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ALGONQUIN POWER & UTILITIES CORP.

FORM 6-K

(Report of Foreign Issuer Pursuant to Rule 13a-16 or 15d-16)

Filed 05/08/26 for the Period Ending 03/31/26

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Symbol	AQN
SIC Code	4911 - Electric Services
Industry	Multiline Utilities
Sector	Utilities
Fiscal Year	12/31

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

Pursuant to Rule 13a-16 or 15d-16 of the

Securities Exchange Act of 1934

Date: May 8, 2026

Commission File Number: 001-37946

Algonquin Power & Utilities Corp.

(Translation of registrant's name into English)

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354 Davis Road

Oakville, Ontario, L6J 2X1, Canada

(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☐ Form 40-F ☒

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

Exhibits 99.1 and 99.2 to this Report on Form 6-K are hereby incorporated by reference into Algonquin Power & Utilities Corp.'s Registration Statements on Forms F-3 (File Nos. 333-220059, 333-227246 and 333-263839), Form F-10 (File No. 333-277803) and Forms S-8 (File Nos. 333-177418, 333-213648, 333-213650, 333-218810, 333-232012, 333-238961, and 333-289664).

EXHIBIT INDEX

The following exhibits are filed as part of this Form 6-K:

Exhibit	Description
99.1	Unaudited Financial Statements for the quarter ended March 31, 2026
99.2	Management's Discussion & Analysis for the quarter ended March 31, 2026
99.3	Certification of Chief Executive Officer
99.4	Certification of Chief Financial Officer
99.5	Earnings Press Release for the quarter ended March 31, 2026
99.6	Q2 2026 Common Share & Preferred Share Dividend Press Release

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ALGONQUIN POWER & UTILITIES CORP.
(registrant)

Date: May 8, 2026

By: /s/ Robert Stefani
Name: Robert Stefani
Title: Chief Financial Officer

Unaudited Interim Condensed Consolidated Financial Statements of

Algonquin Power & Utilities Corp.

For the three months ended March 31, 2026 and 2025

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

(millions of U.S. dollars, except per share amounts)	Three months ended March 31, 2026	2025
Revenue		
Regulated electricity distribution	**$ 372.2**	$ 330.4
Regulated natural gas distribution	**302.0**	246.7
Regulated water reclamation and distribution	**94.1**	90.4
Non-regulated energy sales	**9.1**	9.5
Other revenue	**15.0**	15.4
	792.4	692.4
Expenses		
Operating expenses	**243.0**	201.6
Regulated electricity purchased	**88.9**	95.7
Regulated natural gas purchased	**153.0**	97.7
Regulated water production costs	**11.6**	12.6
Other cost of sales	**6.9**	6.7
Depreciation and amortization	**108.2**	95.3
Loss on foreign exchange	**—**	3.9
	611.6	513.5
Operating income	**180.8**	178.9
Interest expense (note 6)	**(72.6)**	(71.4)
Income from long-term investments (note 5)	**4.4**	2.8
Other income (note 4)	**6.6**	5.6
Other net losses (note 12)	**(21.3)**	(13.7)
Pension and other post-employment non-service costs (note 7)	**(1.5)**	2.3
Loss on derivative financial instruments (note 17(b)(iii))	**—**	(7.2)
	(84.4)	(81.6)
Earnings before income taxes	**96.4**	97.3
Income tax recovery (expense) from continuing operations (note 11)		
Current	**5.6**	(5.9)
Deferred	**(34.4)**	(13.9)
	(28.8)	(19.8)
Earnings from continuing operations	**67.6**	77.5
Earnings from discontinued operations, net of tax (note 18(a))	**0.5**	1.4
Net earnings	**68.1**	78.9
Net effect of non-controlling interests from continuing operations	**18.1**	17.9
Net earnings attributable to shareholders of Algonquin Power & Utilities Corp.	**$ 86.2**	$ 96.8
Series A Shares and Series D Shares dividend (note 9(b))	**2.6**	2.6
Net earnings attributable to common shareholders of Algonquin Power & Utilities Corp.	**$ 83.6**	$ 94.2
Basic and diluted net earnings per share from continuing operations (note 13)	**$ 0.11**	$ 0.12
Basic and diluted net loss per share from discontinued operations (note 13)	**$ —**	$ —
Basic and diluted net earnings per share (note 13)	**$ 0.11**	$ 0.12

See accompanying notes to the unaudited interim condensed consolidated financial statements.

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

(millions of U.S. dollars)	Three months ended March 31, 2026	Three months ended March 31, 2025
Net earnings	**$ 68.1**	$ 78.9
Other comprehensive income (loss) ("OCI"):		
Foreign currency translation adjustment, net of tax expense of $nil (2025 - tax expense of $nil) (note 17(b)(iii))	**(7.1)**	31.7
Change in fair value of cash flow hedges, net of tax recovery of $0.1 (2025 - tax recovery of $0.1) (note 17(b)(ii))	**(5.6)**	(20.9)
Change in pension and other post-employment benefits, net of tax recovery of $0.2 (2025 - tax recovery of $0.3)	**(0.9)**	(0.6)
OCI, net of tax (note 10)	**(13.6)**	10.2
Derecognition on sale of the renewable energy business (note 18)	**—**	(71.6)
Comprehensive income	**54.5**	17.5
Comprehensive loss attributable to the non-controlling interests	**(18.5)**	(17.9)
Comprehensive income attributable to shareholders of Algonquin Power & Utilities Corp.	**$ 73.0**	$ 35.4

See accompanying notes to the unaudited interim condensed consolidated financial statements.

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

(millions of U.S. dollars)	March 31, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	**$ 55.5**	$ 32.7
Trade and other receivables, net (note 3)	**498.0**	494.8
Fuel and natural gas in storage	**24.3**	46.6
Supplies and consumables inventory	**177.8**	179.9
Regulatory assets (note 4)	**269.1**	205.1
Prepaid expenses	**79.4**	89.2
Derivative instruments (note 17)	**8.2**	6.0
Other assets	**53.8**	149.8
	1,166.1	1,204.1
Property, plant and equipment, net	**9,722.7**	9,749.9
Intangible assets, net	**71.8**	69.7
Goodwill	**1,317.8**	1,320.1
Regulatory assets (note 4)	**1,178.0**	1,190.8
Long-term investments (note 5)	**201.9**	207.5
Derivative instruments (note 17)	**74.5**	77.0
Deferred income taxes	**25.9**	26.3
Other assets	**291.2**	290.8
	$ 14,049.9	$ 14,136.2

See accompanying notes to the unaudited interim condensed consolidated financial statements.

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

(millions of U.S. dollars)	March 31, 2026	December 31, 2025
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	**$ 86.9**	$ 145.4
Accrued liabilities	**297.9**	396.7
Dividends payable	**50.0**	50.1
Regulatory liabilities (note 4)	**70.0**	65.8
Long-term debt (note 6)	**542.5**	364.0
Other long-term liabilities (note 8)	**28.4**	151.1
Derivative instruments (note 17)	**1.2**	1.6
Other liabilities	**36.9**	24.2
	1,113.8	1,198.9
Long-term debt (note 6)	**6,143.5**	6,168.9
Regulatory liabilities (note 4)	**585.5**	584.9
Deferred income taxes	**720.0**	688.9
Derivative instruments (note 17)	**20.2**	15.9
Pension and other post-employment benefits obligation	**70.6**	72.6
Other long-term liabilities (note 8)	**354.3**	357.8
	7,894.1	7,889.0
Equity:		
Preferred shares	**184.3**	184.3
Common shares (note 9(a))	**7,407.4**	7,401.7
Additional paid-in capital	**(26.6)**	(14.7)
Deficit	**(2,926.4)**	(2,961.3)
Accumulated other comprehensive income ("AOCI") (note 10)	**17.9**	31.1
Total equity attributable to shareholders of Algonquin Power & Utilities Corp.	**4,656.6**	4,641.1
Non-controlling interests		
Non-controlling interests - tax equity partnership units	**305.9**	328.5
Other non-controlling interests	**79.5**	78.7
	385.4	407.2
Total equity	**5,042.0**	5,048.3
Commitments and contingencies (note 15)		
Subsequent events (note 6(a))		
	$ 14,049.9	$ 14,136.2

See accompanying notes to the unaudited interim condensed consolidated financial statements.

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

(millions of U.S. dollars)
For the three months ended March 31, 2026

	Algonquin Power & Utilities Corp. Shareholders						
	Common shares	Preferred shares	Additional paid-in capital	Deficit	AOCI	Non-controlling interests	Total
Balance, December 31, 2025	**$ 7,401.7**	**$ 184.3**	**$ (14.7)**	**$ (2,961.3)**	**$ 31.1**	**$ 407.2**	**$ 5,048.3**
Net earnings (loss)	**—**	**—**	**—**	**86.2**	**—**	**(18.1)**	**68.1**
Regulatory asset attributable to non-controlling interests	**—**	**—**	**—**	**—**	**—**	**(2.3)**	**(2.3)**
OCI	**—**	**—**	**—**	**—**	**(13.2)**	**(0.4)**	**(13.6)**
Dividends declared and distributions to non-controlling interests	**—**	**—**	**—**	**(53.1)**	**—**	**(1.0)**	**(54.1)**
Common shares issued under employee share purchase plan	**0.7**	**—**	**—**	**—**	**—**	**—**	**0.7**
Share-based compensation	**—**	**—**	**2.9**	**—**	**—**	**—**	**2.9**
Common shares issued pursuant to share-based awards	**5.0**	**—**	**(14.8)**	**1.8**	**—**	**—**	**(8.0)**
Balance, March 31, 2026	**$ 7,407.4**	**$ 184.3**	**$ (26.6)**	**$ (2,926.4)**	**$ 17.9**	**$ 385.4**	**$ 5,042.0**

See accompanying notes to the unaudited interim condensed consolidated financial statements.

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

(millions of U.S. dollars)
For the three months ended March 31, 2025

	Algonquin Power & Utilities Corp. Shareholders						
	Common shares	Preferred shares	Additional paid-in capital	Deficit	AOCI	Non-controlling interests	Total
Balance, December 31, 2024	$ 7,391.3	$ 184.3	$ (19.2)	$ (2,929.9)	$ 81.4	$ 1,468.3	$ 6,176.2
Net earnings (loss)	—	—	—	96.8	—	(17.9)	78.9
OCI	—	—	—	—	10.2	—	10.2
Dividends declared and distributions to non-controlling interests	—	—	—	(53.0)	—	(2.4)	(55.4)
Derecognition on sale of the renewable energy business	—	—	—	—	(71.6)	(992.5)	(1,064.1)
Common shares issued under employee share purchase plan	0.8	—	—	—	—	—	0.8
Share-based compensation	—	—	(3.4)	(0.1)	—	—	(3.5)
Common shares issued pursuant to share-based awards	6.5	—	—	—	—	—	6.5
Balance, March 31, 2025	$ 7,398.6	$ 184.3	$ (22.6)	$ (2,886.2)	$ 20.0	$ 455.5	$ 5,149.6

See accompanying notes to the unaudited interim condensed consolidated financial statements.

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

(millions of U.S. dollars)	Three months ended March 31, 2026	2025
Cash provided by (used in):		
Operating activities		
Net earnings	**$ 68.1**	$ 78.9
Adjustments and items not affecting cash:		
Depreciation and amortization	**108.2**	95.3
Deferred taxes	**34.4**	13.9
Initial value and changes in derivative financial instruments, net of amortization	**—**	(0.3)
Share-based compensation	**1.4**	3.1
Cost of equity funds used for construction purposes	**(0.7)**	(0.4)
Pension and post-employment expense in excess of (lower than) contributions	**0.4**	(2.3)
Distributions received from equity investments, net of income	**—**	(1.3)
Other	**(5.4)**	(16.1)
Net change in non-cash operating items (note 16)	**(163.7)**	(96.9)
	42.7	73.9
Financing activities		
Increase in long-term debt	**6.6**	232.2
Repayments of long-term debt	**(21.0)**	(439.9)
Net change in commercial paper	**178.0**	(180.0)
Repayment of long-term debt on disposition of renewable energy business (note 18)	**—**	(1,374.8)
Issuance of common shares, net of costs	**0.7**	0.8
Cash dividends on common shares	**(50.0)**	(50.1)
Dividends on preferred shares	**(2.6)**	(2.6)
Distributions to non-controlling interests	**1.4**	—
Payments upon settlement of derivatives	**(0.6)**	(36.6)
Shares surrendered to fund withholding taxes on exercised share options	**—**	0.2
Net change in other long-term liabilities	**(1.2)**	0.6
	111.3	(1,850.2)
Investing activities		
Additions to property, plant and equipment and intangible assets	**(129.0)**	(222.6)
Proceeds from divestiture of operating entity	**—**	1,973.3
Transaction cost on divestiture of operating entity	**—**	(16.1)
Increase in other assets	**(6.8)**	(2.4)
Return of capital/investment from equity investments	**0.2**	2.6
	(135.6)	1,734.8
Effect of exchange rate differences on cash and restricted cash	**(0.1)**	0.9
Increase (decrease) in cash, cash equivalents and restricted cash	**$ 18.3**	$ (40.6)
Cash, cash equivalents and restricted cash, beginning of period	**78.2**	131.1
Cash, cash equivalents and restricted cash, end of period	**$ 96.5**	$ 90.5

See accompanying notes to the unaudited interim condensed consolidated financial statements.

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

(millions of U.S. dollars)	Three months ended March 31, 2026	2025
Supplemental disclosure of cash flow information:		
Cash paid during the period for interest expense	**$ (81.8)**	$ (90.0)
Cash received (paid) during the period for income taxes - net (note 11)	**$ 11.8**	$ (10.4)
Cash received during the period for distributions from equity investments	**$ 0.8**	$ 13.6
Non-cash financing and investing activities:		
Increase (decrease) in accrued capital expenditure	**$ (36.0)**	$ 29.2
Issuance of common shares under share-based compensation plans	**$ 5.0**	$ 6.5

See accompanying notes to the unaudited interim condensed consolidated financial statements.

Algonquin Power & Utilities Corp. ("AQN" or the "Company") is an entity incorporated under the *Canada Business Corporations Act*. The Company's operations are organized across two business units consisting of (i) the Regulated Services Group, which primarily owns and operates a portfolio of regulated electric, water distribution and wastewater collection, and natural gas utility systems and transmission operations in the United States, Canada, Bermuda and Chile; and (ii) the Hydro Group, which consists of hydroelectric generating facilities located in Canada that were not sold as part of the Renewables Sale (as defined below). Additionally, the Company has a corporate function, the Corporate Group, consisting of corporate debt and corporate and shared services that primarily support the Regulated Services Group and the Hydro Group. In prior periods, AQN included the Renewable Energy Group as a reportable segment; however, on January 8, 2025, the assets and liabilities of this segment (excluding the Hydro Group) were disposed of, and its net earnings have been reported as discontinued operations (the "discontinued operations") (see note 18).

1. Significant accounting policies

(a) Basis of preparation

The accompanying unaudited interim condensed consolidated financial statements and notes have been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP") for interim financial information and follow disclosure required under Regulation S-X provided by the U.S. Securities and Exchange Commission. Accordingly, these unaudited interim condensed consolidated financial statements do not include all information and notes required by U.S. GAAP for annual financial statements and should be read in conjunction with the consolidated financial statements of AQN as of and for the year ended December 31, 2025.

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

The significant accounting policies applied to these unaudited interim condensed consolidated financial statements of AQN are consistent with those disclosed in the consolidated financial statements of AQN as of and for the year ended December 31, 2025.

(b) Seasonality

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

(c) Discontinued operations

On August 9, 2024, the Company entered into an agreement to sell its renewable energy business (excluding the Hydro Group) to a wholly owned subsidiary of LS Power, which sale was subsequently completed on January 8, 2025 (the "Renewables Sale"). As a result, the renewable energy business (excluding the Hydro Group) has been classified as "discontinued operations".

Unless otherwise noted, the notes to these unaudited interim condensed consolidated financial statements exclude amounts related to discontinued operations for all periods presented.
See note 18 for a discussion of discontinued operations related to the disposition of the renewable energy business.

(d) Foreign currency translation

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

2. Recently issued accounting pronouncements

(a) Recently adopted accounting pronouncements

The Company adopted Accounting Standards Update ("ASU") 2025-05 effective January 1, 2026. The amendments in this standard simplify the measurement of expected credit losses for certain financial assets, including trade receivables and contract assets, by permitting entities to assume current economic conditions remain unchanged over the reasonable and supportable forecast period. The adoption did not have a material impact on the Company's interim condensed consolidated financial statements.

(b) Recently issued accounting guidance not yet adopted

There were no new accounting pronouncements issued during the current period that are applicable to the Company.

The Company considers the applicability and impact of all recently issued Financial Accounting Standards Board accounting standard codification updates. ASUs that are not noted above were assessed and determined to be not applicable or not significant to the Company's unaudited interim condensed consolidated financial statements for the three-month period ended March 31, 2026.

3. Trade and other receivables

Trade and other receivables as of March 31, 2026 include unbilled revenue of $120.8 million (December 31, 2025 - $136.9 million) from the Company's regulated utilities. Trade and other receivables as of March 31, 2026 are presented net of allowance for doubtful accounts of $37.9 million (December 31, 2025 - $37.0 million).

4. Regulatory matters

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

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

4. Regulatory matters (continued)

The following regulatory proceedings were recently completed:

Utility	State, Province or Country	Regulatory Proceeding Type	Details
CalPeco Electric	California	General Rate Case ("GRC")	On September 20, 2024, CalPeco Electric filed an application seeking a net adjustment in total customer rates of $39.8 million including $64 million in base revenues based on a return on equity ("ROE") of 11%, an equity ratio of 52.5% and current revenues at the time of filing. The requested base revenue adjustment was partially offset by the conclusion of $24.2 million of customer surcharge collections related to the 2022 general rate case, which were in effect at the time of filing and concluded in January 2025. On March 5, 2025, the Company filed a Motion for Interim Rate Relief and Request for Expedited Treatment in which it requested an interim rate recovery of 50% of its proposed base revenue requirement on a monthly basis beginning June 1, 2025 until issuance of a final decision in the proceeding. The Utility Reform Network ("TURN") and the Public Advocates Office ("Cal Advocates") opposed the Company's request. On July 2, 2025, Cal Advocates, TURN and other intervenors in the proceeding filed testimony. Cal Advocates recommended an overall net adjustment in customer rates of $24.8 million. The Company served rebuttal testimony on July 24, 2025. Evidentiary hearings were held the week of September 15, 2025. On October 1, 2025, the Company submitted a joint motion requesting approval of a settlement agreement reached with majority of the Cal Advocates, TURN and other intervenors in the proceeding, which resolves all revenue requirement matters except ROE. The settlement agreement would result in a net adjustment in total customer rates of $24.8 million based on the Company's current authorized ROE of 10%. Legal briefs were filed on October 24, 2025. A proposed decision was issued on February 13, 2026 that would result in a net adjustment in total customer rates of $23.8 million (taking into account conclusion of $24 million in customer surcharge collections) and $48.6 million in base revenues based on a ROE of 9.75% and an equity ratio of 52.5%. The proposed decision adopts the settlement agreement provisions with the exception of rejecting the proposed fixed charge for residential customers. On March 19, 2026, the California Public Utilities Commission issued an order approving the proposed decision which results in an adjustment of $48.6 million in annualized base revenues based on a return on equity of 9.75% and an equity ratio of 52.5%, retroactive to January 1, 2025. For the three months ended March 31, 2026, the Company recognized $60.7 million of revenue related to approved rate adjustments, including $48.6 million of retroactive revenue related to periods beginning January 1, 2025. During the same period, the Company also recognized $28.5 million of wildfire insurance expense, including $22.7 million related to 2025, in its unaudited interim condensed consolidated statements of operations.

