First Quarter 2024

Conference Call & Webcast

May 9, 2024

INNERGEX Renewable Energy

Forward-Looking Information

To inform readers of the Corporation's future prospects, this document contains forward-looking information within the meaning of applicable securities laws (“Forward-Looking Information”), including the Corporation’s growth targets, power production, prospective projects, successful development, construction and financing (including tax equity funding) of the projects under construction and the advanced-stage prospective projects, sources and impact of funding, project acquisitions, execution of non-recourse project-level financing (including the timing and amount thereof), and strategic, operational and financial benefits and accretion expected to result from such acquisitions, business strategy, future development and growth prospects (including expected growth opportunities under the Strategic Alliance with Hydro-Québec), business integration, governance, business outlook, objectives, plans and strategic priorities, and other statements that are not historical facts. Forward-Looking Information can generally be identified by the use of words such as “approximately”, “may”, “will”, “could”, “believes”, “expects”, “intends”, “should”, “would”, “plans”, “potential”, “project”, “anticipates”, “estimates”, “scheduled” or “forecasts”, or other comparable terms that state that certain events will or will not occur. It represents the projections and expectations of the Corporation relating to future events or results as of the date of this document.

Future-Oriented Financial Information: Forward-Looking Information includes future-oriented financial information or financial outlook within the meaning of securities laws, including information regarding the Corporation's targeted production, the estimated targeted revenues and production tax credits, targeted Revenues and Production Tax Credits Proportionate, targeted Adjusted EBITDA and targeted Adjusted EBITDA Proportionate, targeted Free Cash Flow, targeted Free Cash Flow per Share and intention to pay dividend quarterly, the estimated project size, costs and schedule, including obtainment of permits, start of construction, work conducted and start of commercial operation for Development Projects and Prospective Projects, the Corporation's intent to submit projects under Requests for Proposals, the qualification of U.S. projects for PTCs and ITCs and other statements that are not historical facts. Such information is intended to inform readers of the potential financial impact of expected results, of the expected commissioning of Development Projects, of the potential financial impact of completed and future acquisitions and of the Corporation's ability to pay a dividend and to fund its growth. Such information may not be appropriate for other purposes.

Assumptions: Forward-Looking Information is based on certain key assumptions made by the Corporation, including, without restriction, those concerning hydrology, wind regimes and solar irradiation; performance of operating facilities, acquisitions and commissioned projects; availability of capital resources and timely performance by third parties of contractual obligations; favourable economic and financial market conditions; average merchant spot prices consistent with external price curves and internal forecasts; no material changes in the assumed U.S. dollar to Canadian dollar and Euro to Canadian dollar exchange rate; no significant variability in interest rates; the Corporation’s success in developing and constructing new facilities; no adverse political and regulatory intervention; successful renewal of PPAs; sufficient human resources to deliver service and execute the capital plan; no significant event occurring outside the ordinary course of business such as a natural disaster, pandemic or other calamity; continued maintenance of information technology infrastructure and no material breach of cybersecurity.

Risks and Uncertainties: Forward-Looking Information involves risks and uncertainties that may cause actual results or performance to be materially different from those expressed, implied or presented by the Forward-Looking Information. These are referred to in the “Risks and Uncertainties” section of the Annual Report and include, without limitation: performance of major counterparties; equipment supply; delays and cost overruns in the design and construction of projects; health, safety and environmental risks; equipment failure, unexpected operations and maintenance activity and increased asset maintenance on ageing equipment; variability of installation performance and related penalties; increase in water rental cost or changes to regulations applicable to water use; availability and reliability of transmission systems; resource assessment and performance variability; global climate change; variability in hydrology, wind regimes and solar irradiation; preparedness to facing natural disasters and force majeure; pandemics, epidemics or other public health emergencies; cybersecurity; reliance on shared transmission and interconnection infrastructure; inability of the Corporation to execute its strategy for building shareholder value; inability to raise additional capital and the state of the capital market; inability to secure new PPAs or renew any PPA; reliance on various forms of PPAs; volatility of supply and demand in the energy market; fluctuations affecting prospective power prices; uncertainties surrounding development of new facilities; obtainment of permits; inability to realize the anticipated benefits of completed and future acquisitions; integration of the completed and future acquisitions; changes in governmental support to increase electricity to be generated from renewable sources by independent power producers; regulatory and political risks; risks related to U.S. production and investment tax credits, changes in U.S. corporate tax rates and availability of tax equity financing; exposure to many different forms of taxation in various jurisdictions; social acceptance of renewable energy projects; relationships with Indigenous communities and stakeholders; inability to secure appropriate land; foreign market growth and development risks; liquidity risks related to derivative financial instruments; interest rate fluctuations and refinancing; financial leverage and restrictive covenants governing current and future indebtedness; changes in general economic conditions; foreign exchange fluctuations; possibility that the Corporation may not declare a dividend or may reduce the amount of the dividend; insufficiency of insurance coverage; ability to attract new talent or to retain officers or key employees; litigation; credit rating may not reflect actual performance of the Corporation or a lowering (downgrade) of the credit rating; revenues from certain facilities will vary based on the market (or spot) price of electricity; host country economic, social and political conditions; adverse claims to property title; reliance on intellectual property and confidential agreements to protect the Corporation's rights and confidential information; and reputational risks arising from misconduct of representatives of the Corporation.

Although the Corporation believes that the expectations and assumptions on which Forward-Looking Information is based are reasonable under the current circumstances, readers are cautioned not to rely unduly on this Forward-Looking Information, as no assurance can be given that it will prove to be correct. Forward-Looking Information contained herein is provided as at the date of this document, and the Corporation does not undertake any obligation to update or revise any Forward-Looking Information, whether as a result of events or circumstances occurring after the date hereof, unless so required by law.

