

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

FORM 8-K/A

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

January 30, 2026

Date of Report (Date Earliest Event Reported)

NRG ENERGY, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

001-15891

(Commission File Number)

41-1724239

(IRS Employer
Identification No.)

1301 McKinney Street, Houston, Texas

(Address of Principal Executive Offices)

77010

(Zip Code)

(713) 537-3000

(Registrant's telephone number, including area code)

N/A

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common stock, par value \$0.01	NRG	New York Stock Exchange
Common stock, par value \$0.01	NRG	NYSE Texas

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

EXPLANATORY NOTE

On January 30, 2026, NRG Energy, Inc. (the “Company”) filed with the Securities and Exchange Commission a Current Report on Form 8-K (the “Initial 8-K”) to disclose that it had completed the previously announced transactions contemplated by the Purchase and Sale Agreement, dated May 12, 2025 (the “Purchase Agreement”), by and among the Company, NRG East Generation Holdings LLC, a Delaware limited liability company and direct, wholly-owned subsidiary of the Company (“Lightning Buyer”), NRG Texas LLC, a Delaware limited liability company and direct, wholly-owned subsidiary of the Company (“Linebacker Buyer”), NRG Demand Response Holdings LLC, a Delaware limited liability company and direct, wholly-owned subsidiary of the Company (“CCS Buyer”), NRG Gas Development Company, LLC, a Delaware limited liability company and direct, wholly-owned subsidiary of the Company (“JCPD Buyer” and, collectively with Lightning Buyer, Linebacker Buyer and CCS Buyer, the “Buyer Entities”), Lightning Power Holdings, LLC, a Delaware limited liability company, Thunder Generation, LLC, a Delaware limited liability company, CCS Power Holdings, LLC, a Delaware limited liability company, and Linebacker Power Development Funding, LLC, a Delaware limited liability company. As a result of the transactions contemplated by the Purchase Agreement, the Buyer Entities acquired all of the issued and outstanding equity interests of Lightning Power, LLC, a Delaware limited liability company (“Lightning”), Linebacker Power Holdings, LLC, a Delaware limited liability company (“Linebacker”), CCS Intermediate HoldCo, LLC, a Delaware limited liability company (“CCS”), and Jack County Power Development, LLC, a Delaware limited liability company (“JCPD” and, collectively with Lightning, Linebacker and CCS and their respective subsidiaries, the “Acquired Companies”). The acquisition of the equity interests, together with the other transactions contemplated by the Purchase Agreement, are referred to herein as the “Transaction.” This Form 8-K/A amends the Initial 8-K to include the historical audited and unaudited financial statements of the Acquired Companies and the pro forma combined financial information required by Items 9.01(a) and 9.01(b) of Form 8-K that were excluded from the Initial 8-K in reliance on the instructions to such items.

Item 8.01. Other Events.

As previously disclosed, on April 10, 2025, the Company acquired all of the ownership interests of six power generation facilities from Rockland Capital, LLC, adding 738 MW of natural gas-fired assets in Texas to its portfolio (the “Rockland Acquisition”). In accordance with Rule 3-05 and Article 11 of Regulation S-X, the Company is providing unaudited pro forma financial information in connection with the Transaction and the Rockland Acquisition.

Forward-Looking Statements

In addition to historical information, the information presented in this Current Report includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. These statements involve estimates, expectations, projections, goals, assumptions, known and unknown risks and uncertainties and can typically be identified by terminology such as “may,” “should,” “could,” “objective,” “projection,” “forecast,” “goal,” “guidance,” “outlook,” “expect,” “intend,” “seek,” “plan,” “think,” “anticipate,” “estimate,” “predict,” “target,” “potential” or “continue” or the negative of these terms or other comparable terminology. Such forward-looking statements include, but are not limited to, statements about the Transaction, enhancements to the Company’s credit profile, synergies, opportunities, anticipated future financial and operational performance, and the Company’s future revenues, income, indebtedness, capital structure, plans, expectations, objectives, projected financial performance and/or business results and other future events, and views of economic and market conditions.

Although the Company believes that its expectations are reasonable, it can give no assurance that these expectations will prove to be correct, and actual results may vary materially. Factors that could cause actual results to differ materially from those contemplated herein include, among others, general economic conditions, the imposition of tariffs and escalation of international trade disputes (and inflationary impacts resulting therefrom), risks associated with the integration of the Acquired Companies, including potential disruption to ongoing operations and other transition difficulties, the inability of the combined company to realize expected synergies and benefits of integration of the Acquired Companies (or that it takes longer than expected) which may result in the combined company not operating as effectively as expected, hazards customary in the power industry, weather conditions and extreme weather events, competition in wholesale power, gas and smart home markets, the volatility of energy and fuel prices, the volatility in demand for power and gas, customer affordability concerns that may constrain the pricing of the Company's products and services and limit its ability to recover costs, failure of customers or counterparties to perform under contracts, changes in the wholesale power and gas markets, the failure of the Company's expectations regarding load growth to materialize, changes in government or market regulations, the Company's ability to execute its supply strategy, risks related to data privacy, cyberterrorism and inadequate cybersecurity, the loss of data, unanticipated outages at the Company's generation facilities, operational and reputational risks related to the use of artificial intelligence and the adherence to developing laws and regulations related to the use thereof, the Company's ability to achieve its net debt targets, adverse results in current and future litigation, complaints, product liability claims and/or adverse publicity, failure to identify, execute or successfully implement acquisitions or asset sales, risks of the smart home and security industry, including risks of and publicity surrounding the sales, customer origination and retention process, the impact of changes in consumer spending patterns, consumer preferences, geopolitical tensions, demographic trends, supply chain disruptions, the Company's ability to implement value enhancing improvements to plant operations and company wide processes, the Company's ability to achieve or maintain investment grade credit metrics, the Company's ability to proceed with projects under development or the inability to complete the construction of such projects on schedule or within budget, the inability to maintain or create successful partnering relationships, the Company's ability to operate its business efficiently, the Company's ability to retain customers, the ability to successfully integrate businesses of acquired assets or companies (including the Acquired Companies), the Company's ability to realize anticipated benefits of transactions (including expected cost savings and other synergies) or the risk that anticipated benefits may take longer to realize than expected, the Company's ability to execute its capital allocation plan, and the other risks and uncertainties discussed in the Company's Forms 10-K, 10-Q, and 8-K filed with or furnished to the SEC.

The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The foregoing review of factors that could cause the Company's actual results to differ materially from those contemplated in the forward-looking statements included in this Current Report should be considered in connection with information regarding risks and uncertainties that may affect the Company's future results included in the Company's filings with the SEC at www.sec.gov.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired

1. audited consolidated financial statements of Lightning Power, LLC and its subsidiaries as of December 31, 2024 and for the period August 9, 2024 to December 31, 2024 and the related notes, which are included as Exhibit 99.1 and incorporated by reference herein;
2. unaudited condensed consolidated financial statements of Lightning Power, LLC and its subsidiaries as of September 30, 2025 and December 31, 2024 and for the three and nine months ended September 30, 2025 and 2024 and the related notes, which are included as Exhibit 99.2 and incorporated by reference herein;
3. audited combined financial statements of Fund III Projects for the period January 1, 2024 to August 8, 2024, and the year ended December 31, 2023 and the related notes, which are included as Exhibit 99.3 and incorporated by reference herein;
4. audited consolidated financial statements of Gridiron Intermediate Holdings, LLC and its subsidiaries for the period January 1, 2024 to August 8, 2024, and the year ended December 31, 2023 and the related notes, which are included as Exhibit 99.4 and incorporated by reference herein;
5. audited consolidated financial statements of Linebacker Power Funding, LLC and its subsidiaries as of the years ended December 31, 2024 and 2023 and for the year ended December 31, 2024 and the period of June 12, 2023 to December 31, 2023 and the related notes, which are included as Exhibit 99.5 and incorporated by reference herein;
6. unaudited condensed consolidated financial statements of Linebacker Power Funding, LLC and its subsidiaries as of September 30, 2025 and December 31, 2024 and for the three and nine months ended September 30, 2025 and 2024 and the related notes, which are included as Exhibit 99.6 and incorporated by reference herein;
7. audited consolidated financial statements of CCS Power Finance Co, LLC as of and for the fiscal years ended December 31, 2024 and 2023 and the related notes, which are included as Exhibit 99.7 and incorporated by reference herein; and
8. unaudited condensed consolidated financial statements of CCS Power Finance Co, LLC as of September 30, 2025 and December 31, 2024 and for the three and nine months periods ended September 30, 2025 and 2024 and the related notes, which are included as Exhibit 99.8 and incorporated by reference herein.

(b) Pro Forma Financial Information

The unaudited pro forma combined financial information of the Company giving effect to the Transaction and the Rockland Acquisition, which includes the unaudited pro forma combined balance sheet as of September 30, 2025 and the unaudited pro forma combined statements of operations for the year ended December 31, 2024 and the nine months ended September 30, 2025, which are filed as Exhibit 99.9 and incorporated by reference herein.

(d) Exhibits

Exhibit No.	Description
23.1	Consent of KPMG LLP, independent auditors of Lightning Power, LLC.
23.2	Consent of KPMG LLP, independent auditors of Fund III Projects.
23.3	Consent of KPMG LLP, independent auditors of Gridiron Intermediate Holdings, LLC.
23.4	Consent of KPMG LLP, independent auditors of Linebacker Power Funding, LLC.
23.5	Consent of KPMG LLP, independent auditors of CCS Power Finance, LLC.
99.1	Audited consolidated financial statements of Lightning Power, LLC and its subsidiaries as of December 31, 2024 and for the period August 9, 2024 to December 31, 2024 and the related notes thereto (incorporated by reference to Exhibit 99.2 to the Company's Current Report on Form 8-K filed with the SEC on September 24, 2025, File No. 001-15891).
99.2	Unaudited condensed consolidated financial statements of Lightning Power, LLC and its subsidiaries as of September 30, 2025 and December 31, 2024 and for the three and nine months ended September 30, 2025 and for the period August 9, 2024 to September 30, 2024 and the related notes thereto.
99.3	Audited combined financial statements of Fund III Projects for the period January 1, 2024 to August 8, 2024, and the year ended December 31, 2023 and the related notes thereto (incorporated by reference to Exhibit 99.4 to the Company's Current Report on Form 8-K filed with the SEC on September 24, 2025, File No. 001-15891).
99.4	Audited consolidated financial statements of Gridiron Intermediate Holdings, LLC and its subsidiaries for the period January 1, 2024 to August 8, 2024, and the year ended December 31, 2023 and the related notes thereto (incorporated by reference to Exhibit 99.6 to the Company's Current Report on Form 8-K filed with the SEC on September 24, 2025, File No. 001-15891).
99.5	Audited consolidated financial statements of Linebacker Power Funding, LLC and its subsidiaries as of the years ended December 31, 2024 and 2023 and for the year ended December 31, 2024 and the period of June 12, 2023 to December 31, 2023 and the related notes thereto (incorporated by reference to Exhibit 99.8 to the Company's Current Report on Form 8-K filed with the SEC on September 24, 2025, File No. 001-15891).
99.6	Unaudited condensed consolidated financial statements of Linebacker Power Funding, LLC and its subsidiaries as of September 30, 2025 and December 31, 2024 and for the three and nine months ended September 30, 2025 and 2024 and the related notes thereto.
99.7	Audited consolidated financial statements of CCS Power Finance Co, LLC as of and for the fiscal years ended December 31, 2024 and 2023 and the related notes thereto (incorporated by reference to Exhibit 99.10 to the Company's Current Report on Form 8-K filed with the SEC on September 24, 2025, File No. 001-15891).
99.8	Unaudited condensed consolidated financial statements of CCS Power Finance Co, LLC as of September 30, 2025 and December 31, 2024 and for the three and nine months periods ended September 30, 2025 and 2024 and the related notes thereto.
99.9	Unaudited pro forma combined financial information of NRG Energy, Inc. giving effect to the Transaction and the Rockland Acquisition, which includes the unaudited pro forma combined balance sheet as of September 30, 2025 and the unaudited pro forma combined statements of operations for the year ended December 31, 2024 and the nine months ended September 30, 2025, and the notes related thereto.
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the IXBRL document.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: February 2, 2026

NRG Energy, Inc.
(Registrant)

By: /s/ Christine A. Zoino

Christine A. Zoino
Corporate Secretary

Consent of Independent Auditors

We consent to the incorporation by reference in the registration statements No. 333-217595, 333-197882, 333-185501, 333-182379, 333-171318, 333-151992, 333-135973, 333-114007, 333-270479 and 333-273810 on Form S-8 of NRG Energy, Inc. of our report dated May 5, 2025, with respect to the consolidated financial statements of Lightning Power, LLC and subsidiaries, which report appears in the Form 8-K of NRG Energy, Inc.

