NORTHLAND POWER INC.

Management's Discussion and Analysis

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This Management's Discussion and Analysis (**"MD&A"**), dated February 26, 2025, compares Northland's financial results and financial position for the year ended December 31, 2024, with those for the year ended December 31, 2023. Certain prior period disclosures have been reclassified for consistency with the current period presentation. Northland's Audit Committee reviewed this MD&A and the associated audited consolidated financial statements and notes, and its Board of Directors approved these documents prior to their release.

SECTION 1: OVERVIEW

Introduction

The purpose of this MD&A is to explain the financial results of Northland Power Inc. (**"Northland"** or the **"Company"**) and to assist the reader in understanding the nature and importance of changes and trends as well as the risks and uncertainties that may affect the operating results and financial position of the Company. This MD&A should be read in conjunction with Northland's audited consolidated financial statements for the year ended December 31, 2024, and 2023, and Northland's most recent Annual Information Form for the year ended December 31, 2024, 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 dollar amounts set out herein are in thousands of Canadian dollars, unless otherwise stated.

Forward-Looking Statements

This MD&A contains forward-looking statements that are based on certain estimates and assumptions that were considered reasonable on February 26, 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, Adjusted Free Cash Flow 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, Oneida energy storage projects and other renewables growth activity and the anticipated contributions therefrom to Adjusted EBITDA, Adjusted Free Cash Flow 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 implementation of the DRIP changes, the all-in interest cost for debt financing, the impact of currency and interest rate hedges, litigation claims, anticipated results from the optimization of the Thorold Co-Generation facility and the timing related thereto, 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 in Spain 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"**), Adjusted Free Cash Flow, 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. Rather, 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.

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, net of sell-downs; 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.

Adjusted Free Cash Flow

Adjusted Free Cash Flow represents the cash generated from the business before discretionary investment-related decisions (refer to *Section 5.3: Growth Expenditures*), and available to pay dividends. Adjusted Free Cash Flow is calculated as Northland's share of cash provided by operating activities adjusted for short-term 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 Adjusted 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. Adjusted 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 Adjusted Free Cash Flow reflects Northland's portion of the investment's underlying Adjusted Free Cash Flow; otherwise, Northland includes the cash distributions received from the investment. Adjusted Free Cash Flow from foreign operations is translated to Canadian dollars at the exchange rate Northland realizes on cash distributions.

Management believes Adjusted 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.

Free Cash Flow

Free Cash Flow is calculated by deducting growth-related expenditures and adjusting for historically incurred growth expenditures' recovery due to sell-down, from Adjusted Free Cash Flow. Management believes Free Cash Flow is a meaningful measure of Northland's ability to generate cash flow after growth-related costs to fund dividend payments.

For clarity, Northland's Free Cash Flow includes a reduction for expenditures on development activities until an advanced project qualifies for capitalization under IFRS. The Adjusted Free Cash Flow and Free Cash Flow payout ratios, calculated using the respective financial measure, demonstrate the proportion of the respective measure paid as dividends, whether in cash, or in shares under Northland's dividend reinvestment plan (**"DRIP"**). The net payout ratios indicate the proportion of Free Cash Flow paid as cash dividends. The payout ratios generally reflect Northland's ability to fund growth-related expenditures and sustain dividends.

For reconciliations of these non-IFRS financial measures to their nearest IFRS measure, refer to *Section 5.5: Adjusted EBITDA* for a reconciliation of consolidated net income (loss) under IFRS to reported Adjusted EBITDA and *Section 5.6: Adjusted Free Cash Flow and Free Cash Flow* for a reconciliation of cash provided by operating activities under IFRS to reported Adjusted Free Cash Flow and Free Cash Flow.

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

Business Objective

Northland's objective is to provide its shareholders with a total return comprising dividends and share value growth from the successful management of its assets. Northland aims to deliver this objective by (i) owning and operating high-quality contracted assets that deliver long-term cash flow and (ii) growing its asset base by efficiently deploying capital into accretive investments through prudent market selection and disciplined project development.

Business Strategy

Northland's business strategy is centered on delivering energy and capacity in key strategic markets in Canada and internationally, with a primary focus on offshore wind, onshore solar and wind, battery storage and natural gas power generation.

As a global developer with extensive expertise in developing renewable and natural gas power assets, Northland has a global outreach with an operating, construction and development footprint spanning across four continents: North America, South America, Europe and Asia.

- ***Offshore Wind***

  Northland currently operates 1.2 gigawatts (**"GW"**) of gross offshore wind capacity from three operating offshore wind facilities, Gemini, Nordsee One and Deutsche Bucht, located off the coasts of the Netherlands and Germany, respectively.

  Northland also has 2.2 GW of generating capacity under construction, comprised of its 30.6% equity stake in the 1,022 megawatts (**"MW"**) Hai Long project and its 49% stake in the 1,140 MW Baltic Power offshore wind project, in Taiwan and Poland, respectively. Baltic Power is expected to achieve commercial operations in the second half of 2026 and Hai Long in 2026/2027.

- ***Onshore Renewables***

  Northland owns and operates 1.3 GW of gross onshore wind and solar capacity in Canada, the United States of America (the **"United States"**) and Spain. Northland also has a 250 MW battery storage facility under construction, comprised of its 72% equity stake in the Oneida energy storage project (**"Oneida"**) located in Ontario, Canada. The project is expected to be completed in the first half of 2025.

- ***Natural Gas & Utilities***

  Northland owns and operates 737 MW of gross natural gas assets located in the Canadian provinces of Ontario and Saskatchewan. Refer to "Natural Gas Facilities" section for more information.

Northland is strategically diversified both technologically and geographically, that separates it from some of its peers. It currently has a 10 GW development pipeline in Canada, the United States, Europe and Asia.

With its capabilities to develop offshore wind, onshore renewables, battery storage, and natural gas power generation, Northland is well positioned to capitalize on emerging global energy trends in years to come. A large part of its success lies within its resources including human capital and their capability to successfully originate, develop, construct and operate power generation infrastructure.

To successfully execute on its strategy, Northland has developed a comprehensive set of strategic pillars to guide the organization towards successful delivery of its objectives:

(i) Resiliency

With almost 40 years of history, Northland has the experience to weather market cycles and deliver on our commitment to high standards of excellence. To uphold this stability and quality, Northland's objectives are to maintain an investment grade credit rating, continue to pay dividends to its shareholders, deliver on its financial guidance and ensure successful construction and development of natural gas and renewable energy projects to increase shareholder value. As Northland continues to progress its approximately $16 billion construction program ($7 billion net to Northland) for the Hai Long, Baltic Power and Oneida projects, maintaining financial strength remains its key priority. Northland will continue to maintain sufficient financial buffers to ensure delivery of its strategic priorities while maintaining its strong balance sheet. From time to time, this may include Northland's decision to reduce exposure to or exit certain markets and repurpose capital towards more accretive opportunities or use the funds to strengthen its financial position, especially during intensive construction periods where it may be prudent to maintain such financial flexibility.

(ii) Execution

Following successful financial close and securing of funding for the Hai Long, Baltic Power and Oneida projects, Northland has advanced construction of each facility. One of Northland's strategic pillars over the next two years is the continued successful execution and delivery of these projects to their full completion between 2025-2027. Northland has a track record in successful project construction and its Project Management Office and Business Unit (**"BU"**) structure ensure strict focus on delivering on construction milestones aligning tools, reporting methods and processes in order to provide timely and accurate reporting. Northland will continue to manage and oversee construction of these projects against their targeted milestones to ensure successful delivery and execution.

(iii) Prudent Growth

Northland aims to increase shareholder value by developing high-quality projects that earn recurring income from long-term sales contracts with creditworthy counterparties (i.e. government or investment grade corporate offtakers), focusing on growth opportunities in jurisdictions that meet its risk management criteria. Northland exercises judgment, discipline and acumen in its development activities to continually assess opportunities against its investment criteria and capital allocation framework. Northland seeks to manage its development processes prudently by regularly balancing the probability of success against associated costs and risks and ensuring that only those projects that meet its investment criteria are actively pursued. This may result in full or partial exits from certain existing or prospective opportunities or assets and directing focus, resources and capital towards more strategic markets.

(iv) Optimization

Northland aims to maximize returns through a focus on efficient and effective facility operations, longer-term asset management, and structuring power supply and maintenance agreements to maximize profits, while carefully managing risk. In addition, Northland applies an active approach to overall portfolio management, which may result in optimizations from asset sales and financing/re-financing opportunities as part of its return objectives and funding strategy.

With a commitment to continuous improvement, Northland's operations group shares its experiences with the development, engineering and construction groups on an ongoing basis to ensure all knowledge gained is factored into the development and construction of any new project Northland undertakes.

As Northland continues to develop and grow its asset base and shareholder value, management will continue to develop plans to further optimize its operations. This may include asset optimization strategies such as operating and maintenance (**"O&M"**) contract consolidations, opportunities to add incremental growth or investments to existing assets or grow in other markets through synergies, opportunities to re-contract asset bases near the end of power purchase agreement (**"PPA"**) arrangements and the improvement of internal processes to gain efficiencies.

SECTION 3: NORTHLAND'S BUSINESS

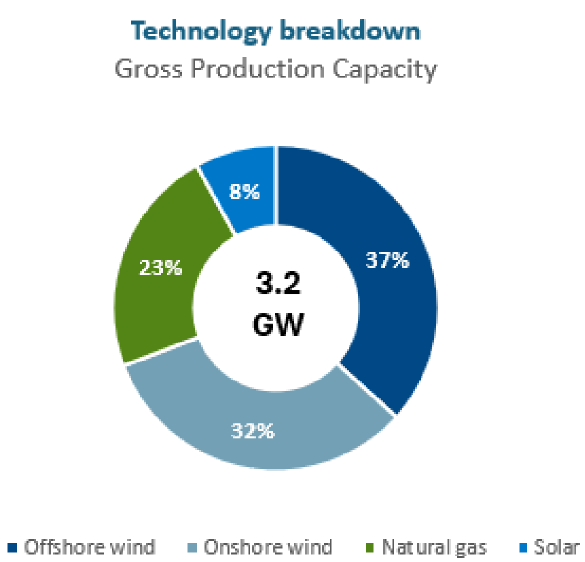
As of December 31, 2024, Northland owns or has a net economic interest in 2,840 MW of power-producing facilities with a total gross operating capacity of approximately 3,248 MW and a regulated utility. Northland's facilities produce electricity from clean energy sources for sale, primarily under long-term PPAs 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 provide stable cash flow and are primarily located in Canada, Colombia, Germany, the Netherlands, Spain, and the United States of America (the **"United States"**). Northland's significant assets under construction and development are located in Canada, Poland, South Korea, Scotland, Taiwan, 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 9: CONSTRUCTION, DEVELOPMENT AND ACQUISITION ACTIVITIES* for additional information on Northland's key development projects.

