2025 Q1

Interim Financial Report

ENMAX Corporation

CAUTION TO READER

This Financial Report contains statements about future events and financial and operating results of ENMAX Corporation and its subsidiaries (collectively referred to herein as ENMAX or the Corporation) that are forward-looking. All forward-looking statements included herein reflect ENMAX's current expectations, projections, beliefs, judgments and assumptions based on available information as of the date hereof and in light of ENMAX's experience and its perception of historical trends. When used in this Financial Report, the words "may," "would," "could," "will," "intend," "plan," "anticipate," "believe," "seek," "propose," "estimate," "expect" and similar expressions, as they relate to the Corporation or an affiliate of the Corporation, are intended to identify forward-looking statements.

By their nature, forward-looking statements require the Corporation to make assumptions and are subject to inherent risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. ENMAX believes the expectations reflected in these forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct. Readers are cautioned not to place undue reliance on forward-looking statements, as many factors could cause actual future results, conditions, actions or events to differ materially from financial and operating targets, expectations, estimates or intentions expressed in the forward-looking statements, including but not limited to expectations and assumptions concerning the amount and timing of emissions reductions. Factors that could cause results or events to differ from current expectations include, without limitation: regulatory decisions and outcomes of legal proceedings; the operating performance of the Corporation's assets; economic conditions in North America, as well as globally; the availability and market prices of commodities; liquidity and access to capital markets on competitive terms; timing and costs associated with certain capital investments; estimated energy consumption rates; changes in customer energy usage patterns; cyber security and technological developments, including but not limited to those that could reduce demand for electricity or impact the ability to reduce emissions; competition in the businesses in which the Corporation operates; unexpected or unusual weather; unanticipated maintenance and other expenditures; interest, tax, foreign exchange and inflation rates; the impact of hedging transactions; performance and credit risk of the Corporation's counterparties; disruption of fuel supply; environmental risks; the Corporation's ability to effectively anticipate, assess and respond to changes to government policies and regulations, including those relating to the environment, including but not limited to climate change and greenhouse gas regulation(s) and changes to such regulation(s), financial reporting and taxation; pension plan performance and funding requirements; loss of service area; global health crises, such as pandemics and epidemics and the unexpected impacts related thereto; market energy sales prices; labour relations; and the cost and availability of labour, equipment and materials.

Each forward-looking statement in this Financial Report is qualified in its entirety by the above cautionary statements and speaks only as of the date of this Financial Report. The Corporation does not intend, and does not assume any obligation, to update these forward-looking statements except as required by law, and reserves the right to change, at any time at its sole discretion, the practice of updating annual targets and guidance.

For further information, see the section of the Management's Discussion and Analysis (MD&A) titled *Risks and Risk Management*.

MANAGEMENT’S DISCUSSION AND ANALYSIS

This MD&A, dated May 22, 2025, is a review of the results of operations of ENMAX for the three months ended March 31, 2025, compared with the same period for 2024, and of the Corporation’s financial condition and future prospects. This MD&A should be read in conjunction with the condensed consolidated interim financial statements for the three months ended March 31, 2025 and 2024 (Interim Statements) and the audited consolidated financial statements for the years ended December 31, 2024 and 2023, and the notes to the respective financial statements, including material accounting policy information (Annual Financial Statements). This MD&A contains forward-looking information and should be read in conjunction with the Caution to Reader as detailed above.

The Interim Statements have been prepared in accordance with IFRS® Accounting Standards, as issued by the International Accounting Standards Board (IFRS). The Interim Statements and MD&A were reviewed by ENMAX’s Audit Committee, and the Interim Statements were approved by ENMAX’s Board of Directors (the Board). All amounts are in millions of Canadian dollars (CAD) unless otherwise specified.

The Corporation reports on certain non-IFRS financial performance measures that are used by management to evaluate performance of business segments. As non-IFRS financial measures do not have a standard meaning prescribed by IFRS, the Corporation has defined and reconciled them with their nearest IFRS measure. The definition, calculation and reconciliation of non-IFRS financial measures are provided in the Non-IFRS Financial Measures section.

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Glossary of terms can be found on page 44.

ENMAX OVERVIEW

Headquartered in Calgary, Alberta, Canada, ENMAX provides electricity services and products across Alberta and Maine. ENMAX is a private corporation with The City of Calgary (The City) as its sole shareholder.

Committed to evolving its strategy to transition to a regulated utility, ENMAX is focused on operational excellence, responsible growth and enabling the energy transition, with the purpose—*Lighting the way to a brighter energy future*.

ENMAX has core operations through three main business segments: ENMAX Power, Versant Power and ENMAX Energy. It operates transmission and distribution utilities through ENMAX Power and Versant Power, and power generation facilities and retail products and services through ENMAX Energy. In addition, a Corporate segment provides financing and shared corporate services to the operating segments.

- ENMAX Power owns and operates electricity transmission and distribution assets that provide rate-regulated service to approximately 582,000 customer sites in the Calgary area (1,089 square kilometres in and around Calgary). ENMAX Power is regulated by the Alberta Utilities Commission (AUC), an economic regulator who establishes ENMAX Power's revenue requirement and rates for transmission and distribution through public hearing processes. The transmission business operates under a cost-of-service model, under which ENMAX Power applies for rates designed to recover the forecast cost of providing transmission service, including an allowed return on equity (ROE). The distribution business is regulated under a Performance-Based Regulation (PBR) model. Under this model, distribution rates paid by customers are set annually during the PBR term, using a formula that considers inflationary factors, operational efficiencies and an allowance for ROE. PBR is intended to create additional incentives for utilities to find efficiencies in their operations. In the current year, approximately 17 per cent of ENMAX Power's electricity revenue is from transmission operations and 83 per cent is associated with distribution operations.
- Versant Power owns and operates electricity transmission and distribution assets that provide rate-regulated service to approximately 166,000 customer sites in the Maine Public District (MPD) and Bangor Hydro District (BHD), covering six counties in Maine, U.S. and a total operating area of approximately 27,000 square kilometres (10,400 square miles). BHD is a member of ISO New England and is interconnected with other New England utilities to the south and with New Brunswick Power Corporation to the north. MPD is a member of the Northern Maine Independent System Administrator. Versant Power is regulated by the Maine Public Utilities Commission (MPUC) with respect to distribution rates, service standards, territories served, issuance of securities and other matters and by the United States Federal Energy Regulatory Commission (FERC) with respect to transmission services. Versant Power earns revenue by charging customers for delivery of electricity across its transmission and distribution facilities. This retail revenue is divided into separate transmission, distribution and stranded cost rates. Rates for each element are designed to recover the costs of providing the regulated products or services, including an allowed ROE, and are established in distinct regulatory proceedings. In the current year, approximately 35 per cent of Versant Power's electricity revenue is from transmission operations, 39 per cent is associated with distribution operations and 26 per cent relates to stranded cost recoveries and conservation charges.
- ENMAX Energy is an Alberta-based integrated competitive retail and generation business, providing electricity, natural gas, and customer care services to approximately 675,000 customers throughout Alberta. ENMAX Energy also carries out retail energy supply and related functions for the Rate of Last Resort, formerly known as the Regulated Rate Option (RRO) through affiliated legal entities. The competitive retail business provides customers with either fixed or variable-priced electricity and natural gas. As at March 31, 2025, ENMAX Energy owned an interest in 1,486 megawatts (MW) of electricity generation capacity: 1,305 MW from natural gas-fuelled plants and 181 MW from wind

power. ENMAX Energy uses its generation capacity as a natural hedge to electricity retail customer contracts to provide supply certainty, margin stability and risk mitigation. Additionally, natural gas retail contracts and fuel requirements for the generation portfolio are balanced through the purchase of natural gas.

- ENMAX's Corporate segment currently provides resources primarily for Canadian operations, including financing and shared legal, finance and accounting, human resources, corporate governance, information technology and other functions.

BUSINESS UPDATE

Q1 2025 saw lower average commodity prices compared to 2024, interest rate reductions, the implementation of tariffs between Canada and the United States, a federal election in Canada and the commencement of the Rate of Last Resort in Alberta. ENMAX does not expect these tariffs to have a significant impact on its business but continues to monitor the geopolitical environment. Within Alberta, the AESO continued electricity market redesign efforts aimed at reliability, affordability and policy objectives including decarbonization.

ENMAX is focused on executing its strategic direction to enhance the regulated businesses and maximize free cash flow from the competitive business to maintain a low-risk business and financial risk profile and to reduce exposure to the impact of government policy change. Reducing its risk profile better positions ENMAX to provide continued value to its customers and shareholder.

The discussion below relates to results for the three months ended March 31, 2025 (first quarter or Q1), compared to the same period in 2024.

First quarter Adjusted Earnings Before Interest, Taxes, and Depreciation and Amortization (Adjusted EBITDA)[1] was $260 million, an increase of $19 million from Q1 2024, primarily due to a $14 million increase in transmission and distribution margins in the regulated businesses and a $6 million increase in natural gas margins, partially offset by $5 million higher Operations, Maintenance and Administration (OM&A) spending.

First quarter Comparable Net Earnings (CNE)[1] of $106 million was $5 million higher than Q1 2024, as the increase noted above in Adjusted EBITDA was partially offset by higher income tax expense and depreciation and amortization expenses.

Net earnings for the three months ended March 31, 2025, was $195 million, compared to net earnings of $133 million in Q1 2024. The increase primarily related to $51 million higher after-tax unrealized mark-to-market gain in Q1 2025, compared to Q1 2024, and $6 million in unrealized foreign exchange gains, in addition to the explanations for the increase in CNE in Q1 2025.

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[1] Adjusted EBITDA and Comparable Net Earnings are non-IFRS financial measures. See Non-IFRS Financial Measures section.