/s/ KPMG LLP

Philadelphia, Pennsylvania
January 30, 2026

Consent of Independent Auditors

We consent to the incorporation by reference in the registration statements No. 333-217595, 333-197882, 333-185501, 333-182379, 333-171318, 333-151992, 333-135973, 333-114007, 333-270479 and 333-273810 on Form S-8 of NRG Energy, Inc. of our report dated June 27, 2025, with respect to the combined financial statements of Fund III Projects, which report appears in the Form 8-K of NRG Energy, Inc.

/s/ KPMG LLP

Philadelphia, Pennsylvania
January 30, 2026

Consent of Independent Auditors

We consent to the incorporation by reference in the registration statements No. 333-217595, 333-197882, 333-185501, 333-182379, 333-171318, 333-151992, 333-135973, 333-114007, 333-270479 and 333-273810 on Form S-8 of NRG Energy, Inc. of our report dated June 26, 2025, with respect to the consolidated financial statements of Gridiron Intermediate Holdings, LLC and subsidiaries, which report appears in the Form 8-K of NRG Energy, Inc.

/s/ KPMG LLP

Philadelphia, Pennsylvania
January 30, 2026

Consent of Independent Auditors

We consent to the incorporation by reference in the registration statements No. 333-217595, 333-197882, 333-185501, 333-182379, 333-171318, 333-151992, 333-135973, 333-114007, 333-270479 and 333-273810 on Form S-8 of NRG Energy, Inc. of our report dated June 24, 2025, with respect to the consolidated financial statements of Linebacker Power Funding, LLC and subsidiaries, which report appears in the Form 8-K of NRG Energy, Inc.

/s/ KPMG LLP

Philadelphia, Pennsylvania
January 30, 2026

Consent of Independent Auditors

We consent to the incorporation by reference in the registration statements No. 333-217595, 333-197882, 333-185501, 333-182379, 333-171318, 333-151992, 333-135973, 333-114007, 333-270479 and 333-273810 on Form S-8 of NRG Energy, Inc. of our report dated May 9, 2025, except for modifications disclosed in Note 1b and Note 14, for which the date is August 14, 2025, with respect to the consolidated financial statements of CCS Power Finance Co, LLC and subsidiaries, which report appears in the Form 8-K of NRG Energy, Inc.

/s/ KPMG LLP

Philadelphia, Pennsylvania
January 30, 2026

LIGHTNING POWER, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES

Condensed Consolidated Financial Statements

As of September 30, 2025 and December 31, 2024,
For the three and nine months ended September 30, 2025,
For the period August 9, 2024 to September 30, 2024

(Unaudited)

LIGHTNING POWER, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(Unaudited)
(In thousands)

	September 30, 2025	December 31, 2024
Assets		
Current assets:		
Restricted cash	\$ 69,515	\$ 59,498
Accounts receivable	131,332	103,062
Accounts receivable - affiliates	1,253	1,253
Inventory	127,311	122,547
Prepaid expenses	24,943	28,161
Assets from risk management activities	452,271	424,369
Deposits	30,118	26,323
Other current assets	24,104	14,216
Total current assets	860,847	779,429
Property, plant, and equipment	6,871,453	6,855,838
Accumulated depreciation	(382,220)	(132,209)
Property, plant, and equipment, net	6,489,233	6,723,629
Intangible assets, net	30,557	31,772
Assets from risk management activities, long term	416,712	671,161
Operating lease right-of-use assets, net	26,453	27,609
Goodwill	127,985	127,985
Other noncurrent assets	135,907	135,907
Total assets	\$ 8,087,694	\$ 8,497,492
Liabilities and Member's Equity		
Current liabilities:		
Current portion of long-term debt	\$ 8,357	\$ 8,474
Accounts payable and accrued expenses	108,788	189,495
Liabilities from risk management activities	451,632	414,666
Deferred revenue	2,992	6,243
Operating lease liabilities	1,398	1,310
Other current liabilities	62,831	25,310
Total current liabilities	635,998	645,498
Long term debt	3,196,882	3,194,168
Liabilities from risk management activities, long term	422,027	659,818
Asset retirement obligations	72,396	68,502
Operating lease liabilities	25,784	26,782
Other long term liabilities	6,477	12,799
Total liabilities	4,359,564	4,607,567
Member's equity	3,728,130	3,889,925
Total liabilities and member's equity	\$ 8,087,694	\$ 8,497,492

See accompanying notes to the interim condensed consolidated financial statements.

LIGHTNING POWER, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES
Condensed Consolidated Statements of Operations
For the three and nine months ended September 30, 2025,
For the period August 9, 2024 to September 30, 2024
(Unaudited)
(In thousands)

	<u>Three months ended</u> <u>September 30, 2025</u>	<u>Nine months ended</u> <u>September 30, 2025</u>	<u>August 9, 2024 to</u> <u>September 30, 2024</u>
Revenues:			
Energy and capacity revenues	\$ 686,495	\$ 1,596,084	\$ 200,030
Other revenue	5,793	14,050	5,272
Gain (Loss) on risk management activities	20,612	(10,013)	(32,108)
Total revenues	<u>712,900</u>	<u>1,600,121</u>	<u>173,194</u>
Operating expenses:			
Fuel and transportation	217,255	649,131	66,626
Loss (Gain) on risk management activities	28,954	38,140	(28,112)
Operating and maintenance	41,264	233,431	41,259
General and administrative	15,602	39,108	17,627
Depreciation	83,710	251,312	27,622
Accretion	1,298	3,894	670
Total operating expenses	<u>388,083</u>	<u>1,215,016</u>	<u>125,692</u>
Operating income	324,817	385,105	47,502
Interest expense, net	(58,664)	(178,010)	(65,670)
Other loss, net	(429)	(1,690)	(8,034)
Net Income (loss)	<u>\$ 265,724</u>	<u>\$ 205,405</u>	<u>\$ (26,202)</u>

See accompanying notes to the interim condensed consolidated financial statements.

LIGHTNING POWER, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES
Condensed Consolidated Statements of Member's Equity
For the three and nine months ended September 30, 2025,
For the period August 9, 2024 to September 30, 2024
(Unaudited)
(In thousands)

	Total member's equity
Balance at August 9, 2024	\$ 4,530,636
Net loss	(26,202)
Capital contribution	9,820
Distributions	(517,553)
Balance at September 30, 2024	\$ 3,996,701
Balance at December 31, 2024	\$ 3,889,925
Net income	205,405
Distributions	(367,200)
Balance at September 30, 2025	\$ 3,728,130
Balance at June 30, 2025	\$ 3,726,406
Net income	265,724
Distributions	(264,000)
Balance at September 30, 2025	\$ 3,728,130

See accompanying notes to the interim condensed consolidated financial statements.

Lightning Power , LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
For the three and nine months ended September 30, 2025,
For the period August 9, 2024 to September 30, 2024
(Unaudited)
(In thousands)

	<u>Three months ended</u> <u>September 30, 2025</u>	<u>Nine months ended</u> <u>September 30, 2025</u>	<u>August 9, 2024 to</u> <u>September 30, 2024</u>
Cash flows from operating activities:			
Net income (loss)	\$ 265,724	\$ 205,405	\$ (26,202)
Adjustments to reconcile net income to net cash provided by (used for) operating activities:			
Loss on debt extinguishment	-	-	16,478
Loss on disposal of assets	38,032	38,032	-
Depreciation	83,710	251,312	27,622
Amortization of intangible assets	405	1,215	85
Amortization of right-of-use assets	384	1,156	207
Amortization of deferred financing costs	2,263	6,751	1,121
Risk management activities	(19,924)	25,702	(237,369)
Accretion	1,298	3,894	670
Gain on insurance proceeds	(25,000)	(25,000)	-
Change in assets and liabilities:			
Decrease (increase) in accounts receivable	36,309	(28,270)	(614)
Decrease in accounts receivable - affiliate	-	-	1,528
(Increase) decrease in inventory and capital spares	(925)	(4,764)	23,044
Decrease (increase) in prepaid expenses	5,871	3,218	(742)
Increase in other current assets	(3,372)	(9,888)	(1,885)
Decrease (increase) in deposits	3,026	(3,795)	3,248
Decrease in accounts payable and accrued expenses	(86,009)	(80,706)	(3,874)
Increase in other current liabilities	19,896	37,521	-
Increase (decrease) in deferred revenue	825	(3,251)	-
(Decrease) increase in other non-current liabilities	(2,783)	(6,322)	390
Decrease in operating lease liabilities	(174)	(910)	(112)
Net cash provided by (used for) operating activities	<u>319,556</u>	<u>411,300</u>	<u>(196,405)</u>
Cash flows from investing activities:			
Capital expenditures	(43,638)	(54,958)	(4,586)
Insurance proceeds received	25,000	25,000	-
Net cash used for investing activities	<u>(18,638)</u>	<u>(29,958)</u>	<u>(4,586)</u>
Cash flows from financing activities:			
Proceeds from issuance of short term debt	-	72,500	-
Proceeds from issuance of long term debt	-	-	3,250,000
Principal payments on short term debt	(12,500)	(63,500)	-
Principal payments on long term debt	(4,375)	(13,125)	(2,489,742)
Deferred financing costs	-	-	(67,330)
Capital contributions	-	-	9,820
Distributions	(264,000)	(367,200)	(517,553)
Net cash (used for) provided by financing activities	<u>(280,875)</u>	<u>(371,325)</u>	<u>185,195</u>
Net change in restricted cash	20,043	10,017	(15,796)
Restricted cash, beginning of period	49,472	59,498	164,405
Restricted cash, end of period	<u>\$ 69,515</u>	<u>\$ 69,515</u>	<u>\$ 148,609</u>
Supplemental disclosure of cash flow information:			
Cash paid for interest	\$ 84,978	\$ 202,442	\$ 34,478

See accompanying notes to the interim condensed consolidated financial statements.

LIGHTNING POWER, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements
For the three and nine months ended September 30, 2025,
For the period August 9, 2024 to September 30, 2024

(1) Organization

Lightning Power, LLC (the Company), a Delaware limited liability company, was formed on June 21, 2024, to own, finance, develop, and manage a diverse portfolio of power generation facilities across the United States and is wholly owned by Lightning Power Holdings, LLC (Lightning Holdings). Lightning Holdings is directly owned by Fund III Lightning Holdings, LLC (Fund III Holdings) and Gridiron Holdings, LLC (Gridiron Holdings). Fund III Holdings and Gridiron Holdings own 68% and 32%, respectively, Class A common units of Lightning Holdings. Fund III Holdings is indirectly owned, through various holding companies, by Granite Energy, LLC (Granite) and Helix Generation, LLC (Helix). Gridiron Holdings is indirectly owned, through various holding companies, by Gridiron Energy, LLC (Gridiron).

On August 9, 2024, Gridiron, Helix, and Granite contributed 100% ownership interest in their respective generation facilities to the Company. Additionally on the same date, Helix contributed 100% ownership in Rise Light & Power, LLC and subsidiaries (Rise), which was formed to identify, evaluate, and develop investment opportunities within the power industry. The Company was the accounting acquirer in the transaction as it was a substantive entity and obtained controlling financial interests in each of the generation facilities via the contribution of their equity in exchange for the equity of the Company, and the transaction was not among entities under common control.

On May 12, 2025, a definitive purchase and sale agreement was executed with NRG Energy, Inc. for the sale of the Company. The transaction is subject to customary closing conditions and regulatory approvals.

