



Management's Discussion and Analysis

For the three months and year ended December 31, 2025

Dated April 29, 2026

BASIS OF PRESENTATION

EverGen Infrastructure Corp. ("EverGen", "the Company", "we", "our", "us" or "its") has prepared this Management's Discussion and Analysis ("MD&A") for the three months and year ended December 31, 2025, as at April 29, 2026, in accordance with National Instrument 51-102F1, and should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2025, which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). All references to "\$" are references to Canadian dollars and are presented in thousands of dollars, unless otherwise indicated. This MD&A and the unaudited interim consolidated financial statements of EverGen have been approved by the Audit Committee of the Board of Directors as of April 29, 2026.

Additional information relating to the Company, is available on SEDAR+ at www.sedarplus.ca. The Company's common shares trade on the TSX Venture Exchange ("TSXV") under the symbol "EVGN" and the OTCQB Market ("OTCQB") under the symbol "EVGIF".

READER ADVISORIES

This MD&A contains certain "forward-looking statements" within the meaning of Canadian securities legislation and introduces financial measures which are not defined under IFRS Accounting Standards aimed at helping the reader in making comparisons to metrics similarly disclosed by industry peers. Readers are cautioned that the MD&A should be read in conjunction with the Company's disclosure under "Non-GAAP Measures" and "Forward-Looking Information" included at the end of this MD&A.

FINANCIAL AND OPERATIONAL HIGHLIGHTS SUMMARY

	Three months ended				Year ended			
	Dec 31, 2025	Dec 31, 2024	\$ Change	% Change	Dec 31, 2025	Dec 31, 2024	\$ Change	% Change
FINANCIAL								
Revenue	4,247	3,163	1,084	34	11,747	14,226	(2,479)	(17)
Net loss	(611)	(14,415)	13,804	(96)	(4,866)	(17,088)	12,222	(72)
Net loss per share (\$), basic and diluted	(0.02)	(1.02)	1.00	(98)	(0.24)	(1.20)	0.96	(80)
EBITDA ⁽¹⁾	993	(14,244)	15,237	(107)	342	(11,834)	12,176	(103)
Adjusted EBITDA ⁽¹⁾	1,274	98	1,176	1,200	2,533	2,856	(323)	(11)
Total assets	75,463	77,700	(2,237)	(3)	75,463	77,700	(2,237)	(3)
Total long-term liabilities	23,985	26,118	(2,133)	(8)	23,985	26,118	(2,133)	(8)
Cash and cash equivalents and restricted cash	2,210	414	1,796	434	2,210	414	1,796	434
Working capital deficit ⁽¹⁾	(855)	(950)	95	(10)	(855)	(950)	95	(10)
COMMON SHARES (thousands)								
Outstanding, end of period	22,427	14,021	8,406	60	22,427	14,021	8,406	60
Weighted average – basic & diluted	22,427	14,019	8,408	60	19,186	13,963	5,223	37
OPERATING								
RNG (gigajoules)	54,812	41,694	13,118	31	198,893	160,027	38,866	24
Incoming organic feedstock (tonnes)	18,962	25,454	(6,492)	(26)	64,908	99,642	(34,734)	(35)
Organic compost and soil sales (yards)	2,013	2,860	(847)	(30)	22,006	26,552	(4,546)	(17)
Electricity (MWh)	833	627	206	33	3,424	3,446	(22)	(1)

⁽¹⁾ Non-GAAP measure as defined in the Non-GAAP measures section of this MD&A.

Revenue: For the three months ended December 31, 2025, revenues increased by \$1,084, or 34%, compared to the same period last year primarily due to increased carbon credit sales and increased Renewable Natural Gas ("RNG") production and associated revenues from the Fraser Valley Biogas Ltd. ("FVB") RNG expansion project and at Grow the Energy Circle Ltd. ("GrowTEC") as well as an increase in rates for volumes received at the organic waste and composting facilities, partially offset by decreased tipping revenues due to interim operations concluding at Prairie Sky Organics Ltd. ("PSO"), and the absence of management fees earned from Project Radius in 2025.

For the year ended December 31, 2025, revenues decreased by \$2,479, or 17%, compared to the same period last year, primarily due to lower tipping revenues due to lower volumes received at the organic waste and composting facilities during the first nine months of 2025 and interim operations concluding at PSO, and the absence of management fees earned from Project Radius in 2025, partially offset by the timing of carbon credit sales, increased RNG production and associated revenues from the FVB RNG expansion project and at GrowTEC as well as an increase in rates for volumes received at the organic waste and composting facilities.

Net loss: For the three months ended December 31, 2025, net loss decreased by \$13,804 or 96%, compared to the same period last year. This decrease was primarily due to a decrease of \$12,265 of non-cash impairment losses associated with Sea to Sky Soils and Composting Inc. ("SSS") and GrowTEC cash generating units ("CGU"s) and a contingent consideration loss associated with the SSS facility in 2024, an increase in revenues and a decrease in direct operating costs, general and administrative expenses and lower write down costs of assets.

For the year ended December 31, 2025, net loss decreased by \$12,222 or 72%, compared to the same period last year. This decrease was primarily due to a decrease of \$12,265 of non-cash impairment losses associated with SSS and GrowTEC CGUs in 2024, a decrease in direct operating costs and finance costs, partially offset by decreased revenues in 2025 and a decrease in contingent consideration gain.

Adjusted EBITDA: EverGen's Adjusted EBITDA of \$1,274 increased by \$1,176, for the three months ended December 31, 2025, compared to the same period last year, primarily due to an increase in revenues and a decrease in direct operating costs.

EverGen's Adjusted EBITDA of \$2,533 decreased by \$323, for the year ended December 31, 2025, compared to the same period last year, primarily due to a decrease in revenues and an increase in recurring general and administrative expenses, partially offset by a decrease in direct operating costs.

RNG Volumes: RNG production increased during the three months and year ended December 31, 2025, compared to the same periods last year, following continued stabilization of the FVB RNG expansion project. The Company set a new quarterly production record in Q4 2025. During October, November and December 2025, the FVB and GrowTEC facilities collectively produced on average approximately 18,000 gigajoules ("GJs"), per month. The FVB facility continues to deliver strong performance and set new monthly RNG production records, including close to 14,000 GJs in October 2025, and is approaching the nameplate capacity of the facility of 160,000 GJs of RNG per year.

RNG expansion and development projects: EverGen continues to progress on its core RNG expansion and development projects and regional expansion across Canada. In particular, EverGen's Pacific Coast Renewables Corp. ("PCR") RNG Expansion project passed a key regulatory milestone receiving support from Abbotsford City Council in July 2025 and Agricultural Land Commission approval in March 2026.

Debt Refinancing: In February 2025, EverGen through FVB, executed a letter of intent on a \$13,000 asset-level debt facility and a \$250 operating line of credit, with the proceeds used to refinance the Company's existing debt facility. In January 2026, the Company formally closed on this debt facility and repaid the majority of the Company's senior term loan.

Land Disposition and Leaseback: In March 2025, EverGen entered into a purchase and sale agreement with a related party in connection with the disposition of land owned on which FVB operates (the

"Property"), and concurrently entered into a long-term lease with the purchaser for the portion of the Property on which FVB operates.

Private Placement and Change of Management: In April 2025, EverGen entered into a share purchase and reorganization agreement (the "Agreement"), with Ask America, LLC (the "Purchaser"), an arm's length limited liability company existing under the laws of New Jersey. Pursuant to the terms of the Agreement, the Purchaser agreed to act as the lead investor of \$5,000 in a private placement of common shares of the Company for total gross proceeds of up to \$7,000 (the "Private Placement").