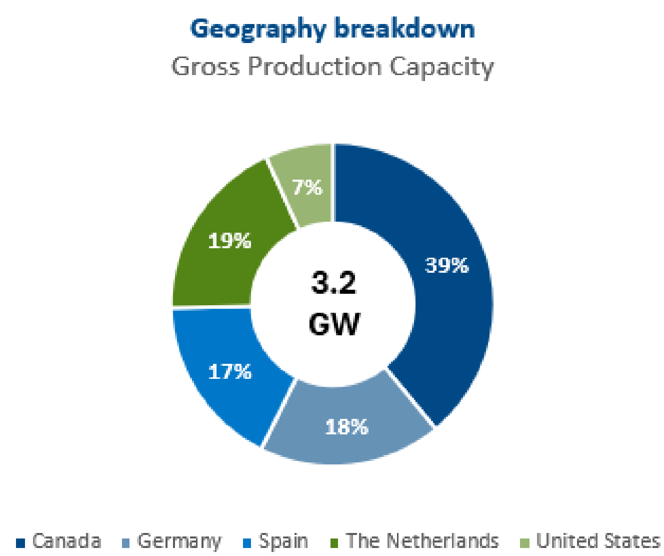
Northland's MD&A and audited consolidated financial statements include the results of its operating facilities, as summarized in the following table:

	Gross Production Capacity (MW) (1)	Net Production Capacity (MW) (1) (2)
Offshore Wind	1,192	902
Onshore Renewable		
Wind	1,057	968
Solar	262	247
Natural Gas	737	723
Utility	n/a	n/a
Total	**3,248**	**2,840**

(1) As at December 31, 2024, Northland's economic interest changed from December 31, 2023, due to the sale transaction close of La Lucha solar facility (130 MW) in June 2024, and grid connection capacity increase to approximately 260 MW from 252 MW at Deutsche Bucht offshore wind facility.

(2) Presented at Northland's economic interest.





In addition to operational assets, summarized below are Northland's most significant projects under construction and development, as well as other identified projects. Management continuously assesses the development project pipeline to determine their 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)	2026/2027
Baltic Power	Poland	Offshore Wind	1.1	49%	Under construction	25-year CfD (3)	2026
Oneida	Canada	Energy Storage	0.3	72%	Under construction	20-year capacity contract	2025
Total Construction Projects			**2.4**				
Growth Projects (4)							
Onshore Renewables	Canada and United States	Wind, Solar and Energy Storage	3.0		Early/mid/late-stage	2026 - 2030+	
Offshore Wind	Europe and Asia	Offshore Wind	6.0		Early-stage	2026 - 2030+	
Natural Gas & Utilities (5)	Canada	Natural Gas	1.0		Early-stage	2026 - 2030+	
Total Growth Projects			**10.0**				
Total Pipeline			**12.4**				

(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) In the fourth quarter of 2024, this section has been changed to show the cumulative total of both "Identified Growth Projects" and "Additional Pipeline".

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

SECTION 4: CONSOLIDATED HIGHLIGHTS

4.1: Significant Events

Significant events during 2024 and through the date of this MD&A are described below. Refer to *SECTION 9: CONSTRUCTION, DEVELOPMENT AND ACQUISITION ACTIVITIES* of this MD&A for additional relevant information.

Growth updates:

Northland remains disciplined in prioritizing 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, Adjusted Free Cash Flow and Free Cash Flow. The following provides updates on the progress of Northland's active growth initiatives.

Thorold Natural Gas Facility Upgrade

In November 2024, Northland completed a 23 MW capacity upgrade on time and on budget; demonstrating Northland's continued technical expertise and ability to deliver on natural gas assets. In the second quarter of 2023, Northland secured an amended PPA for the Thorold Co-Generation facility located in Ontario, Canada. This agreement allows for an increase in generating capacity and a five-year extension of the contract. The extension of the PPA remains conditional upon the successful completion of an upgrade test scheduled for 2025.

Hai Long Offshore Wind Project

The Hai Long project has completed over 50% of construction. During the fourth quarter of 2024, fabrication of key components that are required for the 2025 installation campaign progressed. For the full year, the project completed the installation of pin piles and turbine jacket foundations at approximately half of the turbine locations, which are ready for turbine installation in 2025. The fabrication of turbine components continues, including completion of the first sets of towers, generators and nacelles. On August 20, 2024, an incident occurred at the onshore substation due to a leak of carbon dioxide from the fire suppression system, which resulted in three fatalities. The onshore substation construction work was suspended during the investigation of the incident by the local authorities. Upon completion of the investigation, the work on the onshore substation resumed safely according to recovery plans. First power is expected in the second half of 2025. The project is on track to achieve full commercial operations expected in 2027 with overall project cost aligned with original expectations.

Baltic Power Offshore Wind Project

The Baltic Power project continues to make progress on fabrication of onshore and offshore substations, foundations, export cables, multiple turbine components and inter-array cables. Major in-water construction activity commenced in January 2025 with the first monopile foundation installation. The offshore substation installation commenced and the first load of transition pieces have been delivered to the project. Construction of the onshore substation and the operations and management building are progressing according to the plan. The project is on track to achieve full commercial operations expected in the latter half of 2026 with overall project cost aligned with original expectations.

Oneida Energy Storage Project

The Oneida project is being commissioned with all major construction activities completed. The project is on track to achieve full commercial operations expected in the first half of 2025 with overall project cost aligned with original expectations.

Other Growth Activity

Northland continues to make progress on its development activities in its core markets. For example, Northland signed a 15-year offtake agreement for 100% of the battery energy storage capacity from the Jurassic BESS project in Alberta with members of the Alberta Schools Commodities Purchasing Consortium. This is the first offtake agreement of its kind in Canada for a battery storage project. More recently, the Jurassic BESS project signed its key equipment supplier and construction contracts, and received a key permit to begin construction.

Balance Sheet:

Changes to Dividend Reinvestment Plan ("DRIP")

In February 2025, Northland approved a change in the discount on DRIP issuances from 3% to 0% and confirmed the intention to source shares through secondary market purchases rather than treasury issuances. Such changes will be effective from and 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.

Refinancing of EBSA's Credit Facility

In November 2024, Northland extended the maturity of the non-recourse credit facility associated with EBSA (the **"EBSA Facility"**) to November 2027 and upsized the facility by $35 million. The financing marginally improved debt terms, and the proceeds were largely used to fund capital investments in EBSA and settle foreign currency maturity hedges.

Increase in Corporate Credit Facility

During the third quarter of 2024, Northland increased the size of its corporate revolving credit facility from $1.0 billion to $1.25 billion to continue to enhance available liquidity and support future growth opportunities in its core markets. Northland currently has available liquidity of $1.1 billion.

Corporate Credit Rating Re-affirmed

Credit rating agencies Standard & Poor and Fitch Ratings re-affirmed Northland's investment grade corporate credit rating in 2024 at BBB (Stable).

Other:

Executive Updates

On December 2, 2024, Northland announced that Christine Healy would be appointed as President and Chief Executive Officer. In addition to serving as President and CEO, Ms. Healy was also appointed as a director of the Company. Ms. Healy's start date was January 20, 2025.

On October 1, 2024, John Brace assumed the role of Interim President and CEO following former President and CEO Mike Crawley's planned departure from the Company on September 30, 2024. Mr. Brace continued to serve as Chair of the Board and Ian Pearce continued as Lead Independent Director.

La Lucha Solar Facility Sale

On June 28, 2024, Northland completed the sale of its 100% stake in the La Lucha solar facility to Cometa Energía, S.A. de C.V., wholly owned by Saavi Energía (**"Saavi"**) for approximately $215 million in cash after taxes, transaction fees and other customary adjustments.

During the fourth quarter of 2024, Northland received the entire amount relating to a value added tax claim of $42 million (equivalent to MXN 604 million).

4.2: Operating Highlights

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

Summary of Consolidated Results

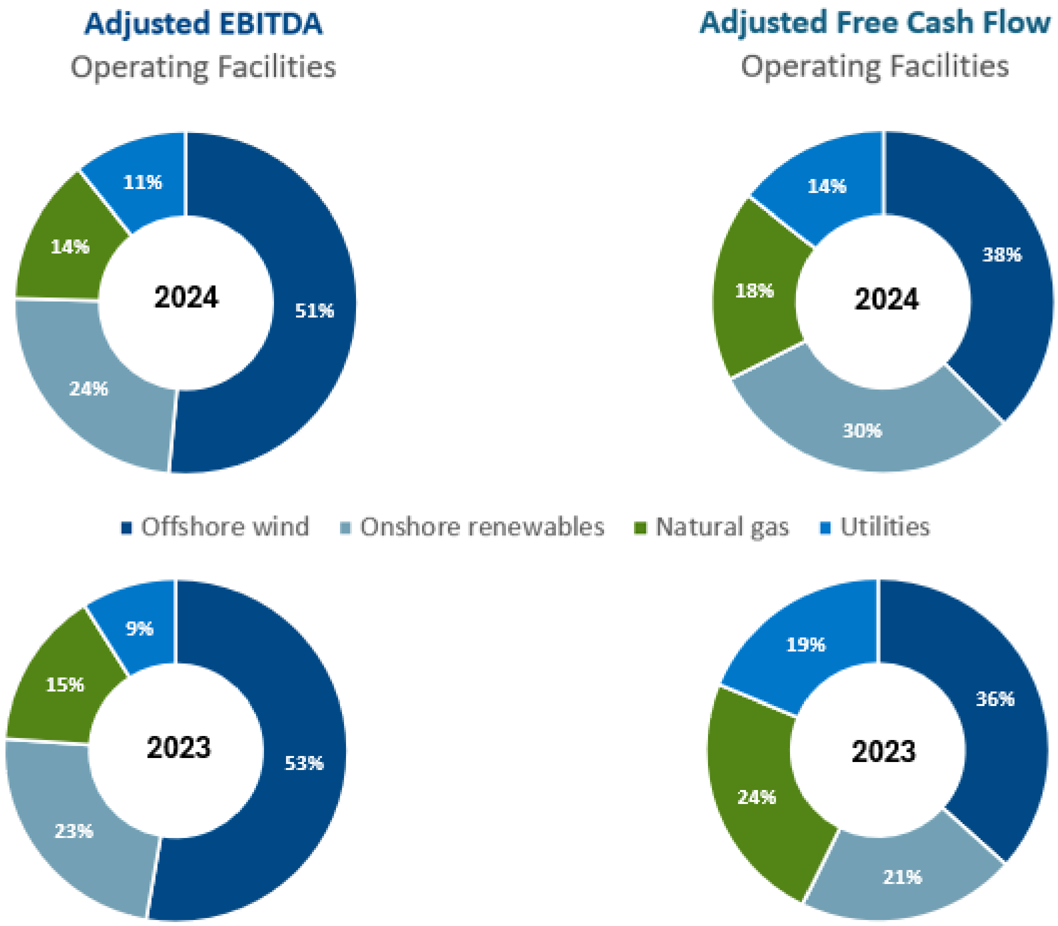
Year ended December 31,	2024	2023	2022
FINANCIALS			
Revenue from energy sales	**$ 2,346,264**	$ 2,232,779	$ 2,448,815
Operating income	**812,892**	577,988	1,050,784
Net income (loss)	**371,389**	(96,132)	955,457
Net income (loss) attributable to shareholders	**271,825**	(175,194)	827,733
Adjusted EBITDA (a non-IFRS measure) (2)	**1,261,951**	1,239,871	1,398,176
Cash provided by operating activities	**1,028,968**	810,699	1,832,983
Adjusted Free Cash Flow (a non-IFRS measure) (2)	**394,420**	497,978	460,892
Free Cash Flow (a non-IFRS measure) (2)	**327,579**	423,744	380,472
Cash dividends paid	**200,488**	205,072	196,845
Total dividends declared (1)	**$ 309,024**	$ 303,469	$ 284,582
Total assets (3)	**13,604,338**	13,626,298	14,222,609
Total non-current liabilities (3)	**$ 7,716,830**	$ 7,867,559	$ 7,589,484
Per Share			
Weighted average number of shares — basic and diluted (000s)	**257,300**	$ 252,710	236,157
Net income (loss) attributable to common shareholders — basic and diluted	**$ 1.03**	$ (0.72)	$ 3.46
Adjusted Free Cash Flow — basic (a non-IFRS measure) (2)	**$ 1.53**	$ 1.97	$ 1.95
Free Cash Flow — basic (a non-IFRS measure) (2)	**$ 1.27**	$ 1.68	$ 1.61
Total dividends declared	**$ 1.20**	$ 1.20	$ 1.20
ENERGY VOLUMES			
Electricity production in gigawatt hours (**GWh**)	**11,046**	10,380	10,139

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

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

(3) As at December 31.

