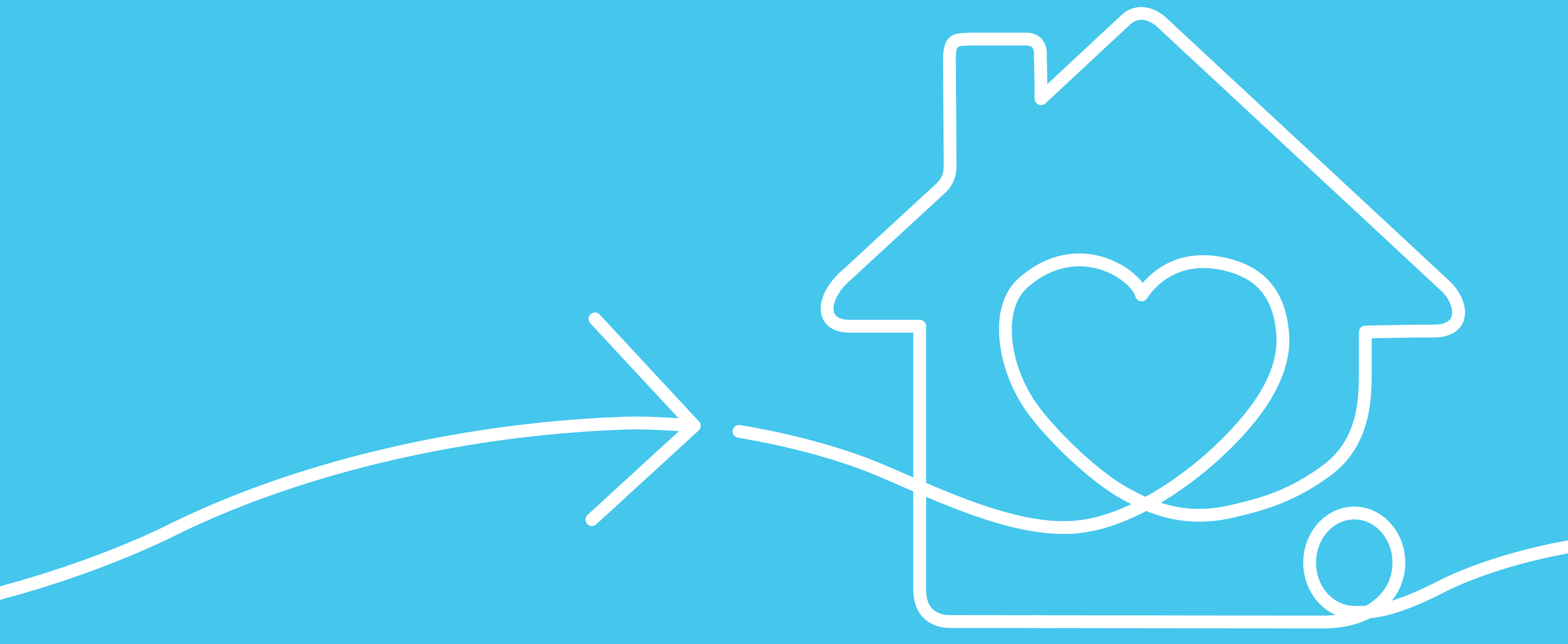
2025 Financial Report

Q3



Algonquin

Liberty™

Corporate profile[1]

Algonquin Power & Utilities Corp. ("Algonquin", the "Company", "AQN", "we", or "our"), parent company of Liberty, is a diversified international generation, transmission, and distribution utility. Algonquin is committed to providing safe, secure, reliable, cost-effective, and sustainable energy and water solutions through its portfolio of generation, transmission, and distribution utility investments to over one million customer connections, largely in the United States and Canada.

AlgonquinPower.com **TSX/NYSE: AQN**

1. Data in this report is provided as of September 30, 2025 unless otherwise stated. Dollar figures herein are presented in U.S. dollars unless otherwise stated.

Algonquin

Management Discussion & Analysis

Management of Algonquin Power & Utilities Corp. ("AQN", the "Company" or the "Corporation") has prepared the following discussion and analysis to provide information to assist its securityholders' understanding of the financial results for the three and nine months ended September 30, 2025. This Management Discussion & Analysis ("MD&A") should be read in conjunction with AQN's unaudited interim condensed consolidated financial statements for the three and nine months ended September 30, 2025 and 2024. This MD&A should also be read in conjunction with AQN's annual consolidated financial statements for the years ended December 31, 2024 and 2023. This material is available on SEDAR+ at www.sedarplus.com, on EDGAR at www.sec.gov/edgar and on the AQN website at www.algonquinpower.com. Additional information about AQN, including the most recent Annual Information Form ("AIF"), can be found on SEDAR+ at www.sedarplus.com and on EDGAR at www.sec.gov/edgar.

Contents

Explanatory Notes

Unless otherwise indicated, financial information provided for the three and nine months ended September 30, 2025 and 2024 has been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). As a result, the Company's financial information may not be comparable with financial information of other Canadian companies that provide financial information on another basis.

All monetary amounts are in U.S. dollars, except where otherwise noted. We denote any amounts denominated in Canadian dollars with "C$" immediately prior to the stated amount. Certain amounts in this MD&A may not total due to rounding.

Capitalized terms used herein and not otherwise defined have the meanings assigned to them in the Company's most recent AIF.

The term "rate base" is used in this document. Rate base is a measure specific to rate-regulated utilities that is not intended to represent any financial measure as defined by U.S. GAAP. The measure is used by the regulatory authorities in the jurisdictions where the Company's rate-regulated subsidiaries operate. The calculation of this measure may not be comparable to similarly-titled measures used by other companies.

Unless noted otherwise, this MD&A is based on information available to management as of November 7, 2025.

Renewables business sale

On January 8, 2025, the Company completed the previously announced sale of its renewable energy business (excluding hydro) (the "Renewables Sale") to a wholly-owned subsidiary of LS Power ("LS Buyer") for proceeds of approximately $2.1 billion, after subtracting taxes, transaction fees and other preliminary closing adjustments, including an adjustment for estimated remaining completion costs for in-construction assets. Approximately $1.95 billion of such proceeds were received upon the closing of the transaction and approximately $95 million of such proceeds were received in the second quarter of 2025. Approximately $55 million of such proceeds are currently expected to be received at a later date in 2025 upon monetization of tax attributes on certain in-construction projects. Additionally, the Company can receive up to $220 million in cash pursuant to an earn out agreement relating to certain wind assets (the "Earn Out"). The amount and timing of the ultimate net cash proceeds will be dependent on final completion costs for in-construction assets, the associated monetization of tax credits on certain of these projects (including, but not limited to, future events which could cause recapture of part or all of the tax attributes monetized and refund of the associated proceeds), and other final closing adjustments.

During the third quarter of 2024, the Company concluded that the consolidated assets within its former renewable energy group (excluding hydro) met the accounting requirements to be presented as "Held for Sale". As a result, the renewable energy group (excluding hydro) was classified as "discontinued operations" until closing of the Renewables Sale on January 8, 2025. The Company recorded a total impairment loss of $1,357.3 million in 2024 as a result of the classification of the renewable energy group (excluding hydro) as "discontinued operations". Further, the Company recorded loss from discontinued operations of $34.8 million and $26.7 million during the three and nine months ended September 30, 2025, respectively.

The discontinued operations operated as a distinct segment and had no impact on the operations of the Regulated Services Group operating segment, other than sharing certain corporate support functions and benefiting from corporate debt and equity funding. This MD&A reflects the results of continuing operations, unless otherwise noted.

Caution Concerning Forward-Looking Statements and Forward-Looking Information

This document may contain statements that constitute "forward-looking information" within the meaning of applicable securities laws in each of the provinces and territories of Canada and the respective policies, regulations and rules under such laws or "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (collectively, "forward-looking information"). The words "aims", "anticipates", "believes", "budget", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "schedule", "seeks", "should", "strives", "targets", "will", "would", "pursue", "outlook" (and grammatical variations of such terms) and similar expressions are often intended to identify forward-looking information, although not all forward-looking information contains these identifying words. Specific forward-looking information in this document includes, but is not limited to, statements relating to: expected future investments and growth, earnings and results of operations; expectations regarding the timing and amount of certain proceeds and the Earn Out in connection with the Renewables Sale; Brian Chin's expected future role with the Company; the Company's integrated customer solution technology platform; future plans and the expected outcomes thereof; liquidity, capital resources and operational requirements; sources of funding, including adequacy and availability of credit facilities, cash flows from operations, capital markets financing, and asset dispositions; potential acquisitions, dispositions, projects, initiatives or other transactions; expected management changes; financing plans; expectations regarding future macroeconomic conditions; expectations regarding the Company's corporate development activities and the results thereof; expectations regarding regulatory hearings, motions, orders, settlements, proposals, filings, appeals and approvals, including rate reviews, and the timing, impacts and outcomes thereof; expectations regarding the redemption of outstanding notes; expected future generation, capacity and production of the Company's energy facilities; expectations regarding future capital investments, including expected timing, investment plans, sources of funds and impacts; capital management plans and objectives; expectations regarding the outcome of legal claims and disputes; expectations regarding the availability of insurance in connection with the April 9, 2025 gas incident in Lexington, Missouri; strategy and goals; dividends to shareholders; share price appreciation; credit ratings and equity credit from rating agencies; expectations regarding debt repayment and refinancing; the impact on the Company of actual or proposed laws, regulations and rules; the expected impact of changes in customer usage on the Regulated Services Group's revenue; accounting estimates; interest rates, including the anticipated effect of an increase thereof; financing costs; the expected impact of tariffs imposed by the U.S. and Canada and possible changes thereto; and currency exchange rates. All forward-looking information is given pursuant to the "safe harbour" provisions of applicable securities legislation.

The forecasts and projections that make up the forward-looking information contained herein are based on certain factors or assumptions which include, but are not limited to: the receipt of applicable regulatory approvals and requested rate decisions; the absence of material adverse regulatory decisions being received and the expectation of regulatory stability; the absence of any material equipment breakdown or failure; availability of financing including self-monetization transactions for U.S. federal tax credits on commercially reasonable terms; the stability of credit ratings of the Corporation and its subsidiaries; the absence of unexpected material liabilities or uninsured losses; the continued availability of commodity supplies and stability of commodity prices; the absence of interest rate increases or significant currency exchange rate fluctuations; the absence of significant operational, financial or supply chain disruptions or liability, including relating to additional import controls and tariffs; the continued ability to maintain systems and facilities to ensure their continued performance; the absence of a severe and prolonged downturn in general economic, credit, social or market conditions; the successful and timely development and construction of new projects; the absence of capital project or financing cost overruns; sufficient liquidity and capital resources; the continuation of long-term weather patterns and trends; the absence of significant counterparty defaults; the continued competitiveness of electricity pricing when compared with alternative sources of energy; the realization of the anticipated benefits of the Corporation's dispositions, acquisitions and joint ventures; the absence of a change in applicable laws, political conditions, public policies and directions by governments materially negatively affecting the Corporation; the ability to obtain and maintain licenses and permits; maintenance of adequate insurance coverage; the absence of material fluctuations in market energy prices; the absence of material disputes with taxation authorities or changes to applicable tax laws; continued maintenance of information technology infrastructure and the absence of a material breach of cybersecurity; the successful implementation and operation of new information technology systems and infrastructure; favourable relations with external stakeholders; favourable labour relations; that the Corporation will be able to successfully integrate newly acquired entities, and the absence of any material adverse changes to such entities prior to closing; the absence of undisclosed liabilities of entities being acquired; the absence of any significant indemnification claims arising from the Renewables Sale; the absence of any reputational harm to the Corporation as a result of the Renewables Sale; the absence of adverse reactions or changes in business relationships or relationships with employees following the Renewables Sale; and the ability of the Corporation to realize the anticipated benefits from the Renewables Sale and the sale of its interest in Atlantica (as defined below).

The forward-looking information contained herein is subject to risks, uncertainties and other factors that could cause actual results to differ materially from historical results or results anticipated by the forward-looking information. Factors which could cause results or events to differ materially from current expectations include, but are not limited to: changes in general economic, credit, social or market conditions; changes in customer energy usage patterns and energy demand; reductions in the liquidity of energy markets; global climate change; the incurrence of environmental liabilities; natural disasters, diseases, pandemics, public health emergencies and other force majeure events and the collateral consequences thereof, including the disruption of economic activity, volatility in capital and credit markets and legislative and regulatory responses; critical equipment breakdown or failure; supply chain disruptions; the impact of existing import controls and tariffs and the imposition of additional import controls or tariffs; the failure of information technology infrastructure and other cybersecurity measures to protect against data, privacy and cybersecurity breaches; failure to successfully implement and operate, and cost overruns and delays in connection with, new information technology systems and infrastructure; physical security breach; the loss of key personnel and/or labour disruptions; seasonal fluctuations and variability in weather conditions and natural resource availability; reductions in demand for electricity, natural gas and water due to developments in technology; reliance on transmission systems owned and operated by third parties; issues arising with respect to land use rights and access to the Corporation's facilities; terrorist attacks; fluctuations in commodity and energy prices; capital expenditures; reliance on subsidiaries; the incurrence of an uninsured loss; a credit rating downgrade; an increase in financing costs or limits on access to credit and capital markets; inflation; increases and fluctuations in interest rates and failure to manage exposure to credit and financial instrument risk; currency exchange rate fluctuations; restricted financial flexibility due to covenants in existing credit agreements; an inability to refinance maturing debt on favourable terms; disputes with taxation authorities or changes to applicable tax laws; requirement for greater than expected contributions to post-employment benefit plans; default by a counterparty; inaccurate assumptions, judgments and/or estimates with respect to asset retirement obligations; failure to maintain required regulatory authorizations; changes in, or failure to comply with, applicable laws and regulations; failure of compliance programs; failure to dispose of assets (at all or at a competitive price) to fund the Company's operations and strategic objectives; delays and cost overruns in the design and construction of projects; loss of key customers; a third party joint venture partner acting in a manner contrary to the Corporation's interests; facilities being condemned or otherwise taken by governmental entities; increased external stakeholder activism adverse to the Corporation's interests; fluctuations in the price and liquidity of the Corporation's common shares and the Corporation's other securities; and the failure to implement the Corporation's strategic objectives or achieve expected benefits relating to acquisitions, dispositions or other initiatives. Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Some of these and other factors are discussed in more detail under the heading "Enterprise Risk Management" in this MD&A and in the Company's MD&A for the three and twelve months ended December 31, 2024 (the "Annual MD&A") and under the heading "Enterprise Risk Factors" in the Corporation's most recent AIF.

Forward-looking information contained herein (including any financial outlook) is provided for the purposes of assisting the reader in understanding the Corporation and its business, operations, risks, financial performance, financial position and cash flows as at and for the periods indicated and to present information about management's current expectations and plans relating to the future, and the reader is cautioned that such information may not be appropriate for other purposes. Forward-looking information contained herein is made as of the date of this document and based on the plans, beliefs, estimates, projections, expectations, opinions and assumptions of management on the date hereof. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Accordingly, readers should not place undue reliance on forward-looking information. While subsequent events and developments may cause the Corporation's views to change, the Corporation disclaims any obligation to update any forward-looking information or to explain any material difference between subsequent actual events and such forward-looking information, except to the extent required by applicable law. All forward-looking information contained herein is qualified by these cautionary statements.

Caution Concerning Non-GAAP Measures

AQN uses a number of financial measures to assess the performance of its business lines. Some measures are calculated in accordance with U.S. GAAP, while other measures do not have a standardized meaning under U.S. GAAP. These non-GAAP measures include non-GAAP financial measures and non-GAAP ratios, each as defined in Canadian National Instrument 52-112 *Non-GAAP and Other Financial Measures Disclosure*. AQN's method of calculating these measures may differ from methods used by other companies and therefore may not be comparable to similar measures presented by other companies.

The terms "Adjusted Net Earnings", "Earnings Before Interest and Taxes" ("EBIT"), and "Net Utility Sales", which are used throughout this MD&A, are non-GAAP financial measures. An explanation of each of these non-GAAP financial measures is set out below and a reconciliation to the most directly comparable U.S. GAAP measure, in each case, can be found in this MD&A. In addition, "Adjusted Net Earnings" is presented throughout this MD&A on a per common share basis. Adjusted Net Earnings per common share is a non-GAAP ratio and is calculated by dividing Adjusted Net Earnings by the weighted average number of common shares outstanding during the applicable period. As a pure-play regulated utility, as of the first quarter of 2025, the Company no longer presents "Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization" or "Adjusted Funds from Operations" as these metrics were relevant mainly to the Company's former renewable energy group (excluding hydro) that was sold in connection with the Renewables Sale.

AQN does not provide reconciliations for forward-looking non-GAAP financial measures as AQN is unable to provide a meaningful or accurate calculation or estimation of reconciling items and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the timing or amount of various events that have not yet occurred, are out of AQN's control and/or cannot be reasonably predicted, and that would impact the most directly comparable forward-looking U.S. GAAP financial measure. For these same reasons, AQN is unable to address the probable significance of the unavailable information. Forward-looking non-GAAP financial measures may vary materially from the corresponding U.S. GAAP financial measures.

EBIT

EBIT is a non-GAAP financial measure used by many investors to assess the Company's core operational profitability by measuring the profit generated from day-to-day business activities, excluding interest and tax expenses. AQN uses EBIT to assess its operating performance without the effects of (as applicable): income tax expense or recoveries, interest expense and earnings attributable to non-controlling interests. Earnings attributable to non-controlling interests includes Hypothetical Liquidation at Book Value ("HLBV") income (which represents the value of net tax attributes earned in the period from electricity generated by certain of AQN's U.S. wind power and U.S. solar generation facilities). AQN believes that presentation of this measure will enhance an investor's understanding of AQN's operating performance. EBIT is not intended to be representative of cash provided by operating activities or results of operations determined in accordance with U.S. GAAP, and can be impacted positively or negatively by these items. For a reconciliation of EBIT to net earnings, see *Non-GAAP Financial Measures* starting on page 32 of this MD&A. For reconciliations of EBIT by business segments, see *2025 Third Quarter Regulated Services Group Net Earnings* starting on page 18, *Corporate Group Net Earnings and Adjusted Net Earnings* on page 29 and *Hydro Group Net Earnings* on page 30.

Adjusted Net Earnings

Adjusted Net Earnings is a non-GAAP financial measure used by many investors to compare net earnings from operations without the effects of certain volatile primarily non-cash items that generally have no current economic impact or items such as acquisition expenses or certain litigation expenses that are viewed as not directly related to a company's operating performance. AQN uses Adjusted Net Earnings to assess its performance without the effects of (as applicable): gains or losses on foreign exchange, foreign exchange forward contracts, interest rate swaps, acquisition and transition costs, one-time costs of arranging tax equity financing, certain litigation expenses and write down of intangibles and property (including restructuring costs related to the Company's transition to a pure-play utility), plant and equipment, earnings or loss from discontinued operations, unrealized mark-to-market revaluation impacts, costs related to management succession and executive retirement, costs related to prior period adjustments due to changes in tax law, costs related to condemnation proceedings, changes in value of investments carried at fair value, gains and losses on disposition of assets, prior period adjustments included in the gain (loss) from equity method investments not operated by the Company and other typically non-recurring or unusual items as these are not reflective of the performance of the underlying business of AQN. AQN believes that analysis and presentation of net earnings or loss on this basis will enhance an investor's understanding of the operating performance of its businesses. Adjusted Net Earnings is not intended to be representative of net earnings or loss determined in accordance with U.S. GAAP, and can be impacted positively or negatively by these items. For a reconciliation of Adjusted Net Earnings to net earnings, see *Non-GAAP Financial Measures* starting on page 33 and *Corporate Group Net Earnings and Adjusted Net Earnings* on page 29 of this MD&A.

Net Utility Sales

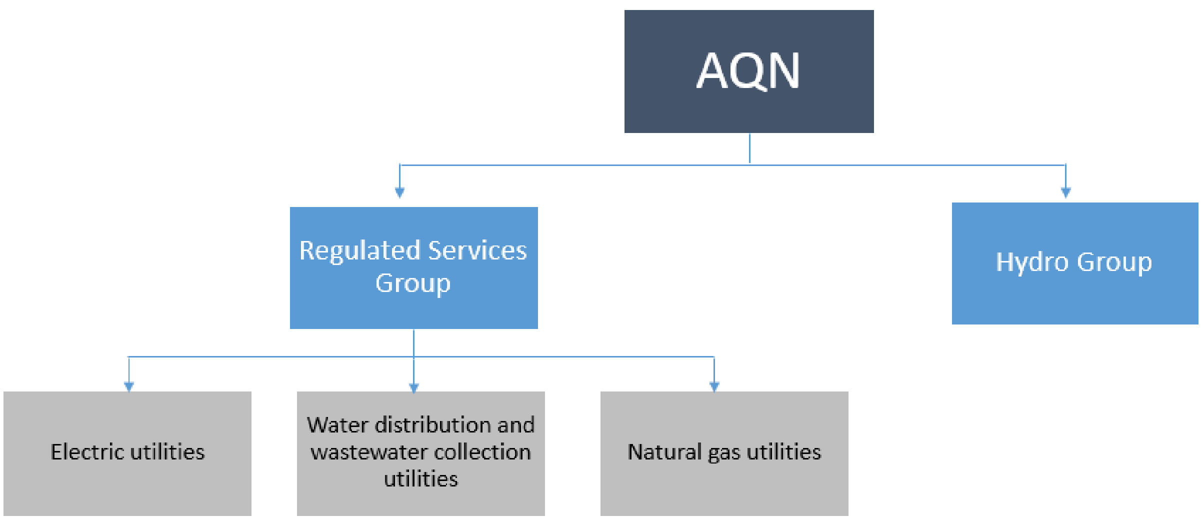
Net Utility Sales is a non-GAAP financial measure used by investors to identify utility revenue after commodity costs, either water, natural gas or electricity, where these commodity costs are generally included as a pass through in rates to its utility customers. AQN uses Net Utility Sales to assess its utility revenues without the effects of fluctuating commodity costs as such costs are predominantly passed through and paid for by utility customers. AQN believes that analysis and presentation of Net Utility Sales on this basis will enhance an investor's understanding of the revenue generation of the Regulated Services Group. It is not intended to be representative of revenue as determined in accordance with U.S. GAAP. For a reconciliation of Net Utility Sales to revenue, see *2025 Third Quarter Regulated Services Group Net Earnings* on page 18 of this MD&A.

Overview and Business Strategy

AQN is incorporated under the *Canada Business Corporations Act.* The Company's operations are organized across two business units consisting of (i) the Regulated Services Group, which primarily owns and operates a portfolio of regulated electric, water distribution and wastewater systems and natural gas utility systems and transmission operations in the United States, Canada, Bermuda and Chile; and (ii) the Hydro Group, which consists of hydroelectric generation facilities located in Canada that were not sold as part of the Renewables Sale. Additionally, the Company has a corporate function, the Corporate Group, consisting of corporate interest expense and shared services that primarily support the Regulated Services Group and the Hydro Group, in addition to holding certain ancillary investments. The Company's investment in Atlantica Sustainable Infrastructure plc ("Atlantica") , which previously formed part of the Corporate Group, was sold during the fourth quarter of 2024. The Company’s former renewable energy group (excluding hydro) is reported as discontinued operations (see *Note 18* to the unaudited interim condensed consolidated financial statements - *Disposition of Renewable Energy Business*) and was sold by the Company on January 8, 2025. The Company's business units align with how the Company assesses financial performance and makes decisions regarding resource allocations. Through its activities, the Company aims to drive growth in earnings and cash flows to support a sustainable dividend and share price appreciation. AQN strives to achieve these results while also seeking to maintain a business risk profile consistent with its BBB flat investment grade credit ratings.

Summary Structure of the Business

The following chart depicts, in summary form, AQN's key operating business units. A more detailed description of AQN's organizational structure as of the date of the AIF can be found in the most recent AIF.



Regulated Services Group

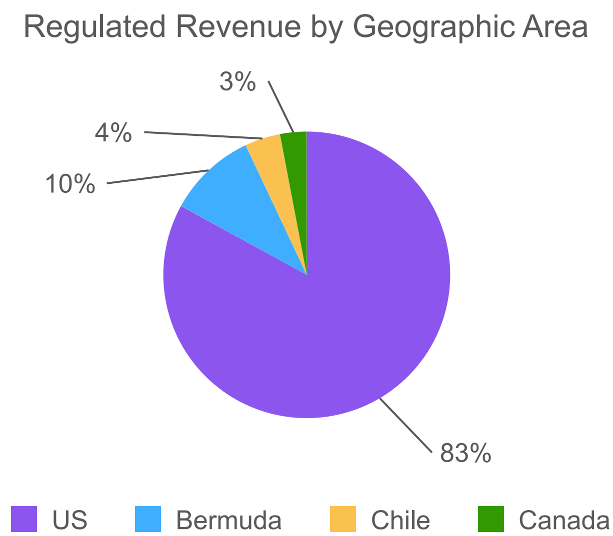
The Regulated Services Group primarily operates a diversified portfolio of regulated utility systems located in the United States, Canada, Bermuda and Chile serving approximately 1,269,000 customer connections as at September 30, 2025 (using an average of 2.5 customers per connection, this translates into approximately 3,170,000 customers). The Regulated Services Group seeks to provide safe, high quality, and reliable services to its customers and to deliver stable and predictable earnings to AQN. The Regulated Services Group seeks to deliver long-term growth within its service territories, including through the pursuit of capital investment opportunities and other initiatives.

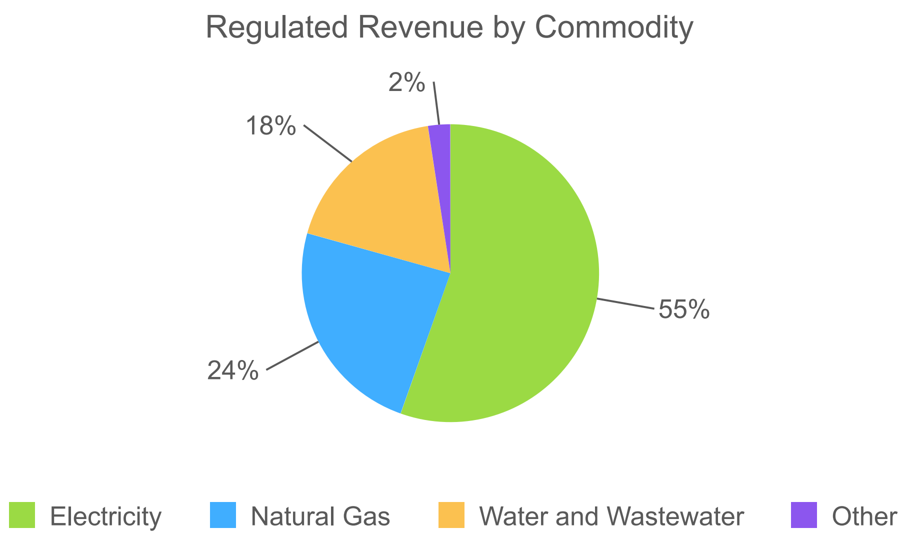
The Regulated Services Group's regulated electrical distribution utility systems and related generation assets are located in the U.S. states of Arkansas, California, Kansas, Missouri, Nevada, New Hampshire and Oklahoma, as well as in Bermuda, which together served approximately 310,000 electric customer connections as at September 30, 2025. The group also owns and operates generating assets with a gross capacity of approximately 2.0 GW and has investments in generating assets with approximately 0.3 GW of net generation capacity.