Other first quarter highlights include:

- On January 1, 2025, the *Rate of Last Resort Regulation* took effect in Alberta. The Rate of Last Resort is the default electricity option in the province for residential and small business customers, replacing the former RRO.
- Changes to the calculation methodology for The City's franchise fees (referred to as Local Access Fees), as approved by the AUC, came into effect on January 1, 2025. Franchise fees are collected by ENMAX Power and are fully remitted to The City, resulting in no impact to ENMAX's net earnings.
- On February 21, 2025, ENMAX Power reached a unanimous negotiated settlement agreement (NSA) with the Office of the Utilities Consumer Advocate and the Consumers' Coalition of Alberta for ENMAX Power's 2026–2028 Transmission General Tariff Application. Subsequent to quarter end, on April 25, 2025, the AUC issued a decision approving the NSA as filed. This decision provides revenue certainty for the transmission business from 2026-2028.
- On March 12, 2025, the Alberta Court of Appeal granted permission to ENMAX Power, ATCO Electric and FortisAlberta to appeal the AUC's PBR3 decision, which established the revenue formula inputs of the third generation PBR Plan. On March 21, 2025, ENMAX Power filed its Notice of Appeal and is awaiting a scheduled hearing date.
- On March 13, 2025, Versant Power received approval for a distribution revenue requirement increase of 23.5 per cent effective April 1, 2025.
- The MPUC initiated efficiency audit into Versant Power concluded in April 2025. Upon conclusion of the audit, the MPUC announced that it will open an investigation into Versant Power.
- On May 6, 2025, subsequent to quarter end, Fitch affirmed its credit rating of ENMAX Corporation as BBB with Stable Outlook.
- Capital expenditures for the three months ended March 31, 2025, were $147 million, an increase of 6 per cent from the same period in 2024. Of the total capital expenditures for the three months ended March 31, 2025, 91 per cent was invested in the regulated businesses, exceeding ENMAX's target of 80 per cent.
- The Bank of Canada reduced its overnight lending rate on two separate occasions during first quarter, ending at 2.75 per cent at March 31, 2025, 50 basis points lower than December 31, 2024. On April 16, 2025, subsequent to quarter end, the Bank of Canada held this rate at 2.75 per cent. The U.S. Federal Reserve held the target range for the federal funds rate steady at 4.25 to 4.50 per cent throughout Q1 2025, and confirmed no update on May 7, 2025.
- Alberta Electric System Operator (AESO) pool prices averaged $40.30 per megawatt-hour (MWh) in Q1 2025, a decrease of 59 per cent from the same period in 2024. The significant decrease in prices is largely due to increased supply.
- Alberta natural gas daily index prices averaged $2.03 per gigajoule (GJ) in Q1 2025, an increase of 5 per cent from the same period in 2024. Prices were slightly higher in 2025 largely due to a drawdown of storage inventories during extreme cold weather events and higher gas exports out of Alberta.
- Spark spread, which is the difference between the wholesale electricity price and cost of natural gas to produce the electricity, is a proxy for gross margin contribution of a natural gas-fuelled power plant from generating an unhedged unit of electricity, prior to carbon pricing impacts. The average spark spread for the three months ended March 31, 2025, was $25.05 per MWh, a decrease of 70 per cent from the same period in 2024.

NON-IFRS FINANCIAL MEASURES

Management believes that financial measures of operating performance are more meaningful if the impacts of specific items that are non-recurring or are not representative of core business operations are excluded from the financial information. ENMAX uses Adjusted EBITDA and CNE as an indication of cash flows and earnings from recurring primary business activities. Adjusted EBITDA is also used to evaluate certain debt coverage ratios and does not consider non-cash depreciation and amortization charges, finance charges or taxes.

CNE includes depreciation and amortization and finance charges, as well as income tax effects of core operations, but both Adjusted EBITDA and CNE exclude unrealized gains and losses on commodities, unrealized foreign exchange gains and losses, impairment charges and any related tax effects of these items, as well as changes in estimate for non-recurring items excluded in prior years. Unrealized gains or losses on commodities reflect the impact of changes in forward natural gas and power prices and the volume of positions for these derivatives over a certain period. These unrealized gains or losses do not necessarily reflect the actual gains or losses that will be realized on settlement. Furthermore, unlike commodity derivatives, ENMAX's generation capacity and future sales to retail customers are not fair valued under IFRS. Similarly, unrealized foreign exchange gains or losses do not necessarily reflect the actual gains or losses that will be realized on settlement. Impairments are by nature non-recurring adjustments that do not necessarily reflect ongoing core operations. Management believes Adjusted EBITDA and CNE are more representative of ongoing core operations as adjusted for the items noted above.

These financial measures do not have any standard meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. These financial measures and their reconciliation to IFRS financial measures are shown below. These non-IFRS financial measures are consistently applied in the previous period.

ADJUSTED EBITDA, COMPARABLE NET EARNINGS AND NET EARNINGS

Three months ended March 31, *(millions of Canadian dollars)*	**2025**	**2024**
Adjusted EBITDA [1]		
ENMAX Power	**95**	89
Versant Power	**48**	38
ENMAX Energy	**125**	114
Corporate	**(8)**	-
Adjusted EBITDA	**260**	241
Add (deduct):		
Depreciation and amortization (excluding regulatory deferral movement)	**(99)**	(94)
Income tax expense related to recurring core operations [2]	**(13)**	(5)
Finance charges	**(42)**	(41)
Comparable Net Earnings [1]	**106**	101
Add (deduct):		
Unrealized gain on commodities [3]	**98**	39
Unrealized foreign exchange gain	**6**	-
Net income tax expense on unrealized gain on commodities and unrealized foreign exchange gain [2]	**(15)**	(7)
Net earnings	**195**	133

[1] Adjusted EBITDA and CNE omit the separate presentation of regulatory deferral changes that is required in the Condensed Consolidated Interim Statement of Earnings under IFRS. See Note 5 to the Interim Statements.

[2] Included in deferred income tax expense in the Condensed Consolidated Interim Statement of Earnings.

[3] Included in electricity and fuel purchases expense in the Condensed Consolidated Interim Statement of Earnings.

SEGMENT RESULTS

Results of operations are not necessarily indicative of future performance, due to factors including timing of receipt of regulatory decisions, commodity prices, performance of generation facilities and impact of government policies. ENMAX's regulated businesses represent 55 per cent of Q1 2025 Adjusted EBITDA, an increase from 53 per cent in Q1 2024.

(millions of Canadian dollars)	**ENMAX Power**	**Versant Power**	**ENMAX Energy**	**Corporate**	**ENMAX Consolidated**
Adjusted EBITDA [1] for the three months ended March 31, 2024	89	38	114	-	241
Increased (decreased) margins attributable to:					
Transmission and distribution	9	5	-	-	14
Electricity	-	-	3	(1)	2
Natural gas	-	-	6	-	6
Contractual services and other revenue	1	2	(1)	-	2
Decreased (increased) expense:					
OM&A [2][3]	(4)	3	3	(7)	(5)
Adjusted EBITDA [1] for the three months ended March 31, 2025	**95**	**48**	**125**	**(8)**	**260**

[1] Adjusted EBITDA is a non-IFRS financial measure. See Non-IFRS Financial Measures section.

[2] Management characterizes OM&A as other expenses recognized on the Condensed Consolidated Interim Statement of Earnings, excluding unrealized foreign exchange gains and losses and costs that are included in contractual service margin.

[3] Normalized to exclude impact of intercompany transactions with no consolidated impact.

ENMAX POWER

ENMAX Power Adjusted EBITDA for the three months ended March 31, 2025, was $95 million, $6 million higher than Q1 2024. Higher transmission and distribution margins were driven by higher rates from regulatory decisions and an increase in customer sites in the regulated distribution business, partially offset by higher OM&A costs, relative to Q1 2024.

KEY BUSINESS STATISTICS

Three months ended March 31,	**2025**	**2024**
Distribution volume in gigawatt hours (GWh) (1)	**2,471**	2,468
System average interruption duration index (SAIDI) (2)	**0.15**	0.10
System average interruption frequency index (SAIFI) (3)	**0.07**	0.08

(1) 2025 GWh based on interim data due to timing of data availability. Prior year figures have been updated based on final data.

(2) SAIDI represents the total minutes of a sustained interruption per average customer during the reporting period. A sustained interruption has a duration greater than or equal to one minute. The lower the SAIDI, the better the reliability.

(3) SAIFI represents how often the average customer experiences a sustained interruption during the reporting period. A sustained interruption has a duration greater than or equal to one minute. The lower the SAIFI, the better the reliability.

Total electricity delivered within the Calgary service area for the three months ended March 31, 2025, was higher than the same period in 2024, due to an increase in the number of metered sites.

While Q1 2025 saw a lower frequency of outage events, leading to a favourable SAIFI compared to Q1 2024, SAIDI was unfavourable due to the nature of outages that occurred. Weather events, cable failure outages, and public interference all contributed to longer average duration of outages.

VERSANT POWER

Versant Power Adjusted EBITDA for the three months ended March 31, 2025, was $48 million compared with $38 million in Q1 2024. The increase was primarily a result of favourable foreign exchange translation, as well as reduced OM&A spending. In Q1 2025, the average U.S. dollars (USD) to CAD exchange rate was 1.4352, as compared to 1.3488 over the same period in 2024. OM&A spending for the three months ended March 31, 2025, was $3 million lower than the same period in 2024, primarily due to high storm costs in early 2024.

KEY BUSINESS STATISTICS

Three months ended March 31,	2025	2024
Distribution volume in gigawatt hours (GWh) (1)	**519**	550
System average interruption duration index (SAIDI) (1)(2)(4)	**0.69**	3.18
System average interruption frequency index (SAIFI) (1)(3)(4)	**0.35**	0.86

(1) These figures are based on preliminary data, due to timing of availability, and are subject to change. Certain prior year figures have been updated based on final data.

(2) SAIDI represents the total minutes of a sustained interruption per average customer during the reporting period. A sustained interruption has a duration greater than or equal to five minutes. The lower the SAIDI, the better the reliability.

(3) SAIFI represents how often the average customer experiences a sustained interruption during the reporting period. A sustained interruption has a duration greater than or equal to five minutes. The lower the SAIFI, the better the reliability.

(4) The Institute of Electrical and Electronics Engineers defines a “sustained” outage as one that is five minutes or longer. This is a known distinction from the Canadian equivalent definition.

The volume of electricity delivered for the three months ended March 31, 2025, was lower than the same period in 2024. This decrease in demand was driven by increased electricity generation by customers through the Net Energy Billing program, compared to the same period in 2024.

Versant Power experienced lower SAIDI and SAIFI levels for the three months ended March 31, 2025, compared to Q1 2024, due to favourable weather conditions.