The Generation Facilities that are owned by the Company are described below:

Generation Facilities	Location	Size	Year operational	Type
Springdale Energy, LLC	Springdale, PA	700 MW	1999-2003	Simple & Combined Cycle
Gans Energy, LLC	Gans, PA	96 MW	2000	Simple Cycle
Chambersburg Energy, LLC	Chambersburg, PA	100 MW	2001	Simple Cycle
Aurora Generation, LLC	Aurora, IL	1,050 MW	2001	Simple Cycle
Rockford Generation, LLC	Rockford, IL	550 MW	2000/2002	Simple Cycle
Armstrong Power, LLC	Shelocta, PA	780 MW	2002	Simple Cycle
Troy Energy, LLC	Luckey, OH	780 MW	2002	Simple Cycle
Helix Ironwood, LLC	Lebanon, PA	760 MW	2001	Combined Cycle
LSP University Park, LLC	University Park, IL	582 MW	2002	Simple Cycle
University Park Energy, LLC	University Park, IL	328 MW	2001	Simple Cycle
Wallingford Energy, LLC	Wallingford, CT	350 MW	2002	Simple Cycle
Riverside Generating Company, LLC	Lousia, KY	976 MW	1999	Simple Cycle
Doswell Limited Partnership	Hanover County, VA	1274 MW	2001, 1992	Simple & Combined Cycle
Helix Ravenswood, LLC	Queens, NY	1995 MW	1963	Combined Cycle
Ocean State Power LLC	Burrillville, RI	560 MW	1990	Combined Cycle

LIGHTNING POWER, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements
For the three and nine months ended September 30, 2025,
For the period August 9, 2024 to September 30, 2024

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The interim condensed consolidated financial statements of Lightning Power, LLC have been prepared by us, without audit, in accordance with U.S. generally accepted accounting principles (U.S. GAAP). Certain information and footnote disclosures normally included in annual financial statements have been condensed or omitted as permitted by such rules and regulations. All normal recurring adjustments have been included, and intercompany transactions have been eliminated in the interim condensed and consolidated financial statements. Management believes the disclosures are adequate to present fairly the financial position, results of operations, and cash flows at the dates and for the periods presented. These interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes for the year ended December 31, 2024. Results for interim periods are not necessarily indicative of those to be expected for the fiscal year.

These consolidated financial statements and notes reflect the Company's evaluation of events occurring subsequent to the consolidated balance sheet date through November 14, 2025, the date the consolidated financial statements were issued.

(b) Use of Estimates

Management makes estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities and reported amounts of revenues and expenses to prepare the condensed consolidated financial statements in conformity with U.S. GAAP. The most significant of these estimates and assumptions relate to derivative instruments and asset retirement obligations. Actual results could differ materially from those estimates.

(3) Select Balance Sheet Information

(a) Restricted Cash

Restricted cash consists of amounts that are restricted under the terms of certain financing agreements from transfer or dividend until such time as certain conditions are met. Such restricted cash is used primarily for operating expenses and debt service.

(b) Inventory

As of September 30, 2025, spare parts inventory, fuel oil, and natural gas were \$76.2 million, \$50.9 million, and \$0.2 million, respectively. As of December 31, 2024, spare parts inventory, fuel oil, and natural gas were \$74.2 million, \$47.8 million, and \$0.5 million, respectively.

(c) Asset Retirement Obligations

As of September 30, 2025 and December 31, 2024, the Company had a liability of \$72.4 million and \$68.5 million respectively, for asset retirement obligations to provide for the future removal and dismantling of certain generation facilities. Accretion expense was \$1.3 million and \$3.9 million, for the three month and nine month periods ended September 30, 2025, respectively. Accretion expense was \$0.7 million for the period August 9, 2024 to September 30, 2024.

LIGHTNING POWER, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements
For the three and nine months ended September 30, 2025,
For the period August 9, 2024 to September 30, 2024

(d) Property, Plant and Equipment, Net

Property, plant and equipment are stated at cost, less accumulated depreciation. As of September 30, 2025 and December 31, 2024, Property, plant and equipment, net consisted of the following (in thousands):

	As of September 30, 2025	As of December 31, 2024
Land and improvements	\$ 100,440	\$ 100,440
Plant and equipment	6,686,609	6,683,094
Capital spares	48,009	46,933
Computer software and hardware	989	922
Office furniture and equipment	240	240
Equipment and tools	735	735
Construction in progress	34,010	23,066
Warehouse storage	162	162
Vehicles	259	246
Total property, plant and equipment	<u>6,871,453</u>	<u>6,855,838</u>
Accumulated depreciation	(382,220)	(132,209)
Property, plant and equipment, net	<u>\$ 6,489,233</u>	<u>\$ 6,723,629</u>

For the three month and nine month periods ended September 30, 2025, depreciation expense for property, plant and equipment was \$83.7 million and \$251.3 million, respectively. For the period August 9, 2024 to September 30, 2024, depreciation expense for property, plant and equipment was \$27.6 million.

During 2025, the Company experienced an outage event that resulted in an involuntary conversion. The affected assets were replaced, and the related insurance recoveries and asset additions were recognized in accordance with applicable accounting guidance.

(e) Other Noncurrent Assets

Other noncurrent assets primarily consist of initial loan contributions that were made by the Company to an unrelated joint venture. The loan contribution accrues interest at 7% per annum. As of September 30, 2025 and December 31, 2024, the Company had a long term debt receivable of \$135.9 million. Other noncurrent assets are stated at their carrying values, net of a reserve for doubtful accounts based on evidence of collectability. There were no impairments to Other noncurrent assets as of September 30, 2025 and December 31, 2024

(f) Regional Greenhouse Gas Initiative Allowances

Certain Generation Facilities are located in states that participate in the Regional Greenhouse Gas Initiative (RGGI) to reduce greenhouse gas emissions. As of September 30, 2025 and December 31, 2024, the Company had a RGGI allowance liability of \$62.8 million and \$23.3 million respectively, which is included in Other current liabilities on the accompanying condensed consolidated balance sheets. For the three month and nine month periods ended September 30, 2025, RGGI allowance expense was \$21.4 million and \$41.1 million respectively. For the period August 9, 2024 to September 30, 2024, RGGI allowance expense was \$9.7 million. RGGI allowance expenses were reflected as a component of fuel and transportation expense in the accompanying condensed consolidated statements of operations.

LIGHTNING POWER, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements
For the three and nine months ended September 30, 2025,
For the period August 9, 2024 to September 30, 2024

(4) Revenue Recognition

Capacity revenue is recognized over time as the Company satisfies its performance obligation of maintaining available generation capacity at negotiated contract terms. Energy revenue consists of physical and financial transactions and is recognized when the performance obligation is satisfied upon delivery of electricity to customers. Physical transactions are recorded on a gross basis in accordance with ASC 606, *Revenue from Contracts with Customers*, as the Company controls the specified electricity before transfer to customers. The Company has elected to apply the practical expedient to recognize revenue in the amount it has the right to invoice for both capacity and energy revenue, as this represents the value transferred to customers. For the three month and nine month periods ended September 30, 2025, capacity revenue amounted to \$213.9 million and \$434.3 million respectively. For the period August 9, 2024 to September 30, 2024, capacity revenue amounted to \$69.2 million. These capacity revenues were reflected as a component of Energy and capacity revenues in the accompanying condensed consolidated statements of operations.

(5) Facility and Contract Commitments

(a) Energy Management Agreements

For the three month and nine month periods ended September 30, 2025, the Company incurred costs under the Energy Management Agreements (EMAs) of \$1.0 million and \$2.9 million respectively. For the period August 9, 2024 to September 30, 2024, the Company incurred costs under these agreements of \$0.6 million. Costs associated with the EMAs were recorded in General and administrative expense on the accompanying condensed consolidated statement of operations. The characteristics and details of the EMAs remain consistent with those disclosed in the annual financial statements for the year ended December 31, 2024, with no material updates during the interim period.

(b) Operation and Maintenance Agreements

For the three month and nine month periods ended September 30, 2025, the Company incurred costs under the O&M agreements of \$18.1 million and \$55.6 million respectively. For the period August 9, 2024 to September 30, 2024, the Company incurred costs under the O&M agreements of \$10.7 million. Costs associated with the O&M agreements were recorded in Operating and maintenance and General and administrative expenses in the accompanying condensed consolidated statement of operations. The characteristics and details of these agreements remain consistent with those disclosed in the annual financial statements for the year ended December 31, 2024, with no material updates during the interim period.

(c) Asset Management and Fuel Supply Agreements

For the three month and nine month periods ended September 30, 2025, the Company incurred costs under the asset management and fuel supply agreements of \$180.3 million and \$547.7 million respectively. For the period August 9, 2024 to September 30, 2024, the Company incurred costs under the asset management and fuel supply agreements of \$49.0 million. Costs associated with the asset management and fuel supply agreements were recorded in Fuel and transportation expense in the accompanying condensed consolidated statements of operations. The characteristics and details of these agreements remain consistent with those disclosed in the annual financial statements for the year ended December 31, 2024, with no material updates during the interim period.

LIGHTNING POWER, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements
For the three and nine months ended September 30, 2025,
For the period August 9, 2024 to September 30, 2024

(d) Gas Transportation and Storage Agreements

Certain generation facilities have firm gas transportation and storage agreements with various counterparties. These agreements call for the counterparties to deliver natural gas, not to exceed the daily maximum, to a specific interconnection point, specified in the respective agreements.

For the three month and nine month periods ended September 30, 2025, the Company incurred costs under the gas transportation agreements of \$15.3 million and \$45.0 million respectively. For the period August 9, 2024 to September 30, 2024, the Company incurred costs under the gas transportation agreements of \$9.4 million. Costs associated with the gas transportation agreements were recorded in Fuel and transportation expense in the accompanying condensed consolidated statements of operations. The characteristics and details of these agreements remain consistent with those disclosed in the annual financial statements for the year ended December 31, 2024, with no material updates during the interim period.

(e) Equipment Maintenance Agreements

Certain generation facilities have long term maintenance contracts with several counterparties. Based on the terms of such agreements, payments will either be deferred as prepaid expenses until maintenance occurs or expensed quarterly. For the three month and nine month periods ended September 30, 2025, the Company made payments totaling \$9.0 million and \$27.2 million, respectively, under such agreements. For the period August 9, 2024 to September 30, 2024, the Company made payments totaling \$3.3 million under such agreements.

As of September 30, 2025, the costs incurred on certain generation facilities have exceeded the cumulative payments made and accordingly, the net excess in the amounts of \$20.2 million and \$6.5 million, respectively, is reflected as a component of Accounts Payable and accrued expenses and Other long term liabilities, respectively, in the accompanying condensed consolidated balance sheets. Conversely, as of September 30, 2025, payments made by certain generation facilities have exceeded the cumulative costs and accordingly the net excess in the amounts of \$24.1 million is reflected as a component of Other current assets in the accompanying condensed consolidated balance sheets.

(f) Capacity Agreements

The Company has several agreements to sell capacity to various counterparties. These agreements enable certain Generation Facilities to sell to various counterparties a fixed quantity of capacity at a fixed price for a certain period of time.

(g) Electric and Gas Interconnection Agreements

The Company has electric interconnection agreements with several counterparties that connect the Generation Facilities to the electrical power grid. The agreements continue in effect indefinitely until terminated. The Company has gas interconnection agreements with various counterparties that connect Generation Facilities to their respective natural gas pipelines. The agreements continue in effect indefinitely until terminated. For all periods presented, the Company did not incur maintenance costs relating to the electric and gas interconnection agreements.

LIGHTNING POWER, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements
For the three and nine months ended September 30, 2025,
For the period August 9, 2024 to September 30, 2024

(6) Financing Arrangements

Our financing arrangements consisted of the following as of September 30, 2025 and December 31, 2024 (in thousands):

	As of September 30, 2025	As of December 31, 2024
Loan agreement		
Term Loan	\$ 1,732,500	\$ 1,745,625
Secured Notes	1,500,000	1,500,000
Revolving Facility	30,000	21,000
Total debt principal	3,262,500	3,266,625
Less: unamortized debt issuance costs and discount	(57,261)	(63,983)
Total debt	3,205,239	3,202,642
Less: current portion	(8,357)	(8,474)
Long-term debt	\$ 3,196,882	\$ 3,194,168

(a) Credit Agreement

On August 16, 2024, the Company entered into a credit agreement (Credit Agreement) with various lenders. The Credit Agreement consists of a term loan totaling \$1.75 billion (Term Loan) and revolving loan facility of \$600 million (Revolving Facility). The maturity date of the Term Loan and the Revolving Facility is August 16, 2031, and August 16, 2029, respectively. The interest rate for the Term Loan is equal to the SOFR rate plus a margin of 3.25%. The interest rate in effect at September 30, 2025 and December 31, 2024 for the Term Loan was 6.25% and 7.58%, respectively.

As of September 30, 2025 and December 31, 2024, there was \$1.73 billion and \$1.75 billion respectively, outstanding under the Credit Agreement, respectively. As of September 30, 2025, there was \$54.7 million and \$30.0 million of LOCs and borrowing, respectively, outstanding under the Revolving Facility. As of December 31, 2024, there was \$60.0 million and \$21.0 million of LOCs and borrowing, respectively, outstanding under the Revolving Facility.

