



JADEPOWER

JADE POWER TRUST

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)
AS AT AND FOR THE THREE MONTHS ENDED MARCH 31, 2022
(WITH COMPARATIVES AS AT DECEMBER 31, 2021, AND FOR THE THREE MONTHS ENDED
MARCH 31, 2021)

(UNAUDITED and EXPRESSED IN CANADIAN DOLLARS)

NOTICE TO READER

The accompanying Condensed Interim Consolidated Financial Statements (unaudited) of Jade Power Trust have been prepared by and are the responsibility of management. The Condensed Interim Consolidated Financial Statements have not been reviewed by the Trust's auditors.

JADE POWER TRUST
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (unaudited)

| As at | March 31, 2022 | December 31, 2021 |
|--|----------------------|----------------------|
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | \$ 8,522,117 | \$ 8,113,936 |
| Trade and other receivables (note 3) | 3,459,402 | 3,387,317 |
| Green Certificates (note 4) | 3,533,323 | 1,211,507 |
| Restricted Green Certificates (note 4) | 1,849,011 | 1,935,317 |
| Prepays and other assets | 1,753,063 | 1,826,452 |
| | 19,116,916 | 16,474,529 |
| Long-term assets | | |
| Restricted cash (note 6i) | 999,261 | 1,033,303 |
| Restricted Green Certificates (note 4) | 7,682,440 | 8,413,546 |
| Intangible assets | 183,534 | 193,331 |
| Property, plant and equipment (note 5) | 40,931,292 | 43,401,148 |
| | 49,796,527 | 53,041,328 |
| TOTAL ASSETS | \$ 68,913,443 | \$ 69,515,857 |
| LIABILITIES AND UNITHOLDERS' EQUITY | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | \$ 6,099,372 | \$ 4,978,315 |
| Current portion of lease liabilities (note 6i) | 3,426,648 | 2,777,144 |
| | 9,526,020 | 7,755,459 |
| Long-term liabilities | | |
| Asset retirement obligations | 2,523,198 | 2,813,265 |
| Deferred tax liabilities | 1,998,011 | 2,066,077 |
| Long-term portion of lease liabilities (note 6i) | 10,463,087 | 12,215,878 |
| | 14,984,296 | 17,095,220 |
| TOTAL LIABILITIES | 24,510,316 | 24,850,679 |
| Unitholders' equity | 44,403,127 | 44,665,178 |
| TOTAL LIABILITIES AND UNITHOLDERS' EQUITY | \$ 68,913,443 | \$ 69,515,857 |

Nature and Description of the Trust (note 1)

Approved on Behalf of the Board:

"Ravi Sood"
Director

"John Huxley"
Director

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements (unaudited).

JADE POWER TRUST
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF NET INCOME AND COMPREHENSIVE
INCOME (unaudited)

| | Three months ended | |
|--|---------------------------|-----------------------|
| | March 31, | March 31, |
| | 2022 | 2021 |
| REVENUE | | |
| Sale of electricity | \$ 3,023,820 | \$ 1,802,879 |
| Income from Green Certificates | 3,647,532 | 3,204,042 |
| | 6,671,352 | 5,006,921 |
| OPERATING EXPENSES | | |
| Cost of sales excluding depreciation | (1,711,230) | (1,370,918) |
| Depreciation and amortization | (871,542) | (963,504) |
| Cost of sales | (2,582,772) | (2,334,422) |
| General and administrative | (650,211) | (409,996) |
| Professional fees | (135,813) | (127,104) |
| Foreign exchange gain (loss) | 55,994 | (159,013) |
| Other operating (expenses) | (961,507) | - |
| Total operating expenses | (4,274,309) | (3,030,535) |
| OPERATING INCOME | 2,397,043 | 1,976,386 |
| OTHER INCOME (EXPENSES) | | |
| Finance (costs) | (227,234) | (228,404) |
| INCOME BEFORE TAX | 2,169,809 | 1,747,982 |
| Current income tax (expense) | (7,913) | - |
| NET INCOME FOR THE PERIOD | 2,161,896 | 1,747,982 |
| Other comprehensive income (loss) | | |
| Unrealized (loss) on translation of foreign operations | (1,596,908) | (3,134,821) |
| TOTAL COMPREHENSIVE INCOME (LOSS) | \$ 564,988 | \$ (1,386,839) |
| Basic and diluted net income per Unit | \$ 0.10 | \$ 0.08 |
| Weighted average number of Units | | |
| outstanding - basic and diluted | 22,375,184 | 23,148,720 |

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements (unaudited).

JADE POWER TRUST

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF UNITHOLDERS' EQUITY (unaudited)

| CONSOLIDATED STATEMENTS OF UNITHOLDERS' EQUITY | | | | | | | |
|--|-------------------|-----------------------|------------------------|---|------------------------|-------------------------------------|-------------------|
| | Units | Unit Value | Deficit | Accumulated Other Comprehensive Income (Loss) | Contributed Surplus | Unitholders' Equity (Deficiency) | |
| Balance, December 31, 2020 | 23,121,626 | \$ 103,226,233 | \$ (65,382,813) | \$ 2,713,824 | \$ 6,358,989 | \$ | 46,916,233 |
| Net income | - | - | 1,747,982 | - | - | | 1,747,982 |
| Other comprehensive loss | - | - | - | (3,134,821) | - | | (3,134,821) |
| Balance, March 31, 2021 | 23,121,626 | \$ 103,226,233 | \$ (63,634,831) | \$ (420,997) | \$ 6,358,989 | \$ | 45,529,394 |
| Balance, December 31, 2021 | 22,581,612 | \$ 101,912,041 | \$ (61,706,072) | \$ (1,899,780) | \$ 6,358,989 | \$ | 44,665,178 |
| Net income | - | - | 2,161,896 | - | - | | 2,161,896 |
| Other comprehensive loss | - | - | - | (1,596,908) | - | | (1,596,908) |
| Unit buy-back (note 7i) | (328,700) | (827,039) | - | - | - | | (827,039) |
| Balance, March 31, 2022 | 22,252,912 | \$ 101,085,002 | \$ (59,544,176) | \$ (3,496,688) | \$ 6,358,989 | \$ | 44,403,127 |

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements (unaudited).

