

BORALEX

2025

HORIZON 2030
**Accelerating
Growth, Optimizing
Performance**

2025 Annual Report

 **BEST 50** 2025
CANADA'S BEST CORPORATE CITIZENS

Combining Sustainable Growth with Performance

For the past 35 years, Boralex has been committed to developing, owning and operating renewable energy assets and thereby contributing to the energy transition and global decarbonization.

Against a backdrop of varying economic cycles, our organization's growth has been driven by financial discipline, proactive risk management and our teams' proven ability to get results, using a systematic and sustainable approach.

Present in four key markets on two continents with strong opportunities for growth, we are steadily increasing our installed capacity and securing our revenue with long-term contracts.

Our energy solutions create value for the environment, our clients, our partners and our host communities, enabling us to lead the way forward in renewable energy.



Peyrolles en Provence, France

Fully Integrated and Focused on Renewable Energy

Our expertise across the energy value chain — prospection, development, construction, operation and commercialization — is what sets us apart.

Our activities at every stage are guided by our commitment to corporate social responsibility, which is an integral component of our strategy. We are unwavering in our resolve to improve our performance, boost our long-term value and generate positive impacts beyond renewable energy production.

DEVELOPER

Project Development

Be active on the ground to develop wind, solar, hydroelectric and battery energy storage projects integrated into their respective ecosystems and designed to meet the needs of clients, partners and stakeholders.

Construction Management

Manage all phases of financing and construction for our projects.

OPERATOR

Asset Operation and Optimization

Run facilities, manage contracts, liaise with communities, optimize maintenance and repairs and repower existing sites.

Direct-to-Client Energy Sales

Sell renewable energy to public utility companies and private businesses, and directly on the markets.

A New Strategic Plan Taking Us into 2030

In June 2025, we reached a new milestone with the release of our 2030 Strategic Plan¹, the aim of which is to strengthen our leadership position among independent producers of renewable energy and create long-term value for our shareholders and all stakeholders.



Vallée de l'Arce, France

The plan is contingent on leveraging our high-quality project portfolio of development and Growth path, advancing our organic growth and being open to targeted merger and acquisition opportunities to accelerate our expansion in certain key markets.

THE THREE PILLARS OF THIS STRATEGY ARE:

Growth

By bringing existing projects to fruition and expanding in our core markets;

Efficiency and resilience

by optimizing and digitalizing our operations, and continuously improving our processes;

Long-term differentiation

By strengthening our relationships with our clients, developing our talent and honing our competitive edge.

As part of this strategy, we have reaffirmed our commitment to strict financial discipline rooted in careful capital deployment, precise performance indicators and a solid financial structure.

Accordingly, two new measures have been introduced to better align financial results with shareholders' interests and incentive compensation for employees: operating cash flow per share² and discretionary cash flow per share².

Moving forward, we will focus on developing our four key markets, building on our already strong presence in Canada (Quebec and Ontario) and France, and ensuring our dynamic expansion in the United States, in New York and other states, and in the United Kingdom, within the context of sustained energy transition and expanding opportunities.

¹ For more information on key assumptions and risk factors related to the 2030 Strategic Plan targets, see the *Non-IFRS and other financial measures* section in this report.

² Operating cash flow per share is a supplementary financial measure. Discretionary cash flow per share is a non-GAAP ratio and does not have a standardized meaning under IFRS. For more details, see *Non-IFRS and Other Financial Measures* section of this report.

Growth Firmly Rooted in a Long-Term Vision

Boralex's growth is guided by long-term vision, which underscores the importance we attach to sustainability and how seriously we take these ambitions.

Since December 31, 2020, we have added 1,537 MW of installed capacity¹ and more than doubled the size of our development projects portfolio and Growth path. The investments we make in developing high-quality projects put Boralex in an excellent position to achieve the objectives set out in our 2030 Strategic Plan.

Growth between 2020 and 2025 fell short of the targets in our strategic plan, mainly because certain external growth-oriented transactions did not materialize. We have considered various acquisition opportunities but have instead chosen to maintain a rigorous and disciplined approach to our operations and abide by the acquisition criteria we have established, rather than pursuing growth at all costs. During this period, we also bolstered our financial strength and preserved our investment capacity.

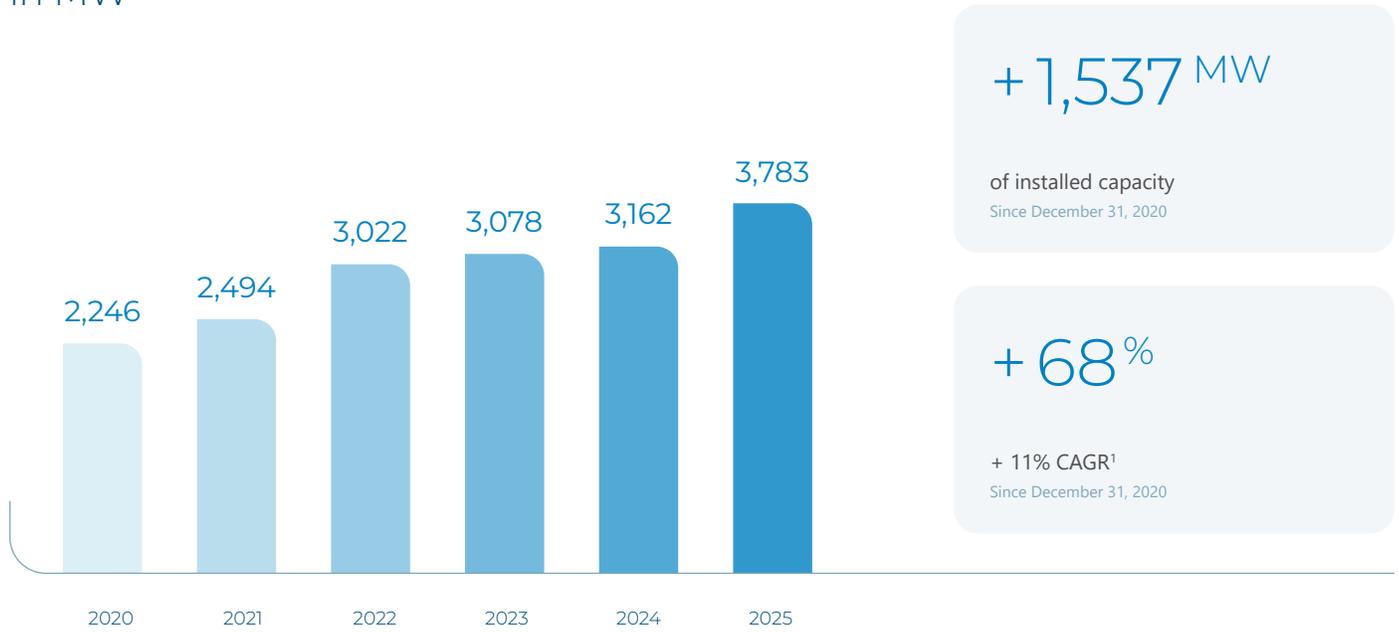
OUR ORGANIC GROWTH DURING THIS PERIOD
WAS STEADY, AND WE ARE CONFIDENT THAT
THIS STRATEGY PUTS US IN A GOOD POSITION
TO HARNESS FUTURE OPPORTUNITIES.



Frampton, Canada

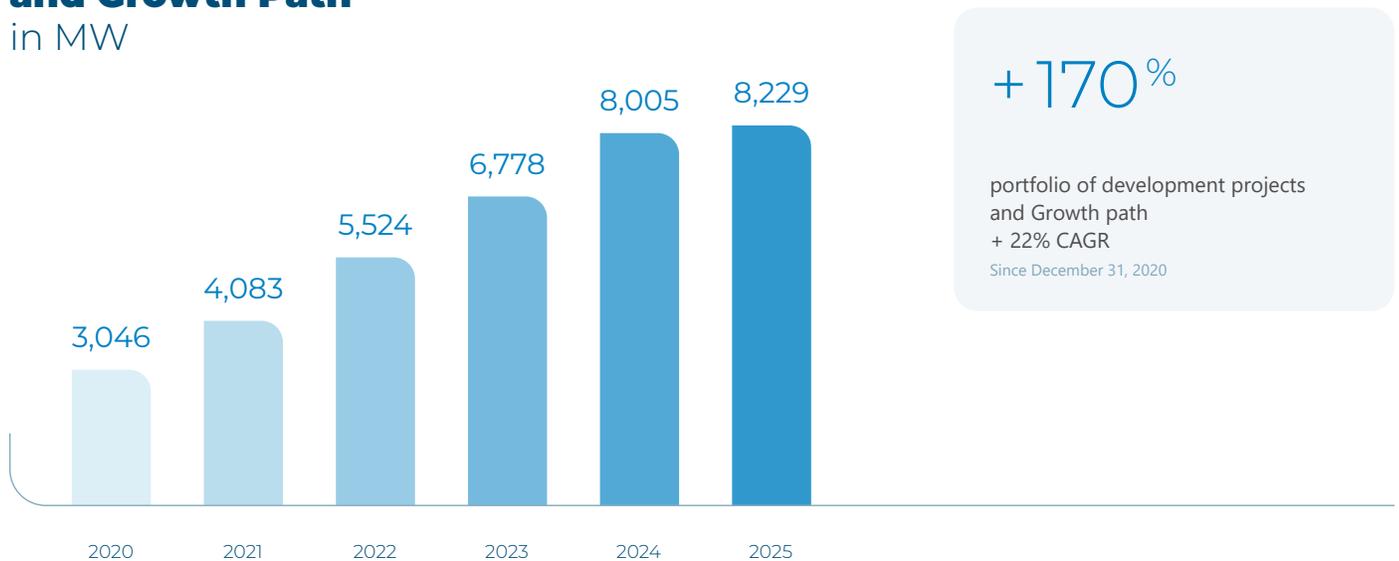
Installed Capacity

in MW



Portfolio of Development Projects and Growth Path

in MW



Over this same period, we achieved a 5% compound annual growth rate (CAGR) in revenues from energy sales and feed-in premiums.

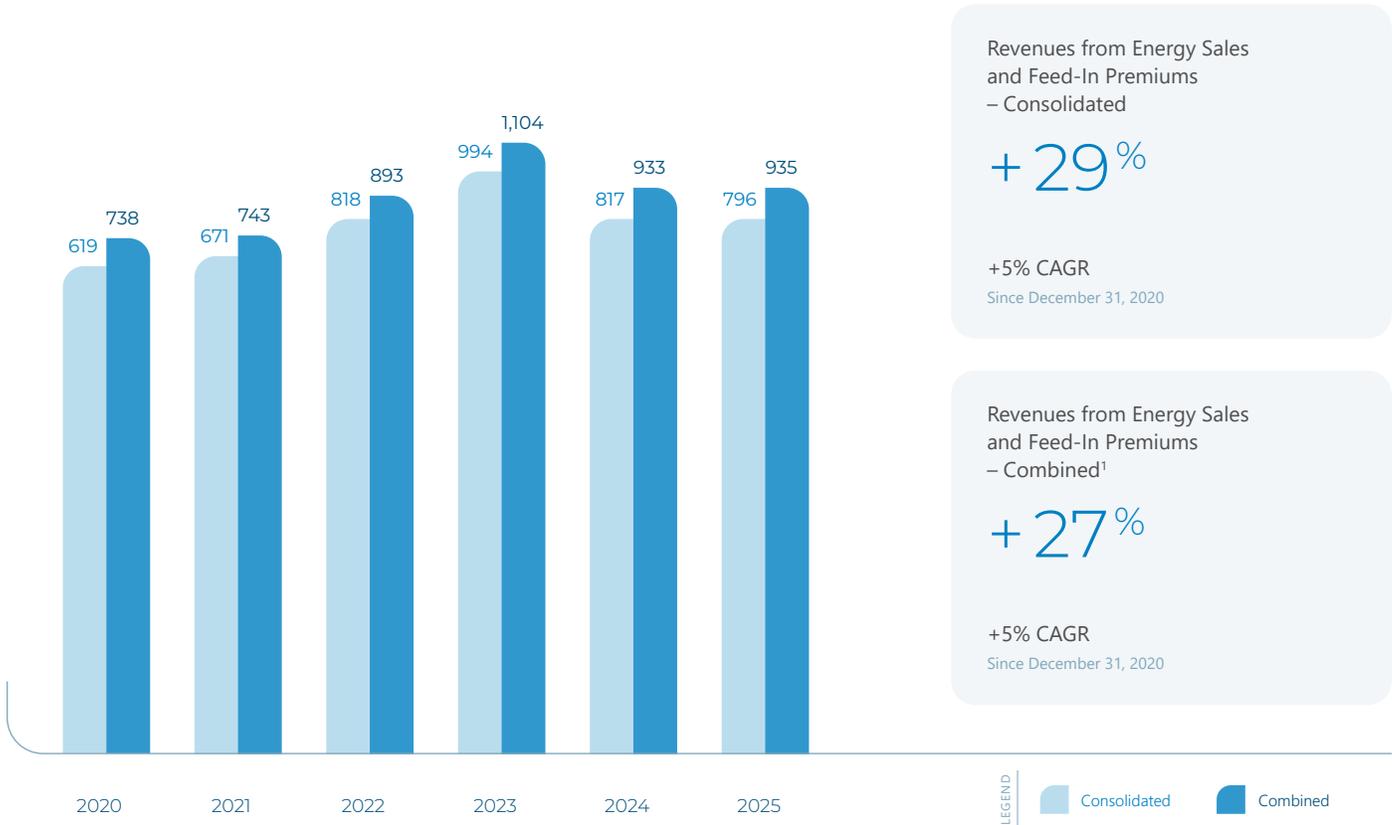
It is worth noting that the start of operations of projects totaling 615 MW in 2025 will significantly boost our figures in 2026. This largely explains the difference in CAGR between installed capacity and energy sales.

A total of 90% of Borealex's installed capacity is covered by energy sales contracts² with a weighted average remaining term³ of 10 years at the end of 2025.

¹ CAGR is a supplementary financial measure. For more details, see *Non-IFRS and Other Financial Measures* section in this report.
² The percentage of installed capacity subject to energy sales contracts or remuneration supplements is a supplementary financial measure. For more details, refer to the *Non-IFRS and other financial measures* section in this report.
³ The weighted average remaining duration also includes non-activated contracts for newly commissioned facilities.

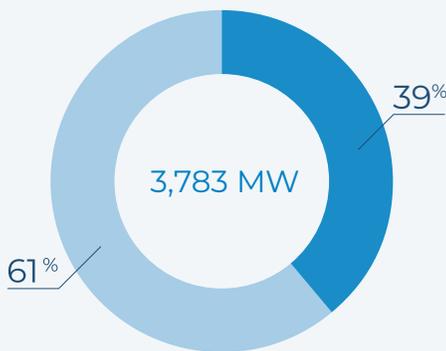
Revenues from Energy Sales and Feed-In Premiums

in millions of dollars

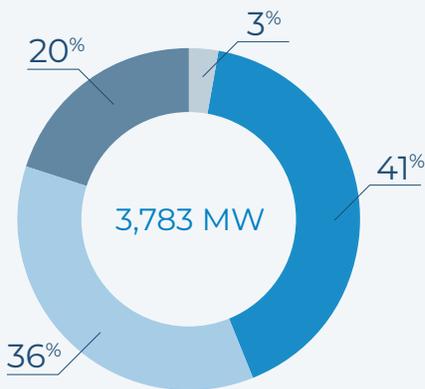


Boralex is present in Canada, France, the United States and the United Kingdom, producing renewable energy from wind, solar and hydroelectric sources and operating battery energy storage systems (BESS). This balanced diversification is the key to creating value, which we then share with all of our partners and stakeholders.

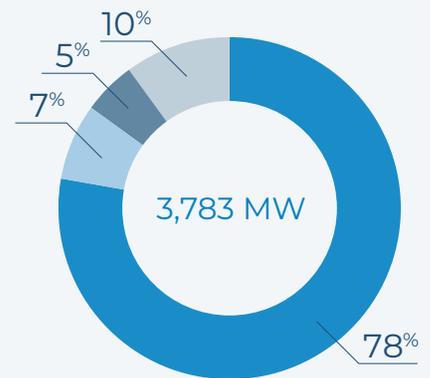
DISTRIBUTION BY SECTOR



GEOGRAPHICAL DISTRIBUTION



TECHNOLOGY DISTRIBUTION



Legend for Distribution by Sector: North America (light blue), Europe (dark blue).
 Legend for Geographical Distribution: Canada (dark blue), France (light blue), United States (dark grey), United Kingdom (light grey).
 Legend for Technology Distribution: Wind (dark blue), Solar (light blue), Hydroelectric (dark grey), BESS (light grey).

¹ Combined basis is a non-GAAP measure and does not have a standardized meaning under IFRS. Therefore, this measure may not be comparable to similar measures used by other companies. For more details, see Non-IFRS and Other Financial Measures section in this report.

A Strong, Stable Financial Position

We have made steady, disciplined progress in our target markets since 2020. At the close of 2025, the CAGR of consolidated operating income was down by 1% and the CAGR of consolidated adjusted earnings before interest, taxes, depreciation and amortization EBITDA(A)¹ was 5%.

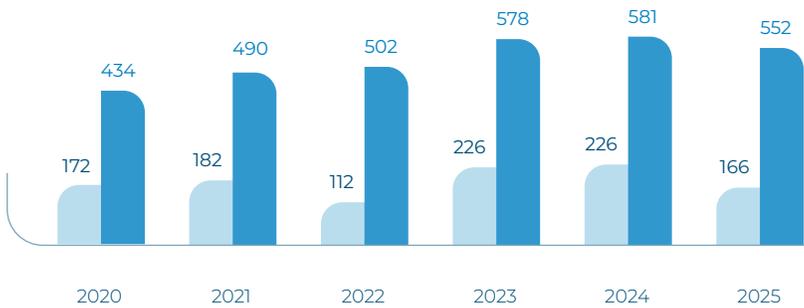
Similar to revenues from energy sales, projects commissioned in 2025 will have a significant positive impact on operating results and EBITDA(A) in the coming year.

Grange du Causse, France

¹ EBITDA(A) is a total of segment measures. For more details, see "Non-IFRS and Other Financial Measures" in the MD&A section of this report.

Consolidated Operating Income and EBITDA(A)

in millions of dollars



Consolidated Operating Income

-3%

-1% CAGR

Since December 31, 2020

Consolidated EBITDA(A)

+27%

+5% CAGR

Since December 31, 2020

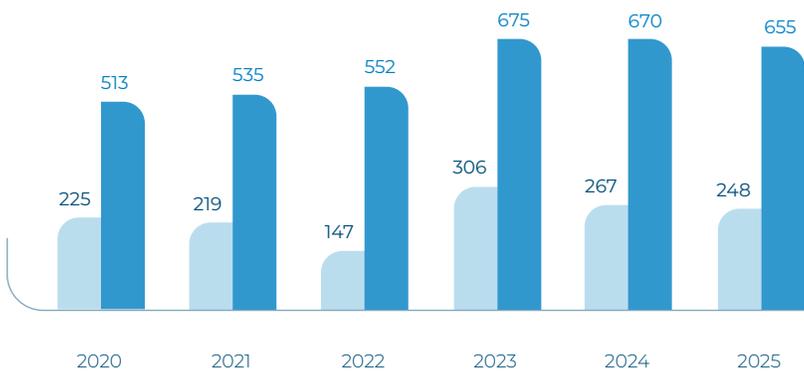
LEGEND

Consolidated Operating Income

Consolidated EBITBA(A)

Combined Operating Income and EBITDA(A)

in millions of dollars



Combined Operating Income

+10%

+2% CAGR

Since December 31, 2020

Combined EBITDA(A)

+28%

+5% TCAC

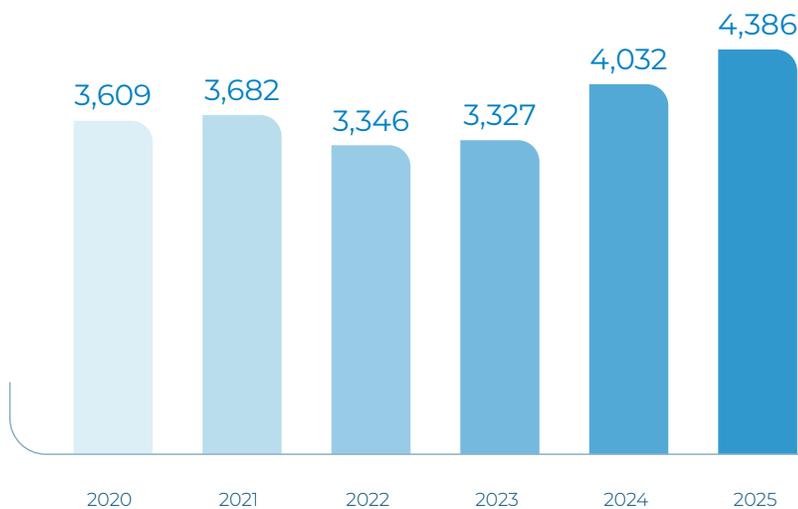
LEGEND

Combined Operating Income

Combined EBITBA(A)

Consolidated Debt - Principal Balance

in millions of dollars



\$292 million

in cash and cash equivalents

\$681 million

of available cash resources and authorized financing¹

Increase of

+ 22%

+ 4% CAGR

Consolidated Debt - Principal Balance

Since December 31, 2020

We have achieved this growth in our results since 2020 while maintaining a healthy balance sheet.

We enjoy a good degree of financial flexibility, with \$292 million in cash and cash equivalents and \$681 million of available cash resources and authorized financing, along with debt composed of nearly 85% non-recourse project loans. The average borrowing rate went from 3.20% in 2020 to 4.31% in 2025.



Peyrolles-en-Provence, France

¹ Available cash resources and authorized financing are non-GAAP measures and do not have a standardized meaning under IFRS. Therefore, this measure may not be comparable to similar measures used by other companies. For more details, see *Non-IFRS and Other Financial Measures* section of this report.



Warrensburg, États-Unis

Message from the Chair of the Board of Directors

A Diversified International Company Positioned for Success

In recent years, as we have worked to deploy our ambitious strategic plan, we have expanded our market reach and operational footprint.

Founded in Quebec 35 years ago, Boralex continues to lead the way in the renewable energy sector. Leveraging our international presence in four key regions in North America and Europe and our diversified portfolio of wind, solar, hydroelectric and battery storage assets, we offer solutions suited to each of the markets we serve and, in so doing, contribute to a more stable power grid. Today, more than ever, we are well positioned to safeguard the energy security and autonomy of the markets in which we operate.

In 2025, the Board of Directors approved Boralex's new strategic plan, which will guide our sustainable growth through to 2030. I would like to take this opportunity to acknowledge the outstanding work done by the corporate management team in laying out the vision for this next step forward and for bringing numerous value-creating initiatives to fruition.

We are very pleased with the progress made in 2025, with the delivery of several major projects such as the Apuiat facility in Quebec and the Limekiln facility in Scotland. The commissioning of our first battery energy storage systems in Ontario also represents an important milestone in our 2030 strategic plan and our expansion into large-scale storage solutions.

We have also continued to raise the bar in terms of corporate social responsibility (CSR). Our CSR report is more comprehensive than ever, shining the spotlight on a number of remarkable achievements in this regard. And we would be remiss if we didn't mention our ranking at the top of Corporate Knights' 2025 list of Canada's Best 50 Corporate Citizens.

Last but certainly not least, our efforts to engage with current and prospective investors were ongoing in 2025 throughout Canada, the U.S. and Europe, providing multiple opportunities to share our strategy and how we are putting it into action.



Renewed Governance

The past year also saw several changes in Boralex's leadership, as several executives stepped down after many years of dedicated service. The Board of Directors commends the efficiency of the succession plans that had been developed, which resulted in strong appointments that will ensure continuity in management expertise and employee engagement.

We also continued to refresh the composition of our Board of Directors in a thoughtful, structured way. We welcomed three new members during the year — Nadia Martel, Rémi G. Lalonde and Ted Di Giorgio — whose complementary skills and insights are bound to benefit the organization. They were appointed following the departures of Marie Giguère, whom I salute for her many invaluable contributions, and Alain Rhéaume, who retired after 15 years on our Board, including the past eight as Chair. I would like to thank Alain for his exceptional leadership throughout his tenure.

As 2026 gets underway, we will be entering a new phase of our growth supported by solid foundations, including robust governance and a presence in many different areas of the world. Moving forward, we will draw strength from our incomparably talented team, to whom we are immensely grateful for their excellent work. As global demand for energy continues to grow, driven by the energy transition and the rapid expansion of artificial intelligence, we are confident that Boralex has all the ingredients to seize emerging opportunities and drive value for all of our stakeholders.

(s) André Courville

Chair of the Board of Directors

Message from the President and Chief Executive Officer

Entering a New Strategic Cycle with Compelling Growth Prospects

The past year was an important one in Boralex's history as we transitioned into a new cycle, after making remarkable progress since the deployment of our last strategic plan in 2021.

Thanks to several significant steps forward in recent years in terms of our growth, diversification and corporate social responsibility (CSR), we are now in an excellent position to capitalize on the opportunities that lie ahead. And we are convinced that there will be many such opportunities, with energy — renewable energy in particular — playing a central role in the global economic, political and geopolitical conversation. We are seeing it in all of our markets throughout North America and Europe: it is a topic that extends far beyond the environmental concerns that dominated the discourse only a few years ago. The main issue at stake is economic growth, driven to a growing extent by artificial intelligence, data centres and the electrification of industry and transportation, all of which requires reliable and renewable energy sources, along with the ability to be more efficient in our energy use. In recent years, we have invested in Boralex's growth and future by strengthening our project development capacity, thereby increasing the portfolio of development projects and growth Path from 4.1 GW in 2021 to 8.2 GW by the close of 2025. We are therefore coming into this new strategic cycle with a solid financial underpinning and a strong multidisciplinary team, enabling us to deliver on the full potential of these projects and seize new growth opportunities. .

AN AMBITIOUS VISION FOR 2030

Our new strategic plan for 2030 is based on the ambitious vision of combining sustainable growth with performance and builds further on the foundation that we have established over the years. There are three foundational pillars at play as we work to fulfil this plan, namely:

- Growth, by bringing our projects to life in our four key markets and doubling our installed capacity
- Efficiency and resilience, as we strive to improve our performance and continue to build an organization that is safe, inclusive, responsible and committed to a net-zero trajectory by 2050¹
- Long-term differentiation, by elevating our client-centric approach, developing outstanding and committed talent, and excelling in the way we work.

The objective is therefore to grow intelligently within an expanding marketplace and to continue to draw strength from the disciplined approach that has delivered such decisive results to date.



COMMUNITY-DRIVEN SUCCESS

The past year was marked by a series of notable achievements of which we can be very proud. In Canada, three of our joint ventures with Indigenous communities advanced to the commissioning stage: Apuiat, the first large-scale wind project in Quebec since 2018, and the Sanjgon, initially the Tilbury project, and Hagersville battery energy storage systems in Ontario. The Hagersville facility was named Innovative Canadian Clean Power Project of the Year by the Canadian Renewable Energy Association (CanREA). In the United States, we grew our portfolio with more than 200 MW of new projects. And in Europe, we commissioned the Limekiln wind farm in the Scottish Highlands.

All of these projects have propelled our company forward and contributed to the ongoing implementation of our CSR strategy — a cornerstone of our growth. This strategy is a commitment to further advancing our decarbonization efforts, which is an absolute necessity in addressing the inevitable and increasingly tangible repercussions of climate change and in considering the impacts of our operations on people and nature. We are convinced that this additional step will enhance our resilience in an ever-changing world, and we will continue to guide our development through a sustainability lens.

A SECTOR IN THE MIDST OF TRANSFORMATION

The renewable energy landscape is experiencing profound change, as is the entire world around us. The energy transition and energy security are more critical than ever before, with political and economic upheaval in many countries across the globe creating unstable investment conditions and impeding the flow of capital to large-scale projects.

That being said, we have seen our fair share of public policy shifts in our 35 years of existence. We have specifically set out to mitigate uncertainty-related risks in recent years by diversifying our operations, both geographically and technologically. And looking ahead, we expect to see a surge in energy demand in our markets, far outstripping historical levels.

STRONG LEADERSHIP POISED TO DELIVER ON GROWTH TARGETS

There were also some key changes in our management team and our Board of Directors in 2025. These adjustments were made in a structured way, backed by carefully considered and formulated succession plans, resulting in a smooth transition for both our governance and our leadership. As a result, Boralex now has a team of engaged experts in place who are dedicated to implementing the 2030 strategic plan and achieving our growth objectives.

In 2026, we will continue our efforts to create the right conditions to get even more projects up and running, with plans already in place to greenlight and deliver several initiatives in the coming years. We will also focus on streamlining and automating our processes across each of our departments and on optimizing project execution.

In a context where energy independence is paramount, we will need to have the operational agility to carry out projects faster and more efficiently than ever to meet the needs in the years ahead. We must also keep building strong relationships with our host communities, especially Indigenous communities, to ensure the social acceptability of our projects.

RICHLY DESERVED THANK-YOUS

As we embark on a new strategic cycle, I would like to express my gratitude to everyone in the Boralex family who works so diligently to ensure the success of our organization and each of our projects. The vision and expertise of our board members — the steadfast stewards of our governance — must also be acknowledged and honoured. Finally, my sincere thanks go out to our shareholders, our clients, our business partners and our host communities, whose trust and support are vital to advancing our mission of making affordable, renewable energy accessible to everyone.

(s) Patrick Decostre

President and Chief Executive Officer



Avignonet-Lauragais, France



Avignonet-Lauragais, France

Management's Discussion and Analysis

As at December 31, 2025

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Abbreviations and definitions

BESS	Battery energy storage system
CDPQ	Caisse de dépôt et placement du Québec
Corporate PPA/CPPA	Power purchase agreement concluded by commercial and industrial corporations
CRCE	Canadian renewable and conservation expenses tax credit
CSR	Corporate social responsibility
DC&P	Disclosure controls and procedures
EBITDA	Earnings before taxes, interest, depreciation and amortization
EBITDA(A)	Earnings before taxes, interest, depreciation and amortization adjusted to include other items
EDC	Export Development Canada
EDF	Électricité de France
FiP	Feed-in premium
GAAP	Generally accepted accounting principles
GW	Gigawatt
GWh	Gigawatt-hour
HQ	Hydro-Québec
ICFR	Internal control over financial reporting
IFRS	International Financial Reporting Standards
Interests	Interests in joint ventures and associates
IRR	Internal rate of return
ITC	Investment tax credit
MW	Megawatt
MWac	Megawatt alternating current
MWh	Megawatt-hour
NYSERDA	New York State Energy Research and Development Authority
PPA	Power purchase agreement
PTC	Production tax credit
RFP	Request for proposals

Asset in operation

An asset is considered to be in operation when it is available for commercial use and integrated into the Corporation's operational portfolio. This means that it is capable of delivering its energy service (producing electricity or, in the case of battery energy storage systems, storing and releasing energy) and generating revenue.

Comparable assets

All the wind farms and power stations in operation during the entirety of a given period and the comparative period.

Contract for Difference (CfD)

The contract for difference was introduced in the United Kingdom in 2014 as a market support mechanism for low-carbon energy projects. It was designed to encourage the development of large-scale renewable energy infrastructure at the lowest cost to the consumer, while limiting market volatility. It consists of a contract with the British government to guarantee a stable income for renewable energy producers.

Installed capacity

The installed capacity represents the electrical generation capacity or electrical storage of a piece of equipment. It is expressed in Megawatts, or even Gigawatts. Furthermore, it includes 100% of Boralex's subsidiaries over which Boralex exercises control. It also includes Boralex's share of entities over which it does not have control and which are accounted for using the equity method in this Management's Discussion and Analysis. For more details, refer to the section *Joint Ventures and Associates* in this report.

Repowering

Equipment replacement with new components to increase installed capacity.

Introductory comments

General

This Management's Discussion and Analysis (MD&A) reviews the operating results and cash flows for the three- and twelve-month periods ended December 31, 2025, compared with the corresponding periods of 2024, as well as the Corporation's financial position as at December 31, 2025, compared with December 31, 2024. It should be read in conjunction with the audited consolidated financial statements and their related notes found in this Annual Report for the fiscal year ended December 31, 2025.

Additional information about the Corporation, including the annual information form, previous annual reports, MD&As and audited consolidated financial statements, as well as press releases, is published separately and is available on the Boralex (www.boralex.com) and SEDAR+ (www.sedarplus.ca) websites.

In this MD&A, Boralex or the Corporation means, as applicable, either Boralex and its subsidiaries and divisions or Boralex or one of its subsidiaries or divisions. The information contained in this MD&A reflects all material events up to February 26, 2026, the date on which the Board of Directors approved this annual MD&A and the audited consolidated financial statements. Unless otherwise indicated, the financial information presented in this MD&A, including tabular amounts, is prepared in accordance with IFRS Accounting Standards under Part I of the *CPA Canada Handbook*. The financial statements included in this MD&A have been prepared according to IFRS Accounting Standards applicable to the preparation of financial statements, IAS 1, *Presentation of Financial Statements*, and contain comparative figures for 2024.

As discussed under the *Non-IFRS and other financial measures* section, this MD&A includes asset and segment performance assessment measures consisting of non-IFRS measures. These measures do not have a standardized meaning under IFRS; consequently, they may not be comparable to similarly named measures used by other companies. For more details, see the *Non-IFRS and other financial measures* section in this report.

All financial information presented in this MD&A, as well as tabular information, is in Canadian dollars. It should also be noted that the data expressed as a percentage is calculated using amounts in thousands of dollars.

The information in this MD&A is presented as at December 31, 2025, unless otherwise specified.

Financial information related to our operations in France, the United States and the United Kingdom is translated into Canadian dollars using the average rate for the relevant period. The foreign currency translation adjustments noted in this MD&A are the result of translating this data into Canadian dollars.

The table below provides details of Canadian dollar exchange rates by comparative currency units for the periods covered by these financial statements and this MD&A.

Currency	Closing rate ⁽¹⁾		Average rate ⁽²⁾			
	As at December 31,		Three-month periods ended December 31,		Years ended December 31,	
	2025	2024	2025	2024	2025	2024
USD	1.3724	1.4384	1.3947	1.3982	1.3978	1.3690
EUR	1.6118	1.4890	1.6232	1.4918	1.5782	1.4818
GBP	1.8487	1.7966	1.8545	1.7822	1.8420	1.7506

⁽¹⁾ Source: Bloomberg

⁽²⁾ Source: Bank of Canada - Average daily exchange rates

Notice concerning forward-looking statements

The purpose of this MD&A is to help the reader understand the nature and importance of changes and trends as well as the risks and uncertainties that may affect Boralex's operating results and financial position. Accordingly, some of the statements contained in this analysis, including those regarding future results and performance, are forward-looking statements based on current expectations, within the meaning of securities legislation. These forward-looking statements are typically identified by such words as "will," "would," "forecast," "anticipate," "expect," "plan," "project," "continue," "intend," "assess," "estimate" or "believe," or expressions such as "toward," "about," "approximately," "to be of the opinion," "potential," "target," "objective," "initiative" or similar words or the negative thereof or other comparable terminology are used to identify such statements. In particular, this report includes forward-looking statements about the Corporation's strategic directions, priorities and objectives (including its ambition to be the Corporate Social Responsibility (CSR) reference for our partners), the strategic plan and the strategic plan's objectives for 2030, business model, growth strategy of the Corporation, growth prospects of the Corporation, organic growth and growth through mergers and acquisitions, CSR targets and initiatives, results and performance for future periods, targets for installed capacity and growth in the number of Megawatts, the weighted average remaining contract duration, the compound annual growth rate (CAGR) of operating results, EBITDA(A) and EBITDA(A) margins, objectives with respect to net cash flows related to operating activities per share and discretionary cash flows per share, targets for internal rate of return (IRR), the renewable energy production projects in the pipeline or on the Corporation's *Growth path* and their expected performance, the expected timing of project commissioning, submissions for new battery energy storage system (BESS) projects or solar projects, anticipated production,¹ capital expenditure and investment programs, access to credit facilities and financing, the amount of distributions and dividends to be paid to shareholders, as well as the anticipated payout ratio,¹ the dividend policy and the timing of such distributions and dividends. Actual events or results may differ materially from those expressed in such forward-looking statements.

Forward-looking information is based on significant assumptions, including assumptions about the performance of Boralex's projects based on management's estimates and expectations with respect to wind and other factors, the opportunities that could arise in the various segments targeted for growth or diversification, assumptions about EBITDA(A) margins, assumptions about the industry and general economic conditions, competition, financing costs and availability of financing and partners. In addition, forward-looking information included within our Strategy 2030 objectives, including installed capacity targets for 2030, the weighted average remaining contract duration, internal rates of return (IRR), operating results and EBITDA(A) and cash flows per share in 2030 are subject to the assumptions and specific risk factors mentioned in the section titled *Assumptions regarding forward-looking information* in section III – *Non-IFRS and other financial measures* in this report. While the Corporation considers these factors and assumptions to be reasonable based on information currently available, they may prove to be incorrect.

Boralex would like to point out that, by their very nature, forward-looking statements involve risks and uncertainties such that its results or the measures it adopts could differ materially from those indicated by or underlying these statements, or could have an impact on the degree of realization of a particular forward-looking statement. The main factors that could lead to a material difference between the Corporation's actual results and the forward-looking financial information or the expectations set forth in this report include, but are not limited to, the risks of strategic positioning and mergers and acquisitions, the risk of not renewing PPAs or being unable to sign new corporate PPAs, the risk of not being able to capture the US or Canadian ITC, counterparty risk, performance of power stations and sites, compliance by Boralex's partners with their contractual commitments, personnel accidents and health and safety, disasters and force majeure, personnel recruitment and retention, regulations governing Boralex's industry and amendments thereto, particularly legislation, regulations and emergency measures that could be implemented from time to time to address high energy prices in Europe, CSR regulations and amendments thereto, loss of reputation, pandemics, the general impact of economic conditions, currency fluctuations, volatility in energy selling prices, interest rate fluctuations, the Corporation's financing capacity, cybersecurity risks, competition, changes in general market conditions, raw material availability and price increases, litigation and other regulatory issues related to projects in operation or under development, as well as certain other factors discussed in the sections on risk factors and factors of uncertainty in Boralex's MD&A for the year ended December 31, 2025.

Unless otherwise specified by the Corporation, the forward-looking statements do not take into account the possible impact on its activities, transactions, non-recurring items or other exceptional items announced or occurring after the statements are made. There can be no assurance as to the materialization of the results, performance or achievements as expressed or implied by forward-looking statements. The reader is cautioned not to place undue reliance on such forward-looking statements. Unless required to do so under applicable securities legislation, management of Boralex does not assume any obligation to update or revise forward-looking statements to reflect new information, future events or other changes.

