



Maxim Power Corp. Announces 2025 First Quarter Financial and Operating Results

CALGARY, Alberta (May 8, 2025) – Maxim Power Corp. ("MAXIM" or the "Corporation") (TSX: MXG) announced today the release of financial and operating results for the first quarter ended March 31, 2025. The unaudited condensed consolidated interim financial statements, accompanying notes and Management's Discussion and Analysis ("MD&A") will be available on SEDAR+ and on MAXIM's website on May 8, 2025. All figures reported herein are Canadian dollars unless otherwise stated.

FINANCIAL HIGHLIGHTS

(\$ in thousands except per share amounts)	Three Months Ended March 31,	
	2025	2024
Revenue	20,253	34,768
Net income	3,266	10,487
Earnings per share – basic	0.05	0.21
Earnings per share – diluted	0.05	0.18
Adjusted EBITDA ⁽¹⁾	5,236	15,922
Total generation – (MWh)	413,031	476,531
Total fuel consumption – (GJ)	3,489,423	3,915,660
Average Alberta market power price (\$ per MWh)	39.78	99.30
Average realized power price (\$ per MWh)	49.04	72.96
Loans and borrowings	-	80,782
Total net debt (net cash) ⁽¹⁾	(31,486)	(4,425)
Total assets	364,000	435,438
Free cash flow ⁽¹⁾	3,295	13,018

(1) Select financial information was derived from the consolidated financial statements and is prepared in accordance with GAAP, except certain non-GAAP measures including: free cash flow ("FCF"), adjusted Earnings before Interest, Income Taxes, Depreciation and Amortization ("Adjusted EBITDA") and total net debt, (see **Non-GAAP Financial Measures** below). Total net debt is included in the notes to the annual consolidated financial statements. Net debt is calculated to include: loans and borrowings (including the convertible loan facility) less unrestricted cash.

OPERATING RESULTS

During the first quarter of 2025, MAXIM recorded net income and Adjusted EBITDA⁽¹⁾ of \$3.3 million and \$5.2 million, respectively, as compared to net income and Adjusted EBITDA⁽¹⁾ of \$10.5 million and \$15.9 million, respectively, in the same period of 2024. Decreases to net income and Adjusted EBITDA⁽¹⁾ in the first quarter of 2025 were primarily due to lower revenues as a result of lower realized power prices and generation volumes as compared to 2024. In addition, FCF⁽¹⁾ decreased due to the same factors impacting net income, increase in capital spending and lower interest income, partially offset by lower outflows related to debt servicing.

SALE OF SUMMIT CLOSED

As previously announced, on April 29, 2025, MAXIM closed the sale of 100% of its interest in its wholly-owned subsidiaries Summit Coal Limited Partnership and Summit Coal Inc. (collectively “Summit”) to Valory Resources Inc. (“Valory”) for \$14.2 million, consisting of \$10.2 million of cash and \$4.5 million Australian dollar (Canadian dollar equivalent \$4.0 million) equity security in the form of a 15% interest bearing note convertible into Valory common shares (the “Convertible Note”). Summit was sold with \$2.2 million of restricted cash, resulting in net cash proceeds to MAXIM of \$8.0 million.

The Convertible Note matures on April 29, 2027, and is convertible at MAXIM’s election into common shares of Valory upon a convertible event, being a sale, equity raise or maturity and converts at a 30% discount to the corresponding share valuation at the event. The Convertible Note may be redeemed by Valory at any time.

NON-GAAP FINANCIAL MEASURES

Management evaluates MAXIM’s performance using a variety of measures. Adjusted EBITDA and FCF, as discussed below are non-GAAP measures and should not be considered as an alternative to or to be more meaningful than net income of the Corporation, as determined in accordance with GAAP, when assessing MAXIM’s financial performance or liquidity. These measures do not have any standardized meaning prescribed by GAAP and may not be comparable to similar measures presented by other companies.

Adjusted EBITDA

Adjusted EBITDA is provided to assist management and investors in determining the Corporation’s approximate operating cash flow before interest, income taxes, and depreciation and amortization and certain other non-recurring income and expenses.

