$ 228,613</b>	<b>\$ (187,989)</b>	<b>\$ 461,525</b>	<b>\$ (62,048)</b>	<b>\$ 440,101</b>
<b>As at December 31, 2021</b>					
<b>Derivatives designated for hedge accounting</b>					
Interest Rate Contracts	\$ 19	\$ (82,534)	\$ 1,053	\$ (197,931)	\$ (279,393)
Foreign Exchange Contracts	6,087	—	42,528	(1,720)	46,895
<b>Derivatives not designated for hedge accounting</b>					
Interest Rate Contracts	96	(12,875)	26,408	(57,806)	(44,177)
Foreign Exchange Contracts	32,007	(247)	52,381	(897)	83,244
Commodity Contracts	85,903	(101,982)	26,189	(32,297)	(22,187)
<b>Total</b>	<b>\$ 124,112</b>	<b>\$ (197,638)</b>	<b>\$ 148,559</b>	<b>\$ (290,651)</b>	<b>\$ (215,618)</b>

The change in derivative financial instruments for the six months ended June 30, 2022 and 2021 is as follows:

	Balance as at Dec. 31, 2021 asset (liability)	Designated in hedge relationships		Fair value changes on derivatives not designated in hedge relationships <sup>(2)</sup>	Foreign exchange gain (loss)	Balance as at June. 30, 2022 asset (liability)
		Changes in fair value recognized in OCI <sup>(1)</sup>	Fair value changes <sup>(2)</sup>			
Interest Rate Contracts	\$ (323,571)	\$ 229,826	\$ 63,031	\$ 245,329	\$ 9,294	\$ 223,909
Foreign Exchange Contracts	130,139	47,565	(6,912)	55,631	6,085	232,508
Commodity Contracts	(22,186)	—	—	5,870	—	(16,316)
<b>Total</b>	<b>\$ (215,618)</b>	<b>\$ 277,391</b>	<b>\$ 56,119</b>	<b>\$ 306,830</b>	<b>\$ 15,379</b>	<b>\$ 440,101</b>

	Balance as at Dec. 31, 2020 asset (liability)	Designated in hedge relationships		Fair value changes on derivatives not designated in hedge relationships <sup>(2)</sup>	Foreign exchange gain (loss)	Balance as at June. 30, 2021 asset (liability)
		Changes in fair value recognized in OCI <sup>(1)</sup>	Fair value changes <sup>(2)</sup>			
Interest Rate Contracts	\$ (515,797)	\$ 64,538	\$ 19,520	\$ 10,198	\$ 20,333	\$ (401,208)
Foreign Exchange Contracts	(27,739)	49,981	9,062	19,227	—	50,531
Commodity Contracts	(39,095)	(2,297)	834	(16,935)	303	(57,190)
<b>Total</b>	<b>\$ (582,631)</b>	<b>\$ 112,222</b>	<b>\$ 29,416</b>	<b>\$ 12,490</b>	<b>\$ 20,636</b>	<b>\$ (407,867)</b>

(1) Amounts recognized in “Change in fair value of hedged derivative contracts” in the consolidated statements of comprehensive income (loss), representing the change in fair value recognized in OCI, net of amounts reclassified to the consolidated statements of income (loss) on settlement.

(2) Amounts recognized in “Fair value (gain) loss on derivative contracts” in the consolidated statements of income (loss). These amounts represent fair value changes, net of realized gains and losses on settlements during the six months ended June 30. 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 power forward contracts.

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, 2022.