ENMAX ENERGY

ENMAX Energy Adjusted EBITDA for the three months ended March 31, 2025, was $125 million, $11 million higher than the same period in 2024 due to increases in natural gas margin, electricity margin and lower OM&A. The increase in natural gas margin was driven by lower cost to supply fixed-price retail products. The increase in electricity margin was primarily driven by higher margins on regulated retail products and lower cost to supply competitive fixed-price retail products, partially offset by lower margins from the generation facilities driven by lower market pool prices. Both natural gas and electricity margins benefitted from customer site growth in the retail business. The decrease in OM&A reflects the phasing out of certain business lines, which began in fall 2024, as well as lower generation plant outage costs in Q1 2025.

KEY BUSINESS STATISTICS

Three months ended March 31,	**2025**	**2024**
Natural gas-fuelled plant availability (%) [1]	**97.2**	91.9
Average flat pool price ($/MWh)	**40.30**	98.87
Average natural gas price ($/GJ)	**2.03**	1.93
Average spark spread ($/MWh) [2]	**25.05**	84.37

[1] Natural gas-fuelled plant availability (%) reflects planned maintenance and forced outages.

[2] Based on market prices and does not include costs such as variable operations and maintenance.

The increase in plant availability was largely driven by lower unplanned outages in Q1 2025, compared to the same period in 2024. Refer to the Business Update section for discussion on market prices. ENMAX Energy’s customer portfolio includes a significant portion of customers on fixed-rate contracts which can largely offset the margin impact of fluctuating market rates in the short term.

FINANCIAL PERFORMANCE

CHANGES IN NET EARNINGS

(millions of Canadian dollars)	
Net earnings for the three months ended March 31, 2024	133
Increase (decrease) attributable to:	
Transmission and distribution revenues	29
Electricity and natural gas revenues	(96)
Contractual services, CIAC and other revenues	9
Transmission and distribution expenses	(15)
Electricity, fuel and natural gas purchases and delivery expenses	160
Depreciation and amortization	(5)
Other expenses	(6)
Finance charges	(1)
Income taxes	(16)
Net movement in regulatory deferral account balances	3
Net earnings for the three months ended March 31, 2025	**195**

Net earnings for the three months ended March 31, 2025, was $195 million, a $62 million increase from the same period in 2024. The improved net earnings primarily related to lower electricity, fuel and natural gas purchases and delivery expenses and an increase in transmission and distribution revenues, partially offset by lower electricity and natural gas revenues and increases in income taxes and transmission and distribution expenses.

OTHER COMPREHENSIVE INCOME (LOSS) AND SHAREHOLDER'S EQUITY

Other comprehensive income (loss) (OCI) illustrates earnings under the assumption of full income recognition of gains or losses on the market value of securities and derivatives otherwise treated as hedges of future revenues and expenses, cumulative effects of currency translation of foreign operations, as well as remeasurement gains or losses on post-employment benefits.

For the three months ended March 31, 2025, OCI was an $8 million loss, compared with $38 million income in Q1 2024. The fluctuation in OCI was primarily a result of cumulative foreign exchange translation on consolidation of foreign operations of $8 million loss in the current quarter (2024 - $36 million gain).

Accumulated other comprehensive income is reflected in shareholder's equity along with retained earnings and share capital. Retained earnings at March 31, 2025, increased by $92 million due to net earnings of $195 million in the three months ended March 31, 2025, partially offset by $103 million in dividends declared on common shares during the period.

SIGNIFICANT CHANGES IN FINANCIAL POSITION

Changes over $11 million (10 per cent of CNE for Q1 2025) and 10 per cent from December 31, 2024, are detailed below.

As at *(millions of Canadian dollars)*	March 31, 2025	December 31, 2024	$ Change	% Change	Explanation for Change
ASSETS					
Cash and cash equivalents	**62**	40	22	55	Cash balance fluctuations are a result of the timing of working capital requirements.
Net financial assets (liabilities) [(1)]	**41**	(55)	96	175	Net change due to unrealized mark-to-market gains as a result of favourable movement in forward market commodity prices in relation to forward market contract positions.
LIABILITIES AND SHAREHOLDER'S EQUITY					
Short-term financing	**194**	157	37	24	Short-term financing has increased during Q1 to fund working capital requirements.
Other liabilities [(1)]	**69**	86	(17)	(20)	Decrease driven by a combination of RRO Rate Ceiling Deferral program repayments, payments of accrued interest on debt and return of over-collected supply costs to Versant Power customers.

[(1)] Includes current and long-term portions.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

As at *(millions of Canadian dollars)*	March 31, 2025	December 31, 2024
Total assets and regulatory deferral account debit balances	**10,265**	10,028
Long-term debt (non-current)	**3,608**	3,645

Three months ended March 31, *(millions of Canadian dollars)*	2025	2024
Total revenue	**980**	1,054
Adjusted EBITDA [(1)]	**260**	241
Comparable Net Earnings [(1)]	**106**	101
Net earnings	**195**	133
Capital expenditures	**147**	139

[(1)] See Non-IFRS Financial Measures section.

LIQUIDITY AND CAPITAL RESOURCES

ENMAX actively manages its cash position and cash flows to optimize funding and liquidity levels. ENMAX finances working capital requirements, capital investments and maturities of long-term debt through a combination of cash flow from operations, drawings on the Corporation's bank credit facilities and issuance of commercial paper and long-term debt.

Cash and cash equivalents increased to $62 million as at March 31, 2025, from $40 million as at December 31, 2024. Short-term financing increased to $194 million as at March 31, 2025, from $157 million at December 31, 2024, which reflects working capital management to address timing of cash flows.

ENMAX's credit facility agreements and trust indenture include events of default and covenant provisions, whereby accelerated repayment and/or termination of agreements may result if the Corporation were to default on payment or violate certain covenants. As at March 31, 2025, the Corporation was compliant with all such covenants. In March 2025, ENMAX renewed its credit facilities and reduced both the committed and the demand credit facilities to $800 million each, from $1,000 million each, resulting in cost savings on the excess capacity above corporate liquidity needs.

As at March 31, 2025, ENMAX Corporation had $195 million in commercial paper outstanding with a carrying value of $194 million and an average interest rate of 3.28 per cent (December 31, 2024 - $151 million at 3.80 per cent) and had drawn $nil on existing credit facilities (December 31, 2024 - $7 million at 5.45 per cent). For additional information on the Corporation's credit facilities, refer to page 29.

As at March 31, 2025, Versant Power had $nil USD outstanding on revolving debt (December 31, 2024 - $22 million at an average interest rate of 5.71 per cent).

ENMAX's total consolidated debt balance as at March 31, 2025, was $4,207 million in CAD (December 31, 2024 - $4,207 million). For additional information on the Corporation's credit facilities and long-term debt, refer to Note 6 and Note 14 in the Interim Statements.

Dividends for a fiscal year are declared in the first quarter of that year and paid out in four equal quarterly instalments. On March 6, 2025, a total dividend of $103 million was declared, based on 2024 CNE, payable to The City.

CREDIT RATINGS

ENMAX Corporation		
DBRS Morningstar	BBB (high) with Stable Trends	Confirmed July 5, 2024
Fitch Ratings	BBB with Stable Outlook	Affirmed May 6, 2025
S&P Global	BBB- with Positive Outlook	Affirmed rating and revised outlook September 27, 2024

RISK AND RISK MANAGEMENT

ENMAX manages risk across all business activities using an Enterprise Risk Management program, aligning with business objectives and risk tolerance. Risk levels are approved by the Board and CEO, and monitored by business units, risk department and senior management. Each area assesses and manages its risks, with enterprise-level oversight provided by the Board's Corporate Governance Committee (CGC). The CGC oversees the Enterprise Risk Management program, while the Board oversees risk exposures and risk management.

ENMAX's overall risk control approach includes:

- Clear corporate values and business ethics principles
- Published enterprise-wide policies, standards, and procedures such as delegation of authority
- Governance structure for commodity trading with risk management and reporting platforms
- Internal audit function to evaluate compliance with internal controls and policies
- Regular risk exposure and mitigation reporting to the CGC and Board
- Monitoring financial exposure to market changes
- Industry-accepted risk assessment tools and methodologies
- A safety and ethics line for anonymous reporting of suspected illegal or unethical behavior

The Corporation's business and operational risks as described in the 2024 Annual Financial Report are materially unchanged as at March 31, 2025.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Contents

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at, *(unaudited), (millions of Canadian dollars)*		**March 31, 2025**		December 31, 2024
ASSETS				
Cash and cash equivalents (Note 8)	**$**	**62**	$	40
Accounts receivable		**908**		905
Current portion of financial assets (Note 6)		**415**		216
Other current assets (Note 9)		**39**		38
		1,424		1,199
Property, plant and equipment (Notes 10 and 13)		**7,019**		6,966
Intangible assets (Note 11)		**333**		338
Goodwill (Note 12)		**587**		589
Deferred income tax assets		**60**		79
Post-employment benefits		**69**		70
Financial assets (Note 6)		**217**		200
Other long-term assets (Note 9)		**213**		214
TOTAL ASSETS		**9,922**		9,655
Regulatory deferral account debit balances (Note 7)		**343**		373
TOTAL ASSETS AND REGULATORY DEFERRAL ACCOUNT DEBIT BALANCES	**$**	**10,265**	$	10,028
LIABILITIES				
Short-term financing (Note 6)	**$**	**194**	$	157
Accounts payable and accrued liabilities		**646**		700
Dividend payable (Note 17)		**103**		-
Income taxes payable		**10**		10
Current portion of long-term debt (Notes 6 and 14)		**405**		405
Current portion of financial liabilities (Note 6)		**305**		168
Current portion of deferred revenue (Note 15)		**6**		5
Current portion of lease liabilities (Note 13)		**3**		3
Other current liabilities (Note 9)		**56**		65
Current portion of asset retirement obligations and other provisions		**3**		3
		1,731		1,516
Long-term debt (Notes 6 and 14)		**3,608**		3,645
Deferred income tax liabilities		**322**		321
Post-employment benefits		**77**		77
Financial liabilities (Note 6)		**286**		303
Deferred revenue (Note 15)		**663**		663
Lease liabilities (Note 13)		**36**		37
Other long-term liabilities (Note 9)		**13**		21
Asset retirement obligations and other provisions		**105**		101
TOTAL LIABILITIES		**6,841**		6,684
Regulatory deferral account credit balances (Note 7)		**135**		139
TOTAL LIABILITIES AND REGULATORY DEFERRAL ACCOUNT CREDIT BALANCES		**6,976**		6,823
SHAREHOLDER'S EQUITY				
Share capital		**280**		280
Retained earnings		**2,878**		2,786
Accumulated other comprehensive income (Note 16)		**131**		139
TOTAL SHAREHOLDER’S EQUITY		**3,289**		3,205
TOTAL LIABILITIES, REGULATORY DEFERRAL ACCOUNT CREDIT BALANCES AND SHAREHOLDER'S EQUITY	**$**	**10,265**	$	10,028

