



Combined Consolidated Financial Statements
For the Fiscal Year Ended March 31, 2026

Independent Auditor's Report

To the Board of Directors of Rockpoint Gas Storage Inc.

Opinion

We have audited the combined consolidated financial statements of Swan Equity Aggregator LP and BIF II CalGas (Delaware) LLC and their wholly-owned subsidiaries (the "Company"), which comprise the combined consolidated statements of financial position as at March 31, 2026 and 2025, and the combined consolidated statements of net earnings and comprehensive earnings, changes in equity and cash flows for the years then ended, and notes to the combined consolidated financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2026 and 2025, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis
- The information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis and the Annual Report prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude

that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants
Calgary, Alberta
May 27, 2026

Rockpoint Gas Storage
Combined Consolidated Statements of Financial Position
(Millions of U.S. dollars)

	Notes	As at March 31,	
		2026	2025
ASSETS			
Current Assets			
Cash and cash equivalents		\$ 42.3	\$ 204.1
Trade and accrued receivables	13, 21	82.7	76.7
Natural gas inventory		49.2	28.6
Short-term risk management assets	17, 18	27.6	19.5
Margin deposits		1.3	0.9
Prepaid expenses and other current assets		5.9	1.8
Due from affiliates	21	—	83.0
		<u>209.0</u>	<u>414.6</u>
Long-term Assets			
Property, plant and equipment, net	5, 8	888.1	884.6
Goodwill	6	117.2	117.2
Long-term risk management assets	17, 18	19.2	9.3
Other assets		6.2	4.5
		<u>1,030.7</u>	<u>1,015.6</u>
TOTAL		<u>\$ 1,239.7</u>	<u>\$ 1,430.2</u>
LIABILITIES AND OWNERS' EQUITY			
Current Liabilities			
Trade payables and accrued liabilities	9, 21	\$ 45.6	\$ 59.5
Short-term debt	7, 15	12.2	25.8
Short-term risk management liabilities	17, 18	13.0	13.9
Short-term lease liabilities	8, 15	8.6	9.1
Short-term gas storage obligations	10	0.2	—
Margin deposits		—	3.2
Deferred revenue	13	0.3	1.4
		<u>79.9</u>	<u>112.9</u>
Long-term Liabilities			
Long-term debt	7, 15	1,197.3	1,208.1
Long-term risk management liabilities	17, 18	4.1	5.7
Long-term lease liabilities	8, 15	90.9	99.7
Long-term gas storage obligations	10	13.3	17.4
Decommissioning obligations	11	6.4	5.0
Other long-term liabilities		2.2	2.2
Deferred income taxes	16	84.4	65.0
		<u>1,398.6</u>	<u>1,403.1</u>
Owners' Equity		<u>(238.8)</u>	<u>(85.8)</u>
TOTAL		<u>\$ 1,239.7</u>	<u>\$ 1,430.2</u>
Commitments and contingencies disclosures	22		

(The accompanying notes to the combined consolidated financial statements are an integral part of these statements.)

Rockpoint Gas Storage
Combined Consolidated Statements of Net Earnings and Comprehensive Earnings
(Millions of U.S. dollars)

	Notes	Fiscal Years Ended March 31,	
		2026	2025
REVENUES			
Fee-for-Service revenue	13	\$ 388.5	\$ 366.8
Optimization, net	13, 18	90.9	48.5
Total revenues		<u>479.4</u>	<u>415.3</u>
EXPENSES (INCOME)			
Cost of gas storage services		8.2	11.0
Operating	14, 21	50.8	49.5
General and administrative	14, 21	22.2	24.2
Depreciation and amortization	5, 8	34.1	33.1
Financing costs	15, 21	89.8	93.1
Gain on gas storage obligations, net	10	(4.5)	(1.3)
Other expenses	21	55.3	6.9
		<u>255.9</u>	<u>216.5</u>
EARNINGS BEFORE INCOME TAXES		<u>223.5</u>	<u>198.8</u>
Income tax expense (benefit)	16		
Current		6.1	0.6
Deferred		10.5	(11.2)
		<u>16.6</u>	<u>(10.6)</u>
NET EARNINGS		<u>\$ 206.9</u>	<u>\$ 209.4</u>
OTHER COMPREHENSIVE INCOME (LOSS), NET OF TAX			
Foreign currency translation adjustment		\$ 1.0	\$ (1.8)
NET EARNINGS AND COMPREHENSIVE EARNINGS		<u>\$ 207.9</u>	<u>\$ 207.6</u>

(The accompanying notes to the combined consolidated financial statements are an integral part of these statements.)

Rockpoint Gas Storage
Combined Consolidated Statements of Changes in Equity
(Millions of U.S. dollars)

	Capital Contributions	Retained Earnings (Deficit)	Accumulated Other Comprehensive Loss	Owners' Capital (Deficiency)
Balance, April 1, 2024	\$ 250.7	\$ 105.6	\$ (20.8)	\$ 335.5
Net earnings	—	209.4	—	209.4
Other comprehensive loss	—	—	(1.8)	(1.8)
Distributions	(123.7)	(505.2)	—	(628.9)
Balance, March 31, 2025	\$ 127.0	\$ (190.2)	\$ (22.6)	\$ (85.8)
Net earnings	—	206.9	—	206.9
Other comprehensive income	—	—	1.0	1.0
Capital contributions (Notes 4, 21)	188.1	—	—	188.1
Distributions (Notes 4, 21)	(93.4)	(446.7)	—	(540.1)
Reorganization of subsidiaries (Note 4)	(2.6)	(6.3)	—	(8.9)
Balance, March 31, 2026	\$ 219.1	\$ (436.3)	\$ (21.6)	\$ (238.8)

(The accompanying notes to the combined consolidated financial statements are an integral part of these statements.)

Rockpoint Gas Storage
Combined Consolidated Statements of Cash Flows
(Millions of U.S. dollars)

	Notes	Fiscal Years Ended March 31,	
		2026	2025
OPERATING ACTIVITIES			
Net earnings		\$ 206.9	\$ 209.4
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Deferred income tax expense (benefit)	16	10.5	(11.2)
Unrealized risk management (gains) losses	17, 18	(25.0)	4.0
Depreciation and amortization	5, 8	34.1	33.1
Amortization of deferred financing costs		7.4	6.8
Other		1.8	0.1
Changes in non-cash working capital	23	(45.6)	71.5
Net cash provided by operating activities		<u>190.1</u>	<u>313.7</u>
INVESTING ACTIVITIES			
Property, plant and equipment expenditures		<u>(32.9)</u>	<u>(34.9)</u>
Net cash used in investing activities		<u>(32.9)</u>	<u>(34.9)</u>
FINANCING ACTIVITIES			
Proceeds from revolving credit facilities	7	137.2	40.9
Payments of revolving credit facilities	7	(151.2)	(44.7)
Proceeds from term loans	7	—	1,237.5
Payments of term loans	7	(12.5)	(453.1)
Proceeds from (repayments of) affiliated notes	4, 21	135.6	(224.9)
Notes extended to related parties	21	—	(83.0)
Payments of financing costs		(5.8)	(17.2)
Payments of lease liabilities	8	(17.7)	(0.8)
Capital contributions	12, 21	51.5	—
Distributions	21	(456.9)	(628.9)
Net cash used in financing activities		<u>(319.8)</u>	<u>(174.2)</u>
Effect of translation on foreign currency cash and cash equivalents		0.8	(0.6)
Net changes in cash and cash equivalents		<u>(161.8)</u>	104.0
Cash and cash equivalents, beginning of the year		204.1	100.1
Cash and cash equivalents, end of the year		<u>\$ 42.3</u>	<u>\$ 204.1</u>
Supplemental cash flow disclosures	23		

(The accompanying notes to the combined consolidated financial statements are an integral part of these statements.)

Rockpoint Gas Storage
Notes to the Combined Consolidated Financial Statements
(Millions of U.S. dollars, unless otherwise noted)

1. Description of Business

We are the largest independent operator of natural gas storage facilities in North America. These financial statements represent the combined consolidated financial statements of Swan Equity Aggregator LP (“Swan OpCo”) and BIF II CalGas (Delaware) LLC (“BIF OpCo”) and their wholly-owned subsidiaries (collectively, “we”, “us”, “our”, “Rockpoint Gas Storage”, or the “Business”).

Swan OpCo is an Ontario limited partnership that independently owns and operates 250.5 billion cubic feet (“Bcf”) of effective natural gas storage capacity in North America. In Alberta, Canada, it owns and operates the AECO Hub™, or AECO Gas Storage Partnership, (“AECO”), which consists of the Countess and Suffield gas storage facilities. It also owns a gas storage facility through its subsidiary Warwick Gas Storage LP (“WGS LP”). In California, it owns a natural gas storage facility through its subsidiary, Wild Goose Storage, LLC. Swan OpCo uses its facilities to provide natural gas storage services in addition to optimizing storage capacity with gas purchases and matched sales. Swan OpCo also operates a natural gas marketing business that is an extension of its proprietary optimization activities in Canada.

BIF OpCo owns Lodi Gas Storage L.L.C., a Delaware limited liability company, which owns and operates a natural gas storage facility in northern California. The facility has 28.7 Bcf of effective working natural gas storage capacity in two underground natural gas storage reservoirs and is connected to Pacific Gas and Electric’s (“PG&E”) intrastate natural gas pipeline system that services demand in the San Francisco and Sacramento areas in California.

The Business consists of entities that are ultimately subsidiaries of Brookfield Asset Management Private Institutional Capital Advisor (Canada), L.P. (“Brookfield Infrastructure”, and together with its affiliates, “Brookfield”) and its institutional partners. On October 15, 2025, Brookfield sold 40.0% of the interest in the Business to Rockpoint Gas Storage Inc. (“Rockpoint” or the “Company”). Brookfield held 72.3% of the voting interest in Rockpoint as of October 15, 2025, which decreased to 60.0% as of February 23, 2026 (see Note 4), with the remaining 40.0% voting interest being held by the public.

In preparation of and subsequent to Rockpoint’s initial public offering, the Business undertook certain reorganizations of its legal structure (see Note 4).

2. Statement of Compliance and Basis of Presentation

These combined consolidated financial statements have been prepared to reflect the combined consolidated financial position, financial performance and cash flows of Rockpoint Gas Storage and have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”), which were in effect as at March 31, 2026.

These combined consolidated financial statements have been prepared on a historical cost basis, except for risk management assets and liabilities and gas storage obligations, which are measured at fair value. These combined consolidated financial statements were authorized for issue by the Board of Directors of Rockpoint on May 27, 2026.

3. Material Accounting Policy Information

Principles of Combination and Consolidation

These combined consolidated financial statements of the Business were prepared for the purpose of presenting the financial position, results of operations and cash flows of Swan OpCo and BIF OpCo and their wholly-owned subsidiaries, which are commonly controlled and managed as a single economic entity.

All significant intercompany balances, transactions, revenues and expenses are eliminated.

Revenue Recognition

The Business recognizes revenue when it transfers control of a product or service to a customer.

Rockpoint Gas Storage
Notes to the Combined Consolidated Financial Statements
(Millions of U.S. dollars, unless otherwise noted)

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. Cash received in advance from customers is recorded as deferred revenue until revenue recognition criteria are met.

Our fee-for-service (“Fee-for-Service”) revenues are earned by providing storage services on a Take-or-Pay (“ToP”) contract basis, for which we receive a fixed monthly demand charge for specified amounts of injection, storage, and withdrawal capabilities regardless of utilization, and by providing storage services on a Short-term Storage service (“STS”) contract basis, where customers pay a fixed fee to both inject a specified quantity of natural gas on a specified date or dates and to withdraw on a specified future date or dates.

ToP contract revenue contains both fixed monthly demand charges and variable operating fees based on volumes of natural gas injected or withdrawn. The Business identified one performance obligation relating to ToP contract revenue, which encompasses the injection, storage, and withdrawal of natural gas within our facilities. Monthly demand charges are recognized over the period covered by each contract, to the extent that we have the right to invoice. A relatively small portion of our ToP revenues are derived from variable fees related to fuel and injection and withdrawal fees, which are recognized over time as injection and withdrawal of natural gas occurs.

