2026-27

FIRST QUARTER FINANCIAL REPORT

For the three months ended June 30, 2026

SaskPower
Powering our future®

STRATEGIC DIRECTION

Our vision

Powering Saskatchewan's energy future.

Our mission

Ensuring reliable and affordable power for our customers and the communities we serve.

Our values

Safety First. Excellence. One Team. Accountability.

Our corporate goals

- Secure and Reliable Power
- Affordability and Growth
- People and Partnerships

FINANCIAL AND OPERATING HIGHLIGHTS

FINANCIAL INDICATORS

	Three months ended June 30		
(in millions)	**2026**	2025	Change
Revenue and other income	**$ 811**	$ 721	$ 90
Expense	**936**	857	79
Net loss	**(125)**	(136)	11
Total capital expenditures	**340**	433	(93)
Cash (used in) provided by operating activities	**(86)**	87	(173)
Return on equity[1]	**(19.8%)**	(20.7%)	0.9%
	June 30 2026	March 31 2026	Change
Total net debt[2]	**$ 10,794**	$ 10,423	$ 371
Per cent debt ratio[3]	**80.2%**	78.9%	1.3%

1. Return on equity = (annualized net loss)/(average equity), where equity = (retained earnings + equity advances).
2. Total net debt is a non-GAAP financial measure calculated by deducting debt retirement funds and cash from total debt.
3. Per cent debt ratio = (total net debt)/(total capital).

OPERATING STATISTICS

	Three months ended June 30		
(GWh) [1]	**2026**	2025	Change
Saskatchewan electricity sales	**5,847**	5,671	176
Exports	**355**	156	199
Total electricity sales	**6,202**	5,827	375
Gross electricity supplied	**6,489**	6,109	380
Line losses	**(287)**	(282)	(5)
Net electricity supplied	**6,202**	5,827	375
	June 30 2026	March 31 2026	Change
Available generating capacity (net MW)[2]	**6,183**	6,191	(8)
Annual peak load (net MW)[2]	**3,609**	3,825	(216)
Customer accounts	**568,222**	567,544	678

1. One gigawatt hour (GWh) is equivalent to the energy consumed by 125 typical households in one year.
2. Megawatt (MW) is a unit of bulk power; 1,000 kilowatts. The unit generally used to describe the output of a commercial generators.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) highlights the primary factors that have an impact on the financial results and operations of Saskatchewan Power Corporation (SaskPower; the Corporation). It should be read in conjunction with the SaskPower unaudited condensed consolidated financial statements and supporting notes for the three months ended June 30, 2026. These condensed consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, *Interim Financial Reporting*. The SaskPower Audit & Finance Committee of the Board of Directors has approved the condensed consolidated financial statements.

The MD&A contains forward-looking statements based on the Corporation's estimates and assumptions concerning future results and events. Due to the risks and uncertainties inherent in any forecasted outlook, the actual results of the Corporation could differ materially from those anticipated. These risks and uncertainties include; natural gas prices; coal and hydro availability; weather; economic conditions; number of customers; supply chain; and market conditions in other jurisdictions.

FINANCIAL RESULTS

	Three months ended June 30		
(in millions)	**2026**	2025	Change
Revenue and other income			
Saskatchewan electricity sales	**$ 724**	$ 682	$ 42
Rate affordability grant	**44**	-	44
Revenue from other sources	**43**	39	4
	811	721	90
Expense			
Gross fuel and purchased power	**242**	238	4
OBPS expense	**115**	93	22
Grant funding (CETG)	**-**	(43)	43
Fuel and purchased power	**357**	288	69
Operating, maintenance and administration	**253**	256	(3)
Capital-related expenses	**326**	313	13
	936	857	79
Net loss	**$ (125)**	$ (136)	$ 11
Return on equity[1]	**(19.8%)**	(20.7%)	0.9%

1. Return on equity = (annualized net loss)/(average equity), where equity = (retained earnings + equity advances).

HIGHLIGHTS AND SUMMARY OF RESULTS

SaskPower reported a consolidated net loss of $125 million for the three months ended June 30, 2026, an improvement of $11 million from the same period in 2025. The $11 million improvement was driven by a $90 million increase in revenue and other income, substantially offset by a $79 million increase in expenses.

The $90 million increase in revenue and other income was attributable to $44 million in grant funding received from the Crown Investments Corporation (CIC) of Saskatchewan for the purpose of supporting rate affordability for customers. In addition, Saskatchewan electricity sales increased $42 million due to a 3.9% system average interim rate increase which was implemented effective February 1, 2026, and a 3.1% increase in sales volumes. Other revenue also increased $4 million driven by higher export sales volumes to Alberta, the Midcontinent Independent System Operator and the Southwest Power Pool.

The $79 million increase in total expense was mainly attributable to a $69 million increase in fuel and purchased power costs. Gross fuel and purchased power costs increased $4 million due to higher generation volumes and contracted coal prices, partially offset by increased hydro generation. In addition, the Output-Based Performance Standards (OBPS) expense increased $22 million as a result of the federal carbon tax rate increasing to $110/tonne of carbon dioxide equivalent (CO_2e), effective January 1, 2026, and lower allowable emission thresholds. Lastly, no Clean Electricity Transition Grant (CETG) funding was received for the three months ended June 30, 2026, compared to the $43 million received in the same period in 2025.

The increase in total expense was further driven by a $13 million increase in capital-related expenses — depreciation, finance charges, taxes and other expenses — as a result of our capital program. These combined increases were slightly offset by a $3 million decrease in operating, maintenance and administration expense primarily due to the timing of maintenance overhaul activities at our generation facilities.

SASKATCHEWAN ELECTRICITY SALES

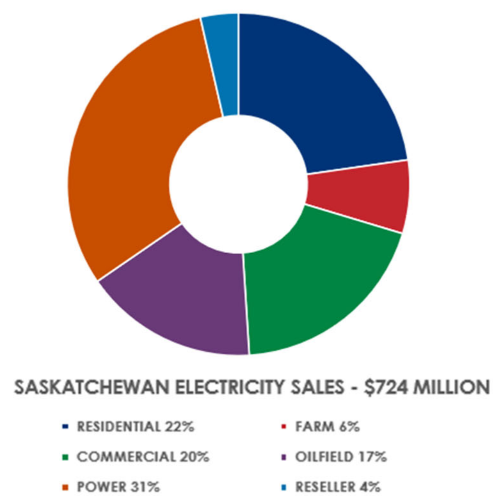
Saskatchewan electricity sales represent the sale of electricity to all customer classes within the province. These sales are subject to the effects of general economic conditions, number of customers, weather, and electricity rates.