JADE POWER TRUST
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)

| | Three months ended | |
|--|---------------------|---------------------|
| | March 31, 2022 | March 31, 2021 |
| OPERATING ACTIVITIES | | |
| Net from continuing operations for the year | \$ 2,161,896 | \$ 1,747,982 |
| Items relating to financing activities: | | |
| Interest and finance charges | 227,234 | 228,404 |
| Proceeds from the sale of Green Certificates | 1,741,880 | 4,054,501 |
| Add (deduct) items not affecting cash: | | |
| Income from Green Certificates | (3,647,532) | (3,204,042) |
| Depreciation and amortization | 871,542 | 963,504 |
| Foreign exchange (gain) loss | (55,994) | 159,013 |
| Operating cash flow before changes in working capital | 1,299,026 | 3,949,362 |
| Net change in non-cash working capital: | | |
| Trade and other receivables | (72,085) | (468,721) |
| Green Certificates | 20,296 | 322,113 |
| Prepaid and other assets | 73,389 | 42,564 |
| Accounts payable and accrued liabilities | 1,121,057 | (177,644) |
| Net cash provided by operating activities | 2,441,683 | 3,667,674 |
| INVESTING ACTIVITIES | | |
| Additions to property, plant and equipment (note 5) | (41,755) | (2,802) |
| Net cash used in investing activities | (41,755) | - |
| FINANCING ACTIVITIES | | |
| Repayment of debt facility (note 6ii) | - | (1,646,758) |
| Interest and financing costs paid | (102,918) | (174,236) |
| Lease liabilities (note 6i) | (798,605) | (1,362,219) |
| Unit buy-back (note 7i) | (827,039) | - |
| Net cash (used in) financing activities | (1,728,562) | (3,183,213) |
| Effect of currency translation | (263,185) | (517,469) |
| CHANGE IN CASH | 408,181 | (35,810) |
| Cash, beginning of period | 8,113,936 | 2,917,885 |
| Cash, end of period | \$ 8,522,117 | \$ 2,882,075 |

The accompanying notes are an integral part of these Condensed Interim Consolidated Financial Statements (unaudited).

JADE POWER TRUST
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three months ended March 31, 2022

(with comparatives as at December 31, 2021 and for the three months ended March 31, 2021)

(unaudited)

1. NATURE AND DESCRIPTION OF THE TRUST

Jade Power Trust (“**Jade Power**” or the “**Trust**”) is an unincorporated open-ended limited purpose trust established under the laws of the Province of Ontario that, through its subsidiaries, generates and sells electricity to licensed electricity buyers in Romania through its portfolio of two operational wind projects known as “Baia” and “East Wind” with a total capacity of 62 megawatts (“**MW**”) (the “**Wind Projects**”), two hydro-electric generation facilities comprised of run-of-river hydroelectric power plants known as “Rott” and “Zagra” with total capacity of over 2.39 MW (the “**Hydro Projects**”) and two photovoltaic solar power production plants known as “Corabia” and “PowerLIVE” with a total capacity of 16.6 MW (the “**Solar Projects**” and, together with the Hydro Projects and the Wind Projects, (the “**Projects**”). All of the Projects are located in Romania. In August 2020, the Trust completed the sale (the “**Suha Disposition**”) of Transeastern Vistea Hidroelectrica SPV IV SRL (“**Suha**”). Refer to note 3 for details of the Suha Disposition.

The Trust directly and indirectly owns all of the membership rights of Transeastern Power Coöperatief U.A. (“**Netherlands Parent**”), which owns all of the issued and outstanding shares of Transeastern Power B.V. (“**Netherlands Holdco**” and, together with the Netherlands Parent, the “**Netherlands Subsidiaries**”). The Netherlands Subsidiaries jointly own, directly, or indirectly, 100% of six Romanian subsidiaries which hold the Hydro Projects, two Romanian subsidiaries that hold the Solar Projects, two Romanian subsidiaries that hold the Wind Projects, and a Romanian subsidiary that acts as a management company for the Romanian operations.

TSX Trust Company, (the “**Trustee**”), was appointed as trustee of Jade Power pursuant to a trust indenture of the Trust dated February 4, 2014, as amended (the “**Trust Indenture**”). The Trustee has delegated most of its powers and duties relating to the operations and governance of Jade Power to Jade Power Administrator Inc. (formerly “Blockchain Power Administrator Inc.”, the “**Administrator**”) pursuant to an Administrative Services Agreement dated February 4, 2014. All of the shares of the Administrator are owned by Jade Management Inc. (the “**Administrator Shareholder**”), all of the shares of which are owned by Mr. Eadie, the Chief Executive Officer of the Administrator and Mr. Sood, the Chairman of the Administrator, and are subject to the terms of a unanimous shareholders’ agreement dated May 28, 2014.