STS contracts are fixed in nature and do not provide the customer any option to adjust the volumes or timing specified in a contract, which generally have durations of one year or less. The Business identified one performance obligation relating to STS contract revenue, which is the combination of injection and withdrawal of gas over a specified date or dates. STS contract revenue is recognized over time, to the extent that we have the right to invoice, using the output measures of volume of gas injected and withdrawn, which is when the services are provided.

Optimization, net is comprised of realized and unrealized gains and losses on our natural gas trading activities. Realized gains and losses include realized gains and losses from physical energy trading contracts, for which revenues and costs are recognized at the time of physical delivery, net of realized gains and losses on financial trading contracts, which are recognized when the contract settles and period to which the contract relates is completed. Unrealized gains and losses represent the change in the value of derivative contracts, which are risk management positions that have been entered into to lock-in future prices of natural gas and currency exchange rates. Because our natural gas inventories relate directly to our proprietary optimization activities, any adjustment in those inventories is reflected as part of optimization, net.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, and as applicable, short-term investments with original maturities of three months or less.

Margin Deposits

Cash held in margin represents the right to receive or the obligation to pay cash collateral under a master netting arrangement that has not been offset against derivative positions. These derivatives are marked-to-market daily and the profit or loss on the daily position is then received from, or paid to, the account as appropriate under the terms of the Business’ contract with its broker.

Natural Gas Inventory

The Business’ inventory is natural gas injected into storage and held for resale. Inventory is valued at the lower of weighted average cost or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs to complete the sale.

Reversals of adjustments to inventory are required when circumstances that previously caused inventories to be written down no longer exist in subsequent periods, or when there is clear evidence of an increase in net realizable value because of changed economic circumstances.

Rockpoint Gas Storage
Notes to the Combined Consolidated Financial Statements
(Millions of U.S. dollars, unless otherwise noted)

Costs to store inventory are recognized as operating expenses in the period the costs are incurred in the combined consolidated statements of net earnings and comprehensive earnings.

Property, Plant and Equipment

Property, plant and equipment is recorded at cost, net of accumulated depreciation and accumulated impairment losses, if any. The initial cost of an asset includes its purchase price or construction cost, any costs directly attributable to bringing the asset into operation and estimated decommissioning obligations.

The cost of right-of-use (“ROU”) assets is comprised of the amount of the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less incentives received, and any initial direct costs.

When significant parts of property, plant and equipment are required to be replaced at intervals, the Business recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. Repairs, maintenance and renewals that do not provide future economic benefits to the assets are recognized in the combined consolidated statements of net earnings and comprehensive earnings as incurred.

Assets are derecognized upon disposal, replacement or when no future economic benefits are expected to arise from the continued use of the asset. Any gains or losses arising on the disposal or retirement of an asset are determined by comparing the proceeds from disposal with the carrying amount of the asset and are recognized in the combined consolidated statements of net earnings and comprehensive earnings.

Depreciation of an asset commences when it is available for use. Property, plant and equipment are depreciated using the straight-line method over the estimated useful lives of each component of the assets as follows:

	In years
Pipelines and interconnects	25 - 60
Wells	1 - 60
Land and storage formations	3 - 83
Facilities and other	3 - 60

Depreciation on property, plant and equipment is calculated to depreciate the net cost of each asset over its expected useful life to its estimated residual value. Land and pipeline rights of way are not depreciated. The estimated useful lives, residual values and depreciation methods are reviewed on an annual basis and, if necessary, any changes are accounted for prospectively.

ROU assets as related to defined-term leases are depreciated on a straight-line basis over the expected useful life of the asset, which is the shorter of the lease term or the expected useful life of the underlying asset. Land-based leases that are renewable into perpetuity at the Business’ option are treated as an acquisition of land and are not depreciated.

Costs of major overhauls of engines and compressors included within the gas storage facilities are depreciated using the actual number of hours used over the estimated number of hours until the next scheduled major overhaul. The estimated useful lives of major overhauls, based on expected utilization, ranges from 10 to 20 years.

Certain volumes of hydrocarbons defined as cushion gas are required for maintaining a minimum reservoir pressure. Cushion gas is considered a component of the facility and as such is not amortized because of its indefinite useful life. Cushion gas is monitored to ensure that it provides effective pressure support for the facility. If cushion gas moves to another area of the reservoir where it does not provide effective pressure support or is withdrawn due to heat imbalances of native cushion volumes, a loss is recorded within depreciation expense, equal to the cost of estimated volumes that have migrated.

Rockpoint Gas Storage
Notes to the Combined Consolidated Financial Statements
(Millions of U.S. dollars, unless otherwise noted)

Goodwill

Goodwill represents the excess of the price paid for the acquisition of an entity over the fair value of the net tangible and intangible assets and liabilities acquired. Goodwill is allocated to the cash generating unit (“CGU”) or units to which it relates. We identify a CGU or group of CGUs as identifiable groups of assets that are largely independent of the cash inflows from other assets or groups of assets.

Goodwill is not subject to amortization. Goodwill is evaluated for impairment annually or more often if events or circumstances indicate there may be impairment. Impairment is determined for goodwill by assessing if the carrying value of a CGU, including the allocated goodwill, exceeds its recoverable amount determined as the greater of the estimated fair value less costs of disposal or the value in use. Impairment losses recognized in respect of a CGU are first allocated to the carrying value of goodwill and any excess is allocated to the carrying amount of assets in the CGU. Any goodwill impairment is charged to net earnings (loss) in the period in which the impairment is identified. Impairment losses on goodwill are not subsequently reversed.

Impairment of Long-lived Assets

At each reporting date, the Business assesses, for its long-lived assets, if there is any indication that such assets are impaired. This assessment includes a review of internal and external factors that include, but are not limited to, changes in the technological, economic or legal environment in which the entity operates in, structural changes in the industry, changes in the level of demand, physical damage and obsolescence due to technological changes. An impairment is recognized if the recoverable amount, determined as the higher of the estimated fair value less costs of disposal or the value in use and eventual disposal from an asset or CGU is less than their carrying value. The projections used to calculate value in use consider the relevant operating plans and management's best estimate of the most probable set of conditions anticipated to prevail.

Impairments may be reversed for all CGUs and individual assets, other than goodwill, if there has been a change in the estimates and judgments used to determine the asset's recoverable amount. If such indication exists, the carrying amount of the asset or CGU unit is increased to the lesser of the revised estimate of recoverable amount and the carrying amount that would have been recorded had no impairment loss been recognized previously.

Risk Management Activities

The Business uses natural gas derivatives and other financial instruments to manage its exposure to changes in natural gas prices, electricity prices, interest rates and foreign exchange rates. These financial assets and liabilities, which are recorded at fair value on a recurring basis, are included in one of three categories based on a fair value hierarchy, with realized and unrealized gains (losses) recognized in net earnings (losses) for the period (see Note 18) since these contracts are not treated as hedges for financial reporting purposes.

The fair value of the Business' derivative risk management contracts is recorded as a component of risk management assets and liabilities, which are classified as current or non-current assets or liabilities based upon the anticipated settlement date of the contracts.

Netting of Certain Statements of Financial Position Accounts

Certain risk management assets and liabilities and certain accrued gas sales and purchases are presented on a net basis in the statements of financial position when all of the following exist: (i) the Business and the other party owe each other a determinable amount; (ii) the Business has the right to offset amounts owed with the other party; (iii) we intend to offset; and (iv) the right of offset is enforceable by law.

Rockpoint Gas Storage
Notes to the Combined Consolidated Financial Statements
(Millions of U.S. dollars, unless otherwise noted)

Provisions

Provisions are recognized by the Business when it has a legal or constructive obligation as a result of past events, it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows.

Provisions are recognized for decommissioning obligations associated with the Business' property, plant and equipment at the end of their economic life. Provisions for decommissioning obligations are measured at the present value of management's best estimate of the future cash flows required to settle the present obligation, using a credit-adjusted discount rate. The value of the obligation is added to the carrying amount of the associated asset and amortized over the useful life of the asset. Any change in the present value, as a result of a change in discount rate or expected future costs, of the estimated obligation are recognized as a change in the decommissioning obligations and related assets. The provision is accreted over time through financing costs with actual expenditures charged to the accumulated obligation.

Gas Storage Obligations

Our gas storage obligations represent agreements to deliver set amounts of natural gas during specific timeframes from our Warwick facility that cannot be physically delivered in the timeframes specified. WGS LP has a practice of moving the delivery dates into the future through use of storage agreements with counterparties that offset delivery dates specified in previous agreements. This obligation is accounted for as a hybrid financial liability with an embedded natural gas derivative and is therefore recorded at fair value through profit and loss.

Leases

The Business determines if a contract contains a lease at inception of a contract by using judgment in assessing the following aspects: i) the contract specifies an identified asset that is physically distinct or, if not physically distinct, represents substantially all of the capacity of the asset; ii) the contract provides the customer with the right to obtain substantially all of the economic benefits from the use of the asset; and iii) the customer has the right to direct how and for what purpose the identified asset is used throughout the period of the contract. If the contract is determined to contain a lease, further judgment is required to identify separate lease components of the arrangement by assessing whether the lessee can benefit from the right of use either on its own or together with other resources that are readily available to the lessee, as well as if the right of use is neither highly dependent on, nor highly interrelated, with the other rights to use the underlying assets in the contract. We consider non-lease components as distinct elements of a contract that are not related to the use of the leased asset. A good or service that is provided to a customer is distinct if: i) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer; and ii) the entity's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract.

Remeasurement of lease liabilities and a corresponding adjustment to the related ROU assets occurs when i) the lease term has changed or there is a change in the assessment of whether a purchase option will be exercised, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate; ii) the lease payments have changed due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or iii) a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The Business applies the practical expedient to not recognize ROU assets or lease liabilities for leases that qualify for the short-term lease recognition exemption.

Rockpoint Gas Storage
Notes to the Combined Consolidated Financial Statements
(Millions of U.S. dollars, unless otherwise noted)

Cost of Gas Storage Services

When market conditions warrant, the Business may pay a counterparty to flow gas into or out of our facilities. Such deals are transacted for the purpose of generating an overall positive net margin when combined with offsetting revenue generating activities. These costs are not recorded as a reduction of revenue, but rather are presented as a cost of providing gas storage services.

Deferred Financing Costs

Deferred financing costs relate to costs incurred on the issuance of debt and are amortized over the term of the related debt to financing costs using the effective interest method.

Foreign Currency Translation

The reporting currency of the combined consolidated financial statements is the U.S. dollar. Each entity within the combined group determines its own functional currency based on the primary economic environment in which it operates. For WGS LP, and formerly SIM Energy LP and SIM Energy Limited before they were dissolved during December 2025 (see Note 4), the functional currency is the Canadian dollar. Assets and liabilities of these entities are translated into U.S. dollars at the period-end exchange rate. Revenues and expenses are translated at the average monthly exchange rates for the reporting period. Equity items are translated at the historical exchange rates in effect on the date of the transactions. Foreign exchange gains and losses arising from the translation of the financial statements are recognized in other comprehensive income. Foreign exchange gains and losses arising from monetary transactions denominated in currencies other than the functional currency are recognized in net earnings (loss) for the period.

All other entities within the combined consolidated financial statements have a functional currency of U.S. dollars.

Current Income Tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted at the reporting date in the countries where the Business operates and generates taxable income.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable net earnings (loss); and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences and the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available to use against the deductible temporary differences. The carry forward of unused tax credits and unused tax losses can be utilized, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable net earnings (loss); and

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- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside net earnings (loss) are recognized in correlation to the underlying transaction either in other comprehensive income (loss) or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to offset current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction to goodwill (as long as it does not exceed goodwill) if it is incurred during the measurement period or recognized in net earnings (loss).

Defined Contribution Pension Plan

The Business has in place defined contribution pension plans for its employees. Costs of the plans are recorded as compensation expenses as the employees earn the benefits and payments are funded by the Business.

Share-based Compensation

The Business, in conjunction with Rockpoint, has adopted incentive plans that allow the granting of share-based compensation to key directors, officers and employees. These incentive plans provide for grants of (i) performance share units that vest based on satisfaction of specified performance conditions (“PSUs”); (ii) restricted share units that vest on time-satisfied conditions (“RSUs”); and (iii) stock options that vest 20% on each of the first five anniversaries of the grant date.

The Business measures all goods and services received in exchange for share-based payment awards at their fair value. Where the fair value of goods or services cannot be directly determined, it is estimated using an appropriate option pricing model. For employee share-based awards, the fair value is determined by reference to the fair value of the equity instruments granted, calculated at the grant date. The value of these plans are derived by reference to publicly traded Class A common shares issued by Rockpoint.