## 10. 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,	
	2022	2021	2022	2021
Net income (loss) for the period attributable to common shareholders	\$ 238,032	\$ (11,328)	\$ 467,174	\$ 89,583
Less: preferred share dividends, net (Note 7.2)	(2,741)	(2,698)	(5,441)	(5,397)
<b>Net income (loss) attributable to common shareholders for basic and diluted earnings</b>	<b>\$ 235,291</b>	<b>\$ (14,026)</b>	<b>\$ 461,733</b>	<b>\$ 84,186</b>

The basic and diluted share amounts are calculated as follows:

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
<b>Weighted average number of Shares outstanding, basic and diluted</b>	<b>232,321,409</b>	220,181,837	<b>230,018,788</b>	211,283,832

## 11. Finance costs, net

Net finance costs consist of the following:

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Interest on debt, borrowings and bank fees	\$ 77,934	\$ 74,337	\$ 150,421	\$ 150,482
Amortization of deferred financing costs	112	945	7,716	11,024
Others	(563)	248	1,103	1,114
<b>Finance costs, net</b>	<b>\$ 77,483</b>	<b>\$ 75,530</b>	<b>\$ 159,240</b>	<b>\$ 162,620</b>

For the three and six months ended June 30, 2022, \$1 million and \$2 million of finance costs (2021 - \$3 million and \$4 million), respectively incurred from project financing related to facilities under construction were capitalized in construction-in-progress.

## 12. Operating Segment Information

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

Significant information for each segment for the consolidated statements of income (loss) is as follows:

Three Months Ended June 30, 2022	External Sales	Inter company sales <sup>(1)</sup>	Total Sales	Cost of sales	Operating Costs	G&A costs <sup>(2)</sup>	Depreciation of PP&E	Other income <sup>(3)</sup>	Operating Income	Finance costs, net
<b>Offshore Wind Facilities<sup>(4)</sup></b>	\$ 245,805	\$ —	\$ 245,805	\$ —	\$ 41,479	\$ 2,401	\$ 80,987	\$ —	\$ 120,938	\$ 35,064
<b>Onshore Renewable Facilities</b>										
Canada	60,209	—	60,209	—	7,158	460	20,954	—	31,637	12,373
Spain	70,444	—	70,444	—	389	940	23,182	—	45,933	6,423
	\$ 130,653	\$ —	\$ 130,653	\$ —	\$ 7,547	\$ 1,400	\$ 44,136	\$ —	\$ 77,570	\$ 18,796
<b>Efficient Natural Gas Facilities</b>										
Canada	103,153	—	103,153	41,036	9,937	405	10,232	(2,830)	44,373	12,441
<b>Utilities</b>										
Colombia	70,442	—	70,442	21,204	18,107	1,684	7,806	—	21,641	41
<b>Other<sup>(1)</sup></b>	6,739	55,920	62,659	9,601	—	28,882	1,453	(259)	22,982	11,141
<b>Elimination</b>	—	(55,920)	(55,920)	—	—	—	—	—	(55,920)	—
<b>Total</b>	\$ 556,792	\$ —	\$ 556,792	\$ 71,841	\$ 77,070	\$ 34,772	\$ 144,614	\$ (3,089)	\$ 231,584	\$ 77,483

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

(2) General and administrative costs includes development costs.

(3) Other income includes investment income and finance lease income.

(4) Offshore wind is comprised of revenue from Germany and the Netherlands amounting to \$93 million and \$153 million, respectively.

Three Months Ended June 30, 2021	External Sales	Intercompany sales <sup>(1)</sup>	Total Sales	Cost of sales	Operating Costs	G&A costs <sup>(2)</sup>	Depreciation of PP&E	Other income <sup>(3)</sup>	Operating Income	Finance costs, net
<b>Offshore Wind Facilities<sup>(4)</sup></b>	\$ 204,892	\$ —	\$ 204,892	\$ —	\$ 46,821	\$ 2,086	\$ 86,193	\$ —	\$ 69,792	\$ 41,486
<b>Onshore Renewable Facilities</b>										
Canada	58,097	—	58,097	—	6,797	542	22,043	—	28,715	13,682
Spain	—	—	—	—	—	—	—	—	—	—
	\$ 58,097	\$ —	\$ 58,097	\$ —	\$ 6,797	\$ 542	\$ 22,043	\$ —	\$ 28,715	\$ 13,682
<b>Efficient Natural Gas Facilities</b>										
Canada	83,433	—	83,433	22,296	12,120	230	25,759	(2,927)	25,956	12,932
<b>Utilities</b>										
Colombia	52,832	—	52,832	16,220	13,451	1,838	8,032	—	13,291	43
<b>Other<sup>(1)</sup></b>	9,067	43,795	52,862	2,117	—	24,636	3,110	(889)	23,887	7,387
<b>Elimination</b>	—	(43,795)	(43,795)	—	—	—	—	—	(43,795)	—
<b>Total</b>	\$ 408,321	\$ —	\$ 408,321	\$ 40,633	\$ 79,189	\$ 29,332	\$ 145,137	\$ (3,816)	\$ 117,846	\$ 75,530