Jade Power qualifies as a “mutual fund trust” and not a “SIFT trust” (each as defined in the Income Tax Act (Canada)) in accordance with the restrictions set forth in the Trust Indenture. The Administrator is responsible for monitoring Jade Power’s investments and holdings of property to ensure Jade Power is not at any time a “SIFT trust” and does not hold any “non-portfolio property”.

The principal head and registered office of each of Jade Power, the Administrator, the Administrator Shareholder and Jade Power’s Canadian subsidiaries are located at Suite 1800, 181 Bay Street, Toronto, Ontario, Canada. References to Jade Power herein include reference to the applicable subsidiary where appropriate.

JADE POWER TRUST
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three months ended March 31, 2022

(with comparatives as at December 31, 2021 and for the three months ended March 31, 2021)

(unaudited)

2. SIGNIFICANT ACCOUNTING POLICIES

a. Statement of Compliance

The accompanying Condensed Interim Consolidated Financial Statements of Jade Power have been prepared in accordance with IAS 34 Interim Financial Reporting ("**IAS 34**") as issued by the International Accounting Standards Board ("**IASB**"). Accordingly, certain disclosures included in the Trust's annual Consolidated Financial Statements for the years ended December 31, 2020, that were prepared in accordance with International Financial Reporting Standards ("**IFRSs**") as issued by the IASB have been condensed or omitted. These Condensed Interim Consolidated Financial Statements should be read in conjunction with the Trust's annual Consolidated Financial Statements for the year ended December 31, 2020, which include information necessary or useful to understanding the Trust's business and financial statement presentation.

These Condensed Interim Consolidated Financial Statements were authorized by the Board of Directors of the Administrator (the "**Board**") for issue on May 30, 2022.

b. Basis of Preparation and Presentation

The accounting policies applied in the preparation of these Condensed Interim Consolidated Financial Statements are consistent with those applied and disclosed in the Trust's Consolidated Financial Statements for the year ended December 31, 2020. In particular, the Trust's significant accounting policies were presented in note 2: Significant Accounting Policies to the annual Consolidated Financial Statements for the year ended December 31, 2020.

These Condensed Interim Consolidated Financial Statements were prepared in Canadian Dollars and on a going concern basis under the historical cost method except for certain financial assets and liabilities which are measured at fair value.

On September 23, 2021, the Trust completed a consolidation (the "**Unit Consolidation**") of all of its issued and outstanding trust units (each, a "**Unit**") on the basis of one (1) post-consolidation Unit for every ten (10) pre-consolidation Units, resulting in a reduction in the issued and outstanding Units from 231,216,256 Units to 23,121,612 Units. The Units reserved under the Trust's equity and incentive plans were adjusted to reflect the Unit Consolidation. All information pertaining to Units, Unit purchase warrants ("**Warrants**") and options ("**Options**") in these Condensed Interim Consolidated Financial Statements with respect to prior periods has been adjusted to be presented on a post-Unit Consolidation basis. All current and prior period Unit and per Unit information has also been retroactively adjusted to reflect the Unit Consolidation unless otherwise noted.

In the opinion of management of the Trust, these Condensed Interim Consolidated Financial Statements reflect all adjustments, which consist of normal and recurring adjustments necessary to present fairly the

JADE POWER TRUST
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three months ended March 31, 2022

(with comparatives as at December 31, 2021 and for the three months ended March 31, 2021)

(unaudited)

financial position as at March 31, 2022, and December 31, 2021, and the results of operations and cash flows for the three months ended March 31, 2022.

Operating results for the three months ended March 31, 2022, are not necessarily indicative of the results that may be expected for the full year ending December 31, 2022. Due to the nature of the energy generating assets, weather conditions and seasonality highly impact production period-over-period. Weather related impacts such as lack of wind and lack of rain are all be factors that impact results over the reporting periods.

c. Basis of Consolidation

These Condensed Interim Consolidated Financial Statements incorporate the financial statements of the Trust and entities controlled by the Trust. Control is achieved when the Trust is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. All intra-group transactions, balances, income, and expenses are eliminated on consolidation. Subsidiaries that the Trust controls are consolidated from the effective date of acquisition up to the effective date of disposal of loss of control.

The Condensed Interim Consolidated Financial Statements include the accounts of the Trust and the following subsidiaries:

| Name of Subsidiary | Country of Incorporation | Ownership Percentage |
|--|---------------------------------|-----------------------------|
| Jade Power Holdings Inc. | Canada | 100% |
| Jade Power Holdings 2 Inc. | Canada | 100% |
| Jade Power Holdings 3 Inc. | Canada | 100% |
| Mediterranean Resouces Ltd. | Canada | 100% |
| Transeastern Power Cooperatief U.A. | Netherlands | 100% |
| Transeastern Power B.V. | Netherlands | 100% |
| East Wind Farm S.R.L | Romania | 100% |
| Holrom Renewable Energy S.R.L | Romania | 100% |
| Transeastern Hidroelectrica Del Ucea SPV S.R.L | Romania | 100% |
| Transeastern Rott Energy SPV III S.R.L | Romania | 100% |
| Transeastern Power Services Limited | Romania | 100% |
| Zagra Hidro S.A. | Romania | 100% |
| Rott Energy S.A. | Romania | 100% |
| SC Corabia Solar S.A. | Romania | 100% |
| SC Power L.I.V.E One S.A. | Romania | 100% |

JADE POWER TRUST
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three months ended March 31, 2022