At Rockpoint’s option, vested PSUs and RSUs can be settled by delivering cash, Class A common shares or a combination thereof. Where Rockpoint or the participating entities of the Business intend to settle PSUs or RSUs compensation in cash, an expense is recognized with a corresponding liability equal to the fair value of the compensation. Stock options are classified as equity settled.

The fair value of stock options is determined at the grant date using the Black-Scholes option pricing model. Key inputs in this model include the share price on the measurement date, the exercise price, the weighted average term of the stock options, expected volatility of Rockpoint’s share price, as well as volatility of comparable companies having midstream natural gas operations, an estimated dividend yield, expected forfeitures and a risk free rate referenced to Bank of Canada yields. The resulting expense is recognized over the vesting period, based on the estimated number of stock options expected to vest. For stock options with graded vesting, the expense is allocated over the relevant vesting periods, with a corresponding increase in equity.

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Critical Accounting Judgments and Key Sources of Estimation Uncertainty

In preparing the combined consolidated financial statements, we are required to make estimates and assumptions that affect both the amount and timing of recording assets, liabilities, revenues and expenses since the determination of these items may be dependent on future events. Significant estimates made by management include: fair value of derivatives and other financial instruments, assessment of inventory adjustments, the recoverable amount of goodwill and other long-lived assets, income taxes, cushion gas migration, provisions for decommissioning obligations, gas storage obligations and recognizing lease liabilities and ROU assets. Management uses the most current information available and exercises careful judgment in making these estimates. Although management believes that these combined consolidated financial statements have been prepared within the limits of materiality and within the framework of its material accounting policy information summarized above and below, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

a. Fair Value of Risk Management Assets and Liabilities

The determination of the fair value of natural gas derivatives and other financial instrument contracts reflects the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

There are uncertainties in our methodology in the determination of fair value since it requires the Business to consider various factors, including over-the-counter quotations, customer attrition, costs of fulfillment, location differentials and closing interest and foreign exchange rates underlying the contracts. Although the fair value of risk management assets and liabilities may fluctuate for commodity risk contracts, such fluctuations are offset by equivalent changes in the value of our physical inventory. Our policy is for our inventory and purchases to be economically hedged, within small tolerances permitted under our risk management policy; therefore, we reduce our economic exposure to the risk of fluctuating commodity prices.

b. Inventory

The Business' inventory is natural gas injected into storage and held for resale. Inventory is valued at the lower of weighted average cost or net realizable value. Adjustments to the carrying value of inventory to net realizable value are recorded as an offset to optimization, net while costs to store the gas are recognized as operating expenses in the period the costs are incurred.

At the end of each reporting period, management determines whether an adjustment is required to reduce the carrying value of inventory to the lower of weighted average cost or net realizable value. This determination has built-in uncertainties since it requires judgment in both estimating fair market values in the periods in which our inventory can be sold and the volumes that can be sold in those periods.

c. Impairment of Long-lived Assets

The Business evaluates whether events or circumstances have occurred that indicate that long-lived assets may not be recoverable or that the remaining useful life may warrant revision. When such events or circumstances are present, management assesses the recoverability of long-lived assets by comparing the higher of (1) fair value less costs of disposal or (2) the value in use and eventual disposal from an asset or CGU to their carrying value. The projections used to calculate value in use consider the relevant operating plans and management's best estimate of the most probable set of conditions anticipated to prevail.

The Business' estimate for the impairment of long-lived assets contains uncertainties since it requires management to make a judgment on fair value, cost of disposals and expected value from the continued use of long-lived assets.

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d. Income Taxes

The Business is predominantly not a taxable entity in the United States. Income taxes for such entities are the responsibility of the equity holders and have accordingly not been recorded in the combined consolidated financial statements.

The Business has corporate subsidiaries, which are taxable corporations subject to Canadian federal and provincial income taxes, which are included in the combined consolidated financial statements.

The Business' accounting of its income taxes has inherent uncertainties since it requires an estimate of the timing of the realization of its tax assets and liabilities, including the allocation of income among different entities and tax jurisdiction, and also requires us to make assumptions on the estimated probabilities of utilization of deferred tax assets and on the determination of tax exposures associated with our tax filing positions.

e. Cushion Gas Effectiveness

Certain volumes of cushion gas are required for maintaining a minimum reservoir pressure. Owned cushion gas is considered a component of the facility and as such is not depreciated because of its indefinite useful life. Cushion gas is monitored to ensure that it provides effective pressure support. In the event that natural gas moves to another area of the reservoir where it does not provide effective pressure support or is withdrawn due to heat imbalances of native cushion volumes, charges against cushion gas are included in depreciation in an amount equal to the cost of estimated volumes that have migrated.

Cushion gas requirements and its effectiveness are estimated using pressure and volumetric data accumulated over many years of storage operation.

f. Provisions for Decommissioning Obligations

Decommissioning, abandonment, and site reclamation expenditures for storage facilities, wells and pipelines are expected to be incurred by the Business over many years into the future. Amounts recorded for decommissioning obligations and the associated accretion are calculated based on estimates of the extent and timing of decommissioning activities, future site remediation regulations and technologies, inflation, liability specific discount rates and related cash flows. The provision represents management's best estimate of the present value of the future abandonment and reclamation costs required. Actual abandonment and reclamation costs could be materially different from estimated amounts.

g. Gas Storage Obligations

Gas storage obligations are measured at fair value based on contracted volumes, estimated external forward price curves available at period end and an estimated discount rate applicable to the liabilities. Changes in forward pricing between period end and maturity of the derivative contracts could have a material impact on their carrying value.

h. Recognition of Lease Liabilities and Right of Use Assets

The Business has applied critical judgments in the application of lease accounting standards, including: i) identifying whether a contract, or part of a contract, includes a lease; ii) determining whether it is reasonably certain that lease extension or termination options will be exercised in determining the lease term; and iii) determining whether variable payments are in-substance fixed. We also use critical estimates in the application of lease accounting standards, including the estimation of lease term and determination of the appropriate rate to discount the lease payments. For leases that can be renewed into perpetuity at our option, a 60-year timeframe has been used as an estimate to measure the liability, ROU asset offset and undiscounted future cash outflows. Under the discount rates applicable to our leases, substantially all of the present value is contained within the first 60 years.

i. Reportable Segments

Management has determined that the Business has a single reportable segment, natural gas storage. The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), as the chief operating decision makers, review combined consolidated financial information when making decisions about resource allocation and assessing performance.

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Future Accounting Policies

a. Amendments to IFRS 9, Financial Instruments (“IFRS 9”) and IFRS 7, Financial Instruments: Disclosures (“IFRS 7”) - Classification and Measurements of Financial Instruments

In May 2024, the IASB issued amendments which clarify the requirements for the timing of recognition and derecognition of financial liabilities settled through an electronic cash transfer system, add further guidance for assessing the contractual cash flow characteristics of financial assets with contingent features, and add new or amended disclosures relating to investments in equity instruments designated as fair value through other comprehensive income (“FVOCI”) and financial instruments with contingent features. The amendments to IFRS 9 and IFRS 7 are effective for fiscal periods beginning on or after January 1, 2026, with early adoption permitted. The Business has assessed these amendments and determined that they are not expected to have a material impact on its financial statements.

b. IFRS 18 – Presentation and Disclosure in Financial Statements (“IFRS 18”)

In April 2024, the IASB issued IFRS 18, “Presentation and Disclosure of Financial Statements”. IFRS 18 is effective for fiscal periods beginning on or after January 1, 2027, with early adoption permitted. IFRS 18 is expected to improve the quality of financial reporting by requiring separate categories and defined subtotals for operating, investing and financing activities in the statement of profit or loss, requiring disclosure about management defined performance measures, and adding new principles for aggregation and disaggregation of information. The Business is in the process of determining the impact of adopting IFRS 18 on its financial statements.

4. Reorganization of Businesses

Warwick Acquisition

On October 14, 2025, AECO paid BAIF Warwick Gas Storage L.P. (“BAIF”), an entity owned and operated by Brookfield, \$135.6 million to acquire 100% of the equity interests in Warwick Gas Storage LP and Warwick Gas Storage Ltd. (the “Warwick Acquisition”), which was funded through a loan of an equivalent amount (the “Warwick Loan”) from affiliates of Brookfield Infrastructure. The payment made to BAIF was treated as an in-substance distribution with \$93.4 million being allocated as a return of capital and the remaining \$42.2 million allocated against retained earnings. As an acquisition under common control, the assets and liabilities of WGS LP were transferred at their historical book values.

In preparation for the Warwick Acquisition, BAIF made a capital contribution in September 2025 of its economic interest in certain security deposits related to the Warwick gas storage facility, which were valued at \$1.0 million, to Warwick Gas Storage LP.

Prior to the Warwick Acquisition by AECO, the income taxes generated by Warwick Gas Storage LP were the responsibility of entities outside of the combined consolidated structure. Post acquisition, the income taxes generated from Warwick Gas Storage LP became the responsibility of Rockpoint Gas Storage Canada Ltd. As a result, a deferred tax liability of \$9.7 million was recognized directly in retained earnings.

Ownership Acquisition by Rockpoint Gas Storage Inc. and February 2026 Secondary Offering

On October 15, 2025, Rockpoint acquired 40.0% of the equity interests in each of Swan OpCo and BIF OpCo, and 40.0% of the receivable interest in the Warwick Loan, through a combination of cash payments made to and common stock issued to Brookfield. Immediately after the acquisition, the economic interests in Rockpoint were 69.2% owned by the public and 30.8% owned by Brookfield. On the same day, the Warwick Loan was ultimately cancelled when the holders, which included Rockpoint and Brookfield, contributed the loan as capital to the Business. On February 23, 2026, Brookfield sold all of its remaining Rockpoint Class A common shares to the public (the “February 2026 Secondary Offering”) resulting in the public owning 100.0% of the economic interest in Rockpoint. Brookfield maintains legal control of Rockpoint through class B non-public voting shares. Together with its direct interest in Swan OpCo and BIF OpCo and its retained voting rights, Brookfield maintains both a 60.0% economic and voting interest in the Business.

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Reorganization and Purchase of Entities

Concurrent with Rockpoint's acquisition of interests in Swan OpCo and BIF OpCo, BIF II SIM Limited, SIM Energy LP, SIM Energy Limited (together "SIM") as well as Swan Debt Aggregator LP were acquired by Rockpoint Gas Storage Canada Ltd., an indirect subsidiary of Swan OpCo. The fair market values of SIM Energy LP, SIM Energy Limited and Swan Debt Aggregator LP were negligible prior to their transfer and each entity was therefore transferred at a nominal value of \$1. The Business paid Brookfield \$2.8 million for BIF II SIM Limited, which represented the estimated fair market value of that entity, mainly consisting of cash on hand. As the SIM entities and Swan Debt Aggregator LP were entities under common control, and were previously included within the combined consolidated structure, the amounts paid to Brookfield were classified as distributions. In addition, the revised combined consolidation structure required the elimination of \$2.6 million in previously disclosed contributed capital balances resulting in an equivalent positive offset directly to retained earnings.

Prior to the acquisition of SIM Energy LP, the income taxes generated by this entity were the responsibility of entities outside of the combined consolidated structure. Post acquisition, the income taxes generated from SIM Energy LP became the responsibility of Rockpoint Gas Storage Canada Ltd. As a result, a deferred tax asset of \$0.8 million was recognized directly in retained earnings.

Dissolution of Entities

During December 2025, the SIM entities, Swan Debt Aggregator LP and Rockpoint Canada Inc. (a dormant entity) were dissolved. The assets and liabilities of these entities were assumed by Rockpoint Gas Storage Canada Ltd. with no impact on the consolidated balances.

