

# **POWERBANK CORPORATION**

(Formerly SolarBank Corporation)

Condensed Interim Consolidated Financial Statements

(Expressed in thousands of Canadian Dollars)

(Unaudited)

For the three months ended September 30, 2025 and 2024

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Condensed Interim Consolidated Statements of Financial Position (unaudited)  
(Expressed in thousands of Canadian dollars)

	Note	September 30, 2025	June 30, 2025
<b>Assets</b>			
Current assets:			
Cash		\$ 3,633	\$ 7,624
Restricted cash		4,665	2,095
Short-term investments		716	1,106
Trade and other receivables	4	12,358	11,287
Prepaid expenses and deposits	5	2,757	9,558
Unbilled revenue	7	175	651
Inventories	8	11,158	9,001
Total current assets		35,462	41,322
Non-current assets:			
Restricted cash		4,297	4,119
Prepaid expenses and deposits	5	11	735
Property, plant and equipment	6	38,226	34,507
Construction in progress	9	28,945	31,622
Right-of-use assets	12	9,421	8,588
Intangible assets	13	18,918	14,038
Tax equity assets		293	311
Goodwill		2,766	2,766
Derivative financial instruments		410	343
Total non-current assets		103,287	97,029
Total assets		\$ 138,749	\$ 138,351
<b>Liabilities and Shareholders' equity</b>			
Current liabilities:			
Trade and other payables	10	\$ 22,516	\$ 21,786
Unearned revenue	11	1,662	5,698
Lease liabilities	12	992	991
Short-term loans	14	4,816	4,734
Long-term debt	15	5,727	9,170
Current tax liabilities		637	654
Tax equity liabilities		80	77
Total current liabilities		36,430	43,110
Non-current liabilities:			
Lease liabilities	12	6,924	6,690
Long-term debt	15	55,597	53,790
Tax equity liabilities		197	215
Provisions	16	2,423	2,401
Other long-term liabilities	25	5,482	5,150
Deferred tax liabilities		5,935	5,835
Warrant liabilities		1,298	1,400
Total non-current liabilities		77,856	75,481
Total liabilities		114,286	118,591
Shareholders' equity:			
Share capital	19	48,271	45,285
Contributed surplus		2,471	1,951
Accumulated other comprehensive income (loss)		(52)	(242)
Retained earnings (deficit)		(26,757)	(27,753)
Equity attributable to common shareholders		23,933	19,241
Non-controlling interests		530	519
Total equity		24,463	19,760
Total liabilities and shareholders' equity		\$ 138,749	\$ 138,351

See accompanying notes to these condensed interim consolidated financial statements.

Approved and authorized for issuance on behalf of the Board of Directors:

Richard Lu, CEO, and Director \_\_\_\_\_

Sam Sun, CFO \_\_\_\_\_

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Condensed Interim Consolidated Statements of Comprehensive Income (loss) (unaudited)  
(Expressed in thousands of Canadian dollars, except per share amounts)

	Note	Three months ended September 30	
		2025	2024 (Restated – Note 2(e))
Revenue from development fees		\$ 3,373	\$ -
Revenue from EPC services		11,932	11,778
Revenue from IPP production		3,845	3,262
Revenue from O&M and other services		-	19
		19,150	15,059
Cost of goods sold		10,606	10,922
Gross profit		8,544	4,137
Operating expense:			
Advertising and promotion		9	448
Professional fees		2,641	1,086
Consulting fees		1,405	935
Depreciation and amortization	6,12	27	25
Salary and wages		419	424
Share-based compensation	20	721	113
Insurance		308	212
Listing fees		55	-
Travel and events		72	58
Repairs and maintenance		28	40
Other operating expense		252	294
Impairment loss		-	17,778
Total operating expense		5,937	21,413
Other income (expense)			
Interest income		90	219
Interest expense		(813)	(846)
Fair value change of derivatives	15	66	(1,013)
Fair value change of warrant liabilities	18	102	-
Fair value change of CVR liabilities	18	(542)	-
Fair value change of other liabilities due to non controlling interest holders	18	(10)	-
Loss on investments		-	(3,385)
Other income		(90)	92
Net income (loss) before income taxes		1,410	(22,209)
Current tax expense		(302)	(1,313)
Deferred tax expense		(97)	(2,967)
Net income (loss) for the period		\$ 1,011	\$ (26,489)
Other comprehensive income (loss)			
Foreign currency translation gain (loss)		190	(174)
Total comprehensive income (loss)		\$ 1,201	\$ (26,663)
Income (loss) attributable to:			
Shareholders of the Company		1,000	(26,456)
Non-controlling interest		11	(33)
Net income (loss) for the period		\$ 1,011	\$ (26,489)
Total comprehensive income (loss) attributable to:			
Shareholders of the Company		1,190	(26,630)
Non-controlling interest		11	(33)
Total comprehensive income (loss)		\$ 1,201	\$ (26,663)
Earnings (loss) per share			
Basic	24	\$ 0.03	\$ (0.87)
Diluted	24	\$ 0.02	\$ (0.87)

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

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (unaudited)

(Expressed in thousands of Canadian dollars, except number of common shares)

	Note	Number of shares	Share capital	Contributed surplus	Accumulated other comprehensive income (loss)	Retained earnings (deficit)	Equity attributable to common shareholders	Non- controlling interests	Total equity
Balance as at June 30, 2024		27,191,075	\$ 9,026	\$ 4,059	\$ 100	\$ 3,179	\$ 16,364	\$ 2,361	\$ 18,725
Net loss for the period	Restated 2(e)	-	-	-	-	(26,522)	(26,522)	(33)	(26,489)
Other comprehensive income (loss)		-	-	-	(174)	-	(174)	-	(174)
Common shares issued, net of costs		-	-	-	-	-	-	-	-
Equity warrant exercised		55,000	41	-	-	-	41	-	41
RSU granted		-	-	2	-	-	2	-	2
RSU exercised		-	-	-	-	-	-	-	-
Share-based compensation		-	-	111	-	-	111	-	111
Acquisition of Solar Flow-Through Funds	Restated 2(e)	3,575,632	19,950	-	-	-	19,950	-	19,950
Balance as at September 30, 2024	Restated 2(e)	30,821,707	\$ 29,017	\$ 4,172	\$ (74)	\$ (23,343)	\$ 9,772	\$ 2,328	\$ 12,166
Balance as at June 30, 2025		35,433,947	\$ 45,285	\$ 1,951	\$ (242)	\$ (27,753)	\$ 19,241	\$ 519	\$ 19,760
Net income (loss) for the period		-	-	-	-	1,000	1,000	11	1,011
Other comprehensive income (loss)		-	-	-	190	-	190	-	190
Common shares issued, net of costs	19(b)	998,856	2,558	-	-	-	2,558	-	2,558
Dividends declared and paid		-	-	-	-	(4)	(4)	-	(4)
RSU granted	20(b)	-	-	177	-	-	177	-	177
RSU exercised	20(b)	102,067	188	(188)	-	-	-	-	-
Share-based compensation	20(a)	-	-	771	-	-	771	-	771
Share-based compensation exercised	20(a)	105,616	240	(240)	-	-	-	-	-
Balance as at September 30, 2025		36,640,486	\$ 48,271	\$ 2,471	\$ (52)	\$ (26,757)	\$ 23,933	\$ 530	\$ 24,463

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

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Condensed Interim Consolidated Statements of Cash Flows (Unaudited)  
(Expressed in thousands of Canadian dollars)