(with comparatives as at December 31, 2021 and for the three months ended March 31, 2021)

(unaudited)

3. TRADE AND OTHER RECEIVABLES

| As at | March 31, | December 31, |
|--------------------------------|---------------------|---------------------|
| | 2022 | 2021 |
| Trade receivables | \$ 2,783,538 | \$ 2,424,053 |
| VAT and other taxes receivable | 900,867 | 1,195,932 |
| Provision for VAT receivable | (225,003) | (232,668) |
| | \$ 3,459,402 | \$ 3,387,317 |

4. GREEN CERTIFICATES

Pursuant to applicable Romanian legislation, the Trust's Projects are entitled to receive Green Certificates as follows:

| Project | Tradeable Green Certificates (GC/MWh) | Tradeable Green Certificated Earnings Expiry Date | Restricted Green Certificates outstanding as at March 31, 2022 | Restricted Green Certificates outstanding as at December 31, 2021 | Accreditation Period of Restricted Green Certificates |
|----------------|--|--|---|--|--|
| | | | | | |
| East Wind | 1.00 | 30-Sep-26 | 115,575 | 123,282 | 2018 to 2025 |
| Baia | | | | | |
| Baia 1 | 0.68 | 28-Feb-27 | | | |
| Baia 2 | 1.00 | 31-Dec-25 | - | - | |
| Baia 4 | 1.00 | 30-Jun-26 | - | - | |
| Total Baia | | | 57,215 | 61,031 | 2018 to 2025 |
| PowerLIVE | 6.00 | 29-Feb-28 | 161,081 | 165,680 | 2021 to 2030 |
| Corabia | 6.00 | 31-Jan-28 | 117,704 | 121,064 | 2021 to 2030 |
| Rott | 1.96 | 31-Mar-27 | 5,263 | 5,614 | 2018 to 2025 |
| Zagra | 2.30 | 29-Apr-29 | - | - | - |

Restricted Green Certificates are restricted from trading and systematically released over the accreditation period.

JADE POWER TRUST
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three months ended March 31, 2022

(with comparatives as at December 31, 2021 and for the three months ended March 31, 2021)

(unaudited)

The Trust recorded balances related to Green Certificates as at March 31, 2022 and December 31, 2021 as follows:

| As at | March 31, 2022 | December 31, 2021 |
|---|---------------------------|------------------------------|
| Tradeable Green Certificates | \$ 3,533,323 | \$ 1,211,507 |
| Restricted Green Certificates | | |
| - current | 1,849,011 | 1,935,317 |
| - long-term | 7,682,440 | 8,413,546 |
| Total Restricted Green Certificates | 9,531,451 | 10,348,863 |
| Total Tradeable and Restricted Green Certificates | \$ 13,064,774 | \$ 11,560,370 |

5. PROPERTY, PLANT AND EQUIPMENT

| | Land | Buildings | Machinery and Equipment | Right-of-use Assets | Total |
|---|-------------------|-----------------------|----------------------------|------------------------|------------------------|
| Cost | | | | | |
| Balance, December 31, 2020 | \$ 517,477 | \$ 10,697,652 | \$ 18,673,019 | \$ 45,522,878 | \$ 75,411,026 |
| Additions | - | - | 95,809 | 15,005 | 110,814 |
| Change in estimate of asset retirement obligation | - | (93,896) | (219,091) | - | (312,987) |
| Effect of foreign currency translation | (48,524) | (1,003,112) | (1,770,851) | (4,253,410) | (7,075,897) |
| Balance, December 31, 2021 | \$ 468,953 | \$ 9,600,644 | \$ 16,778,886 | \$ 41,284,473 | \$ 68,132,956 |
| Additions | - | - | 41,755 | - | 41,755 |
| Change in estimate of asset retirement obligation | - | (69,365) | (161,852) | - | (231,217) |
| Effect of foreign currency translation | (15,450) | (316,291) | (553,622) | (1,360,105) | (2,245,468) |
| Balance, March 31, 2022 | \$ 453,503 | \$ 9,214,988 | \$ 16,105,167 | \$ 39,924,368 | \$ 65,698,026 |
| Accumulated Depreciation | | | | | |
| Balance, December 31, 2020 | \$ - | \$ (1,058,866) | \$ (1,709,893) | \$ (20,635,283) | \$ (23,404,042) |
| Depreciation expense | - | (470,785) | (910,027) | (2,275,423) | (3,656,235) |
| Effect of foreign currency translation | - | 115,085 | 204,482 | 2,008,902 | 2,328,469 |
| Balance, December 31, 2021 | \$ - | \$ (1,414,566) | \$ (2,415,438) | \$ (20,901,804) | \$ (24,731,808) |
| Depreciation expense | - | (91,282) | (234,294) | (542,468) | (868,044) |
| Effect of foreign currency translation | - | 48,451 | 84,700 | 699,967 | 833,118 |
| Balance, March 31, 2022 | \$ - | \$ (1,457,397) | \$ (2,565,032) | \$ (20,744,305) | \$ (24,766,734) |
| Net Book Value | | | | | |
| Balance, December 31, 2021 | \$ 468,953 | \$ 8,186,078 | \$ 14,363,448 | \$ 20,382,669 | \$ 43,401,148 |
| Balance, March 31, 2022 | \$ 453,503 | \$ 7,757,591 | \$ 13,540,135 | \$ 19,180,063 | \$ 40,931,292 |

JADE POWER TRUST
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three months ended March 31, 2022

(with comparatives as at December 31, 2021 and for the three months ended March 31, 2021)

(unaudited)

6. DEBT

i) Lease liabilities

| As at | March 31, 2022 | December 31, 2021 |
|---------------------------|-------------------|----------------------|
| Lease liabilities (i) | 13,889,735 | 14,993,022 |
| Less: current portion | (3,426,648) | (2,777,144) |
| Long-term debt facilities | \$ 10,463,087 | \$ 12,215,878 |

In connection with the acquisition of the Solar Projects and Baia, the Trust assumed leasing contracts with Unicredit Leasing Corporation IFN SA, which were initially entered into for the purpose of financing the construction of the photovoltaic solar plants and windmills.