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5. Property, Plant and Equipment

Property, plant and equipment is comprised of the following:

Cost	Cushion gas	Pipelines and interconnects	Wells	Land and storage formations	Facilities and other	Total
Balance, April 1, 2024	\$ 165.6	\$ 151.6	\$ 299.9	\$ 101.4	\$ 413.6	\$ 1,132.1
Additions	8.0	1.3	25.3	—	6.1	40.7
Lease additions and remeasurements - Note 8	—	—	—	1.2	—	1.2
Migration/disposals	(3.2)	(0.3)	(0.7)	(1.2)	(1.3)	(6.7)
Foreign currency translation adjustments	(1.0)	(0.1)	(1.2)	(0.3)	(3.3)	(5.9)
Balance, March 31, 2025	\$ 169.4	\$ 152.5	\$ 323.3	\$ 101.1	\$ 415.1	\$ 1,161.4
Additions	3.0	2.8	13.1	—	8.4	27.3
Changes in decommissioning obligations - Note 11	—	0.2	(0.5)	—	1.2	0.9
Lease additions and remeasurements - Note 8	—	—	—	8.5	—	8.5
Migration/disposals	(3.1)	(0.7)	(4.0)	(0.1)	(3.5)	(11.4)
Foreign currency translation adjustments	0.5	—	0.7	0.1	1.7	3.0
Balance, March 31, 2026	\$ 169.8	\$ 154.8	\$ 332.6	\$ 109.6	\$ 422.9	\$ 1,189.7

Accumulated depreciation	Cushion gas	Pipelines and interconnects	Wells	Land and storage formations	Facilities and other	Total
Balance, April 1, 2024	\$ —	\$ (34.9)	\$ (71.1)	\$ (15.9)	\$ (128.7)	\$ (250.6)
Depreciation expense	—	(4.3)	(7.7)	(3.2)	(14.7)	(29.9)
Disposals	—	0.1	0.2	1.2	0.7	2.2
Foreign currency translation adjustments	—	—	0.4	—	1.1	1.5
Balance, March 31, 2025	\$ —	\$ (39.1)	\$ (78.2)	\$ (17.9)	\$ (141.6)	\$ (276.8)
Depreciation expense	—	(4.5)	(8.1)	(3.4)	(15.0)	(31.0)
Disposals	—	0.3	4.8	—	1.8	6.9
Foreign currency translation adjustments	—	0.1	(0.2)	—	(0.6)	(0.7)
Balance, March 31, 2026	\$ —	\$ (43.2)	\$ (81.7)	\$ (21.3)	\$ (155.4)	\$ (301.6)

Net book value	Cushion gas	Pipelines and interconnects	Wells	Land and storage formations	Facilities and other	Total
Balance, March 31, 2025	\$ 169.4	\$ 113.4	\$ 245.1	\$ 83.2	\$ 273.5	\$ 884.6
Balance, March 31, 2026	\$ 169.8	\$ 111.6	\$ 250.9	\$ 88.3	\$ 267.5	\$ 888.1

Depreciation expense for the year ended March 31, 2026 includes \$3.1 million (year ended March 31, 2025 – \$3.2 million) related to cushion gas migration.

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6. Goodwill

Goodwill is primarily attributable to the deferred income tax liability that arose from the acquisition by Brookfield and its institutional partners of Swan OpCo’s subsidiaries. The inclusion of this liability in the net book value of Swan OpCo gave rise to goodwill of \$117.2 million.

For the purpose of impairment testing, all of the Business’ recorded goodwill is allocated to AECO, one of our gas storage facilities in Alberta, Canada, as the CGU at which the goodwill is monitored for internal management purposes. We performed our annual test for goodwill impairment at March 31, 2026 and 2025, in accordance with our policy described in Note 3.

The recoverable amount for AECO as a CGU was determined based on a value in use calculation. Value in use was calculated by discounting future cash flow projections that are based on AECO’s internal forecast. AECO’s projected cash flows were estimated for a period of five years and then a terminal multiple was applied. In arriving at our forecasts, we considered past experience, economic trends, such as inflation, as well as industry and market trends.

The discount rate used in the calculation of value in use represents a weighted average cost of capital (“WACC”). The WACC is an estimate of the overall required rate of return on an investment for both debt and equity owners and serves as the basis for developing an appropriate discount rate. Determination of the WACC requires separate analysis of the cost of equity and debt and considers a risk premium based on an assessment of risks related to the projected cash flows. The discount rate used to calculate AECO’s value in use at March 31, 2026 was 11.2% (March 31, 2025 – 11.8%).

Based on our assessment of the recoverable amount of goodwill, we determined that goodwill is not impaired. A decrease of 10% in operating cashflows and an increase of 5% in the discount rate, with all other assumptions held constant, would not cause the recoverable amount of the CGU to fall below its carrying amount.

7. Debt

The Business’ debt consisted of the following:

	As at March 31,	
	2026	2025
Asset Backed Loan	\$ —	\$ —
Warwick Credit Facility	—	13.6
Revolving Credit Facility	—	—
Term Loan due 2031	<u>1,234.4</u>	<u>1,246.8</u>
Total principal amount of debt	<u>1,234.4</u>	<u>1,260.4</u>
Less:		
Portion classified as current, net	(12.2)	(25.8)
Unamortized discount and deferred financing costs	(24.9)	(26.5)
Total long-term debt, net	<u>\$ 1,197.3</u>	<u>\$ 1,208.1</u>

a) Asset Backed Loan

On October 15, 2025, the senior secured asset-backed revolving credit facility (the “Asset Backed Loan” or the “ABL Facility”) was terminated in favor of a new revolving credit agreement (see “c) Revolving Credit Facility”). Initial drawings of \$55.0 million on the new revolving credit facility, as well as cash on hand, were used to repay the then outstanding \$55.8 million (March 31, 2025 – nil) cash drawings on the Asset Backed Loan. On the same day, issued letters of credit amounting to \$37.2 million were transferred from the Asset Backed Loan to the new revolving credit facility. Issued letters of credit as of March 31, 2025 were \$32.8 million. Immediately after these transfers, the Business entered into a termination agreement with the Asset Backed Loan agent and all such obligations under that facility were discharged.

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b) Warwick Credit Facility

On October 14, 2025, the total then outstanding balance of \$9.4 million on WGS LP's revolving operating line of credit (the "Warwick Credit Facility") was repaid in full. WGS LP subsequently received a release and discharge on the Warwick Credit Facility from the lender. As of March 31, 2025, borrowings of \$13.6 million were outstanding on this credit facility at an interest rate of 5.55%.

c) Revolving Credit Facility

On October 15, 2025, concurrent with its acquisition of interests in Swan OpCo and BIF OpCo (see Note 4), Rockpoint, as lead borrower, together with Swan OpCo subsidiaries Rockpoint Gas Storage Partners LP, Rockpoint Gas Storage LLC and AECO, as borrowers, entered into a new senior secured revolving credit facility (the "Revolving Credit Facility"), which matures on October 15, 2030. Borrowings under the Revolving Credit Facility are limited to the committed capacity of \$350.0 million, net of an issued but unused letter of credit sub-limit of \$175.0 million.

The Revolving Credit Facility bears interest at a floating rate, which in the case of U.S. dollar loans, can be either in reference to the term secured overnight financing rate ("SOFR") or a base rate, and for Canadian dollar loans, can be in reference to any of the term Canadian overnight repo rate average ("CORRA"), the Canadian prime rate or daily compound CORRA, with interest accruing at the applicable benchmark plus an applicable margin determined by a pricing grid based on Rockpoint Gas Storage Partners LP's, or Rockpoint's, corporate debt rating. Customary commitment and letter of credit fees are payable under the Revolving Credit Facility.

The Revolving Credit Facility is secured on a senior basis, equal in right to the Term Loan due 2031 (as defined below), by the assets of the Company and the Business.

The Revolving Credit Facility credit agreement requires the maintenance of a ratio of consolidated total net debt to consolidated EBITDA (the "Total Net Leverage Ratio"), as defined in the aforementioned agreement, of no more than 5.00 to 1.00, tested at the end of each fiscal quarter and beginning with the quarter ended December 31, 2025. Upon the occurrence of certain events of default, our obligations under the Revolving Credit Facility credit agreement may be accelerated and the lending commitments terminated. As of March 31, 2026, Rockpoint and the Business were in compliance with all covenant requirements and there were no restrictions on our ability to borrow up to the total amount of liquidity available.

As of March 31, 2026, there were no borrowings outstanding under the Revolving Credit Facility and issued letters of credit amounted to \$31.1 million.

d) Term Loan due 2026

On August 17, 2023, Rockpoint Gas Storage Partners LP and its wholly owned subsidiary, Rockpoint Gas Storage Canada Ltd. entered into a \$450.0 million term loan (the "Term Loan due 2026"), due on August 17, 2026.

Rockpoint Gas Storage Partners LP had the option at any time to voluntarily prepay all or a part of the Term Loan due 2026 without premium or penalty, plus accrued and unpaid interest. On September 18, 2024, a portion of the proceeds from the new \$1,250.0 million Term Loan due 2031 (as defined below) were used to settle the then outstanding \$450.0 million principal amount of the Term Loan due 2026.

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e) Term Loan due 2031

On September 18, 2024, Rockpoint Gas Storage Partners LP and its wholly owned subsidiary, Rockpoint Gas Storage Canada Ltd. (the “Rockpoint Debt Parties”) entered into a senior secured term loan in the amount of \$1,250.0 million (the “Term Loan due 2031”), due on September 18, 2031. Proceeds from the Term Loan due 2031 were \$1,237.5 million, which is net of an original issue discount of \$12.5 million. Starting March 31, 2025, we were required to make principal repayments equal to 0.25% of the original principal borrowings at the end of each fiscal quarter, which may be reduced by any other mandatory or voluntary prepayments as applicable. As of March 31, 2026, \$1,234.4 million of the principal of the Term Loan due 2031 remained outstanding (March 31, 2025 – \$1,246.8 million), which is inclusive of \$12.5 million in current amounts owing (March 31, 2025 – \$12.5 million), and exclusive of unamortized discount and deferred financing costs of \$24.9 million (March 31, 2025 – \$26.5 million). For the year ended March 31, 2026, we repaid \$12.5 million towards the principal balance of the Term Loan due 2031 (March 31, 2025 – \$3.1 million).

Term Loan due 2031 borrowings are in the form of either SOFR loans and/or base rate loans. At the loan’s inception, SOFR loans bore interest equal to the SOFR plus 3.50% and base rate loans bore interest at the bank’s applicable base rate plus 2.50%. Effective March 19, 2025, as permitted under the Term Loan due 2031, the Business and its creditors amended the agreement governing the Term Loan due 2031 (the “Term Loan Credit Agreement”) to reduce the interest rate for SOFR loans to the SOFR plus 3.00% and the interest rate for base rate loans to the bank’s applicable base rate plus 2.00%. Effective October 29, 2025, as permitted under the Term Loan Credit Agreement, the Business and its creditors repriced the Term Loan due 2031 to further reduce the interest rate for SOFR loans to SOFR plus 2.50% and the interest rate for base rate loans to the bank’s applicable base rate plus 1.50%. In addition, Rockpoint became the lead borrower and a guarantor on the Term Loan due 2031. All amounts borrowed continue to be owed by the Rockpoint Debt Parties. Subsequent to March 31, 2026, the Term Loan due 2031 was again repriced (see Note 24 for more information).

As of March 31, 2026, before considering associated hedges, the Term Loan due 2031 bore a weighted average interest rate of 6.20% (March 31, 2025 – 7.30%). In order to reduce our exposure to variable SOFR interest rates, we entered into new interest rate swap contracts during the year ended March 31, 2026 (see Note 17 for more information).

Commencing with the fiscal year ended March 31, 2026, the Term Loan due 2031 requires the calculation, on a trailing twelve-month basis, of an excess cash flow prepayment amount (“ECF Prepayment Amount”). The amount is dependent on the outstanding principal borrowings of first lien debt, net of unrestricted cash, to Consolidated EBITDA as defined in the Term Loan Credit Agreement (the “First Lien Net Leverage Ratio”). On October 29, 2025, we entered into amendments to the Term Loan due 2031 that changed the excess cash flow prepayment conditions. Previously, if the first lien net leverage ratio was greater than 4.50 to 1.00 for a fiscal year, we were required, subject to certain other conditions, to prepay the Term Loan due 2031 with 75.0% of the excess cash flow above the greater of \$63.1 million or 25.0% of Consolidated EBITDA as defined in the Term Loan Credit Agreement, with steps down to 50.0%, 25.0% and 0.0% of the excess cash flow if the First Lien Net Leverage Ratio was less than or equal to 4.50, 4.00 and 3.50 to 1.00, respectively, for such fiscal year. The amendments change the conditions such that if the First Lien Net Leverage ratio is greater than 4.50 to 1.00 for a fiscal year, we are required, subject to certain other conditions, to prepay the Term Loan due 2031 with 50.0% of the excess cash flow above the greater of \$63.1 million or 25.0% of Consolidated EBITDA as defined in the Term Loan Credit Agreement, with steps down to 25.0% and 0.0% of the excess cash flow if the First Lien Net Leverage Ratio is less than or equal to 4.50 and 4.00 to 1.00, respectively. This change is not anticipated to have a material impact on cash flows related to the Term Loan due 2031 but provides more flexibility to the Business in managing its capital structure. The required ECF Prepayment Amount may be reduced by certain principal payments made during the applicable fiscal year. As of March 31, 2026, no excess cash flow payments were required.