Agenda and Presenters

1. Corporate and Growth Updates
2. Year-to-Date 2024 Achievements
3. Canadian Market Strategy
4. Q1 2024 Financial Highlights
5. Q&A Period
6. Appendix
7. Non-IFRS Measures

Michel Letellier, MBA
President and Chief Executive Officer

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Vice President – Corporate Relations and Environment

Jean Trudel, MBA
Chief Financial Officer

Corporate and Growth Updates

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Q1 Corporate and Growth Updates

1. Improved generation in Q1 2024 including production at 96% of LTA compared to 87% in Q1 2023
2. Positive Q1 2024 performance including Adjusted EBITDA Proportionate of $171M and Free Cash Flow per Share of $0.21[1], up 15% and 175% from Q1 2023, respectively
3. Pursuing disciplined and sustainable growth strategy
4. Executing on 2024 growth and financial priorities

1. On a quarterly basis

Year-to-Date 2024 Highlights

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Year-to-Date 2024 Achievements

Operations

- Power deliveries have begun at the 35 MW/175 MWh San Andrés battery energy storage facility in Chile
- First full-quarter contributions from the 7.5 MW Innavik hydro project in Quebec

Development and Construction

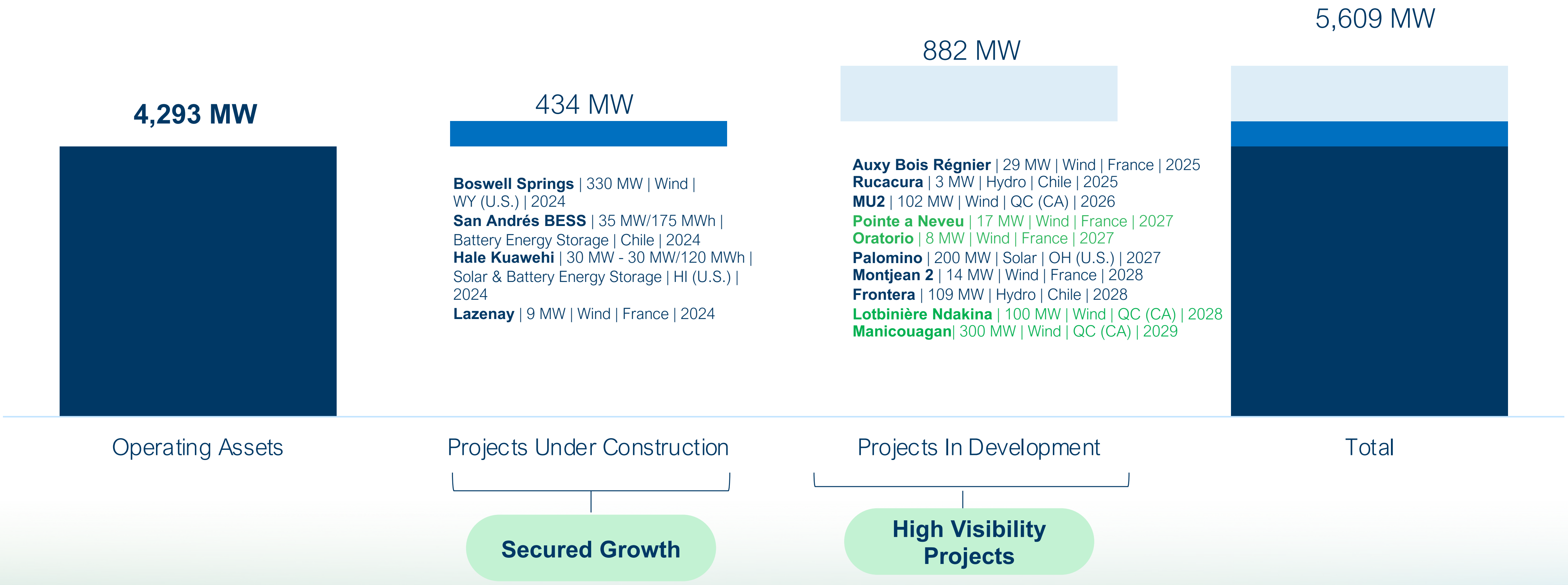
- 330 MW Boswell Springs wind project in Wyoming progressing in line with expectations
- Progressing the 30 MW Hale Kuawehi solar and 30 MW/120 MWh battery energy storage project in Hawaii in line with expectations
- Addition of 4 new wind projects to development activities in Canada and in France for ~425 MW in Q1 2024, with CODs expected from 2027 to 2029

RFPs and PPAs

- 400 MW selected in latest RFP in Quebec in January 2024
  - 30-year PPA signed for the 100 MW Lotbinière Ndakina project in April 2024
  - 30-year PPA in progress for the 300 MW Manicouagan project
- Selected for 350 GWh per year with Codelco corporate PPA in Chile in March 2024

Visibility on Growth From Secured Projects

In Gross MW



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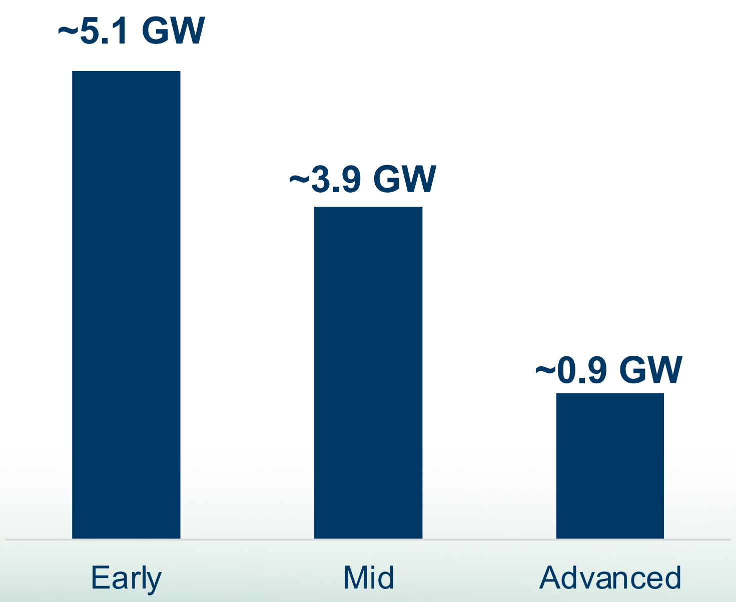
Dates next to projects represents current expected commissioning timelines, subject to change. Items in green represent Quarter on Quarter additions

