Condensed Consolidated Interim Financial Statements of

# MAXIM POWER CORP.

For the Three and Six Months Ended June 30, 2025

(Unaudited)

# MAXIM POWER CORP.

Unaudited Condensed Consolidated Interim Statements of Financial Position

(in thousands of Canadian dollars)

| As at | Note | **June 30, 2025** | December 31, 2024 |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and cash equivalents | | **40,382** | 30,068 |
| Trade and other receivables | | **11,998** | 6,244 |
| Current tax asset | | **60** | - |
| Risk management asset | 12 | **22** | 462 |
| Prepaid expenses and deposits | | **2,891** | 4,699 |
| **Total current assets** | | **55,353** | 41,473 |
| Property, plant and equipment, net | 3 | **293,577** | 306,035 |
| Convertible note | 12 | **1,695** | - |
| Restricted cash | | **7,341** | 8,451 |
| Prepaid expenses and deposits | | **2,039** | 3,139 |
| **Total non-current assets** | | **304,652** | 317,625 |
| **TOTAL ASSETS** | | **360,005** | 359,098 |
| **LIABILITIES** | | | |
| Trade and other payables | | **5,724** | 11,111 |
| Deferred lease income | 5 | **1,072** | - |
| Risk management liability | 12 | **1,553** | 396 |
| **Total current liabilities** | | **8,349** | 11,507 |
| Provisions for decommissioning | | **10,655** | 11,052 |
| Other long-term liabilities | | **306** | 77 |
| Deferred tax liabilities | | **20,421** | 20,442 |
| **Total non-current liabilities** | | **31,382** | 31,571 |
| **TOTAL LIABILITIES** | | **39,731** | 43,078 |
| **EQUITY** | | | |
| Share capital | | **172,631** | 172,476 |
| Contributed surplus | | **13,760** | 13,286 |
| Retained earnings | | **133,883** | 130,258 |
| **TOTAL EQUITY** | | **320,274** | 316,020 |
| *Commitments* | 10 | | |
| **TOTAL LIABILITIES AND EQUITY** | | **360,005** | 359,098 |

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

On behalf of the Board:

M. Bruce Chernoff
Chairman of the Board

Michael Mayder
Director

# MAXIM POWER CORP.

Unaudited Condensed Consolidated Interim Statements of Operations and Comprehensive Income

(in thousands of Canadian dollars, except for per share amounts)

| | | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|---|
| | Note | **2025** | 2024 | **2025** | 2024 |
| **Revenue and power swaps** | | | | | |
| Revenue | 6 | **21,426** | 17,007 | **41,679** | 51,775 |
| Realized gain (loss) on power swaps | 12 | **(83)** | 5,402 | **2,238** | 6,573 |
| Unrealized loss on power swaps | 12 | **(1,207)** | (1,192) | **(787)** | (544) |
| **Total revenue and power swaps** | | **20,136** | 21,217 | **43,130** | 57,804 |
| **Expenses** | | | | | |
| Operating | | **13,611** | 13,173 | **29,417** | 30,734 |
| Realized loss (gain) on natural gas swaps | 12 | **250** | 3,824 | **(132)** | 4,779 |
| Unrealized loss (gain) on natural gas swaps | 12 | **3,248** | 181 | **810** | (2,156) |
| General and administrative | | **1,550** | 1,382 | **3,718** | 3,147 |
| Depreciation and amortization | 3 | **4,187** | 3,635 | **7,837** | 7,264 |
| **Total expenses** | | **22,846** | 22,195 | **41,650** | 43,768 |
| **Operating income (loss)** | | **(2,710)** | (978) | **1,480** | 14,036 |
| Other income, net | 7 | **1,800** | 2,947 | **1,815** | 2,979 |
| Finance income (expense), net | 8 | **230** | (898) | **336** | (2,242) |
| **Income (loss) before income taxes** | | **(680)** | 1,071 | **3,631** | 14,773 |
| **Income tax expense (recovery)** | | | | | |
| Current income tax (recovery) | | **-** | (917) | **-** | 322 |
| Deferred income tax (recovery) | | **(1,066)** | 932 | **(21)** | 2,908 |
| **Total income tax expense (recovery)** | | **(1,066)** | 15 | **(21)** | 3,230 |
| **Net and comprehensive income** | | **386** | 1,056 | **3,652** | 11,543 |
| **Earnings per share** | 9 | | | | |
| Basic | | **0.01** | 0.02 | **0.06** | 0.23 |
| Diluted | | **0.01** | 0.02 | **0.06** | 0.21 |

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

# MAXIM POWER CORP.

Unaudited Condensed Consolidated Interim Statements of Changes in Equity

(in thousands of Canadian dollars, except common share data)

| | Number of common shares (thousands) | Share capital | Contributed surplus | Retained earnings | Total |
|---|---|---|---|---|---|
| Equity at December 31, 2024 | 63,693 | 172,476 | 13,286 | 130,258 | 316,020 |
| Net income | - | - | - | 3,652 | 3,652 |
| Repurchase of common shares for cancellation | (16) | (43) | - | (27) | (70) |
| Share-based compensation | - | - | 505 | - | 505 |
| Stock options exercised | 42 | 198 | (31) | - | 167 |
| **Equity at June 30, 2025** | **63,719** | **172,631** | **13,760** | **133,883** | **320,274** |
| | | | | | |
| Equity at December 31, 2023 | 50,593 | 143,963 | 13,194 | 140,588 | 297,745 |
| Net income | - | - | - | 11,543 | 11,543 |
| Repurchase of common shares for cancellation | (191) | (543) | - | (302) | (845) |
| Share-based compensation | - | - | 521 | - | 521 |
| Stock options settled in common shares | 204 | 42 | (284) | - | (242) |
| Stock options exercised | 26 | 66 | (12) | - | 54 |
| Equity at June 30, 2024 | 50,632 | 143,528 | 13,419 | 151,829 | 308,776 |

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

# MAXIM POWER CORP.

Unaudited Condensed Consolidated Interim Statements of Cash Flows

(in thousands of Canadian dollars)

| | | Six months ended June 30 | |
|---|---|---|---|
| | Note | **2025** | 2024 |
| **Cash flows from operating activities**: | | | |
| Net income | | **3,652** | 11,543 |
| Adjustments for items not involving cash or operations: | | | |
| Depreciation and amortization | 3 | **7,837** | 7,264 |
| Share-based compensation | | **505** | 521 |
| Unrealized loss on power swaps | 12 | **787** | 544 |
| Unrealized loss (gain) on natural gas swaps | 12 | **810** | (2,156) |
| Stock option settlement in common shares | | **-** | (242) |
| Change in fair value of convertible note | 12 | **45** | - |
| Gain on disposal of development projects | 7 | **(1,480)** | (2,810) |
| Income tax expense (recovery) | | **(21)** | 3,230 |
| Income tax paid | | **(60)** | (468) |
| Finance (income) expense, net | 8 | **(336)** | 2,242 |
| Funds generated from operating activities before change in non-cash working capital | | **11,739** | 19,668 |
| Change in non-cash working capital | 11 | **(6,911)** | 44,011 |
| Net cash generated from operating activities | | **4,828** | 63,679 |
| **Cash flows from financing activities:** | | | |
| Repayment of loans and borrowings | | **-** | (1,425) |
| Proceeds from exercise of stock options | | **167** | 54 |
| Repurchase of common shares for cancellation | | **(70)** | (845) |
| Interest and bank charges | 8 | **(60)** | (3,967) |
| Net cash generated from (used in) financing activities | | **37** | (6,183) |
| **Cash flows from investing activities**: | | | |
| Property, plant and equipment additions | 3 | **(3,884)** | (1,966) |
| Proceeds on sale of development project, net of closing costs | 7 | **9,931** | - |
| Interest income | | **663** | 2,407 |
| Change in non-cash working capital | 11 | **(1,215)** | (2,691) |
| Net cash generated from (used in) investing activities | | **5,495** | (2,250) |
| Foreign exchange gain (loss) on cash and cash equivalents | 8 | **(46)** | 53 |
| Increase in cash and cash equivalents | | **10,314** | 55,299 |
| Cash and cash equivalents, beginning of period | | **30,068** | 32,258 |
| **Cash and cash equivalents, end of period** | | **40,382** | 87,557 |

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

## 1. Reporting entity

Maxim Power Corp. is incorporated in the province of Alberta, Canada. Maxim Power Corp., together with its subsidiaries ("MAXIM" or the "Corporation") is an independent power producer, which acquires or develops, owns and operates power and power related projects in Alberta. The Corporation's common shares ("Common Shares") trade on the Toronto Stock Exchange under the symbol "MXG". MAXIM's registered office is Suite 1800, 715 – 5 Avenue S.W., Calgary, Alberta, Canada, T2P 2X6.

## 2. Basis of preparation and statement of compliance

(a) Statement of compliance

These unaudited condensed consolidated interim financial statements are prepared in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting. The unaudited condensed consolidated interim financial statements do not include all the information required for annual financial statements and should be read in conjunction with the Corporation's December 31, 2024 annual audited consolidated financial statements available at www.sedarplus.ca.

MAXIM's Board of Directors approved these unaudited condensed consolidated interim financial statements on August 7, 2025.