In May 2025, the Company closed the first tranche of the Private Placement, issuing 8,333,333 Common Shares at \$0.60 per share to the Purchaser for gross proceeds of \$5,000. Concurrently, the closing of the Private Placement resulted in the Purchaser becoming a new "Control Person" of the Company (as defined under TSXV policies), which was approved by a majority of shareholders by way of written consent. The majority of the Company's executive officers and directors resigned and were replaced with a new management team (the "Change of Management"). Immediately prior to closing, 1,211,026 options, warrants and other equity-settled incentive securities held by current and former members of management and the Board were surrendered for cancellation for nominal consideration.

In January 2026, the Company closed the second tranche of its previously announced non-brokered private placement for gross proceeds of approximately \$1,900. The proceeds from the private placement were used to repay certain indebtedness outstanding and for working capital and general corporate purposes.

With the improved debt financing terms at FVB and a strengthened balance sheet through the Private Placement, the Company is well positioned to unlock shareholder value by optimizing its existing core asset base, pursuing near-term expansion opportunities of core assets, and continuing to develop its RNG platform through strategic growth. Management's near-term focus remains on cost optimization and driving operational excellence across its assets.

Leadership: As part of the Change of Management mentioned above, the majority of the executive officers and directors of the Company resigned and were replaced with a new management team consisting of Chase Edgelow as Chief Executive Officer and Ron Green as Chief Operating Officer, and a new board of directors of the Company consisting of: Chase Edgelow, Varun Anand, Blake Almond, and Mischa Zajtmann.

In June 2025, EverGen announced that it had appointed Maria O'Sullivan as Interim Chief Financial Officer, replacing Sean Hennessy, who resigned effective the same date.

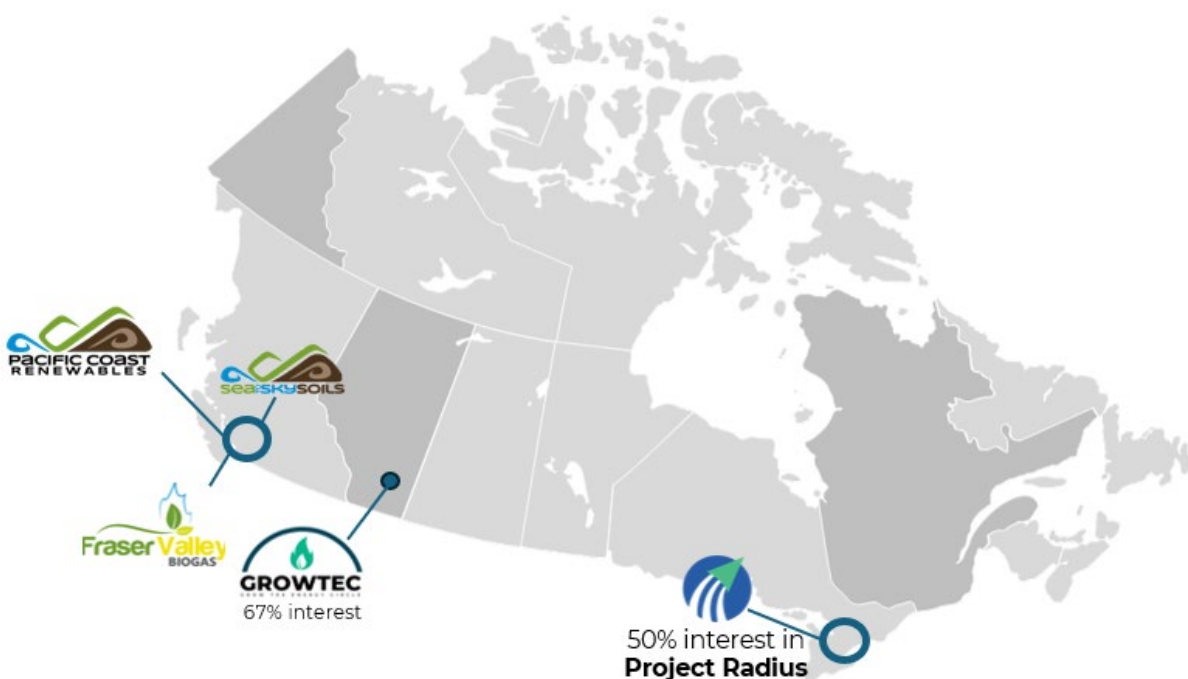
COMPANY OVERVIEW

EverGen, headquartered in Vancouver, British Columbia, is a sustainable infrastructure platform established to acquire, develop, build, own, operate, and consolidate a portfolio of RNG, waste to energy, and related infrastructure projects in Canada and other regions of North America.

EverGen commenced operations upon incorporation under the laws of British Columbia, Canada, on May 13, 2020.



EverGen currently owns and operates four facilities through its subsidiaries: PCR, SSS, FVB and GrowTEC, and holds a 50% interest in Project Radius, an entity that holds a portfolio of three RNG projects under development in Canada.



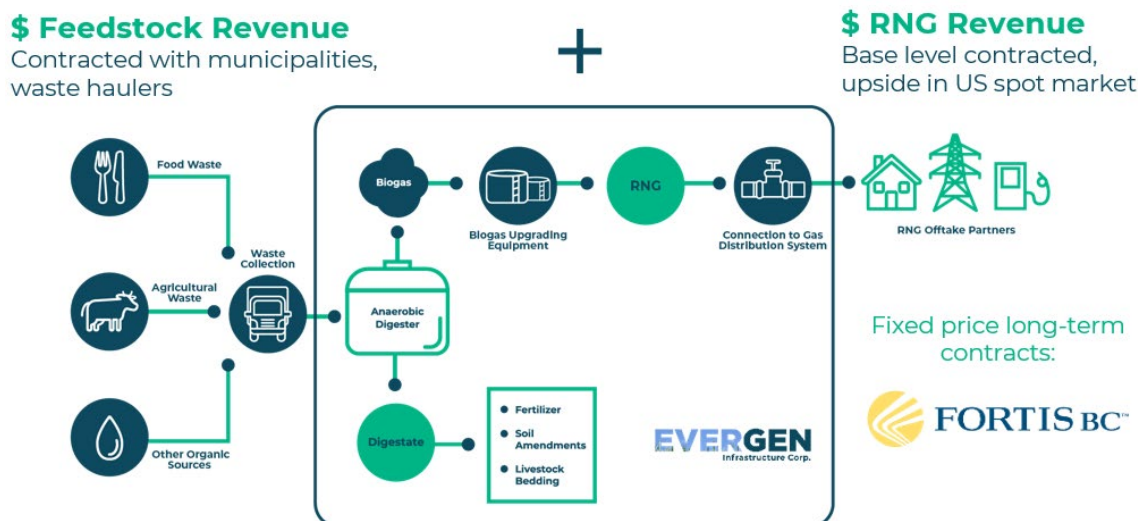
FVB is British Columbia's first RNG facility, which combines anaerobic digestion and biogas upgrading to produce RNG, primarily by converting agricultural waste from local dairy farms. The facility is currently operating under a new 20-year offtake agreement with FortisBC. In December 2023, the RNG expansion project at FVB was completed, which added additional RNG production capacity to the facility and is expected to exceed ~160,000 GJs of production per year, more than doubling RNG production from ~80,000 GJs per year. The FVB facility continued to set new monthly production records in 2025. In October 2025, a new monthly record of close to 14,000 GJs production was set.