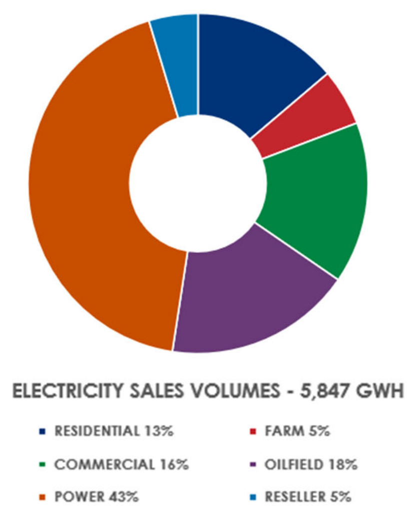
	Three months ended June 30		
(in millions)	**2026**	2025	Change
Residential	**$ 161**	$ 152	$ 9
Farm	**47**	44	3
Commercial	**143**	133	10
Oilfield	**120**	116	4
Power	**227**	212	15
Reseller	**26**	25	1
Saskatchewan electricity sales	**$ 724**	$ 682	$ 42

	Three months ended June 30		
(in GWh)	**2026**	2025	Change
Residential	**778**	760	18
Farm	**290**	285	5
Commercial	**917**	879	38
Oilfield	**1,054**	1,054	-
Power	**2,540**	2,426	114
Reseller	**268**	267	1
Electricity sales volumes	**5,847**	5,671	176

Saskatchewan electricity sales were $724 million, up $42 million from the same period in 2025 due to a 3.9% system average interim rate increase which was implemented effective February 1, 2026, and higher sales volumes.

Electricity sales volumes to Saskatchewan customers were 5,847 GWh, up 176 GWh or 3.1% from the same period in 2025. Consumption in the power customer class was up 114 GWh compared to the prior year driven primarily by increased activities in the pipeline, potash, pulp and paper sectors. The Corporation also experienced a higher demand from residential, farm, commercial and reseller customer classes.





RATE AFFORDABILITY GRANT

Grant funding received from CIC to support rate affordability for customers.

	Three months ended June 30		
(in millions)	**2026**	2025	Change
Rate affordability grant	**$ 44**	$ -	$ 44

Under the direction of the Province of Saskatchewan, SaskPower received $44 million in grant funding from CIC for the purpose of supporting rate affordability for customers during the first three months ended June 30, 2026.

REVENUE FROM OTHER SOURCES

Revenue from other sources includes exports, which represent the sale of SaskPower's available generation to neighbouring markets and other revenue, which includes various non-electricity products and services.

	Three months ended June 30		
(in millions)	**2026**	2025	Change
Exports	**$ 14**	$ 10	$ 4
Other revenue	**29**	29	-
Revenue from other sources	**$ 43**	$ 39	$ 4

Exports were $14 million, up $4 million from 2025, driven primarily by higher sales volumes. Sales to Alberta, the Midcontinent Independent System Operator and the Southwest Power Pool were 335 GWh, up 199 GWh from 2025.

Other revenue was $29 million, consistent with 2025.

FUEL AND PURCHASED POWER

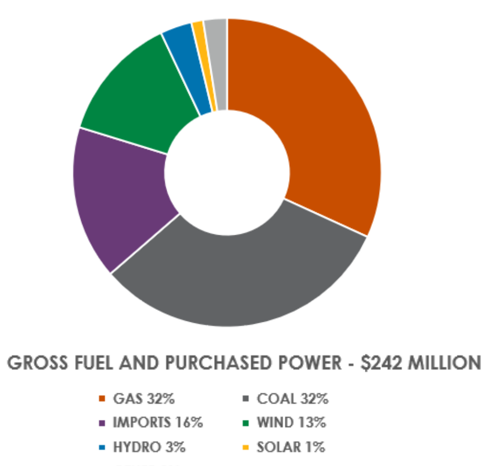
SaskPower's fuel and purchased power costs include the fuel charges associated with the electricity generated from SaskPower-owned facilities, costs associated with power purchase agreements (PPAs), as well as electricity imported from markets outside Saskatchewan. This electricity is used to serve our company's Saskatchewan customers, with surplus electricity being sold to markets outside the province when favourable conditions exist. SaskPower's fuel cost management strategy focuses on the economic dispatch of the generating units that bring the lowest incremental cost units online first. Included in the incremental cost is the federal price of carbon on generation that exceeds the allowable emission thresholds.

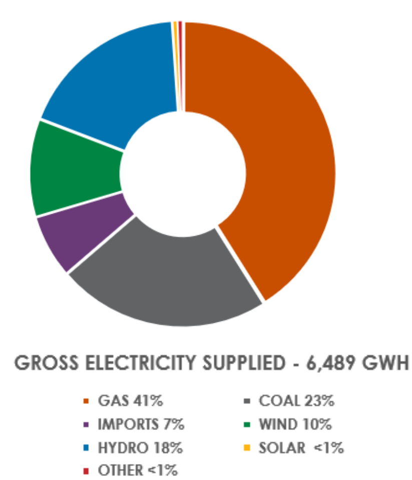
	Three months ended June 30		
(in millions)	**2026**	2025	Change
Gas	**$ 77**	$ 81	$ (4)
Coal	**77**	69	8
Imports	**39**	42	(3)
Wind	**32**	32	-
Hydro	**8**	5	3
Solar	**3**	3	-
Other	**6**	6	-
Gross fuel and purchased power	**242**	238	4
OBPS expense	**115**	93	22
Grant funding (CETG)	**-**	(43)	43
Fuel and purchased power	**$ 357**	$ 288	$ 69

	Three months ended June 30		
(in GWh)	**2026**	2025	Change
Gas	**2,664**	2,728	(64)
Coal	**1,470**	1,493	(23)
Imports	**436**	436	-
Wind	**674**	697	(23)
Hydro	**1,175**	678	497
Solar	**34**	37	(3)
Other	**36**	40	(4)
Gross electricity supplied	**6,489**	6,109	380

Gross fuel and purchased power costs were $242 million, up $4 million from 2025 due to an unfavourable volume and price variance, partially offset by a favourable fuel mix variance. Total generation and purchased power of 6,489 GWh increased 380 GWh or 6.2% compared to 2025 due to higher customer demand and exports. The price of fuel increased primarily due to higher contracted coal prices. These increases were partially offset by higher hydro availability which served to reduce the reliance on higher costing coal, natural gas and renewable energy sources.

