POLARIS
RENEWABLE ENERGY

Condensed Consolidated Interim Financial Statements for the periods ended

June 30, 2026 and 2025

(*Unaudited)*

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Polaris Renewable Energy Inc.

Consolidated Statements of Operations and Comprehensive Earnings

(expressed in thousands of United States dollars, except for shares and per share amounts; unaudited)

		Three Months Ended		Six Months Ended	
	Note	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Revenue					
Power revenue	4	**$ 19,934**	$ 21,642	**$ 39,683**	$ 41,902
Carbon emission reduction credits revenue	4	**1**	-	**20**	27
Total Revenue		19,935	21,642	**39,703**	41,929
Direct costs					
Direct costs	5(a)	**(4,367)**	(4,223)	**(8,417)**	(7,580)
Depreciation and amortization of plant assets	5(a)	**(7,735)**	(7,574)	**(15,436)**	(14,892)
General and administrative expenses	5(b)	**(2,377)**	(2,022)	**(4,733)**	(3,980)
Operating income		**5,456**	7,823	**11,117**	15,477
Interest income		**792**	758	**1,472**	1,795
Tax-equity income		**366**	1,051	**734**	1,051
Finance costs	6,9(b)	**(5,694)**	(5,825)	**(11,366)**	(21,709)
Other (losses) gains including FX		**56**	(50)	**(141)**	(71)
Earnings/(loss) and comprehensive earnings/(loss) before income taxes		**975**	3,757	**1,815**	(3,457)
Current and deferred income tax recovery (expense)		**(1,757)**	(1,484)	**(3,152)**	(4,679)
Total earnings/(loss) and comprehensive earnings/(loss)		**$ (782)**	$ 2,273	**$ (1,337)**	$ (8,136)
Total earnings/(loss) and comprehensive earnings/(loss) attributable to:					
Owners of the Company		**$ (848)**	$ 2,203	**$ (1,479)**	$ (8,238)
Non-controlling interests		**$ 66**	$ 70	**$ 142**	$ 102
Basic earnings per share	11	**$ (0.04)**	$ 0.10	**$ (0.07)**	$ (0.39)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Polaris Renewable Energy Inc.
Consolidated Balance Sheets
(expressed in thousands of United States dollars; unaudited)

	Note	As at June 30, 2026	As at December 31, 2025
Assets			
Current assets			
Cash and cash equivalents		**$ 93,219**	$ 88,624
Restricted cash		**1,000**	$ -
Accounts receivable	7	**12,424**	11,407
Prepaid expenses and other current assets		**2,699**	3,227
		109,342	103,258
Non-current assets			
Restricted cash		**4,582**	4,576
Other assets		**6,426**	5,038
Property, plant and equipment	8	**337,308**	350,836
Intangible assets		**45,302**	46,617
Construction in progress		**4,495**	4,502
Goodwill		**9,312**	9,312
Deferred tax assets		**11,325**	11,430
Total assets		**$ 528,092**	$ 535,569
Liabilities and Total Equity			
Current liabilities			
Accounts payable and accrued liabilities		**$ 18,515**	$ 15,258
Current portion of long-term debt	9	**4,117**	4,036
Current portion of lease liabilities		**386**	361
		23,018	$ 19,655
Non-current liabilities			
Long-term debt	9	**212,634**	213,308
Lease liabilities		**2,215**	2,165
Tax-Equity Liabilities	13	**2,964**	3,616
Decommissioning liabilities		**1,713**	1,680
Deferred tax liability		**50,355**	52,268
Total liabilities		**292,899**	$ 292,692
Non-controlling interests		**(148)**	(290)
Equity attributable to the owners of the Company			
Share capital	10	**664,970**	665,141
Contributed surplus		**14,204**	14,110
Accumulated deficit		**(443,834)**	(436,084)
Total equity attributable to the owners of the Company		**235,341**	243,167
Total equity		**235,193**	$ 242,877
Total liabilities and total equity		**$ 528,092**	$ 535,569

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Approved by the Board of Directors

(signed) Marc Murnaghan
Chief Executive Officer

(signed) Jaime Guillen
Director

Polaris Renewable Energy Inc.

Consolidated Statements of Changes in Shareholders' Equity

(expressed in thousands of United States dollars, except for share information; unaudited)

	Note Ref	Common Stock Shares	Share Capital	Contributed Surplus	Accumulated Deficit	Total Attributable to the Owners of the Company	Non-Controlling Interest	Total Equity
Balance at January 1, 2025		**21,055,042**	**$ 666,380**	**$ 14,092**	**$ (420,725)**	**$ 259,747**	**$ (221)**	**$ 259,526**
Dividends paid		-	-	-	(6,315)	(6,315)	-	(6,315)
Share-based compensation		-	-	65	-	65	-	65
Shares issued on vesting of RSUs	10	15,423	200	(200)	-	-	-	-
Shares issued on conversion exercise of shares (NCIB)		(53,200)	(448)	52		(396)		(396)
Total earnings and comprehensive earnings		-	-		(8,238)	(8,238)	102	(8,136)
Balance at June 30, 2025		**21,017,265**	**666,132**	**14,009**	**(435,278)**	**244,863**	**(119)**	**244,744**
Dividends paid		-	-	-	(6,298)	(6,298)	-	(6,298)
Share-based compensation				210		210		210
Shares issued on vesting of RSUs	10	2,668	30	(30)	-	-	-	-
Share buyback program (NCIB)		(116,600)	(1,021)	(79)	-	(1,100)	-	(1,100)
Total earnings/(loss) and comprehensive earnings/(loss)		-	-	-	5,492	5,492	(171)	5,321
Balance, December 31, 2025		**20,903,333**	**665,141**	**14,110**	**(436,084)**	**243,167**	**(290)**	**242,877**
Dividends paid		-	-	-	(6,271)	(6,271)	-	(6,271)
Share-based compensation		-	-	235	-	235	-	235
Shares issued on vesting of RSUs	10	23,735	141	(141)	-	-	-	-
Share buyback program (NCIB)	10	(34,450)	(312)	-	-	(312)	-	(312)
Total earnings/(loss) and comprehensive earnings/(loss)		-	-	-	(1,479)	(1,479)	142	(1,337)
Balance at June 30, 2026		**20,892,618**	**664,970**	**14,204**	**(443,834)**	**235,341**	**(148)**	**235,193**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Polaris Renewable Energy Inc.
Consolidated Statements of Cash Flows
(expressed in thousands of United States dollars; unaudited)