PCR and SSS, based in British Columbia, are currently operating as organic waste conversion facilities, which process inbound organics, yard waste and biosolids for a contracted tipping fee and produce high-quality organic compost and soils for farmers, gardeners and developers. PCR is undergoing a planned core RNG expansion project, which will add anaerobic digestion capabilities to produce biogas and will then be upgraded to RNG to feed into FortisBC's gas network. Construction of the upgrade will begin upon receipt of building and regulatory approvals, for which applications were submitted during 2023. In July 2025, the PCR RNG Expansion project passed a key regulatory milestone receiving support from Abbotsford City Council and in March 2026, PCR received additional key regulatory approval for the RNG Expansion. With the March 2026 approval removing the last major regulatory hurdle, the Company is updating previously completed development work, including sourcing long-lead equipment, in order to commence construction following receipt of standard building permits. During the second quarter of 2023, PCR was awarded funding of \$10.5 million from Natural Resources Canada ("NRCAN") to support the development of the core RNG expansion project at PCR and the contribution agreement was executed in February 2024. In 2025, the Company received amounts under this NRCAN funding agreement for costs that had been incurred to date. The majority of the revenue currently earned by the organic waste conversion facilities is sourced under long-term contracts with local municipalities and in November 2023 EverGen announced the renewed organic waste processing contract with the City of Abbotsford. In September 2025, PCR entered into a termination agreement with one of the municipalities, terminating a legacy organics processing contract from 2019.

GrowTEC is an operating RNG facility located in Lethbridge, Alberta. Following the acquisition of a 67% interest in the facility in Q3 2022, EverGen oversaw the installation of an RNG upgrader, and related equipment, required to upgrade biogas to produce RNG. The first phase of development was constructed and commissioned during the first quarter of 2023 and is expected to produce ~70,000 GJs of RNG annually. Following utility grid connection upon the completion of gas quality sampling, the facility began injecting RNG during the second quarter of 2023 and has been producing daily volumes of up to 220 GJs. With the first phase of development complete, EverGen is now completing engineering and design work for the next phase of the project, which is expected to expand RNG capacity to approximately ~120,000 GJs of RNG per year through the addition of preprocessing and depackaging equipment. In October 2024, EverGen was awarded \$2 million of funding from the Government of Canada to support the development of the second phase of the expansion project. In early 2025, the Company received amounts under this Government of Canada funding agreement.

In May 2022, EverGen acquired a 50% interest in Project Radius, a late-development stage portfolio of three high-quality, on-farm RNG projects, each capable of producing approximately 550,000 GJs of RNG per year. EverGen is currently working with its partner on developing Project Radius to advance to the notice-to-proceed phase of development.

COMMERCIAL STRATEGY



EverGen was formed to acquire and develop existing underutilized RNG infrastructure, convert existing organic waste facilities into RNG infrastructure and build and operate new RNG infrastructure. From its existing platform, EverGen plans to further grow and develop RNG projects in its growth pipeline and provide RNG under long-term offtake contracts to FortisBC and other investment grade customers.

EverGen's purpose is to contribute to the circular economy, promoting socially conscious business models for waste recycling while providing sustainable returns for the planet by using its platform of investments and operational excellence to drive rapid RNG adoption and grid conversion in addition to:

- Completing the development and construction of EverGen's existing portfolio of core RNG expansion projects;
- Optimizing, diversifying and expanding existing organic waste processing capabilities;
- Continuing the growth of EverGen's project portfolio via strategic acquisitions and consolidation opportunities; and
- Developing strategic partnerships and advancing the RNG project pipeline.

OUTLOOK

The development of our core RNG expansion and development projects, as described above, demonstrates EverGen's ability to execute on projects and drive the consolidation and the growth of the RNG industry as we continue to expand our geographical base. EverGen plans continued growth through the pursuit of RNG consolidation opportunities across North America and the further development of projects within its pipeline. This is driven by underlying investments in sustainable operations that contribute to carbon-negative energy production, and positively impact climate change initiatives.

EverGen's growth, and increased financial performance, relies on the execution of its strategy to acquire, develop, build, own, operate and consolidate a portfolio of RNG, waste to energy and related sustainable infrastructure projects, including:

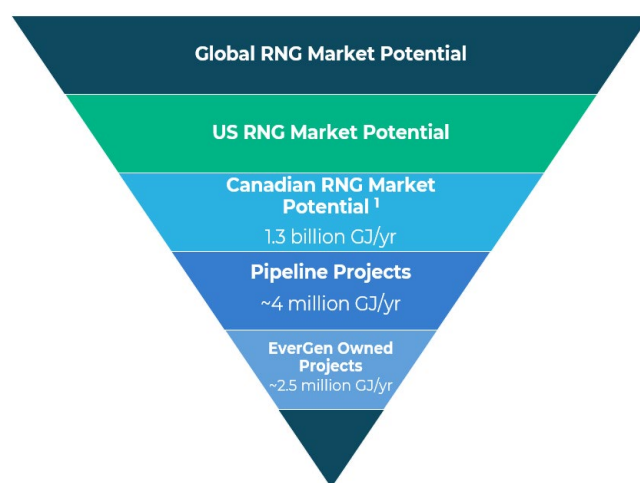
- Continuing development and construction of EverGen's existing portfolio of core RNG expansion projects;
- Optimizing and expanding existing organic waste processing facilities and RNG feedstock;
- Securing and optimizing long-term contracts for RNG offtake and feedstock to provide stable long-term low-risk cash flows;

- Securing municipal feedstock agreements through developed partnerships and vertically integrated operations;
- Diversifying feedstock suppliers to de-risk inbound revenue streams;
- Integrating talent, systems and processes across our projects to create efficiencies and best-in-class operations; and
- Continuing the growth of the project portfolio via the development of our project pipeline through strategic acquisitions and consolidation opportunities.

During 2025, following the Q2-2025 Private Placement and related changes in management previously discussed, EverGen's immediate focus was and continues to be on strengthening operational performance and positioning the Company for scalable long-term growth. We believe that EverGen is uniquely positioned to capitalize on expansion prospects in the RNG market and that the RNG industry is set to grow rapidly over the next several decades based on increased availability of feedstock through population growth and landfill diversion measures, and increased customer demand for lower carbon energy alternatives. We see growing societal expectations of carbon neutral and circular economy solutions and government support for these initiatives.

Executing strategic and accretive acquisitions

EverGen's ability to identify and develop projects in our project pipeline, and then execute and integrate these projects as accretive acquisitions into EverGen's platform is a key driver of our growth. Our growth is focused on realizing consolidation opportunities and achieving synergies in cost and margins through the operation and expansion of facilities under a unified business platform. The identification and development of projects, followed by the execution of acquisitions and consolidation opportunities, as well as their integration into a common operating platform with shared services and efficiency optimizations, is a key factor to our success. The successful execution and integration of acquisitions creates further opportunities within the market to EverGen, provides us with additional growth opportunities and drives further procurement and cost synergies across our operations.



¹ Source: Biogas World

Driving cost efficiencies

Our high-value services and high-quality products through strategically located facilities provide a foundation to continue to identify and develop projects in our pipeline, consolidate growth and realize operational and capital efficiencies. To do so, we have been investing in a scalable platform and capabilities. This investment is the basis to realize future operational and capital efficiencies and further enhance our competitive position on top of our existing strong competitive position currently supported by asset management discipline, investment in sustainable infrastructure and collaborative stakeholder relationships. EverGen's continued success depends upon our ability to leverage our scalable network and platform to build relationships with municipal, commercial and utility customers, realize operational and capital efficiencies, and extract procurement and cost synergies.