(b) Material accounting policies and use of judgements and estimates

Except as noted below, the use of judgments and estimates in the preparation of these unaudited condensed consolidated interim financial statements have been applied consistently for all periods presented and are unchanged from the judgments and estimates disclosed in the notes to the consolidated financial statements for the year ended December 31, 2024.

During the second quarter of 2025, the Corporation revised the useful life of certain components of property, plant and equipment as a result of the accelerated timing of major overhauls at Milner Power Limited Partnership ("Milner") necessary for future operations which gave rise to additional depreciation of $538.

Except as noted below, the material accounting policies used in the preparation of these unaudited condensed consolidated interim financial statements have been applied consistently for all periods presented and are unchanged from the policies disclosed in the notes to the consolidated financial statements for the year ended December 31, 2024.

Leases - Lessor

The Corporation assesses contracts at their inception to determine if they contain a lease. The assessment includes whether the contract conveys the control of an identifiable asset for a specific term in exchange for compensation. The Corporation further determines if the contract substantially transfers ownership or the useful life of the identified asset through the term of the lease. If ownership is substantially transferred, a lease is recorded as a finance lease and otherwise is recorded as an operating lease. The Corporation records any prepaid lease payments from an operating lease as deferred lease income in its Statements of Financial Position and recognizes lease income as other income on a straight-line basis over the term of the lease.

(Amounts in thousands of Canadian dollars, except as otherwise noted)

## 3. Property, plant and equipment, net

| | Generating Facilities and Equipment | Right-of-use Asset | Assets under Construction | Total |
|---|---|---|---|---|
| **Cost** | | | | |
| Balance, December 31, 2023 | 406,977 | 202 | 8,810 | 415,989 |
| Additions | 2,018 | - | 5,174 | 7,192 |
| Assets in-service | 370 | - | (370) | - |
| Revisions to decommissioning provisions | (55) | - | - | (55) |
| Balance, December 31, 2024 | 409,310 | 202 | 13,614 | 423,126 |
| Additions | 1,499 | - | 2,385 | 3,884 |
| Assets in-service | 2,008 | - | (2,008) | - |
| Revisions to decommissioning provisions | (288) | - | - | (288) |
| Disposal of development project (note 7) | (194) | - | (8,192) | (8,386) |
| Balance, June 30, 2025 | 412,335 | 202 | 5,799 | 418,336 |
| **Accumulated depreciation** | | | | |
| Balance, December 31, 2023 | 102,443 | 85 | - | 102,528 |
| Depreciation | 14,533 | 30 | - | 14,563 |
| Balance, December 31, 2024 | 116,976 | 115 | - | 117,091 |
| Depreciation | 7,822 | 15 | - | 7,837 |
| Disposal of development project (note 7) | (169) | - | - | (169) |
| Balance, June 30, 2025 | 124,629 | 130 | - | 124,759 |
| **Property, plant and equipment, net** | | | | |
| December 31, 2024 | 292,334 | 87 | 13,614 | 306,035 |
| June 30, 2025 | 287,706 | 72 | 5,799 | 293,577 |

## 4. Loans and borrowings

Senior Credit Facilities

The Senior Credit Facilities consist of facilities that provide senior debt financing to support financing requirements of the existing operations, letters of credit and hedging. The Senior Credit Facilities are secured by the assets of the Corporation. The Senior Credit Facilities mature on June 30, 2026.

(a) Revolver Facility #1

The $25,000 Revolver Facility #1 is available for general corporate purposes. The Corporation posted cash collateralized letters of credit of $7,341 under this facility and deposited cash of the same amount into a restricted bank account maintained by the bank. As at June 30, 2025, the availability of this facility is $17,659 as it is fully undrawn. The Corporation can elect to draw back the $7,341 cash collateralized letters of credit, in exchange for a higher margin fee, however the availability of the facility is reduced by this amount regardless of whether the letters of credit are cash collateralized or not. The Revolver Facility #1 bears interest at the Canadian overnight repo rate average or Canadian prime rate, plus applicable margins.

(Amounts in thousands of Canadian dollars, except as otherwise noted)

## 4. Loans and borrowings (continued)

Financial Debt Covenants

MAXIM is required to maintain a net debt to Adjusted EBITDA ratio of not greater than 3.00:1.00. As at June 30, 2025, MAXIM's net debt to Adjusted EBITDA ratio is (1.36):1.00 and is therefore in compliance.

MAXIM is required to maintain an interest coverage ratio of not less than 5.00:1.00 on a rolling four quarter basis. As at June 30, 2025, MAXIM's interest coverage ratio is 247.75:1.00 and is therefore in compliance.

The interest coverage ratio will be annualized beginning in the first quarter of 2025 utilizing the rolling four quarter Adjusted EBITDA and annualized interest expense starting January 1, 2025. Once four full fiscal financial quarters have occurred, the annualized interest expense will be replaced with the rolling four quarter interest expense.

The asset coverage percentage covenant requires that at the end of each financial quarter, the tangible assets of MAXIM, Milner Power II LP, Milner Power LP, and Prairie Lights Power LP, are not less than 95% of consolidated tangible assets. As at June 30, 2025, MAXIM's asset coverage percentage is 100% and is therefore in compliance.

In addition, MAXIM is subject to customary non-financial covenants. As at June 30, 2025, MAXIM is in compliance with all applicable debt covenants.

## 5. Deferred lease income

On April 29, 2025, MAXIM, through its wholly-owned subsidiary, Milner, entered into a ground lease at the Milner site, with Mine 14 Operations Inc., to allow for construction and operation of a coal processing facility. The ground lease is accounted for as an operating lease, as substantially all of the risk and rewards incidental to ownership of the underlying asset have not been transferred to the lessee. As at June 30, 2025, the net book value of the land was $nil. The term of the ground lease is twelve years commencing on April 29, 2025, however, it is subject to automatic termination if the coal processing facility has not been substantially completed on April 29, 2027. In addition, Mine 14 Operations Inc. can terminate the lease with 60 days notice, however payments in the year of termination are non-refundable. At expiration of the term, an option for an eight year extension of the lease exists under the same terms and conditions. Lease payments to Milner consist of both a prorated annual $2,126 fixed payment and a variable throughput payment subject to coal being processed on the leased lands. The first year of the 2025 calendar lease payment of $1,433 was made on April 29, 2025. As at June 30, 2025, the Corporation recognized $361 of lease income and $1,072 of deferred lease income.

The minimum future lease payments to be received on the operating lease are:

| | |
|---|---:|
| 2026 | 2,126 |
| 2027 | 2,126 |
| 2028 | 2,126 |
| 2029 | 2,126 |
| 2030 | 2,126 |
| Thereafter | 13,465 |
| | 24,095 |

(Amounts in thousands of Canadian dollars, except as otherwise noted)

## 6. Revenue

During the first six months of 2025, the Corporation recognized $2,298 of revenue relating to unforeseeable Transmission Must-Run ("TMR") services provided to the Alberta Electricity System Operator ("AESO") in January. Unforeseeable TMR revenues, of this kind, are infrequent and earned only when the AESO requires power generation from power producers to compensate for insufficient local transmission infrastructure relative to local power demand.

## 7. Other income

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Change in fair value of convertible note (note 12c) | (45) | - | (45) | - |
| Gain on sale of development projects, net of closing costs (a) | 1,480 | 2,810 | 1,480 | 2,810 |
| Lease income (note 5) | 361 | - | 361 | - |
| Other income | 4 | 137 | 19 | 169 |
| Total other income, net | 1,800 | 2,947 | 1,815 | 2,979 |

(a) Gain on sale of development projects

(i) On April 29, 2025, MAXIM closed the sale of its wholly-owned subsidiaries Summit Coal Inc. and Summit Coal Limited Partnership (collectively "Summit") to Valory Resources Inc. ("Valory") for $14,150, consisting of $10,150 of cash and a $4,516 Australian dollar (Canadian dollar equivalent $4,000) equity security in the form of a 15% interest bearing note convertible into Valory common shares (the "Convertible Note"). The Convertible Note is a level III financial instrument and as such was valued at $1,636 (note 12c) on April 29, 2025. The following table summarizes the net assets sold and gain on disposal of Summit for the three months ended June 30, 2025.

| | |
|---|---|
| Cash and cash equivalents | 7 |
| Restricted cash | 2,150 |
| Property plant and equipment, net | 8,217 |
| Provisions for decommissioning | (287) |
| Total net assets sold | 10,087 |
| Cash consideration, net of closing costs | 9,931 |
| Convertible note fair value | 1,636 |
| Gain on sale of Summit | (1,480) |

(ii) The Corporation closed the sale of a wind development project on June 20, 2018. Under the sales agreement, the Corporation is entitled to further compensation upon the date of commercial operation. On June 28, 2024, the wind development project achieved commercial operations and the Corporation recognized $2,810 of other income.