4. Regulatory matters (continued)

Utility	State, Province or Country	Regulatory Proceeding Type	Details
New England Natural Gas	Massachusetts	GRC	On June 13, 2025, New England Natural Gas filed an application seeking a rate adjustment of $55.8 million based on an ROE of 9.9% and an equity ratio of 53%. The request includes approximately $30 million of previously authorized Gas System Enhancement Program ("GSEP") rate base and a 5 year performance based ratemaking plan. A comprehensive settlement agreement was filed on January 30, 2026. The proposed settlement provides for a $45.3 million adjustment in distribution revenues, of which $27.4 million relates to prior investments under the GSEP and previously included in revenues. The settlement includes two rate base resets. The July 1, 2027 rate base reset would allow recovery of $13.0 million of 2026 pipeline safety investments, $6.7 million of Q4 2025 non-GSEP investments, and up to $13.3 million of 2026 non-GSEP, non-pipeline safety investments. The July 1, 2028 rate base reset would allow recovery of the remaining 2026 non-GSEP deferred additions (up to $13.3 million), $13.9 million of 2027 pipeline safety investments, up to $26.5 million of 2027 non-GSEP projects, and recovery of the 2026 non-GSEP deferred regulatory asset. The settlement reflects a capital structure of 47.1% debt and 52.9% equity, with an authorized ROE of 9.3%. The Pension Adjustment Factor would be rolled into base rates, with an approximately $9.5 million over-recovery credited to customers in 2026. In addition, $41.6 million of deferred GSEP costs would be recovered over 10 years through the GSEP beginning July 1, 2027, with carrying charges on the unrecovered balance at the Company's money pool rate. The Company agreed to no further increase or redesign of base distribution rates before November 1, 2029. An order approving the settlement agreement was issued on March 27, 2026. New rates were effective April 1, 2026.
St. Lawrence Gas	New York	GRC	On November 27, 2024, St. Lawrence Gas filed an application seeking a rate adjustment of $2.2 million based on an ROE of 9.9% and an equity ratio of 48%. On April 1, 2025, Staff of the New York Department of Public Service recommended a $1.19 million decrease in rates. On April 22, 2025, the Company submitted rebuttal testimony requesting approximately $2.33 million. The Company filed notice and began confidential settlement negotiations on May 6, 2025. An unopposed Joint Proposal was filed on August 29, 2025 proposing a three-year rate plan ("Rate Plan") from November 1, 2025 through October 31, 2028 with unlevelized rate adjustments of $0.4 million in Rate Year 1, $1.9 million in Rate Year 2, and $1.6 million in Rate Year 3. Base rate adjustments will be levelized to reduce rate volatility to customers over the term of the Rate Plan. The Joint Proposal established ROE at 9.3%, and equity ratios of 46% in Rate Year 1, 47% in Rate Year 2, and 48% in Rate Year 3. The Rate Plan includes an Earnings Sharing Mechanism, gas safety and customer service performance metrics, customer programs to assist low income customers, and a three-year capital investment plan. The Joint Proposal also resolves the Company's outstanding Automated Meter Reading project petition providing funding to support the investment as part of the Rate Plan. The Joint Proposal includes provisions intended to further New York State's ability to meet the goals of the Climate Leadership and Community Protection Act. On January 22, 2026, the NYPSC approved the Joint Proposal.

4. Regulatory matters (continued)

Utility	State, Province or Country	Regulatory Proceeding Type	Details
Suralis	Chile	GRC	On May 4, 2026 Suralis and the Superintendence of Sanitary Services reached an agreement for the VIII Tariff Process, setting base tariffs for the 2026 to 2031 period. The new tariff level establishes a 5.0% increase over the previous period, translating into an estimated annual revenue impact of approximately $4.0 million. The new tariffs are expected to go into effect in the third quarter of 2026 upon publication of the Tariff Decree and Order by the Comptroller General.

4. Regulatory matters (continued)

Regulatory assets and liabilities consist of the following:

(millions of U.S. dollars)	March 31, 2026	December 31, 2025
Regulatory assets		
Securitized costs, net	**$ 253.2**	$ 260.0
Deferred capitalized costs	**260.2**	244.1
Rate adjustment mechanism	**215.5**	184.5
Wildfire mitigation and vegetation management	**118.1**	139.7
Fuel and commodity cost adjustments	**146.4**	116.1
Income taxes	**95.3**	96.9
Environmental remediation	**65.9**	72.6
Pension and post-employment benefits	**44.5**	47.1
Clean energy and other customer programs	**39.1**	41.9
Property tax deferral mechanism [1]	**21.8**	18.9
Retired generating plant	**15.7**	13.4
Asset retirement obligation	**11.7**	11.5
Rate review costs	**9.6**	9.9
Cost of removal	**8.4**	8.7
Other regulatory assets	**141.7**	130.6
Total regulatory assets	**$ 1,447.1**	$ 1,395.9
Less: current regulatory assets	**(269.1)**	(205.1)
Non-current regulatory assets	**$ 1,178.0**	$ 1,190.8
Regulatory liabilities		
Income taxes	**$ 239.2**	$ 242.5
Cost of removal	**203.3**	199.5
Pension and post-employment benefits	**161.6**	161.9
Fuel and commodity cost adjustments	**24.4**	19.6
Clean energy and other customer programs	**8.4**	8.7
Rate adjustment mechanism	**2.5**	1.2
Other regulatory liabilities	**16.1**	17.3
Total regulatory liabilities	**$ 655.5**	$ 650.7
Less: current regulatory liabilities	**(70.0)**	(65.8)
Non-current regulatory liabilities	**$ 585.5**	$ 584.9

[1] Property tax deferral mechanism represents actual costs incurred for property taxes in excess of amounts collected in revenues. These costs are expected to be recovered over various periods and are not included in rate base.

As recovery of regulatory assets is subject to regulatory approval, if there were any changes in regulatory positions that indicate recovery is not probable, the related cost would be charged to earnings in the period of such determination. The Company generally does not earn a return on the regulatory balances except for carrying charges on fuel and commodity cost adjustments, rate adjustment mechanism, clean energy and other customer programs, and rate review costs of some jurisdictions. During the three months ended March 31, 2026, the Company recognized $6.6 million (March 31, 2025 - $5.6 million) of carrying charges on regulatory balances on the unaudited interim condensed consolidated statements of operations under other income, which was computed using only the debt component of the allowed return.

5. Long-term investments

Long-term investments consist of the following:

(millions of U.S. dollars)	March 31, 2026	December 31, 2025
Long-term investments carried at fair value	**$ 1.9**	$ 2.1
Other long-term investments		
Tax equity investments (a)	**$ 124.6**	$ 129.0
Equity-method investees	**48.4**	49.0
San Antonio Water System and other	**27.0**	27.4
	$ 200.0	$ 205.4
Long-term investments	**$ 201.9**	$ 207.5

Income from long-term investments for the three months ended March 31 is as follows:

(millions of U.S. dollars)	Three months ended March 31, 2026	2025
Long-term investments		
Tax equity investments (a)	**$ 0.9**	$ 1.5
Equity method gain	**1.1**	1.0
Interest and other income	**2.4**	0.3
Income from long-term investments	**$ 4.4**	$ 2.8

(a) Tax equity investments

During the three months ended March 31, 2026, on the Proportional Amortization Method ("PAM") elected investments, the Company recorded amortization as a component of income tax expense of $4.2 million (2025 - $7.2 million) as a reduction in the investment. As of March 31, 2026, the PAM-eligible tax equity investments had a carrying value of $101.7 million (December 31, 2025 - $105.9 million).

The remaining tax equity investments are not eligible to be accounted for under the PAM, as the tax benefits from these investments have been previously realized and the remaining benefits are primarily cash distributions. During the three months ended March 31, 2026, the Company recorded distributions of $0.6 million (2025 - $2.6 million) as a reduction in the investment and income of $0.4 million (2025 - $0.4 million). As of March 31, 2026, these tax equity investments had a carrying value of $22.9 million (December 31, 2025 - $23.1 million).

6. Long-term debt

Long-term debt consists of the following:

(millions of U.S. dollars unless otherwise noted) **Borrowing type**	**Weighted average coupon**	**Maturity**		**Par value**		**March 31, 2026**		**December 31, 2025**
Senior unsecured revolving credit facilities (a)	—	2027-2030		N/A	**$**	**—**	$	4.5
Senior unsecured bank credit facilities	—	2026-2031		N/A		**77.0**		78.5
Commercial paper	—	2027		N/A		**515.0**		337.0
U.S. dollar borrowings								
Senior unsecured notes	5.37 %	2026	$	1,150.0		**1,148.9**		1,147.1
Senior unsecured notes	4.34 %	2027-2047	$	2,395.0		**2,381.4**		2,380.7
Senior unsecured utility notes	6.39 %	2028-2035	$	107.0		**113.6**		114.0
Senior secured utility bonds	4.81 %	2026-2044	$	836.7		**809.1**		819.5
Canadian dollar borrowings								
Senior unsecured notes	3.32 %	2050	C$	200.0		**142.4**		144.8
Senior secured project notes	10.21 %	2027	C$	8.2		**5.9**		6.7
Chilean Unidad de Fomento borrowings								
Senior unsecured utility bonds	3.40 %	2028-2040	CLF	2.8		**122.5**		125.0
					$	**5,315.8**	$	5,157.8
Subordinated borrowings								
Subordinated unsecured notes	5.25 %	2082	C$	400.0	**$**	**283.3**	$	288.2
Subordinated unsecured notes	5.76 %	2079-2082	$	1,100.0		**1,086.9**		1,086.9
					$	**6,686.0**	$	6,532.9
Less: current portion						**(542.5)**		(364.0)
					$	**6,143.5**	$	6,168.9

Short-term obligations of $1,213.9 million (December 31, 2025 - $1,213.9 million) that are expected to be refinanced on a long-term basis are presented as long-term debt.

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

6. Long-term debt (continued)

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

(millions of U.S. dollars)		March 31, 2026		December 31, 2025
Revolving and term credit facilities	**$**	**1,866.6**	$	1,928.5
Funds drawn on facilities/commercial paper issued		**(592.0)**		(420.0)
Letters of credit issued		**(34.1)**		(34.1)
Liquidity available under the facilities	**$**	**1,240.5**	$	1,474.4
Undrawn portion of uncommitted letter of credit facilities		**(2.0)**		(62.4)
Cash on hand		**55.5**		32.7
Total liquidity and capital reserves	**$**	**1,294.0**	$	1,444.7

(a) Senior unsecured revolving credit facilities

Subsequent to March 31, 2026, on April 17, 2026, Liberty Utilities Co. entered into a $1.15 billion senior unsecured syndicated delayed draw term facility, which matures on April 17, 2028.

As of March 31, 2026, the Company had accrued $64.3 million in interest expense (December 31, 2025 - $71.8 million). Total interest expenses recognized for the three months ended March 31, 2026 and 2025 consist of the following:

		Three months ended March 31,		
(millions of U.S. dollars)		**2026**		**2025**
Long-term debt	**$**	**76.1**	$	75.2
Commercial paper, credit facility draws and related fees		**5.2**		4.7
Accretion of fair value adjustments		**(1.5)**		(1.5)
Allowance for funds used during construction capitalized on regulated property		**(1.0)**		(1.1)
Other (a)		**(6.2)**		(5.9)
	$	**72.6**	$	71.4

(a) Other

For the three months ended March 31, 2026, other interest expense includes carrying costs deferred to regulatory assets in accordance with charges of plant-in-service accounting of $8.4 million (2025 - $8.4 million)

7. Pension and other post-employment benefits

The following table lists the components of net benefit costs for the pension plans and other post-employment benefits ("OPEB"). Service cost is recorded as part of operating expenses, and non-service costs have been recorded outside of operating income in the unaudited interim condensed consolidated statements of operations.

	Pension benefits		OPEB	
	Three months ended March 31,		Three months ended March 31,	
(millions of U.S. dollars)	**2026**	**2025**	**2026**	**2025**
Service cost	**$ 3.4**	$ 3.3	**$ 0.7**	$ 0.7
Non-service costs				
Interest cost	**8.4**	8.6	**2.9**	2.6
Expected return on plan assets	**(10.1)**	(9.3)	**(3.1)**	(2.6)
Amortization of net actuarial loss	**(1.1)**	(0.4)	**(1.4)**	(1.2)
Amortization of prior service credits	**(0.3)**	(0.3)	**(0.1)**	(0.2)
Impact of regulatory accounts	**4.4**	(1.2)	**1.9**	1.7
	$ 1.3	$ (2.6)	**$ 0.2**	$ 0.3
Net benefit cost	**$ 4.7**	$ 0.7	**$ 0.9**	$ 1.0

8. Other long-term liabilities

Other long-term liabilities consist of the following:

	March 31, 2026	December 31, 2025
Advances in aid of construction	**$ 133.0**	$ 133.0
Asset retirement obligations [1]	**45.7**	45.3
Environmental remediation obligation [2]	**52.6**	54.4
Contingent liability (note 15(a))	**17.4**	137.7
Customer deposits	**32.6**	32.6
Deferred credits and contingent consideration	**36.8**	37.5
Unamortized investment tax credits	**17.0**	17.1
Hook-up fees	**12.9**	11.8
Lease liabilities	**9.7**	10.5
Delayed equity contributions	**19.8**	21.5
Other	**5.2**	7.5
	$ 382.7	$ 508.9
Less: current portion	**(28.4)**	(151.1)
	$ 354.3	$ 357.8

[1] Asset retirement obligation includes $0.4 million of accretion for the three months ended March 31, 2026.

[2] Environmental remediation obligation includes $1.9 million of accretion for the three months ended March 31, 2026.

9. Shareholders' capital

(a) Common shares

The number of common shares outstanding is as follows:

	Three months ended March 31,	
	2026	**2025**
Common shares, beginning of period	**768,351,419**	767,343,863
Exercise of share-based awards	**1,106,289**	403,639
Common shares, end of period	**769,457,708**	767,747,502

(b) Dividends

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

Dividends declared were as follows:

	Three months ended March 31,			
	2026		**2025**	
(in millions, except per share amounts)	**Dividend**	**Dividend per share**	**Dividend**	**Dividend per share**
Common shares	**$ 50.5**	**$ 0.0650**	$ 50.4	$ 0.0650
Series A Shares	**C$ 2.0**	**C$ 0.4110**	C$ 2.0	C$ 0.4110
Series D Shares	**C$ 1.7**	**C$ 0.4283**	C$ 1.7	C$ 0.4283

10. Accumulated other comprehensive income (loss)

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

(millions of U.S. dollars)	Foreign currency cumulative translation	Unrealized gain (loss) on cash flow hedges	Pension and post-employment actuarial changes	Total
Balance, January 1, 2025	$ (75.1)	$ 108.6	$ 47.9	$ 81.4
OCI	48.5	(41.4)	14.9	22.0
Amounts reclassified from AOCI to the unaudited interim condensed consolidated statements of operations	(0.3)	7.8	(8.2)	(0.7)
Net current period OCI attributable to shareholders of AQN	$ 48.2	$ (33.6)	$ 6.7	$ 21.3
Amounts derecognized on sale of the renewable energy business	(71.6)	—	—	(71.6)
Balance, December 31, 2025	$ (98.5)	$ 75.0	$ 54.6	$ 31.1
OCI	**(7.1)**	**(0.6)**	**—**	**(7.7)**
Amounts reclassified from AOCI to the unaudited interim condensed consolidated statements of operations	**—**	**(5.0)**	**(0.9)**	**(5.9)**
Net current period OCI	**$ (7.1)**	**$ (5.6)**	**$ (0.9)**	**$ (13.6)**
OCI attributable to the non-controlling interests	**0.4**	**—**	**—**	**0.4**
Net current period OCI attributable to shareholders of AQN	**$ (6.7)**	**$ (5.6)**	**$ (0.9)**	**$ (13.2)**
Balance, March 31, 2026	**$ (105.2)**	**$ 69.4**	**$ 53.7**	**$ 17.9**

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

11. Income taxes

For the three months ended March 31, 2026, the income tax expense in the unaudited interim condensed consolidated statements of operations represents an effective tax rate different than the Canadian enacted federal statutory income tax rate of 15.0%. The differences are as follows:

	Three months ended March 31,	
(millions of U.S. dollars)	**2026**	**2025**
Canadian federal statutory income tax rate	**$ 14.5**	$ 14.6
State and local income taxes (primarily Ontario)	**1.3**	(4.7)
Foreign tax effects		
United States		
State income tax	**6.9**	8.1
Rate differential	**4.3**	4.4
Tax impact on Hypothetical Liquidation at Book Value income	**4.3**	4.2
Amortization and settlement of excess deferred income tax	**(4.8)**	(6.6)
Base erosion and anti-abuse tax	**2.1**	3.6
Compensation-related	**0.6**	—
Tax equity investment under PAM	**(0.8)**	—
Other	**—**	(0.2)
Bermuda		
Rate differential	**(2.1)**	—
Chile		
Rate differential	**0.9**	1.1
Other	**0.4**	0.6
Effect of cross-border tax laws		
Cross-border finance arrangement	**(2.1)**	(2.6)
Changes in valuation allowance	**4.2**	5.2
Non-taxable or non-deductible items	**(0.9)**	(0.3)
Tax basis step-up	**—**	(7.6)
Income tax expense	**$ 28.8**	$ 19.8

The Company's overall deferred tax asset position related to Canadian attributes remained unchanged during the three months ended March 31, 2026. As at March 31, 2026, it was considered more likely than not that there would not be sufficient taxable income in the future that would allow realization of these deferred tax assets. The Company will continue to monitor this position as at each balance sheet date.