Building collaborations

EverGen's collaborative approach accelerates growth and extends our execution capabilities across our value chain and supply chain. Key relationships with local developers, First Nations and other stakeholders

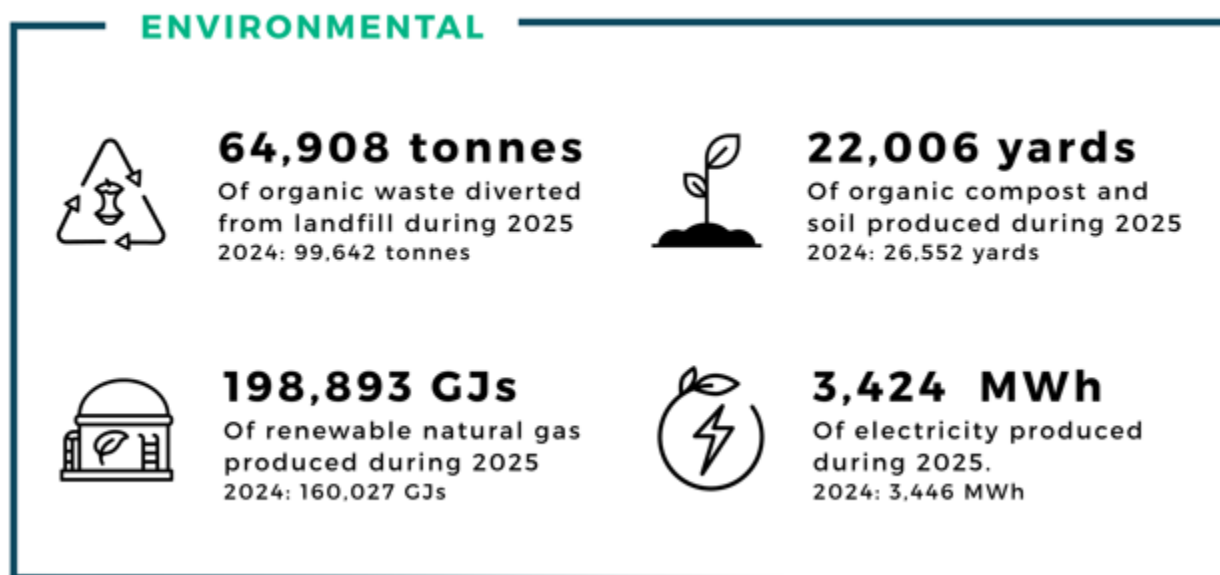
provide access to projects and leverages our capabilities in sourcing new organic waste streams and extending our business model to fulfill societal and customer expectations of waste recycling and waste to energy production combined with reduced greenhouse gas emissions.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG")

EverGen was established for the purpose of contributing to a circular economy in waste recycling and waste to energy production through sourcing, operating and developing sustainable infrastructure and fulfilling our ESG values.

EverGen is proactively engaged with local businesses, such as restaurants and food and beverage producers and distributors, to advance socially conscious commerce and create mutually beneficial and socially responsible alternatives to traditional waste disposal to achieve a reduced carbon footprint. These potential new relationships represent a significant area of growth and diversification from EverGen's existing customer base and provides the opportunity for market expansion while fulfilling society's expectations of directing organic waste for recycling and the production of renewable energy.

EverGen delivers on its ESG values as follows:



SOCIAL



\$65 million

Invested in global energy infrastructure



+46

Green jobs created since 2020



50%

Indigenous workforce at Sea to Sky Soils site

GOVERNANCE



50%

Of board members are independent



33%

Of executive team women

RESULTS OF OPERATIONS

Revenue

Revenue is generated primarily through contracted RNG sales, tipping fees charged to municipalities and other customers for the disposal of organic waste at EverGen's facilities, from the sale of high-quality organic compost and soils, from electricity sales, from carbon credit sales and from the provision of management services.

RNG and electricity sales are all attributable to EverGen's RNG production operating segment. The majority of tipping fees are included in EverGen's organic waste and composting operating segment, with only a nominal amount included in the RNG production operating segment. Organic compost sales and soil sales are all attributable to EverGen's organic waste and composting operating segment. The majority of carbon credit sales are included in EverGen's RNG production operating segment. The Company's revenue is exposed to fluctuations because of the inherent seasonality of organic waste processing and the sale of organic compost and soil, which is typically lower during winter months.

Revenue by source:

	Three months ended			Year ended		
	Dec 31, 2025	Dec 31, 2024	% Change	Dec 31, 2025	Dec 31, 2024	% Change
RNG sales	1,514	1,125	35	5,500	4,450	24
Tipping fees	1,401	1,587	(12)	4,075	6,929	(41)
Organic compost and soil sales	52	64	(19)	385	544	(29)
Electricity sales	45	55	(18)	195	253	(23)
Carbon credits	1,159	-	100	1,503	725	107
Other	76	332	(77)	89	1,325	(93)
Total	4,247	3,163	34	11,747	14,226	(17)

Production volumes:

	Three months ended			Year ended		
	Dec 31, 2025	Dec 31, 2024	% Change	Dec 31, 2025	Dec 31, 2024	% Change
RNG (gigajoules)	54,812	41,694	31	198,893	160,027	24
Incoming organic feedstock (tonnes)	18,962	25,454	(26)	64,908	99,642	(35)
Organic compost and soil sales (yards)	2,013	2,860	(30)	22,006	26,552	(17)
Electricity (MWh)	833	627	33	3,424	3,446	(1)

Revenues from RNG production increased by \$389, or 35%, and \$1,050, or 24%, for the three months and year ended December 31, 2025, respectively, primarily due to increased production at FVB associated with improved operations and throughput at the facility following the completion of the FVB RNG expansion project in December 2023.

Revenues from tipping fees decreased \$2,854, or 41%, for the year ended December 31, 2025, compared to the same period last year, due to decreased volumes of incoming feedstock. During the first quarter of 2025, incoming volumes were reduced at the organic waste and composting facilities primarily to manage inventory levels. During the year ended December 31, 2025, the Company continued with the same focus and increased screening activities to take advantage of favorable weather conditions, further reducing incoming volumes. Volumes also decreased following interim operations concluding at the PSO interim site in January 2025 and PCR entering into a termination agreement with the one of the municipalities, terminating a legacy organics processing contract from 2019. These decreases were partially offset by an increase in rates.

Tipping fee revenues in the three months ended December 31, 2025, were largely consistent with the prior period, with the modest decrease primarily attributable to the conclusion of interim operations at the PSO interim site rather than the operational factors that attributed to the year-to-date decrease described above.

Revenues from carbon credit sales increased by \$1,159 or 100%, and \$778, or 107% compared to prior period due to increased market demand in 2025 at increased carbon credit pricing and additional credits available to be sold as a result of increased RNG production.

Other revenue decreased by \$256, or 77%, and \$1,236, or 93%, for the three months and year ended December 31, 2025, respectively, compared to the same periods last year, primarily due to the absence of management fees charged to Project Radius for the development of the project.

Revenue by segment:

	Three months ended			Year ended		
	Dec 31, 2025	Dec 31, 2024	% Change	Dec 31, 2025	Dec 31, 2024	% Change
RNG production	2,815	1,589	77	7,531	7,021	7
Organic waste and composting	1,432	1,574	(9)	4,216	7,205	(41)
Total	4,247	3,163	34	11,747	14,226	(17)

Direct operating costs

Direct operating costs are costs incurred to earn revenue and comprise all attributable expenses, including but not limited to labour, fuel and freight charges, disposal costs, repairs and maintenance, equipment rental, insurance, utilities, and depreciation and amortization expenses. EverGen's direct operating costs are exposed to fluctuations due to the impact of seasonal weather and the related fluctuations in volumes processed.

	Three months ended			Year ended		
	Dec 31, 2025	Dec 31, 2024	% Change	Dec 31, 2025	Dec 31, 2024	% Change
Direct operating costs	2,870	3,318	(14)	10,487	13,232	(21)

Direct operating costs decreased by \$448, or 14% and \$2,745, or 21%, for the three and year ended December 31, 2025, respectively, compared to the same periods last year, primarily due to reduced production at certain organics and composting sites while the Company managed inventory levels and increased screening activities and interim operations concluding at the PSO interim site (as described above), and lower depreciation and amortization costs due to asset disposals in 2024 and non-cash impairment in Q4-2024. These decreases were partially offset by increases in residual and unscreened compost disposal at PCR and a less than proportionate increase in costs to the increase in revenues at our RNG facilities. Total direct operating costs for the year ended December 31, 2025, were further reduced by grant receivables recorded against certain costs pertaining to the RNG expansion at PCR.