(Amounts in thousands of Canadian dollars, except as otherwise noted)

## 8. Finance income (expense), net

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Interest expense and bank charges | (11) | (1,907) | (60) | (3,967) |
| Amortization of deferred financing costs | (74) | (268) | (146) | (559) |
| Accretion of provisions | (93) | (87) | (178) | (176) |
| Foreign exchange gain (loss) | (53) | 26 | (46) | 53 |
| Finance expense | (231) | (2,236) | (430) | (4,649) |
| Interest income | 461 | 1,338 | 766 | 2,407 |
| Total finance income (expense) , net | 230 | (898) | 336 | (2,242) |

## 9. Earnings per share

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Weighted average number of common shares - basic | 63,691,112 | 50,649,492 | 63,692,065 | 50,614,159 |
| Effect of convertible loan facility | - | 13,083,736 | - | 13,083,736 |
| Effect of stock options | 98,745 | 298,468 | 388,162 | 344,471 |
| Weighted average number of common shares - diluted | 63,789,857 | 64,031,696 | 64,080,227 | 64,042,366 |

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Net income - basic | 386 | 1,056 | 3,652 | 11,543 |
| Finance expense on the convertible loan facility, net of tax | - | 746 | - | 1,640 |
| Net income - diluted | 386 | 1,802 | 3,652 | 13,183 |

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Earnings per share: | | | | |
| Basic | 0.01 | 0.02 | 0.06 | 0.23 |
| Diluted | 0.01 | 0.02 | 0.06 | 0.21 |

## 10. Commitments

The Corporation has entered into a natural gas transportation service agreement to have natural gas delivered to Milner 2 and contracts to purchase emission credits. The total remaining commitment from these contracts as at June 30, 2025 is $14,612 as follows:

| | |
|---|---|
| 2025 | 2,744 |
| 2026 | 5,198 |
| 2027 | 3,204 |
| 2028 | 1,958 |
| 2029 | 1,068 |
| Thereafter | 440 |
| | 14,612 |

(Amounts in thousands of Canadian dollars, except as otherwise noted)

## 11. Change in non-cash working capital

| | Six months ended June 30 2025 | 2024 |
|---|---|---|
| Operating activities | | |
| Trade and other receivables | (5,754) | 42,114 |
| Deferred lease income | 1,072 | - |
| Prepaid expenses and deposits | 2,762 | 3,739 |
| Trade and other payables | (4,991) | (1,842) |
| | (6,911) | 44,011 |

| | Six months ended June 30 2025 | 2024 |
|---|---|---|
| Investing activities | | |
| Trade and other payables | (175) | (691) |
| Restricted cash | (1,040) | (2,000) |
| | (1,215) | (2,691) |

## 12. Financial risk management

The Corporation's risk management process, oversight and techniques are the same as those described in the Corporation's 2024 annual consolidated financial statements.

The fair value measurement of a financial instrument or derivative contract is included in one of three levels as follows:

- Level I: unadjusted quoted prices in active markets for identical assets or liabilities
- Level II: inputs other than quoted prices included within Level I that are observable for the asset or liability, either directly or indirectly
- Level III: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The Corporation is required to recognize and disclose the fair value of financial assets and liabilities. The Corporation's financial assets and financial liabilities that are not convertible notes, risk management swaps, options or loans and borrowings are all classified as Level I under the fair value hierarchy as they are based on unadjusted quoted prices in active markets for identical instruments.

(a) Commodity risk management swaps

The fair values of the power and natural gas commodity swaps are classified as Level II under the fair value hierarchy as the fair values are based on observable market data. The Corporation determined the fair value of the swaps by applying the market approach using market settled forward prices as reported by the Natural Gas Exchange for forward contracts of comparable term at the reporting date.

Realized loss (gain) on commodity swaps

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Realized loss (gain) on power swaps | 83 | (5,402) | (2,238) | (6,573) |
| Realized loss (gain) on natural gas swaps | 250 | 3,824 | (132) | 4,779 |
| Total realized loss (gain) on commodity swaps | 333 | (1,578) | (2,370) | (1,794) |

(Amounts in thousands of Canadian dollars, except as otherwise noted)

**12. Financial risk management (continued)**

Unrealized loss (gain) on commodity swaps

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| | 2025 | 2024 | 2025 | 2024 |
| Unrealized loss on power swaps | 1,207 | 1,192 | 787 | 544 |
| Unrealized loss (gain) on natural gas swaps | 3,248 | 181 | 810 | (2,156) |
| Total unrealized loss (gain) on commodity swaps | 4,455 | 1,373 | 1,597 | (1,612) |

Loss (gain) on commodity swaps

| | | | | |
|---|---|---|---|---|
| Total realized and unrealized loss (gain) on commodity swaps | 4,788 | (205) | (773) | (3,406) |

(b) Carrying amount of risk management asset and liabilities

Current risk management asset

| | June 30, 2025 | December 31, 2024 |
|---|---|---|
| Power commodity swaps | 22 | 462 |
| Total carrying amount of current risk management asset | 22 | 462 |

The carrying amount of current risk management asset represents the unrealized asset from the power and natural gas commodity swaps.

Current risk management liability

| | June 30, 2025 | December 31, 2024 |
|---|---|---|
| Natural gas commodity swaps | 1,179 | 367 |
| Power commodity swaps | 374 | 29 |
| Total carrying amount of current risk management liability | 1,553 | 396 |

The carrying amount of current risk management liability represents the unrealized liability from the power and natural gas commodity swaps.

(c) Convertible Note

The Convertible Note is a $4,516 Australian dollar equity security in the form of a 15% interest bearing note convertible into Valory common shares. 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.

The Convertible Note is classified as a financial asset measured at fair value through profit or loss at the end of each reporting period, through the use of an internal model which incorporates significant unobservable inputs. Due to the unobservable nature of the inputs used in determining the fair value, the Convertible Note is considered a level III financial instrument. Management's best estimate of the fair value of the Convertible Note is based on a probability weighted approach considering the discounted cash flows associated with the collection of the principal amount through the maturity of the Convertible Note and the conversion into Valory common shares. The internal model includes assumptions about the credit risk of the counterparty in the determination of the discount rate and contract duration. The following table summarizes the change in fair value of the Convertible Note for the three months ended June 30, 2025.

(Amounts in thousands of Canadian dollars, except as otherwise noted)

**12. Financial risk management (continued)**

| | |
|---|---|
| Balance, April 29, 2025 | 1,636 |
| Interest income | 104 |
| Change in fair value of convertible note | (45) |
| Balance, June 30, 2025 | 1,695 |

The fair value of the Convertible Note will increase or decrease by $594 if the estimates of the probable outcomes used by management changes by 10%.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") is dated August 7, 2025 and should be read in conjunction with the unaudited condensed consolidated interim financial statements of Maxim Power Corp. ("MAXIM" or the "Corporation") for the three and six months ended June 30, 2025 and the audited consolidated financial statements and MD&A for the year ended December 31, 2024. MAXIM prepares its unaudited condensed consolidated interim financial statements in accordance with International Accounting Standard 34 Interim Financial Reporting, under IFRS Accounting Standards, as issued by the International Accounting Standards Board ("IFRS"). MAXIM occasionally refers to non-GAAP and other financial measures in the MD&A which are not standardized measures and may not be comparable to other reporting issuers. See the Non-GAAP and other financial measures section for more information. The MD&A contains Forward-Looking Information ("FLI"). This information is based on certain estimates and assumptions and involve risks and uncertainties. Actual results may differ materially. See the FLI section of this MD&A for additional information.

Capitalized and abbreviated terms that are used but not otherwise defined herein are defined in the Glossary of Terms. Throughout this MD&A, dollar amounts within tables are in thousands of Canadian dollars unless otherwise noted.

**TABLE OF CONTENTS**

## BUSINESS OF MAXIM

MAXIM is an independent power producer engaged in the acquisition, development, ownership and operation of power generation facilities and the resultant sale of generating capacity and electricity. As at the date of this MD&A, MAXIM has one power generating facility, Milner 2 ("M2"), a natural gas-fired power plant with 300 MW of maximum electric generating capacity in Canada. The M2 power plant is a 300 MW state-of-the-art combined cycle gas-fired power plant that was commissioned in the fourth quarter of 2023 and is situated at the HR Milner ("Milner") generating station site near Grande Cache, Alberta.

## OVERALL PERFORMANCE

### Highlights

During the second quarter of 2025, MAXIM recorded net income and adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA"[(1)]) of $0.4 million and $6.2 million, respectively, as compared to net income of $1.1 million and Adjusted EBITDA[(1)] of $4.3 million, respectively, in the same period of 2024. Increases to Adjusted EBITDA[(1)] in the second quarter of 2025 were primarily due to higher revenues as a result of greater generation volumes and realized power prices as compared to 2024. Net income decreased as a result of unrealized losses on commodity swaps, partially offset by the same factors impacting Adjusted EBITDA[(1)].

(1) Adjusted EBITDA is a non-GAAP measure. See Non-GAAP and Other Financial Measures.