The OBPS expense increased $22 million as a result of the federal carbon tax rate increasing to $110/tonne of CO_2e, effective January 1, 2026, and lower allowable emission thresholds. In addition, no CETG funding was received for the three months ended June 30, 2026, compared to the $43 million received in 2025.





OPERATING, MAINTENANCE AND ADMINISTRATION (OM&A)

OM&A expense includes salaries and benefits; external services; materials and supplies; and other operating costs.

	Three months ended June 30		
(in millions)	**2026**	2025	Change
Total OM&A	**$ 259**	$ 265	$ (6)
Grant funding	**(6)**	(9)	3
OM&A (net)	**$ 253**	$ 256	$ (3)

Total OM&A expense was $259 million, down $6 million from 2025. The decrease in OM&A was primarily due to the timing of maintenance overhaul activities at our generation facilities.

For the three months ended June 30, 2026, the Corporation recognized $6 million in grant funding from the federal government. These funds were applied against operating costs related to the development of nuclear small modular reactors; customer clean electricity and demand-side management programs; and power line technician preparation programs.

CAPITAL-RELATED EXPENSES

Capital-related expenses include depreciation and amortization, finance charges, taxes, and other expenses.

	Three months ended June 30		
(in millions)	**2026**	2025	Change
Depreciation and amortization	**$ 175**	$ 164	$ 11
Finance charges	**119**	110	9
Taxes	**20**	26	(6)
Other expenses	**12**	13	(1)
Capital-related expenses	**$ 326**	$ 313	$ 13

Depreciation and amortization expense was $175 million, up $11 million from 2025. The increase was primarily due to new capital additions as a result of the Corporation's significant capital investment program.

Finance charges were $119 million, up $9 million from 2025. The increase was due to higher interest on borrowings due to higher debt levels; partially offset by higher debt retirement fund earnings and interest capitalized.

Taxes were $20 million, down $6 million from 2025. The decrease was driven by lower corporate capital tax expense due to a decrease in the corporate tax rate for crown corporations from 0.6% to 0.3% effective April 1, 2026. This decrease was partially offset by higher grants-in-lieu of property tax.

Other expenses were $12 million, down $1 million from 2025. The decrease was primarily due to lower losses on asset disposals and retirements.

OBPS PROGRAM

(in millions)	$/tonne CO_2e		ECCC		IPP		Total
Total federal (2019 - 2022 calendar years)	$	20-50	**$**	**493**	**$**	**3**	**$ 496**

(in millions)	$/tonne CO_2e		GRF		IPP		Total
Total 2023 calendar year	$	65	$	250	$	3	**$ 253**
Total 2024 calendar year		80		280		5	**285**
Total 2025 calendar year		95		354		4	**358**
Total 2026 calendar year (six months)		110		233		2	**235**
Total provincial			**$**	**1,117**	**$**	**14**	**$ 1,131**

Effective January 1, 2019, the Government of Canada implemented a federal carbon tax on SaskPower's emissions, including those from coal- and natural gas-fired generating stations. Amounts were payable to Environment and Climate Change Canada (ECCC) as well as certain independent power producers (IPPs). In 2023, the Government of Canada approved the Saskatchewan Output-Based Performance Standards (OBPS) Program as a replacement for the federal program. Effective April 1, 2025, the Province directed SaskPower to remove the carbon tax rate rider from customer bills. However, federal and provincial legislation continues to require SaskPower to remit amounts owing to the OBPS Program. Accounts payable and accrued liabilities at June 30, 2026, includes $115 million (March 31, 2026 – $118 million) payable to the General Revenue Fund (GRF) related to the Saskatchewan OBPS Program.

FINANCIAL CONDITION

The following table outlines changes in the condensed consolidated statement of financial position from April 1, 2026, to June 30, 2026:

(in millions)	Change ($)	Change (%)	
Cash	$ 28	**39%**	Refer to Consolidated Statement of Cash Flows.
Accounts receivable and unbilled revenue	(6)	**(1%)**	Lower unbilled revenue partially offset by higher grant receivables.
Inventory	22	**5%**	Increase in maintenance supplies, natural gas and coal inventory.
Prepaid expenses	(10)	**(22%)**	Recognition of prepaid expenses.
Property, plant and equipment	163	**1%**	Additions, offset by depreciation expense and asset disposals and retirements.
Right-of-use assets	(13)	**(3%)**	Depreciation of right-of-use assets.
Intangible assets	(2)	**(2%)**	Amortization expense, offset by capitalization of new software costs.
Debt retirement funds	64	**7%**	Instalments, earnings and market value gains.
Other assets	8	**21%**	Increase in long-term maintenance service costs.
Accounts payable and accrued liabilities	(76)	**(10%)**	Decreased OBPS payable and timing of accruals and payments.
Accrued interest	(47)	**(44%)**	Timing of payments.
Deferred revenue	8	**29%**	Increased customer contributions.
Risk management liabilities (net of risk management assets)	(3)	**(12%)**	Settlement of natural gas hedges and increased forward natural gas prices, offset by new hedge contracts.
Short-term advances	80	**10%**	Additional short-term advances.
Long-term debt (including current portion)	394	**4%**	New long-term borrowings.
Lease liabilities (including current portion)	(11)	**(1%)**	Principal repayments of lease liabilities.
Employee benefits	1	**2%**	Current service costs and interest, partially offset by benefit payments.
Provisions	16	**2%**	Changes in discount rates and accretion expense.
Equity	(108)	**(4%)**	Comprehensive loss for the three months ended June 30, 2026.

LIQUIDITY AND CAPITAL RESOURCES

CASH FLOW HIGHLIGHTS

SaskPower's cash flows from operating, investing and financing activities in the following table:

	Three months ended June 30		
(in millions)	**2026**	2025	Change
Cash balance, April 1	**$ 72**	$ 50	$ 22
Adjustment on initial application of amendments to IFRS 9 on April 1, 2026	**2**	-	2
Cash (used in) provided by operating activities	**(86)**	87	(173)
Cash used in investing activities	**(310)**	(402)	92
Cash provided by financing activities	**422**	492	(70)
Cash balance, June 30	**$ 100**	$ 227	$ (127)

SaskPower's cash position at June 30, 2026, was $100 million, down $127 million from 2025. The decrease in the cash position was largely due to higher operating cash outflow and lower new borrowings for the period; partially offset by decreased capital expenditures.