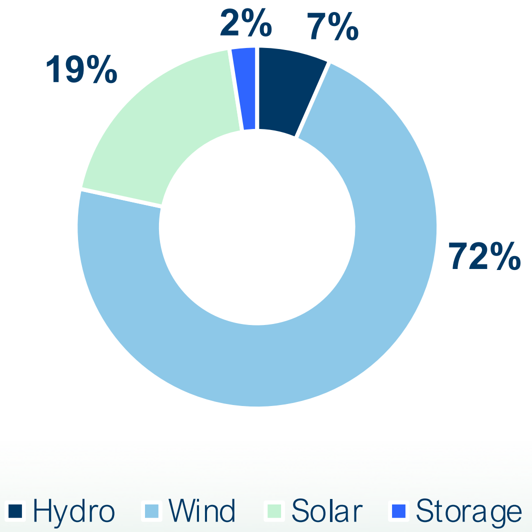
Large and Diversified Portfolio of Prospective Projects

Highly visible ~10 GW development portfolio with significant optionality for accretive growth

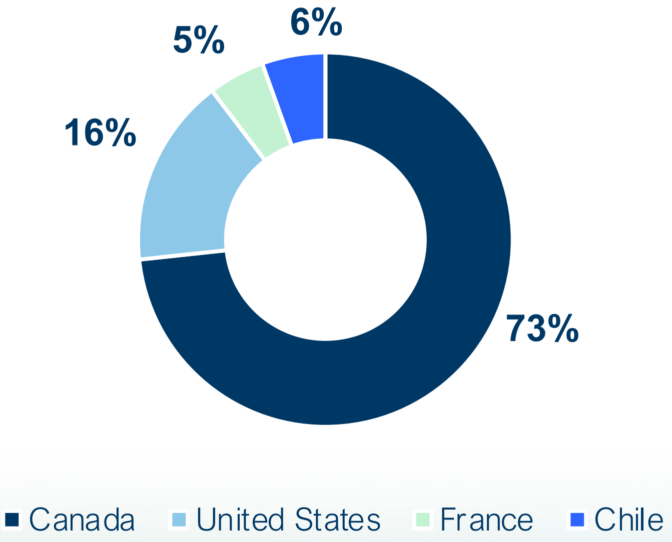
By Development Stage



By Technology



By Region



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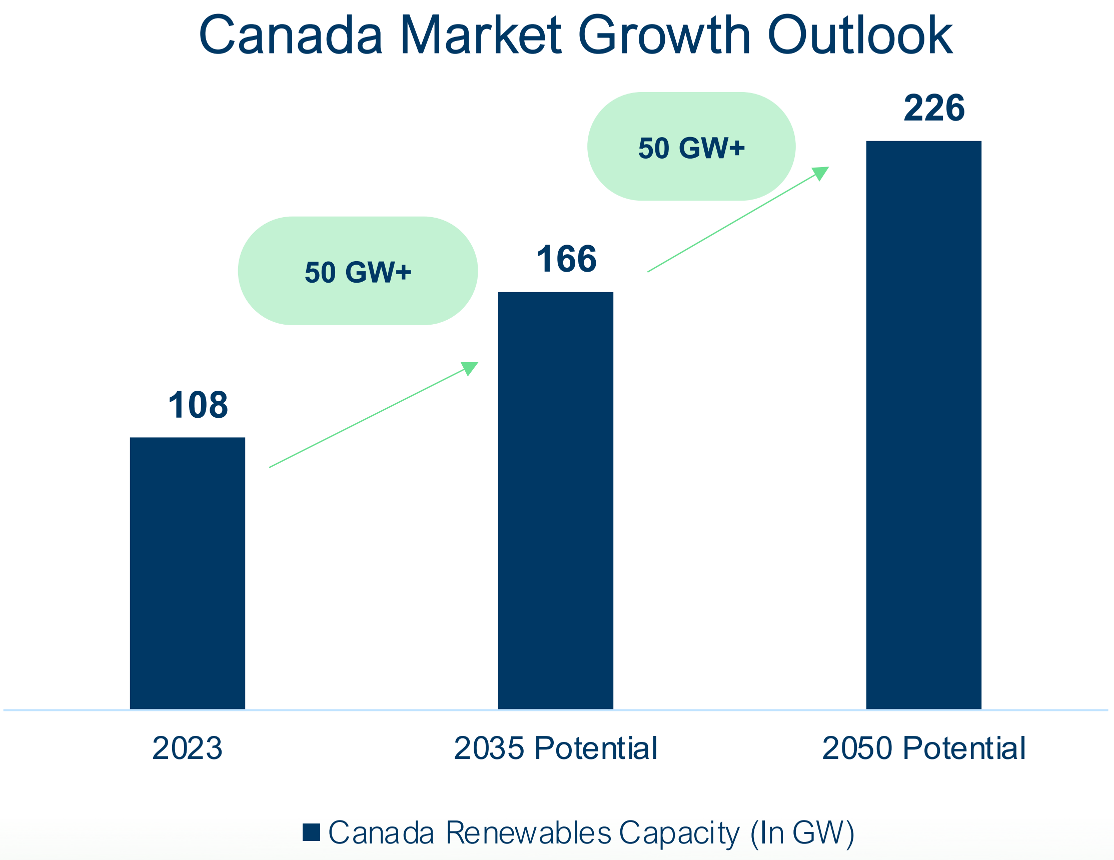
Only Gross Installed Capacity is disclosed for Prospective Projects as the net capacity is not yet defined at this stage.