The following charts provide the contribution of each technology into Adjusted EBITDA and Adjusted Free Cash Flow reported by facilities:



SECTION 5: RESULTS OF OPERATIONS

The following table summarizes operating results by technology and geography:

Three months ended December 31,	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Electricity production (GWh)		Revenue from energy sales		Operating costs (5)		Operating income		Adjusted EBITDA (2)		Adjusted Free Cash Flow (1) (2)(4)	
Offshore Wind Facilities	**1,272**	1,444	**$ 279,756**	$ 341,104	**$ 44,632**	$ 47,111	**$ 136,252**	$ 190,723	**$ 181,137**	$ 218,203	**$ 29,105**	$ 58,219
Onshore Renewable Facilities												
North America (3)	**542**	451	**$ 69,980**	$ 55,275	**$ 13,351**	$ 9,867	**$ 30,844**	$ 15,891	**$ 44,630**	$ 34,891	**$ 21,722**	$ 12,750
Spain	**251**	287	**53,764**	48,810	**13,900**	14,481	**18,994**	11,184	**38,431**	33,858	**13,000**	29,637
	793	738	**$ 123,744**	$ 104,085	**$ 27,251**	$ 24,348	**$ 49,838**	$ 27,075	**$ 83,061**	$ 68,749	**$ 34,722**	$ 42,387
Natural Gas Facilities												
Canada	**764**	961	**$ 79,135**	$ 88,455	**$ 30,474**	$ 49,008	**$ 39,346**	$ 30,405	**$ 46,493**	$ 44,265	**$ 16,763**	$ 22,152
Utilities												
Colombia	**n/a**	n/a	**$ 91,797**	$ 85,352	**$ 48,647**	$ 51,038	**$ 32,640**	$ 25,157	**$ 41,194**	$ 32,451	**$ 18,494**	$ 21,467

Year ended December 31,	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Electricity production (GWh)		Revenue from energy sales		Operating costs (5)		Operating income		Adjusted EBITDA (2)		Adjusted Free Cash Flow (1) (2)(4)	
Offshore Wind Facilities	**4,471**	4,438	**$1,182,754**	$1,140,015	**$ 233,095**	$ 201,187	**$ 551,119**	$ 540,737	**$ 716,842**	$ 691,675	**$ 167,234**	$ 153,800
Onshore Renewable Facilities												
North America (3)	**1,784**	1,311	**$ 259,937**	$ 217,938	**$ 45,641**	$ 33,331	**$ 105,074**	$ 91,550	**$ 172,313**	$ 143,525	**$ 66,001**	$ 50,467
Spain	**985**	991	**218,073**	216,963	**50,064**	50,830	**80,314**	79,761	**158,889**	162,777	**67,749**	36,271
	2,769	2,302	**$ 478,010**	$ 434,901	**$ 95,705**	$ 84,161	**$ 185,388**	$ 171,311	**$ 331,202**	$ 306,302	**$ 133,750**	$ 86,738
Natural Gas Facilities												
Canada	**3,611**	3,430	**$ 318,039**	$ 339,848	**$ 129,783**	$ 155,242	**$ 151,377**	$ 148,474	**$ 191,536**	$ 195,764	**$ 80,386**	$ 100,813
Utilities												
Colombia	**n/a**	n/a	**$ 356,781**	$ 302,241	**$ 195,711**	$ 176,452	**$ 114,849**	$ 88,007	**$ 149,678**	$ 117,196	**$ 64,003**	$ 78,870

(1) Adjusted Free Cash Flow and Free Cash Flow are the same for operating facilities.

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

(3) Onshore Renewables Facilities – North American geographical segment excludes Mexican La Lucha solar project because Northland monitors the financial performance of La Lucha separately for its financial and operational decision-making. In June 2024, Northland completed the sale transaction of La Lucha. Please refer to Section 4.1: Significant Events for further information.

(4) During the first quarter of 2024, Northland reclassified how the effects of the foreign exchange rate hedges are recorded in Adjusted Free Cash Flow at the corporate level, rather than in the respective operating segment, primarily because these arrangements are undertaken at the corporate level and are not always asset-specific. Previously, the effect of these foreign exchange rate hedges were recorded in the operating segments' Adjusted Free Cash Flow. The total Adjusted Free Cash Flow for previously reported prior periods on a consolidated basis shall not change but instead will be re-allocated within the respective operating segment and corporate. Adjusted Free Cash Flow for the comparative period has been represented using the new reporting approach.

(5) During the fourth quarter of 2024, Northland revised the presentation of the consolidated statements of income (loss) which reclassified 'cost of sales' within 'operating cost' mainly relating to natural gas facilities and utilities.

5.1: 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, respectively. Wind power generation harnesses renewable 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, the effect of 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. Factors such as exposure to market prices, and turbine or grid availability can also have a significant effect on financial results. For the year ended December 31, 2024 Gemini, Nordsee One and Deutsche Bucht contributed approximately 20%, 17% and 15%, respectively, to Northland's reported Adjusted EBITDA from facilities.

Variability within Operating Results

Each of the offshore wind facilities participates in the power market and receives pool prices for their generation, which are then topped-up 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 and €184, respectively, per MWh generated.

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

- The SDE is subject to an annual contractual floor price (the **"SDE floor"**), thereby exposing Gemini to market price risk if the Dutch wholesale market price (**"APX"**) falls below the effective annual SDE floor of €51/MWh. As of December 31, 2024 the APX price for the year was €77/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. However, it is only a matter of timing and the 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 significantly affect earnings depending on the season in which the outages occur.

Operating Performance

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

	Three months ended December 31,				
	2024 (1)	**2023** (1)	**Historical Average** (2)	**Historical High** (2)	**Historical Low** (2)
Electricity production (GWh)					
Gemini	**700**	832	773	832	700
Nordsee One	**331**	379	338	379	298
Deutsche Bucht	**241**	233	288	326	233
Total	**1,272**	1,444			

	Year ended December 31,				
	2024 (1)	**2023** (1)	**Historical Average** (2)	**Historical High** (2)	**Historical Low** (2)
Electricity production (GWh)					
Gemini	**2,394**	2,476	2,383	2,496	2,193
Nordsee One	**1,130**	1,090	1,072	1,130	968
Deutsche Bucht	**947**	872	946	1,003	872
Total	**4,471**	4,438			

(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.

In June 2024, one of Gemini's export cables was damaged and taken out of service. On September 4, 2024, the cable was successfully repaired and energized, bringing Gemini back to full operations safely and without incident. During the repair, Gemini's production continued via the second export cable. This was determined to be an isolated event and had a minimal impact on the Adjusted EBITDA and Adjusted Free Cash Flow for the full year, respectively, net of insurance claim.

In December 2024, Deutsche Bucht signed a settlement agreement with counterparties related to its two mono-bucket demonstrator foundations. Proceeds of €25 million ($37 million) net of taxes have been recorded in income but excluded from non-IFRS financial measures.

Electricity production for the three months ended December 31, 2024 decreased 12% or 172 GWh compared to the same quarter of 2023, primarily due to lower offshore wind resource, partially offset by lower unpaid curtailments related to negative prices and grid outages at our German offshore wind facilities. Electricity production for the year ended December 31, 2024 increased 1% or 33 GWh compared to 2023, primarily due to higher wind resource across all offshore wind facilities, partially offset by export cable damage at Gemini.

Revenue from energy sales of $280 million for the three months ended December 31, 2024 decreased 18% or $61 million, compared to the same quarter of 2023, primarily due to the lower production by $32 million, and P&I factor adjustment and various other items by $29 million. Revenue from energy sales of $1,183 million for the year ended December 31, 2024 increased 4% or $43 million compared to 2023, primarily due to higher production by $21 million, and P&I factor adjustment and various other items by $22 million. Further details are set forth in the table below.

Operating costs of $45 million for the three months ended December 31, 2024 decreased 5% or $2 million compared to the same quarter of 2023, primarily due to Gemini's export cable insurance claim relating to the third quarter repair costs, partially offset by higher maintenance costs across all offshore wind facilities. Operating costs of $233 million for the year ended December 31, 2024 increased 16% or $32 million compared to 2023, primarily due to higher maintenance costs across all offshore wind facilities.

Operating income and Adjusted EBITDA of $136 million and $181 million, respectively, for the three months ended December 31, 2024 decreased 29% or $54 million and 17% or $37 million compared to the same quarter of 2023, due to the same factors noted above. Operating income and Adjusted EBITDA of $551 million and $717 million, respectively, for the year ended December 31, 2024 increased 2% or $10 million and 4% or $25 million compared to 2023, due to the same factors noted above.

Revenue per MWh of each facility

For the year ended December 31, 2024, the revenue per MWh from the offshore wind facilities was in line with expectations:

- Revenue per MWh on Nordsee One and Deutsche Bucht was stable for the non-curtailed production.
- Revenue per MWh for Gemini averaged to approximately €169/MWh annually. However, as described above, due to the timing of the subsidy payment, revenue per MWh was higher in the first ten months of this year.

The following table summarizes operating results by facility:

Three months ended December 31, 2024		Total	Gemini	Nordsee One	Deutsche Bucht
Production	GWh	**1,272**	700	331	241
Non-curtailed production	GWh	**1,136**	693	248	195
Revenue per MWh (1) (2)	€/MWh	**139**	108	190	183
From market	€/MWh	**85**	70	112	103
From subsidy	€/MWh	**54**	38	78	80

Year ended December 31, 2024		Total	Gemini	Nordsee One	Deutsche Bucht
Production	GWh	**4,471**	2,394	1,130	947
Non-curtailed production	GWh	**4,131**	2,354	937	840
Revenue per MWh (1) (2)	€/MWh	**177**	167	192	182
From market	€/MWh	**89**	63	128	118
From subsidy	€/MWh	**88**	104	64	64
Subsidy price	€/MWh		169	194	184

(1) Revenue from non-curtailed production only.

(2) Revenue from curtailed production amounted to $39 million (2023: $29 million) and $87 million (2023: $109 million) for the three months and the year ended December 31, 2024, respectively.

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

		Three months ended December 31,		Year ended December 31,	
		2024	**2023**	**2024**	**2023**
Unpaid curtailment production					
Due to negative prices	GWh	**(16)**	(40)	**(96)**	(94)
Due to grid outages	GWh	**(57)**	(105)	**(112)**	(129)
		(73)	(145)	**(208)**	(223)
Adverse impact on revenue					
Due to negative prices		**$ 4,585**	$ 11,064	**$ 27,011**	$ 26,077
Due to grid outages		**15,599**	28,003	**30,507**	34,626
		$ 20,184	$ 39,067	**$ 57,518**	$ 60,703

Onshore Renewable Facilities

Northland's onshore renewables comprise 1,215 MW (at Northland's share) of onshore wind and solar facilities located in Canada, the United States and Spain. Onshore wind facilities are similar in nature operationally to offshore wind; however, 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 year ended December 31, 2024, Northland's onshore renewable facilities in North America and Spain contributed approximately 12% 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"**). During the first quarter of 2024, the regulatory period of one 50 MW onshore wind facility ended, which resulted in the facility receiving the merchant revenue. During the first quarter of 2025, the facility secured a 10-month CPPA providing a stable revenue stream for the most of 2025.