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

(2) General and administrative costs includes development costs.

(3) Other income includes investment income and finance lease income.

(4) Offshore wind is comprised of revenue from Germany and the Netherlands amounting to \$95 million and \$110 million, respectively.

Six Months Ended June 30, 2022	External Sales	Inter company sales <sup>(1)</sup>	Total Sales	Cost of sales	Operating Costs	G&A costs <sup>(2)</sup>	Depreciation of PP&E	Other income <sup>(3)</sup>	Operating Income	Finance costs, net
<b>Offshore Wind Facilities <sup>(4)</sup></b>	\$ 642,439	\$ —	\$ 642,439	\$ —	\$ 78,992	\$ 5,284	\$ 166,242	\$ —	\$ 391,921	\$ 78,116
<b>Onshore Renewable Facilities</b>										
Canada	115,445	—	115,445	—	14,052	721	42,009	—	58,663	25,706
Spain	143,432	—	143,432	—	11,778	1,408	43,730	—	86,516	11,641
	\$ 258,877	\$ —	\$ 258,877	\$ —	\$ 25,830	\$ 2,129	\$ 85,739	\$ —	\$ 145,179	\$ 37,347
<b>Efficient Natural Gas Facilities</b>										
Canada	203,823	—	203,823	79,488	19,139	561	20,435	(5,686)	89,886	24,496
<b>Utilities</b>										
Colombia	135,787	—	135,787	41,572	33,364	2,665	15,673	—	42,513	44
<b>Other <sup>(1)</sup></b>	10,920	77,567	88,487	10,071	—	61,629	3,940	(512)	13,359	19,237
<b>Elimination</b>	—	(77,567)	(77,567)	—	—	—	—	—	(77,567)	—
<b>Total</b>	\$ 1,251,846	\$ —	\$ 1,251,846	\$ 131,131	\$ 157,325	\$ 72,268	\$ 292,029	\$ (6,198)	\$ 605,291	\$ 159,240

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

(2) General and administrative costs includes development costs.

(3) Other income includes investment income and finance lease income.

(4) Offshore wind is comprised of revenue from Germany and the Netherlands amounting to \$274 million and \$368 million, respectively.

Six Months Ended June 30, 2021	External Sales	Inter company sales <sup>(1)</sup>	Total Sales	Cost of sales	Operating Costs	G&A costs <sup>(2)</sup>	Depreciation of PP&E	Other income <sup>(3)</sup>	Operating Income	Finance costs, net
<b>Offshore Wind Facilities<sup>(4)</sup></b>	\$ 576,111	\$ —	\$ 576,111	\$ —	\$ 85,336	\$ 4,693	\$ 173,739	\$ —	\$ 312,343	\$ 93,036
<b>Onshore Renewable Facilities</b>										
Canada	111,441	—	111,441	—	13,528	836	44,118	—	52,959	27,456
Spain	—	—	—	—	—	—	—	—	—	—
	\$ 111,441	\$ —	\$ 111,441	\$ —	\$ 13,528	\$ 836	\$ 44,118	\$ —	\$ 52,959	\$ 27,456
<b>Efficient Natural Gas Facilities</b>										
Canada	203,876	—	203,876	56,107	23,928	341	51,074	(5,878)	78,304	26,062
<b>Utilities</b>										
Colombia	109,950	—	109,950	33,630	27,864	3,838	16,527	—	28,091	182
<b>Other<sup>(1)</sup></b>	19,709	105,104	124,813	14,915	—	49,226	4,979	(1,866)	57,559	15,884
<b>Elimination</b>	—	(105,104)	(105,104)	—	—	—	—	—	(105,104)	—
<b>Total</b>	\$ 1,021,087	\$ —	\$ 1,021,087	\$ 104,652	\$ 150,656	\$ 58,934	\$ 290,437	\$ (7,744)	\$ 424,152	\$ 162,620