Canadian Market Strategy

3

Canada: Electricity Growth Outlook



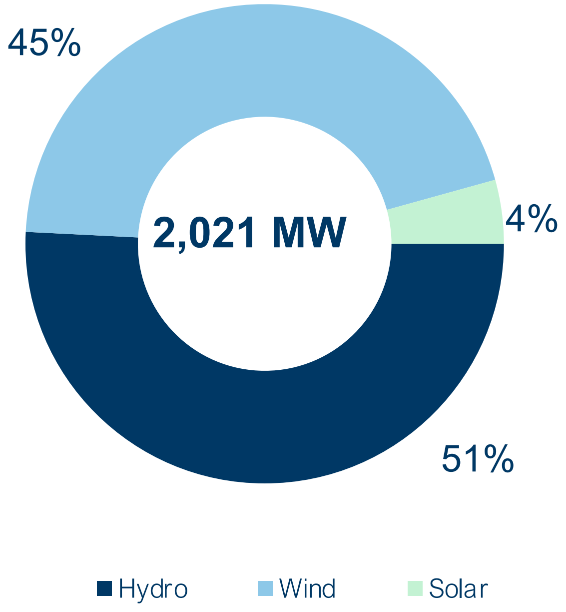
Highlights

- Rapid and sustained electricity demand growth expected across the provinces
- Growth is being driven by economic need and decarbonization imperative
- Favourable contract structures with high-quality utility offtakers and expanding opportunities for direct corporate offtake
- Visibility on significant capacity awards from recurring RFPs
- Opportunities for durable and sustainable growth from greenfield development

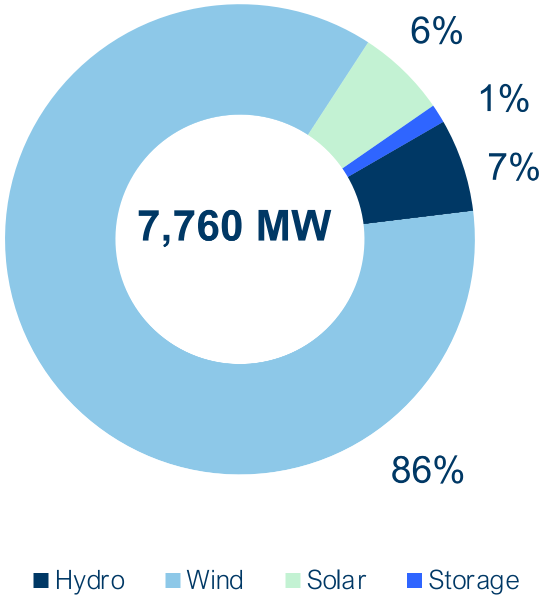
Well-positioned to capture growth opportunities in Canada

A Canadian Market Leader in Renewable Energy

Installed Capacity



Development and Prospective Projects



Competitive Advantages

- Experienced teams and market leadership
- Partner of choice with Indigenous and local communities
- Diversified operating portfolio across several provinces and various technologies
- Large-scale diverse prospective portfolio provides optionality

Leveraging our strengths and competitive advantages

2024 RFP Outlook in Canada

British Columbia

- Final RFP released in April and final bids due in September 2024
- RFP includes minimum Indigenous equity requirements, and additional incentives for higher Indigenous equity participation
- Potential project CODs between 2028-2030

Quebec

- Next wind RFP details expected in Q1 2025
- Bids potentially due in late 2025
- Prioritizing large-scale wind projects for future RFPs

Q1 | Q2 | Q3 | Q4

Project Awards

- 400 MW selected in latest RFP in Quebec in January 2024

Saskatchewan

- Participating in 200 MW solar procurement process
- Potential project CODs in late 2027