	Note Ref	Six Months Ended June 30, 2026	June 30, 2025
Net inflow (outflow) of cash related to the following activities			
Operating			
Total (loss) earnings and comprehensive earnings attributable to owners of the Company		**$ (1,479)**	$ (8,238)
Add/(Deduct) items not affecting cash:			
Non-controlling interests in net earnings of subsidiary		**142**	102
Current and deferred income tax (recovery)		**3,152**	4,679
Finance costs/interest on debt recognized		**10,372**	10,939
Depreciation and amortization	5(a)(b)	**15,548**	15,056
Accretion on debt		**828**	827
Accretion recorded as financing cost -extinguishment of debt	9	**-**	4,219
Share-based compensation		**447**	155
Unrealized foreign exchange loss (gain)		**(18)**	-
Tax-equity income		**(734)**	(1,050)
Changes in non-cash working capital:			
Accounts receivable	7	**(1,017)**	3
Prepaid expenses and other assets		**(507)**	208
Accounts payable and accrued liabilities		**583**	1,971
Income taxes paid		**(3,950)**	(2,714)
Debt Interest paid		**(9,347)**	(10,357)
Unearned revenue		**1,240**	431
Change in other assets		**(244)**	300
Net cash flow from operating activities		**15,017**	16,531
Investing			
Change in restricted cash		**(1,006)**	-
Additions to construction in progress		**(252)**	(196)
Additions to property, plant and equipment	8	**(233)**	(146)
Business combination, net of cash acquired		**-**	(14,665)
Net cash flow to investing activities		**(1,491)**	(15,007)
Financing			
Repayment of debt & tax equity liability	9	**(2,087)**	(116,300)
Payments for extinguishment of debt		-	**(5,436)**
Dividends paid		**(6,271)**	(6,315)
Shares repurchase costs	10(iv)	**(312)**	(448)
Payments of the outstanding lease liability		**(247)**	(244)
Net cash flow to financing activities		**(8,917)**	(128,743)
Foreign exchange (loss) gain on cash held in foreign currency		**(14)**	-
Net (decrease) increase in cash		**4,595**	(127,219)
Cash, beginning of the period		**88,624**	213,306
Cash and cash equivalents, end of the period		**$ 93,219**	$ 86,087

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

1. Organization

Polaris Renewable Energy Inc. ("the Company") was incorporated under the British Columbia Business Corporations Act but completed the endorsement process to continue as an Ontario Corporation on July 5, 2022. The registered office of the Company is located at 7 St. Thomas Street, Suite 606, Toronto, Ontario M5S 2B7.

The Company is engaged in the acquisition, exploration, development, and operation of renewable energy projects in Latin America and the Caribbean.

The Company, through its subsidiaries Polaris Energy Nicaragua, S.A. (“PENSA”) and San Jacinto Power International Corporation (“SJPIC”), owns and operates a 82-megawatt (“MW”) capacity geothermal facility (the “San Jacinto Project”), located in northwest Nicaragua, near the city of Leon. PENSA entered into the San Jacinto Exploitation Agreement with the Nicaraguan Ministry of Energy and Mines to develop and operate the San Jacinto Project.

Through its subsidiary Empresa de Generacion Electrica Canchayllo SAC (“EGECSAC”), the Company owns and operates a run-of-river hydroelectric project with a rated capacity of approximately 5 MW located in the Canchayllo district of Peru. Also in Peru, through its subsidiary Generacion Andina SAC (“GASAC”), the Company owns and operates two run-of-river hydroelectric projects, with capacity of approximately 8 MW and 20 MW.

The Company, through its subsidiary Emerald Solar Energy SRL (“Emerald”), owns and operates a solar plant, Canoa 1, with 25 MW capacity, located in the Barahona Province, Dominican Republic.

The Company also owns 83.16% of the shares issued and outstanding of Hidroelectrica San Jose de Minas, S.A. ("HSJM”), a subsidiary that operates a hydroelectric plant with 6 MW capacity, located along the Cubi river in San Jose de Minas, Ecuador.

Through its subsidiary Polaris Renewable Energy S.A, the Company constructed, owns and operates two solar projects located in Vista Hermosa, in the Coclé Province in Panama. The solar projects, named Vista Hermosa Solar Park I and II, have a capacity of approximately 10 MW and began operations in April 2023.

On March 3, 2025, the Company closed on the Equity Capital Contribution Agreement and LLC Agreement with respect to Punta Lima Wind Farm LLC. The operating onshore wind farm with a nameplate capacity of 26 MW is located in the Municipality of Naguabo, Puerto Rico.

In May 2026, the Company acquired Nebula Innovations 1939 S. de R.L. de C.V., a newly incorporated entity with no operating activities, which will serve as the holding company for the Company's renewable energy investments in Mexico. The acquisition forms part of the Company's strategy to establish the corporate structure required to support the development, financing, construction and operation of its Mexican project portfolio.

2. Basis of preparation and presentation

The Company’s condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) applicable to the preparation of interim financial statements, under International Accounting Standard 34, Interim Financial Reporting. Accordingly, certain information and footnote disclosures normally included in the annual financial statements prepared in accordance with IFRS Accounting Standards, have been omitted or condensed. Accordingly, the interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended December 31, 2025. The accounting policies applied in the preparation of these condensed consolidated interim financial statements are consistent with those applied and disclosed in the Company’s consolidated financial statements for the year ended December 31, 2025. The Company’s material accounting policies were presented in Note 3: Material Accounting Policies to those annual consolidated financial statements. Effective January 1, 2026, the Company adopted the amendments to IFRS 9, Financial Instruments, and IFRS 7, Financial Instruments: Disclosures, relating to the derecognition of financial liabilities settled through electronic payment systems, including wire transfers, electronic funds transfers, and similar payment methods. Payments made to settle financial liabilities via bank cheques or Electronic Funds Transfer that are not settled as of the reporting date will continue to be recognized within accounts payable, with no corresponding reduction in cash and cash equivalents. The adoption of these amendments did not have a material impact on the Company's condensed consolidated interim financial statements.

When a project is acquired management is required to exercise its judgment to determine whether the transaction constitutes a business combination under IFRS 3, Business Combinations, or an asset acquisition. Management determines that a transaction is defined as a business combination by analyzing the inputs, processes and outputs existing at the moment of the transaction. If the Company acquires net assets that do not meet the definition of a business under IFRS 3, Business Combinations, the transaction is accounted for as an asset acquisition. In such circumstances, the acquired projects are recognized as intangible assets and measured initially at cost.