¹ Anticipated production is a supplementary financial measure. For more details, see the *Non-IFRS and other financial measures* section in this report.

Highlights

Non-IFRS measures and other financial measures

The combined information ("Combined") presented in this MD&A results from the combination of the financial information of Boralex Inc. ("Boralex" or the "Corporation") under IFRS and the share of the financial information of the Interests. The Interests represent investments by Boralex, and although IFRS does not permit the consolidation of their financial information with that of Boralex, management considers that information on a Combined basis is useful data to assess the Corporation's performance. For more details, see the *Non-IFRS and other financial measures* section in this report.

Financial highlights - Consolidated

(in millions of Canadian dollars, unless otherwise specified)	Three-month periods ended December 31		Change		Years ended December 31		Change	
	2025	2024	GWh or \$	%	2025	2024	GWh or \$	%
Power production (GWh) ⁽¹⁾	1,800	1,520	280	18	6,147	5,691	456	8
Revenues from energy sales and feed-in premiums	241	228	13	6	796	817	(21)	(3)
Operating income	68	78	(10)	(13)	166	226	(60)	(27)
EBITDA(A) ⁽²⁾	178	169	9	6	552	581	(29)	(5)
Net earnings (loss)	26	(2)	28	>100	33	74	(41)	(56)
Net earnings (loss) attributable to the shareholders of Boralex	14	(16)	30	>100	7	36	(29)	(82)
Per share (basic and diluted)	\$0.13	(\$0.15)	\$0.28	>100	\$0.06	\$0.35	(\$0.29)	(83)
Net cash flows related to operating activities	46	31	15	47	362	215	147	68
Cash flows from operations ⁽²⁾	118	105	13	12	392	415	(23)	(6)
Dividends paid on common shares	17	17	—	—	68	68	—	—
Dividends paid per common share	\$0.1650	\$0.1650	—	—	\$0.6600	\$0.6600	—	—
Weighted average number of shares outstanding – basic	102,755,361	102,766,176			102,759,511	102,766,122		
Discretionary cash flows ⁽²⁾	56	47	9	17	151	158	(7)	(5)
					As at Dec. 31	As at Dec. 31		
Total cash, including restricted cash					343	611	(268)	(44)
Property, plant and equipment					4,294	4,070	224	6
Total assets					7,648	7,604	44	1
Debt - Principal balance					4,386	4,032	354	9
Total liabilities					5,657	5,579	78	1
Total equity					1,991	2,025	(34)	(2)
Available cash resources and authorized financing ⁽²⁾					681	523	158	30
Net debt to market capitalization ratio ⁽²⁾ (%)					57%	50%		

Financial highlights - Combined⁽²⁾

(in millions of Canadian dollars, unless otherwise specified)	Three-month periods ended December 31		Change		Years ended December 31		Change	
	2025	2024	GWh or \$	%	2025	2024	GWh or \$	%
Power production (GWh) ⁽¹⁾	2,454	2,099	355	17	8,502	7,845	657	8
Revenues from energy sales and feed-in premiums	279	258	21	8	935	933	2	—
Operating income	85	53	32	59	248	267	(19)	(8)
EBITDA(A)	203	191	12	7	655	670	(15)	(2)
Net earnings (loss)	26	(2)	28	>100	33	74	(41)	(56)
					As at Dec. 31	As at Dec. 31		
Total assets					8,833	8,476	357	4
Debt - Principal balance					5,085	4,588	497	11

⁽¹⁾ Includes compensation following electricity production limitations.

⁽²⁾ Cash flows from operations, discretionary cash flows, available cash resources and authorized financing, and Combined are non-GAAP financial measures and do not have a standardized meaning under IFRS. Accordingly, they may not be comparable to similarly named measures used by other companies. EBITDA(A) is a total of segment financial measures. The net debt to market capitalization ratio is a capital management measure. For more details, see the *Non-IFRS and other financial measures* section in this report.

2030 Strategic plan¹

On June 17, 2025, Boralex management presented an update to its *2030 Strategic Plan*, which is based on financial targets including a compound annual growth rate (CAGR)² ranging from 12% to 14% for consolidated operating income, 7% to 9% for consolidated EBITDA(A), 8% to 10% for combined EBITDA(A) and 8% to 10% for consolidated cash flows related to operating activities per share² and Consolidated discretionary cash flows per share² by 2030.³

This plan is supported by \$8 billion in investments,² primarily financed by project debt, asset disposals and limited capital issuances. To ensure profitability, Boralex is targeting an internal rate of return (IRR)² with a minimum financial leverage of 10% to 12%, adjusted for the cost of capital and market-specific risks. A payout ratio² of 20% to 40% of discretionary cash flows is also planned to balance growth with shareholder value creation. The Corporation expects to double its installed capacity to about 7 GW by 2030, driven by a strong project pipeline in its key markets, with 83% of commissioning slated for between 2027 and 2030. Lastly, the strategy incorporates key CSR commitments, as described below.

To learn more about the updated strategic plan, see the Investor Day deck available on our website.

Combining sustainable growth with performance

Our 3 pillars



Our CSR Commitments to Our Stakeholders



¹ For more information on key assumptions and risk factors related to the *2030 Strategic plan* targets, see the *Non-IFRS and other financial measures* section in this report.

² The CAGR, cash flows related to operating activities per share, total planned investments and internal rate of return are supplementary financial measures. Discretionary cash flows per share and payout ratio are non-GAAP measures and do not have a standardized meaning under IFRS. For more details, see the *Non-IFRS and other financial measures* section in this report.

³ The CAGR is adjusted for risk in accordance with our investor communication from October 2024. Fixed risk premium relative to the risk-free rate.

Our business targets for 2030



Double our installed capacity through organic growth to reach approximately **7 GW** by 2030, leveraging our 8 GW project pipeline.

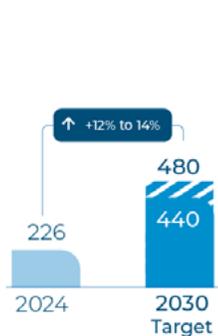


Continue building a **safe, inclusive and responsible organization** committed to a **net-zero trajectory by 2050**.

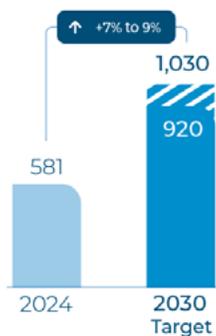
Our financial targets for 2030

Achieve a CAGR of **12% to 14%** of Consolidated operating income, 7% to 9% of Consolidated EBITDA(A) and 8% to 10% of EBITDA(A) on a Combined basis through organic growth.

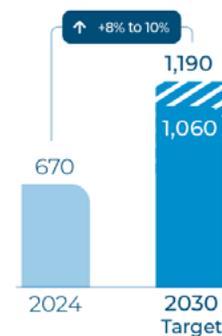
Operating income Consolidated
\$M



EBITDA(A) Consolidated
\$M

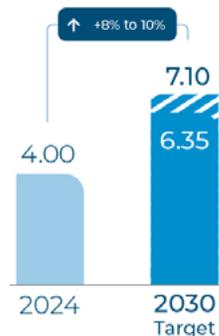


EBITDA(A) Combined basis
\$M

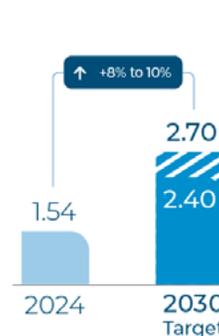


Achieve a CAGR of **8% to 10%** of net cash flows related to Consolidated operating activities per share and Consolidated discretionary cash flow per share through organic growth.

Net cash flows related to Consolidated operating activities per share
\$



Consolidated discretionary cash flows per share
\$



Strategic plan follow-up – financial objectives

Progress toward targets

- Decreases in Consolidated operating income of \$60 million (CAGR -27%) and Consolidated EBITDA(A) of \$29 million (CAGR -5 %), and on a Combined basis of \$15 million (CAGR -2%) compared with the year ended December 31, 2024, mainly due to lower short-term power purchase agreement prices in France, the lower contribution from joint ventures and the increase in payroll expense. Newly commissioned facilities, higher volumes in North America and a favourable exchange effect were not sufficient to offset these unfavourable items. The decrease in EBITDA(A) on a combined basis is also related to the end of PTC for wind power projects in the United States acquired in 2022.¹
- Decreases in net cash flows related to operating activities² per share of \$0.20 (CAGR -5%) and in discretionary cash flows per share of \$0.07 (CAGR -4%) due to lower EBITDA(A), net of non-cash items as well as higher interest paid on new financings and lower interest received.
- While results for 2025 fell short of the 2030 Strategic Plan targets, mainly due to an expected normalization of energy prices and the end of certain incentives, these adjustments were anticipated over the long-term horizon; the Corporation remains fully committed to achieving its 2030 objectives, supported by the strength of its development projects portfolio and Growth path, and its disciplined financial management. This translates into the implementation of structured financings and the optimization of credit facilities in 2025. The Corporation also remains committed to generating shareholder value as a key focus of its long-term strategy.

¹ For more details, see the *Analysis of consolidated operating results for the fiscal year ended December 31, 2025* and *Analysis of combined operating results for the fiscal year ended December 31, 2025* sections in this report.

² In 2024, net cash flows related to operating activities amounted to \$411 million, after an adjustment to exclude the change in the account payable related to inframarginal rent contribution (\$196 million), which resulted mainly from a payment made in the third quarter. In 2025, net cash flows related to operating activities amounted to \$390 million, after the exclusion of the change in the account payable, with this amount taking into account the 2024 provision for the 2024 inframarginal rent contribution on electricity production of \$28 million made in the third quarter of 2025. Note that the inframarginal rent contribution is no longer applicable as of 2025.

Market update by region

In 2025, the Corporation unveiled its new 2030 Strategic Plan, outlining its priorities across its four business jurisdictions. The plan is set against a backdrop of rising renewable energy demand driven by economic growth, data centres, decarbonization objectives and the increasing determination of governments to strengthen their energy security and independence. At the same time, heightened global economic and geopolitical instability is prompting governments to intensify measures aimed at attracting private capital. This dynamic is fuelling renewed momentum for accelerating major infrastructure projects, including renewable energy generation, transmission and storage.

North America

Canada

The year unfolded against the backdrop of a tariff dispute and associated mitigation measures. In its November 2025 Budget, the federal government confirmed the upcoming implementation of the 15% ITC, complementing the existing 30% Clean Technology ITC. The new credit, available until 2034, will be extended to a broader range of entities, including municipalities, state-owned enterprises and Indigenous communities. In parallel, the passage of *Bill C5* in June 2025 marked a key milestone in advancing nationally significant projects, establishing a *One Project – One Assessment* approach and creating the Major Projects Office to streamline labour mobility and interprovincial trade. Furthermore, in November, Ottawa imposed a 25% global tariff on certain steel derived products, including wind turbine towers, while tightening import quotas. Several partial exemptions have been granted, and additional carve-outs may follow for projects already contracted or under procurement.

In Québec, a major overhaul of the environmental authorization process is underway. It aims to cut departmental review timelines from 18 to 9 months, bring the “Bureau d’audiences publiques sur l’environnement - BAPE’s” involvement earlier in the process, clarify regulatory directives and increase early public participation. The reform aligns with the province’s broader strategy to stimulate private investment and accelerate large-scale energy projects amid rising electricity demand. Consultations on Québec’s first integrated energy resources management plan (“*Plan de gestion intégrée des ressources énergétiques - PGIRE*”) suggest that its targets could exceed those outlined in HQ’s 2035 Action Plan, requiring the utility to raise its new capacity objectives. The adoption of *Bill 69* reinforces this trajectory by granting Hydro-Québec greater autonomy, setting a target of an additional 60 TWh by 2035, and authorizing direct sales between private producers and adjacent large consumers.

Wind power development is also gaining significant momentum in Québec. HQ is preparing a major call for tenders for spring 2026, targeting 5 TWh to 10 TWh across three procurement rounds through 2038, supported by new capacity maps identifying areas suitable for new projects from 2031 to 2035. Two major partnerships were also announced: a first between HQ, the Mi’gmaq Nation of Gespe’gewa’gi and the Alliance de l’énergie de l’Est with potential for up to 6 GW of wind development in the Gaspé Peninsula and eastern Bas-Saint-Laurent region, and a second with the Wolastoqiyik Wamspekwuk First Nation and the Eastern Alliance, covering a territory with potential for up to 1.5 GW. Meanwhile, the announced resignation of Premier François Legault is not expected to influence HQ’s wind strategy or ongoing discussions regarding the Churchill Falls agreement. In Newfoundland and Labrador, the election of a new progressive conservative premier was followed by the announcement of an independent public review of the agreement, creating additional uncertainty regarding Québec’s long-term electricity supply.

In Ontario, the Independent Electricity System Operator (IESO) completed last fall the submission windows for its second long-term procurement, which sought 3 TWh of energy and 600 MW of capacity. These procurement processes include weighted evaluation criteria favouring Canadian companies. On the regulatory front, the Ministry of the Environment, Conservation and Parks proposed streamlining the Renewable Energy Approval (REA) process, which is expected to reduce regulatory uncertainty and accelerate project timelines. The provincial government has introduced legislation aimed at improving economic competitiveness by reviewing all development-related permits by 2028, with the goal of eliminating or transforming at least 35%, and implementing a centralized digital permitting platform. Politically, Ontario remains stable, with Premier Doug Ford securing a third consecutive majority government.

British Columbia’s energy landscape continues to evolve, notably with BC Hydro’s 2025 Request for Expressions of Interest for new capacity resources. The province is also preparing a 2026 competitive procurement with a strong emphasis on partnerships with First Nations.

United States

In the United States, environmental permitting reform has gained political momentum unprecedented since 2005. A bipartisan coalition of governors is urging Congress to modernize the National Environmental Policy Act (NEPA), shorten judicial review timelines and accelerate transmission infrastructure build out. The proposed SPEED Act could significantly compress project timelines across the energy sector.

At the same time, budget debates surrounding the ITC and PTC led the U.S. Treasury to issue guidance confirming that projects meeting the current “start of construction” definition remain eligible under previous rules, provided they achieve commercial operation by the end of 2029.

The commercial context remains volatile, as the White House continues to pursue its tariff policy. United States-Mexico-Canada agreement (USMCA) is scheduled for renegotiation by July 2026. U.S. tariffs on a range of imported goods, combined with temporary suspensions of certain retaliatory measures, have resulted in short-term price increases and heightened economic volatility since early 2025.

In New York State, new analyses from the New York Independent System Operator (NYISO) indicate potential reliability shortfalls as early as summer 2026, with demand growth outpacing capacity additions. Utilities are raising rates to fund infrastructure modernization and climate resilience initiatives. The state recently granted NYSERDA expanded authority, enabling it to procure up to 5.6 TWh per year by 2029.

Against this backdrop, the New York Power Authority (NYPA) approved an updated strategic plan encompassing 45 renewable energy projects and 146 distributed BESS projects totalling nearly 5.5 GW. The plan, which is updated annually, supports accelerated deployment of storage-paired solar and grid support solutions.

On the regulatory front, the Public Service Commission updated the Clean Energy Standard, enabling NYSERDA to increase annual procurement volumes for land-based renewables to 5,600 GWh, extend solicitations through 2029 and offer Renewable Energy Certificate (REC) contracts of up to 25 years. NYSERDA's 2025 solicitation closed in December, and the public results are expected to be announced in the near term, though the next Tier 1 solicitation date has not yet been announced.

In Texas, growing electricity demand, the expansion of data centres and recurring stress on the Electric Reliability Council of Texas (ERCOT) grid continue to underscore the need for major investments in generation and system flexibility.

Europe

The European Commission introduced several significant proposals on grid development, CfD and environmental permitting. Key elements include strengthened system planning, accelerated investment timelines, a transition to a “first ready, first connected” connection regime and streamlined CfD procedures. These measures will shape upcoming national debates, particularly in France, and may be incorporated into future European Union (EU) and French regulations. The Commission also unveiled a *Clean Industrial Deal* in early 2025 designed to accelerate industrial decarbonization while reducing regulatory complexity.

On the trade front, the EU concluded a preliminary agreement with the United States establishing a 15% tariff on most European products, in exchange for increased EU imports of U.S. hydrocarbons and greater European investment in the U.S. economy. Additionally, the EU adopted implementing acts under the *Net Zero Industry Act* (NZIA), establishing qualitative criteria (such as corporate social responsibility, cybersecurity and supply chain resilience) for member state renewable energy tenders, with the goal of reducing import dependency.

France

In France, 2025 was marked by significant institutional uncertainty. The appointment of Sébastien Lecornu as Prime Minister was intended to restore stability and enable the adoption of the national budget, but the political transition delayed the publication of key frameworks, including the multi-year energy program (“*Programmation pluriannuelle de l’énergie* - PPE”). Published in February 2026, the PPE 3 sets a target for 60% of the energy consumed in France to come from decarbonized sources by 2030, supported by a broad electrification strategy. While acknowledging a revival of the nuclear sector, it also confirms development targets for onshore wind and solar that are in line with what the industry has deployed in recent years. In doing so, the PPE 3 brings an end to a period of uncertainty, removes the risk of a moratorium and provides clarity on the request for proposals framework and procurement volumes through 2027.

Several other important documents were released, including the results of the July wind and technology neutral tenders, the *National Low Carbon Strategy*, and Réseau de Transport et d’Électricité – RTE’s “*Bilan Prévisionnel*” which plays a central role in shaping the national energy debate. The report reaffirms the need for a balanced mix of nuclear and renewable energy, a significant increase in electrification and acknowledges the risk of a temporary slowdown in renewable development in 2026 and 2027 due to short-term overcapacity. RTE outlines four development pathways and recommends transitioning to a “*first ready, first connected*” grid connection framework, mirroring European level proposals.

United Kingdom

In the United Kingdom, the government’s *Review of Market Reform* (REM) confirmed that full zonal pricing would not be adopted. Instead, the government will implement an enhanced national pricing framework, situated between the existing model and a zonal system, accompanied by a review of *Transmission Network Use of System Charges*. This decision preceded the close of the submission window for Auction Round 7 (AR7) in January 2026.

In parallel, the Onshore Wind Taskforce published a strategy to accelerate onshore wind development, proposing measures to reduce administrative delays, improve planning processes and strengthen grid connection mechanisms. Within this evolving landscape, United Kingdom energy policy remains focused on advancing infrastructure investment, reinforcing grid planning and resilience and supporting the *Clean Power 2030* program launched by the Department for Energy Security and Net Zero.

Annual update

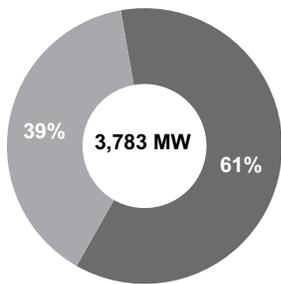
Recent developments

Boralex is a Canadian corporation which has been operating in the renewable energy segment for 35 years. It draws on a workforce of 854 people to develop, build and operate power generating and storage facilities in Canada, France, the United States and the United Kingdom to be operated by the Corporation or to be transferred in whole or in part to third parties. A Canadian market leader and France’s largest independent producer of onshore wind power, Boralex has increased its installed capacity by more than 50% over the past five years to 3,783 MW as at December 31, 2025. The Corporation is developing a portfolio of development projects and a Growth path equivalent to more than 8.2 GW of wind and solar power, as well as the BESS facilities, guided by its values and its CSR approach. Projects under construction or ready to build represent 311 MW out of the total portfolio of projects under development or on the Growth path, to be commissioned in 2026, 2027 and 2028, while the pipeline of all secured projects amounts to 752 MW. Through profitable and sustainable growth, Boralex is actively participating in the fight against global warming. With its fearlessness, discipline, expertise and diversity, Boralex remains an industry leader.

Segment, geographic and technological breakdown

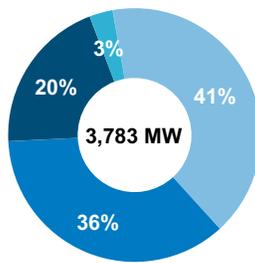
As at December 31, 2025, Boralex was active in the production of three complementary types of renewable energy: wind, solar and hydroelectric, along with battery energy storage. As at December 31, 2025 installed capacity was 3,783 MW.

Segment breakdown



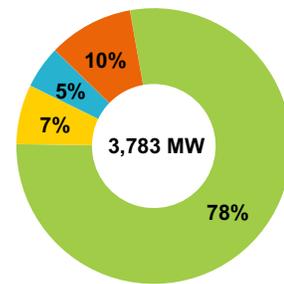
■ North America ■ Europe

Geographic breakdown



■ Canada ■ France
■ United States ■ United Kingdom

Technological breakdown



■ Wind ■ Solar ■ Hydro ■ Storage

Installed capacity

	Wind farms		Solar power stations		Hydroelectric power stations		Battery energy storage systems		Total	
	Installed capacity (MW)	Number of sites	Installed capacity (MWac)	Number of sites	Installed capacity (MW)	Number of sites	Installed capacity (MW)	Number of sites	Installed capacity (MW)	Number of sites
North America	1,532	29	209	7	178	15	380	2	2,299	53
Canada	1,085	24	—	—	100	9	380	2	1,565	35
United States	447	5	209	7	78	6	—	—	734	18
Europe	1,420	78	59	6	—	—	5	2	1,484	86
France	1,314	77	59	6	—	—	5	2	1,378	85
United Kingdom	106	1	—	—	—	—	—	—	106	1
As at December 31, 2025	2,952	107	268	13	178	15	385	4	3,783	139

Achievements for the fiscal year ended December 31, 2025

Boralex continues to develop in line with the directions of its strategic plan building on the potential offered by the European and North American markets where it already operates. The main progress made in fiscal 2025 is presented below:

Progress of projects:

- Commissioning of a wind power project in the United Kingdom (106 MW), two wind power projects in France (29 MW) and one wind power project (100 MW) and one BESS (80 MW/320 MWh) in Canada. The Corporation also started operations at the Hagersville BESS (300 MW/1,200 MWh) in Ontario, increasing installed capacity by 615 MW.
- Transition to the secured stage for two solar projects in the United States and two BESS projects, one in Canada and one in the United Kingdom, as well as three wind power projects in France, totalling 688 MW.
- Inclusion in the under construction or ready-to-build stage of the Des Neiges Charlevoix project (133 MW) in Québec and two solar power projects and two wind power projects (45 MW) in France, for a total of 178 MW.
- Addition of new projects to the development projects portfolio, representing 1,383 MW.

Contracts and customers:

- Signing of a Renewable Energy Standard contract with NYSERDA to procure Tier-1 RECs for each of its Fort Covington and Two Rivers solar power stations, totalling 450 MWac.
- Signing of a five-year power purchase agreement with Southwestern Public Service Company for a wind farm in the United States.
- Boralex participated in France's 10th PPE2 wind auction in July 2025 and secured two projects totalling 125 MW.
- Secured ministerial approval for the Clashindarroch Wind Farm Extension¹ (139 MW) and the adjacent BESS (50 MW) totalling 189 MW.
- Awarding of a CfD for the authorized Sallachy wind farm in February 2026 as part of the seventh CfD allocation round (Allocation Round 7 – AR7) organized by the UK government.

Optimization and financing:

- Boralex obtained an extension of its revolving credit facility until February 2030.
- In April 2025, Boralex enhanced its letter of credit facility guaranteed by EDC by \$120 million, bringing the authorized amount to \$470 million until April 2027.
- Closing of an additional \$250 million in corporate financing in the form of unsecured debt maturing in 2033. This is a joint financing by La Caisse (previously CDPQ) and a new partner, Fondation, investing \$200 million and \$50 million, respectively.
- Financing of a wind power farm in France for a total amount of \$27 million (€17 million), including a \$24 million (€15 million) construction facility, a \$2 million (€1 million) value-added tax bridge financing facility and a \$1 million (€1 million) letter of credit facility for debt service.
- Closing of a \$32 million (€20 million) revolving credit facility to finance the construction of future wind and solar projects in France.
- Financing of the Des Neiges Sud wind power project held as a joint venture² for a total amount of \$960 million, including a \$733 million construction facility, a bridge loan of \$170 million to finance the refund to be received for the switchyard, and a \$57 million guarantees facility.
- Additional financing in July 2025 of an incremental tranche on the term loans for the Boralex Production and Sainte-Christine portfolio of projects, totalling \$164 million (€104 million), including a letter of credit for debt service for \$7 million (€4 million).
- In December 2025, Boralex renewed and negotiated an increase in its short-term credit facility in France, increasing the authorized amount from \$16 million (€10 million) to \$24 million (€15 million) for a two-year period.
- ITC bridge loan for Apuiat signed in December 2025, authorizing a \$155 million drawdown maturing in two years.

¹ The Corporation has control over the joint venture.

² The Corporation holds 50% of the shares in, but does not have control over, the joint venture with a total capacity of 400 MW. A minority shareholder holds an interest in the project entity, bringing the Corporation's net economic interest to 33%. For more details, refer to the *Joint Ventures and Associates* section in this report.

Other:

- Actions introduced to achieve our greenhouse gas emissions reduction targets validated by the “Science Based Targets initiative – SBTi.”
- Silver level Women in Governance Parity Certification™ obtained.
- Environmental management plans introduced upon commissioning the Limekiln wind farm in the United Kingdom.
- Announcement of the Corporation’s 2030 Strategic plan and financial objectives.
- Boralex named as the top company in Corporate Knights’ the Best 50 Corporate Citizens ranking in Canada.
- Boralex France was an award winner at the 2025 Solar Diversity Champion Awards, which recognizes corporate diversity initiatives.
- The Hagersville BESS was recognized by the Canadian Renewable Energy Association (CanREA) with the Innovative Canadian Clean Power Project of the Year award.
- Subcontractors incorporated into health and safety indicator monitoring.
- Employee engagement rate of 78% reported in 2025 with an 89% survey participation rate.
- Booklet and biodiversity charter released in France.

Portfolio in operation

Project name	Type of transaction	Total capacity (MW)	Effective date ⁽¹⁾	Technology Country	Contract: Term Client Type	Investment type	
2022						Installed capacity: 3,022 MW	
Fourth Branch	End of operations	-3	March 23	Hydroelectric United States	N/A	Subsidiary	
Plouguin	Commissioning	3	April 5	BESS France	Market	Subsidiary	
Préveranges	Commissioning	12	June 14	Wind France	20 yrs EDF FiP	Subsidiary	
Caumont-Chériennes	Commissioning	17	June 26	Wind France	20 yrs EDF FiP-RFP	Subsidiary	
Bois Ricart	Commissioning	14	December 11	Wind France	20 yrs EDF FiP-RFP	Subsidiary	
Marcellé	Commissioning	13	December 28	Wind France	20 yrs EDF FiP-RFP	Subsidiary	
2023		+ 56 MW					Installed capacity: 3,078 MW
Bois St-Aubert	Commissioning	21	February 12	Wind France	20 yrs EDF FiP-RFP	Subsidiary	
Helfaut	Commissioning	21	June 5	Wind France	15 yrs Corporate PPA	Subsidiary	
Cruis	Commissioning	13	July 31	Solar France	15 yrs Corporate PPA	Subsidiary	
Moulin Blanc	Commissioning	29	November 29	Wind France	20 yrs Corporate PPA	Subsidiary	
2024		+ 84 MW					Installed capacity: 3,162 MW
Limekiln	Commissioning	106	February 19	Wind United Kingdom	15 yrs CfD	Subsidiary	
Fontaine-Lès-Boulans	Commissioning	18	April 30	Wind France	20 yrs EDF FiP-RFP	Subsidiary	
Febvin-Palfart	Commissioning	11	May 15	Wind France	15 yrs Corporate PPA	Subsidiary	
Apuiat ⁽²⁾	Commissioning	100	October 28	Wind Canada	30 yrs HQ	Joint venture	
Sanjgon (Tilbury)	Commissioning	80 ⁽³⁾	December 23	BESS Canada	21 yrs IESO	Subsidiary	
Hagersville	Start of operations	300 ⁽⁴⁾	February 18	BESS Canada	21 yrs IESO	Subsidiary	
December 31, 2025		+ 615 MW					Installed capacity: 3,783 MW ⁽⁵⁾

⁽¹⁾ The effective date is, in the case of assets located in France, the date of first injection into the grid. For assets located in Canada, the effective date is the date on which the full rate comes into effect, as set out in the contractual terms.

⁽²⁾ The Corporation holds a 50% interest in, but does not have control over, a joint venture with a total capacity of 200 MW.

⁽³⁾ Total capacity based on battery life is 320 MWh.

⁽⁴⁾ Total capacity based on battery life is 1,200 MWh.

⁽⁵⁾ During the second quarter of 2025, installed capacity was modified to include the increased capacity of the Evits et Josaphat Repowering and Remise Reclainville Repowering wind farms commissioned in the second quarter of 2022 in France, which added 3 MW each, for a total increase of 6 MW.

As at December 31, 2025, 90%¹ of our energy-generating asset portfolio's installed capacity is under energy sales contracts at fixed and indexed prices or feed-in premiums activated with public utilities. In recent years, Boralex has successfully diversified its customer base by signing corporate PPAs with large companies in Europe. The weighted average remaining duration² of these contracts is 10 years, with 10 years in North America and 8 years in Europe.

¹ The percentage of installed capacity subject to energy sales contracts or remuneration supplements is a supplementary financial measure. For more details, refer to the *Non-IFRS and other financial measures* section in this report.

² The weighted average remaining duration also includes non-activated contracts for newly commissioned facilities.

Development projects portfolio and Growth path

DEVELOPMENT PROJECTS PORTFOLIO		NORTH AMERICA	EUROPE	TOTAL BORALEX	
TOTAL 7,166 MW	EARLY STAGE				
	<ul style="list-style-type: none"> Real estate secured Interconnection available Review of regulatory risks Assessment of local community acceptability (Europe) 	 1,027 MW	902 MW	1,929 MW	
		 794 MW	495 MW	1,289 MW	
		 450 MW	60 MW	510 MW	
		TOTAL CAPACITY	2,271 MW	1,457 MW	3,728 MW
	MID STAGE				
	<ul style="list-style-type: none"> Preliminary design for a bid Assessment of required permits and local community acceptability (North America) Requests for permits and administrative authorizations made and final assessment of environmental risks completed (Europe) 	 748 MW	404 MW	1,152 MW	
		 200 MW	350 MW	550 MW	
		 100 MW	88 MW	188 MW	
		TOTAL CAPACITY	1,048 MW	842 MW	1,890 MW
	ADVANCED STAGE				
	<ul style="list-style-type: none"> Project submitted under a request for proposals or actively looking for a corporate PPA Final assessment of environmental risks completed (North America) Project authorized by regulatory authorities (France) 	 398 MW	494 MW	892 MW	
		 320 MW	52 MW	372 MW	
		 200 MW	84 MW	284 MW	
	TOTAL CAPACITY	918 MW	630 MW	1,548 MW	
TOTAL					
	 2,173 MW	1,800 MW	3,973 MW		
	 1,314 MW	897 MW	2,211 MW		
	 750 MW	232 MW	982 MW		
	TOTAL CAPACITY	4,237 MW	2,929 MW	7,166 MW	

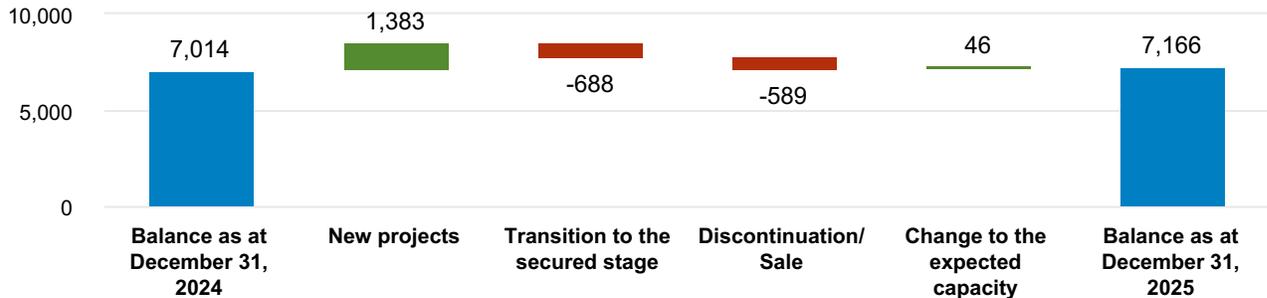
GROWTH PATH		NORTH AMERICA	EUROPE	TOTAL BORALEX	
TOTAL 1,063 MW	SECURED STAGE				
	<ul style="list-style-type: none"> Contract win (REC or PPA) and <ul style="list-style-type: none"> Interconnection submitted (United States) Interconnection secured (Canada) Interconnection secured and <ul style="list-style-type: none"> Project cleared of any claims (France) Project authorized by regulatory authorities (Scotland) 	 50 MW	102 MW	152 MW	
		 450 MW	-	450 MW	
		 125 MW	25 MW	150 MW	
		TOTAL CAPACITY	625 MW	127 MW	752 MW
	UNDER CONSTRUCTION OR READY-TO-BUILD STAGE				
	<ul style="list-style-type: none"> Permits obtained Financing underway Commissioning date determined Pricing strategy defined Authorized by Boralex's Board of Directors or the President and Chief Executive Officer in accordance with Boralex's Delegation Policy 	 266 MW	22 MW	288 MW	
		 -	23 MW	23 MW	
		 -	-	-	
		TOTAL CAPACITY	266 MW	45 MW	311 MW
TOTAL					
	 316 MW	124 MW	440 MW		
	 450 MW	23 MW	473 MW		
	 125 MW	25 MW	150 MW		
	TOTAL CAPACITY	891 MW	172 MW	1,063 MW	

CURRENTLY IN OPERATION 3,783 MW
As of December 31, 2025.

Changes in the development projects portfolio

The Corporation's pipeline of development projects totalled 7,166 MW as at December 31, 2025, up 152 MW from the end of fiscal 2024. The portfolio of wind power development projects comprises projects totalling 3,973 MW, up 792 MW from the previous year, mainly following the addition of projects totalling 613 MW in Europe. The portfolio of solar power development projects amounted to 2,211 MWac, down 384 MWac from the previous year resulting from two solar power projects totalling 450 MWac in the United States advancing to the secured stage in the *Growth path* and a portfolio of solar power projects in France being disposed of for capital reallocation purposes, partially offset by new solar power projects totalling 362 MW being added in Europe and North America. The portfolio of BESS development projects amounts to 982 MW, approximately 256 MW less than in fiscal 2024. This decrease was primarily driven by two projects totalling 150 MW advancing to the secured stage and the installed capacity for a BESS project in Ontario, rated in MW, being revised downward from 400 MW to 200 MW, while its charging time was increased from four hours to eight hours.

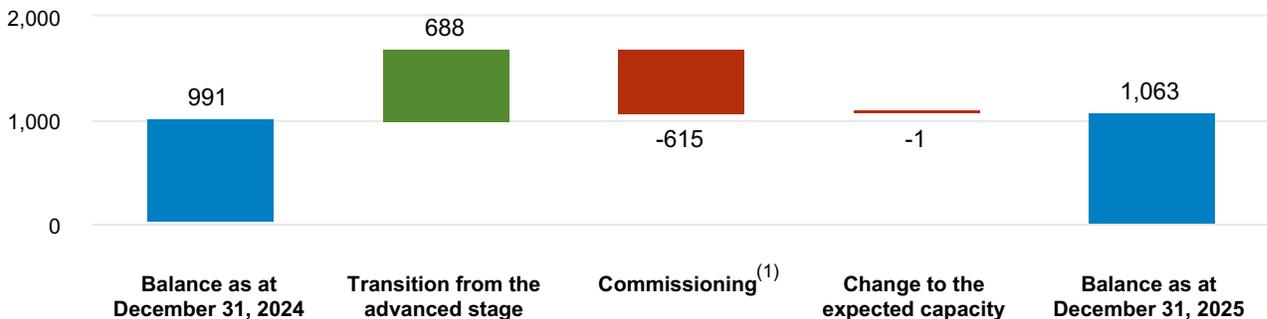
Movements between the stages in the development projects portfolio since December 31 2024 are provided below (in MW):



Changes to the Growth path

The *Growth path* represented a capacity of 1,063 MW as at December 31, 2025, compared with 991 MW at the end of fiscal 2024. Secured, under construction or ready-to-build wind power projects represented a total of 440 MW as at December 31, 2025, compared with 587 MW at the end of the previous year due to the commissioning during the year, resulting in a 235 MW reduction in the *Growth path*, partially offset by the addition to the secured stage of three wind power projects in France totalling 88 MW. Solar power projects were up 449 MW compared with the previous year after two solar power projects in the United States advanced to the secured stage. BESS projects decreased by 230 MW as at December 31, 2025 compared with the end of fiscal 2024 resulting from the commissioning of a BESS in Canada and the start of operations of another system totalling 380 MW/1,520 MWh, partially offset by the addition of projects in Canada and the United Kingdom totalling 150 MW. In addition, one wind power project in Canada and two wind power projects and two solar power projects in France advanced from the secured stage to the under construction or ready-to-build stage, for a total of 178 MW. Projects in the under construction or ready-to-build stage continued to progress on schedule toward commissioning.