The Business may make restricted payments, including distributions to owners and repayments of related party debt, to the extent allowable under the applicable negative covenants in the Term Loan Credit Agreement.

The Term Loan Credit Agreement requires the maintenance of a ratio of Consolidated EBITDA, as defined in the Term Loan Credit Agreement, to the sum of certain interest charges and scheduled principal payments, (the “Debt Service Coverage Ratio”) of at least 1.10 to 1.00, tested quarterly.

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As of March 31, 2026, Rockpoint and the Business were in compliance with all covenant requirements under the Term Loan due 2031.

The Term Loan due 2031 is secured on a senior basis, equal in right to the Revolving Credit Facility, by the assets of the Company and the Business.

8. Right of Use Assets and Lease Liabilities

The substantial majority of the Business' leases are for land and storage formations used in our gas storage operations. We also lease office space for use as our head office and natural gas marketing activities. As of March 31, 2026, remaining defined lease terms ranged from 1 - 77 years (March 31, 2025 - 2 - 78 years), with a weighted average remaining term of approximately 27 years (March 31, 2025 - 28 years). Included in this lease portfolio are subsurface storage leases, which have remaining terms ranging from 23 - 26 years (March 31, 2025 - 24 - 30 years) and a weighted average remaining term of 24 years (March 31, 2025 - 26 years). The weighted average incremental borrowing rate applicable to our leases is 10% (March 31, 2025 - 10%).

As at March 31, 2026, ROU assets within property, plant and equipment totaled \$88.5 million (March 31, 2025 - \$83.9 million). The following table reconciles the Business' ROU assets by class:

	Land and storage formations	Facilities and other	Total
Net carrying amount, April 1, 2025	\$ 82.7	\$ 1.2	\$ 83.9
Lease additions	0.1	—	0.1
Lease terminations	(0.1)	—	(0.1)
Depreciation expense	(3.4)	(0.5)	(3.9)
Lease remeasurements and modifications	8.4	—	8.4
Foreign currency translation adjustment	0.1	—	0.1
Net carrying amount, March 31, 2026	<u>\$ 87.8</u>	<u>\$ 0.7</u>	<u>\$ 88.5</u>

	Land and storage formations	Facilities and other	Total
Net carrying amount, April 1, 2024	\$ 85.0	\$ 1.7	\$ 86.7
Lease additions	1.2	0.1	1.3
Depreciation expense	(3.2)	(0.5)	(3.7)
Lease remeasurements and modifications	—	(0.1)	(0.1)
Foreign currency translation adjustment	(0.3)	—	(0.3)
Net carrying amount, March 31, 2025	<u>\$ 82.7</u>	<u>\$ 1.2</u>	<u>\$ 83.9</u>

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The Business' lease liabilities consist of the following:

	As at March 31,	
	2026	2025
Opening lease liabilities	\$ 108.8	\$ 106.8
Lease interest expense	10.0	10.6
Principal repayments	(17.7)	(0.8)
Interest payments	(10.2)	(8.5)
Foreign exchange and other	0.1	(0.1)
Lease additions, remeasurements and modifications	8.5	0.8
Total lease liabilities	<u>99.5</u>	<u>108.8</u>
Less:		
Portion classified as current	(8.6)	(9.1)
Long-term lease liabilities	<u>\$ 90.9</u>	<u>\$ 99.7</u>

Lease expenses recognized as related to variable leases, included in operating expenses on the combined consolidated statements of net earnings and comprehensive earnings totaled \$7.7 million for the year ended March 31, 2026 (March 31, 2025 – \$6.5 million), while expenses related to short-term and low-value leases were negligible for both years.

The undiscounted estimated future cash outflows in each fiscal year relating to lease liabilities are as follows:

For the fiscal years ending:	Lease Payments
2027	\$ 8.9
2028	8.6
2029	8.7
2030	9.0
2031	9.3
2032 and thereafter	302.8
Total	<u>\$ 347.3</u>

See Note 17 and Note 23 for additional information.

9. Trade Payables and Accrued Liabilities

The Business' trade payables and accrued liabilities consisted of the following:

	As at March 31,	
	2026	2025
Trade payables	\$ 1.4	\$ 2.7
Accrued gas purchases	20.6	27.7
Accrued interest	1.0	1.0
Employee-related accruals	7.6	10.3
Current income taxes payable	5.4	—
Other accrued liabilities, affiliated	0.2	0.3
Other accrued liabilities, non-affiliated	9.4	17.5
Total	<u>\$ 45.6</u>	<u>\$ 59.5</u>

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10. Gas Storage Obligations

As of March 31, 2026, WGS LP had obligations to deliver 8.0 Bcf of natural gas starting in fiscal year 2027 through fiscal year 2030 (March 31, 2025 – 8.0 Bcf from fiscal year 2027 to fiscal year 2028). These gas storage obligations are hybrid financial instruments measured at fair value through profit or loss using the AECO forward pricing curve, which is the expected future price of natural gas at the AECO Hub™, as determined by market participants, and then discounted using our estimated borrowing rate for a similar liability, which is 5.90% as of March 31, 2026 (March 31, 2025 – 6.95%). WGS LP has a practice of moving the delivery dates into the future through use of storage agreements with counterparties that offset delivery dates specified in previous agreements.

The following table reconciles WSG LP's gas storage obligations:

	As at March 31,	
	2026	2025
Balance, beginning of year	\$ 17.4	\$ 19.6
Unrealized gain on gas storage obligations	(4.5)	(1.3)
Foreign currency translation adjustment	0.6	(0.9)
Total gas storage obligations	13.5	17.4
Less:		
Portion classified as current	(0.2)	—
Long-term gas storage obligations	\$ 13.3	\$ 17.4

11. Decommissioning Obligations

The Business' decommissioning obligations relate to the plugging and abandonment of its storage facilities and wells at the end of their estimated useful economic lives. At March 31, 2026, the estimated undiscounted cash flows required to settle our decommissioning obligations were approximately \$253.4 million (March 31, 2025 – \$258.2 million), calculated using an inflation rate of between 2-2.5% per year in the short term and 2% per year thereafter (March 31, 2025 – 2.5% per year in the short term and 2% per year thereafter). The estimated liability at March 31, 2026 was \$6.4 million after discounting the estimated cash flows at a rate of 7.3% per year (March 31, 2025 – \$5.2 million at 8.2% per year). At March 31, 2026, the expected timing of payment for settlement of the obligations was 54 years (March 31, 2025 – 55 years) aside from certain short-term well and other abandonments. The decrease in estimated undiscounted cash flows at March 31, 2026 compared to the prior year was caused primarily by lower abandonment cost estimates at our Canadian facilities in the current year, which were partially offset by changes in foreign exchange rates used at each period end.

	As at March 31,	
	2026	2025
Balance, beginning of the year	\$ 5.2	\$ 6.8
Accretion	0.4	0.6
Changes in estimate	0.9	(0.1)
Additions	—	0.1
Settlements	(0.1)	(2.0)
Foreign currency translation adjustments	—	(0.2)
Total decommissioning obligations	6.4	5.2
Less:		
Portion classified as current	—	(0.2)
Balance, end of the year	\$ 6.4	\$ 5.0

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12. Share Capital

Capital contributions

Capital contributions represent the sum of the individual share capital of the combined companies comprising the Business, which, as of March 31, 2026, are indirectly owned by Brookfield and its institutional partners and Rockpoint.

13. Revenues and Contract Assets and Liabilities

The following table summarizes the Business' Fee-for-Service revenue earned from contracts with customers, by geographic area:

	Fiscal Years Ended March 31,	
	2026	2025
Take-or-Pay contract revenue		
U.S.	\$ 204.9	\$ 163.3
Canada	28.7	21.7
Short-term Storage service revenue		
U.S.	60.3	77.7
Canada	94.6	104.1
Total Fee-for-Service revenue from contracts with customers	<u>\$ 388.5</u>	<u>\$ 366.8</u>

Optimization, net consists of the following:

	Fiscal Years Ended March 31,	
	2026	2025
Retail realized optimization	\$ 9.8	\$ 16.7
Storage realized optimization	69.0	39.9
Realized optimization, net	<u>78.8</u>	<u>56.6</u>
Retail unrealized optimization gains (losses)	1.9	(3.5)
Storage unrealized optimization gains (losses)	10.2	(4.6)
Unrealized optimization gains (losses), net	<u>12.1</u>	<u>(8.1)</u>
	<u>\$ 90.9</u>	<u>\$ 48.5</u>

As at March 31, 2026, the balance of trade and accrued receivables included \$33.7 million (March 31, 2025 – \$36.9 million) related to Take-or-Pay and Short-term Storage service contracts with customers. In accordance with industry practice, the Business normally collects its contractual receivables on the 25th day following the month in which the revenue was earned.

As at March 31, 2026, we recorded deferred revenue of \$0.1 million (March 31, 2025 – \$1.2 million) related to Fee-for-Service contracts with customers.

The Business' inventory is valued at the lower of weighted average cost or net realizable value. During the years ended March 31, 2026 and 2025, there were no adjustments recorded to inventory.

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14. Expenses

Operating expenses consist of the following:

	Fiscal Years Ended March 31,	
	2026	2025
Fuel and electricity	\$ 10.5	\$ 11.0
Salaries and benefits	10.5	9.9
Property taxes	9.0	7.6
Land rental costs	7.7	6.5
Maintenance	7.2	6.7
General operating costs	6.1	7.7
Unrealized electricity contracts	(0.2)	0.1
Total operating	\$ 50.8	\$ 49.5

For the year ended March 31, 2026, fuel and electricity contains a \$0.2 million loss (March 31, 2025 – \$0.6 million loss) from realized portions of electricity contracts (see Notes 18 and 21).

General and administrative expenses consist of the following:

	Fiscal Years Ended March 31,	
	2026	2025
Compensation costs	\$ 14.5	\$ 17.3
General costs, including office and IT costs	2.7	2.4
Legal, audit, consulting and regulatory costs	5.0	4.5
Total general and administrative	\$ 22.2	\$ 24.2

15. Financing Costs

Financing costs consist of the following:

	Fiscal Years Ended March 31,	
	2026	2025
Term loan interest	\$ 86.0	\$ 74.4
Revolving credit facility interest	3.8	4.1
Deferred financing costs	7.3	6.8
Interest on affiliated loans	—	8.6
Interest on lease obligations	10.0	10.6
Other interest income	(2.4)	(4.7)
Realized gains on interest rate swaps	(6.7)	(3.8)
Unrealized gains on interest rate swaps	(8.2)	(2.9)
Total finance costs	\$ 89.8	\$ 93.1

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16. Income Taxes

Total income tax expense (benefit) differed from the amounts computed by applying the tax rate to net earnings before income taxes as a result of the following:

	Fiscal Years Ended March 31,	
	2026	2025
Earnings before income taxes	\$ 223.5	\$ 198.8
Blended applicable tax rate	21.0%	21.1%
Expected tax expense	46.9	41.9
Deferred gain on debt	—	(24.5)
Earnings of non-taxable entities	(32.4)	(29.8)
Canadian statutory tax rate differences	1.4	1.2
Change in Canadian statutory tax rates	—	—
Adjustments and assessments	0.7	0.5
Non-taxable income	—	0.1
Income tax expense (benefit)	\$ 16.6	\$ (10.6)

Other comprehensive income for the year ended March 31, 2026 of \$1.0 million (March 31, 2025 – \$1.8 million loss) relates to foreign currency translation adjustments that are non-taxable.