For asset acquisitions involving contingent consideration, the Company applies a cost accumulation approach. Accordingly, contingent consideration is not recognized at the acquisition date. The acquired intangible asset is initially recognized based on the fixed consideration transferred at the acquisition date. Subsequent contingent payments are capitalized as part of the cost of the intangible asset when the obligation becomes payable, typically upon achievement of the specified contractual milestones or other triggering events.

There are currently no pronouncements that are expected to have a significant impact on the Company's Consolidated Financial Statements upon adoption, with the exception of IFRS 18, superseding IAS 1 Presentation of Financial Statements and it is mandatorily effective for annual reporting periods beginning on or after January 1, 2027. IFRS 18 will introduce significant changes to numerous requirements, primarily on presentation of financial statements IFRS 18 and the amendments to the other standards are effective for reporting periods beginning on or after January 1, 2027. IFRS 18 will apply retrospectively with specific transition provisions. The new standard introduces new requirements for the presentation, classification, and disclosure of financial statement line items.

Key changes include:

- Classification of all income and expenses into five categories:
    - Operating
    - Investing
    - Financing
    - Taxation
    - Discontinued Operations
- Introduction of new mandatory subtotals:
    - Operating Profit
    - Profit before financing and income tax
    - Profit for the period
- Disclosure of management-defined performance measures (MPMs) of which we believe Adjusted EBITDA will meet the MPM definition
- Enhanced disclosure of operating expenses by nature and improved guidance on aggregation and disaggregation of financial information.

Although adoption of IFRS 18 will have no impact on Total Revenue or Total earnings/(loss) and comprehensive earnings/(loss) for the Period, the Company expects the reclassification of income and expense items into the new categories to affect the presentation of Operating Income.

In preparing these condensed consolidated interim financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenue and expenses. Actual results may differ from these estimates. The critical judgments made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty were those applied and disclosed in Note 3.v: Critical Judgments and Estimation Uncertainties to the Company’s consolidated financial statements for the year ended December 31, 2025.

In these consolidated financial statements, unless otherwise indicated, all dollar amounts are expressed in United States (“US”) dollars, the Company’s functional and reporting currency.

(expressed in thousands of United States dollars unless otherwise noted. Unaudited)

These condensed consolidated interim financial statements were approved and authorized for issuance by the Board of Directors of the Company (the “Board") on July 29, 2026.

3. Segment Information

The Company currently operates in six reportable operating segments:

- Nicaragua - Acquisition, exploration, development and operation of a geothermal project;
- Peru - Acquisition, development and operation of hydroelectric projects;
- Dominican Republic - Acquisition, development and operation of solar projects;
- Ecuador - Acquisition and operation of hydroelectric projects;
- Puerto Rico - Acquisition, development and operation of onshore wind farms; and
- Panama - Acquisition, development and operation of solar projects.

The Company has designated its Chief Executive Officer as the chief operating decision maker, who evaluates the performance of the Company’s reportable operating segments and makes recommendations to the Board of Directors to allocate available resources based on various criteria, including the availability of proven resources, costs of development, availability of financing, actual and expected financial performance, and existing debt covenants.

The reported segment earnings, including revenue and expenses, as well as assets and liabilities are presented below. Corporate represent expenses, assets and liabilities for Canada, not related to the Company’s reportable operating segments. These represent corporate headquarters and other minor North America holdings, which are not considered individually as reportable operating segments, but are presented below for reconciliation purposes to the Company’s total loss, revenue, expenses, assets and liabilities in these consolidated financial statements.

Assets and liabilities	As at June 30, 2026	As at December 31, 2025
Corporate	**$ 91,460**	$ 83,090
Nicaragua	**227,548**	238,799
Peru	**94,856**	100,542
Dominican Republic	**58,221**	58,864
Puerto Rico	**29,571**	28,085
Ecuador	**16,761**	16,499
Panama	**9,676**	9,692
Total assets	**$ 528,092**	**$ 535,569**
Corporate	**$ 4,632**	$ 3,776
Nicaragua	**218,693**	229,603
Peru	**89,405**	91,005
Dominican Republic	**55,036**	55,975
Puerto Rico	**25,456**	25,912
Ecuador	**15,587**	15,887
Panama	**9,941**	10,151
Total non-current assets	**$ 418,750**	**$ 432,311**
Corporate	**$ 176,260**	$ 175,797
Nicaragua	**47,066**	48,765
Peru	**26,803**	25,325
Dominican Republic	**37,904**	37,736
Puerto Rico	**3,534**	3,549
Ecuador	**1,054**	1,242
Panama	**279**	277
Total liabilities	**$ 292,899**	**$ 292,692**

(expressed in thousands of United States dollars unless otherwise noted. Unaudited)

	Nicaragua		Peru		Dominican Republic		Puerto Rico		Ecuador		Panama		Corporate		Total	
For the Three Months Ended June 30,	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
Revenue																
Power revenue	**$11,685**	$12,331	**$3,007**	$3,323	**$ 1,614**	$ 2,078	**$ 2,501**	$2,657	**$ 766**	$ 991	**$ 361**	$ 262	**$ -**	$ -	**$19,933**	$21,642
Carbon credits	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**1**	-	**1**	-
Direct costs																
Direct costs	**(1,835)**	(1,745)	**(829)**	(862)	**(391)**	(402)	**(1,003)**	(869)	**(123)**	(184)	**(183)**	(162)	**(2)**	1	**(4,367)**	(4,223)
Depreciation and amortization of plant assets	**(5,832)**	(5,696)	**(750)**	(658)	**(558)**	(551)	**(341)**	(365)	**(163)**	(179)	**(93)**	(125)	**2**	-	**(7,735)**	(7,574)
General and administrative expenses	**(305)**	(246)	**43**	(114)	**(239)**	(74)	**(24)**	(49)	**19**	(51)	**-**	(12)	**(1,871)**	(1,476)	**(2,377)**	(2,022)
Other operating costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating income	**3,713**	4,644	**1,471**	1,689	**426**	1,051	**1,133**	1,374	**499**	577	**85**	(37)	**(1,870)**	(1,475)	**5,455**	7,823
Interest income	**18**	8	**2**	2	**207**	24	**-**	-	**-**	3	**1**	1	**564**	720	**792**	758
Tax-equity income								1,051					**366**		**366**	1,051
Finance costs	**(8)**	(1,846)	**(321)**	(580)	**(815)**	(648)	**(77)**	-	**(1)**	(110)	**-**	(1)	**(4,472)**	(2,640)	**(5,694)**	(5,825)
Other (losses) gains	**(66)**	-	**132**	1	**4**	12	**-**	(115)	**-**	(41)	**-**	-	**(14)**	93	**56**	(50)
Earnings (loss) and comprehensive earnings (loss) before income taxes	**3,657**	2,806	**1,284**	1,112	**(178)**	439	**1,056**	2,310	**498**	429	**86**	(37)	**(5,427)**	(3,302)	**975**	3,757
Current Income Tax (expense)	**(2,399)**	(2,173)	**(364)**	(47)	**15**	(154)	**-**	-	**-**	-	**-**	-	**(285)**	(313)	**(3,033)**	$ (2,687)
Deferred Income Tax recovery (expense)	**1,519**	683	**(96)**	422	**(151)**	99	**-**	-	**-**	-	**-**	-	**4**	(1)	**1,276**	$ 1,203
Current and deferred income tax recovery (expense)	**(880)**	(1,490)	**(460)**	375	**(136)**	(55)	**-**	-	**-**	-	**-**	-	**(281)**	(314)	**(1,757)**	(1,484)
Total earnings (loss) and comprehensive earnings (loss)	**$ 2,777**	$ 1,316	**$ 824**	$1,487	**$ (314)**	$ 384	**$ 1,056**	$2,310	**$ 498**	$ 429	**$ 86**	$ (37)	**$(5,708)**	$(3,616)	**$ (782)**	$ 2,273