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"**), sized to compensate a facility when its operating costs are higher than its market revenues. To note, 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 pool 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, Adjusted Free Cash Flow 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 December 31,		Year ended December 31,	
	2024	**2023**	**2024**	**2023**
Ri revenue	**€ 10,244**	€ 9,920	**€ 40,202**	€ 40,655
Market revenue	**16,360**	16,431	**46,468**	68,649
Band adjustment	**9,438**	6,967	**60,507**	39,382
Total revenue	**€ 36,042**	€ 33,318	**€ 147,177**	€ 148,686
Regulated Posted price per MWh	**€ 109**	€ 109	**€ 109**	€ 109
Market Revenue per MWh	**€ 65**	€ 57	**€ 47**	€ 69
Production (GWh)	**251**	287	**985**	991

	Three months ended December 31,		Year ended December 31,	
	2024	**2023**	**2024**	**2023**
Ri revenue	**$ 15,281**	$ 14,532	**$ 59,567**	$ 59,324
Market revenue	**24,404**	24,070	**68,852**	100,172
Band adjustment	**14,079**	10,208	**89,654**	57,467
Total revenue	**$ 53,764**	$ 48,810	**$ 218,073**	$ 216,963

Operating Performance

Electricity production at the onshore renewable facilities for the three months ended December 31, 2024 was 7% or 55 GWh higher than the same quarter of 2023, primarily due to higher wind and solar resource at the Canadian and New York onshore renewable facilities, partially offset by lower wind resource at the Spanish onshore renewable facilities. Electricity production for the year ended December 31, 2024 was 20% or 467 GWh higher than 2023, primarily due to full year contribution from the New York onshore wind projects, in addition to higher wind resource at the Canadian and Spanish onshore renewable facilities, partially offset by lower solar resource at the Spanish onshore renewable facilities.

Revenue from energy sales of $124 million for the three months ended December 31, 2024 increased 19% or $20 million compared to the same quarter of 2023, primarily due to higher revenue from the Canadian, New York and Spanish onshore renewable facilities. Revenue from energy sales of $478 million for the year ended December 31, 2024 increased 10% or

$43 million compared to 2023, primarily due to the full year contribution from the New York onshore wind projects, in addition to higher revenue from the Canadian onshore renewable facilities.

Operating income and *Adjusted EBITDA* of $50 million and $83 million, respectively, for the three months ended December 31, 2024 increased 84% or $23 million and 21% or $14 million, respectively, compared to the same quarter of 2023, primarily due to the same factors noted above. Operating income and Adjusted EBITDA of $185 million and $331 million for the year ended December 31, 2024 increased 8% or $14 million and 8% or $25 million, respectively, compared to 2023, primarily due to the same factors noted above.

Natural Gas Facilities

The contractual structures of Northland's natural gas facilities ensure 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, including the cost of natural gas, by the counterparty. For the year ended December 31, 2024, 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 12%.

Electricity production of 764 GWh for the three months ended December 31, 2024 decreased 21% or 197 GWh compared to the same quarter of 2023, primarily due to lower operating availability because of outages at the natural gas facilities including the planned capacity upgrade at Thorold. Electricity production for the year ended December 31, 2024 increased 5% or 182 GWh compared to 2023, primarily due to higher market demand for dispatchable power, partially offset by lower operating availability because of outages at the natural gas facilities.

Revenue from energy sales of $79 million for the three months ended December 31, 2024 decreased 11% or $9 million as compared to the same quarter of 2023, primarily due to lower operating availability because of outages at the natural gas facilities. Revenue from energy sales of $318 million for the year ended December 31, 2024 decreased 6% or $22 million compared to 2023, primarily due to lower natural gas prices resulting in lower energy rates, in addition to lower operating availability because of outages at the natural gas facilities.

Adjusted EBITDA of $46 million for the three months ended December 31, 2024 was largely in line with the same quarter of 2023. Adjusted EBITDA of $192 million for the year ended December 31, 2024 was largely in line with 2023.

Utility

Empresa de Energía de Boyacá S.A E.S.P (**"EBSA"**) holds the sole franchise rights for electricity distribution in the Boyacá region of Colombia and is an electricity retailer for the regulated residential sector in the region. EBSA owns and operates an extensive distribution network, serving just over half a million customers. EBSA's net sales are almost entirely regulated, of which the vast majority is earned from its distribution business and the remainder primarily from its electricity retail business. For the year ended December 31, 2024, EBSA contributed approximately 11% 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 CREG. The rate charged is set for an expected five-year period and 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 $92 million for the three months ended December 31, 2024 increased 8% or $6 million compared to the same quarter of 2023, primarily due to the growth in asset base and rate escalations. Revenue from energy sales of $357 million for the year ended December 31, 2024 increased 18% or $55 million compared to 2023, primarily due to foreign exchange changes, in addition to the same factors noted above.

Operating income and *Adjusted EBITDA* of $33 million and $41 million, respectively, for the three months ended December 31, 2024 increased 30% or $7 million and 27% or $9 million respectively, compared to the same quarter of 2023, primarily due to the same factors noted above. Operating income and Adjusted EBITDA of $115 million and $150 million, respectively, for the year ended December 31, 2024 increased 30% or $27 million and 28% or $32 million, respectively, compared to 2023, primarily due to the same factors noted above.

5.2: General and Administrative Costs

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

	Three months ended December 31,		Year ended December 31,	
	2024	2023	2024	2023
Corporate G&A	**$ 21,264**	$ 24,178	**$ 85,476**	$ 77,921
Operations G&A [(1)]	**5,967**	14,257	**27,624**	37,245
Total G&A costs	**$ 27,231**	$ 38,435	**$ 113,100**	$ 115,166

(1) Operations G&A is included in the respective segment's Adjusted EBITDA and Adjusted Free Cash Flow presented in *Section 5.1: Operating Results.*

Corporate G&A costs of $21 million for the three months ended December 31, 2024 were 12% or $3 million lower compared to the same quarter of 2023, primarily due to restructuring of operating and corporate functions earlier in the year. Corporate G&A costs of $85 million for the year ended December 31, 2024 were 10% or $8 million, higher, compared to the same period of 2023, primarily due to higher one-time personnel cost and restructuring of operating, development and corporate functions in addition to the same factors noted as above.

Operations G&A costs of $6 million for the three months ended December 31, 2024 were 58% or $8 million lower compared to the same quarter of 2023, primarily due to the timing of expenditures in 2023 and La Lucha solar project entering commercial operations in 2023, which was sold in the second quarter of 2024. *Operations G&A* costs of $28 million for the year ended December 31, 2024 were 26% or $10 million lower compared to 2023, primarily due to the same factors as noted above.

5.3: Growth Expenditures

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

	Three months ended December 31,		Year ended December 31,	
	2024	2023	2024	2023
Business development [(4)]	**$ 2,530**	$ 6,674	**$ 5,868**	$ 35,698
Project development [(1)]	**7,457**	7,661	**14,533**	28,978
Development overhead	**9,515**	12,680	**42,707**	49,504
Development costs	**$ 19,502**	$ 27,015	**$ 63,108**	$ 114,180
Joint venture project costs [(2)]	**6,285**	958	**8,164**	3,355
Growth expenditures [(3)]	**$ 23,054**	$ 26,635	**$ 66,841**	$ 112,786

(1) Includes successful acquisition costs for the three months and the year ended December 31, 2024 of $0.1 million and $0.6 million, respectively. Excluded from growth expenditures.

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

(3) Excludes acquisition costs but includes share of project development costs incurred by joint ventures. Excludes non-controlling portion of the development costs for the three months and the year ended December 31, 2024 of $2.6 million and $3.9 million, respectively.

(4) During the first quarter, 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.

Growth expenditures are excluded from Adjusted Free Cash Flow. However, these growth expenditures reduce near-term Free Cash Flow until projects achieve capitalization under IFRS but are expected to deliver sustainable growth in Free Cash Flow over the long-run.

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 year ended December 31, 2024 were lower compared to 2023, primarily due to lower growth activities in the onshore renewables business as a result of a disciplined market strategy.

Project development costs are attributable to identified early- to mid-stage development projects that are likely to generate cash flow over the long-run, though do not yet meet capitalization criteria under IFRS. For the year ended December 31, 2024 project development costs were lower than 2023, primarily due to disciplined spending on priority development activities, as planned, and timing of the expenditures. Development costs incurred included activities mainly related to offshore and onshore renewable power opportunities being pursued. Refer to *SECTION 9: 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 year ended December 31, 2024 were lower than 2023, primarily due to restructuring of development and corporate functions.

5.4: Consolidated Results

The following discussion of the significant factors contributing to the consolidated financial results should be read in conjunction with Northland's audited consolidated financial statements for the year ended December 31, 2024.

	Three months ended December 31,		Year ended December 31,	
	2024	2023	**2024**	2023
Electricity production (GWh)	**2,836**	3,353	**11,046**	10,380
Revenue from energy sales	**$ 571,867**	$ 626,221	**$ 2,346,264**	$ 2,232,779
Finance lease income	**2,551**	2,670	**10,383**	10,899
Total income	**$ 574,418**	$ 628,891	**$ 2,356,647**	$ 2,243,678
Expenses				
Operating costs [1]	**147,584**	172,510	**649,936**	620,560
General and administrative costs	**27,231**	38,435	**113,100**	115,166
Development costs	**19,502**	27,015	**63,108**	114,180
Impairment of non-financial assets	**—**	163,169	**—**	163,169
Fair value adjustment relating to the disposal group classified as held for sale	**—**	—	**43,884**	—
Depreciation of property, plant and equipment	**148,796**	156,619	**615,343**	595,600
Amortization of contracts and intangible assets	**14,734**	14,510	**58,384**	57,015
Total expenses	**$ 357,847**	$ 572,258	**$ 1,543,755**	$ 1,665,690
Operating income	**$ 216,571**	$ 56,633	**$ 812,892**	$ 577,988
Finance costs	**(97,116)**	(136,149)	**(392,022)**	(383,328)
Finance income	**17,358**	25,036	**71,388**	61,516
Foreign exchange gain (loss)	**(6,353)**	3,570	**716**	39,732
Fair value gain (loss) on financial instruments	**9,797**	(190,198)	**(93,695)**	(303,898)
Share of profit (loss) from joint ventures	**23,105**	(265,599)	**43,734**	(279,849)
Other income (expense)	**53,722**	183,212	**120,543**	230,836
Income (loss) before income taxes	**$ 217,084**	$ (323,495)	**$ 563,556**	$ (57,003)
Income taxes (provision) recovery				
Current	**(65,419)**	(49,112)	**(198,035)**	(143,554)
Deferred	**(1,196)**	104,689	**5,868**	104,425
Total income taxes	**$ (66,615)**	$ 55,577	**$ (192,167)**	$ (39,129)
Net income (loss)	**$ 150,469**	$ (267,918)	**$ 371,389**	$ (96,132)
Net income (loss) attributable to common shareholders per share - basic and diluted	**$ 0.49**	$ (1.13)	**$ 1.03**	$ (0.72)

(1) During the fourth quarter of 2024, Northland revised the presentation of the consolidated statements of income (loss) which reclassified 'cost of sales' within 'operating cost' mainly relating to natural gas facilities and utilities.

Fourth Quarter

Revenue from energy sales of $572 million decreased 9% or $54 million compared to the same quarter of 2023, primarily due to lower production at offshore wind facilities and lower operating availability because of outages at the natural gas facilities. This decrease was partially offset by higher revenue from Canadian, New York and Spanish onshore renewables facilities, and higher revenue from EBSA due to growth in asset base and rate escalations.