General and administrative expenses

General and administrative expenses consist primarily of head office personnel costs, share-based compensation, professional and consulting fees and other general and administrative expenses.

	Three months ended			Year ended		
	Dec 31, 2025	Dec 31, 2024	% Change	Dec 31, 2025	Dec 31, 2024	% Change
General and administrative expenses	1,255	1,298	(3)	4,998	4,532	10

General and administrative expenses for the three months ended December 31, 2025, remained in line compared to the same period last year.

General and administrative expenses increased by \$466, or 10%, for the year ended December 31, 2025, compared to last year, primarily due to increased legal fees primarily related to sale and lease back transaction in early-2025 and strategic process review ahead of the Private Placement in May 2025, as well as increased consulting fees related to the sale of carbon credits in the year and an increase in non-cash share-based payment expense. In connection with the Private Placement, certain equity instruments held by management and directors were surrendered and cancelled. Under accounting standards, the Company was required to accelerate recognition of the remaining unamortized expense associated with these awards, resulting in a non-cash expense in the period.

Finance costs

EverGen's finance costs primarily relate to interest expense recognized on loans payable and the associated interest expense on lease liabilities, which were used to finance the growth in the Company's asset base.

	Three months ended			Year ended		
	Dec 31, 2025	Dec 31, 2024	% Change	Dec 31, 2025	Dec 31, 2024	% Change
Interest expense on loans payable	207	380	(46)	844	1,625	(48)
Interest expense on loans payable - related parties	25	25	-	100	100	-
Interest expense on lease liabilities	206	162	27	776	655	18
Other	51	96	(47)	171	243	(30)
Total	489	663	(26)	1,891	2,623	(28)

Finance costs decreased by \$174, or 26%, and \$732, or 28%, for the three months and year ended December 31, 2025, respectively, compared to the same periods last year, primarily due to decreased interest rates and decreased balance on loans payable.

Contingent consideration (loss) gain

	Three months ended			Year ended		
	Dec 31, 2025	Dec 31, 2024	% Change	Dec 31, 2025	Dec 31, 2024	% Change
Contingent consideration (loss) gain	-	802	(100)	-	698	(100)

A contingent consideration loss of \$802 was recognized during the three months December 31, 2024, as a result of an arbitration ruling for an on-going dispute relating to contingent consideration on the acquisition of SSS.

During the year ended December 31, 2024, the contingent consideration related to the acquisition of GrowTEC was remeasured at \$nil as the achievement of certain operational milestones associated with the second phase of development of the RNG facility upon acquisition are not expected to be met given the decrease in scope of the optimized second phase, resulting in a contingent consideration gain of \$1,500, partially offset by the \$802 fair value adjustment loss discussed above.

There was no contingent consideration (loss) gain recognized during 2025.

Impairment losses

	Three months ended			Year ended		
	Dec 31, 2025	Dec 31, 2024	% Change	Dec 31, 2025	Dec 31, 2024	% Change
Impairment losses	-	12,265	(100)	-	12,265	(100)

As at December 31, 2024, EverGen concluded there was a potential indicator of impairment due to a decline in its market capitalization and conducted a goodwill impairment evaluation. Management performed a qualitative and quantitative assessment for impairment. As a result of the impairment test, the recoverable amount of the SSS CGU and the GrowTEC CGU was determined to be lower than the carrying value by \$9,765 and \$2,500, respectively. Accordingly, an impairment loss of \$12,265 was recognized. The impairment losses were first allocated to the carrying value of goodwill within the CGUs in the amount of \$9,284. The excess impairment was allocated on a pro rata basis to the carrying amount of assets in the CGU, however, no portion of the impairment losses were allocated to property, plant and equipment as doing so would have reduced the carrying amount of those assets below their respective recoverable amount. On that basis, the remaining impairment losses were allocated to intangible assets in the amount of \$2,981.

There was no impairment losses recognized during 2025.

Income taxes

Income taxes consist of current and deferred income taxes.

	Three months ended			Year ended		
	Dec 31, 2025	Dec 31, 2024	% Change	Dec 31, 2025	Dec 31, 2024	% Change
Current tax recovery	-	-	-	-	-	-
Deferred tax expense (recovery)	3	(1,692)	(100)	(1,118)	(2,226)	(50)
Total	3	(1,692)	(100)	(1,118)	(2,226)	(50)

The decrease in the income tax recovery for the three months and year ended December 31, 2025, compared to the same periods last year, is primarily due to a decrease in taxable net loss.

EBITDA and Adjusted EBITDA ⁽¹⁾

Management considers EBITDA and adjusted EBITDA key metrics in analyzing operational performance and the Company's ability to generate cash flow. EBITDA is measured as net income (loss) before interest, tax, depreciation and amortization ("EBITDA"). Adjusted EBITDA is measured as EBITDA adjusted for share-based payment expense, certain non-cash items and unusual or non-recurring items. EBITDA and adjusted EBITDA are non-GAAP measures as defined in the non-GAAP measures section of this MD&A.

	Three months ended			Year ended		
	Dec 31, 2025	Dec 31, 2024	% Change	Dec 31, 2025	Dec 31, 2024	% Change
Net loss	(611)	(14,415)	(96)	(4,866)	(17,088)	(72)
Tax expense (recovery)	3	(1,692)	(100)	(1,118)	(2,226)	(50)
Depreciation and amortization	1,112	1,200	(7)	4,435	4,857	(9)
Finance costs	489	663	(26)	1,891	2,623	(28)
EBITDA ⁽¹⁾	993	(14,244)	(107)	342	(11,834)	(103)
Share-based payment expense	85	125	(32)	993	742	34
Loss on sale of equipment	22	39	(44)	160	194	(18)
Non-recurring general and administrative expenses and other	81	346	(76)	778	861	(10)
Contingent consideration loss (gain)	-	802	(100)	-	(698)	(100)
Non-recurring general and administrative expenses and other related to equity-accounted investment	-	-	100	-	139	(100)
Impairment losses	-	12,265	(100)	-	12,265	(100)
Loss on write-down of assets	98	724	(100)	146	1,075	(86)
Consolidated adjusted EBITDA ⁽¹⁾	1,279	57	(2,144)	2,419	2,744	(12)
Adjusted EBITDA attributable to non-controlling interest	(5)	41	(112)	114	112	2
Adjusted EBITDA ⁽¹⁾	1,274	98	(1,200)	2,533	2,856	(11)

⁽¹⁾ Non-GAAP measure as defined in the Non-GAAP measures section of this MD&A.

EverGen's EBITDA of \$993 increased for the three months ended December 31, 2025, compared to the same period last year, primarily due to \$12,265 of non-cash impairment losses associated with SSS and GrowTEC CGUs and a contingent consideration loss in the prior period, as well as an increase in revenues and lower direct operating costs during the three months ended December 31, 2025, as described above.

EverGen's EBITDA of \$342 increased for the year ended December 31, 2025, compared to last year, primarily due to \$12,265 of non-cash impairment losses associated with SSS and GrowTEC CGUs in the prior period, lower loss on write-down of assets and lower direct operating costs, , partially offset by a decrease in revenues, a contingent consideration gain in the prior period and an increase in recurring general and administrative expenses as described above.

EverGen's Adjusted EBITDA of \$1,274 increased by \$1,176, for the three months ended December 31, 2025, compared to the same period last year, primarily due to an increase in revenues, and a decrease in direct operating costs, as described above.

EverGen's Adjusted EBITDA of \$2,533 decreased by \$323, for the year ended December 31, 2025, compared to the same period last year, primarily due to a decrease in revenues and an increase in recurring general and administrative expenses, partially offset by a decrease in direct operating costs.