CAPITAL EXPENDITURES

	Three months ended June 30		
(in millions)	**2026**	2025	Change
Generation	**$ 112**	$ 160	$ (48)
Transmission	**45**	33	12
Distribution	**3**	2	1
Customer connects	**44**	43	1
Growth, compliance and resiliency	**204**	238	(34)
Generation	**44**	71	(27)
Transmission	**18**	24	(6)
Distribution	**50**	48	2
Other	**17**	22	(5)
Sustainment	**129**	165	(36)
Strategic and other	**7**	30	(23)
Total capital expenditures	**340**	433	(93)
Grant funding	**(20)**	(23)	3
Capital expenditures (net)	**$ 320**	$ 410	$ (90)

To ensure reliable and affordable power for our customers, SaskPower invested $340 million on various capital projects. This includes $105 million on the new Aspen Power Station; $44 million to connect customers to the SaskPower electric system; and $116 million on increasing capacity and sustaining transmission and distribution infrastructure.

For the three months ended June 30, 2026, the Corporation recognized $20 million in grant funding from the federal government which has been applied against these capital project costs.

CAPITAL MANAGEMENT

(in millions)	June 30 2026	March 31 2026	Change
Long-term debt	$ 10,091	$ 9,697	$ 394
Short-term advances	895	815	80
Lease liabilities	935	946	(11)
Total debt	$ 11,921	$ 11,458	$ 463
Debt retirement funds	1,027	963	64
Cash	100	72	28
Total net debt[1]	$ 10,794	$ 10,423	$ 371
Retained earnings	2,074	2,199	(125)
Equity advances	593	593	-
Total capital	$ 13,461	$ 13,215	$ 246
Per cent debt ratio[2]	80.2%	78.9%	1.3%

1. Total net debt is a non-GAAP financial measure calculated by deducting debt retirement funds and cash from total debt.
2. Per cent debt ratio = (total net debt)/total capital).

SaskPower's total debt position (including lease liabilities) was $11.9 billion at June 30, 2026, up $463 million from March 31, 2026. The increase in total debt was the result of:

- the borrowing of $394 million of long-term debt as follows:

(in millions)

Date of issue	Date of maturity	Effective interest rate (%)	Coupon rate (%)	Par value	Unamortized premium (discount)	Total amount
Apr 15, 2026	Jun 2, 2036	3.98	4.10	$ 200	$ 2	$ 202
May 6, 2026	Dec 2, 2056	4.65	4.40	200	(8)	192
				$ 400	**$ (6)**	**$ 394**

- $80 million in additional short-term advances; offset by $11 million of lease principal repayments.

The Corporation's percent debt ratio increased from 78.9% as at March 31, 2026, to 80.2% as at June 30, 2026.

DEBT RETIREMENT FUNDS

(in millions)	Three months ended June 30 2026		2025	
Balance, April 1	**$**	**963**	$	931
Debt retirement fund instalments		**41**		37
Debt retirement fund redemptions		**-**		(59)
Debt retirement fund earnings		**9**		8
Debt retirement fund realized market value losses		**-**		(2)
Debt retirement fund unrealized market value gains (losses)		**14**		(10)
Balance, June 30	**$**	**1,027**	$	905

Debt retirement funds are monies set aside to retire outstanding long-term debt upon maturity. SaskPower makes regular contributions to the funds, which are held and invested by the Government of Saskatchewan's General Revenue Fund.

In the three months ended June 30, 2026, the Corporation made $41 million in contributions to the debt retirement funds on outstanding debt issues as required by the terms of the advances from the Government of Saskatchewan's General Revenue Fund. In addition, the Corporation earned $9 million (included with finance charges and classified as non-cash operating activities) on debt retirement funds for the period. The debt retirement funds are classified as fair value through other comprehensive income. As a result, the $14 million in unrealized market value gains in the three months ended June 30, 2026, were recognized in other comprehensive income.

DIVIDENDS

SaskPower pays dividends to CIC based on the CIC Dividend Policy. CIC has determined that SaskPower would not be required to pay dividends in fiscal 2026-27 due to the significant capital investments of the Corporation.

CONTRACTUAL OBLIGATIONS

The Corporation has the following significant long-term contractual obligations as at June 30, 2026, which will impact cash flows in the following year and beyond:

(in millions)		**1 year**		**2 - 5 years**		**More than 5 years**		**Total**
Power purchase agreements[1]	$	681	$	3,500	$	14,739	$	18,920
Long-term debt (including principal and interest)		705		2,191		14,693		17,589
Debt retirement fund instalments		102		389		1,408		1,899
Coal purchase contracts		226		523		-		749
Natural gas purchase contracts		104		118		-		222
Natural gas transportation and storage contracts		84		208		231		523

1. The contractual obligations related to PPAs include lease liabilities, operating agreements and long-term import agreements.

CONDENSED CONSOLIDATED STATEMENT OF LOSS

(in millions)	(Unaudited) Three months ended June 30 2026	2025
Revenue and other income		
Saskatchewan electricity sales	$ 724	$ 682
Rate affordability grant	44	-
Exports	14	10
Other revenue	29	29
	811	721
Expense		
Fuel and purchased power	357	288
Operating, maintenance and administration	253	256
Depreciation and amortization	175	164
Finance charges	119	110
Taxes	20	26
Other expenses	12	13
	936	857
Net loss	$ (125)	$ (136)

See accompanying notes

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS

(in millions)	(Unaudited) Three months ended June 30 2026	2025
Net loss	**$ (125)**	$ (136)
Other comprehensive income (loss)		
Items that may be reclassified subsequently to net loss:		
Derivatives designated as cash flow hedges:		
Natural gas hedges:		
Change in fair value during the period	**3**	(9)
Realized losses during the period	**(7)**	(5)
Reclassification to income	**7**	5
Debt instruments designated as fair value through other comprehensive income (FVOCI):		
Change in fair value during the period	**14**	(10)
Realized losses during the period	**-**	(2)
Reclassification to income	**-**	2
Items that will not be reclassified to net loss:		
Defined benefit pension plans:		
Net actuarial losses	**-**	(19)
	17	(38)
Total comprehensive loss	**$ (108)**	$ (174)