Operating costs of $148 million decreased 14% or $25 million compared to the same quarter of 2023, primarily due to Gemini's export cable insurance claim relating to third quarter repair cost, lower natural gas prices and lower operating availability because of outages at the natural gas facilities, partially offset by higher maintenance costs across all offshore wind facilities.

Corporate and Operational G&A costs of $27 million decreased 29% or $11 million compared to the same quarter of 2023, primarily due to restructuring of operating and corporate functions, and La Lucha solar project entering commercial operations in 2023.

Development costs of $20 million decreased 28% or $8 million compared to the same quarter of 2023, primarily due to disciplined spending on priority development activities, as planned, and timing of the expenditures.

Finance costs of $97 million decreased 29% or $39 million primarily due to one-time debt modification loss resulting from optimization of Spanish portfolio debt agreement in 2023 and scheduled principal repayments on facility-level loans.

Fair value gain on financial instruments was $10 million primarily due to net movement in the fair value of derivatives related to interest rate and foreign exchange contracts.

Foreign exchange loss of $6 million was primarily due to fluctuations in the foreign exchange rates.

Share of profit from joint ventures was $23 million primarily due to gain on fair value of derivatives at the joint ventures.

Other income was $129 million lower than the same quarter of 2023, primarily due to the gain on partial sell-down of Hai Long offshore wind projects in 2023, partially offset by the proceeds relating to Deutsche Bucht construction.

Net income of $150 million in the fourth quarter of 2024 compared to a net loss of $268 million in the same quarter of 2023, was primarily as a result of the factors described above.

2024

Revenue from energy sales of $2,346 million increased 5% or $113 million compared to 2023, primarily due to higher wind resource across all offshore wind facilities, full year contribution from the New York onshore wind projects, and higher revenue from EBSA due to growth in asset base, foreign exchange changes and rate escalations, partially offset by the export cable damage at Gemini and lower operating availability because of outages at the natural gas facilities.

Operating costs of $650 million increased 5% or $29 million compared to 2023, primarily due to higher maintenance costs across all offshore wind facilities, full year contribution from the New York onshore wind facilities, and higher maintenance and administrative expenses at EBSA, partially offset by lower natural gas prices and lower operating availability because of higher outages at the natural gas facilities.

Corporate and Operational G&A costs of $113 million for the year ended December 31, 2024 was largely in line with 2023, as one-time management changes were offset by restructuring of operating and corporate functions.

Development costs of $63 million decreased 45% or $51 million compared to 2023, primarily due to disciplined spending on priority development activities, as planned, and timing of the expenditures.

Fair value adjustment relating to disposal group classified as held for sale was $44 million due to a fair value adjustment upon classification of the La Lucha solar facility as a disposal group held for sale. Please refer to *Section 4.1: Significant Events* for further information.

Finance costs of $392 million for the year ended December 31, 2024 was largely in line with 2023.

Fair value loss on financial instruments was $94 million, primarily due to net movement in the fair value of derivatives related to interest rate and foreign exchange contracts.

Foreign exchange gain of $1 million was primarily due to fluctuations in the foreign exchange rates.

Share of profit from joint ventures was $44 million primarily due to gain on fair value of derivatives at the joint ventures.

Other income was $110 million lower than 2023, primarily due to gains associated with the sale of offshore wind assets in Europe and Asia in 2023, partially offset by gain on disposal of La Lucha solar facility and the proceeds relating to Deutsche Bucht construction.

Net income of $371 million in the year ended December 31, 2024 compared to net loss of $96 million in 2023 was primarily as a result of the factors described above.

5.5: Adjusted EBITDA

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

	Three months ended December 31,		Year ended December 31,	
	2024	2023	2024	2023
Net income (loss)	**$ 150,469**	$ (267,918)	**$ 371,389**	$ (96,132)
Adjustments:				
Finance costs, net	**79,758**	111,113	**320,634**	321,812
Provision for (recovery of) income taxes	**66,615**	(55,577)	**192,167**	39,129
Depreciation of property, plant and equipment	**148,796**	156,619	**615,343**	595,600
Amortization of contracts and intangible assets	**14,734**	14,510	**58,384**	57,015
Fair value (gain) loss on derivative contracts	**(11,333)**	187,830	**87,592**	294,544
Foreign exchange (gain) loss	**6,353**	(3,570)	**(716)**	(39,732)
Impairment of non-financial assets / Fair value adjustment relating to disposal group classified as held for sale	**—**	163,169	**43,884**	163,169
Elimination of non-controlling interests	**(62,892)**	(71,813)	**(267,108)**	(258,202)
Finance lease (lessor)	**(1,053)**	(1,291)	**(4,577)**	(5,609)
Share of (profit) loss from joint ventures	**(23,105)**	265,599	**(43,734)**	279,849
Others [1]	**(56,203)**	(110,013)	**(111,307)**	(111,572)
Adjusted EBITDA [2]	**$ 312,139**	$ 388,658	**$ 1,261,951**	$ 1,239,871

(1) Others primarily include Northland's share of Adjusted EBITDA from equity accounted investees, gain on sale of La Lucha solar facility, proceeds relating to Deutsche Bucht construction, Gemini interest income and other expenses (income).

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

Fourth Quarter

Adjusted EBITDA of $312 million for the three months ended December 31, 2024 decreased 20% or $77 million compared to the same quarter of 2023. The significant factors decreasing Adjusted EBITDA include:

- $74 million in gains from the partial sell-down of Hai Long offshore wind project in 2023; and
- $37 million decrease in operating results at the offshore wind facilities, primarily due to lower offshore wind resource, partially offset by lower unpaid curtailments related to negative prices and grid outages at our German offshore wind facilities, as described above.

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

- $23 million increase due to higher operating results from onshore renewable facilities and EBSA, as described above.

Full Year

Adjusted EBITDA of $1,262 million for the year ended December 31, 2024 increased 2% or $22 million compared to the same period of 2023. The significant factors increasing Adjusted EBITDA include:

- $25 million increase in operating results at the offshore wind facilities, primarily due to higher wind resource across all offshore wind facilities, partially offset by export cable damage at Gemini, as described above;
- $57 million increase due to higher operating results from onshore renewable facilities and EBSA, as described above; and
- $53 million decrease in development expenditures, as described above.

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

- $115 million in gains from partial sell-down of development assets in 2023.

5.6: Adjusted Free Cash Flow and Free Cash Flow

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

	Three months ended December 31,		Year ended December 31,	
	2024	**2023**	**2024**	**2023**
Cash provided by operating activities	**$ 359,631**	$ 161,354	**$ 1,028,968**	$ 810,699
Adjustments:				
Net change in non-cash working capital balances related to operations	**(43,309)**	205,865	**305,084**	440,828
Non-expansionary capital expenditures	**(1,789)**	(1,947)	**(5,272)**	(3,215)
Restricted funding for major maintenance, debt and decommissioning reserves	**(8,532)**	(8,200)	**(20,677)**	(11,435)
Interest	**(61,913)**	(142,890)	**(263,499)**	(325,841)
Scheduled principal repayments on facility debt	**(340,184)**	(323,800)	**(714,051)**	(705,119)
Funds set aside (utilized) for scheduled principal repayments	**148,788**	158,020	**—**	—
Preferred share dividends	**(1,500)**	(1,573)	**(6,162)**	(6,103)
Consolidation of non-controlling interests	**(19,810)**	(22,194)	**(93,254)**	(87,380)
Investment income (1)	**6,791**	7,374	**26,888**	29,685
Others (2)	**19,423**	159,439	**69,554**	281,625
Free Cash Flow (3)	**$ 57,596**	$ 191,448	**$ 327,579**	$ 423,744
Add Back: Growth expenditures	**23,054**	26,635	**66,841**	112,786
Less: Historical growth expenditures' recovery due to sell-down	**—**	(26,794)	**—**	(38,552)
Adjusted Free Cash Flow (3)	**$ 80,650**	$ 191,289	**$ 394,420**	$ 497,978

(1) Investment income includes Gemini interest income and repayment of Gemini subordinated debt.

(2) Others mainly include the effect of foreign exchange rates and hedges, interest rate hedge, Nordsee One interest on shareholder loans, share of joint venture project development costs, acquisition costs, lease payments, interest income, Northland's share of Adjusted Free Cash Flow from equity accounted investees, gain on sale of La Lucha solar facility, interest on corporate-level debt raised to finance capitalized growth projects and other non-cash expenses adjusted in working capital excluded from Free Cash Flow in the period.

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

Adjusted Free Cash Flow is a supplementary non-IFRS cash flow measure including associated per share amounts and payout ratios. Adjusted Free Cash Flow is calculated by excluding growth-related expenditures and adjusting for historically incurred growth expenditures' recovery due to sell-down, from Free Cash Flow. Management believes this measure provides a relevant presentation of cash flow generated from the business before investment-related decisions (refer to *Section 5.3: Growth Expenditures* for additional information). Management believes Adjusted Free Cash Flow is a meaningful measure of Northland's ability to generate cash flow, after on-going obligations, to reinvest in growth and fund dividend payments. Reinvesting in growth is a key part of Northland's long-term strategy.

Scheduled principal repayments on facility debt reflect repayments as paid. *Funds set aside (utilized) for scheduled principal repayments* allocate repayments across the quarters in order to more clearly reflect the Company's performance. Gemini's principal repayment schedule is weighted towards the first payment of the year to align with Gemini's expected annual cash flow profile, while Nordsee One, Deutsche Bucht and the Spanish portfolio's principal repayments are equally weighted. Northland's share of scheduled principal repayments for Gemini, Nordsee One, Deutsche Bucht and the Spanish portfolio are presented in the table below.

Select Scheduled Principal Repayments (at Northland's share)	2025	2024	2023
Gemini	€ 100,840	€ 96,383	€ 88,497
Nordsee One	84,093	88,119	86,767
Deutsche Bucht	83,291	78,853	78,071
Spanish portfolio	39,721	37,524	63,854
Total	**€ 307,945**	**€ 300,879**	**€ 317,189**

The following table reconciles Adjusted EBITDA to Adjusted Free Cash Flow.

	Three months ended December 31,		Year ended December 31,	
	2024	2023	**2024**	2023
Adjusted EBITDA (2)	**$ 312,139**	$ 388,658	**$ 1,261,951**	$ 1,239,871
Adjustments:				
Scheduled debt repayments	**(151,576)**	(129,002)	**(578,563)**	(579,445)
Interest expense	**(48,611)**	(52,309)	**(193,575)**	(195,328)
Current taxes	**(47,131)**	(46,558)	**(175,112)**	(137,460)
Non-expansionary capital expenditure	**(2,015)**	(1,938)	**(5,078)**	(3,016)
Utilization (funding) of maintenance and decommissioning reserves	**(7,845)**	(6,816)	**(18,716)**	(10,044)
Lease payments, including principal and interest	**(2,908)**	(2,365)	**(12,586)**	(8,677)
Preferred dividends	**(1,500)**	(1,574)	**(6,162)**	(6,103)
Foreign exchange hedge gain (loss)	**(307)**	5,873	**12,584**	36,908
Others (1)	**7,350**	37,479	**42,836**	87,038
Free Cash Flow (2)	**$ 57,596**	$ 191,448	**$ 327,579**	$ 423,744
Add back: Growth expenditures	**23,054**	26,635	**66,841**	112,786
Less: Historical growth expenditures' recovery due to sell-down	**—**	(26,794)	**—**	(38,552)
Adjusted Free Cash Flow (2)	**$ 80,650**	$ 191,289	**$ 394,420**	$ 497,978

(1) Others mainly include repayment of Gemini subordinated debt, gain on sale of La Lucha solar facility, interest rate and foreign currency hedge settlements, and interest received on third-party loans to partners.

