

For immediate release

March 4, 2026

Capital Power reports fourth quarter and year-end 2025 results

Execution of 2025 strategic priorities underpins a transformative year and sets the stage for long-term success

EDMONTON, Alberta – March 4, 2026 – Capital Power Corporation (TSX: CPX) (the Company or Capital Power) today released financial results for the quarter and year ended December 31, 2025 and published its 2025 Integrated Annual Report (IAR), highlighting strong execution across its strategy, accelerated U.S. growth and long-term contracted cash flows.

Strategic highlights

- Completed the acquisition of the Hummel and Rolling Hills facilities in the PJM¹ market for approximately \$3.0 billion² (US\$2.2 billion), adding ~2.2 GW of U.S. natural gas fired generation capacity
- Executed a new long-term contract for Midland Cogeneration Venture (MCV)³ through 2040, adding 10 years of incremental contracted cash flows
- Entered into a binding MOU with an investment-grade data centre developer for a 250 MW in Alberta, 10+ year Electricity Supply Agreement (ESA) expected to commence in 2028
- Reached commercial operation for ~60⁴ MW of long-term contracted projects and commissioned 170 MW of battery storage in Ontario, contracted through to 2047
- Started construction on two additional solar projects in North Carolina, with commercial operation expected between Q4 2026 and Q1 2027
- Reached commercial operation of Halkirk 2 Wind Facility
- Announced the appointment of Kevin MacIntosh as Chief Financial Officer, effective March 16, 2026

Financial highlights

- In the fourth quarter of 2025, generated:
 - AFFO⁵ of \$244 million and net cash flows from operating activities of \$205 million
 - Adjusted EBITDA⁵ of \$414 million and a net loss of \$13 million
- For full-year 2025, generated:
 - AFFO⁵ of \$1,066 million and net cash flows from operating activities of \$962 million
 - Adjusted EBITDA⁵ of \$1,580 million and a net income of \$159 million
- Increased the common share dividend by 6%, marking the 12th consecutive year of dividend growth
- Successfully issued \$2.3 billion of senior unsecured notes, including a ~\$1.7 billion⁶ (US\$1.2 billion) inaugural U.S. private offering
- Raised \$667 million of equity capital to fund its U.S. expansion and solidified balance sheet strength

¹ Pennsylvania-New Jersey-Maryland Interconnection.

² As previously announced, converted from U.S. dollars to Canadian dollars using a 1.3684 exchange rate, as reported by the Bank of Canada on June 9, 2025.

³ Jointly owned with 50% working interest with Manulife Investment Management.

⁴ Reflects uprate at Goreway and Capital Power's ownership interest in uprate at York Energy Centre.

⁵ AFFO and adjusted EBITDA are non-GAAP measures. See Non-GAAP financial measures and ratios.

⁶ Converted from U.S. dollars to Canadian dollars using a 1.3933 exchange rate, as reported by the Bank of Canada on May 13, 2025.

CEO Message

2025 stands as a pivotal year for Capital Power – we executed our well-defined strategy with discipline, delivered strong financial results while making solid progress on the key goals we set, strengthening our growth platform and transforming our company. Our achievements this year position Capital Power to thrive amid unprecedented electricity demand growth across North America.

We completed the largest acquisition in our history, expanding into North America's largest and most liquid power market, the PJM region. Underscoring the success of our diversification strategy, this acquisition represents a key milestone with our U.S. portfolio now accounting for roughly 60% of our capacity and adjusted EBITDA.

We continue to operate one of the most reliable and efficient portfolios in North America, leveraging our in-house expertise to maximize availability, optimize sustaining capital, and extend asset life. These efforts enhance our positioning for commercial optimization opportunities. This is evidenced by the improved pricing for longer duration on a new contract for MCV expiring in 2040 when this asset will have been operating for 50 years.

As we execute with precision and grow with momentum, I am pleased to welcome Kevin MacIntosh as our Chief Financial Officer on March 16, 2026. With over 30 years of experience as a finance leader, Mr. MacIntosh will play a critical role in executing Capital Power's strategy, bringing expertise across crucial functions including capital allocation, acquisition integration, cross-border reporting and controls, and optimization of enterprise business process. On behalf of the Board, the executive team and all of Capital Power, I thank Scott Manson for his strong leadership and expertise, including his service as Interim CFO.

Our industry is undergoing a fundamental transformation. The convergence of AI-driven demand, electrification, and population growth is reshaping the power sector. As we look ahead to 2026 and beyond, Capital Power operates from a position of strength – with greater scale, enhanced diversification, and increased visibility into future cash flows that support our investment grade credit rating. We are well equipped to meet rising power demand, adapt to evolving market dynamics, and deliver sustainable long-term value for our shareholders.