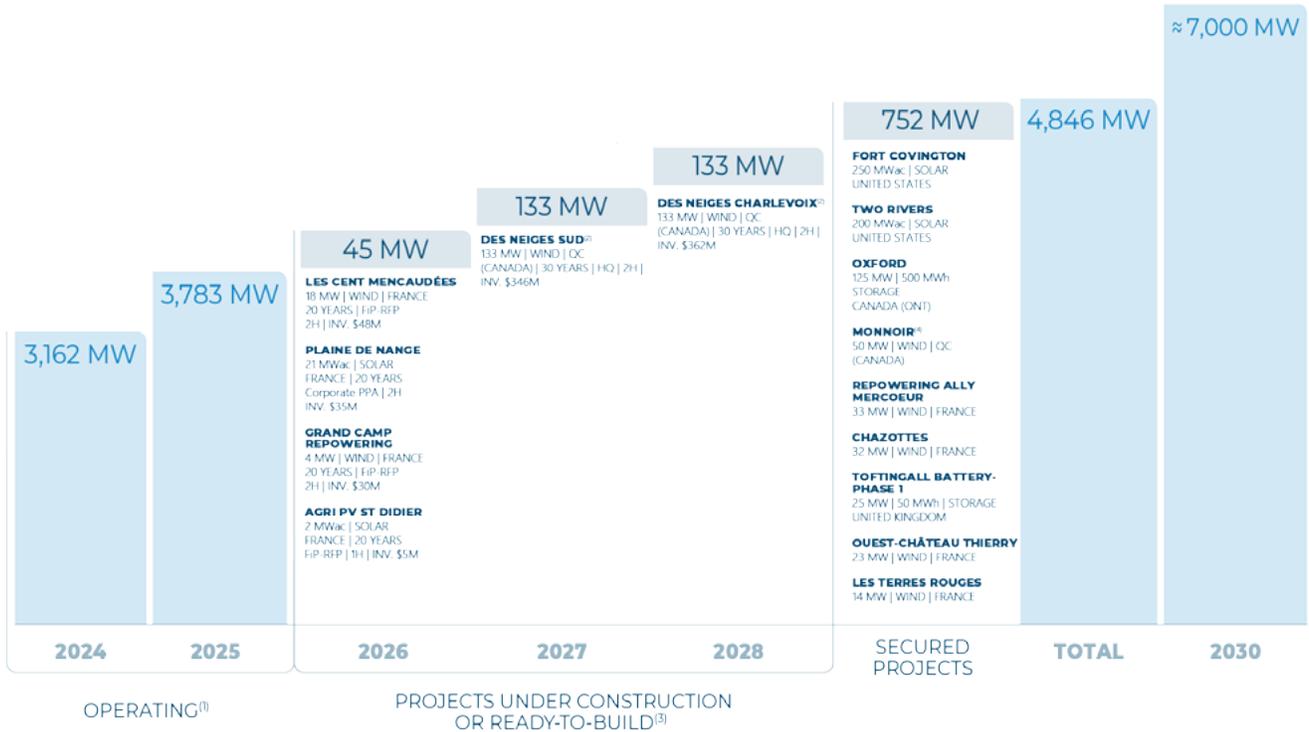
Movements between the stages in the *Growth path* since December 31, 2024 are provided below (in MW):



⁽¹⁾ Includes the Hagersville BESS.

As shown in the *Growth path*, as at December 31, 2025, the Corporation had assets in operation totalling 3,783 MW, up 621 MW from the end of fiscal 2024 owing mainly to the four wind power projects and one BESS that were commissioned, as well as the start of operations of another BESS. Boralex expects to commission four wind power projects and two solar power projects over the course of 2026, 2027 and 2028, for a total increase of 311 MW in operation. Commissioning secured facilities and projects under construction or ready to build is expected to expand Boralex's installed capacity to 4,846 MW.

Growth path



(1) Installed capacity of production, including the installed capacity of battery energy storage projects.

(2) The Corporation holds 50% of the shares in the joint venture with a total capacity of 400 MW but does not have control over it. A minority shareholder holds an interest in the project entity, bringing the Corporation's net economic interest to 33%.

(3) Total project investment for projects in Europe has been translated into Canadian dollars at the closing rate on December 31, 2025.

(4) The Corporation holds 50% of the shares in the joint venture with a total capacity of 100 MW but does not have control over it.

Two wind power projects in North America, as well as two solar power projects and two wind power projects in Europe, are under construction or have completed all preliminary stages and obtained pre-construction approvals. The wind and solar power projects are all covered by power purchase agreements, either long-term feed-in premium contracts which benefit from a fixed price or power purchase agreements with commercial and industrial corporations. Some contracts benefit from price indexation clauses in effect until facilities are commissioned to provide protection against inflation. These projects under construction or ready-to-build will contribute to the Corporation's results when commissioned in 2026, 2027 and 2028, as indicated in the *Growth path*. An additional 311 MW of operating capacity is expected by the end of 2028. Lastly, the commissioning of secured, ready-to-build and under construction projects could bring Boralex's installed capacity to 4,846 MW.

Overall, the Combined EBITDA(A)¹ contribution of projects under construction or ready to build is estimated at \$60 million, based on total expected production and adjusted using the Canadian dollar exchange rate at the end of the quarter. Implementing these projects, including Boralex's share of the Des Neiges Sud and Des Neiges Charlevoix projects, will require total planned investments² by the Corporation of about \$826 million, and planned financing² of \$576 million. As at December 31, 2025, the funds already invested² in these projects totalled \$250 million. The effect of the ITC in Canada, in effect since June 2024, is not reflected in the above data.

¹ The contribution to combined EBITDA(A) is estimated pending the analysis of the material accounting policies applicable to these projects.

² The total planned investments, planned financing and funds already invested in projects under construction are supplementary financial measures. For more details, see the *Non-IFRS and other financial measures* section in this report.

Overview of past three fiscal years

Selected annual information (Consolidated)

Results and cash flow data

(in millions of Canadian dollars, unless otherwise specified)	Years ended December 31			Change %	
	2025	2024	2023	2025 vs 2024	2024 vs 2023
Power production (GWh)	6,147	5,691	5,973	8	(5)
Revenues from energy sales and feed-in premiums	796	817	994	(3)	(18)
Operating income	166	226	226	(27)	—
EBITDA(A)	552	581	578	(5)	—
Net earnings	33	74	115	(56)	(35)
Net earnings attributable to the shareholders of Boralex	7	36	78	(82)	(54)
Net earnings per share attributable to the shareholders of Boralex – basic and diluted	\$0.06	\$0.35	\$0.76	(83)	(54)
Net cash flows related to operating activities	362	215	496	68	(57)
Cash flows from operations	392	415	445	(6)	(7)
Dividends paid on common shares	68	68	68	—	—
Dividends paid per common share	\$0.66	\$0.66	\$0.66	—	—
Weighted average number of shares outstanding – basic	102,759,511	102,766,122	102,765,694		

Statement of financial position data

(in millions of Canadian dollars, unless otherwise specified)	As at December 31			Change %	
	2025	2024	2023	2025 vs 2024	2024 vs 2023
Total cash, including restricted cash	343	611	500	(44)	22
Property, plant and equipment	4,294	4,070	3,355	6	21
Total assets	7,648	7,604	6,574	1	16
Debt - principal balance	4,386	4,032	3,327	9	21
Total liabilities	5,657	5,579	4,550	1	23
Total equity	1,991	2,025	2,024	(2)	—
Net debt to market capitalization ratio (%)	57 %	50 %	42 %		

2025

Commissioning and start of operations

The Corporation added 615 MW to its installed capacity with the commissioning of three wind power projects in Europe, one wind power project in Québec, as well as a BESS in Ontario, Canada. It also started operations at the Hagersville BESS in Ontario.

Financial transactions

In February 2025, Boralex closed an extension of its revolving credit facility and letter of credit facility to February 2030. The agreement also increased the accordion clause to \$200 million.

In April 2025, Boralex enhanced its letter of credit facility guaranteed by EDC by \$120 million, increasing the authorized amount to \$470 million until April 2027.

In May 2025, Boralex secured financing for the Des Neiges Sud wind power project, held as a joint venture, for a total amount of \$960 million, including a \$733 million construction facility, a \$170 million bridge loan to finance the refund expected for the switchyard and a \$57 million guarantees facility.

In June 2025, Boralex secured financing for the Febvin-Palfart wind farm in France for a total amount of \$27 million (€17 million), including a \$24 million (€15 million) construction facility, a \$2 million (€1 million) value-added tax bridge financing facility and a \$1 million (€1 million) debt service letter of credit facility. Boralex also closed a \$32 million (€20 million) revolving credit facility to finance future wind and solar power projects in France. Lastly, Boralex closed \$250 million in additional corporate financing in the form of unsecured subordinated debt, maturing in 2033, jointly with La Caisse (\$200 million) and Fondation (\$50 million).

In July 2025, Boralex obtained additional financing in incremental tranches under term loans for the Boralex Production and Sainte-Christine portfolios of wind farms in France, totalling \$164 million (€104 million), including a \$7 million (€4 million) debt service letter of credit.

In December 2025, as part of the Apuiat wind farm held as a joint venture, Boralex signed an ITC bridge loan, authorizing a drawdown of \$155 million over a two-year period. Boralex also renewed and negotiated an increase in its short-term credit facility in France, increasing the authorized amount from \$16 million (€10 million) to \$24 million (€15 million) for a two-year period.

Results

In 2025, the Corporation generated 6,147 GWh of electricity, up 8% from the prior fiscal year. This increase was mainly attributable to favourable wind conditions in Canada and contributions from new facilities commissioned in Europe.

Revenues from energy sales and feed-in premiums amounted to \$796 million, down 3% due to lower short-term power purchase agreement prices in France for facilities having terminated their power purchase agreement early. In October 2022, the Corporation implemented new contracts for which the electricity price was fixed annually on a portion of the production. The variations in contracted prices and the decrease in market prices resulted in an average price reduction on these contracts in 2025. *Operating income* was \$166 million, down \$60 million from the previous year, for the same reasons discussed above regarding revenues from energy sales. The share of net earnings of joint ventures also decreased due to cost overruns for Apuiat in the second quarter and the expected end of PTC for wind farms in the United States, as well as higher payroll expense. EBITDA(A) amounted to \$552 million, down \$29 million from the previous year.

2024

Commissioning

The Corporation added 84 MW to its installed capacity with the commissioning of three wind farms and one solar power project in France.

Financial transactions

In February 2024, Boralex concluded the financing for its 50% interest in the MiRose joint venture for two wind farms in operation in the United States for a total of \$37 million (US\$27 million), which will be amortized over a 10-year period.

In April 2024, Boralex secured financing for the Helfaut wind farm in France, commissioned in June for a total of \$41 million (€28 million), which will be amortized over a 15-year period.

In May 2024, Boralex secured 18-year financing for the Limekiln wind power project in the United Kingdom totalling \$224 million (£130 million).

In August 2024, Boralex secured financing for the Témiscouata II wind farm in operation in Québec totalling \$95 million, which will be amortized over an 11-year period.

In September 2024, Boralex obtained a three-year term extension until July 2028 for its project construction facility covering the Boralex Energy Investments portfolio.

In October 2024, Boralex acquired the Sallachy wind power project in the United Kingdom for \$10 million (£5 million).

In November 2024, Boralex secured financing for the Moulin Blanc wind farm in France totalling \$49 million (€33 million), which will be amortized over a 17-year period.

In December 2024, Boralex secured financing totalling \$710 million for two battery energy storage system projects in Ontario, which will be amortized over a 20-year period, with \$538 million for Hagersville and \$172 million for Sanjgon (formerly the Tilbury project). Additionally, Boralex acquired stakes in two development projects in the United Kingdom, including a 50% interest with an option to purchase the remaining stake in the Clashindarroch Wind Farm Extension project for \$27 million (£15 million). The Corporation has control over the project.

Results

In 2024, the Corporation generated 5,691 GWh of electricity, down 5% from the previous fiscal year. This decrease was mainly attributable to unfavourable wind conditions in France, which impacted wind farm production and increased electricity production limitations.

Revenues from energy sales and feed-in premiums amounted to \$817 million, down 18% due to a decrease in the production volume of comparable assets in Europe and an unfavourable impact on prices for facilities having terminated their power purchase agreement early. In October 2022, the Corporation had implemented new contracts for which the electricity price was fixed annually on a portion of the production. The variations in contracted prices and the decrease in market prices resulted in an average price reduction on these contracts in 2024. *Operating income* amounted to \$226 million, the same as for the previous fiscal year. A \$178 million decrease in the inframarginal rent contribution in Europe had a positive impact on operating income, offsetting the previously mentioned items regarding production and revenues from energy sales, as well as the increase in development costs to support growth. EBITDA(A) amounted to \$581 million, up \$3 million from the previous year.

2023

Commissioning

The Corporation added 59 MW to its net installed capacity with the commissioning of four wind farms and one battery energy storage system on a wind farm site in France.

Financial transactions

In April 2023, Boralex's letter of credit facility guaranteed by EDC was increased by \$125 million, bringing its total authorized amount to \$200 million.

In July 2023, Boralex closed two incremental tranches totalling \$194 million (€133 million) under the term loans of the Boralex Production and Saint-Christine portfolios of wind farms and projects.

In September 2023, the joint venture Parc éolien Apuiat S.E.C., in which Boralex holds a 50% interest, closed the financing of \$608 million for the construction of the Apuiat wind power project, including short-term facilities. Following the financing, the joint venture returned capital in the amount of \$61 million to Boralex, allowing it to optimize the overall capital structure.

In October 2023, Boralex closed a two-year short-term credit facility in France in the amount of \$14 million (€10 million).

In December 2023, Boralex obtained an increase in its revolving credit facility of \$100 million and its credit facility guaranteed by EDC by \$150 million, raising the authorized amounts to \$550 million and \$350 million, respectively. The Corporation also obtained a one-year extension of the term of its facilities until December 2028. The credit facility again qualified as a sustainable loan with annual CSR objectives. Boralex also secured a 15-year financing for a solar power project totalling \$17 million (€11 million).

Results

In 2023, the Corporation generated 5,973 GWh of electricity, up 6% from the prior fiscal year. This increase was mainly attributable to wind farms in France, which benefited from better wind conditions, the contribution of new facilities commissioned and the resumption of operations at facilities shut down temporarily owing to repowering work.

Revenues from energy sales and feed-in premiums reached \$994 million, up 21% due to the implementation of new contracts in line with higher electricity prices and better wind conditions in France.

Operating income was \$226 million, up \$114 million considering the previous explanations related to the increases in production and revenues from energy sales, the acquisition in the United States and a lower impairment loss in 2023 compared to the previous year. In 2023, the Corporation recorded an impairment of \$19 million for solar power projects in the United States since the recoverable amount of some of these projects was lower than their carrying value. EBITDA(A) rose 15% to \$578 million.

Analysis of results, cash flows and financial position - Consolidated

Segment financial information for the three-month periods and years ended December 31

	Three-month periods ended December 31				Years ended December 31			
	2025	2024	Change		2025	2024	Change	
(in millions of Canadian dollars, unless otherwise specified)			GWh or \$	%			GWh or \$	%
POWER PRODUCTION (GWh)⁽¹⁾	1,800	1,520	280	18	6,147	5,691	456	8
North America	807	812	(5)	(1)	3,222	3,073	149	5
Wind farms	623	588	35	6	2,138	1,929	209	11
Solar power stations	71	78	(7)	(9)	425	402	23	6
Hydroelectric power stations	113	146	(33)	(23)	659	742	(83)	(11)
Europe	993	708	285	40	2,925	2,618	307	12
Wind farms	977	692	285	41	2,824	2,534	290	11
Solar power stations	16	16	—	4	101	84	17	20
REVENUES FROM ENERGY SALES AND FEED-IN PREMIUMS	241	228	13	6	796	817	(21)	(3)
North America	107	103	4	5	402	368	34	9
Wind farms	87	81	6	7	297	264	33	13
Solar power stations	6	7	(1)	(9)	41	37	4	10
Hydroelectric power stations	12	15	(3)	(15)	62	67	(5)	(7)
Battery energy storage systems	2	—	2	—	2	—	2	—
Europe	134	125	9	7	394	449	(55)	(12)
Wind farms	132	123	9	7	380	438	(58)	(13)
Solar power stations	2	2	—	14	14	11	3	29
Operating income (loss)	68	78	(10)	(13)	166	226	(60)	(27)
North America	30	32	(2)	>100	126	91	35	>100
Europe	49	53	(4)	(5)	82	172	(90)	(52)
Corporate and eliminations	(11)	(7)	(4)	(69)	(42)	(37)	(5)	(15)
EBITDA(A)	178	169	9	6	552	581	(29)	(5)
North America	85	88	(3)	(4)	332	316	16	5
Europe	103	87	16	19	259	299	(40)	(13)
Corporate and eliminations	(10)	(6)	(4)	(74)	(39)	(34)	(5)	(13)

⁽¹⁾ Includes compensation following electricity production limitations.

Seasonal factors

(in millions of Canadian dollars, unless otherwise specified)	March 31, 2024	June 30, 2024	Sept. 30, 2024	Dec. 31, 2024	March 31, 2025	June 30, 2025	Sept. 30, 2025	Dec. 31, 2025
POWER PRODUCTION (GWh)								
Wind farms	1,460	964	759	1,280	1,433	1,083	845	1,600
Hydroelectric power stations	226	213	158	146	161	252	134	113
Solar power stations	81	146	164	94	97	170	172	87
	1,767	1,323	1,081	1,520	1,691	1,505	1,151	1,800
REVENUES FROM ENERGY SALES AND FEED-IN PREMIUMS								
Wind farms	231	148	119	204	200	147	111	219
Hydroelectric power stations	20	18	14	15	17	20	14	12
Solar power stations	8	14	17	9	9	18	19	8
Battery energy storage systems	—	—	—	—	—	—	—	2
	259	180	150	228	226	185	144	241
OPERATING INCOME (LOSS)	106	35	7	78	65	34	(1)	68
EBITDA(A)								
Wind farms	208	141	101	190	188	125	93	205
Hydroelectric power stations	13	12	7	8	8	11	6	4
Solar power stations	2	8	10	4	6	12	14	3
Battery energy storage systems	—	—	—	—	—	—	—	(1)
	223	161	118	202	202	148	113	211
General expenses, corporate and eliminations	(28)	(31)	(31)	(33)	(26)	(35)	(28)	(33)
	195	130	87	169	176	113	85	178
NET EARNINGS (LOSS)	73	17	(14)	(2)	41	(4)	(30)	26
NET EARNINGS (LOSS) ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX	55	11	(14)	(16)	30	(10)	(27)	14
Per share (basic and diluted)	\$0.53	\$0.10	(\$0.13)	(\$0.15)	\$0.29	(\$0.10)	(\$0.26)	\$0.13
NET CASH FLOWS RELATED TO OPERATING ACTIVITIES	230	138	(184)	31	172	107	37	46
CASH FLOWS FROM OPERATIONS	157	89	64	105	135	84	55	118

The Corporation's operations and results are partly subject to seasonal cycles and other cyclical factors that vary by energy type. Since nearly all of Boralex's facilities are covered by long-term energy sales contracts at fixed and indexed prices or feed-in premiums setting floor prices, seasonal cycles mainly affect the total volume of power generated by the Corporation. The impact of these cycles is mitigated by diversifying the Corporation's power generation sources and by favourable geographical positioning. Operating volumes at Boralex's facilities are influenced by the following factors:

- Wind conditions in France, the United Kingdom, the United States and Canada are usually more favourable in the winter, which falls during Boralex's first and fourth quarters. However, in winter, there is a greater risk of lower production caused by weather conditions, such as frost;
- For solar power, sunlight conditions are typically more favourable in the spring and summer;
- Hydroelectricity produced depends on water flow, which in Canada and the Northeastern United States is typically at a maximum in spring and high in the fall. Historically, water flow tends to decrease in winter and summer. However, over a long-term horizon, there may be variations from year to year due to short-term weather conditions. Note that apart from four hydroelectric power stations whose water flow is regulated upstream and is not under the Corporation's control, Boralex's other hydroelectric facilities do not have reservoirs that would permit water flow regulation during the year.

	Installed capacity (MW)	Power production average of the past five years ⁽¹⁾			
		Q1	Q2	Q3	Q4
Wind	2,952	31%	21%	17%	31%
Solar	268	19%	31%	32%	18%
Hydroelectric	178	25%	30%	22%	23%
Total power production⁽²⁾	3,398	29%	23%	19%	29%

⁽¹⁾ The power production average over the past five years is a supplementary financial measure. For more details, see the *Non-IFRS and other financial measures* section in this report.

⁽²⁾ The calculation of the power production average of the past five years excludes battery energy storage system.

Analysis of consolidated operating results for the three-month period ended December 31, 2025

Increases in production of 18% and in revenues from energy sales of 6% due to favourable weather conditions and new facilities commissioned in Europe. However, operating income was down 13% due to higher amortization related to facilities commissioned, while EBITDA(A) rose slightly by 6%.

The following table shows the main differences in production, revenues from energy sales and FiP, operating income and EBITDA(A):

(in millions of Canadian dollars, unless otherwise specified)	Production (GWh)	Revenues from energy sales and FiP	Operating income (loss)	EBITDA(A)
Consolidated				
Three-month period ended December 31, 2024	1,520	228	78	169
Commissioning ⁽¹⁾	123	15	10	15
Pricing (power purchase agreements and FiP), net of the inframarginal rent contribution on electricity production	—	(39)	(29)	(29)
Volume ⁽²⁾	157	31	33	33
Share of joint ventures and associates	—	—	—	(7)
Foreign exchange effect	—	10	7	7
Impairment	—	—	(10)	—
Amortization	—	—	(8)	—
Other	—	(4)	(13)	(10)
Three-month period ended December 31, 2025	1,800	241	68	178
North America				
Three-month period ended December 31, 2024	812	103	32	88
Commissioning	—	1	1	1
Pricing (power purchase agreements and FiP)	—	3	3	3
Volume	(5)	1	1	1
Share of joint ventures and associates	—	—	—	(7)
Amortization	—	—	(1)	—
Other	—	(1)	(6)	(1)
Three-month period ended December 31, 2025	807	107	30	85
Europe				
Three-month period ended December 31, 2024	708	125	53	87
Commissioning	123	14	9	14
Pricing (power purchase agreements and FiP), net of the inframarginal rent contribution on electricity production	—	(42)	(32)	(32)
Volume	162	30	32	32
Impairment	—	—	(8)	—
Foreign exchange effect	—	10	7	7
Amortization	—	—	(7)	—
Other	—	(3)	(5)	(5)
Three-month period ended December 31, 2025	993	134	49	103
Corporate and eliminations				
Three-month period ended December 31, 2024			(7)	(6)
Other			(4)	(4)
Three-month period ended December 31, 2025			(11)	(10)

⁽¹⁾ See the *Portfolio in operation* table.

⁽²⁾ Includes compensation following electricity production limitations.

Commissioning

The Corporation's wind farm performance benefited from newly commissioned facilities in Europe, while the commissioning of a BESS in Canada also contributed to growth (see the *Portfolio in operation* table). In total, these additions generated increases of 123 GWh in production, \$15 million in revenues from energy sales and FiP, \$10 million in operating income and \$15 million in EBITDA(A).

Volume – comparable assets

Comparable assets recorded an increase in production of 157 GWh resulting in a favourable difference of \$31 million in revenues from energy sales and FiP, and of \$33 million in operating income and EBITDA(A) compared with the fourth quarter of 2024. This increase was mainly attributable to favourable wind conditions in Europe, where production was up 162 GWh, or 24%, and to wind power in Canada, where production rose by 35 GWh, or 6%. These increases offset the 33 GWh decline in hydroelectric power generation in North America.

Pricing (power purchase agreements and FiP), net of the inframarginal rent contribution on electricity production

In the fourth quarter of 2025, the pricing effect of electricity production on revenues from energy sales and FiP was an unfavourable difference of \$39 million. Given the \$10 million decrease in the inframarginal rent contribution in France recognized in operating expenses, the net pricing effect reflected an unfavourable difference of \$29 million in operating income and EBITDA(A) compared with the fourth quarter of 2024.

These differences are primarily explained by the changes in contracted prices for contracts whose selling price is fixed in annual tranches for a portion of production and the decrease in market prices in Europe.

The inframarginal rent contribution is no longer applicable in 2025, as it was not renewed in the Budget Act, which included the 2025 budget.

Relationship between revenue and operating expenses

Excluding the newly commissioned facilities, revenues from energy sales and FiP, net of the inframarginal rent contribution on electricity production, were up 4 % in the fourth quarter of 2025 from a year earlier. Additionally, operating expenses, excluding the inframarginal rent contribution on electricity production, increased by 14%, mainly due to higher maintenance costs and operating salaries.

Net earnings (loss)

As detailed in the table below, Boralex reported net earnings of \$26 million for the fourth quarter of 2025, reflecting a favourable difference of \$28 million compared with the fourth quarter of 2024, owing to the impairment of the interest in a joint venture recorded in 2024. For this same period, the Corporation reported net earnings attributable to shareholders of Boralex of \$14 million or \$0.13 per share (basic and diluted), compared with a net loss attributable to shareholders of Boralex of \$16 million or \$0.15 per share (basic and diluted) for the corresponding period of 2024.

(in millions of Canadian dollars)	Three-month periods ended December 31		Change (\$)
	2025	2024	
Operating income	68	78	(10)
Financing costs	46	36	10
Share of net earnings of joint ventures and associates	(6)	(3)	(3)
Impairment of an investment in a joint venture	—	35	(35)
Other	—	4	(4)
Earnings before income taxes and non-controlling interests	28	6	22
Income tax expense	2	8	(6)
Net earnings (loss)	26	(2)	28
Net earnings attributable to non-controlling interests	12	14	(2)
Net earnings (loss) attributable to the shareholders of Boralex	14	(16)	30

Analysis of consolidated operating results for the year ended December 31, 2025

Decreases in revenues from energy sales of 3%, in operating income of 27% and in EBITDA(A) of 5%, mainly attributable to lower prices in Europe.

The following table shows the main differences in production, revenues from energy sales and FiP, operating income and EBITDA(A):

(in millions of Canadian dollars, unless otherwise specified)	Production (GWh)	Revenues from energy sales and FiP	Operating income	EBITDA(A)
Consolidated				
Year ended December 31, 2024	5,691	817	226	581
Commissioning ⁽¹⁾	347	35	6	29
Pricing (power purchase agreements and FiP), net of the inframarginal rent contribution on electricity production	—	(103)	(74)	(74)
Volume ⁽²⁾	109	21	24	24
Share of joint ventures and associates	—	—	—	(19)
Foreign exchange effect	—	28	19	19
Impairment	—	—	(12)	—
Amortization	—	—	(4)	—
Other	—	(2)	(19)	(8)
Year ended December 31, 2025	6,147	796	166	552
North America				
Year ended December 31, 2024	3,073	368	91	316
Commissioning	—	1	1	1
Pricing	—	7	7	7
Volume	149	25	25	25
Share of joint ventures and associates	—	—	—	(19)
Foreign exchange effect	—	1	1	1
Impairment	—	—	1	—
Amortization	—	—	9	—
Other	—	—	(9)	1
Year ended December 31, 2025	3,222	402	126	332
Europe				
Year ended December 31, 2024	2,618	449	172	299
Commissioning	347	34	5	28
Pricing (power purchase agreements and FiP), net of the inframarginal rent contribution on electricity production	—	(110)	(81)	(81)
Volume	(40)	(4)	(1)	(1)
Foreign exchange effect	—	27	18	18
Impairment	—	—	(13)	—
Amortization	—	—	(13)	—
Other	—	(2)	(5)	(4)
Year ended December 31, 2025	2,925	394	82	259
Corporate and eliminations				
Year ended December 31, 2024			(37)	(34)
Other			(5)	(5)
Year ended December 31, 2025			(42)	(39)

⁽¹⁾ See the *Portfolio in operation* table.

⁽²⁾ Includes compensation following electricity production limitations.

Commissioning

The Corporation's wind farms and solar power stations benefited from the contribution of newly commissioned facilities in Europe, while the commissioning of a BESS in Canada also supported growth (see the *Portfolio in operation* table). In total, these additions generated increases of 347 GWh in production, \$35 million in revenues from energy sales and FiP, \$6 million in operating income and \$29 million in EBITDA(A).

Volume – comparable assets

Comparable assets recorded an increase in production of 109 GWh, reflecting a favourable difference of \$21 million in revenues from energy sales and FiP as well as \$24 million in operating income and EBITDA(A). This increase was mainly due to the production of comparable assets in North America, which was up 149 GWh, or 5%, from 2024. This improvement offset the decrease recorded at wind farms in Europe, where production was down 45 GWh, or 2% in the first quarter of 2025 due to unfavourable wind conditions.

Pricing (power purchase agreements and FiP), net of the inframarginal rent contribution on electricity production

For the year ended December 31, 2025, the pricing effect, net of the inframarginal rent contribution on electricity production, resulted in an unfavourable difference of \$103 million in revenues from energy sales and FiP. Given the reduction of the \$29 million inframarginal rent contribution recognized in operating expenses, the net pricing effect consisted of an unfavourable difference of \$74 million in operating income and EBITDA(A), compared with the corresponding period of 2024.

These differences are primarily explained by the changes in contracted prices for contracts whose selling price is fixed in annual tranches for a portion of production and the decrease in market prices in Europe.

The inframarginal rent contribution is no longer applicable in 2025, as it was not renewed in the Budget Act, which included the 2025 budget.

Share of joint ventures and associates

For fiscal 2025, the share of joint ventures and associates was down \$19 million. The decline stemmed primarily from non-capitalizable construction costs related to the Apuiat wind power project in the second quarter of 2025 and the expected end of production tax credits for wind farms in the United States, partially offset by a \$10 million favourable contribution from joint ventures in Canada.

Relationship between revenue and operating expenses

Excluding the facilities commissioned, revenues from energy sales and FiP, net of the inframarginal rent contribution on electricity production, were down 5 % during the year ended December 31, 2025 compared with a year earlier, while operating expenses, net of the inframarginal rent contribution on electricity production, were up 9%. The difference was mainly attributable to an increase in payroll expense related to operations and maintenance costs, whereas revenues were down owing primarily to volumes of comparable assets and lower energy prices.

Net earnings

As detailed in the table below, Boralex recorded net earnings of \$33 million for the year ended December 31, 2025, representing an unfavourable difference of \$41 million compared with the corresponding period in 2024, resulting mainly from a \$60 million decrease in operating income, driven by the factors explained above, combined with the scheduled end of PTCs for wind farms in United States and a higher payroll expense. To a lesser extent, net earnings declined due to higher financing costs related to new financings, partially offset by an increase of \$35 million arising from the impairment of an investment in a joint venture recognized in 2024. For this same period, the Corporation reported net earnings attributable to shareholders of Boralex of \$7 million or \$0.06 per share (basic and diluted), compared with net earnings attributable to shareholders of Boralex of \$36 million or \$0.35 per share (basic and diluted), for the corresponding period of 2024.

(in millions of Canadian dollars)	Years ended December 31		Change (\$)
	2025	2024	
Operating income	166	226	(60)
Financing costs	162	124	38
Share of net earnings of joint ventures and associates	(38)	(46)	8
Impairment of an investment in a joint venture	—	35	(35)
Other	5	3	2
Earnings before income taxes and non-controlling interests	37	110	(73)
Income tax expense	4	36	(32)
Net earnings	33	74	(41)
Net earnings attributable to non-controlling interests	26	38	(12)
Net earnings attributable to the shareholders of Boralex	7	36	(29)

Financial position

Overview of the condensed consolidated statements of financial position

(in millions of Canadian dollars)	As at December 31, 2025	As at December 31, 2024	Change (\$)
ASSETS			
Cash and cash equivalents	292	592	(300)
Restricted cash	51	19	32
Other current assets	313	312	1
CURRENT ASSETS	656	923	(267)
Property, plant and equipment	4,294	4,070	224
Right-of-use assets	370	376	(6)
Intangible assets	951	963	(12)
Goodwill	246	237	9
Interests in joint ventures and associates	646	580	66
Other non-current assets	485	455	30
NON-CURRENT ASSETS	6,992	6,681	311
TOTAL ASSETS	7,648	7,604	44
LIABILITIES			
Bank overdraft	—	5	(5)
Trade and other payables	242	590	(348)
Current portion of debt	232	339	(107)
Other current liabilities	36	31	5
CURRENT LIABILITIES	510	965	(455)
Debt	4,080	3,617	463
Lease liabilities	324	318	6
Other non-current liabilities	743	679	64
NON-CURRENT LIABILITIES	5,147	4,614	533
TOTAL LIABILITIES	5,657	5,579	78
EQUITY			
Equity attributable to shareholders of Boralex	1,542	1,601	(59)
Non-controlling interests	449	424	25
TOTAL EQUITY	1,991	2,025	(34)
TOTAL LIABILITIES AND EQUITY	7,648	7,604	44

Significant changes in the audited condensed consolidated financial statements of Boralex are as follows:

Working capital

- *Current assets* amounted to \$656 million, compared with \$923 million as at December 31, 2024. The \$267 million decline was attributable primarily to the following:
 - A \$300 million decrease in *Cash and cash equivalents*, as explained in the Capital and liquidity section under *Cash flows*;
 - A \$32 million increase in *Restricted cash* related to projects under construction and recently commissioned facilities;
- *Current liabilities* amounted to \$510 million, compared with \$965 million as at December 31, 2024. The \$455 million decline resulted primarily from the following:
 - A \$348 million decrease in *Trade and other payables*, owing primarily to construction accounts payable, which were down \$355 million pursuant to BESS project payments and the final payment under the provision for the 2024 inframarginal rent contribution on electricity production totalling \$28 million, partially offset by a \$17 million bill of exchange negotiated for a BESS project;

- A \$107 million decrease in the *Current portion of debt* resulting mainly from the \$110 million (€74 million) repayment of the current portion as at December 31, 2024 on the construction facility of the Boralex Energy Investments portfolio of projects using the incremental tranche of term loans in Europe.

As at December 31, 2025, the Corporation had a working capital of \$146 million for a working capital ratio¹ of 1.29:1, compared with negative working capital of \$42 million and a ratio of 0.96:1 as at December 31, 2024.

Non-current assets

Property, plant and equipment, intangible assets and goodwill

The following table shows the change in value of property, plant and equipment, and intangible assets for the year ended December 31, 2025:

	As at December 31, 2024					As at December 31, 2025
(in millions of Canadian dollars)	Opening balance	Acquisition and internally generated assets	Amortization	Transfers and other	Translation adjustment	Closing balance
Wind farms	2,553	3	(184)	393	113	2,878
Solar power stations	351	3	(13)	—	(5)	336
Hydroelectric power stations	329	5	(16)	—	(4)	314
Battery energy storage systems	—	—	—	175	—	175
Assets under construction	814	312	—	(569)	11	568
Other	23	4	(4)	(1)	1	23
Property, plant and equipment	4,070	327	(217)	(2)	116	4,294
Energy sales contracts and other rights	820	—	(71)	(4)	14	759
Water rights	74	—	(3)	—	—	71
Development projects	57	54	—	(5)	1	107
Other intangible assets	12	5	(3)	—	—	14
Intangible assets	963	59	(77)	(9)	15	951
Goodwill	237	—	—	—	9	246

- Additions to projects under construction consist mainly of BESS projects in North America and wind power projects in Europe.

Other

- *Interests in joint ventures and associates* were up \$66 million. This increase was primarily attributable to \$89 million in contributions, the share of net earnings and comprehensive income of \$40 million, as well as a \$58 million increase arising from the reorganization of the Apuiat joint venture, mainly due to the transfer of the ITCs receivable and deferred tax balances to the joint venture. These increases were partially offset by \$51 million in distributions received, \$54 million in non-cash distributions related to the CRCE tax credits and ITCs receivable from joint ventures not subject to income tax, as well as a \$16 million translation adjustment.
- *Other non-current assets* rose by \$30 million, owing to the following changes:
 - A \$13 million increase in *Other non-current assets*, resulting mainly from ITCs receivable for projects under construction in Canada totalling \$68 million. The increase was partially offset by a \$54 million transfer of the 2024 ITC balance to Apuiat as part of the reorganization.
 - A \$17 million increase in *Other non-current financial assets*, owing primarily to the addition of an advance to a minority partner in a BESS project for its equity in the project.

¹ Working capital and working capital ratio are supplementary financial measures. For more details, see the *Non-IFRS and other financial measures* section in this report.

Non-current liabilities

Total *Non-current liabilities* grew by \$533 million to \$5,147 million as at December 31, 2025. This increase was attributable to the following:

Debt¹

(in millions of Canadian dollars)	As at December 31, 2024						As at December 31, 2025
	Opening balance	Debt repayments	Drawdowns	Credit facilities	Other	Translation adjustment	Closing balance
Corporate	424	—	250	(20)	—	(8)	646
North America	2,082	(109)	200	—	(2)	(10)	2,161
Europe	1,526	(282)	206	18	—	111	1,579
Debt – Principal balance	4,032	(391)	656	(2)	(2)	93	4,386
Financing costs, net of accumulated amortization	(76)	—	—	—	5	(3)	(74)
Debt	3,956	(391)	656	(2)	3	90	4,312

- A total of \$656 million was drawn down mainly from financing for BESS projects in Canada, for wind power project financings in France totalling \$48 million, as well as to additional financing for incremental tranches under term loans for the Boralex Production and Sainte-Christine portfolios of wind farms and projects representing \$157 million (€100 million). Lastly, \$250 million was drawn down from the new financing granted jointly by La Caisse (formerly CDPQ) and Fondation. For more details, see the *Capital and liquidity* section in this report.

Other

- A \$64 million increase in *Other non-current liabilities* primarily attributable to the rise in *Non-current financial liabilities*, particularly cross-currency swaps, and to an increase in deferred government grants on ITCs for BESS projects under construction in Canada.

Equity

Total *Equity* decreased by \$34 million during the year ended December 31, 2025, to \$1,991 million. The decrease resulted from \$68 million paid in dividends to shareholders of Boralex and \$29 million in distributions to non-controlling shareholders, partially offset by increases of \$33 million in net earnings and \$15 million in other comprehensive income.

Related party transactions

Related parties include the Corporation's subsidiaries, associates, joint ventures, key management personnel and principal shareholders.

Other revenues includes an amount of \$28 million (\$26 million in 2024) for services rendered to associates and joint ventures, while *Trade and other receivables* includes an amount receivable of \$12 million (\$9 million in 2024) primarily related to these transactions.

A new corporate financing of \$250 million in the form of unsecured subordinated debt, maturing in June 2033, was entered into in the second quarter of 2025. Of this amount, \$200 million was provided by La Caisse (a shareholder of the Corporation), raising the total outstanding balance with this lender to \$450 million. *Finance costs* included \$21 million of interest expense for the year ended December 31, 2025 related to these debts, compared with \$14 million for the prior year.

The Corporation has committed to provide a bridge loan to a joint venture for a maximum amount of \$180 million. In the fourth quarter, a \$72 million repayment was received. The remaining commitment represents an additional maximum amount of \$77 million, plus an outstanding balance of \$31 million. This bridge loan was presented as current, as repayment is expected within the next twelve months. Interest income related to this advance amounted to \$7 million for the twelve-month period ended December 31, 2025.

These transactions were made on terms equivalent to those that prevail under normal terms in arm's length transactions.

¹ Analysis of *Debt* includes *Current portion of debt*.

Capital and liquidity

Capital structure

(in millions of Canadian dollars, unless otherwise specified)	As at December 31, 2025	As at December 31, 2024
Corporate debt	646	424
Project debt	3,740	3,608
North America	2,161	2,082
Canada	1,960	1,860
United States	201	222
Europe	1,579	1,526
France	1,362	1,312
United Kingdom	217	214
Debt – Principal balance	4,386	4,032
Less:		
Cash and cash equivalents	292	592
Restricted cash	51	19
Bank overdraft	—	(5)
Net debt⁽¹⁾⁽²⁾	4,043	3,426
Equity attributable to shareholders	1,542	1,601
Non-controlling interests ⁽²⁾	449	424
Total equity	1,991	2,025
Number of outstanding Class A shares (in thousands)	102,755	102,767
Share market price (in \$ per share)	25.33	28.71
Market value of equity attributable to shareholders⁽¹⁾⁽²⁾	2,603	2,950
Total market capitalization⁽¹⁾⁽²⁾	7,095	6,800
NET DEBT RATIO, market capitalization⁽³⁾	57%	50%

⁽¹⁾ Net debt is a capital management measure. Market value of equity attributable to shareholders and total market capitalization are supplementary financial measures. For more details, see the *Non-IFRS and other financial measures* section in this report.