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

Fourth Quarter

Adjusted Free Cash Flow of $81 million for the three months ended December 31, 2024 was 58% or $111 million lower than the same quarter of 2023.

The significant factors decreasing Adjusted Free Cash Flow were:

- $53 million decrease in Adjusted EBITDA (gross of growth expenditures) primarily due to the factors described above;
- $36 million decrease from foreign exchange and interest rate hedges, and other settlements; and
- $23 million increase in scheduled debt repayments on facility-level loans, mainly at Spanish portfolio.

Free Cash Flow, which is reduced by growth expenditures, totaled $58 million for the three months ended December 31, 2024, and was $134 million lower than the same quarter of 2023, due to the same factors as Adjusted Free Cash Flow.

Full Year

Adjusted Free Cash Flow of $394 million for the year ended December 31, 2024, was 21% or $104 million lower than 2023.

The significant factors decrease Adjusted Free Cash Flow were:

- $80 million decrease from foreign exchange and interest rate hedges, and other settlements;
- $38 million increase in current taxes as a result of higher operating results;
- $11 million decrease from gain on sale of offshore wind development assets in Europe in 2023; and
- $9 million increase in funds set aside for maintenance reserves.

The factors partially offsetting the decrease in Adjusted Free Cash Flow include:

- $15 million increase in Adjusted EBITDA (gross of growth expenditures) primarily due to the factors described above; and
- $20 million increase from gain on disposal of La Lucha solar facility.

Free Cash Flow, which is reduced by growth expenditures, totaled $328 million for the year ended December 31, 2024, and was 23% or $96 million lower than the same period of 2023, due to the same factors as Adjusted Free Cash Flow.

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

	Three months ended December 31,		Year ended December 31,	
	2024	**2023**	**2024**	**2023**
For the period				
Cash dividends paid to shareholders	**$ 49,284**	$ 51,740	**$ 200,488**	$ 205,072
Total dividends paid to shareholders (1)	**$ 77,686**	$ 76,253	**$ 308,512**	$ 302,976
Weighted avg. number of shares — basic and diluted (000s)	**259,166**	254,368	**257,300**	252,710
Per share ($/share)				
Dividends paid	**$ 0.30**	$ 0.30	**$ 1.20**	$ 1.20
Adjusted Free Cash Flow — basic and diluted (2)	**$ 0.31**	$ 0.75	**$ 1.53**	$ 1.97
Free Cash Flow — basic and diluted (2)	**$ 0.22**	$ 0.75	**$ 1.27**	$ 1.68
Pay-out ratios on a rolling four-quarter basis				
Adjusted Free Cash Flow payout ratio — cash dividends (2)			**51 %**	41 %
Free Cash Flow payout ratio — cash dividends (2)			**61 %**	48 %
Adjusted Free Cash Flow payout ratio — total dividends (1) (2)			**78 %**	61 %
Free Cash Flow payout ratio — total dividends (1) (2)			**94 %**	71 %

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

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

At December 31, 2024 the rolling four quarter Adjusted Free Cash Flow and the Free Cash Flow net payout ratio were 51% and 61%, respectively, calculated on the basis of cash dividends paid, compared to 41% and 48% for the same period ending December 31, 2023. At December 31, 2024 the rolling four quarter Adjusted Free Cash Flow and the Free Cash Flow net payout ratio were 78% and 94%, respectively, calculated on the basis of total dividends paid, compared to 61% and 71% for the same period ending December 31, 2023.

SECTION 6: CHANGES IN FINANCIAL POSITION

The following table provides a summary of account balances derived from the audited consolidated statements of financial position as at December 31, 2024 and December 31, 2023:

As at		December 31, 2024		December 31, 2023
Assets				
Cash and cash equivalents	**$**	**613,319**	$	740,244
Restricted cash		**59,073**		73,257
Trade and other receivables		**535,961**		396,014
Other current assets		**119,730**		97,468
Property, plant and equipment, net		**8,879,101**		9,179,933
Contracts and other intangible assets, net		**393,886**		446,870
Derivative assets		**312,848**		388,997
Deferred tax asset		**38,174**		44,726
Investment in joint ventures		**1,023,068**		899,885
Other assets (1)		**1,629,178**		1,358,904
Total assets	**$**	**13,604,338**	$	13,626,298
Liabilities				
Trade and other payables	**$**	**368,791**	$	449,461
Loans and borrowings		**7,009,899**		7,065,534
Derivative liabilities		**228,311**		127,895
Deferred tax liability		**557,826**		590,259
Other liabilities (2)		**883,098**		910,425
Total liabilities	**$**	**9,047,925**	$	9,143,574
Total Equity		**4,556,413**		4,482,724
Total liabilities and equity	**$**	**13,604,338**	$	13,626,298

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

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

Significant changes in Northland's audited consolidated statements of financial position were as follows:

- *Cash and cash equivalents* decreased by $127 million, primarily due to investments in Hai Long offshore wind projects, partially offset by proceeds from sale of La Lucha solar facility.
- *Trade and other receivables* increased by $140 million, primarily due to higher SDE revenue at Gemini, partially offset by receipt of VAT claim as per La Lucha's sale agreement.
- *Property, plant and equipment* decreased by $301 million, primarily due to a depreciation expense and sale of the La Lucha solar facility, partially offset by construction-related activities and fluctuations in the foreign exchange rates.
- *Net derivative assets* decreased by $177 million from a net derivative asset at December 31, 2023, 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 $123 million, primarily due to the investment in Hai Long offshore wind project and share of profit from joint ventures.
- *Other assets* increased by $270 million, primarily due to long-term shareholder loans provided to Hai Long offshore wind project.
- *Loans and borrowings* decreased by $56 million, mainly due to the scheduled principal repayments on facility-level loans, partially offset by construction related drawdowns, refinancing of EBSA's credit facility and fluctuations in the foreign exchange rates.

SECTION 7: EQUITY, LIQUIDITY AND CAPITAL RESOURCES

Northland maintains sufficient liquidity to meet short- and medium-term cash needs and ensures that it has access to sufficient resources to capitalize on investment opportunities and to meet growth expenditure commitments, 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 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 will be effective from and 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 2024 and 2023 was as follows:

As at	December 31, 2024	December 31, 2023
Common shares		
Shares outstanding, beginning of year	**254,939,822**	250,017,357
Equity offering	—	1,210,537
Shares issued under the LTIP	—	10,286
Shares issued under the DRIP	**5,007,504**	3,701,642
Total common shares outstanding, end of period	**259,947,326**	254,939,822

Preferred shares outstanding as at December 31, 2024, and December 31, 2023 were as follows:

As at	December 31, 2024	December 31, 2023
Preferred shares outstanding		
Series 1	**4,762,246**	4,762,246
Series 2	**1,237,754**	1,237,754
Total	**6,000,000**	6,000,000

In September 2024, Northland's corporate investment grade credit rating was reaffirmed at BBB (stable) by Fitch Ratings, in addition to Standard & Poor's BBB (stable) rating which was reaffirmed in June 2024.

At December 31, 2024, Northland had 259,947,326 common shares outstanding (as at December 31, 2023 - 254,939,822) with no change in preferred shares Series 1 and Series 2 outstanding from December 31, 2023.

As of February 26, 2025, Northland has 261,000,107 common shares outstanding with no change in preferred shares Series 1 and Series 2 outstanding from December 31, 2024.

Liquidity and Capital Resources

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

	Three months ended December 31,		Year ended December 31,	
	2024	2023	2024	2023
Cash and cash equivalents, beginning of period	**$ 596,233**	$ 856,530	**$ 740,244**	$ 1,364,309
Cash provided by (used in) operating activities	**359,631**	161,354	**1,028,968**	810,699
Cash provided by (used in) investing activities	**74,010**	431,260	**(448,811)**	(1,170,053)
Cash provided by (used in) financing activities	**(418,827)**	(748,050)	**(720,248)**	(254,239)
Effect of exchange rate differences	**2,272**	39,150	**13,166**	(10,472)
Cash and cash equivalents, end of period	**$ 613,319**	$ 740,244	**$ 613,319**	$ 740,244

Fourth Quarter

Cash and cash equivalents for the fourth quarter of 2024 increased $17 million from September 30, 2024, due to cash provided by operations of $360 million, $74 million by investing activities, $2 million effect of foreign exchange translation, partially offset by cash used in financing activities of $419 million.

The increase in cash and cash equivalents during the quarter was largely in line compared to September 30, 2024.

2024

Cash and cash equivalents for the year ended December 31, 2024, decreased $127 million due to cash provided by operations of $1,029 million, $13 million effect of foreign exchange translation, partially offset by cash used in investing activities by $449 million and $720 million by financing activities.

Cash provided by operating activities for the year ended December 31, 2024, was $1,029 million comprising:

- $1,070 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; and
- $371 million of net income.

Factors partially offsetting cash provided by operating activities include:

- $305 million in changes in working capital due to the timing of payables, receivables and deposits;
- $44 million share of profit from joint ventures; and
- $64 million accounting gain on sale of La Lucha solar facility.

Cash used in investing activities for the year ended December 31, 2024, was $449 million, primarily comprising:

- $310 million used mainly for the investment in the Hai Long offshore wind projects; and
- $552 million used mainly for construction at Oneida energy storage project.

Factors partially offsetting cash used in investing activities include:

- $136 million mainly from interest income and other investing activities; and
- $257 million from the sale proceeds of La Lucha solar facility.

Cash used in financing activities for the year ended December 31, 2024, was $720 million, primarily comprising:

- $374 million in interest and other payments;
- $776 million in scheduled principal repayments on the facility-level debt; and
- $235 million of common and preferred share dividends as well as dividends to non-controlling interest.

Factors partially offsetting cash used in financing activities were:

- $611 million of draws on project level debt primarily for construction of Oneida energy storage project; and
- $56 million in net drawdown under the corporate syndicated revolving facility.

Movement of foreign currencies, including primarily the Euro, U.S. dollar and Colombian peso, against the Canadian dollar increased cash and cash equivalents by $13 million for the year ended December 31, 2024. 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 year ended December 31, 2024:

	Balance as at Jan 1, 2024	Additions	Provisions, disposals, transfers and other (1) (3)	Exchange rate differences	Balance as at Dec 31, 2024
Operations:					
Offshore wind	$ 6,821,288	$ 1,395	$ (9,209)	$ 122,604	**$ 6,936,078**
Onshore renewable	4,159,680	6,238	(313,337)	39,820	**3,892,401**
Natural gas (2)	1,327,528	14,866	(823)	—	**1,341,571**
Utility	692,306	32,964	(1,939)	(32,724)	**690,607**
Construction:					
Onshore renewable	143,453	485,628	(23,787)	—	**605,294**
Corporate	127,147	16,576	508	1,861	**146,092**
Total	**$ 13,271,402**	**$ 557,667**	**$ (348,587)**	**$ 131,561**	**$ 13,612,043**

(1) Includes amounts accrued under the long-term incentive plan (**“LTIP”**).

(2) Excludes Spy Hill lease receivable accounting treatment.

(3) Includes $262 million relating to sale of La Lucha solar facility completed in June 2024.