Avik Dey

Operational and Financial Highlights¹

(\$ millions, except per share amounts)	Three months ended		Year ended	
	December 31,		December 31,	
	2025	2024	2025	2024
Electricity generation (Gigawatt hours) ²	12,665	9,408	44,616	37,821
Generation facility availability ³	90 %	89 %	91 %	92 %
Revenues and other income	1,078	853	3,720	3,776
Net (loss) income	(13)	242	159	701
Net (loss) income attributable to shareholders of the Company	(13)	240	160	699
Basic (loss) earnings per share (\$)	(0.12)	1.76	0.88	5.16
Diluted (loss) earnings per share (\$) ⁵	(0.12)	1.75	0.88	5.15
Adjusted EBITDA ⁴	414	330	1,580	1,343
Adjusted funds from operations ⁴	244	182	1,066	824
Adjusted funds from operations per share (\$) ⁴	1.57	1.38	7.08	6.38
Net cash flows from operating activities	205	438	962	1,144
Purchase of property, plant and equipment and other assets, net	288	395	864	1,070
Dividends per common share, declared (\$)	0.6910	0.6519	2.6858	2.5338

¹ The operational and financial highlights in this press release should be read in conjunction with the Business Report and the audited consolidated financial statements for the year ended December 31, 2025.

² Gigawatt hours (GWh) of electricity generation reflects the Company's share of facility output and includes GWh discharged from battery storage.

³ Facility availability represents the percentage of time in the period that the facility was available to generate power regardless of whether it was running and therefore is reduced by planned and unplanned outages.

⁴ The consolidated financial highlights, except for adjusted EBITDA, AFFO and AFFO per share were prepared in accordance with GAAP. Adjusted EBITDA and AFFO are non-GAAP financial measures and AFFO per share is a non-GAAP ratio. See Non-GAAP Financial Measures and Ratios.

⁵ Diluted earnings per share was calculated after giving effect to outstanding share purchase options.

Significant Events

\$4.2 billion (US\$3.0 billion) investment partnership with Apollo Funds

In December 2025, Capital Power entered into a MOU with Apollo Global Management (Apollo Funds) to form an investment partnership to pursue the acquisition of merchant U.S. natural gas generation assets, with total potential committed equity of up to US\$3 billion (including US\$750 million from Capital Power). The partnership combines Apollo Funds' capital strength with Capital Power's operating and commercial expertise to accelerate Capital Power's U.S. natural gas growth strategy and expand earnings.

The MOU contemplates a partnership with Capital Power operating acquired assets and receiving management and performance fees.

Alberta data centre MOU

In December 2025, the Company entered into a binding memorandum of understanding (MOU) with an investment grade data centre developer for a 250 MW Energy Supply Agreement (ESA). The long-term ESA (10+ years) has an anticipated start date in 2028 and would be backed by Capital Power's Alberta-based power generation portfolio. If a final agreement between the parties cannot be reached, a termination fee will be paid to Capital Power.

\$600 million offering of medium-term notes and redemption of January 2026 medium-term notes

On November 14, 2025, Capital Power completed a public offering in Canada of unsecured medium-term notes (Notes) in the aggregate principal amount of \$600 million. The Notes have an interest rate of 4.231% and mature on January 14, 2033. Capital Power used the net proceeds to repay, redeem and refinance existing indebtedness, which included fully funding the redemption of the Company's January 2026 Notes (as defined below), as well as project level debt at Goreway Power Station, Capital Power's credit facilities, and for general corporate purposes.

On November 5, 2025, Capital Power issued a notice of redemption in respect of all of its outstanding 4.986% medium-term notes, due January 23, 2026 (January 2026 Notes), for redemption on November 23, 2025 (Redemption Date) in accordance with the trust indenture governing the January 2026 Notes. The aggregate principal amount of January 2026 Notes outstanding was \$300 million. The redemption price was \$1,000 per \$1,000 principal amount of the January 2026

Notes redeemed, plus accrued and unpaid interest to, but excluding, the Redemption Date. As November 23, 2025 was not a business day, payment of the redemption price occurred on November 24, 2025.

MCV data centre

In September 2025, MCV entered into a term sheet with a leading data centre developer for the potential development of a data centre adjacent to the facility. While the parties are no longer exclusive, the Company is continuing its discussions with the developer to execute a long term PPA for 250MW of power for up to 15 years.