Polaris Renewable Energy Inc.

Notes to the Condensed Consolidated Interim Financial Statements
June 30, 2026 and 2025
(expressed in thousands of United States dollars unless otherwise noted. Unaudited)

	Nicaragua		Peru		Dominican Republic		Puerto Rico		Ecuador		Panama		Corporate		Total	
For the Six Months Ended June 30,	**2026**	2025	**2026**	2025	**2026**	2025	2026	**2025**	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
Revenue																
Power revenue	**$ 22,618**	$ 25,055	**$ 7,515**	$ 6,877	**$ 2,817**	$ 4,214	**$ 4,404**	$ 3,187	**$1,668**	$1,927	**$ 661**	$ 642	**-**	-	**$ 39,683**	$ 41,902
Carbon emission reduction credits revenue													**20**	27	**20**	$ 27
Direct costs																
Direct costs	**(3,515)**	(3,474)	**(1,597)**	(1,639)	**(768)**	(782)	**(1,957)**	(1,082)	**(250)**	(309)	**(325)**	(291)	**(5)**	(3)	**(8,417)**	$ (7,580)
Depreciation and amortization of plant assets	**(11,753)**	(11,394)	**(1,315)**	(1,314)	**(1,113)**	(1,102)	**(681)**	(476)	**(323)**	(356)	**(252)**	(249)	**1**	(1)	**(15,436)**	$(14,892)
General and administrative expenses	**(600)**	(542)	**(88)**	(230)	**(390)**	(147)	**(87)**	(178)	**(70)**	(170)	**(52)**	(63)	**(3,446)**	(2,650)	**(4,733)**	$ (3,980)
Other operating costs	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	$ -
Operating income	**6,750**	9,645	**4,515**	3,694	**546**	2,183	**1,679**	1,451	**1,025**	1,092	**32**	39	**(3,430)**	(2,627)	**11,117**	15,477
Interest income	**29**	80	**3**	2	**218**	42	**-**	-	**-**	3	**1**	1	**1,221**	1,667	**1,472**	$ 1,795
Tax-equity income	**-**	-	**-**	-	**-**	-	**-**	1,051	**-**	-	**-**	-	**734**	-	**734**	$ 1,051
Finance costs	**(43)**	(11,169)	**(777)**	(3,704)	**(1,406)**	(1,292)	**(146)**	-	**(1)**	(249)	**(1)**	(2)	**(8,992)**	(5,293)	**(11,366)**	$(21,709)
Other (losses) gains including FX	**(165)**	-	**28**	(1)	**31**	6	**-**	(142)	**-**	**(41)**	**-**	-	**(35)**	107	**(141)**	$ (71)
Earnings (loss) and comprehensive earnings (loss) before income taxes	**6,571**	(1,444)	**3,769**	(9)	**(611)**	939	**1,533**	2,360	**1,024**	805	**32**	38	**(10,503)**	(6,146)	**1,815**	(3,457)
Current Income Tax (expense)	**(3,543)**	(3,744)	**(759)**	(88)	**(86)**	(400)	**-**	-	**-**	-	**-**	(3)	**(572)**	**(610)**	**(4,960)**	$ (4,845)
Deferred Income Tax recovery (expense)	**2,111**	(776)	**(105)**	843	**(210)**	99	**-**	-	**-**	-	**-**	-	**12**	-	**1,808**	$ 166
Total earnings (loss) and comprehensive earnings (loss)	**$ 5,139**	$ (5,964)	**$ 2,905**	$ 746	**$ (907)**	$ 638	**$ 1,533**	$ 2,360	**$1,024**	$ 805	**$ 32**	$ 35	**$(11,063)**	$(6,756)	**$ (1,337)**	$ (8,136)

(expressed in thousands of United States dollars unless otherwise noted. Unaudited)

4. Revenue

Revenue by project is summarized in the following table:

Project	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Canada				
Carbon Credits	$ **1**	$ -	$ **20**	$ **27**
Nicaragua *(i)*				
San Jacinto (Geothermal)	$ **11,685**	$ 12,331	**22,618**	**25,055**
Peru *(ii)*				
Generación Andina (Hydroelectric)	**2,563**	2,886	**6,275**	**6,019**
Canchayllo (Hydroelectric)	**444**	437	**1,240**	**858**
Dominican Republic (iii)				
Canoa 1 (Solar)	**1,614**	2,078	**2,817**	**4,214**
Ecuador (iv)				
San Jose de Minas (Hydroelectric)	**766**	991	**1,668**	**1,927**
Panama (v)				
Vista Hermosa (Solar)	**361**	262	**661**	**642**
Puerto Rico (vi)				
Punt Lima (Wind)	**2,501**	2,657	**4,404**	**3,187**
Total power revenue	**19,934**	**21,642**	**39,683**	**41,902**
Total revenue	$ 19,935 $ -	$ 21,642	$ 39,703	$ 41,929

(i) *The Company sells electricity to two Nicaraguan power distributors Distribuidora De Electricidad del Norte, S.A. ("Disnorte") and Distribuidora De Electricidad del Sur, S.A. ("Dissur"). Energy is billed 5 days after the delivery month and the receivable is collected 45 days after billing.*