The Regulated Services Group's regulated water distribution and wastewater utility systems are located in the U.S. States of Arizona, Arkansas, California, Illinois, Missouri, New York, and Texas as well as in Chile which together served approximately 580,000 customer connections as at September 30, 2025.

The Regulated Services Group's regulated natural gas distribution utility systems are located in the U.S. States of Georgia, Illinois, Iowa, Massachusetts, Missouri New Hampshire, and New York, and in the Canadian Province of New Brunswick, which together served approximately 378,000 natural gas customer connections as at September 30, 2025.

Below is a breakdown of the Regulated Services Group's Revenue by geographic area and by commodity for the nine months ended September 30, 2025.





Hydro Group

The Hydro Group is comprised of 14 hydroelectric generating facilities located in the Canadian provinces of Alberta, Ontario, New Brunswick and Quebec with a combined gross generating capacity of approximately 112 MW and a net generating capacity of approximately 104 MW.

Corporate Group

The Corporate Group primarily consists of AQN's corporate and shared services and corporate debt, in addition to certain ancillary investments. Prior to the sale of the Company's investment in Atlantica on December 12, 2024, the Corporate Group also included the Company's interest in Atlantica.

The Company's former renewable energy group (excluding hydro) is reported as "discontinued operations" and was sold by the Company on January 8, 2025.

Significant Updates

Management Changes

On November 7, 2025, the Company announced the appointment of Robert Stefani as Chief Financial Officer, effective January 5, 2026. Brian Chin, Interim Chief Financial Officer and Vice President, Investor Relations, will assist in the transition and will continue with the Company in an investor-facing capacity.

2025 Third Quarter Results From Operations

Key Financial Information[1] (all dollar amounts in $ millions except per share information)	Three months ended September 30 2025	2024	Change
Revenue	$ **582.7**	$ 573.2	2 %
Net Revenue	**456.4**	444.8	3 %
Net earnings attributable to shareholders from continuing operations	**73.7**	49.5	49 %
Net loss attributable to shareholders from discontinued operations	**(34.8)**	(1,355.2)	(97)%
Net earnings (loss) attributable to common shareholders from continuing operations and discontinued operations	**36.2**	(1,308.4)	(103)%
Adjusted Net Earnings[2]	**71.7**	64.9	10 %
Dividends declared to common shareholders	**50.5**	50.4	— %
Weighted average number of common shares outstanding	**768,226,488**	767,236,804	
Per share			
Basic and diluted net earnings from continuing operations	$ **0.09**	$ 0.06	50 %
Basic and diluted net loss from discontinued operations	$ **(0.04)**	$ (1.77)	(98)%
Adjusted Net Earnings[2]	$ **0.09**	$ 0.08	13 %
Dividends declared to common shareholders	$ **0.07**	$ 0.07	— %

1 Reflects results of continuing operations unless marked otherwise (see *Explanatory Notes*).

2 See *Caution Concerning Non-GAAP Measures.*

For the three months ended September 30, 2025, AQN reported revenue of $582.7 million as compared to $573.2 million in the comparative period, an increase of $9.5 million. This increase was mainly driven by the implementation of approved rates of $6.7 million at the Midstates and Peach State Gas Systems, the Arkansas, Missouri, New York, Bella Vista, Beardsley and Cordes Lake Water Systems, and the Rio Rico Water and Sewer System.

The following table outlines the changes to Adjusted Net Earnings[1] for the three months ended September 30, 2025 as compared to the same period in 2024, including the breakdown of net earnings by the Company's main business units and the discussion below outlines the changes to net earnings attributable to shareholders:

Net Earnings by business units[2] and Total Adjusted Net Earnings[1] (all dollar amounts in $ millions)	Three months ended September 30 2025	2024	Change
Net earnings for Regulated Services Group	$ **104.1**	$ 64.8	$ 39.3
Net earnings for Hydro Group	**3.3**	3.7	$ (0.4)
Net loss for Corporate Group	**(33.7)**	(19.0)	$ (14.7)
Total AQN Net Earnings	**73.7**	49.5	24.2
Add: Adjusted items	**(2.0)**	15.4	(17.4)
Total AQN Adjusted Net Earnings[1]	$ **71.7**	$ 64.9	$ 6.8

Change in Net Earnings and Adjusted Net Earnings[1] Breakdown[2]	**Three months ended September 30, 2025**			
(all dollar amounts in $ millions)	**Regulated Services**	**Hydro**	**Corporate**	**Total**
Change in Net Earnings				
Net earnings (loss) - Prior period balances	$ 64.8	$ 3.7	$ (19.0)	$ 49.5
EBIT[1,3]				
Electricity	9.3	—	—	9.3
Natural Gas	12.3	—	—	12.3
Water	5.8	—	—	5.8
Other	12.2	(0.8)	(12.5)	(1.1)
Total change in EBIT[1]	39.6	(0.8)	(12.5)	26.3
Interest expense	10.7	—	8.9	19.6
Income tax expense	(10.4)	0.9	(11.1)	(20.6)
Net effect of non-controlling interests	(0.6)	(0.5)	—	(1.1)
Total change in net earnings (loss)	39.3	(0.4)	(14.7)	24.2
Net earnings (loss) - Current period balances	**104.1**	**3.3**	**(33.7)**	**73.7**
Change in Adjusted Net Earnings[1]				
Adjusted Net Earnings (Loss)[1] - Prior period balance[3]	64.8	3.7	(3.6)	64.9
Total change in net earnings (loss)	39.3	(0.4)	(14.7)	24.2
Total change in adjusted items[3]	—	—	(17.4)	(17.4)
Adjusted Net Earnings (loss)[1] - Current period balances	**$ 104.1**	**$ 3.3**	**$ (35.7)**	**$ 71.7**

1 See *Caution Concerning Non-GAAP Measures*.

2 Reflects results of continuing operations unless marked otherwise (see *Explanatory Notes*).

3 See Corporate Group Net Earnings and Adjusted Net Earnings.

For the three months ended September 30, 2025, AQN reported net earnings attributable to shareholders of $73.7 million and basic net earnings per common share of $0.09. During the comparative period in 2024, the Company reported net earnings attributable to shareholders of $49.5 million and basic net earnings per common share of $0.06. The net earnings attributable to shareholders increased by $24.2 million and the basic net earnings per common share increased by $0.03. These increases were primarily driven by:

- an increase of $39.3 million in the net earnings of the Regulated Services Group primarily due to:
    - An increase in net earnings of $19.6 million driven by the implementation of approved rates ($6.7 million), favourable year-over-year weather ($4.0 million), and a decrease of $9.2M in operating expenses resulting from favourable timing of certain expenses.
    - Additional drivers include lower interest expense of $10.7 million as a result of the repayment of debt with the proceeds of the Renewables Sale and the sale of the Company's investment in Atlantica, a decrease of $7.1 million in depreciation due to a one-time depreciation deferral adjustment related to Liberty Utilities (EnergyNorth Natural Gas), and a gain on the settlement of a swap at the Bermuda Electric Light Company Limited ("BELCO"); partially offset by higher income tax expense of $10.4 million; and
- a decrease of $14.7 million in the net earnings of the Corporate Group primarily due to a fair value mark to market gain of $1.4 million and dividend of $21.8 million recorded in the third quarter of 2024 from the Company's investment in Atlantica, which was sold in the fourth quarter of 2024; partially offset by lower interest expense of $8.9 million.

For the three months ended September 30, 2025, AQN reported Adjusted Net Earnings per common share of $0.09 as compared to $0.08 per common share during the same period in 2024, an increase of $0.01 (*see Caution Concerning*

Non-GAAP Measures). Adjusted Net Earnings increased by $6.8 million period over period (see *Caution Concerning Non-GAAP Measures*). This increase was primarily driven by the factors noted above, excluding the impact of the $1.4 million fair value mark to market gain recorded in 2024 (See *Reconciliation of Adjusted Net Earnings to Net Earnings*).

For the three months ended September 30, 2025, cash provided by operating activities increased by $31.9 million as compared to the same period in 2024, primarily as a result of an increase in Net Earnings of $24.2 million and changes in working capital items of $2.3 million (See *Note 16* to the unaudited interim consolidated financial statements - Non Cash Operating Items). For the three months ended September 30, 2025 cash used by investing activities decreased by $26.8 million as a result of decrease in additions to property, plant equipment and equipment, and intangibles, mainly due to the Renewables Sale. For the three months ended September 30, 2025 cash used in financing activities decreased by $61.5 million mainly due to the repayment of debt with the proceeds of the Renewables Sale and the sale of the Company's investment in Atlantica.

2025 Year-to-Date Results From Operations[1]

Key Financial Information

(all dollar amounts in $ millions except per share information)	Nine months ended September 30		
	2025	2024	Change
Revenue	$ **1,802.9**	$ 1,734.7	4 %
Net Revenue	**1,347.0**	1,286.1	5 %
Net earnings attributable to shareholders from continuing operations	**186.5**	172.8	8 %
Net loss attributable to shareholders from discontinued operations	**(26.7)**	(1,366.9)	98 %
Net earnings (loss) attributable to common shareholders from continuing operations and discontinued operations	**151.9**	(1,201.9)	(113)%
Adjusted Net Earnings[2]	**219.5**	186.8	18 %
Dividends declared to common shareholders	**151.3**	209.6	(28)%
Weighted average number of common shares outstanding	**767,986,630**	719,719,562	
Per share			
Basic and diluted net earnings from continuing operations	$ **0.23**	$ 0.23	— %
Basic and diluted net loss from discontinued operations	$ **(0.03)**	$ (1.90)	98 %
Adjusted Net Earnings[2]	$ **0.28**	$ 0.25	12 %
Dividends declared to common shareholders	$ **0.20**	$ 0.28	(29)%

[1] Reflects results of continuing operations unless marked otherwise (see *Explanatory Notes*).

[2] See *Caution Concerning Non-GAAP Measures.*

For the nine months ended September 30, 2025, AQN reported revenue of $1,802.9 million as compared to $1,734.7 million in the comparative period, an increase of $68.2 million. This increase was mainly driven by the implementation of approved rates of $35.5 million at the BELCO Electric System, Midstates and Peach State Gas Systems, Arkansas Water, Missouri Water, the New York, Beardsley, Bella Vista, and Cordes Lake Water Systems, and Rio Rico Water and Sewer System, favourable weather, which resulted in an increase in revenue of approximately $8.4 million at the Empire Electric System, and a one-time $7.0 million true-up recorded in the first quarter of 2024 at the Empire District Electric System.

The following table outlines the changes to Adjusted Net Earnings[1] for the nine months ended September 30, 2025 as compared to the same period in 2024, including the breakdown of net earnings by the Company's main business units, and the discussion below outlines the changes to net earnings attributable to shareholders:

Net Earnings and Adjusted Net Earnings[1] by business units[2] (all dollar amounts in $ millions)	Nine months ended September 30		
	2025	2024	Change
Net earnings for Regulated Services Group	$ **277.4**	$ 199.7	$ 77.7
Net earnings for Hydro Group	**29.0**	9.5	19.5
Net loss for Corporate Group	**(119.9)**	(36.4)	(83.5)
Total AQN Net Earnings	**186.5**	**172.8**	13.7
Add: Adjusted items	**33.0**	14.0	19.0
Total AQN Adjusted Net Earnings[1]	$ **219.5**	$ **186.8**	$ **32.7**

Change in Net Earnings and Adjusted Net Earnings[1] Breakdown[2]	**Nine months ended September 30**			
(all dollar amounts in $ millions)	**Regulated Services**	**Hydro**	**Corporate**	**Total**
Change in Net Earnings				
Net earnings (loss) - Prior period balances	$ 199.7	$ 9.5	$ (36.4)	$ 172.8
EBIT[1]				
Electricity	18.8	—	—	18.8
Natural Gas	29.5	—	—	29.5
Water	12.8	—	—	12.8
Other	11.0	0.1	(96.9)	(85.8)
Total change in EBIT[1]	72.1	0.1	(96.9)	(24.7)
Interest expense	39.8	—	23.4	63.2
Income tax expense	(30.6)	20.1	(10.0)	(20.5)
Net effect of non-controlling interests	(3.6)	(0.7)	—	(4.3)
Total change in net earnings (loss)	77.7	19.5	(83.5)	13.7
Net earnings (loss) - Current period balances	**277.4**	**29.0**	**(119.9)**	**186.5**
Change in Adjusted Net Earnings[1]				
Adjusted Net Earnings (Loss)[1] - Prior period balance[3]	199.7	9.5	(22.4)	186.8
Total change in net earnings (loss)	77.7	19.5	(83.5)	13.7
Total change in adjusted items[3]	—	—	19.0	19.0
Adjusted Net Earnings (loss)[1] - Current period balances	**$ 277.4**	**$ 29.0**	**$ (86.9)**	**$ 219.5**

1 See *Caution Concerning Non-GAAP Measures*.

2 Reflects results of continuing operations unless marked otherwise (see *Explanatory Notes*).

3 See *Corporate Group Net Earnings and Adjusted Net Earnings.*

For the nine months ended September 30, 2025, AQN reported net earnings attributable to shareholders of $186.5 million and basic net earnings per common share of $0.23. During the comparative period in 2024, the Company reported net earnings attributable to shareholders of $172.8 million and basic net earnings per common share of $0.23. The net earnings attributable to shareholders increased by $13.7 million, and there was no change in the basic net earnings per common share as compared to the comparative period in 2024. The increases were primarily driven by:

- an increase of $77.7 million in the net earnings of the Regulated Services Group primarily due to the implementation of approved rates of $35.5 million, favourable weather, which resulted in an increase in net earnings of $8.4 million, and lower interest expense of $39.8 million as a result of the repayment of debt with the proceeds of the Renewables Sale and the sale of the Company's investment in Atlantica; partially offset by higher depreciation of $1.6 million due to higher organic depreciation, net of $11.9 million due to one-time depreciation deferral adjustments related to the Granite State Electric and EnergyNorth Gas Systems;
- an increase of $19.5 million in the net earnings of the Hydro Group primarily due to a one-time tax recovery; and
- an increase in the net losses of the Corporate Group of $83.5 million, primarily due to:
  - $23.5 million fair value mark to market gain recorded in 2024 and $65.4 million of dividends received from the Company's investment in Atlantica during the first three quarters of 2024, prior to its sale in the fourth quarter of 2024;
  - an increase of $15.6 million in foreign exchange losses due to fluctuations in USD-CAD exchange rates; partially offset by:
  - $23.4 million decrease in interest expense as a result of the repayment of debt with the proceeds of the Renewables Sale and the sale of the Company's investment in Atlantica.

- There was no change in basic net earnings per common share versus the prior year due to the above net increases in net earnings attributable to shareholders being offset by common share dilution upon the issuance of additional common shares of 77,909,700 in the second quarter of 2024.

For the nine months ended September 30, 2025, AQN reported Adjusted Net Earnings per common share of $0.28 as compared to $0.25 per common share during the same period in 2024, an increase of $0.03 (*see Caution Concerning Non-GAAP Measures*). Adjusted Net Earnings increased by $32.7 million period over period (see *Caution Concerning Non-GAAP Measures*). This increase was primarily driven by the factors noted above, excluding the impact of the $23.5 million fair value mark to market gain (See *Reconciliation of Adjusted Net Earnings to Net Earnings*).

For the nine months ended September 30, 2025, cash provided by operating activities decreased by $16.0 million as compared to the same period in 2024, primarily due to changes in working capital items of $63.9 million (See *Note 16* to the unaudited interim consolidated financial statements - Non Cash Operating Items); partially offset by an increase in Net Earnings. Cash flow provided by investing activities increased by $2,035.6 million mainly due to proceeds received from the Renewables Sale and the sale of the Company's investment in Atlantica. These proceeds were used for the repayment of debt, which was the primary factor leading to an increase of $2,145.2 million in the Cash flow used in financing activities.

REGULATED SERVICES GROUP

The Regulated Services Group primarily operates rate-regulated utilities that as of September 30, 2025 provided electric generation and transmission services as well as distribution services in the electric, natural gas and water and wastewater sectors to approximately 1,269,000 customer connections, which is an increase of approximately 9,000 customer connections as compared to September 30, 2024.

The Regulated Services Group seeks to deliver long-term growth within its service territories, including through the pursuit of capital investment opportunities and other initiatives.

Utility System Type

	As at September 30					
	2025			2024		
(all dollar amounts in $ millions)	Assets	Net Utility Sales[1]	Total Customer Connections[2]	Assets	Net Utility Sales[3]	Total Customer Connections[2]
Electricity	**5,504.0**	**712.6**	**311,000**	5,374.5	690.9	310,000
Natural Gas	**1,969.1**	**278.4**	**376,000**	1,883.5	261.8	376,000
Water and Wastewater	**1,821.5**	**303.2**	**582,000**	1,731.5	282.4	574,000
Other	**104.7**	**22.9**		146.2	22.3	
Other revenue		**42.9**			38.2	
Less: Cost of Sales		**(20.0)**			(15.9)	
Total	**$ 9,399.3**	**$ 1,317.1**	**1,269,000**	$ 9,135.7	$ 1,257.4	1,260,000
Accumulated Deferred Income Taxes Liability	**$ 903.4**			$ 803.3		

1 Net Utility Sales for the nine months ended September 30, 2025. See *Caution Concerning Non-GAAP Measures*.

2 Total Customer Connections represents the sum of all active and vacant customer connections.

3 Net Utility Sales for the nine months ended September 30, 2024. See *Caution Concerning Non-GAAP Measures.*

The Regulated Services Group aggregates the performance of its utility operations by utility system type – electricity, natural gas, and water and wastewater systems.

The electric distribution, generation and transmission systems are comprised of regulated electrical distribution utility systems that served approximately 311,000 customer connections in the U.S. States of Arkansas, California, Kansas, Missouri, New Hampshire and Oklahoma, as well as in Bermuda as at September 30, 2025.

The natural gas distribution systems are comprised of regulated natural gas distribution utility systems that served approximately 376,000 customer connections located in the U.S. States of Georgia, Illinois, Iowa, Massachusetts, Missouri, New Hampshire and New York, and in the Canadian Province of New Brunswick as at September 30, 2025.

The water and wastewater distribution systems are comprised of regulated water distribution and wastewater utility systems that served approximately 582,000 customer connections located in the U.S. States of Arizona, Arkansas, California, Illinois, Missouri, New York, and Texas, as well as in Chile, as at September 30, 2025.

2025 Third Quarter and Year-to-Date Usage Results

Electric Distribution Systems

	Three months ended September 30		Nine months ended September 30	
	2025	**2024**	**2025**	**2024**
Average Active Electric Customer Connections For The Period				
Residential	**263,700**	263,600	**263,600**	263,400
Commercial and industrial	**43,500**	43,100	**43,400**	43,000
Total Average Active Electric Customer Connections For The Period	**307,200**	306,700	**307,000**	306,400
Customer Usage (GW-hrs)				
Residential	**787.1**	810.9	**2,204.9**	2,194.2
Commercial and industrial	**1,062.8**	1,014.8	**2,933.3**	2,912.1
Total Customer Usage (GW-hrs)	**1,849.9**	1,825.7	**5,138.2**	5,106.3

For the three months ended September 30, 2025, the electric distribution systems' usage totaled 1,849.9 GW-hrs as compared to 1,825.7 GW-hrs for the same period in 2024, an increase of 24.2 GW-hrs or 1.3%. The decrease in electricity consumption is primarily due to favourable weather at the Empire Electric System.

For the nine months ended September 30, 2025, the electric distribution systems' usage totaled 5,138.2 GW-hrs as compared to 5,106.3 GW-hrs for the same period in 2024, an increase of 31.9 GW-hrs or 0.6%. The increase in electricity consumption is primarily due to favourable weather and customer growth at the Empire District Electric System.

Approximately 47% of the Regulated Services Group's electric distribution systems' revenues are not expected to be impacted by changes in customer usage, as they are subject to volumetric decoupling or represent fixed fee billings.

Natural Gas Distribution Systems

	Three months ended September 30		Nine months ended September 30	
	2025	**2024**	**2025**	**2024**
Average Active Natural Gas Customer Connections For The Period				
Residential	**320,500**	320,700	**322,100**	323,000
Commercial and industrial	**39,800**	39,600	**40,100**	39,900
Total Average Active Natural Gas Customer Connections For The Period	**360,300**	360,300	**362,200**	362,900
Customer Usage (MMBTU)				
Residential	**1,145,000**	1,162,000	**15,607,000**	14,829,000
Commercial and industrial	2,584,000	2,451,000	**15,935,000**	15,187,000
Total Customer Usage (MMBTU)	**3,729,000**	3,613,000	**31,542,000**	30,016,000

For the three months ended September 30, 2025, usage at the natural gas distribution systems totaled 3,729,000 MMBTU as compared to 3,613,000 MMBTU during the same period in 2024, an increase of 116,000 MMBTU, or 3.2%. The increase is primarily due to favourable weather at the New Brunswick Gas System.

For the nine months ended September 30, 2025, usage at the natural gas distribution systems totaled 31,542,000 MMBTU as compared to 30,016,000 MMBTU during the same period in 2024, an increase of 1,526,000 MMBTU, or 5.1%. The increase is primarily due to favourable weather at the EnergyNorth, New Brunswick and New England Gas Systems.

Approximately 86% of the Regulated Services Group's gas distribution systems' revenues are not expected to be impacted by changes in customer usage, as they are subject to volumetric decoupling or represent fixed fee billings.

Water and Wastewater Distribution Systems

	Three months ended September 30		Nine months ended September 30	
	2025	**2024**	**2025**	**2024**
Average Active Customer Connections For The Period				
Water distribution customer connections	**517,900**	510,900	**516,800**	509,600
Wastewater customer connections	**55,700**	55,700	**55,800**	55,700
Total Average Active Customer Connections For The Period	**573,600**	566,600	**572,600**	565,300
Gallons Provided (millions of gallons)				
Water provided	**12,737**	11,471	**31,407**	29,544
Wastewater treated	**920**	903	**2,767**	2,753
Total Gallons Provided (millions of gallons)	**13,657**	12,374	**34,174**	32,297

For the three months ended September 30, 2025, the water and wastewater distribution systems provided approximately 12,737 million gallons of water to customers and treated approximately 920 million gallons of wastewater. This is compared to 11,471 million gallons of water provided and 903 million gallons of wastewater treated during the same period in 2024, an increase in total gallons provided of 1,267 million or 11.0% and an increase in total gallons treated of 17 million or 1.9%. The increase in water is primarily due to favourable weather at the New York Water System.

For the nine months ended September 30, 2025, the water and wastewater distribution systems provided approximately 31,407 million gallons of water to customers and treated approximately 2,767 million gallons of wastewater. This is compared to 29,544 million gallons of water provided and 2,753 million gallons of wastewater treated during the same period in 2024, an increase in total gallons provided of 1,863 million or 3.2% and an increase in total gallons treated of 14 million or 0.5%. The increase in water is primarily due to favourable weather at the New York Water System.

Approximately 50% of the Regulated Services Group's water and wastewater distribution systems' revenues are not expected to be impacted by changes in customer usage, as they are subject to volumetric decoupling or represent fixed fee billings.

2025 Third Quarter and Year-to-Date Regulated Services Group Net Earnings

(all dollar amounts in $ millions)	Three months ended September 30 2025	Three months ended September 30 2024	Nine months ended September 30 2025	Nine months ended September 30 2024
Revenue				
Regulated electricity distribution	**$ 360.8**	$ 361.4	**$ 983.2**	$ 971.5
Less: Regulated electricity purchased	**(96.6)**	(100.9)	**(270.6)**	(280.6)
Net Utility Sales – electricity[1]	**264.2**	260.5	**712.6**	690.9
Regulated gas distribution	**67.6**	65.7	**423.3**	393.9
Less: Regulated gas purchased	**(14.4)**	(13.2)	**(144.9)**	(132.1)
Net Utility Sales – natural gas[1]	**53.2**	52.5	**278.4**	261.8
Regulated water reclamation and distribution	**129.9**	124.3	**323.6**	302.1
Less: Regulated water purchased	**(7.8)**	(9.0)	**(20.4)**	(19.7)
Net Utility Sales – water reclamation and distribution[1]	**122.1**	115.3	**303.2**	282.4
Other revenue[2]	**15.5**	12.5	**42.9**	38.2
Less: Other Cost of Sales	**(7.5)**	(5.3)	**(20.0)**	(15.9)
Net Utility Sales[1,3]	**447.5**	**435.5**	**1,317.1**	1,257.4
Operating expenses	**212.5**	223.5	**629.8**	633.5
Depreciation and amortization	**92.5**	97.3	**290.8**	289.2
Interest, dividend and other income	**7.4**	7.9	**21.4**	23.3
Other expenses				
Pension and post-employment non-service costs	**$ (1.3)**	$ (3.0)	**(1.8)**	$ (10.4)
Other net losses	**$ (3.8)**	$ (6.1)	**(14.1)**	$ (7.5)
Gain/(Loss) on derivative financial instruments	**$ 8.6**	$ 0.3	**9.2**	$ (1.0)
EBIT[1,4]	**$ 153.4**	**$ 113.8**	**$ 411.2**	**$ 339.1**
Interest expense	**(36.2)**	(46.9)	**(105.4)**	(145.2)
Income tax expense	**$ (29.1)**	$ (18.7)	**(82.3)**	(51.7)
Net effect of non-controlling interests[6]	**$ 16.0**	$ 16.6	**53.9**	57.5
Net Earnings	**$ 104.1**	**$ 64.8**	**$ 277.4**	$ 199.7

1 See *Caution Concerning Non-GAAP Measures*.

2 See *Note 14* in the unaudited interim condensed consolidated financial statements.

3 This table contains a reconciliation of Net Utility Sales to revenue for the Regulated Services Group. The relevant sections of the table are derived from and should be read in conjunction with the unaudited interim condensed consolidated statement of operations and *Note 14* in the unaudited interim condensed consolidated financial statements, "*Segmented Information*". This supplementary disclosure is intended to more fully explain disclosures related to Net Utility Sales and provides additional information related to the operating performance of the Regulated Services Group. Investors are cautioned that Net Utility Sales should not be construed as an alternative to revenue.