The interest rate on the leasing contracts on the Solar Projects is currently 5.25% until maturity in 2023. At the end of the lease, the ownership of the photovoltaic plants pass to the Trust for nominal consideration. The lease agreements require the Solar Projects to maintain a debt service reserve account equal to three months debt service obligations.

As at March 31, 2022, the Trust had \$999,261 (December 2021 - \$1,033,303) of restricted cash related to this requirement.

The leasing agreement with Baia was fully repaid during the fourth quarter of 2021 and the ownership of the assets passed to the Trust for nominal consideration.

In addition to the above leases, as at March 31, 2022, the Trust also had lease liabilities in respect to right-of-use assets for which the Trust recognized interest expense for the three months ended March 31, 2022 of \$10,283 (2021 - \$12,763).

Future minimum lease payments are disclosed in note 12.

ii) Secured debt facility

Trust closed \$3,800,000 of a three-year \$10,000,000 secured debt facility (the “**2017 Secured Debt Facility**”), On January 20, 2017. On January 4, 2021, the Trust fully repaid the balance outstanding on the 2017 Secured Debt Facility of \$1,646,758, plus accrued, and unpaid fixed interest of \$102,845.

The 2017 Secured Debt Facility also provides for annual additional variable interest payments until 2035 calculated at 1.05% of revenue of the Trust’s current Romanian operating Projects, excluding East Wind. The Trust has the option to buy-out the variable interest payments at any time at a pre-determined price. The Trust’s obligations under the 2017 Secured Debt Facility are secured by a first charge over the Hydro assets of each of the Trust and its subsidiaries, with the exception of the East Wind assets.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three months ended March 31, 2022

(with comparatives as at December 31, 2021 and for the three months ended March 31, 2021)

(unaudited)

7. UNITS

On September 23, 2021, the Trust completed the Unit Consolidation of all of its issued and outstanding Units on the basis of one (1) post-consolidation Unit for every ten (10) pre-consolidation Units, resulting in a reduction in the issued and outstanding Units from 231,216,256 Units to 23,121,612 Units. The Units reserved under the Trust’s equity and incentive plans were adjusted to reflect the Unit Consolidation. All current and prior period Unit and per Unit data presented below have been retroactively adjusted to reflect the Unit Consolidation.

| | Units | Unit value |
|-------------------------------------|-------------------|-----------------------|
| Balance at December 31, 2020 | 23,121,626 | \$ 103,226,233 |
| Cancelled Units (i) | (14) | - |
| Unit buy-back (ii) | (540,000) | (1,314,192) |
| Balance at December 31, 2021 | 22,581,612 | 101,912,041 |
| Unit buy-back (ii) | (328,700) | (827,039) |
| Balance at March 31, 2022 | 22,252,912 | \$ 101,085,002 |

Unit Activity

- i) During the year ended December 31, 2021, the Trust cancelled 14 Units in connection with the Unit Consolidation.
- ii) On September 17, 2021, the Trust launched a normal course issuer bid (“**NCIB**”) pursuant to which the Trust may purchase for cancellation, from time to time, up to a maximum of 5% (1,156,081 Units) of the outstanding Units of the Trust over a 12-month period from September 17, 2021 until September 16, 2022. All purchases made under the NCIB will be completed through the facilities of the TSX Venture Exchange (“**TSXV**”) in open market transactions or by such other means as may be permitted by the TSXV or under applicable law. All Units purchased under the NCIB will be cancelled. The Trust purchased 540,000 Units under the NCIB during the twelve months ended December 31, 2021, of which 190,000 were cancelled during 2021, with the remaining balance cancelled in January 2022. An additional 328,700 Units were purchased under the NCIB during the three months ended March 31, 2022, all of which were cancelled during the period.

8. UNIT PURCHASE PLAN

Under the Unit Purchase Plan (“**UPP**”), qualifying Participants of the UPP will be entitled to purchase Units under the terms of the UPP. On each of June 15 and December 15, a Qualifying Participant will be entitled to receive a matching number of Units (the “**Matching Units**”) as were subscribed for by such Qualifying Participant at no cost to the Qualifying Participant. The Matching Units will be issued to the Qualifying Participant in equal annual instalments over a three-year period following the date of the subscription of the Units by the Qualifying Participant.

JADE POWER TRUST
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(with comparatives as at December 31, 2021 and for the three months ended March 31, 2021)

(unaudited)

During the year ended December 31, 2021, the Trust purchased an aggregate of 92,153 (2020 – Nil) Units through the facilities of the TSXV in open market transactions to satisfy Matching Units obligations of the Trust under the UPP for total consideration of \$199,165. Out of the 92,153 Units purchased through the facilities of the TSXV, a total of 33,957 Units were transferred to directors and officers to settle the Trust’s obligations under the Matching Units during the year ended December 31, 2020. During the three months ended March 31, 2021, a total of 29,195 Units to directors and officers to settle the Trust’s obligations under the Matching Units.