(ii) *For Peru, under the terms of the PPAs, the Company bills at the spot rate for current energy generation. The difference between the spot rate and the PPA rate (plus an effective annual interest rate of 12%) is calculated annually each May for the previous 12 months and is paid evenly over the following 12 months. Energy is billed 10 business days after the delivery month and the receivable is collected 30 days after billing.*

(iii) *In the Dominican Republic, the Company bills electricity 30 days after delivery and collects it 30 days after billing.*

(iv) *For Ecuador, electricity is billed 10 days after delivery and the receivable is collected approximately 45 days after billing.*

(v) *For Panama, electricity is sold at spot, billed 18 days after the delivery and collected up to 30 days after billing.*

(vi) *PLWF sells energy to Puerto Rico Electric Power Authority, which have 47 days payment term*

The Company has determined that it has one performance obligation which is the delivery of electricity to its customers. There is no revenue recognized from unfulfilled performance obligations. Note 7 to these interim financial consolidated statements provides details on the Company's contract balances related to this revenue.

5. Direct Costs, General and Administrative and Other Expenses

(a) Direct costs related to the production of energy:

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Direct costs other than amortization:				
Employee costs	**1,607**	1,673	**3,102**	3,017
General liability insurance	**827**	1,019	**1,663**	1,983
Land, building and other Municipal and Federal Taxes	**818**	620	**1,469**	1,157
Maintenance	**811**	719	**1,589**	1,034
Other direct costs	**304**	192	**594**	389
	4,367	**4,223**	**8,417**	7,580
Depreciation and amortization	$ **7,735**	$ 7,574	$ **15,436**	$ 14,892
Direct Costs	$ 12,102	$ 11,797	$ 23,853	$ 22,472

(expressed in thousands of United States dollars unless otherwise noted. Unaudited)

(b) General and administrative expenses:

	Three Months Ended		Six Months Ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Salaries and benefits	$ **1,011**	$ 930	$ **1,969**	$ 1,791
Share-based compensation	**270**	73	**447**	114
Facilities and support	**298**	325	**649**	577
Professional fees	**375**	610	**740**	914
Pipeline development costs	**253**	111	**496**	236
Insurance	**32**	33	**64**	75
Minimum asset taxes	**172**	-	**291**	-
Depreciation of other assets	**58**	106	**115**	164
Other general and administrative expenses (i)	**(92)**	(166)	**(38)**	109
	$ **2,377**	$ 2,022	$ **4,733**	$ 3,980

(i) Certain comparative amounts have been reclassified to conform to the current year's presentation.

6. Finance Costs

	Three Months Ended		Six Months Ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Interest on debt	$ **5,114**	$ 5,161	$ **10,271**	$ 10,826
Accretion on debt and other liabilities-including ARO	**418**	452	**828**	10,503
Banking fees and other finance costs	**162**	213	**267**	380
	$ **5,694**	$ 5,825	$ **11,366**	$ 21,709

7. Accounts Receivable

	June 30, 2026	December 31, 2025
Nicaragua		
San Jacinto (Geothermal)	$ **8,531**	$ 8,811
Peru		
Generación Andina (Hydroelectric)	**50**	160
Canchayllo (Hydroelectric)	**5**	9
Dominican Republic		
Canoa 1 (Solar)	**1,066**	890
Ecuador		
San Jose de Minas (Hydroelectric)	**476**	420
Panama		
Vista Hermosa I (Solar)	**136**	82
Vista Hermosa II (Solar)	**126**	78
Puerto Rico		
Punta Lima Wind Farm	**2,034**	**957**
	$ **12,424**	$ **11,407**

The Company assessed the risk of credit losses for its accounts receivable and concluded it is immaterial, therefore it has not recorded a loss allowance (Note 12 (b) Credit Risk).

(expressed in thousands of United States dollars unless otherwise noted. Unaudited)

8. Property, Plant and Equipment

The following is a summary of the activity related to the Company's PP&E:

	December 31, 2025	2026 Activity	2026 Transfers from CIP	June 30, 2026
San Jacinto geothermal project	$ 547,334	$ 497	$ 62	$ 547,893
Generación Andina hydroelectric projects	65,022	-	-	65,022
Canchayllo hydroelectric project	10,442	-	-	10,442
Canoa 1 solar project	37,463	18	116	37,597
Vista Hermosa Solar Park, I and II	11,323	8	45	11,376
Punta Lima Wind Farm	25,832	-	31	25,863
Accumulated depreciation	(352,718)	(13,925)	-	(366,643)
Capital spares	6,138	(380)	-	5,758
	$ 350,836	$ (13,782)	$ 254	$ 337,308

PP&E assets currently in operation are being depreciated on a straight-line basis over the remaining term of their estimated useful lives.

9. Long-term debt

	Green Bond	Generación Andina Debt	Canoa 1 Debt	Total
Loans and other borrowings – December 31, 2025	$ 170,179	$ 18,560	$ 28,605	$ 217,344
Accretion interest expense	-	781	-	781
Unamortized debt issuance costs and discount	608	-	75	683
Repayments of debt principal	-	(1,049)	(1,008)	(2,057)
Loans and other borrowings – June 30, 2026	**$ 170,787**	**$ 18,292**	**$ 27,672**	**$ 216,751**
Current	$ -	$ 2,123	$ 1,994	$ 4,117
Non-current	170,787	16,169	25,678	212,634
Unamortized debt discount	4,213	13,370	908	18,491
Principal balance	**$ 175,000**	**$ 31,662**	**$ 28,580**	**$ 235,242**
Fair value as of June 30,2026 (i)	177,698	17,253	27,979	222,930
Annual Interest rate	**9.5% (fixed)**	**No interest**	**7.00% (fixed)**	
Maturity dates	**12/3/2029**	**6/15/2038**	**9/30/2037**	

(i) Fair value is calculated based on discounted future cash flow of debt service using average rate, published by the Central bank in each country the debt is held, for similar financial instruments.