4 This table contains a reconciliation of EBIT to net earnings for the Regulated Services Group. The relevant sections of the table are derived from and should be read in conjunction with the unaudited interim condensed consolidated statement of operations and *Note 14* in the unaudited interim condensed consolidated financial statements, "*Segmented Information*". This supplementary disclosure is intended to more fully explain disclosures related to EBIT and provides additional information related to the operating performance of the Regulated Services Group. Investors are cautioned that EBIT should not be construed as an alternative to net earnings.

6 Net effect of non-controlling interests primarily includes HLBV income from Empire Electric.

2025 Third Quarter Regulated Services Group Operating Results

For the three months ended September 30, 2025, the Regulated Services Group reported revenue of $558.3 million (comprised of $360.8 million of regulated electricity distribution, $67.6 million of regulated gas distribution and $129.9 million of regulated water reclamation and distribution) as compared to revenue of $551.4 million in the comparable period in the prior year (comprised of $361.4 million of regulated electricity distribution, $65.7 million of regulated gas distribution and $124.3 million of regulated water reclamation and distribution).

For the three months ended September 30, 2025, the Regulated Services Group reported net earnings of $104.1 million as compared to $64.8 million for the comparable period in the prior year.

Highlights of the changes are summarized in the following table:

(all dollar amounts in $ millions)		Three months ended September 30
Prior Period Net Earnings	**$**	**64.8**
Regulated Services Group EBIT[1]:		
Electricity: Increase is primarily due to: – favourable weather, which resulted in an increase in net earnings of approximately $4.0 million at the Empire Electric System – lower operating expenses of approximately $5.0 million at the Empire Electric System due to favourable timing of certain expenses		9.3
Gas: Increase is primarily due to: – the implementation of approved rates of $3.5 million at Midstates (MO) and Peach State (GA) Gas Systems – lower operating expenses of approximately $2.7 million at the New England Gas System due to favourable timing of certain expenses – a one-time depreciation deferral adjustment of $7.1 million at the EnergyNorth Gas System		12.3
Water: Increase is primarily due to: – the implementation of approved rates of $3.2 million at the Arkansas (AR), Missouri (MO), New York (NY), Bella Vista (AZ), Beardsley (AZ), Cordes Lake (AZ) Water Systems and Rio Rico (AZ) Water and Sewer System – lower operating expenses of approximately $1.5 million at the New York Water System due to favourable timing of certain expenses		5.8
Other: increase primarily due to the gain of $9.1 million on the settlement of a swap at the BELCO Electric System which has been adjusted-out from the Adjusted Net Earnings		12.2
Interest expense: Decrease primarily due to the repayment of debt with the proceeds of the Renewables Sale and the sale of the Company's investment in Atlantica		10.7
Income tax expense: Higher income tax expense due to higher earnings before tax		(10.4)
Net effect of non-controlling interests: Decrease due to lower wind production resulting in lower HLBV		(0.6)
Current Period Net Earnings	**$**	**104.1**

1 See *Caution Concerning Non-GAAP Measures*.

2025 Year-to-Date Regulated Services Group Operating Results

For the nine months ended September 30, 2025, the Regulated Services Group reported revenue of $1,730.1 million (comprised of $983.2 million of regulated electricity distribution revenue, $423.3 million of regulated natural gas distribution revenue and $323.6 million of regulated water reclamation and distribution revenue) as compared to revenue of $1,667.5 million in the same period in the prior year (comprised of $971.5 million of regulated electricity distribution revenue, $393.9 million of regulated natural gas distribution revenue and $302.1 million of regulated water reclamation and distribution revenue).

For the nine months ended September 30, 2025, the Regulated Services Group reported net earnings of $277.4 million as compared to $199.7 million in the comparable period in the prior year.

Highlights of the changes are summarized in the following table:

(all dollar amounts in $ millions)		Nine months ended September 30
Prior Period Net Earnings	**$**	**199.7**
Regulated Services Group EBIT[1]:		
Electricity: Increase is primarily due to: – a one-time $7.0 million true-up recorded in the first quarter of 2024 at the Empire District Electric System – favourable weather, which resulted in an increase of net earnings of approximately $8.4 million at the Empire District Electric System – the implementation of approved rates at the BELCO Electric System of $4.8 million (2024 approved rates were effective in the second quarter of 2024) Partially offset by: – higher depreciation across all utilities of $5.5 million partially offset by one-time depreciation deferral adjustment of $4.8 million related to Granite State Electric System		18.8
Gas: Increase is primarily due to: – the implementation of approved rates of $12.7 million at the Midstates (MO) and Peach State (GA) Gas Systems – lower bad debt expense of $6.0 million – a one-time depreciation deferral adjustment of $7.1 million related to the EnergyNorth Gas (NH) System, partly offset by higher depreciation across the majority of gas systems of $3.6 million – increase in other income of $5.6 million at the Empire (MO) Gas System relating to a one-time rate case adjustment due to over-amortization of pension and Other Post-Employment Benefits balance		29.5
Water: Increase is primarily due to: – the implementation of approved rates of $18.0 million at the Arkansas (AR), Missouri Water (MO), New York (NY) (2024 approved rates were effective the third quarter of 2024, retroactive to the second quarter of 2024), and Bella Vista (AZ), Beardsley (AZ), Cordes Lake (AZ) Water Systems and Rio Rico (AZ) Water and Sewer System – lower operating expenses of $2.5 million at the New York Water System due to favourable timing of certain expenses Partially offset by: – higher depreciation of $3.7 million – rate case adjustment of $3.3 million at the Litchfield Park (AZ) Water and Sewer System		12.8
Other: Increase is primarily due to the gain of $9.1 million on the settlement of a swap at the BELCO Electric System which has been adjusted-out from the Adjusted Net Earnings		11.0
Interest expense: Decrease primarily due to the repayment of debt with the proceeds of the Renewables Sale and the sale of the Company's investment in Atlantica		39.8
Income tax expense: Increase primarily due to higher earnings before tax		(30.6)
Net effect of non-controlling interests: Decrease due to lower wind production resulting in lower HLBV		(3.6)
Current Period Net Earnings	**$**	**277.4**

[1] See *Caution Concerning Non-GAAP Measures*.

Regulatory Proceedings

The following table summarizes the major regulatory proceedings currently underway or completed or effective in 2025 within the Regulated Services Group. The Company filed cases for Litchfield Park Water & Sewer, New England Natural Gas and BELCO in the first half of 2025.

Utility	Jurisdiction	Regulatory Proceeding Type	Rate Request (millions)	Current Status
Completed Rate Reviews				
BELCO	Bermuda	General Rate Case ("GRC")	$34.8	On September 30, 2021, filed its revenue allowance application in which it requested a $34.8 million increase for 2022 and a $6.1 million increase for 2023. On March 18, 2022, the Regulatory Authority ("RA") approved an annual increase of $22.8 million, for a revenue allowance of $224.1 million for 2022 and $226.2 million for 2023. The RA authorized a 7.16% rate of return, comprised of a 62% equity and an 8.92% return on equity ("ROE"). In April 2022, BELCO filed an appeal in the Supreme Court of Bermuda challenging the decisions made by the RA through the recent Retail Tariff Review. On February 23, 2024, the Bermuda Supreme Court issued an order denying the BELCO appeal. On April 11, 2025, BELCO and the RA filed a consent order with the court thereby concluding the matter.
Midstates Gas	Missouri	GRC	$13.2	On February 9, 2024, filed an application seeking an increase in revenues of $13.2 million based on an ROE of 10.80% and an equity ratio of 52.92%. On July 18, 2024, the Staff of the Missouri Public Service Commission ("MPSC") and Office of the Public Counsel ("OPC") filed direct testimony. Staff proposed a base revenue increase of $4.4 million based on a 50% equity ratio and 9.45% ROE. OPC recommended a 47.5% equity ratio and 9.50% ROE. On August 22, 2024 the parties filed rebuttal testimony. On September 19, 2024 the parties filed surrebuttal testimony. On October 9, 2024, Staff filed a motion to suspend the procedural schedule and evidentiary hearing given that the parties reached a settlement resolving all issues. The parties filed a stipulation agreement on October 22, 2024 agreeing to an increase in annual distribution revenues of $9.1 million. On November 6, 2024, the MPSC unanimously voted to approve the settlement agreement. A written order was issued January 2, 2025 with approved rates effective January 8, 2025.
Missouri Water	Missouri	GRC	$8.1	On March 13, 2024, filed an application seeking an increase in revenues of $8.1 million based on an ROE of 10.62% and an equity ratio of 52.6%. On August 20, 2024, Staff filed direct testimony recommending an increase in annual revenues of $7.8 million based on an ROE of 9.45% and an equity ratio of 50%. The City of Bolivar recommended an increase in annual revenues of $7.5 million. On September 27, 2024, the parties filed rebuttal testimony. Surrebuttal testimony was filed on October 24, 2024. On December 6, 2024, a Unanimous Global Stipulation & Agreement was filed with the MPSC with an annual revenue increase of approximately $6.2 million. The MPSC issued an order approving the settlement on January 23, 2025. Approved rates became effective on March 1, 2025.

Utility	Jurisdiction	Regulatory Proceeding Type	Rate Request (millions)	Current Status
Arkansas Water	Arkansas	GRC	$2.3	On March 14, 2024, filed an application seeking an increase in revenues of $2.3 million based on an ROE of 10.62% and an equity ratio of 52.5%. On August 27, 2024, Staff filed testimony recommending an annual revenue increase of $1.5 million, based on an ROE of 9.80%. On September 24, 2024, the Company filed rebuttal testimony updating its proposed annual revenue increase to $1.8 million. Surrebuttal testimony was filed by the parties on October 22, 2024 and the Company's surrebuttal testimony was filed on October 29, 2024. On November 12, 2024, the Company and the Staff of the Arkansas Public Service Commission ("APSC") filed a settlement with an annual revenue increase of $1.5 million. On January 14, 2025, the APSC issued an order approving the settlement agreement and ordered compliance tariffs to be filed within seven days of the January 14, 2025 order. The APSC approved the compliance tariffs on February 7, 2025. Approved rates became effective on March 1, 2025.
New Brunswick Gas	New Brunswick	GRC	C$1.6	On April 15, 2024, filed an application seeking an increase in revenues of C$1.6 million based on an ROE of 9.80% and an equity ratio of 45%. On August 16, 2024, the Office of the Public Intervenor filed testimony. On September 27, 2024, the Company filed rebuttal testimony. An evidentiary hearing was held on October 4, 7 and 8, 2024. On December 31, 2024, the New Brunswick Energy & Utilities Board (the "Board") issued an order authorizing an annual increase in revenue of C$1.2 million; on April 30, 2025, the Board issued its Reasons for Decision.
Bella Vista Water, Beardsley Water, Cordes Lakes Water, Rio Rico Water & Sewer	Arizona	GRC	$6.0	On December 28, 2023, filed an application seeking an increase in revenues of $6.0 million based on an ROE of 10.95% and an equity ratio of 54%. On June 26, 2024, the Arizona Corporation Commission ("ACC") granted the Company's request to extend the procedural schedule with a hearing on the merits scheduled for March 24-28, 2025. Staff testimony, which recommends an increase of $2.9 million in revenue based on an ROE of 9.4% and an equity ratio of 54%, was filed and supplemented on January 8, 2025. On February 5, 2025, the Company notified the ACC that the parties had reached a settlement in principle that would resolve all matters in the rate case. The parties filed a settlement agreement on February 21, 2025, which would result in an increase in revenues of $4.2 million. On March 25-26, 2025 the ACC held a hearing on the settlement agreement. On June 18, 2025, the ACC approved the settlement agreement with approved rates taking effect July 1, 2025.

Utility	Jurisdiction	Regulatory Proceeding Type	Rate Request (millions)	Current Status
Granite State Electric	New Hampshire	GRC	$15.5	On May 5, 2023, filed an application seeking a permanent increase in revenues of $15.5 million based on an ROE of 10.35% and an equity ratio of 55%. Temporary rates of $5.5 million were implemented on July 1, 2023. On December 13, 2023, the Department of Energy ("DOE") filed a motion seeking to dismiss the case. An evidentiary hearing was held on January 23, 2024. The case was stayed by the New Hampshire Public Utilities Commission ("NHPUC") until May 15, 2024 so that it may contemplate the motion and the Company's third-party review of its financial information. On April 2, 2024 the NHPUC directed the Company to cooperate with the DOE and all other parties to develop a mutually-agreeable scope of work for the third-party report, to be filed with the NHPUC no later than April 15, 2024. Because there was no agreement on the scope of work, the Company filed the third-party report which concluded that the accounting information included in the rate filing provides a sufficient basis for determining the Company's revenue requirement and that 2023 accounting data provides a sufficient basis for inclusion in the Company's regulatory filings. On April 24, 2024, the Company filed an updated revenue requirement, seeking an increase in revenues of $14.7 million. On April 30, 2024, the NHPUC rejected the scope of the third-party report that was submitted, ordered an independent audit facilitated by the DOE with a procedural schedule for the next phase of the proceeding due no later than May 20, 2024, and deferred a ruling on the DOE motion to dismiss. The NHPUC extended the stay until September 16, 2024 to assess the issues that were raised in the docket and called for a status report required by August 30, 2024. On September 30, 2024, the Company notified the NHPUC that the parties were engaged in settlement discussions. The parties filed a settlement agreement on November 18, 2024. A hearing on the settlement agreement was held on January 15, 2025. Initial briefs on the NHPUC's authority to approve the settlement were filed January 31, 2025. A hearing was held March 20, 2025. On March 25, 2025, the NHPUC issued a Procedural Order approving the settlement agreement which resulted in a $5.5 million increase in annual revenues. Approved rates took effect April 1, 2025. On April 24, 2025, the NHPUC issued a further order stating its reasons for approval of the settlement agreement.

Utility	Jurisdiction	Regulatory Proceeding Type	Rate Request (millions)	Current Status
Pending Rate Reviews				
EnergyNorth Gas	New Hampshire	GRC	$27.5	On July 27, 2023, filed an application seeking an increase in revenues of $27.5 million based on an ROE of 10.35% and an equity ratio of 55%. Temporary rates of $8.7 million were approved by the NHPUC on October 31, 2023. The temporary increased revenue requirement is retroactive to October 1, 2023. On February 5, 2024, the Company requested that the NHPUC stay the case until April 12, 2024 so that the Company can provide the NHPUC with a third-party review of the financial information upon which the revenue requirement is predicated. On February 16, 2024, the DOE filed a motion seeking to dismiss the case. On March 14, 2024 the NHPUC issued an order staying the case until June 7, 2024, so that it may contemplate the motion and so that the Company can provide the NHPUC with a third-party review of the financial information within the rate application. On April 17, 2024, the Company filed a proposed scope for the third-party review. On August 16, 2024 the DOE filed a status update informing NHPUC that the parties met to discuss a comprehensive settlement of all issues in the case and intend to more fully engage in settlement discussions once a settlement in the Granite State Electric case is reached. On November 20, 2024, the NHPUC extended the stay of the proceeding to accommodate settlement negotiations until January 21, 2025. On April 21, 2025, the NHPUC further extended the stay of the proceeding until May 30, 2025. On June 13, 2025, a settlement agreement was filed with the NHPUC supporting a continuation of rates approved on October 31, 2023. A hearing on the settlement was held July 31, 2025. On August 26, 2025, NHPUC issued a procedural order approving the settlement agreement in its entirety and approved distribution rates to be effective on September 1, 2025. On October 16, 2025, the NHPUC issued a Recommended Form for Memorialization Order and requested that the Commission approve such form of Order by the first week of November 2025
Park Water	California	GRC	$9.3	On January 2, 2024, filed an application seeking an increase in revenues of $9.3 million based on an ROE of 9.35% and an equity ratio of 57%. On July 24, 2024, the Public Advocates Office at the California Public Utilities Commission (the "California PUC") filed testimony recommending a $2.4 million decrease in revenues for 2025. On September 23, 2024, the Company served rebuttal testimony seeking $9.0 million revenue increase. Legal briefs were filed in December 2024. On December 5, 2024, in the Cost of Capital proceeding for Small Class A Water Utilities, the California PUC issued an order increasing Park Water's ROE to 9.57%. On May 30, 2025, the Commission authorized an interim increased revenue requirement of $0.9 million or 2.3%, effective July 1, 2025.

Utility	Jurisdiction	Regulatory Proceeding Type	Rate Request (millions)	Current Status
Apple Valley Water	California	GRC	$3.1	On January 2, 2024, filed an application seeking an increase in revenues of $3.1 million based on an ROE of 9.35% and an equity ratio of 57%. On July 24, 2024, the Public Advocates Office at the California PUC filed testimony recommending a $3.9 million decrease in revenues for 2025. On September 23, 2024, the Company served rebuttal testimony seeking $2.9 million revenue increase. Legal briefs were filed in December 2024. On December 5, 2024, in the Cost of Capital proceeding for Small Class A Water Utilities, the California PUC issued an order increasing Apple Valley Water's ROE to 9.57%. On May 30, 2025, the Commission authorized an interim increased revenue requirement of $0.7 million, or 2.3%, effective July 1, 2025.
CalPeco Electric	California	GRC	$39.8	On September 20, 2024, filed an application seeking a net increase in revenues of $39.8 million based on an ROE of 11% and an equity ratio of 52.5%. On March 5, 2025, the Company filed a Motion for Interim Rate Relief and Request for Expedited Treatment in which it requested an interim rate recovery of 50% of its proposed base revenue requirement on a monthly basis beginning June 1, 2025 until issuance of a final decision in the proceeding. The Utility Reform Network ("TURN") and the Public Advocates Office ("Cal Advocates") opposed the Company's request. On July 2, 2025, Cal Advocates, TURN and other intervenors in the proceeding filed testimony. Cal Advocates recommended an overall increase of $24.8 million. The Company served rebuttal testimony on July 24, 2025. Evidentiary hearings were held the week of September 15, 2025. On October 1, 2025, the Company submitted a joint motion requesting approval of a settlement agreement reached with majority of the Cal Advocates, TURN and other intervenors in the proceeding, which resolves all revenue requirement matters except ROE. The settlement agreement would result in a revenue increase of $24.8 million based on the Company's current authorized ROE of 10%. Legal briefs were filed on October 10, 2025.

Utility	Jurisdiction	Regulatory Proceeding Type	Rate Request (millions)	Current Status
Empire Electric	Missouri	GRC	$168.0	On November 6, 2024, filed an application seeking an increase in net operating revenues of $92.1 million based on an ROE of 10% and an equity ratio of 53.1%. On February 3, 2025, Staff of the MPSC and the Office of the Public Counsel filed motions to dismiss the case. The Company withdrew its tariff sheets on February 26, 2025 and refiled revised tariff sheets on the same day seeking a base rate revenue increase of $152.8 million. When considering the rebasing of test year revenues for fuel and purchased power costs and the energy efficiency cost recovery rate, the filing continues to seek a net operating revenue increase of $92.1 million. On March 5, 2025, the MPSC suspended the new tariff sheets until January 2, 2026. On April 10, 2025, the MPSC approved a procedural schedule for the case and on April 23, 2025, the Commission extended the true-up period from September 30, 2024 to March 31, 2025. The Company's final true-up position reflects an annual revenue increase of approximately $168 million, primarily driven by projected higher natural gas costs required to operate its generating units. The MPSC Staff's position supports an increase of about $128 million, while OPC recommends no increase, citing ongoing billing issues. To resolve these differences, the Company entered into a global non-unanimous stipulation agreement providing for an annual revenue increase of $97 million, with the potential to earn an additional $13 million annually if certain billing and customer service metrics are met. OPC and Consumers Council of Missouri did not join the settlement, and as a result of their objections, a hearing was held during the week of October 13, 2025. During the hearing, settlement terms were presented as position statements from the signatories. On November 5, 2025, the MPSC deliberated on the case and requested amendments to incorporate customer satisfaction performance metrics. Legal briefs are due in November 2025, and a Commission order is expected in late 2025 or early 2026.

Utility	Jurisdiction	Regulatory Proceeding Type	Rate Request (millions)	Current Status
St. Lawrence Gas	New York	GRC	$2.2	On November 27, 2024, filed an application seeking an increase of revenues of $2.2 million based on an ROE of 9.9% and an equity ratio of 48%. On April 1, 2025, Staff of the New York Department of Public Service recommended a $1.19 million decrease in rates. On April 22, 2025, the Company submitted rebuttal testimony requesting approximately $2.33 million. The Company filed notice and began confidential settlement negotiations on May 6, 2025. An unopposed Joint Proposal was filed on August 29, 2025 proposing a three-year rate plan ("Rate Plan") from November 1, 2025 through October 31, 2028 with unlevelized rate increases of $0.4M in Rate Year 1, $1.9M in Rate Year 2, and $1.6M in Rate Year 3. Base rate increases will be levelized to reduce rate volatility to customers over the term of the Rate Plan. The Joint Proposal established ROE at 9.3%, and equity ratios of 46% in Rate Year 1, 47% in Rate Year 2, and 48% in Rate Year 3. The Rate Plan includes an Earnings Sharing Mechanism, gas safety and customer service performance metrics, customer programs to assist low-income customers, and a three-year capital investment plan. The Joint Proposal also resolves the Company's outstanding Automated Meter Reading project petition providing funding to support the investment as part of the Rate Plan. The Joint Proposal includes provisions intended to further New York State's ability to meet the goals of the Climate Leadership and Community Protection Act. An evidentiary hearing, limited in scope to whether the Joint Proposal is in the public interest, will be held on November 19, 2025.
New England Natural Gas	Massachusetts	GRC	$55.8	On June 13, 2025, filed an application seeking an increase of revenues of $55.8 million based on an ROE of 9.9% and an equity ratio of 53%. The request includes approximately $30 million of previously authorized Gas System Enhancement Program rate base and a 5 year performance based ratemaking plan. The Company is currently in the discovery phase with hearings scheduled in December 2025.
Litchfield Park Water & Sewer	Arizona	GRC	$17.8	On June 30, 2025, filed rate applications with the Arizona Corporation Commission for its water and wastewater systems, requesting a combined revenue increase of $17.8 million. The request is based on an ROE of 10.8% and an equity ratio of 54%. As part of the application, the Company is seeking approval for the implementation of an annual formula rate based adjustment mechanism. The Company is currently in the discovery phase with intervenor testimony due in January 2026 and hearings scheduled in March 2026.
CalPeco Electric	California	Wildfire Expense Memorandum Application	$78.2	On June 20, 2025, filed an application to recover $78.2 million in costs associated with the 2020 Mountain View Fire recorded in the Wildfire Expense Memorandum Account. These costs include claim settlements in excess of Liberty's wildfire insurance coverage, legal costs, and financing costs related to the Mountain View Fire. The Company is currently in the discovery phase with intervenor testimony due in December 2025.

Utility	Jurisdiction	Regulatory Proceeding Type	Rate Request (millions)	Current Status
BELCO	Bermuda	GRC	$2.9	Since March 2025, BELCO has been providing data to the Bermuda Regulatory Authority to establish rates effective January 1, 2026 and January 1, 2027. BELCO has requested an increase in revenue of $1.9 million for 2026 and $1.0 million for 2027 (excluding fuel costs). This request is based on an ROE of 12.36% for both years and an equity ratio of 62%.

CORPORATE GROUP NET EARNINGS AND ADJUSTED NET EARNINGS

Key financial information related to the Corporate Group is as follows:

2025 Third Quarter and Year-to-Date Corporate Group Net Loss and Adjusted Net Loss[1,2]

	Three months ended September 30		Nine months ended September 30	
(all dollar amounts in $ millions)	**2025**	**2024**	**2025**	**2024**
Revenue	**0.3**	0.4	**1.1**	1.0
Less: Operating expenses	**(0.9)**	2.7	**3.0**	5.7
Less: (Gains)/Loss on foreign exchange	**(2.3)**	6.4	**15.6**	3.8
Less: Depreciation and amortization	**0.3**	0.4	**0.7**	1.9
Add: Interest, dividend and other income	**4.2**	23.0	**10.8**	67.6
Add: Change in value of investments carried at fair value	**—**	1.3	**—**	23.5
Less: Other expenses				
Other losses	**(8.2)**	(3.4)	**(12.1)**	(12.4)
Gain/(Loss) on derivative financial instruments	**0.1**	—	**(7.4)**	1.5
Corporate Group EBIT[1,3]	**(0.8)**	11.8	**(26.9)**	69.8
Less: Interest expense	**(35.3)**	(44.2)	**(104.8)**	(128.2)
Less: Income tax recovery	**2.3**	13.4	**11.8**	21.8
Corporate Group Net Loss	**(33.7)**	(19.0)	**(119.9)**	(36.4)
Add / (Less): Adjusted items				
Gain on derivative financial instruments	**(8.7)**	(0.3)	**(1.8)**	(0.5)
Restructuring costs[4]	**9.6**	9.5	**22.0**	19.9
(Gain)/Loss on foreign exchange	**(2.3)**	6.4	**15.6**	3.8
Change in value of investments carried at fair value	**(0.1)**	(1.5)	**(0.1)**	(23.7)
Adjustment for taxes related to above	**(0.5)** -	1.3	**(2.7)**	14.5
Corporate Group Adjusted Net Loss[1]	**(35.7)**	(3.6)	**(86.9)**	(22.4)

1 See *Caution Concerning Non-GAAP Measures*.

2 This table contains a reconciliation of Adjusted Net Earnings to net earnings for the Corporate Group. The relevant sections of the table are derived from and should be read in conjunction with the unaudited interim condensed consolidated statement of operations and *Note 14* in the unaudited interim condensed consolidated financial statements, "*Segmented Information*". This supplementary disclosure is intended to more fully explain disclosures related to Adjusted Net Earnings for the Corporate Group and provides additional information related to the operating performance of the Corporate Group. Investors are cautioned that Adjusted Net Earnings should not be construed as an alternative to net earnings.

3 This table contains a reconciliation of EBIT to net earnings for the Corporate Group. The relevant sections of the table are derived from and should be read in conjunction with the unaudited interim condensed consolidated statement of operations and *Note 14* in the unaudited interim condensed consolidated financial statements, "*Segmented Information*". This supplementary disclosure is intended to more fully explain disclosures related to EBIT and provides additional information related to the operating performance of the Corporate Group. Investors are cautioned that EBIT should not be construed as an alternative to net earnings.