	Note	Three months ended September 30	
		2025	2024 (Restated – Note 2(e))
Operating activities:			
Net income (loss) for the period		\$ 1,011	\$ (26,489)
Items not affecting cash:			
Depreciation and amortization	6,12,13	1,382	1,268
Fair value change on derivatives	15	(66)	1,013
Fair value change of warrant liabilities	18	(102)	-
Fair value change of CVR liabilities	18	542	-
Fair value change of other liabilities due to non-controlling interest holders	18	10	-
Loss on investments		-	3,385
Impairment loss		-	17,778
Other income related to tax equity		-	-
Interest expense		940	934
Income tax expense		302	1,313
Deferred income tax expense		97	2,967
Lease modifications	12	(30)	-
Provisions	12,16	14	42
Share-based compensation	20	948	113
Changes in non-cash operating assets and liabilities	17	(1,727)	8,346
Interest paid		(678)	(693)
Income tax paid		(333)	(2,556)
Net cash flows from (used in) operating activities		2,310	7,421
Investing activities:			
Increase in restricted cash		(2,748)	(7,292)
Purchase of construction in progress		(4,530)	(6,661)
Purchase of short-term investments		-	(1,376)
Proceeds of short-term investments		390	1,350
Cash and restricted cash acquired on acquisition of SFF	27	-	9,887
Net cash flows from (used in) investing activities		(6,888)	(4,092)
Financing activities:			
Proceeds from issuance of common shares, net transaction costs	19(b)	2,558	-
Proceeds from broker warrants exercised		-	41
Repayment of long-term debt		(1,664)	(1,382)
Repayment of lease obligation	12	(261)	(250)
Dividend payments		(4)	-
Net cash flows from (used in) in financing activities		629	(1,591)
Net increase (decrease) in cash		(3,949)	1,738
Effect of changes in exchange rates on cash		(42)	(50)
Cash, beginning of the period		7,624	5,270
Cash, end of the period		\$ 3,633	\$ 6,958

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

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

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## 1. Nature of operations:

PowerBank Corporation (the “Company”) operates as an independent renewable and clean energy project developer, power producer, and asset operator in Canada and the United States. It focuses on solar photovoltaic power generation projects, battery energy storage systems, and EV-charging projects. The Company changed its name from Abundant Solar Energy Inc. to SolarBank Corporation on October 17, 2022 and subsequently to PowerBank Corporation on July 23, 2025. The address of the Company and the principal place of the business is 505 Consumers Rd, Suite 803, Toronto, ON, M2J 4V8.

On March 1, 2023, the Company closed its initial public offering (the “Offering”) of common shares. With completion of the Offering, the Company commenced trading its common shares on the Canadian Securities Exchange (the “CSE”) under the symbol “SUNN” on March 2, 2023. On February 14, 2024, the Company migrated its listing to the Cboe Canada Exchange Inc. under the existing trading symbol “SUNN”. On April 8, 2024, the Company’s common shares commenced trading on the Nasdaq Global market under the symbol “SUUN”.

## 2. Basis of presentation:

### (a) Statement of compliance:

These accompanying unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”) and do not include all of the information required for full annual financial statements by IFRS<sup>®</sup> Accounting Standards as issued by the IASB.

These condensed interim consolidated financial statements should be read in conjunction with the Company’s audited consolidated financial statements for the year ended June 30, 2025 which includes information necessary or useful to understanding the Company’s business and financial statement presentation.

The Board of Directors approved these unaudited condensed interim consolidated financial statements for issue on November 14, 2025.

### (b) Basis of measurement:

These unaudited condensed interim consolidated financial statements were prepared on a going concern basis and historical cost basis with the exception of certain financial instruments as disclosed in note 18.

### (c) Basis of consolidation:

These unaudited condensed interim consolidated financial statements include the accounts of the Company and its wholly or partially owned subsidiaries.

Subsidiaries are consolidated from the date on which the Company obtains control up to the date of the disposition of control. Control is achieved when the Company has power over the subsidiary, is exposed or has rights to variable returns from its involvement with the subsidiary and has the ability to use its power to affect its returns. For non-wholly owned subsidiaries over which the Company has control, the net assets attributable to outside equity shareholders are presented as “non-controlling interests” in the equity section of the consolidated statements of financial position. Net income or loss for the period that is attributable to the non-controlling interests is calculated based on the ownership of the non-controlling interest shareholders in the subsidiary.

Balance, transactions, income and expenses between the Company and its subsidiaries are eliminated on consolidation.

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 2. Basis of presentation (continued):

### (d) Functional and presentation currency:

The Company's consolidated financial statements are presented in Canadian dollars. The functional currency of the Canadian parent company and its Canadian subsidiaries is the Canadian dollar. The functional currency of its subsidiaries in the United States is the US dollar. Unless otherwise indicated, all amounts in these consolidated financial statements are expressed in thousands of Canadian dollar.

### (e) Restatement of comparative figures

#### i. Solar Flow-Through Funds Ltd. ("SFF") purchase-price allocation ("PPA") finalization

During the year ended June 30, 2025, the Company finalized the PPA related to the acquisition of SFF in accordance with IFRS 3, Business Combinations (note 27). As a result, the comparative figures for the three months ended September 30, 2024 have been restated to reflect the final fair value allocation of identifiable assets acquired and liabilities assumed.

	Provisional PPA		Final PPA		Adjustment
Fair value of net identified assets acquired					
Cash and restricted cash	\$	9,887	\$	9,887	\$ -
Trade and other receivables		3,906		4,676	770
Short-term investments		640		640	-
Prepaid expenses and deposits		684		684	-
Right-of-use assets		7,043		8,168	1,125
Property, plant and equipment		36,485		34,772	(1,713)
Construction in progress		10,312		10,562	250
Intangible assets		34,246		20,920	(13,326)
Other assets		814		814	-
Derivative financial instruments		1,527		1,530	3
Accounts payable and accruals		(8,819)		(7,466)	1,353
Asset retirement obligations		-		(2,129)	(2,129)
Long-term debt		(52,686)		(52,686)	-
Lease liabilities		(7,043)		(7,043)	-
Deferred tax liabilities		(14,120)		(9,935)	4,185
Due to related parties		(1,498)		(1,435)	63
Identifiable net assets	\$	21,378	\$	11,959	\$ (9,419)
Non-controlling interest		(15,814)		-	15,814
Goodwill		37,147		20,544	(16,603)
Net assets acquired	\$	42,711	\$	32,503	\$ (10,208)
Common shares issued		28,641		19,950	(8,691)
Contingent value rights		5,922		10,214	4,292
Payable due to the Company		1,365		-	(1,365)
Fair value of pre-existing ownership		6,783		-	(6,783)
Purchase price adjustment for total shares outstanding		-		2,339	2,339
Total consideration	\$	42,711	\$	32,503	\$ (10,208)

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(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 2. Basis of presentation (continued):

The adjustments and related disclosures were fully reflected in the Company's audited consolidated financial statements for the year ended June 30, 2025. No further restatement has been made in the current interim period.

The remeasurement of the previously held equity interest in SFF resulted in an increase in loss on investment of \$4,444, while the settlement of the pre-existing relationship resulted in an additional increase in loss on investment of \$572 (note 27). The comparative information has been restated to reflect these adjustments.

As a result of the finalization of the PPA, the fair values assigned to certain right-of-use assets, property, plant and equipment, and intangible assets were updated. Consequently, the related depreciation and amortization, which are presented within cost of goods sold, have been adjusted to reflect the revised fair values. The impact of these changes on the comparative figures for the three months ended September 30, 2024, resulted in a decrease in cost of goods sold of \$327. In addition, interest expense increased by \$13 due to the accretion expense of asset retirement obligations. The comparative information has been restated to reflect these adjustments.

Based on the finalized fair value allocation, the non-controlling interest ("NCI") balance was nil as at the acquisition date. Accordingly, the comparative net income (loss) attributable to NCI was reduced from \$601 to \$33 as at September 30, 2024. This adjustment has been reflected in the comparative equity information and was fully incorporated in the audited consolidated financial statements for the year ended June 30, 2025. No further changes have been made in the current interim period.

### ii. Goodwill and Long-Lived Assets Impairment

As at July 9, 2024, the Company performed an impairment test of goodwill and long-lived assets at the cash-generating unit ("CGU") level for SFF due to an indicator of impairment arising from the internal rate of return implied in the enterprise value being lower than the weighted average cost of capital. Based on this assessment, the Company recognized an impairment loss of \$17,778 as a write-down of goodwill related to the SFF CGUs. This impairment loss is reflected in the comparative figures for the three months ended September 30, 2024. The adjustment was disclosed in the Company's audited consolidated financial statements for the year ended June 30, 2025.

Subsequent to the year-end June 30, 2025, the Company reassessed the allocation of the impairment loss between property, plant and equipment and intangible assets, resulting in an increase in property, plant and equipment impairment and a corresponding decrease in intangible asset impairment of \$5,229. This reallocation did not affect the total impairment loss previously recognized.