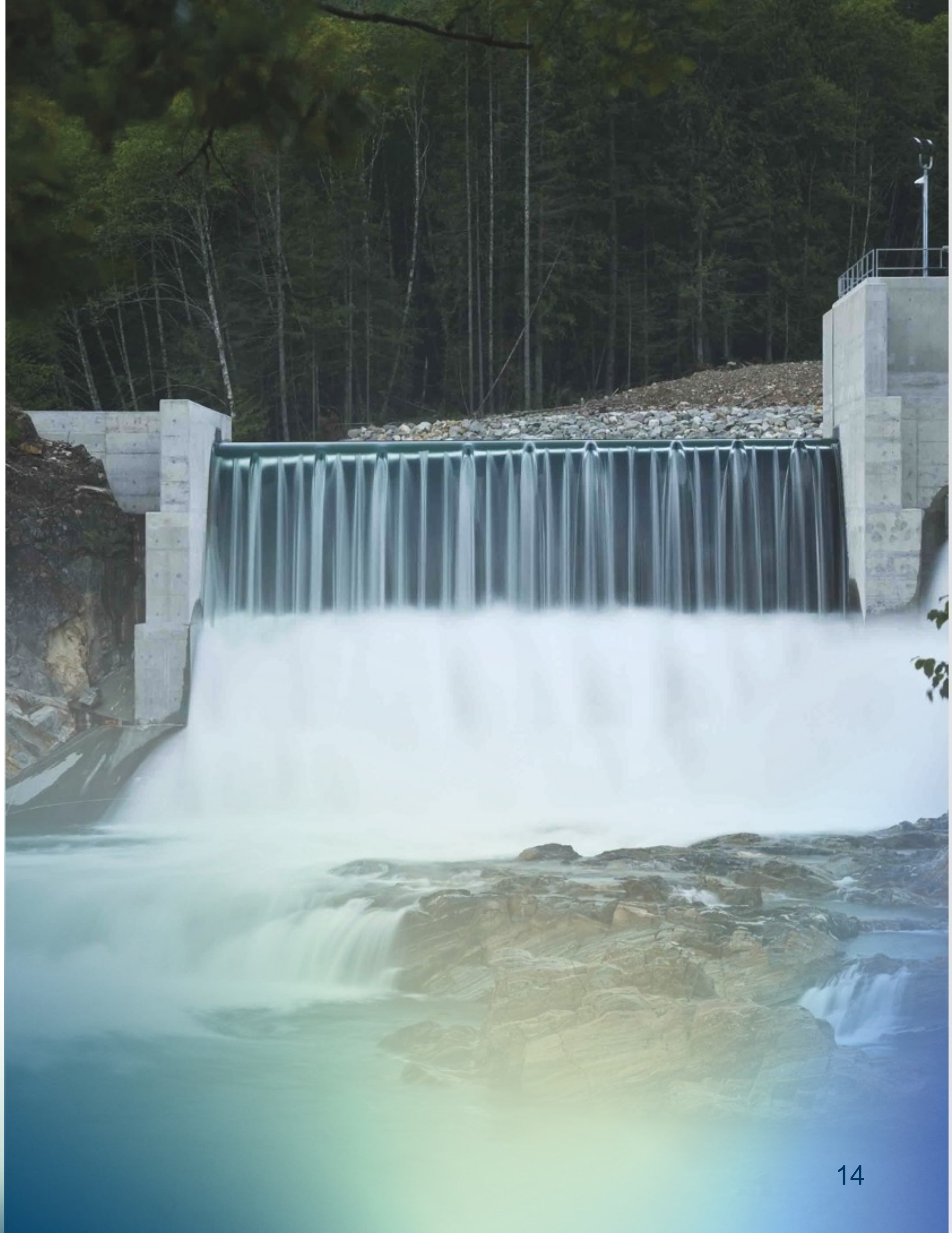
Ontario

- LT2 planned to procure 5 TWh (~2,000 MW) of renewable energy
- Bids potentially due in late 2025
- Leveraging diversified multi-technology development portfolio

>5,000 MW of RFP opportunities expected in 2024-2025

Delivering in B.C. and well-positioned to win

- **Over $2.5 billion** invested in B.C.'s economy
- **22 hydro and wind assets** of ~1,000 MW gross capacity
- Partnerships with **25 First Nations**
- **Largest IPP in B.C.**
- Electricity demand is expected **to increase by 15%** between now and 2030
- Installed electricity capacity needs **to double or triple** by 2050 to meet net zero



Q1 2024 Financial Highlights

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Q1 2024 Operational Highlights

(In GWh)	Three Months Ended March 31			Three Months Ended March 31, 2024	
Production	**2024**	**2023**	**Change**	**%LTA**	**Availability**
Hydro	651.8	439.3	48%	127%	-
Wind	1,617.9	1,637.9	(1%)	91%	-
Solar	253.3	235.5	8%	76%	-
Production Consolidated	**2,523.0**	**2,312.7**	**9%**	**96%**	**-**
Innergex's share of production of joint venture and associates[1]	63.4	47.3	34%	116%	-
Production Proportionate[1]	**2,586.4**	**2,360.0**	**10%**	**96%**	**96%**

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1. These measures are not recognized measures under IFRS and therefore may not be comparable to those presented by other issuers. Please refer to the "Non-IFRS Measures" section of this presentation for more information.

Q1 2024 Financial Highlights

Three Months Ended March 31	Consolidated			Proportionate[1]		
In millions of Canadian dollars	**2024**	**2023**	**Change**	**2024**	**2023**	**Change**
Revenues and PTCs	**242.5**	**218.3**	**11%**	**252.0**	**224.5**	**12%**
Adjusted EBITDA[1]						
Hydro	53.0	40.7	30%	55.9	40.5	38%
Wind	117.7	113.5	4%	120.8	117.1	3%
Solar	18.2	13.9	31%	18.2	13.9	31%
Other corporate expenses	(24.2)	(23.0)	5%	(24.2)	(23.1)	5%
Adjusted EBITDA[1]	**164.7**	**145.1**	**14%**	**170.7**	**148.4**	**15%**

	Q1 2024	Q1 2023	Change	TTM March 31, 2024	TTM March 31, 2023	Change
Free Cash Flow[1] In millions of Canadian dollars	**42.2**	**15.3**	**175%**	**241.8**	**135.7**	**78%**
Free Cash Flow per Share[1] ($)	**0.21**	**0.08**	**175%**	**1.19**	**0.67**	**78%**
Payout Ratio[1]				**53%**	**108%**	

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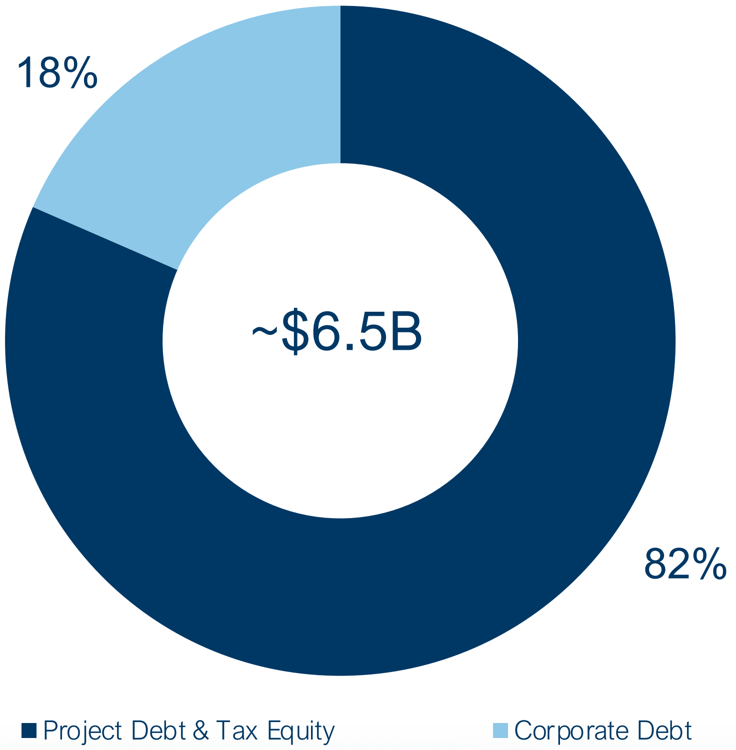
Balance Sheet Highlights