4 See *Note 12* in the *unaudited interim condensed consolidated financial statements.*

For the three and nine months ended September 30, 2025, interest, dividend and other income includes dividends from Atlantica of $nil as compared to $21.8 million and $65.4 million, respectively, during the same periods in 2024. Similarly, for the three and nine months ended September 30, 2025, change in investments carried at fair value was $nil as compared to a gain of $1.4 million and $23.5 million, respectively, in the same periods in 2024. The decrease is due to the sale of the Company's ownership interest in Atlantica on December 12, 2024.

During the three and nine months ended September 30, 2025, interest expense totaled $35.3 million and $104.8 million as compared to $44.2 million and $128.2 million, respectively, in the same periods in 2024. The decrease was primarily driven by lower borrowing due to the usage of the proceeds from sale of the Company's investment in Atlantica and the Renewables Sale.

For the three and nine months ended September 30, 2025, other net losses primarily related to restructuring costs (including third party consulting charges) of $9.6 million and $22.0 million for the three and nine months ended September 30, 2025, respectively, as compared to $9.5 million and $19.9 million, respectively, during the same periods in 2024.

HYDRO GROUP NET EARNINGS

Key financial information related to the Hydro Group is as follows:

2025 Third Quarter and Year-to-Date Hydro Group Net Earnings[1]

	Three months ended September 30		Nine months ended September 30	
(all dollar amounts in $ millions)	**2025**	**2024**	**2025**	**2024**
Revenue	**$ 8.4**	$ 8.9	**$ 28.1**	$ 27.2
Other revenue	**0.2**	—	**0.7**	0.8
Less: Other cost of sales	**—**	—	**—**	0.3
Less: Operating expenses	**2.7**	1.7	**8.2**	6.8
Less: Depreciation and amortization	**1.9**	1.7	**5.5**	5.0
Add: Interest, dividend and other income	**—**	—	**0.2**	—
Add: Other gains	**0.7**	—	**0.7**	—
Hydro Group EBIT[2]	**4.7**	**5.5**	**16.0**	**15.9**
Less: Interest expense	**(0.2)**	(0.2)	**(0.7)**	(0.7)
Less: Income tax (expense) / recovery[3]	**(0.2)**	(1.1)	**16.7**	(3.4)
Net earnings from non-controlling interest	**(1.0)**	(0.5)	**(3.0)**	(2.3)
Hydro Group Net Earnings	**$ 3.3**	**$ 3.7**	**$ 29.0**	$ 9.5

1 This table contains a reconciliation of EBIT to net earnings for the Hydro Group. The relevant sections of the table are derived from and should be read in conjunction with the unaudited interim condensed consolidated statement of operations and *Note 14* in the unaudited interim condensed consolidated financial statements, "*Segmented Information*". This supplementary disclosure is intended to more fully explain disclosures related to EBIT and provides additional information related to the operating performance of the Hydro Group. Investors are cautioned that EBIT should not be construed as an alternative to net earnings.

2 See *Caution Concerning Non-GAAP Measures.*

3 For the nine months ended September 30, 2025, income tax primarily relates to $15.9 million of income tax recovery from the tax basis step-up during Hydro Group's asset reorganization related to the Renewables Sale.

DISCONTINUED OPERATIONS: RENEWABLE ENERGY GROUP

The former renewable energy group (excluding hydro), presented as discontinued operations, generated and sold electrical energy produced by its diverse portfolio of renewable power generation and clean power generation facilities located in the United States and Canada. The renewable energy group (excluding hydro) was sold by the Company on January 8, 2025.

Key financial information related to the discontinued operations is as follows:

2025 Third Quarter and Year-to-Date Discontinued Operations Results

	Three months ended September 30		Nine months ended September 30	
(all dollar amounts in $ millions)	**2025**	**2024**	**2025**	**2024**
Revenue	**$ —**	$ 66.2	**$ 7.4**	$ 240.5
Operating income (loss)	**$ —**	$ 5.3	**$ (1.3)**	$ (9.4)
Net loss attributable to AQN	**$ (34.8)**	$ (1,355.2)	**$ (26.7)**	$ (1,366.9)

For the three and nine months ended September 30, 2025, the renewable energy group's facilities generated operating revenue of $nil and $7.4 million, respectively, as compared to $66.2 million and $240.5 million, respectively, in the comparable periods in the prior year. The net loss attributable to the Company for the three and nine months ended September 30, 2025, was $34.8 million and $26.7 million, respectively, and was primarily driven by finalization of certain closing adjustments. The net loss attributable to the Company for the same periods in 2024 was $1,355.2 million and $1,366.9 million, respectively.

Due to the Renewables Sale, during the three months ended September 30, 2025, cash provided by operating activities was $nil as compared to $2.7 million during the same period in 2024. Cash used in investing activities was $nil as compared to $24.1 million during the same period in 2024. During the nine months ended September 30, 2025, cash provided by operating activities was $nil as compared to $79.5 million during the same period in 2024. Cash used in investing activities was $nil as compared to $134.3 million during the same period in 2024.

NON-GAAP FINANCIAL MEASURES

Reconciliation of EBIT to Net Earnings

The following table is derived from and should be read in conjunction with the unaudited interim condensed consolidated statement of operations. This supplementary disclosure is intended to more fully explain disclosures related to EBIT of AQN and provides additional information related to the operating performance of AQN. Investors are cautioned that this measure should not be construed as an alternative to U.S. GAAP consolidated net earnings.

	Three months ended September 30		Nine months ended September 30	
(all dollar amounts in $ millions)	**2025**	**2024**	**2025**	**2024**
Net earnings (loss) attributable to shareholders	**$ 38.9**	$ (1,305.7)	**$ 159.8**	$ (1,194.1)
Add (deduct):				
Income tax expense	**27.0**	6.4	**53.8**	33.3
Net effect of non-controlling interest	**(15.0)**	(16.1)	**(50.9)**	(55.2)
Loss from discontinued operations, net of tax	**34.8**	1,355.2	**26.7**	1,366.9
Interest expense	**71.7**	91.3	**210.9**	274.1
EBIT	**$ 157.4**	$ 131.1	**$ 400.3**	$ 425.0

Reconciliation of Adjusted Net Earnings to Net Earnings

The following table is derived from and should be read in conjunction with the unaudited interim condensed consolidated statement of operations. This supplementary disclosure is intended to more fully explain disclosures related to Adjusted Net Earnings of AQN and provides additional information related to the operating performance of AQN. Investors are cautioned that this measure should not be construed as an alternative to U.S. GAAP consolidated net earnings.

The following table shows the reconciliation of net earnings to Adjusted Net Earnings of AQN exclusive of these items:

	Three months ended September 30		Nine months ended September 30	
(all dollar amounts in $ millions except per share information)	**2025**	**2024**	**2025**	**2024**
Net earnings (loss) attributable to shareholders	**$ 38.9**	$ (1,305.7)	**$ 159.8**	$ (1,194.1)
Add (deduct):				
Loss from discontinued operations, net of tax	**34.8**	1,355.2	**26.7**	1,366.9
Gain on derivative financial instruments	**(8.7)**	(0.3)	**(1.8)**	(0.5)
Restructuring costs[1]	**9.6**	9.5	**22.0**	19.9
Loss (Gain) on foreign exchange	**(2.3)**	6.4	**15.6**	3.8
Change in value of investments carried at fair value[2]	**(0.1)**	(1.5)	**(0.1)**	(23.7)
Adjustment for taxes related to above	**(0.5)**	1.3	**(2.7)**	14.5
Adjusted Net Earnings	**$ 71.7**	$ 64.9	**$ 219.5**	$ 186.8
Adjusted Net Earnings per common share	**$ 0.09**	$ 0.08	**$ 0.28**	$ 0.25

1 See *Note 12* in the unaudited interim condensed consolidated financial statements.

2 See *Note 6* in the unaudited interim condensed consolidated financial statements.

For the three months ended September 30, 2025, Adjusted Net Earnings totaled $71.7 million as compared to $64.9 million for the same period in 2024, an increase of $6.8 million.

For the nine months ended September 30, 2025, Adjusted Net Earnings totaled $219.5 million as compared to $186.8 million for the same period in 2024, an increase of $32.7 million.

SUMMARY OF PROPERTY, PLANT AND EQUIPMENT EXPENDITURES

(all dollar amounts in $ millions)	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Regulated Services Group				
Sustaining[1]	**$ 121.3**	$ 146.7	**$ 309.3**	$ 379.1
Growth	**$ 25.5**	$ 28.3	**$ 73.9**	$ 119.4
	$ 146.8	$ 175.0	**$ 383.2**	$ 498.5
Hydro Group	**$ 1.7**	$ 1.7	**$ 2.9**	$ 4.9
Total Capital Expenditures	**$ 148.5**	$ 176.7	**$ 386.1**	$ 503.4

[1] Refers to maintenance expenditure incurred during the period.

2025 Third Quarter Property, Plant and Equipment Expenditures

During the three months ended September 30, 2025, the Regulated Services Group made capital expenditures of $146.8 million as compared to $175.0 million during the same period in 2024. The decrease of $28.2 million is mainly due to timing of capital expenditures incurred and unrepeated technology projects in 2025. The Regulated Services Group's investments during the third quarter of 2025 were primarily related to the construction of transmission and distribution main replacements, work on new and existing substation assets, and initiatives relating to the safety and reliability of water, electric and natural gas systems.

During the three months ended September 30, 2025, the Hydro Group made capital expenditures of $1.7 million as compared to $1.7 million during the same period in 2024. Investments during the third quarter of 2025 were primarily related to ongoing repairs and maintenance at existing operating facilities.

During the three months ended September 30, 2025 and September 30, 2024, the Corporate Group incurred no sustaining capital expenditures.

2025 Year-to-Date Property, Plant and Equipment Expenditures

During the nine months ended September 30, 2025, the Regulated Services Group incurred capital expenditures of $383.2 million as compared to $498.5 million during the same period in 2024. The decrease of $115.3 million is mainly due to timing of capital expenditures incurred and unrepeated technology projects in 2025. The Regulated Services Group's investments year-to-date in 2025 were primarily related to the construction of transmission and distribution main replacements, work on new and existing substation assets, and initiatives relating to the safety and reliability of electric and natural gas systems.

During the nine months ended September 30, 2025, the Hydro Group made capital expenditures of $2.9 million as compared to $4.9 million during the same period in 2024. Investments year-to-date in 2025 were primarily related to ongoing repairs and maintenance at existing operating facilities.

During the nine months ended September 30, 2025 and September 30, 2024, the Corporate Group incurred no sustaining capital expenditures.

LIQUIDITY AND CAPITAL RESERVES

AQN has revolving credit and letter of credit facilities as well as separate credit facilities for the Regulated Services Group to manage liquidity and working capital requirements (collectively the "Bank Credit Facilities").

Bank Credit Facilities

The following table sets out the Bank Credit Facilities available to AQN and its operating groups as at September 30, 2025:

(all dollar amounts in $ millions)	As at September 30, 2025 Total	As at December 31, 2024 Total
Revolving and term credit facilities[1]	$ 2,181.7	$ 2,380.3
Funds drawn on facilities / commercial paper issued	(332.2)	(814.8)
Letters of credit issued	(33.0)	(26.2)
Liquidity available under the facilities	1,816.5	1,539.3
Undrawn portion of uncommitted letter of credit facilities	(64.7)	(63.3)
Cash on hand	62.2	34.8
Total Liquidity and Capital Reserves	$ 1,814.0	$ 1,510.8

[1] Includes a $75 million uncommitted standalone letter of credit facility and $81.7 million drawn term facilities of Suralis S.A. (“Suralis”) as at September 30, 2025 ($180.3 million as at December 31, 2024).

Regulated Services Group

As at September 30, 2025, the Regulated Services Group's $1.0 billion senior unsecured revolving credit facility (the "Long-Term Regulated Services Credit Facility") had no amounts drawn and had $22.7 million of outstanding letters of credit. The Long-Term Regulated Services Credit Facility matures on April 29, 2027. As at September 30, 2025, the Regulated Services Group had $245.0 million of commercial paper issued and outstanding.

On September 25, 2025, Suralis partially repaid CLF 1.5 million (equivalent to $62.2 million) of its term credit facilities. As at September 30, 2025, Suralis' term credit facilities had $81.7M drawn.

On July 10, 2025, the Regulated Services Group amended and restated its senior unsecured revolving credit facility (the "Bermuda Credit Facility") by decreasing the facility limit from $100.0 million to $25.0 million and extending the maturity to July 10, 2027. Concurrently with the amendment and restatement of the Bermuda Credit Facility, the Regulated Services Group fully repaid the $62.4 million drawn on the Bermuda Credit Facility. As at September 30, 2025, the Regulated Services Group's $25.0 million Bermuda Credit Facility had $5.5 million drawn.

On July 10, 2025, the Regulated Services Group fully repaid a $49.5 million term loan facility at BELCO.

Corporate Group

As at September 30, 2025, the $1.0 billion senior unsecured revolving credit facility (the "Corporate Credit Facility") had no amounts drawn and had no outstanding letters of credit. The Corporate Credit Facility matures on March 31, 2028.

As at September 30, 2025, the Company had issued $10.3 million of letters of credit from its $75.0 million uncommitted letter of credit facility.

Long-Term Debt

Issuance of $200.0 Million of Senior Unsecured Notes

On July 10, 2025, BELCO completed a private placement offering of $200.0 million aggregate principal amount of 5.28% senior notes due June 14, 2030 (the "Senior Notes"). The Senior Notes are unsecured and unsubordinated obligations of BELCO and senior in right of payment to any existing and future subordinated indebtedness. BELCO used the net proceeds from the sale of the Senior Notes to repay certain existing indebtedness and for other general corporate purposes. On July 10, 2025, BELCO fully repaid its $49.5 million term loan facility ahead of its scheduled maturity of December 26, 2031. On July 10, 2025, BELCO fully repaid the $62.4 million drawn on its Bermuda Credit Facility.

Issuance of CLF 1.5 Million of Senior Unsecured Bond

On August 13, 2025, Suralis completed a private placement offering of CLF 1.5 million (equivalent to USD $61.6 million) aggregate principal amount of 3.30% senior utility bonds due July 10, 2034 (the "Senior Utility Bonds"). The Senior Utility Bonds are unsecured and unsubordinated obligations of Suralis and senior in right of payment to any existing and future subordinated indebtedness. Suralis used the net proceeds from the sale of the Senior Utility Bonds to repay certain existing indebtedness and for other general corporate purposes.

Credit Ratings

AQN has a long-term consolidated corporate credit rating of BBB from Standard & Poor's Financial Services LLC, ("S&P"), a BBB rating from Morningstar DBRS ("DBRS") and a BBB issuer rating from Fitch Ratings Inc. ("Fitch").

Liberty Utilities Co. has a corporate credit rating of BBB from S&P, a BBB issuer rating from Fitch and a Baa2 issuer rating from Moody's Investor Service, Inc. ("Moody's"). Debt issued by Liberty Utilities Co. has a rating of BBB from S&P, BBB+ from Fitch and Baa2 from Moody's. Debt issued by Liberty Utilities Finance GP1 ("Liberty GP") has a rating of BBB (high) from DBRS, BBB+ from Fitch, BBB from S&P and Baa2 from Moody's. The Empire District Electric Company has an issuer rating of BBB from S&P and a Baa1 rating from Moody's. Liberty Utilities (Canada) LP, the parent company for the Canadian regulated utilities under the Regulated Services Group, has an issuer rating of BBB from DBRS. The fixed-rate securitized utility tariff bonds (series 2024-A) issued by Empire District Bondco, LLC have a rating of AAA (sf) from S&P and Moody's.

Contractual Obligations

There were no material changes in payments due for each of the next five years pursuant to the Company's contractual obligations as at September 30, 2025 as compared to December 31, 2024.

Equity

The common shares of AQN are publicly traded on the Toronto Stock Exchange and the New York Stock Exchange under the trading symbol "AQN". As at November 6, 2025 AQN had 768,246,048 issued and outstanding common shares.

AQN may issue an unlimited number of common shares. The holders of common shares are entitled to dividends, if and when declared; to one vote for each share at meetings of the holders of common shares; and to receive a pro rata share of any remaining property and assets of AQN upon liquidation, dissolution or winding up of AQN. All common shares are of the same class and with equal rights and privileges and are not subject to future calls or assessments.

AQN is also authorized to issue an unlimited number of preferred shares, issuable in one or more series, containing terms and conditions as approved by the board of directors of the Company (the "Board"). As at November 6, 2025, AQN had outstanding:

- 4,800,000 Cumulative Rate Reset Preferred Shares, Series A, yielding 6.576% annually for the five-year period ending on December 31, 2028: and
- 4,000,000 Cumulative Rate Reset Preferred Shares, Series D, yielding 6.853% annually for the five year period ending on March 31, 2029.

Declaration of 2025 Fourth Quarter Dividend of $0.0650 (C$0.0918) per Common Share

The Board has declared a fourth quarter 2025 dividend of $0.0650 per common share payable on January 15, 2026 to shareholders of record on December 31, 2025.

The Canadian dollar equivalent for the fourth quarter 2025 dividend is C$0.0918 per common share.

Changes in the level of dividends paid by AQN are at the discretion of the Board, with dividend levels being reviewed periodically by the Board in the context of AQN's financial performance and growth prospects.

The previous four quarter U.S. and Canadian dollar equivalent dividends per common share have been as follows:

	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Total
U.S. dollar dividend	$ 0.0650	$ 0.0650	$ 0.0650	$ 0.0650	$0.2600
Canadian dollar equivalent	$ 0.0934	$ 0.0897	$ 0.0893	$ 0.0918	$0.3642

Dividend Reinvestment Plan

Effective March 16, 2023, AQN suspended its shareholder dividend reinvestment plan (the "Reinvestment Plan") for registered holders of common shares of AQN. Effective for the first quarter 2023 dividend (paid on April 14, 2023 to shareholders of record on March 31, 2023), shareholders participating in the Reinvestment Plan began receiving cash dividends. If the Company elects to reinstate the Reinvestment Plan in the future, shareholders who were enrolled in the Reinvestment Plan at its suspension and remain enrolled at reinstatement will automatically resume participation in the Reinvestment Plan.

As at September 30, 2025, 168,595,010 common shares representing approximately 22% of total common shares outstanding had been registered with the Reinvestment Plan.

SHARE-BASED COMPENSATION PLANS

As at September 30, 2025, the following share-based compensation awards were outstanding which may be exercised or settled, as applicable, for common shares of the Company:

Share-based compensation awards	Total
Options	2,045,079
Performance and Restricted Share Units	5,845,666
Director's Deferred Share Units	790,597
Bonus Deferral Restricted Share Units	174,539

AQN also has an Employee Share Purchase Plan (the "ESPP") which allows eligible employees to use a portion of their earnings to purchase common shares of AQN. As at September 30, 2025, a total of 4,341,376 common shares had been issued under the ESPP.

ENTERPRISE RISK MANAGEMENT

The Corporation is subject to a number of risks and uncertainties, certain of which are described below. The risks discussed below are not intended to be a complete list of all risks that AQN, its subsidiaries and affiliates are encountering or may encounter. Please see the Company's most recent AIF and Annual MD&A available on SEDAR+ and EDGAR for a further discussion of risk factors to which the Company is subject. To the extent of any inconsistency, the risks discussed below are intended to provide an update on those that were previously disclosed.

Risks Related to Changes in Laws and Regulations

The operations and activities of the Company, its subsidiaries and its business units are subject to the laws, regulations, orders and other requirements of a variety of federal, state, provincial and local governments and courts, including regulatory commissions, environmental agencies and other regulatory bodies, which laws, regulations, decisions, orders, rules and other requirements affect the operations and activities of, and costs incurred by, the Company. The Company is accordingly subject to risks associated with: changing political conditions and changes in political leadership, changes in, modifications to, reinterpretations of or application of existing laws, rules, orders or regulations, the imposition of new laws, rules, orders or regulations (including the imposition of import controls and tariffs and the power of eminent domain), court decisions, and the taking of other action by governmental, judicial or regulatory authorities, including, but not limited to, a pause, reduction or elimination of relevant federal funding, incentives, credits or programs, revocation, lapse, limitation or non-renewal of utility franchises or other rights to provide utility services to existing or new customers, potential limitations on water rights used by utilities in providing service, eminent domain of assets, termination of contracts, actions to municipalize utility service areas or limitations on utility growth and/or expansions of service areas, any of which could adversely affect the Company's business, regulatory approvals, assets, results of operations and financial condition. If the

Company or any of its subsidiaries or business units were found to be in violation of such applicable laws, regulations, orders or other requirements, they could be subject to significant penalties or legal actions and/or legal or regulatory decisions that could have a material impact on the Company.

Treasury Risk Management

Capital Markets and Liquidity Risk

As at September 30, 2025, the Company and its subsidiaries had approximately $6.4 billion of long-term consolidated indebtedness. Management of the Company believes, based on its current expectations as to the Company's future performance, that the cash flow from operations, the funds available under its credit facilities, and its ability to access capital markets will be adequate to enable the Company to finance its operations, execute its business strategy and maintain an adequate level of liquidity. However, the Company's expected revenue and capital expenditures are only estimates. Moreover, actual cash flows from operations will depend on regulatory, market and other conditions that are beyond the Company's control and which may be impacted by the risk factors herein. As a result, there can be no assurance that management's expectations as to future performance will be realized.

The Company's ability to obtain additional debt or equity or issue other securities, on favourable terms or at all, may be adversely affected by negative perceptions of the Company, any adverse financial or operational performance, the price of the Common Shares of the Company, financial market disruptions, the failure or collapse of any financial institution, prevailing market views and perceptions, or other factors outside the Company's control. In addition, the Company may at times incur indebtedness in excess of its long-term leverage targets, in advance of raising the additional equity or similar securities necessary to repay such indebtedness and maintain its long-term leverage target. Any increase in the Company's leverage or degradation of key credit metrics below threshold levels could, among other things: limit the Company's ability to obtain additional financing for working capital, investments in subsidiaries, capital expenditures, debt service requirements, acquisitions and general corporate or other purposes; restrict the Company's flexibility and discretion to operate its business; limit the Company's ability to declare dividends or maintain prior dividend levels; require the Company to dedicate a portion of cash flows from operations to the payment of interest on its existing indebtedness, in which case such cash flows would not be available for other purposes; cause rating agencies to re-evaluate or downgrade the Company's existing credit ratings; require the Company to post additional collateral security under some of its contracts and hedging arrangements; expose the Company to increased interest expense on borrowings at variable rates; limit the Company's ability to adjust to changing market conditions; place the Company at a competitive disadvantage compared to its competitors; make the Company vulnerable to any downturn in general economic conditions; render the Company unable to make expenditures that are important to its future growth strategies and require the Company to pursue alternative funding strategies.

The Company will need to refinance or reimburse amounts outstanding under the Company's existing consolidated indebtedness over time. There can be no assurance the Company will be successful in refinancing its indebtedness when necessary or that additional financing will be obtained when needed, on commercially reasonable terms or at all. In the event that the Company cannot refinance its indebtedness or raise additional indebtedness, or if the Company cannot refinance its indebtedness or raise additional indebtedness on terms that are no less favourable than the current terms, the Company's cash flows and ability to declare dividends or repay its indebtedness may be adversely affected.

The Company's ability to meet its debt service requirements will depend on its ability to generate cash in the future, which depends on many factors, including the Company's financial performance, debt service obligations, the realization of the anticipated benefits of any acquisition, disposition and investment activities, and working capital and capital expenditure requirements. In addition, the Company's ability to borrow funds in the future to make payments on outstanding debt will depend on the satisfaction of covenants in existing credit agreements and other agreements. A failure to comply with any covenants or obligations under the Company's consolidated indebtedness could result in a default under one or more such instruments, which, if not cured or waived, could result in the termination of dividends by the Company and permit acceleration of the relevant indebtedness. There can be no assurance that, if such indebtedness were to be accelerated, the Company's assets would be sufficient to repay such indebtedness in full. There can also be no assurance that the Company will generate cash flow in amounts sufficient to pay its outstanding indebtedness or to fund the Company's liquidity needs.

Interest Rate Risk

The Company is exposed to interest rate risk from certain outstanding variable interest indebtedness, as well as any new borrowings on existing and new credit facilities and other debt issuances. Fluctuations in interest rates may also impact the costs to obtain other forms of capital and the feasibility of planned growth initiatives.

In addition, for the Regulated Services Group, costs resulting from interest rate increases may not be recoverable in whole or in part, and "regulatory lag" may cause a time delay in the payment to the Regulated Services Group of any such costs that are recoverable.

As a result, fluctuations in interest rates could materially increase the Corporation's financing costs, limit the Corporation's options for financing or investment and adversely affect its results of operations, cash flows, key credit metrics, borrowing capacity and ability to implement its business strategy.

As at September 30, 2025, approximately 95% of debt outstanding in AQN and its subsidiaries was subject to a fixed rate of interest and, as a result, such debt is not subject to significant interest rate risk in the short-term time horizon.

Borrowings subject to variable interest rates can fluctuate significantly from month to month, quarter to quarter and year to year. AQN's target is to maintain a minimum of 90% fixed rate debt. As a result, the Company may hedge the interest rate risk on its variable interest rate borrowings from time to time.

Based on amounts outstanding as at September 30, 2025, the impact to interest expense on variable rate loans from changes in interest rates are as follows:

- the Corporate Credit Facility is subject to a variable interest rate and had no amounts outstanding as at September 30, 2025. As a result, a 100 basis point change in the variable rate charged would not impact interest expense;
- the Long-Term Regulated Services Credit Facility is subject to a variable interest rate and had no amounts outstanding as at September 30, 2025. As a result, a 100 basis point change in the variable rate charged would not impact interest expense;
- the Bermuda Credit Facility is subject to a variable interest rate and had $5.5 million outstanding as at September 30, 2025. As a result, a 100 basis point change in the variable rate charged would impact interest expense by $0.1 million annually;
- the Regulated Services Group's commercial paper program is subject to a variable interest rate and had $245.0 million outstanding as at September 30, 2025. As a result, a 100 basis point change in the variable rate charged would impact interest expense by $2.5 million annually; and
- term facilities at Suralis that are subject to variable interest rates had $81.7 million outstanding as at September 30, 2025. As a result, a 100 basis point change in the variable rate charged would impact interest expense by $0.8 million annually.

In Summary, a 100 basis point change in the variable interest rate would impact the interest expense of company by approximately $3.4 million annually.