⁽²⁾ Total market capitalization consists of the sum of net debt, non-controlling interests and the market value of equity attributable to shareholders.

⁽³⁾ Net debt ratio, market capitalization is calculated by dividing net debt by total market capitalization.

Share capital

- As at December 31, 2025, there were 385,901 outstanding stock options, 222,167 of which were exercisable.
- As at December 31, 2025, La Caisse, one of Canada's largest institutional investors, held 15.27% of Boralex's outstanding shares.
- From October 1 to February 26, 2026, no shares were repurchased and cancelled through the normal course issuer bid and no new shares were issued on exercise of stock options.

Dividends

During the three-month periods and year ended December 31, 2025, the Corporation paid dividends to shareholders totalling \$17 million and \$68 million, respectively, the same as for the corresponding periods of 2024. For each of these periods, dividends paid were equivalent to \$0.1650 per share per quarter.

Share repurchase program

On February 28, 2025, the Board of Directors of the Corporation approved a normal course issuer bid which allows for the repurchase, for cancellation, of up to nine million common shares of the Corporation between March 4, 2025 and March 3, 2026. The Corporation may repurchase its common shares at prevailing market prices, plus brokerage fees. Notably, the Corporation repurchased 24,100 shares during the second quarter of 2025 for a total amount of \$1 million.

Available cash resources and authorized financing

(in millions of Canadian dollars)	As at December 31, 2025	As at December 31, 2024
Available cash and cash equivalents⁽¹⁾		
Cash and cash equivalents	292	592
Cash and cash equivalents held by entities subject to project debt agreements and restrictions	(230)	(526)
Bank overdraft	—	(5)
Available cash and cash equivalents	62	61
Credit facilities of the parent company		
Authorized credit facility ⁽²⁾	550	550
Amounts drawn under the authorized credit facility ⁽³⁾	(157)	(157)
Unused tranche of the parent company's credit facility	393	393
Unused tranche of the subsidiary's credit facilities	226	69
Credit facilities available for growth⁽⁴⁾	619	462
Available cash resources and authorized financing⁽¹⁾	681	523

⁽¹⁾ Available cash and cash equivalents and available cash resources and authorized financing are non-GAAP measures and do not have a standardized meaning under IFRS. Accordingly, they may not be comparable to similarly named measures used by other companies. For more details, see the *Non-IFRS and other financial measures* section in this report.

⁽²⁾ Excluding the accordion clause of \$200 million (\$150 million as at December 31, 2024).

⁽³⁾ As at December 31, 2025, an amount of \$96 million was attributable to drawdowns on the revolving credit facility, while \$61 million corresponds to letters of credit (compared with \$33 million in letters of credit as at December 31, 2024).

⁽⁴⁾ Credit facilities available for growth is a supplementary financial measure. For more details, see the *Non-IFRS and other financial measures* section in this report.

As shown in the table above, the Corporation has the financial flexibility to support its growth. Available cash resources and authorized financing will allow Boralex to invest in its current projects, finance the development of new projects to achieve its growth objectives, and continue to implement its strategic plan.

An amount of \$681 million was available as at December 31, 2025, representing a \$158 million increase compared with December 31, 2024, mainly due to new financings used to repay credit facilities and to a new revolving credit facility:

- Additional financings:
 - In June, Boralex closed an additional corporate financing of \$250 million in the form of unsecured subordinated debt maturing in eight years. This was a joint financing by La Caisse and Fondation, investing \$200 million and \$50 million, respectively. Additionally, the Corporation closed the financing for the Febvin-Palfart wind farm in France for \$27 million (€17 million), which includes a \$24 million (€15 million) construction facility, a \$2 million (€1 million) value-added tax bridge facility, and a \$1 million (€1 million) letter of credit facility for debt service;
 - In July 2025, Boralex closed an additional financing of an incremental tranche on the term loans for the Boralex Production and Sainte-Christine portfolio of wind farms in France totalling \$164 million (€104 million), including a letter of credit for debt service for \$7 million (€4 million). This financing was used to repay the construction facility for the Boralex Energy Investments portfolios projects.
- Refinancing and new revolving credit facility:
 - During the first quarter of 2025, the Corporation extended the term of its revolving credit facility and letter of credit facility to February 2030. Additionally, the accordion clause was increased from \$150 million as at December 31, 2024 to \$200 million, enabling future access to an additional amount under the same terms and conditions as for the current facility;
 - In June 2025, Boralex closed a \$32 million (€20 million) revolving credit facility to finance the construction of future wind and solar power projects in France.
- Letter of credit facilities:
 - In April 2025, the letter of credit facility arrangement guaranteed by EDC was enhanced by \$120 million, increasing its total authorized amount to \$470 million until April 2027;
 - In November 2025, Boralex signed a new facility with RBC for an authorized amount of \$50 million;
 - In December 2025, Boralex renewed and negotiated an increase in its short-term credit facility, which saw the authorized amount rise from \$16 million (€10 million) to \$24 million (€15 million) for a two-year period.

- As at December 31, 2025, the Corporation had access to the following letter of credit facilities:

(in millions of Canadian dollars)	As at December 31, 2025		As at December 31, 2024	
	Authorized	Issued	Authorized	Issued
EDC	470	372	350	330
Related to project debt	204	163	206	159
RBC	50	42	—	—
	724	577	556	489

Cash flows

Overview of the condensed consolidated statements of cash flows

(in millions of Canadian dollars)	Three-month periods ended December 31		Years ended December 31	
	2025	2024	2025	2024
Net cash flows related to operating activities	46	31	362	215
Net cash flows related to investing activities	(73)	(245)	(798)	(578)
Net cash flows related to financing activities	32	519	132	479
Translation adjustment on cash and cash equivalents	—	(6)	9	(1)
NET CHANGE IN CASH AND CASH EQUIVALENTS	5	299	(295)	115
CASH AND CASH EQUIVALENTS – BEGINNING OF PERIOD	287	288	587	472
CASH AND CASH EQUIVALENTS – END OF PERIOD	292	587	292	587

(in millions of Canadian dollars)	As at December 31	
	2025	2024
Cash and cash equivalents	292	592
Bank overdraft	—	(5)
	292	587

For the three-month period ended December 31, 2025

Total cash movements for the fourth quarter of 2025, detailed below, resulted in a \$5 million increase in *Cash and cash equivalents* to \$292 million as at December 31, 2025.

- For the three-month period ended December 31, 2025, operating activities generated net cash flows of \$46 million compared with \$31 million for the same period of 2024 due to the following:
 - Cash flows from operations totalled \$118 million compared with \$105 million for the corresponding period of 2024. The \$13 million increase resulted primarily from higher EBITDA(A), net of non-cash items and lower income taxes paid. These impacts were partially offset by an increase in interest paid;
 - The change in non-cash operating items in the fourth quarter of 2025 reflected \$72 million in cash outflows, driven by a \$51 million increase in accounts receivable, due to higher production tied to the seasonal cycle of wind generation.
- Net cash flows related to investing activities represented cash outflows of \$73 million for the fourth quarter of 2025, compared with \$245 million for the same period of 2024. During the quarter, the Corporation invested \$115 million in additions to property, plant and equipment and prepayments, \$27 million in its joint ventures and associates and \$14 million in development projects, offset by a \$70 million repayment of an advance under the bridge-loan to a joint venture and a \$15 million decrease in restricted cash, mainly attributable to newly commissioned facilities.
- For the three-month period ended December 31, 2025, financing activities generated net cash flows of \$32 million. The change mainly reflected a \$20 million increase in non-current debts and a \$95 million increase in revolving credit, partially offset by non-current debts repayments totalling \$63 million and \$17 million in dividend payments to the Corporation's shareholders.
- Discretionary cash flows amounted to \$56 million, up \$9 million from \$47 million for the corresponding period of 2024. The improvement resulted primarily from the same factors that affected the change in cash flows from operations discussed above.

For the year ended December 31, 2025

Total cash movements for the year ended December 31, 2025, detailed below, resulted in a \$295 million decrease, reducing *Cash and cash equivalents* to \$292 million as at December 31, 2025.

Operating activities

For the year ended December 31, 2025, operating activities generated net cash flows of \$362 million, compared with \$215 million for the same period of 2024, due to the following:

- Cash flows from operations amounted to \$392 million, down \$23 million from \$415 million for the same period of 2024, owing mainly to lower EBITDA(A), net of non-cash items and higher interest paid, partially offset by higher distributions received from joint ventures and decrease in income tax paid;
- The change in non-cash operating items as at December 31, 2025 reflected net cash outflows of \$30 million, consisting primarily of the following:
 - A \$44 million decrease in accounts receivable, attributable to lower market prices in Europe and collection of taxes receivable for projects under construction in Canada.
 - A \$72 million decrease in accounts payable, owing mainly to payments for BESS projects and a final inframarginal rent contribution instalment paid in France.

Investing activities

Net cash flows related to investing activities represented cash outflows of \$798 million for fiscal 2025, compared with \$578 million for the same period of 2024. The change was due to the following:

- \$611 million in investments in property, plant and equipment and in prepayments, mainly for BESS projects in North America, and for wind and solar power projects in Europe;
- \$84 million in capital contributions to joint ventures and associates, primarily for wind power projects in North America;
- A \$43 million investment in development projects, particularly in solar in the United States, the BESS in Canada and wind power in the United Kingdom and Canada;
- A \$30 million increase in restricted cash related to projects under construction;
- A net payment of \$25 million under the bridge loan granted to a joint venture.

During the same period of 2024, Boralex invested \$398 million in additions to property, plant and equipment and in prepayments, including \$277 million in Europe, primarily for wind and solar power projects under construction, and \$107 million in BESS projects in North America. The Corporation also contributed \$119 million in capital to joint ventures and associates, primarily for wind power projects in North America. Additionally, \$54 million in cash outflows was allocated to BESS in North America and wind power development projects in Europe.

Financing activities

Financing activities for the year ended December 31, 2025 generated net cash flows totalling \$132 million.

During this period, non-current debt increased by \$656 million, owing mainly to the new financing arrangements. The Corporation also repaid \$395 million on its non-current project debt.

The Corporation paid \$20 million in lease liabilities and \$29 million to non-controlling shareholders and distributed \$68 million in dividends to shareholders, the same amount as for the corresponding period of 2024. For both periods, dividends amounted to \$0.1650 per share, per quarter.

Discretionary cash flows and payout ratio

Discretionary cash flows amounted to \$151 million, down \$7 million compared with the twelve-month period ended December 31, 2024. The decline resulted primarily from the same factors as those that affected the change in cash flows from operations discussed above, partially offset by lower distributions to non-controlling shareholders.

Payout ratio stood at 45% for the year ended December 31, 2025, compared with 43% for the previous fiscal year. This ratio was above the target range of 20% to 40% set out in the *2030 Strategic Plan*. However, it is expected to return to within the target range as commissioned facilities and facilities to be commissioned, contribute to the Corporation's results.

Financial risk management

To mitigate the various financial risks to which it is exposed, the Corporation employs various strategies, including the use of derivative instruments and natural hedge management techniques.

Foreign exchange risk

The Corporation is exposed to foreign exchange risk through:

Net investments in foreign operations – The Corporation operates internationally and is subject to fluctuations in exchange rates on its investments in foreign operations and primarily on the residual liquidity that can be distributed to the parent company. The Corporation benefits from partial natural coverage from this risk exposure, as revenues, expenses and financing are in the local currencies. The Corporation contracts debt denominated in foreign currencies and derivative financial instruments, including foreign exchange forward contracts and cross-currency swaps to mitigate this risk. Cross-currency swaps mainly provide a hedge of the net investment in Europe and allow the conversion of the amounts drawn from the revolving credit facility in Canada to benefit from lower interest rates in other countries. Cross-currency swaps and foreign exchange forward contracts provide a hedge on net investments in Europe and in the United States.

Equipment purchases – Equipment purchases related to development projects may be denominated in foreign currencies. The Corporation uses cash flows hedges to protect the anticipated return on its projects, as necessary.

Price risk - revenues from energy sales

The energy selling price risk represents the risk that future cash flows will fluctuate based on changes in energy prices that vary according to supply, demand and certain external factors, including weather conditions and the price of energy from other sources. As at December 31, 2025 and 2024, most of the power stations had long-term energy sales contracts with fixed prices of which the vast majority were subject to partial or full price indexation clauses tied to inflation, or FiP contracts or contracts for difference at partially indexed prices. The Corporation is thus exposed to fluctuations in energy prices when power production is sold on the market without FiP contracts or under variable price contracts. In Europe, the Corporation has been able to sell energy from certain newly commissioned facilities at market prices for a period of 18 months before activating its FiP contract. This allows the Corporation to benefit from high market prices, while remaining covered by a FiP contract over the long term. As at December 31, 2025, 5% (3% as at December 31, 2024) of the Corporation's revenues from energy sales came from market sales without FiP contracts or under variable price contracts, of which 1% (1% as at December 31, 2024) came from market sales for facilities that benefit from a deferred activation of their FiP contract.

Interest rate risk

As at December 31, 2025, about 87% of term loans – projects bore interest at variable rates,¹ exposing the Corporation to fluctuations in the loan amounts. In order to mitigate the risk of interest expense fluctuation, the Corporation entered into interest rate swaps that reduced its exposure to variable rate borrowings to 9% of total debt.¹ The following table summarizes the Corporation's main designated hedging relationships as at December 31, 2025:

(in millions of Canadian dollars)				Current notional		Fair value ⁽¹⁾	
Hedging instrument	Hedge type	Hedged risk	Currency	(currency of origin)	(CAD)	(currency of origin)	(CAD)
DESIGNATED HEDGING RELATIONSHIP							
Interest rate swaps	Cash flow	Interest rate risk	EUR	718	1,158	42	67
Interest rate swaps	Cash flow	Interest rate risk	USD	135	186	24	32
Interest rate swaps	Cash flow	Interest rate risk	CAD	1,350	1,350	67	67
Interest rate swaps	Cash flow	Interest rate risk	GBP	117	217	(1)	(2)
Cross-currency swaps	Net investment	Foreign exchange risk	EUR for CAD	314	442	(63)	(63)
Cross-currency swaps	Net investment	Foreign exchange risk	USD for CAD	50	71	2	3
Cross-currency swaps	Net investment	Foreign exchange risk	GBP for CAD	65	114	(7)	(7)
Foreign exchange forward contracts	Net investment	Foreign exchange risk	USD for CAD	319	423	(6)	(6)

⁽¹⁾ Favourable and unfavourable values only indicate future fluctuations in interest rates or exchange rates and have no bearing on the effectiveness of the risk management strategy.

¹ Percentage of non-current debt bearing interest at a variable rate and the exposure percentage of total debt are supplementary financial measures. For more details, see the *Non-IFRS and other financial measures* section in this report.

Liquidity Risk

The contractual maturities of the Corporation's material non-derivative financial liabilities and derivative financial instruments are detailed in the following table:

As at December 31		Undiscounted cash flows (principal and interest)				
2025						
(in millions of Canadian dollars)	Carrying amount	Year 1	Year 2	Years 3 to 5	After Year 5	Total
Non-derivative financial liabilities:						
Trade and other payables	242	242	—	—	—	242
Amounts due to non-controlling shareholders	5	3	—	2	—	5
Options to repurchase TEI	13	—	7	—	6	13
Debt	4,312	268	670	2,375	5,180	8,493
Lease liabilities	347	30	29	75	335	469
Derivative financial instruments:						
Interest rate swaps	8	4	3	4	(3)	8
Cross-currency swaps	70					
Disbursements		24	440	213	—	677
(Receipts)		(22)	(379)	(202)	—	(603)
Foreign exchange forward contracts	6					
Disbursements		134	102	268	—	504
(Receipts)		(133)	(97)	(268)	—	(498)
	5,003	550	775	2,467	5,518	9,310

As at December 31		Undiscounted cash flows (principal and interest)				
2024						
(in millions of Canadian dollars)	Carrying amount	Year 1	Year 2	Years 3 to 5	After Year 5	Total
Non-derivative financial liabilities:						
Trade and other payables	590	590	—	—	—	590
Amounts due to non-controlling shareholders	9	1	—	3	6	10
Tax equity liabilities and options to repurchase TEI	16	5	9	—	—	14
Debt	3,956	255	383	1,809	2,588	5,035
Lease liabilities	340	28	26	70	314	438
Derivative financial instruments:						
Interest rate swaps	21	2	5	12	6	25
Cross-currency swaps	26					
Disbursements		23	22	567	—	612
(Receipts)		(25)	(23)	(536)	—	(584)
Foreign exchange forward contracts	12					
Disbursements		71	—	368	—	439
(Receipts)		(70)	—	(356)	—	(426)
	4,970	880	422	1,937	2,914	6,153

Non-IFRS and other financial measures

Performance measures

In order to assess the performance of its assets and reporting segments, Boralex uses various performance measures. Management believes that these measures are widely accepted financial indicators used by investors to assess the operational performance of a company and its ability to generate cash through operations. The non-IFRS and other financial measures also provide investors with insight into the Corporation's decision making as the Corporation uses these non-IFRS financial measures to make financial, strategic and operating decisions. It is important to note that the non-IFRS financial measures should not be considered as substitutes for IFRS measures. They are primarily derived from the audited consolidated financial statements, but do not have a standardized meaning under IFRS; accordingly, they may not be comparable to similarly named measures used by other companies. In addition, these non-IFRS financial measures are not audited and have important limitations as analytical tools. Investors are therefore cautioned not to consider them in isolation or place undue reliance on ratios or percentages calculated using these non-IFRS financial measures.

Non-GAAP financial measures			
Specific financial measure	Use	Composition	Most directly comparable IFRS measure
Financial data – Combined (all disclosed financial data)	To assess the performance and the ability of a company to generate cash from its operations and investments in joint ventures and associates.	Results from the combination of the financial information of Boralex Inc. under IFRS and the share of the financial information of the Interests. Interests in joint ventures and associates, Share of net earnings (losses) of joint ventures and associates and Distributions received from joint ventures and associates are then replaced with Boralex's respective share of all the items in the financial statements of the Interests (revenues, expenses, assets, liabilities, etc.).	Respective financial data – Consolidated
Discretionary cash flows	To assess the cash generated from operations and the amount available for future development or to be paid as dividends to common shareholders while preserving the long-term value of the business.	Net cash flows related to operating activities before "change in non-cash items related to operating activities," less: (i) distributions paid to non-controlling shareholders; (ii) additions to property, plant and equipment (maintenance of operations); (iii) repayments on non-current debt (projects) and repayments to tax equity investors; (iv) principal payments related to lease liabilities; (v) adjustments for non-operational items; plus (vi) development costs (from the statement of earnings).	Net cash flows related to operating activities
Cash flows from operations	To assess the cash generated by the Corporation's operations and its ability to finance its expansion using these funds.	Net cash flows related to operating activities before changes in non-cash items related to operating activities.	Net cash flows related to operating activities
Available cash and cash equivalents ⁽¹⁾	To assess the cash and cash equivalents available, as at the balance sheet date, to fund the Corporation's growth.	Represents cash and cash equivalents, as stated on the balance sheet, from which known short-term cash requirements are excluded.	Cash and cash equivalents
Available cash resources and authorized financing ⁽¹⁾	To assess the total cash resources available, as at the balance sheet date, to fund the Corporation's growth.	Results from the combination of credit facilities available to fund growth and the available cash and cash equivalents.	Cash and cash equivalents

⁽¹⁾ For more details on the reconciliation between the non-GAAP financial measure and the most directly comparable financial measure, see the *Capital and liquidity - Available cash resources and authorized financing* section in this report.

Non-GAAP financial measures - Non-GAAP ratios		
Specific financial measure	Use	Composition
Discretionary cash flows per share	To assess the amount per share available for future development or to be paid as dividends to common shareholders while preserving the long-term value of the business as well as to assess operating results. <i>2030 financial target</i>	The discretionary cash flows amount divided by the weighted average number of basic outstanding shares.
Reinvestment ratio	To assess the portion of cash flows available for reinvestment in the Corporation's growth.	The discretionary cash flows amount less the amount of dividends paid to shareholders divided by the discretionary cash flows amount.
Payout ratio	To assess the Corporation's ability to sustain current dividends as well as ability to fund its future development. <i>2030 key business indicator</i>	The amount of dividends paid to shareholders divided by the discretionary cash flows amount.

Other financial measures - Total of segment measures	
Specific financial measure	Most directly comparable IFRS measure
EBITDA(A)	Operating income

Other financial measures - Capital management measures	
Specific financial measure	Use
Net debt ratio – Consolidated	For capital management purposes.
Net debt	To assess debt level for capital management purposes.

Other financial measures - Supplementary financial measures	
Specific financial measure	Composition
Total market capitalization	Total market capitalization consists of the sum of market value of equity attributable to shareholders, non-controlling shareholders and net debt.
Working capital ratio	Working capital ratio is calculated by dividing current assets by current liabilities.
Planned financing	Planned financing represents financing the Corporation expects to obtain for the construction of its projects.
Working capital	Working capital is the difference between current assets and current liabilities.
Power production average of the past five years	Five-year average of historical power production is calculated using the average electricity generated during the last five full fiscal years of the Corporation, from 2021 to 2025.
Total planned investments <i>2030 key business indicator</i>	Total planned investments represent the sums that will need to be invested to complete the projects up to commissioning.
Credit facilities available for growth	The credit facilities available for growth include the unused tranche of the parent company's credit facility, apart from the accordion clause, as well as the unused tranche of the credit facilities of subsidiaries which comprises the unused tranche of the credit facility - France and the unused tranche of the construction facility.

Other financial measures - Supplementary financial measures (cont'd)	
<i>Specific financial measure</i>	<i>Composition</i>
Cash flows related to operating activities per share <i>2030 financial target</i>	Cash flows related to operating activities divided by the weighted average number of basic outstanding shares.
Percentage of installed capacity subject to power purchase agreements or feed-in premium contracts	Percentage of installed capacity subject to power purchase agreements or feed-in premium contracts represents the portion of total installed capacity of Boralex subject to power purchase agreements or feed-in premium contracts.
Percentage of non-current debt bearing interest at variable rates	Percentage of non-current debt bearing interest at variable rates is calculated by dividing total variable rate debt excluding the revolving credit facility and subordinated debt by total non-current debt.
Exposure percentage of total debt	The percentage of actual exposure of non-current debt to interest rate fluctuations is calculated by dividing the amount of debt less the notional amounts of interest rate swaps by the total value of non-current debt.
Anticipated production	For older facilities, anticipated production by the Corporation is based on adjusted historical averages, planned commissioning and shutdowns and, for all other sites, on the production studies carried out.
Funds invested in projects under construction	Funds invested in projects under construction are amounts that have been invested and recognized in the statement of financial position as of the date of this document.
Compound annual growth rate (CAGR)	The CAGR is a growth rate indicating the annual variation as if the growth had been constant throughout the period for a period of more than one fiscal year.
Average return on equity (ROE)	The average ROE is the average return required by an investor for a Boralex renewable projects.
Internal rate of return (IRR) <i>2030 key business indicator</i>	The IRR is an indicator of profitability that measures the average annual return of an investment, taking into account levered cash flows.
Market value of equity attributable to shareholders	Market value of equity attributable to shareholders is the number of outstanding shares multiplied by the share market price.

Assumptions regarding forward-looking information

Assumptions and risk factors regarding the forward-looking information in our 2030 strategic targets are presented below.

Assumptions regarding forward-looking information		
<i>Forward-looking information</i>	<i>Key assumptions</i>	<i>Most relevant risk factors</i>
2030 installed capacity	Driven exclusively by the contribution of organic growth initiatives, with no impact from potential merger and acquisition activities.	Commissioning delays may arise from various factors, including permitting timelines, the availability of critical materials and components, or disruptions to the construction schedule.
Weighted average remaining term of contracts	Growth in installed capacity in line with the strategic plan, and successful securing of targeted contracts for new projects to be commissioned.	Lag in the commissioning of projects generated from organic growth initiatives and contractual terms differing from those initially anticipated.
Projects under construction	Investments, EBITDA(A) and forecasted discretionary cash flows to meet the target internal rate of return (IRR) of 10% to 12% set by management for projects under construction at the time of the investment decision.	Possible variation in construction costs related to the complexity of work, the supply of materials and equipment and availability of labour necessary for the construction of projects.
2030 operating result and EBITDA(A)	Prices of energy sales or feed-in premium contracts, proportion of production sold at market prices, annual anticipated production, cost structures to support growth.	Competition in requests for proposals, lag in commissioning time for organic projects and completion of merger and acquisition transactions, price curve volatility and weather conditions impacting the total volume of power generated by the Corporation.
2030 cash flows per share	Largely related to expected EBITDA(A) to project financing ranging from 70% to 80% of expected total investments and to the number of outstanding shares.	Possible fluctuations related to differences in EBITDA(A) compared to target and to market conditions for the financing and issuance of new equity instruments.

Combined

The following table reconciles the Consolidated financial data with data presented on a Combined basis:

(in millions of Canadian dollars)	2025			2024		
	Consolidated	Reconciliation ⁽¹⁾	Combined	Consolidated	Reconciliation ⁽¹⁾	Combined
Three-month periods ended December 31:						
Power production (GWh) ⁽²⁾	1,800	654	2,454	1,520	579	2,099
Revenues from energy sales and feed-in premiums	241	38	279	228	30	258
Operating income	68	17	85	78	(25)	53
EBITDA(A)	178	25	203	169	22	191
Net earnings (loss)	26	—	26	(2)	—	(2)
Years ended December 31:						
Power production (GWh)	6,147	2,355	8,502	5,691	2,154	7,845
Revenues from energy sales and feed-in premiums	796	139	935	817	116	933
Operating income	166	82	248	226	41	267
EBITDA(A)	552	103	655	581	89	670
Net earnings	33	—	33	74	—	74
		As at December 31, 2025		As at December 31, 2024		
Total assets	7,648	1,185	8,833	7,604	872	8,476
Debt - Principal balance	4,386	699	5,085	4,032	556	4,588

⁽¹⁾ Includes the respective contributions of joint ventures and associates as a percentage of Boralex's interest less adjustments to reverse recognition of these interests under IFRS.

⁽²⁾ Includes compensation following electricity production limitations.

EBITDA(A)

EBITDA(A) is a total of segment financial measures and represents earnings before interest, taxes, depreciation and amortization, adjusted to exclude other items such as other losses (gains), acquisition and restructuring costs, net loss (gain) on financial instruments and foreign exchange loss (gain), with the last three items included under *Other*.

EBITDA(A) is used to assess the performance of the Corporation's reporting segments.

EBITDA(A) is reconciled to the most comparable IFRS measure, namely, operating income, in the following table:

(in millions of Canadian dollars)	Three-month periods ended December 31								
	2025			2024			Change 2025 vs. 2024		
	Consolidated	Reconciliation ⁽¹⁾	Combined	Consolidated	Reconciliation ⁽¹⁾	Combined	Consolidated	Combined	
EBITDA(A)	178	25	203	169	22	191	9	12	
Amortization	(86)	(16)	(102)	(73)	(15)	(88)	(13)	(14)	
Impairment	(10)	—	(10)	—	(47)	(47)	(10)	37	
Other losses	(6)	—	(6)	(3)	—	(3)	(3)	(3)	
Share of net earnings of joint ventures and associates	(6)	6	—	(3)	3	—	(3)	—	
Change in fair value of a derivative included in the share of net earnings of a joint venture	(2)	2	—	—	—	—	(2)	—	
Impairment included in the share of earnings of a joint venture	—	—	—	(12)	12	—	12	—	
Operating income	68	17	85	78	(25)	53	(10)	32	

(in millions of Canadian dollars)	Years ended December 31								
	2025			2024			Change 2025 vs. 2024		
	Consolidated	Reconciliation ⁽¹⁾	Combined	Consolidated	Reconciliation ⁽¹⁾	Combined	Consolidated	Combined	
EBITDA(A)	552	103	655	581	89	670	(29)	(15)	
Amortization	(321)	(61)	(382)	(297)	(59)	(356)	(24)	(26)	
Impairment	(17)	—	(17)	(5)	(47)	(52)	(12)	35	
Other gains (losses)	(8)	—	(8)	5	—	5	(13)	(13)	
Share of net earnings of joint ventures and associates	(38)	38	—	(46)	46	—	8	—	
Change in fair value of a derivative included in the share of net earnings of a joint venture	(2)	2	—	—	—	—	(2)	—	
Impairment included in the share of earnings of a joint venture	—	—	—	(12)	12	—	12	—	
Operating income	166	82	248	226	41	267	(60)	(19)	

⁽¹⁾ Includes the respective contribution of joint ventures and associates as a percentage of the Corporation's interest less adjustments to reverse recognition of these interests under IFRS.

Cash flows from operations, discretionary cash flows and payout ratio

The Corporation computes cash flows from operations, discretionary cash flows and payout ratio as follows:

	Consolidated			
	Three-month periods ended		Years ended	
	December 31		December 31	
(in millions of Canadian dollars, unless otherwise specified)	2025	2024	2025	2024
Net cash flows related to operating activities	46	31	362	215
Change in non-cash items related to operating activities	72	74	30	200
Cash flows from operations	118	105	392	415
Repayments on non-current debt (projects) ⁽¹⁾	(53)	(53)	(238)	(240)
Adjustment for non-operational items ⁽²⁾	2	5	9	7
Principal payments related to lease liabilities ⁽³⁾	67	57	163	182
Distributions paid to non-controlling shareholders ⁽⁴⁾	(6)	(6)	(19)	(19)
Distributions paid to non-controlling shareholders ⁽⁴⁾	(22)	(17)	(44)	(52)
Additions to property, plant and equipment (maintenance of operations)	(3)	(3)	(11)	(10)
Development costs (from statement of earnings)	20	16	62	57
Discretionary cash flows	56	47	151	158
Dividends paid to shareholders	17	17	68	68
Weighted average number of outstanding shares – basic (in thousands)	102,755	102,766	102,760	102,766
Discretionary cash flows – per share	\$0.54	\$0.46	\$1.47	\$1.54
Dividends paid to shareholders – per share	\$0.1650	\$0.1650	\$0.6600	\$0.6600
Payout ratio			45%	43%

⁽¹⁾ Includes repayments on non-current debt (projects) and repayments to tax equity investors, and excludes VAT bridge financing, early debt repayments and repayments under the construction facility - Boralex Energy Investments portfolio.

⁽²⁾ For the twelve-month periods ended December 31, 2025 and 2024, favourable adjustment consisting mainly of acquisition and restructuring costs.

⁽³⁾ Excludes the principal payments related to lease liabilities for projects under development and construction.

⁽⁴⁾ Includes distributions paid to non-controlling shareholders as well as the portion of discretionary cash flows attributable to the non-controlling shareholder of Boralex Europe Sàrl.

Analysis of operating results - Combined

The combined information (“Combined”) presented in the MD&A resulted from the combination of the financial information of Boralex Inc. (“Boralex” or the “Corporation”) under IFRS (“Consolidated”) and the share of the financial information of the Interests. For further information, see section III - *Non-IFRS and other financial measures* in this MD&A.

Interests in joint ventures and associates

The analysis of results on a Combined basis takes into account the operating *joint ventures and associates* of the Corporation. The data is shown as a percentage of interests held by Boralex. The Corporation’s main *joint ventures and associates* as at December 31, 2025 and December 31, 2024 were:

	Technology	Country	Status	Investment type	Boralex % of interests	Installed capacity	
						Total (MW)	Net (MW)
Seigneurie de Beaupré Wind Farms 2 and 3 General Partnership (“SDB I”)	Wind	Canada	Operational	Joint venture	50%	272	136
Seigneurie de Beaupré Wind Farm 4 GP (“SDB II”)	Wind	Canada	Operational	Joint venture	50%	68	34
Le Plateau Community Wind Power L.P. (“LP II”)	Wind	Canada	Operational	Joint venture	60%	21	13
Des Neiges Holding Sud, s.e.n.c. (“Des Neiges Sud”) ⁽¹⁾	Wind	Canada	Construction	Joint venture	50%	400	133
Des Neiges Holding Charlevoix, s.e.n.c. (“Des Neiges Charlevoix”) ⁽¹⁾	Wind	Canada	Construction	Joint venture	50%	400	133
Parc éolien Apuiat inc. (“Apuiat”)	Wind	Canada	Operational	Joint venture	50%	200	100
Roosevelt HoldCo, LLC (“MiRose”)	Wind	US	Operational	Joint venture	50%	300	150
LongSpur Wind Holdings, LLC (“LongSpur”)	Wind	US	Operational	Joint venture	50%	394	197
Tx Hereford Wind Holdings, LLC (“Hereford”) ⁽²⁾	Wind	US	Operational	Joint venture	50%	200	100
Roncevaux Wind Power L.P. (“Roncevaux”)	Wind	Canada	Operational	Associate	50%	75	37
Total						2,330	1,033

⁽¹⁾ A non-controlling shareholder holds an interest in the project entity, bringing the Corporation’s net economic interest to 33%.

⁽²⁾ Since May 2025, the economic share of the results of the joint venture has been 50%, compared to 48% from January to April 2025. As at December 31, 2024, the Corporation’s economic share of the results of the joint venture was 11.3% due to the interest of a non-controlling shareholder in the wind farm.

Material joint ventures

The following table presents the summarized financial information of the joint ventures considered material:

(in millions of Canadian dollars)	Three-month periods ended December 31							
	2025				2024			
	SDB I	MiRose	LongSpur	Apuiat	SDB I	MiRose	LongSpur	Apuiat
Revenues	27	26	7	12	23	27	26	—
Net income (loss)	9	11	(5)	(6)	5	11	10	—

(in millions of Canadian dollars)	Years ended December 31							
	2025				2024			
	SDB I	MiRose	LongSpur	Apuiat	SDB I	MiRose	LongSpur	Apuiat
Total assets	431	353	382	1,273	453	404	434	848
Total liabilities	361	70	117	1,115	398	126	151	691
Revenues	103	101	76	13	90	100	107	—
Net income (loss)	37	44	17	(32)	23	39	42	—

Analysis of combined operating results for the three-month period ended December 31, 2025

Increase in electricity production of 75 GWh and in revenues from energy sales of \$8 million, reflecting the commissioning of a wind farm in Canada. For the three-month period ended December 31, 2025, the contribution from joint ventures increased production by 654 GWh and revenues from energy sales by \$38 million.

(in millions of Canadian dollars, unless otherwise specified)	Production (GWh)	Revenues from energy sales and FiP	Operating income	EBITDA(A)
Combined				
Three-month period ended December 31, 2024	2,099	258	53	191
Commissioning ⁽¹⁾	216	20	12	20
Pricing (power purchase agreements and FiP), net of the inframarginal rent contribution on electricity production	—	(36)	(26)	(26)
Volume ⁽²⁾	139	31	33	33
Production tax credit	—	—	(10)	(10)
Foreign exchange effect	—	10	7	7
Impairment	—	—	37	—
Amortization	—	—	(3)	—
Other	—	(4)	(18)	(12)
Three-month period ended December 31, 2025	2,454	279	85	203
North America				
Three-month period ended December 31, 2024	1,391	133	6	109
Commissioning	93	6	3	6
Pricing	—	6	6	6
Volume	(23)	1	1	1
Production tax credit	—	—	(10)	(10)
Impairment	—	—	45	—
Amortization	—	—	4	—
Other	—	(1)	(7)	(2)
Three-month period ended December 31, 2025	1,461	145	48	110
Europe				
Three-month period ended December 31, 2024	708	125	53	87
Commissioning	123	14	9	14
Pricing (power purchase agreements and FiP), net of the inframarginal rent contribution on electricity production	—	(42)	(32)	(32)
Volume	162	30	32	32
Impairment	—	—	(8)	—
Foreign exchange effect	—	10	7	7
Amortization	—	—	(7)	—
Other	—	(3)	(5)	(5)
Three-month period ended December 31, 2025	993	134	49	103
Corporate and eliminations				
Three-month period ended December 31, 2024			(6)	(5)
Other			(6)	(5)
Three-month period ended December 31, 2025			(12)	(10)

Impact of joint ventures and associates

(in millions of Canadian dollars, unless otherwise specified)

	Production (GWh)	Revenues from energy sales and FiP	Operating income	EBITDA(A)
Three-month period ended December 31, 2024	579	30	25	37
Commissioning	93	5	2	5
Pricing	—	3	3	3
Volume	(18)	—	—	—
Production tax credit	—	—	(10)	(10)
Other	—	—	(3)	(2)
Three-month period ended December 31, 2025	654	38	17	33

⁽¹⁾ See the *Portfolio in operation* table.

⁽²⁾ Includes compensation following electricity production limitations.

Analysis of combined operating results for the year ended December 31, 2025

For the year ended December 31, 2025, the contribution from joint ventures increased production by 2,355 GWh and revenues from energy sales by \$139 million, representing respective increases of 201 GWh and \$23 million compared with the same period in 2024, mainly due to the commissioning of a wind farm in Canada and favourable weather conditions in North America.

(in millions of Canadian dollars, unless otherwise specified)	Production (GWh)	Revenues from energy sales and FiP	Operating income	EBITDA(A)
Combined				
Year ended December 31, 2024	7,845	933	267	670
Commissioning ⁽¹⁾	458	40	8	34
Pricing (power purchase agreements and FiP), net of the inframarginal rent contribution on electricity production	—	(94)	(65)	(65)
Volume ⁽²⁾	199	27	30	30
Production tax credit	—	—	(20)	(20)
Foreign exchange effect	—	29	20	20
Impairment	—	—	33	—
Amortization	—	—	(17)	—
Other	—	—	(8)	(14)
Year ended December 31, 2025	8,502	935	248	655
North America				
Year ended December 31, 2024	5,227	484	132	403
Commissioning	111	6	3	6
Pricing	—	16	16	16
Volume	239	31	31	31
Production tax credit	—	—	(20)	(20)
Foreign exchange effect	—	2	2	2
Impairment	—	—	46	—
Amortization	—	—	(4)	—
Other	—	2	3	(5)
Year ended December 31, 2025	5,577	541	209	433
Europe				
Year ended December 31, 2024	2,618	449	172	299
Commissioning	347	34	5	28
Pricing (power purchase agreements and FiP), net of the inframarginal rent contribution on electricity production	—	(110)	(81)	(81)
Volume	(40)	(4)	(1)	(1)
Foreign exchange effect	—	27	18	18
Impairment	—	—	(13)	—
Amortization	—	—	(13)	—
Other	—	(2)	(5)	(4)
Year ended December 31, 2025	2,925	394	82	259
Corporate and eliminations				
Year ended December 31, 2024			(37)	(32)
Other			(6)	(5)
Year ended December 31, 2025			(43)	(37)

⁽¹⁾ See the *Portfolio in operation* table.