As of March 31, 2026 and 2025, the Business' Canadian subsidiaries had accumulated non-capital losses of \$10.5 and \$46.6 million, respectively, that can be carried forward and applied against future taxable income. These non-capital losses have resulted in deferred income tax assets of \$3.2 million and \$10.6 million as of March 31, 2026 and 2025, respectively. Of the total tax assets related to losses as of March 31, 2026 of \$3.2 million, \$0.5 million will expire at the end of 2034 with the remaining expiring thereafter.

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Deferred income tax assets and liabilities reflect the tax effect of differences between the basis of assets and liabilities for book and tax purposes. The tax effect of temporary differences that give rise to significant components of the deferred income tax liabilities and assets are presented below:

	As at March 31, 2026	Deferred income tax recognized on the statement of net earnings	Deferred income tax recognized in the balance sheet	As at April 1, 2025
Deferred income tax assets:				
Non-capital loss carry forwards	\$ 3.2	\$ (7.4)	\$ —	\$ 10.6
Risk management liabilities	—	(9.0)	—	9.0
Property, plant and equipment	—	(1.1)	—	1.1
Other	4.7	(1.0)	4.5	1.2
	<u>7.9</u>	<u>(18.5)</u>	<u>4.5</u>	<u>21.9</u>
Valuation allowance	(0.1)	0.2	—	(0.3)
Total deferred income tax assets	<u>\$ 7.8</u>	<u>\$ (18.3)</u>	<u>\$ 4.5</u>	<u>\$ 21.6</u>
Deferred income tax liabilities:				
Property, plant and equipment	\$ 86.1	\$ (3.2)	\$ 13.4	\$ 75.9
Risk management assets	6.0	(4.3)	—	10.3
Deferred financing costs	—	(0.1)	—	0.1
Other	0.1	(0.2)	—	0.3
Total deferred income tax liabilities	<u>92.2</u>	<u>(7.8)</u>	<u>13.4</u>	<u>86.6</u>
Net deferred income tax liability	<u>\$ 84.4</u>	<u>\$ 10.5</u>	<u>\$ 8.9</u>	<u>\$ 65.0</u>
	As at March 31, 2025	Deferred income tax recognized on the statement of net earnings	Deferred income tax recognized in the balance sheet	As at April 1, 2024
Deferred income tax assets:				
Non-capital loss carry forwards	\$ 10.6	\$ (16.1)	\$ —	\$ 26.7
Risk management liabilities	9.0	(5.0)	—	14.0
Property, plant and equipment	1.1	—	—	1.1
Deferred financing costs	—	(0.1)	—	0.1
Other	1.2	(0.3)	—	1.5
	<u>21.9</u>	<u>(21.5)</u>	<u>—</u>	<u>43.4</u>
Valuation allowance	(0.3)	(0.3)	—	—
Total deferred income tax assets	<u>\$ 21.6</u>	<u>\$ (21.8)</u>	<u>\$ —</u>	<u>\$ 43.4</u>
Deferred income tax liabilities:				
Property, plant and equipment	\$ 75.9	\$ (2.5)	\$ —	\$ 78.4
Risk management assets	10.3	(6.0)	—	16.3
Deferred gain on debt	—	(24.5)	—	24.5
Deferred financing costs	0.1	0.1	—	—
Other	0.3	(0.1)	—	0.4
Total deferred income tax liabilities	<u>86.6</u>	<u>(33.0)</u>	<u>—</u>	<u>119.6</u>
Net deferred income tax liability	<u>\$ 65.0</u>	<u>\$ (11.2)</u>	<u>\$ —</u>	<u>\$ 76.2</u>

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The Business engages in ongoing discussions with tax authorities regarding the resolution of tax matters in various jurisdictions. Both the outcome of these tax matters and the timing of the resolution and/or closure of the tax audits are highly uncertain. The Business is subject to income tax examinations for the fiscal years ended 2019 through 2025 in most jurisdictions in which it operates.

17. Risk Management Activities and Financial Instruments

Risk Management Overview

The Business has exposure to commodity price, environmental compliance price, counterparty credit, interest rate, liquidity and foreign currency risk. Risk management activities are tailored to the risk they are designed to mitigate.

a. Commodity Price Risk

As a result of our natural gas inventory and any future requirements to purchase cushion gas, the Business is exposed to risks associated with changes in price when buying and selling natural gas across future time periods. To manage these risks and reduce the variability of cash flows, the Business utilizes a combination of financial and physical derivative contracts, including forwards, futures and swap contracts. The use of these contracts is subject to our risk management policies. These contracts have not been treated as hedges for financial reporting purposes and therefore changes in fair value are recorded directly in the statement of net earnings (see Note 18).

Forward contracts and futures contracts are agreements to purchase or sell a specific financial instrument or quantity of natural gas at a specified price and date in the future. We enter into forward contracts and futures contracts to mitigate the impact of changes in natural gas prices. In addition to cash settlement, exchange traded futures may also be settled by the physical delivery of natural gas. Swap contracts are agreements between two parties to exchange streams of payments over time according to specified terms. Swap contracts require receipt of payment for the notional quantity of the commodity based on the difference between a fixed price and the market price on the settlement date. We enter into commodity swaps to mitigate the impact of changes in natural gas prices.

To limit our exposure to changes in natural gas prices, we enter into purchases and sales of natural gas inventory and concurrently match the volumes in these transactions with offsetting derivative contracts. The Business is required to limit its exposure to unmatched volumes of proprietary current natural gas inventory to comply with its internal risk management policies. Based on the volumes hedged as of March 31, 2026, a \$1.00 increase or decrease in the price of natural gas would ultimately result in a change in net earnings of approximately \$1.1 million due to unmatched volumes of inventory hedged (March 31, 2025 – no change).

As of March 31, 2026 and 2025, the volumes of inventories that were economically hedged using each type of contract were (in million decatherms):

	As at March 31,	
	2026	2025
Forwards	2.0	0.2
Futures	24.0	12.2
	26.0	12.4

The Business uses electricity to run compressors used to inject and withdraw natural gas and is exposed to risks associated with changes in the price of electricity. To manage these risks and reduce the variability of cash flows, we utilize swap contracts. These contracts have not been treated as hedges for financial reporting purposes and therefore changes in fair value are recorded directly in the statement of net earnings (see Note 18).

At March 31, 2026, future electricity consumption of 47,100 megawatt hours (“MWh”) for the following 12 months (March 31, 2025 – 94,201 MWh for the following 24 months) was fully offset with swap contracts at a weighted average hedged price of \$34.60/MWh (March 31, 2025 – \$33.78/MWh).

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b. Price Risk Associated with Compliance with Environmental Regulations

Two of the Business' operating facilities, the Lodi and Wild Goose storage facilities, are located in California. In 2006, California adopted AB 32, the Global Warming Solutions Act of 2006, which requires the state to reduce anthropogenic greenhouse gas (“GHG”) emissions by 85% below 1990 levels and achieve carbon neutrality by 2045. It also established a mandatory emissions reporting program. AB 32 is implemented by the California Air Resources Board (“CARB”). The CARB approved a GHG cap-and-invest program in December 2010, which took effect in 2012.

Under the program, entities are subject to compliance obligations if they exceed certain CARB-defined emission thresholds. During each year of the program, the CARB issues emission allowances (i.e., the rights to emit GHGs) equal to the amount of GHG emissions allowed for that year. Emitters can obtain allowances from the CARB at quarterly auctions or from third parties or exchanges. Emitters may also satisfy a portion of their compliance obligation through the purchase of offset credits; e.g., credits for GHG reductions achieved by third parties (such as landowners, livestock owners, and farmers) that occur outside the industry sectors covered under the cap through CARB-qualified offset projects such as reforestation or biomass projects. The Business exceeded its allowable emissions threshold for its Wild Goose facility during fiscal 2016 and as such is subject to ongoing compliance obligations whereby it must purchase allowances or offset credits. As of March 31, 2026, we had \$0.1 million worth of prepaid emission allowances and offset credits and thus were not exposed to risks associated with changes in the price of credits for GHG reductions for past emissions (March 31, 2025 – \$0.2 million prepaid emission allowances and offset credits).

c. Counterparty Credit Risk

The Business is exposed to counterparty credit risk on its trade and accrued accounts receivables and risk management assets. Counterparty credit risk is the risk of financial loss to us if a customer fails to perform its contractual obligations. We engage in transactions for the purchase and sale of products and services primarily with major companies in the energy industry and with industrial, commercial, residential and municipal energy consumers.

The Business analyzes the financial condition of storage and significant retail counterparties prior to entering into an agreement. Credit limits are established and monitored on an ongoing basis. Management believes, based on its credit policies, that our financial position, results of operations and cash flows will not be materially affected as a result of non-performance by any single counterparty. Credit risk is assessed prior to transacting with any counterparty and each storage or significant retail counterparty is required to maintain an investment grade rating, provide a parental guarantee from an investment grade parent, or provide an alternative method of financial assurance (letter of credit, cash, etc.) to support proposed transactions. In addition, our contracts contain provisions that permit us to take title to a customer’s inventory should the customer’s account remain unpaid for an extended period of time. For the fiscal year ended March 31, 2026, four customers made up 18%, 13%, 11% and 10% each of total Fee-for-Service revenue (March 31, 2025 – two customers, 18% and 15% each). Physical gas sales included within optimization, net were completed primarily through a fully collateralized physical natural gas clearing and settlement facility that requires counterparties to post margin deposits equal to 125% of their net position, which reduces the risk of default.

As at March 31, 2026 and 2025, the Business had no allowances for doubtful accounts recorded and incurred bad debts expense of \$0.1 million in each year.

Included in the fair value of energy contracts at March 31, 2026 are one to five-year contracts to sell natural gas to customers in retail markets. We recorded a reduction in the fair value of these contracts of \$1.2 million at March 31, 2026 (March 31, 2025 – \$0.7 million), representing an estimate of the expected credit exposure from these counterparties over their contractual lives.

Exchange traded futures comprise approximately 25% of our commodity risk management assets at March 31, 2026 (March 31, 2025 – 41%). Exchange traded contracts have minimal credit exposure as the exchanges guarantee that contracts are margined on a daily basis. In the event of any default, our account on the exchange would be absorbed by other clearing members. Because every member posts an initial margin, the exchange can protect the exchange members if or when a clearing member defaults.

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d. Interest Rate Risk

The Business assesses interest rate risk by continually identifying and monitoring changes in interest rate exposures that may adversely impact expected future cash flows. The Term Loan due 2031 and Revolving Credit Facility are exposed to variable interest rate risks at March 31, 2026.

To limit its exposure to variable SOFR interest rates related to its Term Loan due 2031, the Business entered into new interest rate swap contracts on October 24, 2025 that are based on an index of three-month SOFR loans and replaced the previous interest rate swaps, which as of March 2025, locked in a blended 3.66% SOFR interest rate, effectively a 6.66% all-in rate, and hedged \$900.0 million of principal until September 2026. The new contracts locked in a blended 3.40% SOFR interest rate and a 5.90% all-in rate for SOFR-denominated loans on the remaining projected principal borrowings, estimated as the principal balance outstanding as of the date of the revised hedging transactions less mandatory principal repayments over the term of the loan. All future borrowings are projected to be drawn using three-month SOFR terms. The interest rate swap contracts represent derivative products and have been accounted for at fair value through profit and loss (see Note 18).

As the Business' use of interest rate swaps is tied directly to interest paid on the Term Loan due 2031, an increase or decrease in interest rates will not have a material impact on the Business' cash flows because any losses or gains on our interest rate swaps will be offset in equal proportion by interest paid on the Term Loan due 2031. However, while the value-at-risk due to our interest rate swaps is minimal, our net income may be impacted by changes in interest rates because changes in the fair value of interest rate swaps are recorded directly to net income as unrealized gains or losses within financing costs, while our Term Loan due 2031 is accounted for at amortized cost. As a result, a 50-basis point increase in interest rates as of March 31, 2026 would have had an impact, adjusted through unrealized gains or losses within financing costs, on our net income of \$28.4 million (March 31, 2025 - \$5.9 million).