See accompanying notes

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at *(in millions)*	Notes	(Unaudited) June 30 2026	(Audited *) March 31 2026
Assets			
Current assets			
Cash		$ 100	$ 72
Accounts receivable and unbilled revenue		572	578
Inventory		456	434
Prepaid expenses		35	45
Risk management assets	9	1	2
		1,164	1,131
Property, plant and equipment	4	13,442	13,279
Right-of-use assets	5	491	504
Intangible assets		88	90
Debt retirement funds		1,027	963
Other assets		46	38
Total assets		$ 16,258	$ 16,005
Liabilities and equity			
Current liabilities			
Accounts payable and accrued liabilities	6	$ 687	$ 763
Accrued interest		59	106
Deferred revenue		36	28
Risk management liabilities	9	23	27
Short-term advances		895	815
Current portion of long-term debt	7	300	-
Current portion of lease liabilities	8	54	52
		2,054	1,791
Long-term debt	7	9,791	9,697
Lease liabilities	8	881	894
Employee benefits		47	46
Provisions		673	657
Total liabilities		13,446	13,085
Equity			
Retained earnings		2,074	2,199
Accumulated other comprehensive income		145	128
Equity advances		593	593
Total equity		2,812	2,920
Total liabilities and equity		$ 16,258	$ 16,005

See accompanying notes

*As presented in the audited March 31, 2026, consolidated statement of financial position.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Accumulated other comprehensive income (loss)				
(in millions)	Retained earnings	Net gains (losses) on derivatives designated as cash flow hedges	Net gains (losses) on debt instruments designated as FVOCI	Net actuarial gains (losses) on defined benefit pension plans	Equity advances	**(Unaudited) Total**
Equity						
Balance, April 1, 2025	$ 2,313	$ (13)	$ (29)	$ 197	$ 593	**$ 3,061**
Net loss	(136)	-	-	-	-	**(136)**
Other comprehensive loss	-	(9)	(10)	(19)	-	**(38)**
Balance, June 30, 2025	**$ 2,177**	**$ (22)**	**$ (39)**	**$ 178**	**$ 593**	**$ 2,887**
Net income	22	-	-	-	-	**22**
Other comprehensive (loss) income	-	(12)	(14)	37	-	**11**
Balance, March 31, 2026	**$ 2,199**	**$ (34)**	**$ (53)**	**$ 215**	**$ 593**	**$ 2,920**
Net loss	(125)	-	-	-	-	**(125)**
Other comprehensive income	-	3	14	-	-	**17**
Balance, June 30, 2026	**$ 2,074**	**$ (31)**	**$ (39)**	**$ 215**	**$ 593**	**$ 2,812**

See accompanying notes

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

		(Unaudited) Three months ended June 30	
(in millions)	Notes	**2026**	2025
Operating activities			
Net loss		**$ (125)**	$ (136)
Adjustments to reconcile net income to cash			
provided by operating activities			
Depreciation and amortization		**175**	164
Finance charges		**119**	110
Net losses on asset disposals and retirements		**10**	11
Reclassification of natural gas hedges transitional market value losses		**-**	(1)
Natural gas inventory market revaluation		**1**	1
Allowance for obsolesence		**1**	-
Environmental expenditures (net of provisions)		**1**	-
		182	149
Net change in non-cash working capital		**(86)**	91
Interest paid		**(182)**	(153)
Cash (used in) provided by operating activities		**(86)**	87
Investing activities			
Property, plant and equipment additions		**(302)**	(367)
Intangible asset additions		**(4)**	(32)
Net cost of removal of assets		**(4)**	(3)
Cash used in investing activities		**(310)**	(402)
Decrease in cash before financing activities		**(396)**	(315)
Financing activities			
Net proceeds from short-term advances		**80**	184
Proceeds from long-term debt		**394**	394
Repayments of long-term debt		**-**	(100)
Debt retirement fund instalments		**(41)**	(37)
Debt retirement fund redemptions		**-**	59
Principal repayment of lease liabilities		**(11)**	(8)
Cash provided by financing activities		**422**	492
Increase in cash		**26**	177
April 1, 2026 opening balance prior to restatement for amendments to IFRS 9	3	**72**	-
Adjustment on initial application of amendments to IFRS 9 on April 1,2026	3	**2**	-
Cash, beginning of period		**74**	50
Cash, end of period		**$ 100**	$ 227

See accompanying notes

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

NOTE 1 DESCRIPTION OF BUSINESS

Saskatchewan Power Corporation (SaskPower; the Corporation), a provincially-owned Crown corporation, generates, purchases, transmits, distributes and sells electricity and related products and services. Founded as the Saskatchewan Power Commission in 1929, SaskPower was set up in 1949 and operates primarily under the mandate and authority of *The Power Corporation Act*. SaskPower's head office is located at 2025 Victoria Avenue in Regina, Saskatchewan, Canada, S4P 0S1.

By virtue of *The Crown Corporations Act, 1993,* SaskPower has been designated a subsidiary of Crown Investments Corporation of Saskatchewan (CIC), a provincial Crown corporation. Accordingly, the financial results of the Corporation are included in the consolidated financial statements of CIC. As a provincial Crown corporation, the Corporation is not subject to federal and provincial income taxes.

NOTE 2 BASIS OF PREPARATION

(a) Statement of compliance

These unaudited condensed consolidated financial statements are based on IFRS® Accounting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and have been prepared in accordance with IAS 34, *Interim Financial Reporting*. These condensed consolidated financial statements do not include all of the disclosures included in the Corporation's annual consolidated financial statements. Accordingly, these condensed consolidated financial statements should be read in conjunction with the Corporation's most recent annual consolidated financial statements.

The accounting policies used in the preparation of these condensed consolidated financial statements conform with those used in the Corporation's most recent annual consolidated financial statements with the exception of the amendments to IFRS 9 and IFRS 7, *Amendments to the Classification and Measurement of Financial Instruments*, which were adopted effective April 1, 2026 (Note 3).

The condensed consolidated financial statements were authorized for issue by the Audit & Finance Committee of the Board of Directors on August 26, 2026.

(b) Interim measurement

SaskPower's Saskatchewan electric sales to residential and commercial customers are seasonal, with the third and fourth quarters being the strongest periods, reflecting colder weather and fewer daylight hours.

(c) Basis of measurement

The condensed consolidated financial statements have been prepared on the historical cost basis except for the following material items in the condensed consolidated statement of financial position:

(i) Inventory at lower of cost and net realizable value.

(ii) Provisions at discounted expected future cash flows.

(iii) Financial instruments that are accounted for at fair value through profit or loss and at fair value through other comprehensive income (loss).

(iv) Employee benefit plans recognized at the fair value of plan assets less the present value of the accrued benefit obligations.

(d) Functional and presentation currency

These condensed consolidated financial statements are presented in Canadian dollars, which is the Corporation's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest million.