Commitments and contingencies (Note 21).
See accompanying notes to the condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF EARNINGS

Three months ended March 31, *(unaudited), (millions of Canadian dollars)*	**2025**	**2024**
REVENUE (Note 5)		
Transmission and distribution	**$ 375**	$ 346
Electricity	**304**	395
Natural gas	**224**	229
Local access fees (Note 19)	**38**	54
Contractual services	**28**	20
Contributions in aid of construction (Note 15)	**5**	4
Other revenue (Note 20)	**6**	6
TOTAL REVENUE	**980**	1,054
OPERATING EXPENSES (Note 5)		
Transmission and distribution	**158**	143
Electricity and fuel purchases	**59**	208
Natural gas and delivery	**190**	201
Local access fees (Note 19)	**38**	54
Depreciation and amortization	**99**	94
Other expenses (Note 20)	**163**	157
TOTAL OPERATING EXPENSES	**707**	857
OPERATING PROFIT	**273**	197
Finance charges	**42**	41
NET EARNINGS BEFORE TAX	**231**	156
Current income tax expense	**10**	9
Deferred income tax expense	**18**	3
NET EARNINGS BEFORE NET MOVEMENT IN REGULATORY DEFERRAL ACCOUNT BALANCES	**203**	144
Net movement in regulatory deferral account balances (Note 7)	**(8)**	(11)
NET EARNINGS	**$ 195**	$ 133

See accompanying notes to the condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

Three months ended March 31, *(unaudited), (millions of Canadian dollars)*		2025		2024
NET EARNINGS	$	195	$	133
OTHER COMPREHENSIVE (LOSS) INCOME				
Items that will not be reclassified subsequently to statement of earnings				
Cumulative (loss) gain on translation adjustment		(8)		36
Items that will be reclassified subsequently to statement of earnings				
Unrealized gain on investments [1]		-		2
OTHER COMPREHENSIVE (LOSS) INCOME		(8)		38
TOTAL COMPREHENSIVE INCOME	$	187	$	171

[1] Net of deferred income tax expense of $nil (2024 - $nil).

See accompanying notes to the condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY

(unaudited) *(millions of Canadian dollars)*		**Share Capital**		**Retained Earnings**		**Accumulated Other Comprehensive Income (Loss)**		**Total**
As at December 31, 2024	$	280	$	2,786	$	139	$	3,205
Net earnings		-		195		-		195
Other comprehensive loss, net of income tax		-		-		(8)		(8)
Total comprehensive income		-		195		(8)		187
Dividends (Note 17)		-		(103)		-		(103)
As at March 31, 2025	**$**	**280**	**$**	**2,878**	**$**	**131**	**$**	**3,289**

As at December 31, 2023	$	280	$	2,700	$	(28)	$	2,952
Net earnings		-		133		-		133
Other comprehensive income, net of income tax		-		-		38		38
Total comprehensive income		-		133		38		171
Dividends (Note 17)		-		(95)		-		(95)
As at March 31, 2024	$	280	$	2,738	$	10	$	3,028

See accompanying notes to the condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

Three months ended March 31, *(unaudited), (millions of Canadian dollars)*	**2025**	2024
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net earnings	**$ 195**	$ 133
Reconciliation of net earnings to cash flow from operating activities:		
Contributions in aid of construction additions (Note 15)	**6**	7
Contributions in aid of construction revenue (Note 15)	**(5)**	(4)
Depreciation and amortization	**99**	94
Finance charges	**42**	41
Income tax expense	**28**	12
Loss on disposal of assets	**-**	1
Change in unrealized market value of financial contracts	**(98)**	(38)
Change in post-employment benefits	**1**	4
Change in unrealized gain on investments	**-**	(2)
Foreign exchange (gain) loss	**(6)**	4
Change in non-cash working capital (Note 18)	**(77)**	(165)
Cash flow from operations	**185**	87
Interest paid [1]	**(11)**	(18)
Income taxes paid	**(11)**	(2)
Net cash flow provided by operating activities	**163**	67
INVESTING ACTIVITIES		
Purchases of PP&E and intangible assets [1]	**(146)**	(187)
Proceeds from disposal of PP&E	**1**	1
Cash flow used in investing activities	**(145)**	(186)
FINANCING ACTIVITIES		
Repayment of short-term financing	**(531)**	(1,895)
Proceeds from short-term financing	**568**	1,971
Repayment of long-term debt	**(52)**	(27)
Proceeds from long-term debt	**20**	102
Repayment of lease liability	**(1)**	(1)
Dividend paid (Note 17)	**-**	(24)
Cash flow provided by financing activities	**4**	126
Increase in cash and cash equivalents	**22**	7
Cash and cash equivalents, beginning of period	**40**	90
CASH AND CASH EQUIVALENTS, END OF PERIOD	**$ 62**	$ 97
Cash and cash equivalents, end of period consist of:		
Cash	**$ 50**	$ 70
Restricted cash (Note 8)	**12**	27
	$ **62**	$ 97

[1] Interest paid for the three months ended March 31, 2025, excludes $5 million of capitalized borrowing costs (2024 - $4 million), which is included in property, plant and equipment (PP&E) and intangible assets. Including capitalized borrowing costs, total interest paid during the three months ended March 31, 2025, was $16 million (2024 - $22 million).

See accompanying notes to the condensed consolidated interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Unaudited)

1. DESCRIPTION OF THE BUSINESS

ENMAX Corporation was incorporated under the *Business Corporations Act* (Alberta) in July 1997; operations began on January 1, 1998. ENMAX Corporation's initial mandate was to carry on the electric utility transmission and distribution operations previously directed by the Calgary Electric System. Since 1998, ENMAX Corporation has grown from its transmission and distribution roots to include electricity generation, commercial and residential electricity and natural gas retail businesses.

The registered office of ENMAX is at 141 - 50 Avenue SE, Calgary AB, T2G 4S7. The Corporation's principal place of business is Alberta. The City is the sole shareholder of ENMAX Corporation.

ENMAX Corporation's subsidiary, Versant Power, engages in transmission and distribution operations in BHD as well as the MPD, in northern and eastern Maine, U.S.

2. BASIS OF PREPARATION

These unaudited condensed consolidated interim financial statements (Interim Statements) have been prepared by management in accordance with IFRS® Accounting Standards, as issued by the International Accounting Standards Board (IFRS). These Interim Statements do not include all the disclosures required in annual consolidated financial statements and should be read in conjunction with the Corporation's consolidated financial statements for the years ended December 31, 2024 and 2023 (Annual Financial Statements).

These Interim Statements were approved and authorized for issuance by ENMAX's Board of Directors on May 22, 2025.

BASIS OF MEASUREMENT

These Interim Statements have been prepared on the historical cost basis, except for financial derivative instruments measured at fair value.

FUNCTIONAL AND PRESENTATION CURRENCY

The Corporation operates in two functional currencies: Canadian dollars (CAD) and U.S. dollars (USD).

The latter is translated into the Corporation's presentation currency and, unless otherwise stated, these Interim Statements are presented in millions of Canadian dollars.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these Interim Statements requires management to select appropriate accounting policies and make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, as well as to disclose contingent assets and liabilities. These estimates and judgements involve matters that are inherently complex and uncertain. Judgements and estimates are continually evaluated and are based on historical experience and expectations of future events. Changes to accounting estimates are recognized prospectively. Refer to Note 3 of the Annual Financial Statements for further details.

4. ACCOUNTING PRONOUNCEMENTS

ISSUED BUT NOT YET EFFECTIVE

(a) IFRS 18—Presentation and Disclosure in Financial Statements

IFRS 18 will replace International Accounting Standards (IAS) 1 and provide enhanced guidance on: i) new requirements with respect to the structure of the statement of earnings; ii) new required disclosure and explanation of management-defined performance measures that relate to the statement of earnings; and iii) levels of disaggregation which apply to the financial statements and notes. The new standard applies to annual reporting periods beginning on or after January 1, 2027, with earlier adoption permitted.

(b) IFRS 7, IFRS 9

There are other new, revised and amended IFRS standards that are not yet effective until annual periods beginning on or after January 1, 2026, which have not been applied in preparing these Interim Statements. The Corporation does not anticipate the implementation of these amended accounting standards to have a material impact on the consolidated financial statements.

5. SEGMENT INFORMATION

The Corporation has four main business segments.

ENMAX POWER

ENMAX Power owns and operates electricity transmission and distribution assets that provide rate-regulated service to approximately 582,000 customer sites in the Calgary area (1,089 square kilometres in and around Calgary). ENMAX Power is regulated by the AUC, an economic regulator who establishes ENMAX Power's revenue requirement and rates for transmission and distribution through public hearing processes. The transmission business operates under a cost-of-service model, under which ENMAX Power applies for rates designed to recover the forecast cost of providing transmission service, including an allowed ROE. The distribution business is regulated under a PBR model. Under this model, distribution rates paid by customers are set annually during the PBR term, using a formula that considers inflationary factors, operational efficiencies and an allowance for ROE. PBR is intended to create additional incentives for utilities to find efficiencies in their operations. In the current year, approximately 17 per cent of ENMAX Power's electricity revenue is from transmission operations and 83 per cent is associated with distribution operations.