Tax Risk and Uncertainty

The Corporation is subject to income and other taxes primarily in the United States, Canada, Bermuda, and Chile. Changes in tax laws or interpretations or applications thereof, which may or may not have a retroactive effect, in the jurisdictions in which the Corporation does business could adversely affect the Corporation's results from operations, returns to shareholders, and cash flows. One or more taxing jurisdictions could seek to impose incremental or new taxes on the Company pursuant to the following or otherwise:

- On July 4, 2025, the U.S. enacted the "One Big Beautiful Bill Act" (the "OBBBA"), which makes permanent or modifies several provisions from the 2017 Tax Cuts and Jobs Act, introduces new measures, and phases out many green energy incentives from the 2022 Inflation Reduction Act.
- On July 7, 2025, an Executive Order titled "Ending Market Distorting Subsidies for Unreliable, Foreign Controlled Energy Sources" was issued. The Executive Order directs Treasury to take any necessary or appropriate action within 45 days to strictly enforce the termination of certain tax credits for wind and solar energy in the OBBBA.

The Corporation cannot predict the ultimate effect on the Corporation's business of the OBBBA or of other current or future executive orders or other related legislative or regulatory initiatives. The Corporation cannot provide assurance that the Canada Revenue Agency, the Internal Revenue Service or any other applicable taxation authority will agree with the tax positions taken by the Corporation, including with respect to claimed expenses and the cost amount of the Corporation's depreciable properties. A successful challenge by an applicable taxation authority regarding such tax positions could adversely affect the results of operations and financial position of the Corporation.

The Corporation benefits from federal tax credits and other tax incentives with respect to the development and operation of power generation and storage facilities in the United States, including its remaining investments in the operating facilities associated with the Renewables Sale. The 2022 Inflation Reduction Act extended and expanded certain energy credits. However, the rules governing these tax credits include technical requirements for credit eligibility. Further, recent political developments in the United States (including the enactment of the OBBBA and the Executive Order titled "Ending Market Distorting Subsidies for Unreliable, Foreign Controlled Energy Sources") have introduced significant uncertainty around Inflation Reduction Act funding, particularly around federal tax credits and related incentives. The Corporation has remaining investments in certain tax equity financing transactions in facilities in the United States, under which allocations of tax credits and distributions of cash to the Corporation from the applicable facility could be adversely affected if there are changes in U.S. tax laws that apply to facilities previously placed in service.

OPERATIONAL RISK MANAGEMENT

Dispositions

For financial, strategic and other reasons, the Corporation may from time to time dispose of, or desire to dispose of, businesses or assets (in whole or in part) that it owns. Any disposition by the Corporation may result in recognition of a loss upon such a sale and may result in a decrease to its revenues, cash flows and net income and a change to its business mix. A disposition may also result in less proceeds than expected or liabilities to the Corporation, including as a result of any post-closing indemnities or purchase price adjustments. In addition, the Corporation may not be able to dispose of businesses or assets that the Corporation desires or expects to sell at all or at a price acceptable to the Corporation. Failure to execute on any planned disposition may require the Corporation to seek alternative sources of funds, including one or more potential issuances of equity, or incur additional indebtedness, which may, among other things, cause rating agencies to re-evaluate or downgrade the Corporation's existing credit ratings. Each of the foregoing items may have an adverse effect on the Corporation's business, results of operations, cost of capital or financial condition.

Regulatory Risk

Profitability of AQN businesses is, in part, dependent on regulatory climates in the jurisdictions in which those businesses operate.

In the case of some of the Hydro Group’s hydroelectric facilities, water rights are owned by governments that reserve the right to control water levels, which may affect revenue. The failure to obtain all necessary licenses or permits for such facilities, including renewals thereof or modifications thereto, may result in an inability to operate the facility and could adversely affect cash generated from operating activities.

The Regulated Services Group’s facilities are subject to rate setting by its regulatory agencies. The Company operates utilities in 13 U.S. states, one Canadian province, Bermuda and Chile and therefore is subject to regulation from 17 different regulatory agencies, including FERC. The time between the incurrence of costs and the granting of the rates to recover those costs by regulatory agencies is known as regulatory lag. Regulatory lag, inflationary effects and timing delays may impact the ability to recover expenses and/or capital costs, and profitability could be impacted. In order to mitigate this exposure, the Company seeks to obtain approval for regulatory constructs in the states in which it operates to allow for timely recovery of operating expenses and capital costs. A fundamental risk faced by a regulated utility is the disallowance by the utility’s regulator of operating expenses or capital costs for which recovery is sought through regulatory proceedings. The Company has invested significant capital in its utilities for which it is or will be seeking cost recovery. There is a risk that the utilities’ regulators may not approve, or may otherwise delay recovery, of some or all of the Company’s invested capital. In addition, as the Company recently updated its technology infrastructure systems, there is additional risk that financial data required for rate filings could be difficult to produce or the data is deemed unreliable for ratemaking purposes. Further, customer billing concerns could negatively impact the risk of disallowance, regulatory lag, penalties and/or adverse action relating to the Company's earned return. In addition, capital investments that have become stranded may pose additional risk for cost recovery and could be subject to legislation or rulings that would impact the extent to which such costs could be recovered. Similarly, recovery of extraordinary fuel expenses may pose additional risk for cost recovery and could be subject to legislation or regulatory action that would impact the extent to which such costs could be recovered. Further, there is a risk that utility regulators may scrutinize the Company's allocation of shared costs, including in the period following closing of the Renewables Sale. To the extent proposed costs are not included in a utility's rates, the utility will be required to find other efficiencies, growth opportunities or cost savings to achieve its allowed return.

Furthermore, the economies of Canada and the United States each experienced a significant rise in the inflation rate in the post-pandemic era compared to recent historical inflation rates. While the inflation rate has subsided due, in part, to actions taken by the Bank of Canada and the U.S. Federal Reserve Bank, there remains uncertainty in the near-term outlook as to whether inflation will remain elevated. Increases in inflation raise the Company’s costs for labour, materials and services, and a failure to recover these increased costs could result in under-recovery. Cost recovery efforts could also face resistance from customers and other stakeholders especially in a rising cost environment, whether due to inflation or high fuel prices or otherwise, and/or in periods of economic decline or hardship. Significant increases in costs also could increase financing needs and otherwise adversely affect the Company’s business, financial position and results of operations.

In addition, there is a risk that the utility’s regulator will not approve the revenue requirements or rate adjustments requested in outstanding or future rate applications or will, on its own initiative, seek to reduce the existing revenue requirements or approved rates. Rate applications are subject to the utility regulator’s review process, usually involving participation from intervenors and other stakeholders that are involved in the case, and a public hearing process. There can be no assurance that resulting decisions or rate orders issued by the utility regulators will permit the Company to recover all costs actually incurred, costs of debt and income taxes, or to earn a particular return on equity.

Condemnation Expropriation Proceedings

The Company's distribution systems could be subject to condemnation or other methods of taking by government entities under certain conditions (including, without limitation, Liberty Utilities (Apple Valley Ranchos Water) Corp., which has been the subject of a condemnation lawsuit filed by the Town of Apple Valley and Liberty New York Water, which has received condemnation inquiries). There can be no assurance that the Corporation will receive fair market value for such assets or that the Corporation would not incur a loss.

Inflation Risk

AQN's profitability could be impacted by inflation increases above long-term averages. The Company's facilities are subject to rate setting by its regulatory agencies. The time between the incurrence of costs and the granting of the rates to recover those costs by regulatory agencies is known as regulatory lag. As a result of regulatory lag, inflationary effects and timing delays may impact the ability to recover expenses and/or capital costs, and profitability could be impacted. In the event of significant inflation, the impact of regulatory lag on the Company would be increased. In order to mitigate this exposure, the Company seeks to obtain approval for regulatory constructs in the states in which it operates to allow for timely recovery of operating expenses and capital costs.

Development and construction projects could experience a decrease in expected returns as a result of increased costs.

Tariff Risk

Changes in tariffs may adversely affect the Company's operating expenses and the capital expenditures required to maintain, develop or construct the Company's projects or infrastructure. As a result of recent comprehensive changes to U.S. trade policy, tariffs and retaliatory tariffs are being contemplated, threatened and/or imposed by the U.S. and a number of affected countries, including Canada, Bermuda, Chile and China. The situation is fluid and has changed rapidly. Whether these tariffs will be increased, decreased, further delayed or suspended altogether, as well as the imposition of additional tariffs by the U.S., the potential for further retaliation or tariff imposition by other countries or any further adjustment to trade policies and tariffs and the timing thereof are difficult to predict at this time. Any such tariffs could adversely affect the Company's business, results of operations, financial condition and cash flows. In addition, import restrictions, border delays and seizures of products by governmental authorities may also increase the cost of projects and result in construction and placed-in-service delays. These occurrences may have adverse impacts to the Company, as the buyer and/or importer of goods, which could adversely affect the Company's expected returns, results of operations and cash flows.

Litigation Risks and Other Contingencies

AQN and certain of its subsidiaries are involved in various litigation, claims and other legal and regulatory proceedings that arise from time to time in the ordinary course of business. Any accruals for contingencies related to these items are recorded in the financial statements at the time it is concluded that a material financial loss is likely and the related liability is estimable. Anticipated recoveries under existing insurance policies are recorded when reasonably assured of recovery.

Mountain View Fire
On November 17, 2020, a wildfire now known as the Mountain View Fire occurred in the territory of Liberty Utilities (CalPeco Electric) LLC ("Liberty CalPeco"). The cause of the fire remains in dispute, and CAL FIRE has not yet released its final report. There were 22 lawsuits filed that name certain subsidiaries of the Company as defendants in connection with the Mountain View Fire, as well as a non-litigation claim brought by the U.S. Department of Agriculture seeking reimbursement for alleged fire suppression costs and a notice from the U.S. Bureau of Land Management seeking damages for the alleged burning of public lands without authorization. Fifteen lawsuits were brought by groups of individual plaintiffs and a Native American group alleging causes of action including negligence, inverse condemnation, nuisance, trespass, and violations of Cal. Pub. Util. Code 2106 and Cal. Health and Safety Code 13007 (one of these 15 lawsuits also alleges the wrongful death of an individual and various subrogation claims on behalf of insurance companies). In six other lawsuits, insurance companies alleged inverse condemnation and negligence and seek recovery of amounts paid and to be paid to their insureds. In one other lawsuit, County of Mono, Antelope Valley Fire Protection District, and Bridgeport Indian Colony allege similar causes of action and seek damages for fire suppression costs, law enforcement costs, property and infrastructure damage, and other costs. Liberty CalPeco has resolved 21 of the lawsuits, and Liberty CalPeco is in the process of obtaining dismissals with prejudice of said lawsuits. The trial date for the remaining lawsuit previously scheduled for April 15, 2025 was vacated. The likelihood of success in this lawsuit is uncertain. Liberty CalPeco intends to vigorously defend it. The Company accrued estimated losses of $178.4 million for claims related to the Mountain View

Fire, against which Liberty CalPeco has recorded recoveries through insurance of $116.0 million and Wildfire Expense Memorandum Account ("WEMA") of $71.5 million. On June 20, 2025, the Company filed an application seeking recovery of $78.2 million, comprising of the costs recorded to date in the WEMA and $6.7 million of forecasted legal expenses. The resulting net charge to earnings was $nil. The estimate of losses is subject to change as additional information becomes available. The actual amount of losses may be higher or lower than these estimates. While the Company may incur a material loss in excess of the amount accrued, the Company cannot estimate the upper end of the range of reasonably possible losses that may be incurred. The Company has wildfire liability insurance that was applied up to applicable policy limits.

Apple Valley Condemnation Proceedings

On January 7, 2016, the Town of Apple Valley (the "Town") filed a lawsuit in California state court seeking to condemn the utility assets of Liberty Utilities (Apple Valley Ranchos Water) Corp. ("Liberty Apple Valley"). On May 7, 2021, the trial court issued a Tentative Statement of Decision denying the Town's attempt to take the Apple Valley water system by eminent domain. The ruling confirmed that Liberty Apple Valley's continued ownership and operation of the water system is in the best interest of the community. On October 14, 2021, the trial court issued the Final Statement of Decision. The trial court signed and entered an Order of Dismissal and Judgment on November 12, 2021. On January 7, 2022, the Town filed a notice of appeal of the judgment entered by the trial court. On August 2, 2022, the trial court issued a ruling awarding Liberty Apple Valley approximately $13.2 million in attorney's fees and litigation costs. The Town filed a notice of appeal of the fee award on August 22, 2022. On January 15, 2025, the California Court of Appeal issued a decision reversing the trial court’s finding that the Town does not have a right to take the assets of Liberty Apple Valley and reversing the award of attorney’s fees to Liberty Apple Valley. The Court of Appeal decision remands the condemnation proceedings to the trial court to determine whether to (i) allow the Town to take the water system, (ii) remand the matter to the Town for further administrative proceedings or (iii) hold a new trial and apply the appropriate burden of proof and standard of review. On February 21, 2025, Liberty Apple Valley filed a petition for review of the Court of Appeal decision with the California Supreme Court. On April 23, 2025, the California Supreme Court granted the petition for review, which is proceeding in due course before the California Supreme Court.

Lexington Gas Incident

On April 9, 2025, an explosion and fire occurred in Lexington, Missouri, destroying or damaging certain structures, including residences, served by the gas distribution system of The Empire District Gas Company. A minor died and two others suffered serious physical injuries. The National Transportation Safety Board is investigating. To date, ten active suits as well as other pre-litigation demands have been asserted against a subsidiary of the Company and third party defendants which seek damages for personal injury and property damage, and one of these suits also seeks damages for wrongful death. In addition, the Missouri Attorney General filed a petition for injunctive relief and civil penalties associated with the incident and on October 9, 2025, the MPSC opened an investigative docket into The Empire District Gas Company’s compliance with pipeline safety requirements. Although there can be no assurance, the Company has insurance that is currently expected to apply up to applicable policy limits for personal injury and property damage litigation and claims. The Company has currently accrued and incurred estimated losses of $108.5 million for claims related to the incident, against which recoveries through insurance of $107.0 million have been recorded. While the Company may incur a material loss in excess of the amount accrued, the Company cannot currently estimate the upper end of the range of reasonably possible losses that may be incurred. The estimate of losses is subject to change as additional information becomes available.

Technology Infrastructure Implementation Risk

The Company relies upon various information and operational technology infrastructure systems to carry out its business processes and operations. This subjects the Company to inherent costs and risks associated with maintaining, upgrading, replacing and changing information and operational technology systems. This includes impairment of its technology systems, potential disruption of operations, business process and internal control systems, substantial capital expenditures, demands on management time and other risks of delays, and difficulties in upgrading, transitioning and integrating technology systems.

AQN and certain of its subsidiaries have completed the implementation of an integrated customer solution platform, which includes customer billing, enterprise resource planning systems and asset management systems. The transition of operations to these new technology systems, or deficiencies in the design or implementation of these systems, could materially adversely affect the Company's operations, including its ability to monitor its business, pay its suppliers, bill its customers, and record and report financial information accurately and on a timely basis; lead to higher than expected costs; lead to increased regulatory scrutiny or adverse regulatory consequences; or result in the failure to achieve the expected benefits. As a result, the Company's operations, financial condition, cash flows and results of operations could be adversely affected.

QUARTERLY FINANCIAL INFORMATION

The following is a summary of unaudited quarterly financial information for the eight quarters ended September 30, 2025:

(all dollar amounts in $ millions except per share information)	4th Quarter 2024	1st Quarter 2025	2nd Quarter 2025	3rd Quarter 2025
Revenue	$ 584.8	$ 692.4	$ 527.8	$ 582.7
Net earnings (loss) attributable to shareholders	(186.4)	96.8	24.1	38.9
Net earnings (loss) attributable to shareholders from continuing operations	(107.5)	95.4	17.4	73.7
Net earnings (loss) attributable to shareholders from discontinued operations	(78.9)	1.4	6.7	(34.8)
Net earnings (loss) per share	(0.25)	0.12	0.03	0.05
Net earnings (loss) per share from continuing operations	(0.14)	0.12	0.02	0.09
Net earnings (loss) per share from discontinued operations	(0.10)	—	0.01	(0.04)
Diluted net earnings (loss) per share	(0.25)	0.12	0.03	0.05
Adjusted Net Earnings[1]	45.2	111.6	36.2	71.7
Adjusted Net Earnings per common share[1]	0.06	0.14	0.04	0.09
EBIT[1]	115.7	168.7	74.2	157.4
Total assets[3]	16,961.7	13,663.3	13,693.4	13,788.4
Long-term debt[2,3]	8,047.5	6,322.0	6,328.8	6,434.6
Dividends declared per common share	$ 0.07	$ 0.07	$ 0.07	$ 0.07

	4th Quarter 2023	1st Quarter 2024	2nd Quarter 2024	3rd Quarter 2024
Revenue	$ 585.7	$ 646.2	$ 515.3	$ 573.2
Net earnings (loss) attributable to shareholders	186.3	(89.1)	200.7	(1,305.7)
Net earnings (loss) attributable to shareholders from continuing operations	169.8	(56.8)	180.1	49.5
Net earnings (loss) attributable to shareholders from discontinued operations	16.5	(32.3)	20.6	(1,355.2)
Net earnings (loss) per share	0.27	(0.13)	0.28	(1.71)
Net earnings (loss) per share from continuing operations	0.24	(0.09)	0.26	0.06
Net earnings (loss) per share from discontinued operations	0.02	(0.04)	0.02	(1.77)
Diluted net earnings (loss) per share	0.27	(0.13)	0.28	(1.70)
Adjusted Net Earnings[1]	81.3	80.1	41.5	64.9
Adjusted Net Earnings per common share[1]	0.12	0.11	0.06	0.08
EBIT[1]	250.4	18.6	275.3	131.1
Total assets[3]	18,374.0	18,307.8	18,866.4	17,788.6
Long-term debt[2,3]	8,516.0	9,089.9	8,292.9	8,725.0
Dividends declared per common share	$ 0.11	$ 0.11	$ 0.11	$ 0.07

1 See *Caution Concerning Non-GAAP Measures.*

2 Includes current portion of long-term debt and long-term debt.

3 Includes discontinued operations

Quarterly revenues have fluctuated between $515.3 million and $692.4 million over the prior two year period. A number of factors impact quarterly results, including acquisitions, dispositions, seasonal fluctuations and customer rates. In addition, a factor impacting revenues year over year is the fluctuation in the strength of the Canadian dollar relative to the U.S. dollar, which can result in significant changes in reported revenue from Canadian operations.

Quarterly net earnings attributable to shareholders have fluctuated between a loss of $1,305.7 million and earnings of $200.7 million over the prior two year period. Earnings have been impacted by non-cash factors such as impairment upon classification of the renewable energy group (excluding hydro) as held for sale, deferred tax recovery and expense, impairment of intangibles, property, plant and equipment and mark-to-market gains and losses on financial instruments.

DISCLOSURE CONTROLS AND PROCEDURES

AQN's management carried out an evaluation as of September 30, 2025, under the supervision of and with the participation of AQN's Chief Executive Officer ("CEO") and Interim Chief Financial Officer ("Interim CFO"), of the effectiveness of the design and operations of AQN's disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15 (e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")). Based on that evaluation, the CEO and the Interim CFO have concluded that as of September 30, 2025, AQN's disclosure controls and procedures are effective to provide reasonable assurance that information required to be disclosed by AQN in reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in rules and forms of the U.S. Securities and Exchange Commission, and is accumulated and communicated to management, including the CEO and Interim CFO, as appropriate, to allow timely decisions regarding required disclosure.

Management Report on Internal Controls over Financial Reporting

Management, including the CEO and the Interim CFO, is responsible for establishing and maintaining internal control over financial reporting. Management, as at the end of the period covered by this interim filing, designed internal controls over financial reporting to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. GAAP. The control framework management used to design the Company's internal control over financial reporting is that established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Changes in Internal Controls over Financial Reporting

For the nine months ended September 30, 2025, there has been no change in the Company's internal controls over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

Inherent Limitations on Effectiveness of Controls

Due to its inherent limitations, disclosure controls and procedures or internal control over financial reporting may not prevent or detect all misstatements based on error or fraud. Further, the effectiveness of internal control is subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies or procedures may change.

CRITICAL ACCOUNTING ESTIMATES AND POLICIES

AQN prepared its unaudited interim condensed consolidated financial statements in accordance with U.S. GAAP. The preparation of the unaudited interim condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, related amounts of revenues and expenses, and disclosure of contingent assets and liabilities. Significant areas requiring the use of management judgment relate to the scope of consolidated entities, useful lives and recoverability of assets, the measurement of deferred taxes and the recoverability of deferred tax assets, rate-regulation, unbilled revenue, pension and post-employment benefits, fair value of derivatives and fair value of assets and liabilities acquired in a business combination. Actual results may differ from these estimates.

AQN's significant accounting policies and new accounting standards are discussed in *Notes 1* and *2,* respectively, in the Company's unaudited interim condensed consolidated financial statements.

Unaudited Interim Condensed Consolidated Financial Statements of

Algonquin Power & Utilities Corp.

For the three and nine months ended September 30, 2025 and 2024

Algonquin Power & Utilities Corp.
Unaudited Interim Condensed Consolidated Statements of Operations

(millions of U.S. dollars, except per share amounts)	Three months ended September 30		Nine months ended September 30	
	2025	**2024**	**2025**	**2024**
Revenue				
Regulated electricity distribution	**$ 360.8**	$ 361.4	**$ 983.2**	$ 971.5
Regulated natural gas distribution	**67.6**	65.7	**423.3**	393.9
Regulated water reclamation and distribution	**129.9**	124.3	**323.6**	302.1
Non-regulated energy sales	**8.4**	8.9	**28.1**	27.2
Other revenue	**16.0**	12.9	**44.7**	40.0
	582.7	573.2	**1,802.9**	1,734.7
Expenses				
Operating expenses	**214.3**	227.9	**641.0**	646.0
Regulated electricity purchased	**96.6**	100.9	**270.6**	280.6
Regulated natural gas purchased	**14.4**	13.2	**144.9**	132.1
Regulated water purchased	**7.8**	9.0	**20.4**	19.7
Other cost of sales	**7.5**	5.3	**20.0**	16.2
Depreciation and amortization	**94.7**	99.4	**297.0**	296.1
Loss (gain) on foreign exchange	**(2.3)**	6.4	**15.6**	3.8
	433.0	462.1	**1,409.5**	1,394.5
Operating income	**149.7**	111.1	**393.4**	340.2
Interest expense (note 7)	**(71.7)**	(91.3)	**(210.9)**	(274.1)
Income from long-term investments (note 6)	**6.9**	26.5	**16.4**	96.2
Other income (note 5)	**4.7**	5.7	**16.0**	18.4
Other net losses (note 12)	**(11.3)**	(9.5)	**(25.5)**	(19.9)
Pension and other post-employment non-service costs (note 8)	**(1.3)**	(3.0)	**(1.8)**	(10.4)
Gain on derivative financial instruments (note 17(b)(iv))	**8.7**	0.3	**1.8**	0.5
	(64.0)	(71.3)	**(204.0)**	(189.3)
Earnings before income taxes	**85.7**	39.8	**189.4**	150.9
Income tax expense from continuing operations (note 11)				
Current	**(12.4)**	(2.6)	**(21.9)**	(16.0)
Deferred	**(14.6)**	(3.8)	**(31.9)**	(17.3)
	(27.0)	(6.4)	**(53.8)**	(33.3)
Earnings from continuing operations	**58.7**	33.4	**135.6**	117.6
Loss from discontinued operations, net of tax (note 18)	**(34.8)**	(1,364.0)	**(26.7)**	(1,409.5)
Net earnings (loss)	**23.9**	(1,330.6)	**108.9**	(1,291.9)
Net effect of non-controlling interests from continuing operations	**15.0**	16.1	**50.9**	55.2
Net effect of non-controlling interests from discontinued operations (note 18)	**—**	8.8	**—**	42.6
Net earnings (loss) attributable to shareholders of Algonquin Power & Utilities Corp.	**$ 38.9**	$ (1,305.7)	**$ 159.8**	$ (1,194.1)
Series A Shares and Series D Shares dividend (note 9(b))	**2.7**	2.7	**7.9**	7.8
Net earnings (loss) attributable to common shareholders of Algonquin Power & Utilities Corp.	**$ 36.2**	$ (1,308.4)	**$ 151.9**	$ (1,201.9)
Basic and diluted net earnings per share from continuing operations (note 13)	**$ 0.09**	$ 0.06	**$ 0.23**	$ 0.23
Basic and diluted net loss per share from discontinued operations (note 13)	**$ (0.04)**	$ (1.77)	**$ (0.03)**	$ (1.90)
Basic and diluted net earnings (loss) per share (note 13)	**$ 0.05**	$ (1.71)	**$ 0.20**	$ (1.67)

See accompanying notes to unaudited interim condensed consolidated financial statements.

Algonquin Power & Utilities Corp.
Unaudited Interim Condensed Consolidated Statements of Comprehensive Income

(millions of U.S. dollars)	Three months ended September 30		Nine months ended September 30	
	2025	**2024**	**2025**	**2024**
Net earnings (loss)	**$ 23.9**	$ (1,330.6)	**$ 108.9**	$ (1,291.9)
Other comprehensive income (loss) ("OCI"):				
Foreign currency translation adjustment, net of tax expense of $nil and $nil (2024 - tax recovery of $0.2 and tax expense of $3.0) (notes 17(b)(iii) and 17(b)(iv))	**(10.9)**	32.4	**37.1**	36.8
Change in fair value of cash flow hedges, net of tax recovery of $0.2 and $0.7 (2024 - tax recovery of $4.0 and tax expense of $3.0) (note 17(b)(ii))	**(16.4)**	(6.0)	**(39.6)**	32.7
Change in pension and other post-employment benefits, net of tax recovery of $0.3 and $1.0 (2024 - tax recovery of $0.2 and $2.0)	**(0.8)**	(0.7)	**(3.3)**	(5.9)
OCI, net of tax (note 10)	**(28.1)**	25.7	**(5.8)**	63.6
Derecognition on sale of the renewable energy business (note 18)	**—**	—	**(71.6)**	—
Comprehensive income (loss)	**(4.2)**	(1,304.9)	**31.5**	(1,228.3)
Comprehensive loss attributable to the non-controlling interests	**(15.1)**	(19.7)	**(51.0)**	(93.6)
Comprehensive income (loss) attributable to shareholders of Algonquin Power & Utilities Corp.	**$ 10.9**	$ (1,285.2)	**$ 82.5**	$ (1,134.7)

See accompanying notes to unaudited interim condensed consolidated financial statements.