Subsequent Events

Kevin MacIntosh appointed Chief Financial Officer

On February 19, 2026, Kevin MacIntosh was appointed as Chief Financial Officer of the company, effective March 16, 2026. Mr. MacIntosh has over 30 years of experience as a finance leader working in large, complex organizations within the global energy industry and brings expertise across multi-jurisdictional operations, cross-border transactions, energy trading and diverse regulatory landscapes. Scott Manson, who has served as Interim CFO, will continue to support the onboarding process and assist Mr. MacIntosh until the end of April 2026.

Arlington Valley tolling agreement extension and increased summer capacity

In January 2026, Capital Power extended its summer tolling agreement for the Arlington Valley facility with the current counterparty, an investment-grade utility. The agreement extends the existing 2031 agreement through October 2038 providing 13 years of contracted revenue and positioning Capital Power for continued growth and value creation in the U.S. southwest. The 6-month contract structure enables the facility to capture increasing merchant value during the winter months, while retaining the stability of contracted summer revenues. The facility is expected to realize a full year adjusted EBITDA uplift of approximately US\$70 million annually by 2032, inclusive of the uprate. The uprate is expected to contribute approximately US\$8M per year adjusted EBITDA over the life of the asset, starting in 2027.

As part of this agreement, the facility will undergo a 35 MW capacity uprate to summer capacity; 10 MWs will be added in 2026 and an additional 25 MWs in 2027. This investment will strengthen Arlington's ability to provide reliable power during Arizona's peak summer demand.

Analyst conference call and webcast

Capital Power will be hosting a conference call and live webcast with analysts on March 4, 2026 at 8:30 am (MT) to discuss the fourth quarter and 2025 year-end financial results. The webcast can be accessed at: <https://edge.media-server.com/mmc/p/pfzzokqy/>. Conference call details will be sent directly to analysts.

An archive of the webcast will be available on the Company's website at www.capitalpower.com following the conclusion of the analyst conference call.

Non-GAAP Financial Measures and Ratios

Capital Power uses (i) earnings before, income tax expense, depreciation and amortization, net finance expense, foreign exchange gains or losses, gains or losses on disposals and other transactions, unrealized changes in fair value of commodity derivatives and emission credits, other expenses from our joint venture interests, acquisition and integration costs, and other items that are not reflective of the Company's facility operating performance (adjusted EBITDA), and (ii) AFFO as specified financial measures. Adjusted EBITDA and AFFO are both non-GAAP financial measures.

Capital Power also uses AFFO per share as a specified performance measure. This measure is a non-GAAP ratio determined by applying AFFO to the weighted average number of common shares used in the calculation of basic and diluted earnings per share.

These terms are not defined financial measures according to GAAP and do not have standardized meanings prescribed by GAAP and, therefore, are unlikely to be comparable to similar measures used by other enterprises. These measures should not be considered alternatives to net income, net income attributable to shareholders of Capital Power, net cash flows from operating activities or other measures of financial performance calculated in accordance with GAAP. Rather, these measures are provided to complement GAAP measures in the analysis of our results of operations from management's perspective.

Adjusted EBITDA

During the second quarter of 2025, the Company amended the composition of adjusted EBITDA to exclude acquisition and integration costs, as these costs are not reflective of facility operating performance. The Company has applied this change to all historical amounts reported. Capital Power uses adjusted EBITDA to measure the operating performance of

facilities and categories of facilities from period to period. Management believes that a measure of facility operating performance is more meaningful if results not related to facility operations are excluded from the adjusted EBITDA measure such as impairments, foreign exchange gains or losses, gains or losses on disposals and other transactions, unrealized changes in fair value of commodity derivatives and emission credits, acquisition and integration costs, and other items that are not reflective of the long-term performance of the Company's underlying operations.

A reconciliation of adjusted EBITDA to net income is as follows:

(\$ millions)	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
Net (loss) income	(13)	242	159	701
Depreciation and amortization	159	137	580	503
Unrealized changes in fair value of commodity derivatives and emission credits	166	48	342	(238)
Acquisition and integration costs	–	–	41	10
Foreign exchange (gain) loss	(5)	20	(21)	29
Net finance expense	90	61	307	221
(Gain) loss on disposals and other transactions	(2)	11	10	31
Items from equity-accounted investments ¹	40	32	150	123
Other non-recurring items	–	43	4	47
Gain on divestiture	–	(309)	–	(309)
Impairment	–	–	–	27
Income tax (recovery) expense	(21)	45	8	198
Adjusted EBITDA ²	414	330	1,580	1,343

¹ Includes finance expense, depreciation expense and unrealized changes in fair value of derivative instruments from equity-accounted investments.

² Adjusted EBITDA is a non-GAAP financial measure. See Non-GAAP Financial Measures and Ratios.