VERSANT POWER

Versant Power owns and operates electricity transmission and distribution assets that provide rate-regulated service to approximately 166,000 customer sites in the MPD and BHD, covering six counties in Maine, U.S. and a total operating area of approximately 27,000 square kilometres (10,400 square miles). BHD is a member of ISO New England and is interconnected with other New England utilities to the south and with New Brunswick Power Corporation to the north. MPD is a member of the Northern Maine Independent System Administrator. Versant Power is regulated by the MPUC with respect to distribution rates, service standards, territories served, issuance of securities and other matters and by the United States FERC with respect to transmission services. Versant Power earns revenue by charging customers for delivery of electricity across its transmission and distribution facilities. This retail revenue is divided into separate transmission, distribution and stranded cost rates. Rates for each element are designed to recover the costs of providing the regulated products of services, including an allowed ROE, and are established in distinct regulatory proceedings. In the current year, approximately 35 per cent of Versant Power's electricity revenue is from transmission operations, 39 per cent is associated with distribution operations and 26 per cent relates to stranded cost recoveries and conservation charges.

ENMAX ENERGY

ENMAX Energy is an Alberta-based integrated competitive retail and generation business, providing electricity, natural gas and customer care services to approximately 675,000 customers throughout Alberta. ENMAX Energy also carries out retail energy supply and related functions for the Rate of Last Resort, formerly known as the RRO, through affiliated legal entities. The competitive retail business provides customers with either fixed or variable-priced electricity and natural gas. As at March 31, 2025, ENMAX Energy owned an interest in 1,486 MW of electricity generation capacity: 1,305 MW from natural gas-fuelled plants and 181 MW from wind power. ENMAX Energy uses its generation capacity as a natural hedge to electricity retail customer contracts to provide supply certainty, margin stability and risk mitigation. Additionally, natural gas retail contracts and fuel requirements for the generation portfolio are balanced through the purchase of natural gas.

CORPORATE

ENMAX's Corporate segment currently provides resources primarily for Canadian operations, including financing and shared legal, finance and accounting, human resources, corporate governance, information technology and other functions.

SEGMENTED TOTAL ASSETS AND REGULATORY DEFERRAL ACCOUNT BALANCES

As at *(millions of Canadian dollars)*	**March 31, 2025**	**December 31, 2024**
ENMAX Power	**4,117**	4,081
Versant Power	**2,827**	2,807
ENMAX Energy	**2,836**	2,629
Corporate	**142**	138
Total assets	**9,922**	9,655
Regulatory deferral account debit balances (Note 7)	**343**	373
Total assets and regulatory deferral account debit balances	**10,265**	10,028

COMPARATIVE SEGMENT INFORMATION

Segment information reflects the presentation regularly reviewed by executive management, who use segmented operating profit as an input for making decisions around capital allocation or assessing performance. Items such as unrealized gain or loss on financial commodities contracts, unrealized foreign exchange gain or loss, impairment and separate presentation of net regulatory deferral movements are excluded from operating profit in the "Total" column below. The "IFRS Financial Total" column reflects what is reported in the Condensed Consolidated Interim Statement of Earnings.

Three months ended March 31, 2025 *(millions of Canadian dollars)*	ENMAX Power	Versant Power	ENMAX Energy	Corporate [1]	Total	Regulatory Deferral Movement	Other Presentation	IFRS Financial Total
REVENUE								
Transmission and distribution	226	143	-	-	369	6	-	375
Electricity	-	-	323	(21)	302	2	-	304
Natural gas	-	-	224	-	224	-	-	224
Local access fees	38	-	-	-	38	-	-	38
Contractual services	22	-	6	-	28	-	-	28
CIAC	5	-	-	-	5	-	-	5
Other revenue	-	3	3	-	6	-	-	6
TOTAL REVENUE	291	146	556	(21)	972	8	-	980
OPERATING EXPENSES								
Transmission and distribution	101	57	-	-	158	-	-	158
Electricity and fuel purchases	-	-	177	(20)	157	-	(98)	59
Natural gas and delivery	-	-	190	-	190	-	-	190
Local access fees	38	-	-	-	38	-	-	38
Depreciation and amortization	47	20	33	(1)	99	-	-	99
Other expenses	57	41	64	7	169	-	(6)	163
TOTAL OPERATING EXPENSES	243	118	464	(14)	811	-	(104)	707
OPERATING PROFIT	48	28	92	(7)	161	8	104	273
Unrealized gain on commodities					(98)	-	98	-
Unrealized foreign exchange gain					(6)	-	6	-
Finance charges					42	-	-	42
NET EARNINGS BEFORE TAX					223	8	-	231
Current income tax expense					10	-	-	10
Deferred income tax expense					18	-	-	18
NET EARNINGS BEFORE NET MOVEMENT IN REGULATORY DEFERRAL ACCOUNT BALANCES					195	8	-	203
Net movement in regulatory deferral account balances					-	(8)	-	(8)
NET EARNINGS					195	-	-	195

[1] Includes consolidation adjustments.

Three months ended March 31, 2024 *(millions of Canadian dollars)*	**ENMAX Power**	**Versant Power**	**ENMAX Energy**	**Corporate [1]**	**Total**	**Regulatory Deferral Movement**	**Other Presentation**	**IFRS Financial Total**
REVENUE								
Transmission and distribution	221	119	-	-	340	6	-	346
Electricity	-	-	413	(23)	390	5	-	395
Natural gas	-	-	229	-	229	-	-	229
Local access fees	54	-	-	-	54	-	-	54
Contractual services	22	-	6	(1)	27	(7)	-	20
CIAC	4	-	-	-	4	-	-	4
Other revenue	-	1	4	1	6	-	-	6
TOTAL REVENUE	301	120	652	(23)	1,050	4	-	1,054
OPERATING EXPENSES								
Transmission and distribution	105	38	-	-	143	-	-	143
Electricity and fuel purchases	-	-	270	(23)	247	-	(39)	208
Natural gas and delivery	-	-	201	-	201	-	-	201
Local access fees	54	-	-	-	54	-	-	54
Depreciation and amortization	44	17	34	(1)	94	-	-	94
Other expenses	53	44	67	-	164	(7)	-	157
TOTAL OPERATING EXPENSES	256	99	572	(24)	903	(7)	(39)	857
OPERATING PROFIT	45	21	80	1	147	11	39	197
Unrealized gain on commodities					(39)	-	39	-
Finance charges					41	-	-	41
NET EARNINGS BEFORE TAX					145	11	-	156
Current income tax expense					9	-	-	9
Deferred income expense					3	-	-	3
NET EARNINGS BEFORE NET MOVEMENT IN REGULATORY DEFERRAL ACCOUNT BALANCES					133	11	-	144
Net movement in regulatory deferral account balances					-	(11)	-	(11)
NET EARNINGS					133	-	-	133

[1] Includes consolidation adjustments.

REVENUE

Types of Customers and Sales Channels	Nature and significant payment terms
Transmission	ENMAX Power receives revenue from the AESO specifically for the use of its transmission grid system in Alberta.
Distribution	ENMAX Power receives revenue from electricity retailers specifically for the use of its electricity distribution system to deliver electricity to customers in the Calgary area.
U.S. Operations	Through Versant Power, ENMAX receives revenues from residential, commercial and industrial customers for use of its transmission and distribution grid system in Maine. In addition, Versant receives revenue from ISO New England for use of pool transmission facilities. Transmission rates are set by the FERC, while distribution rates are set by the MPUC.
Mass Market	Mass Market is comprised of residential and small business electricity and/or natural gas customers who consume less than 250 MWh per year. These customers can be supplied electricity through competitive contracts or the Rate of Last Resort. The Rate of Last Resort replaced the RRO, effective January 1, 2025. Natural gas customers of ENMAX are always supplied under a competitive contract.
Retail Commercial and Industrial	Retail Commercial and Industrial is business-to-business electricity and/or natural gas. In the fall of 2024, the Corporation made the decision to phase out its Retail Commercial and Industrial offerings, after which revenues recorded in this segment reflect the remaining term of existing customer contracts. ENMAX will continue to serve commercial customers who do not negotiate an electricity contract with a retailer and are expected to consume more than 250 MWh on an annual basis. These customers are supplied electricity on a default supplier rate that can fluctuate monthly.
The City Local Access Fees	ENMAX collects fees from electricity customers in Calgary based on rates established by the Franchise Fee Agreement between ENMAX Power and The City. These fees are remitted to The City.
Government and Institutional	ENMAX receives revenue from municipalities and other governments or institutions backed by governments for administrative services, combined heat and power, solar, and engineering, procurement and construction services for infrastructure.
Other	ENMAX receives other revenue from customers ranging from individual consumers to large corporations for contractual services and contributions in aid of construction (CIAC).

REVENUE—MAJOR CUSTOMERS AND SALES CHANNELS

Three months ended March 31, 2025 *(millions of Canadian dollars)*	**Transmission**	**Distribution**	**U.S. Operations**	**Mass Market**	**Retail Commercial and Industrial**	**The City Local Access Fees**	**Government and Institutional**	**Other**	**Total**
Transmission and distribution	**39**	**193**	**143**	**-**	**-**	**-**	**-**	**-**	**375**
Electricity									
ENMAX Energy	**-**	**-**	**-**	**136**	**131**	**-**	**-**	**-**	**267**
Regulated	**-**	**-**	**-**	**28**	**9**	**-**	**-**	**-**	**37**
Natural gas	**-**	**-**	**-**	**174**	**50**	**-**	**-**	**-**	**224**
Local access fees	**-**	**-**	**-**	**-**	**-**	**38**	**-**	**-**	**38**
Contractual services	**-**	**-**	**-**	**-**	**-**	**-**	**5**	**23**	**28**
CIAC	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**5**	**5**
Other revenue	**-**	**-**	**3**	**-**	**-**	**-**	**-**	**3**	**6**
TOTAL REVENUE	**39**	**193**	**146**	**338**	**190**	**38**	**5**	**31**	**980**

Three months ended March 31, 2024 *(millions of Canadian dollars)*	**Transmission**	**Distribution**	**U.S. Operations**	**Mass Market**	**Retail Commercial and Industrial**	**The City Local Access Fees**	**Government and Institutional**	**Other**	**Total**
Transmission and distribution	34	193	119	-	-	-	-	-	346
Electricity									
ENMAX Energy	-	-	-	129	220	-	-	-	349
Regulated	-	-	-	38	8	-	-	-	46
Natural gas	-	-	-	168	61	-	-	-	229
Local access fees	-	-	-	-	-	54	-	-	54
Contractual services	-	-	-	-	-	-	6	14	20
CIAC	-	-	-	-	-	-	-	4	4
Other revenue	-	-	1	-	-	-	-	5	6
TOTAL REVENUE	34	193	120	335	289	54	6	23	1,054

6. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

MARKET RISK

The Corporation manages exposure to market risk (commodity price risk, foreign exchange risk, interest rate risk and credit risk) on a portfolio basis. This includes managing positions arising from ENMAX's interests in generation facilities, liability positions from commitments to customers and transacting positions arising from hedging activities.