As of September 30, 2025, the unamortized debt issuance and deferred financing costs totaled \$57.3 million of which the current portion was \$9.1 million. As of December 31, 2024, the unamortized debt issuance and deferred financing costs totaled \$64.0 million of which the current portion was \$9.0 million. The amortization of these costs is reflected as a component of Interest expense, net on the accompanying condensed consolidated statement of operations. For the three month and nine month periods ended September 30, 2025, amortization of such costs totaled \$2.3 million and \$6.8 million, respectively. For the period August 9, 2024 to September 30, 2024, amortization of such costs totaled \$1.1 million.

(b) Notes Indenture

On August 16, 2024, the Company entered into a notes indenture with various lenders, which consists of senior secured notes (Secured Notes) totaling \$1.5 billion with a maturity date of August 15, 2032. The fixed interest rate on the Secured Notes is 7.25% and is paid semi-annually in arrears on and of each year, commencing on February 15, 2025. The principal amount of the Secured Notes will be paid in full on maturity unless the Company chooses to early redeem.

LIGHTNING POWER, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements
For the three and nine months ended September 30, 2025,
For the period August 9, 2024 to September 30, 2024

(7) Derivative Instruments and Hedging Activities

The Company enters into commodity derivatives to reduce its exposure to market fluctuations of energy prices and gas prices. The Company is a party to the following derivative instruments:

(a) Heat Rate Call Options

The Company has heat rate call option contracts with various counterparties. The contracts provided for receipt of fixed option premium payments by the Company, net of energy settlements based on a fixed heat rate, power reference index price, gas reference index price, and certain energy prices. The heat rate call option is marked to market with changes in fair value recognized in current period earnings.

(b) Commodity Derivatives

The Company enters into various energy related derivatives to manage the commodity price risk associated with power revenue and fuel costs for the Generation Facilities, including:

- a) Power Swap Contracts, which require payments to or from counterparties based upon the difference between the contract and the market price for a predetermined notional amount. These contracts are used to manage commodity price risk associated with changes in the ISOs power prices.
- b) Gas Swap Contracts, which require payments to or from counterparties based upon the difference between the contract and the market price for a predetermined notional amount. These contracts are used to manage commodity price risk at multiple delivery points associated with changes in fuel prices.
- c) Capacity Contracts, which require payments from counterparties based upon the difference between the contract and the market price for a predetermined notional amount.
- d) Option Contracts, which provide the Company the ability to buy or sell power at a fixed price.
- e) RGGI Contracts, which two parties agree to exchange a fixed number of allowances of a certain vintage year at a fixed price for a specific delivery month.

The Power Swap Contracts, Gas Swap Contracts, Capacity Contracts, Option Contracts, Heat Rate Call Option Contracts, and RGGI Contracts are entered into as part of the Company's overall hedging strategy with respect to commodity price risk associated with energy gross margin. The Company records changes in the fair value of the commodity derivatives in the accompanying condensed consolidated statements of operations in the current period.

Fair Value Measurements

The following table sets forth by level within the fair value hierarchy the assets and liabilities of the Company that were accounted for at fair value on a recurring basis as of September 30, 2025. These assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels. The three levels of the fair value hierarchy defined by ASC 820 are as follows:

- Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

LIGHTNING POWER, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements
For the three and nine months ended September 30, 2025,
For the period August 9, 2024 to September 30, 2024

· Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. Level 2 includes those financial instruments that are valued using models or other valuation methodologies. These models are primarily industry-standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors, and current market and agreement prices for the underlying instruments, as well as other relevant economic measures. Substantially all these assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data, or are supported by observable levels at which transactions are executed in the marketplace.

· Level 3 – Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management’s best estimate of fair value.

The following table presents assets and liabilities measured and recorded at fair value on the Company’s condensed consolidated balance sheet and their level within the fair value hierarchy as of September 30, 2025 (in thousands):

	Fair value as of September 30, 2025			
	Level 1	Level 2	Level 3	Total
Commodity Derivatives	\$ –	\$ (208)	\$ –	\$ (208)
Capacity Contracts	–	17,023	–	17,023
Heat Rate Call Options	–	–	(16,651)	(16,651)
RGGI Contracts	–	(4,840)	–	(4,840)
Assets (liabilities) from risk management activities, net	<u>\$ –</u>	<u>\$ 11,975</u>	<u>\$ (16,651)</u>	<u>\$ (4,676)</u>

The following table presents assets and liabilities measured and recorded at fair value on the Company’s condensed consolidated balance sheet and their level within the fair value hierarchy as of December 31, 2024 (in thousands):

	Fair value as of December 31, 2024			
	Level 1	Level 2	Level 3	Total
Commodity Derivatives	\$ –	\$ 57,184	\$ –	\$ 57,184
Capacity Contracts	–	(1,333)	–	(1,333)
Call Options	–	(875)	–	(875)
Heat Rate Call Options	–	–	(44,047)	(44,047)
RGGI Contracts	–	10,117	–	10,117
Assets (liabilities) from risk management activities, net	<u>\$ –</u>	<u>\$ 65,093</u>	<u>\$ (44,047)</u>	<u>\$ 21,046</u>

The following tables provide quantitative information for financial instruments classified as Level 3 in the fair value hierarchy for the period ended September 30, 2025:

	Valuation Technique	Significant Inputs	Average/Range	
			September 30, 2025	Units
Heat rate call options	Model	Electricity regional prices	\$ 59.34	Dollars/MWH
		Natural gas prices	\$ 3.57	Dollars/MMBtu
		Power price volatility	38.4%	
		Gas price volatility	55.3%	

LIGHTNING POWER, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements
For the three and nine months ended September 30, 2025,
For the period August 9, 2024 to September 30, 2024

The following tables provide quantitative information for financial instruments classified as Level 3 in the fair value hierarchy for the period ended December 31, 2024:

	Valuation Technique	Significant Inputs	Average/Range December 31, 2024	Units
Heat rate call options	Model	Electricity regional prices	\$ 51.81	Dollars/MWH
		Natural gas prices	\$ 3.53	Dollars/MMBtu
		Power price volatility	36.7%	
		Gas price volatility	52.3%	

The following tables present information concerning the impact of derivative instruments on the accompanying condensed consolidated balance sheets and condensed consolidated statements of operations.

Impact of Derivative Instruments on the Accompanying Condensed Consolidated Balance Sheets

The following tables present the classifications and fair value of derivative instruments on the accompanying condensed consolidated balance sheets as of September 30, 2025 and December 31, 2024 (in thousands):

Instrument	Balance sheet location	September 30, 2025	December 31, 2024
Derivatives not designated as hedging activities:			
Call Options	Assets from risk-management activities	\$ -	\$ (875)
Heat rate call options	Liabilities from risk-management activities	(16,651)	(44,047)
Commodity Derivatives	Assets from risk-management activities	408,971	398,736
Commodity Derivatives	Assets from risk-management activities, long term	414,952	652,738
Commodity Derivatives	Liabilities from risk-management activities	(409,380)	(349,842)
Commodity Derivatives	Liabilities from risk-management activities, long term	(414,752)	(644,448)
Capacity contracts	Assets from risk-management activities	43,113	25,169
Capacity contracts	Assets from risk-management activities, long term	1,760	8,770
Capacity contracts	Liabilities from risk-management activities	(24,614)	(19,902)
Capacity contracts	Liabilities from risk-management activities, long term	(3,236)	(15,370)
RGGI Contracts	Assets from risk-management activities	187	464
RGGI Contracts	Assets from risk-management activities, long term	-	9,653
RGGI Contracts	Liabilities from risk-management activities	(987)	-
RGGI Contracts	Liabilities from risk-management activities, long term	(4,039)	-
Total derivatives not designated as hedging activities		(4,676)	21,046
Total derivatives, net (liability) asset		<u>\$ (4,676)</u>	<u>\$ 21,046</u>

LIGHTNING POWER, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements
For the three and nine months ended September 30, 2025,
For the period August 9, 2024 to September 30, 2024

Impact of Derivative Instruments on the Accompanying Condensed Consolidated Statements of Operations

The following table presents the classification and amount of the gains and losses on derivative instruments in the accompanying condensed consolidated statements of operations for the period ended September 30, 2025 and for the period from August 9, 2024 to September 30, 2024. The impact of derivative instruments that have not been designated as hedging instruments (in thousands):

Instrument	Location of gain (loss) recognized in income on derivatives	Amount of gain (loss) in income on derivatives for the periods ended	
		Three months ended September 30, 2025	August 9, 2024 to September 30, 2024
		Commodity derivatives - power	Gain (loss) on risk management activities
Commodity derivatives - gas	Loss (gain) on risk management activities	(28,954)	28,112
Capacity contract	Gain (loss) on risk management activities	4,348	(35,715)
Heat rate call options	Gain (loss) on risk management activities	(19,950)	(10,436)
RGGI Contracts	Gain (loss) on risk management activities	1,030	(24,867)
Total loss in income on derivatives		\$ (8,342)	\$ (3,996)

Instrument	Location of gain (loss) recognized in income on derivatives	Amount of gain (loss) in income on derivatives for the periods ended	
		Nine months ended September 30, 2025	August 9, 2024 to September 30, 2024
		Commodity derivatives - power	Gain (loss) on risk management activities
Commodity derivatives - gas	Loss (gain) on risk management activities	(38,140)	28,112
Capacity contract	Gain (loss) on risk management activities	(22,409)	(35,715)
Heat rate call options	Gain (loss) on risk management activities	(50,587)	(10,436)
RGGI Contracts	Gain (loss) on risk management activities	1,024	(24,867)
Total loss in income on derivatives		\$ (48,153)	\$ (3,996)

Offsetting of Derivative Assets and Liabilities

The Company has elected to present derivative assets and liabilities on the balance sheets by offsetting amounts that could be netted pursuant to agreements with the Company's counterparties.

The following tables present the gross and net derivative assets and liabilities and shows the effect if the offsetting amounts were shown net pursuant to agreements with the Company's counterparties on the accompanying condensed consolidated balance sheet as of September 30, 2025 (in thousands):

	Gross amounts not offset in financial statements as of September 30, 2025	Offsetting amounts of derivative instruments as of September 30, 2025	Net amount after offset as of September 30, 2025
Assets from risk management activities	\$ 868,983	\$ (165,330)	\$ 703,653
Liabilities from risk management activities	(873,659)	165,330	(708,329)
Net risk management activities	\$ (4,676)	\$ -	\$ (4,676)

LIGHTNING POWER, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES

Notes to the Condensed Consolidated Financial Statements
For the three and nine months ended September 30, 2025,
For the period August 9, 2024 to September 30, 2024

The following tables present the gross and net derivative assets and liabilities and shows the effect if the offsetting amounts were shown net pursuant to agreements with the Company's counterparties on the accompanying condensed consolidated balance sheet as of December 31, 2024 (in thousands):

	Gross amounts not offset in financial statements as of December 31, 2024	Offsetting amounts of derivative instruments as of December 31, 2024	Net amount after offset as of December 31, 2024
Assets from risk management activities	\$ 1,095,530	\$ (233,047)	\$ 862,483
Liabilities from risk management activities	(1,074,484)	233,047	(841,437)
Net risk management activities	<u>\$ 21,046</u>	<u>\$ -</u>	<u>\$ 21,046</u>

(8) Related Party Transactions

The Company receives certain overhead administrative and management services from an affiliate. These costs are not allocated to the Company. For the three month and nine month periods ended September 30, 2025, the Company made payments of \$7.7 million and \$13.0 million, respectively, to an affiliate for costs related to the operation and management of the Company. For the period August 9, 2024 to September 30, 2024, the Company made payments of \$1.2 million to an affiliate for costs related to the operation and management of the Company. These costs are reflected under General and administrative expense in the accompanying condensed consolidated statement of operations.

(9) Member's Equity

Profits, losses, and distributions are allocated in accordance with the provisions of the Company's Limited Liability Company agreement. For the nine months ended September 30, 2025, the Company made distributions in the amount of \$367.2 million. For the period from August 9, 2024 to September 30, 2024, the Company made distributions in the amount of \$517.6 million.

(10) Commitments and Contingencies

The Company enters into contracts in the ordinary course of business that contain various representations, warranties, indemnifications, and guarantees. Some of the agreements contain indemnities that cover the other party's negligence or limit the other party's liability with respect to third-party claims, in which event the Company effectively indemnifies the other party. While there is the possibility of a loss related to such representations, warranties, indemnifications, and guarantees in the contracts and such loss could be significant, the Company considers the probability of loss to be remote. The Company, from time to time, is a party to certain other claims arising in the ordinary course of business. The Company is of the opinion that final disposition of these claims will not have a material adverse effect on the Company's condensed consolidated financial position, results of operations, or cash flows.