For the three-month period ended March 31, 2026, the Company reported net cash received for income taxes of $11.8 million, comprising proceeds of $9.5 million from the sale of income tax credits and a U.S. federal tax refund of $5.0 million, partially offset by various tax payments of $2.7 million. For the three-month period ended March 31, 2025, the Company reported cash payments of $10.4 million.

12. Other net losses

Other net losses consist of the following:

(millions of U.S. dollars)	Three months ended March 31, 2026	2025
Restructuring costs (a)	**$ (19.2)**	$ (5.6)
Other (b)	**(2.1)**	(8.1)
	$ (21.3)	$ (13.7)

(a) Restructuring costs

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

(b) Other

For the three months ended March 31, 2026, other losses primarily consist of other miscellaneous write-downs, net of miscellaneous gains.

13. Basic and diluted net earnings per share

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

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

(millions of U.S. dollars, except number of shares and per share amounts)	Three months ended March 31, 2026	2025
Net earnings attributable to shareholders of AQN from continuing operations	**$ 85.7**	$ 95.4
Series A preferred share dividend	**1.4**	1.4
Series D preferred share dividend	**1.2**	1.2
Net earnings attributable to common shareholders of AQN from continuing operations	**83.1**	92.8
Net earnings attributable to common shareholders of AQN from discontinued operations	**0.5**	1.4
Net earnings attributable to common shareholders of AQN – basic and diluted	**$ 83.6**	$ 94.2
Weighted average number of shares		
Basic	**768,860,143**	767,670,571
Effect of dilutive securities	**4,047,295**	2,953,267
Diluted average number of shares	**772,907,438**	770,623,838
Basic and diluted net earnings per share from continuing operations	**$ 0.11**	$ 0.12
Basic and diluted net loss per share from discontinued operations	**$ —**	$ —
Basic and diluted net earnings per share	**$ 0.11**	$ 0.12

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

This calculation of diluted average number of shares for the three months ended March 31, 2026 excludes the potential impact of 3,425,340 (2025 - 3,887,419) incremental shares that may become issuable pursuant to outstanding securities of the Company.

14. Segmented information

The Company's operations are organized across two business units consisting of the Regulated Services Group and the Hydro Group.

The Regulated Services Group primarily owns and operates a portfolio of regulated electric, water distribution and wastewater collection, and natural gas utility systems and transmission operations in the United States, Canada, Bermuda and Chile. The Hydro Group consists of hydroelectric generation facilities located in Canada that were not sold as part of the Renewables Sale. Non-operating segments include the corporate activities of the Company, which are reported under the Corporate Group.

For purposes of evaluating the performance of the business units, the Company allocates the realized portion of any gains or losses on financial instruments to the specific business unit. Interest income from San Antonio Water System is included in the operations of the Regulated Services Group. Equity method gains and losses are included in the operations of the Regulated Services Group. The change in value of investments carried at fair value, unrealized portion of any gains or losses on derivative instruments not designated in a hedging relationship are not considered in management's evaluation of divisional performance and are, therefore, allocated and reported under the Corporate Group.

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

14. Segmented information (continued)

	Three months ended March 31, 2026			
(millions of U.S. dollars)	Regulated Services Group	Hydro Group	Corporate Group	Total
Revenue [1]	$ 768.3	$ 9.1	$ —	$ 777.4
Other revenue	14.4	0.1	0.5	15.0
Fuel purchased, power purchased, water production and other cost of sales	260.4	—	—	260.4
Net revenue	522.3	9.2	0.5	532.0
Operating expenses	239.1	3.1	0.8	243.0
Depreciation and amortization	106.2	1.8	0.2	108.2
Loss (gain) on foreign exchange	0.7	—	(0.7)	—
Operating income	176.3	4.3	0.2	180.8
Interest expense	(37.2)	(0.2)	(35.2)	(72.6)
Income from long-term investments	1.4	—	3.0	4.4
Other income	6.6	—	—	6.6
Pension and other post-employment non-service costs	(1.5)	—	—	(1.5)
Other net losses	(10.7)	(0.3)	(10.3)	(21.3)
Earnings (loss) before income taxes	134.9	3.8	(42.3)	96.4
Income tax recovery (expense)	(34.7)	(0.6)	6.5	(28.8)
Net effect of non-controlling interests	19.2	(1.1)	—	18.1
Net earnings (loss) from continuing operations attributable to shareholders	$ 119.4	$ 2.1	$ (35.8)	$ 85.7
Capital expenditures	$ 88.0	$ 0.2	$ —	$ 88.2
		March 31, 2026		
Property, plant and equipment	$ 9,556.8	$ 138.1	$ 27.8	$ 9,722.7
Investments carried at fair value	1.9	—	—	1.9
Equity-method investees	48.4	—	—	48.4
Total assets	13,485.8	172.2	391.9	14,049.9

[1] Regulated Services Group revenue includes $8.0 million related to alternative revenue programs for the three months ended March 31, 2026 that does not represent revenue recognized from contracts with customers.

14. Segmented information (continued)

	Three months ended March 31, 2025			
(millions of U.S. dollars)	Regulated Services Group	Hydro Group	Corporate Group	Total
Revenue [1]	$ 667.5	$ 9.5	$ —	$ 677.0
Other revenue	14.8	0.1	0.5	15.4
Fuel purchased, power purchased, water production and other cost of sales	212.7	—	—	212.7
Net revenue	469.6	9.6	0.5	479.7
Operating expenses	198.4	2.5	0.7	201.6
Depreciation and amortization	93.3	1.8	0.2	95.3
Loss on foreign exchange	2.6	—	1.3	3.9
Operating income (loss)	175.3	5.3	(1.7)	178.9
Interest expense	(35.1)	(0.2)	(36.1)	(71.4)
Income from long-term investments	1.3	0.1	1.4	2.8
Other income	5.6	—	—	5.6
Pension and other post-employment non-service costs	2.3	—	—	2.3
Other net losses	(7.4)	—	(6.3)	(13.7)
Gain (loss) on derivative financial instruments	0.3	—	(7.5)	(7.2)
Earnings (loss) before income taxes	142.3	5.2	(50.2)	97.3
Income tax recovery (expense)	(39.1)	12.4	6.9	(19.8)
Net effect of non-controlling interests	18.9	(1.0)	—	17.9
Net earnings (loss) from continuing operations attributable to shareholders	$ 122.1	$ 16.6	$ (43.3)	$ 95.4
Capital expenditures	$ 100.2	$ 0.5	$ —	$ 100.7
	December 31, 2025			
Property, plant and equipment	$ 9,578.6	$ 141.9	$ 29.4	$ 9,749.9
Investments carried at fair value	2.1	—	—	2.1
Equity-method investees	49.0	—	—	49.0
Total assets	13,517.0	171.9	447.3	14,136.2

[1] Regulated Services Group revenue includes $2.5 million related to alternative revenue programs for the three months ended March 31, 2025 that does not represent revenue recognized from contracts with customers.

14. Segmented information (continued)

AQN operates in the utilities industry in the United States, Canada and other regions. Information on operations by geographic area is as follows:

(millions of U.S. dollars)	Three months ended March 31, 2026	2025
Revenue		
United States	**$ 667.6**	$ 572.8
Canada	**38.8**	34.2
Other regions	**86.0**	85.4
	$ 792.4	$ 692.4

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

15. Commitments and contingencies

(a) Contingencies

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

Mountain View Fire

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

15. Commitments and contingencies (continued)

Apple Valley Condemnation Proceedings

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

Lexington Gas Incident

On April 9, 2025, an explosion and fire occurred in Lexington, Missouri, destroying or damaging certain structures, including residences, served by the gas distribution system of The Empire District Gas Company. A minor died and two others suffered serious physical injuries. The National Transportation Safety Board is investigating. To date, two active lawsuits remain as well as other pre-litigation demands that have been asserted against a subsidiary of the Company and third party defendants which seek damages for personal injury and property damage. The Missouri Attorney General filed a petition for injunctive relief and civil penalties associated with the incident. This litigation has been resolved by a Consent Judgment which provides for a $0.03 million civil penalty and confirmation of Lexington asset mapping; the Consent Judgment is pending court approval. In addition, the MPSC opened an investigation docket into the Empire District Gas Company's compliance with pipeline safety requirements. Although there can be no assurance, the Company has insurance that is currently expected to apply up to applicable policy limits for personal injury and property damage litigation and claims. The Company has currently accrued and incurred estimated losses of $152.2 million for claims related to the incident, against which recoveries through insurance of $149.0 million have been recorded, reflecting amount recovered and expected to be recovered. While the Company may incur a material loss in excess of the amount accrued, the Company cannot currently estimate the upper end of the range of reasonably possible losses that may be incurred. The estimate of losses is subject to change as additional information becomes available.

(b) Commitments

There are no new significant commitments not previously disclosed in the consolidated financial statements as of and for the year ended December 31, 2025.

16. Non-cash operating items

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

	Three months ended March 31,	
	2026	**2025**
Trade and other receivables	**$ (4.8)**	$ (35.8)
Fuel and natural gas in storage	**22.2**	17.1
Supplies and consumables inventory	**2.3**	(3.8)
Income taxes recoverable	**(4.5)**	3.5
Prepaid expenses	**9.6**	3.3
Accounts payable, accrued liabilities and other	**(141.5)**	(58.9)
Current income tax liability	**10.7**	(6.5)
Net regulatory assets and liabilities	**(57.7)**	(15.8)
	$ (163.7)	$ (96.9)

17. Financial instruments

(a) Fair value of financial instruments

(millions of U.S. dollars)

March 31, 2026	**Carrying amount**	**Fair value**	**Level 1**	**Level 2**	**Level 3**
Long-term investments carried at fair value	**$ 1.9**	**$ 1.9**	**$ 1.9**	**$ —**	**$ —**
Contingent consideration	**81.4**	**81.4**	—	—	**81.4**
Derivative instruments:					
Interest rate swaps designated as a hedge	**82.6**	**82.6**	**—**	**82.6**	**—**
Commodity contracts for regulated operations	**0.1**	**0.1**	**—**	**0.1**	**—**
Total derivative instruments	**82.7**	**82.7**	**—**	**82.7**	**—**
Total financial assets	**$ 166.0**	**$ 166.0**	**$ 1.9**	**$ 82.7**	**$ 81.4**
Long-term debt	**$ 6,143.5**	**$ 6,125.9**	**$ 2,028.8**	**$ 4,097.1**	**$ —**
Derivative instruments:					
Interest rate swaps designated as a hedge	**21.2**	**21.2**	**—**	**21.2**	**—**
Commodity contracts for regulated operations	**0.2**	**0.2**	**—**	**0.2**	**—**
Total derivative instruments	**21.4**	**21.4**	**—**	**21.4**	**—**
Total financial liabilities	**$ 6,164.9**	**$ 6,147.3**	**$ 2,028.8**	**$ 4,118.5**	**$ —**

17. Financial instruments (continued)

(a) Fair value of financial instruments (continued)

(millions of U.S. dollars)

December 31, 2025	Carrying amount	Fair value	Level 1	Level 2	Level 3
Long-term investments carried at fair value	$ 2.1	$ 2.1	$ 2.1	$ —	$ —
Other receivables	0.7	0.7	—	0.7	—
Contingent consideration	79.4	79.4	—	—	79.4
Derivative instruments:					
Interest rate swaps designated as a hedge	83.0	83.0	—	83.0	—
Total financial assets	$ 165.2	$ 165.2	$ 2.1	$ 83.7	$ 79.4
Long-term debt	$ 6,168.9	$ 6,201.6	$ 2,035.6	$ 4,166.0	$ —
Convertible debentures	0.3	0.3	0.3	—	—
Derivative instruments:					
Interest rate swaps designated as a hedge	16.7	16.7	—	16.7	—
Commodity contracts for regulated operations	0.8	0.8	—	0.8	—
Total derivative instruments	17.5	17.5	—	17.5	—
Total financial liabilities	$ 6,186.7	$ 6,219.4	$ 2,035.9	$ 4,183.5	$ —

The Company has determined that the carrying value of its short-term financial assets and liabilities approximates the fair value as of March 31, 2026 and December 31, 2025 due to the short-term maturity of these instruments.

The Company's Level 1 fair value of long-term debt is measured at the closing price on the New York Stock Exchange and the Canadian over-the-counter closing price. The Company's Level 2 fair value of long-term debt at fixed interest rates has been determined using a discounted cash flow method and current interest rates.

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

The Company's Level 3 fair value contingent consideration relates to the earn-out component recognized from the Renewables Sale. The fair value of the contingent consideration was determined using a discounted cash flow approach. The significant unobservable inputs used in the fair value measurement of the contingent consideration were the forward-looking Electric Reliability Council of Texas energy curves used to construct the expected cash flows and the discount rate applied to these cash flows, which was 11%.

17. Financial instruments (continued)

(b) Derivative instruments

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

(i) Commodity derivatives - regulated accounting

The Company uses derivative financial instruments to reduce the cash flow variability associated with the purchase price for a portion of future natural gas purchases associated with its regulated natural gas and electric service territories. The Company's strategy is to minimize fluctuations in natural gas sale prices to regulated customers. As at March 31, 2026, the commodity volume, in dekatherms, associated with the above derivative contracts is 734,516.

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

(ii) Cash flow hedges

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

(millions of dollars)

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

The following table summarizes OCI attributable to derivative financial instruments designated as a cash flow hedge:

	Three months ended March 31,	
(millions of U.S. dollars)	**2026**	**2025**
Effective portion of cash flow hedge	**$ (0.6)**	$ (20.4)
Amortization of cash flow hedge	**—**	(0.3)
Amounts reclassified from AOCI	**(5.0)**	(0.2)
	$ (5.6)	$ (20.9)

The Company expects $2.6 million of unrealized losses currently in AOCI to be reclassified, net of taxes, into investment loss, interest expense and derivative gains, within the next 12 months, as the underlying hedged transactions settle.

17. Financial instruments (continued)

(b) Derivative instruments (continued)

(iii) Other derivatives and risk management

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

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

	Three months ended March 31,	
(millions of U.S. dollars)	**2026**	**2025**
Amortization of cash flow hedge	**$ —**	$ (0.3)
Unrealized loss on commodity contracts	**—**	(6.9)
Loss on derivative financial instruments	**$ —**	$ (7.2)

18. Disposition of renewable energy business

On January 8, 2025, the Company completed the Renewables Sale for proceeds of $2,092.8 million after subtracting taxes, transaction fees and other preliminary closing adjustments, including an adjustment for estimated remaining completion costs for in-construction assets. As a result of the disposition, during the first quarter of 2025, the Company derecognized $3,693.2 million of total assets, $1,694.1 million of total liabilities, $37.1 million of AOCI and $988.0 million of non-controlling interests from its unaudited interim condensed consolidated balance sheets. This resulted in a loss on disposition of $0.8 million recorded within the March 31, 2025, unaudited interim consolidated statements of operations.

The consideration included contingent consideration (earn-out) and tax equity investments, which were initially recognized at fair value and are recorded within other assets and long-term investments, respectively, on the unaudited interim condensed consolidated balance sheets.

The Company continues to incur certain closing and transition-related costs associated with the transaction.

18. Disposition of renewable energy business (continued)

(a) Net income (loss) from discontinued operations

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

	Three months ended March 31,	
(millions of U.S. dollars)	**2026**	**2025**
Revenue		
Non-regulated energy sales	**$ —**	$ 7.4
	—	7.4
Operating expenses	**—**	8.7
	$ —	$ 8.7
Loss from discontinued operations	**—**	(1.3)
Income from long-term investments	**—**	8.1
Loss on disposition	**—**	(0.8)
Other net gains (losses)	**0.5**	(3.1)
Earnings before income taxes	**0.5**	2.9
Income tax expense	**—**	(1.5)
Net earnings from discontinued operations attributable to AQN	**$ 0.5**	$ 1.4

19. Comparative figures

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

Algonquin

Management Discussion & Analysis

Management of Algonquin Power & Utilities Corp. ("AQN", the "Company" or the "Corporation") has prepared the following discussion and analysis to provide information to assist its securityholders' understanding of the financial results for the three months ended March 31, 2026. This Management Discussion & Analysis ("MD&A") should be read in conjunction with AQN's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2026 and 2025. This MD&A should also be read in conjunction with AQN's audited consolidated financial statements for the years ended December 31, 2025 and 2024. This material is available on SEDAR+ at www.sedarplus.com, on EDGAR at www.sec.gov/edgar and on the AQN website at www.algonquinpower.com. Additional information about AQN, including the most recent Annual Information Form ("AIF"), can be found on SEDAR+ at www.sedarplus.com and on EDGAR at www.sec.gov/edgar.

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Explanatory Notes

Unless otherwise indicated, financial information provided for the three months ended March 31, 2026 and 2025 has been prepared in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). As a result, the Company's financial information may not be comparable with financial information of other Canadian companies that provide financial information on another basis.

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

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

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

Unless noted otherwise, this MD&A is based on information available to management as of May 8, 2026.

Renewables business sale

On January 8, 2025, the Company completed the previously announced sale of its renewable energy business (excluding hydro) (the "Renewables Sale") to a wholly-owned subsidiary of LS Power ("LS Buyer") for proceeds of approximately $2.1 billion, after subtracting taxes, transaction fees and other preliminary closing adjustments, including an adjustment for estimated remaining completion costs for in-construction assets. Approximately $1.95 billion of such proceeds were received upon the closing of the transaction and an additional approximately $150 million in proceeds were received subsequent to closing upon monetization of tax attributes on certain in-construction projects.

Additionally, the Company can receive up to $220 million in cash pursuant to an earn out agreement relating to certain wind assets (the "Earn Out"). The amount and timing of the ultimate net cash proceeds will be dependent on final completion costs for in-construction assets, the associated monetization of tax credits on certain of these projects (including, but not limited to, future events which could cause recapture of part or all of the tax attributes monetized and refund of the associated proceeds), and other final closing adjustments.

During the third quarter of 2024, the Company concluded that the consolidated assets within its former renewable energy group (excluding hydro) met the accounting requirements to be presented as "Held for Sale". As a result, the renewable energy group (excluding hydro) was classified as "discontinued operations" until closing of the Renewables Sale. The discontinued operations operated as a distinct segment and had no impact on the operations of the Regulated Services Group operating segment, other than sharing certain corporate support functions and benefiting from corporate debt and equity funding. This MD&A reflects the results of continuing operations, unless otherwise noted.