⁽²⁾ Includes compensation following electricity production limitations.

Impact of joint ventures and associates

(in millions of Canadian dollars, unless otherwise specified)	Production (GWh)	Revenues from energy sales and FiP	Operating income	EBITDA(A)
Year ended December 31, 2024	2,154	116	41	139
Commissioning	111	5	2	5
Pricing	—	9	9	9
Volume ⁽¹⁾	90	6	6	6
Impairment	—	—	45	—
Production tax credit	—	—	(20)	(20)
Other	—	3	(1)	(5)
Year ended December 31, 2025	2,355	139	82	134

⁽¹⁾ Includes compensation following electricity production limitations.

Other elements

Commitments and contingency

(in millions of Canadian dollars)	Note	Payments			Total
		Less than one year	Between one and five years	More than five years	
Purchase and construction contracts	(a)	49	27	—	76
Maintenance contracts	(b)	40	152	254	446
Other	(c)	30	27	69	126
		119	206	323	648

(a) Purchase and construction contracts

The Corporation has entered into equipment, construction and grid connection contracts for projects under development and construction.

(b) Maintenance contracts

The Corporation has entered into maintenance contracts with initial terms between 2 and 20 years in North America, and between 3 and 20 years in Europe. The Corporation is committed to pay variable amounts based on the achievement of production and availability levels. These amounts are not included in the above commitments table.

(c) Other commitments

The Corporation is bound by royalty and community agreements with Indigenous Peoples and municipalities expiring between 2032 and 2059. The community agreements include clauses relating to the preservation of the natural habitat, use of roads and community funds.

The Corporation is bound by royalty agreements and is subject to variable conditional royalties related to the operation of its facilities. The commitments table above does not include these amounts.

Energy sales and feed-in-premium contracts

Most of the Corporation's revenues from energy sales are subject to long-term energy sales contracts, feed-in premium contracts, or a capacity contract. Most of these contracts are subject to variable annual indexation. These contracts have the following characteristics:

	Wind	Solar	Hydroelectric	Battery energy storage systems
	Terms			
North America	2029 - 2059	2029 - 2046	2027 - 2059	2047
Europe	2026 - 2046	2031 - 2043	—	—

Commitments to joint ventures

The Corporation has committed to certain joint ventures through contracts and letters of credit to support the development and construction of projects for a total of \$218 million as at December 31, 2025 (\$203 million in 2024).

Contingency

France – Innovent

On May 17, 2021, Boralex Inc. announced that the Tribunal de Commerce de Lille rendered a decision in its favour, ordering Innovent SAS ("Innovent") and its president, Grégoire Verhaeghe to pay Boralex \$72.7 million (€50.6 million) for breach of contractual obligations. This dispute arose in the context of a transaction between the parties that occurred in 2012 whereby Boralex acquired construction-ready wind power projects from Innovent. As part of such transaction, the parties entered into a development services agreement pursuant to which Innovent and Mr. Verhaeghe had the obligation to offer Boralex the right to acquire certain wind power projects under development. The Court found that the defendants were in breach of their obligation with respect to the then under development Eplessier-Thieulloy-l'Abbaye and Buire-Le-Sec projects, thereby depriving Boralex of its right to acquire the projects at the agreed price and terms. Given such default, Innovent and Grégoire Verhaeghe were ordered by the Court to pay to Boralex \$72.7 million (€50.6 million). Innovent and Grégoire Verhaeghe had appealed the decision.

On July 6, 2023, the Douai Court of Appeal rendered its decision agreeing with Boralex on the merits of the dispute, but reduced to \$3.6 million (€2.5 million) the amount of the damages to be paid by Innovent to Boralex due to breaches of contract attributable to Innovent and Grégoire Verhaeghe and their bad faith in the performance of the contract. On September 7, 2023, Boralex appealed to the Court of Cassation and filed a “full” petition in January 2024. Boralex also submitted a statement of claim to the judicial representative regarding this litigation following the opening of a safeguard procedure against Innovent in October 2023.

Related to the procedure described above, a proceeding led by Innovent was underway before the Execution Judge (Lille), related to the conservatory seizures carried out by Boralex to ensure proper payment of the judgment (immediately enforceable) in its favour, amounting to \$72.7 million (€50.6 million).

In the context of this procedure, on December 5, 2021, Innovent and Mr. Verhaeghe filed a claim against Boralex seeking the release of the enforcement measures carried out by Boralex under the judgment of the Commercial Court of Lille. Since the decision of July 6, 2023 by the Court of Appeal of Douai, which set the amount of the judgment at \$3.6 million (€2.5 million), the conservatory seizures carried out by Boralex have been lifted. In January 2024, Innovent filed a new claim against Boralex, alleging that the seizures prevented Innovent from completing a transaction that would have allowed it to become a public company and reassessed its damage at \$3 billion (€2.1 billion) in May 2024. Boralex and its Board believe that this claim is unfounded; Boralex intends to defend itself vigorously. Boralex submitted its statement of defence in the third quarter of 2024, and the pleading hearing is scheduled for the first half of 2026.

In addition to the above procedure, on December 29, 2021, Innovent had filed a \$359 million (€250 million) claim against Boralex at the Tribunal de Commerce de Paris (the “December 2021 Lawsuit”). This lawsuit was brought further to the May 17, 2021, judgment of the Tribunal de Commerce de Lille, which ordered Innovent to pay Boralex \$72.7 million (€50.6 million) for breach of contractual obligations (the “May 2021 Judgment”). In the December 2021 Lawsuit, Innovent alleged that the May 2021 Judgment was based on false representations by Boralex and its experts at trial and that, as a consequence of the May 2021 Judgment, Innovent could not proceed with a going public transaction. On September 27, 2022, the Tribunal de Commerce de Paris dismissed Innovent’s claim and the December 2021 Lawsuit. Innovent has appealed this judgment.

Risk governance

The Corporation’s Enterprise Risk Management Policy is subject to annual review and approval by the Board of Directors. The Corporation’s risk management framework combines best practices notably found in COSO’s Enterprise Risk Management and ISO 31000 guidelines. The purpose of the Corporation’s risk management framework is to identify, assess, mitigate, monitor, and report on the key risk exposures it faces in the pursuit of its strategic objectives. These risks are segmented into the following categories: strategic, financial, legal and regulatory, and operational risks. As part of the risk management process, a risk register has been developed across the organization to monitor changes to its risk landscape and articulate its risk mitigation measures. Key risks are reviewed by the business units and global Executive Committees and are presented periodically to the Board.

The Corporation has developed qualitative and quantitative risk limits in its Risk Appetite Statement that is independently and periodically monitored by the Enterprise Risk Management function and approved by the Board of Directors. The Risk Appetite Statement defines the type and amount of risk the Corporation is willing to accept to pursue its strategic objectives. In some instances, the Corporation may determine that it has no appetite to take on certain risks.

The Corporation is subject to a wide spectrum of risks and uncertainties that evolve over time, some of which are described below. Although it is not feasible to identify and mitigate all risks, the Corporation has set forth commensurate risk oversight and governance practices to foster a strong culture at all levels of management. This includes risk-specific oversight responsibilities for the Board of Directors through its sub-committee mandates as described in the annual information form. The following section provides a non-exhaustive list of the key risks to which Boralex could be exposed. The order in which the risks are presented is no indication of their relative criticality. The actual effect of any risk event on the Corporation’s business could be materially different from what is anticipated or described herein.

Risk factors

1. Strategic risks

Strategic positioning risk

Definition: Potential loss resulting from implementing a strategic or tactical decision not aligned with the organization's strategic objectives. This decision may be related, but not limited to, merger and acquisition (M&A) activities, organic project development, technological choices, and types of partners.

Context: The Corporation has a strategic plan that was renewed in 2025 with a 2030 horizon. The plan guides it in achieving its business objectives, particularly by continuing the actions undertaken in sectors with strong growth potential, and by implementing complementary initiatives with a view to diversifying and optimizing its activities, revenue sources and customers. The Corporation intends to achieve these objectives with strong environmental, social and governance performance, as defined in its CSR strategy.

The Corporation operates in the renewable energy sector in Canada, France, the United Kingdom and the United States. This sector is characterized by competition from large utilities or other independent energy producers. Boralex competes with other companies with sometimes significantly greater resources, financial or otherwise, in connection with the awarding of energy sales contracts, the acquiring of projects, the establishment of partnerships or the recruitment of qualified personnel. This could adversely affect the implementation of the Corporation's long-term vision and prevent it from seizing available opportunities.

Mergers and acquisitions risk

Definition: Potential loss and/or adverse reaction from financial markets following an M&A transaction, resulting from an inability to implement a comprehensive and systematic process of due diligence and mitigation measures with respect to the impacts of the acquisition of the transaction (financial, legal, strategic, operational, technological, cultural, environmental, retention of skills and key people, etc.). Loss and/or under-performance of the transaction resulting from an inability to implement a comprehensive integration plan aimed at taking advantage of potential synergies, to capitalize on key skills and assets arising from the transaction and the overall inability to maximize the value of the acquiree to achieve its strategic and financial objectives.

Context: The Corporation believes that the acquisitions recently completed and expected to be completed will generate benefits for the Corporation. However, it is possible that all or some of the anticipated benefits, including financial benefits and those that are the subject of forward-looking financial information, may not materialize, particularly within the time frame set by the Corporation's management. The realization of such benefits may be affected by a number of factors, many of which are beyond the control of the Corporation.

It is also possible that the Corporation may not detect in its M&A due diligence any liabilities or contingencies for which the Corporation may not be indemnified. Discovery of any material liability or contingencies with respect to shares, assets or businesses acquired following the transaction could have a material adverse effect on the Corporation's financial position and operating results.

Lastly, the integration of assets as part of the Corporation's mergers or acquisitions could pose significant challenges, and the Corporation's management may be unable to complete the integration successfully, and there can be no guarantee that management will be able to successfully integrate the new assets or to realize the full benefits expected from the transactions.

Organizational transformation risk

Definition: The inability to manage growth effectively, efficiently and in line with the operating context, due to inadequate processes, people, structure, or change management adaptation.

Context: Building on a track record of sustained growth and meeting its strategic objectives, the Corporation applies an agile and continuous improvement approach to keep its structure and processes aligned with its goals. Future high growth could increase internal pressures, including, but not limited to, change management, shortage of skills, and technological requirements, which may limit the achievement of the Corporation's objectives.

Political, legislative and regulatory risks

Definition: Limited ability of the Corporation to maintain its usual operations and/or achieve its financial and strategic objectives due to political, legislative and regulatory events at the national level, or part of a territory or state where the Corporation has activities, which could modify, among other things, the general market conditions in the renewable energy sector.

Context: The Corporation operates in the renewable energy sector in Canada, France, the United Kingdom and the United States. Moreover, the Corporation continuously assesses opportunities in other regions. Any changes in government policies could have a significant impact on the Corporation's business in such jurisdictions. Business risks include, but are not limited to, changes of laws affecting foreign ownership, government participation and support for renewable energies, energy prices, sales taxes, income taxes, royalties, duties and repatriation of earnings, sourcing from countries subject to sanctions, as well as exchange rates, inflation, and civil unrest. There can be no guarantee that current and future economic and political conditions in the countries in which the Corporation operates or intends to operate will be conducive for generating the expected profitability.

Close attention is paid to changes in the political environment, including statements and potential decisions by the U.S. government, and their possible global impacts. Overall, 2025 was marked by heightened economic and geopolitical instability, reshaping economic and political relations across many countries in which the Corporation operates. These changes noted internationally have resulted in more unpredictable market and regulatory conditions, particularly with respect to support mechanisms, investment rules and market access. In an industry that depends on long-term visibility and stability for investment decisions, heightened volatility may affect project development, financing and profitability.

The Corporation's activities are also subject to changes in governmental regulatory requirements, including environmental and energy-related regulations and other matters beyond the control of the Corporation. The operation of power generating facilities is subject to extensive regulations by various government agencies at the municipal, provincial, and federal levels.

Currently unregulated operations may become regulated. Because legal requirements change frequently and are subject to interpretation, the Corporation is unable to predict the ultimate cost of compliance with these requirements or their effect on operations. Some of the Corporation's operations are regulated by government agencies that exercise statutory discretion. Because the scope of such discretionary authority is uncertain and may be inconsistently applied, the Corporation is unable to predict the ultimate cost of compliance with such requirements or their effect on operations. Failure of the Corporation to obtain or maintain all necessary licences, leases or permits, including renewals thereof or modifications thereto, may adversely affect its ability to generate revenues.

The impact of global geopolitical conditions may also influence the supply chains of products and services required by the Corporation. The effect of such factors is unpredictable.

Diversification risk

Definition: Potential loss or underachievement of the Corporation's strategic objectives resulting from excessive exposure to a technological sector, geographic region, regulatory environment, type of contract or to a single client; or from an inability to seize other diversification opportunities.

Context: The Corporation pursues a strategy of diversification in its power generation sources and geography. This diversification is reflected in the Corporation's operating revenues and EBITDA(A). Given the size of some of its operating segments and the importance of regions where it operates, the Corporation could, however, be exposed to significant financial consequences in the event of underperformance of a region or a substantial downturn in a specific power segment, particularly wind.

2. Operational risks

Uneconomic projects

Definition: Potential loss or underachievement of the Corporation's strategic objectives resulting from failing to identify, select or develop the best investment opportunities.

The contextual information discussed below should be considered.

Project management and execution risk

Definition: Inability to plan and execute operations effectively, including as a result of inaccurate resource estimates, potentially giving rise to adverse or unexpected effects on project costs, scope and schedules. In addition to affecting project profitability, schedule overruns, particularly when commissioning energy production assets, may result in operating permit suspensions, commercial disputes and/or specific financial penalties that are detrimental to achieving strategic, business and financial goals.

Context: The Corporation participates in the construction and development of new power generating facilities. Delays or cost overruns may occur during the construction phase, in particular delays in obtaining permits, key supplier withdrawal, increases in construction prices due to inflation or otherwise, changes in engineering design, labour conflicts, inclement weather, the availability of financing or availability of qualified personnel. Even when completed, a facility may not operate as planned, which could conceivably not be covered by warranty, due in particular to poor equipment performance. New development projects by nature have no operating history and may employ recently developed, technologically complex equipment.

Moreover, energy sales contracts entered into with counterparties early in the development phase of a project may enable counterparties to terminate the agreement or retain security posted as liquidated damages, if a project fails to achieve commercial operation or certain operating levels by specified dates; or if the Corporation fails to make specified payments. Also, a new facility may be unable to generate the necessary revenues to fund principal and interest payments under its financing obligations. A default under such a financing obligation could result in a legal recourse, a financial penalty or a loss of the Corporation's interest in the facility.

The contextual information discussed below should be considered.

Ability to secure appropriate land

Identifying and gaining access to suitable sites for developing new power generating facilities is a highly competitive process. Identifying and obtaining optimal sites is also challenging due to geographic features, legal and regulatory restrictions, and ownership rights, which naturally limit the areas available for site development. There can be no guarantee that the Corporation will be successful in obtaining any desirable site.

Social acceptance of renewable energy projects

The Corporation's ability to find and develop new sites suitable for viable renewable energy projects is heavily dependent on social acceptance by local stakeholders, including governmental authorities, local communities, First Nations, and other Indigenous peoples. If a prospective project fails to obtain sufficient social acceptance, it may lead to development delays, or even the loss of all upfront investments and a financial write-off. Additionally, for operational sites, material and justified challenges to the social acceptance could adversely affect the operation's performance or revenue.

Security and damage to physical assets

The Corporation may be subject to losses resulting from malicious acts (e.g., sabotage, vandalism, kidnapping) against our physical assets, employees or third parties. The Corporation actively takes steps to prevent, respond and/or remediate these risks as they can impact site and employee safety, as well as operational capacity.

Third party risk

Definition: Potential financial loss and/or reputational damage due to Boralex's selection of partners (suppliers, joint ventures, clients) or their failure to meet their contractual commitments.

The contextual information discussed below should be considered.

Procurement risk

Definition: Loss or incident resulting from an inadequate selection of a third party (supplier or contractor), low market availability, competitiveness, a contract that does not meet our corporate values and commitments, or the use of third party services and dependence on these third parties. Inadequate performance monitoring, absence of a contract owner or poor monitoring of the third party (including environmental and social risk factors) impacting the quality or sustainability of the services provided. Inadequate design and implementation of exit strategy, recovery or termination of the agreement resulting in loss or breakdown of service.

Development and operation of the Corporation's facilities are dependent on the supply of third-party equipment and services. Equipment prices can increase rapidly depending on, among other things, equipment availability, raw material prices and the market for such products, as well as international tariffs, such as tariffs on steel. Any significant increase in equipment procurement prices and any delay in their delivery could adversely affect the future profitability of the Corporation's facilities and the Corporation's ability to build additional projects. Higher costs or delayed service delivery related to service providers could impact project timelines and profitability. Any failure by a supplier of equipment or service to meet its commitments or contractual obligations could adversely affect the Corporation's ability to complete projects on schedule and meet its commitments under the power purchase agreements.

Relationships with strategic partners

Definition: Loss or inability to achieve anticipated benefits resulting in suboptimal selection or management of a strategic partnership throughout its life cycle, including selection and due diligence, contract negotiation, business relationship management, partnership performance, renewal, exit strategy and termination.

The Corporation may collaborate with partners for the development of its projects or for operations, including corporations and Indigenous groups. However, some of these partners may have or develop interests or objectives that are different from or even in conflict with the objectives of the Corporation. Any such differences could have a negative impact on the success of the Corporation's projects, or cause delays or financial losses.

Power purchase agreements

Definition: Financial loss due to the Corporation's inability to win power purchase agreements or renew such contracts under favourable terms. Significant legislative changes could impact existing contracts.

Context: Obtaining new power purchase and feed-in premium agreements is a key component for the sustainability of the Corporation's profits and cash resources. Winning new power purchase and feed-in premium agreements involves certain risks owing to the competitive environment in which the Corporation operates. In several instances, the Corporation obtains new power purchase and feed-in premium agreements by submitting offers in response to requests for proposals issued by clients. There is no guarantee that the Corporation will be able to effectively compete against its competitors over the long term, or that it will be selected as an energy supplier following such processes, or that existing power purchase agreements will be renewed under favourable terms and conditions on expiry. Governments could make legislative changes in the energy sector that may have negative or positive effects on existing power purchase agreements with Crown corporations or those under government control.

Production volume risk

Definition: Hydro, wind and solar resources at Boralex's facilities could vary significantly against historical data and forecasts.

Context: The amount of power generated by the Corporation's hydro, wind farms and solar power facilities is dependent on water, wind and sunlight, which are naturally variable. There can be no guarantee that the long-term historical water, wind or solar availability will remain unchanged or that no material events will impact water, wind or solar conditions on a particular site.

The amount of power generated by the Corporation's hydroelectric power stations is dependent on available water flow. Accordingly, revenues and cash flows may be affected by low and high water flow in the watersheds. Decreases in the solar or wind regime at the Corporation's different sites could reduce its revenues and profitability. Annual deviations from the long-term average could be significant.

If resources are insufficient, the assumptions underlying the financial projections for the volume of electricity to be produced by renewable energy facilities might not materialize, which could have a material adverse effect on the Corporation's cash flows and profitability.

The contextual information discussed below should be considered.

Acute and chronic climate-related risks

Definition: Losses and incidents stemming from physical risks amplified by climate change, which can be driven by one-time acute events or caused by longer-term shifts in climate patterns.

Context: The Corporation's power generation facilities and operations are exposed to damage or destruction risks resulting from natural disasters and extreme weather events (particularly floods, drought, high winds, freezing rain, fires and earthquakes) that could lead to impacts on human safety or equipment failure, disrupt site access and facility operations, and hamper the Corporation's ability to generate revenue. In addition, a number of the Corporation's generation assets are located in remote areas, which makes access for repair of damage difficult.

Hydroelectric, wind and solar resources will vary. Although the Corporation believes that past resource studies and production data collected demonstrate that the sites are economically viable, historical data and engineering forecasts may not accurately reflect the strength and consistency of resources in the future.

Seasonal factors

By the nature of its business, the Corporation's earnings are sensitive to changes in climate and weather conditions from period to period. Changes in winter weather affect demand for electrical heating requirements. Changes in summer weather affect demand for electrical cooling requirements. These fluctuations in demand translate into spot market price volatility, which may have an impact, albeit limited, on approximately 10% of the Corporation's total installed capacity.

Grid availability and reliability risk

The Corporation's ability to sell electricity is impacted by the availability of the various power transmission and distribution systems in each jurisdiction in which it operates. The failure of existing transmission or distribution facilities or the lack of adequate transmission capacity would have a material adverse effect on the Corporation's ability to deliver electricity to its various counterparties, thereby adversely impacting the Corporation's operating results, financial position or prospects. In some cases, these events may not release the Corporation from its contractual obligations to third parties.

Dam safety

Hydroelectric power stations in Québec, which represented 1% of total installed capacity as at December 31, 2025, are subject to the *Dam Safety Act* and its regulation. Depending on the region where the power stations are located, dams must comply with certain criteria defined in this Act. Generally, once the Corporation's recommendations are accepted by the *Ministère de l'Environnement et de la Lutte contre les changements climatiques, de la Faune et des Parcs*, an action plan is prepared reflecting the relative urgency of the work required. The Corporation is also subject to disclosure requirements and regulations relating to the monitoring of structural integrity of the power stations it operates in British Columbia and the United States.

A dam breach at any of the Corporation's hydroelectric power stations could result in a loss of production capacity, and repairing such failures could require the Corporation to incur significant expenditures of capital and other resources. Such failures could expose the Corporation to significant liability for damages. Other dam safety regulations could change from time to time, potentially impacting the Corporation's costs and operations. Upgrading all dams to enable them to withstand all events could require the Corporation to incur significant expenditures of capital and other substantial resources, particularly on occurrence of an extraordinary event or a case of force majeure. In conclusion, a dam failure could have a material adverse effect on the Corporation's business, operating results, financial position and outlook. Compliance with dam safety laws (and any future changes to these laws) and the requirements of licenses, permits and other approvals remain material to the Corporation.

Talent and culture risk

The Corporation could be exposed to risks related to its current and future employees.

The contextual information discussed below should be considered.

Talent attraction, retention and succession

Definition: Inability of the Corporation to implement its purpose, reach its strategic objectives or meet its obligations as an employer due to loss of key people or an inability to define or implement strategies to attract, retain, train, develop and renew talent

Context: The Corporation's employees play a critical role in its success. The Corporation's performance and future growth depend in large part on their skills, experience and efforts. The Corporation's continued success is dependent on its ability to attract, retain and develop qualified, suited and experienced talent. An inability to identify, train or attract successors in the event of the departure of key employees or members of management could have a material adverse effect on its organization, results, operations and outlook. The external context of the job market could affect this risk.

Physical and mental health and safety risk

Definition: Physical health and safety threatened by an inadequate, unhealthy, or non-compliant work environment leading to minor incidents, near misses, accidents, occupational disease or death. Psychological health and well-being threatened by an unsuitable work environment or by behaviours that do not align with corporate values and do not promote a sustainable performance culture. Any of these risks may result in employee disengagement, absences, claims, complaints, grievances and damage to reputation or inability to attract and retain talent.

Context: The construction, ownership and operation of the Corporation's power generation assets, as well as, more generally, its business activities as a whole, carry inherent risks of liability related to worker physical and mental health and safety, including the risk of government-imposed orders to remedy unsafe conditions, of potential penalties for contravention of health and safety laws, licences, permits and other approvals, and of potential civil liability for the Corporation. Compliance with health and safety laws (and any future changes to these laws) and the requirements of licences, permits and other approvals remains material to the Corporation. In addition, the Corporation may become subject to government orders, investigations, inquiries or civil suits relating to health and safety matters, which could have a material adverse effect on its business activities and results of operations.

Information technology risk

The Corporation could be exposed to risks related to its digital and physical information technology.

The contextual information discussed below should be considered, in addition to risk factors related to the development, implementation, deployment, and/or management of information technology. The Corporation recognizes that risk exposures may arise from digital transformation and the adoption of emerging technologies such as artificial intelligence, which could lead to the consequences described hereafter. The rapid adoption and greater use of artificial intelligence may aggravate existing data, technology, process and cybersecurity risks. Boralex acknowledges that such uses require appropriate oversight to mitigate potential impacts on its operations and corporate responsibility.

Information systems failure and cybersecurity risk

Definition: Inadequate protection of data and information (including personal information of customers, third parties and strategic information), whether by an intentional or unintentional act (error, negligence, omission), or threats and cyberattacks on infrastructures, networks, application systems or databases, causing a data leak, an interruption of operations and a breach of confidentiality of corporate information that may lead to litigation, a sanction (legal or financial) or any other contractual legal and regulatory liability.

Context: The Corporation relies on information technologies to conduct its business operations. A failure of information technology systems or infrastructure could have a material impact on its activities.

Cyber intrusion or any other type of misuse of technological systems could seriously disrupt commercial power generation and distribution operations, compromise the confidentiality, integrity, and availability of information, including personal data; or diminish the Corporation's competitive advantages. In addition, such attacks could result in breaches under critical infrastructure and data protection regulations. Attacks on the Corporation's computer or operational systems could result in unanticipated expenses related to their investigation, repair of security breaches or system damage, give rise to litigation, fines, corrective actions or increased regulatory scrutiny, or harm the Corporation's reputation. Incidents affecting technological systems could therefore have a material adverse effect on the Corporation's business, financial condition or operating results.

Data integrity, availability, and confidentiality risk

Definition: Deficiencies in data integrity, availability, and confidentiality due to inadequate data governance and management.

Context: The Corporation relies on data integrity and availability to support daily operations, strategic planning and financial reporting. Deficiencies in data governance and management could significantly impact operational efficiency and financial statement accuracy. To mitigate these risks, the Corporation has implemented data management frameworks, governance policies, and system redundancies to enhance reliability and resilience.

In addition, privacy risks primarily arise from unauthorized access and system breaches that could expose sensitive information. To address these risks, the Corporation has established security controls, access management policies, and regulatory compliance measures to protect personal and confidential data.

3. Financial risks

Pricing and contractual protection risk

Definition: Risk of income volatility due to the decrease of the value of a contract, volume committed, security or investment, as a result of sub-optimal business decisions, including misunderstanding of the consequences of the risks, the type of products, resources contracted, the expiration of a market position and/or inadequate contractual protections.

Context: The Corporation sells most of its energy to a limited number of customers with long-standing credit histories or investment grade ratings. However, the inability of one or more of these customers to meet their commitments under their respective contracts could result in revenue losses.

In addition, in Canada, the United States, the United Kingdom and France, a portion of the power generated or purchased by the Corporation is sold at market prices or under short-term contracts and is accordingly subject to fluctuations in energy prices. In some cases, feed-in-premiums protect the Corporation from declines in market prices.

The market price of energy in individual jurisdictions can be volatile. Energy prices vary according to supply, demand and other external factors, including weather conditions, the geopolitical context, grid transmission and distribution capacity and the price of other sources of power.

As a result, prices may drop significantly to levels at which the power facilities are unable to yield an operating profit. In such cases, the economic prospects of the Corporation's projects in facilities in operation that rely, in whole or in part, on market prices, or development projects in which the Corporation has an interest, could be significantly reduced or rendered uneconomic. If this pricing differential occurs or extends over a long period of time, it could negatively impact the Corporation's financial results and cash flows. A material reduction in such prices could have a material adverse effect on the Corporation's financial position.

Counterparty risk

Definition: Risk that a counterparty to a transaction will default before the final settlement of the transaction's cash flows.

Where a customer does not have a public credit rating, the Corporation minimizes this risk through the use of standard trading contracts and guarantee requirements that allows it to diversify counterparties. Regular monitoring of their credit risk exposure and changes in their financial position is also carried out.

Financing and access to capital risk

Definition: Sub-optimal decision and/or inability to obtain or access financial capital to support organic development, M&A activities or other needs related to achieving the organization's strategic plan. Inability to access alternative sources of capital or better borrowing terms due to failure to qualify for financing tools.

The contextual information discussed below should be considered.

Credit risk and additional financing and debt

Definition: Exposure to a change in credit conditions reducing cash flow and/or the competitiveness and profitability of projects and/or the possibility of the organization defaulting on a loan or meeting its contractual obligations.

Context: The Corporation's projects require significant capital. The Corporation expects to finance the development and construction of new facilities, acquisitions and other capital expenditures with sources of financing that may combine cash flows from operating activities, borrowings or the issuance of additional shares by the Corporation.

To the extent that external sources of capital, including the issuance of additional securities of the Corporation, become limited, unavailable, or unavailable under reasonable terms and conditions, the Corporation's ability to make the necessary capital investments to build new facilities or maintain its existing operations and remain in business would be impaired.

The degree to which the Corporation is leveraged could have important consequences to shareholders, including: (i) Corporation's ability to obtain additional financing for working capital, capital expenditures, acquisitions or other project developments in the future; (ii) a significant portion of the Corporation's cash flows from operations may be dedicated to the payment of the principal and interest on indebtedness, thereby reducing funds available for future operations; and (iii) exposing the Corporation to increased interest expenses on borrowings at variable rates.

Furthermore, the ability to refinance, renew or extend debt instruments is dependent up to their maturity on the changing conditions of the capital markets which may affect the availability, price or terms of alternative financing.

Moreover, investors could suffer dilution to their holdings of securities of the Corporation if financing were to be obtained by issuing additional Class A shares of the Corporation.

Interest rate and refinancing risk

Definition: The possibility that central bank decisions will lead to changes in countries' monetary policies resulting in changes in interest rates, thereby reducing the value of an asset, bond or other fixed-rate investment, and/or increasing the cost of capital and/or the value of the Corporation's stock.

Context: Given the high-leverage financing strategy used by the Corporation, interest rate fluctuations are a factor which may materially affect its profitability. When a loan is taken on a variable rate basis, in order to limit the effect of changes in interest rates, the Corporation simultaneously arranges interest rate swaps covering a significant portion of the corresponding loan. As at December 31, 2025, excluding corporate loans and given the effect of the interest rate swaps in force, only about 9% of the total debt was exposed to interest rate fluctuations on a Consolidated and a Combined basis.

A sharp increase in interest rates in the future could affect the liquid assets available to fund the Corporation's projects. In addition, the ability of the Corporation to refinance debt when due is dependent on capital market conditions, which change over time. A sharp increase in interest rates could reduce the anticipated profitability of projects won through calls for tenders or under feed-in-tariff programs below the return projected by the Corporation. For larger scale projects, the Corporation could decide to arrange financial instruments to protect such returns during the development period prior to the closing of financing for the project.

Restrictive covenant risk

The Corporation uses a project-based or project group-based financing approach to optimize its leverage. The cash flows from multiple facilities are subordinated to senior debt when financed through project financing. Such financing arrangements are typically secured by project assets and contracts, as well as Boralex's interests in the project operating entity.

The Corporation is subject to operating and financial restrictions through covenants in the instruments governing its debts. These restrictions prohibit or limit the Corporation's operating flexibility and may limit the Corporation's ability to obtain additional financing, withstand downturns in the Corporation's business and take advantage of business opportunities. Moreover, the Corporation may be required to seek additional debt or equity financing on terms that include more restrictive covenants, require repayment on an accelerated schedule or impose other obligations that limit the Corporation's ability to grow the business, acquire projects and other assets, or take other actions the Corporation might otherwise consider appropriate or desirable.

There is a risk that a loan may go into default if the Corporation does not fulfil its commitments and obligations or fails to meet the financial and other restrictive covenants contained in the instruments governing such loan, which may prevent cash distributions by the project or the project operating entity and result in the lender realizing on its security and, indirectly, causing the Corporation to lose its ownership or possession of such a project. Such situations could have a material adverse effect on the business, results of operations and financial position of the Corporation.

Declaration of dividends risk

The declaration of dividends is subject to regulatory restrictions and is at the discretion of the Board of Directors, regardless of whether the Corporation has sufficient funds, less indebtedness, to pay dividends. The Corporation may neither declare nor pay dividends if it has reasonable grounds to believe that (i) the Corporation cannot, or would not be able to pay its liabilities as they become due; or (ii) the realizable value of the Corporation's assets would thereby be less than the aggregate of its liabilities and stated outstanding share capital; or (iii) it would be possible to procure shareholders higher yield by investing the equivalent amount in its current businesses.

As a result, no assurance can be given as to whether Boralex will continue to declare and pay dividends in the future, or the frequency or amount of any such dividend.

Liquidity and fluctuations of insurance coverage and exchange rates

Definition: The Corporation is exposed to liquidity risk on liabilities and fluctuations in insurance coverage and exchange rates

The contextual information discussed below should be considered.

Liquidity risks related to derivative financial instruments

Definition: Loss resulting from liquidity difficulties or an inability to meet financial commitments in a timely manner and at reasonable costs, which may also impair the ability to pursue business opportunities.

Derivative financial instruments are entered into with major financial institutions and other counterparties, and their effectiveness is dependent on the performance of these entities. Failure by one of them to perform its obligations could involve a liquidity risk. Liquidity risks related to derivative financial instruments also include the settlement of forward contracts on their maturity dates and the early termination option included in some interest rate swap contracts and foreign exchange contracts. The Corporation uses derivative financial instruments to manage its exposure to the risk of interest rate fluctuations on debt financing or of foreign currency fluctuations. The Corporation does not own or issue financial instruments for speculation purposes.

Foreign exchange risk fluctuations

Definition: The possibility that a currency fluctuation may affect the value of an asset, bond or investment, the profitability of a project and/or an M&A transaction, and consequently impact the financial performance of the Corporation.

Context: The Corporation generates foreign currency liquidity through the operation of its facilities in France, the United Kingdom and the United States. As a result, it may be exposed to fluctuations in the Canadian dollar against the currencies of such countries. The Corporation initially reduces its risk exposure as revenues, expenses and financing are in the local currency. Accordingly, foreign exchange risk is related more to the residual liquidity that is available for distribution to the parent company.

In France, given the above and the size of the sector and that Boralex now pays a dividend in Canadian dollars, the Corporation may enter into forward sales contracts to hedge the exchange rate on a portion of the distributions it expects to repatriate from Europe based on the cash generated. The Corporation also holds cross-currency swaps. These derivative instruments serve to hedge the Corporation's net investment in France, allowing financing issued in Canada for investment in France to be synthetically translated into euros. In addition to reducing exposure to foreign currency risk, these instruments provide access to lower interest rates.

Management considers that the cash flows generated in the United Kingdom do not represent a significant risk at present. A hedging strategy could be developed in due course, in alignment with hedging strategies employed in other major regions of operation.

In connection with project development in Canada and the United Kingdom, certain future expenditures may be in foreign currencies. For example, equipment purchases in Canada are partly denominated in euros or U.S. dollars. The Corporation's objective in this instance is to protect its anticipated return on its investment by entering into hedging instruments to eliminate volatility in expected expenditures and, in turn, stabilize significant costs such as those of turbines.

Insurance coverage

The Corporation believes that its insurance coverage addresses material insurable risks, provides adequate coverage that is similar to what would be maintained by a prudent owner/operator of similar facilities, and is subject to deductibles, limits and exclusions that are customary or reasonable. However, there can be no assurance that such insurance will continue to be offered on an economically affordable basis, or that such insurance will cover all events which could give rise to a loss or claim involving insured assets or operations of the Corporation. We maintain and renew a comprehensive portfolio of insurance coverage with appropriate limits and retention based on industry and external risk factors to recover damages to our assets resulting from extreme weather and natural disasters.

Financial and management information

Definition: Failure to maintain effective internal controls could impair investor confidence and affect the Corporation's ability to obtain financing or cause an unreliable disclosure of financial information that does not provide a true and fair view in accordance with requirements (e.g., accounting standards) and/or that such information is erroneous, false, misleading or omits material facts.

Context: The Corporation is subject to the disclosure requirements of Regulation 52-109 and the rules of the Autorité des marchés financiers. The inability to implement and maintain adequate internal controls over financial reporting could result in material weaknesses or deficiencies in internal control over financial reporting that could lead to material misstatements or errors in the financial statements. Investors could lose confidence in the financial information disclosed, which could make access to financing more difficult. In addition, incomplete or inaccurate financial information could lead to sub-optimal business decisions.

4. Legal and compliance risks

Litigation and breach of contract

Definition: Discrepancies or disputes regarding compliance with laws, regulations and contractual agreements, or any other issue that may result in legal disputes.

Context: In the normal course of its operations, the Corporation may become involved in various legal actions, typically concerning claims relating to bodily injuries, financial losses, inconveniences, excess construction costs, damages related to the social acceptability of projects, noise, environmental compliance, property damage and disputes related to property taxes, land rights and contracts. The Corporation maintains adequate provisions for outstanding claims with merit. The final outcome with respect to outstanding or future disputes cannot be predicted with certainty, and therefore there can be no assurance that their resolution will not have an adverse effect on the financial position or operating results of the Corporation in a particular quarter or fiscal year.

Regulatory non-compliance

Definition: Any failure to comply with regulations, particularly legislative frameworks of the regions and markets in which we operate, as well as with environmental, societal and governance requirements could result in impacts on communities, biodiversity and the environment, in addition to penalties and even the loss of permits and licences, the prohibition to use a certain type of equipment, to do business with certain suppliers of goods or services or to participate in private or public tenders. Any amendments to these regulations, penalties or other remediation orders that may apply to the Corporation could give rise to additional costs and have a material adverse effect on the Corporation's business and results of operations.

Context: The Corporation's business activities rely on securing and maintaining permits and licences from various regulatory authorities that are essential to the construction and operation of its facilities. The Corporation is also subject to a complex regulatory framework, consisting of statutes and regulations specific to the regions in which it operates. The majority of these permits and licences are long-term in nature, reflecting the anticipated useful life of the facilities. These permits and licences are dependent upon the Corporation's compliance with the terms thereof. If the Corporation is unable to renew its existing licences or obtain new licences, capital expenditures will be required to enable Boralex to continue operations over the long term, possibly under different operating conditions. In addition, delays may occur in obtaining government approvals required for future energy projects.

The Corporation's operations carry risk of liability related to the environment, including the risk of government-imposed orders to remedy any instances of environmental non-compliance, and potential penalties for violations of environmental laws, licences, permits and other approvals, and potential civil liability. In addition, the Corporation may become subject to investigations, inquiries or civil suits relating to environmental matters.

Ethics, fraud and corruption risk

Definition: Intentional or unintentional act deviating from internal ethical rules, including the Corporation's Code of Ethics, or in violation of external laws and regulations. Intentional acts committed unlawfully by internal or external parties with the intent to cause harm, to draw personal benefit, or misappropriate assets of the organization.