LINEBACKER POWER FUNDING, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES

Condensed Consolidated Financial Statements

As of September 30, 2025 and December 31, 2024,

For the three and nine months ended September 30, 2025 and September 30, 2024

(Unaudited)

LINEBACKER POWER FUNDING, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES
Consolidated Balance Sheets
(Unaudited)
(In thousands)

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Assets		
Current assets:		
Restricted cash	\$ 116,741	\$ 18,825
Accounts receivable	27,363	12,848
Inventory	37,955	33,865
Prepaid expenses	15,380	15,481
Assets from risk management activities	21,673	44,254
Other current assets	4,102	149
Total current assets	<u>223,214</u>	<u>125,422</u>
Property, plant, and equipment	733,160	732,820
Accumulated depreciation	(57,889)	(38,918)
Property, plant, and equipment, net	<u>675,271</u>	<u>693,902</u>
Assets from risk management activities, long term	11,334	27,803
Total assets	<u>\$ 909,819</u>	<u>\$ 847,127</u>
Liabilities and Member's Equity		
Current liabilities:		
Current portion of long-term debt	\$ 9,212	\$ -
Accounts payable and accrued expenses	42,230	28,993
Accounts payable - affiliate	603	603
Liabilities from risk management activities	22,362	35,611
Total current liabilities	<u>74,407</u>	<u>65,207</u>
Long term debt	632,760	-
Liabilities from risk management activities, long term	23,025	14,795
Asset retirement obligations	2,128	2,006
Deferred Taxes	452	354
Total liabilities	<u>732,772</u>	<u>82,362</u>
Member's equity	177,047	764,765
Total liabilities and member's equity	<u>\$ 909,819</u>	<u>\$ 847,127</u>

See accompanying notes to the interim condensed consolidated financial statements

LINEBACKER POWER FUNDING, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES
Consolidated Statements of Operations
(Unaudited)
(In thousands)

	Three months ended September 30, 2025	Nine months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2024
Revenues:				
Energy revenues	\$ 103,532	\$ 264,490	\$ 78,823	\$ 223,594
Gain on risk management activities	96,171	157,810	186,322	242,347
Total revenues	<u>199,703</u>	<u>422,300</u>	<u>265,145</u>	<u>465,941</u>
Operating expenses:				
Fuel and transportation	69,872	195,513	44,306	125,223
Loss on risk management activities	7,925	15,534	5,629	16,168
Operating and maintenance	19,157	75,255	23,022	57,123
General and administrative	1,614	4,155	1,698	4,778
Depreciation	6,332	18,971	6,302	18,853
Accretion	41	122	38	113
Total operating expenses	<u>104,941</u>	<u>309,550</u>	<u>80,995</u>	<u>222,258</u>
Operating income	94,762	112,750	184,150	243,683
Interest expense, net	<u>(13,673)</u>	<u>(16,802)</u>	<u>(11,266)</u>	<u>(33,204)</u>
Income before income taxes	81,089	95,948	172,884	210,479
Income tax expense (benefit)	541	1,289	(97)	1,588
Net income	<u>\$ 80,548</u>	<u>\$ 94,659</u>	<u>\$ 172,981</u>	<u>\$ 208,891</u>

See accompanying notes to the interim condensed consolidated financial statements

LINEBACKER POWER FUNDING, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES
Consolidated Statements of Member's Equity
(Unaudited)
(In thousands)

	Total member's equity
Balances at December 31, 2023	\$ 502,056
Net income	191,565
Capital contribution	389,104
Distributions	(317,960)
Balances at December 31, 2024	\$ 764,765
Balances at June 30, 2024	\$ 347,565
Net income	172,981
Distributions	(5,499)
Balances at September 30, 2024	\$ 515,047
Balances at December 31, 2023	\$ 502,056
Net income	208,891
Capital contribution	825
Distributions	(196,725)
Balances at September 30, 2024	\$ 515,047
Balances at June 30, 2025	\$ 96,499
Net income	80,548
Balances at September 30, 2025	\$ 177,047
Balances at December 31, 2024	\$ 764,765
Net income	94,659
Capital contribution	11,525
Distributions	(693,902)
Balances at September 30, 2025	\$ 177,047

See accompanying notes to the interim condensed consolidated financial statements

LINEBACKER POWER FUNDING, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES
Consolidated Statements of Cash Flows
(Unaudited)
(In thousands)

	<u>Three months ended</u> <u>September 30, 2025</u>	<u>Nine months ended</u> <u>September 30, 2025</u>	<u>Three months ended</u> <u>September 30, 2024</u>	<u>Nine months ended</u> <u>September 30, 2024</u>
Cash flows from operating activities:				
Net income	\$ 80,548	\$ 94,659	\$ 172,981	\$ 208,891
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	6,332	18,971	6,302	18,853
Amortization of deferred financing cost	738	983	534	3,893
Deferred taxes	(47)	98	-	(35)
Accretion	41	122	38	114
Risk management activities	21,494	34,031	(92,632)	(59,401)
Change in assets and liabilities:				
Increase in accounts receivable	(3,556)	(14,515)	(202)	(25,679)
(Increase) decrease in inventory and capital spares	662	(4,301)	(403)	2,629
(Increase) decrease in prepaid expenses	(790)	101	326	(6,236)
Increase in other current assets	(3,569)	(3,953)	(2,932)	(5,002)
Decrease in accounts payable - affiliate	-	-	442	391
(Decrease) increase in accounts payable and accrued expenses	(779)	13,237	20,297	24,316
Net cash provided by operating activities	<u>101,074</u>	<u>139,433</u>	<u>104,751</u>	<u>162,734</u>
Cash flows from investing activities:				
Capital expenditures	-	(129)	(4)	(1,555)
Net cash used in investing activities	<u>-</u>	<u>(129)</u>	<u>(4)</u>	<u>(1,555)</u>
Cash flows from financing activities:				
Proceeds from issuance of short term debt	-	-	-	2,000
Principal payments on short term debt	(6,500)	-	-	(2,000)
Proceeds from issuance of long term debt	-	650,000	-	149,000
Principal payments on long term debt	-	-	(9,922)	(11,421)
Debt issuance costs	-	(9,011)	-	-
Capital contributions	-	11,525	-	825
Distributions	-	(693,902)	(5,499)	(196,725)
Net cash used in financing activities	<u>(6,500)</u>	<u>(41,388)</u>	<u>(15,421)</u>	<u>(58,321)</u>
Net change in restricted cash	94,574	97,916	89,326	102,858
Restricted cash, beginning of period	22,167	18,825	31,019	18,559
Restricted cash, end of period	<u>\$ 116,741</u>	<u>\$ 116,741</u>	<u>\$ 120,345</u>	<u>\$ 121,417</u>
Supplemental disclosure of cash flow information:				
Cash paid for interest	\$ 12,944	\$ 15,903	\$ 9,992	\$ 16,258

See accompanying notes to the interim condensed consolidated financial statements

LINEBACKER POWER FUNDING, LLC

(A Delaware Limited Liability Company)

AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows

For the three and nine months ended September 30, 2025 and September 30, 2024

(Unaudited)

(In thousands)

(1) Organization

Linebacker Power Funding, LLC (the Company), a Delaware limited liability company, was formed on April 18, 2023 to own and finance three natural gas-fired plants (the Generation Facilities), providing 2,020 megawatts of power in the Electric Reliability Council of Texas, Inc (ERCOT). The Company is owned by Linebacker Power Holdings, LLC (Holdings). Holdings is wholly-owned by Linebacker Power, LLC (Linebacker). Linebacker is owned by LS Power Equity Partners IV, LP (Equity Partners).

On October 3, 2024, the interests in the Company were contributed to Thunder Generation Funding, LLC (Thunder), a limited liability company formed on June 26, 2024.

On May 12, 2025, a definitive purchase and sale agreement was executed with NRG Energy, Inc. for the sale of the Company. The transaction is subject to customary closing conditions and regulatory approvals.

These condensed consolidated financial statements reflect the three months and nine months ended September 30, 2025 and September 30, 2024.

The Generation Facilities owned by the Company are described below:

<u>Entity</u>	<u>Location</u>	<u>Size</u>	<u>Year operational</u>	<u>Type</u>
Jack County Power, LLC	Jacksboro, TX	1,237 MW	2005-2011	Combined Cycle
Johnson County Power, LLC	Cleburne, TX	266 MW	1997-2005	Combined Cycle
R.W. Miller Power, LLC	Palo Pinto, TX	517 MW	1968-1994	Simple & Combined Cycle

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The interim condensed consolidated financial statements of Linebacker Power Funding, LLC have been prepared by us, without audit, in accordance with U.S. generally accepted accounting principles (U.S. GAAP). Certain information and footnote disclosures normally included in annual financial statements have been condensed or omitted as permitted by such rules and regulations. All normal recurring adjustments have been included, and intercompany transactions have been eliminated in the interim condensed and consolidated financial statements. Management believes the disclosures are adequate to present fairly the financial position, results of operations, and cash flows at the dates and for the periods presented. These interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes for the year ended December 31, 2024, and December 31, 2023. Results for interim periods are not necessarily indicative of those to be expected for the fiscal year.

These condensed consolidated financial statements and notes reflect the Company's evaluation of events occurring subsequent to the condensed consolidated balance sheets date through November 14, 2025, the date the condensed consolidated financial statements were issued.

(Continued)

LINEBACKER POWER FUNDING, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
For the three and nine months ended September 30, 2025 and September 30, 2024
(Unaudited)
(In thousands)

(b) Use of Estimates

Management makes estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities and reported amounts of revenues and expenses to prepare the condensed consolidated financial statements in conformity with U.S. GAAP. The most significant of these estimates and assumptions relate to the valuation of acquired assets, derivative instruments, and asset retirement obligations. Actual results could differ materially from those estimates.

(c) Restricted Cash

Restricted cash consists of amounts that are restricted under the terms of certain financing agreements from transfer or dividend until such time as certain conditions are met. Such restricted cash is used primarily for operating expenses and debt service.

(d) Income Taxes

The Company has been organized as a limited liability company and is treated as a disregarded entity for federal and state income tax purposes. Therefore, no federal and state income taxes other than Texas Gross Margin Tax (Margin Tax) are assessed at the entity level. Deferred taxes recorded on the accompanying balance sheets arise from Gross Margin Tax temporary differences associated with unrealized gains and losses on the Company's energy risk management activities.

The Company, in accordance with ASC 740, *Income Taxes*, performs the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are "more likely than not" of being sustained by the applicable tax authority.

Tax positions not deemed to meet the more likely than not threshold would be derecognized and recorded as a tax benefit or expense in the current period. However, the Company's conclusions regarding these uncertain tax positions will be subject to review and may be adjusted at a later date based on factors including, but not limited to, ongoing analysis of tax laws, regulations and interpretations thereof.

(3) Select Balance Sheet Information

(a) Inventory

As of September 30, 2025, fuel oil was \$12.1 million, natural gas was \$4.5 million and spare parts inventory was \$21.4 million. As of December 31, 2024, fuel oil was \$12.7 million, natural gas was \$3.0 million and spare parts inventory was \$18.2 million.

(Continued)

LINEBACKER POWER FUNDING, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
For the three and nine months ended September 30, 2025 and September 30, 2024
(Unaudited)
(In thousands)

(b) Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation. As of September 30, 2025, and December 31, 2024, Property, plant and equipment, net consisted of the following (in thousands):

	September 30, 2025	December 31, 2024
Plant and equipment	\$ 728,326	\$ 728,206
Land	2,700	2,700
Computer software and hardware	1,930	1,914
Office furniture & fixtures	161	-
Vehicles	43	-
Total property, plant and equipment	733,160	732,820
Accumulated depreciation	(57,889)	(38,918)
Property, plant and equipment, net	\$ 675,271	\$ 693,902

For the three and nine months periods ended September 30, 2025, depreciation expense for property, plant and equipment was \$6.3 million and \$19.0 million, respectively. For the three and nine months ended September 30, 2024, depreciation expense for property, plant and equipment was \$6.3 million and \$18.9 million, respectively.

(c) Asset Retirement Obligation

As of September 30, 2025 and December 31, 2024, the Company had a liability of \$2.1 million and \$2.0 million, respectively, for asset retirement obligations on the accompanying condensed consolidated balance sheets to provide for the future removal and disposal of hazardous waste from the Generation Facilities. For the three month and nine month periods ended September 30, 2025, Accretion expense was \$41 thousand and \$122 thousand, respectively. For the three month and nine month periods ended September 30, 2024, Accretion expense was \$38 thousand and \$113 thousand, respectively.