SELECTED ANNUAL FINANCIAL INFORMATION

	Dec 31, 2025	Year ended Dec 31, 2024	Dec 31, 2023
FINANCIAL			
Revenue	11,747	14,226	8,442
Net loss	(4,866)	(17,088)	(4,743)
Net loss per share (\$), basic and diluted	(0.24)	(1.20)	(0.32)
EBITDA ⁽¹⁾	342	(11,834)	(1,720)
Adjusted EBITDA ⁽¹⁾	2,533	2,856	773
Total assets	75,463	77,700	93,534
Total long-term liabilities	23,985	26,118	28,001
Cash and cash equivalents and restricted cash	2,210	414	585
Working capital surplus (deficit)	(855)	(950)	(3,558)
COMMON SHARES (thousands)			
Outstanding, end of period	22,427	14,021	13,897
Weighted average – basic & diluted	19,186	13,963	13,852
OPERATING			
RNG (gigajoules)	198,893	160,027	62,891
Incoming organic feedstock (tonnes)	64,908	99,642	80,608
Organic compost and soil sales (yards)	22,006	26,552	27,066
Electricity (MWh)	3,424	3,446	3,116

⁽¹⁾ Non-GAAP measure as defined in the Non-GAAP measures section of this MD&A.

Following its formation in 2020, EverGen has been executing on its corporate strategy to acquire and develop existing underutilized RNG infrastructure, convert existing organic waste facilities into RNG infrastructure and build and operate new RNG infrastructure. On December 31, 2020, EverGen acquired PCR and SSS. On April 16, 2021, EverGen acquired FVB and on July 13, 2022, EverGen acquired GrowTEC. EverGen completed the FVB core RNG expansion project on December 21, 2023.

EverGen's total assets for 2022 and 2023 increased as a result of these acquisitions and through investing capital into core RNG expansion projects, which also resulted in a decrease in cash and cash equivalents, as well as working capital, while these projects were under construction. The lower total asset balance in 2025 and 2024 is as a result of lower investment in capital as EverGen concentrated on optimizing existing assets and reducing its working capital deficit from prior year, and a non-cash impairment loss on certain CGUs in 2024, but which saw a reduction to its working capital deficit from prior year.

SUPPLEMENTAL QUARTERLY INFORMATION

	2025				2024			
	Dec 31 Q4	Sep 30 Q3	June 30 Q2	Mar 31 Q1	Dec 31 Q4	Sep 30 Q3	June 30 Q2	Mar 31 Q1
FINANCIAL								
Revenue	4,247	2,810	2,781	1,909	3,163	3,598	4,238	3,227
Net (loss) income	(611)	(1,106)	(1,947)	(1,202)	(14,415)	(472)	(875)	(1,326)
Net (loss) income per share (\$), basic and diluted	(0.02)	(0.05)	(0.10)	(0.08)	(1.02)	(0.02)	(0.05)	(0.10)
EBITDA ⁽¹⁾	993	205	(822)	(33)	(14,244)	1,227	966	217
Adjusted EBITDA ⁽¹⁾	1,274	471	339	450	98	983	1,122	654
Total assets	75,463	76,537	78,577	77,560	77,700	91,643	93,828	94,241
Total long-term liabilities	23,985	24,750	25,657	26,878	26,118	28,082	29,321	30,255
Working capital surplus (deficit) ⁽¹⁾	(855)	43	1,449	(1,913)	(950)	484	994	(1,064)
COMMON SHARES (thousands)								
Outstanding, end of period	22,427	22,427	22,426	14,059	14,021	14,002	13,979	13,918
Weighted average – basic & diluted	22,427	22,247	17,762	14,041	14,019	13,995	13,947	13,905
OPERATING								
RNG sales (gigajoules)	54,812	51,770	49,297	43,014	41,694	40,674	42,219	35,440
Incoming organic feedstock (tonnes)	18,962	15,310	17,220	13,416	25,454	25,555	30,647	17,786
Organic compost and soil sales (yards)	2,013	11,172	8,179	642	2,860	9,771	11,742	2,179
Electricity (MWh)	833	975	853	763	627	1,057	911	851

⁽¹⁾ Non-GAAP measure as defined in the Non-GAAP measures section of this MD&A.

The Company's revenue is exposed to fluctuations as a result of the inherent seasonality of organic waste processing and the sale of organic compost and soil. As a result, the Company typically sees higher revenues, net income, EBITDA and Adjusted EBITDA during Q2 and Q3 of a given year, when compared to Q1 and Q4, due to higher incoming organic feedstock and organic compost and soil sales during these periods. During Q2 2025 and Q3 2025 the Company did not see the typical higher revenues, net income, EBITDA and Adjusted EBITDA, as incoming tipping revenue volumes were reduced (as described above).

LIQUIDITY AND CAPITAL RESOURCES

	December 31, 2025	December 31, 2024	% Change
Cash and cash equivalents	2,210	414	434
Working capital (deficit) ⁽¹⁾	(855)	(950)	(10)

⁽¹⁾ Non-GAAP measure as defined in the Non-GAAP measures section of this MD&A.

We consider our capital to consist of shareholders' equity and debt (including lease liabilities) less cash and cash equivalents. The Company's objective when managing capital is to maintain adequate levels of funding to support the growth and development of its business and maintain the necessary corporate and administrative functions to facilitate these activities. The Company actively monitors its capital and operational spending activities to ensure that it can meet its future anticipated obligations incurred from normal ongoing operations, which may require the Company to adjust its capital structure. To maintain or adjust its capital structure, the Company may issue additional common shares, repay existing debt, seek additional debt financing or adjust its spending or capital expenditures. There is no assurance that any of these will be on acceptable terms to EverGen.

EverGen assesses its ability to meet its on-going obligations using the non-GAAP measures of EBITDA and adjusted EBITDA. These metrics are key measures of liquidity and the management of capital resources.

EverGen's working capital deficit has improved compared to December 31, 2024. This is primarily due to the share purchase and reorganization agreement the Company entered into in May 2025, where the purchaser agreed to act as the lead investor in a private placement of common shares of the Company and proceeds of \$5,000 were received by the Company, partially offset by a decrease in accounts payable and accrued liabilities due to the timing of payments primarily relating to outstanding accounts payable and accrued liabilities which built up within the Company's RNG and organic and composting operating segments.

In February 2025, EverGen through FVB, executed a letter of intent on a \$13,000 debt facility and a \$250 operating line of credit, with the proceeds used to refinance the Company's existing debt facility. In January 2026, the Company announced the closing of the previously announced \$13,000 asset-level debt facility, repaid the majority of the Company's senior term loan, and closed the second tranche of its previously announced non-brokered private placement for gross proceeds of approximately \$1,900. The proceeds from the private placement were used to repay certain indebtedness outstanding and for working capital and general corporate purposes. Based on the Company's liquidity position as at December 31, 2025, the completion of the above financing transactions, the receipt of grant funding, and expected cash flows from operations, management has concluded that the Company has sufficient liquidity to meet its obligations as they become due for at least the next twelve months from December 31, 2025.

As at December 31, 2025, EverGen was committed to \$280 of future capital expenditure, primarily related to the core RNG expansion project at PCR. These commitments are expected to be funded by existing liquidity, expected future operating cash flows and additional sources of financing.

As at December 31, 2025, EverGen was not in compliance with certain of its covenant requirements under its term loans and obtained waivers from the lenders, as at that date, for limited suspension of the covenant compliance requirements under the facilities.

Share capital

The Company had the following outstanding common shares and equity instruments as at December 31, 2025, and December 31, 2024:

(thousands)	December 31, 2025	December 31, 2024	% Change
Common shares	22,427	14,021	60
Options	1,511	617	145
Performance share units	-	430	(100)
Restricted share units	498	259	92
Deferred share units	150	67	124
Total outstanding securities	24,586	15,394	60

A description of EverGen's equity instruments can be found in note 16 to the consolidated financial statements for the year ended December 31, 2025.