Algonquin Power & Utilities Corp.
Unaudited Interim Condensed Consolidated Balance Sheets

(millions of U.S. dollars)	September 30, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	**$ 62.2**	$ 34.8
Trade and other receivables, net (note 4)	**546.2**	422.6
Fuel and natural gas in storage	**45.2**	43.7
Supplies and consumables inventory	**181.4**	179.9
Regulatory assets (note 5)	**202.8**	194.9
Prepaid expenses	**94.4**	68.8
Derivative instruments (note 17)	**8.7**	11.1
Other assets	**5.8**	12.8
Assets held for sale (note 18)	**—**	166.5
	1,146.7	1,135.1
Property, plant and equipment, net	**9,571.1**	9,450.1
Intangible assets, net	**68.7**	69.1
Goodwill	**1,315.9**	1,312.2
Regulatory assets (note 5)	**1,169.9**	1,126.1
Long-term investments (note 6)	**209.2**	67.8
Derivative instruments (note 17)	**69.5**	97.4
Deferred income taxes	**23.9**	11.2
Other assets	**213.5**	163.6
Assets held for sale (note 18)	**—**	3,529.1
	$ 13,788.4	$ 16,961.7

See accompanying notes to unaudited interim condensed consolidated financial statements.

Algonquin Power & Utilities Corp.
Unaudited Interim Condensed Consolidated Balance Sheets (continued)

(millions of U.S. dollars)	**September 30, 2025**	December 31, 2024
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	**$ 92.6**	$ 164.2
Accrued liabilities	**426.5**	503.3
Dividends payable	**49.9**	49.7
Regulatory liabilities (note 5)	**61.4**	76.7
Long-term debt (note 7)	**271.6**	491.7
Other long-term liabilities	**17.6**	36.3
Derivative instruments (note 17)	**1.9**	1.9
Other liabilities	**12.7**	20.7
Liabilities associated with assets held for sale (note 18)	**—**	153.0
	934.2	1,497.5
Long-term debt (note 7)	**6,163.0**	6,207.0
Regulatory liabilities (note 5)	**548.8**	559.6
Deferred income taxes	**667.2**	577.2
Derivative instruments (note 17)	**17.3**	17.5
Pension and other post-employment benefits obligation	**60.6**	73.6
Other long-term liabilities	**323.1**	273.8
Liabilities associated with assets held for sale (note 18)	**—**	1,574.3
	7,780.0	9,283.0
Redeemable non-controlling interests	**—**	5.0
Equity:		
Preferred shares	**184.3**	184.3
Common shares (note 9(a))	**7,400.8**	7,391.3
Additional paid-in capital	**(16.0)**	(19.2)
Deficit	**(2,929.3)**	(2,929.9)
Accumulated other comprehensive income ("AOCI") (note 10)	**4.1**	81.4
Total equity attributable to shareholders of Algonquin Power & Utilities Corp.	**4,643.9**	4,707.9
Non-controlling interests		
Non-controlling interests - tax equity partnership units	**351.1**	1,099.3
Other non-controlling interests	**79.2**	369.0
	430.3	1,468.3
Total equity	**5,074.2**	6,176.2
Commitments and contingencies (note 15)		
Subsequent events (note 15(a))		
	$ 13,788.4	$ 16,961.7

See accompanying notes to unaudited interim condensed consolidated financial statements.

Algonquin Power & Utilities Corp.

Unaudited Interim Condensed Consolidated Statements of Equity

(millions of U.S. dollars)
For the three months ended September 30, 2025

	Algonquin Power & Utilities Corp. Shareholders						
	Common shares	**Preferred shares**	**Additional paid-in capital**	**Deficit**	**AOCI**	**Non-controlling interests**	**Total**
Balance, June 30, 2025	$ 7,400.1	$ 184.3	$ (19.4)	$ (2,915.1)	$ 32.1	$ 444.2	$ 5,126.2
Net earnings (loss)	—	—	—	38.9	—	(15.0)	23.9
OCI	—	—	—	—	(28.0)	(0.1)	(28.1)
Dividends declared and distributions to non-controlling interests	—	—	—	(53.1)	—	1.2	(51.9)
Common shares issued under employee share purchase plan	0.7	—	—	—	—	—	0.7
Share-based compensation	—	—	3.5	—	—	—	3.5
Common shares issued pursuant to share-based awards	—	—	(0.1)	—	—	—	(0.1)
Balance, September 30, 2025	$ 7,400.8	$ 184.3	$ (16.0)	$ (2,929.3)	$ 4.1	$ 430.3	$ 5,074.2

See accompanying notes to unaudited interim condensed consolidated financial statements.

Algonquin Power & Utilities Corp.

Unaudited Interim Condensed Consolidated Statements of Equity (continued)

(millions of U.S. dollars)
For the three months ended September 30, 2024

	Algonquin Power & Utilities Corp. Shareholders						
	Common shares	**Preferred shares**	**Additional paid-in capital**	**Deficit**	**AOCI**	**Non-controlling interests**	**Total**
Balance, June 30, 2024	$ 7,389.1	$ 184.3	$ 0.8	$ (1,331.8)	$ (63.4)	$ 1,507.5	$ 7,686.5
Net loss	—	—	—	(1,305.7)	—	(24.9)	(1,330.6)
Redeemable non-controlling interests not included in equity	—	—	—	—	—	0.3	0.3
OCI	—	—	—	—	20.5	5.2	25.7
Dividends declared and distributions to non-controlling interests	—	—	—	(53.1)	—	(5.5)	(58.6)
Contributions received from non-controlling interests	—	—	—	—	—	8.9	8.9
Issuance of common shares under employee share purchase plan	0.9	—	—	—	—	—	0.9
Share-based compensation	—	—	4.5	—	—	—	4.5
Common shares issued pursuant to share-based awards	0.3	—	—	0.3	—	—	0.6
Acquisition of non-controlling interests	—	—	(3.5)	—	—	17.9	14.4
Balance, September 30, 2024	$ 7,390.3	$ 184.3	$ 1.8	$ (2,690.3)	$ (42.9)	$ 1,509.4	$ 6,352.6

See accompanying notes to unaudited interim condensed consolidated financial statements.

Algonquin Power & Utilities Corp.

Unaudited Interim Condensed Consolidated Statements of Equity (continued)

(millions of U.S. dollars)
For the nine months ended September 30, 2025

	Algonquin Power & Utilities Corp. Shareholders						
	Common shares	Preferred shares	Additional paid-in capital	Deficit	AOCI	Non-controlling interests	Total
Balance, December 31, 2024	$ 7,391.3	$ 184.3	$ (19.2)	$ (2,929.9)	$ 81.4	$ 1,468.3	$ 6,176.2
Net earnings (loss)	—	—	—	159.8	—	(50.9)	108.9
OCI	—	—	—	—	(5.7)	(0.1)	(5.8)
Dividends declared and distributions to non-controlling interests	—	—	—	(159.2)	—	(1.4)	(160.6)
Contributions received from non-controlling interests, net of cost	—	—	—	—	—	6.9	6.9
Derecognition on sale of the renewable energy business	—	—	—	—	(71.6)	(992.5)	(1,064.1)
Common shares issued under employee share purchase plan	3.0	—	—	—	—	—	3.0
Share-based compensation	—	—	9.7	—	—	—	9.7
Common shares issued pursuant to share-based awards	6.5	—	(6.5)	—	—	—	—
Balance, September 30, 2025	$ 7,400.8	$ 184.3	$ (16.0)	$ (2,929.3)	$ 4.1	$ 430.3	$ 5,074.2

See accompanying notes to unaudited interim condensed consolidated financial statements.

Algonquin Power & Utilities Corp.

Unaudited Interim Condensed Consolidated Statements of Equity (continued)

(millions of U.S. dollars)
For the nine months ended September 30, 2024

	Algonquin Power & Utilities Corp. Shareholders						
	Common shares	Preferred shares	Additional paid-in capital	Deficit	AOCI	Non-controlling interests	Total
Balance, December 31, 2023	$ 6,230.0	$ 184.3	$ 7.3	$ (1,279.7)	$ (102.3)	$ 1,584.8	$ 6,624.4
Net loss	—	—	—	(1,194.1)	—	(97.8)	(1,291.9)
Redeemable non-controlling interests not included in equity	—	—	—	—	—	1.0	1.0
OCI	—	—	—	—	59.4	4.2	63.6
Dividends declared and distributions to non-controlling interests	—	—	—	(217.4)	—	(72.7)	(290.1)
Contributions received from non-controlling interests, net of cost	—	—	—	—	—	75.8	75.8
Common shares issued upon public offering, net of tax-effected cost	1,150.0	—	—	—	—	—	1,150.0
Issuance of common shares under employee share purchase plan	3.2	—	—	—	—	—	3.2
Share-based compensation	—	—	11.0	—	—	—	11.0
Common shares issued pursuant to share-based awards	7.1	—	(5.8)	0.9	—	—	2.2
Acquisition of redeemable non-controlling interest	—	—	(10.7)	—	—	14.1	3.4
Balance, September 30, 2024	$ 7,390.3	$ 184.3	$ 1.8	$ (2,690.3)	$ (42.9)	$ 1,509.4	$ 6,352.6

See accompanying notes to unaudited interim condensed consolidated financial statements.

Algonquin Power & Utilities Corp.
Unaudited Interim Condensed Consolidated Statements of Cash Flows

(millions of U.S. dollars)	Three months ended September 30		Nine months ended September 30	
	2025	**2024**	**2025**	**2024**
Cash provided by (used in):				
Operating activities				
Net earnings (loss)	**$ 23.9**	$ (1,330.6)	**$ 108.9**	$ (1,291.9)
Adjustments and items not affecting cash:				
Depreciation and amortization	**94.7**	110.6	**297.0**	377.1
Deferred taxes	**18.7**	(0.7)	**123.6**	24.3
Initial value and changes in derivative financial instruments, net of amortization	**(8.6)**	4.9	**(9.2)**	1.9
Share-based compensation	**3.6**	4.4	**9.3**	14.7
Cost of equity funds used for construction purposes	**(0.3)**	(0.4)	**(1.2)**	(1.6)
Change in value of investments carried at fair value	**—**	50.5	**—**	35.9
Pension and post-employment expense in excess of (lower than) contributions	**(4.2)**	1.1	**(6.9)**	3.5
Distributions received from equity investments, net of income	**0.9**	3.6	**3.2**	37.9
Other	**42.6**	1,293.7	**11.2**	1,286.2
Net change in non-cash operating items (note 16)	**(72.7)**	(70.4)	**(118.3)**	(54.4)
	98.6	66.7	**417.6**	433.6
Financing activities				
Increase in long-term debt	**273.3**	520.3	**552.5**	2,903.6
Repayments of long-term debt	**(188.7)**	(428.7)	**(699.2)**	(3,179.7)
Net change in commercial paper	**33.0**	109.0	**(138.0)**	(339.7)
Repayment of long-term debt on disposition of renewable energy business (note 18)	**—**	—	**(1,374.8)**	—
Issuance of common shares, net of costs	**—**	0.9	**0.8**	1,153.2
Cash dividends on common shares	**(50.5)**	(83.8)	**(151.0)**	(234.5)
Dividends on preferred shares	**(2.7)**	(2.7)	**(7.9)**	(7.8)
Contributions from non-controlling interests and redeemable non-controlling interests	**—**	—	**6.9**	60.5
Production-based cash contributions from non-controlling interest from discontinued operations	**—**	7.0	**—**	13.3
Production-based cash contributions from non-controlling interest from continuing operations	**—**	2.0	**—**	2.0
Distributions to non-controlling interests	**—**	(4.8)	**—**	(30.2)
Payments (receipts) upon settlement of derivatives	**1.2**	6.1	**(35.4)**	6.1
Shares surrendered to fund withholding taxes on exercised share	**(0.2)**	(0.9)	**(0.2)**	(3.4)
Acquisition of non-controlling interest	**—**	(2.0)	**—**	(12.1)
Net change in other long-term liabilities	**(0.6)**	3.9	**1.4**	(31.0)
	64.8	126.3	**(1,844.9)**	300.3
Investing activities				
Additions to property, plant and equipment and intangible assets	**(150.8)**	(182.3)	**(551.8)**	(599.2)
Increase in long-term investments	**—**	(4.0)	**(4.9)**	(82.1)
Decrease in long-term investments	**—**	3.2	**—**	3.2
Proceeds from divestiture of operating entity	**—**	—	**1,973.3**	29.6
Transaction cost on divestiture of operating entity	**—**	—	**(16.1)**	—
Increase in other assets	**(7.9)**	(2.4)	**(18.4)**	(5.0)
	(158.7)	(185.5)	**1,382.1**	(653.5)
Effect of exchange rate differences on cash and restricted cash	**(0.6)**	1.3	**0.8**	(0.2)
Increase (decrease) in cash, cash equivalents and restricted cash	**$ 4.1**	$ 8.8	**$ (44.4)**	$ 80.2
Cash, cash equivalents and restricted cash, beginning of period	**82.6**	147.5	**131.1**	76.1
Cash, cash equivalents and restricted cash, end of period	**$ 86.7**	$ 156.3	**$ 86.7**	$ 156.3

See accompanying notes to unaudited interim condensed consolidated financial statements.

Algonquin Power & Utilities Corp.
Unaudited Interim Condensed Consolidated Statements of Cash Flows (continued)

(millions of U.S. dollars)	Three months ended September 30		Nine months ended September 30	
	2025	**2024**	**2025**	**2024**
Supplemental disclosure of cash flow information:				
Cash paid during the period for interest expense	**$ 81.3**	$ 123.8	**$ 242.1**	$ 330.2
Cash paid (received) during the period for income taxes - net	**$ 9.4**	$ 1.0	**$ (78.7)**	$ (48.4)
Cash received during the period for distributions from equity investments	**$ —**	$ 21.9	**$ —**	$ 75.4
Non-cash financing and investing activities:				
Increase (decrease) in accrued capital expenditure	**$ 0.6**	$ (60.9)	**$ 155.3**	$ 63.1
Issuance of common shares under share-based compensation plans	**$ 0.7**	$ 1.3	**$ 9.5**	$ 10.4
Property, plant and equipment, intangible assets and accrued liabilities in exchange of note receivable	**$ —**	$ 22.8	**$ —**	$ 183.7

See accompanying notes to unaudited interim condensed consolidated financial statements.

Algonquin Power & Utilities Corp. ("AQN" or the "Company") is an entity incorporated under the *Canada Business Corporations Act*. AQN's operations are organized across two business units consisting of (i) the Regulated Services Group, which primarily owns and operates a portfolio of regulated electric, water distribution and wastewater systems, and natural gas utility systems and transmission operations in the United States, Canada, Bermuda and Chile; and (ii) the Hydro Group, which consists of hydroelectric generation facilities located in Canada. Additionally, the Company has a corporate function, the Corporate Group, consisting of corporate interest expense and shared services that primarily support the Regulated Services Group and the Hydro Group, in addition to holding certain ancillary investments. In prior periods, AQN included the Renewable Energy Group as a reportable segment; however, as of January 8, 2025, the assets and liabilities of this segment (excluding the Hydro Group) have been disposed of and its net earnings have been reported as discontinued operations (the "discontinued operations") (see note 18).

1. Significant accounting policies

(a) Basis of preparation

The accompanying unaudited interim condensed consolidated financial statements and notes have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP") for interim financial information and follow disclosure required under Regulation S-X provided by the U.S. Securities and Exchange Commission. Accordingly, these unaudited interim condensed consolidated financial statements do not include all information and notes required by U.S. GAAP for annual financial statements and should be read in conjunction with the consolidated financial statements of AQN as of and for the year ended December 31, 2024.

In the opinion of management, the unaudited interim condensed consolidated financial statements include all adjustments that are of a recurring nature and necessary for a fair presentation of the results of interim operations.

The significant accounting policies applied to these unaudited interim condensed consolidated financial statements of AQN are consistent with those disclosed in the consolidated financial statements of AQN as of and for the year ended December 31, 2024 with the exception of the tax equity investments policy as described below.

(b) Seasonality

AQN's operating results are subject to seasonal fluctuations that could materially impact quarter-to-quarter operating results; thus, one quarter’s operating results are not necessarily indicative of a subsequent quarter's operating results. Where decoupling mechanisms exist, total volumetric revenue is prescribed by the applicable regulatory authority and is not affected by usage. AQN’s electrical distribution utilities can experience higher or lower demand in the summer or winter depending on the specific regional weather and industry characteristics. AQN’s water and wastewater utility assets’ revenues fluctuate depending on the demand for water, which is normally higher during the drier and hotter months of the summer. During the winter period, natural gas distribution utilities generally experience higher demand than during the summer period. AQN’s hydroelectric energy assets are primarily "run-of-river" and, as such, fluctuate with the natural water flows. During the winter and summer periods, flows are generally slower, while during the spring and fall periods, flows are heavier. For AQN's wind energy assets, wind resources are typically stronger in spring, fall and winter, and weaker in summer. AQN's solar energy assets generally experience greater insulation in summer, and weaker insulation in winter.

(c) Foreign currency translation

AQN’s reporting currency is the U.S. dollar. Within these unaudited interim condensed consolidated financial statements, the Company denotes any amounts denominated in Canadian dollars with "C$", in Chilean pesos with "CLP" and in Chilean Unidad de Fomento with "CLF" immediately prior to the stated amount.

1. Significant accounting policies (continued)

(d) Tax equity investments

As part of the disposition of the Company's renewable energy business, the Company retained tax equity investments in seven renewable energy projects. These investments were previously considered intercompany investments and eliminated upon consolidation.

The Company elected to account for three eligible tax equity investments using the Proportional Amortization Method ("PAM") as outlined in Accounting Standards Update ("ASU") 2023-02 *Investments - Equity Method and Joint Ventures: Accounting for Investments in Tax Credit Structures Using the Proportional Amortization Method*.

The PAM requires the cost of eligible investments to be amortized in proportion to the tax benefits received with the resulting amortization reported directly in income tax expense, which aligns with the associated tax credits and other tax benefits.

Delayed equity contributions that are unconditional and legally binding or conditional and probable of occurring are recorded in other liabilities with a corresponding increase in the carrying value of the investment. The Company is required to re-evaluate eligible investments when significant modifications or events occur that result in a change in the nature of the investment or a change in the Company's relationship with the underlying project. During the period, there were no significant modifications or events that resulted in a change in the nature of an eligible investment or a change in the Company's relationship with the underlying projects.

Tax equity investments not eligible for the PAM are recorded at cost.

See note 6 for additional details.

(e) Discontinued operations

On August 9, 2024, the Company entered into an agreement to sell its renewable energy business (excluding the Hydro Group) to a wholly owned subsidiary of LS Power (the "Renewables Sale"). The Company concluded that the consolidated assets within the renewable energy business being sold met the accounting requirements to be presented as "held for sale" in the third quarter of 2024 based on the receipt of final commercial terms, approval of the board of directors of the Company to consummate the transaction and the signing of the sale agreement, all occurring within the third quarter of 2024. As a result, the renewable energy business (excluding the Hydro Group) has been classified as "discontinued operations".

AQN has elected to present the cash flows of discontinued operations combined with cash flows of continuing operations. No interest from corporate level debt was allocated to discontinued operations. For the nine months ended September 30, 2025 and 2024, the loss from discontinued operations, net of tax on AQN's unaudited interim condensed consolidated statements of operations, includes amounts related to non-controlling interests where applicable. A portion of non-controlling interests on AQN's unaudited interim condensed consolidated balance sheets relates to discontinued operations for the periods presented.

On January 8, 2025, the Company completed the Renewables Sale.

Unless otherwise noted, the notes to these unaudited interim condensed consolidated financial statements exclude amounts related to discontinued operations for all periods presented.

See note 18 for a discussion of discontinued operations related to the disposition of the renewable energy business.

2. Recently issued accounting pronouncements

(a) Recently adopted accounting pronouncements

There were no accounting pronouncements adopted in the current period.

(b) Recently issued accounting guidance not yet adopted

There was no new accounting guidance issued in the current period that is applicable to the Company.

3. Business acquisitions and dispositions

There were no acquisitions or dispositions as part of the continuing operations during the quarter. See note 18 for a discussion of the disposition of the renewable energy business.

4. Trade and other receivables

Trade and other receivables as of September 30, 2025 include unbilled revenue of $86.9 million (December 31, 2024 - $120.2 million) from the Company's regulated utilities. Trade and other receivables as of September 30, 2025 are presented net of allowance for doubtful accounts of $30.3 million (December 31, 2024 - $27.1 million).

5. Regulatory matters

The operating companies within the Regulated Services Group are subject to regulation by the respective regulators of the jurisdictions in which they operate. The respective regulators have jurisdiction with respect to rate, service, accounting policies, issuance of securities, acquisitions and other matters. Except for Suralis S.A. ("Suralis"), these utilities operate under cost-of-service regulation as administered by these authorities. The Company's regulated utility operating companies are accounted for under the principles of *Regulated Operations* ("ASC 980"). Under ASC 980, regulatory assets and liabilities that would not be recorded under U.S. GAAP for non-regulated entities are recorded to the extent that they represent incurred charges or credits that are probable of being recovered from or refunded to customers through the rate-setting process.

At any given time, the Company can have several regulatory proceedings underway. The financial effects of these proceedings are reflected in the unaudited interim condensed consolidated financial statements based on regulatory approval obtained to the extent that there is a financial impact during the applicable reporting period.

In the third quarter of 2025, no regulatory proceedings were completed.

5. Regulatory matters (continued)

Regulatory assets and liabilities consist of the following:

(millions of U.S. dollars)	September 30, 2025	December 31, 2024
Regulatory assets		
Securitized costs, net (a)	**$ 267.3**	$ 285.6
Rate adjustment mechanism	**190.1**	198.2
Deferred capitalized costs	**227.3**	178.4
Fuel and commodity cost adjustments	**117.4**	108.5
Wildfire mitigation and vegetation management (b)	**132.4**	128.3
Income taxes	**95.4**	96.7
Pension and post-employment benefits	**38.6**	51.8
Environmental remediation	**69.5**	62.3
Clean energy and other customer programs	**40.3**	40.5
Debt premium	**5.0**	12.8
Retired generating plant	**13.7**	14.6
Asset retirement obligation	**11.4**	11.7
Cost of removal	**9.0**	9.8
Rate review costs	**9.6**	11.2
Long-term maintenance contract	**1.5**	3.0
Other	**144.2**	107.6
Total regulatory assets	**$ 1,372.7**	$ 1,321.0
Less: current regulatory assets	**(202.8)**	(194.9)
Non-current regulatory assets	**$ 1,169.9**	$ 1,126.1
Regulatory liabilities		
Income taxes	**$ 246.0**	$ 256.7
Cost of removal	**196.9**	188.9
Pension and post-employment benefits	**131.3**	138.8
Fuel and commodity cost adjustments	**14.9**	30.9
Clean energy and other customer programs	**8.8**	8.5
Rate adjustment mechanism	**1.4**	1.8
Other	**10.9**	10.7
Total regulatory liabilities	**$ 610.2**	$ 636.3
Less: current regulatory liabilities	**(61.4)**	(76.7)
Non-current regulatory liabilities	**$ 548.8**	$ 559.6

As recovery of regulatory assets is subject to regulatory approval, if there were any changes in regulatory positions that indicate recovery is not probable, the related cost would be charged to earnings in the period of such determination. The Company generally does not earn a return on the regulatory balances except for carrying charges on fuel and commodity cost adjustments, rate adjustment mechanism, clean energy and other customer programs, and rate review costs of some jurisdictions. During the three and nine months ended September 30, 2025, the Company recognized $4.7 million and $16.0 million, respectively (2024 - $5.7 million and $18.4 million, respectively) of carrying charges on regulatory balances on the unaudited interim condensed consolidated statements of operations under other income, which was computed using only the debt component of the allowed return.

5. Regulatory matters (continued)

(a) Securitized costs, net

On January 30, 2024, The Empire District Electric Company securitized, through the issuance of bonds, $301.5 million of qualified extraordinary costs associated with the February 2021 extreme winter storm conditions experienced in Texas and parts of the central United States and energy transition costs related to the retirement of the Asbury generating plant. The securitized costs will be amortized on a straight-line basis over the life of the bonds. During the three and nine months ended September 30, 2025, $4.5 million and $13.7 million, respectively (2024 - $3.6 million and $11.6 million, respectively) were recorded as amortization expense in the unaudited interim condensed consolidated statements of operations under depreciation and amortization. The bonds will be paid through securitized utility tariff charges, which are designed to recover the full scheduled principal amount of the bonds along with any associated interest and financing costs.

(b) Wildfire mitigation and vegetation management

On July 12, 2019, California Assembly Bill 1054 ("AB 1054") was enacted. Pursuant to AB 1054, an electrical corporation may petition the California Public Utilities Commission ("CPUC") for recovery of costs and expenses arising from a covered wildfire, and the CPUC may approve recovery of such costs and expenses that are just and reasonable. Liberty Utilities (CalPeco Electric) LLC ("Liberty CalPeco") tracks its wildfire expense (such as payments to satisfy wildfire claims, including any deductibles, co-insurance and other insurance expense paid, outside legal expense incurred in defense of wildfire claims, payments made for wildfire insurance and related risk-transfer mechanisms, and the cost of financing these amounts) through a Wildfire Expense Memorandum Account ("WEMA"). The standard for cost recovery under AB 1054 has not been interpreted or applied by the CPUC. The Company will continue to evaluate the probability of recovery based on available evidence and applicable legal determinations.

In relation to the Mountain View Fire (refer to note 15(a)), the Company accrued estimated losses of $178.4 million for claims arising out of the Mountain View Fire, against which it recorded expected recoveries through insurance of $116.0 million and WEMA of $71.5 million. On June 20, 2025, the Company filed an application seeking recovery of $78.2 million, comprising of cost included in WEMA and $6.7 million of forecasted legal expenses, which is subject to approval by the CPUC pursuant to the standards in AB 1054. The Company paid $174.9 million related to these claims and received insurance recoveries of $116.0 million.