Caution Concerning Forward-Looking Statements and Forward-Looking Information

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

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

The forward-looking information contained herein is subject to risks, uncertainties and other factors that could cause actual results to differ materially from historical results or results anticipated by the forward-looking information. Factors which could cause results or events to differ materially from current expectations include, but are not limited to: changes in general economic, credit, social or market conditions; changes in customer energy usage patterns and energy demand; reductions in the liquidity of energy markets; global climate change; the incurrence of environmental liabilities; natural

disasters, diseases, pandemics, public health emergencies and other force majeure events and the collateral consequences thereof, including the disruption of economic activity, volatility in capital and credit markets and legislative and regulatory responses; critical equipment breakdown or failure; supply chain disruptions; the impact of existing import controls and tariffs and the imposition of additional import controls or tariffs; the failure of information technology infrastructure and other cybersecurity measures to protect against data, privacy and cybersecurity breaches; failure to successfully implement and operate, and cost overruns and delays in connection with, new information technology systems and infrastructure; physical security breach; the loss of key personnel and/or labour disruptions; seasonal fluctuations and variability in weather conditions and natural resource availability; reductions in demand for electricity, natural gas and water due to developments in technology; reliance on transmission systems owned and operated by third parties; issues arising with respect to land use rights and access to the Corporation's facilities; terrorist attacks; fluctuations in commodity and energy prices; capital expenditures; reliance on subsidiaries; the incurrence of an uninsured loss; a credit rating downgrade; an increase in financing costs or limits on access to credit and capital markets; inflation; increases and fluctuations in interest rates and failure to manage exposure to credit and financial instrument risk; currency exchange rate fluctuations; restricted financial flexibility due to covenants in existing credit agreements; an inability to refinance maturing debt on favourable terms; disputes with taxation authorities or changes to applicable tax laws; requirement for greater than expected contributions to post-employment benefit plans; default by a counterparty; inaccurate assumptions, judgments and/or estimates with respect to asset retirement obligations; failure to maintain required regulatory authorizations; changes in, or failure to comply with, applicable laws and regulations; failure of compliance programs; failure to dispose of assets (at all or at a competitive price) to fund the Company’s operations and strategic objectives; delays and cost overruns in the design and construction of projects; loss of key customers; a third party joint venture partner acting in a manner contrary to the Corporation’s interests; facilities being condemned or otherwise taken by governmental entities; increased external stakeholder activism adverse to the Corporation's interests; fluctuations in the price and liquidity of the Corporation's common shares and the Corporation's other securities; and the failure to implement the Corporation's strategic objectives or achieve expected benefits relating to acquisitions, dispositions or other initiatives. Although the Corporation has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Some of these and other factors are discussed in more detail under the heading "Enterprise Risk Management" in this MD&A and in the Company’s MD&A for the three and twelve months ended December 31, 2025 (the "Annual MD&A") and under the heading "Enterprise Risk Factors" in the Corporation's most recent AIF.

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

Caution Concerning Non-GAAP Measures

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

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

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

EBIT

EBIT is a non-GAAP financial measure used by many investors to assess the Company's core operational profitability by measuring the profit generated from day-to-day business activities, excluding interest and tax expenses. AQN uses EBIT to assess its operating performance without the effects of (as applicable): income tax expense or recoveries, interest expense and earnings attributable to non-controlling interests. Earnings attributable to non-controlling interests includes Hypothetical Liquidation at Book Value ("HLBV") income (which represents the value of net tax attributes earned in the period from electricity generated by certain of AQN's U.S. wind power and U.S. solar generation facilities). AQN believes that presentation of this measure will enhance an investor's understanding of AQN's operating performance. EBIT is not intended to be representative of cash provided by operating activities or net earnings (each determined in accordance with U.S. GAAP, with net earnings being the most directly comparable U.S. GAAP financial measure) and can be impacted positively or negatively by these items. For a reconciliation of EBIT to net earnings attributable to common shareholders, see *Non-GAAP Financial Measures* starting on page 26 of this MD&A. For reconciliations of EBIT by business segments, see *2026 First Quarter Regulated Services Group Net Earnings and Adjusted Net Earnings* starting on page 15, *Corporate Group Net Earnings and Adjusted Net Earnings* on page 24 and *Hydro Group Net Earnings* on page 25.

Adjusted Net Earnings

Adjusted Net Earnings is a non-GAAP financial measure used by many investors to compare net earnings attributable to common shareholders from operations without the effects of certain volatile primarily non-cash items that generally have no current economic impact or items such as acquisition expenses or certain litigation expenses that are viewed as not directly related to a company’s operating performance. AQN uses Adjusted Net Earnings to assess its performance without the effects of (as applicable): gains or losses on foreign exchange, foreign exchange forward contracts, interest rate swaps, acquisition and transition costs, certain litigation expenses and write down of intangibles and property (including restructuring costs related to the Company's transition to a pure-play utility), plant and equipment, earnings or loss from discontinued operations, unrealized mark-to-market revaluation impacts, costs related to prior period adjustments due to changes in tax law, costs related to condemnation proceedings, gains and losses on disposition of assets, and other typically non-recurring or unusual items as these are not reflective of the performance of the underlying business of AQN. AQN believes that analysis and presentation of net earnings or loss on this basis will enhance an investor’s understanding of the operating performance of its businesses. Adjusted Net Earnings is not intended to be representative of net earnings or loss determined in accordance with U.S. GAAP, and can be impacted positively or negatively by these items. For a reconciliation of Adjusted Net Earnings to net earnings attributable to common shareholders, see *Non-GAAP Financial Measures* starting on page 27, *2026 First Quarter Regulated Services Group Net Earnings and Adjusted Net Earnings* starting on page 15, and *Corporate Group Net Earnings and Adjusted Net Earnings* on page 24 of this MD&A.

The composition of Adjusted Net Earnings has been changed from that previously disclosed in the Annual MD&A to exclude one-time costs of arranging tax equity financing, costs related to management succession and executive retirement, changes in value of investments carried at fair value and prior period adjustments included in the gain (loss) from equity method investments not operated by the Company. Management believes this change better aligns the measure with industry practice and improves the metric's usefulness to investors. Comparative figures for this metric have been adjusted for the new composition.

Net Utility Sales

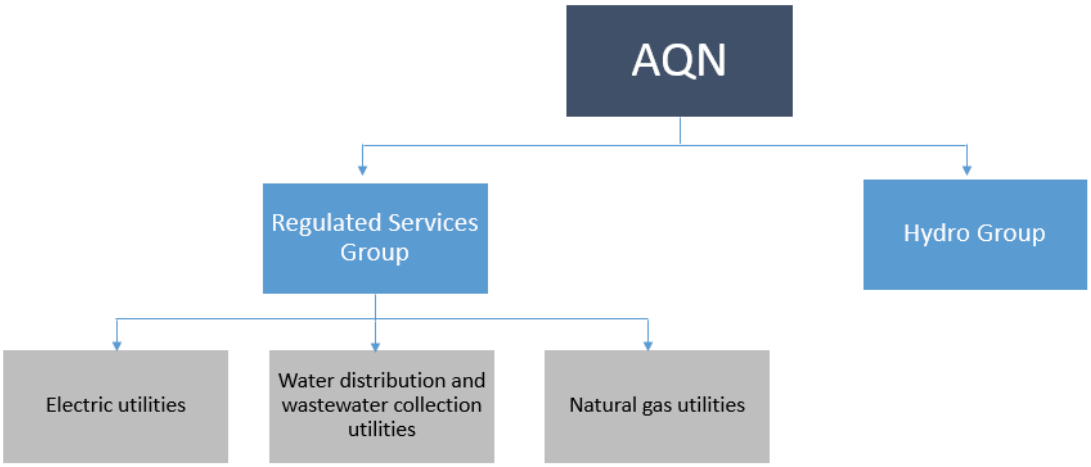
Net Utility Sales is a non-GAAP financial measure used by investors to identify utility revenue after commodity costs, either water, natural gas or electricity, where these commodity costs are generally included as a pass through in rates to its utility customers. AQN uses Net Utility Sales to assess its utility revenues without the effects of fluctuating commodity costs as such costs are predominantly passed through and paid for by utility customers. AQN believes that analysis and presentation of Net Utility Sales on this basis will enhance an investor's understanding of the revenue generation of the Regulated Services Group. It is not intended to be representative of revenue as determined in accordance with U.S. GAAP. For a reconciliation of Net Utility Sales to revenue, see *2026 First Quarter Regulated Services Group Net Earnings and Adjusted Net Earnings* on page 15 of this MD&A.

Overview and Business Strategy

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

Summary Structure of the Business

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



Regulated Services Group

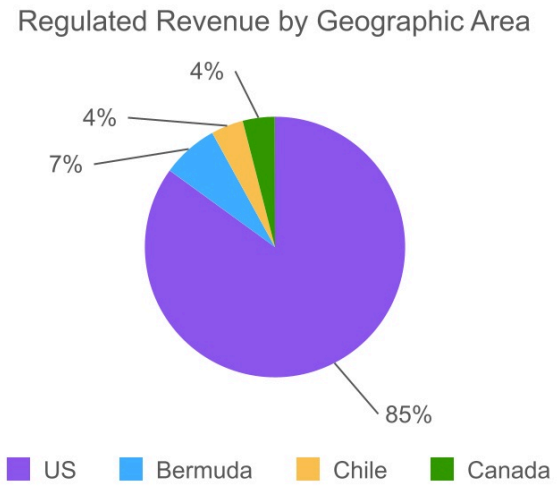
The Regulated Services Group primarily operates a diversified portfolio of regulated utility systems located in the United States, Canada, Bermuda and Chile serving approximately 1,291,000 customer connections as at March 31, 2026 (using an average of 2.5 customers per connection, this translates into approximately 3,170,000 customers). The Regulated Services Group seeks to provide safe, high quality, and reliable services to its customers and to deliver stable and predictable earnings to AQN. The Regulated Services Group seeks to deliver long-term growth within its service territories, including through the pursuit of capital investment opportunities and other initiatives.

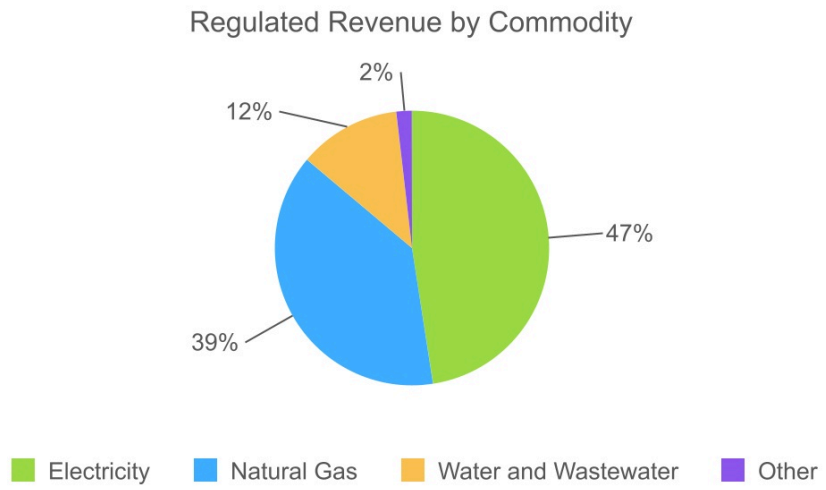
The Regulated Services Group's regulated electrical distribution utility systems and related generation assets are located in the U.S. states of Arkansas, California, Kansas, Missouri, Nevada, New Hampshire and Oklahoma, as well as in Bermuda, which together served approximately 314,000 electric customer connections as at March 31, 2026. The group also owns and operates generating assets with a gross capacity of approximately 2.0 GW and has investments in generating assets with approximately 0.3 GW of net generation capacity.

The Regulated Services Group's regulated water distribution and wastewater utility systems are located in the U.S. States of Arizona, Arkansas, California, Illinois, Missouri, New York, and Texas as well as in Chile which together served approximately 599,000 customer connections as at March 31, 2026.

The Regulated Services Group's regulated natural gas distribution utility systems are located in the U.S. States of Georgia, Illinois, Iowa, Massachusetts, Missouri, New Hampshire, and New York, and in the Canadian Province of New Brunswick, which together served approximately 378,000 natural gas customer connections as at March 31, 2026.

Below is a breakdown of the Regulated Services Group's Revenue by geographic area and by commodity for the three months March 31, 2026.





Hydro Group

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

Corporate Group

The Corporate Group primarily consists of AQN's corporate and shared services and corporate debt, in addition to certain ancillary investments.

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

2026 First Quarter Results From Operations

Key Financial Information[1]

(all dollar amounts in $ millions except per share information)	Three months ended March 31 2026	2025	Change
Revenue	**$ 792.4**	$ 692.4	14 %
Net revenue	**532.0**	479.7	11 %
Net earnings attributable to shareholders	**85.7**	95.4	(10)%
Net earnings attributable to common shareholders	**83.1**	92.8	(10)%
Net earnings attributable to common shareholders from continuing operations and discontinued operations	**83.6**	94.2	(11)%
Adjusted Net Earnings[2]	**99.6**	109.0	(9)%
Dividends declared to common shareholders	**50.5**	50.4	— %
Weighted average number of common shares outstanding	**768,860,143**	767,670,571	
Per common share			
Basic and diluted net earnings	**$ 0.11**	$ 0.12	(8)%
Basic and diluted net earnings from continuing operations and discontinued operations	**$ 0.11**	$ 0.12	(8)%
Adjusted Net Earnings[2]	**$ 0.13**	$ 0.14	(7)%
Dividends declared to common shareholders	**$ 0.07**	$ 0.07	— %

[1] Reflects results of continuing operations unless marked otherwise (see *Explanatory Notes*).
[2] See *Caution Concerning Non-GAAP Measures.*

For the three months ended March 31, 2026, AQN reported revenue of $792.4 million as compared to $692.4 million in the comparative period, an increase of $100.0 million. This increase was mainly driven by implementation of approved annualized rates of $48.6 million (resulting in retroactive revenue to the first quarter of 2025 of $60.7 million) at the CalPeco (CA) Electric System, implementation of approved rates of $1.8 million at the Peach State (GA) Gas System, and $1.2 million at the New York (NY), Bella Vista (AZ), Beardsley (AZ), Cordes Lake (AZ) and Rio Rico (AZ) Water and Sewer Systems, partially offset by $11.9 millon at the Empire District Electric System resulting from slightly unfavourable weather in the first quarter of 2026, as compared to slightly favourable conditions in the comparable period in 2025, and an increase in revenue due to higher pass through commodity costs across all gas systems.

The following table outlines the changes to Adjusted Net Earnings[1] for the three months ended March 31, 2026 as compared to the same period in 2025, including the breakdown of net earnings attributable to common shareholders by the Company's main business units and the discussion below outlines the changes to net earnings attributable to common shareholders:

Net Earnings by business units[2] and Total Adjusted Net Earnings[1] (all dollar amounts in $ millions)	Three months ended March 31 2026	2025	Change
Net earnings for Regulated Services Group	**$ 119.4**	$ 122.1	$ (2.7)
Net earnings for Hydro Group	**2.1**	16.6	$ (14.5)
Net loss for Corporate Group	**(38.4)**	(45.9)	$ 7.5
Total Net Earnings	**83.1**	92.8	(9.7)
Add: Adjusted items	**16.5**	16.2	0.3
Total Adjusted Net Earnings[1]	**$ 99.6**	$ 109.0	$ (9.4)

[1] See *Caution Concerning Non-GAAP Measures*.
[2] Reflects results of continuing operations unless marked otherwise (see *Explanatory Notes*).

Change in Net Earnings and Adjusted Net Earnings[1] Breakdown[2]	Three months ended March 31, 2026			
(all dollar amounts in $ millions)	Regulated Services	Hydro	Corporate	Total
Change in Net Earnings attributable to common shareholders				
Net earnings (loss) attributable to common shareholders - Prior period balances	$ 122.1	$ 16.6	$ (45.9)	$ 92.8
EBIT[1,3]				
Electricity	12.8	—	—	12.8
Natural Gas	(18.1)	—	—	(18.1)
Water	(1.5)	—	—	(1.5)
Other	1.5	(1.4)	7.0	7.1
Total change in EBIT[1]	(5.3)	(1.4)	7.0	0.3
Interest expense (income)	(2.1)	—	0.9	(1.2)
Income tax recovery (expense)	4.4	(13.0)	(0.4)	(9.0)
Net effect of non-controlling interests	0.3	(0.1)	—	0.2
Total change in net earnings (loss)	(2.7)	(14.5)	7.5	(9.7)
Net earnings (loss) attributable to common shareholders - Current period balances	**119.4**	**2.1**	**(38.4)**	**83.1**
Change in Adjusted Net Earnings[1]				
Adjusted Net Earnings (Loss)[1] - Prior period balance[3]	124.7	16.6	(32.3)	109.0
Total change in net earnings (loss)	(2.7)	(14.5)	7.5	(9.7)
Total change in adjusted items[3]	5.0	—	(4.7)	0.3
Adjusted Net Earnings (loss)[1] - Current period balances	**$ 127.0**	**$ 2.1**	**$ (29.5)**	**$ 99.6**

1 See *Caution Concerning Non-GAAP Measures*.
2 Reflects results of continuing operations unless marked otherwise (see *Explanatory Notes*).
3 See *2026 First Quarter Regulated Services Group Net Earnings and Adjusted Net Earnings, and Corporate Group Net Earnings and Adjusted Net Earnings.*

For the three months ended March 31, 2026, AQN reported net earnings attributable to common shareholders of $83.1 million and basic net earnings per common share of $0.11. During the comparative period in 2025, the Company reported net earnings attributable to common shareholders of $92.8 million and basic net earnings per common share of $0.12. The net earnings attributable to common shareholders decreased by $9.7 million and the basic net earnings per common share decreased by $0.01. These decreases were primarily driven by:

- A decrease of $2.7 million in the net earnings of the Regulated Services Group primarily due to:
  - an increase in net earnings of $45.5 million primarily driven by $48.6 million of approved annualized rates at the CalPeco (CA) Electric System, resulting in timing-related retroactive revenues recognized to the first quarter of 2025 of $60.7 million, partially offset by higher wildfire insurance expenses recovered in rates of $28.5 million, including $22.7 million of costs relating to 2025. Net earnings also benefited from $1.8 million of approved rates at the Peach State (GA) Gas System and $1.2 million of approved rates at the New York (NY), Bella Vista (AZ), Beardsley (AZ), Cordes Lake (AZ) and Rio Rico (AZ) Water and Sewer Systems, as well as a $4.8 million favourable impact from the non-recurrence of a rate base reduction recorded in the first quarter of 2025 at Liberty Utilities (Granite State Electric) Corp. and, a $4.4 million decrease in income tax expense primarily due to a lower effective tax rate at the BELCO Electric System.
  - These increases were more than offset by a decrease in net earnings of $50.1 million, primarily due to higher operating expenses of $12.5 million across the majority of the Company's utilities, primarily due to gas safety excellence initiatives, higher labor, benefits and property taxes, higher bad debt expense,

higher depreciation expense of $12.6 million, including $8.2 million related to prior-year depreciation deferral adjustments at Liberty Utilities (Granite State Electric) Corp. and the Sarival plant at Liberty Utilities (Litchfield Park Water & Sewer) Corp., with the balance attributable to higher depreciation driven by sustaining and growth capital expenditures, $11.9 million at the Empire District Electric System resulting from slightly unfavourable weather in the first quarter of 2026, as compared to slightly favourable conditions in the comparable period in 2025, unrecoverable fuel costs of $2.3 million, higher interest expense of $2.1 million primarily driven by higher utilization of commercial paper, and higher other non-operating expenses of $7.8 million driven by the absence of a favourable prior-year rate case adjustment and costs related to the Lexington Gas Incident.