The table below summarizes the reallocation of the impairment loss among asset categories:

	As previously reported	Adjustment	As restated
Intangible assets	\$ (7,412)	\$ 5,229	\$ (2,183)
Property, plant and equipment	\$ (837)	\$ (5,229)	\$ (6,066)



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Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

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## 2. Basis of presentation (continued):

### iii. Correction of immaterial prior-period errors:

During the preparation of the of the audited annual financial statements for the year ended June 30, 2025, the Company identified certain immaterial prior-period errors related to the recognition of revenue and cost transactions in the three months ended September 30, 2024. As a result, revenue from EPC services decreased by \$176, revenue from IPP production decreased by \$770, cost of goods sold decreased by \$270 and other income decreased by 3. The comparative information has been restated to correct these errors.

In addition, the Company identified a prior-period omission in which an asset retirement obligation ("ARO") associated with certain IPP assets had not been recognized. As a result, a corresponding provision of \$233 and asset retirement cost of \$137 were recorded. Consequently, depreciation and amortization expense, which is presented within cost of goods sold, increased by \$65, and interest expense for the comparative period increased by \$31 to reflect the accretion expense related to the newly recognized ARO. The comparative information has been restated to correct these errors.

During the preparation of the consolidated financial statements for the three months ended September 30, 2025, the Company identified certain lease arrangements for which upfront payments had previously been recorded as prepaid rent. Upon further review, management determined that these payments represent lease prepayments under arrangements that convey the right to control the use of identified assets and therefore meet the definition of a lease under IFRS 16 Leases. Accordingly, the prepaid balances were reclassified to right-of-use assets with corresponding adjustments to lease liabilities, resulting in decreases of \$60 and \$716 in prepaid expenses and deposits current and non-current portions, respectively, an increase of \$935 in right-of-use assets, and an increase of \$159 in lease liabilities (note 13). There was no material impact to the profit or loss for the three months ended September 30, 2025 and year ended June 30, 2025.

As a result of the restatements, the related current income tax expense and deferred income tax expense have been adjusted accordingly, reflecting the impact of the changes in profit or loss. The total adjustment resulted in an increase of \$615 in current tax expense and \$2,859 in deferred tax expense, respectively. The comparative information has been restated accordingly.

The consolidated statement of cash flows for the three months ended September 30, 2024 has been restated to reflect the corrections described above. As at September 30, 2024, the cash balance was restated and decreased by \$7,292 as a result of a reclassification to restricted cash. For the three months ended September 30, 2024, net cash generated from (used in) operating activities decreased by \$694, and net cash generated from (used in) investing activities decreased by \$7,291. Net cash generated from (used in) financing activities increased by \$693. The comparative information has been restated accordingly.

The consolidated statement of changes in shareholders' equity for the three months ended September 30, 2024, has been restated to reflect corrections to the balances as at that date in respect of share capital, retained earnings (deficit), equity attributable to common shareholders, non-controlling interests, and total equity. The cumulative impact of these corrections resulted in decreases of \$8,691 in share capital, \$27,364 in retained earnings (deficit), \$36,055 in equity attributable to common shareholders, \$15,246 in non-controlling interests, and \$51,235 in total equity. The comparative information has been restated accordingly.

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 2. Basis of presentation (continued):

The following adjustment were made to the consolidated statements of comprehensive income (loss) for the three months ended September 30, 2024:

	As previously reported	(i) SFF PPA finalization	(ii) Goodwill and Long- Lived Assets Impairment	(iii) Correction of immaterial prior-period errors	As restated
Revenue from EPC services	\$ 11,954	\$ -	\$ -	\$ (176)	\$ 11,778
Revenue from IPP production	4,032	-	-	(770)	3,262
Total Revenue	16,005	-	-	(946)	15,059
Cost of goods sold	11,454	(327)	-	(205)	10,922
Gross profit	4,551	(327)	-	(741)	4,137
Operating expense:					
Impairment loss	-	-	17,778	-	17,778
Total operating expense	3,635	-	17,778	-	21,413
Other income (expense)					
Interest expense	(802)	(13)	-	(31)	(846)
Gain (loss) on investment	1,631	(5,016)	-	-	(3,385)
Other income (expense)	95	-	-	(3)	92
Net income (loss) before income taxes	\$ 1,046	\$ (4,702)	\$ (17,778)	\$ (775)	\$ (22,209)
Current tax expense	(698)				(1,313)
Deferred tax expense	(108)				(2,967)
Net (income) loss for the period	\$ 240				\$ (26,489)
Earnings (loss) per share					
Basic	0.01				(0.87)
Diluted	0.01				(0.87)

## 3. Material accounting policies and use of judgements and estimates:

Unless otherwise noted in the condensed interim consolidated financial statements, the material accounting policies used in preparing these condensed interim consolidated financial statements are unchanged from those presented in the audited consolidated financial statements for the year ended June 30, 2025 and have been applied consistently to all periods presented in these condensed consolidated interim financial statements.

In preparing these unaudited condensed interim consolidated financial statements, management has made judgements and estimates about the future that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

### (a) Adoption of new accounting standards:

The Company did not adopt any new or amended accounting standards during the three months ended September 30, 2025.

# POWERBANK CORPORATION

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Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 3. Material accounting policies and use of judgements and estimates (continued):

(b) Accounting standards issued but not yet effective:

The IASB has issued the following new and amended standards and interpretations that will become effective in a future year and could have an impact on the consolidated financial statements in future periods. The Company is currently assessing the impact of the following new and amended standards and interpretations.

- IFRS 18, Presentation and Disclosure in Financial Statements. IFRS 18 replaces IAS 1 and introduces a new structure for the statements of profit or loss, requiring entities to present operating, investing, and financing categories, and enhancing note disclosures. The amendments are effective for annual periods beginning on or after January 1, 2027.
- IFRS 9 and IFRS 7, Classification and Measurement of Financial Instruments. These amendments clarify the requirements for assessing contractual cash flow characteristics and introduce new disclosure requirements for investments in debt instruments. The amendments are effective for annual periods beginning on or after January 1, 2026.

## 4. Trade and other receivables:

	September 30, 2025		June 30, 2025	
Accounts receivable	\$	9,049	\$	8,572
GST/HST receivable		3,278		2,684
Due from related party (note 21)		55		55
Other receivable		2		2
Credit loss allowance		(26)		(26)
	\$	12,358	\$	11,287

## 5. Prepaid expenses and deposits:

	September 30, 2025		June 30, 2025	
Other prepaids and deposits	\$	1,978	\$	2,330
Construction in progress deposits		790		7,963
Balance, end of the period	\$	2,768	\$	10,293
Current		2,757		9,558
Non-current		11		735
	\$	2,768	\$	10,293

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Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 6. Property, plant and equipment:

	Furniture and equipment		Vehicle		IPP facilities		Total
Cost:							
Balance, June 30, 2025	\$	7	\$	36	\$	38,269	\$ 38,312
Reclassification from construction in progress		-		-		9,614	9,614
Foreign currency impact		-		-		6	6
Balance, September 30, 2025	\$	7	\$	36	\$	47,889	\$ 47,932
Accumulated depreciation:							
Balance, June 30, 2025	\$	7	\$	10	\$	9,017	\$ 9,034
((Restated – Note 2(e)(ii))		-		2		670	672
Depreciation		-		-		-	-
Foreign currency impact		-		-		-	-
Balance, September 30, 2025	\$	7	\$	12	\$	9,687	\$ 9,706
Net Book Value, September 30, 2025	\$	-	\$	24	\$	38,202	\$ 38,226

	Computer equipment	Furniture and equipment	Vehicle	IPP facilities	Total
Cost:					
Balance, June 30, 2024	\$ 19	\$ 57	\$ 36	\$ 3,578	\$ 3,690
Additions from acquisition (note 27)	-	-	-	34,772	34,772
Dispositions	(19)	(50)	-	(79)	(148)
Foreign currency impact	-	-	-	(2)	(2)
Balance, June 30, 2025	\$ -	\$ 7	\$ 36	\$ 38,269	\$ 38,312
Accumulated depreciation:					
Balance, June 30, 2024	\$ 16	\$ 45	\$ 4	\$ 170	\$ 235
Dispositions	(16)	(39)	-	-	(55)
Depreciation	-	1	6	2,781	2,788
Impairment	-	-	-	837	837
Reallocation of impairment loss (note 2(e)(ii))	-	-	-	5,229	5,229
Foreign currency impact	-	-	-	-	-
Balance, June 30, 2025	\$ -	\$ 7	\$ 10	\$ 9,017	\$ 9,034
(Restated – Note 2(e)(ii))					
Net Book Value - June 30, 2025	\$ -	\$ -	\$ 26	\$ 29,252	\$ 29,278
(Restated – Note 2(e)(ii))					

Total depreciation expense of \$670 for IPP facilities are recorded in cost of goods sold for the three-month ended September 30, 2025 (September 30, 2024 - \$652 (restated – note 2(e)). The remaining \$2 depreciation expense for the three-month ended September 30, 2025 is recorded as operating expenses (September 30, 2024 - \$3).