### Quarterly Financial and Operational Highlights

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| ($000's, unless otherwise noted) | 2025 | 2024 | 2025 | 2024 |
| Revenue | 21,426 | 17,007 | 41,679 | 51,775 |
| Net income | 386 | 1,056 | 3,652 | 11,543 |
| Basic earnings per share ($ per share) | 0.01 | 0.02 | 0.06 | 0.23 |
| Diluted earnings per share ($ per share) | 0.01 | 0.02 | 0.06 | 0.21 |
| Adjusted EBITDA [(1)] | 6,183 | 4,287 | 11,419 | 20,209 |
| Free cash flow [(1)] | 5,163 | 1,699 | 8,458 | 14,717 |
| Total generation (MWh) | 416,488 | 365,666 | 829,519 | 842,197 |
| Total fuel consumption (GJ) | 3,400,931 | 3,034,857 | 6,890,354 | 6,950,517 |
| Heat rate (GJ/MWh) | 8.17 | 8.30 | 8.31 | 8.25 |
| Facility availability rate (%) | 93.5% | 94.3% | 80.2% | 84.6% |
| Facility utilization rate (%) | 65.0% | 64.3% | 57.1% | 65.0% |
| Average Alberta market power price ($ per MWh) | 40.48 | 45.17 | 40.14 | 72.23 |
| Average realized power price ($ per MWh) | 51.44 | 46.51 | 50.24 | 61.48 |
| Non-current liabilities | 31,382 | 101,848 | 31,382 | 101,848 |
| Total assets | 360,005 | 434,198 | 360,005 | 434,198 |

(1) Adjusted EBITDA and Free Cash Flow ("FCF") are non-GAAP measures. See Non-GAAP and Other Financial Measures.

### Financial Results

During the second quarter of 2025, revenues and Adjusted EBITDA[(1)] increased as compared to 2024 primarily due to higher generation volumes and realized power prices. Net income decreased as a result of unrealized losses on commodity swaps, partially offset by the same factors impacting revenues and Adjusted. EBITDA[(1)].

During the first six months of 2025, revenues, Adjusted EBITDA[(1)] and net income decreased as compared to 2024 primarily due to lower realized power prices and lower generation volumes.

(1) Adjusted EBITDA is non-GAAP measures. See Non-GAAP and Other Financial Measures.

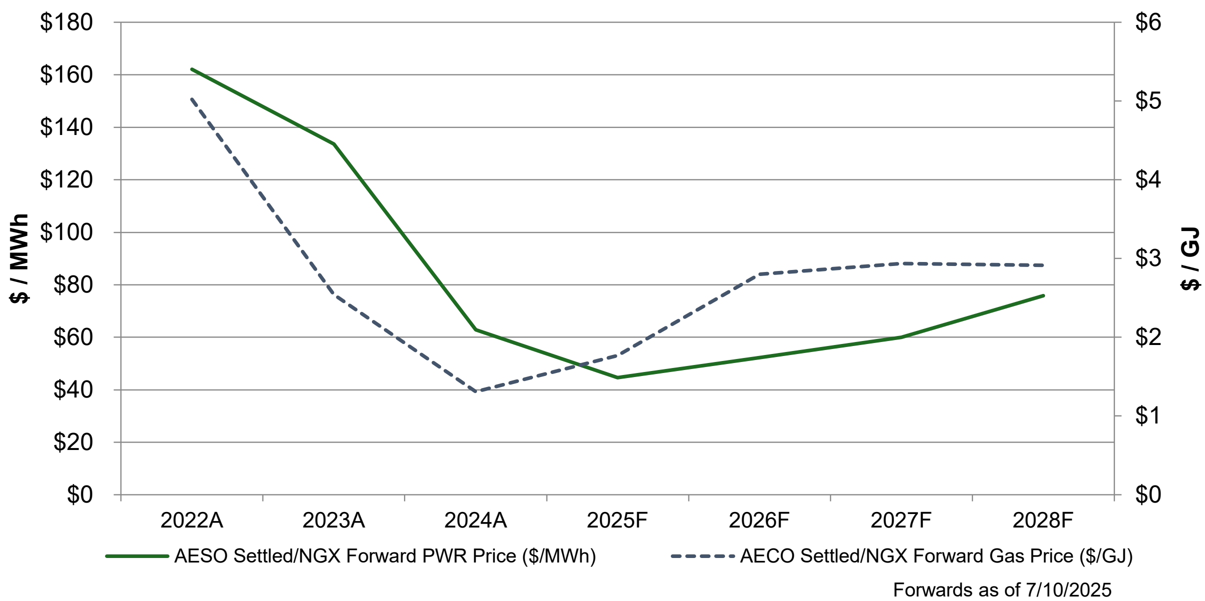
## OUTLOOK

*Alberta Power Price*

The following commentary represents FLI and users are cautioned that actual results may vary. Refer to the discussion of FLI on page 4 for further details.

In 2022, management observed increased power prices as a result of higher demand for electricity due to increased economic activity in Alberta in reaction to higher oil prices, reduced negative impact from COVID-19 and the return of dispatch control of six coal-fired units, totaling 2,380 MW of generation capacity, from the Balancing Pool to independent power producers. Power prices were further elevated due to higher carbon pricing, natural gas pricing, and certain unit outages affecting generation supply. 2023 power prices were lower than 2022 due to increased renewable generation which was partially offset by increased load, unit outages and higher carbon pricing. The graph also shows actual and forward power prices continuing to decline in 2024, relative to 2023, as a result of new wind, solar and gas-fired generation projects coming online. Forward power prices are expected to stabilize in 2025+ now that the last of the large gas-fired generation projects has reached commercial operation and the pace of new renewable generation projects have slowed significantly. Power prices are expected to rise starting in 2026 as demand for electricity continues to increase without any new meaningful generation forecast to be added to the grid.

Near-term (2025) Alberta natural gas forward prices have fallen significantly, primarily as a result of local Alberta supply/demand fundamentals and limited pipeline capacity to get Alberta natural gas to external markets. The result of this has caused local Alberta natural gas prices to be significantly discounted relative to broader North American natural gas prices. Longer-term (2026+) Alberta natural gas forward prices are consistent with the range of historical prices and in line with management's expectations.




## DEVELOPMENT AND BUSINESS INITIATIVES

The Corporation maintains optionality for all of its development and business initiatives in order to maximize shareholder value, including outright sale, joint venture, build and operate or development process to maintain certain initiatives as future opportunities.

*Future Business Initiatives*

All future growth initiatives are at various stages of development and subject to, among other things, financing, development and permitting of necessary electrical transmission and fuel supply infrastructure, equipment procurement and various other commercial contracts. As at the date of this MD&A, no definitive commitments on these future business initiatives have been made.

MAXIM maintains the flexibility to manage the timing of its business initiatives. MAXIM accounts for its development projects as assets under construction included in property, plant and equipment once technical and economic feasibility is established. If a project has not yet met, or no longer meets these criteria, any capitalized costs for the project are expensed in the period.

MAXIM owns the 400 MW Prairie Lights Power natural gas-fired power generation development project located near Grande Prairie, Alberta, which is in the early stages of development. MAXIM also owns a wind development project ("Buffalo Atlee") which has the potential for up to 200 MW of power generation capacity. MAXIM has installed a new meteorological tower on the site lands to further expand and improve the quality of the project's wind resource data. The Corporation continues to monitor changes to provincial and federal government regulations as they relate to opportunities to develop and construct natural gas and wind power projects.

MAXIM continues to conduct its review of commercialization of the Milner landfill fly ash beneficiation project ("LFAB") which will process and repurpose land-filled fly ash previously produced by the legacy coal-fired power facility at the Milner site. Fly ash is a byproduct of burning coal and can be used as a low carbon intensity alternative for cement mix. Through advancement of project development, the LFAB has been approved for funding through the Emissions Reduction Alberta ("ERA") Advanced Materials Challenge for up to $5.0 million. Funding can be used for directly attributable costs in relation to all project-related activities of the LFAB. The Corporation is in the process of reviewing the funding contribution agreement with ERA and anticipates making a decision to enter into the agreement in the third quarter of 2025. The Corporation continues to refine and advance project development required to inform a final investment decision, including the estimated capital costs of proceeding with the project. As at the date of this MD&A, the Corporation has not made a final investment decision to proceed with the LFAB.

## FORWARD-LOOKING INFORMATION

FLI and forward looking statements included in this MD&A are provided to inform the Corporation's shareholders and potential investors about management's assessment of the Corporation's future plans and operations. This information may not be appropriate for other purposes.

Readers are cautioned that management's expectations, estimates, projections and assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.

Forward-looking statements are often, but not always, identified by the use of words such as "anticipate" "approximate", "plan", "estimate", "intend", "believe", "expect", "will", "may", "project", "predict", "potential", "could", "might", "should", and other similar expressions. The Corporation believes the expectations reflected in forward-looking statements and FLI are reasonable, but no assurance can be given that these expectations will prove to be correct. These forward-looking statements speak only to the date of this MD&A and are expressly qualified by this cautionary statement. Specifically, this MD&A contains forward-looking statements concerning, among other things, approximate timing of execution of ERA agreement, capital expenditures, outlook for commodity prices and changes in market rules. The Corporation disclaims any intention or obligation to update or revise any forward-looking statements or FLI, whether as a result of new information, future events or otherwise except as required pursuant to applicable securities laws. Certain information in this MD&A is FLI and is subject to important risks and uncertainties. The results or events predicted in this information may differ from actual results or events.

Factors which could cause actual results or events to differ materially from current expectations include the ability of the Corporation to implement its strategic initiatives, the availability of capital and contractors to execute its development initiatives, the availability and price of energy commodities, government and regulatory decisions including carbon pricing, power plant availability and capacity under simple cycle or combined cycle, competitive factors in the power industry, foreign exchange and tax rates, the impact of pandemics, prevailing economic conditions in the regions that the Corporation operates, operational efficiency and planned or unplanned plant outages and the other risks described herein and under the heading "Risk Factors" in the Corporation's most recently filed annual information form filed on SEDAR+ at www.sedarplus.ca.