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 year ended December 31, 2024:

	Balance as at Jan 1, 2024	Financings, net of costs	Repayments	Amort. of costs/fair value	Exchange rate differences	Others	Balance as at Dec 31, 2024
Operations:							
Offshore wind	$ 3,080,780	$ 68,368	$ (525,055)	$ 21,393	$ 54,444	$ —	**$ 2,699,930**
Onshore renewable (2)	1,915,250	17,663	(154,973)	4,126	37,022	(10,427)	**1,808,661**
Natural gas	846,839	12,916	(87,736)	2,787	—	—	**774,806**
Utility	716,618	44,783	(8,585)	126	(567)	(918)	**751,457**
Construction:							
Onshore renewable	15,000	467,600	—	—	—	—	**482,600**
Corporate:							
Green Notes	491,049	—	—	1,396	—	—	**492,445**
Corporate Credit Facilities (1)	110,988	625,115	(569,239)	—	5,586	—	**172,450**
Total	**$ 7,176,524**	**$ 1,236,445**	**$ (1,345,588)**	**$ 29,828**	**$ 96,485**	**$ (11,345)**	**$ 7,182,349**

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

(2) As at December 31, 2024, Onshore renewable - Operations includes tax equity financing in relation to New York onshore wind projects amounting to $27 million.

Additionally, as at December 31, 2024, $541 million of letters of credit were outstanding under non-recourse project-level credit facilities for operational use.

Corporate Credit Facilities and Letters of Credit

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

As at December 31, 2024	Facility size	Amount drawn (2)	Outstanding letters of credit (3)	Available capacity	Maturity date
Sustainability linked syndicated revolving facility (1)	$ 1,250,000	$ 175,919	$ 116,918	$ 957,163	Aug. 2029
Bilateral letter of credit facility	150,000	—	135,060	14,940	Jun. 2026
Export credit agency backed letter of credit facility I	100,000	—	72,037	27,963	Mar. 2026
Export credit agency backed letter of credit facility II (4)	200,000	—	140,043	59,957	n/a
Hai Long related letter of credit facility	500,000	—	483,440	16,560	Sep. 2027
Total	**$ 2,200,000**	**$ 175,919**	**$ 947,498**	**$ 1,076,583**	

(1) During the third quarter of 2024, the sustainability linked syndicated revolving facility was increased by $250 million and maturity was also extended to August 2029.

(2) Deferred financing cost, as at December 31, 2024, associated with the syndicated revolving facility amounting to $3 million (December 31, 2023 - $5 million) is included within the other non-current assets in the consolidated statements of financial position.

(3) As at December 31, 2024, outstanding letters of credit include LCs issued in favor of a joint venture amounting to $672 million.

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

Of the $947 million of corporate letters of credit issued as at December 31, 2024, $776 million relates to projects under advanced 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 $1,066 million of available liquidity at December 31, 2024, including $109 million of cash on hand and approximately $957 million of capacity on its corporate revolving credit facilities.

Debt Covenants

Northland generally conducts its business activities indirectly through separate subsidiary legal entities and is dependent on the distribution of cash from those subsidiary entities to fund development expenses, defray its corporate expenses, repay corporate debt and pay cash dividends to its shareholders. Most operating subsidiaries hold non-recourse debt, which typically prohibits distributions if the loan is in default (notably for non-payment of principal or interest) or if the entity fails to achieve a benchmark debt service coverage ratio, which is the ratio of EBITDA to scheduled principal and interest payments over a specified time period. As of December 31, 2024, Northland and its subsidiaries were in compliance with all financial covenants under the applicable credit agreements.

Financial Commitments and Contractual Obligations

In the ordinary course of business, Northland enters into financial and derivative contracts. The contractual maturities of Northland's material financial liabilities as at December 31, 2024, are summarized in the following table:

	2025	2026	2027	2028	2029	>2029
Derivative liabilities [1]						
Euro foreign exchange contracts	$ 111,690	$ 97,724	$ 204,137	$ 207,350	$ 174,298	$1,471,453
Colombian peso foreign exchange contracts	800,579	16,205	—	—	—	—
US dollar foreign exchange contracts	58,057	15,015	18,312	21,149	20,287	207,907
Taiwan dollar foreign exchange contracts	—	—	147,748	64,454	65,846	345,316
Cross currency interest rate contracts	42,392	42,392	42,392	537,474	—	—
Facility-level debt at Northland's share						
Gemini	€ 93,040	€ 101,896	€ 109,241	€ 111,698	€ 114,769	€ 151,451
Nordsee One	71,079	75,921	—	—	—	—
Deutsche Bucht	69,978	71,444	67,828	61,747	64,973	217,665
Spain	49,622	41,004	42,727	41,761	42,112	297,255
Total in Euro	€ 283,719	€ 290,265	€ 219,796	€ 215,206	€ 221,854	€ 666,371
New York Wind	US$ 14,543	US$ 14,720	US$ 7,815	US$ 8,422	US$ 8,250	US$143,847
Total in Canadian dollar [2]	449,266	459,413	343,226	337,134	346,943	1,208,429
EBSA [3]	2,018	2,018	745,837	2,018	504	—
All other facilities [4]	138,114	157,168	162,879	175,081	188,756	901,657
Total facility-level debt at Northland's share	$ 586,351	$ 618,599	$ 1,251,942	$ 514,233	$ 536,203	$2,110,086
Interest payments including swap derivative contracts	206,156	186,592	167,070	108,611	88,266	275,712
Corporate liabilities						
Corporate credit facilities, including interest	6,295	5,999	6,102	6,244	175,919	—
Convertible debentures, including interest	46,250	46,250	46,250	523,125	—	—
Total	**$1,857,770**	**$1,028,776**	**$ 1,883,953**	**$1,982,640**	**$1,060,819**	**$4,410,474**

(1) Derivative liabilities are reported at 100% ownership.

(2) Using long-term foreign exchange rates.

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

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

Non-Financial Commitments and Contractual Obligations

The following table summarizes all material fixed contractual commitments and obligations as at December 31, 2024, for non-financial contracts. The amounts are based on long term inflation rate, where applicable, of 2.0% and 2.99%, a Canadian dollar/Euro exchange rate of $1.51 and Canadian dollar/US dollar exchange rate of $1.40. The table includes maintenance and services agreements and natural gas transportation demand charges for which Northland is liable whether or not natural gas is shipped. The construction commitment relates to the construction of the New York Onshore

Wind projects. The cash obligations related to the leases for land and buildings, dismantlement and management fees to NCI partners are also included.

	2025	2026	2027	2028	2029	>2029
Maintenance agreements	$ 221,854	$ 229,242	$ 199,638	$ 175,223	$ 176,244	$1,626,356
Construction and others; excluding debt, interest and fees	73,856	23,782	20,463	—	—	—
Natural gas supply and transportation, fixed portion	26,321	26,216	26,671	27,134	27,566	143,761
Leases	13,590	12,115	12,129	12,138	11,645	138,685
Decommissioning liabilities	—	—	—	—	—	576,936
Management fees	5,437	5,613	5,727	5,843	5,962	98,616
Total	**$ 341,058**	**$ 296,968**	**$ 264,628**	**$ 220,338**	**$ 221,417**	**$2,584,354**

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

As at December 31, 2024, Northland issued letters of credits and the parental guarantees, in favor of the joint ventures, of $739 million in favor of the joint ventures.

SECTION 8: SUMMARY OF QUARTERLY CONSOLIDATED RESULTS

Northland's consolidated financial results are affected by seasonal factors, contract provisions and extraordinary items, which result in quarterly variations. Northland's quarterly net income (loss) also varies due to any non-cash impairments/ recoveries and foreign exchange adjustments required to translate Euro, 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:

In millions of dollars, except per share information	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Revenue from energy sales	$ 572	$ 491	$ 529	$ 755	$ 626	$ 513	$ 472	$ 622
Operating income [1]	217	98	152	346	57	146	103	273
Net income (loss)	150	(191)	262	149	(268)	43	22	107
Adjusted EBITDA	312	228	268	454	389	267	232	352
Cash provided by operating activities	360	196	171	294	136	148	204	297
Adjusted Free Cash Flow	81	19	69	226	191	64	63	180
Free Cash Flow	$ 58	$ 1	$ 51	$ 217	$ 191	$ 36	$ 41	$ 155
Per share statistics								
Net income (loss) attributable to common shareholders — basic	$ 0.49	$ (0.70)	$ 0.95	$ 0.29	$ (1.13)	$ 0.14	$ 0.01	$ 0.27
Net income (loss) attributable to common shareholders — diluted	0.49	(0.70)	0.95	0.29	(1.13)	0.14	0.01	0.27
Adjusted Free Cash Flow — basic	0.31	0.08	0.27	0.88	0.75	0.25	0.25	0.72
Free Cash Flow — basic	0.22	0.00	0.20	0.85	0.75	0.14	0.16	0.62
Total dividends declared	$ 0.30	$ 0.30	$ 0.30	$ 0.30	$ 0.30	$ 0.30	$ 0.30	$ 0.30

(1) Included amortization of contracts and other intangible assets in the operating income.

SECTION 9: CONSTRUCTION, DEVELOPMENT AND ACQUISITION ACTIVITIES

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

Hai Long Offshore Wind Project

Since 2016, Northland has developed, financed and is currently in the process of constructing the 1,022 MW offshore wind project in Taiwan with its partners. Hai Long is owned 60% by Northland and Gentari International Renewables Pte. Ltd., and 40% by Mitsui & Co. Ltd., and Enterprize Energy Group.

The project was allocated a total of 1,022 MW (313 MW net to Northland) by the Bureau of Energy of Taiwan under a FIT program and an auction process in 2019. Key aspects of the Hai Long project are presented in the following table:

Sub-project	Gross Capacity (MW)	Net Capacity (MW) (1)	Type of Procurement	Estimated COD
Hai Long 2A	294	90	FIT	2026/2027
Hai Long 2B	224	69	Auction	2026/2027
Hai Long 3	504	154	Auction	2026/2027
Total	**1,022**	**313**		

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

Hai Long 2B and 3, which have a combined capacity of up to 744 MW, signed a CPPA that covers 100% of the power generated. The agreement is with an investment grade counterparty (S&P: AA-) and is for a 30-year period at a fixed-price, commencing once Hai Long reaches full commercial operations. The contracted price under the CPPA is more favourable than the fixed auction rate originally awarded in 2018 and is a key accomplishment. In addition, the PPAs with Taipower are not affected by the signing of the CPPA and provide a backstop to the CPPA.

On December 28, 2023, Northland closed the sale of 49% of Northland's 60% ownership in the Hai Long offshore wind project to Gentari International Renewables Pte. Ltd., a subsidiary of clean energy solutions company Gentari Sdn Bhd (**"Gentari"**). Northland now holds a 30.6% ownership interest in the overall project and will continue to take the lead role in Hai Long's construction and operation.

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

Baltic Power Polish Offshore Wind Project

In March 2021, Northland completed its acquisition of a 49% interest in the Baltic Power offshore wind project in the Polish Baltic Sea with a total capacity of 1,140 MW of offshore wind generation. Northland continues to hold a 49% ownership interest in Baltic Power, with its partner Orlen S.A. holding 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 project's 25-year CfD offtake agreement, is denominated in Euros and includes an inflation indexation feature commencing with the base year 2021.

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

Oneida Energy Storage Project

The Oneida Energy Storage Project is a 250 MW/1 GWh energy storage facility located in Ontario, Canada. Northland is the majority owner and taking the lead role in its construction, financing and operation.

On December 21, 2022, the project successfully executed a 20-year Energy Storage Facility Agreement with the Independent Electricity System Operator (**"IESO"**) that offers monthly capacity payments.

Northland currently owns 72% of the project, which is being developed in partnership with NRStor Inc., Six Nations of the Grand River Development Corporation and Aecon Group Inc.