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 7. Unbilled revenue:

As of September 30, 2025 and June 30, 2025, the Company's unbilled revenue consists of projects revenue recognized through percentage of completion but invoice not yet issued.

	September 30, 2025		June 30, 2025	
Beginning of the period	\$	651	\$	667
Amounts invoiced for prior period		(558)		(667)
Amount not invoiced		78		651
Foreign currency impact		4		-
End of the period	\$	175	\$	651

## 8. Inventories:

As of September 30, 2025 and June 30, 2025, the Company's inventory is comprised of development costs related to projects in the development pipeline.

	September 30, 2025		June 30, 2025	
Beginning of the period	\$	9,001	\$	6,531
Development costs		10,792		25,641
Cost of goods sold		(8,726)		(23,633)
Project cancellations		-		(56)
Foreign currency impact		91		518
End of the period	\$	11,158	\$	9,001

## 9. Construction in progress:

Construction in progress ("CIP") represents costs incurred on IPP projects and BESS projects under construction. Once the projects are completed and placed into service, the projects are reclassified to property, plant and equipment and the accumulated costs are depreciated over the useful lives of the related assets. Detail of costs as at September 30, 2025 and June 30, 2025 are as follows:

	IPP facilities		Battery energy storage systems		Electric vehicle charging stations		Total
Balance, June 30, 2025	\$	9,448	\$	21,632	\$	542	\$ 31,622
Additions		31		6,773		-	6,804
Reclassification to property, plant and equipment		(9,614)		-		-	(9,614)
Foreign currency impact		135		(2)		-	133
Balance, September 30, 2025	\$	-	\$	28,403	\$	542	28,945
Balance, June 30, 2024	\$	8,909	\$	-	\$	-	8,909
Additions from acquisition (note 27)		-		10,020		542	10,562
Additions		568		15,520		-	16,088
Impairment		-		(3,908)		-	(3,908)
Foreign currency impact		(29)		-		-	(29)
Balance, June 30, 2025	\$	9,448	\$	21,632	\$	542	\$ 31,622

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 10. Trade and other payables:

		September 30, 2025		June 30, 2025
Accounts payable	\$	15,358	\$	15,148
Accrued liabilities		2,528		2,528
GST/HST payable		2,404		1,845
Other payable		2,151		2,121
Due to related party (note 21)		75		144
	\$	22,516	\$	21,786

## 11. Unearned revenue:

As of September 30, 2025 and June 30, 2025, the Company's unearned revenue consists of payments received for EPC services projects not started yet.

		September 30, 2025		June 30, 2025
Beginning of the period	\$	5,698	\$	4,600
Revenue recognized for prior period		(5,698)		(4,600)
Advance billings		1,598		5,607
Foreign currency impact		64		91
End of the period	\$	1,662	\$	5,698

## 12. Right-of-use assets and lease liabilities:

The continuity of the right-of-use assets as of September 30, 2025 and June 30, 2025 is as follows:

Right-of-use asset		Office		Vehicle		IPP facilities		Total
Cost:								
Balance, June 30, 2025	\$	297	\$	33	\$	10,173	\$	10,503
(Restated – Note 2(e)(iii))								
Addition		-		-		224		224
Additions – asset retirement cost		-		-		8		8
Modifications		27		-		-		27
Balance, September 30, 2025	\$	324	\$	33	\$	10,405	\$	10,762
Accumulated Depreciation:								
Balance, June 30, 2025	\$	202	\$	8	\$	770	\$	980
Depreciation		23		3		335		361
Balance, September 30, 2025	\$	225	\$	11	\$	1,105	\$	1,341
Net Book Value, September 30, 2025	\$	99	\$	22	\$	9,300	\$	9,421

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 12. Right-of-use assets and lease liabilities (continued):

Right-of-use asset	Office	Vehicle	IPP facilities	Total
Cost:				
Balance, June 30, 2024	\$ 314	\$ -	\$ 947	\$ 1,261
Addition from acquisition (note 27)	-	-	8,168	8,168
Additions – asset retirement cost	-	-	123	123
Additions	-	33	-	33
Adjustment (note 2(e)(iii))			935	935
Modifications	(17)	-	-	(17)
Balance, June 30, 2025	\$ 297	\$ 33	\$ 10,173	\$ 10,503
(Restated – Note 2(e)(iii))				
Accumulated Depreciation:				
Balance, June 30, 2024	\$ 124	\$ -	\$ 52	\$ 176
Modifications	(5)	-	-	(5)
Depreciation	83	8	718	809
Balance, June 30, 2025	\$ 202	\$ 8	\$ 770	\$ 980
Net Book Value, June 30, 2025	\$ 95	\$ 25	\$ 9,403	\$ 9,523
(Restated – Note 2(e)(iii))				

IPP facilities depreciation expense is recorded in cost of goods sold for the period ended September 30, 2025 of \$335 (September 30, 2024 - \$247 (restated – note 2(e))). The remaining \$26 for the period ended September 30, 2025 relate to office and vehicle lease depreciation expense, which is recorded under operating expenses (September 30, 2024 - \$22).

The continuity of the lease liabilities as of September 30, 2025 and June 30, 2025 is as follows:

Lease liabilities	Office	Vehicle	IPP Facilities	Total
Balance, June 30, 2025	\$ 114	\$ 25	\$ 7,701	\$ 7,840
(Restated – Note 2(e)(iii))				
Additions	-	-	224	224
Modifications	(3)	-	-	(3)
Payments	(27)	(3)	(231)	(261)
Interest accretion	3	1	112	116
Balance, September 30, 2025	\$ 87	\$ 23	\$ 7,806	\$ 7,916
Current	87	11	894	992
Non-current	-	12	6,912	6,924
Balance, September 30, 2025	\$ 87	\$ 23	\$ 7,806	\$ 7,916

  

Lease liabilities	Office	Vehicle	IPP Facilities	Total
Balance, June 30, 2024	\$ 230	\$ -	\$ 912	\$ 1,142
Additions from acquisition (note 27)	-	-	7,043	7,043
Additions	-	33	-	33
Additions adjustment (note 2(e)(iii))	-	-	159	159
Modifications	(17)	-	-	(17)
Payments	(114)	(10)	(857)	(981)
Interest accretion	15	2	444	461
Balance, June 30, 2025	\$ 114	\$ 25	\$ 7,701	\$ 7,840
(Restated – Note 2(e)(iii))				
Current (Restated – Note 2(e)(iii))	94	11	894	999
Non-current (Restated – Note 2(e)(iii))	20	14	6,807	6,841
Balance, June 30, 2025	\$ 114	\$ 25	\$ 7,701	\$ 7,840
(Restated – Note 2(e)(iii))				

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 13. Intangible assets:

	FIT contracts		BESS contracts		Total
Cost:					
Balance, June 30, 2025	\$	18,900	\$	4,130	\$ 23,030
Additions		-		-	-
Balance, September 30, 2025	\$	18,900	\$	4,130	\$ 23,030
Accumulated amortization:					
Balance, June 30, 2025 (Restated – Note 2(e)(ii))	\$	3,117	\$	646	\$ 3,763
Amortization		349		-	349
Balance, September 30, 2025	\$	3,466	\$	646	\$ 4,112
Net Book Value, September 30, 2025	\$	15,434	\$	3,484	\$ 18,918
	FIT contracts		BESS contracts		Total
Cost:					
Balance, June 30, 2024	\$	2,110	\$	-	\$ 2,110
Additions from acquisition (note 27)		16,790		4,130	20,920
Balance, June 30, 2025	\$	18,900	\$	4,130	\$ 23,030
Accumulated amortization:					
Balance, June 30, 2024	\$	109	\$	-	\$ 109
Amortization		1,471		-	1,471
Impairment		6,766		646	7,412
Reallocation of impairment loss (note 2(e)(ii))		(5,229)		-	(5,229)
Balance, June 30, 2025 (Restated – Note 2(e)(ii))	\$	3,117	\$	646	\$ 3,763
Net Book Value, June 30, 2025 (Restated – Note 2(e)(ii))	\$	15,783	\$	3,484	\$ 19,267

Total amortization expenses of \$349 are recorded in cost of goods sold for the period ended September 30, 2025 (September 30, 2024 - \$344 (restated – note 2(e))).