Interest rate risk on the Revolving Credit Facility (and formerly the Asset Backed Loan and Warwick Credit Facility, which were terminated in October 2025 – see Note 7), varies depending on drawings outstanding at a point in time. The Business minimizes its exposure to variable interest rates by ensuring excess available cash is applied to reduce revolver drawings in a timely manner and by using lower cost letters of credit, when possible, rather than drawing cash. As there were no balances outstanding on the Revolving Credit Facility as of March 31, 2026 and no balances outstanding on the Asset Backed Loan as of March 31, 2025, we were not exposed to interest rate risk as of those dates.

e. Liquidity Risk

Liquidity risk is the risk that the Business will not be able to meet its financial obligations as they become due. Our approach to managing liquidity risk is to contract a substantial part of our facilities to generate constant cash flow and to ensure that we always have sufficient cash and credit facilities to meet our obligations when due, under both normal and stressed conditions, without incurring unacceptable losses or damage to its reputation. See Note 7 for details of the Business' debt.

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The following table summarizes by period the undiscounted payments due for our estimated contractual obligations as of March 31, 2026:

	Notes	Payment due by period				
		Total	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
Debt obligations	7	\$ 1,234.4	\$ 12.5	\$ 25.0	\$ 25.0	\$ 1,171.9
Interest on debt obligations		393.8	73.8	145.2	142.0	32.8
Lease obligations	8	347.3	8.9	17.3	18.3	302.8
Gas storage obligations	10	17.1	0.2	2.3	14.6	—
Decommissioning obligations	11	253.4	—	0.7	—	252.7
Purchase obligations ⁽¹⁾	22	110.4	83.4	27.0	—	—
Other ⁽²⁾		72.2	56.2	14.4	1.6	—
Total		\$ 2,428.6	\$ 235.0	\$ 231.9	\$ 201.5	\$ 1,760.2

Notes:

- Our Business economically hedges substantially all of its natural gas purchases with forward sales obligations.
- Other includes trade payables and accrued liabilities not included in separate categories above, committed costs of gas storage services, compensation obligations and firm storage transportation costs.

f. Foreign Currency Risk

Foreign currency risk is created by fluctuations in foreign exchange rates. As the Business' Canadian operations and subsidiaries conduct a portion of their activities in Canadian dollars, earnings and cash flows are subject to currency fluctuations. The performance of the Canadian dollar relative to the U.S. dollar could positively or negatively affect earnings. We are exposed to cash flow risk to the extent that Canadian currency outflows do not match inflows. We periodically enter into currency swaps to mitigate the impact of changes in foreign exchange rates. The net notional value of currency swaps as at March 31, 2026 was \$26.0 million (March 31, 2025 – \$12.5 million). These contracts expire on various dates between April and July 2026. We did not elect hedge accounting treatment, therefore, changes in fair value are recorded directly into earnings (see Note 18).

The following table demonstrates the sensitivity to changes in exchange rates, with all other variables held constant, of financial instruments denominated in CAD dollars and of net earnings and other comprehensive income at the end of the reporting period:

	Fiscal Years Ended March 31,	
	2026	2025
CAD - 10% increase	\$ (5.8)	\$ 3.8
CAD - 10% increase (other comprehensive income)	3.6	3.1

g. Capital Management

The Business' objectives when managing its capital structure are to maintain financial flexibility so as to preserve our ability to meet our financial obligations and to fund distributions and growth capital projects.

We manage our capital structure and make adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. The Business considers its capital structure as owners capital, interest-bearing debt, including the Revolving Credit Facility and Term Loan due 2031, lease liabilities, and working capital (see Notes 7, 8, 23). To maintain or adjust the capital structure, we may modify distributions to owners, refinance debt, or issue new debt.

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Financing decisions are made by management based on forecasts of the expected timing and level of capital and operating expenditure required to meet commitments and development plans. Factors considered when determining whether to issue new debt or to modify distributions include the amount of financing required, the availability of financial resources, the terms on which financing is available and consideration of the balance between shareholder value creation and prudent financial risk management. The Business has complied with all externally imposed capital requirements as at March 31, 2026 (see Note 7).

18. Fair Value Measurements

The following table shows the fair values of the Business' risk management assets and liabilities:

	Energy Contracts	Currency Contracts	Interest Rate Contracts	Total
Balance, March 31, 2026				
Short-term risk management assets	\$ 24.0	\$ 0.5	\$ 3.1	\$ 27.6
Long-term risk management assets	11.2	—	8.0	19.2
Short-term risk management liabilities	(13.0)	—	—	(13.0)
Long-term risk management liabilities	(4.1)	—	—	(4.1)
	<u>\$ 18.1</u>	<u>\$ 0.5</u>	<u>\$ 11.1</u>	<u>\$ 29.7</u>
	Energy Contracts	Currency Contracts	Interest Rate Contracts	Total
Balance, March 31, 2025				
Short-term risk management assets	\$ 15.6	\$ 0.1	\$ 3.8	\$ 19.5
Long-term risk management assets	9.3	—	—	9.3
Short-term risk management liabilities	(13.8)	—	(0.1)	(13.9)
Long-term risk management liabilities	(4.9)	—	(0.8)	(5.7)
	<u>\$ 6.2</u>	<u>\$ 0.1</u>	<u>\$ 2.9</u>	<u>\$ 9.2</u>

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Information about the Business' risk management assets and liabilities that had netting or rights of offset arrangements are as follows:

Balance, March 31, 2026	Gross Amounts Recognized	Gross Amounts Offset in the Statement of Financial Position	Net Amounts Presented in the Statement of Financial Position	Margin Deposits not Offset in the Statement of Financial Position	Net Amounts
Assets					
Commodity derivatives	\$ 64.2	\$ (29.0)	\$ 35.2	\$ (7.9)	\$ 27.3
Currency derivatives	0.5	—	0.5	—	0.5
Interest rate swaps	11.1	—	11.1	—	11.1
Total assets	<u>75.8</u>	<u>(29.0)</u>	<u>46.8</u>	<u>(7.9)</u>	<u>38.9</u>
Liabilities					
Commodity derivatives	46.2	(29.1)	17.1	(6.0)	11.1
Total liabilities	<u>46.2</u>	<u>(29.1)</u>	<u>17.1</u>	<u>(6.0)</u>	<u>11.1</u>
Net	<u>\$ 29.6</u>	<u>\$ 0.1</u>	<u>\$ 29.7</u>	<u>\$ (1.9)</u>	<u>\$ 27.8</u>

Balance, March 31, 2025	Gross Amounts Recognized	Gross Amounts Offset in the Statement of Financial Position	Net Amounts Presented in the Statement of Financial Position	Margin Deposits not Offset in the Statement of Financial Position	Net Amounts
Assets					
Commodity derivatives	\$ 67.6	\$ (42.7)	\$ 24.9	\$ (10.1)	\$ 14.8
Currency derivatives	0.1	—	0.1	—	0.1
Interest rate swaps	3.8	—	3.8	—	3.8
Total assets	<u>71.5</u>	<u>(42.7)</u>	<u>28.8</u>	<u>(10.1)</u>	<u>18.7</u>
Liabilities					
Commodity derivatives	61.4	(42.7)	18.7	(2.2)	16.5
Interest rate swaps	0.9	—	0.9	—	0.9
Total liabilities	<u>62.3</u>	<u>(42.7)</u>	<u>19.6</u>	<u>(2.2)</u>	<u>17.4</u>
Net	<u>\$ 9.2</u>	<u>\$ —</u>	<u>\$ 9.2</u>	<u>\$ (7.9)</u>	<u>\$ 1.3</u>

The following amounts represent the Business' expected realization into earnings for derivative instruments, based upon the fair value of these derivatives as of March 31, 2026:

Fiscal Year Ending March 31,	Energy Contracts	Currency Contracts	Interest Rate Contracts	Total
2027	\$ 11.0	\$ 0.5	\$ 3.1	\$ 14.6
2028	4.5	—	1.2	5.7
2029	1.5	—	0.3	1.8
2030	0.8	—	1.5	2.3
2031 and thereafter	0.3	—	5.0	5.3
Total	<u>\$ 18.1</u>	<u>\$ 0.5</u>	<u>\$ 11.1</u>	<u>\$ 29.7</u>

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Net realized and unrealized gains (losses) from the settlement of risk management contracts are summarized below as are contracts elected to be accounted for through fair value through profit and loss (“FVTPL”) and contracts that are accounted for through FVTPL on a mandatory basis:

	Fiscal Years Ended March 31,		Classification
	2026	2025	
Elected:			
Energy contracts			
Realized	\$ 13.2	\$ 37.0	Optimization, net
Unrealized	20.6	(29.2)	Optimization, net
Mandatory:			
Energy contracts			
Realized	66.1	18.5	Optimization, net
Unrealized	(8.9)	21.1	Optimization, net
Gas storage obligations			
Unrealized	4.5	1.3	Gain on gas storage obligations, net
Electricity contracts			
Realized	(0.2)	(0.6)	Operating expenses
Unrealized	0.2	(0.1)	Operating expenses
Interest rate swaps			
Realized	6.7	3.8	Financing costs
Unrealized	8.2	2.9	Financing costs
Currency contracts			
Realized	(0.5)	1.1	Optimization, net
Unrealized	0.4	—	Optimization, net
	<u>\$ 110.3</u>	<u>\$ 55.8</u>	

The carrying amount of cash and cash equivalents, margin deposits, trade and accrued receivables, trade payables and accrued liabilities and other assets reported on the combined consolidated statements of financial position approximate fair value.

The Business’ assets and liabilities that were accounted for or disclosed at fair value on a recurring and non-recurring basis are as follows:

Balance, March 31, 2026	Level 1	Level 2	Level 3	Total
Assets				
Commodity derivatives	\$ —	\$ 35.2	\$ —	\$ 35.2
Currency derivatives	—	0.5	—	0.5
Interest rate swaps	—	11.1	—	11.1
Total assets	<u>\$ —</u>	<u>\$ 46.8</u>	<u>\$ —</u>	<u>\$ 46.8</u>
Liabilities				
Commodity derivatives	\$ —	\$ 17.1	\$ —	\$ 17.1
Gas storage obligations	—	13.5	—	13.5
Short-term debt	—	12.5	—	12.5
Long-term debt	—	1,223.4	—	1,223.4
Total liabilities	<u>\$ —</u>	<u>\$ 1,266.5</u>	<u>\$ —</u>	<u>\$ 1,266.5</u>

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Balance, March 31, 2025	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets				
Commodity derivatives	\$ —	\$ 24.9	\$ —	\$ 24.9
Currency derivatives	—	0.1	—	0.1
Interest rate swaps	—	3.8	—	3.8
Total assets	<u>\$ —</u>	<u>\$ 28.8</u>	<u>\$ —</u>	<u>\$ 28.8</u>
Liabilities				
Commodity derivatives	\$ —	\$ 18.7	\$ —	\$ 18.7
Interest rate swaps	—	0.9	—	0.9
Gas storage obligations	—	17.4	—	17.4
Short-term debt	—	26.1	—	26.1
Long-term debt	—	1,229.7	—	1,229.7
Total liabilities	<u>\$ —</u>	<u>\$ 1,292.8</u>	<u>\$ —</u>	<u>\$ 1,292.8</u>

The Business' financial assets and liabilities, recorded at fair value on a recurring basis, have been categorized as Level 2. The determination of the fair value of assets and liabilities for Level 2 valuations is generally based on a market approach. The key inputs used in our valuation of our energy commodity assets and liabilities include transaction-specific details such as notional volumes, contract prices, and contract terms, as well as forward market prices and basis differentials for natural gas obtained from third-party service providers (typically the New York Mercantile Exchange, or NYMEX). In valuing our interest rate swaps, we used forward market data for three-month SOFR loans obtained from third-party service providers. The value of our foreign exchange swaps are calculated in reference to Bank of Canada published data. There were no changes in our approach to determining fair value and there were no transfers out of Level 2 during the year ended March 31, 2026.

The fair value of debt is the estimated amount the Business would have to pay to transfer its debt, including any premium or discount attributable to the difference between the stated interest rate and market rate of interest at the period-end date. To value the Term Loan due 2031, we used bid and yield information provided by a third-party financial services company. Interest rates on the Revolving Credit Facility (and prior to mid-October 2025, the Asset Backed Loan and Warwick Credit Facility - see Note 7) are variable and therefore the fair value is approximated by the principal balance outstanding.

19. Share-based Compensation and Pension Plans

Share Options

The Business, in conjunction with Rockpoint, has a share option plan for key employees. Options granted under the plan provide the holder the right to purchase common shares at the 5-day volume weighted average price of RGS1.TO Class A common shares prior to the grant date, in accordance with the plan terms. Options have a contractual life of ten years and vest 20% on each of the first five anniversaries of the grant date. All options are accounted for as equity-settled awards.