(expressed in thousands of United States dollars unless otherwise noted. Unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
San Jacinto Debt Facility				
Interest paid & recorded as financing cost	-	-	-	434
Unamortized financing costs recorded as financing cost	-	-	-	21
Write-off of financing cost -extinguishment of debt	-	-	-	2,774
Generación Andina Debt				
Interest paid & recorded as financing cost	**391**	409	**781**	809
APG Debt				
Interest paid & recorded as financing cost	-	-	-	46
Unamortized financing costs recorded as financing cost	-	-	-	10
Write-off of financing cost -extinguishment of debt			-	1,445
Green Bond				
Interest payable & recorded as financing cost	**4,157**	4,157	**8,359**	8,313
Unamortized financing costs recorded as financing cost	**304**	302	**608**	601
Canoa Debt				
Interest paid & recorded as financing cost	**516**	547	**1,034**	1,096
Unamortized financing costs recorded as financing cost	**37**	39	**75**	79
SJM Debt				
Interest paid & recorded as financing cost	-	-	-	35
PLW				
Accretion tax equity & deferred consideration & ARO	**76**	111	**144**	137
Other				
Interest paid & recorded as financing cost	**50**	48	**97**	93
Total	**5,532**	5,613	**11,099**	15,893
Interest recorded as financing cost	**$ 5,114**	$ 5,161	**$ 10,271**	$ 10,826
Unamortized financing costs recorded as financing cost	418	452	**828**	848
Unamortized financing costs at extinguishment of debt	-	-	-	4,219
Prepayment premium				5,436
Bank fees	**162**	213	**267**	380
Total	**5,694**	5,826	**11,366**	21,709

(i) ***Summary of early repayment of Credit Agreements in 2025***

In January 2025 the Company settled four (4) of its outstanding debts. The early settlements were executed through the repayment of the outstanding principal amounts, plus accrued interest and a prepayment penalty, in accordance with the debt agreements.

	San Jacinto Credit Agreement	APG Credit Agreement	HSJM Credit Agreement 1	HSJM Credit Agreement 2	Total
Date of debt repayment in full	1/15/2025	1/08/2025	1/08/2025	1/08/2025	
Outstanding principal amount	87,100	23,750	1,917	1,501	114,268
Accrued interest	869	46	5	2	922
Premium for extinguishment of debt	4,248	1,188	-	-	5,436
Total paid	$ 92,217	$ 24,984	$ 1,922	$ 1,503	$ 120,625
Debt carrying amount	84,326	22,322	1,917	1,473	110,038
Loss on extinguishment of debt	$ 7,022	$ 2,616	$ -	$ 28	$ 9,664

(ii) Summary of Senior Secured Bond Agreement

The Green Bonds with face value of $175 million have a tenor of five years and a fixed coupon rate of 9.5% percent per annum, with interest payable semi-annually. The Green Bonds includes a tap feature, allowing the Company to access up to an additional $50 million in funding for potential future uses. Under the terms of the Green Bonds, the Company is required to comply with the following financial covenants at the end of each interim and annual reporting period:

- Debt Service Coverage Ratio ("DSCR") (>= 1.75:1)
- Minimum liquidity >= $15.0 million

As of June 30, 2026, the Company is in compliance with all the covenants related to the Green Bonds and there is no indication that there may be any non-compliance with the covenants when they will be tested at the end of the next reporting period. Additionally, the terms of the Green Bonds impose an incurrence test in respect of any distribution, including dividends payment and share repurchases. The test is satisfied when the DSCR exceeds 2.00:1. In addition, the Green Bonds limit aggregate distributions in any calendar year to a maximum of 50% of the Company's cash flows from operating activities for the preceding fiscal year.

(iii) Summary of Generación Andina Credit Agreement

As at June 30, 2026, the Generación Andina ("GASAC") loans bear no interest. No interest will be charged during the life of the loan, except for default interest on any overdue amount. The loan is payable in 36 semi-annual installments, ending June 15, 2038, the termination date.

Under the terms of the agreement, which has a carrying amount of $18,292 (2025-$18.8 million) GASAC is required to comply with the following financial covenants at the end of each interim and annual reporting period:

- Debt Service Coverage Ratio (>1.1:1)

As of June 30, 2026, GASAC is in compliance with all the covenants related to the GASAC Credit Agreement and there is no indication that there may be any non-compliance with the covenants when they will be tested at the end of the next reporting period.

(iv) Summary of Canoa 1 Credit Agreement

The Canoa 1 loan has a term of 17 years, ending September 30, 2037, bears a 7% fixed interest rate, and requires quarterly payments of principal and interest.

Under the terms of the Canoa 1 Credit Agreement, which has a carrying amount of $27,672 (2025-$28.9 million) Emerald is required to comply with certain financial covenants at the end of each interim and annual reporting period:

- Debt Service Coverage Ratio (>1.20:1)
- Financial Debt to Equity Ratio (< =85:15)

During the first half of 2026, the Canoa project experienced elevated levels of curtailment, consistent with conditions affecting a number of renewable energy generators in the Dominican Republic. The resulting reduction in energy production and revenues forced the company to request and obtain a waiver regarding its Debt Service Coverage Ratio ("DSCR") covenant as of June 30, 2026. The Company remained in compliance with the Financial Debt-to-Equity Ratio covenant. Accordingly, no event of default exists under the Canoa 1 Credit Agreement and the loan continues to be classified in accordance with its contractual repayment terms. The Company expects to continue meeting its scheduled interest and principal payment obligations and does not anticipate any interruption to debt service as a result of the covenant waiver.

Management has maintained ongoing and proactive communications with the lender regarding the operating conditions affecting the project.

Given the continued curtailment conditions affecting the Dominican Republic power market, management expects that compliance with the DSCR covenant may remain constrained in future reporting periods. The Company will continue to actively engage with the lender regarding covenant compliance and, based on current discussions and the lender's support to date, does not expect any impact on its ability to continue servicing its debt obligations as they become due.

(expressed in thousands of United States dollars unless otherwise noted. Unaudited)

10. Share Capital

	Number of Shares Authorized, Issued and Fully Paid	Number of Shares Reserved for Issue Under LTIP (RSU.DSU.PSU)	Number of Shares Reserved for Issue Under Stock Options (Exercisable)
Balance at January 1, 2025	**21,055,042**	**184,933**	**167,943**
Shares issued in connection with RSUs vested	15,423	(15,423)	
Stock options vested	-	-	13,090
Repurchase and cancellation of shares (NCIB) [1]	(53,200)	-	-
Balance at June 30,2025	**21,017,265**	**169,510**	**181,033**
Shares issued in connection with RSUs vested	2,668	(2,668)	-
Stock options vested	-	-	17,943
Repurchase and cancellation of shares (NCIB) [1]	(116,600)	-	-
Reserve shares transferred to component award	-	588,801	-
Balance at December 31, 2025	**20,903,333**	**755,643**	**198,976**
Shares issued in connection with RSUs vested	23,735	(23,735)	-
Stock options vested	-	-	3,091
Repurchase and cancellation of shares (NCIB) [1]	(34,450)	-	-
Balance at June 30,2026	**20,892,618**	**731,907**	**202,067**

(1) During the year ended December 31, 2025, the Company purchased and cancelled 169,800 shares under its NCIB program. During the six months ended June 30, 2026 the Company purchased and cancelled 34,450 shares under its NCIB program.