## 14. Short-term loans:

	Maturity	Interest rate	September 30, 2025		June 30, 2025
Line of credit	N/A	Floating	\$	-	\$ -
RE Royalty	November 26, 2025	Fixed		3,000	3,000
Geddes Construction Loan	Within 12 months of September 30, 2025	Floating		1,816	1,734
Total			\$	4,816	\$ 4,734

### RE Royalty

On November 13, 2024, the Company's subsidiary entered into a loan agreement for a principal amount of \$3,000. The loan has a maturity date of November 26, 2025. Interest on the loan shall accrue at the rate of 11% per annum, compounded and payable quarterly.

### Geddes Construction Loan

On June 24, 2024, the Company entered into a Construction Loan Agreement, with Seminole Financial Services, LLC., for the construction of the Geddes project (the "Geddes Construction Loan"). The Geddes Construction Loan is for a principal amount of up to USD \$2,600, based on the actual cost of the project. The Geddes Construction Loan advancement amount shall accrue interest, which is to be added to the outstanding principal balance starting from the date of receipt, at a



# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 14. Short-term loans (continued):

variable rate per annum equal to the One Month Chicago Mercantile Exchange ("CME") Term SOFR plus a margin of 4%. The loan is secured against the assets associated with the Geddes project and the Company has provided a guarantee of completion and payment. Upon receiving permission to operate the Geddes Project, the loan advancement shall convert into a 6-year long-term loan with a fixed interest rate to be determined upon the conversion. Construction of the project has been completed, and the project received Permission to Operate ("PTO") on July 25, 2025. Management is in the process of completing the conversion and final operational setup, which is expected to occur in the near term. Upon conversion, the loan will become a long-term facility with a maturity of 6 years. The project assets are classified as property, plant and equipment with a carrying amount of \$9,614 as of the PTO date.

As at September 30, 2025, the Company did not have any events of default with its short-term loans.

## 15. Long-term debt:

	September 30, 2025	June 30, 2025
Long-term loans	\$ 51,375	\$ 52,739
Construction loans	9,329	9,573
Highly Affected Sectors Credit Availability Program	620	648
Total	61,324	62,960
Less: current portion	5,727	9,170
Non-current portion	\$ 55,597	\$ 53,790

### Long-term loans

The Company's long-term loans are secured by underlying solar power system assets, including power purchase agreements known as Feed-in-Tariff ("FIT") contracts, site leases, and project agreements. The loans bear either variable interest rates ranging from 1.56% to 3.34% plus the Canadian Overnight Repo Rate Average ("CORRA") and fixed interest rates ranging from 4.45% to 6.06%, with remaining terms of 1 to 15 years maturing between 2026 and 2040.

Certain loans within the portfolio carry an annual fixed interest rate of 4.75% through interest-rate swap agreements that convert originally variable-rate terms based on the three-month Banker's Acceptance Rate plus 1.98%. These loans mature in December 2029, with interest payable quarterly and principal payable semi-annually.

During the three months ended September 30, 2025, total interest expense and payments on long-term loans amounted to \$636 (September 30, 2024 – \$685).

Certain project debt agreements require the Company to maintain restricted cash balances in designated reserve accounts. These balances are not available for general corporate purposes and are held at the project level to satisfy financing requirements.

Interest rate swaps are accounted for as derivatives assets or liabilities and recorded at fair value on the consolidated statements of financial position with change in fair value recorded in profit or loss. For the period three months ended September 30, 2025, the Company recorded fair value change gain of \$171 in the consolidated statements of comprehensive income (loss) (September 30, 2024 – loss of \$1,103).

### Construction loans

During the year ended June 30, 2025, the Company entered into a credit agreement with Royal Bank of Canada ("RBC") as Lenders, Administrative Agent and Collateral Agent for the Lenders, and obtained an advancement of \$10,091 for the construction of certain BESS projects in Ontario. RBC retained an upfront fee amount of \$814. The Company entered into interest rate swap agreement on the loan to fix the annual interest rate at 5.085%. For the three months ended September 30,

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 15. Long-term debt (continued):

2025, the Company recorded fair value change loss of \$105 in the consolidated statements of comprehensive income (loss) (September 30, 2024 – nil).

### Highly Affected Sectors Credit Availability Program

In 2021, the Company received a Highly Affected Sectors Credit Availability Program (“HASCAP”) loan for a total of \$1,000 at 4% annual rate from Bank of Montreal. The loan has a ten-year amortization period with interest payment only for the first year. Principal payments commenced in May 2022. During the three months ended September 30, 2025, the interest recorded and paid was \$6 (September 30, 2024 - \$8).

As at September 30, 2025, the Company did not have any events of default with its long-term debt.

## 16. Provisions:

The Company recognizes provisions for asset retirement costs associated with its leased facilities where it has obligations under lease agreements to restore premises to their original condition at the end of the lease term.

	September 30, 2025	June 30, 2025
Beginning of the period	\$ 2,401	\$ -
Additions from acquisition (note 27)	-	2,129
Additions	-	202
Increase (decrease) in liability	8	(14)
Accretion expense	14	84
End of the period	\$ 2,423	\$ 2,401

## 17. Change in non-cash assets and liabilities:

The change in non-cash working capital for the period ended September 30, 2025 and September 30, 2024 is as follows:

	September 30, 2025	September 30, 2024 (Restated – Note 2(e))
Unearned revenue	\$ (4,036)	\$ (3,649)
Inventories	(2,161)	(1,975)
Trade and other receivables	(1,803)	1,212
Trade and other payables	(847)	12,102
Other long-term liabilities	(220)	1,430
Prepaid expenses and deposits	6,801	2,404
Unbilled revenue	539	(3,178)
	\$ (1,727)	\$ 8,346

## 18. Financial instruments:

The Company as part of its operations carries financial instruments consisting of cash, restricted cash, short-term investments, trade and other receivables, derivative financial instruments, trade and other payables, short-term loans, long-term debt, lease liabilities, warrant liabilities, other long-term liabilities and other liabilities due to non-controlling interest holders.

### (a) Fair value:

The Company's financial assets and liabilities carried at fair value are measured and recognized according to a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable inputs. The three levels of fair value hierarchy are as follows:

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

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## 18. Financial instruments (continued):

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices that are observable for the asset or liability.
- Level 3: Inputs for the asset or liability that are not based on observable market data.

The Company has variable interest rate loans with interest rate swap to effectively hedge the floating rate term loans into fixed rate arrangements by receiving floating rate and paying fixed rate payments (note 15). The fair value of the interest rate swap is based on discounting estimate of future floating rate and fixed rate cash flows for the remaining term of the interest rate swap. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the Company and of the counterparty. The fair value of the interest rate swap is determined using Level 2 inputs.

The carrying amounts of cash, restricted cash, short-term investments, trade and other receivables, and trade and other payables approximate their fair values due to the short-term maturities of these items.

The carrying amounts of short-term loans, long-term debt, lease liabilities and other liabilities due to non-controlling interest approximate their fair value as management believes the applicable interest rates approximate current market rates for debt with similar terms and security.

Other liabilities due to non-controlling interest holders represent amounts payable to minority shareholders under contractual arrangements that require fixed or determinable payments. Such obligations meet the definition of a financial liability under IAS 32 Financial Instruments: Presentation, as it creates a contractual obligation to deliver cash irrespective of project performance. During the three months ended September 30, 2025, the Company recognized a fair value loss of \$10, which is included in the consolidated statements of comprehensive income (loss) (September 30, 2024 – nil).