6. Long-term investments

Long-term investments consist of the following:

(millions of U.S. dollars)	**September 30, 2025**	December 31, 2024
Long-term investments carried at fair value	**$ 2.0**	$ 2.1
Other long-term investments		
Tax equity investments (a)	**$ 132.4**	$ —
Equity-method investees (b)	**47.2**	38.1
San Antonio Water System and other	**27.6**	27.6
	$ 207.2	$ 65.7
Long-term investments	**$ 209.2**	$ 67.8

6. Long-term investments (continued)

Income from long-term investments for the three and nine months ended September 30 is as follows:

	Three months ended September 30		Nine months ended September 30	
(millions of U.S. dollars)	**2025**	**2024**	**2025**	**2024**
Gain on investments carried at fair value				
Atlantica	**$ —**	$ 1.4	**$ —**	$ 23.5
Other	**0.1**	0.1	**0.1**	0.2
	$ 0.1	$ 1.5	**$ 0.1**	$ 23.7
Dividend and interest income from investments carried at fair value				
Atlantica	**$ —**	$ 21.8	**$ —**	$ 65.4
Other long-term investments				
Tax equity investments (a)	**$ 1.2**	$ —	**$ 3.8**	$ —
Equity method gain (b)	**1.6**	1.1	**3.7**	2.9
Interest and other income	**4.0**	2.1	**8.8**	4.2
	$ 6.8	$ 3.2	**$ 16.3**	$ 7.1
Income from long-term investments	**$ 6.9**	$ 26.5	**$ 16.4**	$ 96.2

(a) Tax equity investments

As part of the disposition of the renewable energy business, the Company retained tax equity investments in seven renewable energy projects amounting to $165.5 million. From the seven renewable energy projects, the Company elected to apply the PAM to three eligible tax equity investments, which had a carrying value of $138.0 million. During the three and nine months ended September 30, 2025, the Company recorded amortization as a component of income tax expense of $3.6 million and $15.0 million, respectively and the Company recorded distributions of $1.6 million and $1.9 million, respectively, as a reduction in the investment. During the nine months ended September 30, 2025, the Company recorded a reduction in the investment of $12.2 million related to adjustments to the tax credits earned. As of September 30, 2025, the PAM-eligible tax equity investments had a carrying value of $108.9 million.

The remaining tax equity investments are not eligible to be accounted for under the PAM, as the tax benefits from these investments have been previously realized and the remaining benefits are primarily cash distributions. These investments were recorded at their cost of $27.5 million. During the three and nine months ended September 30, 2025, the Company recorded distributions of $1.8 million and $5.3 million, respectively, as a reduction in the investment and income of $0.4 million and $1.3 million, respectively. As of September 30, 2025, these tax equity investments had a carrying value of $23.5 million.

During the three and nine months ended September 30, 2025, the Company recognized tax credits and other tax benefits of $3.5 million and $16.1 million, respectively, and recorded non-income tax-related gains and other returns of $0.7 million and $2.5 million, respectively, in the unaudited interim condensed consolidated statements of operations for the tax equity investments accounted for using the PAM.

The Company has recorded delayed equity contributions in relation to one of the projects accounted for using the PAM of $24.4 million, of which $21.5 million is recorded as part of other long-term liabilities and the remaining $2.9 million as other current liabilities on the unaudited interim condensed consolidated balance sheets.

6. Long-term investments (continued)

(b) Equity-method investees

The Regulated Services Group has non-controlling interests, primarily a 9.8% ownership stake in a regulated transmission line in the province of Ontario and other non-regulated operating entities owned by its utilities. In total, the Company has non-controlling interests in various corporations, partnerships and joint ventures with a total carrying value of $47.2 million (December 31, 2024 - $38.1 million).

7. Long-term debt

Long-term debt consists of the following:

(millions of U.S. dollars unless otherwise noted) Borrowing type	Weighted average coupon	Maturity		Par value		September 30, 2025		December 31, 2024
Senior unsecured revolving credit facilities (a)	—	2027-2028		N/A	**$**	**5.5**	$	250.7
Senior unsecured bank credit facilities (b)	—	2026-2031		N/A		**81.7**		180.3
Commercial paper	—	2026		N/A		**245.0**		383.0
U.S. dollar borrowings								
Senior unsecured notes (Green Equity Units)	5.37 %	2026	$	1,140.8		**1,145.4**		1,140.2
Senior unsecured notes (c)	4.34 %	2027-2047	$	2,395.0		**2,387.4**		2,181.8
Senior unsecured utility notes	6.39 %	2028-2035	$	107.0		**110.0**		145.6
Senior secured utility bonds	4.81 %	2026-2044	$	836.7		**818.8**		849.2
Canadian dollar borrowings								
Senior unsecured notes	3.32 %	2050	C$	200.0		**142.5**		137.8
Senior secured project notes	10.21 %	2027	C$	10.3		**7.3**		9.1
Chilean Unidad de Fomento borrowings								
Senior unsecured utility bonds (d)	3.46 %	2028-2040	CLF	2.8		**120.5**		59.4
					$	**5,064.1**	$	5,337.1
Subordinated borrowings								
Subordinated unsecured notes	5.25 %	2082	C$	400.0	**$**	**283.7**	$	274.3
Subordinated unsecured notes	5.87 %	2079-2082	$	1,100.0		**1,086.8**		1,087.3
					$	**6,434.6**	$	6,698.7
Less: current portion						**(271.6)**		(491.7)
					$	**6,163.0**	$	6,207.0

Short-term obligations of $1,212.5 million (December 31, 2024 - $118.3 million) that are expected to be refinanced on a long-term basis are presented as long-term debt.

Long-term debt issued at a subsidiary level (project notes or utility bonds) relating to a specific operating facility is generally collateralized by the respective facility with no other recourse to the Company. Long-term debt issued at a subsidiary level whether or not collateralized generally has certain financial covenants, which must be maintained on a quarterly basis. Non-compliance with the covenants could restrict cash distributions/dividends to the Company from the specific facilities.

7. Long-term debt (continued)

(a) Senior unsecured revolving credit facilities

On July 10, 2025, the Bermuda Electric Light Company Limited ("BELCO") fully repaid the $62.4 million drawn on its $100.0 million senior unsecured revolving credit facility (the "Bermuda Credit Facility"). Concurrently, BELCO amended and reinstated the Bermuda Credit Facility by decreasing the facility limit to $25.0 million and extending the maturity to July 10, 2027. As at September 30, 2025, $5.5 million had been drawn on the Bermuda Credit Facility.

(b) Senior unsecured bank credit facilities

On July 10, 2025, BELCO fully repaid its $49.5 million term loan facility ahead of its scheduled maturity of December 26, 2031.

On September 25, 2025, Suralis partially repaid CLF 1.5 million (equivalent to $62.2 million) of its term credit facilities.

(c) Senior unsecured notes

On July 10, 2025, BELCO completed a private placement offering of $200.0 million aggregate principal amount of 5.28% senior notes due June 14, 2030 (the "Senior Notes"). The Senior Notes are unsecured and unsubordinated obligations of BELCO and senior in right of payment to any existing and future subordinated indebtedness. BELCO used the net proceeds from the sale of the Senior Notes to repay certain existing indebtedness and for other general corporate purposes.

(d) Senior unsecured utility bonds

On August 13, 2025, Suralis completed a private placement offering of CLF 1.5 million (equivalent to $61.6 million) aggregate principal amount of 3.30% senior utility bonds due July 10, 2034 (the "Senior Utility Bonds"). The Senior Utility Bonds are unsecured and unsubordinated obligations of Suralis and senior in right of payment to any existing and future subordinated indebtedness. Suralis used the net proceeds from the sale of the Senior Utility Bonds to repay certain existing indebtedness and for other general corporate purposes.

The following table sets out the bank credit facilities available to AQN and its operating groups:

(millions of U.S. dollars)	**September 30, 2025**	December 31, 2024
Revolving and term credit facilities	**$ 2,181.7**	$ 2,380.3
Funds drawn on facilities/commercial paper issued	**(332.2)**	(814.8)
Letters of credit issued	**(33.0)**	(26.2)
Liquidity available under the facilities	**$ 1,816.5**	$ 1,539.3
Undrawn portion of uncommitted letter of credit facilities	**(64.7)**	(63.3)
Cash on hand	**62.2**	34.8
Total liquidity and capital reserves	**$ 1,814.0**	$ 1,510.8

7. Long-term debt (continued)

As of September 30, 2025, the Company had accrued $62.1 million in interest expense (December 31, 2024 - $77.0 million). Total interest expenses recognized for the three and nine months ended September 30, 2025 and 2024 consist of the following:

	Three months ended September 30		Nine months ended September 30	
(millions of U.S. dollars)	**2025**	**2024**	**2025**	**2024**
Long-term debt	**$ 76.5**	$ 77.2	**$ 226.4**	$ 217.2
Commercial paper, credit facility draws and related fees	**3.7**	23.0	**12.5**	80.2
Accretion of fair value adjustments	**(1.5)**	(1.5)	**(4.5)**	(3.9)
Allowance for funds used during construction capitalized on regulated property	**(1.1)**	(0.8)	**(2.8)**	(3.9)
Other (a)	**(5.9)**	(6.6)	**(20.7)**	(15.5)
	$ 71.7	$ 91.3	**$ 210.9**	$ 274.1

(a) Other

For the three and nine months ended September 30, 2025, other interest expense includes carrying costs deferred to regulatory assets in accordance with charges of plant-in-service accounting of $8.9 million and $25.9 million, respectively (2024 - $8.9 million and $22.7 million).

8. Pension and other post-employment benefits

The following tables list the components of net benefit costs for the pension plans and other post-employment benefits ("OPEB") in the unaudited interim condensed consolidated statements of operations for the three and nine months ended September 30:

	Pension benefits			
	Three months ended September 30		Nine months ended September 30	
(millions of U.S. dollars)	**2025**	**2024**	**2025**	**2024**
Service cost	**$ 3.1**	$ 4.5	**$ 9.2**	$ 10.4
Non-service costs				
Interest cost	**8.8**	8.2	**25.2**	24.7
Expected return on plan assets	**(9.4)**	(8.6)	**(28.0)**	(25.9)
Amortization of net actuarial gains	**(0.8)**	(0.4)	**(1.8)**	(1.1)
Amortization of prior service credits	**(0.3)**	(0.4)	**(1.0)**	(1.1)
Impact of regulatory accounts	**2.6**	3.5	**6.1**	12.2
	0.9	2.3	**0.5**	8.8
Net benefit cost	**$ 4.0**	$ 6.8	**$ 9.7**	$ 19.2

8. Pension and other post-employment benefits (continued)

	OPEB							
	Three months ended September 30				Nine months ended September 30			
(millions of U.S. dollars)	**2025**		2024		**2025**		2024	
Service cost	**$**	**0.4**	$	0.5	**$**	**1.8**	$	2.1
Non-service costs								
Interest cost		**3.1**		2.0		**8.8**		7.3
Expected return on plan assets		**(2.8)**		(2.1)		**(8.3)**		(7.4)
Amortization of net actuarial gains		**(1.3)**		(0.7)		**(3.9)**		(3.2)
Amortization of prior service credits		**(0.2)**		(0.2)		**(0.6)**		(0.6)
Impact of regulatory accounts		**1.6**		1.7		**5.3**		5.5
		0.4		0.7		**1.3**		1.6
Net benefit cost	**$**	**0.8**	$	1.2	**$**	**3.1**	$	3.7

9. Shareholders' capital

(a) Common shares

The number of common shares outstanding is as follows:

	Nine months ended September 30	
	2025	**2024**
Common shares, beginning of period	**767,343,863**	689,271,039
Settlement of purchase contracts	—	76,909,700
Exercise of share-based awards	**809,985**	969,650
Common shares, end of period	**768,153,848**	767,150,389

(b) Dividends

All dividends of the Company are made on a discretionary basis as determined by the board of directors of the Company. The Company declares and pays the dividends on its common shares in U.S. dollars. Registered holders of common shares can elect to receive the dividends in Canadian dollar equivalent.

Dividends declared were as follows:

	Three months ended September 30							
	2025				2024			
(in millions except per share amounts)	**Dividend**		**Dividend per share**		**Dividend**		**Dividend per share**	
Common shares	**$**	**50.5**	**$**	**0.0650**	$	50.4	$	0.0650
Series A Shares	**C$**	**2.0**	**C$**	**0.4110**	C$	2.0	C$	0.4110
Series D Shares	**C$**	**1.7**	**C$**	**0.4283**	C$	1.7	C$	0.4283

9. Shareholders' capital (continued)

(b) Dividends (continued)

(in millions except per share amounts)	Nine months ended September 30							
	2025				2024			
	Dividend		Dividend per share		Dividend		Dividend per share	
Common shares	**$**	**151.3**	**$**	**0.1950**	$	209.6	$	0.2820
Series A preferred shares	**C$**	**5.9**	**C$**	**1.2330**	C$	5.9	C$	1.2330
Series D preferred shares	**C$**	**5.1**	**C$**	**1.2849**	C$	4.7	C$	1.1748

10. Accumulated other comprehensive income (loss)

AOCI consists of the following balances, net of tax, composed of continuing and discontinued operations:

(millions of U.S. dollars)	Foreign currency cumulative translation	Unrealized gain (loss) on cash flow hedges	Pension and post-employment actuarial changes	Total
Balance, January 1, 2024	$ (104.9)	$ (38.3)	$ 40.9	$ (102.3)
OCI	33.8	79.4	12.8	126.0
Amounts reclassified from AOCI to the unaudited interim condensed consolidated statements of operations	0.6	(27.1)	(5.8)	(32.3)
Net current period OCI	$ 34.4	$ 52.3	$ 7.0	$ 93.7
OCI attributable to the non-controlling interests	(4.6)	—	—	(4.6)
Net current period OCI attributable to shareholders of AQN	$ 29.8	$ 52.3	$ 7.0	$ 89.1
Amounts reclassified from AOCI to non-controlling interests	—	94.6	—	94.6
Balance, December 31, 2024	$ (75.1)	$ 108.6	$ 47.9	$ 81.4
OCI	**37.4**	**(43.5)**	**—**	**(6.1)**
Amounts reclassified from AOCI to the unaudited interim condensed consolidated statements of operations	**(0.3)**	**3.9**	**(3.3)**	**0.3**
Net current period OCI	**$ 37.1**	**$ (39.6)**	**$ (3.3)**	**$ (5.8)**
OCI attributable to the non-controlling interests	**0.1**	**—**	**—**	**0.1**
Net current period OCI attributable to shareholders of AQN	**$ 37.2**	**$ (39.6)**	**$ (3.3)**	**$ (5.7)**
Amounts derecognized on sale of the renewable energy business (note 18)	**(71.6)**	**—**	**—**	**(71.6)**
Balance, September 30, 2025	**$ (109.5)**	**$ 69.0**	**$ 44.6**	**$ 4.1**

Amounts reclassified from AOCI for foreign currency cumulative translation affected interest expense and derivative gain (loss); those for unrealized gain (loss) on cash flow hedges affected revenue from non-regulated energy sales, interest expense and derivative gain (loss); while those for pension and other post-employment actuarial changes affected pension and other post-employment non-service costs.

11. Income taxes

For the three and nine months ended September 30, 2025, the income tax expense in the unaudited interim condensed consolidated statements of operations represents an effective tax rate different than the Canadian enacted statutory rate of 26.5%. The differences are as follows:

(millions of U.S. dollars)	Three months ended September 30 2025	Three months ended September 30 2024	Nine months ended September 30 2025	Nine months ended September 30 2024
Expected income tax expense at Canadian statutory rate	**$ 22.7**	$ 10.5	**$ 50.2**	$ 40.0
Increase (decrease) resulting from:				
Effect of differences in tax rates on transactions in and within foreign jurisdictions and change in tax rates	**1.0**	(3.7)	**(0.9)**	(7.2)
Adjustments from investments carried at fair value	**—**	(3.4)	**—**	(7.3)
Change in valuation allowance	**5.0**	1.2	**16.2**	2.7
Non-controlling interests share of income	**3.7**	4.8	**13.3**	11.0
Tax basis step-up	**—**	—	**(15.9)**	—
Amortization and settlement of excess deferred income tax	**(2.8)**	(2.2)	**(8.0)**	(5.5)
Other	**(2.6)**	(0.8)	**(1.1)**	(0.4)
Income tax expense	**$ 27.0**	$ 6.4	**$ 53.8**	$ 33.3

The Company's overall deferred tax asset position related to Canadian attributes remained unchanged during the nine months ended September 30, 2025. As at September 30, 2025, it was considered more likely than not that there would not be sufficient taxable income in the future that would allow realization of these deferred tax assets. The Company will continue to monitor this position as at each balance sheet date.

12. Other net losses

Other net losses consist of the following:

(millions of U.S. dollars)	Three months ended September 30 2025	Three months ended September 30 2024	Nine months ended September 30 2025	Nine months ended September 30 2024
Restructuring costs (a)	**$ (9.6)**	$ (9.5)	**$ (22.0)**	$ (19.9)
Other (b)	**(1.7)**	—	**(3.5)**	—
	$ (11.3)	$ (9.5)	**$ (25.5)**	$ (19.9)

(a) Restructuring costs

Restructuring costs include one-time costs related to the Company's ongoing simplification and transition to a premium pure-play utility. Such costs include severance, fees paid to third-party consultants and other non-recurring items.

(b) Other

For the three and nine months ended September 30, 2025, other losses primarily consist of other miscellaneous write-offs, net of miscellaneous gains.

13. Basic and diluted net earnings (loss) per share

Basic and diluted net earnings (loss) per share have been calculated on the basis of net earnings (loss) attributable to the common shareholders of the Company and the weighted average number of common shares and bonus deferral restricted share units outstanding. Diluted net earnings (loss) per share are computed using the weighted average number of common shares, additional shares issued subsequent to quarter-end under the dividend reinvestment plan, and, if dilutive, potential incremental common shares related to the convertible debentures and the weighted average number of outstanding share options, performance share units, restricted share units and deferred share units outstanding during the period.

The reconciliation of the net earnings (loss) and the weighted average shares used in the computation of basic and diluted net earnings (loss) per share are as follows:

	Three months ended September 30		Nine months ended September 30	
(millions of U.S. dollars, except number of shares and per share amounts)	**2025**	**2024**	**2025**	**2024**
Net earnings from continuing operations attributable to shareholders of AQN	**$ 73.7**	$ 49.5	**$ 186.5**	$ 172.8
Series A preferred share dividend	**1.4**	1.4	**4.2**	4.4
Series D preferred share dividend	**1.3**	1.3	**3.7**	3.4
Net earnings from continuing operations attributable to common shareholders of AQN	**71.0**	46.8	**178.6**	165.0
Net loss from discontinued operations attributable to common shareholders of AQN	**(34.8)**	(1,355.2)	**(26.7)**	(1,366.9)
Net earnings (loss) attributable to common shareholders of AQN – basic and diluted	**$ 36.2**	$ (1,308.4)	**$ 151.9**	$ (1,201.9)
Weighted average number of shares				
Basic	**768,226,488**	767,236,804	**767,986,630**	719,719,562
Effect of dilutive securities	**4,882,920**	2,456,382	**4,030,074**	2,178,147
Diluted average number of shares	**773,109,408**	769,693,186	**772,016,704**	721,897,709
Basic and diluted net earnings per share from continuing operations	**$ 0.09**	$ 0.06	**$ 0.23**	$ 0.23
Basic and diluted net loss per share from discontinued operations	**$ (0.04)**	$ (1.77)	**$ (0.03)**	$ (1.90)
Basic and diluted net earnings (loss) per share	**$ 0.05**	$ (1.71)	**$ 0.20**	$ (1.67)

This calculation of diluted average number of shares excludes the potential impact of 3,954,964 and 4,118,859 incremental shares that may become issuable pursuant to outstanding securities of the Company for the three and nine months ended September 30, 2025, respectively.

14. Segmented information

As a result of the disposition of the Company's former renewable energy group (excluding the Hydro Group), the Regulated Services Group is the only reportable operating segment of the Company. The Regulated Services Group primarily owns and operates a portfolio of regulated electric, water distribution and wastewater collection, and natural gas utility systems and transmission operations in the United States, Canada, Bermuda and Chile. However, management has elected to disclose the "Hydro Group" as a reportable operating segment, which consists of hydroelectric generation facilities located in Canada that were not sold as part of the Renewables Sale. Non-operating segments include the corporate activities of the Company, which are reported under the "Corporate Group".

14. Segmented information (continued)

For purposes of evaluating the performance of the business units, the Company allocates the realized portion of any gains or losses on financial instruments to the specific business unit. Interest income from San Antonio Water System is included in the operations of the Regulated Services Group. Equity method gains and losses are included in the operations of the Regulated Services Group. Dividend income from Atlantica Sustainable Infrastructure plc ("Atlantica") was reported and allocated under the Corporate Group, until the Company sold its ownership interest in the fourth quarter of 2024. The change in value of investments carried at fair value, unrealized portion of any gains or losses on derivative instruments not designated in a hedging relationship and foreign exchange gains and losses are not considered in management's evaluation of divisional performance and are, therefore, allocated and reported under the Corporate Group.

Resources are allocated and performance is assessed by the Company's Chief Executive Officer, who has been determined to be the Chief Operating Decision Maker ("CODM"). For all of the segments, the CODM uses segment earnings before income taxes in the annual budgeting and forecasting process. The CODM also considers budget-to-actual variances on a monthly basis for this profit measure when making decisions about allocating capital.

	Three months ended September 30, 2025			
(millions of U.S. dollars)	Regulated Services Group	Hydro Group	Corporate Group	Total
Revenue [1]	$ 558.3	$ 8.4	$ —	$ 566.7
Other revenue	15.5	0.2	0.3	16.0
Fuel, power, water purchased and other cost of sales	126.3	—	—	126.3
Net revenue	447.5	8.6	0.3	456.4
Operating expenses	212.5	2.7	(0.9)	214.3
Depreciation and amortization	92.5	1.9	0.3	94.7
Gain on foreign exchange	—	—	(2.3)	(2.3)
Operating income	142.5	4.0	3.2	149.7
Interest expense	(36.2)	(0.2)	(35.3)	(71.7)
Income from long-term investments	2.7	—	4.2	6.9
Other income	4.7	—	—	4.7
Pension and other post-employment non-service costs	(1.3)	—	—	(1.3)
Other net gains (losses)	(3.8)	0.7	(8.2)	(11.3)
Gain on derivative financial instruments	8.6	—	0.1	8.7
Earnings (loss) before income taxes	117.2	4.5	(36.0)	85.7
Income tax recovery (expense)	(29.1)	(0.2)	2.3	(27.0)
Net effect of non-controlling interests	16.0	(1.0)	—	15.0
Net earnings (loss) from continuing operations attributable to shareholders	$ 104.1	$ 3.3	$ (33.7)	$ 73.7
Capital expenditures	$ 146.8	$ 1.7	$ —	$ 148.5

[1] Regulated Services Group revenue includes $4.6 million related to alternative revenue programs for the three months ended September 30, 2025 that does not represent revenue recognized from contracts with customers.

14. Segmented information (continued)

	Three months ended September 30, 2024			
(millions of U.S. dollars)	Regulated Services Group	Hydro Group	Corporate Group	Total
Revenue [1]	$ 551.4	$ 8.9	$ —	$ 560.3
Other revenue	12.5	—	0.4	12.9
Fuel, power, water purchased and other cost of sales	128.4	—	—	128.4
Net revenue	435.5	8.9	0.4	444.8
Operating expenses	223.5	1.7	2.7	227.9
Depreciation and amortization	97.3	1.7	0.4	99.4
Loss on foreign exchange	—	—	6.4	6.4
Operating income (loss)	114.7	5.5	(9.1)	111.1
Interest expense	(46.9)	(0.2)	(44.2)	(91.3)
Income from long-term investments	2.2	—	24.3	26.5
Other income	5.7	—	—	5.7
Pension and other post-employment non-service costs	(3.0)	—	—	(3.0)
Other net losses	(6.1)	—	(3.4)	(9.5)
Gain on derivative financial instruments	0.3	—	—	0.3
Earnings (loss) before income taxes	66.9	5.3	(32.4)	39.8
Income tax recovery (expense)	(18.7)	(1.1)	13.4	(6.4)
Net effect of non-controlling interests	16.6	(0.5)	—	16.1
Net earnings (loss) from continuing operations attributable to shareholders	$ 64.8	$ 3.7	$ (19.0)	$ 49.5
Capital expenditures	$ 175.0	$ 1.7	$ —	$ 176.7

[1] Regulated Services Group revenue includes $12.1 million related to alternative revenue programs for the three months ended September 30, 2024 that does not represent revenue recognized from contracts with customers.

14. Segmented information (continued)

	Nine months ended September 30, 2025			
(millions of U.S. dollars)	**Regulated Services Group**	**Hydro Group**	**Corporate Group**	**Total**
Revenue [1]	$ 1,730.1	$ 28.1	$ —	$ 1,758.2
Other revenue	42.9	0.7	1.1	44.7
Fuel, power, water purchased and other cost of sales	455.9	—	—	455.9
Net revenue	1,317.1	28.8	1.1	1,347.0
Operating expenses	629.8	8.2	3.0	641.0
Depreciation and amortization	290.8	5.5	0.7	297.0
Loss on foreign exchange	—	—	15.6	15.6
Operating income (loss)	396.5	15.1	(18.2)	393.4
Interest expense	(105.4)	(0.7)	(104.8)	(210.9)
Income from long-term investments	5.4	0.2	10.8	16.4
Other income	16.0	—	—	16.0
Pension and other post-employment non-service costs	(1.8)	—	—	(1.8)
Other net gains (losses)	(14.1)	0.7	(12.1)	(25.5)
Gain (loss) on derivative financial instruments	9.2	—	(7.4)	1.8
Earnings (loss) before income taxes	305.8	15.3	(131.7)	189.4
Income tax recovery (expense)	(82.3)	16.7	11.8	(53.8)
Net effect of non-controlling interests	53.9	(3.0)	—	50.9
Net earnings (loss) from continuing operations attributable to shareholders	$ 277.4	$ 29.0	$ (119.9)	$ 186.5
Capital expenditures	$ 383.2	$ 2.9	$ —	$ 386.1
	September 30, 2025			
Property, plant and equipment	$ 9,399.3	$ 138.9	$ 32.9	$ 9,571.1
Investments carried at fair value	2.0	—	—	2.0
Equity-method investees	47.2	—	—	47.2
Total assets	13,320.4	167.6	300.4	13,788.4

[1] Regulated Services Group revenue includes $23.3 million related to alternative revenue programs for the nine months ended September 30, 2025 that does not represent revenue recognized from contracts with customers.