ENMAX is affected by demand for energy based on changing consumer habits, general economic conditions, inflation, consumer focus on energy efficiency, weather and adoption of new technologies. Government policies promoting increased electrification, distributed generation, low or net zero carbon strategies and new technology developments enabling those policies have the potential to impact how electricity users connect to and utilize the system. Changes in how and where consumers work and increasing electrification of transportation may influence both the amount and distribution of energy consumption across service areas.

COMMODITY PRICE RISK

ENMAX is exposed to price fluctuations on its electricity and natural gas commodity positions arising from owned and controlled generation assets and customer demand obligations. ENMAX also purchases and sells electricity and natural gas in wholesale markets to manage such positions. While ENMAX's business model is designed to achieve a net long generation position (supply available exceeds customer demand) portfolio, in the near-term, electricity and natural gas positions may experience periodic imbalances resulting in exposure to price volatility from spot or short-term contract markets.

The Corporation uses electricity and natural gas forward contracts to manage its exposure to certain market risks. Fluctuations in forward prices of electricity and natural gas impact the fair value of these commodity derivative contracts, resulting in unrealized mark-to-market adjustments.

FOREIGN EXCHANGE AND INTEREST RATE RISK

ENMAX has foreign exchange rate exposures arising from certain procurement and energy commodity business activities. Foreign exchange and interest rate risks are created by fluctuations in the fair values or cash flows of financial instruments due to changes in foreign exchange rates and/or changes in market interest rates.

The Corporation is not exposed to significant future cash flow risk related to interest rate volatility due to primarily issuing long-term and fixed-rate debt. ENMAX is exposed to rate changes on short-term debt and any new long-term issuances. The fair value of the Corporation's long-term debt changes as interest rates change, assuming all other variables remain constant.

Changes in the value of CAD relative to the USD could impact the CAD cost of natural gas, which affects the input cost of the Corporation's natural gas-fuelled generation capacity, as well as the cost to the Corporation of offering fixed price natural gas contracts to customers. The foreign exchange impact on these gas purchases is offset, when possible, by foreign exchange contracts. Foreign exchange exposure resulting from procurement contracts has also been mitigated by foreign exchange contracts. The Corporation also has exposure to the USD from U.S. Operations and investments, the net earnings from those operations and the acquisition of equipment and services from foreign suppliers.

CREDIT RISK

The Corporation enters into agreements and engages in transactions with external parties, including customers, retailers, suppliers, service providers and other counterparties. In such arrangements, counterparty credit risk exists, as one or more counterparties may fail to fulfill their obligations, including paying for or delivery of commodities. These risks are often exacerbated during periods of sustained low economic cycles, which may negatively affect customers or counterparties and create tighter credit markets.

The Corporation is exposed to credit risk primarily through wholesale and retail energy sales. Credit risk is the loss that may result from counterparties' non-performance. The Corporation has implemented an effective credit risk management program to mitigate its exposures to credit risk and evaluates credit risks from wholesale and retail competitive supply activities separately. The Corporation records expected credit loss (ECL) provisions on financial assets based on historical results as well as future expectations.

Provisions for ECL on customer accounts receivable were $30 million as at March 31, 2025 (December 31, 2024 - $25 million).

LIQUIDITY RISK

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they become due. A need to raise additional capital may occur if cash flow from operations and existing borrowing arrangements are insufficient to fund activities. Such additional capital may not be available when it is needed or on favourable terms for several potential reasons, including changes in market conditions or perceptions of the investment community. ENMAX actively monitors its cash position and anticipated flows to maintain adequate funding levels and communicates regularly with credit rating agencies and lenders regarding its capital position.

CREDIT FACILITIES

The Corporation uses unsecured credit facilities to fund general operating requirements and to provide liquidity support for commercial paper and commodity marketing programs. In the normal course of operations, letters of credit are issued to facilitate the extension of sufficient credit for counterparties having credit exposure to the Corporation or its subsidiaries.

As at March 31, 2025, the Corporation had issued letters of credit amounting to $280 million (December 31, 2024 - $324 million).

As at	**March 31, 2025**		**December 31, 2024**	
	Borrowing Capacity	**Available [4]**	**Borrowing Capacity**	**Available [4]**
(millions of Canadian dollars)				
Committed credit facilities [1]	**800**	**605**	1,000	849
Demand credit facilities [2]	**800**	**520**	1,000	669
Total CAD	**1,600**	**1,125**	2,000	1,518
(millions of U.S. dollars)				
Committed credit facility [3]	**120**	**118**	120	96
Total USD	**120**	**118**	120	96

[1] ENMAX Corporation's committed credit facilities are in two tranches that mature in 2028 ($400 million) and 2029 ($400 million) and are provided by national and regional lenders.

[2] The demand credit facilities currently have $665 million allocated to letters of credit, and the remaining $135 million allocated for general corporate purposes.

[3] This USD committed credit facility is strictly to fund Versant Power operations for either letters of credit or general corporate purposes and matures in June 2029.

[4] Capacity remaining after consideration for borrowings, letters of credit and commercial paper backstop.

VALUATION OF DERIVATIVE ASSETS AND LIABILITIES

Derivative financial instruments are recorded at fair value on the statement of financial position. As at March 31, 2025, the fair values were as follows:

As at *(millions of Canadian dollars)*	March 31, 2025	December 31, 2024
Assets		
Current	**415**	216
Non-current	**217**	200
Liabilities		
Current	**305**	168
Non-current	**286**	303

These non-hedge derivative contracts had unrealized gains of $98 million for the three months ended March 31, 2025 (2024 - $39 million), primarily recorded in electricity and fuel purchases, and are expected to settle in 2025 through to 2031. The mark-to-market adjustments do not consider the impact of any interrelationship among factors such as the underlying position and the optionality of the Corporation's integrated business. Generation capacity or future sales to customers are not marked to market, resulting in a mismatch in the timing of earnings.

NON-DERIVATIVE FINANCIAL ASSETS AND LIABILITIES

Fair values for cash and cash equivalents, accounts receivable, short-term financing, accounts payable and accrued liabilities are not materially different from the carrying amounts due to the short-term nature of these financial instruments.

The Corporation estimated the fair value of its long-term debt based on quoted market prices for the same or similar debt instruments. When such information was not available, future payments of principal and interest were discounted at estimated interest rates for comparable entities.

CARRYING AMOUNTS AND FAIR VALUES OF LONG-TERM DEBT

As at,	March 31, 2025		December 31, 2024	
(millions of Canadian dollars)	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
Long-term debt [(1)] consisting of:				
The City promissory notes, maturing in:				
Less than 5 years	**69**	**70**	69	70
Years 6–10	**170**	**176**	170	173
Years 11–15	**447**	**431**	447	423
Years 16–20	**388**	**345**	388	340
Years 21–25	**783**	**754**	783	743
Private debentures				
Series 4 (3.84%)	**297**	**305**	297	301
Series 6 (3.33%)	**300**	**302**	300	300
Series 7 (3.88%)	**249**	**253**	249	249
Series 8 (4.70%)	**397**	**410**	397	404
Senior notes				
Unsecured note (4.34%)	**148**	**132**	149	128
Unsecured note (4.36%)	**66**	**58**	67	57
Unsecured note (4.71%)	**69**	**60**	70	59
Unsecured note (3.79%)	**74**	**61**	73	60
Unsecured note (2.80%)	**43**	**38**	43	38
Unsecured note (2.80%)	**86**	**77**	86	75
Unsecured note (3.15%)	**142**	**89**	143	86
Unsecured note (5.80%)	**142**	**136**	143	135
Unsecured note (5.57%)	**142**	**131**	143	131
Revolving debt	**-**	**-**	32	32
Promissory note	**1**	**1**	1	1
Total long-term debt	**4,013**	**3,829**	4,050	3,805
Commercial paper	**194**	**194**	150	150
Canadian credit facilities	**-**	**-**	7	7
Total debt	**4,207**	**4,023**	4,207	3,962

[(1)] Includes current portion of $405 million (December 31, 2024 - $405 million). Maturity dates range from June 2025 to November 2054.

As at March 31, 2025, ENMAX Corporation had a face value of $195 million CAD commercial paper outstanding with an average interest rate of 3.28 per cent (December 31, 2024 - $151 million at 3.80 per cent) and had drawn $nil CAD on existing credit facilities (December 31, 2024 - $7 million at 5.45 per cent).

As at March 31, 2025, Versant Power had $nil USD of outstanding revolving debt (December 31, 2024 - $22 million at an average interest rate of 5.71 per cent).

ENMAX's total consolidated debt balance as at March 31, 2025, was $4,207 million (December 31, 2024 - $4,207 million).

7. REGULATORY DEFERRAL ACCOUNT BALANCES

NATURE AND ECONOMIC EFFECT OF RATE REGULATION

Transmission and Distribution

ENMAX Transmission and ENMAX Distribution are divisions of ENMAX Power Corporation which are included in the ENMAX Power operating segment. These divisions are regulated operations established to carry out electrical transmission and distribution service functions within the Calgary area. The AUC approves Transmission and Distribution Tariffs (rates and terms and conditions of service) pursuant to the *Electric Utilities Act*.

Transmission rates are set based on an AUC approved revenue requirement and are regulated under a cost-of-service framework, under which ENMAX applies for rates designed to recover the forecast cost of providing transmission service, including an allowed ROE.

Distribution rates are subject to a PBR model, currently spanning a 2024–2028 term. Under this model, distribution rates paid by customers are set annually using a formula that indexes rates to the prior year in the term, using an inflation factor and a productivity factor, as well as an allowance for ROE.

Certain remaining recovery and settlement periods are those expected by management and the actual periods could differ based on regulatory approval.

ENMAX U.S. Operations

ENMAX's subsidiary, Versant Power, has transmission and distribution operations in Maine, U.S. Versant Power's transmission operations are regulated by the FERC, while its distribution and stranded cost recoveries are regulated by the MPUC. Rates for these operations are established in distinct regulatory proceedings and are designed to recover the costs of providing services, including an allowed ROE.