Context: The Corporation could suffer significant losses as a result of fraud, bribery, corruption, other illegal acts, or inadequate or ineffective internal processes. The Corporation has in place several internal policies and procedures to prevent and detect such incidents, including a Code of Ethics which was updated in 2025.

Reputational risk

Definition: The Corporation's reputation with internal and external stakeholders could be damaged as a result of business decisions made by management or by association with business partners. All of the risks mentioned in this section (*Risk factors*) may also have an impact on the Corporation's reputation.

Context: The Corporation's reputation with stakeholders, political leaders, the media or other interested parties could be damaged as a result of business decisions made by management, or events or changes, notwithstanding all internal measures implemented to protect it.

Damage to the Corporation's reputation could harm relationships with its stakeholders, cause it to lose business opportunities, reduce its ability to recruit and engage employees and compromise the social acceptability of its projects or result in material financial impacts.

Factors of uncertainty

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make estimates and judgments that can materially affect revenues, expenses, comprehensive income, assets and liabilities, and the information reported in the consolidated financial statements.

The following items require management to make the most critical estimates and judgments:

Main sources of uncertainty relating to management's key estimates

Management determines its estimates based on a number of factors, namely its experience, current events and measures the Corporation could subsequently take, as well as other assumptions it deems reasonable given the circumstances. By their nature, these estimates are subject to measurement uncertainty and actual results may differ from them. Underlying estimates and assumptions are periodically reviewed and the impact of any changes is recognized immediately.

Recoverable amount – Impairment of assets

Every year, management tests for impairment its CGUs and groups of CGUs containing intangible assets with indefinite useful lives or goodwill. Also, at each reporting date, if any evidence of impairment exists, the Corporation performs impairment tests on its long-lived assets with indefinite and finite useful lives and goodwill. The goal of these tests is to assess whether the carrying amounts of these assets are recoverable. Recoverable amounts are determined based on discounted cash flows projected over the terms of projects using rates that factor in current economic conditions and management's estimates based on past experience of the Corporation as well as expectations of future cash flows. Expected future cash flows are inherently uncertain and could materially change over time. They are significantly affected by a number of key assumptions, including anticipated production, selling prices, expenses and discount rates.

Discount rate

The discount rate estimated and used by management represents the weighted average cost of capital determined for a CGU or a group of CGUs.

Anticipated production

For each facility, the Corporation determines long-term average annual energy production over the expected life of the facility, based on engineering studies that consider several important factors: for wind power, past wind and weather conditions and turbine technology; for hydroelectric power, historical water flow and head height, technology used and aesthetic and ecological instream flows; for solar power, historical sunlight conditions, panel technology and their expected degradation. Other factors considered include site topography, installed capacity, curtailment, energy losses, operational characteristics and maintenance. Although varying from year to year, production is expected to approximate estimated long-term average production.

Selling price

The Corporation uses contractual selling prices when fixed-price contracts exist; cash flows subsequent to contract expiry are estimated using projected price curves.

Useful life of property, plant and equipment and intangible assets with finite useful lives

In assessing the useful lives of property, plant and equipment and intangible assets with finite useful lives, management takes into account estimates of the expected use period of the asset. Such estimates of useful life are reviewed annually and the impacts of any changes are accounted for prospectively. The same useful lives are then used in estimating lease renewals and expected decommissioning of facilities.

Fair value of financial instruments

The fair value of a financial instrument is the amount of consideration that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act. Fair value is determined using discounted cash flows models and requires the use of assumptions concerning the amount and timing of estimated future cash flows, as well as for numerous other variables. These assumptions are determined using external, readily observable market inputs when available. Otherwise, management makes its best estimate of what market participants would use for these instruments. Since they are based on estimates, fair values may not be realized in an actual sale or immediate settlement of the instruments. Refer to note 18 of these consolidated financial statements for a more detailed explanation of the basis for the calculations and estimates used.

Main sources of uncertainty relating to management's key judgments

Asset impairment indicators

At each reporting date, management is required to use its judgment to assess whether there is any evidence that property, plant and equipment, intangible assets and goodwill may be impaired. If applicable, the Corporation performs impairment tests on its CGUs or groups of CGUs to assess whether the carrying amounts of assets are recoverable. As described in the previous section, various estimates made by management are used in the impairment tests.

Management is required to exercise judgment and assess whether any events or changes in circumstances could have affected the recoverability of the carrying amount of assets. In making these assessments, management uses various indicators including, but not limited to, adverse changes in the industry or economic conditions, changes in the degree or method of use of the asset, changes in production, a lower-than-expected economic performance of the asset or a significant change in interest rates.

Business combination or asset acquisition

When a development project is acquired, management is required to exercise its judgment to determine whether the transaction constitutes a business combination under IFRS 3 or an asset acquisition. Management determines that a transaction for a project acquisition is defined as a business combination when an acquired development project has completed the key steps required to obtain construction permits and an energy sales or feed-in premium contract. When the acquisition includes a portfolio of projects, management assesses whether it has acquired a process that allows it to complete the development of the acquired projects.

Consolidation

Significant judgment is required to assess whether the structure of certain investments represents control or joint control of, or significant influence over, an investee. Management's assessment of control or joint control of, or significant influence over, an investee has a material impact on the accounting treatment. Management is required to make significant judgments regarding the relevant activities of an investee and as to whether it has power over such activities. The relevant activities of an investee can change over time and are therefore subject to periodic review.

Feed-in premiums

Significant judgment is exercised by management to determine whether a feed-in premium ("FiP") contract should be recorded as a government grant. This judgment also applies to similar contracts, such as contracts for differences in the United Kingdom. The Corporation determines the accounting treatment for this type of contract at its inception. The Corporation estimates the cumulative net position at the inception date based on expected future cash flows from the FiP contract, which depend on estimates of future energy production and future market prices. When, at the inception date of the FiP contract, the estimated cumulative net position is positive, the Corporation treats the FiP contract as a government grant under IAS 20. When, at the inception date of the FiP contract, the cumulative net position is negative, management uses judgment to determine whether the FiP contract is more akin to a derivative financial instrument contract under IFRS 9 rather than a government grant under IAS 20. In making this judgment, management considers all the facts and circumstances and examines the terms and conditions of the FiP contract, including early termination clauses, to determine whether they are economically similar to those of financial contracts entered into with non-government entities.

Accounting policies

Changes in accounting policies

Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB published the amendments to IFRS 9 and IFRS 7 - *Contracts Referencing Nature-Dependent Electricity*. The amendments clarify the application of “own-use” requirements, the use of hedge accounting, and add new disclosure requirements relating to the effects of these contracts on financial performance and cash flows.

The Corporation early adopted the amendments on April 1, 2025. The adoption of these amendments had no impact on the consolidated financial statements.

The Corporation has also reviewed other new and amended IFRS Accounting Standards issued by the IASB that came into effect and concluded that they either do not apply to its operations or are not expected to have a material impact on its consolidated financial statements.

Internal controls and procedures

In accordance with *Regulation 52-109 respecting Certification of Disclosure* in Issuers’ Annual and Interim Filings, DC&P have been designed to provide reasonable assurance that the information that must be presented in Boralex’s interim and annual reports is accumulated and communicated to management on a timely basis, including the Chief Executive Officer and the Chief Financial Officer, so that appropriate decisions can be made regarding disclosure. ICFR has also been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS.

The Chief Executive Officer and the Chief Financial Officer assessed the effectiveness of Boralex’s DC&P as of December 31, 2025, as well as the effectiveness of Boralex’s ICFR process as of that same date and concluded that they were effective.

During the three-month period ended December 31, 2025, no changes were made to ICFR that have materially affected, or are reasonably likely to affect, ICFR.

Consolidated financial statements

Management's report

The consolidated financial statements and other financial information included in this annual report are the responsibility of, and have been prepared by, management of Boralex Inc. within reasonable limits of materiality. To fulfil this responsibility, management maintains appropriate systems of internal control, policies and procedures. These systems of internal control, policies and procedures help ensure that the Corporation's reporting practices as well as accounting and administrative procedures provide reasonable assurance that the financial information is relevant, reliable and accurate and that assets are safeguarded and transactions are executed in accordance with proper authorization. These audited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and set out in the CPA Canada *Handbook*, which are summarized in the consolidated financial statements. Where appropriate, these consolidated financial statements reflect estimates based on management's best judgment. Financial information presented elsewhere in this annual report is consistent, where applicable, with that reported in the accompanying consolidated financial statements.

The audited consolidated financial statements have been reviewed by the Board of Directors and its Audit Committee. The Audit Committee consists exclusively of independent directors and meets periodically during the year with the independent auditor. The independent auditor has full access to and meets with the Audit Committee both in the presence and absence of management.

PricewaterhouseCoopers LLP has audited the consolidated financial statements of Boralex Inc. The independent auditor's responsibility is to express a professional opinion on the fairness of the consolidated financial statements presentation. The Independent auditor's report outlines the scope of its audits and sets forth its opinion on the consolidated financial statements.

(s) Patrick Decostre

Patrick Decostre

President and Chief Executive Officer

(s) Stéphane Milot

Stéphane Milot

Senior Vice-President and Chief Financial Officer (Interim)

Montréal, Canada

February 26, 2026

Independent auditor's report

To the Shareholders of Boralex Inc.

Our opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of Boralex Inc. and its subsidiaries (together, the Corporation) as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

What we have audited

The Corporation's consolidated financial statements comprise:

- the consolidated statements of financial position as at December 31, 2025 and 2024;
- the consolidated statements of earnings for the years then ended;
- the consolidated statements of comprehensive income for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of indications of impairment of property, plant and equipment, intangible assets and interests in joint ventures and associates</p> <p><i>Refer to note 3 – Material accounting policies, note 4 – Main sources of uncertainty, note 5 – Property, plant and equipment, note 7 – Intangible assets and goodwill and note 8 – Interests in joint ventures and associates to the consolidated financial statements.</i></p> <p>As at December 31, 2025, the Corporation had property, plant and equipment of \$4,294 million, intangible assets of \$951 million and interests in joint ventures and associates of \$646 million. At each reporting date, management is required to use its judgment to assess whether there is any evidence that property, plant and equipment, intangible assets and interests in joint ventures and associates may be impaired. If applicable, the Corporation performs impairment tests on its cash-generating units (CGUs), groups of CGUs and interests in joint ventures and associates to assess whether the carrying amounts of such assets are recoverable.</p> <p>Management is required to exercise judgment and assess whether any events or changes in circumstances could have affected the recoverability of the carrying amount of property, plant and equipment, intangible assets and interests in joint ventures and associates.</p> <p>In making these assessments, management uses various indicators including, but not limited to, adverse changes in the industry or economic conditions, changes in the degree or method of use of the asset, changes in production, a lower-than-expected economic performance or a significant change in interest rates.</p> <p>We considered this a key audit matter due to (i) the significance of the property, plant and equipment, intangible assets and interests in joint ventures and associates balances, and (ii) the significant judgment applied by management in assessing the existence of any indication of impairment, which introduced subjectivity in performing procedures to test management's assessment.</p>	<p>Our approach to addressing the matter included the following procedures, among others:</p> <ul style="list-style-type: none"> • Evaluated management's assessment of indications of impairment, which included the following: <ul style="list-style-type: none"> – Evaluated the economic performance of the assets of the Corporation and the assets in joint ventures and associates by comparing actual production with average historical production. – Assessed the potential impact of interest rate changes by considering external market data. – Assessed factors likely to be considered indications of impairment, such as adverse changes in the industry or economic conditions and changes in the degree or method of use of the asset, based on evidence obtained in other audit areas. – Read the minutes of the Board of Directors to identify events or decisions that could be indicators of impairment.

Other information

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis and the information, other than the consolidated financial statements and our auditor's report thereon, included in the annual report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Corporation as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Jean-François Lecours.

(s) PricewaterhouseCoopers LLP¹

Montréal (Québec)

February 26, 2026

¹ CPA auditor, public accountancy permit No. A126402

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Consolidated statements of financial position

(in millions of Canadian dollars)	Note	As at December 31, 2025	As at December 31, 2024
ASSETS			
Cash and cash equivalents		292	592
Restricted cash		51	19
Trade and other receivables		245	264
Current financial assets	18	32	11
Other current assets		36	37
CURRENT ASSETS		656	923
Non-current financial assets	18	203	186
Property, plant and equipment	5	4,294	4,070
Right-of-use assets	6	370	376
Intangible assets	7	951	963
Goodwill	7	246	237
Other non-current assets		282	269
Interests in joint ventures and associates	8	646	580
NON-CURRENT ASSETS		6,992	6,681
TOTAL ASSETS		7,648	7,604
LIABILITIES			
Bank overdraft		—	5
Trade and other payables		242	590
Current portion of debt	9	232	339
Current portion of lease liabilities		23	22
Current financial liabilities	18	13	9
CURRENT LIABILITIES		510	965
Debt	9	4,080	3,617
Lease liabilities		324	318
Deferred income tax liability	11	246	256
Non-current financial liabilities	18	112	88
Other non-current liabilities	10	385	335
NON-CURRENT LIABILITIES		5,147	4,614
TOTAL LIABILITIES		5,657	5,579
EQUITY			
Equity attributable to shareholders of Boralex		1,542	1,601
Non-controlling interests		449	424
TOTAL EQUITY		1,991	2,025
TOTAL LIABILITIES AND EQUITY		7,648	7,604

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

The Board of Directors approved these audited consolidated financial statements on February 26, 2026.

(s) André Courville
André Courville, Director

(s) Lise Croteau
Lise Croteau, Director

Consolidated statements of earnings

(in millions of Canadian dollars, unless otherwise specified)	Note	2025	2024
REVENUES			
Revenues from energy sales		760	794
Feed-in premiums		36	23
Revenues from energy sales and feed-in premiums		796	817
Other revenues		53	36
		849	853
EXPENSES AND OTHER			
Operating	14	204	198
Administrative	14	71	75
Development	14	62	57
Amortization		321	297
Impairment		17	5
Other losses (gains)		8	(5)
		683	627
OPERATING INCOME		166	226
Financing costs	15	162	124
Share of net earnings of joint ventures and associates	8	(38)	(46)
Impairment of an investment in a joint venture	8	—	35
Other		5	3
EARNINGS BEFORE INCOME TAXES		37	110
Income tax expense	11	4	36
NET EARNINGS		33	74
NET EARNINGS ATTRIBUTABLE TO:			
Shareholders of Boralex		7	36
Non-controlling interests		26	38
NET EARNINGS		33	74
NET EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF BORALEX – BASIC AND DILUTED			
	16	\$0.06	\$0.35

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

Consolidated statements of comprehensive income

(in millions of Canadian dollars)	2025	2024
NET EARNINGS	33	74
Items that may be reclassified to net earnings		
Translation adjustments:		
Exchange differences on translation of financial statements of foreign operations	33	77
Hedge of a net investment in foreign operations:		
Change in fair value	(35)	(25)
Income taxes	5	3
Cash flow hedges:		
Change in fair value	37	28
Realized hedging items recognized in net earnings (loss)	(21)	(65)
Income taxes	(5)	13
Share of other comprehensive income of joint ventures and associates:		
Change in fair value	2	2
Realized hedging items recognized in net earnings	—	(3)
Income taxes	(1)	1
Total other comprehensive income	15	31
COMPREHENSIVE INCOME	48	105
COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Shareholders of Boralex	8	54
Non-controlling interests	40	51
COMPREHENSIVE INCOME	48	105

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

Consolidated statements of changes in equity

2025

(in millions of Canadian dollars)	Equity attributable to shareholders				Total	Non-controlling interests	Total equity
	Capital stock (note 12)	Contributed surplus	Retained earnings	Hedging reserve and other			
BALANCE AS AT JANUARY 1, 2025	1,323	12	151	115	1,601	424	2,025
Net earnings	—	—	7	—	7	26	33
Other comprehensive income	—	—	—	1	1	14	15
COMPREHENSIVE INCOME	—	—	7	1	8	40	48
Dividends (note 12)	—	—	(68)	—	(68)	—	(68)
Contribution by non-controlling interest	—	—	—	—	—	14	14
Distributions to non-controlling interests	—	—	—	—	—	(29)	(29)
Other	—	1	—	—	1	—	1
BALANCE AS AT DECEMBER 31, 2025	1,323	13	90	116	1,542	449	1,991

2024

(in millions of Canadian dollars)	Equity attributable to shareholders				Total	Non-controlling interests	Total equity
	Capital stock (note 12)	Contributed surplus	Retained earnings	Hedging reserve and other			
BALANCE AS AT JANUARY 1, 2024	1,323	11	183	112	1,629	395	2,024
Net earnings	—	—	36	—	36	38	74
Other comprehensive income	—	—	—	18	18	13	31
COMPREHENSIVE INCOME	—	—	36	18	54	51	105
Dividends (note 12)	—	—	(68)	—	(68)	—	(68)
Contribution by non-controlling interest	—	—	—	—	—	4	4
Distributions to non-controlling interests	—	—	—	—	—	(26)	(26)
Other	—	1	—	(15)	(14)	—	(14)
BALANCE AS AT DECEMBER 31, 2024	1,323	12	151	115	1,601	424	2,025

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

Consolidated statements of cash flows

(in millions of Canadian dollars)	Note	2025	2024
Net earnings		33	74
Distributions from joint ventures and associates	8	51	39
Financing costs		162	124
Interest paid		(158)	(132)
Interest received		11	19
Income tax expense		4	36
Income taxes paid		(20)	(30)
Non-cash items included in earnings:			
Amortization		321	297
Share of net earnings of joint ventures and associates		(38)	(46)
Impairment of an investment in a joint venture		—	35
Impairment		17	5
Other		9	(6)
Change in non-cash items related to operating activities	17	(30)	(200)
NET CASH FLOWS RELATED TO OPERATING ACTIVITIES		362	215
Increase in interests in joint ventures and associates	8	(84)	(119)
Additions to property, plant and equipment		(584)	(291)
Prepayments for property, plant and equipment		(27)	(107)
Additions to development projects		(43)	(54)
Change in restricted cash		(30)	4
Change in bridge loan to a joint venture		(25)	—
Other		(5)	(11)
NET CASH FLOWS RELATED TO INVESTING ACTIVITIES		(798)	(578)
Net change in revolving credit facility and other credit facilities	17	(2)	(57)
Increase in debt	17	656	955
Repayments of debt	17	(395)	(257)
Principal payments relating to lease liabilities	17	(20)	(21)
Distributions paid to non-controlling interests		(29)	(26)
Dividends paid to shareholders	12	(68)	(68)
Change in amounts due to non-controlling shareholders		(5)	(37)
Other		(5)	(10)
NET CASH FLOWS RELATED TO FINANCING ACTIVITIES		132	479
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		9	(1)
NET CHANGE IN CASH AND CASH EQUIVALENTS		(295)	115
CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR		587	472
CASH AND CASH EQUIVALENTS – END OF YEAR	17	292	587

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

Notes to the consolidated financial statements

As at December 31, 2025

(in millions of Canadian dollars, unless otherwise specified)

Note 1. Nature of business

Borex Inc., its subsidiaries and its joint ventures and associates (“Borex” or the “Corporation”) are dedicated to the development, construction and operation of renewable energy power facilities and battery energy storage systems to be operated by the Corporation or transferred in whole or in part to third parties. As at December 31, 2025, Borex held interests in 53 facilities in North America and 86 facilities in Europe. The Corporation produces three types of complementary renewable energy: wind, solar and hydroelectric power, and also operates battery energy storage systems. Together, these assets represent a combined installed capacity of 3,783 megawatts (“MW”). The Corporation also provides development, construction, maintenance, and management services to certain of its joint ventures and associates. Revenues from energy sales are generated in Canada, France, the United States and the United Kingdom.

The Corporation is incorporated under the *Canada Business Corporations Act*. Borex’s head office is located at 36 Lajeunesse St., Kingsey Falls, Québec, Canada and its shares are listed on the Toronto Stock Exchange (“TSX”).

Note 2. Basis of presentation

These audited consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and set out in the CPA Canada Handbook. The Corporation has consistently applied the same accounting policies for all of the periods presented unless otherwise stated.

The preparation of financial statements in accordance with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the Corporation’s accounting policies. These areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 4.

Note 3. Material accounting policies

The material accounting policies used to prepare these audited consolidated financial statements are as follows:

Measurement basis

The consolidated financial statements have been prepared on a going concern basis, using the historical cost method, except for certain financial assets and liabilities measured at fair value.

Basis of consolidation

The consolidated financial statements include the accounts of the Corporation and its subsidiaries comprising:

Subsidiaries

A subsidiary is an entity controlled by the Corporation. Control exists when the Corporation has power to direct the relevant activities, is exposed to or has rights to variable returns, and has the ability to affect those returns through its power over relevant activities. Subsidiaries are consolidated from the date control is obtained until the date control ceases. Intercompany transactions and balances are eliminated on consolidation. The accounting policies of subsidiaries are adjusted, where necessary, to ensure consistency with those adopted by the Corporation and to enhance the comparability of financial information.

As at December 31, 2025 and 2024, the Corporation's main subsidiaries were as follows:

Name of subsidiary	Voting rights held	Location
Borex Ontario Energy Holdings L.P.	100%	Canada
Borex Ontario Energy Holdings 2 L.P.	100%	Canada
Des Moulins Wind Power L.P. ("DM I and II")	100%	Canada
Le Plateau Wind Power L.P. ("LP I")	100%	Canada
FWRN LP	50%	Canada
Hagersville Battery Storage Inc.	50%	Canada
Borex Power Limited Partnership	100%	Canada
Borex US Solar CIA LLC	100%	United States
Borex US Wind TNM LLC	100%	United States
Borex Énergie France S.A.S.	70%	France
Borex Production S.A.S.	70%	France
Borex Projets Spéciaux S.A.S.	70%	France
Borex Sainte-Christine S.A.S.	70%	France
Limekiln Extension Limited	100%	United Kingdom

Joint ventures and associates

A joint venture is a joint arrangement in which the parties are bound by a contractual agreement that gives them joint control over the entity. Joint control exists when decisions about the relevant activities of the joint arrangement require the unanimous consent of the parties sharing control.

An associate is an entity over which the Corporation has significant influence and that is neither a subsidiary nor a joint venture.

The Corporation recognizes *Interests in joint ventures and associates* ("Interests" or an "Interest") using the equity method. Under the equity method, Interests are initially recorded at cost and the carrying amount is adjusted to include the Corporation's pro rata share of net earnings (loss) and other comprehensive income (loss) of the joint ventures and associates. Dividends received or receivable from joint ventures and associates reduce the carrying amount of the Interests. When a joint venture or an associate is not subject to income taxes, and it incurs eligible costs that can give rise to a refundable investment tax credit, that tax credit is considered to be distributed to the partners as and when the eligible property giving rise to the tax credit is acquired.

Unrealized gains and losses on transactions between the Corporation and joint ventures and associates are eliminated to the extent of the Corporation's interest in these entities. Accounting policies of joint ventures and associates have been aligned with those applied by the Corporation to ensure comparability of financial information.

An Interest is accounted for using the equity method from the date on which the entity becomes a joint venture or an associate. On acquisition of an Interest, any difference between the cost of the Interest and the share of the net fair value of the identifiable assets and liabilities is accounted for as goodwill, which is included in the carrying amount of the Interest. Appropriate adjustments are made to the share of earnings (loss) of joint ventures and associates, after acquisition, in order to account for adjustments to the respective fair values of assets and liabilities at the acquisition date.

When an Interest becomes negative, the carrying amount of such Interest is brought back to zero. If the carrying amount of the Interest becomes positive during a subsequent period, the Corporation reverses such adjustment up to the accumulated amount previously recorded.

At each reporting date, the Corporation assesses whether there is any evidence that the carrying amounts of its Interests in joint ventures and associates is greater than their recoverable amount. If any such indication exists, the recoverable amount of the interest is estimated using the higher of value in use and fair value less costs of disposal, and where it is less than the carrying amount, an impairment is recorded. Any impairment loss forms part of the carrying amount of the Interest and is not allocated to any asset. Accordingly, any reversal of that impairment loss is recognized to the extent that the recoverable amount of the Interest subsequently increases.

Non-controlling interests

Non-controlling interests consist of interests held by third parties in the Corporation's subsidiaries. A non-controlling interest in the net assets of a subsidiary is recorded as a component of equity. *Non-controlling interests* is initially recognized at the amount received by the subsidiary for this interest, or at the amount determined at the acquisition date. In the context of a business combination, the amount at acquisition date is determined according to the methodology chosen by the Corporation, either at its acquisition-date fair value or at the non-controlling shareholder's share of the acquiree's identifiable net assets. In the context of an asset acquisition, the amount at acquisition date is determined at the proportional share of non-controlling shareholders in the net assets recognized by the acquired corporation immediately prior to the acquisition date.

Non-controlling interests is subsequently increased or decreased by the allocation of net earnings (loss) and comprehensive income (loss) for the period attributable to non-controlling interests. This allocation is determined based on the economic share of non-controlling interests in net earnings (loss) and comprehensive income (loss) for the period of the Corporation's subsidiaries.

Transactions involving the ownership interests of the Corporation and non-controlling shareholders in a subsidiary that do not result in a loss of control of the subsidiary are recognized directly in equity.

Business combinations

Business combinations are accounted for using the acquisition method when the integrated set of activities and assets acquired meets the definition of a business and the Corporation acquires control of that business. An integrated set of activities and assets is a business if it includes, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output.

The consideration transferred by the Corporation to obtain control of a subsidiary is calculated as the sum of the fair values of assets transferred, liabilities assumed and the equity instruments issued by the Corporation, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. The Corporation recognizes identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have previously been recognized in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are measured at their acquisition-date fair values. For each business combination, the Corporation chooses, at the acquisition date, to measure the amount of non-controlling shareholders at fair value or at the non-controlling shareholder's share of the acquiree's identifiable net assets.

Goodwill is determined after identifiable net assets acquired are recognized separately. It is calculated as the excess of the sum of the fair value of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of any existing equity interest in the acquiree over the acquisition-date fair value of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (gain on a bargain purchase) is recognized through earnings immediately. If the business combination is achieved in stages, the acquisition-date carrying amount of the acquirer's previously held interest in the acquiree is remeasured at its acquisition-date fair value with any resulting gain or loss recognized in net earnings (loss).

Acquisition costs are expensed in net earnings (loss) as incurred.

Subsequent to the acquisition date, the fair value of a contingent consideration is remeasured at each reporting date, with changes in fair value recognized in net earnings (loss).

Foreign currency translation

Functional and reporting currency

Items included in the financial statements of each of the Corporation's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Canadian dollars, which is also the parent company's functional currency.

Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the transaction dates. At each reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the closing rate. Exchange differences resulting from foreign currency transactions are recognized in *Other* in net earnings (loss), except for those relating to qualifying cash flow hedges, which are recognized in other comprehensive income (loss).

Translation of foreign operations

The financial statements of entities with a different functional currency from that of the Corporation (foreign operations) are translated into Canadian dollars as follows: the assets and liabilities are translated at the closing rate prevailing at the reporting date. *Goodwill* and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate prevailing at the reporting date. Revenues and expenses are translated at the average monthly exchange rate for each period. Exchange differences are recognized in other comprehensive income (loss) under *Exchange differences on translation of financial statements of foreign operations* and accumulated in *Hedging reserves and other*. On disposal of a foreign operation, the cumulative amount of exchange differences recognized in *Hedging reserve and other* is reclassified from equity to net earnings (loss).

Financial instruments

Classification

The Corporation determines the classification of financial instruments at initial recognition and classifies its financial instruments in the following measurement categories:

- Those to be measured subsequently at fair value (either through profit or loss ("FVPL") or through other comprehensive income ("FVOCI");
- Those to be measured at amortized cost.

The classification of financial instruments is driven by the Corporation's business model for managing the financial assets and their contractual cash flow characteristics. Assets that are held to collect contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Equity instruments that are held for trading (including all equity derivative instruments) are classified as FVPL. For other equity instruments, on the day of acquisition, the Corporation can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVPL (such as instruments held for trading or derivatives) or the Corporation has opted to measure them at FVPL.

Financial instruments with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Measurement

Financial instruments at amortized cost

Financial instruments at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Currently, the Corporation classifies *Cash and cash equivalents*, *Restricted cash*, *Trade and other receivables*, *Bridge loan to a joint venture* and *Reserve funds* as financial assets measured at amortized cost, and *Bank overdraft*, *Trade and other payables* and *Debt* as financial liabilities measured at amortized cost.

Financial instruments at fair value

Financial instruments are initially recorded at fair value and transaction costs are expensed in the consolidated statements of net earnings (loss). The effective portion of gains and losses on financial instruments designated as hedges is included in the consolidated statements of comprehensive income (loss) in the period in which they arise. Where management has opted to recognize a financial liability at FVPL, any changes associated with the Corporation's own credit risk will be recognized in other comprehensive income (loss).

Currently, the Corporation classifies *Non-current financial assets* (excluding *Reserve funds*) as financial assets measured at fair value, and *Current financial liabilities* and *Non-current financial liabilities* as financial liabilities measured at fair value.

Hierarchy of financial assets and liabilities measured at fair value

Financial instruments measured at fair value in the financial statements are classified according to the following hierarchy of levels:

- Level 1: Consists of measurements based on quoted prices (unadjusted) in markets for identical assets or liabilities;
- Level 2: Consists of measurement techniques based mainly on inputs, other than quoted prices, that are observable either directly or indirectly in the market;
- Level 3: Consists of measurement techniques that are not based mainly on observable market data.

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is to be determined on the basis of the lowest level input that is significant to the financial instrument fair value measurement in its entirety.

Impairment

The Corporation assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortized cost or at FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Corporation applies the simplified approach permitted by IFRS 9, which requires lifetime expected losses to be recognized from initial recognition of the receivables.

Derecognition

Financial assets

The Corporation derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of earnings (loss).

Financial liabilities

The Corporation derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable, including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statements of earnings (loss).

Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host, with the effect that some of the cash flows of the hybrid contract vary in a way similar to a stand-alone derivative.

A derivative embedded in a host contract is accounted for as a derivative, separately from the host contract, when the embedded derivative meets the definition of a derivative and its economic characteristics and risks are not closely related to those of the host contract. Derivatives embedded in host contracts that are financial assets or financial liabilities measured at FVPL are not accounted for as separate derivatives.

Hedge accounting

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Derivatives are designated as hedges of a particular risk associated with a recognized asset or liability or a highly probable forecasted transaction (cash flow hedges).

The Corporation documents at the inception of the transaction the relationship between the hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Corporation also documents its assessment, both at hedge inception and on an ongoing basis, as to whether the derivatives used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of the hedged items.

The full fair value of a derivative financial instrument is classified as a non-current asset or liability when the remaining life of the hedged item is more than 12 months and as a current asset or liability when the remaining life of the hedged item is less than 12 months. Held-for-trading derivative financial instruments are classified as current assets or liabilities.

Cash flow hedges

In a cash flow hedge relationship, the change in value of the effective portion of the derivative is recognized in *Hedging reserve and other*. The gain or loss relating to the ineffective portion is recognized immediately in the statements of earnings (loss) under *Net gain or loss on financial instruments*, which is included in *Other*.

Amounts accumulated in equity are reclassified to net earnings (loss) in the periods in which the hedged item affects net earnings (loss) (for example, when a forecast interest expense that is hedged occurs). The effective portion of the hedging derivative is recognized in the statements of earnings (loss) in the line item to which the hedged item relates (for example, under *Financing costs* for interest expense hedges). The ineffective portion is recognized in the statements of earnings (loss) under *Net gain or loss on financial instruments*, which is included in *Other*. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, *Property, plant and equipment*), the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the asset. The deferred amounts are recognized as amortization of property, plant and equipment.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss in equity at that time remains in equity and is recognized when the forecast transaction affects earnings (loss). If the forecast transaction does not occur, the cumulative gain or loss that was reported in equity is immediately reclassified to the statements of earnings (loss), under *Net gain or loss on financial instruments*, which is included in *Other*.

Hedge of a net investment in foreign operations

The Corporation designates foreign exchange forward contracts and cross-currency swaps as hedges of a net investment in foreign operations. In this hedge relationship of a net investment in foreign currency, the change in value of the effective portion of the derivative financial instrument is recognized in *Hedging reserve and other* and the change in the ineffective portion is recorded in the statements of earnings (loss), under *Net gain or loss on financial instruments*, which is included in *Other*.

Cash and cash equivalents

Cash includes cash on hand and bank balances. *Cash equivalents* are short-term investments with a maturity of three months or less, are highly liquid, are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. They comprise bankers' acceptances or deposit certificates guaranteed by banks.

Restricted cash

Restricted cash comprises mainly cash and cash equivalents designated as reserves to fund capital expenditures and amounts held in trust for the purpose of meeting the requirements of certain debt agreements within a one-year period following each reporting date.

Other current assets

Other current assets comprise inventories and prepaid expenses. Inventories mainly consist of replacement parts.

Property, plant and equipment

Property, plant and equipment consist mainly of wind farms, hydroelectric power stations, solar power stations, and battery energy storage systems, which are in operation or under construction. They are recorded at cost, less accumulated amortization and accumulated impairment losses, if any.

Cost comprises any costs directly attributable to bringing the facility to the condition necessary for it to be capable of operating in the manner intended by management. This also includes borrowing costs directly attributable to the acquisition and construction of an item of property, plant and equipment when that item is a qualifying asset (i.e., an asset that necessarily takes a substantial period of time to get ready for its intended use).

Performing regular major maintenance is necessary for the continued use of certain items of property, plant and equipment. When major maintenance is performed, the cost is included in the carrying amount of the property, plant and equipment if the criteria for capitalization are met, and any remaining carrying amount from the previous maintenance is derecognized.

Note 3. Material accounting policies (cont'd)

Property, plant and equipment are amortized from the date on which it is in the location and condition necessary to be capable of operating in the manner intended by management. When a significant part of an item of property, plant and equipment has a different useful life or amortization method, that part is amortized separately from the rest. Useful lives, amortization methods and residual values are reviewed at each reporting date according to asset type, expected usage and changes in technology. Impairment losses and reversals, if any, are recognized in net earnings (loss) under *Impairment*.

The amortization methods and useful lives of the Corporation's property, plant and equipment are as follows:

Type of property, plant and equipment	Method of amortization	Useful life
Wind farms	By component using the straight-line method	5 to 30 years
Hydroelectric power stations	By component using the straight-line method	20 to 40 years
Solar power stations	By component using the straight-line method	20 to 35 years
Battery energy storage systems	By component using the straight-line method	20 to 22 years
Major maintenance	Straight-line method over the scheduled maintenance frequency	3 to 5 years

Leases

The Corporation's leases are mainly for land and offices.

At the inception of a contract, the Corporation determines whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Corporation recognizes a right-of-use asset and a lease liability at the inception date, which is the date the leased asset is available for use. Each lease payment is allocated between lease liabilities and financing costs. Financing costs are recognized in the statements of earnings (loss) over the lease term so as to produce a constant periodic rate of interest on the remaining balance of lease liabilities for each period.

The right-of-use asset is initially measured at cost comprising the following:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date less any lease incentives received, if applicable;
- any initial direct costs, if applicable;
- decommissioning and site restoration costs.

The right-of-use asset is subsequently amortized on a straight-line basis over the shorter of the underlying asset's useful life and the lease term. The lease term includes periods covered by an option to extend if the Corporation is reasonably certain to exercise that option. Also, the lease term includes periods covered by an option to terminate if the Corporation is reasonably certain not to exercise that option.

The lease liability is initially measured at the present value of the future lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Corporation's incremental borrowing rate. Generally, the Corporation uses its incremental borrowing rate as the discount rate.

The lease liability includes the net present value of the following lease payments:

- Fixed payments (including in-substance fixed lease payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or rate, initially measured using the index or the effective rate at the commencement date;
- Amounts expected to be payable by the Corporation under residual value guarantees;
- The exercise price of a purchase option if the Corporation is reasonably certain to exercise that option;
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of that option by the Corporation.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Some leases contain variable payment terms that are linked to revenues or operating expenses. Variable lease payments are recognized in the statements of earnings (loss) in the period in which the condition that triggers those payments occurs.

For short-term leases of 12 months or less and leases for which the leased property is of low value, the Corporation has elected not to recognize a right-of-use asset and a lease liability. The Corporation recognizes lease payments related to these leases as expenses in net earnings (loss), on a straight-line basis over the lease term.

Remeasurement

The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability. The lease liability is remeasured if there is a change in future lease payments arising from a change in an index or rate, there is a change in the Corporation's estimate of the amount expected to be payable under a residual value guarantee, or the Corporation changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Intangible assets

Energy sales contracts and other rights

Energy sales contracts and other rights are measured at cost, net of accumulated amortization and impairment losses. Cost corresponds to the acquisition-date fair value of energy sales contracts, feed-in premium contracts and other contractual rights. Energy sales contracts and other rights are amortized on a straight-line basis over a useful life of 15 to 40 years, representing the shorter of the contractual term, or the rights including one renewal period, if applicable, or the period over which the Corporation expects to use them. The amortization method and useful lives are reviewed at each reporting date.

Water rights

Water rights are measured at cost, net of accumulated amortization and any impairment losses. Cost corresponds to the acquisition-date fair value of water rights acquired in business combinations and necessary to operate hydroelectric power stations. Water rights with finite useful lives are amortized on a straight-line basis over a useful life of 20 to 30 years, representing the shorter of the contractual term and the period over which the Corporation expects to use those rights. Water rights with indefinite useful lives are not amortized, as there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. The amortization method and useful lives are reviewed at each reporting date.

Development projects

Development projects refers to renewable energy projects generated internally by the Corporation as well as projects under development that the Corporation acquires separately or through business combinations. They are measured at cost, net of any impairment losses, and are not amortized since the facilities related to the projects are not yet ready for use as intended.

When the Corporation incurs research and development expenditures for a project, it distinguishes between expenditures attributable to the "research" stage and those attributable to the "development" stage. The research stage is the investigation undertaken with the prospect of gaining new technical knowledge and understanding. The development stage is the application of results from the research stage to a plan for the construction of the related facilities. The Corporation expenses research expenditures under *Development* as they are incurred. Development expenditures are capitalized in *Development projects* when all the following criteria are met: (i) the technical feasibility to complete the project so that it will be commissioned; (ii) management's intention to complete the project and commission it; (iii) the ability to commission the project; (iv) how the project will generate probable future economic benefits, including the existence of a market for the output of the project; (v) the availability of adequate technical, financial and other resources to complete the project and commission it; and (vi) the ability to measure reliably the expenditures attributable to the project during its development. Until then, development expenditures are expensed under *Development* as they are incurred and are never capitalized subsequently.