- A decrease of $14.5 million in the net earnings of the Hydro Group primarily due to:
  - An increase in income tax expense primarily driven by a $13.4 million income tax recovery recognized in the first quarter of 2025 as a result of a tax basis step-up from the Hydro Group's asset reorganization in connection with the Renewables Sale.
- An increase of $7.5 million in the net earnings of the Corporate Group primarily due to:
  - an increase of $7.5 million primarily driven by the non-recurrence of a loss recognized in the first quarter of 2025 on the settlement of a C$300 million foreign exchange contract used to hedge underlying debt from the Company's former renewable energy group (excluding Hydro), and an increase of $2.0 million primarily due to a decrease in foreign exchange losses driven by favourable foreign exchange revaluation in the current period as compared to the prior year period, partially offset by a decrease in net earnings due to higher non-recurring other losses as the Company continues to incur restructuring costs as part of its transition to a pure-play regulated utility.

For the three months ended March 31, 2026, AQN reported Adjusted Net Earnings per common share of $0.13 (*see Caution Concerning Non-GAAP Measures*). Adjusted Net Earnings decreased by $9.4 million period over period (see *Caution Concerning Non-GAAP Measures*). This decrease was primarily driven by the factors noted above, excluding the period-over-period impact of adjusted items of $0.3 million, primarily due to higher restructuring costs of $13.6 million offset by lower losses on derivative financial instruments of $7.2 million and foreign exchange losses of $3.9 million (see *Reconciliation of Adjusted Net Earnings to Net Earnings*).

For the three months ended March 31, 2026, cash provided by operating activities decreased by $31.2 million as compared to the same period in 2025, primarily as a result of a decrease in Net Earnings of $9.7 million. For the three months ended March 31, 2026 cash provided by investing activities decreased by $1,870.4 million as compared to the same period in 2025 as a result of non-recurring proceeds from the Renewables Sale in the prior year period. For the three months ended March 31, 2026 cash provided by financing activities increased by $1,961.5 million as compared to the same period in 2025 primarily due to debt repayments made in connection with the Renewables Sale in the prior year.

REGULATED SERVICES GROUP

The Regulated Services Group primarily operates rate-regulated utilities that as of March 31, 2026 provided electric generation and transmission services as well as distribution services in the electric, natural gas and water and wastewater sectors to approximately 1,291,000 customer connections, which is an increase of approximately 12,000 customer connections as compared to March 31, 2025.

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

Utility System Type

	As at March 31					
	2026			2025		
(all dollar amounts in $ millions)	Assets	Net Utility Sales[1]	Total Customer Connections[2]	Assets	Net Utility Sales[1]	Total Customer Connections[2]
Electricity	**$ 5,562.4**	**$ 283.3**	**314,000**	$ 5,460.2	$ 234.7	310,000
Natural Gas	**2,014.2**	**149.0**	**378,000**	1,926.4	149.0	378,000
Water and Wastewater	**1,885.5**	**82.5**	**599,000**	1,801.9	77.8	591,000
Other	**94.7**	**7.5**		111.1	8.1	
Other revenue		**14.4**			14.8	
Less: Cost of Sales		**(6.9)**			(6.7)	
Total	**$ 9,556.8**	**$ 522.3**	**1,291,000**	$ 9,299.6	$ 469.6	1,279,000
Accumulated Deferred Income Taxes Liability	**$ 962.3**			$ 866.5		

[1] Net Utility Sales for the three months ended March 31, 2026 and 2025. *See Caution Concerning Non-GAAP Measures.*

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

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

The electric distribution, generation and transmission systems are comprised of regulated electrical distribution utility systems that served approximately 314,000 customer connections in the U.S. States of Arkansas, California, Kansas, Missouri, New Hampshire and Oklahoma, as well as in Bermuda as at March 31, 2026.

The natural gas distribution systems are comprised of regulated natural gas distribution utility systems that served approximately 378,000 customer connections located in the U.S. States of Georgia, Illinois, Iowa, Massachusetts, Missouri, New Hampshire and New York, and in the Canadian Province of New Brunswick as at March 31, 2026.

The water and wastewater distribution systems are comprised of regulated water distribution and wastewater utility systems that served approximately 599,000 customer connections located in the U.S. States of Arizona, Arkansas, California, Illinois, Missouri, New York, and Texas, as well as in Chile, as at March 31, 2026.

2026 First Quarter Usage Results

Electric Distribution Systems

	Three months ended March 31	
	2026	**2025**
Average Active Electric Customer Connections For The Period		
Residential	**254,300**	263,200
Commercial and industrial	**52,100**	43,300
Total Average Active Electric Customer Connections For The Period	**306,400**	306,500
Customer Usage (GW-hrs)		
Residential	**779.3**	865.2
Commercial and industrial	**913.3**	935.4
Total Customer Usage (GW-hrs)	**1,692.6**	1,800.6

For the three months ended March 31, 2026, the electric distribution systems' usage totaled 1,692.6 GW-hrs as compared to 1,800.6 GW-hrs for the same period in 2025, a decrease of 108.0 GW-hrs or 6.0%. The decrease in electricity consumption is primarily due to slightly unfavourable weather conditions in the first quarter of 2026, as compared to slightly favourable conditions in the comparable period in 2025, at the Empire District Electric System.

Natural Gas Distribution Systems

	Three months ended March 31	
	2026	**2025**
Average Active Natural Gas Customer Connections For The Period		
Residential	**324,000**	324,400
Commercial and industrial	**40,100**	40,600
Total Average Active Natural Gas Customer Connections For The Period	**364,100**	365,000
Customer Usage (MMBTU)		
Residential	**11,475,000**	11,130,000
Commercial and industrial	**10,166,000**	9,570,000
Total Customer Usage (MMBTU)	**21,641,000**	20,700,000

For the three months ended March 31, 2026, the natural gas distribution systems' usage totaled 21,641,000 MMBTU as compared to 20,700,000 MMBTU during the same period in 2025, an increase of 941,000 MMBTU, or 4.5%. The increase is primarily due to favourable weather at Energy North Natural Gas and Midstates Natural Gas Systems.

Water and Wastewater Distribution Systems

	Three months ended March 31	
	2026	**2025**
Average Active Customer Connections For The Period		
Water distribution customer connections	**528,000**	524,700
Wastewater customer connections	**60,000**	57,500
Total Average Active Customer Connections For The Period	**588,000**	582,200
Gallons Provided (millions of gallons)		
Water provided	**8,393**	8,962
Wastewater treated	**953**	962
Total Gallons Provided (millions of gallons)	**9,346**	9,924

For the three months ended March 31, 2026, the water and wastewater distribution systems provided approximately 8,393 million gallons of water to customers and treated approximately 953 million gallons of wastewater. This is compared to 8,962 million gallons of water provided and 962 million gallons of wastewater treated during the same period in 2025, a decrease in total gallons provided of 570 million or 6.4% and a decrease in total gallons treated of 8 million or 0.8%. The decrease in water is primarily due to lower usage at the Park Water and Litchfield Park Water & Sewer Systems.

2026 First Quarter Regulated Services Group Net Earnings and Adjusted Net Earnings

(all dollar amounts in $ millions)	Three months ended March 31 2026	2025
Revenue		
Regulated electricity distribution	**$ 372.2**	$ 330.4
Less: Regulated electricity purchased	**(88.9)**	(95.7)
Net Utility Sales – electricity[1]	**283.3**	234.7
Regulated gas distribution	**302.0**	246.7
Less: Regulated gas purchased	**(153.0)**	(97.7)
Net Utility Sales – natural gas[1]	**149.0**	149.0
Regulated water reclamation and distribution	**94.1**	90.4
Less: Regulated water production costs	**(11.6)**	(12.6)
Net Utility Sales – water reclamation and distribution[1]	**82.5**	77.8
Other revenue[2]	**14.4**	14.8
Less: Other Cost of Sales	**(6.9)**	(6.7)
Net Utility Sales[1,3]	**522.3**	469.6
Operating expenses	**239.1**	198.4
Depreciation and amortization	**106.2**	93.3
Loss on foreign exchange	**0.7**	2.6
Add: Interest, dividend and other income	**8.0**	6.9
Less: Other expenses		
Pension and post-employment non-service costs	**(1.5)**	$ 2.3
Other net losses	**(10.7)**	$ (7.4)
Gain on derivative financial instruments	**—**	$ 0.3
EBIT[1,4]	**$ 172.1**	$ 177.4
Interest expense	**(37.2)**	(35.1)
Income tax expense	**(34.7)**	(39.1)
Net effect of non-controlling interests[6]	**19.2**	18.9
Net Earnings	**$ 119.4**	$ 122.1
Add / (Less) Adjusted items:		
Loss/(Gain) on derivative financial instruments	**—**	(0.3)
Restructuring costs[7]	**9.4**	0.4
Loss on foreign exchange	**0.7**	2.6
Adjustment for taxes related to above	**(2.5)**	(0.1)
Regulated Services Group Adjusted Net Earnings[1,5]	**$ 127.0**	$ 124.7

1 See *Caution Concerning Non-GAAP Measures*.

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

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

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

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

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

[7] See *Note 12* in the *unaudited interim condensed consolidated financial statements*.

2026 First Quarter Regulated Services Group Operating Results

For the three months ended March 31, 2026, the Regulated Services Group reported revenue of $768.3 million (comprised of $372.2 million of regulated electricity distribution revenue, $302.0 million of regulated gas distribution revenue and $94.1 million of regulated water reclamation and distribution revenue) as compared to revenue of $667.5 million in the comparable period in the prior year (comprised of $330.4 million of regulated electricity distribution revenue, $246.7 million of regulated gas distribution revenue and $90.4 million of regulated water reclamation and distribution revenue).

For the three months ended March 31, 2026, the Regulated Services Group reported net earnings of $119.4 million as compared to $122.1 million for the comparable period in the prior year.

Highlights of the changes are summarized in the following table:

(all dollar amounts in $ millions)	Three months ended March 31
Prior Period Net Earnings	**$ 122.1**
Regulated Services Group EBIT[1]:	
Electricity:	12.8
Increase is primarily due to:	
– the implementation of approved annualized rates at the CalPeco (CA) Electric system of $48.6 million, which resulted in retroactive revenues to the first quarter of 2025 of $60.7 million. This was partially offset by higher wildfire insurance expenses recovered in rates of $28.5 million, including retroactive expenses of $22.7 million relating to 2025. These expenses were previously incurred by the Company and deferred using its WEMA (as defined below) mechanism.	
– a rate base reduction of $4.8 million at Liberty Utilities (Granite State Electric) Corp. booked in the first quarter of 2025 related to the approval of a rate case	
Partially offset by:	
– the impact of slightly unfavourable weather conditions in the first quarter of 2026, as compared to slightly favourable conditions in the comparable period in 2025, resulted in an approximately $11.9 million decrease in net revenues at the Empire District Electric System.	
– higher operating expenses of $2.1 million, including higher bad debt expenses of approximately $1.2 million across the majority of electric utilities.	
– higher depreciation of $7.6 million primarily due to a depreciation deferral adjustment of $5.6 million that Liberty Utilities (Granite State Electric) Corp. booked in the first quarter of 2025, with the remaining increase driven by sustaining and growth capital expenditures	
– unrecoverable fuel costs of approximately $2.3 million at the Empire District Electric System	
Gas:	(18.1)
Increase is primarily due to:	
– the implementation of approved rates of $1.8 million at the Peach State (GA) Gas System	
More than offset by:	
– higher operating expenses of $10.4 million, comprised of $3.8 million related to gas safety excellence initiatives and $6.6 million across the majority of gas systems, including approximately $0.9 million of outage-related costs at Midstates Gas (MO), with the remainder driven by higher labor, benefits and property taxes	
– higher depreciation expense across the majority of gas systems of $1.0 million primarily driven by organic growth	
– higher other non-operating expenses of $7.8 million, which include $5.6 million at the Empire (MO) Gas System relating to a favourable impact from a rate case adjustment recorded in 2025 due to the over-amortization of pension and other post-employment benefits balance and $2.2 million due to Lexington Gas Incident	
Water:	(1.5)
Decrease is primarily due to:	
– the implementation of approved rates of $1.2 million at the New York (NY), Bella Vista (AZ), Beardsley (AZ), Cordes Lake (AZ) and Rio Rico (AZ) Water and Sewer System	
More than offset by:	
– higher depreciation of $4.0 million primarily due to a depreciation deferral adjustment in the first quarter of 2025 of $2.6 million related to the Sarival plant, with the remainder driven by higher depreciation due to sustaining and growth capital expenditures	
Other	1.5
Interest expense: Increase primarily due to higher utilization of commercial paper during the period compared to the prior year	(2.1)

(all dollar amounts in $ millions)	Three months ended March 31
Income tax expense: decrease is primarily due to a lower effective tax rate at the BELCO Electric System compared to the prior year period	4.4
Net effect of non-controlling interests	0.3
Current Period Net Earnings	**$ 119.4**

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

Regulatory Proceedings

The following table summarizes the major regulatory proceedings currently underway or completed or effective in 2026 within the Regulated Services Group.

Utility	Jurisdiction	Regulatory Proceeding Type	Rate Request (millions)	Current Status
Completed Rate Reviews:				
CalPeco Electric	California	General Rate Case ("GRC")	$39.8	On September 20, 2024, CalPeco Electric filed an application seeking a net adjustment in total customer rates of $39.8 million including $64 million in base revenues based on a return on equity ("ROE") of 11%, an equity ratio of 52.5% and current revenues at the time of filing. The requested base revenue adjustment was partially offset by the conclusion of $24.2 million of customer surcharge collections related to the 2022 general rate case, which were in effect at the time of filing and concluded in January 2025. On March 5, 2025, the Company filed a Motion for Interim Rate Relief and Request for Expedited Treatment in which it requested an interim rate recovery of 50% of its proposed base revenue requirement on a monthly basis beginning June 1, 2025 until issuance of a final decision in the proceeding. The Utility Reform Network ("TURN") and the Public Advocates Office ("Cal Advocates") opposed the Company's request. On July 2, 2025, Cal Advocates, TURN and other intervenors in the proceeding filed testimony. Cal Advocates recommended an overall net adjustment in customer rates of $24.8 million. The Company served rebuttal testimony on July 24, 2025. Evidentiary hearings were held the week of September 15, 2025. On October 1, 2025, the Company submitted a joint motion requesting approval of a settlement agreement reached with majority of the Cal Advocates, TURN and other intervenors in the proceeding, which resolves all revenue requirement matters except ROE. The settlement agreement would result in a net adjustment in total customer rates of $24.8 million based on the Company's current authorized ROE of 10%. Legal briefs were filed on October 24, 2025. A proposed decision was issued on February 13, 2026 that would result in a net adjustment in total customer rates of $23.8 million (taking into account conclusion of $24 million in customer surcharge collections) and $48.6 million in base revenues based on a ROE of 9.75% and an equity ratio of 52.5%. The proposed decision adopts the settlement agreement provisions with the exception of rejecting the proposed fixed charge for residential customers. On March 19, 2026, the California Public Utilities Commission issued an order approving the proposed decision which results in an adjustment of $48.6 million in annualized base revenues based on a return on equity of 9.75% and an equity ratio of 52.5%, retroactive to January 1, 2025.

Utility	Jurisdiction	Regulatory Proceeding Type	Rate Request (millions)	Current Status
New England Natural Gas	Massachusetts	GRC	$55.8	On June 13, 2025, New England Natural Gas filed an application seeking a rate adjustment of $55.8 million based on an ROE of 9.9% and an equity ratio of 53%. The request includes approximately $30 million of previously authorized Gas System Enhancement Program ("GSEP") rate base and a 5 year performance based ratemaking plan. A comprehensive settlement agreement was filed on January 30, 2026. The proposed settlement provides for a $45.3 million adjustment in distribution revenues, of which $27.4 million relates to prior investments under the GSEP and previously included in revenues. The settlement includes two rate base resets. The July 1, 2027 rate base reset would allow recovery of $13.0 million of 2026 pipeline safety investments, $6.7 million of Q4 2025 non-GSEP investments, and up to $13.3 million of 2026 non-GSEP, non-pipeline safety investments. The July 1, 2028 rate base reset would allow recovery of the remaining 2026 non-GSEP deferred additions (up to $13.3 million), $13.9 million of 2027 pipeline safety investments, up to $26.5 million of 2027 non-GSEP projects, and recovery of the 2026 non-GSEP deferred regulatory asset. The settlement reflects a capital structure of 47.1% debt and 52.9% equity, with an authorized ROE of 9.3%. The Pension Adjustment Factor would be rolled into base rates, with an approximately $9.5 million over-recovery credited to customers in 2026. In addition, $41.6 million of deferred GSEP costs would be recovered over 10 years through the GSEP beginning July 1, 2027, with carrying charges on the unrecovered balance at the Company's money pool rate. The Company agreed to no further increase or redesign of base distribution rates before November 1, 2029. An order approving the settlement agreement was issued on March 27, 2026. New rates were effective April 1, 2026.
St. Lawrence Gas	New York	GRC	$2.2	On November 27, 2024, St. Lawrence Gas filed an application seeking a rate adjustment of $2.2 million based on an ROE of 9.9% and an equity ratio of 48%. On April 1, 2025, Staff of the New York Department of Public Service recommended a $1.19 million decrease in rates. On April 22, 2025, the Company submitted rebuttal testimony requesting approximately $2.33 million. The Company filed notice and began confidential settlement negotiations on May 6, 2025. An unopposed Joint Proposal was filed on August 29, 2025 proposing a three-year rate plan ("Rate Plan") from November 1, 2025 through October 31, 2028 with unlevelized rate adjustments of $0.4 million in Rate Year 1, $1.9 million in Rate Year 2, and $1.6 million in Rate Year 3. Base rate adjustments will be levelized to reduce rate volatility to customers over the term of the Rate Plan. The Joint Proposal established ROE at 9.3%, and equity ratios of 46% in Rate Year 1, 47% in Rate Year 2, and 48% in Rate Year 3. The Rate Plan includes an Earnings Sharing Mechanism, gas safety and customer service performance metrics, customer programs to assist low income customers, and a three-year capital investment plan. The Joint Proposal also resolves the Company's outstanding Automated Meter Reading project petition providing funding to support the investment as part of the Rate Plan. The Joint Proposal includes provisions intended to further New York State's ability to meet the goals of the Climate Leadership and Community Protection Act. On January 22, 2026, the NYPSC approved the Joint Proposal.
Suralis	Chile	GRC	N/A	On May 4, 2026 Suralis and the Superintendence of Sanitary Services reached an agreement for the VIII Tariff Process, setting base tariffs for the 2026 to 2031 period. The new tariff level establishes a 5.0% increase over the previous period, translating into an estimated annual revenue impact of approximately $4.0 million. The new tariffs are expected to go into effect in the third quarter of 2026 upon publication of the Tariff Decree and Order by the Comptroller General.