As of the date of this MD&A, the following equity instruments were outstanding:

(thousands)	
Common shares	25,580
Options	1,511
Performance share units	-
Restricted share units	498
Deferred share units	150
Total outstanding securities	27,739

Summary of Cash Flows

	Year ended		%
	December 31, 2025	December 31, 2024	Change
Net operating cash flow	(926)	4,064	(123)
Net investing cash flow	(381)	(3,653)	(90)
Net financing cash flow	2,353	(582)	(504)
Total	1,046	(171)	(712)

The Company's net operating cash flows decreased for the year ended December 31, 2025, compared to the same period last year, primarily due to a decrease in revenues, as described above, and timing of changes in non-cash working capital.

Cash from investing activities for the year ended December 31, 2025, primarily related to government grant funding received, partially offset by property, plant and equipment expenditures associated with the Company's core RNG expansion projects at PCR and GrowTEC and a contingent consideration payment relating to one of the composting facilities. Cash used in investing activities for the year ended December 31, 2024, was primarily related to property plant and equipment expenditures associated with the Company's core RNG expansion projects at PCR, GrowTEC and FVB.

Cash provided by financing activities for the year ended December 31, 2025, increased compared to the same period in 2024, primarily due to net proceeds from the Private Placement and proceeds from the disposal of land at FVB. The increase was partially offset by the drawdown of the GrowTEC Loan in 2024, higher restricted cash balances in 2025 related to a portion of the FVB land sale proceeds being reserved for future debt payments, and higher principal debt repayments in 2025, as certain facilities were in interest-only payment periods during 2024.

ACCOUNTING STANDARDS, CHANGES AND PRONOUNCEMENTS

The Company's material accounting policies are included in Note 3 to the Company's annual financial statements for the year ended December 31, 2025.

CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

The preparation of financial statements requires management to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant in the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

The Company's uses of estimates, judgements and assumptions are included in Note 2 to the Company's financial statements for the year ended December 31, 2025. There have been no significant changes to the Company's critical accounting estimates, judgments and assumptions during the year ended December 31, 2025.

MANAGEMENT'S REPORT ON INTERNAL CONTROLS

Management is responsible for the preparation and integrity of the Company's financial statements, including the maintenance of appropriate information systems, procedures and internal controls, and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. Disclosure controls and procedures should be designed to provide reasonable assurance that information required to be disclosed by the Company is recorded, processed, summarized and reported within the time periods specified under the Canadian securities law.

We have designed disclosure controls and procedures, as defined in National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), to provide reasonable assurance that material information is identified and communicated to management, including the Chief Executive Officer and Chief Financial Officer, in a timely manner to allow decisions regarding required disclosures.

We have also designed internal controls over financial reporting ("ICFR"), as defined in NI 52-109, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS Accounting Standards.

A control system, including EverGen's disclosure controls and procedures and ICFR, no matter how well designed, has inherent limitations and can only provide reasonable, not absolute, assurance that the objectives of the control system will be met, and it should not be expected that the disclosure controls and procedures and ICFR will prevent all misstatements and instances of fraud, if any.

During the year ended December 31, 2025 there were no changes in ICFR that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

EverGen is not required to certify the design and evaluation of the issuer's DC&P and ICFR and has not completed such an evaluation and inherent limitations on the ability of the certifying officers to design and implement on a cost-effective basis DC&P and ICFR for the issuer may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

RELATED PARTY TRANSACTIONS

Key management compensation

The value of compensation and other fees paid to board of directors and members of executive management of EverGen is included in the table that follows.

	Three months ended			Year ended		
	Dec 31, 2025	Dec 31, 2024	% Change	Dec 31, 2025	Dec 31, 2024	% Change
Salaries and benefits	147	183	(20)	675	732	(8)
Share-based payment expense	76	91	(16)	917	572	60
Directors' fees	-	-	100	71	-	100
Total	223	274	(19)	1,663	1,304	28

Other related party transactions

In July 2022, a subsidiary of the Company entered into a lease agreement with related parties to lease the land on which the GrowTEC facility is located for a term of ten years, with the option to extend for an additional two five-year periods, at the option of the Company. The lease payments for the initial term are \$270 for the first year of the lease and \$120 per year for the remaining nine years. During the year ended December 31, 2025, the Company incurred lease expenses of \$120 relating to this lease (year ended December 31, 2024 - \$120).

Effective December 1, 2023, the Company entered into a loan agreement with the parties related to the acquisition of GrowTEC to provide proceeds of \$1,000 to the Company primarily to fund the repayment of amounts owing as contingent consideration related to the acquisition of the Company's 67% interest in GrowTEC in July 2022. The full outstanding balance of the loan was repayable on January 1, 2026 and bore interest at a rate of 10.0%, which the Company has the option to pay interest in cash, payment-in-kind, or a combination thereof. During the year ended December 31, 2025, the Company incurred interest expense of \$100, relating to this loan (year ended December 31, 2024 - \$100). The principal and accrued interest were repaid in connection with the January 2026 financing transactions described above.

In March 2025, the Company entered into a purchase and sale agreement with a related party in connection with the disposition of land owned on which FVB operates (the "Property"). In connection with the sale of the Property, the Company entered into a long-term lease with the purchaser of the Property for the portion of the Property on which the FVB facility operates. During the year ended December 31, 2025, the Company incurred lease expenses of \$129 relating to this lease (year ended December 31, 2024 - \$nil).

On May 21, 2025, the Company completed a non-brokered private placement of 8,333,333 common shares for gross proceeds of \$5,000, pursuant to which the purchaser became a new Control Person of the Company, as defined in the policies of the TSXV. The transaction resulted in the purchaser becoming a related party of the Company. In connection with the private placement, 1,211,026 equity-settled incentive securities (options, PSUs, DSUs, and RSUs) held by current and former members of management and the Board of Directors were surrendered for cancellation for nominal consideration.

During the year ended December 31, 2025, the Company received consulting services from entities controlled by certain directors of the Company. The services provided included strategic, operational and advisory support which amounted to \$128 and are recorded in general and administrative expenses for the year ended December 31, 2025 (year ended December 31, 2024 - nil).

OFF BALANCE SHEET ARRANGEMENTS

As of the date of this MD&A, the Company does not have any off-balance sheet arrangements.

FINANCIAL INSTRUMENTS

As at December 31, 2025, the Company's financial instruments consist of cash and cash equivalents, restricted cash, accounts receivable, accounts payable and accrued liabilities, contingent consideration, lease liabilities, loans payable, loans payable – related parties and the financial liability – sale and leaseback. There have been no significant developments, including the associated risks, in the Company's financial instruments as included in the Company's annual consolidated financial statements as at and for the year ended December 31, 2025.

There were no significant changes in the Company's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the three months and year ended December 31, 2025.

RISKS AND UNCERTAINTIES

Risk is inherent in all business activities and cannot be entirely eliminated. EverGen's business and financial performance, which includes our results of operations and cash flows, are impacted by a number of risks. Additional risks and uncertainties, including those that we do not currently know of or that we deem immaterial, could materially and adversely affect the Company's investments, prospects, cash flows, results of operations or financial condition.

EverGen's management is committed to proactively monitoring, and where possible, mitigating risk. Issues affecting, or with the potential to affect, the Company's assets, operations and/or reputation, are generally of a strategic nature or are emerging issues that can be identified early and then managed, but occasionally include unforeseen issues that arise unexpectedly and must be managed on an urgent basis. EverGen takes a proactive approach to the identification and management of issues that may affect the Company's assets, operations and/or reputation and has established consistent and clear policies, procedures, guidelines and responsibilities for issue identification, management and mitigation.

Financial risk management

The Company is exposed to market risk (i.e., interest rate risk, foreign currency risk and commodity risk), credit risk and liquidity risk. The following is a description of these risks and how they are managed:

Market risk

Market risk is defined for these purposes as the risk that the fair value or future cash flows of a financial instrument held by the Company will fluctuate because of changes in market prices. Market risk includes the risk of changes in interest rates, foreign currency exchange rates and changes in market prices due to factors other than interest rates or foreign currency exchange rates, such as changes in commodity prices or credit spreads.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to the impact of interest rate changes, primarily through its floating-rate borrowings that require it to make interest payments based on the Canadian Variable Rate. Significant increases in interest rates could adversely affect operating margins, results of operations and the Company's ability to service its debt.