(e) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal or most advantageous market at the measurement date. SaskPower's own credit risk and the credit risk of the counterparty have been taken into account in determining the fair value of financial assets and liabilities, including derivative instruments. The Corporation has classified the fair value of its financial instruments as level 1, 2, or 3 (Note 8) as defined below:

Level 1 – Fair values are determined using inputs that are quoted prices (unadjusted) in active markets for identical assets or liabilities to which the Corporation has immediate access.

Level 2 – Fair values are determined using inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. The debt retirement funds are valued by the Government of Saskatchewan Ministry of Finance using information provided by investment dealers. To the extent possible, valuations reflect indicative secondary pricing for these securities. In all other circumstances, valuations are determined with reference to similar actively traded instruments. The fair value of long-term debt is determined by the present value of future cash flows, discounted at the market rate of interest for the same or similar debt instruments.

Natural gas contract fair values are determined using independent pricing information from external market providers. The contracted cash flows are discounted using observable yield curves.

Level 3 – Fair values are determined based on inputs for the asset or liability that are not based on observable market data. As at June 30, 2026, the Corporation does not have any financial instruments classified as level 3.

(f) Use of estimates and judgments

The preparation of the condensed consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Significant areas requiring the use of management estimates are:

- Electricity deliveries not yet billed at period-end and expected credit losses.
- Net realizable value and allowance for inventory obsolescence.
- Underlying estimates of useful lives and related depreciation and accumulated depreciation.
- Carrying amounts of right-of-use assets and lease liabilities and underlying estimates of future cash flows.
- Carrying amounts of decommissioning and environmental remediation provisions and underlying estimates of future cash flows.
- Fair value of financial instruments.
- Carrying amounts of employee benefits and underlying actuarial assumptions.

Areas of judgment in applying accounting policies that have the most significant effect on the amounts recognized in the condensed consolidated financial statements include:

- Identification of arrangements which contain a lease.
- Revenue recognition of customer contributions.

NOTE 3 MATERIAL ACCOUNTING POLICIES

Amendments to IFRS 9 and IFRS 7, *Amendments to the Classification and Measurement of Financial Instruments*

Amendments to IFRS 9 and IFRS 7, *Amendments to the Classification and Measurement of Financial Instruments*, were adopted effective April 1, 2026. The amendments were applied retrospectively without restatement of prior periods in accordance with the transitional provisions. The adoption resulted in a change in the accounting policy relating to the timing of the derecognition of trade payables, such that derecognition now occurs upon settlement with the counterparty's bank. On initial adoption, there was an adjustment of $2 million to the opening cash balance as at April 1, 2026, which has been reflected in the condensed consolidated statement of cash flows for the three months ended June 30, 2026.

NOTE 4 PROPERTY, PLANT AND EQUIPMENT

(in millions)	Generation	Transmission	Distribution	Other	Construction in progress	**Total**
Cost or deemed cost						
Balance, April 1, 2025	$ 8,994	$ 3,403	$ 5,646	$ 1,298	$ 1,315	**$ 20,656**
Additions	247	26	84	28	433	**818**
Grant funding	-	-	-	-	(23)	**(23)**
Disposals and/or retirements	(24)	-	(6)	(1)	-	**(31)**
Transfers/adjustments	(20)	-	-	-	(417)	**(437)**
Balance, June 30, 2025	**$ 9,197**	**$ 3,429**	**$ 5,724**	**$ 1,325**	**$ 1,308**	**$ 20,983**
Additions	435	154	270	151	1,408	**2,418**
Grant funding	-	-	-	-	(141)	**(141)**
Disposals and/or retirements	(24)	(3)	(81)	(35)	-	**(143)**
Transfers/adjustments	9	-	-	-	(1,024)	**(1,015)**
Balance, March 31, 2026	**$ 9,617**	**$ 3,580**	**$ 5,913**	**$ 1,441**	**$ 1,551**	**$ 22,102**
Additions	38	18	86	35	340	**517**
Grant funding	-	-	-	-	(20)	**(20)**
Disposals and/or retirements	(5)	(1)	(5)	(5)	-	**(16)**
Transfers/adjustments	9	-	-	-	(181)	**(172)**
Balance, June 30, 2026	**$ 9,659**	**$ 3,597**	**$ 5,994**	**$ 1,471**	**$ 1,690**	**$ 22,411**

Accumulated depreciation						
Balance, April 1, 2025	$ 4,599	$ 1,085	$ 2,197	$ 481	$ -	**$ 8,362**
Depreciation expense	72	21	37	16	-	**146**
Disposals and/or retirements	(18)	-	(4)	(1)	-	**(23)**
Balance, June 30, 2025	**$ 4,653**	**$ 1,106**	**$ 2,230**	**$ 496**	**$ -**	**$ 8,485**
Depreciation expense	231	62	118	54	-	**465**
Disposals and/or retirements	(17)	(1)	(75)	(34)	-	**(127)**
Balance, March 31, 2026	**$ 4,867**	**$ 1,167**	**$ 2,273**	**$ 516**	**$ -**	**$ 8,823**
Depreciation expense	77	21	40	18	-	**156**
Disposals and/or retirements	(3)	-	(4)	(3)	-	**(10)**
Balance, June 30, 2026	**$ 4,941**	**$ 1,188**	**$ 2,309**	**$ 531**	**$ -**	**$ 8,969**

Net book value						
Balance, June 30, 2025	**$ 4,544**	**$ 2,323**	**$ 3,494**	**$ 829**	**$ 1,308**	**$ 12,498**
Balance, March 31, 2026	**$ 4,750**	**$ 2,413**	**$ 3,640**	**$ 925**	**$ 1,551**	**$ 13,279**
Balance, June 30, 2026	**$ 4,718**	**$ 2,409**	**$ 3,685**	**$ 940**	**$ 1,690**	**$ 13,442**

For the three months ended June 30, 2026, interest costs totaling $14 million (2025 – $11 million) were capitalized at the weighted average cost of borrowings rate of 3.90% (2025 – 4.00%).