Utility	Jurisdiction	Regulatory Proceeding Type	Rate Request (millions)	Current Status
Pending Rate Reviews:				
Park Water	California	GRC	$9.3	On January 2, 2024, Park Water filed an application seeking a rate adjustment of $9.3 million based on an ROE of 9.35% and an equity ratio of 57%. On July 24, 2024, the Public Advocates Office at the California Public Utilities Commission (the "California PUC") filed testimony recommending a $2.4 million decrease in revenues for 2025. On September 23, 2024, the Company served rebuttal testimony seeking a $9.0 million rate adjustment. Legal briefs were filed in December 2024. On December 5, 2024, in the Cost of Capital proceeding for Small Class A Water Utilities, the California PUC issued an order increasing Park Water's ROE to 9.57%. On May 30, 2025, the Commission authorized an interim rate adjustment of $0.9 million or 2.3%, effective July 1, 2025. A Proposed Decision was issued on April 10, 2026 by the Administrative Law Judge recommending an adjustment in revenues of $5.96 million or 14.31%. An Alternate Proposed Decision was also issued on the same day by the assigned Commissioner's office, which recommends a rate adjustment of $0.44 million or 1.06%. The Company filed comments on the proposed decisions on April 30, 2026.
Apple Valley Water	California	GRC	$3.1	On January 2, 2024, Apple Valley Water filed an application seeking a rate adjustment of $3.1 million based on an ROE of 9.35% and an equity ratio of 57%. On July 24, 2024, the Public Advocates Office at the California PUC filed testimony recommending a $3.9 million decrease in revenues for 2025. On September 23, 2024, the Company served rebuttal testimony seeking a $2.9 million rate adjustment. Legal briefs were filed in December 2024. On December 5, 2024, in the Cost of Capital proceeding for Small Class A Water Utilities, the California PUC issued an order increasing Apple Valley Water’s ROE to 9.57%. On May 30, 2025, the Commission authorized an interim rate adjustment of $0.7 million, or 2.3%, effective July 1, 2025. A Proposed Decision was issued on April 10, 2026 by the Administrative Law Judge recommending a rate adjustment of $1.88 million or 7.17%. An Alternate Proposed Decision was also issued on the same day by the assigned Commissioner's office, which recommends a decrease of $2.16 million or 7.09% from present revenues. The Company filed comments on the proposed decisions on April 30, 2026.

Utility	Jurisdiction	Regulatory Proceeding Type	Rate Request (millions)	Current Status
Empire Electric	Missouri	GRC	$168.0	On November 6, 2024, Empire Electric filed an application seeking a net rate adjustment of $92.1 million based on an ROE of 10% and an equity ratio of 53.1%. On February 3, 2025, Staff of the MPSC and the Office of the Public Counsel filed motions to dismiss the case. The Company withdrew its tariff sheets on February 26, 2025 and refiled revised tariff sheets on the same day seeking a base rate adjustment of $152.8 million. When considering the rebasing of test year revenues for fuel and purchased power costs and the energy efficiency cost recovery rate, the filing continues to seek a net rate adjustment of $92.1 million. On March 5, 2025, the MPSC suspended the new tariff sheets until January 2, 2026. On April 10, 2025, the MPSC approved a procedural schedule for the case and on April 23, 2025, the Commission extended the true-up period from September 30, 2024 to March 31, 2025. The Company's final true-up position reflected an annual rate adjustment of approximately $168 million, primarily driven by projected higher natural gas costs required to operate its generating units. The MPSC Staff's position supported an adjustment of about $128 million, while OPC recommended no adjustment, citing ongoing billing issues. To resolve these differences, the Company entered into a global non-unanimous stipulation agreement providing for a rate adjustment of $97 million, with the potential to earn an additional $13 million annually if certain billing and customer service metrics are met. OPC and Consumers Council of Missouri did not join the settlement, and as a result of their objections, a hearing was held during the week of October 13, 2025. During the hearing, settlement terms were presented as position statements from the signatories. On November 5, 2025, the MPSC deliberated on the case and requested amendments to incorporate customer satisfaction performance metrics. The original signatories of the non-unanimous stipulation agreement submitted performance metrics in December 2025. The Commission held an on the record proceeding on January 7, 2026 related to the performance metrics. On January 14, 2026, the Commission issued its Report and Order effective January 24, 2026 approving the settlement agreements which will allow for the $97 million to be phased in over 3 years once the performance metrics have been met for three consecutive months. The Company will have the ability to earn the additional $13 million annually if it meets additional customer performance metrics with those additional metrics to be agreed and filed with the Commission by May 31, 2026. On January 23, 2026, the Office of Public Counsel filed an application for rehearing and request for reconciliation. On February 5, 2026, the Commission issued an order denying the application for rehearing. On February 19, 2026, the Office of Public Counsel filed a Notice of Election to Not Appeal the Commission's January 14 Report and Order. The Company submitted its third monthly filing stating that it has satisfied the terms of the Supplemental Stipulation for three consecutive months, which, under the Global Agreement, would permit implementation of a change in rates. In that filing, the Company identified limited deviations in each month, consistent with the provisions of the Supplemental Stipulation. On April 16, 2026 Staff filed its Initial Report asserting that an issue with two customer bills are not permissible limited deviations. The Company has objected to the Staff filing; the MPSC will rule on whether those instances should be treated as limited deviations under the Supplemental Stipulation. On May 4, 2026 the MPSC issued an Order granting the Staff's request to file their recommendation no later than June 8. Additionally, the Order has requested Staff file another status update no later than May 18. The Commission has extended the suspension of the tariffs until July 4, 2026.

Utility	Jurisdiction	Regulatory Proceeding Type	Rate Request (millions)	Current Status
Litchfield Park Water & Sewer	Arizona	GRC	$17.8	On June 30, 2025, Litchfield Park Water & Sewer filed rate applications with the Arizona Corporation Commission for its water and wastewater systems, requesting a combined rate adjustment of $17.8 million. The request is based on an ROE of 10.8% and an equity ratio of 54%. As part of the application, the Company is seeking approval for the implementation of an annual formula rate based adjustment mechanism. On January 16, 2026, ACC Staff filed testimony which recommends a combined rate adjustment of $14.5 million based on an ROE of 9.45% and an equity ratio of 54%. The Company filed rebuttal testimony on February 25, 2026. On March 3, 2026, the Company and Commission Staff jointly submitted a settlement agreement that resolves all matters between the two parties and would result in a combined water and wastewater rate adjustment of $15.3 million based on an ROE of 9.75% and an equity ratio of 54%. On March 19, the Company and ACC Staff jointly submitted an updated formula rate proposal. The Residential Utility Consumer Office is not party to the settlement agreement. The ACC held hearings in March 2026 on the settlement agreement and the jointly filed a formula rate proposal. Legal briefs are due May 18th. The Company awaits a Commission order on the settlement agreement and formula rate proposal, which is expected in August 2026.
CalPeco Electric	California	Wildfire Expense Memorandum Application	$78.2	On June 20, 2025, CalPeco Electric filed an application to recover $78.2 million in costs associated with the 2020 Mountain View Fire recorded in the Wildfire Expense Memorandum Account. These costs include claim settlements in excess of Liberty's wildfire insurance coverage, legal costs, and financing costs related to the Mountain View Fire. On December 12, 2025, Cal Advocates and Small Business Utility Advocates ("SBUA") filed testimony opposing the Company's request. Cal Advocates does not put forward a specific disallowance proposal and SBUA proposes a full disallowance of Liberty's request. Liberty's rebuttal testimony was submitted on January 23, 2026, which revised the request to $77.4 million. Hearings were held February 10-11, 2026. Legal briefs were submitted on March 13, 2026 and April 3, 2026. The Company is awaiting a Commission decision on the application which is currently expected in Q3 2026.
Empire Electric	Kansas	GRC	$15.8	On December 31, 2025 Empire Electric filed an application to adjust its Kansas retail electric base rates of $15.8 million, or approximately 93.77%. If the Commission approves Empire's request to include the costs of its wind projects, in base rates, then a portion of the adjustment in base rates will be offset by an expected reduction in fuel costs of approximately $3.3 million per year, reducing the proposed adjustment in the residential customer's overall bill to 40%. The Company has also proposed a three-year phase-in of rates. The Commission has approved a Procedural Schedule, pursuant to which an Evidentiary Hearing is scheduled for June 22-24. On May 6, 2026 Staff filed testimony which recommended rate adjustments of approximately $2.8 million in Year 1, $5.7 million in Year 2 and $8.5 million in Year 3.

CORPORATE GROUP NET EARNINGS AND ADJUSTED NET EARNINGS

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

2026 First Quarter Corporate Group Net Loss and Adjusted Net Loss

(all dollar amounts in $ millions)	Three months ended March 31 2026	2025
Revenue	**$ 0.5**	$ 0.5
Operating expenses	**0.8**	0.7
Depreciation and amortization	**0.2**	0.2
Loss (Gain) on foreign exchange	**(0.7)**	1.3
Add: Interest, dividend and other income	**3.0**	1.4
Less: Other net losses	**(10.3)**	(6.3)
Loss on derivative financial instruments	**—**	(7.5)
Corporate Group EBIT[1,2]	**(7.1)**	(14.1)
Interest expense	**(35.2)**	(36.1)
Income tax recovery	**6.5**	6.9
Corporate Group Net Loss attributable to shareholders	**(35.8)**	(43.3)
Series A Shares and Series D Shares dividend	**(2.6)**	(2.6)
Corporate Group Net Loss attributable to common shareholders	**(38.4)**	(45.9)
Add / (Less): Adjusted items		
Loss on derivative financial instruments	**—**	7.5
Restructuring costs[4]	**9.8**	5.2
(Gain)/Loss on foreign exchange	**(0.7)**	1.3
Adjustment for taxes related to above	**(0.2)**	(0.4)
Corporate Group Adjusted Net Loss[1,3]	**$ (29.5)**	$ (32.3)

1 See *Caution Concerning Non-GAAP Measures*.

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

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

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

For the three months ended March 31, 2026, interest, dividend and other income totaled $3.0 million, compared to $1.4 million in the same period in 2025. The increase was primarily driven by accretion income of $2.2 million recognized on the Earn Out in the first quarter of 2026.

For the three months ended March 31, 2026, the loss on derivative financial instruments was $nil, compared to a loss of $7.5 million in the same period in 2025. The loss in the prior year period primarily related to the settlement of a C$300 million foreign exchange forward contract used to hedge underlying debt from the Company's former renewable energy group (excluding hydro).

For the three months ended March 31, 2026, interest expense totaled $35.2 million, compared to $36.1 million in the same period in 2025. The decrease was primarily driven by lower commercial paper interest rates compared to the prior year period.

For the three months ended March 31, 2026, other losses were primarily related to restructuring costs (including third party consulting charges) of $9.8 million, compared to $5.2 million in the same period in 2025.

HYDRO GROUP NET EARNINGS

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

2026 First Quarter Hydro Group Net Earnings[1]

(all dollar amounts in $ millions)	Three months ended March 31 2026	2025
Revenue	**$ 9.1**	$ 9.5
Other revenue	**0.1**	0.1
Operating expenses	**3.1**	2.5
Depreciation and amortization	**1.8**	1.8
Add: Interest, dividend and other income	**—**	0.1
Less: Other losses	**(0.3)**	—
Hydro Group EBIT[2]	**4.0**	5.4
Interest expense	**(0.2)**	(0.2)
Income tax (expense) / recovery[3]	**(0.6)**	12.4
Net earnings from non-controlling interest	**(1.1)**	(1.0)
Hydro Group Net Earnings	**$ 2.1**	$ 16.6

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

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

[3] For the three months ended March 31, 2026, income tax expense increased primarily due to a $13.4 million income tax recovery recognized in the first quarter of 2025 as a result of the tax basis step-up from Hydro Group's asset reorganization in connection with the Renewables Sale.

DISCONTINUED OPERATIONS: RENEWABLE ENERGY GROUP

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

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

2026 First Quarter Discontinued Operations Results

(all dollar amounts in $ millions)	Three months ended March 31 2026	2025
Revenue	**$ —**	$ 7.4
Operating loss	**$ —**	$ (1.3)
Net earnings attributable to AQN	**$ 0.5**	$ 1.4

Due to the Renewables Sale, for the three months ended March 31, 2026, the renewable energy group's facilities generated no operating revenue, compared to $7.4 million in the corresponding period in 2025. The net earnings attributable to the Company for the three months ended March 31, 2026 were $0.5 million, primarily reflecting closing and transition-related costs. This compares to net earnings attributable to the Company of $1.4 million in the same period in 2025.

NON-GAAP FINANCIAL MEASURES

Reconciliation of EBIT to Net Earnings

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

	Three months ended March 31	
(all dollar amounts in $ millions)	**2026**	**2025**
Net earnings attributable to common shareholders	**$ 83.6**	$ 94.2
Add: Series A Shares and Series D Shares dividend	**2.6**	2.6
Net earnings attributable to shareholders	**86.2**	96.8
Add (deduct):		
Income tax expense	**28.8**	19.8
Net effect of non-controlling interest	**(18.1)**	(17.9)
Earnings from discontinued operations, net of tax	**(0.5)**	(1.4)
Interest expense	**72.6**	71.4
EBIT	**$ 169.0**	$ 168.7

Reconciliation of Adjusted Net Earnings to Net Earnings

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

The following table shows the reconciliation of net earnings (loss) attributable to common shareholders to Adjusted Net Earnings of AQN exclusive of these items:

(all dollar amounts in $ millions except per share information)	Three months ended March 31 2026	2025
Net earnings attributable to common shareholders	**$ 83.6**	$ 94.2
Add (deduct):		
Earnings from discontinued operations, net of tax	**(0.5)**	(1.4)
Loss on derivative financial instruments	**—**	7.2
Restructuring costs[1]	**19.2**	5.6
Loss on foreign exchange	**—**	3.9
Adjustment for taxes related to above	**(2.7)**	(0.5)
Adjusted Net Earnings	**$ 99.6**	$ 109.0
Adjusted Net Earnings per common share	**$ 0.13**	$ 0.14

[1] See *Note 12* in the *Unaudited Interim Condensed Consolidated Financial Statements.*

For the three months ended March 31, 2026, Adjusted Net Earnings totaled $99.6 million as compared to $109.0 million for the same period in 2025, a decrease of $9.4 million.

SUMMARY OF PROPERTY, PLANT AND EQUIPMENT EXPENDITURES

(all dollar amounts in $ millions)	Three months ended March 31 2026	2025
Regulated Services Group		
Sustaining[1]	**$ 56.3**	$ 77.9
Growth	**$ 31.7**	$ 22.3
	$ 88.0	$ 100.2
Hydro Group	**$ 0.2**	$ 0.5
Total Capital Expenditures	**$ 88.2**	$ 100.7

[1] Capital spend to support existing systems (e.g. asset replacements, safety & reliability projects).

2026 First Quarter Property, Plant and Equipment Expenditures

During the three months ended March 31, 2026, the Regulated Services Group made capital expenditures of $88.0 million as compared to $100.2 million during the same period in 2025. The decrease of $12.2 million is mainly due to the timing of capital expenditures incurred. The Regulated Services Group's investments during the first quarter of 2026 were primarily related to the construction of transmission and distribution main replacements, work on new and existing substation assets, and initiatives relating to the safety and reliability of water, electric and natural gas systems.

During the three months ended March 31, 2026, the Hydro Group made capital expenditures of $0.2 million as compared to $0.5 million during the same period in 2025. The Hydro Group's investments in the first quarter of 2026 were primarily related to the replacement of capital components at existing operating facilities.

LIQUIDITY AND CAPITAL RESERVES

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

Bank Credit Facilities

The following table sets out the Bank Credit Facilities available to AQN and its operating groups as at March 31, 2026:

(all dollar amounts in $ millions)	As at March 31, 2026 Total	As at December 31, 2025 Total
Revolving and term credit facilities[1]	**$ 1,866.6**	$ 1,928.5
Funds drawn on facilities / commercial paper issued	**(592.0)**	(420.0)
Letters of credit issued	**(34.1)**	(34.1)
Liquidity available under the facilities	**1,240.5**	1,474.4
Undrawn portion of uncommitted letter of credit facilities	**(2.0)**	(62.4)
Cash on hand	**55.5**	32.7
Total Liquidity and Capital Reserves	**$ 1,294.0**	$ 1,444.7

[1] Includes a $14.6 million uncommitted standalone letter of credit facility for the Corporate Group and $77.0 million drawn term facilities of Suralis S.A. ("Suralis") as at March 31, 2026, compared to $75 million and $78.5 million, respectively, as at December 31, 2025.

Regulated Services Group

As at March 31, 2026, the Regulated Services Group's $25.0 million senior unsecured revolving credit facility (the "Bermuda Credit Facility") had no amounts drawn. The Bermuda Credit Facility matures on July 10, 2027.

As at March 31, 2026, the Regulated Services Group's $1.0 billion senior unsecured revolving credit facility (the "Long-Term Regulated Services Credit Facility") had no amounts drawn and had $21.5 million of outstanding letters of credit. The Long-Term Regulated Services Credit Facility matures on November 13, 2030.

As at March 31, 2026, the Regulated Services Group had $515.0 million of commercial paper issued and outstanding.

Corporate Group

On February 19, 2026, the Corporate Group amended the size of its uncommitted standalone letter of credit facility from $75.0 million to $14.6 million. The Corporate Group has the ability to increase the facility as required with notice.

As at March 31, 2026, the Corporate Group's $750.0 million senior unsecured revolving credit facility (the "Corporate Credit Facility") had no amounts drawn and had no outstanding letters of credit. The Corporate Credit Facility matures on March 31, 2028.

As at March 31, 2026, the Company had issued $12.6 million of letters of credit from its $14.6 million uncommitted letter of credit facility.