These factors should not be construed as exhaustive. The forward-looking statements contained in this document are expressly qualified by this cautionary statement. MAXIM does not undertake any obligation to publicly update or revise any forward-looking statements except as expressly required by applicable securities law. With respect to forward-looking statements contained within this MD&A, MAXIM has made the following assumptions as at the date of this MD&A:

- MAXIM's operating cashflow is largely dependent on electric power and natural gas prices. Management forecasts that cash flows for operating and general and administrative expenses will be funded by positive cashflows from revenues and existing cash on hand. MAXIM estimates total capital expenditures to be incurred in 2025 of approximately $11.0 million. These expenditures primarily relate to sustaining capital spending of M2, including expenditures for a planned maintenance outage in the fall of 2025.
- The Corporation will continue to have access to its credit facility and not be in default.
- The Corporation will retain sufficient liquidity to maintain operations and continue to invest in its development portfolio.
- MAXIM's continued compliance with all necessary provincial and federal regulations for environmental and climate change legislation and all necessary requirements of operating permits. Further changes to environmental legislation and operational issues may affect the ability of MAXIM to comply with regulations and may result in unplanned costs and plant outages.
- Other matters and factors described under the Outlook section on page 3.

## SELECTED QUARTERLY FINANCIAL INFORMATION

### Financial Highlights

| Quarter ended:<br>(unaudited) ($000's unless otherwise noted) | 30-Jun<br>2025 | 31-Mar<br>2025 | 31-Dec<br>2024 | 30-Sep<br>2024 |
|---|---|---|---|---|
| Revenue | 21,426 | 20,253 | 24,048 | 25,659 |
| Net income (loss) | 386 | 3,266 | (341) | 10,744 |
| Basic earnings (loss) per share ($ per share) | 0.01 | 0.05 | (0.01) | 0.21 |
| Diluted earnings (loss) per share ($ per share) | 0.01 | 0.05 | (0.01) | 0.18 |
| Adjusted EBITDA[1] | 6,183 | 5,236 | 5,647 | 12,675 |
| Average realized power price ($ per MWh) | 51.44 | 49.04 | 56.52 | 55.11 |
| Total fuel consumption (GJ) | 3,400,931 | 3,489,423 | 3,514,660 | 3,756,808 |
| Total generation (MWh) | 416,488 | 413,031 | 425,486 | 465,584 |

| Quarter ended:<br>(unaudited) ($000's unless otherwise noted) | 30-Jun<br>2024 | 31-Mar<br>2024 | 31-Dec<br>2023 | 30-Sep<br>2023 |
|---|---|---|---|---|
| Revenue | 17,007 | 34,768 | 38,990 | 2,468 |
| Net income (loss) | 1,056 | 10,487 | 19,477 | (4,897) |
| Basic earnings (loss) per share ($ per share) | 0.02 | 0.21 | 0.39 | (0.10) |
| Diluted earnings (loss) per share ($ per share) | 0.02 | 0.18 | 0.32 | (0.10) |
| Adjusted EBITDA[1] | 4,287 | 15,922 | 31,512 | (1,545) |
| Average realized power price ($ per MWh) | 46.51 | 72.96 | 81.61 | 78.03 |
| Total fuel consumption (GJ) | 3,034,857 | 3,915,660 | 3,855,880 | 436,985 |
| Total generation (MWh) | 365,666 | 476,531 | 485,222 | 31,627 |

Quarter over quarter revenue, Adjusted EBITDA(1) and net income are affected by planned and unplanned outages, market demand, power and natural gas prices, weather conditions and the seasonal nature of Alberta power prices. Alberta power prices tend to be higher during winter and summer peak load months and are further affected by supply constraints such as outages at other Alberta generation facilities. Reported revenue, Adjusted EBITDA(1) and net income fluctuated in 2023, 2024 and 2025 due to variations in generation volumes of M2 and realized power prices. Revenue and net income decreased in the third quarter of 2023 as a result of the non-injury fire at M2 and subsequently increased in the fourth quarter of 2023 upon commissioning of the Combined Cycle Gas Turbine ("CCGT") expansion of M2.

In addition to the factors noted above, net income is affected by certain non-cash and non-recurring transactions as follows:

- The second quarter of 2025 included $4.8 million of net commodity swap losses, gain on sale of Summit Coal Limited Partnership and Summit Coal Inc. ("Summit") of $1.5 million, lease income of $0.4 million and income tax recovery of $1.1 million.
- The first quarter of 2025 included $5.6 million of net commodity swap gains and $1.0 million of income tax expense.
- The fourth quarter of 2024 included $3.0 million of net commodity swap losses and $0.3 million of income tax expense.
- The third quarter of 2024 included $7.9 million of net commodity swap gains and $2.7 million of income tax expense.
- The second quarter of 2024 included $0.2 million of net commodity swap gains.
- The first quarter of 2024 included $3.2 million of net commodity swap gains and $3.2 million of income tax expense.
- The fourth quarter of 2023 included other income of $20.7 million in relation to insurance proceeds arising from the air inlet filter house fire, net of air inlet filter house expenses, $2.0 million of asset impairment charge, $6.4 million of income tax expense and $5.0 million of net commodity swap losses.
- The third quarter of 2023 included other income of $5.2 million in relation to the insurance claim, net of air inlet filter house expenses, $1.5 million of income tax recovery and $1.4 million of net commodity swap losses.

(1) Adjusted EBITDA is a non-GAAP measure. See Non-GAAP and Other Financial Measures.

## QUARTERLY FINANCIAL RESULTS OF OPERATIONS

**Revenue**

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| ($000's) | 2025 | 2024 | 2025 | 2024 |
| Revenue (1) | 21,426 | 17,007 | 41,679 | 51,775 |

(1) Includes $2.3 million in the first six months of 2025 of Unforeseeable Transmission Must-Run ("TMR") services provided to the Alberta Electricity System Operator ("AESO") in January 2025. Unforeseeable TMR revenues, of this kind, are infrequent and earned only when the AESO requires power generation from power producers to compensate for insufficient local transmission infrastructure relative to local power demand.

Revenue in the second quarter of 2025 increased by $4.4 million, or 26%, to $21.4 million from $17.0 million in 2024 primarily due to higher generation volumes as a result of more generation during higher priced periods where M2 generated 416,488 MWh in the second quarter of 2025 as compared to 365,666 in 2024. In addition, revenues increased due to higher realized prices of $51.44 per MWh in the second quarter of 2025 as compared to $46.51 per MWh in 2024.

Revenue in the first six months of 2025 decreased by $10.1 million, or 20%, to $41.7 million from $51.8 million in 2024 primarily due to lower realized prices of $50.24 per MWh in the first six months of 2025 as compared to $61.48 per MWh in 2024. In addition, revenues decreased due to lower generation volumes as a result of less generation during low priced periods where M2 generated 829,519 MWh in the first six months of 2025 as compared to 842,197 in 2024.

**Operating Expense**

Operating expenses are grouped into three major categories, fuel, Greenhouse Gas Emission Compliance Costs ("Carbon Costs") and Operations and Maintenance ("O&M").

| Three months ended June 30 ($000's) | 2025 | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| | Fuel | Carbon Costs | O&M | Total | Fuel | Carbon Costs | O&M | Total |
| Total | 6,672 | 1,562 | 5,377 | 13,611 | 4,614 | 216 | 8,343 | 13,173 |
| Percent(1) | 49% | 11% | 40% | 100% | 35% | 2% | 63% | 100% |
| $ Per MWh(1) | 16.02 | 3.75 | 12.91 | 32.68 | 12.62 | 0.59 | 22.82 | 36.02 |
| $ Per GJ(1) | 1.96 | 0.46 | 1.58 | 3.54 | 1.52 | 0.07 | 2.75 | 4.34 |

| Six months ended June 30 ($000's) | 2025 | | | | 2024 | | | |
|---|---|---|---|---|---|---|---|---|
| | Fuel | Carbon Costs | O&M | Total | Fuel | Carbon Costs | O&M | Total |
| Total | 15,187 | 3,458 | 10,772 | 29,417 | 13,787 | 2,914 | 14,033 | 30,734 |
| Percent(1) | 51% | 12% | 37% | 100% | 45% | 9% | 46% | 100% |
| $ Per MWh(1) | 18.31 | 4.17 | 12.99 | 35.46 | 16.37 | 3.46 | 16.66 | 36.49 |
| $ Per GJ(1) | 2.20 | 0.50 | 1.56 | 4.27 | 1.98 | 0.42 | 2.02 | 4.42 |

Fuel expenses in the second quarter of 2025 increased by $2.1 million, or 46%, to $6.7 million from $4.6 million in 2024, primarily due to higher generation volumes and higher natural gas prices in second quarter of 2025.

Fuel expenses in the first six months of 2025 increased by $1.4 million, or 10%, to $15.2 million from $13.8 million in 2024, primarily due to higher natural gas prices, partially offset by lower generation volumes in the first six months of 2025.