On January 19, 2026, the Company granted 35,340 RSUs with a three-year vesting period and 7,827 RSUs with a four-year vesting period to certain employees. Throughout February, 2026, 23,735 RSUs vested. Upon vesting, the same number of common shares were issued to the eligible participants.

(i) Stock options

The Company's Omnibus Long-Term Incentive Plan (the "LTIP") adopted in June 2012 and most recently amended and approved in June 2024, provides that stock options may be granted to directors, senior officers, employees and consultants of the Company or any of its affiliates and employees of management companies engaged by the Company. The LTIP was amended to convert the limit on the number of common shares in the capital of the Company issuable under the Omnibus Plan, from a rolling limit of 7.5% of the issued and outstanding Common Shares to a fixed number of 1,000,000 Common Shares (representing 4.7% of the issued and outstanding shares as of the amendment date). Options granted under the LTIP are for a contractual term not to exceed five years from the date of their grant, and vesting is determined by the Company's Board.

The table below summarizes the information related to stock options outstanding and exercisable as at June 30, 2026:

	Outstanding Options			Exercisable Options	
Range $CDN	Number of Options Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price ($CDN)	Number of Options Outstanding	Weighted Average Exercise Price ($CDN)
0.00 - 99.99	223,099	1.04	$ 17.28	202,067	$ 17.57

There was not stock options grants during 2025 or 2026. For the periods ended June 30, 2026 and 2025, the Company recognized shared-based compensation expense associated with options, with a corresponding increase in contributed surplus, of $0.2 million.

(expressed in thousands of United States dollars unless otherwise noted. Unaudited)

(ii) Restricted Share Units ("RSUs)

On January 19, 2026, the Company granted 35,340 with a three year vesting period and 7,827 with a four year vesting period to certain employees starting on the first anniversary of the grant.

	Number of RSUs Outstanding
Balance at January 1, 2025	**41,605**
RSU vested	(15,423)
RSUs awarded	22,233
Balance at June 30,2025	**48,415**
RSU vested	(2,668)
RSUs awarded	45,940
Balance at December 31, 2025	**91,687**
RSUs vested	(23,735)
RSUs awarded	43,167
Balance at June 30,2026	**111,119**

(iii) Deferred Share Units ("DSUs")

	Number of DSUs Outstanding	Fair Value of DSU's end of period
Balance at January 1, 2025	**32,745**	**$ 303**
DSUs awarded in lieu of Directors Fees	4,811	
Dividend reinvestment DSUs	1,150	
Balance at June 30,2025	**38,706**	**$ 341**
DSUs awarded in lieu of Directors Fees	8,832	
Dividend reinvestment DSUs	1,417	
Balance at December 31, 2025	**48,955**	**$ 424**
DSUs awarded in lieu of Directors Fees	8,319	
Dividend reinvestment DSUs	1,476	
Balance at June 30,2026	**58,751**	**$ 632**

(iv) Performance Share Units ("PSUs")

On January 19, 2026, under the Company's LTIP, selected employees were granted a total of 32,667 PSUs with market-based vesting conditions ("Market PSUs"). These units vest on December 31, 2029 and become eligible for vesting based on the Company achieving certain stock price target.

On September 16, 2025, some employees were granted a total of 58,785 Market PSUs. These units vest on December 31, 2027 and become eligible for vesting based on the Company achieving certain stock price target. The fair value of the Market PSUs was determined at the grant date using the Black Scholes option pricing model. On the same date the Company granted 210,000 PSUs with performance-based vesting conditions ("Performance PSUs"). These unit are eligible to vest on December 31, 2029, based on the achievement of specified financial performance targets. Fair value of the Performance PSUs is measured at the market closing share price on the date of grant and compensation expense for Performance PSUs is recognized only when it is probable that the performance conditions will be achieved. Compensation expense recognized related to Performance PSUs is reversed if the Company determines that it is no longer probable that the performance conditions will be achieved.

(expressed in thousands of United States dollars unless otherwise noted. Unaudited)

11. Earnings per Share

The following table summarizes the common shares used in calculating net loss per common share. Basic and diluted weighted average number of shares outstanding includes RSUs, PSUs and DSUs granted by the Company.

	Three Months Ended		Six Months Ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Total earnings attributable to owners of the Company	$ **(848)**	$ 2,203	$ **(1,479)**	$ (8,238)
Basic weighted average number of shares outstanding	**20,955,077**	21,069,930	**20,955,385**	21,079,619
Basic earnings per share	$ **(0.04)**	$ 0.10	$ **(0.07)**	$ (0.39)

	Three Months Ended		Six Months Ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Total earnings attributable to owners of the Company	$ **(848)**	$ 2,203	$ **(1,479)**	$ (8,238)
Diluted weighted average number of shares outstanding	**21,063,587**	21,118,272	**21,070,449**	21,128,406
Diluted earnings per share	$ **(0.04)**	$ 0.10	$ **(0.07)**	$ (0.39)

Stock options have anti-dilutive effect in the calculation of earnings per share and therefore not included.

12. Financial Instruments and Risk Management

(a) Fair value of financial assets and liabilities

IFRS Accounting Standards requires disclosure about the inputs to fair value measurements, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The following are the three levels of the fair value hierarchy:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices, directly or indirectly observable for the asset or liability.
- Level 3 – Inputs that are not based on observable market data.

As at June 30, 2026, the carrying amounts of accounts receivable, restricted cash, accounts payable and accrued liabilities and current portion of long-term debt approximate fair value due to their short-term maturity.

The carrying value of the long-term debt is net of unamortized transaction costs and debts discounts further explained in note 9.

All the assets and liabilities that the Company has identified as financial assets and financial liabilities are measured at amortized costs under IFRS 9 Financial Instruments. The company currently has no financial assets and financial liabilities to be measured at fair value.

(b) Financial risk management

The Company is exposed to financial risks arising from its financial assets and liabilities. The financial risks include market risks relating to interest rates, foreign exchange rates and commodity prices.