Q1 2024 Total Debt



HIGHLIGHTS

1. Self-amortizing debt structure with ~12-years of remaining weighted average debt maturities, in line with contract maturities
2. Estimated remaining weighted average facility useful life of ~40 years far exceeds current amortization period for existing debt
3. Available liquidity of >$500M to support growth strategy
4. Leverage profile well-supported by high-quality, long-lived hydro assets

Reaffirming 2024 Guidance

Fiscal Year 2024	
Adjusted EBITDA Proportionate[1]	$725M to $775M
Free Cash Flow per share[1]	$0.70 to $0.85

Assumptions	
Production	At long-term averages
Asset availability	~95%

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Corporate Priorities for 2024

Construction

Advancing construction projects towards commissioning

Development

Bid over 500 MW in upcoming RFPs

400 MW of new capacity awards from 2024 bidding activity

Ramp up development activities

Financing

Strengthen financial flexibility from active portfolio management

Making a Greener World Go Around

2023 ESG Report Key Highlights

- **100%** of revenues generated from renewable energy
- Greenhouse Gas Intensity of **0.91** kg CO_2e/MWh
- Over **$4M** contributed to communities through sponsorships, donations and voluntary contributions
- **$91.5M** paid out in employee wages and benefits[1]
- Avoided GHG emissions by Innergex's production of renewable energy was approximately **2,049,911** metric tonnes of CO_2
- **29** agreements with Indigenous communities
- **1,117,110** hours worked by employees
- Combined attendance at Board and Committee meetings of **99.4%**

1. Includes wages and benefits expenses capitalized to projects under construction or development, and wages and benefits expenses recharged to joint ventures and associates.

Q1 Corporate and Growth Updates

1. Improved generation in Q1 2024 including production at 96% of LTA compared to 87% in Q1 2023

2. Positive Q1 2024 performance including Adjusted EBITDA Proportionate of $171M and Free Cash Flow per Share of $0.21[1], up 15% and 175% from Q1 2023, respectively

3. Pursuing disciplined and sustainable growth strategy

4. Executing on 2024 growth and financial priorities

1. on a quarterly basis

Generating Sustainable Value Creation

1. 100% renewable energy project developer and operator
2. Long-lived hydro assets enhancing portfolio and cash flow quality
3. Diversified by geography and technology
4. Highly contracted cash flow profile including inflation indexation
5. Disciplined execution of growth strategy to deliver balanced shareholder returns

Q&A Period

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Our 2023 ESG Report is now available.

Visit sustainability.innergex.com

Appendix

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Construction Projects

Project	Location	Ownership	Gross MW	Latest Updates	COD
San Andrés Battery Energy Storage	Chile	100%	35 MW/175 MWh storage	Interconnection completed. Power delivery ongoing and daily functional operation testing in progress.	Q2 2024
Lazenay Wind	France	25%	9 MW	Balance of plant work almost completed. First wind turbine generator component deliveries in progress since end of Q1 2024.	Q4 2024
Hale Kuawehi Solar + Energy Battery Storage	HI (U.S.)	100%	30 MW 30 MW/120 MWh storage	Major deliveries completed.	Q4 2024
Boswell Springs Wind	WY (U.S.)	100%	330 MW	Wind turbine generators delivery to start in Q2 2024, as well as installation.	Q4 2024

Development Projects

Project	Location	Gross MW	Latest Updates	Potential COD
Mesgi'g Ugju's'n 2 Wind	Canada	102 MW	The BAPE public hearings held in March 2024. MoU signed in Q1 2024 with OEM. Preliminary interconnection agreement signed. Discussion underway with the offtaker regarding the federal investment tax credit program.	2026
Palomino Solar	OH (U.S.)	200 MW	Commercial discussions ongoing with multiple interested offtakers. Feasibility and System Impact Studies completed, awaiting results of Facilities Study and draft Large Generator Interconnection Agreement from PJM and AEP by Q3 2024.	2027
Auxy Bois Régnier Wind	France	29 MW	Geotechnical studies completed in Q4 2023, study reports received in Q1 2024.	2025
Frontera Hydro	Chile	109 MW	Transmission line point of connection in permitting. Electricity substation owner is developing all technical studies. Preparation of the documentation to obtain building permits from the local administration.	2028

Development Projects

Project	Location	Gross MW	Latest Updates	Potential COD
Rucacura Hydro	Chile	3 MW	Memorandum of Understanding agreement in process with potential contractor.	2025
Pointe à Neveu Wind	France	17 MW	Environmental authorization received in Q1 2024.	2027
Oratorio (Auzouer) Wind	France	8 MW	Prefectoral approval received on February 19, 2024. Interconnection procedure in progress.	2027
Montjean 2 Wind	France	14 MW	Construction plans updated according to required technical specifications. Choice of interconnection solution and request for capacity reservation underway.	2028
Lotbinière Ndakina Wind	Canada	100 MW	PPA signed on April 12, 2024. Implementation of our local integration plan to promote the project's benefits for the host community	2028
Manicouagan Wind	Canada	300 MW	PPA expected to be signed in Q2 2024 Implementation of our local integration plan to promote the project's benefits for the host community	2029

Non-IFRS Measures

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Non-IFRS Measures

This document has been prepared in accordance with IFRS. However, some measures referred to in this document are not recognized measures under IFRS and therefore may not be comparable to those presented by other issuers. Innergex believes these indicators are important, as they provide management and the reader with additional information about Innergex's production and cash generation capabilities, its ability to pay a dividend and its ability to fund its growth. These indicators also facilitate the comparison of results over different periods. Revenues and Production Tax Credits Proportionate, Adjusted EBITDA, Adjusted EBITDA Proportionate, Adjusted Net Loss, Free Cash Flow, Free Cash Flow per Share and Payout Ratio are not measures recognized by IFRS and have no standardized meaning prescribed by IFRS.

Revenues and Production Tax Credits Proportionate, Adjusted EBITDA and Adjusted EBITDA Proportionate

Description of the measures

References in this document to "Revenues and Production Tax Credits Proportionate" are to Revenues and Production Tax Credits, plus Innergex's share of Revenues and Production Tax Credits of the joint ventures and associates.