(4) Revenue Recognition

Electric energy revenue is recognized upon transmission to the customers and consists of both physical and financial transactions. Physical transactions or the sale of generated electricity to meet supply are recorded on a gross basis in the accompanying consolidated statement of operations, in accordance with ASC 606, *Revenue from Contracts with Customers*. Financial transactions used to hedge the sale of electricity are recorded net within revenues in the consolidated statements of operations in accordance with ASC 815,

(Continued)

LINEBACKER POWER FUNDING, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
For the three and nine months ended September 30, 2025 and September 30, 2024
(Unaudited)
(In thousands)

Derivatives and Hedging. The Company has elected to apply the practical expedient to recognize revenue in the amount it has the right to invoice for energy revenue, as this represents the value transferred to customers.

(5) Facility and Contract Commitments

(a) Energy Management Agreement

For the three month and nine month periods ended September 30, 2025 and 2024, the Company incurred costs under the Energy Management Agreement (EMA) of \$300 thousand and \$900 thousand, respectively, which are recorded under General and administrative expenses in the accompanying condensed consolidated statements of operations. The characteristics and details of the EMA remain consistent with those disclosed in the annual financial statements for the year ended December 31, 2024, with no material updates during the interim period.

(b) Operation and Maintenance Agreement

For the three month and nine month periods ended September 30, 2025, the Company incurred fixed costs under the operation and maintenance agreements of \$365 thousand and \$1.2 million, respectively, which are recorded under General and administrative expenses, and incurred \$4.4 million and \$13.1 million, respectively, of other labor costs, which are recorded under Operating and maintenance expenses in the accompanying condensed consolidated statements of operations. For the three month and nine month periods ended September 30, 2024, the Company incurred fixed costs under the operation and maintenance agreements of \$383 thousand and \$1.2 million, respectively, which are recorded under General and administrative expenses, and incurred \$3.8 million and \$12.0 million, respectively, of other labor costs, which are recorded under Operating and maintenance expenses in the accompanying condensed consolidated statements of operations. The characteristics and details of these agreements remain consistent with those disclosed in the annual financial statements for the year ended December 31, 2024, with no material updates during the interim period.

(c) Gas Transportation and Storage Agreements

For the three month and nine month periods ended September 30, 2025, the Company incurred costs of \$5.5 million and \$16.6 million respectively, and for the three month and nine month periods ended September 30, 2024, the Company incurred costs of \$4.1 million and \$12.2 million respectively, under the gas transportation and storage agreements, which are reflected as a component of Fuel and transportation expenses on the accompanying condensed consolidated statements of operations. As of September 30, 2025 and September 30, 2024, the Company has \$2.9 million and \$2.5 million, respectively, in LOCs outstanding related to the gas transportation and storage agreements. The characteristics and details of these agreements remain consistent with those disclosed in the annual financial statements for the year ended December 31, 2024, with no material updates during the interim period.

(Continued)

LINEBACKER POWER FUNDING, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
For the three and nine months ended September 30, 2025 and September 30, 2024
(Unaudited)
(In thousands)

(d) Electric Interconnection Agreement

The Company has an interconnection agreement with ERCOT to connect the Generation Facilities to the electrical power grid.

(e) Long Term Service Agreement

Johnson and Siemens Energy, Inc. (Siemens) are parties to a long-term service agreement (Johnson LTSA) which provides outage procedures, program management services, and other maintenance services and parts for the covered units. The Johnson LTSA expires on December 31, 2040. The quarterly variable payments under the Johnson LTSA are deferred as prepaid expenses until the planned outage maintenance occurs, at which time, the cost of the planned maintenance outage will be expensed. The Company also pays an annual fixed fee subject to escalation, which is expensed.

For the three month and nine month periods ended September 30, 2025, the Company made prepayments under the Johnson LTSA of \$329 thousand and \$904 thousand, respectively. For the three month and nine month periods ended September 30, 2024, the Company made prepayments under the Johnson LTSA of \$445 thousand and \$953 thousand, respectively. For the three month and nine month periods ended September 30, 2025, the Company expensed \$46 thousand and \$2.7 million, respectively, related to the Johnson LTSA, recorded under Operating and maintenance expenses in the accompanying condensed consolidated statements of operations. For the three month and nine month periods ended September 30, 2024, the Company expensed \$44 thousand and \$133 thousand, respectively, related to the Johnson LTSA. The cumulative payments made have exceeded the cumulative costs and accordingly the net excess is reflected as a component of Prepaid expenses in the accompanying consolidated balance sheets as of September 30, 2025 and December 31, 2024, in the amounts of \$475 thousand and \$2.1 million, respectively.

Jack and GE International (GE) are parties to a long-term service agreement (Jack LTSA) which provides certain maintenance services and parts for the covered units. The Jack LTSA expires on December 31, 2033. The quarterly variable payments under the Jack LTSA are deferred as prepaid expenses until the planned outage maintenance occurs, at which time, the cost of the planned maintenance outage will be expensed. The Company also pays an annual fixed fee subject to escalation, which is expensed.

For the three month and nine month periods ended September 30, 2025, the Company made prepayments under the Jack LTSA of \$1.3 million and \$3.2 million, respectively. For the three month and nine month periods ended September 30, 2024, the Company made prepayments under the Jack LTSA of \$1.1 million and \$3.1 million, respectively. For the three month and nine month periods ended September 30, 2025, the Company expensed \$157 thousand and \$472 thousand, respectively, related to the Jack LTSA, recorded under Operating and maintenance expenses in the accompanying condensed consolidated statements of operations. For the three month and nine month periods ended September 30, 2024, the Company expensed \$157 thousand and \$472 thousand, respectively, related to the Jack LTSA. The cumulative payments made have exceeded the cumulative costs and accordingly the net excess is reflected as a component of Prepaid expenses in the accompanying consolidated balance sheets as of September 30, 2025 and December 31, 2024, in the amounts of \$9.5 million and \$6.3 million, respectively.

(Continued)

LINEBACKER POWER FUNDING, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
For the three and nine months ended September 30, 2025 and September 30, 2024
(Unaudited)
(In thousands)

(6) Financing Arrangements

The company's financing arrangements consisted of the following as of September 30, 2025 (in thousands):

	September 30, 2025
Loan agreement	
Term Loan	\$ 650,000
Less: unamortized debt issuance and deferred financing costs	(8,028)
Total debt	641,972
Less: current portion	(9,212)
Long term debt	632,760

(a) Credit Agreement

On June 29, 2023 the Company executed a credit agreement with a group of lenders (the Credit Agreement). The Credit Agreement consists of the following:

- a) a \$390 million term facility (Term Loan)
- b) a \$35 million revolving facility (Revolving Facility)
- c) a \$45 million Letter of Credit facility (LC Facility)

On October 3, 2024, the Company received a capital contribution of \$389.1 million from Thunder. This capital contribution was specifically designated for and utilized in the repayment of the Company's outstanding Term Loan, at which time the Credit Agreement was terminated.

(Continued)

LINEBACKER POWER FUNDING, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
For the three and nine months ended September 30, 2025 and September 30, 2024
(Unaudited)
(In thousands)

(b) New Credit Agreement

On June 9, 2025, the Company entered into a credit agreement (the New Credit Agreement) with a group of lenders. The New Credit Agreement consists of the following:

- (a) a \$650 million term loan (New Term Loan),
- (b) a \$50 revolving facility (New Revolving Facility),
- (c) a \$50 million Letter of Credit facility (New LC Facility)

The interest rate in effect as of September 30, 2025 for the New Revolving Facility was 7.4%.

The amortization of the debt issuance and deferred financing costs is reflected as a component of interest expense, net on the accompanying condensed consolidated statements of operations. For the three and nine months ended September 30, 2025, amortization of these costs totaled \$738 thousand and \$983 thousand, respectively.

As of September 30, 2025, a LOC was issued in the amount of \$30.1 million. This LOC satisfies the debt service reserve requirement.

As of September 30, 2025, the Company had \$50 million available under the New Revolving Facility.

(7) Derivative Instruments and Hedging Activities

The Company enters into interest rate swaps to reduce its exposure to market risks from changing interest rates and commodity derivatives to reduce its exposure to market fluctuations of energy and natural gas prices. The Company is a party to the following derivative instruments:

(a) Commodity Derivatives

The Company entered into various energy related derivatives to manage the commodity price risk associated with power revenues and fuel costs, including:

- a) Power Swap Contracts which require payments to or from counterparties based upon the difference between the contract and the market price for a predetermined notional amount. These contracts are used to manage commodity price risk associated with changes in the ERCOT power prices.

(Continued)

LINEBACKER POWER FUNDING, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
For the three and nine months ended September 30, 2025 and September 30, 2024
(Unaudited)
(In thousands)

- b) Gas Swap Contracts which require payments to or from counterparties based upon the difference between the contract and the market price for a predetermined notional amount. These contracts are used to manage commodity price risk at multiple delivery points associated with changes in fuel prices.

Fair Value Measurements

The following tables set forth by level within the fair value hierarchy the assets and liabilities of the Company that were accounted for at fair value on a recurring basis as of September 30, 2025 and September 30, 2024. These assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels. The three levels of the fair value hierarchy defined by ASC 820, *Fair Value Measurements and Disclosures*, are as follows:

- Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. Level 2 includes those financial instruments that are valued using models or other valuation methodologies. These models are primarily industry-standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors, and current market and agreement prices for the underlying instruments, as well as other relevant economic measures. Substantially all of these assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data, or are supported by observable levels at which transactions are executed in the marketplace.
- Level 3 – Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management’s best estimate of fair value.

The following table presents assets and liabilities measured and recorded at fair value on the Company’s condensed consolidated balance sheets and their level within the fair value hierarchy as of September 30, 2025 and December 31, 2024 (in thousands):

	Fair value as of September 30, 2025			
	Level 1	Level 2	Level 3	Total
Commodity Derivatives- assets	\$ -	33,007	-	33,007
Commodity Derivatives- liabilities	-	(45,387)	-	(45,387)
Derivative Instruments assets (net)	\$ -	(12,380)	-	(12,380)

(Continued)

LINEBACKER POWER FUNDING, LLC

(A Delaware Limited Liability Company)

AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows

For the three and nine months ended September 30, 2025 and September 30, 2024

(Unaudited)

(In thousands)

	Fair value as of December 31, 2024			
	Level 1	Level 2	Level 3	Total
Commodity Derivatives- assets	\$ -	72,057	-	72,057
Commodity Derivatives- liabilities	-	(50,406)	-	(50,406)
Derivative Instruments assets (net)	\$ -	21,651	-	21,651

For the period ended September 30, 2025 and for the period ended December 31, 2024, the Company did not have any transfers between Levels 1, 2, or 3.

The following tables present information concerning the impact of derivative instruments on the accompanying condensed consolidated balance sheet and condensed consolidated statement of operations.

Impact of Derivative Instruments on the Accompanying Condensed Consolidated Balance Sheet

The following table presents the classifications and fair value of derivative instruments on the accompanying condensed consolidated balance sheets as of September 30, 2025 and December 31, 2024 (in thousands):

Derivatives not designated as hedging activities:		September 30, 2025	December 31, 2024
Commodity derivatives	Assets from risk-management activities - short term	\$ 21,673	44,254
Commodity derivatives	Assets from risk-management activities - long term	11,334	27,803
Commodity derivatives	Liabilities from risk-management activities - short term	(22,362)	(35,611)
Commodity derivatives	Liabilities from risk-management activities - long term	(23,025)	(14,795)
Total derivatives not designated as hedging activities		(12,380)	21,651
Total derivatives, net (liability) asset		\$ (12,380)	21,651

Impact of Derivative Instruments on the Accompanying Condensed Consolidated Statements of Operations

The following table presents the classification and amount of the gains and losses on derivative instruments in the accompanying condensed consolidated statements of operations for the period ended September 30, 2025 and for the period ended September 30, 2024.