The warrants grant holders the right to acquire common shares of the Company. As the warrants are exercisable at a price denominated in U.S. dollars, the exercise price is not a fixed amount of cash in the Company's functional currency. Consequently, the warrants do not meet the 'fixed-for-fixed' criterion under IAS 32 and are classified as derivative financial liabilities. They are measured at fair value at each reporting date, with changes in fair value recognized in profit or loss. Fair value is determined based on the market value of the underlying common shares at the reporting date. During the three months ended September 30, 2025, the Company recognized a fair value gain of \$102, which is included in the consolidated statements of comprehensive income (loss) (September 30, 2024 – nil).

The fair value of the Company's embedded derivative instruments related to the contingent value right ("CVR") liabilities were determined using the income approach, which included certain assumptions about the operating, investing, and financing inputs. In estimating the fair value of the financial liability, the Company uses market-observable data to the extent it is available. As CVR does not have Level 1 inputs, management applies Level 2 or Level 3 inputs, including internally developed models, unobservable assumptions, and other inputs not derived from active market data, to determine the appropriate fair value at the reporting date. During the three months ended September 30, 2025, the Company recognized a fair value loss of \$113, which is included in the consolidated statements of comprehensive income (loss) (September 30, 2024 – nil).

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 18. Financial instruments (continued):

### (b) Financial risk management:

#### (i) Credit risk and economic dependence:

Credit risk is the risk of financial loss associated with the counterparty's inability to fulfill its payment obligations. The Company has no significant credit risk with its counterparties. The carrying amount of financial assets net of impairment, if any, represents the Company's maximum exposure to credit risk.

The Company has assessed the creditworthiness of its trade and other receivables and amount determined the credit risk to be low. Receivables from projects are from reputable customers with past working relations with the Company. IPP revenues are due from local government utility with high creditworthiness. Cash and short-term investment have low credit risk as it is held by internationally recognized financial institutions.

#### (ii) Currency risk:

The Company conducts business in Canada and United States and has subsidiaries operating in the same countries. The Company, and its subsidiaries, do not hold significant asset and liabilities denominated in foreign currencies. As a result, the Company has low currency risk.

#### (iii) Concentration risk and economic dependence:

The accounts receivable balance is relatively concentrated with a few large customers representing majority of the value. See table below showing a few customers who account for over 10% of revenue as well as customers who account for over 10% of accounts receivable.

September 30, 2025		Revenue	% of revenue
Customer A	\$	3,985	21%
Customer D	\$	10,646	56%
September 30, 2024		Revenue	% of revenue
Customer C	\$	5,360	58%
Customer E	\$	1,787	11%
September 30, 2025		Accounts receivable	% of accounts receivable
Customer B	\$	1,317	15%
Customer C	\$	890	10%
Customer D	\$	4,835	53%
June 30, 2025		Accounts receivable	% of accounts receivable
Customer B	\$	1,317	15%
Customer C	\$	1,262	15%
Customer D	\$	3,156	37%

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

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## 18. Financial instruments (continued):

(iv) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due by maintaining adequate reserves, banking facilities, and borrowing facilities. All the Company's financial liabilities are subject to normal trade terms.

The following are the remaining contractual obligations as at September 30, 2025:

	Total	Less than 1 year	1 to 2 years	3 to 5 years	More than 5 years
Short-term loans	\$ 4,816	\$ 4,816	\$ -	\$ -	\$ -
Long-term debt	61,324	6,465	6,244	17,804	30,811
Lease liabilities	10,845	1,113	927	916	7,889
Trade and other payable	22,516	22,516	-	-	-
Total	\$ 99,501	\$ 34,910	\$ 7,171	\$ 18,720	\$ 38,700

(v) Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's long-term debt, obtained from the acquisition of OFIT GM, OFIT RT and SFF, have a fixed rate which is achieved by entering into interest rate swap agreements.

The Company held the Geddes Construction Loan which is subject to interest rate risk due to variable rate charged (note 13). A change of 100 basis points in interest rates would have increased or decreased the interest amount (added to the loan principal balance) by \$18 (September 30, 2024 - \$13).

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 19. Share Capital:

(a) Authorized share capital as at September 30, 2025 and September 30, 2024

Unlimited number of common shares with no par value.

(b) Issued and outstanding share capital

On September 30, 2025, the Company had 36,640,486 common shares issued and outstanding (September 30, 2024 – 30,821,707). A summary of changes in share capital is presented in the consolidated statements of changes in shareholders' equity:

	Number of Common shares	Share Capital (Restated- note 2(e))
Balance, June 30, 2024	27,191,075	\$ 9,026
Equity warrants exercised	55,000	41
Acquisition of Solar Flow-Through Funds	3,575,632	19,950
Balance, September 30, 2024	30,821,707	\$ 29,017
Balance, June 30, 2025	35,433,947	\$ 45,285
Common shares issued, net of costs	998,856	2,558
RSU exercised (note 20b)	102,067	188
Share-based compensation (note 20a)	105,616	240
Balance, September 30, 2025	36,640,486	\$ 48,271

## 20. Share-based compensation:

(a) Share-based compensation:

The Board of Directors has adopted the Share Compensation Plan on November 4, 2022. Under this plan, the aggregate number of common shares that may be reserved and available for grant and issuance pursuant to the exercise of options and settlement of RSUs, each under the Share Compensation Plan, shall not exceed 20% (in the aggregate) of the issued and outstanding Common Shares at the time of granting. The exercise price per common share for an option and RSU granted shall not be less than the market price. Every option and RSU shall have a term not exceeding and shall expire no later than 5 years after the date of grant.

Details of the share option outstanding for the three months ended September 30, 2025 and September 30, 2024 are as follows:

	September 30, 2025		September 30, 2024	
	Number of options	Weighted average exercise price per share	Number of options	Weighted average exercise price per share
Outstanding, beginning of the period	2,284,000	\$ 0.78	2,759,000	\$ 0.75
Granted	1,402,000	1.90	-	-
Outstanding, end of the period	3,686,000	1.20	2,759,000	0.75
Exercisable share options, end of period	2,719,685	0.95	1,379,500	0.75

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 20. Share-based compensation (continued):

As at September 30, 2025, the range of exercise prices, the weighted average exercise price and the weighted average remaining contractual life are as follows:

Range of exercise prices	Number outstanding	Weighted average exercise price per share	Weighted average remaining contractual life (years)
\$0.75	2,252,500	\$ 0.75	2.07
\$1.89	1,394,500	1.89	4.83
\$2.20 - \$3.43	39,000	2.69	4.70
	3,686,000	\$ 1.20	3.15

During the three months ended September 30, 2025, the Company granted share options on two grant dates. The fair value of the share options was valued at the date of grant using the Black-Scholes option pricing model with assumptions for a risk-free interest rate, expected volatility, expected life until exercise and dividend yield. The weighted average expected option life is calculated based on the remaining expected option life of each option granted. As the Company has not paid any dividends on its subordinate voting shares to date, no dividend yield is included in the fair value calculation for the share options granted. The following table summarizes the share options granted during the three months ended September 30, 2025 and the respective assumptions.

Grant date	July 30, 2025	August 21, 2025
Options granted	1,394,500	7,500
Granted value	\$ 0.98	\$ 1.56
Expense during period ended September 30, 2025	\$ 575	\$ 1
Vesting period (years)	2 years	2 years
Risk free interest rate	3.00%	2.94%
Volatility	57.88%	57.88%
Expected life (years)	5 years	5 years
Dividend yield	-	-

During the three months ended September 30, 2025, compensation expense related to share options was \$578 (September 30, 2024 - \$111).

During the three months ended September 30, 2025, the Company granted 26,315 common shares at a fair value of \$1.84 per share (US\$1.33) in exchange for consulting services, resulting in the recognition of \$48 as consulting fees expense (September 30, 2024 - nil).

In July 2025, the Company issued 56,275 common shares at a fair value of \$2.56 per share to former SFF directors in settlement of bonus entitlements that had been accrued by SFF in the prior fiscal year, as such, did not affect the Company's profit and loss during three months ended September 30, 2025.

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 20. Share-based compensation (continued):

During the year ended June 30, 2025, the Company granted 62,870 common shares at a fair value of \$2.29 per share in exchange for consulting services, resulting in the recognition of \$144 as consulting fees expense. Of the total shares granted, 39,844 were issued during the year ended June 30, 2025, with the remaining 23,026 shares issued during the three months ended September 30, 2025.