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

Thorold Natural Gas Facility Upgrade

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

South Korean Offshore Wind Projects

Electricity Business Licenses (**"EBLs"**) for up to 1,270 MW capacity at Dado have been secured, providing exclusivity over the development areas. In addition, Northland's second project, the 690 MW Bobae project, has also been awarded the requisite EBLs.

ScotWind Offshore Wind Project

Northland was awarded two offshore wind leases in the Crown Estate Scotland auction with a total combined capacity of 2,340 MW in 2022. The two leases, one fixed foundation (840 MW) and one floating foundation (1,500 MW), will extend Northland's development runway into the next decade. In 2023, Northland signed a partnership agreement with ESB, a leading Irish energy company, for a 24.5% interest in the two offshore wind projects.

Alberta Portfolio

In December 2022, Northland acquired a development platform and a portfolio of solar and energy storage development projects in Alberta, Canada, with a combined pipeline encompassing approximately 1.4 GW.

Jurassic BESS project

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

SECTION 10: OUTLOOK

2025 is a year of delivering key milestones on three large construction projects: Baltic Power, Hai Long and Oneida. Cash generation from some of these projects will be a significant milestone for Northland and is expected to start contributing to Northland's earnings in 2025, continuing through 2026, with full realization in 2027.

Northland anticipates generating pre-completion revenue from Hai Long in the second half of this year. However, this cash flow is used to fund the construction of the Hai Long project and will not be included in Adjusted Free Cash Flow or Free Cash Flow metrics until the project reaches commercial operations, expected in 2027. Additionally, Northland incurs development expenditures in pursuit of its 10 GW development pipeline. These expenditures will reduce near-term Free Cash Flow until the projects achieve commercial operations but are expected to deliver accretive long-term growth in earnings and cash flow in future years.

Adjusted EBITDA

For 2025, management expects Adjusted EBITDA to be in the range of $1.30 billion to $1.40 billion, with the guidance mid-point being higher than 2024 Adjusted EBITDA of $1.26 billion. The major factors expected to increase Adjusted EBITDA include (all amounts are approximate):

- Adjusted EBITDA contributions from Hai Long's pre-completion revenues, expected in the second half of 2025, and Oneida energy storage project achieving the commercial operations in the first half of 2025 ($80 million);
- Higher Adjusted EBITDA for onshore renewables excluding Spain ($20 million); and
- Other various items ($25 million).

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

- Lower band revenue adjustments at Spain from lower posted regulatory price ($30 million); and
- Lower contributions from Nordsee One following a scheduled step down in its power contracts, partially offset by impact from the Gemini cable issue and TenneT outage in 2024 ($25 million).

Adjusted Free Cash Flow and Free Cash Flow

In 2025, management expects Adjusted Free Cash Flow to be in the range of $1.30 to $1.50 per share, with the guidance mid-point being lower than 2024 Adjusted Free Cash Flow of $1.53 per share. The major factors expected to decrease Adjusted Free Cash flow include (all amounts are approximate):

- Decreased regulatory feed in tariffs at Nordsee One following a scheduled step down in its power contracts and lower band adjustment at Spain ($45 million); and
- Impact from prior year's La Lucha operating results including the gain on its sale and other items ($25 million).

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

- Higher contribution from natural gas facilities and utilities performance and lower net debt service and taxes across existing assets ($30 million); and
- Contribution from Oneida battery storage project and onshore renewable assets excluding Spain ($10 million).

Corporate G&A costs are expected to be approximately $70 million in 2025, compared to $85 million in 2024.

Northland has assumed development expenditures will be approximately $60 million.

Management expects 2025 Free Cash Flow, which includes growth expenditures, to be in the range of $1.10 to $1.30 per share, consistent with last year's guidance. Free Cash Flow reflects the level of spending on growth initiatives and the equity capital raised for our projects currently under construction, for which material corresponding cash flows will not be received until 2026 and 2027. The development expenditures would include offshore wind opportunities in Europe and Asia and a further allocation towards onshore renewable projects, and natural gas power development opportunities.

In addition, any gains from the future sell-down of ownership interests in development assets would be included in Adjusted EBITDA, Adjusted Free Cash Flow and Free Cash Flow as they relate to capturing development profits at key milestones. Currently, the 2025 financial outlook does not incorporate any sell-down proceeds and as such, net proceeds from any sell-down would increase reported Adjusted EBITDA, Adjusted Free Cash Flow, and Free Cash Flow in the event they occur in 2025.

Northland continues to implement a selective partnership strategy to sell interests in certain development projects on or before financial close. In certain situations, Northland may decide to exit certain markets or reduce development activities within certain jurisdictions. Northland will assess each opportunity individually and intends to remain a long-term owner of the renewable power assets it develops.

Over the longer term, Northland remains positioned to achieve substantial growth in Adjusted EBITDA and Adjusted Free Cash Flow by 2027, upon achieving targeted commercial operations of Oneida, Baltic Power and Hai Long, each with long-term contracted revenues of between 20 to 30 years.

Once the projects under construction, including Hai Long, Baltic Power, and Oneida battery storage, are fully completed, they are collectively expected to deliver on a five-year annual average basis, approximately $570 million to $615 million of Adjusted EBITDA and $185 million to $210 million of Adjusted Free Cash Flow by 2027.

Northland management expects that the Company will continue to pay dividends annually at the rate of $1.20 per share.

With over 3 gigawatts (GW) of current gross operating capacity, 2.4 GW under construction and a pipeline under development of approximately 10 GW, the Company is well-positioned to deliver on the global energy transition. Northland intends to be selective and pursue only projects within its pipeline that meet its strategic objectives and targeted returns and closely monitor macroeconomic conditions. Management continues to assess its development pipeline as projects move through their development cycles.

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 11: LITIGATION, CLAIMS AND CONTINGENCIES

Litigation, claims and other contingencies arise from time to time in the ordinary course of business for Northland. There are no legal or regulatory proceedings that involve a claim for damages or penalty exceeding 10% of Northland's current assets in respect of which Northland is or was a party, or in respect of which any of Northland's property is or was the subject during the year ended December 31, 2024, nor are there any such proceedings known to Northland to be contemplated. None of these contingencies, individually or in aggregate, are expected to result in a liability that would have a material adverse effect on Northland. Refer to Note 28 of the audited consolidated financial statements for additional information including any contingencies arising as a result of completed acquisitions.

SECTION 12: SUSTAINABILITY STRATEGY

The focuses of Northland’s Sustainability strategy are on continued energy transition and decarbonization efforts through increasing our renewable energy portfolio, protecting and supporting biodiversity, continuously improving as an equitable employer where a talented, diverse and committed group of people want to build their careers, creating meaningful and collaborative relationships and partnerships with local and Indigenous communities, ensuring human rights are respected in our supply chain and upholding the highest standards of good and responsible governance.

Northland continues to identify climate-related opportunities for access to capital, growth opportunities in new technologies (such as energy storage) and human capital growth. Northland is committed to achieving a 65% reduction of its greenhouse gas (**“GHG”**) emissions intensity by 2030 (from 2019 baseline) and to achieve net zero emissions across its scope 1, 2 and 3 by 2040. For further information on Northland’s climate-related goals and objectives, please refer to the Company’s most recent sustainability report, which can be found at https://www.northlandpower.com/en/about-northland/sustainability.aspx, and the *Climate-Related Target Risk* in the “Risk Factors” section of 2024 AIF.

SECTION 13: FINANCIAL RISKS AND UNCERTAINTIES

Northland's activities expose it to a variety of risks. Refer to the 2024 AIF for a summary of factors in addition to those discussed below that could significantly affect the operations and financial results of Northland.

Northland's risk management objective, as it relates to financial risks and uncertainties, is to mitigate fluctuations in cash flows and 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. The risks associated with Northland's financial instruments and Northland's policies for mitigating these risks are described below. Refer to Note 18 of the 2024 Annual Report for additional information on Northland's risk management approach.

For information on Northland's key risks, uncertainties, financial instruments and contractual commitments, refer to Northland's 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.

Market Risk

Market risk is the risk that the future cash flows and returns will fluctuate because of changes in market prices and rates. Financial instruments affected by market risk include loans and borrowings and derivative financial instruments as well as Northland's preferred shares and the Green Notes. Revenue and supply contracts can also be affected by market risk. Types of market risk to which Northland is exposed are discussed below.

(i) Interest Rate Risk

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

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

(ii) Credit Spread Risk

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

(iii) Currency Risk

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

Northland has entered into long-term foreign exchange contracts to fix foreign exchange conversion rates on the majority of forecasted Euro-denominated cash inflows from Gemini, Nordsee One, Deutsche Bucht, the Spanish Portfolio, and Baltic power, and on a portion of the forecasted Taiwanese Dollar cash inflows from Hai Long. Power. Northland has entered into a short-term rolling hedge program to fix foreign exchange conversion rates on a portion of distributions from EBSA.

(iv) Commodity Price Risk

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

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

Northland has exposure to Dutch electricity market prices under Gemini's PPA when the market price falls below the contractual floor price. For the year ended December 31, 2024, the average wholesale market price was above the contractual floor price, so the revenue was not impacted by this floor.

Northland has indirect exposure to German electricity market prices under the Nordsee One and Deutsche Bucht PPAs whereby the facilities do not receive revenue for periods where the market power price remains negative for longer than six consecutive hours.

Financial Counterparty Risk

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

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

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

Liquidity Risk

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

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

Northland is also subject to internal liquidity risk because it conducts its business activities through separate legal entities (subsidiaries and affiliates) and is dependent on cash distributions from those entities to defray corporate expenses and pay dividends. Most operating subsidiaries hold non-recourse debt. Such non-recourse financing agreements typically prohibit distributions if the loan is in default (notably for non-payment of principal or interest) or if the entity fails to achieve a benchmark debt service coverage ratio, which is the ratio of Adjusted EBITDA to scheduled loan principal and interest payments over a specified time period. For the year ended December 31, 2024, Northland and its subsidiaries were in compliance with all debt covenants.

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

Refer to Note 28 in the audited consolidated financial statements for the year ended December 31, 2024, for additional information related to Northland's commitments and obligations.

Taxation

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

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

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

SECTION 14: CRITICAL ACCOUNTING ESTIMATES

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

In making these estimates and judgments, management relies on external information and observable conditions where possible, supplemented by internal analysis as appropriate. These estimates and judgments have been applied in a manner consistent with that in the past two years and there are no known trends, commitments, events or uncertainties that management believes will materially affect the methodology or assumptions utilized in this annual report.

Additional information on the significant estimates, judgments and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed in Note 3 in the audited consolidated financial statements for the year ended December 31, 2024.

SECTION 15: FUTURE ACCOUNTING POLICIES

Management assesses each new IFRS or amendment to determine whether it may have a material impact on Northland's consolidated financial statements. As at December 31, 2024, 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 annual audited consolidated financial statements.

SECTION 16: CONTROLS AND PROCEDURES OVER FINANCIAL REPORTING

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Management, including the President and Chief Executive Officer (**"CEO"**) and the Interim Chief Financial Officer (**"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 (**"NI 52-109"**).

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

Management of Northland, including the CEO and CFO, have evaluated the design and operating effectiveness of Northland's DC&P and ICFR. Based on the evaluation, the CEO and CFO concluded that the design and operation of Northland's DC&P and ICFR were effective as at December 31, 2024.

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

Changes In Internal Control over Financial Reporting

There were no changes made to Northland's ICFR in the year ended December 31, 2024 that have materially affected, or are reasonably likely to materially affect, Northland's ICFR.