NOTE 5 RIGHT-OF-USE ASSETS

(in millions)	Power purchase agreements	Buildings	Land	Equipment	Total
Cost					
Balance, April 1, 2025	$ 1,204	$ 6	$ 9	$ -	$ 1,219
Additions and/or modifications	-	-	-	-	-
Terminations	-	-	-	-	-
Balance, June 30, 2025	**$ 1,204**	**$ 6**	**$ 9**	**$ -**	**$ 1,219**
Additions and/or modifications	-	1	-	2	3
Terminations	-	-	-	-	-
Balance, March 31, 2026	**$ 1,204**	**$ 7**	**$ 9**	**$ 2**	**$ 1,222**
Additions and/or modifications	-	-	-	-	-
Terminations	-	-	-	-	-
Balance, June 30, 2026	**$ 1,204**	**$ 7**	**$ 9**	**$ 2**	**$ 1,222**
Accumulated depreciation					
Balance, April 1, 2025	$ 660	$ 3	$ 5	$ -	$ 668
Depreciation expense	12	-	-	-	12
Terminations	-	-	-	-	-
Balance, June 30, 2025	**$ 672**	**$ 3**	**$ 5**	**$ -**	**$ 680**
Depreciation expense	37	1	-	-	38
Terminations	-	-	-	-	-
Balance, March 31, 2026	**$ 709**	**$ 4**	**$ 5**	**$ -**	**$ 718**
Depreciation expense	12	-	-	1	13
Terminations	-	-	-	-	-
Balance, June 30, 2026	**$ 721**	**$ 4**	**$ 5**	**$ 1**	**$ 731**
Net book value					
Balance, June 30, 2025	**$ 532**	**$ 3**	**$ 4**	**$ -**	**$ 539**
Balance, March 31, 2026	**$ 495**	**$ 3**	**$ 4**	**$ 2**	**$ 504**
Balance, June 30, 2026	**$ 483**	**$ 3**	**$ 4**	**$ 1**	**$ 491**

NOTE 6 OBPS PROGRAM

Effective January 1, 2019, the Government of Canada implemented a federal carbon tax on SaskPower's emissions, including those from coal- and natural gas-fired generating stations. Amounts were payable to Environment and Climate Change Canada (ECCC) as well as certain independent power producers (IPPs). In 2023, the Government of Canada approved the Saskatchewan Output-Based Performance Standards (OBPS) Program as a replacement for the federal program. Effective April 1, 2025, the Province directed SaskPower to remove the carbon tax rate rider from customer bills. However, federal and provincial legislation continues to require SaskPower to remit amounts owing to the OBPS Program. Accounts payable and accrued liabilities at June 30, 2026, includes $115 million (March 31, 2026 – $118 million) payable to the General Revenue Fund (GRF) related to the Saskatchewan OBPS Program.

NOTE 7 LONG-TERM DEBT

(in millions)		
Balance, April 1, 2025	$	8,468
Long-term debt issues		394
Long-term debt repayments		(100)
Amortization of debt discounts net of premiums		-
Balance, June 30, 2025	$	8,762
Long-term debt issues		1,034
Long-term debt repayments		(100)
Amortization of debt discounts net of premiums		1
Balance, March 31, 2026	$	9,697
Long-term debt issues		394
Long-term debt repayments		-
Amortization of debt discounts net of premiums		-
	$	10,091
Less: current portion of long-term debt		(300)
Balance, June 30, 2026	$	9,791

NOTE 8 LEASE LIABILITIES

(in millions)		**June 30 2026**		March 31 2026
Total future minimum lease payments	$	1,693	$	1,736
Less: future finance charges on leases		(758)		(790)
Present value of lease liabilities	$	935	$	946
Less: current portion of lease liabilities		(54)		(52)
	$	881	$	894

The above lease liabilities include power purchase agreements relating to the Meridian Cogeneration Station, Spy Hill Generating Station and the North Battleford Generating Station gas-fired facilities as well as land, building and equipment leases. For the three months ended June 30, 2026, SaskPower recognized $32 million (2025 – $29 million) of interest costs related to these lease liabilities.

As at June 30, 2026, scheduled future minimum lease payments and the present value of lease liabilities are as follows:

(in millions)		1 year		2 - 5 years		More than 5 years
Future minimum lease payments	$	178	$	744	$	771
Present value of lease liabilities		54		357		524

NOTE 9 FINANCIAL INSTRUMENTS

(in millions)	Classification	Level[4]	June 30, 2026 Asset (liability) Carrying amount	June 30, 2026 Asset (liability) Fair value	March 31, 2026 Asset (liability) Carrying amount	March 31, 2026 Asset (liability) Fair value
Financial assets						
Cash	FVTPL[1]	1	$ 100	$ 100	$ 72	$ 72
Accounts receivable and unbilled revenue	AC[2]	N/A	572	572	578	578
Debt retirement funds	FVOCI - debt instrument[3]	2	1,027	1,027	963	963
Financial liabilities						
Accounts payable and accrued liabilities	AC[2]	N/A	$ 687	$ 687	$ (763)	$ (763)
Accrued interest	AC[2]	N/A	(59)	(59)	(106)	(106)
Short-term advances	AC[2]	N/A	(895)	(895)	(815)	(815)
Long-term debt	AC[2]	2	(10,091)	(9,770)	(9,697)	(9,147)

(in millions)			June 30, 2026 Asset	June 30, 2026 Liability	March 31, 2026 Asset	March 31, 2026 Liability
Natural gas contracts						
Fixed price swap instruments used for hedging[5]	FVTPL[1]	2	$ -	$ (23)	$ 1	$ (27)
Fixed price swap instruments	FVTPL[1]	2	1	-	1	-
			$ 1	$ (23)	$ 2	$ (27)

1. FVTPL – measured mandatorily at fair value through profit or loss.
2. AC – amortized cost.
3. FVOCI – fair value through other comprehensive income (loss).
4. Fair values are determined using a fair value hierarchy as follows:
   - Level 1 – Quoted prices in active markets for identical assets or liabilities.
   - Level 2 – Inputs other than quoted prices included in level 1 that are observable for the asset or liability.
   - Level 3 – Inputs for the asset or liability that are not based on observable market data.
   - Not applicable (N/A) – Financial instruments are carried at values which approximate fair value. This includes accounts receivable and unbilled revenue; accounts payable and accrued liabilities; accrued interest; and short-term advances.
5. These natural gas fixed price swap instruments have been designated as cash flow hedges. As such, the effective portion of the changes in fair value related to the derivative financial instruments are recognized in other comprehensive income (loss).