The impact of derivative instruments that have not been designated as hedging instruments (in thousands):

(Continued)

LINEBACKER POWER FUNDING, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
For the three and nine months ended September 30, 2025 and September 30, 2024
(Unaudited)
(In thousands)

Instrument	Location of gain (loss) recognized in income on derivatives	Amount of gain (loss) in income on derivatives	
		Three-months ended September 30, 2025	Nine-months ended September 30, 2025
Derivatives not designated as hedges			
Commodity derivatives - power	Gain on risk management activities	\$ 96,171	157,810
Commodity derivatives - gas	Loss on risk management activities	(7,925)	(15,534)
Total net gain in income on derivatives		\$ 88,246	142,276

Instrument	Location of gain (loss) recognized in income on derivatives	Amount of gain (loss) in income on derivatives	
		Three-months ended September 30, 2024	Nine-months ended September 30, 2024
Derivatives not designated as hedges			
Commodity derivatives - power	Gain on risk management activities	\$ 186,322	242,347
Commodity derivatives - gas	Loss on risk management activities	(5,629)	(16,168)
Interest rate swap	Interest expense net	(1,875)	(804)
Total net gain in income on derivatives		\$ 178,818	225,375

(Continued)

LINEBACKER POWER FUNDING, LLC
(A Delaware Limited Liability Company)
AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
For the three and nine months ended September 30, 2025 and September 30, 2024
(Unaudited)
(In thousands)

Offsetting of Derivative Assets and Liabilities

The Company has not elected to present derivative assets and liabilities on the balance sheet by offsetting amounts that could be netted pursuant to agreements with the Company's counterparties.

The following tables present the gross and net derivative assets and liabilities and shows the effect if the offsetting amounts were shown net pursuant to agreements with the Company's counterparties on the accompanying condensed consolidated balance sheets for the period ended September 30, 2025 and for the period ended December 31, 2024 (in thousands):

	Gross amounts not offset in financial statements as of September 30, 2025	Offsetting amounts of derivative instruments as of September 30, 2025	Net amount after offset as of September 30, 2025
Assets from risk management activities	\$ 33,007	(28,157)	4,850
Liabilities from risk management activities	(45,387)	28,157	(17,230)
	<u>\$ (12,380)</u>	<u>-</u>	<u>(12,380)</u>

	Gross amounts not offset in financial statements as of December 31, 2024	Offsetting amounts of derivative instruments as of December 31, 2024	Net amount after offset as of December 31, 2024
Assets from risk management activities	\$ 72,057	(48,099)	23,958
Liabilities from risk management activities	(50,406)	48,099	(2,307)
	<u>\$ 21,651</u>	<u>-</u>	<u>21,651</u>

(8) Related Party Transactions

The Company receives certain overhead administrative and management services from an affiliate. These costs are not allocated to the Company. All other costs related to the operation and management of the Generation Facilities are reflected in the accompanying condensed consolidated statements of operations.

Certain derivative instruments are entered into by an affiliate on behalf of the Company and have been recorded in the condensed consolidated financial statements of the Company.

(Continued)

LINEBACKER POWER FUNDING, LLC

(A Delaware Limited Liability Company)

AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows

For the three and nine months ended September 30, 2025 and September 30, 2024

(Unaudited)

(In thousands)

(9) Member's Equity

Profits, losses, and distributions are allocated in accordance with the provisions of the Company's Limited Liability Company agreement. For the three months period ended September 30, 2025, the Company did not make a distribution. For the nine months period ended September 30, 2025, the Company made a distribution in the amount of \$693.9 million. For the three months period ended September 30, 2024, the Company made a distribution in the amount of \$5.5 million, consisting of \$5.5 million from excess cash flows from operations. For the nine months period ended September 30, 2024, the Company made a distribution in the amount of \$196.7 million, consisting of \$182.3 million from the financing of the Credit Agreement and \$14.4 million from excess cash flows from operations. For the three months period ended September 30, 2025, the Company did not receive a contribution. For the nine months period ended September 30, 2025, the Company received a contribution of \$11.5 million. For the three months period ended September 30, 2024, the Company did not receive a contribution. For the nine months period ended September 30, 2024, the Company received a contribution of \$825 thousand.

(10) Commitments and Contingencies

The Company enters into contracts in the ordinary course of business that contain various representations, warranties, indemnifications, and guarantees. Some of the agreements contain indemnities that cover the other party's negligence or limit the other party's liability with respect to third-party claims, in which event the Company effectively indemnifies the other party. While there is the possibility of a loss related to such representations, warranties, indemnifications, and guarantees in the contracts and such loss could be significant, the Company considers the probability of loss to be remote.

The Company, from time to time, is a party to certain other claims arising in the ordinary course of business. The Company is of the opinion that final disposition of these claims will not have a material adverse effect on the Company's financial position, results of operations, or cash flows.

CCS POWER FINANCE CO, LLC

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*As of September 30, 2025 and December 31, 2024 for the
Three and Nine-Months Periods Ended September 30, 2025*

CCS POWER FINANCE CO, LLC
CONDENSED CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS)

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 82,915	\$ 20,897
Financial assurance - short term	-	200
Trade accounts receivable, net	26,221	1,928
Unbilled accounts receivable	27,543	12,079
Other current assets	2,408	3,377
Total current assets	139,087	38,481
Financial assurance - long term	347	147
Property and equipment, net	10,988	12,547
Intangible assets, net	105,829	119,078
Goodwill	126,746	126,746
Lease Right of Use Asset	1,557	1,886
Other assets	1,630	1,065
Total assets	386,184	299,950
LIABILITIES AND MEMBERS' EQUITY		
Current liabilities:		
Trade accounts payable	2,184	2,780
Accrued customer payments	97,069	48,033
Accrued payroll, benefits, and other	3,457	5,957
Debt - short term	26,413	16,413
Lease Liability - short term	582	550
Other current liabilities	6,386	-
Total current liabilities	136,091	73,733
Debt - long term	81,378	85,494
Debt due to related parties	16,500	16,500
Accrued liabilities due to related parties	3,095	1,773
Deferred tax liabilities	17,601	18,407
Lease Liability - long term	1,303	1,705
Other liabilities	75	208
Total liabilities	256,043	197,820
Members' equity	130,141	102,130
Total members' equity	130,141	102,130
Total liabilities and members' equity	\$ 386,184	\$ 299,950

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

CCS POWER FINANCE CO, LLC
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(IN THOUSANDS)

	Three months ended		Nine months ended September 30,	
	September 30,			
	2025	2024	2025	2024
Revenue	\$ 107,688	\$ 45,213	\$ 171,472	\$ 112,869
Cost of revenue	73,083	31,161	117,472	76,170
Gross profit	34,605	14,052	54,000	36,699
Operating expenses				
Compensation	9,314	5,424	28,736	24,126
General & administrative	4,127	2,954	10,044	9,971
Amortization & depreciation	5,876	5,816	17,224	16,652
Related party advisory fees	-	-	-	10
Transaction & other expenses	315	801	767	1,738
Operating income (loss)	14,973	(943)	(2,771)	(15,798)
Interest expense	3,256	3,504	9,973	9,827
Income (loss) before income taxes	11,717	(4,447)	(12,744)	(25,625)
Provision for income tax expense (benefit)	(259)	(591)	(755)	(1,116)
Net income (loss)	\$ 11,976	\$ (3,856)	\$ (11,989)	\$ (24,509)

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

CCS POWER FINANCE CO, LLC
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN MEMBERS' EQUITY
(IN THOUSANDS)

	Total Members'
	Equity
Balance at December 31, 2024	\$ 102,130
Net loss	(13,551)
Balance at March 31, 2025	\$ 88,579
Net loss	(10,414)
Balance at June 30, 2025	\$ 78,165
Contribution	40,000
Net income	11,976
Balance at September 30, 2025	\$ 130,141

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

CCS POWER FINANCE CO, LLC
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS)

	Nine months ended September 30,	
	2025	2024
Cash flows from operating activities		
Net (loss)	\$ (11,989)	\$ (24,509)
Adjustments to reconcile net (loss) to net cash provided by (used in) operating activities:		
Amortization & depreciation	17,224	16,652
Amortization of operating lease right-of-use assets	329	522
Amortization of debt issuance costs	834	834
Deferred taxes	(806)	(1,168)
Changes in operating assets & liabilities:		
Trade accounts receivable, net and unbilled accounts receivable	(39,757)	(14,213)
Other current assets	969	7
Financial assurance short and long term	-	646
Other assets	(565)	(967)
Trade accounts payable	(596)	4,296
Accrued customer payments	49,036	(1,378)
Accrued payroll, benefits, and other	(2,500)	(6,905)
Other current liabilities	6,418	(138)
Accrued liabilities due to related parties	1,322	1,348
Other liabilities	(535)	(1,262)
Net cash provided by (used in) operating activities	19,384	(26,235)
Cash flows from investing activities		
Capital expenditures	(2,416)	(3,845)
Net cash used in investing activities	(2,416)	(3,845)
Cash flows from financing activities		
Proceeds from capital contribution	40,000	-
Issuance of related party debt	-	5,940
Borrowing under revolving credit facility	10,000	6,000
Principal repayment	(4,950)	(4,700)
Distributions	-	(5,847)
Net cash provided by financing activities	45,050	1,393
Net change in cash and cash equivalents	62,018	(28,687)
Cash and cash equivalents at beginning of period	20,897	34,359
Cash and cash equivalents at end of period	\$ 82,915	\$ 5,672

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

CCS POWER FINANCE CO, LLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2025 AND DECEMBER 31, 2024

Note 1—Description of Business and basis of consolidation

Description of Business – Enerwise Global Technologies, LLC d/b/a CPower (hereinafter “we”, “us”, “our”, “Enerwise”) is a Delaware Limited Liability Corporation. Enerwise provides intelligent energy management solutions to utilities, independent system operators (“ISOs”) and regional transmission organizations (“RTO”) that manage programs and/or auctions in which commercial and industrial (“C&I”) customers participate. The Enerwise solutions are delivered through the management of C&I megawatts in open and regulated markets.

On December 21, 2018, Enerwise and its parent company, CPower Holdings, LLC entered into a Stock Purchase Agreement (the “Acquisition Agreement”) with CPower Acquisition Company, LLC (“CPower A”) whereby all outstanding shares were acquired by CPower A, which represented a transfer of ownership.

Effective January 31, 2019 Enerwise Global Technologies d/b/a CPower converted from a Delaware Corporation to a Delaware Limited Liability Company.

On February 1, 2019, CPower A transferred 98% common ownership interest of Enerwise to CCS Power Finance Co, LLC (“Power Finance”) which constituted a common control transaction under Accounting Standards Codification (ASC) 805 *Business Combinations*, as the two entities are under the control of the same parent. The transfer of ownership was recorded at historical cost and the condensed consolidated financial statements include Enerwise activity commencing on January 1, 2019.

Principles of Consolidation – The condensed consolidated financial statements include the accounts of CCS Power Finance Co., LLC, CCS Acquisition Holdco, LLC, CPower Acquisition Company, LLC and Enerwise Global Technologies, LLC d/b/a CPower (collectively referred to as the “Company”) and have been prepared in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”). Intercompany transactions and balances are eliminated upon consolidation.

Note 2—Significant accounting policies

Basis of presentation – The interim condensed consolidated financial statements have been prepared without audit, in accordance with the U.S. generally accepted accounting principles (U.S. GAAP). Certain information and footnote disclosures normally included in annual financial statements have been condensed or omitted as permitted by such rules and regulations. All normal recurring adjustments have been included, and intercompany transactions have been eliminated in the interim condensed consolidated financial statements. Management believes the disclosures are adequate to present fairly the financial position, results of operations, and cash flows at the dates and for the periods presented. These interim condensed consolidated statements should be read in conjunction with the audited consolidated financial statements and related notes for the year ended December 31, 2024. Results for interim periods are not necessarily indicative of those to be expected for the fiscal year.

CCS POWER FINANCE CO, LLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2025 AND DECEMBER 31, 2024

Note 2—Significant accounting policies (continued)

Use of estimates – The preparation of condensed consolidated financial statements in conformity with U.S. GAAP, which requires management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the condensed consolidated financial statements and the reported amounts of revenue and expense during the reporting period. Significant estimates include the valuation of intangible assets resulting from acquisitions, provisions required for allowance for doubtful accounts, non-collectible accounts receivable, revenues, accrued customer payments, and tax reserves.

The Company bases its estimates on historical experience and various other assumptions that it believes to be reasonable under the circumstances. Changes in estimates are recorded in the period in which they become known. Actual results could differ materially from those estimates.

Cash and cash equivalents – The Company considers cash equivalents to be all highly liquid investments with an original maturity of three months or less when purchased. Cash and cash equivalents consist of cash deposited in banks.

Financial assurance - The Company maintains funds in conjunction with open markets to collateralize the performance of its positions. The balances are deposited directly with the ISOs, RTOs, utilities, their designated agent or through letters of credit. These amounts have been classified on the condensed consolidated balance sheet as short term or long term based on the underlying restriction.

Allowance for doubtful accounts – The Company reviews the outstanding accounts receivable on a monthly basis, as well as uncollectable account adjustments experienced in the past, and establishes an allowance for doubtful accounts when necessary. Account balances are reduced against the allowance for doubtful accounts when the Company determines it is probable the receivable will not be recovered.