14. Segmented information (continued)

	Nine months ended September 30, 2024			
(millions of U.S. dollars)	Regulated Services Group	Hydro Group	Corporate Group	Total (2)
Revenue (1)	$ 1,667.5	$ 27.2	$ —	$ 1,694.7
Other revenue	38.2	0.8	1.0	40.0
Fuel, power, water purchased and other cost of sales	448.3	0.3	—	448.6
Net revenue	1,257.4	27.7	1.0	1,286.1
Operating expenses	633.5	6.8	5.7	646.0
Depreciation and amortization	289.2	5.0	1.9	296.1
Loss on foreign exchange	—	—	3.8	3.8
Operating income (loss)	334.7	15.9	(10.4)	340.2
Interest expense	(145.2)	(0.7)	(128.2)	(274.1)
Income from long-term investments	4.9	—	91.3	96.2
Other income	18.4	—	—	18.4
Pension and other post-employment non-service costs	(10.4)	—	—	(10.4)
Other net losses	(7.5)	—	(12.4)	(19.9)
Gain (loss) on derivative financial instruments	(1.0)	—	1.5	0.5
Earnings (loss) before income taxes	193.9	15.2	(58.2)	150.9
Income tax recovery (expense)	(51.7)	(3.4)	21.8	(33.3)
Net effect of non-controlling interests	57.5	(2.3)	—	55.2
Net earnings (loss) from continuing operations attributable to shareholders	$ 199.7	$ 9.5	$ (36.4)	$ 172.8
Capital expenditures	$ 498.5	$ 4.9	$ —	$ 503.4
	December 31, 2024			
Property, plant and equipment	$ 9,284.4	$ 136.8	$ 28.9	$ 9,450.1
Investments carried at fair value	2.1	—	—	2.1
Equity-method investees	38.1	—	—	38.1
Total assets(3)	12,927.9	152.3	185.9	$ 13,266.1

(1) Regulated Services Group revenue includes $30.4 million related to alternative revenue programs for the nine months ended September 30, 2024 that does not represent revenue recognized from contracts with customers.

(2) Reflect results of continuing operations.

(3) Excluding held for sale assets of $3,695.6 million.

14. Segmented information (continued)

AQN operates in the independent power and utility industries in the United States, Canada and other regions. Information on operations by geographic area is as follows:

(millions of U.S. dollars)	Three months ended September 30 2025	Three months ended September 30 2024	Nine months ended September 30 2025	Nine months ended September 30 2024
Revenue				
United States	**$ 461.4**	$ 452.9	**$ 1,450.3**	$ 1,383.4
Canada	**16.2**	15.8	**73.5**	68.3
Other regions	**105.1**	104.5	**279.1**	283.0
	$ 582.7	$ 573.2	**$ 1,802.9**	$ 1,734.7

Revenue is attributed to the regions based on the location of the underlying generating and utility facilities.

15. Commitments and contingencies

(a) Contingencies

AQN and its subsidiaries are involved in various claims and litigation arising out of the ordinary course and conduct of its business. Although such matters cannot be predicted with certainty, management does not consider AQN’s exposure to such litigation to be material to these unaudited interim condensed consolidated financial statements. Accruals for any contingencies related to these items are recorded in the unaudited interim condensed consolidated financial statements at the time it is concluded that their occurrence is probable and the related liability is estimable.

Mountain View Fire

On November 17, 2020, a wildfire now known as the Mountain View Fire occurred in the territory of Liberty Utilities (CalPeco Electric) LLC ("Liberty CalPeco"). The cause of the fire remains in dispute, and CAL FIRE has not yet released its final report. There were 22 lawsuits filed that name certain subsidiaries of the Company as defendants in connection with the Mountain View Fire, as well as a non-litigation claim brought by the U.S. Department of Agriculture seeking reimbursement for alleged fire suppression costs and a notice from the U.S. Bureau of Land Management seeking damages for the alleged burning of public lands without authorization. Fifteen lawsuits were brought by groups of individual plaintiffs and a Native American group alleging causes of action including negligence, inverse condemnation, nuisance, trespass, and violations of Cal. Pub. Util. Code 2106 and Cal. Health and Safety Code 13007 (one of these 15 lawsuits also alleges the wrongful death of an individual and various subrogation claims on behalf of insurance companies). In six other lawsuits, insurance companies alleged inverse condemnation and negligence and seek recovery of amounts paid and to be paid to their insureds. In one other lawsuit, County of Mono, Antelope Valley Fire Protection District, and Bridgeport Indian Colony allege similar causes of action and seek damages for fire suppression costs, law enforcement costs, property and infrastructure damage, and other costs. Liberty CalPeco has resolved 21 of the lawsuits, and Liberty CalPeco is in the process of obtaining dismissals with prejudice of said lawsuits. The trial date for the remaining lawsuit previously scheduled for April 15, 2025 was vacated. The likelihood of success in this lawsuit is uncertain. Liberty CalPeco intends to vigorously defend it. The Company accrued estimated losses of $178.4 million for claims related to the Mountain View Fire, against which Liberty CalPeco has recorded recoveries through insurance of $116.0 million and Wildfire Expense Memorandum Account ("WEMA") of $71.5 million. On June 20, 2025, the Company filed an application seeking recovery of $78.2 million, comprising of cost included in WEMA and $6.7 million of forecasted legal expenses. The resulting net charge to earnings was $nil. The estimate of losses is subject to change as additional information becomes available. The actual amount of losses may be higher or lower than these estimates. While the Company may incur a material loss in excess of the amount accrued, the Company cannot estimate the upper end of the range of reasonably possible losses that may be incurred. The Company has wildfire liability insurance that was applied up to applicable policy limits.

15. Commitments and contingencies (continued)

Apple Valley Condemnation Proceedings

On January 7, 2016, the Town of Apple Valley (the "Town") filed a lawsuit in California state court seeking to condemn the utility assets of Liberty Utilities (Apple Valley Ranchos Water) Corp. ("Liberty Apple Valley"). On May 7, 2021, the trial court issued a Tentative Statement of Decision denying the Town's attempt to take the Apple Valley water system by eminent domain. The ruling confirmed that Liberty Apple Valley's continued ownership and operation of the water system is in the best interest of the community. On October 14, 2021, the trial court issued the Final Statement of Decision. The trial court signed and entered an Order of Dismissal and Judgment on November 12, 2021. On January 7, 2022, the Town filed a notice of appeal of the judgment entered by the trial court. On August 2, 2022, the trial court issued a ruling awarding Liberty Apple Valley approximately $13.2 million in attorney's fees and litigation costs. The Town filed a notice of appeal of the fee award on August 22, 2022. On January 15, 2025, the California Court of Appeal issued a decision reversing the trial court’s finding that the Town does not have a right to take the assets of Liberty Apple Valley and reversing the award of attorney’s fees to Liberty Apple Valley. The Court of Appeal decision remands the condemnation proceedings to the trial court to determine whether to (i) allow the Town to take the water system, (ii) remand the matter to the Town for further administrative proceedings or (iii) hold a new trial and apply the appropriate burden of proof and standard of review. On February 21, 2025, Liberty Apple Valley filed a petition for review of the Court of Appeal decision with the California Supreme Court. On April 23, 2025, the California Supreme Court granted the petition for review, which is proceeding in due course before the California Supreme Court.

Lexington Gas Incident

On April 9, 2025, an explosion and fire occurred in Lexington, Missouri, destroying or damaging certain structures, including residences, served by the gas distribution system of The Empire District Gas Company. A minor died and two others suffered serious physical injuries. The National Transportation Safety Board is investigating. To date, ten active suits as well as other pre-litigation demands have been asserted against a subsidiary of the Company and third party defendants which seek damages for personal injury and property damage, and one of these suits also seeks damages for wrongful death. In addition, the Missouri Attorney General filed a petition for injunctive relief and civil penalties associated with the incident and on October 9, 2025, the Missouri Public Service Commission opened an investigative docket into The Empire District Gas Company’s compliance with pipeline safety requirements. Although there can be no assurance, the Company has insurance that is currently expected to apply up to applicable policy limits for personal injury and property damage litigation and claims. The Company has currently accrued and incurred estimated losses of $108.5 million for claims related to the incident, against which recoveries through insurance of $107.0 million have been recorded. While the Company may incur a material loss in excess of the amount accrued, the Company cannot currently estimate the upper end of the range of reasonably possible losses that may be incurred. The estimate of losses is subject to change as additional information becomes available.

(b) Commitments

There are no new significant commitments not previously disclosed in the consolidated financial statements as of and for the year ended December 31, 2024.

16. Non-cash operating items

The changes in non-cash operating items consist of the following:

	Three months ended September 30		Nine months ended September 30	
(millions of U.S. dollars)	**2025**	**2024**	**2025**	**2024**
Trade and other receivables	**$ (69.0)**	$ (25.3)	**$ (59.9)**	$ 72.0
Fuel and natural gas in storage	**(11.3)**	7.6	**(1.5)**	6.9
Supplies and consumables inventory	**(1.3)**	(3.8)	**(1.5)**	(12.4)
Income taxes recoverable	**1.6**	2.6	**6.2**	6.6
Prepaid expenses	**(32.1)**	(20.9)	**(20.2)**	(2.2)
Accounts payable, accrued liabilities and other	**67.9**	16.5	**18.9**	(43.8)
Current income tax liability	**(3.9)**	(0.8)	**(9.5)**	2.8
Net regulatory assets and liabilities	**(24.6)**	(46.3)	**(50.8)**	(84.3)
	$ (72.7)	$ (70.4)	**$ (118.3)**	$ (54.4)

17. Financial instruments

(a) Fair value of financial instruments

(millions of U.S. dollars)

September 30, 2025	**Carrying amount**	**Fair value**	**Level 1**	**Level 2**	**Level 3**
Long-term investments carried at fair value	**$ 2.0**	**$ 2.0**	**$ 2.0**	**$ —**	**$ —**
Other receivables	**0.7**	**0.7**	**—**	**0.7**	**—**
Contingent consideration	**75.4**	**75.4**	**—**	**—**	**75.4**
Derivative instruments:					
Interest rate swaps designated as a hedge	**78.1**	**78.1**	**—**	**78.1**	**—**
Commodity contracts for regulatory operations	**0.1**	**0.1**	**—**	**0.1**	**—**
Total derivative instruments	**78.2**	**78.2**	**—**	**78.2**	**—**
Total financial assets	**$ 156.3**	**$ 156.3**	**$ 2.0**	**$ 78.9**	**$ 75.4**
Long-term debt	**$ 6,163.0**	**$ 6,167.2**	**$ 2,001.2**	**$ 4,166.0**	**$ —**
Convertible debentures	**0.3**	**0.3**	**0.3**	**—**	**—**
Derivative instruments:					
Interest rate swaps designated as a hedge	**18.2**	**18.2**	**—**	**18.2**	**—**
Commodity contracts for regulated operations	**1.0**	**1.0**	**—**	**1.0**	
Total derivative instruments	**19.2**	**19.2**	**—**	**19.2**	**—**
Total financial liabilities	**$ 6,182.5**	**$ 6,186.7**	**$ 2,001.5**	**$ 4,185.2**	**$ —**

17. Financial instruments (continued)

(a) Fair value of financial instruments (continued)

(millions of U.S. dollars)

December 31, 2024	Carrying amount	Fair value	Level 1	Level 2	Level 3
Long-term investments carried at fair value	$ 2.1	$ 2.1	$ 2.1	$ —	$ —
Other receivables	0.7	0.6	—	0.6	—
Derivative instruments:					
Interest rate swaps designated as a hedge	108.3	108.3	—	108.3	—
Commodity contracts for regulatory operations	0.2	0.2	—	0.2	—
Total derivative instruments	108.5	108.5	—	108.5	—
Total financial assets	$ 111.3	$ 111.2	$ 2.1	$ 109.1	$ —
Long-term debt	$ 6,207.0	$ 6,135.5	$1,922.5	$ 4,213.0	$ —
Convertible debentures	0.3	0.2	0.2	—	—
Derivative instruments:					
Interest rate swaps designated as a hedge	19.1	19.1	—	19.1	—
Commodity contracts for regulated operations	0.3	0.3	—	0.3	—
Total derivative instruments	19.4	19.4	—	19.4	—
Total financial liabilities	$ 6,226.7	$ 6,155.1	$1,922.7	$ 4,232.4	$ —

The Company has determined that the carrying value of its short-term financial assets and liabilities approximates the fair value as of September 30, 2025 and December 31, 2024 due to the short-term maturity of these instruments.

The Company’s Level 1 fair value of long-term debt is measured at the closing price on the New York Stock Exchange and the Canadian over-the-counter closing price. The Company’s Level 2 fair value of long-term debt at fixed interest rates has been determined using a discounted cash flow method and current interest rates. The Company's Level 1 fair value of convertible debentures has been determined as the greater of their face value and the quoted value of AQN's common shares on a converted basis.

The fair value of development loans and other receivables (Level 2) is determined using a discounted cash flow method, using estimated current market rates for similar instruments adjusted for estimated credit risk as determined by management.

The Company’s Level 2 fair value derivative instruments primarily consist of swaps, options and forward physical derivatives where market data for pricing inputs are observable. Level 2 pricing inputs are obtained from various market indices and utilize discounting based on quoted interest rate curves, which are observable in the marketplace.

The Company’s Level 3 fair value contingent consideration relates to the earn-out component recognized from the Renewables Sale. The fair value of the contingent consideration was determined using a discounted cash flow approach. The significant unobservable inputs used in the fair value measurement of the contingent consideration were the forward-looking ERCOT energy curves used to construct the expected cash flows and the discount rate applied to these cash flows, which was 11%. Significant increases (decreases) in expected cash flows or increases (decreases) in discount rate in isolation would have resulted in a significantly lower (higher) fair value measurement.

17. Financial instruments (continued)

(b) Derivative instruments

Derivative instruments are recognized on the unaudited interim condensed consolidated balance sheets as either assets or liabilities and measured at fair value at each reporting period.

(i) Commodity derivatives - regulated accounting

The Company uses derivative financial instruments to reduce the cash flow variability associated with the purchase price for a portion of future natural gas purchases associated with its regulated natural gas and electric service territories. The Company's strategy is to minimize fluctuations in natural gas sale prices to regulated customers. As at September 30, 2025, the commodity volume, in dekatherms, associated with the above derivative contracts is 2,536,064.

The accounting for these derivative instruments is subject to guidance for rate-regulated enterprises. Therefore, the fair value of these derivatives is recorded as current or long-term assets and liabilities, with offsetting positions recorded as regulatory assets and regulatory liabilities in the unaudited interim condensed consolidated balance sheets. Most of the gains or losses on the settlement of these contracts are included in the calculation of the fuel and commodity cost adjustments. As a result, the changes in fair value of these natural gas derivative contracts and their offsetting adjustment to regulatory assets and liabilities had no earnings impact.

(ii) Cash flow hedges

The Company mitigates the risk that interest rates will increase over the life of certain term loan facilities by entering into the following interest rate swap contracts. For an interest rate swap or cross-currency interest rate swap designated as hedging the exposure to variable cash flows of a future transaction, the effective portion of this derivative's gain or loss is initially reported as a component of OCI and subsequently reclassified into earnings once the future transaction impacts earnings. Amounts for interest rate contracts are reclassified to earnings as interest expense over the term of the related debt.

(millions of dollars)

Derivative	**Notional quantity**		**Expiry**	**Hedged item**
Forward-starting interest rate swap	US$	350.0	July 2029	US$350.0 subordinated unsecured notes
Cross-currency interest rate swap	C$	400.0	January 2032	C$400.0 subordinated unsecured notes
Forward-starting interest rate swap	US$	750.0	April 2032	US$750.0 subordinated unsecured notes

The following table summarizes OCI attributable to derivative financial instruments designated as a cash flow hedge held by continuing and discontinued operations:

	Three months ended September 30		**Nine months ended September 30**	
(millions of U.S. dollars)	**2025**	**2024**	**2025**	**2024**
Effective portion of cash flow hedge	**$ (21.3)**	$ (6.1)	**$ (43.5)**	$ 39.6
Amortization of cash flow hedge	**5.3**	(0.3)	**4.7**	(1.3)
Amounts reclassified from AOCI	**(0.4)**	0.4	**(0.8)**	(5.6)
	$ (16.4)	$ (6.0)	**$ (39.6)**	$ 32.7

The Company expects $2.0 million of unrealized losses currently in AOCI to be reclassified, net of taxes, into investment loss, interest expense and derivative gains, within the next 12 months, as the underlying hedged transactions settle.

17. Financial instruments (continued)

(b) Derivative instruments (continued)

(iii) Foreign exchange hedge of net investment in foreign operation

The functional currency of most of AQN's operations is the U.S. dollar. The Company designates obligations denominated in Canadian dollars as a hedge of the foreign currency exposure of its net investment in its Canadian investments and subsidiaries. The related foreign currency transaction gain or loss designated as, and effective as, a hedge of the net investment in a foreign operation is reported in the same manner as the translation adjustment (in OCI) related to the net investment. A foreign currency gain of $nil and $65.6 million for the three and nine months ended ended September 30, 2025, respectively, were released into earnings upon the disposition of the hedged investments in foreign operations and the termination of the hedge (2024 - loss of $4.1 million and gain of $6.1 million, respectively) was recorded in OCI.

On May 23, 2019, the Company entered into a cross-currency swap, coterminous with the subordinated unsecured notes issued on such date, to effectively convert the $350.0 million U.S. dollar-denominated offering into Canadian dollars. The change in the carrying amount of the notes due to changes in spot exchange rates was recognized each period in the unaudited interim condensed consolidated statements of operations as loss on foreign exchange. The Company designated the entire notional amount of the cross-currency fixed-for-fixed interest rate swap as a hedge of the foreign currency exposure related to cash flows for the interest and principal repayments on the notes. Upon the change in functional currency of AQN to the U.S. dollar on January 1, 2020, this hedge was de-designated. The Company redesignated this swap as a hedge of AQN's net investment in its Canadian subsidiaries. The related foreign currency transaction gain or loss designated as a hedge of the net investment in a foreign operation was reported in the same manner as the translation adjustment (in OCI) related to the net investment and was reclassified to profit and loss as part of the gains (losses) on disposition of the net investment in its Canadian subsidiary, which was reclassified to discontinued operations. A foreign currency gain of $nil and $6.0 million for the three and nine months ended September 30, 2025, respectively, were released into earnings upon the disposition of the hedged investments in foreign operations and the termination of the hedge (2024 - gain of $1.4 million and $5.8 million, respectively, was recorded in OCI).

Chilean operations

The Company is exposed to currency fluctuations from its Chilean-based operations. The Company's Chilean operations are determined to have the Chilean peso as their functional currency. Chilean long-term debt used to finance the operations is denominated in Chilean Unidad de Fomento.

(iv) Other derivatives and risk management

In the normal course of business, the Company is exposed to financial risks that potentially impact its operating results. The Company employs risk management strategies with a view to mitigating these risks to the extent possible on a cost-effective basis. Derivative financial instruments are used to manage certain exposures to fluctuations in exchange rates, interest rates and commodity prices. The Company does not enter into derivative financial agreements for speculative purposes. For derivatives that are not designated as hedges, the changes in the fair value are immediately recognized in earnings.

The effects on the unaudited interim condensed consolidated statements of operations of derivative financial instruments not designated as hedges consist of the following:

	Three months ended September 30		Nine months ended September 30	
(millions of U.S. dollars)	**2025**	**2024**	**2025**	**2024**
Amortization of cash flow hedge	**$ 5.3**	$ (0.3)	**$ 4.7**	$ (1.3)
Unrealized gain (loss) on commodity contracts	**3.4**	0.6	**(2.9)**	1.8
Gain on derivative financial instruments	**$ 8.7**	$ 0.3	**$ 1.8**	$ 0.5

17. Financial instruments (continued)

(c) Supplier financing programs

In the normal course of business, the Company enters into supplier financing programs under which the suppliers can voluntarily elect to sell their receivables. The Company agrees to pay, on the invoice maturity date, the stated amount of the invoices that the Company has confirmed through the execution of bills of exchange. The terms of the trade payable arrangement are consistent with customary industry practice and are not impacted by the supplier's decision to sell amounts under these arrangements. As of September 30, 2025, accounts payable included confirmed invoices from designated suppliers of $nil (December 31, 2024 - $80.5 million).

18. Disposition of renewable energy business

On January 8, 2025, the Company completed the Renewables Sale for proceeds of $2,092.8 million after subtracting taxes, transaction fees and other preliminary closing adjustments, including an adjustment for estimated remaining completion costs for in-construction assets. As a result of the disposition, the Company derecognized $3,693.2 million of total assets, $1,694.1 million of total liabilities, $37.1 million of AOCI and $988.0 million of non-controlling interests from its unaudited interim condensed consolidated balance sheets. This resulted in a loss on disposition of $0.8 million recorded within the unaudited interim consolidated statements of operations.

The consideration from the sale included an earn-out component with fair value of $71.7 million that was determined based on the expected cash flows from certain wind assets. These future cash flows have been discounted to reflect their current present values and recorded as contingent consideration within other assets on the unaudited interim condensed consolidated balance sheets.

In addition, the consideration from the sale included tax equity investments in seven renewable projects, the fair value of which amounted to $165.5 million, and was determined based on expected tax benefits and cash flows. These cash flows have been discounted to reflect their current present values and recorded as a long-term investment on the unaudited interim condensed consolidated balance sheets.

18. Disposition of Renewable Energy Business (continued)

The following table presents the carrying values of the major classes of assets held for sale and liabilities associated with assets held for sale included in AQN's unaudited interim condensed consolidated balance sheets:

(millions of U.S. dollars)	December 31, 2024
Assets held for sale	
Current assets	
Cash and cash equivalents	$ 56.7
Trade and other receivables, net	85.4
Supplies and consumables inventory	4.2
Prepaid expenses	8.6
Derivatives instruments	4.3
Other assets	7.3
	166.5
Non-current assets	
Property, plant and equipment, net	3,219.8
Intangible assets, net	15.6
Other long-term investments	277.6
Derivative instruments	3.6
Other assets	12.5
	3,529.1
Total assets held for sale	$ 3,695.6
Liabilities associated with assets held for sale	
Current liabilities	
Accounts payable	$ 23.0
Accrued liabilities	106.8
Other long-term liabilities	0.8
Derivative instruments	22.4
	153.0
Non-current liabilities	
Long-term debt	1,348.7
Derivative instruments	98.5
Pension and other post-employment benefits obligation	0.2
Other long-term liabilities	126.9
	1,574.3
Total liabilities associated with assets held for sale	$ 1,727.3

18. Disposition of renewable energy business (continued)

The following table presents the results of the discontinued operations, which are included in earnings (loss) from discontinued operations, net of tax in AQN's unaudited interim condensed consolidated statements of operations:

	Three months ended September 30,		Nine months ended September 30	
(millions of U.S. dollars)	**2025**	**2024**	**2025**	**2024**
Revenue				
Non-regulated energy sales	**$ —**	$ 57.8	**$ 7.4**	$ 202.8
Other revenue	**—**	8.4	**—**	37.7
	—	66.2	**7.4**	240.5
Operating expenses	**—**	45.1	**8.7**	141.5
Non-regulated energy purchased	**—**	0.9	**—**	4.9
Depreciation and amortization	**—**	11.2	**—**	81.0
Loss on foreign exchange	**—**	3.7	**—**	22.5
	—	60.9	**$ 8.7**	249.9
Operating earnings (loss) from discontinued operations	**—**	5.3	**(1.3)**	(9.4)
Interest expense	**—**	(13.9)	**—**	(39.4)
Income (loss) from long-term investments	**—**	(46.7)	**8.1**	(78.2)
Loss on derivative financial instruments	**—**	(16.6)	**—**	(16.6)
Loss on disposition	**—**	(1,298.0)	**(0.8)**	(1,298.0)
Other net gains (losses)	**(36.2)**	1.4	**(43.2)**	(15.9)
Loss before income taxes	**(36.2)**	(1,368.5)	**(37.2)**	(1,457.5)
Income tax recovery	**1.4**	4.5	**10.5**	48.0
Loss from discontinued operations	**$ (34.8)**	$ (1,364.0)	**$ (26.7)**	$ (1,409.5)
Add: Net earnings attributable to non-controlling interests included in discontinued operations	**—**	8.8	**—**	42.6
Net loss from discontinued operations attributable to AQN	**$ (34.8)**	$ (1,355.2)	**$ (26.7)**	$ (1,366.9)

During the nine months ended September 30, 2025, the Company recognized an income tax recovery of $10.6 million as a result of the sale of investment tax credits, which were previously recorded as a part of discontinued operations.

AQN has elected not to separately disclose discontinued operations on AQN's unaudited interim consolidated statements of cash flows. The following table summarizes AQN's cash flows from discontinued operations:

	Three months ended September 30,		Nine months ended September 30,	
(millions of U.S. dollars)	**2025**	**2024**	**2025**	**2024**
Cash flows provided by (used in)				
Operating activities	**$ —**	$ 2.7	**$ —**	$ 79.5
Investing activities	**—**	(24.1)	**—**	(134.3)

18. Disposition of renewable energy business (continued)

Extinguishment of debt

On January 7, 2025, the Renewable Energy Group announced its intent to extinguish its outstanding Canadian senior unsecured notes of C$1,000.0 million in full and repay all outstanding principal and accrued interest amounts of $722.5 million as of the redemption date. The outstanding Canadian senior unsecured notes were repaid in full on February 6, 2025.

The outstanding U.S. senior secured notes of $475.9 million were repaid in full on January 8, 2025.

The senior unsecured credit facility of $181.0 million was repaid in full on January 8, 2025.

19. Comparative figures

Certain of the comparative figures have been reclassified to conform to the unaudited interim condensed consolidated financial statement presentation adopted in the current period to represent continuing operations.

Notes:

Algonquin's leadership

Directors

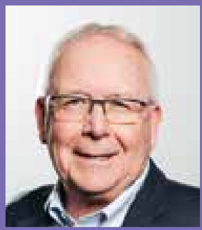
D. Randy Laney
Chair of the Board
Former Chairman of the Board, The Empire District Electric Company

Roderick West
Chief Executive Officer, Algonquin Power & Utilities Corp.
Former Group President, Utility Operations, Entergy Corporation

Brett C. Carter
Former Executive Vice President and Group President, Utilities and Chief Customer Officer, Xcel Energy Inc.

Amee Chande
Former Chief Commercial Officer, Waymo

Dan Goldberg
President and Chief Executive Officer, Telesat Corporation

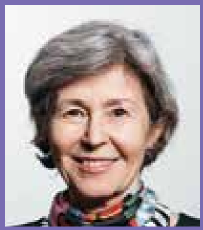


Chris Huskilson
Former Chief Executive Officer, Algonquin Power & Utilities Corp.
Former President and Chief Executive Officer, Emera Inc.

David Levenson
Former global head of Brookfield Special Investments and Managing Partner, Brookfield Asset Management

Christopher Lopez
Former Executive Vice President, Chief Financial and Regulatory Officer, Hydro One Limited

Gavin Molinelli
Senior Partner and Portfolio Manager, Starboard Value LP



Dilek Samil
Former Executive Vice President and Chief Operating Officer, NV Energy

DeAnn Walker
Former Chairman, Public Utility Commission of Texas

Executive Management Team

Roderick West
Chief Executive Officer

Noel Black
Chief Regulatory and External Affairs Officer

Brian Chin
Interim Chief Financial Officer

Colin Penny
Chief Information Officer

Jennifer Tindale
Chief Legal Officer

Amy Walt
Chief Customer Officer

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The Toronto Stock Exchange:
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