Carbon Costs in the second quarter of 2025 increased $1.4 million to $1.6 million from $0.2 million in 2024 due to favourable external carbon pricing market conditions which resulted in a true up of Carbon Costs in the second quarter of 2024 and higher generation volumes in the second quarter of 2025.

Carbon Costs in the first six months of 2025 increased $0.6 million, or 21%, to $3.5 million from $2.9 million in 2024 due to favourable external carbon pricing market conditions which resulted in a true up of Carbon Costs in the second quarter of 2024, partially offset by lower generation volumes in the first six months of 2025.

O&M in the second quarter of 2025 decreased $2.9 million, or 35%, to $5.4 million from $8.3 million in 2024 due to lower repairs and maintenance and insurance premiums in 2025.

O&M in the first six months of 2025 decreased $3.2 million, or 23%, to $10.8 million from $14.0 million in 2024 due to the same factors impacting the second quarter.

(1) Supplementary financial measures. See Non-GAAP and Other Financial Measures

**General and Administrative Expense**

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| ($000's) | 2025 | 2024 | 2025 | 2024 |
| Total general and administrative expense | 1,550 | 1,382 | 3,718 | 3,147 |

General and administration expense in the second quarter of 2025 increased by $0.2 million, or 14%, to $1.6 million from $1.4 million in 2024, primarily due to increased employee compensation costs.

General and administration expense in the first six months of 2025 increased by $0.6 million, or 19%, to $3.7 million from $3.1 million in 2024, primarily due to the same factor impacting the second quarter and higher legal costs.

**Depreciation and Amortization Expense**

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| ($000's) | 2025 | 2024 | 2025 | 2024 |
| Total depreciation and amortization expense | 4,187 | 3,635 | 7,837 | 7,264 |

Depreciation and amortization expense in the second quarter of 2025 increased by $0.6 million, or 17%, to $4.2 million from $3.6 million in 2025, primarily due to the advancement of depreciation of certain components of Milner PP&E.

Depreciation and amortization expense in the first six months of 2025 increased by $0.5 million, or 7%, to $7.8 million from $7.3 million in 2025, primarily due to the same factor impacting the second quarter.

**Other Income, Net**

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| ($000's) | 2025 | 2024 | 2025 | 2024 |
| Other income, net | 1,800 | 2,947 | 1,815 | 2,979 |

Other income in the second quarter and first six months of 2025 were both $1.8 million as compared to $2.9 million and $3.0 million, respectively, in 2024. The decrease is primarily due to realizing a $2.8 million contingent gain in the second quarter of 2024 relating to the sale of a wind development project sold in 2018, partially offset by a gain on sale of Summit in 2025.

**Loss (Gain) on Commodity Swaps**

| ($000's) | Three months ended June 30 2025 | Three months ended June 30 2024 | Six months ended June 30 2025 | Six months ended June 30 2024 |
|---|---|---|---|---|
| Realized loss (gain) on power swaps | 83 | (5,402) | (2,238) | (6,573) |
| Realized loss (gain) on natural gas swaps | 250 | 3,824 | (132) | 4,779 |
| Total realized loss (gain) on commodity swaps | 333 | (1,578) | (2,370) | (1,794) |

| ($000's) | Three months ended June 30 2025 | Three months ended June 30 2024 | Six months ended June 30 2025 | Six months ended June 30 2024 |
|---|---|---|---|---|
| Unrealized loss on power swaps | 1,207 | 1,192 | 787 | 544 |
| Unrealized loss (gain) on natural gas swaps | 3,248 | 181 | 810 | (2,156) |
| Total unrealized loss (gain) on commodity swaps | 4,455 | 1,373 | 1,597 | (1,612) |
| | | | | |
| Total realized and unrealized loss (gain) on commodity swaps | 4,788 | (205) | (773) | (3,406) |

In the second quarter and first six months of 2025, MAXIM realized losses of $0.3 million and gains of $2.4 million, respectively, on Alberta power and natural gas price risk management swaps, as compared to the same period of 2024 which realized gains of $1.6 million and $1.8 million, respectively. These net gains and losses are due to settled Alberta power and natural gas prices deviating from the fixed swap price.

In the second quarter and first six months of 2025, MAXIM had unrealized net losses of $4.5 million and $1.6 million, respectively, on Alberta power and natural gas price risk management swaps, as compared to the same period of 2024 which had unrealized losses of $1.4 million and gains of $1.6 million respectively. These gains and losses are due to Alberta power and natural gas forward prices deviating from the fixed swap price.

**Finance (Income) Expense, Net**

| ($000's) | Three months ended June 30 2025 | Three months ended June 30 2024 | Six months ended June 30 2025 | Six months ended June 30 2024 |
|---|---|---|---|---|
| Interest expense and bank charges | 11 | 1,907 | 60 | 3,967 |
| Amortization of deferred financing costs | 74 | 268 | 146 | 559 |
| Accretion of provisions | 93 | 87 | 178 | 176 |
| Foreign exchange loss (gain) | 53 | (26) | 46 | (53) |
| Finance expense | 231 | 2,236 | 430 | 4,649 |
| Interest income | (461) | (1,338) | (766) | (2,407) |
| Total finance (income) expense, net | (230) | 898 | (336) | 2,242 |

Net finance income in the second quarter of 2025 increased by $1.1 million to $0.2 million from an expense of $0.9 million in 2024, primarily due to lower interest expense on loans and borrowings as a result of repaying and converting all of MAXIM's outstanding loans and borrowings in the fourth quarter of 2024, partially offset by lower interest income.

Net finance income in the first six months of 2025 increased by $2.5 million to $0.3 million from an expense of $2.2 million in 2024, primarily due to the same factors impacting the second quarter.

**Income Tax Expense (Recovery)**

| ($000's) | Three months ended June 30 2025 | Three months ended June 30 2024 | Six months ended June 30 2025 | Six months ended June 30 2024 |
|---|---|---|---|---|
| Current tax expense (recovery) | - | (917) | - | 322 |
| Deferred tax expense (recovery) | (1,066) | 932 | (21) | 2,908 |
| Total income tax expense (recovery) | (1,066) | 15 | (21) | 3,230 |

In the second quarter of 2025, income tax recovery increased $1.1 million to $1.1 million from nil in 2024 due to MAXIM having lower income before taxes in 2025.

In the first six months of 2025, income tax expense decreased $3.2 million to nil from $3.2 million in 2024 due to the same factor impacting the second quarter.

**Financial Position**

The following highlights the changes in the Corporation's Consolidated Statement of Financial Position at June 30, 2025, as compared to December 31, 2024.

| As at ($000's) | June 30, 2025 | December 31, 2024 | Increase (Decrease) | Primary factors explaining change |
|---|---|---|---|---|
| **Assets** | | | | |
| Cash and cash equivalents | 40,382 | 30,068 | 10,314 | Increased as a result of investing and operating activities, partially offset by financing activities |
| Trade and other receivables | 11,998 | 6,244 | 5,754 | Increased as a result of higher revenues |
| Property, plant and equipment | 293,577 | 306,035 | (12,458) | Decreased as a result of the sale of Summit and depreciation, partially offset by asset additions |
| Other assets(1) | 14,048 | 16,751 | (2,703) | Decreased as a result of lower prepaid expenses and restricted cash |
| **Liabilities & Equity** | | | | |
| Trade and other payables | 5,724 | 11,111 | (5,387) | Decreased due to the timing of settlement of accounts payable |
| Other liabilities(1) | 34,007 | 31,967 | 2,040 | Increased due to higher risk management liabilities and deferred income |
| Equity | 320,274 | 316,020 | 4,254 | Increased primarily due to net income for the period |

(1) Other assets and other liabilities are non-GAAP measures. See Non-GAAP and Other Financial Measures.

## LIQUIDITY AND CAPITAL RESOURCES

### Liquidity

Management is anticipating that cash flows for capital spending, operating and general and administrative expenses will be funded by MAXIM's existing cash on hand and operating revenues from the operation of M2. As at June 30, 2025, MAXIM has unrestricted cash of $40.4 million, no outstanding debt and available borrowing capacity of up to $17.7 million.

*Senior Credit Facility*

The Senior Credit Facility matures on June 30, 2026 and amounts available under the facility are as follows:

- Revolver Facility #1 is a $25.0 million revolver, is available for general corporate purposes and is undrawn, however availability of $7.3 million was used to issue cash collateralized letters of credit which reduced availability to $17.7 million. The Corporation can elect to draw back the $7.3 million cash collateral related to the letters of credit, in exchange for a higher margin fee, however the availability of the facility is reduced by this amount regardless of whether the letters of credit are cash collateralized or not.

The Senior Credit Facility is secured by the assets of the Corporation, bears interest at Canadian prime rate or Canadian overnight repo rate, plus applicable margins.

MAXIM is required to maintain a net debt[(1)] to Adjusted EBITDA[(1)] ratio of not greater than 3.00:1.00 and an interest coverage ratio of not less than 5.00:1.00 on a rolling four quarter basis. The interest coverage ratio is annualized beginning in the first quarter of 2025 utilizing the rolling four quarter Adjusted EBITDA[(1)] and annualized interest expense starting January 1, 2025. Once four full fiscal financial quarters have occurred the annualized interest expense will be replaced with the rolling four quarter interest expense. MAXIM is also required to comply with the minimum tangible assets of 95% of the consolidated tangible assets held within select entities named under the agreement. The Corporation is compliant with these covenants as at June 30, 2025.