Versant Power's transmission operations are split between two districts: MPD and BHD. MPD's transmission rates are regulated by the FERC and are set annually on June 1 for wholesale and July 1 for retail customers, based on a formula that utilizes prior year actual transmission investments and expenses. BHD's transmission rates are regulated by the FERC and set annually on January 1, based on a formula that utilizes prior year actual transmission investments and expenses plus forecasted incremental capital investments that will go into service during the rate effective period. BHD's bulk transmission assets are managed by ISO New England as part of a region-wide pool of assets.

Versant Power's distribution service operates under a cost-of-service regulatory framework and distribution rates are set by the MPUC.

REGULATORY BALANCES

ENMAX applies IFRS 14 *Regulatory Deferral Accounts* in recognizing the impact of rate regulation on its transmission and distribution businesses. Under IFRS 14, the timing of recognition of certain regulatory debits, credits, revenues and expenses may differ from what is otherwise expected under IFRS for non-regulated operations. Balances arising in the period consist of new additions to regulatory deferral debit and credit balances, while reversals represent amounts collected or refunded through rate riders or transactions reversing existing regulatory balances. The Corporation has recorded the following regulatory deferral account debit and credit balances:

(millions of Canadian dollars)	**Accounts Receivable (a)**	**Intercompany Profit (b)**	**Other Regulatory Debits (c)**	**U.S. Operations (e)**	**Total Regulatory Deferral Account Debit Balances**
Regulatory deferral account debit balances					
December 31, 2024	8	17	29	319	373
Balances arising in the period	(2)	-	(2)	(20)	(24)
Reversal	(2)	-	(2)	-	(4)
Foreign exchange translation	-	-	-	(2)	(2)
March 31, 2025	**4**	**17**	**25**	**297**	**343**
Expected reversal period	up to 24 months	25 years	up to 24 months		
December 31, 2023	(11)	16	45	281	331
Balances arising in the period	8	2	17	14	41
Reversal	11	(1)	(33)	-	(23)
Foreign exchange translation	-	-	-	24	24
December 31, 2024	8	17	29	319	373
Expected reversal period	up to 24 months	25 years	up to 24 months		

(millions of Canadian dollars)	**Other Regulatory Credits (d)**	**U.S. Operations (e)**	**Total Regulatory Deferral Account Credit Balances**
Regulatory deferral account credit balances			
December 31, 2024	1	138	139
Balances arising in the period	-	(3)	(3)
Foreign exchange translation	-	(1)	(1)
March 31, 2025	**1**	**134**	**135**
Expected reversal period	up to 24 months		
December 31, 2023	1	139	140
Balances arising in the period	-	(12)	(12)
Foreign exchange translation	-	11	11
December 31, 2024	1	138	139
Expected reversal period	up to 24 months		

The following describes each circumstance in which rate regulation affects the accounting for a transaction or event. Regulatory deferral account debit balances represent costs incurred in the current period or in prior periods which are expected to be recovered from customers in future periods through the rate-setting process. Regulatory deferral account credit balances represent future reductions or limitations of increases in rates associated with amounts that are expected to be returned to customers through the rate-setting process. Any impairments related to regulatory deferral account balances are recorded in the period in which the related regulatory decisions are received. For certain regulatory items identified below, the expected recovery or settlement period, or likelihood of recovery or settlement, is affected by risks and uncertainties including those inherent in rate-setting regulatory processes. There is a risk that the regulator may disallow a portion of certain costs incurred in the current period for recovery through future rates or disagree with the proposed recovery period.

(a) Accounts receivable

Accounts receivable represents differences between amounts received from customers and amounts paid to AESO for transmission charges. In the absence of rate regulation and the IFRS 14 standard, IFRS would require that actual amounts received from customers be included in revenue in the period they are collected.

(b) Intercompany profit

A subsidiary of the Corporation performed construction work for the regulated operations of ENMAX Power at a profit. Such profit is deemed to be realized to the extent that the transfer price is recognized for rate-making purposes by the regulator and included in the capital cost of distribution assets. In the absence of rate regulation and the IFRS 14 standard, IFRS would require that intercompany profits be eliminated upon consolidation. This subsidiary is currently being wound down and the remaining deferred intercompany profit will continue to be recognized over the recovery period.

(c) Other regulatory debits

Other regulatory debits relate to the AUC administration flow-through reserves and other costs and revenues that will be collected from customers via future rates, such as access service charges. Timing of the decision on collection of these items can result in significant fluctuation in balances from year to year.

(d) Other regulatory credits

Other regulatory credits primarily relate to items that will be refunded to customers through future rates.

(e) U.S. Operations

Regulatory assets and liabilities for Versant Power's operations consist of unfunded deferred income tax balances resulting from temporary tax differences, incremental plant overhead costs, balances related to the deferred costs of pension and post-employment benefits, non-recurring items such as storm restoration costs and stranded cost recoveries associated with purchase power contracts where Versant Power has been directed to purchase and resell by MPUC.

8. RESTRICTED CASH

As at *(millions of Canadian dollars)*	**March 31, 2025**	**December 31, 2024**
Funds held with a financial institution to cover margins	**11**	9
Restricted deposits with a financial institution to meet financial obligations	**1**	1
	12	10

9. OTHER ASSETS AND LIABILITIES

As at *(millions of Canadian dollars)*	**March 31, 2025**	**December 31, 2024**
Other current assets		
Prepaid expenses	**27**	26
Deferred asset	**1**	1
Emission offset credits	**10**	10
Other	**1**	1
	39	38
Other long-term assets		
Prepaid expenses	**6**	6
Long-term accounts receivable	**14**	14
Deferred asset	**5**	5
Equity investments	**111**	111
Emission offset credits	**56**	54
Other	**21**	24
	213	214
Other current liabilities		
Deposits	**28**	25
Other [1]	**28**	40
	56	65
Other long-term liabilities		
Other	**13**	21
	13	21

[1] Includes $1 million related to interest free government advances for RRO providers under Alberta Bill 2, the *Inflation Relief Statutes Amendment Act*, 2022 (December 2024 - $7 million).

10. PROPERTY, PLANT AND EQUIPMENT

(millions of Canadian dollars)	Transmission, Distribution and Substation Equipment	Generation Facilities and Equipment	Buildings and Site Development	Work in Progress	Other [1]	Total
Cost [2]						
As at December 31, 2024	5,417	2,361	660	487	537	9,462
Additions	9	-	1	133	5	148
Transfers	40	4	(2)	(49)	6	(1)
Disposals	(1)	-	-	-	-	(1)
Adjustments	-	1	-	(2)	(2)	(3)
Foreign exchange translation	(10)	-	-	(1)	-	(11)
As at March 31, 2025	**5,455**	**2,366**	**659**	**568**	**546**	**9,594**
Accumulated depreciation [2]						
As at December 31, 2024	(1,023)	(1,224)	(176)	-	(73)	(2,496)
Depreciation	(45)	(26)	(6)	-	(8)	(85)
Disposals	2	-	-	-	-	2
Adjustments	1	-	-	-	-	1
Foreign exchange translation	3	-	-	-	-	3
As at March 31, 2025	**(1,062)**	**(1,250)**	**(182)**	**-**	**(81)**	**(2,575)**
Net book value						
As at March 31, 2025	**4,393**	**1,116**	**477**	**568**	**465**	**7,019**
As at December 31, 2024	4,394	1,137	484	487	464	6,966

[1] Other PP&E as at March 31, 2025, consists of land, tools, systems, equipment, capital spares and vehicles.
[2] Includes the Corporation’s right-of-use (ROU) assets, as further disclosed in Note 13.

For the three months ended March 31, 2025, capitalized borrowing costs were $5 million (2024 - $4 million), with capitalization rates ranging from 4.12 to 9.34 per cent (2024 - 3.77 to 5.36 per cent). Interest is capitalized based on the actual cost of debt used to finance the capital construction projects.

11. INTANGIBLE ASSETS

(millions of Canadian dollars)	Computer Systems	Work in Progress	Other [(1)]	Total
Cost				
As at December 31, 2024	429	25	96	550
Additions	4	5	-	9
Transfers	2	(2)	-	-
Foreign exchange translation	(1)	-	(1)	(2)
As at March 31, 2025	**434**	**28**	**95**	**557**
Accumulated amortization				
As at December 31, 2024	(193)	-	(19)	(212)
Amortization	(12)	-	-	(12)
As at March 31, 2025	**(205)**	**-**	**(19)**	**(224)**
Net book value				
As at March 31, 2025	**229**	**28**	**76**	**333**
As at December 31, 2024	236	25	77	338

(1) Other intangible assets as at March 31, 2025, consists of renewable energy certificates, water licenses and land easements, rights and lease options.

12. GOODWILL

As at *(millions of Canadian dollars)*	**March 31, 2025**	**December 31, 2024**
Balance, beginning of the period	**589**	632
Impairment	**-**	(97)
Net foreign exchange rate difference	**(2)**	54
Balance, end of the period	**587**	589

Goodwill arose on the acquisition of Versant Power in March 2020. Goodwill is subject to an annual assessment for impairment at the reporting unit level, which gets recorded as at December 31, if applicable.

13. LEASES

ENMAX leases several assets categorized as generation facilities and equipment, buildings and site development and other. The average term remaining on leases as at March 31, 2025, is 10.9 years (December 31, 2024 - 11.4 years).

Right-of-use assets

Changes in the net book value for the Corporation's ROU assets during the year are as follows:

(millions of Canadian dollars)	Generation Facilities and Equipment	Buildings and Site Development	Other [1]	Total
Cost				
As at December 31, 2024	28	14	13	55
Net changes	-	-	-	-
As at March 31, 2025	**28**	**14**	**13**	**55**
Accumulated depreciation				
As at December 31, 2024	(6)	(7)	(2)	(15)
Net changes	-	(1)	(1)	(2)
As at March 31, 2025	**(6)**	**(8)**	**(3)**	**(17)**
Net book value				
As at March 31, 2025	**22**	**6**	**10**	**38**
As at December 31, 2024	22	7	11	40

[1] Other leases as at March 31, 2025, consists of land, vehicles and tools, systems and equipment.