The total number of Units reserved for issuance from treasury under the UPP is 160,000 Units. As at March 31, 2022, an aggregate of 192 Units remain issuable from treasury under the UPP.

9. RELATED PARTY TRANSACTIONS

Apart from the transactions disclosed elsewhere in these unaudited Condensed Interim Consolidated Financial Statements, all transactions are in the normal course of business and are recorded at the exchange value agreed to by the related parties. Inter-company transactions and balances are eliminated upon consolidation.

The following is a summary of related party transactions during the three months as at and ended March 31, 2022:

- i) Key management of the Trust consists of members of the board of directors and officers of the Trust and the Administrator. The following table represents related party balances and transactions with directors and officers of the Trust. Accounts payable consist of director fees payable, deferred salaries, advances to the Trust as well as reimbursement of payments of expenses incurred on behalf of the Trust.

| As at | 2022 | | 2021 |
|--|-------------|---------------------------|------------------|
| Accounts payable and accrued liabilities | \$ | 214,576 | \$ 225,208 |
| | | Three months ended | |
| | | March 31, | March 31, |
| | | 2022 | 2021 |
| Salaries and benefits to officers of the Trust | \$ | 237,589 | \$ 262,386 |
| Director fees | \$ | 59,587 | \$ 53,750 |

During the year ended December 31, 2021, the Trust transferred 33,957 (See Note 7) Units to directors and officers which were purchased by the Trust through the facilities of the TSXV in open-market transaction pursuant to and in settlement of its obligations under the UPP. During the three months ended March 31, 2022, the Trust transferred 29,195 Units to directors and officers pursuant to and in settlement of its obligations under the UPP.

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As at March 31, 2022, there were Nil (December 31, 2021 – 29,195) Units owing to directors and officers of the Trust.

- ii) Renovatio Group Limited (“**RGL**”) holds significant influence over the Trust and is a related party. The Trust sells power and Green Certificates to RGL and has operations and maintenance contracts with subsidiaries of RGL. The following tables summarize related party balances and transactions:

| As at | | March 31, 2022 | | December 31, 2021 |
|--|----|---------------------------|----|----------------------|
| Trade and other receivables | \$ | 887,039 | \$ | 1,033,232 |
| Accounts payable and accrued liabilities | \$ | 1,369,311 | \$ | 802,450 |

| | | March 31, 2022 | | Three months ended March 31, 2021 |
|---|----|---------------------------|----|--|
| Sales of electricity | \$ | 2,625,693 | \$ | 1,094,295 |
| Proceeds from sale of Green Certificates | \$ | 38,041 | \$ | 2,480,542 |
| Operations maintenance and balancing fees | \$ | 2,482,300 | \$ | 1,576,973 |

10. FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

Capital Management

The Trust manages its capital with the objective of ensuring sufficient financial flexibility to achieve the ongoing business objectives, improving, and maintaining the operation of Trust assets and the pursuit of accretive acquisitions.

The Trust monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Trust may manage its capital structure by issuing new Units, securing debt financing, acquiring cash through acquisitions, or disposing of assets. The capital structure is reviewed by management and the Board on an ongoing basis.

The Trust considers its capital to be equity, comprising all aspects of Unitholders’ equity. To continue to achieve its capital objectives, the Trust will raise additional amounts as needed.

The Trust manages capital through its financial and operational forecasting processes including working capital forecasts and forecasts of future operational cash flows from its projects. The Trust’s budget is regularly updated based on actual experience and summary forecast Information is frequently provided to the Board.

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Financial Instruments

The Trust's financial instruments consist of cash, restricted cash, trade and other receivables (excluding HST and VAT), accounts payable and accrued liabilities, debt facility, and lease liabilities. As of March 31, 2022, the Trust had not entered into any derivative contracts (December 31, 2021 – Nil).

The carrying value of trade and other receivables, accounts payable and accrued liabilities and debt facility approximate their fair values due to the immediate or short-term maturity of these financial instruments. The carrying value of lease liabilities approximately their fair value as the implicit rates in the leases approximate current market rates.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Risk Management Policies

The Trust, through its financial assets and liabilities, is exposed to various risks. The Trust has established policies and procedures to manage these risks, with the objective of minimizing any adverse effect that changes in these variables could have on the Consolidated Financial Statements. The following analysis provides a measurement of risks as at March 31, 2022:

Credit Risk

Credit risk is the risk of financial loss to the Trust if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Trust's credit risk is primarily attributable to fluctuations in the realizable values of its cash and trade and other receivables and concentration of customers. Customer concentration provides us with certain benefits including long-term predictable cash inflow through long-term energy off-take agreements and long-term Green Certificate sales agreements. Cash accounts are maintained with major international financial institutions of reputable credit and therefore bear minimal credit risk. In the normal course of business, the Trust is exposed to credit risk from its customers and the related trade receivable are subject to normal industry credit risk.

Two (2) (March 31, 2021 – two (2)) of the Trust's customers accounted for 100% (March 31, 2021 – 100%) of sale of electricity revenue, including RGL (See note 9), which accounted for 87% of such revenue (March 31, 2021 – 61%). Proceeds from the sale of Green Certificates attributed to the above two mentioned customers, including RGL (See note 9), accounted for 99% of such proceeds (March 31, 2021 – 100%). Outstanding customer receivables are monitored at each reporting date and any significant outstanding receivables from major customers is analyzed. The Trust evaluates the concentration of risk with respect to trade receivables as high, however, the energy supplier and trading license held by our customers does not allow for the build-up of uncollected receivables.