Long-Term Debt

Subsequent to March 31, 2026, on April 17, 2026, the Regulated Services Group entered into a $1.15 billion senior unsecured syndicated delayed draw term facility (the "Regulated Services Delayed Draw Term Facility") which matures on April 17, 2028. As of May 7, 2026, no amounts had been drawn on the Regulated Services Delayed Draw Term Facility. The Regulated Services Delayed Draw Term Facility may, subject to capital market conditions, be used to refinance upcoming debt maturities.

Credit Ratings

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

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

Contractual Obligations

There were no material changes in payments due for each of the next five years pursuant to the Company's contractual obligations as at March 31, 2026 as compared to December 31, 2025.

Equity

The common shares of AQN are publicly traded on the Toronto Stock Exchange and the New York Stock Exchange under the trading symbol "AQN". As at May 7, 2026, AQN had 769,651,791 issued and outstanding common shares.

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

AQN is also authorized to issue an unlimited number of preferred shares, issuable in one or more series, containing terms and conditions as approved by the board of directors of the Company (the "Board"). As at May 7, 2026, AQN had outstanding:

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

Declaration of 2026 Second Quarter Dividend of $0.0650 (C$0.0886) per Common Share

The Board has declared a second quarter 2026 dividend of $0.0650 per common share payable on July 15, 2026 to shareholders of record on June 30, 2026.

The Canadian dollar equivalent for the second quarter 2026 dividend is C$0.0886 per common share.

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

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

	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Total
U.S. dollar dividend	$ 0.0650	$ 0.0650	$ 0.0650	$ 0.0650	$ 0.2600
Canadian dollar equivalent	$ 0.0893	$ 0.0918	$ 0.0888	$ 0.0886	$ 0.3585

Dividend Reinvestment Plan

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

As at March 31, 2026, 168,595,010 common shares representing approximately 22% of total common shares outstanding had been registered with the Reinvestment Plan.

SHARE-BASED COMPENSATION PLANS

As at March 31, 2026, the following share-based compensation awards were outstanding which may be exercised or settled, as applicable, for common shares of the Company:

Share-based compensation awards	Total
Options	1,450,220
Performance and Restricted Share Units	6,627,579
Director's Deferred Share Units	815,956
Bonus Deferral Restricted Share Units	77,452

AQN also has an Employee Share Purchase Plan (the "ESPP") which allows eligible employees to use a portion of their earnings to purchase common shares of AQN. As at March 31, 2026, a total of 4,548,194 common shares had been issued under the ESPP.

MANAGEMENT OF CAPITAL STRUCTURE

AQN views its capital structure in terms of its debt and equity levels at its individual operating groups and at an overall company level.

AQN's objectives when managing capital are:

- to maintain its capital structure consistent with investment grade credit metrics appropriate to the sectors in which AQN operates;
- to maintain the utilities' capital structures consistent with capital structures approved by regulators in the jurisdictions in which the Company operates;
- to maintain appropriate debt and equity levels and to limit financial constraints on the use of capital;
- to have available capital to finance capital expenditures sufficient to maintain existing assets;
- to generate sufficient cash to fund sustainable dividends to shareholders as well as meet current tax and internal capital requirements; and
- to have appropriately sized revolving credit facilities available for ongoing investment in growth and development opportunities.

AQN monitors its cash position on a regular basis in an effort to have available funds to meet normal course capital and other expenditures.

ENTERPRISE RISK MANAGEMENT

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

Risks Related to Changes in Laws and Regulations

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

to municipalize utility service areas or limitations on utility growth and/or expansions of service areas and anti-foreign ownership sentiment and actions resulting therefrom, any of which could adversely affect the Company's business, regulatory approvals, assets, results of operations and financial condition. If the Company or any of its subsidiaries or business units were found to be in violation of such applicable laws, regulations, orders or other requirements, they could be subject to significant penalties or legal actions and/or legal or regulatory decisions that could have a material impact on the Company.

Additionally, the jurisdictions in which the Company operates may be adversely affected by local, national and international political and economic developments. Such developments may include nationalization or expropriation initiatives, political instability, changes in government or governmental priorities, increased political or trade tensions between countries, legislation or policies affecting foreign ownership or investment, acts or threats of war, terrorism or other hostilities, actions taken by governments or regulatory bodies in response to such events, military actions or conflicts, including ongoing or escalating conflicts in the Middle East, which have resulted in disruption to commercial shipping lanes and contributed to volatility in global energy markets and broader inflationary pressures, and significant cybersecurity incidents originating from or directed at state or non-state actors. Any such developments could disrupt economic conditions, impair the Company’s ability to operate or develop its assets, increase compliance or operating costs, cause supply chain disruptions, restrict access to capital or markets, or otherwise adversely affect the Company’s business, assets, results of operations, cash flows or financial condition. As a Canadian-domiciled company with the majority of its operations and assets located in the United States, the Corporation may also be subject to heightened risks associated with foreign ownership or control, including the enactment or enforcement of U.S. federal, state or local laws, regulations or policies that could impose additional restrictions, conditions, review requirements or limitations on the Company or its utilities, which could adversely affect the Company’s operations, growth strategies or financial performance.

Treasury Risk Management

Capital Markets and Liquidity Risk

As at March 31, 2026, the Company and its subsidiaries had approximately $6.7 billion of long-term consolidated indebtedness. Management of the Company believes, based on its current expectations as to the Company's future performance, that the cash flow from operations, the funds available under its credit facilities, and its ability to access capital markets will be adequate to enable the Company to finance its operations, execute its business strategy and maintain an adequate level of liquidity. However, the Company's expected revenue and capital expenditures are only estimates. Moreover, actual cash flows from operations will depend on regulatory, market and other conditions that are beyond the Company's control and which may be impacted by the risk factors herein. As a result, there can be no assurance that management's expectations as to future performance will be realized.

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

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

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

Interest Rate Risk

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

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

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

As at March 31, 2026, approximately 91% of debt outstanding in AQN and its subsidiaries was subject to a fixed rate of interest and, as a result, such debt is not subject to significant interest rate risk in the short-term time horizon.

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

Based on amounts outstanding as at March 31, 2026, the impact to interest expense on variable rate loans from changes in interest rates are as follows:

- the Corporate Credit Facility is subject to a variable interest rate and had no amounts outstanding as at March 31, 2026. As a result, a 100 basis point change in the variable rate charged would not impact interest expense;
- the Long-Term Regulated Services Credit Facility is subject to a variable interest rate and had no amounts outstanding as at March 31, 2026. As a result, a 100 basis point change in the variable rate charged would not impact interest expense;
- the Regulated Services Group's commercial paper program is subject to a variable interest rate and had $515.0 million outstanding as at March 31, 2026. As a result, a 100 basis point change in the variable rate charged would impact interest expense by $5.2 million annually;
- term facilities at Suralis that are subject to variable interest rates had $77.0 million outstanding as at March 31, 2026. As a result, a 100 basis point change in the variable rate charged would impact interest expense by $0.8 million annually; and
- the Bermuda Credit Facility is subject to a variable interest rate and had no amounts outstanding as at March 31, 2026. As a result, a 100 basis point change in the variable rate charged would not impact interest expense.

In summary, a 100 basis point change in the variable interest rate would impact the interest expense of the Company by approximately $6.0 million annually.

Tax Risk and Uncertainty

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

- On July 4, 2025, the U.S. enacted the "One Big Beautiful Bill Act" (the "OBBBA"), which, among other things, significantly modifies and, in certain instances, restricts, certain energy tax provisions, including accelerating phaseout and termination of certain energy tax credits (such as those for wind and solar technologies). The OBBBA also introduced further limitations on a taxpayer’s ability to claim certain clean energy tax credits if that taxpayer

is a "specified foreign entity" or a "foreign-influenced entity" or if the tax credits arise from a facility that receives an impermissible amount of assistance from a "specified foreign entity" or a "foreign-influenced entity."

- On August 15, 2025, the Treasury Department issued Notice 2025-42. Notice 2025-42 requires owners and developers of wind and solar facilities with a maximum net output greater than 1.5 MWs to perform physical work of a significant nature (on wind and solar facilities on which construction begins on or after September 2, 2025) to qualify that facility as having begun construction prior to July 5, 2026, which, under current law, is the date by which a taxpayer must begin construction on a wind or solar facility for that facility to qualify for federal clean energy tax credits (unless the wind or solar facility is placed in service prior to January 1, 2028). If the Company does not meet these requirements in respect of these wind and solar facilities, along with other complex rules necessary to claim (and, if applicable, transfer) federal income tax credits in respect of these facilities, the Company may not receive certain economic benefits to which it otherwise would be entitled (including federal income tax credits), resulting in adverse effects on the Company's operations and returns to shareholders.

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

The Company benefits from federal tax credits and other tax incentives with respect to the development and operation of power generation and storage facilities in the United States, including its remaining investments in the operating facilities associated with the Renewables Sale. Recent political developments in the U.S. (including the enactment of the OBBBA and the issuance of Notice 2025-42) have introduced, and continue to cause, significant uncertainty with respect to these federal tax incentives. The Company’s investments in certain tax equity financing and monetization transactions with respect to projects in the United States could be affected adversely (including with retroactive effect) if there are changes in U.S. tax laws.

OPERATIONAL RISK MANAGEMENT

Regulatory Risk

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

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

The Regulated Services Group's facilities are subject to rate setting by its regulatory agencies. The Company operates utilities in 13 U.S. states, one Canadian province, Bermuda and Chile and therefore is subject to regulation from 17 different regulatory agencies, including FERC. The time between the incurrence of costs and the granting of the rates to recover those costs by regulatory agencies is known as regulatory lag. Regulatory lag, inflationary effects and timing delays may impact the ability to recover expenses and/or capital costs, and profitability could be impacted. In order to mitigate this exposure, the Company seeks to obtain approval for regulatory constructs in the states in which it operates to allow for timely recovery of operating expenses and capital costs. A fundamental risk faced by a regulated utility is the disallowance by the utility's regulator of operating expenses or capital costs for which recovery is sought through regulatory proceedings. The Company has invested significant capital in its utilities for which it is or will be seeking cost recovery. There is a risk that the utilities' regulators may not approve, or may otherwise delay recovery, of some or all of the Company's invested capital. In certain jurisdictions, the Company's utilities may be exposed to infrastructure-related responsibilities (including stormwater or climate adaptation systems) for which there is limited or no established cost recovery framework. In addition, as the Company recently updated its technology infrastructure systems, there is additional risk that financial data required for rate filings could be difficult to produce or the data is deemed unreliable for ratemaking purposes. Further, there is additional risk that customer billing services may be deemed inadequate and such customer billing concerns could negatively impact the risk of disallowance and/or regulatory lag and may result in additional administrative actions and complaint proceedings against the Company and its operating subsidiaries. In addition, capital investments that have become stranded may pose additional risk for cost recovery and could be subject to legislation or rulings that would impact the extent to which such costs could be recovered. Similarly, recovery of extraordinary fuel expenses may pose additional risk for cost recovery and could be subject to legislation or regulatory action that would impact the extent to which such costs could be recovered. Further, there is a risk that utility regulators may scrutinize the Company's allocation of shared costs. If the Company is unable to recover increased costs of operations or its investments in new facilities, or in the event of significant regulatory lag, the Company's results of operations could be adversely affected.

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

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

Condemnation Expropriation Proceedings

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

Inflation Risk

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

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

Tariff Risk

Changes in tariffs may adversely affect the capital expenditures required to maintain, develop or construct the Company's projects or infrastructure. In 2025, the U.S. government issued numerous executive orders imposing tariffs on goods from

most countries around the world, including Canada, Mexico and China, as well as product-specific tariffs on various goods, such as steel, aluminum, copper and automobiles, and have indicated further measures may be under consideration. Several countries have similarly announced reciprocal or other tariffs impacting products manufactured or produced in the United States. New or existing trade agreements, including the ongoing review of the U.S.-Mexico-Canada Agreement, may also impact the tariff rate applicable to goods imported by the Company or its suppliers. Additionally, certain tariffs are subject to legal challenges. Accordingly, the situation is fluid and changes rapidly. Whether existing tariffs will be increased, decreased, or suspended altogether, as well as the imposition of additional tariffs by the U.S., the potential for further retaliation or tariff imposition by other countries, or any further adjustment to trade policies and tariffs and the timing thereof are difficult to predict at this time.

Tariffs may increase the cost of imported materials and equipment, disrupt supply chains, drive economic volatility, and create adverse capital and credit market conditions. The impact of tariffs on the cost of products and supplies used by the Company may increase the Company's operating costs and elevate the cost of capital projects. Given the evolving nature of global trade policies, the Company cannot reasonably estimate the potential effects of current or future tariffs. Such effects could include project delays, cost increases, and other challenges to the execution of the Company's strategic plans.

In addition, import restrictions, border delays and governmental seizures may also increase the cost of projects and result in construction and placed-in-service delays. These events could adversely affect the Company as a buyer and importer of goods, and ultimately impacts its expected returns, results of operations and cash flows.

Litigation Risks and Other Contingencies

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

Mountain View Fire

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

Apple Valley Condemnation Proceedings

On January 7, 2016, the Town of Apple Valley (the "Town") filed a lawsuit in California state court seeking to condemn the utility assets of Liberty Utilities (Apple Valley Ranchos Water) Corp. ("Liberty Apple Valley"). On May 7, 2021, the trial court issued a Tentative Statement of Decision denying the Town's attempt to take the Apple Valley water system by eminent domain. The ruling confirmed that Liberty Apple Valley's continued ownership and operation of the water system is in the best interest of the community. On October 14, 2021, the trial court issued the Final Statement of Decision. The trial court signed and entered an Order of Dismissal and Judgment on November 12, 2021. On January 7, 2022, the Town filed a notice of appeal of the judgment entered by the trial court. On August 2, 2022, the trial court issued a ruling awarding Liberty Apple Valley approximately $13.2 million in attorney's fees and litigation costs. The Town filed a notice of

appeal of the fee award on August 22, 2022. On January 15, 2025, the California Court of Appeal issued a decision reversing the trial court's finding that the Town does not have a right to take the assets of Liberty Apple Valley and reversing the award of attorney's fees to Liberty Apple Valley. The Court of Appeal decision remands the condemnation proceedings to the trial court to determine whether to (i) allow the Town to take the water system, (ii) remand the matter to the Town for further administrative proceedings or (iii) hold a new trial and apply the appropriate burden of proof and standard of review. On February 21, 2025, Liberty Apple Valley filed a petition for review of the Court of Appeal decision with the California Supreme Court. On April 23, 2025, the California Supreme Court granted the petition for review, which is proceeding in due course before the California Supreme Court.

Lexington Gas Incident

On April 9, 2025, an explosion and fire occurred in Lexington, Missouri, destroying or damaging certain structures, including residences, served by the gas distribution system of The Empire District Gas Company. A minor died and two others suffered serious physical injuries. The National Transportation Safety Board is investigating. To date, two active lawsuits remain as well as other pre-litigation demands that have been asserted against a subsidiary of the Company and third party defendants which seek damages for personal injury and property damage. The Missouri Attorney General filed a petition for injunctive relief and civil penalties associated with the incident. This litigation has been resolved by a Consent Judgment which provides for a $0.03 million civil penalty and confirmation of Lexington asset mapping; the Consent Judgment is pending court approval. In addition, the MPSC opened an investigation docket into the Empire District Gas Company's compliance with pipeline safety requirements. Although there can be no assurance, the Company has insurance that is currently expected to apply up to applicable policy limits for personal injury and property damage litigation and claims. The Company has currently accrued and incurred estimated losses of $152.2 million for claims related to the incident, against which recoveries through insurance of $149.0 million have been recorded, reflecting amount recovered and expected to be recovered. While the Company may incur a material loss in excess of the amount accrued, the Company cannot currently estimate the upper end of the range of reasonably possible losses that may be incurred. The estimate of losses is subject to change as additional information becomes available.

Technology Infrastructure Implementation Risk

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

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

QUARTERLY FINANCIAL INFORMATION

The following is a summary of unaudited quarterly financial information for each of the eight most recent quarters, the most recent of which ended March 31, 2026:

(all dollar amounts in $ millions except per share information)[4]	2nd Quarter 2025	3rd Quarter 2025	4th Quarter 2025	1st Quarter 2026
Revenue	$ 527.8	$ 582.7	$ 630.7	$ 792.4
Net earnings attributable to common shareholders from continuing operations and discontinued operations	21.5	36.2	18.4	83.6
Net earnings attributable to common shareholders	14.8	71.0	29.4	83.1
Net earnings (loss) from discontinued operations	6.7	(34.8)	(11.0)	0.5
Net earnings per share from continuing operations and discontinued operations	0.03	0.05	0.02	0.11
Net earnings per share	0.02	0.09	0.04	0.11
Net earnings (loss) per share from discontinued operations	0.01	(0.04)	(0.01)	—
Diluted net earnings per share	0.03	0.05	0.02	0.11
Adjusted Net Earnings[1]	33.6	69.0	47.2	99.6
Adjusted Net Earnings per common share[1]	0.04	0.09	0.06	0.13
EBIT[1]	74.2	157.4	93.2	169.0
Total assets[3]	13,693.4	13,788.4	14,136.2	14,049.9
Long-term debt[2,3]	6,328.8	6,434.6	6,532.9	6,686.0
Dividends declared per common share	$ 0.07	$ 0.07	$ 0.07	$ 0.07

	2nd Quarter 2024	3rd Quarter 2024	4th Quarter 2024	1st Quarter 2025
Revenue	$ 515.3	$ 573.2	$ 584.8	$ 692.4
Net earnings (loss) attributable to common shareholders from continuing operations and discontinued operations	198.0	(1,308.4)	(189.1)	94.2
Net earnings (loss) attributable to common shareholders	177.4	46.8	(110.2)	92.8
Net earnings (loss) from discontinued operations	20.6	(1,355.2)	(78.9)	1.4
Net earnings (loss) per share from continuing operations and discontinued operations	0.28	(1.71)	(0.25)	0.12
Net earnings (loss) per share	0.26	0.06	(0.14)	0.12
Net earnings (loss) per share from discontinued operations	0.02	(1.77)	(0.10)	—
Diluted net earnings (loss) per share	0.28	(1.71)	(0.25)	0.12
Adjusted Net Earnings[1]	39.5	62.2	42.5	109.0
Adjusted Net Earnings per common share[1]	0.06	0.08	0.06	0.14
EBIT[1]	275.3	131.1	115.8	168.7
Total assets[3]	18,866.4	17,788.6	16,961.7	13,663.3
Long-term debt[2,3]	8,292.9	8,725.0	8,047.5	6,322.0
Dividends declared per common share	$ 0.11	$ 0.07	$ 0.07	$ 0.07

1 See *Caution Concerning Non-GAAP Measures.*
2 Includes current portion of long-term debt and long-term debt.
3 Includes discontinued operations
4 Reflects results of continuing operations unless marked otherwise (see Explanatory Notes)

Quarterly revenues have fluctuated between $515.3 million and $792.4 million over the prior two year period. A number of factors impact quarterly results, including acquisitions, dispositions, seasonal fluctuations and customer rates. In addition, a factor impacting revenues year over year is the fluctuation in the strength of the Canadian dollar relative to the U.S. dollar, which can result in significant changes in reported revenue from Canadian operations.