The number of share options and related weighted average exercise prices were as follows:

	Number of Options Outstanding	Weighted Average Exercise Price	Weighted Average Exercise Price C\$
Outstanding at April 1, 2025	—	\$ —	\$ —
Granted - November 13, 2025	132,844	18.47	25.75
Outstanding at March 31, 2026	<u>132,844</u>	<u>\$ 18.47</u>	<u>\$ 25.75</u>

During the year ended March 31, 2026, none of the options granted were forfeited, exercised or expired and none of the options had vested.

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At March 31, 2026, the following options were outstanding and exercisable:

Exercise price	Number of Options Outstanding	Exercisable Options	Weighted Average Remaining Life (years)
\$18.47 (C\$25.75)	132,844	—	9.6

The Business applies the fair value method of accounting for all share-based compensation awards. Stock options are recorded to general and administrative costs with an offset to equity. The impact of options on the financial statements of the Business was not significant during the year ended March 31, 2026.

Performance Share Units and Restricted Share Units

As of March 31, 2026, neither the Business nor Rockpoint had issued any PSUs or RSUs.

Defined Contribution Pension Plan

The Business sponsors defined contribution pension plans for its Canadian and U.S. eligible employees under which it contributes a set percentage of employee salaries to the plan. Employer contributions are expensed as they are earned by employees and funded on each payroll payment date by the Business. During the year ended March 31, 2026, the Business recognized \$1.1 million (March 31, 2025 – \$1.0 million) as an expense for contributions made to the plan.

20. Geographical Information

Geographic information relating to the Business' revenues and non-current assets are detailed below:

Revenues

	Fiscal Years Ended March 31,	
	2026	2025
U.S.	\$ 274.7	\$ 239.3
Canada	204.7	176.0
Total revenues	<u>\$ 479.4</u>	<u>\$ 415.3</u>

Non-current Assets

	As at March 31,	
	2026	2025
U.S.	\$ 465.8	\$ 455.0
Canada	539.5	546.8
Total non-current assets ⁽¹⁾	<u>\$ 1,005.3</u>	<u>\$ 1,001.8</u>

Note:

1. Non-current assets exclude financial instruments and post-employment benefit assets.

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21. Related Party Transactions

We are subsidiaries of Brookfield and Rockpoint. In addition to the transactions outlined in Note 4, we had transactions and related balances with entities classified as related parties as follows:

	As at March 31,	
	2026	2025
Due from affiliates (trade and accrued receivables)	\$ 3.1	\$ —
Included in due from affiliates	—	83.0
Total amounts due from related parties	\$ 3.1	\$ 83.0
Accrued electricity costs (trade payables and accrued liabilities)	\$ 0.2	\$ 0.3
	Fiscal Years Ended March 31,	
	2026	2025
Interest on affiliated loans (financing costs)	\$ —	\$ 8.6
Management fees recovery (general and administrative)	(0.6)	—
Management fees recovery (other expenses)	(1.0)	—
Electricity (operating)	2.2	2.4
	\$ 0.6	\$ 11.0

a. Promissory Note Payable

During the fiscal year ended March 31, 2025, the Business had an outstanding promissory note due to affiliates of Brookfield Infrastructure bearing interest at 8.25%. This note was scheduled to mature on October 1, 2026 (the “8.25% Promissory Note due 2026”).

On September 18, 2024, using proceeds from the Term Loan due 2031, the Business made principal and interest payments totaling \$233.5 million on the 8.25% Promissory Note due 2026, which were made in advance of the maturity date, without premium or penalty. The amounts paid consisted of the entire then outstanding principal balance of \$224.9 million and \$8.6 million in accrued interest.

b. Due from Affiliates

On March 31, 2026, the Business settled certain due from affiliates balances described below through non-cash distributions totaling \$106.3 million, comprised of \$29.3 million, \$40.0 million and \$37.0 million, with consideration provided through the distribution of the related promissory notes.

On December 30, 2025, we advanced a total of \$29.3 million to related parties, consisting of \$17.6 million to Brookfield parent entities and \$11.7 million to Rockpoint in exchange for unsecured, non-interest-bearing promissory notes that are due on demand. As these promissory notes represent non-interest bearing advances to owners, the amounts have been presented as financing cash outflows.

On October 10, 2025 and May 29, 2025, we advanced \$40.0 million and \$37.0 million, respectively, to Brookfield parent entities in exchange for unsecured, non-interest-bearing promissory notes that are due on demand. As these promissory notes represent non-interest bearing advances to owners, the amounts have been presented as financing cash outflows.

On August 31, 2025, the Business settled \$83.0 million in promissory notes receivable from Brookfield by distributing its earnings in the form of promissory notes totaling the same amount, which offset the notes. The \$83.0 million balance was outstanding as of March 31, 2025.

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On June 13, 2024 and September 18, 2024, the Business advanced cash totaling \$50.0 million and \$472.2 million, respectively, to certain Brookfield parent entities in exchange for unsecured, non-interest-bearing promissory notes that were due on demand. As the related promissory notes were part of a group of transactions related to distributions paid in each of June and September 2024, the amounts were presented as a financing cash outflows.

Certain amounts previously classified in the statements of cash flows as notes extended to related parties were reclassified to distributions to better reflect the annual nature of the related transactions.

The Business manages the Company under a shared management team with controlling interests held by Brookfield. Subsidiaries of Swan OpCo perform services for the Company for its day-to-day administration. For the year ended March 31, 2026, management fees charged by Rockpoint Gas Storage Canada Ltd. to the Company totaled \$1.6 million, all of which were receivable as of March 31, 2026. The Company and Business make use of transfer pricing studies to ensure that the management fees charged represent the best estimate of what arms-length parties would charge in similar circumstances.

The Company's treasury function is integrated with the payment system of the Business. During the year ended March 31, 2026, the Business made \$0.8 million of payments for the day-to-day expenses of the Company. All payments were made for third party costs and therefore represented market value.

During the year ended March 31, 2026, the Business paid \$0.1 million to a Brookfield affiliated entity for financing related services. The services were charged at a market rate.

During fiscal 2026, the Business paid \$0.7 million on behalf of Brookfield in connection with the sale of Brookfield's 40% economic interest in the Business, all of which was receivable as of March 31, 2026.

c. Other Related Party Transactions

The Business has market-based contracts with a related utility company for the purchase of electricity. In addition to the electricity costs noted in the table above, we have entered into contracts with this related party to manage the risk associated with changes in the price of electricity needed to operate two of our facilities. During the year ended March 31, 2026, we realized \$0.2 million of losses in operating costs from this counterparty (March 31, 2025 – \$0.6 million of losses) (see Note 18). As of March 31, 2026, we recognized \$0.2 million of accrued liabilities with this related party (March 31, 2025 – \$0.1 million of accrued liabilities).

d. Key Management Personnel and Other Compensation

Key management personnel include the Business' senior executive officers. Directors are compensated by the Company.

Compensation of key management personnel consisted of:

	Fiscal Years Ended	
	March 31,	
	2026	2025
Salaries and other short-term benefits	\$ 3.8	\$ 4.9
Long-term benefits	—	0.5
Post-employment benefits	0.1	0.1
Other compensation	42.2	—
Total compensation of key management	<u>\$ 46.1</u>	<u>\$ 5.5</u>

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In March 2026, Brookfield’s long-term incentive plan agreements (“Legacy Incentive Plans”) with certain officers, employees and former employees were amended to facilitate partial payments of amounts thereunder. The Legacy Incentive Plans were established at the inception of Brookfield’s investments in the Business. All amounts paid in respect of these plans were funded by Brookfield and any future amounts that may become due will also be funded by Brookfield, and therefore, will not impact the liquidity of the Business or the Company. In connection with this amendment to the Legacy Incentive Plans, in March 2026, aggregate payments totaling \$51.5 million were made, including amounts related to the initial public offering of the Company in October 2025 and the February 2026 Secondary Offering, and recorded to other expenses in the combined consolidated financial statements of the Business. The payments were funded by a \$51.5 million capital contribution from Brookfield during the same month. This capital contribution did not provide Brookfield with additional rights to future earnings of the Business. Any future payments related to Legacy Incentive Plans are contingent upon future sales of economic interest held in the Business by Brookfield, and therefore, no additional obligations have been recognized by the Business.

Of the \$51.5 million Legacy Incentive Plans payment made during March 2026, \$42.2 million was paid to key management personnel as shown as other compensation in the table above.

22. Commitments and Contingencies

Commitments

Purchase and sale obligations arising as a result of forward purchase and sale contracts in place at March 31, 2026 were as follows:

For the fiscal year ending:	Unconditional purchase obligations	Unconditional sales obligations	Net
2027	\$ (83.4)	\$ 112.4	\$ 29.0
2028	(21.1)	30.8	9.7
2029	(5.9)	17.3	11.4
2030	—	8.8	8.8
2031	—	2.5	2.5
2032 and thereafter	—	—	—
Total	\$ (110.4)	\$ 171.8	\$ 61.4

Purchase obligations consist of forward physical commitments related to future purchases of natural gas inventory and cushion gas. As the Business economically hedges substantially all of its natural gas purchases, there are forward sales that offset these commitments shown as “unconditional sales obligations” in the above table. Unconditional sales obligations include future sales of certain existing inventory at March 31, 2026.

As of March 31, 2026, we had \$31.1 million (March 31, 2025 – \$32.8 million) of issued and outstanding letters of credit to various counterparties to support natural gas purchase commitments.

Subordinated Credit Agreement

Under a credit agreement entered into by BIF II Finco Borrower (Bermuda) L.P., an affiliate of Brookfield Infrastructure, for an amount of up to \$175.0 million, Swan OpCo was jointly and severally liable as a guarantor for the obligations of other affiliated borrowers under the facility. No amounts were called under the guarantee and the guarantee was terminated on September 26, 2025.

See *Liquidity Risk* within Note 17 for further commitments.

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Contingencies

The Business and its subsidiaries are subject to legal and tax proceedings and actions arising in the normal course of business. While the outcome of these proceedings and actions cannot be predicted with certainty, it is the opinion of management that the resolution of such proceedings and actions will not have a material impact on our combined consolidated financial position or results of operations.

In addition, the Business has implemented Legacy Incentive Plans (see Note 21) under which a cash payment may become payable upon the occurrence of a future sale(s) by Brookfield of its economic interests in the Business or future economic interest in the Company. As at March 31, 2026, no liability has been recognized in respect to any potential sales of Brookfield's economic interest in the Business as decisions impacting the occurrence of such an event are at the discretion of Brookfield. Any such future payments, if applicable, will be funded by Brookfield.

23. Supplemental Cash Flow Disclosures

Changes in non-cash working capital include:

	Fiscal Years Ended March 31,	
	2026	2025
Margin deposits	\$ (3.6)	\$ 29.3
Trade receivables	1.1	2.6
Accrued receivables	(7.4)	(7.5)
Natural gas inventory	(20.7)	56.6
Prepaid expenses and other current assets	(4.1)	1.4
Other assets	(1.1)	(1.8)
Trade payables	(1.2)	2.5
Accrued liabilities	(7.3)	(13.1)
Accrued lease interest	(0.2)	2.2
Deferred revenue	(1.0)	(0.9)
Other long-term liabilities	(0.1)	0.2
Net changes in non-cash working capital	<u>\$ (45.6)</u>	<u>\$ 71.5</u>

Other supplemental cash flow information follows:

	Fiscal Years Ended March 31,	
	2026	2025
Interest paid in cash	\$ 90.9	\$ 90.9
Interest paid in-kind	—	8.9
Lease cash payments	34.5	12.8
Tax paid	0.4	—
Non-cash investing activities:		
Changes in working capital related to property, plant and equipment	\$ 5.5	\$ (5.6)

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24. Subsequent Events

Effective May 7, 2026, as permitted under the Term Loan Credit Agreement, the Business, along with the Company and its lenders, repriced the Term Loan due 2031 to reduce the interest rate for SOFR drawn loans from SOFR plus 2.50% to SOFR plus 2.25% and the interest rate for base rate loans from the bank's applicable base rate plus 1.50% to the bank's applicable base rate plus 1.25%. When including related interest rate hedges on SOFR drawn loans, the total hedged rate of the Term Loan due 2031 decreased from 5.90% to 5.65%. The repricing is expected to reduce the Business' annual financing costs by approximately \$3.0 million per year.