References in this document to “Adjusted EBITDA” are to operating income, to which are added (deducted) depreciation and amortization, ERP implementation, impairment charges, and the realized portion of the change in fair value of power hedges. References in this document to "Adjusted EBITDA Proportionate" are to Adjusted EBITDA, plus Innergex's share of Adjusted EBITDA of the joint ventures and associates.

Innergex believes that the presentation of these measures enhances the understanding of the Corporation's operating performance. Adjusted EBITDA is used by investors to evaluate the operating performance and cash-generating operations, and to derive financial forecasts and valuations. Revenues and Production Tax Credits Proportionate and Adjusted EBITDA Proportionate measures are used by investors to evaluate the contribution of the joint ventures and associates to the Corporation’s operating performance and cash generating operations, and the contribution of such for financial forecasts and valuations purposes. Readers are cautioned that Revenues and Production Tax Credits Proportionate, should not be construed as an alternative to Revenues and Production Tax Credits, as determined in accordance with IFRS. Readers are also cautioned that Adjusted EBITDA and Adjusted EBITDA Proportionate, should not be construed as an alternative to operating income, as determined in accordance with IFRS. Please refer to Section 3- FINANCIAL PERFORMANCE AND OPERATING RESULTS for more information.

Non-IFRS Measures

Below is a reconciliation of the non-IFRS measures to their closest IFRS measures:

	Three months ended March 30, 2024			Three months ended March 30, 2023		
	Consolidation	Share of joint ventures	Proportionate	Consolidation	Share of joint ventures	Proportionate
Revenues	222,422	9,465	231,887	197,399	6,127	203,526
Production tax credits	20,113	—	20,113	20,929	—	20,929
Revenues and Production Tax Credits	242,535	9,465	252,000	218,328	6,127	224,455
Operating income	63,019	1,447	64,466	62,969	(774)	62,195
Depreciation and amortization	95,158	4,504	99,662	77,337	4,117	81,454
ERP implementation	2,511	—	2,511	2,569	—	2,569
Realized gain on power hedges	4,046	—	4,046	2,225	—	2,225
Adjusted EBITDA	164,734	5,951	170,685	145,100	3,343	148,443

Non-IFRS Measures

Adjusted Net Loss

References to "Adjusted Net Loss" are to net earnings or losses of the Corporation, to which the following elements are added (subtracted): unrealized portion of the change in fair value of derivative financial instruments; realized loss on the termination of interest rate swaps, realized gain on foreign exchange forward contracts, impairment charges, ERP implementation, items that are outside of the normal course of the Corporation's cash generating operations, the net income tax expense (recovery) related to these items, and the share of loss (earnings) of joint ventures and associates related to the above items, net of related income tax.

The Adjusted Net Loss seeks to provide a measure that eliminates the earnings impacts of certain derivative financial instruments and other items that are outside of the normal course of the Corporation's cash generating operations, which do not represent the Corporation's operating performance. Innergex uses derivative financial instruments to hedge its exposure to various risks. Accounting for derivatives requires that all derivatives be marked-to-market. When hedge accounting is not applied, changes in the fair value of the derivatives are recognized directly in net earnings (loss). Such unrealized changes have no immediate cash effect, may or may not reverse by the time the actual settlements occur and do not reflect the Corporation's business model toward derivatives, which are held for their long-term cash flows, over the life of a project. In addition, the Corporation uses foreign exchange forward contracts to hedge its net investment in its French subsidiaries. Management therefore believes realized gains (losses) on such contracts do not reflect the operations of Innergex.

Innergex believes that the presentation of this measure enhances the understanding of the Corporation's operating performance. Adjusted Net Loss is used by investors to evaluate and compare Innergex's profitability before the impacts of the unrealized portion of the change in fair value of derivative financial instruments and other items that are outside of the normal course of the Corporation's cash generating operations. Readers are cautioned that Adjusted Net Loss should not be construed as an alternative to net earnings, as determined in accordance with IFRS. Please refer to Section 3- Adjusted Net Earnings (Loss) for more information.

Below is a reconciliation of Adjusted Net Loss to its closest IFRS measure:

	Three months ended March 30	
	2024	**2023**
Net loss	(37,659)	(13,036)
Add (Subtract):		
Share of unrealized portion of the change in fair value of financial instruments of joint ventures and associates, net of related income tax	(308)	(124)
Unrealized portion of the change in fair value of financial instruments	19,557	344
ERP implementation	2,511	2,569
Realized gain on foreign exchange forward contracts	(28)	(33)
Income tax recovery related to above items	(4,306)	(1,749)
Adjusted Net loss	(20,233)	(12,029)

Non-IFRS Measures

Below is a reconciliation of Adjusted Net Loss adjustments to each line item of the consolidated statements of earnings:

	Three months ended March 30, 2024			Three months ended March 30, 2023		
	IFRS	Adj.	Non-IFRS	IFRS	Adj.	Non-IFRS
Revenues	222,422	—	222,422	197,399	—	197,399
Production Tax Credits	20,113	—	20,113	20,929	—	20,929
Operating expenses	56,399	—	56,399	51,246	—	51,246
General and administrative expenses	15,643	—	15,643	19,709	—	19,709
Prospective projects expenses	9,805	—	9,805	4,498	—	4,498
ERP implementation	2,511	(2,511)	—	2,569	(2,569)	—
Depreciation and amortization	95,158	—	95,158	77,337	—	77,337
Impairment of long-term assets	—	—	—	—	—	—
Operating income	63,019	2,511	65,530	62,969	2,569	65,538
Finance costs	84,849	—	84,849	84,802	—	84,802
Other net income	(219)	28	(191)	(440)	33	(407)
Share of (earnings) losses of joint ventures and associates	2,889	196	3,085	4,673	77	4,750
Change in fair value of financial instruments	15,511	(19,557)	(4,046)	(1,881)	(344)	(2,225)
Recovery of income tax	(2,352)	4,418	2,066	(11,149)	1,796	(9,353)
Net loss	(37,659)	17,426	(20,233)	(13,036)	1,007	(12,029)