(1) Adjusted EBITDA and net debt are a non-GAAP measures. See Non-GAAP and Other Financial Measures.

*Cash flow summary:*

At June 30, 2025, the Corporation had unrestricted cash of $40.4 million included in the working capital[(1)] surplus of $17.0 million (see working capital on page 12). Unrestricted cash balances are on deposit with two Canadian financial institutions.

(1) Working capital is a non-GAAP measure. See Non-GAAP Measures.

The following table represents the changes in cash flows and net liquidity available of the Corporation:

| Six months ended June 30 ($000's) | 2025 | 2024 |
|---|---|---|
| Cash on hand, unrestricted, January 1 | 30,068 | 32,258 |
| Cash flow generated from operations | 4,828 | 63,679 |
| Cash flow generated from (used in) financing | 37 | (6,183) |
| Available for investments | 34,933 | 89,754 |
| Cash flow generated from (used in) investing | 5,495 | (2,250) |
| Effect of foreign exchange rates on cash | (46) | 53 |
| Unrestricted cash | 40,382 | 87,557 |
| Convertible loan availability | - | 45,562 |
| Senior Credit Facility availability | 17,659 | 12,854 |
| Net liquidity available, June 30 [(1)] | 58,041 | 145,973 |

(1) Net liquidity available is a non-GAAP measure. See Non-GAAP Measures.

Cash flow generated from operating activities in the first six months of 2025 decreased to $4.8 million from $63.7 million in 2024, which is an decrease of $58.9 million. The decrease is primarily due to changes in non-cash working capital as a result of collecting business interruption insurance proceeds in the first quarter of 2024 and lower earnings from the operations of M2. See working capital section below for further discussion.

During the first six months of 2025, MAXIM's cash flow used in financing activities decreased $6.2 million to nil in 2025 from $6.2 million in 2024, primarily due to lower interest and debt repayments in the first six months of 2025 as a result of repaying and converting all of MAXIM's outstanding loans and borrowings in the fourth quarter of 2024.

MAXIM's investing activities in the first six months of 2025 represented a cash inflow of $5.5 million, increasing from an outflow of $2.3 million in 2024. During 2025, MAXIM had $9.9 million of net proceeds from the sale of Summit and interest income of $0.7 million, partially offset by $3.9 million of spending on sustaining capital projects at M2 and changes in non-cash working capital of $1.2 million.

MAXIM's investing activities in the first six months of 2024 represented a cash outflow of $2.3 million. During 2024, MAXIM spent $2.0 million primarily on sustaining capital projects at M2 and changes in non-cash working capital of $2.7 million, partially offset by interest income of $2.4 million.

The following table represents the net capital(1) of the Corporation:

| As at ($000's) | June 30, 2025 | December 31, 2024 |
|---|---|---|
| Loans and borrowings | - | - |
| Less: Unrestricted cash | (40,382) | (30,068) |
| Net debt (net cash) (1) | (40,382) | (30,068) |
| Shareholders' equity | 320,274 | 316,020 |
| Capital | 279,892 | 285,952 |
| Net debt (net cash) to capital (1) | (14.4%) | (10.5%) |

The Corporation uses the percent of net debt (cash) to capital to monitor leverage. The increase in net debt (net cash) to capital from December 31, 2024 to June 30, 2025 is primarily due to net income.

(1) Net capital, net debt and net debt to capital are non-GAAP measures. See Non-GAAP Measures.

**Working Capital(1)**

The following table represents the working capital surplus of the Corporation:

| As at ($000's) | June 30, 2025 | December 31, 2024 | Change |
|---|---|---|---|
| Total current assets | 55,353 | 41,473 | 13,880 |
| Total current liabilities | 8,349 | 11,507 | (3,158) |
| Working capital surplus (1) | 47,004 | 29,966 | 17,038 |

The Corporation has a working capital surplus of $47.0 million at June 30, 2025, which represents a $17.0 million increase from the working capital surplus of $30.0 million at December 31, 2024. The net increase is comprised of a $13.9 million increase in current assets and a $3.1 million decrease in current liabilities.

The increase in current assets was due to an increase in cash and cash equivalents of $10.3 million, trade and other receivables of $5.7 million and $0.1 million of current income tax asset, partially offset by prepaid expenses and deposits of $1.8 million and risk management asset of $0.4 million.

The decrease in current liabilities was due to a decrease in accounts payable of $5.4 million, partially offset by risk management liabilities of $1.2 million and deferred income of $1.1 million.

(1) Working capital is a non-GAAP measure. See Non-GAAP Measures.

**Capital Resources**

This following commentary represents FLI and users are cautioned that actual results may vary. The Corporation is currently anticipating capital expenditures of approximately $11.0 million for the full year of 2025. These expenditures primarily relate to sustaining capital spending of M2, including expenditures for a planned maintenance outage in the fall of 2025.

**Contractual Obligations and Contingencies**

In the normal course of operations, MAXIM assumes various contractual obligations and commitments. MAXIM considers these obligations and commitments in its assessment of liquidity.

| As at June 30, 2025 | Total | 2025 | 2026-2027 | 2028-2029 | Thereafter |
|---|---|---|---|---|---|
| Long-term contracts | 14,612 | 2,744 | 8,402 | 3,026 | 440 |
| Total | 14,612 | 2,744 | 8,402 | 3,026 | 440 |

Long-term contracts are comprised of natural gas transportation agreements and contracts to purchase emission credits.

## ENVIRONMENTAL AND CLIMATE CHANGE LEGISLATION

MAXIM continues to monitor regulatory initiatives that may impact its existing business. As a result, MAXIM continues to assess these regulations and explore low emission power generation projects, including its Buffalo Atlee wind development project and other wind power opportunities.

*Risks*

MAXIM is exposed to risks of potential legislation that has yet to be enacted. Management has assessed that the most significant risks in potential future legislation are greenhouse gas stringency and legislation that could seek to phase out natural gas-fired generation entirely, similar to the regulatory actions taken in recent years surrounding coal-fired generation.

*Canada*

The Government of Canada released the draft Clean Electricity Regulation ("CER") on August 19, 2023 that would establish the performance standard framework applicable to existing and new natural gas generation facilities to achieve the federal government's objectives. On December 18, 2024, the final CER regulations were released which beginning in 2035 will set limits on carbon dioxide from electricity generation units that use fossil fuels and by 2050, will ensure a net-zero electricity system. The final standards are not anticipated to have a significant effect on the operations of M2, but could potentially have an impact on natural gas-fired generation development projects not yet built. On May 1, 2025, the Government of Alberta ("GoA") announced that it is referring the constitutionality of the federal governments net-zero electricity regulation to the Court of Appeal of Alberta. The timing of the decision is not yet known.

*Alberta*

On April 19, 2023, the GoA released their Emissions Reduction and Energy Development ("ERED") plan which "includes an aspiration to achieve a carbon neutral economy by 2050, and to do so without compromising affordable, reliable and secure energy for Albertans, Canadians and the world." Generally, as it applies to the electricity sector, the plan is supportive of new technology and a continued price on carbon via the Technology Innovation and Emission Reduction Regulation ("TIER"). Most notable is that while the provincial carbon neutral goal of 2050 aligns with the federal goal of 2050, there is not a short-term goal nor a specific electricity sector target for Alberta. MAXIM management continues to monitor the provincial approach to net carbon neutrality. To date, the GoA has not made any further announcements specific to the ERED since the release of the initial plan, but has demonstrated implementation through initiatives such as ERA project funding and the carbon price freeze.

In the second half of 2023, the GoA announced its intention to consider potential electricity market reforms to help ensure reliable, affordable and low carbon electricity for Albertans. Multiple government agencies, including the AESO, Market Surveillance Administrator ("MSA") and the Alberta Utilities Commission were tasked with providing specific recommendations in their area of expertise to inform the path forward for the GoA. On March 11, 2024, following recommendations from the MSA and the AESO, the GoA announced temporary market rules changes that took effect July 1, 2024. These temporary rules are related to the exercise of market power and will be in place until a new restructured energy market can be designed and implemented by 2027. Management is monitoring the impacts of the temporary market rules and has observed that they resulted in lower market prices during the month of July 2024, during which the new secondary offer cap rule was triggered due to high clearing prices corresponding with a prolonged heat wave. The offer cap reset in August 2024 and the secondary offer cap has not been triggered since. Additionally, Management is actively participating in the development of the new restructured energy market to understand what, if any, impact this initiative may have on the Corporation.

*TIER regulations*

Starting January 1, 2023, M2 is exposed to carbon tax on emissions via the TIER Regulations. For 2025, emissions greater than the electricity benchmark of 0.3478 tonnes of CO2 equivalent ("tCO2e") per MWh are taxed at $95/tCO2e. The benchmark will tighten by 2% annually. On May 12, 2025, the GoA announced that the carbon price would be frozen at $95/tCO2e indefinitely. However, there is concern that this could mean that the provincial program would no longer meet federal equivalency and that the carbon price will continue to increase by $15/tCO2e annually until reaching $170/tCO2e in 2030 under the federal output based pricing system.