The Corporation reclassifies the carrying amount of development projects in *Property, plant and equipment* from the date on which construction of the related facilities begins. *Development projects* are tested for impairment annually, or when there is indication of impairment, to determine whether an impairment loss shall be recognized.

Goodwill

Goodwill arises from business combinations and represents the excess of the consideration transferred over the acquisition-date fair value of the identifiable net assets acquired. It is measured at cost, net of accumulated impairment losses. Goodwill is not amortized, and is tested for impairment annually, or when there is an indication of impairment, to determine whether an impairment loss shall be recognized. Any impairment loss is recognized in net earnings (loss) in the period in which it arises.

Other non-current assets

Other non-current assets consist mainly of investment tax credits receivable and prepayments to suppliers relating to the acquisition of property, plant and equipment. Prepayments are transferred to property, plant and equipment when the Corporation obtains control of the related assets.

Impairment of long-lived assets

Goodwill, water rights with indefinite useful lives, and intangible assets that are not yet ready for use, are tested for impairment annually. These assets, as well as long-lived assets with a finite useful life, are also tested for impairment when particular events or changes in circumstances indicate that their carrying amounts might not be recoverable. An impairment loss is recognized when the carrying amount exceeds the recoverable amount.

At each reporting date, if there is any indication that an impairment loss recognized in a prior period no longer exists or has decreased, the loss is reversed up to the recoverable value. The carrying amount following the reversal must not be higher than the carrying amount that would have prevailed (net of amortization) had the original impairment not been recognized in prior periods. Goodwill impairment charges cannot be reversed.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, the recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. For the purpose of goodwill impairment testing, from the acquisition date, goodwill is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the business combination.

The recoverable amount of an asset, a CGU or a group of CGUs is the higher of its fair value less costs of disposal and its value in use. To calculate value in use, estimated future cash flows are discounted to their present value using a rate that reflects changes in the time value of money and the risks specific to the asset or the CGU. When determining fair value less costs of disposal, the Corporation considers whether there is a current market price for the asset. The discounted cash flow method consists of projecting cash flows and converting them into present values by applying discount rates.

Provisions

A provision is recognized in the consolidated statements of financial position when the Corporation has a present obligation (legal or constructive) as a result of a past event and it is probable that the settlement of the obligation will require a payment or cause a financial loss, and a reliable estimate can be made of the amount of the obligation. At each reporting date, the Corporation reviews its provisions and adjusts them to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is derecognized.

Contingent consideration

Contingent consideration, accounted for upon asset acquisitions or business combinations, consists of a contingent compensation agreement between the parties to the share or asset purchase agreements. Under the terms of the agreements, the Corporation could have future amounts payable to the seller based on the achievement of certain criteria. Contingent consideration relating to asset acquisitions is capitalized to property, plant and equipment or intangible assets when the Corporation has a present obligation, it is probable that the settlement will result in a payment and the amount of the settlement can be reliably estimated.

Other non-current liabilities

Other non-current liabilities include deferred government grants, decommissioning liabilities, and deferred revenue.

Decommissioning liabilities

Decommissioning and site restoration liabilities are recognized at the present value of the estimated future cash outflows in the period during which a legal or constructive obligation is incurred, when the amount of the liabilities can be reliably estimated and it is probable that the settlement of the obligation will require a financial payment. Decommissioning costs are capitalized into the value of the related right-of-use assets and are amortized over the asset's remaining useful life. The liabilities are discounted using a pre-tax interest rate that reflects the assessment of the risks specific to the liability. Revisions to estimated amounts or the timing of undiscounted cash flows or changes in the discount rate are accounted for as part of the carrying amount of the related right-of-use assets.

The Corporation has a legal or contractual obligation to decommission its wind, solar, and storage facilities when their commercial operations are discontinued. These costs are mostly related to the removal, transportation and disposal of the facilities, as well as site restoration.

Supplier finance arrangements

The Corporation uses supplier finance arrangements to optimize its cash. An analysis is conducted to determine whether the supplier finance arrangements result in derecognition of the initial account payable and recognition of a financing.

Tax equity liabilities

The Corporation has entered into partnerships with tax equity investors ("TEI") in the United States. The partnership agreements apportion the cash flows generated by the partnerships as well as the related taxable income or losses and the investment or production tax credits between the TEI and the project sponsors (sponsors are usually the Corporation as well as non-controlling shareholders). Typically, tax equity structures grant the TEI the majority of the projects' taxable income and renewable tax incentives, along with a smaller portion of the projects' cash flows, until a contractually determined point at which the allocations are adjusted (the "flip point"). The flip point dates can be either fixed or can depend on the achievement of certain pre-determined conditions. Subsequent to the flip point, the majority of the projects' cash flows, taxable income and renewable energy tax incentives are allocated to the project sponsors.

The TEI's interests in the partnerships represent financial liabilities and are recorded in the consolidated statements of financial position in *Other non-current financial liabilities*. In addition to the above, the Corporation has options to repurchase the TEI interests during a defined period following the flip points, which are recorded at fair value under *Other non-current financial liabilities* in the consolidated statements of financial position. If the repurchase option is not exercised following the flip point, the TEI shares the risks and benefits of the project as a shareholder, the TEI's interest will be accounted for as a non-controlling interest and the financial liability is reclassified to *Non-controlling interests*.

Income taxes

The Corporation accounts for its income taxes using the deferred tax assets and liabilities method. Deferred income tax assets and liabilities are determined based on the difference between the carrying amount and the tax basis of the assets and liabilities. Any change in the net amount of deferred income tax assets and liabilities is recognized in earnings (loss). Deferred income tax assets and liabilities are determined based on enacted or substantively enacted tax rates and laws for each jurisdiction that are expected to apply to taxable income for the periods in which the assets and liabilities will be recovered or settled. Deferred income tax assets are recognized when it is likely they will be realized. Deferred tax assets and liabilities are reported under non-current assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same tax authority. Current tax assets and liabilities are offset when the entity has a legally enforceable right to offset and intends to settle on a net basis or realize the asset and recognize the liability simultaneously.

Note 3. Material accounting policies (cont'd)

The tax expense includes current and deferred taxes. This expense is recognized in net earnings (loss), except for income taxes related to the components of *Hedging reserve and other* or in equity, in which case the tax expense is recognized in *Hedging reserve and other* or in equity, respectively.

Current income tax assets or liabilities are obligations or claims for the current and prior periods to be recovered from (or paid to) taxation authorities that are still outstanding at the end of the reporting period and included under current assets or liabilities. Current tax is payable on taxable profit, which differs from net earnings (loss). This calculation is made using tax rates and laws enacted for each jurisdiction at the end of the reporting period.

The Corporation recognizes a deferred income tax asset or liability for all temporary differences generated by interests in subsidiaries and in joint ventures, except where it is likely that the temporary difference will not reverse in the foreseeable future and the Corporation is able to control the date of the reversal of the temporary difference.

The Corporation has elected to recognize initial future income taxes on temporary differences between the carrying amount and the tax basis resulting from the acquisition of transparent companies. As a result, the consideration has been added to the cost of the acquired interests for interests accounted for under the equity method.

Equity

Capital stock is presented at the value at which the shares were issued. Costs related to the issuance of stock are presented in equity, net of taxes, as a deduction from issuance proceeds.

Stock-based compensation

Stock options granted to senior management are measured at fair value. This fair value is then recognized in net earnings (loss) over the vesting period based on service conditions for senior management with an offsetting increase in *Contributed surplus*. Fair value is determined using the Black-Scholes model. Any consideration paid by employees on the exercise of stock options is credited to *Capital stock*.

Stock option expense is recorded in net earnings (loss), and the cumulative value of unexercised options outstanding is included under *Contributed surplus*.

Revenues from energy sales

The Corporation recognizes revenue from energy sales when control of the energy is transferred to the customer, usually at the delivery point. Revenues are recorded at the amount of consideration the Corporation expects to be entitled to receive based on the power purchase agreements ("PPAs") in effect or on the market price for revenues generated outside a PPA.

Contractual compensation received or receivable in respect of electricity not supplied is recorded when it is highly probable that the compensation will be received.

Feed-in premiums

Feed-in premium ("FiP") contracts are a form of financial assistance provided by the French government to renewable energy producers in addition to the market price received by the producer for sales of electricity on the market. When the market price received by the Corporation for a given facility is less than the FiP contractual price for that facility, the Corporation obtains a FiP equivalent to the difference between the market price and the contractual price. When the market price exceeds the FiP contractual price, the Corporation has an obligation to pay any excess to the French government.

FiP contracts are, in substance, a government grant. FiPs are recorded in *Feed-in premiums* at the same time as the related revenue from energy sales is recognized.

Other revenues

Other revenues comprise maintenance and management fee revenues from joint ventures and associates, compensation paid by transmission system operators for energy not supplied, as well as income related to the balancing mechanism, which remunerates curtailment of production required to maintain grid balance. These revenues are recognized as the services are rendered.

Government grants

Refundable tax credits are, in substance, a government grant, and are therefore recognized when there is reasonable assurance that the eligibility criteria for the credit will be met and the payments will be received. They are recorded under *Other non-current assets* or *Other current assets* as and when eligible investments are incurred, based on management's estimates. Government grants related to assets are initially recognized under *Other non-current liabilities* in the consolidated statements of financial position. They are subsequently recognized in net earnings (loss) under *Other revenues*, on a straight-line basis over the same term as the underlying assets, following the amortization method for these assets. Government grants related to net earnings (loss) are recognized as a reduction of the eligible expense to which they relate when incurred.

Net earnings (loss) per share

Net earnings (loss) per share (basic and diluted) is determined based on the weighted average number of Class A shares outstanding during the year. The calculation of diluted earnings (loss) per share takes into account the potential impact of the exercise of all dilutive instruments, i.e., stock options, on the theoretical number of shares. Diluted earnings (loss) per share is calculated using the treasury stock method to determine the dilutive effect of the stock options. For options that have a dilutive effect, i.e., when the average share price for the period is higher than the exercise price of the options, these methods assume that the options have been exercised at the beginning of the period and that the resulting proceeds have been used to buy back common shares of the Corporation at their average price during the period.

Changes in accounting policies

Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB published the amendments to IFRS 9 and IFRS 7 - *Contracts Referencing Nature-Dependent Electricity*. The amendments clarify the application of "own-use" requirements, the use of hedge accounting, and add new disclosure requirements relating to the effects of these contracts on financial performance and cash flows.

The Corporation early adopted the amendments on April 1, 2025. The adoption of these amendments had no impact on the consolidated financial statements.

The Corporation has also reviewed other new and amended IFRS Accounting Standards issued by the IASB that came into effect and concluded that they either do not apply to its operations or are not expected to have a material impact on its consolidated financial statements.

Future changes in accounting policies

Amendments to IFRS 9 and IFRS 7

In December 2024, the IASB issued amendments to IFRS 9 and IFRS 7 related to the classification and measurement of financial instruments. The amendments clarify certain concepts such as the classification of financial assets with environmental, social and governance ("ESG") features and establish a derecognition date for liabilities settled through electronic payment systems. The amendments add disclosure requirements for financial instruments designated at fair value through other comprehensive income. The amendments are effective for annual reporting periods beginning on or after January 1, 2026. The Corporation expects these amendments to possibly impact the extent of disclosures provided in the notes to the consolidated financial statements, with no expected impact on the Corporation's financial position, earnings or cash flows.

IFRS 18, *Presentation and Disclosure in Financial Statements*

The IASB issued IFRS 18, *Presentation and Disclosure in Financial Statements*, which will replace IAS 1, *Presentation of Financial Statements*. The new standard will change how companies present their results in the main body of the statements of earnings (loss) and provide information in the notes to the financial statements. In addition, IFRS 18 will introduce required disclosures in the notes to the financial statements of management-defined performance measures that are communicated outside the entity's financial statements. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Corporation is currently assessing the impact of this new standard on its consolidated financial statements.

Note 4. Main sources of uncertainty

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make estimates and judgments that can materially affect revenues, expenses, comprehensive income, assets and liabilities, and the information reported in the consolidated financial statements.

The following items require management to make the most critical estimates and judgments:

Main sources of uncertainty relating to management's key estimates

Management determines its estimates based on a number of factors, namely its experience, current events and measures the Corporation could subsequently take, as well as other assumptions it deems reasonable given the circumstances. By their nature, these estimates are subject to measurement uncertainty and actual results may differ from them. Underlying estimates and assumptions are periodically reviewed and the impact of any changes is recognized immediately.

Recoverable amount – Impairment of assets

Every year, management tests for impairment its CGUs and groups of CGUs containing intangible assets with indefinite useful lives or goodwill. Also, at each reporting date, if any evidence of impairment exists, the Corporation performs impairment tests on its long-lived assets with indefinite and finite useful lives and goodwill. The goal of these tests is to assess whether the carrying amounts of these assets are recoverable. Recoverable amounts are determined based on discounted cash flows projected over the terms of projects using rates that factor in current economic conditions and management's estimates based on past experience of the Corporation as well as expectations of future cash flows. Expected future cash flows are inherently uncertain and could materially change over time. They are significantly affected by a number of key assumptions, including anticipated production, selling prices, expenses and discount rates.

Discount rate

The discount rate estimated and used by management represents the weighted average cost of capital determined for a CGU or a group of CGUs.

Anticipated production

For each facility, the Corporation determines long-term average annual energy production over the expected life of the facility, based on engineering studies that consider several important factors: for wind power, past wind and weather conditions and turbine technology; for hydroelectric power, historical water flow and head height, technology used and aesthetic and ecological instream flows; for solar power, historical sunlight conditions, panel technology and their expected degradation. Other factors considered include site topography, installed capacity, curtailment, energy losses, operational characteristics and maintenance. Although varying from year to year, production is expected to approximate estimated long-term average production.

Selling price

The Corporation uses contractual selling prices when fixed-price contracts exist; cash flows subsequent to contract expiry are estimated using projected price curves.

Useful life of property, plant and equipment and intangible assets with finite useful lives

In assessing the useful lives of property, plant and equipment and intangible assets with finite useful lives, management takes into account estimates of the expected use period of the asset. Such estimates of useful life are reviewed annually and the impacts of any changes are accounted for prospectively. The same useful lives are then used in estimating lease renewals and expected decommissioning of facilities.

Fair value of financial instruments

The fair value of a financial instrument is the amount of consideration that would be agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act. Fair value is determined using discounted cash flows models and requires the use of assumptions concerning the amount and timing of estimated future cash flows, as well as for numerous other variables. These assumptions are determined using external, readily observable market inputs when available. Otherwise, management makes its best estimate of what market participants would use for these instruments. Since they are based on estimates, fair values may not be realized in an actual sale or immediate settlement of the instruments. Refer to note 18 of these consolidated financial statements for a more detailed explanation of the basis for the calculations and estimates used.

Main sources of uncertainty relating to management's key judgments

Asset impairment indicators

At each reporting date, management is required to use its judgment to assess whether there is any evidence that property, plant and equipment, intangible assets and goodwill may be impaired. If applicable, the Corporation performs impairment tests on its CGUs or groups of CGUs to assess whether the carrying amounts of assets are recoverable. As described in the previous section, various estimates made by management are used in the impairment tests.

Management is required to exercise judgment and assess whether any events or changes in circumstances could have affected the recoverability of the carrying amount of assets. In making these assessments, management uses various indicators including, but not limited to, adverse changes in the industry or economic conditions, changes in the degree or method of use of the asset, changes in production, a lower-than-expected economic performance of the asset or a significant change in interest rates.

Business combination or asset acquisition

When a development project is acquired, management is required to exercise its judgment to determine whether the transaction constitutes a business combination under IFRS 3 or an asset acquisition. Management determines that a transaction for a project acquisition is defined as a business combination when an acquired development project has completed the key steps required to obtain construction permits and an energy sales or feed-in premium contract. When the acquisition includes a portfolio of projects, management assesses whether it has acquired a process that allows it to complete the development of the acquired projects.

Consolidation

Significant judgment is required to assess whether the structure of certain investments represents control or joint control of, or significant influence over, an investee. Management's assessment of control or joint control of, or significant influence over, an investee has a material impact on the accounting treatment. Management is required to make significant judgments regarding the relevant activities of an investee and as to whether it has power over such activities. The relevant activities of an investee can change over time and are therefore subject to periodic review.

Feed-in premiums

Significant judgment is exercised by management to determine whether a feed-in premium ("FiP") contract should be recorded as a government grant. This judgment also applies to similar contracts, such as contracts for differences in the United Kingdom. The Corporation determines the accounting treatment for this type of contract at its inception. The Corporation estimates the cumulative net position at the inception date based on expected future cash flows from the FiP contract, which depend on estimates of future energy production and future market prices. When, at the inception date of the FiP contract, the estimated cumulative net position is positive, the Corporation treats the FiP contract as a government grant under IAS 20. When, at the inception date of the FiP contract, the cumulative net position is negative, management uses judgment to determine whether the FiP contract is more akin to a derivative financial instrument contract under IFRS 9 rather than a government grant under IAS 20. In making this judgment, management considers all the facts and circumstances and examines the terms and conditions of the FiP contract, including early termination clauses, to determine whether they are economically similar to those of financial contracts entered into with non-government entities.

Note 5. Property, plant and equipment

(in millions of Canadian dollars)	Wind farms	Hydroelectric power stations	Battery energy storage systems	Solar power stations	Assets under construction	Other	Total
Year ended December 31, 2024:							
Balance – beginning of year	2,525	327	—	322	157	24	3,355
Translation adjustment	26	6	—	23	8	—	63
Additions	5	9	—	1	810	2	827
Transfer of assets from development projects	—	—	—	—	17	—	17
Transfer of newly commissioned assets	154	1	—	23	(178)	—	—
Amortization	(157)	(14)	—	(13)	—	(3)	(187)
Other	—	—	—	(5)	—	—	(5)
Balance – end of year	2,553	329	—	351	814	23	4,070
As at December 31, 2024:							
Cost	4,006	496	—	465	814	53	5,834
Accumulated amortization	(1,453)	(167)	—	(114)	—	(30)	(1,764)
Net carrying amount	2,553	329	—	351	814	23	4,070
Year ended December 31, 2025:							
Balance – beginning of year	2,553	329	—	351	814	23	4,070
Translation adjustment	113	(4)	—	(5)	11	1	116
Additions	3	5	—	3	312	4	327
Transfer of newly commissioned assets	399	—	174	—	(573)	—	—
Amortization	(184)	(16)	—	(13)	—	(4)	(217)
Impairment	(10)	—	—	—	—	—	(10)
Other	4	—	1	—	4	(1)	8
Balance – end of year	2,878	314	175	336	568	23	4,294
As at December 31, 2025:							
Cost	4,595	491	176	460	568	57	6,347
Accumulated amortization	(1,717)	(177)	(1)	(124)	—	(34)	(2,053)
Net carrying amount	2,878	314	175	336	568	23	4,294

As at December 31, 2025, an amount of \$92 million (\$382 million in 2024) of additions to property, plant and equipment was unpaid and was included in *Trade and other payables*.

Note 6. Leases

The following table shows the change and the breakdown of the Corporation's right-of-use assets:

(in millions of Canadian dollars)	Land	Buildings	Other	Total
Year ended December 31, 2024:				
Balance – beginning of year	335	14	21	370
Translation adjustment	6	1	—	7
Additions	34	5	11	50
Disposals	(25)	(1)	—	(26)
Amortization	(19)	(3)	(3)	(25)
Balance – end of year	331	16	29	376
As at December 31, 2024:				
Cost	435	26	38	499
Accumulated amortization	(104)	(10)	(9)	(123)
Net carrying amount	331	16	29	376
Year ended December 31, 2025:				
Balance – beginning of year	331	16	29	376
Translation adjustment	13	1	1	15
Additions	2	2	6	10
Disposals	(4)	—	—	(4)
Amortization	(20)	(3)	(4)	(27)
Balance – end of year	322	16	32	370
As at December 31, 2025:				
Cost	448	29	44	521
Accumulated amortization	(126)	(13)	(12)	(151)
Net carrying amount	322	16	32	370

Cash outflows related to leases totalled \$37 million in 2025 (\$34 million in 2024).

Note 7. Intangible assets and Goodwill

(in millions of Canadian dollars)	Other intangible assets				Total	Goodwill
	Energy sales contracts and other rights	Water rights	Development projects	Other intangible assets		
Year ended December 31, 2024:						
Balance – beginning of year	879	76	19	12	986	234
Translation adjustment	20	—	1	—	21	3
Additions	1	—	31	—	32	—
Internally generated	—	—	26	3	29	—
Transfer to property, plant and equipment	—	—	(17)	—	(17)	—
Amortization	(80)	(2)	—	(3)	(85)	—
Impairment	—	—	(3)	—	(3)	—
Balance – end of year	820	74	57	12	963	237
As at December 31, 2024:						
Cost	1,377	114	57	26	1,574	237
Accumulated amortization	(557)	(40)	—	(14)	(611)	—
Net carrying amount	820	74	57	12	963	237
Year ended December 31, 2025:						
Balance – beginning of year	820	74	57	12	963	237
Translation adjustment	14	—	1	—	15	9
Additions	—	—	9	—	9	—
Internally generated	—	—	45	5	50	—
Amortization	(71)	(3)	—	(3)	(77)	—
Impairment	(4)	—	(3)	—	(7)	—
Other	—	—	(2)	—	(2)	—
Balance – end of year	759	71	107	14	951	246
As at December 31, 2025:						
Cost	1,395	114	107	30	1,646	246
Accumulated amortization	(636)	(43)	—	(16)	(695)	—
Net carrying amount	759	71	107	14	951	246

An amount of \$12 million (\$8 million in 2024) in additions to intangible assets was unpaid as at December 31, 2025 and was included in *Trade and other payables*.

The weighted average amortization period of intangible assets with finite useful lives is as follows:

Energy sales contracts and other rights	21 years
Water rights	27 years

Water rights of the Buckingham hydroelectric power station, which amounted to \$38 million in 2025 and 2024, are not amortized given their indefinite useful life. *Development projects* consist primarily of battery energy storage system and solar power projects in North America and wind power projects in Europe. *Other intangible assets* consist primarily of an enterprise resource planning system.

The following table shows the allocation of *Goodwill* by groups of CGUs:

(in millions of Canadian dollars)	As at December 31, 2025	As at December 31, 2024
North America	124	124
Europe	122	113
	246	237

During the year ended December 31, 2025, the Corporation performed the annual impairment test on goodwill of the North America and Europe CGUs, as well as on the indefinite-life water rights of the Buckingham hydroelectric facility. At the date the tests were performed, the recoverable amounts exceeded the carrying amounts. For all tests performed, the recoverable amount was determined based on fair value less costs of disposal. The recoverable amount was estimated using cash flow projections over periods ranging from 25 to 40 years and discounted using discount rates ranging from 5.94% to 5.99%.

Note 8. Interests in joint ventures and associates

(a) Information on joint ventures and associates

As at December 31, 2025 and 2024 the Corporation's main joint ventures and associates were as follows:

Name of entity	Type	% Boralex	Location
Seigneurie de Beaupré Wind Farms 2 and 3 General Partnership ("SDB I")	Joint venture	50%	Canada
Seigneurie de Beaupré Wind Farm 4 GP ("SDB II")	Joint venture	50%	Canada
Le Plateau Community Wind Power L.P. ("LP II")	Joint venture	60%	Canada
Des Neiges Holding Sud, s.e.n.c. ("Des Neiges Sud") ⁽¹⁾	Joint venture	50%	Canada
Des Neiges Holding Charlevoix, s.e.n.c. ("Des Neiges Charlevoix") ⁽¹⁾	Joint venture	50%	Canada
Parc éolien Apuiat inc. ("Apuiat")	Joint venture	50%	Canada
Roosevelt HoldCo, LLC ("MiRose")	Joint venture	50%	United States
LongSpur Wind Holdings, LLC ("LongSpur")	Joint venture	50%	United States
TX Hereford Wind Holdings, LLC ("Hereford") ⁽²⁾	Joint venture	50%	United States
Roncevaux Wind Power L.P. ("Roncevaux")	Associate	50%	Canada

⁽¹⁾ A non-controlling shareholder holds an interest in the project entities, bringing the Corporation's net economic interest to 33%.

⁽²⁾ Since May 2025, the economic share of the results of the joint venture is 50%, compared to 48% from January to April 2025. As at December 31, 2024, the Corporation's economic share of the results of the joint venture was 11.3%, reflecting the interest held by a non-controlling shareholder in the wind farm.

The following table presents the changes in *Interests in joint ventures and associates*:

(in millions of Canadian dollars)	2025	2024
Balance as at January 1	580	510
Acquisition of interests ⁽²⁾	159	129
Share of net earnings	38	48
Share of other comprehensive income	2	(1)
Distributions ⁽¹⁾	(105)	(103)
Translation adjustment	(16)	32
Impairment	—	(35)
Other ⁽²⁾	(12)	—
Balance as at December 31	646	580

⁽¹⁾ For the year ended December 31, 2025, certain joint ventures not subject to income tax recorded government grants in the form of refundable tax credits amounting to \$54 million (64 M\$ en 2024). These tax credits receivable were recorded as distributions with no impact on cash flows.

⁽²⁾ See section f) of this note.

(b) Material joint ventures

The following table presents the summarized financial information of the joint ventures considered material:

(in millions of Canadian dollars)	2025				2024			
	SDB I	MiRose	LongSpur	Apuiat ⁽¹⁾	SDB I	MiRose	LongSpur	Apuiat ⁽¹⁾
Cash and cash equivalents	13	4	9	33	12	6	7	25
Other current assets	15	6	4	24	12	8	7	7
Current assets	28	10	13	57	24	14	14	32
Non-current assets	403	343	369	1,216	429	390	420	816
Current financial liabilities	36	11	22	—	34	50	22	—
Other current liabilities	6	6	12	92	6	11	9	30
Current liabilities	42	17	34	92	40	61	31	30
Non-current financial liabilities	255	8	23	699	290	18	54	566
Other non-current liabilities	64	45	60	324	68	47	66	95
Non-current liabilities	319	53	83	1,023	358	65	120	661
Net assets	70	283	265	158	55	278	283	157
Boralex's share	50%	50%	50%	50%	50%	50%	50%	50%
Adjustments ⁽²⁾	—	33	7	(10)	—	34	7	(31)
Balance of Interests	35	174	139	69	27	173	148	48
Revenues from energy sales and feed-in premiums	100	45	43	12	89	41	45	—
Other revenues ⁽³⁾	3	56	33	1	1	59	62	—
	103	101	76	13	90	100	107	—
Amortization	25	30	30	4	25	31	34	—
Financing costs	21	6	9	6	23	9	13	—
Income tax expense	—	—	—	3	—	—	—	—
Net earnings (loss) ⁽⁴⁾	37	44	17	(32)	23	39	42	—
Other comprehensive income (loss)	—	—	—	11	(6)	—	—	(1)
Comprehensive income	37	44	17	(21)	17	39	42	(1)
Distributions	11	17	11	27	13	8	10	63

⁽¹⁾ The joint venture's results for the year 2025 include two months of operations, starting from its commissioning on October 28, 2025.

⁽²⁾ The adjustments mainly include certain tax credits that are not allocated based on the partners' ownership percentage, as provided for in the partnership agreements.

⁽³⁾ Includes production tax credits and the amortization of investment tax credits.

⁽⁴⁾ Net loss for Apuiat includes \$21 million of construction costs that did not meet the capitalization criteria.

(c) Joint ventures and associates not considered individually material

The following table presents information about joint ventures not considered individually material:

(in millions of Canadian dollars)	2025	2024
Interests in joint ventures - balance as at December 31	206	206
Corporation's share of the following:		
Net earnings (loss)	1	(8)
Other comprehensive income (loss)	(3)	2
Comprehensive loss	(2)	(6)

The following table presents information about associates not considered individually material:

(in millions of Canadian dollars)	2025	2024
Interests in associates - balance as at December 31	23	26
Corporation's share of the following:		
Net earnings	2	—

(d) Impairment

As at December 31, 2024, the Corporation recorded an impairment of \$35 million (US\$24 million) relative to its investment in a joint venture in the United States. The recoverable value was determined using a fair value less costs of disposal approach, based on management's forecasts of future cash flows, which take into account the estimated future performance of the joint venture. The fair value is classified at Level 3 of the fair value hierarchy, and the key assumptions used are anticipated production, energy sales prices and the discount rate.

(e) Commitments to joint ventures

The Corporation has committed to certain joint ventures through contracts and letters of credit to support the development and the construction of projects for a total amount of \$218 million as at December 31, 2025 (\$203 million in 2024).

(f) Reorganization – Apuiat

In October 2025, the structure of the Apuiat joint venture was modified, resulting in a change in the recording of the clean technology investment tax credit ("ITC") and income taxes, which will now be recognized within the joint venture as it is subject to income tax.

In accordance with the Corporation's accounting policies, when a joint venture is not subject to income tax, ITCs are considered to be distributed to the partners as eligible assets are acquired. However, since the joint venture is now subject to income tax, it will receive the ITC directly.

Consequently, the Corporation recorded a \$70 million reduction in *Other non-current assets* related to ITCs previously recognized, as well as an increase in *Investment in joint ventures and associates*, representing a non-cash contribution equal to the amount of the ITC receivable at the time of the restructuring. This transaction had no impact on cash flows.

In addition, the Corporation recorded a reduction of \$12 million in *Deferred income tax liability* and a corresponding reduction in *Investment in joint ventures and associates* to reflect the fact that the joint venture is now subject to income tax.

Note 9. Debt

(in millions of Canadian dollars, unless otherwise specified)	Note	Maturity	Rate ⁽¹⁾	Original currency ⁽²⁾	As at December 31,	As at December 31,
					2025	2024
Corporate debt						
Revolving credit facility	(a)	2030	4.67	—	96	124
Term loan (La Caisse/FSTQ)		2028	5.64		300	300
Term loan (La Caisse/Fondaction)	(b)	2033	6.30		250	—
Total corporate debt				—	646	424
Project debt						
North America						
Canada						
Term loans:						
Sanjgon battery energy storage system ⁽³⁾⁽⁴⁾		2030	4.58		165	98
Thames River wind farms		2031	7.05		64	75
Témiscouata I wind farm		2032	5.34		26	29
LP I wind farm		2032	4.20		103	119
DM I and II wind farms		2033	6.25		180	197
Port Ryerse wind farm		2034	4.28		18	19
Frampton wind farm		2035	4.21		43	46
Côte-de-Beaupré wind farm		2035	4.28		37	40
Témiscouata II wind farm		2035	4.70		84	85
Niagara region wind farm (“NRWF”)		2036	4.63		569	611
Moose Lake wind farm		2044	5.15		41	43
Hagersville battery energy storage system ⁽³⁾		2045	4.71		508	375
Jamie Creek hydroelectric power station		2054	5.42		54	54
Yellow Falls hydroelectric power station		2056	5.01		67	68
Other debt		—	—		1	1
					1,960	1,860
United States						
Term loans:						
Boralex US Solar portfolio of solar power stations		2028	2.93	132	181	198
Roosevelt HoldCo, LLC (“MiRose”) joint venture		2029	5.49	14	20	24
				146	201	222
Total North America				146	2,161	2,082

⁽¹⁾ Weighted average rates, adjusted to reflect the impact of interest rate swaps and calculated using the effective interest method, where applicable.

⁽²⁾ Original currencies are EUR (France), GBP (United Kingdom) and USD (United States).

⁽³⁾ Includes bridge loans of \$45 million for Sanjgon and \$141 million for Hagersville. The bridge loans are repayable at the earlier of receipt of the ITCs or December 2027. Accordingly, no amount is presented under *Current portion of debt*.

⁽⁴⁾ Formerly the Tilbury project.

(in millions of Canadian dollars, unless otherwise specified)	Note	Maturity	Rate ⁽¹⁾	Original currency ⁽²⁾	As at December 31, 2025	As at December 31, 2024
Europe						
France						
Facilities:						
Borex Energy Investments projects portfolio - Construction facility	(c)	2028	3.50	—	—	117
Other facilities	(f)	2026	3.53	20	32	15
Term loans:						
Val aux Moines wind farm		2034	3.93	11	18	19
Borex Énergie France portfolio of wind farms		2036	1.69	115	185	195
Cruis solar power station		2039	5.30	10	17	17
Helfaut wind farm		2040	4.20	18	29	31
Moulin Blanc wind farm		2042	3.71	26	42	36
Les Moulins du Lohan wind farm		2043	2.92	55	89	87
Grange du Causse solar power station		2044	3.24	8	12	12
Sainte-Christine portfolio of wind farms	(d)	2045	2.40	433	698	651
Borex Production portfolio of wind farms	(d)	2045	3.78	132	213	127
Febvin Palfart wind farm	(e)	2045	3.45	13	21	—
Other debt		—	—	4	6	5
				845	1,362	1,312
United Kingdom						
Term loan:						
Limekiln wind farm		2043	5.95	117	217	214
Total Europe					1,579	1,526
Total project debt					3,740	3,608
Debt – Principal balance			4.31		4,386	4,032
Current portion of debt					(232)	(339)
Transaction costs, net of accumulated amortization					(74)	(76)
					4,080	3,617

⁽¹⁾ Weighted average rates, adjusted to reflect the impact of interest rate swaps and calculated using the effective interest method, where applicable.

⁽²⁾ Original currencies are EUR (France), GBP (United Kingdom) and USD (United States).

(a) Refinancing of the revolving credit facility and increase in the authorized letter of credit facility

In February 2025, the Corporation closed an extension of its revolving credit facility and letter of credit facility to February 2030. The agreement also increased the accordion clause to \$200 million, in order to provide Borex with future access to an additional amount under the same terms and conditions as for the line of credit.

In April 2025, the amount of Borex's letter of credit facility guaranteed by Export Development Canada was increased by \$120 million, bringing the total authorized amount to \$470 million until April 2027.

(b) La Caisse/Fondation term loan

On June 27, 2025, Borex closed additional corporate financing of \$250 million in the form of unsecured subordinated debt maturing in eight years. The financing was provided by La Caisse (previously CDPQ) together with a new partner, Fondation, each investing \$200 million and \$50 million, respectively. The non-amortizing loan bears interest at a fixed annual rate of 6.3%, payable semi-annually with no principal repayment prior to maturity.

(c) Borex Energy Investments projects portfolio – Construction facility

The construction facility for Borex Energy Investments portfolio projects represents a bridge financing facility for projects under construction and must be repaid within 18 months of project commissioning. A repayment of \$131 million (€82 million) was made on July 31, 2025 using incremental tranches of term loans – France.

(d) Incremental tranches of term loans – France

On July 28, 2025, Boralex closed two incremental tranches totalling \$164 million (€104 million) under the term loans of the Boralex Production and Saint-Christine portfolios of wind farms. The financings, repayable on a quarterly basis, comprise \$157 million (€100 million) in term loans and a \$7 million (€4 million) letter of credit facility for debt service. The loans bear interest at a variable rate based on EURIBOR, plus a margin, and will be amortized over a 20-year period. In order to reduce exposure to interest rate changes, interest rate swaps were entered into to cover 80% of long-term debt, as required by the credit agreements.

(e) Financing of the Febvin Palfart wind farm

On June 19, 2025, Boralex closed the financing for the Febvin Palfart wind farm in France. The \$27 million (€17 million) financing includes a \$24 million (€15 million) construction facility, a \$2 million (€1 million) value-added tax bridge financing facility, and a \$1 million (€1 million) letter of credit facility for debt service. The term loan bears interest at a variable rate based on EURIBOR, plus a margin, and will be amortized over a period of 20 years with quarterly repayments. In order to reduce exposure to interest rate fluctuations, an interest rate swap was entered into to cover 80% of the long-term debt.

(f) Revolving credit facilities – France

On June 19, 2025, Boralex closed a \$32 million (€20 million) revolving credit facility to finance the construction of future wind and solar power projects in France. An amount of \$16 million (€10 million) had been drawn on this credit facility as at December 31, 2025.

On December 16, 2025, Boralex renewed and negotiated an increase to its short-term credit facility, raising the authorized amount from \$16 million (€10 million) to \$24 million (€15 million) for a period of 2 years. This credit facility bears interest at a variable rate based on EURIBOR, adjusted for a margin, and the authorized limit will be reduced by 50%, to \$12 million (€7.5 million), on December 31, 2026. An amount of \$16 million (€10 million) had been drawn on this credit facility as at December 31, 2025.

Current portion of debt

(in millions of Canadian dollars)	As at December 31, 2025	As at December 31, 2024
Term loans – projects	232	226
Construction facility – Boralex Energy Investments projects portfolio	—	110
Value-added tax bridge financing facility ⁽¹⁾	—	3
	232	339

⁽¹⁾ Temporary financing for value-added tax (VAT) paid for construction sites in France and the United Kingdom.

Financial ratios and guarantees

As at December 31, 2025, the Company has access to the following letter of credit facilities:

(in millions of Canadian dollars)	As at December 31, 2025		As at December 31, 2024	
	Authorized	Issued	Authorized	Issued
EDC	470	372	350	330
Related to project debt	204	163	206	159
RBC	50	42	—	—
	724	577	556	489

In November 2025, Boralex signed a new facility with RBC for an authorized amount of \$50 million.

In addition, as at December 31, 2025, the Company had drawn \$61 million (\$33 million as at December 31, 2024) in letters of credit under the revolving credit facility.

As at December 31, 2025, the carrying amount of assets pledged as collateral for borrowings was \$4,901 million (\$4,662 million in 2024). The project term loans are non-recourse to the parent company.

The majority of the Corporation's project debts have debt service coverage ratios that must be met on a quarterly, semi-annual or annual basis, whereas the corporate debt agreements include covenants related to compliance of interest coverage ratios and debt/EBITDA ratios on a quarterly basis. As at December 31, 2025, management considered that all ratios and financial commitments were met.

Note 10. Deferred government grants

As at December 31, 2025, the Corporation has recorded an amount of \$191 million in *Other non-current liabilities* for government grants related to assets, specifically refundable investment tax credits for clean technologies (\$140 million as at December 31, 2024).

The amounts recorded are subject to certain requirements related to labour, as well as the determination of eligible property that qualifies for the government grants.