Amounts recognized in earnings

Three months ended March 31, *(millions of Canadian dollars)*	2025	2024
Depreciation expense	**1**	1
Interest expense on lease liabilities	**1**	1
Amounts recognized in earnings	**2**	2

Lease payments

Future lease payments as at March 31, 2025, are as follows:

(millions of Canadian dollars)	
Less than 1 year	**6**
Years 2–5	**18**
More than 5 years	**36**

Total cash outflow for lease payments for the year ended March 31, 2025, was $2 million (2024 - $2 million). The Corporation does not have significant liquidity risk with regards to its lease liabilities, generation facilities and equipment.

ENMAX leases a pipeline to supply the necessary water to one of its generation facilities. The term of this lease is 30 years, with fixed payments over the life of the lease and 20 years remaining.

Buildings and site development

ENMAX leases buildings to house various operations. As at March 31, 2025, the capitalized leases have 1 to 24 years remaining.

Other

ENMAX leases land surrounding several generating facilities to allow for the installation of substation equipment and water reservoirs. The contracted lengths and terms of payments of the leases vary. As at March 31, 2025, the Corporation expects all land leases to be renewed until the end of the useful life of each respective generating facility.

ENMAX leases vehicles that are primarily used by its field services crews for installation and maintenance of the electrical system. The lease terms of the vehicles vary based on the specific use of the vehicle but are typically for five years.

14. LONG-TERM DEBT

As at *(millions of Canadian dollars)*	**March 31, 2025**	**Weighted Average Interest Rates**	**December 31, 2024**	**Weighted Average Interest Rates**
The City promissory notes maturing in:				
Less than 5 years	**69**	**4.32%**	69	4.32%
Years 6–10	**170**	**4.57%**	170	4.57%
Years 11–15	**447**	**3.62%**	447	3.62%
Years 16–20	**388**	**3.08%**	388	3.08%
Years 21–25	**783**	**4.27%**	783	4.27%
Private debentures	**1,243**	**4.00%**	1,243	4.00%
Senior notes	**912**	**4.34%**	917	4.34%
Revolving debt	**-**	**-**	32	5.71%
Promissory note	**1**	**5.00%**	1	5.00%
Total long-term debt	**4,013**		4,050	
Less: current portion	**(405)**		(405)	
	3,608		3,645	

See Note 6 for further details.

CITY PROMISSORY NOTES

ENMAX has a credit agreement with The City that governs the borrowing relationship.

In addition to principal and interest payments, the Corporation is required to pay a loan guarantee and an administration fee to The City of 0.25 per cent of the average monthly outstanding promissory note balance.

PRIVATE DEBENTURES

As at March 31, 2025, the outstanding unsecured private debentures of the Corporation had a face value of $1,250 million, bearing a weighted average interest rate of 4.00 per cent payable semi-annually, with maturity dates ranging from 2025 to 2034.

SENIOR NOTES

Senior notes are USD denominated and issued by Versant Power. These bear interest at an average rate of 4.34 per cent, payable semi-annually, with maturity dates ranging from 2030 to 2054.

REVOLVING DEBT

The revolving debt is USD denominated and issued by Versant Power. As at March 31, 2025, Versant Power had $nil USD outstanding.

PRINCIPAL AND INTEREST PAYMENTS

Required principal and interest payments on the long-term debt at March 31, 2025, are as follows:

As at December 31, *(millions of Canadian dollars)*	**March 31, 2025**	**December 31, 2024**
Less than 1 year	**548**	562
Years 2–3	**505**	506
Years 4–5	**1,022**	1,022
More than 5 years	**3,984**	3,993
	6,059	6,083

15. DEFERRED REVENUE

(millions of Canadian dollars)	**CIAC**	**Other**	**Total**
As at December 31, 2024	660	8	668
Net additions	6	1	7
Recognized as revenue	(5)	(1)	(6)
As at March 31, 2025	661	8	669
Less: current portion	-	6	6
	661	**2**	**663**

16. ACCUMULATED OTHER COMPREHENSIVE INCOME

As at *(millions of Canadian dollars)*	**March 31, 2025**	**December 31, 2024**
Net unrealized gain on fair value of investments, including deferred income tax expense of $nil (December 31, 2024 - $nil)	**1**	1
Net actuarial gain on defined benefit plans, including deferred income tax expense of $1 million (December 31, 2024 - $1 million)	**109**	109
Cumulative translation adjustment	**21**	29
Accumulated other comprehensive income, including deferred income tax expense of $1 million (December 31, 2024 - $1 million)	**131**	139

17. DIVIDENDS

On March 6, 2025, the Corporation declared a dividend of $103 million (2024 - $95 million) to The City, to be paid in equal quarterly instalments.

18. CHANGES IN NON-CASH WORKING CAPITAL

Three months ended March 31, *(millions of Canadian dollars)*	**2025**	**2024**
Accounts receivable	**(3)**	(11)
Other assets	**(1)**	(10)
Regulatory deferral account debit balances	**34**	9
Accounts payable and accrued liabilities	**(96)**	(145)
Other liabilities	**(17)**	(11)
Trading account margins	**9**	4
Deferred revenue (non-CIAC)	**-**	1
Regulatory deferral account credit balances	**(3)**	(2)
Change in non-cash working capital	**(77)**	(165)

19. RELATED PARTY TRANSACTIONS

The City is the sole shareholder of the Corporation. The following tables summarize the related party transactions and balances between the Corporation and The City:

STATEMENT OF EARNINGS

Three months ended March 31, *(millions of Canadian dollars)*	**2025**	**2024**
Revenue [1]	**31**	36
Local access fees [2]	**38**	54
Finance charges [3]	**1**	1

[1] Significant components include contract sales of electricity, construction of infrastructure, provision of non-regulated power distribution services and billing and customer care services relating to The City's utilities departments.

[2] The Corporation recovers this cost from distribution customers.

[3] For the three months ended March 31, 2025, the Corporation paid loan guarantees and administration fees of $1 million (2024 - $1 million) to The City (Note 14).

STATEMENT OF FINANCIAL POSITION

As at *(millions of Canadian dollars)*	**March 31, 2025**	**December 31, 2024**
Accounts receivable	**23**	20
Accounts payable and accrued liabilities	**20**	18
Long-term debt [1]	**1,857**	1,857

[1] Principal and interest payments to The City for the year ended March 31, 2025, amounted to $nil (2024 - $nil).

Transactions between the Corporation and The City have been recorded at the exchange amounts, as outlined by the contracts in effect between the Corporation and The City.

The Corporation has a water supply agreement, whereby The City supplies a specified amount of reclaimed wastewater annually for Shepard Energy Centre operations.

20. OTHER REVENUE AND EXPENSES

Three months ended March 31, *(millions of Canadian dollars)*	**2025**	**2024**
Other revenue		
Interest and penalty revenue	**2**	3
Miscellaneous	**4**	3
	6	6
Other expenses		
Contractual services costs	**20**	13
Staff costs	**52**	51
Consulting costs	**5**	5
Advertising and promotion	**5**	4
Administrative and office expenses	**39**	33
Operating costs	**27**	32
Building and property costs	**13**	14
Other costs	**1**	5
Foreign exchange loss	**1**	-
	163	157

21. COMMITMENTS AND CONTINGENCIES

The Corporation is committed to expenditures for capital additions, rent for premises and vehicles and equipment under multiple contracts with varying expiration dates. In Addition, ENMAX commits to the purchase of power, renewable energy certificates, emission performance credits, emission offset credits and long-term service arrangements on certain generating assets.

Aggregated minimum payments under these arrangements are as follows:

(millions of Canadian dollars)	
2025 balance of year	**281**
2026	**55**
2027	**43**
2028	**20**
2029	**8**
Thereafter	**4**

As at March 31, 2025, ENMAX had parental company guarantees totaling $2,223 million, largely to provide guarantees for ENMAX Energy and its subsidiaries. Parental guarantees are legal agreements used to limit credit risk of an entity by having a parent company promise to be responsible for a subsidiary's debt or obligations, in the event of default.

LEGAL AND REGULATORY PROCEEDINGS

In the normal course of business, the Corporation is, and may be named as, a defendant or party in lawsuits and regulatory proceedings related to various matters. Although there is no assurance that each claim will be resolved in favour of the Corporation, the Corporation currently believes the outcome of these lawsuits and regulatory proceedings will not have a material impact on the operating results or financial position of the Corporation.

The Corporation, along with other market participants in the province of Alberta, is subject to decisions, market rules, regulations, regulatory proceedings and/or jurisdiction of the AUC, AESO, Market Surveillance Administrator and other authorities. Along with other market participants in the U.S., the Corporation is subject to decisions, market rules, regulations, regulatory proceedings of MPUC and FERC. The financial impact of decisions, market rules, regulations and regulatory proceedings is reflected in the consolidated financial statements when the amount can be reasonably estimated.

GLOSSARY OF TERMS

Adjusted EBITDA	Earnings before interest, income tax and depreciation and amortization (adjusted)
AESO	Alberta Electric System Operator
AUC	Alberta Utilities Commission
BHD	Bangor Hydro District
CAD	Canadian dollars
CGC	Corporate Governance Committee
CIAC	Contributions in aid of construction
CNE	Comparable Net Earnings
ECL	Expected credit loss
ENMAX	ENMAX Corporation and its subsidiaries, collectively
FERC	United States Federal Energy Regulatory Commission
GJ	Gigajoule
GWh	Gigawatt hour
IAS	International Accounting Standards
IFRS	IFRS® Accounting Standards, as issued by the International Accounting Standards Board
MD&A	Management's Discussion and Analysis
MPD	Maine Public District
MPUC	Maine Public Utilities Commission
MW	Megawatt
MWh	Megawatt-hour
NSA	Negotiated settlement agreement
OCI	Other comprehensive income
OM&A	Operations, maintenance and administration
PBR	Performance-Based Regulation
PP&E	Property, plant and equipment
ROE	Return on equity
ROU	Right-of-use
RRO	Regulated Rate Option
SAIDI	System average interruption duration index
SAIFI	System average interruption frequency index
The Board	ENMAX's Board of Directors
The City	The City of Calgary
The Corporation	ENMAX Corporation and its subsidiaries, collectively
USD	U.S. dollar

ADDITIONAL INFORMATION

Additional information relating to ENMAX can be found at enmax.com.

ENMAX welcomes questions from stakeholders.

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