Currency risk

The Company is exposed to foreign currency risk arising from fluctuations in exchange rates. While the Company's revenue is denominated in US dollars, a portion of operating and capital expenditures are incurred in foreign currencies, primarily the Nicaraguan cordoba, Peruvian sol, Dominican peso, and Canadian dollar. The Company manages its exposure by converting local currency receipts to US dollars on a timely basis; however, it remains exposed to currency fluctuations on locally denominated monetary assets and liabilities. A strengthening of these foreign currencies against the US dollar would increase the Company's operating and capital costs, while a weakening would have the opposite effect.

Based on the Company's net exposure to foreign currency-denominated monetary items as at June 30, 2026, a reasonably possible change of 10% in foreign exchange rates against the US dollar would not have had a material impact on the Company's net loss and comprehensive loss for the period.

Commodity prices
The Company's commodities consist of power produced and to a lesser extent CERs earned. The Company is not exposed to commodity price risk with respect to the power it produces as 99% of power currently produced is sold under the terms of a PPA which establishes a fixed price and escalator.

Interest rate risk
The Company is exposed to interest rate risk primarily through its long-term borrowings. As of June 30, 2026, all of the Company's outstanding debt bears fixed interest rates, which significantly limits the exposure of future cash flows and results of operations to changes in market interest rates. The Company may be exposed to interest risk in connection with future financings or refinancing activities, and management continues to monitor market conditions on an ongoing basis ended.

Credit risk
The Company is exposed to credit risk with respect to amounts receivable from its customers. Credit risk is the potential loss from the customer failing to perform payment of the amount receivable, defined in the invoice. The Company manages credit risk with policies and procedures for customer analysis, exposure measurement, and exposure monitoring and mitigation.

The Company considers that "default" may occur when the account receivable balance is 180 days past due, from the date of payment stated in the invoice.

Once a balance receivable has been identified as in default, the Company assesses the alternatives to recover such balances, with reasonable effort. If the Company concludes the balances cannot be recovered, the amounts are then written-off.

In estimating expected credit losses on trade receivables, the Company has estimated the probability of default is 0.1% based on the Company's historical default rates, as the Company does not expect these rates to significantly increase in the future. Historically, the Company has not suffered losses for balances identified as in default and does not expect to incur significant losses in the future due to the nature of its customers (distribution utilities). The Company applies the simplified approach to assessing expected credit losses for trade receivables, whereby the loss allowance for the account receivable is measured at an amount equal to the lifetime expected credit losses. The Company shall recognize in the statements of earnings, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

From the credit risk assessment performed during the period, the Company has concluded that exposure to credit risk related to the amounts receivable from customers is not material, as of June 30, 2026.

The Company is also exposed to credit risk with respect to its amounts of cash and cash equivalents. The Company deposits its cash with reputable financial institutions, mostly based in North America, for which management believes the risk of loss to be remote.

Liquidity risk
Liquidity risk is the risk that the Company will be unable to meet its financial obligations as they become due. The Company manages liquidity risk by ensuring that it has sufficient cash, credit facilities and other financial resources available to meet its obligations. The Company forecasts cash flows for a period of 12 months to identify financial requirements. These requirements are met through a combination of cash flows from operations, credit facilities and accessing capital markets.

(expressed in thousands of United States dollars unless otherwise noted. Unaudited)

The following are maturities for the Company's financial liabilities as at June 30, 2026:

	Less than 1 Year	1-3 Years	4-5 Years	More than 5 Years	Total
Accounts payable and accrued liabilities	$ 18,515	$ -	$ -	$ -	$ 18,515
Debt, current and long-term	4,117	8,809	184,387	37,921	235,234
Interest obligations not included in accruals	18,603	36,761	9,899	4,113	69,376
Lease liabilities	386	961	859	395	2,601
	$ 41,621	**$ 46,531**	**$ 195,145**	**$ 42,429**	**$ 325,726**

13. Other Contractual Obligations and commitments

Geothermal concessions: The Company enters into agreements for geothermal concessions with minimum annual payment requirements of $30.

Land Leases: Punta Lima Wind Farm has three long-term land leases variable in nature, based on land use and revenue generated. Assuming PLWF annual production will always be greater than 6,000 MWh, the minimum annual payments will be at least $450 per year until the end of the PPA in 2044.

CAPEX: PLWF has until March 2028 to complete the installation of a 1 MW Battery Energy Storage System ("BESS") frequency regulation for the Punta Lima project pursuant to the amended PPA. The planned development under the Puerto Rican project of Accelerated Storage Addition Program ("ASAP") of a BESS project (71 MW), once constructed, will be sufficient to meet operational requirements.

Maintenance Contract: The Company has entered into a multi-year Operations and Maintenance (O&M) agreement for PLWF. The contract, ending in 2034, includes fixed and variable components (CPI adjusted) based on plant availability and energy output. The fixed component liability of the O&M agreement is shown below:

	June 30, 2026
Less than one year	$ **952**
For years 2 - 5	**3,149**
Thereafter	**2,855**
Total commitments for expenditures	**$ 6,956**

Tax-Equity Liability: In connection with the acquisition of PLWF in Q1 2025 through a tax-equity financing structure, the Company contracted a tax-equity liability with Class A and Class C investors. This liability is expected to be settled primarily through the allocation of tax benefits, supplemented by modest cash payments, and is anticipated to be fully settled by Q2 2029.

Tax-Equity Liability	June 30, 2026
Balance beginning of the year	$ **3,616**
Accretion finance charge	**112**
Tax benefit (Class A &C units) amortization	**(734)**
Cash distributions to Class A and Class C members	**(30)**
Balance end of the period	**$ 2,964**

14. Capital Management

The Company's capital structure is comprised of net long-term debt, as further disclosed in Note 9, and shareholders' equity (consisting of issued capital and contributed surplus offset by accumulated deficit). The Company's objectives when managing its capital structure are to:

(i) maintain financial flexibility to preserve the Company's access to capital markets and its ability to meet its financial obligations; and

(ii) finance internally generated growth as well as potential acquisitions.

In order to facilitate the management of capital, the Company prepares annual expenditure budgets, which are updated as necessary and are reviewed by the Company's Board.

In preparing its budgets, the Company considers externally imposed capital requirements pursuant to the terms of the loan agreements for Generacion Andina project, the Canoa Debt agreement and the senior secured green bond Agreement (Note 9). These externally imposed capital requirements will affect the Company's approach to capital management. The Company's externally imposed capital requirements include restrictions on the use of revenue from some projects and from the proceeds of green bond, maintaining minimum debt service coverage and solvency ratios for GASAC, Emerald, and the Company.

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