SASKPOWER
SYSTEM MAP

TOTAL AVAILABLE GENERATING CAPACITY AS AT **JUNE 30, 2026: 6,183 MEGAWATTS (MW)**

HYDRO TOTAL CAPACITY - 863 MW

- H1 Athabasca Hydroelectric System - 19 MW
- H2 Island Falls Hydroelectric Station - 111 MW
- H3 Nipawin Hydroelectric Station - 253 MW
- H4 E.B. Campbell Hydroelectric Station - 294 MW
- H5 Coteau Creek Hydroelectric Station - 186 MW

IMPORT POWER PURCHASE AGREEMENTS - 290 MW

- I1 Manitoba Hydro - 290 MW

NATURAL GAS TOTAL CAPACITY - 2,544 MW

- NG1 Meadow Lake Power Station - 41 MW
- NG2 Meridian Cogeneration Station* - 228 MW
- NG3 North Battleford Generating Station* - 289 MW
- NG4 Yellowhead Power Station - 180 MW
- NG5 Ermine Power Station - 135 MW
- NG6 Landis Power Station - 78 MW
- NG7 Cory Cogeneration Station - 252 MW
- NG8 Queen Elizabeth Power Station - 527 MW
- NG9 Spy Hill Generating Station* - 89 MW
- NG10 Chinook Power Station - 348 MW
- NG11 Great Plains Power Station - 377 MW

WIND TOTAL CAPACITY - 818 MW

- W1 Riverhurst Wind Energy Facility* - 10 MW
- W2 Western Lily Wind Energy Facility* - 20 MW
- W3 Morse Wind Energy Facility* - 23 MW
- W4 Blue Hill Wind Energy Facility* - 175 MW
- W5 Red Lily Wind Energy Facility* - 26 MW
- W6 Centennial Wind Power Facility - 150 MW
- W7 Cypress Wind Power Facility - 11 MW
- W8 Golden South Wind Energy Facility* - 200 MW
- W9 Bekevar Wind Power Facility* - 200 MW

Customer-generated wind capacity - 3 MW
(NOT SHOWN ON MAP)

SOLAR TOTAL CAPACITY - 107 MW

- S1 Highfield Solar Energy Facility* - 10 MW
- S2 Pesâkâstêw Solar Energy Facility* - 10 MW
- S3 Awasis Solar Energy Facility* - 10 MW

Customer-generated solar capacity - 77 MW
(NOT SHOWN ON MAP)

COAL TOTAL CAPACITY - 1,528 MW

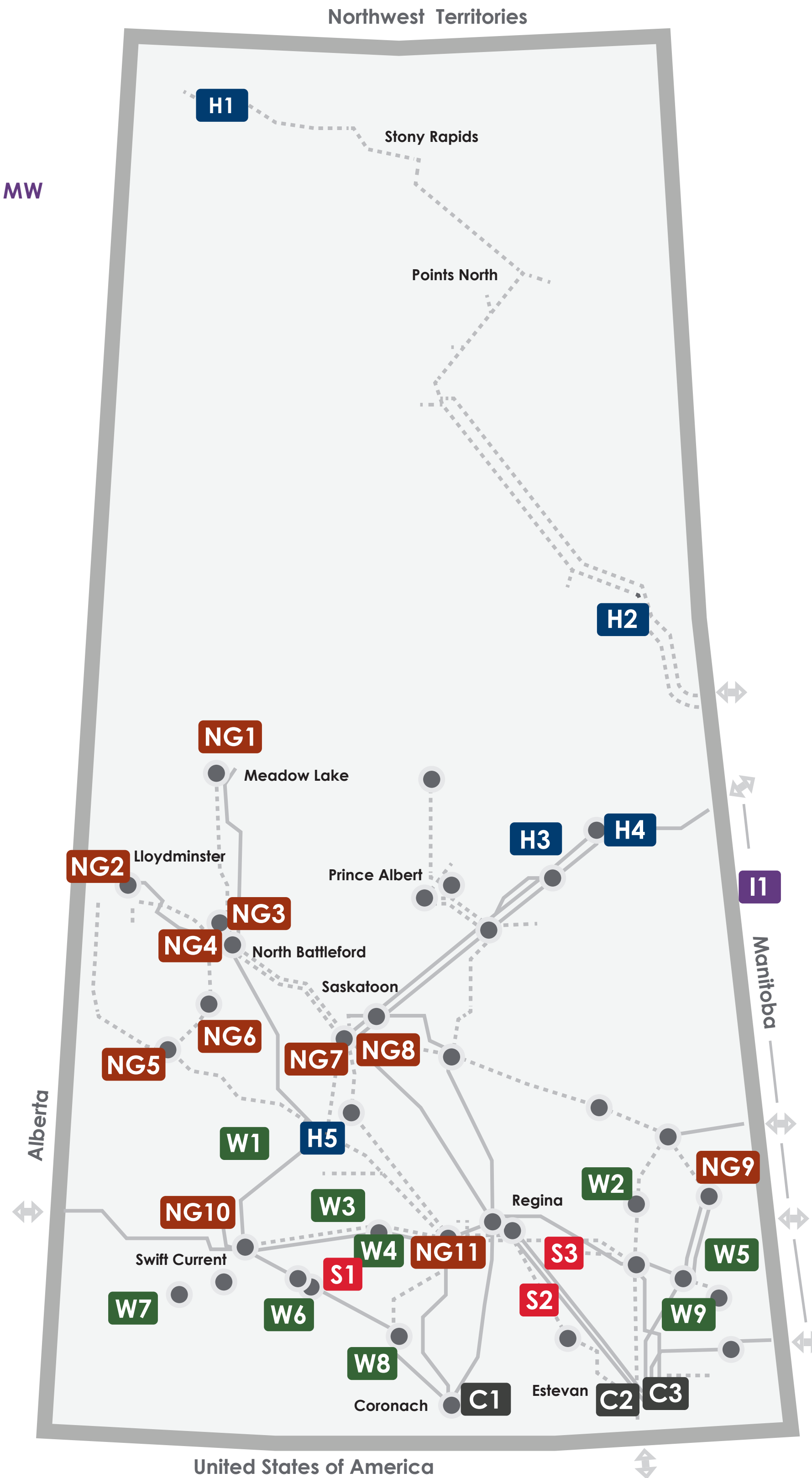
- C1 Poplar River Power Station - 582 MW
- C2 Boundary Dam Power Station - 670 MW
- C3 Shand Power Station - 276 MW

SMALL INDEPENDENT POWER PRODUCERS TOTAL CAPACITY - 33 MW (NOT SHOWN ON MAP)

(Includes flare gas, waste heat recovery, landfill gas and biomass)

TRANSMISSION

- 230 kilovolt (kV)
- 138 kV/115 kV/110 kV
- Switching station
- Interconnection



*Large Independent Power Producer

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