Non-IFRS Measures

Free Cash Flow, Free Cash Flow per Share, and Payout Ratio

Description of the measures

References to “Free Cash Flow” are to cash flows from operating activities before changes in non-cash operating working capital items, less prospective projects expenses, maintenance capital expenditures net of proceeds from dispositions, scheduled debt principal payments, the portion of Free Cash Flow attributed to non-controlling interests, preferred share dividends declared, and gains realized on strategic transactions, plus or minus other elements that are not representative of the Corporation's long-term cash-generating capacity, such as realized gains and losses on contingent considerations related to past business acquisitions, transaction costs related to realized acquisitions, expenses related to the implementation of a cloud-based ERP solution, realized losses or gains on refinancing of certain borrowings or derivative financial instruments used to hedge the interest rate on certain borrowings or the exchange rate on equipment purchases, and tax payments related to fiscal strategies for the purpose of improving the long-term cash generating capacity of Innergex.

References to “Free Cash Flow per Share” are to “Free Cash Flow” divided by the weighted-average number of common shares outstanding during the period.

Free Cash Flow is a measure of the Corporation's ability to pay a dividend and its ability to fund its growth from its cash generating operations, in the normal course of business, and through strategic transactions. Free Cash Flow per Share is a measure of the Corporation's ability to derive shareholder returns on a per-share basis from its cash generating operations, in the normal course of business, and through strategic transactions.

Innergex believes that the presentation of these measures enhance the understanding of the Corporation's cash generation capabilities, its ability to pay a dividend and its ability to fund its growth. In addition, Free Cash Flow per Share enhances the understanding of the impacts to shareholder returns regarding the Corporation's capital structure decisions. Free Cash Flow and Free Cash Flow per share are used by investors in this regard. Readers are cautioned that Free Cash Flow and and Free Cash Flow per Share should not be construed as an alternative to cash flows from operating activities, as determined in accordance with IFRS. Please refer to Section 4- Free Cash Flow and Payout Ratio for the reconciliation of Free Cash Flow.

References to “Payout Ratio” are to dividends declared on common shares divided by Free Cash Flow. Innergex believes that this is a measure of its ability to pay a dividend and its ability to fund its growth. Payout Ratio is used by investors in this regard.

Non-IFRS Measures

Free Cash Flow and Payout Ratio calculation	Trailing twelve months ended March 31	
	2024	2023
Cash flows from operating activities	325,580	398,690
Add (Subtract) the following items:		
Changes in non-cash operating working capital items	36,648	6,807
Prospective projects expenses	32,469	25,218
Maintenance capital expenditures, net of proceeds from dispositions	(23,768)	(15,688)
Scheduled debt principal payments	(184,559)	(158,412)
Free Cash Flow attributed to non-controlling interests[1,2]	(46,864)	(26,489)
Dividends declared on Preferred shares	(5,632)	(5,632)
Chile portfolio refinancing - hedging impact[4]	4,671	3,660
Add (subtract) the following specific items[3]:		
Realized (gain) loss on termination of interest rate swaps[4]	2,405	(71,735)
Realized gain on termination of foreign exchange forwards[5]	—	(43,458)
Principal and interest paid related to pre-acquisition period	—	1,312
Acquisition, integration and ERP implementation expenses	12,783	21,413
Gain on disposition of non-controlling interests[6]	88,054	—
Free Cash Flow[1]	241,787	135,686
Weighted-average number of shares outstanding	203,556,158	203,545,519
Free Cash Flow per Share[1]	1.19	0.67
Dividends declared on common shares	128,648	146,973
Payout Ratio[1]	53 %	108 %

1. Free Cash Flow, Free Cash Flow per Share and Payout Ratio are not recognized measures under IFRS and therefore may not be comparable to those presented by other issuers. Please refer to Section 5- NON-IFRS MEASURES of the MD&A for more information.

2. The portion of Free Cash Flow attributed to non-controlling interests is subtracted, regardless of whether an actual distribution to non-controlling interests is made, in order to reflect the fact that such distributions may not occur in the period they are generated.

3. Certain items are excluded from the Free Cash Flow and Payout Ratio calculations as they are deemed not representative of the Corporation's long-term cash-generating capacity, and include items such as realized gains and losses on contingent considerations related to past business acquisitions, transaction costs related to realized acquisitions, ERP implementation expenses, realized losses or gains on refinancing of certain borrowings or derivative financial instruments used to hedge the interest rate on certain borrowings or the exchange rate on equipment purchases, and tax payments related to fiscal strategies for the purpose of improving the long-term cash generating capacity of Innergex. Gains realized on strategic transactions, which allow the Corporation to finance its growth without having to increase leverage or dilute shareholders, are also added to the Free Cash Flow and Payout Ratio.

4. The Free Cash Flow for the trailing twelve months ended March 31, 2023, excludes the $71.7 million realized gain on settlement of the interest rate hedges entered into to manage the Corporation's exposure to the risk of increasing interest rates during the negotiations surrounding the refinancing of the non-recourse debt assumed in the Aela Acquisition and at Innergex's existing Chilean projects. Instead, the gain is amortized in the Free Cash Flow using the effective interest rate method over the period covered by the unwound hedging instruments.

5. The Free Cash Flow for the trailing twelve months ended March 31, 2023, excludes the $43.5 million realized gain on settlement of the foreign exchange forward contracts concurrent with the closing of the French Acquisition.

6. The Free Cash Flow for the trailing twelve months ended March 31, 2024, includes a gain realized following the disposition of a 30% non-controlling participation in Innergex's French operating and development portfolio. This amount represents a gain over funds invested in operations and development, including the historical prospective project expenses, net of the current income tax payable following the transaction. As such, this amount is not comparable to the gain recognized in equity attributable to owners of the Corporation.