AFFO and AFFO per share

AFFO and AFFO per share are measures of our ability to generate cash from our operating activities to fund growth capital expenditures, repayment of debt, and payment of common share dividends. During the second quarter of 2025, the Company amended the composition of AFFO and AFFO per share to exclude acquisition and integration costs, as these costs are not reflective of cash generated from facility operations. The Company has applied this change to all historical amounts reported.

AFFO represents net cash flows from operating activities adjusted to:

- exclude timing impacts of cash receipts and payments that may impact period-to-period comparability which include deductions for net finance expense and current income tax expense, and excluding deductions for interest paid, deductions for income taxes paid, and changes in operating working capital,
- include our share of AFFO of joint venture interests and exclude distributions received from our joint venture interests which are calculated after the effect of non-operating activity joint venture debt payments,
- include cash from off-coal compensation received annually through to 2030,
- exclude the tax equity financing project investors' shares of AFFO associated with assets under tax equity financing structures so only Capital Power's share is reflected in the overall metric,
- exclude sustaining capital expenditures and preferred share dividends,
- exclude the impact of fair value changes in certain unsettled derivative financial instruments that are charged or credited to our bank margin account held with a specific exchange counterparty,
- exclude acquisition and integration costs, and
- exclude other typically non-recurring items affecting cash flows from operating activities that are not reflective of the long-term performance of the Company's underlying business.

A reconciliation of net cash flows from operating activities to AFFO is as follows:

(\$ millions)	Three months ended December 31,		Year ended December 31,	
	2025	2024	2025	2024
Net cash flows from operating activities per consolidated statements of cash flows	205	438	962	1,144
Add (deduct):				
Interest paid	102	31	304	163
Change in fair value of derivatives reflected as cash settlement	1	4	8	(13)
Realized gain on settlement of interest rate derivatives	—	—	(17)	(42)
Distributions received from equity-accounted investments	(19)	(96)	(66)	(120)
Miscellaneous financing charges paid ¹	3	—	1	(6)
Income taxes paid	34	21	20	38
Change in non-cash operating working capital	30	(166)	7	(173)
	151	(206)	257	(153)
Net finance expense ²	(71)	(50)	(263)	(186)
Current income tax recovery (expense) ³	38	(2)	110	(31)
Sustaining capital expenditures ⁴	(91)	(56)	(176)	(152)
Preferred share dividends paid	(7)	(7)	(27)	(31)
Cash received for off-coal compensation ⁵	—	—	60	50
Remove tax equity interests' respective shares of AFFO	(1)	(2)	(5)	(6)
AFFO from equity-accounted investments	28	18	129	117
Acquisition and integration costs ⁶	(1)	—	40	7
Other non-recurring items ⁷	(7)	49	(21)	65
AFFO ⁸	244	182	1,066	824
Weighted average number of common shares outstanding (millions)	155.8	132.1	150.5	128.9
AFFO per share (\$) ⁸	1.57	1.38	7.08	6.38

¹ Included in other cash items on the consolidated statements of cash flows to reconcile net income to net cash flows from operating activities.

² Excludes unrealized changes on interest rate derivative contracts, amortization, accretion charges, and non-cash implicit interest on tax equity investment structures. Net finance expense also excludes \$9 million related to the loss on the interest rate swap from the early settlement of the Goreway debt (see Significant Events).

³ Excludes current income tax expense related to the partial divestiture of Quality Wind and Port Dover and Nanticoke Wind as the amount is classified as an investing activity.

⁴ Includes sustaining capital expenditures net of partner contributions of \$1 million and \$9 million for the three months and year ended December 31, 2025, respectively, compared with \$1 million and \$9 million for the three months and year ended December 31, 2024, respectively.

⁵ Reflects annual off-coal compensation payments received from the Government of Alberta (GoA). For the year ended December 31, 2025, an additional payment was received for the settlement of previously disputed off-coal compensation payments as described in the Company's 2025 annual consolidated financial statements.

⁶ For the year ended December 31, 2025, net of current income tax recoveries of \$3 million, compared with \$3 million for the year ended December 31, 2024.