### (b) Restricted Share Units ("RSUs")

Details of the RSUs outstanding as at September 30, 2025 and 2024 are as follows:

	Three months ended September 30			
	2025		2024	
	Number of RSU	Weighted average grant date fair value per RSU	Number of RSU	Weighted average grant date fair value per RSU
Outstanding, beginning of the period	276,677	\$ 0.91	265,000	\$ 0.86
Granted	75,390	1.84	-	-
Exercised	(75,390)	1.84	-	-
Forfeited	-	-	-	-
Outstanding, end of the period	276,677	\$ 0.91	265,000	\$ 0.86

During the three months ended September 30, 2025, the Company granted equity settled RSUs on the grant dates in the following table. The RSUs were valued at the market price on the grant date. RSUs will generally be settled upon or shortly after vesting. The vesting schedule for RSU varies by agreement and is determined by the contractual terms. The table below presents the RSUs granted and related grant details for the three months ended September 30, 2025. No RSUs were granted during the three months ended September 30, 2024.

Grant Date	RSUs Granted	Grant Value	Expense during three months ended September 30, 2025	Vesting Date
July 30, 2025 <sup>(1)</sup>	75,390	\$ 143	\$ 143	August 15, 2025

<sup>(1)</sup> This is a regularly scheduled annual grant as part of the Company's executive and employee compensation plan.

For the three months ended September 30, 2025, total share-based compensation expense was \$143 (September 30, 2024 – \$3).

## 21. Related Party Transactions and Balances:

The Company enters into transactions with related parties in the normal course of business. Related parties include subsidiaries, entities under common control, entities over which directors or key management personnel ("KMP") have significant influence, and close family members of KMP. All related party transactions are measured at the exchange amount, which is the amount agreed to by the parties.

As at September 30, 2025, amounts due to directors and other members of KMP were comprised of \$75 (June 30, 2025 - \$144) included in trade and other payables, \$821 included in other long-term liabilities (June 30, 2025 – \$861), and \$55 (June 30, 2025 – \$55) included in trade and other receivables.



# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 21. Related Party Transactions and Balances (continued):

### (a) Transactions with related parties

The following table summarizes costs incurred or recovered from related parties during the three months ended September 30, 2025 and 2024:

	Nature of Relationship	Nature of Transactions	Three months ended September 30	
			2025	2024
Light Voltaic Corporation	Controlled by a director	Consulting services	\$ 136	\$ 201
The Phoenix Trendz Inc.	Controlled by KMP	Consulting services	\$ 118	\$ 93
Art Vancouver	Controlled by a director	Consulting services	\$ 97	\$ 97

### (b) Balances with related parties

Outstanding balances with related parties are summarized as follows:

	September 30, 2025		June 30, 2025	
	Receivable/ (Payable)	Balance Sheet Presentation	Receivable/ (Payable)	Balance Sheet Presentation
Light Voltaic Corporation	\$ (75)	Trade and other payables	\$ (144)	Trade and other payables
Wear Wolfen Design	(52)	Other long-term liabilities	(52)	Other long-term liabilities
Berkley Renewables Inc.	(769)	Other long-term liabilities	(809)	Other long-term liabilities
WestKam Gold Corp.	55	Trade and other receivables	55	Trade and other receivables
Total	\$ (841)		\$ (950)	

### (c) Key management personnel compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers, including the Company's Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and Chief Administrative Officer.

The remuneration of directors and other members of key management personnel, for the period ended September 30, 2025 and 2024 were as follows:

	Three months ended September 30,	
	2025	2024
Salaries and employee benefits	\$ 303	\$ 703
Share-based compensation	\$ 143	\$ 72

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 22. Segment Information:

Segmented information is reviewed by the Company's chief decision maker, the CEO, to assess performance and allocate resources within the Company. The Company has two operating segments.

### (a) Reportable segments

Development and EPC consist of development and construction of solar photovoltaic power generation projects. IPP consists of the operation of solar photovoltaic power facilities and BESS projects. Corporate and other includes corporate activities and the operation and maintenance of power facilities, repairs and reinstallation of power facilities, and non-recurrent solar photovoltaic power generation project related work engaged by customers.

The revenues from external customers and expenses for three months ended September 30, 2025 and 2024 are as follows:

Three months ended September 30, 2025					
	Development & EPC	IPP Production	Corporate and other activities	Intersegment Elimination	Total
Revenues					
Revenue from external customers	\$ 15,305	\$ 3,845	\$ -	\$ -	\$ 19,150
Intersegment revenue	-	1,489	-	(1,489)	-
Total Revenue	\$ 15,305	\$ 5,334	\$ -	\$ (1,489)	\$ 19,150
Cost of goods sold	(8,726)	(3,369)	-	1,489	(10,606)
Gross profit	6,579	1,965	-	-	8,544
Operating expense	\$ (146)	\$ (438)	\$ (5,353)	\$ -	\$ (5,937)
Income from operating activities	\$ 6,433	\$ 1,527	\$ (5,353)	\$ -	\$ 2,607
Interest income	-	58	32	-	90
Interest expense	-	(747)	(67)	-	(813)
Fair value change of derivatives	-	(94)	160	-	66
Fair value change of warrant liabilities	-	-	102	-	102
Fair value change of CVR liabilities	-	-	(542)	-	(542)
Fair value change of other liabilities due to non-controlling interest holders	-	(10)	-	-	(10)
Other income (expense)	\$ -	\$ (4)	\$ (86)	\$ -	\$ (90)
Net income before income taxes					1,410

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 22. Segment Information (continued):

Three months ended September 30, 2024 (Restated - Note 2(e))						
	Development & EPC	IPP Production	Corporate and other activities	Intersegment Elimination		Total
Revenues						
Revenue from external customers	\$ 11,778	\$ 3,262	\$ 19	\$ -	\$	15,059
Intersegment revenue	-	7,023	-	(7,023)		-
Total Revenue	\$ 11,778	\$ 10,285	\$ 19	\$ (7,023)	\$	15,059
Cost of goods sold	(9,011)	(8,887)	(47)	7,023		(10,922)
Gross profit	2,767	1,398	(28)	-		4,137
Operating expense	(128)	(18,639)	(2,646)	-	\$	(21,413)
Loss from operating activities	\$ 2,639	\$ (17,241)	\$ (2,674)	\$ -	\$	(17,276)
Interest income	-	129	90	-		219
Interest expense	-	(833)	(13)	-		(846)
Fair value change of derivatives	-	(1,013)	-	-		(1,013)
Loss on investments	-	-	(3,385)	-		(3,385)
Other income (expense)	\$ -	\$ 10	\$ 82	\$ -	\$	92
Net loss before income taxes					\$	(22,209)

The segment assets, segment liabilities, and other material segment items as at September 30, 2025 and June 30, 2025 are as follows:

As at September 30, 2025	Development & EPC	IPP Production	Corporate and other activities	Total
Total assets	\$ 23,261	\$ 114,480	\$ 1,008	\$ 138,749
Total liabilities	17,532	90,944	5,810	114,286
Property, plant and equipment	-	38,202	24	38,226

  

As at June 30, 2025	Development & EPC	IPP Production	Corporate and other activities	Total
Total assets	\$ 22,832	\$ 111,194	\$ 4,325	\$ 138,351
Total liabilities	15,484	97,566	5,541	118,591
Property, plant and equipment	-	34,481	26	34,507

### (b) Geographic information

The Company is currently operating developing and constructing of solar photovoltaic power generation projects in two principal geographical areas - Canada and United States. The revenues from external customers by country for the three months ended September 30, 2025 and 2024, and the non-current assets by country as at September 30, 2025 and June 30, 2024, are presented as follows:

Revenue from external customers				Non-current assets	
Three months ended September 30,					
		2025	2024(Restated – Note 2(e))	September 30, 2025	June 30, 2025
Canada	\$	3,782	5,073	\$ 92,782	86,368
United States		15,368	9,986	10,505	10,661
	\$	19,150	15,059	\$ 103,287	97,029

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 23. Income Tax:

The Company is subject to income taxes in Canada, while the subsidiaries in United States are subject to the income tax laws of the United States.

The income tax charge is a result of profits and withholding tax in two jurisdictions which are taxable and cannot be offset by accumulated tax benefits in other jurisdictions. Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the three months ended September 30, 2025 was 26.5% (June 30, 2025 - 26.5%).

The actual income tax provision differs from the expected amount calculated by applying the Canadian combined federal and provincial corporate tax rates to income before tax. For entities subject to U.S. taxation, the expected provision is calculated using the applicable U.S. federal and state statutory tax rates.