Note 11. Income taxes

The breakdown of income tax expense is as follows:

(in millions of Canadian dollars)	2025	2024
Current taxes:		
Current income tax expense	10	25
Income tax expense (recovery) for prior years recorded in the current year	(1)	1
	9	26
Deferred taxes:		
Differences between the current tax rate and deferred income tax rates	—	(1)
Deferred tax expense (recovery) relating to temporary differences	(5)	10
Valuation allowance	—	2
Income tax recovery relating to prior years	—	(1)
	(5)	10
Income tax expense	4	36

The reconciliation of income tax expense, calculated using the statutory income tax rates prevailing in Canada, with the income tax expense reported in the consolidated financial statements is as follows:

(in millions of Canadian dollars, unless otherwise specified)	2025	2024
Earnings before income taxes	37	110
Combined basic Canadian and provincial income tax rate	26.59%	26.59%
Income tax expense at the statutory rate	10	29
Increase (decrease) in income taxes arising from the following:		
Non-deductible (non-taxable) items	1	8
Difference in foreign operations' statutory income tax rates	1	1
Differences between the current tax rate and deferred income tax rates	—	(1)
Income tax recovery relating to prior years	(1)	(1)
Income taxes allocated to non-controlling interests	(7)	(2)
Other items and valuation allowance	—	2
Effective income tax expense	4	36

Note 11. Income taxes (cont'd)

The changes in deferred taxes by nature are as follows:

(in millions of Canadian dollars)	As at January 1, 2025	Recorded in other comprehensive income	Recorded in net earnings	Other (note 8f)	As at December 31, 2025
Deferred income tax asset related to loss carryforwards	175	—	(6)	—	169
Financial instruments	(33)	(1)	6	—	(28)
Provisions	22	—	(3)	—	19
Interests in joint ventures and associates	(129)	—	(2)	12	(119)
Temporary differences between accounting and tax amortization	(279)	—	6	—	(273)
Translation adjustments	(2)	(6)	3	—	(5)
Financing costs and other	(10)	—	1	—	(9)
Total deferred income tax liabilities	(256)	(7)	5	12	(246)

(in millions of Canadian dollars)	As at January 1, 2024	Recorded in comprehensive income	Recorded in net earnings	As at December 31, 2024
Deferred income tax asset related to loss carryforwards	165	—	10	175
Financial instruments	(50)	16	1	(33)
Provisions	22	—	—	22
Interests in joint ventures and associates	(110)	1	(20)	(129)
Temporary differences between accounting and tax amortization	(279)	—	—	(279)
Translation adjustments	1	(3)	—	(2)
Financing costs and other	(9)	—	(1)	(10)
Total deferred income tax liabilities	(260)	14	(10)	(256)

Given that future taxable income is expected to be sufficient, deductible temporary differences, unused loss carryforwards and tax credits have been recorded in the consolidated statements of financial position.

Note 12. Capital stock, contributed surplus and dividends

Boralex's capital stock is composed of an unlimited number of Class A common shares and an unlimited number of preferred shares. The Class A shares have no par value and confer on each shareholder the right to vote at any meeting of shareholders, receive any dividends declared by the Corporation thereon and share of the residual property upon dissolution of the Corporation. The preferred shares have no par value and were created to provide the Corporation with additional flexibility with respect to future financing, strategic acquisitions and other transactions. The preferred shares are issuable in series with the number of shares in each series to be determined by the Board of Directors prior to issuance. No preferred shares were outstanding as at December 31, 2024 and 2025.

The Corporation's contributed surplus is equal to the cumulative value of unexercised stock options granted to members of management and to key employees.

The following changes occurred in the Corporation's capital stock between December 31, 2024 and 2025:

(in millions of Canadian dollars, unless otherwise specified)	Capital stock	
	Number of shares	Amount
Balance as at January 1, 2024	102,766,104	1,323
Options exercised	476	—
Balance as at December 31, 2024	102,766,580	1,323
Options exercised	12,881	—
Shares repurchased	(24,100)	—
Balance as at December 31, 2025	102,755,361	1,323

Dividends paid

On March 17, June 16, September 15, and December 15, 2025, the Corporation paid dividends totalling \$68 million (\$68 million in 2024).

On February 10, 2026, a dividend of \$0,1650 per common share was declared and will be paid on March 16, 2026 to shareholders of record at the market close on February 27, 2026.

Normal course issuer bid

On February 28, 2025, the Board of Directors of the Corporation approved a normal course issuer bid which allows for the repurchase, for cancellation, of up to nine million common shares of the Corporation between March 4, 2025 and March 3, 2026. The Corporation may repurchase its common shares at prevailing market prices plus brokerage fees. Notably, the Corporation repurchased 24,100 shares during the second quarter of 2025 for a total amount of \$1 million.

Note 13. Non-controlling interests

A non-controlling shareholder holds 30% of the capital stock of Boralex Europe Sàrl, a subsidiary holding the portfolio of operating assets and development projects in France.

The following table shows the summarized consolidated financial information of Boralex Europe Sàrl (before eliminations):

(in millions of Canadian dollars)	As at December 31, 2025	As at December 31, 2024
Current assets	302	319
Non-current assets	2,256	2,164
Current liabilities	201	353
Non-current liabilities	1,546	1,385
Net assets	811	745
Non-controlling interest carrying amount	253	235
Revenues	385	457
Net earnings	27	102
Other comprehensive income	71	(3)
Comprehensive income	98	99
Net earnings attributable to the non-controlling interest	8	31
Other comprehensive income (loss) attributable to the non-controlling interest	21	(1)
Net cash flows related to operating activities	176	48
Net cash flows related to investing activities	(72)	(117)
Net cash flows related to financing activities	(112)	(137)
Effects of exchange rate changes on cash and cash equivalents	11	7
Net change in cash and cash equivalents	3	(199)

Note 14. Expenses by nature

Operating, administrative and development expenses

(in millions of Canadian dollars)	2025	2024
Employee salaries and benefits	137	127
Maintenance and repairs	70	65
Inframarginal rent contribution on electricity production	—	26
Taxes	31	26
Other expenses	28	23
Development expenses	25	22
Professional fees	21	18
Rental expenses and permits	13	11
Insurance expenses	12	12
	337	330

Note 15. Financing costs

(in millions of Canadian dollars)	Note	2025	2024
Interest on debt, net of the impact of interest rate swaps		174	132
Interest on lease liabilities		10	9
Interest income		(17)	(19)
Amortization of debt transaction costs		12	11
Other		13	10
		192	143
Interest capitalized to qualifying assets	a)	(30)	(19)
		162	124

a) The weighted average annual capitalization rate on borrowed funds included in the cost of qualifying assets is 5.16% (5.95% in 2024).

Note 16. Net earnings per share

(a) Basic net earnings per share

(in millions of Canadian dollars, unless otherwise specified)	2025	2024
Net earnings attributable to the shareholders of Boralex	7	36
Weighted average number of shares – basic	102,759,511	102,766,122
Net earnings per share attributable to the shareholders of Boralex – basic	\$0.06	\$0.35

(b) Diluted net earnings per share

(in millions of Canadian dollars, unless otherwise specified)	2025	2024
Net earnings attributable to the shareholders of Boralex	7	36
Weighted average number of shares – basic	102,759,511	102,766,122
Dilutive effect of stock options	26,917	46,761
Weighted average number of shares – diluted	102,786,428	102,812,883
Net earnings (loss) per share attributable to the shareholders of Boralex – diluted	\$0.06	\$0.35

For fiscal 2025, 308,070 stock options (151,235 for fiscal 2024) were excluded from the calculation of diluted net earnings per common share due to their anti-dilutive effect.

Note 17. Additional information on the consolidated statements of cash flows

(a) Change in non-cash items related to operating activities

(in millions of Canadian dollars)	2025	2024
Decrease (Increase) in:		
Trade and other receivables	44	(10)
Other current assets	(2)	(2)
Increase (Decrease) in:		
Trade and other payables	(72)	(188)
	(30)	(200)

(b) Changes in liabilities arising from financing activities

	As at December 31,							
	2025							
	Non-cash items							Balance – end of year
(in millions of Canadian dollars)	Balance – beginning of year	Cash	Additions	Translation adjustment	Amortization	Disposition	Other items ⁽²⁾	
Debt ⁽¹⁾	3,956	257	—	90	11	—	(2)	4,312
Lease liabilities ⁽¹⁾	340	(20)	21	10	—	(4)	—	347
Amounts due to non-controlling shareholders ⁽¹⁾	9	(5)	—	1	—	—	—	5
Derivative financial instruments	(128)	(3)	—	—	—	—	40	(91)
Tax equity liabilities and options to repurchase TEI ⁽¹⁾	16	(5)	—	(1)	—	—	3	13

	As at December 31,							
	2024							
	Non-cash items							Balance – end of year
(in millions of Canadian dollars)	Balance – beginning of year	Cash	Additions	Translation adjustment	Amortization	Disposition	Other items ⁽²⁾	
Debt ⁽¹⁾	3,266	620	—	61	11	—	(2)	3,956
Lease liabilities ⁽¹⁾	347	(21)	37	9	—	(32)	—	340
Amounts due to non-controlling shareholders ⁽¹⁾	44	(37)	2	1	—	—	(1)	9
Derivative financial instruments	(176)	13	—	—	—	—	35	(128)
Tax equity liabilities and options to repurchase TEI ⁽¹⁾	17	(5)	—	1	—	—	3	16

⁽¹⁾ Including current and non-current portions.

⁽²⁾ Mainly including changes in fair value of derivative financial instruments.

(c) Cash and cash equivalents

Cash and cash equivalents consist of the following elements:

(in millions of Canadian dollars)	2025	2024
Cash and cash equivalents	292	592
Bank overdraft	—	(5)
	292	587

As at December 31, 2025, an amount of \$8 million included in cash and cash equivalents is subject to restrictions and must be used solely for the acquisition of property, plant, and equipment for projects under construction (\$357 million as at December 31, 2024).

The debt agreements include certain covenants restricting the distribution of cash and cash equivalents from certain subsidiaries to the parent company. As at December 31, 2025, cash of \$222 million (\$169 million as at December 31, 2024) was subject to these restrictions.

Note 18. Financial instruments

Classification of financial instruments

The tables below detail the classification of financial instruments, their carrying amounts and fair value hierarchy level when measured and accounted for at fair value in the consolidated financial statements. *Cash and cash equivalents*, *Restricted cash*, *Trade and other receivables*, *Bank overdraft* and *Trade and other payables* are excluded because their fair value approximates their carrying amount due to their short-term maturities or high liquidity.

(in millions of Canadian dollars)	2025				
	Carrying amount				
	Level	Amortized cost	FVOCI	FVPL	Total
CURRENT FINANCIAL ASSETS					
Bridge loan to a joint venture ⁽¹⁾		31	—	—	31
Other	2	—	—	1	1
		31	—	1	32
NON-CURRENT FINANCIAL ASSETS					
Reserve funds		15	—	—	15
Interest rate swaps	2	—	174	—	174
Other	2	11	3	—	14
		26	177	—	203
CURRENT FINANCIAL LIABILITIES					
Other	2	11	—	2	13
		11	—	2	13
DEBT⁽²⁾					
		4,312	—	—	4,312
NON-CURRENT FINANCIAL LIABILITIES					
Interest rate swaps	2	—	10	—	10
Cross-currency swaps	2	—	70	—	70
Foreign exchange forward contracts	2	—	6	—	6
Options to repurchase TEI ⁽³⁾	3	—	—	13	13
Other	2	5	—	8	13
		5	86	21	112

⁽¹⁾ For more details, refer to note *Related party transactions*.

⁽²⁾ Includes *Debt* and *Current portion of debt*

⁽³⁾ Tax equity investors.

(in millions of Canadian dollars)	Carrying amount				Total
	Level	Amortized cost	FVOCI	FVPL	
CURRENT FINANCIAL ASSETS					
Foreign exchange forward contracts	2	—	—	11	11
		—	—	11	11
NON-CURRENT FINANCIAL ASSETS					
Reserve funds		11	—	—	11
Interest rate swaps	2	—	174	—	174
Other	2	—	—	1	1
		11	174	1	186
CURRENT FINANCIAL LIABILITIES					
Tax equity liabilities ⁽¹⁾		3	—	—	3
Other	2	—	1	5	6
		3	1	5	9
DEBT⁽²⁾					
		3,956	—	—	3,956
NON-CURRENT FINANCIAL LIABILITIES					
Interest rate swaps	2	—	21	—	21
Cross-currency swaps	2	—	25	—	25
Foreign exchange forward contracts	2	—	11	—	11
Amounts due to non-controlling shareholders		9	—	—	9
Tax equity liabilities and options to repurchase TEI ⁽¹⁾	3	—	—	13	13
Other	2	—	—	9	9
		9	57	22	88

⁽¹⁾ Tax equity investors.

⁽²⁾ Includes *Debt* and *Current portion of debt*.

Fair value of financial instruments

The carrying amount of the Corporation's financial instruments at amortized cost approximates their fair value due to their short-term maturity or high liquidity, with the exception of debt, for which the fair value was \$4,378 million as at December 31, 2025 (\$4,023 million as at December 31, 2024).

The following valuation assumptions were used to estimate the fair value of financial instruments:

- The fair value of derivative instruments is determined using valuation techniques and is calculated based on the present value of estimated projected cash flows, using appropriate interest rate curves and foreign exchange rates as well as contract prices quoted on futures markets. Assumptions are based on market conditions at each reporting date.
- The fair values of tax equity liabilities, debt and amounts due to non-controlling shareholders are essentially based on discounted cash flows. Discount rates, ranging from 2.69% to 7.00% (3.09% to 7.00% as at December 31, 2024), were determined based on local government bond yields adjusted for the risks specific to each of the borrowings and for credit market liquidity conditions.
- The fair value of the options to repurchase TEI is established using cash flows discounted at a rate of 7.50% (7.50% as at December 31, 2024), which is the expected rate of return on this type of instrument.

Note 19. Financial risks

The Corporation is exposed in the normal course of business to various financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk.

Market risk

Market risk is the risk that changes in market prices (foreign exchange rates, energy market prices and interest rates) will cause volatility in the Corporation's net earnings (loss) or the value of its financial instruments. To mitigate the various market risks to which it is exposed, the Corporation employs several strategies, including the use of derivative instruments and natural hedge management techniques.

Foreign exchange risk

Foreign exchange risk represents the Corporation's exposure to fluctuations in the value of its financial instruments or future cash flows as a result of changes in foreign exchange rates. The Corporation operates internationally and is subject to risks related to exchange rate fluctuations on its investments in foreign operations, in France, the United Kingdom and the United States, whose functional currencies are not the Canadian dollar. In addition, the Corporation is exposed to foreign exchange risk due to certain significant future disbursements related to additions to property, plant and equipment and debt denominated in foreign currencies.

The Corporation uses various strategies to mitigate foreign exchange risk. These strategies include the use of natural risk hedge management techniques as revenues, expenses and financing are in local currencies, the contracting of debt denominated in foreign currencies and derivative financial instruments, including foreign exchange forward contracts and cross-currency swaps.

The following tables show the Corporation's cross-currency swaps designated as hedges of a net investment in foreign operations:

As at December 31,

2025	Exchange rate	Rate payer/ receiver	Maturity	Notional (in millions CAD)	Fair value (in millions CAD)
EUR for CAD	1.3919 to 1.4911	EURIBOR/CORRA	2027-2029	442	(63)
USD for CAD	1.4181	SOFR/CORRA	2029	71	3
GBP for CAD	1.7577	SONIA/CORRA	2029	114	(7)

As at December 31,

2024	Exchange rate	Rate payer/ receiver	Maturity	Notional (in millions CAD)	Fair value (in millions CAD)
EUR for CAD	1.3919 to 1.4911	EURIBOR/CORRA	2027-2029	442	(24)
USD for CAD	1.4181	SOFR/CORRA	2029	71	(2)

The following tables show the Corporation's foreign exchange forward contracts designated as hedges of a net investment in foreign operations:

As at December 31,

2025	Exchange rate	Maturity	Notional (in millions CAD)	Fair value (in millions CAD)
USD for CAD	1.2820 to 1.3520	2027-2028	423	(6)

As at December 31,

2024	Exchange rate	Maturity	Notional (in millions CAD)	Fair value (in millions CAD)
USD for CAD	1.2820 to 1.3970	2025-2028	426	(12)

Sensitivity analysis

Assuming that all other variables remain the same, a 5% decrease in the Canadian dollar against the euro, pound sterling or U.S. dollar would have affected *Net earnings (loss)* and *Hedging reserve and other* of the Corporation as shown in the table below:

(in millions of Canadian dollars)	Net earnings		Hedging reserve and other	
	As at December 31,	As at December 31,	As at December 31,	As at December 31,
	2025	2024	2025	2024
EUR	(1)	(4)	(12)	(11)
USD	—	—	(5)	(8)
GBP	1	—	(1)	(5)

Price risk – revenues from energy sales

Energy sales price risk represents the risk that future cash flows will fluctuate due to changes in energy price trends, which in turn vary according to supply, demand and certain external factors, including weather conditions, and the price of energy from other sources. As at December 31, 2025 and 2024, the majority of the power stations had long-term energy sales contracts with fixed prices, most of which were subject to partial or full price indexation clauses tied to inflation, or FiP contracts or contracts for difference with fixed prices and partial price indexation. As a result, the Corporation finds itself exposed to fluctuations in the energy price when energy produced is sold on the market without FiP contracts or under variable price contracts. In Europe, the Corporation has been able to sell energy from certain newly commissioned sites at market prices for a period of 18 months before activating its FiP contract. This allows the Corporation to benefit from high market prices, while remaining protected in the long term due to the FiP contracts. As at December 31, 2025, 5% (3% as at December 31, 2024) of the Corporation's revenues from energy sales came from market sales without FiP contracts or under variable price contracts, of which 1% (1% as at December 31, 2024) came from market sales for sites that benefit from a postponement of the activation of their FiP contract.

Interest rate risk

Interest rate risk represents the Corporation's exposure to fluctuations in the value of its future cash flows or financial instruments as a result of changes in interest rates. A large portion of the Corporation's debt bears interest at variable rates. To mitigate its interest rate risk, the Corporation has entered into interest rate swaps in order to obtain a fixed interest charge on portions of the corresponding debt, and applies hedge accounting to these items. As at December 31, 2025, the Corporation's exposure to variable-rate debts was 9% of the total debt.

The following tables summarize the Corporation's interest rate swaps that have been designated as cash flows hedges:

As at December 31,

2025	Fixed-rate payer	Floating-rate receiver	Maturity	Notional (in millions CAD)	Fair value (in millions CAD)
EUR	-0.22% to 3.12%	3-month EURIBOR	2027-2045	1,158	67
USD	1.20% to 4.08%	3-month SOFR	2028-2029	186	32
CAD	1.12% to 3.92%	CORRA	2026-2045	1,350	67
GBP	4.08%	3-month SONIA	2043	217	(2)

As at December 31,

2024	Fixed-rate payer	Floating-rate receiver	Maturity	Notional (in millions CAD)	Fair value (in millions CAD)
EUR	-0.22% to 3.12%	3-month EURIBOR	2030-2044	1,031	51
USD	1.20% to 4.08%	3-month SOFR	2028-2046	206	40
CAD	1.12% to 3.92%	CORRA	2025-2045	1,283	62
GBP	4.08%	3-month SONIA	2043	212	—

Sensitivity analysis

Assuming that all other variables remain the same, a 0.25% increase in interest rates would have had an impact of \$1 million on *Net earnings* in 2025 (\$1 million impact on *Net earnings* in 2024) and would have increased *Hedging reserve and other* by approximately \$37 million (\$23 million in 2024).

Credit risk

Credit risk arises primarily from the potential inability of customers or counterparties to financial instruments to meet their obligations. The maximum exposure to credit risk is the carrying amount of the Corporation's financial assets. As at December 31, 2025 and 2024, the Corporation had not recorded any impairment losses on its financial assets.

Trade receivables – Given the nature of the Corporation's business, the number of customers is limited. In addition, their credit rating is generally high. The electricity market in Canada, France and the United Kingdom mainly includes very large corporations or monopolies, while the U.S. market is more deregulated. In the U.S. market, it is also possible to conclude agreements directly with electricity distributors that are usually large corporations which typically have investment grade credit ratings. The Corporation regularly monitors the financial position of its clients.

Cash and cash equivalents, restricted cash and derivatives – The counterparties to cash and cash equivalents, restricted cash and derivative financial instruments are mainly large financial institutions. Prior to entering into a derivative financial instrument transaction, the Corporation analyzes the counterparty's credit rating and assesses the overall risk based on the counterparty's relative weight in the Corporation's portfolio. When these analyses produce unfavourable results because the counterparty's credit rating has changed significantly or its weight in the portfolio has become too high, the Corporation does not pursue the transaction. Furthermore, if an institution does not have a public credit rating, the Corporation assesses the risk and may require financial guarantees.

Liquidity risk

Liquidity risk represents the risk that the Corporation may encounter difficulty in meeting its obligations as they fall due. The Corporation has a centralized treasury function responsible for, among other things, the effective management of available cash resources, financing activities and compliance with debt maturity requirements across all operations. Under the oversight of senior management, the treasury function manages the Corporation's cash resources based on financial forecasts and expected cash flows.

The contractual maturities of the Corporation's material non-derivative financial liabilities and derivative financial instruments are detailed in the following tables:

As at December 31,	Undiscounted cash flows (principal and interest)					
2025						
(in millions of Canadian dollars)	Carrying amount	Year 1	Year 2	Years 3 to 5	After Year 5	Total
Non-derivative financial liabilities:						
Trade and other payables	242	242	—	—	—	242
Amounts due to non-controlling shareholders	5	3	—	2	—	5
Options to repurchase TEI	13	—	7	—	6	13
Debt	4,312	268	670	2,375	5,180	8,493
Lease liabilities	347	30	29	75	335	469
Derivative financial instruments:						
Interest rate swaps	8	4	3	4	(3)	8
Cross-currency swaps	70					
Disbursements		24	440	213	—	677
(Receipts)		(22)	(379)	(202)	—	(603)
Foreign exchange forward contracts	6					
Disbursements		134	102	268	—	504
(Receipts)		(133)	(97)	(268)	—	(498)
	5,003	550	775	2,467	5,518	9,310

As at December 31,	Undiscounted cash flows (principal and interest)					
2024						
(in millions of Canadian dollars)	Carrying amount	Year 1	Year 2	Years 3 to 5	After Year 5	Total
Non-derivative financial liabilities:						
Trade and other payables	590	590	—	—	—	590
Amounts due to a non-controlling shareholder	9	1	—	3	6	10
Tax equity liabilities and options to repurchase TEI	16	5	9	—	—	14
Debt	3,956	255	383	1,809	2,588	5,035
Lease liabilities	340	28	26	70	314	438
Derivative financial instruments:						
Interest rate swaps	21	2	5	12	6	25
Cross-currency swaps	26					
Disbursements		23	22	567	—	612
(Receipts)		(25)	(23)	(536)	—	(584)
Foreign exchange forward contracts	12					
Disbursements		71	—	368	—	439
(Receipts)		(70)	—	(356)	—	(426)
	4,970	880	422	1,937	2,914	6,153

Undiscounted cash flows of non-derivative financial liabilities are determined using principal repayments and interest rates prevailing at the reporting date for variable-rate debts. For derivatives, undiscounted contractual cash flows are determined using the values of underlying indices prevailing at the reporting date. These indices are subject to significant volatility such that the undiscounted cash flows presented could vary significantly until they are realized. These derivative instruments held for risk management purposes are generally not settled before contractual maturity.

Note 20. Capital management

The Corporation's objectives when managing capital are as follows:

- safeguard the Corporation's ability to pursue its operations and development;
- maintain financial flexibility to enable the Corporation to seize opportunities when they arise;
- safeguard the Corporation's financial flexibility with a view to offset the seasonal nature of its operations primarily for the cyclical variations in hydroelectric, solar and wind power generation;
- maximize the terms of borrowings in line with the useful lives of its assets or underlying contracts;
- ensure continuous access to capital markets; and
- diversify its financing sources to optimize its capital cost.

The Corporation manages its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain its capital structure, the Corporation prioritizes the use of less costly financing sources, such as cash flows from operations, debts, hybrid instruments such as convertible debentures, equity issuance and, as a last resort, the sale of assets. In managing liquidity, the Corporation's policy is to earmark in priority its available cash resources for (i) growth projects and (ii) the payment of a quarterly dividend. Generally, Boralex expects to pay common share dividends on an annual basis representing a ratio of 20% to 40% of its discretionary cash flows (defined as "net cash flows related to operating activities" before changes in "non-cash items related to operating activities," less (i) distributions paid to non-controlling shareholders, (ii) additions to property, plant and equipment (maintenance of operations), (iii) repayments on non-current debt (projects) and repayments to tax equity investors; (iv) principal payments made related to lease liabilities, (v) adjustments for non-operational items; plus (vi) development costs (from the statements of earnings (loss)).

The ratio may temporarily fall outside the target range defined in the *2030 Strategic Plan* as the Corporation progresses toward its growth objectives. However, the ratio is expected to return, over time, to within the established thresholds.

Note 20. Capital management (cont'd)

The Corporation's investment policy governing cash resources is limited to investments with maturities of less than one year that are guaranteed by financial institutions. For instance, bankers' acceptances guaranteed by a Canadian chartered bank meet these criteria. The Corporation deems its current financing sources to be sufficient to support its plans and its operating activities.

The Corporation monitors its capital on a quarterly and annual basis based on various financial ratios and non-financial performance indicators.

The Corporation mainly relies on the net debt ratio for overall capital management. Available cash and cash equivalents are also an important factor in capital management, as the Corporation must retain sufficient flexibility to seize potential growth opportunities. To achieve this objective, the Corporation establishes long-term financial forecasts to determine future financing needs in line with its strategic business development plans.

For calculation purposes, net debt is defined as follows:

(in millions of Canadian dollars)	As at December 31, 2025	As at December 31, 2024
Debt	4,080	3,617
Current portion of debt	232	339
Transaction costs, net of accumulated amortization	74	76
Less:		
Cash and cash equivalents	292	592
Restricted cash	51	19
Bank overdraft	—	(5)
Net debt	4,043	3,426

The Corporation defines total market capitalization as follows:

(in millions of Canadian dollars, unless otherwise specified)	As at December 31, 2025	As at December 31, 2024
Number of outstanding shares (in thousands)	102,755	102,767
Share market price (in \$ per share)	25.33	28.71
Market value of equity attributable to shareholders	2,603	2,950
Non-controlling interests	449	424
Net debt	4,043	3,426
Total market capitalization	7,095	6,800

The Corporation computes the net debt to market capitalization ratio as follows:

(in millions of Canadian dollars, unless otherwise specified)	As at December 31, 2025	As at December 31, 2024
Net debt	4,043	3,426
Total market capitalization	7,095	6,800
NET DEBT RATIO (market capitalization)	57%	50%

At present, the net debt to capitalization ratio is currently at 57% and the Corporation wishes to maintain this ratio below 65%. It is important to specify that the Corporation uses a project-based financing approach whereby each project leverage is maximized at 70% to 80% of amounts invested. However, those financing arrangements are generally repayable over the life of the energy sales contract. Consequently, as other projects or large projects are added, the debt level could exceed this target, but the Corporation will ensure the ratio is brought back below the set threshold within a reasonable timeframe. In keeping with its corporate objectives announced as part of the 2030 strategic plan, the Corporation aims to optimize its financing structure in order to reduce its cost of capital, while remaining attentive to financing or refinancing opportunities for existing debt that may arise.

Note 21. Commitments and contingency

(in millions of Canadian dollars)	Note	Payments			Total
		Less than one year	Between one and five years	More than five years	
Purchase and construction contracts	(a)	49	27	—	76
Maintenance contracts	(b)	40	152	254	446
Other	(c)	30	27	69	126
		119	206	323	648

(a) Purchase and construction contracts

The Corporation has entered into equipment, construction and grid connection contracts for projects under development and construction.

(b) Maintenance contracts

The Corporation has entered into maintenance contracts with initial terms between 2 and 20 years in North America, and between 3 and 20 years in Europe. The Corporation is committed to pay variable amounts based on the achievement of production and availability levels. These amounts are not included in the above commitments table.

(c) Other commitments

The Corporation is bound by royalty and community agreements with Indigenous Peoples and municipalities expiring between 2032 and 2059. The community agreements include clauses relating to the preservation of the natural habitat, use of roads and community funds.

The Corporation is bound by royalty agreements and is subject to variable conditional royalties related to the operation of its facilities. The commitments table above does not include these amounts.

Energy sales and feed-in-premium contracts

Most of the Corporation's revenues from energy sales are subject to long-term energy sales contracts, feed-in premium contracts, or a capacity contract. Most of these contracts are subject to variable annual indexation. These contracts have the following characteristics:

	Wind	Solar	Hydroelectric	Battery energy storage systems
	Terms			
North America	2029 - 2059	2029 - 2046	2027 - 2059	2047
Europe	2026 - 2046	2031 - 2043	—	—

Contingency

France – Innovent

On May 17, 2021, Boralex Inc. announced that the Tribunal de Commerce de Lille rendered a decision in its favour, ordering Innovent SAS ("Innovent") and its president, Grégoire Verhaeghe to pay Boralex \$72.7 million (€50.6 million) for breach of contractual obligations. This dispute arose in the context of a transaction between the parties that occurred in 2012 whereby Boralex acquired construction-ready wind power projects from Innovent. As part of such transaction, the parties entered into a development services agreement pursuant to which Innovent and Mr. Verhaeghe had the obligation to offer Boralex the right to acquire certain wind power projects under development. The Court found that the defendants were in breach of their obligation with respect to the then under development Epléssier-Thieulloy-l'Abbaye and Buire-Le-Sec projects, thereby depriving Boralex of its right to acquire the projects at the agreed price and terms. Given such default, Innovent and Grégoire Verhaeghe were ordered by the Court to pay to Boralex \$72.7 million (€50.6 million). Innovent and Grégoire Verhaeghe had appealed the decision.

On July 6, 2023, the Douai Court of Appeal rendered its decision agreeing with Boralex on the merits of the dispute, but reduced to \$3.6 million (€2.5 million) the amount of the damages to be paid by Innovent to Boralex due to breaches of contract attributable to Innovent and Grégoire Verhaeghe and their bad faith in the performance of the contract. On September 7, 2023, Boralex appealed to the Court of Cassation and filed a "full" petition in January 2024. Boralex also submitted a statement of claim to the judicial representative regarding this litigation following the opening of a safeguard procedure against Innovent in October 2023.

Related to the procedure described above, a proceeding led by Innovent was underway before the Execution Judge (Lille), related to the conservatory seizures carried out by Boralex to ensure proper payment of the judgment (immediately enforceable) in its favour, amounting to \$72.7 million (€50.6 million).

In the context of this procedure, on December 5, 2021, Innovent and Mr. Verhaeghe filed a claim against Boralex seeking the release of the enforcement measures carried out by Boralex under the judgment of the Commercial Court of Lille. Since the decision of July 6, 2023 by the Court of Appeal of Douai, which set the amount of the judgment at \$3.6 million (€2.5 million), the conservatory seizures carried out by Boralex have been lifted. In January 2024, Innovent filed a new claim against Boralex, alleging that the seizures prevented Innovent from completing a transaction that would have allowed it to become a public company and reassessed its damage at \$3 billion (€2.1 billion) in May 2024. Boralex and its Board believe that this claim is unfounded; Boralex intends to defend itself vigorously. Boralex submitted its statement of defence in the third quarter of 2024, and the pleading hearing is scheduled for the first half of 2026.

In addition to the above procedure, on December 29, 2021, Innovent had filed a \$359 million (€250 million) claim against Boralex at the Tribunal de Commerce de Paris (the "December 2021 Lawsuit"). This lawsuit was brought further to the May 17, 2021, judgment of the Tribunal de Commerce de Lille, which ordered Innovent to pay Boralex \$72.7 million (€50.6 million) for breach of contractual obligations (the "May 2021 Judgment"). In the December 2021 Lawsuit, Innovent alleged that the May 2021 Judgment was based on false representations by Boralex and its experts at trial and that, as a consequence of the May 2021 Judgment, Innovent could not proceed with a going public transaction. On September 27, 2022, the Tribunal de Commerce de Paris dismissed Innovent's claim and the December 2021 Lawsuit. Innovent has appealed this judgment.

Note 22. Related party transactions

Related parties include the Corporation's subsidiaries, associates, joint ventures, key management personnel and principal shareholders.

Other revenues includes an amount of \$28 million (\$26 million in 2024) for services rendered to associates and joint ventures, while *Trade and other receivables* includes an amount receivable of \$12 million (\$9 million in 2024) primarily related to these transactions.

A new corporate financing of \$250 million in the form of unsecured subordinated debt, maturing in June 2033, was entered into in the second quarter of 2025. Of this amount, \$200 million was provided by La Caisse (a shareholder of the Corporation), raising the total outstanding balance with this lender to \$450 million. *Finance costs* included \$21 million of interest expense for the year ended December 31, 2025 related to these debts, compared with \$14 million for the prior year.

The Corporation has committed to provide a bridge loan to a joint venture for a maximum amount of \$180 million. In the fourth quarter, a \$72 million repayment was received. The remaining commitment represents an additional maximum amount of \$77 million, plus an outstanding balance of \$31 million. This bridge loan was presented as current, as repayment is expected within the next twelve months. Interest income related to this advance amounted to \$7 million for the twelve-month period ended December 31, 2025.

These transactions were made on terms equivalent to those that prevail under normal terms in arm's length transactions.

Note 23. Segment information

The Corporation's operations are organized into two reportable segments, which also represent its operating segments as defined under IFRS 8. These segments correspond to the Corporation's geographic business units: North America and Europe.

Each reportable segment derives its revenues from energy sales, mainly from wind farms, hydroelectric power stations, solar power stations and battery energy storage systems.

The reportable segments were determined on the basis of internal reports that are regularly reviewed by the chief operating decision maker ("CODM") to allocate resources and assess performance of the segments. The CODM of the Corporation is the President and Chief Executive Officer.

Information about reportable segments

The measure of net earnings (loss) regularly reviewed by the CODM for each of the two reportable segments is Combined EBITDA(A). Management considers this measure to be the most relevant for assessing the performance of each reportable segment given the industry in which the Corporation operates.

EBITDA(A) represents earnings before interest, taxes, depreciation and amortization, adjusted to exclude other items such as other losses (gains), acquisition and restructuring costs, net loss (gain) on financial instruments and foreign exchange loss (gain), with the last three items included under *Other*.

Combined financial data results from the combination of the financial information of the Corporation under IFRS Accounting Standards and the share of the financial information of the interests in joint ventures and associates. *Interests in joint ventures and associates*, *Share of net earnings of joint ventures and associates* and *Distributions received from joint ventures and associates* are then replaced with the Corporation's respective share of the financial statements of the interests in joint ventures and associates (i.e., the assets, liabilities, income and expenses of these joint ventures and associates).

Combined EBITDA(A) does not have a standardized meaning under IFRS Accounting Standards. Accordingly, it may not be comparable to similarly named measures used by other companies. Investors should not view Combined EBITDA(A) as an alternative measure to, for example, net earnings (loss), earnings (loss) before income taxes or operating income, which are IFRS Accounting Standards measures.

(in millions of Canadian dollars)	Combined	
	2025	2024
Revenues from energy sales and feed-in premiums		
North America	541	484
Europe	394	449
	935	933
EBITDA(A)		
North America	433	403
Europe	259	299
	692	702
Other material item in revenues and expenses:		
Operating expenses		
North America	141	123
Europe	100	105
	241	228

Reconciliation of information on reportable segments with the amounts reported in the financial statements

The following tables present a reconciliation of the reportable segments' information with the Corporation's most comparable information under IFRS Accounting Standards:

(in millions of Canadian dollars)	2025			2024		
	Consolidated	Reconciliation ⁽¹⁾	Combined	Consolidated	Reconciliation ⁽¹⁾	Combined
Revenues from energy sales and feed-in premiums of the Corporation	796	139	935	817	116	933
Operating expenses						
Total of all reported segments	208	33	241	202	26	228
Unallocated corporate operating expenses	(4)	—	(4)	(4)	—	(4)
Operating expenses of the Corporation	204	33	237	198	26	224
EBITDA(A)						
Total reportable segments	591	101	692	615	87	702
Unallocated corporate expenses	(39)	2	(37)	(34)	2	(32)
EBITDA(A) of the Corporation	552	103	655	581	89	670
Amortization	(321)	(61)	(382)	(297)	(59)	(356)
Impairment	(17)	—	(17)	(5)	(47)	(52)
Other gains (losses)	(8)	—	(8)	5	—	5
Share of net earnings of joint ventures and associates	(38)	38	—	(46)	46	—
Change in fair value of a derivative included in the share of earnings of a joint venture	(2)	2	—	—	—	—
Impairment included in the share of earnings of a joint venture	—	—	—	(12)	12	—
Operating income of the Corporation	166	82	248	226	41	267

⁽¹⁾ Includes the respective contribution of joint ventures and associates as a percentage of the Corporation's interests, less adjustments to reverse recognition of these interests under IFRS Accounting Standards.

Information about revenues from energy sales and feed-in premiums of the Corporation

(in millions of Canadian dollars)	2025	2024
Revenues from energy sales and feed-in premiums		
Wind farms	677	702
Solar power stations	55	48
Hydroelectric power stations	62	67
Battery energy storage systems	2	—
Total	796	817

Information of the Corporation by geographical area

(in millions of Canadian dollars)	2025	2024
Revenues from energy sales and feed-in premiums		
Canada	336	301
United States	65	66
France	371	450
United Kingdom	24	—
Total	796	817

Revenues from energy sales and feed-in premiums are allocated between countries based on the geographic location where the Corporation derives its revenues.

(in millions of Canadian dollars)	2025	2024
Non-current assets⁽¹⁾		
Canada	3,252	3,013
United States	968	1,027
France	2,208	2,126
United Kingdom	387	340
Total	6,815	6,506

⁽¹⁾ Non-current assets excluded financial instruments measured at fair value.

Information about major customers of the Corporation

In 2025 and 2024, 4 customers individually represented 10% or more of the Corporation's total revenues from energy sales. The following table provides the amount of revenues from energy sales relating to each of these major customers as well as the segment presenting these revenues.

2025		2024	
Amount of revenues from energy sales attributable to a customer (in millions of Canadian dollars)	Segments	Amount of revenues from energy sales attributable to a customer (in millions of Canadian dollars)	Segments
181	Europe	249	Europe
166	North America	152	North America
104	Europe	125	Europe
117	North America	102	North America

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Additional copies of the following documents and other information can also be obtained at the above address or on Borex's and SEDAR's websites:

- Annual Report
- Interim Reports
- Annual Information Form
- Management Proxy Circular

TRANSFERT AGENT AND REGISTRAR

Computershare Investor Services Inc.

1500, boulevard Robert-Bourassa
7th floor

Montreal, Quebec
Canada H3A 3S8

Telephone +1 514 982-7555
+1 800 564-6253
computershare.com

SHAREHOLDER INFORMATION

Annual Meeting of Shareholders

Thursday, May 14, 2026, at 11 AM
(Eastern Daylight Time – EDT)

Online via live audio webcast at
<https://meetnow.global/MZCNPPK>

INVESTORS RELATIONS

Coline Desurmont

Director, Investor Relations
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