⁷ For the three months ended December 31, 2025, other non-recurring items reflect income tax recoveries of \$7 million related to other non-recurring items recognized in the current and prior periods. For the year ended December 31, 2025, other non-recurring items reflect costs related to the termination of one of the Halkirk 2 Wind virtual power purchase agreement (VPPA) and end-of-life of Genesee coal operations of \$5 million each, net of current income tax recoveries of \$31 million related to other non-recurring items recognized in the current and prior periods. For the year ended December 31, 2024, other non-recurring items reflects costs of \$39 million, costs related to the end-of-life of Genesee coal operations of \$9 million and a provision of \$18 million for discontinuation of the Genesee CCS project related to termination of sequestration hub evaluation work (see Significant Events) net of current income tax recovery of \$1 million related to other non-recurring items recognized in the prior and current periods. For the three months ended December 31, 2024 other non-recurring items reflect restructuring costs of \$39 million, costs related to the end-of-life of Genesee coal operations of \$4 million, net of current income tax expense of \$6 million related to other non-recurring items recognized in the prior and current periods. Restructuring costs above exclude related employee benefit costs that would have otherwise been incurred in future periods.

⁸ AFFO is a non-GAAP measure and AFFO per share is a non-GAAP ratio. See Non-GAAP Financial Measures and Ratios.

Forward-looking Information

Forward-looking information or statements (collectively, “forward-looking information”) are provided to inform our shareholders, potential investors and other stakeholders about management’s assessment of Capital Power’s future plans and operations. This information may not be appropriate for other purposes. Forward-looking information is generally identified by words such as will, anticipate, believe, plan, intend, target, and expect or similar words that suggest future outcomes.

Material forward-looking information in this press release includes, among other things, expectations regarding:

- various aspects around existing, planned and potential development projects and acquisitions. This includes expectations around timing, funding, and commercial and partnership arrangements,
- power requirements and demand, future growth, and emerging opportunities in our target markets,
- the outcomes resulting from the MOU with Apollo Funds,
- the outcome resulting from the MOU with the data centre developer,
- the anticipated benefits, outcomes, projected timing, and terms of strategic agreements, and
- the anticipated benefits of the Arlington Valley tolling agreement extension, including in respect of adjusted EBITDA.

These statements are based on certain assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions, expected future developments, and other factors it believes are appropriate including its review of purchased businesses and assets. The material factors and assumptions used to develop these forward-looking statements relate to:

- electricity and other energy (including natural gas) and carbon prices,
- the Company's performance,
- the Company's business prospects (including potential re-contracting of facilities) and opportunities including expected growth and capital projects,
- the energy needs of certain jurisdictions,
- the status and impact of policy, legislation and regulations,
- effective tax rates,
- the development and performance of technology,
- the outcome of claims and disputes,
- foreign exchange rates, and
- other matters discussed under the Performance Outlook and Risks and Risk Management sections of the 2025 IAR.

Whether actual results, performance or achievements will conform to our expectations and predictions is subject to a number of known and unknown risks and uncertainties which could cause actual results and experience to differ materially from our expectations. Such material risks and uncertainties include:

- identifying and completing acquisitions contemplated by the MOU with Apollo Funds and the timing thereof, and completing documentation with Apollo Funds in respect of the contemplated investment partnership,
- completing documentation with the data centre developer in respect of the ESA, and the data centre developer's development and completion of a data centre contemplated in any ESA,
- changes in electricity, natural gas and carbon prices in markets in which we operate and the use of derivatives,
- regulatory and political environments including changes to environmental, climate, financial reporting, market structure and tax legislation,
- disruptions, or price volatility within our supply chains,
- generation facility availability, wind capacity factor and performance including maintenance expenditures,
- ability to fund current and future capital and working capital needs, including in respect of the funding commitments under the MOU with Apollo Funds,
- acquisitions and developments including timing and costs of regulatory approvals and construction,
- changes in market prices and the availability of fuel,
- ability to realize the anticipated benefits of acquisitions,
- limitations inherent in our review of acquired assets,
- changes in general economic and competitive conditions, including inflation and recession,
- changes in the performance and cost of technologies and the development of new technologies, new energy efficient products, services and programs, and
- risks and uncertainties discussed under the Risks and Risk Management section of the IAR.

See Risks and Risk Management in our 2025 IAR, for further discussion of these and other risks.

Readers are cautioned not to place undue reliance on any such forward-looking information, which speak only as of the date made and that other events or circumstances, although not listed above, could cause Capital Power’s actual results to differ materially from those estimated or projected and expressed in, or implied by the forward-looking information.

Capital Power does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking information to reflect any change in our expectations or any change in events, conditions or circumstances on which any such statement is based, except as required by law.

About Capital Power

Capital Power (TSX: CPX) is one of North America's leading independent power producers, with approximately 12 GW of generation capacity across 35 facilities. Our portfolio includes natural gas, renewables and battery energy storage solutions. We deliver power generation at utility-scale through a flexible and resilient fleet built to meet growing electricity demand. Backed by deep expertise and an investment-grade credit rating, we provide safe, reliable power communities can depend on. We are Powering Change by Changing Power™.

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