## 24. Earnings (loss) per share:

The calculation of earnings per share for the three months ended September 30, 2025 and 2024 are as follows:

	September 30, 2025	September 30, 2024 (Restated – Note 2(e))
Net income attributable to: Shareholders of the company	\$ 1,000	\$ (26,456)
Basic weighted average number of shares outstanding	36,097,994	30,459,369
Diluted weighted average number of shares outstanding	52,030,217	30,459,369
Earnings (loss) per share		
Basic	\$ 0.03	\$ (0.87)
Diluted	\$ 0.02	\$ (0.87)

As of September 30, 2025, the Company has four categories of potentially dilutive securities: 3,671,000 of share options, 250,000 of RSUs, 10,152,085 of warrants and 2,283,929 of CVRs (note 19).

All potentially dilutive securities have been excluded from the calculation of diluted loss per share for three months ended September 30, 2024, as the Company was in a net loss position during the period. Including the dilutive securities would be anti-dilutive; therefore, basic and dilutive number of shares used in the calculation is the same for the period presented.

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 25. Other long-term liabilities:

	September 30, 2025	June 30, 2025
CVR liabilities	\$ 3,561	\$ 3,019
Other liabilities due to non-controlling interest holders	666	693
Due to related party (note 21)	821	861
Payable to SFF previous directors	434	577
	\$ 5,482	\$ 5,150

## 26. Commitments:

At September 30, 2025, the Company had various purchase commitments in the normal course of operations. Below is a summary of the future minimum payments for contractual obligations that are not recognized as liabilities at September 30, 2025.

	Total	Less than one year	1 to 2 years	3 to 5 years	More than 5 years
Purchase obligations	\$ 2,610	\$ 2,610	\$ -	\$ -	\$ -

## 27. Acquisitions of Solar Flow-Through Funds Ltd:

On March 20, 2024, the Company entered into a definitive agreement with SFF to acquire all of the issued and outstanding common shares of SFF through a plan of arrangement for an aggregate consideration of issuance of up to 5,859,561 common shares of PowerBank ("PowerBank Shares") for an aggregate purchase price of up to \$41,800. The Company acquired the remaining shares issued and outstanding, representing 84.18%, for consideration valued at \$45,000 as of the date of this agreement. The number of PowerBank Shares was determined using a 90-trading day volume weighted average trading price as of the date of the Agreement which is equal to \$7.14 (the "Agreement Date VWAP"). The primary reason for the business combination was for the Company to acquire SFF's 70 operating solar power sites, along with its pipeline of battery energy storage system ("BESS") projects and electric vehicle charging stations. The Company closed the acquisition of SFF on July 8, 2024. During the year ended June 30, 2025, the Company incurred \$15 in acquisition costs related to the SFF transaction, which were expensed.

The consideration for the acquisition of SFF consisted of an upfront payment of 3,575,632 PowerBank Shares and a contingent payment representing up to an additional 2,283,929 PowerBank Shares that will be issued in the form of contingent value rights ("CVRs"). The PowerBank Shares underlying the CVRs will be issued once the final contract pricing terms have been determined between SFF, the IESO and the major suppliers for the SFF BESS portfolio and the binding terms of the debt financing for the BESS portfolio (note 16) have been agreed (the "CVR Conditions"). On satisfaction of the CVR Conditions, the BESS portfolio shall be revalued and PowerBank shall then issue PowerBank Shares having an aggregate value that is equal to the lesser of (i) \$16,310 and (ii) the final valuation of the BESS portfolio determined by a third party financial valuator plus the sale proceeds of any portion of the BESS portfolio that may be sold, in either case divided by the Agreement Date VWAP. The maximum number of additional shares issued for the CVRs will be 2,283,929 PowerBank Shares. The fair value of the CVRs at the acquisition date was estimated based on the maximum number of additional shares expected to be issued (2,283,929 shares) multiplied by the PowerBank closing share price on the acquisition date of \$8.01, and the CVRs and common shares were further discounted to reflect the impact of the escrow-related resale restrictions on the timing of when those shares become freely tradable.

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

## 27. Acquisitions of Solar Flow-Through Funds Ltd (continued):

The acquisition of SFF is considered a business combination as the assets acquired and liabilities assumed constitute a business. The transaction was accounted for using the acquisition method of accounting whereby the assets acquired and liabilities assumed were recorded at their estimated fair value at the acquisition date. The Company finalized its purchase price allocation during the year ended June 30, 2025.

For the period from July 8, 2024 to June 30, 2025, SFF contributed revenue of \$8,417 and net loss of \$32,495. Had the acquisition taken place on July 1, 2024, revenue and net loss included in the consolidated statements of net loss for the period from July 1, 2024 to June 30, 2025 would have been similar to the results from July 8, 2024 to June 30, 2025. In determining these amounts, management has assumed the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on July 1, 2024.

The allocation of the purchase consideration to the total fair value of net assets acquired on SFF acquisition date is as follows:

Fair value of net identified assets acquired		
Cash <sup>(1)</sup>	\$	9,887
Trade and other receivables		4,676
Short-term investments		640
Prepaid expenses and deposits		684
Right-of-use assets		8,168
Property, plant and equipment		34,772
Construction in progress		10,562
Intangible assets		20,920
Other assets		814
Derivative financial instruments		1,530
Accounts payable and accruals		(7,466)
Asset retirement obligations		(2,129)
Long-term debt		(52,686)
Lease liabilities		(7,043)
Deferred tax liabilities		(9,935)
Due to related parties		(1,435)
Identifiable net assets		11,959
Goodwill		20,544
Net assets acquired	\$	32,503
Common shares issued	\$	19,950
Contingent value rights		10,214
Purchase price adjustment for total shares outstanding		2,339
Total consideration	\$	32,503

<sup>(1)</sup> The balance includes restricted cash balances totaling \$6,517 comprised of \$2,630 classified as current and \$3,887 classified as non-current.

# POWERBANK CORPORATION

(FORMERLY SOLARBANK CORPORATION)

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

(Expressed in thousands of Canadian dollars, except per share amounts and as otherwise indicated)

For the three months ended September 30, 2025 and 2024

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## 27. Acquisitions of Solar Flow-Through Funds Ltd (continued):

The fair value of intangible assets, which consist of the power purchase agreements known as Feed-In-Tariff ("FIT") contracts and BESS contracts with the IESO, was calculated using the multi-period excess earnings method as the Company is project revenue and net income attributable to the contracts going forward. The fair value of property, plant and equipment was established using the cost approach. The long-term loans were valued using a discounted cash flow approach. The goodwill recognized upon acquisition of SFF is attributable to expected synergies from integrating SFF's solar development platform with the Company's existing renewable energy operations, benefits of an expanded project pipeline, and other intangible elements such as market presence that do not qualify for separate recognition. The goodwill is not deductible for tax purposes.

Immediately prior to obtaining control, the Company held an equity interest in SFF. In accordance with IFRS 3, this previously held equity interest was remeasured to its acquisition-date fair value, with any resulting gain or loss recognized in profit or loss. The fair value of the previously held equity interest was estimated at \$2,339 as at the acquisition date, based on a discounted cash flow analysis that incorporated management's forecast of SFF's future cash flows and an appropriate discount rate reflecting the risks associated with those cash flows. The remeasurement of this previously held equity interest resulted in a loss on investment \$2,813 which has been recognized within loss on investments in the consolidated statements of comprehensive income (loss).

Prior to the acquisition, the Company and SFF had a pre-existing relationship consisting of an outstanding unbilled revenue balance of \$572. In accordance with IFRS 3, Business Combination, the settlement of a pre-existing relationship is accounted for separately from the business combination. As such, this balance was not included as part of the consideration transferred. Instead, the Company derecognized the unbilled revenue and recognized a loss for the full carrying amount of \$572 in the statement of comprehensive loss within loss on investment, as no consideration was received for this balance upon acquisition.

The CVR liabilities are classified as financial liabilities and are remeasured at fair value at each reporting period, with changes recognized in profit or loss in accordance with IFRS 9, Financial Instruments (note 18).

## 28. Subsequent Events:

Subsequent to September 30, 2025, the Company issued a total of 476,369 common shares, including issuances under its At-The-Market ("ATM") equity offering program, shares issued for services, and stock option exercise.