Three months ended March 31 (\$000's)	2025	2024
GAAP Measures from Condensed Consolidated Interim Statement of Operations		
Net income	3,266	10,487
Income tax expense	1,045	3,215
Finance (income) expense, net	(106)	1,344
Depreciation and amortization	3,650	3,629
	7,855	18,675
Adjustments:		
Other income	(15)	(32)
Unrealized gain on commodity swaps	(2,858)	(2,985)
Share-based compensation	254	264
Adjusted EBITDA	5,236	15,922

Adjusted EBITDA is calculated as described above from its most directly comparable GAAP measure, net income, and adjusts for specific items that are not reflective of the Corporation’s underlying operations and excludes other non-cash items.

Adjusted EBITDA is provided to assist management and investors in determining the Corporation's approximate operating cash flows attributable to shareholders before finance expense, income taxes, depreciation and amortization, and certain other non-recurring or non-cash income and expenses. Financing expense, income taxes, depreciation and amortization, loss on write-off of asset and impairment charges are excluded from the Adjusted EBITDA calculation, as they do not represent cash expenditures that are directly affected by operations. Management believes that presentation of this non-GAAP measure provides useful information to investors and shareholders as it assists in the evaluation of performance trends. Management uses Adjusted EBITDA to compare financial results among reporting periods and to evaluate MAXIM's operating performance and ability to generate funds from operating activities.

In calculating Adjusted EBITDA for the three months ended March 31, 2025 and March 31, 2024 management excluded certain non-cash and non-recurring transactions. In both 2025 and 2024, Adjusted EBITDA excluded unrealized gains or losses on commodity swaps, share-based compensation and all items of other income.

Free Cash Flow

Three months ended March 31 (\$000's)	2025	2024
Funds generated from operating activities before change in non-cash working	5,188	15,292
Property, plant and equipment additions	(2,149)	(570)
Repayment of loans and borrowings	-	(713)
Interest expense and bank charges	(49)	(2,060)
Interest income	305	1,069
Free cash flow	3,295	13,018

FCF is calculated as described above from its most directly comparable GAAP measure from the Statement of Cash Flows, the funds generated from operating activities before change in non-cash working capital, and adjusts for specific items that are reflective of the Corporation's underlying FCF. FCF is an important metric as it represents the amount of cash that is available to potentially invest in growth initiatives, pay dividends and repurchase shares. In calculating FCF for the three months ended March 31, 2025 and March 31, 2024, management uses the funds generated from operating activities before change in non-cash working capital for the period and deducts property, plant and equipment additions, repayment of loans and borrowings, interest expense and bank charges and adds interest income.

About MAXIM

Based in Calgary, Alberta, MAXIM is one of Canada's largest truly independent power producers. MAXIM is now focused entirely on power projects in Alberta. Its core asset – the 300 MW H.R. Milner Plant, M2, in Grande Cache, AB – is a state-of-the-art combined cycle gas-fired power plant that commissioned in Q4, 2023. MAXIM continues to explore additional development options in Alberta including its currently permitted gas-fired generation project and the permitting of its wind power generation project. MAXIM trades on the TSX under the symbol "MXG". For more information about MAXIM, visit our website at www.maximpowercorp.com. For further information please contact:

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Forward-looking statements

Statements in this release which describe MAXIM's intentions, expectations or predictions, or which relate to matters that are not historical facts are forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties which may cause the actual results, performances or achievements of MAXIM to be materially different from any future results, performances or achievements expressed in or implied by such forward-looking statements. MAXIM may update or revise any forward-looking statements, whether as a result of new information, future events or changing market and business conditions and will update such forward-looking statements as required pursuant to applicable securities laws.

Risk factors include that MAXIM will retain sufficient liquidity to maintain operations and continue to invest in its development portfolio. Readers are cautioned that the foregoing lists of factors are not exhaustive. Additional information on these and other factors that could affect MAXIM's business, operations or financial results are included in the reports on file with applicable securities regulatory authorities, including but not limited to MAXIM's Annual Information Form for the year ended December 31, 2024, which may be accessed on MAXIM's SEDAR+ profile at www.sedarplus.ca. These forward-looking statements are made as of the date of this press release and MAXIM disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.