## NON-GAAP AND OTHER FINANCIAL MEASURES

Management evaluates MAXIM's performance using a variety of measures. The non-GAAP measures discussed below should not be considered as an alternative to or to be more meaningful than revenue, net income of the Corporation or net cash generated from operating activities, 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**

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| ($000's) | 2025 | 2024 | 2025 | 2024 |
| GAAP Measures from Condensed Consolidated Statement of Operations | | | | |
| Net income | 386 | 1,056 | 3,652 | 11,543 |
| Income tax expense (recovery) | (1,066) | 15 | (21) | 3,230 |
| Finance expense (income), net | (230) | 898 | (336) | 2,242 |
| Depreciation and amortization | 4,187 | 3,635 | 7,837 | 7,264 |
| | 3,277 | 5,604 | 11,132 | 24,279 |
| Adjustments: | | | | |
| Other income, net | (1,800) | (2,947) | (1,815) | (2,979) |
| Unrealized loss (gain) on commodity swaps | 4,455 | 1,373 | 1,597 | (1,612) |
| Share-based compensation | 251 | 257 | 505 | 521 |
| Adjusted EBITDA | 6,183 | 4,287 | 11,419 | 20,209 |

Adjusted EBITDA is calculated as described above from its most directly comparable GAAP measure, net income (loss), 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 and as a basis for loan covenant calculations. 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 and six months ended June 30, 2025 and June 30, 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 and expense.

**Free Cash Flow**

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| ($000's) | 2025 | 2024 | 2025 | 2024 |
| Funds generated from operating activities before change in non-cash working capital | 6,551 | 4,376 | 11,739 | 19,668 |
| Property, plant and equipment additions | (1,735) | (1,396) | (3,884) | (1,966) |
| Repayment of loans and borrowings | - | (712) | - | (1,425) |
| Interest expense and bank charges | (11) | (1,907) | (60) | (3,967) |
| Interest income | 358 | 1,338 | 663 | 2,407 |
| Free cash flow | 5,163 | 1,699 | 8,458 | 14,717 |

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 generated to potentially invest in growth initiatives, repay loans and borrowings outside of standard amortization payments, pay dividends and repurchase shares. In calculating FCF for the three and six months ended June 30, 2025 and June 30, 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, issuance or repayment of loans and borrowings, interest expense and bank charges and adds interest income.

**Working Capital Surplus**

MAXIM defines working capital surplus or deficit as the current assets less current liabilities. Working capital surplus is used to assist management and investors in measuring liquidity. The calculation of working capital surplus is provided on page 12.

**Net Liquidity Available**

MAXIM defines net liquidity available as its cash and cash equivalents plus undrawn amounts on the Senior Credit Facility. Net liquidity is used to assist management and investors in measuring the Corporation's access to available capital. The calculation of net liquidity availability is included on page 11.

**Net Debt, Net Capital and Net Debt to Capital**

MAXIM defines net debt as loans and borrowings less unrestricted cash.

MAXIM defines net capital as net debt plus shareholders' equity.

MAXIM defines net debt to capital as net debt divided by net capital.

Net debt, net capital and net debt to capital are used to monitor liquidity.

### Other Assets and Other Liabilities

MAXIM defines other assets as current tax assets, risk management asset, prepaid expenses and deposits and restricted cash.

MAXIM defines other liabilities as risk management liability, lease obligation, provision for decommissioning and deferred tax liabilities.

Other assets and other liabilities are used to summarize primary factors explaining change in the financial position in the Quarterly Financial Results of Operations section of the MD&A.

### Supplementary Financial Measures

Set forth below is a summary of supplementary financial measures used herein. A supplementary financial measure: (a) is, or is intended to be, disclosed on a periodic basis to depict the historical or expected future financial performance, financial position or cash flow of the Company; (b) is not presented in the financial statements of the Corporation, (c) is not a non-GAAP financial measure; and (d) is not a non-GAAP ratio.

Fuel expense, carbon costs and O&M expense, as part of operating expenses ($ per MWh) is fuel expense, carbon costs or O&M expense divided by MWh.

Fuel expense, carbon costs and O&M expense, as part of operating expenses ($ per GJ) is fuel expense, carbon costs or O&M divided by GJ.

## CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

Except as noted below, the judgements and estimates used in the preparation of the condensed consolidated interim financial statements have been applied consistently for all periods presented and are unchanged from the judgements and estimates disclosed in the notes to the consolidated financial statements for the year ended December 31, 2024.

During the second quarter of 2025, the Corporation revised the useful life of certain components of property, plant and equipment as a result of the accelerated timing of major overhauls at Milner necessary for future operations which gave rise to additional depreciation of $0.5 million.

## NEW ACCOUNTING PRONOUNCEMENTS

### IFRS Standards Issued Not Yet Effective and Amendments

On April 9, 2024, the International Accounting Standards Board issued IFRS 18 – Presentation and Disclosure in Financial Statements which introduces new requirements for comparability in the statement of profit or loss, performance measures and grouping of information in the financial statements. IFRS 18 will replace IAS 1 – Presentation of Financial Statements and will be effective for annual reporting periods beginning on or after January 1, 2027, with early application permitted. Management is currently assessing the impact of IFRS 18 on the Corporation’s consolidated financial statements.

The Corporation analyzes the impact of issued standards and there are no standards, other than noted above, that have been issued, but not yet effective, that the Corporation anticipates having a material effect on the consolidated financial statements once adopted.

## TRANSACTIONS WITH RELATED PARTIES

The Corporation did not enter into any new related party transactions during the first six months of 2025, with the exception of transactions with the Corporation's Directors and members of the Executive Committee in the normal course of business. These transactions in the normal course of business are detailed in note 22 of the 2024 Annual Audited Consolidated Financial Statements.

## CONTROLS AND PROCEDURES

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") are responsible for the design of internal controls over financial reporting ("ICFR") and disclosure controls of the Corporation. In accordance with National Instrument NI 52-109, the CEO and CFO have filed certifications that ICFR and disclosure controls have been adequately designed, and that there have been no changes in ICFR that materially affected, or are reasonably likely to materially affect ICFR, during the quarter ended June 30, 2025.

## OTHER INFORMATION

Outstanding share data:

| | |
|---|---|
| Issued common shares at June 30, 2025 | 63,718,839 |
| Outstanding share options at June 30, 2025 | 3,196,018 |
| **Total diluted common shares at June 30, 2025** | 66,914,857 |
| Shares purchased and cancelled under NCIB in July 2025 | (43,546) |
| Share options granted in July 2025 | 49,999 |
| **Total diluted common shares at August 7, 2025** | 66,921,310 |

Additional information relating to MAXIM including the Annual Information Form is posted on SEDAR+ at www.sedarplus.ca under Maxim Power Corp. and at the Corporation's website www.maximpowercorp.com.

## GLOSSARY OF TERMS

The following listing includes definitions of certain terms used throughout this MD&A:

| | |
|---|---|
| **AESO** | Alberta Electric System Operator |
| **Buffalo Atlee** | Buffalo Atlee is a development project for up to 200 MW of wind generation situated near Brooks, Alberta |
| **Capacity** | The rated continuous load-carrying ability, expressed in megawatts, of generation equipment, (throughout the MD&A references to capacity are stated in nameplate capacity, unless otherwise noted) |
| **Carbon Cost** | Greenhouse Gas Emission Compliance Cost |
| **CCGT** | Combined Cycle Gas Turbine |
| **CEO** | Chief Executive Officer |
| **CER** | Clean Electricity Regulation |
| **CFO** | Chief Financial Officer |
| **tCO2e** | Tons of Carbon Dioxide Equivalent |
| **Adjusted EBITDA** | Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization |
| **ERA** | Emissions Reduction Alberta |
| **ERED** | Emissions Reduction and Energy Development |
| **FCF** | Free Cash Flow |
| **FLI** | Forward-looking information |
| **GAAP** | IFRS, as set out in Part 1 of the CPA Canada Handbook of the CPAs of Canada |
| **GJ** | Gigajoule |
| **GoA** | Government of Alberta |
| **ICFR** | Internal Controls Over Financial Reporting |
| **IFRS** | International Financial Reporting Standards |
| **LFAB** | Landfill Fly Ash Beneficiation Project |
| **Milner** | HR Milner, a 150 MW (nameplate capacity) generating facility located near the town of Grande Cache, Alberta since 1972 and was acquired by MAXIM on March 31, 2005 |
| **M2** | M2 is a CCGT facility located at the Milner site near Grande Cache, Alberta, with a maximum capability of 300 MW |
| **MAXIM or the Corporation** | Maxim Power Corp. |
| **MD&A** | Management's Discussion and Analysis |
| **MSA** | Market Surveillance Administrator |
| **MW** | Megawatt, a measure of electrical generating capacity that is equivalent to one million watts |
| **MWh** | Megawatt-hour, a measure of electricity consumption equivalent to the use of 1,000,000 watts of power over a period of one hour |
| **O&M** | Operations and Maintenance |
| **Summit** | Summit Coal LP and Summit Coal Inc. |
| **TIER** | Technology Innovation and Emissions Reduction Regulation |

Words importing the singular number, where the context requires, include the plural, and vice versa, and words importing any gender include all genders.