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The Trust views credit risk on its trade and other receivables as minimal. As at March 31, 2022, all trade receivables and indirect tax receivables were current with an expected credit loss of \$221 (December 31, 2021 – \$232,668).

Liquidity Risk

Liquidity risk is the risk that the Trust will not be able to meet its financial obligations as they fall due. The Trust's approach to managing liquidity risk is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Trust's reputation. The Trust manages liquidity risk by closely monitoring changing conditions in its investees, participating in the day-to-day management and by forecasting cash flows from operations and anticipated investing and financing activities. The Trust's financial liabilities are comprised of its accounts payable and accrued liabilities, lease liabilities and debt facilities including associated interest payments, and asset retirement obligations.

| | Total | 0 to 12 Months | 12 to 24 Months | After 24 Months |
|--|----------------------|-----------------------|------------------------|------------------------|
| Accounts payable and accrued liabilities | 6,099,372 | 6,099,372 | - | - |
| Lease liabilities | 13,889,735 | 3,426,648 | 9,404,043 | 1,059,044 |
| Interest payments | 2,918,153 | 783,029 | 565,482 | 1,569,642 |
| Asset retirement obligations | 6,031,299 | - | - | 6,031,299 |
| | \$ 28,938,559 | \$ 10,309,049 | \$ 9,969,525 | \$ 8,659,985 |

Foreign Exchange Risk

Foreign exchange risk is the risk that future cash flows or fair value of a financial instrument will fluctuate because of changes in foreign exchange rates, namely the Romanian Leu and Euro.

The Trust is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables, and borrowings, such as leases, are denominated in the respective functional currencies of the Trust and its subsidiaries. Other than the leases described in note 6(i), such transactional risks are limited, as the majority of transactions are made in the respective functional currencies of the Trusts operating subsidiaries.

The exchange rates for the currencies used in the preparation of the Condensed Interim Consolidated Financial Statements were as follow:

| | March 31, 2022 | March 31, 2021 | December 31, 2021 |
|---|---------------------------|-------------------|----------------------|
| CAD to RON | | | |
| Period end exchange rate | 3.5514 | 3.3299 | 3.4344 |
| Average exchange rate for the year-to-date period | 3.4795 | 3.1952 | 3.3192 |

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Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Trust is exposed to interest rate risk on its fixed interest rate financial instruments. These fixed-rate instruments subject the Trust to a fair value risk.

Commodity Price Risk

Commodity price risk is defined for these purposes as the risk that the fair value of future cash flows of the Trust will fluctuate because of changes in commodity prices. The Trust is exposed to commodity price risk related to its revenue recognized and the future realization of Green Certificates. The majority of the Projects are subject to fixed prices in long-term off-take agreements for the sale of energy. East Wind is subject to pricing fluctuations in the Romanian energy market under its off-take agreement.

During the fourth quarter of 2021, the Romanian government enacted new an Emergency Ordinance which included a windfall tax of 80% applicable to domestic electricity producers, such as the Trust. Electricity sales became subject to a windfall tax calculated on the difference between the monthly average selling prices less RON 450/MWh. This tax is meant to be an additional tax for the recent extraordinary revenues received by electricity producers due to high electricity costs and is in effect from November 1, 2021 to March 31, 2023. The Trust expects that the windfall tax will have minimal impact on its cash flows and net earnings, as the most of the Trust's energy is sold under long-term offtake agreements priced at below RON 450/MWh.

Other Risks

Impact of COVID-19

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus, COVID-19. In March 2020, the WHO classified the COVID-19 outbreak as a global pandemic. COVID-19 has significantly impacted global economies including reduction in the demand for power. Thus far, the Trust's renewable energy facilities have been deemed essential infrastructure and the Trust has been able to maintain business continuity during this pandemic to date reflecting the strength of its operating model and infrastructure. This is likely to be the case for any further COVID-19 variant outbreaks. To date, the COVID-19 outbreak has not resulted in any disruptions to the Trust's assets, operations or financial position and the Trust has taken prudent measures to safeguard the health of its employees. While the majority of the Trust's revenues are contracted under long-term off-take agreements with creditworthy counterparties, there is some exposure to the Romanian wholesale market price of energy for East Wind which is subject pricing fluctuations in the Romanian energy market. Additionally, the Trust is exposed to any changes in the regulatory environment in respect to the production or sale of energy and Green Certificates as a result of COVID-19. Management continues to actively monitor the global situation of the pandemic which remains less uncertain than the previous two years and will continue to monitor the potential effects it may have on the Trust's financial condition,

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liquidity, operations, suppliers, customers, and the industry in which it operates including applicable energy and GC prices.

Impact of Russian-Ukrainian war

On February 22, 2022, Russia invaded the sovereign state of Ukraine, which is close in proximity to Romania, where the operations of the Trust are located. The invasion has resulted in certain institutional stresses and uncertainties on the operation and reliability of global supply chains and led to various sanction being placed on the governments and citizens of Russia and Belarus, as well as companies operating, or with assets located, in those jurisdictions. Management views the current impact of the invasion of Ukraine and the ongoing conflict on the operations of the Trust to be minimal, as the Trust does not currently have any direct business relationships with any entities based in Russia, Belarus, or Ukraine; however, due to the nature of the conflict and its geographical proximity to Romania, management continues to monitor the situation in Ukraine closely.