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

(2) General and administrative costs includes development costs.

(3) Other income includes investment income and finance lease income.

(4) Offshore wind is comprised of revenue from Germany and the Netherlands amounting to \$264 million and \$313 million, respectively.

Significant information for each segment for the consolidated statements of financial position is as follows:

As at June 30, 2022	PP&E, net	Contracts and other intangibles, net	Goodwill	Investment in joint ventures	Total Assets
<b>Offshore Wind Facilities</b> <sup>(2)</sup>	\$ 4,723,916	\$ 364,824	\$ —	\$ —	\$ 5,894,751
<b>Onshore Renewable Facilities</b>					
Canada	1,174,386	—	54,730	—	1,307,948
Spain	1,380,689	—	148,013	—	1,999,808
	\$ 2,555,075	\$ —	\$ 202,743	\$ —	\$ 3,307,756
<b>Efficient Natural Gas Facilities</b>					
Canada	747,475	42,435	120,229	—	1,208,903
<b>Utilities</b>					
Colombia	481,878	6,633	419,578	—	1,028,055
<b>Other</b> <sup>(1)</sup>	591,303	69,911	—	124,686	1,665,553
<b>Total</b>	<b>\$ 9,099,647</b>	<b>\$ 483,803</b>	<b>\$ 742,550</b>	<b>\$ 124,686</b>	<b>\$ 13,105,018</b>

(1) Includes £20 million (C\$33 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.

(2) Offshore wind is comprised of PP&E from Germany and the Netherlands amounting to \$2,208 million and \$2,516 million, respectively.

As at December 31, 2021	PP&E, net	Contracts and other intangibles, net	Goodwill	Investment in joint ventures	Total Assets
<b>Offshore Wind Facilities</b> <sup>(2)</sup>	\$ 5,166,638	\$ 411,482	\$ —	\$ —	\$ 6,222,659
<b>Onshore Renewable Facilities</b>					
Canada	1,203,999	—	54,731	—	1,285,863
Spain	1,509,913	—	157,478	—	1,998,286
	\$ 2,713,912	\$ —	\$ 212,209	\$ —	\$ 3,284,149
<b>Efficient Natural Gas Facilities</b>					
Canada	771,487	45,281	120,229	—	1,261,107
<b>Utilities</b>					
Colombia	486,546	5,636	420,935	—	1,004,008
<b>Other</b>	447,883	35,236	—	131,134	1,105,408
<b>Total</b>	<b>\$ 9,586,466</b>	<b>\$ 497,635</b>	<b>\$ 753,373</b>	<b>\$ 131,134</b>	<b>\$ 12,877,331</b>

(1) \$30 million of goodwill relating to Iroquois Falls facility was written off during 2021.

(2) Offshore wind is comprised of property plant & equipment from Germany and the Netherlands amounting to \$2,397 million and \$2,769 million, respectively.

## 13. Litigation, Claims, Contingencies and Commitments

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.

### 13.1 Milestone Payments for Development Project Acquisitions

In the 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, 2022, Northland's best estimate of the future contingent payments are approximately \$118 million of contingent payments under its development projects arrangements, with a maximum of \$280 million. These contingent payments were not recognized in the consolidated statements of financial position.