At December 31, 2025, the Company is exposed to interest rate risk with respect to its loans payable. A 50 basis points increase or decrease, respectively, in the Company's interest rates is expected to increase or decrease finance costs for the year ended December 31, 2025, by \$79 or \$112, respectively.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has very few transactions denominated in foreign currencies thereby minimizing risk associated with fluctuations in exchange rates.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk on customer accounts receivable is influenced mainly by the individual characteristics of each debtor and is concentrated with a few customers, primarily municipal governments, and the Company is therefore able to monitor credit risk on an individual account basis and apply lifetime expected loss provisions where any uncertainty on collectability is identified.

The Company's historical bad debt expense has not been significant and is usually limited to specific customer circumstances. The Company considers the credit worthiness of counterparties and past payment history as well as amounts past due.

The Company regularly monitors customers' payments and considers all amounts greater than 60 days to be past due. As at December 31, 2025, the Company had \$152 of contractual payments, included in accounts receivable, which are greater than 60 days past due. The maximum exposure to credit risk related to trade receivables is their carrying value as disclosed in these, consolidated financial statements. Based on only insignificant amounts of historical bad debts, as well as minimal expectation of future losses as a result of default, the Company has determined its credit risk to be low.

The Company held cash and cash equivalents of \$1,460 and restricted cash of \$750 as at December 31, 2025, which represents its maximum credit exposure on these assets (December 31, 2024 - \$414 cash and cash equivalents and nil restricted cash). The cash is held with major financial institution counterparties and management believes credit risk is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. As at December 31, 2025, the Company had a working capital deficit, being current assets less current liabilities, of \$855. Subsequent to year end and prior to the authorization of these financial statements, the Company completed financing transactions and received grant funding that significantly strengthened its liquidity position.

The Company's primary liquidity needs for the next twelve months are to make scheduled repayments of debt, to pay debt service costs, to pay existing committed capital expenditures, to pay direct operating costs, to fund general working capital requirements and to manage its working capital deficit.

See the Liquidity and Capital Resources section above for an assessment of EverGen's ability to meet these obligations for at least the one-year period to December 31, 2026.

Other risks

The Company is also exposed to other risks and uncertainties. Additional risks and uncertainties, including those that we do not currently know of or that we deem immaterial, could materially and adversely affect the Company's investments, prospects, cash flows, results of operations or financial condition.

NON-GAAP MEASUREMENTS

EverGen uses certain financial measures referred to in this MD&A to quantify its results that are not prescribed by IFRS Accounting Standards. The following terms: "EBITDA", "adjusted EBITDA", and "working capital deficit" are not recognized measures under IFRS Accounting Standards and may not be comparable to that reported by other companies. EverGen believes that, in addition to measures prepared in accordance with IFRS Accounting Standards, these non-GAAP measurements provide useful information to evaluate the Company's performance and ability to generate cash, profit and meet financial commitments. EverGen calculates these adjustments consistently from period to period.

These non-GAAP measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS Accounting Standards.

EBITDA and Adjusted EBITDA

Management considers EBITDA and adjusted EBITDA key metrics in analyzing operational performance and the Company's ability to generate cash flow. EBITDA is measured as net income (loss) before interest,

tax, depreciation and amortization. Adjusted EBITDA is measured as EBITDA adjusted for share-based payment expense, unusual or non-recurring items, contingent consideration gains and losses, and non-controlling interests in adjusted EBITDA. A reconciliation of the non-GAAP measures, EBITDA and adjusted EBITDA, to the applicable IFRS Accounting Standards measure can be found under the Results of Operations section of this MD&A.

Working capital deficit

Working capital for EverGen is calculated as current assets less current liabilities. The following table provides a reconciliation of working capital, a non-GAAP measure to the applicable IFRS Accounting Standards measurements for the Company:

(thousands)	December 31, 2025	December 31, 2024	% Change
Current assets	7,397	8,631	(14)
Current liabilities	(8,252)	(9,581)	(14)
Working capital deficit	(855)	(950)	(10)

FORWARD LOOKING STATEMENTS

Readers are cautioned that this MD&A contains certain forward-looking statements and/or forward-looking information (collectively, "forward looking statements") within the meaning of applicable securities laws that involve risks, uncertainties and assumptions and relate to the Company's current expectations as of the date of this MD&A and views of future events. All statements other than statements of present or historical fact are forward-looking statements.

Forward-looking statements can often, but not always, be identified by the use of words such as "forecast", "target", "goal", "may", "might", "will", "expect", "anticipate", "estimate", "intend", "plan", "indicate", "seek", "believe", "project", "predict", or "likely", or the negative of these terms, or other similar expressions intended to identify forward-looking statements. The Company has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs. In particular, this MD&A contains forward-looking statements including, but not limited to:

- The timing of the completion of the Company's core RNG expansion projects, as well as the expected capital costs, RNG production, inbound organic feedstock capacity and increase in net income and EBITDA;
- EverGen's plans to grow and develop RNG facilities and construct a platform of sustainable infrastructure and reduce carbon emissions;
- Optimization, diversification and expansion of organic waste processing facilities and RNG feedstock;
- Continued growth through strategic acquisitions and consolidation opportunities;
- Developing strategic partnerships and advancing RNG project pipelines;
- EverGen's expectation to continue to pursue opportunities within its core markets and across North America;
- The ability to secure and optimize long-term contracts for RNG offtake and feedstock inputs;
- Continued growth of the feedstock opportunity from municipal and commercial sources and our ability to build relationships with municipal, commercial and utility customers;
- The ability to create efficiencies through the integration of talent, systems and processes across acquired capital;
- The growth of the RNG industry;
- The growth and success of EverGen focussed on realizing consolidation opportunities and achieving synergies in cost and margin;
- The ability for EverGen to complete certain financing initiatives;
- That funds received under loan facilities will be sufficient to fund the core RNG expansion projects; and

- That EverGen generates sufficient amounts of cash and cash equivalents from operating activities to maintain the current level of operations.

Such statements reflect the current views of EverGen with respect to future events, and are subject to certain risks, uncertainties and assumptions. Many factors could cause EverGen's actual results, performance or achievements to be materially different from any expected future results, performance or achievement that may be expressed or implied by such forward looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what benefits EverGen will derive therefrom. Events or circumstances may cause actual results to differ materially from those predicted as a result of numerous known and unknown risks, uncertainties and other factors, many of which are beyond the control of EverGen. These include, but are not limited to, risks associated with renewable energy sources, such as market competition, volatility of prices, currency fluctuations, environmental risk, and competition from other producers and ability to access sufficient capital from internal and external sources.

Although the Company believes that the expectations reflected in such forward-looking statements and information are reasonable, it can give no assurance that such expectations will prove to be accurate, as results and future events could differ materially from those expected or estimated in such statements. Forward-looking-statements, by their nature, involve risks and uncertainties. Certain of these risks are included in "Risks and Uncertainties" in this MD&A. Given these risks, uncertainties and assumptions, readers are cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements contained in this MD&A are made as of the date hereof, and except as may be expressly required by applicable law, EverGen disclaims any intent, obligation or undertaking to publicly release any updates or revisions to any forward-looking statements contained herein whether as a result of new information, future events or results or otherwise. The forward-looking statements and information contained in this MD&A may not be appropriate for other purposes. In the event that subsequent events are reasonably likely to cause actual results to differ materially from forward-looking statements previously disclosed by the Company for a period that is not yet complete, EverGen will provide disclosure on such events and the anticipated impact of such events.