Quarterly net earnings (loss) attributable to common shareholders from continuing operations and discontinued operations have fluctuated between a loss of $1,308.4 million and earnings of $198.0 million over the prior two year period. Earnings have been impacted by non-cash factors such as impairment upon classification of the renewable energy group (excluding hydro) as held for sale, deferred tax recovery and expense, property, plant and equipment and mark-to-market gains and losses on financial instruments.

DISCLOSURE CONTROLS AND PROCEDURES

AQN's management carried out an evaluation as of March 31, 2026, under the supervision of and with the participation of AQN's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), of the effectiveness of the design and operations of AQN's disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15 (e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")). Based on that evaluation, the CEO and the CFO have concluded that as of March 31, 2026, AQN's disclosure controls and procedures are effective to provide reasonable assurance that information required to be disclosed by AQN in reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in rules and forms of the U.S. Securities and Exchange Commission, and is accumulated and communicated to management, including the CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Management Report on Internal Controls over Financial Reporting

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

Changes in Internal Controls over Financial Reporting

For the three months ended March 31, 2026, there has been no change in the Company's internal controls over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

Inherent Limitations on Effectiveness of Controls

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

CRITICAL ACCOUNTING ESTIMATES AND POLICIES

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

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

FORM 52-109F2

CERTIFICATION OF INTERIM FILINGS

FULL CERTIFICATE

I, Roderick West, Chief Executive Officer of Algonquin Power & Utilities Corp., certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of Algonquin Power & Utilities Corp. (the "issuer") for the interim period ended March 31, 2026.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

4. ***Responsibility:*** The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, for the issuer.

5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the end of the period covered by the interim filings

a. designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that
    i. material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
    ii. information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
b. designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

5.2 ***ICFR - material weakness relating to design:*** N/A

5.3 ***Limitation on scope of design:*** N/A

6. ***Reporting changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on January 1, 2026 and ended on March 31, 2026 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: May 8, 2026

/s/ Roderick West

_____

Roderick West
Chief Executive Officer

FORM 52-109F2

CERTIFICATION OF INTERIM FILINGS

FULL CERTIFICATE

I, Robert Stefani, Chief Financial Officer of Algonquin Power & Utilities Corp., certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of Algonquin Power & Utilities Corp. (the "issuer") for the interim period ended March 31, 2026.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

4. ***Responsibility:*** The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, for the issuer.

5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the end of the period covered by the interim filings

a. designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that
    i. material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
    ii. information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
b. designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

5.2 ***ICFR - material weakness relating to design:*** N/A

5.3 ***Limitation on scope of design:*** N/A

6. ***Reporting changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on January 1, 2026 and ended on March 31, 2026 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: May 8, 2026

/s/ Robert Stefani

_____

Robert Stefani
Chief Financial Officer

Algonquin

Algonquin Power & Utilities Corp. Reports First Quarter 2026 Financial Results

Reports first quarter 2026 net earnings[1] per common share of $0.11 and adjusted net earnings per common share[2] of $0.13

Received orders allowing for resolution of rate cases in Missouri, California and Massachusetts and filed settlement agreement in Arizona

OAKVILLE, Ontario - May 8, 2026 - Algonquin Power & Utilities Corp. (TSX/NYSE: AQN) ("AQN", "Algonquin" or the "Company") today reported first quarter 2026 net earnings of $83.1 million, or $0.11 per common share, and adjusted net earnings[2] of $99.6 million, or $0.13 per common share. These results compared to net earnings of $92.8 million, or $0.12 per common share, and adjusted net earnings[2] of $109.0 million, or $0.14 per common share, for the first quarter of 2025.

All amounts are shown in United States dollars ("U.S. $" or "$"), unless otherwise noted.

"The progress we made in the first quarter reflects strong execution against our 'Back to Basics' strategy," said Rod West, Chief Executive Officer of AQN. "We advanced key regulatory proceedings across our electric, gas and water utilities, while reinforcing operational and financial discipline across the business. By staying focused on fundamentals, we are positioning Algonquin to deliver steady, predictable value for our customers, communities and shareholders. Looking ahead, we remain confident in our ability to drive durable earnings growth over the long-term as we continue to advance our transformation into a premier, pure-play utility."

First Quarter 2026 AQN Financial and Operational Highlights

- Received orders allowing for resolution of rate cases at Empire Electric Missouri, CalPeco Electric, and New England Gas;
- Submitted a settlement agreement for Litchfield Park Water & Sewer in Arizona;
- Subsequent to quarter-end, reached a tariff agreement at Chilean water utility Suralis;
- Subsequent to quarter-end, closed a $1.15 billion senior unsecured syndicated delayed draw term facility; the facility, which is undrawn and available, may, subject to capital markets conditions, be used to refinance AQN's $1.15 billion senior note due June 15, 2026.

[1] All amounts herein are from continuing operations and are attributable to common shareholders, unless otherwise noted
[2] Please refer to "Non-GAAP Measures" below

Net Earnings and Adjusted Net Earnings[3] by Business Unit

(all dollar amounts in $ millions except per share information)	Three months ended March 31 2026	2025
Net earnings by business units		
Net earnings for Regulated Services Group	**$ 119.4**	$ 122.1
Net earnings for Hydro Group	**2.1**	16.6
Net loss for Corporate Group	**(38.4)**	(45.9)
Net earnings	**83.1**	92.8
Adjusted net earnings[3]	**$ 99.6**	$ 109.0
Per common share		
Basic and diluted net earnings	**$ 0.11**	$ 0.12
Adjusted net earnings[3]	**$ 0.13**	$ 0.14
Weighted average number of common shares outstanding	**768,860,143**	767,670,571

Business Segment Highlights

Regulated Services Group

Regulated Services Group Overview

Achieved regulatory progress across key proceedings:

- On January 14, 2026, the Missouri Public Service Commission issued an order approving a settlement agreement for Empire District Electric which would allow for $97 million annualized revenues to be phased in over three years once certain customer performance metrics have been met for three consecutive months. Also, the Company would have the ability to earn a further $13 million annually if it meets additional performance metrics to be agreed and filed with the Missouri Public Service Commission by May 31, 2026. The Company continues to work with the Missouri Public Service Commission on the evaluation of customer metrics for the adjustment of rates. The approved agreement includes a provision by which a new rate case is not to be filed for 24 months from the effective date of new rates.
- On March 3, 2026, Litchfield Park Water & Sewer and Arizona Corporation Commission ("ACC") staff jointly submitted a settlement agreement that would result in a combined water and wastewater revenue adjustment of $15.3 million based on a return on equity of 9.75% and an equity ratio of 54%. On March 19, the Company and ACC staff jointly submitted an updated formula rate proposal. The Residential Utility Consumer Office is not party to the settlement agreement. The ACC held hearings in March 2026 on the settlement agreement and the jointly filed formula rate proposal. Legal briefs are due on May 18. The Company awaits a Commission order on the settlement agreement and formula rate proposal, which is expected in August 2026.
- On March 19, 2026, the California Public Utilities Commission issued an order approving a proposed decision for CalPeco Electric that results in an adjustment of $48.6 million in annualized revenues based on a return on equity of 9.75% and an equity ratio of 52.5%, retroactive to January 1, 2025.
- On March 27, 2026, the Massachusetts Department of Public Utilities approved a settlement agreement for New England Gas which provides for an adjustment of $45.3 million in distribution revenues, of which $27.4 million relates to prior investments under the Gas System Enhancement Program and was previously included in revenues. The approved settlement reflects an authorized return on equity of 9.3% and an equity ratio of 52.9%. New rates were effective April 1, 2026. The Company agreed to no further redesign of distribution rates before November 1, 2029.

[3] Please refer to "Non-GAAP Measures" below

- On May 4, 2026, Suralis and the Superintendence of Sanitary Services reached an agreement for the VIII Tariff Process, setting base tariffs for the 2026-2031 period. The new tariff level translates to an estimated annual revenue impact of approximately $4.0 million. The new tariffs are expected to go into effect in the third quarter of 2026 upon publication of the Tariff Decree and Order by the Comptroller General.

Regulated Services Group

The Regulated Services Group reported net earnings of $119.4 million in the first quarter of 2026, compared to net earnings of $122.1 million in the first quarter of 2025, a decrease of $2.7 million or approximately 2.2%. The decrease in net earnings was primarily due to slightly unfavourable weather conditions in 2026 as compared to slightly favourable weather conditions in 2025 at Empire District Electric, favourable depreciation adjustments recorded in 2025 at Granite State Electric and Litchfield Park Water & Sewer systems, and higher gas safety excellence and operating expenses. The decrease was partially offset by the adjustment of approved rates at CalPeco Electric, which includes timing-related retroactive revenues and insurance expenses to the first quarter of 2025.

Key drivers of first quarter 2026 performance as compared to first quarter 2025 performance include:

- Adjustment of approved rates at CalPeco Electric of $48.6 million, which results in annualized retroactive revenues to January 1, 2025 of $60.7 million, partially offset by higher wildfire insurance expenses recovered in rates of $28.5 million, including retroactive expenses of $22.7 million relating to 2025; these amounts were previously incurred by the Company and deferred using its Wildfire Expense Memorandum Account ("WEMA") mechanism;
- The impact of slightly unfavourable weather in the first quarter of 2026, as compared to slightly favourable conditions in the comparable period in 2025, resulting in an approximately $11.9 million decrease in net revenues at Empire District Electric;
- Higher operating expenses primarily related to $3.8 million in gas safety excellence costs with the remainder driven by higher labor, benefits and property taxes; and
- Higher depreciation primarily due to depreciation deferral adjustments of $5.6 million related to Granite State Electric and $2.6 million related to the Sarival wastewater plant at Litchfield Park Water & Sewer booked in the first quarter of 2025.

Hydro Group

The Hydro Group recorded net earnings of $2.1 million in the first quarter of 2026, compared to net earnings of $16.6 million in the first quarter of 2025. The decrease of $14.5 million was primarily due to a $13.4 million income tax recovery recognized in the first quarter of 2025 as a result of the tax basis step-up from the Hydro Group's reorganization executed in connection with the sale of the Company's renewable energy business (excluding hydro).

Corporate Group

The Corporate Group recorded a net loss of $38.4 million in the first quarter of 2026, compared to a net loss of $45.9 million, for the same period in 2025. The increase in net earnings of $7.5 million was primarily driven by the non-recurrence of a loss recognized in the first quarter of 2025 on the settlement of foreign exchange contracts and foreign exchange losses, partially offset by a decrease in net earnings due to higher non-recurring other losses as the Company continues to incur restructuring costs as part of its transition to a pure-play regulated utility. All of these items were excluded from adjusted net earnings[4].

AQN's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2026 and management discussion and analysis for the three months ended March 31, 2026, (the "Interim MD&A") will be available on its website at www.algonquinpower.com and in its corporate filings on SEDAR+ at www.sedarplus.com (for Canadian filings) and EDGAR at www.sec.gov/edgar (for U.S. filings).

[4] Please refer to "Non-GAAP Measures" below

Earnings Conference Call

AQN will hold an earnings conference call at 8:30 a.m. eastern time on Friday, May 8, 2026, hosted by Chief Executive Officer, Rod West, and Chief Financial Officer, Rob Stefani.

Date:	Friday, May 8, 2026	
Time:	8:30 a.m. ET	
Conference Call:	**Toll Free Dial-In Number:**	1 (800) 715-9871
	Toll Dial-In Number:	1 (646) 307-1963
	Conference ID:	9177664
Webcast:	https://edge.media-server.com/mmc/p/8kzernoq	
	Presentation also available at: www.algonquinpower.com	

About Algonquin Power & Utilities Corp. and Liberty

Algonquin Power & Utilities Corp., parent company of Liberty, is a diversified international generation, transmission, and distribution utility. AQN is committed to providing safe, secure, reliable, cost-effective, and sustainable energy and water solutions through its portfolio of generation, transmission, and distribution utility investments to over one million customer connections, largely in the United States and Canada. AQN's common shares, preferred shares, Series A, and preferred shares, Series D are listed on the Toronto Stock Exchange under the symbols AQN, AQN.PR.A, and AQN.PR.D, respectively. AQN's common shares and Series 2019-A subordinated notes are listed on the New York Stock Exchange under the symbols AQN and AQNB, respectively.

Visit AQN at www.algonquinpower.com and follow us on X.com @AQN_Utilities.

Caution Regarding Forward-Looking Information

Certain statements included in this news release constitute "forward-looking information" within the meaning of applicable securities laws in each of the provinces and territories of Canada and the respective policies, regulations and rules under such laws and "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (collectively, "forward-looking statements"). The words "will", "expects", “would”, "believes", "estimates", "targets", "forecast", "outlook", "guidance", "projected" (and grammatical variations of such terms) and similar expressions are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specific forward-looking statements in this news release include, but are not limited to, statements regarding: value creation and the ability to drive durable earnings growth and to become a premier pure-play regulated utility; the use of the senior unsecured syndicated delayed draw term facility; and regulatory filings and proceedings, including the expected timing, impacts and outcomes thereof. These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions and expected future developments. Since forward-looking statements relate to future events and conditions, by their very nature they require making assumptions and involve inherent risks and uncertainties. AQN cautions that although it is believed that the assumptions are reasonable in the circumstances, these risks and uncertainties give rise to the possibility that actual results may differ materially from the expectations set out in the forward-looking statements. Forward-looking statements contained herein are provided for the purposes of assisting in understanding the Company and its business, operations, risks, financial performance, financial position and cash flows as at and for the periods indicated and to present information about management's current expectations and plans relating to the future and such information may not be appropriate for other purposes. Material risk factors and assumptions include those set out in AQN's annual information form and annual management discussion & analysis, each for the year ended December 31, 2025, and Interim MD&A each of which is or will be available on SEDAR+ and EDGAR.

Given these assumptions and risks, undue reliance should not be placed on these forward-looking statements, which apply only as of their dates. Other than as specifically required by law, AQN undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

Non-GAAP Measures

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

The term "adjusted net earnings" is used in this news release and is a non-GAAP financial measure. An explanation of this non-GAAP financial measure can be found in the section titled "Caution Concerning Non-GAAP Measures" in the Interim MD&A, which section is incorporated by reference into this news release, and a reconciliation to the most directly comparable U.S. GAAP measure can be found below. In addition, adjusted net earnings is presented in this news release on a per common share basis. "Adjusted net earnings per common share" is a non-GAAP ratio and is calculated by dividing adjusted net earnings by the weighted average number of common shares outstanding during the applicable period.

Reconciliation of Adjusted Net Earnings to Net Earnings

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

The following table shows the reconciliation of net earnings (loss) attributable to common shareholders to adjusted net earnings exclusive of these items:

	Three months ended March 31	
(all dollar amounts in $ millions except per share information)	**2026**	**2025**
Net earnings attributable to common shareholders	**$ 83.6**	$ 94.2
Add (deduct):		
Earnings from discontinued operations, net of tax	**(0.5)**	(1.4)
Loss on derivative financial instruments	**—**	7.2
Restructuring costs[5]	**19.2**	5.6
Loss on foreign exchange	**—**	3.9
Adjustment for taxes related to above	**(2.7)**	(0.5)
Adjusted Net Earnings	**$ 99.6**	$ 109.0
Adjusted Net Earnings per common share	**$ 0.13**	$ 0.14

5 See Note 12(a) in the Unaudited Interim Condensed Consolidated Financial Statements.

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Algonquin

Algonquin Power & Utilities Corp. Declares Second Quarter 2026 Common Share Dividend of U.S.$0.0650 (C$0.0886), and Declares Second Quarter 2026 Preferred Share Dividends

Oakville, Ontario – May 8, 2026 - Algonquin Power & Utilities Corp. ("AQN") (TSX: AQN, AQN.PR.A, AQN.PR.D, NYSE: AQN) announced today that its board of directors has approved and declared the following common and preferred share dividends:

1. US$0.0650 per common share, payable on July 15, 2026, to the shareholders of record on June 30, 2026, for the period from April 1, 2026 to June 30, 2026. Registered shareholders can elect to receive the dividend in Canadian dollars in the amount of C$0.0886.
2. C$0.41100 per preferred share, Series A, payable in cash on June 30, 2026 to preferred share, Series A holders of record on June 15, 2026, for the period from March 31, 2026 to, but excluding, June 30, 2026.
3. C$0.42831 per preferred share, Series D, payable in cash on June 30, 2026 to preferred share, Series D holders of record on June 15, 2026, for the period from March 31, 2026 to, but excluding, June 30, 2026.

Each of the foregoing dividends will be paid in cash.

The quarterly dividends payable on common shares are declared in U.S. dollars. Beneficial shareholders (those who hold common shares through a financial intermediary) who are resident in Canada or the United States may request to receive their dividends in either U.S. dollars or the Canadian dollar equivalent by contacting the financial intermediary with whom the common shares are held. Unless the Canadian dollar equivalent is requested, holders of common shares will receive dividends in U.S. dollars, which, as is often the case, the financial intermediary may convert to Canadian dollars. Registered holders of common shares receive dividend payments in the currency of residency. Registered holders of common shares may opt to change the payment currency by contacting TSX Trust Company at 1-800-387-0825 prior to the record date of the dividend.

The Canadian dollar equivalent of the quarterly common share dividend is based on the Bank of Canada daily average exchange rate on the day before the declaration date.

Pursuant to the *Income Tax Act* (Canada) and corresponding provincial legislation, AQN hereby notifies holders of common shares, preferred shares, Series A, and preferred shares, Series D that such dividends declared qualify as eligible dividends.

About Algonquin Power & Utilities Corp. and Liberty

Algonquin Power & Utilities Corp., parent company of Liberty, is a diversified international generation, transmission, and distribution utility. AQN is committed to providing safe, secure, reliable, cost-effective, and sustainable energy and water solutions through its portfolio of electric generation, transmission, and distribution utility investments to over one million customer connections, largely in the United States and Canada. AQN's common shares, preferred shares, Series A, and preferred shares, Series D are listed on the Toronto Stock Exchange under the symbols AQN, AQN.PR.A, and AQN.PR.D, respectively. AQN's common shares and Series 2019-A subordinated notes are listed on the New York Stock Exchange under the symbols AQN and AQNB, respectively.

Visit AQN at www.algonquinpower.com and follow us on X.com @AQN_Utilities.

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