11. SEGMENT INFORMATION

In accordance with *IFRS 8 Operating Segments* ("**IFRS 8**"), the Trust has identified the following operating segments:

- I. the Hydro Projects (located in Romania) consist of Rott and Zagra.
- II. the Solar Projects (located in Romania) consist of Corabia and PowerLIVE;
- III. the Wind Projects (located in Romania) consist of Baia and East Wind; and
- IV. corporate overhead which includes the management of the Projects (located in Romania) and corporate costs for administration of the Trust (located in Canada). The operating segments have been identified based upon the nature of operations and technology used in the generation of electricity. The Trust analyzes the performance of its operating segments based on their operating income (loss), which is defined as revenue less operating expenses.

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Assets and Liabilities by Segment:

| As at | March 31, 2022 | December 31, 2021 |
|------------------------------------|----------------------|----------------------|
| Assets | | |
| <i>From foreign jurisdictions:</i> | | |
| Hydro Projects | 3,456,019 | 3,571,963 |
| Solar Projects | 32,218,097 | 33,286,916 |
| Wind Projects | 32,163,628 | 31,404,793 |
| | 67,837,744 | 68,263,672 |
| Corporate | 1,075,699 | 1,252,185 |
| Total Assets | \$ 68,913,443 | \$ 69,515,857 |

Liabilities

From foreign jurisdictions:

| | | |
|--------------------------|----------------------|----------------------|
| Hydro Projects | 704,541 | 745,096 |
| Solar Projects | 15,148,106 | 16,120,394 |
| Wind Projects | 6,296,046 | 6,106,586 |
| | 22,148,693 | 22,972,076 |
| Corporate | 2,361,623 | 1,878,603 |
| Total Liabilities | \$ 24,510,316 | \$ 24,850,679 |

Profit (Loss) by Segment:

| For the three months ended March 31, 2021 | Wind Projects | Hydro Projects | Solar Projects | Corporate Overhead | Total |
|--|---------------------|-------------------|---------------------|-----------------------|---------------------|
| Revenue | \$ 3,464,157 | \$ 144,891 | \$ 1,397,873 | \$ - | \$ 5,006,921 |
| Total Expenses | | | | | |
| Cost of Sales excluding depreciation | (1,027,625) | (79,144) | (264,149) | - | (1,370,918) |
| Depreciation | (403,024) | (28,376) | (531,128) | (976) | (963,504) |
| Corporate Overhead | - | - | - | (537,099) | (537,099) |
| Other | (65,103) | (7,192) | (388,297) | 73,176 | (387,416) |
| Deferred and current income tax (expense) recovery | - | - | - | - | - |
| Discontinued operations | - | - | - | - | - |
| Earnings (Loss) for the period | \$ 1,968,405 | \$ 30,179 | \$ 214,299 | \$ (464,899) | \$ 1,747,984 |

| For the three months ended March 31, 2022 | Wind Projects | Hydro Projects | Solar Projects | Corporate Overhead | Total |
|--|---------------------|-------------------|---------------------|-----------------------|---------------------|
| Revenue | \$ 5,010,549 | \$ 108,498 | \$ 1,552,305 | \$ - | \$ 6,671,352 |
| Total Expenses | | | | | |
| Cost of Sales excluding depreciation | (1,199,163) | (81,208) | (430,859) | - | (1,711,230) |
| Depreciation | (356,095) | (26,121) | (487,731) | (1,595) | (871,542) |
| Corporate Overhead | - | - | - | (786,024) | (786,024) |
| Other | 6,406 | (3,802) | (155,011) | (980,340) | (1,132,747) |
| Other non-operating income (expense) | - | - | - | - | - |
| Deferred and current income tax (expense) recovery | (7,913) | - | - | - | (7,913) |
| Earnings (Loss) for the period | \$ 3,453,784 | \$ (2,633) | \$ 478,704 | \$ (1,767,959) | \$ 2,161,896 |

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12. COMMITMENTS AND CONTINGENCIES

Commitments

In the normal course of business, the Trust enters into contracts that give rise to commitments for future minimum payments. The following table summarizes the remaining contractual maturities of the Trust's financial liabilities and operating commitments as at March 31, 2022:

| | Total | Within 12 months | 1 – 3 years | 3 – 5 years | Greater than 5 years |
|------------------------------|---------------|------------------|---------------|--------------|-------------------------|
| Variable interest royalty | \$ 1,470,122 | \$ 118,911 | \$ 233,859 | \$ 228,045 | \$ 889,307 |
| Lease liabilities | | | | | |
| Principal | 13,889,735 | 3,426,648 | 9,452,975 | 137,959 | 872,153 |
| Interest | 1,448,031 | 664,112 | 336,787 | 128,515 | 318,617 |
| Operational commitments | 19,180,212 | 3,844,324 | 7,606,275 | 6,472,827 | 1,256,786 |
| Asset retirement obligations | 6,031,299 | - | - | - | 6,031,299 |
| | \$ 42,019,399 | \$ 8,053,995 | \$ 17,629,896 | \$ 6,967,346 | \$ 9,368,162 |

Operational commitments include asset management and maintenance contracts with RGL, security services and insurance.

Contingencies

Due to the nature and complexity of the Trust's operations, various legal and tax matters are outstanding from time to time. In the event that the Trust's estimates of the future resolution of these matters' changes, the effects of the changes will be recognized in the Consolidated Financial Statements.

13. COMPARATIVE INFORMATION

Certain comparative figures have been reclassified to conform to the current period's presentation.