Property and equipment, net – Property and equipment are stated at cost less accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the depreciable assets. Leasehold improvements are depreciated over the shorter of the lease term or useful life. Improvements are capitalized while repairs and maintenance are expensed as incurred. Costs associated with internally developed software are recorded in Work in Progress subcategory and reclassified to Software subcategory once ready for its intended use. Balances of major classes of property and equipment are as follows (in thousands):

	Estimated Useful Life	September 30, 2025	December 31, 2024
Property and equipment			
Equipment	3	\$ 650	\$ 504
Software	3	24,144	18,430
Furniture & Fixtures	5	2	2
Leasehold Improvements	3-10	205	205
Work in Progress	N/A	838	4,282
Total		25,839	23,423
Less accumulated depreciation		(14,851)	(10,876)
Property and equipment, net		\$ 10,988	\$ 12,547

CCS POWER FINANCE CO, LLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2025 AND DECEMBER 31, 2024

Note 2—Significant accounting policies (continued)

Risks and uncertainties – The Company’s performance is subject to a variety of factors, including the economy, the regulatory environment, and the electricity markets. As with any operations within the power and utilities industry, the Company is subject to risk, including customer performance, market and regulatory compliance, operator error, or catastrophic events such as fires, earthquakes, floods, extreme weather, explosions, pandemics or other similar occurrences affecting a power supply and demand. The occurrence of any of these events could significantly impact the revenues generated or significantly increase the expenses incurred.

Fair value of financial instruments – The Company uses financial instruments in the normal course of business, including Cash and cash equivalents, Financial assurance, Trade accounts receivable, Unbilled accounts receivable, Trade accounts payable, Accrued customer payments, and Accrued payroll, benefits and other. The carrying values of these financial instruments approximate their respective fair values at the Condensed Consolidated Balance Sheet date due to the short-term maturity of these assets and liabilities.

ASC 820, *Fair Value Measurements and Disclosures* describe three levels of inputs that may be used to measure fair value:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. Level 2 includes those financial instruments that are valued using models or other valuation methodologies. These models are primarily industry standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors and current market and agreement prices for the underlying instruments, as well as other relevant economic measures. Substantially all assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data or are supported by observable levels at which transactions are executed in the marketplace.

Level 3 – Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management’s best estimate of fair value.

Revenue recognition and cost of revenue – The Company derives the majority of its revenues from participation in utility, RTO, or ISO programs, which require the Company to provide electric capacity through demand reduction when a utility, RTO, or ISO calls an event to curtail electrical usage. Revenues are earned based on the Company’s ability to deliver capacity. In order to provide capacity, the Company manages a portfolio of C&I end users’ electric loads. Capacity amounts are verified through the results of actual events or tests, which take place throughout the calendar year. Cash payments are received from RTOs, ISOs, and utilities for participation throughout the year.

CCS POWER FINANCE CO, LLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2025 AND DECEMBER 31, 2024

Note 2—Significant accounting policies (continued)

Within certain markets, the Company may utilize the incremental auctions held prior to the commencement of the delivery year or may enter into bilateral agreements with other market demand or supply-side providers to fulfill a portion of the megawatts previously awarded (“Wholesale Capacity”). If the Company is released from its obligations to fulfill commitment through an auction or a bilateral agreement, the Company recognizes revenue net of related cost of revenue over the delivery year.

The Company recognizes revenue in accordance with ASU 2014-09, *Revenue from Contracts with Customers*, (referred collectively herein as “Topic 606”). The Company applies the invoicing practical expedient to recognize revenues, except in circumstances where the invoiced amount does not represent the value transferred to the customer. Revenues derived from Wholesale Capacity are presented net of costs.

Disaggregated revenue by type for the three months ended September 30, 2025 and September 30, 2024 and the nine months ended September 30, 2025 and September 30, 2024 was as follows (in thousands):

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
Demand Response	\$ 106,620	\$ 46,718	\$ 171,569	\$ 116,136
Wholesale Capacity	1,068	(1,505)	(927)	(3,267)
Other	-	-	830	-
Total Revenues	\$ 107,688	\$ 45,213	\$ 171,472	\$ 112,869

Impairment of long-lived assets – The Company evaluates the recoverability of long-lived assets whenever events or changes in circumstances indicate that the carrying amount should be assessed by comparing their carrying value to the undiscounted estimated future net operating cash flows expected to be derived from such assets. If such evaluation indicates a potential impairment, a discounted cash flow analysis is used to measure fair value in determining the amount of these assets that should be written off. During the years ended December 31, 2024 and December 2023, no impairment charges were recognized.

Income taxes - Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the condensed consolidated financial statements’ carrying amount of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance if it is more likely than not that the tax benefits will not be realized. Management has evaluated all other tax positions that could have a significant effect on the condensed consolidated financial statements and determined the Company has no uncertain income tax positions at September 30, 2025 and December 31, 2024. Accordingly, no related penalties or interest were recognized in the condensed consolidated financial statements.

CCS POWER FINANCE CO, LLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2025 AND DECEMBER 31, 2024

Note 2—Significant accounting policies (continued)

Recent Accounting Pronouncements

In December 2023, FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures to enhance the transparency and decision usefulness of income tax disclosures. ASU 2023-09 requires certain quantitative rate reconciliation disclosures for public entities. Additionally, this ASU requires all entities to disclose income taxes paid disaggregated by jurisdiction. ASU 2023-09 is effective for the Company for fiscal years beginning after December 15, 2025. The Company is currently evaluating the impact of the standard on the Company's condensed consolidated financial statements.

Note 3—Intangible Assets and Goodwill

The Company's intangible assets, as of September 30, 2025 and December 31, 2024, consisted of the following (in thousands):

	Estimated Useful Life (in Years)	September 30, 2025	December 31, 2024
Customer and Partner Relationships	12	\$ 174,990	\$ 174,990
Trade Name	20	25,000	25,000
Developed Technology	12	22,000	22,000
Total Intangibles		221,990	221,990
Accumulated Amortization		(116,161)	(102,912)
Intangibles, net		\$ 105,829	\$ 119,078
Goodwill		\$ 126,746	\$ 126,746

The Company amortizes intangible assets using the straight-line method and reviews for impairment if it determines there was a triggering event. The Company recorded \$4,416 thousand of intangible amortization expense for the three months ended September 30, 2025 and September 30, 2024. The Company recorded \$13,249 thousand of intangible amortization expense for the nine months ended September 30, 2025 and September 30, 2024. These amounts are included in Amortization and depreciation in the Condensed Consolidated Statements of Operations. Estimated aggregate intangible amortization expense for each of the next five years is \$17,666 thousand.

Goodwill is not amortized but is tested for impairment annually, during the fourth quarter, and when events or changes in circumstances indicate that the carrying value may not be recoverable.

Note 4—Accounts receivable, net

Trade accounts receivable, net of the allowance for doubtful accounts of \$0 thousand, as of September 30, 2025 and December 31, 2024 totaled \$26,221 thousand and \$1,928 thousand, respectively. The balances represent revenues earned and invoiced or with a right to invoice. The balances primarily consist of amounts owed to the Company from the Utility, ISO or RTO. Certain reserve amounts have been reclassified to Other current liabilities for consistency with the current year presentation. These reclassifications had no effect on the reported results of condensed consolidated statement of operations.

CCS POWER FINANCE CO, LLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2025 AND DECEMBER 31, 2024

Note 4—Accounts receivable, net (continued)

Unbilled accounts receivable as of September 30, 2025 and December 31, 2024 totaled \$27,543 thousand and \$12,079 thousand, respectively. Unbilled accounts receivable represents amounts that the Company will invoice pursuant to the Company's future billings for services rendered though the balance sheet date.

Note 5—Income taxes

The Company utilizes the asset and liability method of accounting for income taxes. Deferred income taxes reflect the net effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes, as well as operating loss carryforwards.

Effective January 31, 2019 Enerwise Global Technologies d/b/a CPower converted from a Delaware Corporation to a Delaware Limited Liability Company, taxed as a partnership and considered a pass-through entity for tax purposes.

Under ASC Topic 740, Enerwise Global Technologies, LLC recognized the effect of the change in tax status on the net deferred tax assets and liabilities as of January 31, 2019. As a result, Enerwise's parent company CPower Acquisition Company, LLC, which is taxed as a C Corporation, recognized deferred tax assets and liabilities from its interest in Enerwise Global Technologies, LLC and its assumption of certain of its tax attributes. CCS Power Finance Co, LLC is a disregarded entity for tax purposes. The provision for income taxes reflects the activity of its subsidiaries, as described in Note 1, Description of Business and Basis of Consolidation.

The income tax provision consisted of the following:

	Three months ended		Nine months ended September 30,	
	September 30,			
	2025	2024	2025	2024
Income/(Loss) before income taxes	(1,028)	(4,282)	(3,162)	(6,845)
Income tax expense/(benefit)	(262)	(731)	(806)	(1,169)
Effective income tax rate	25.5%	17.1%	25.5%	17.1%

The income tax provision represents the stand-alone income activity for CCS Acquisition Holdco LLC, which is consolidated under CCS Power Finance Co LLC.

For the three and nine months ended September 30, 2025, the effective tax rate was higher than the statutory rate of 21% primarily due to the state tax expense. The 2025 effective tax rate was higher primarily due to the change in state apportionment and increased state tax expense.

For the three and nine months ended September 30, 2024, the effective tax rate was lower than the statutory rate of 21% primarily due to a permanent difference related to intercompany loan interest expense. Three months ended September 30, 2024 income tax benefit includes the rate change adjustment from the Q2 2024 effective tax rate.

CCS POWER FINANCE CO, LLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2025 AND DECEMBER 31, 2024

Note 5—Income taxes (continued)

As of December 31, 2024, the Company had determined no liabilities for uncertain tax positions should be recorded. The Company's tax years ended December 31, 2021 through December 31, 2024 are subject to examination by the federal and state tax authorities.

Note 6—Accrued customer payments and trade accounts payable

Accrued customer payments as of September 30, 2025 and December 31, 2024 consisted of program participant payments. The Company pays participants within a specified period after receipt of payment from the utility, ISO or RTO.

Trade accounts payable as of September 30, 2025 and December 31, 2024 consisted of vendor payables and trade accruals. The Company pays vendors within a specified period, typically within 30 days of invoice date.

Note 7—Concentrations of credit risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist primarily of Cash, Financial assurance, Trade accounts receivable, and Unbilled accounts receivable. Cash accounts are generally held at major financial institutions. Financial assurance, Trade accounts receivable, and Unbilled accounts receivable is concentrated within Utility, ISO, RTO. This industry concentration may impact the Company's overall exposure to credit risk, either positively or negatively, in that these entities may be similarly affected by changes in economic, industry or other conditions.

Financial assurance, Trade accounts receivable, and Unbilled accounts receivable are concentrated within entities engaged in the energy industry. These industry concentrations may impact the Company's overall exposure to credit risk, either positively or negatively, in that customers may be similarly affected by changes in economic, industry or other conditions.

As of and for the years ended September 30, 2025 and December 31, 2024, three ISOs/RTOs/utilities accounted for 80% and 71% of revenues, and 73% and 59% of accounts receivable, respectively. Loss of revenues from any of these ISOs/RTOs/utilities would be material to the Company's operations.

Note 8—Borrowings and credit agreements

On May 17, 2019, the Company entered into a credit agreement with a group of lenders (Credit Agreement) which was funded on the same date. The Credit Agreement consists of the following:

- a) a \$120,000 thousand five-year term loan (the Term Loan); and
- b) a \$20,000 thousand five-year revolving credit facility (the Revolver) used to (i) finance working capital and for general corporate purposes, (ii) support obligations under certain agreements and (iii) satisfy certain collateral requirements with respect to maintenance and operations.

SEPTEMBER 30, 2025 AND DECEMBER 31, 2024

Note 8—Borrowings and credit agreements (continued)

The interest rates on outstanding loans under the Credit Agreement were adjusted for each interest period based on an election made by the company between 1) adjusted Eurodollar rate plus a spread of 3.50% and 2) Alternate Base Rate. The Alternate Base Rate was defined as the greatest of the following plus a spread of 2.50%: (a) Base Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus $\frac{1}{2}$ of 1.00%, and (c) Adjusted Eurodollar Rate in effect on such day plus 1.00%; Base Rate is the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus $\frac{1}{2}$ of 1.00%, and (c) Adjusted Eurodollar Rate in effect on such day plus 1.00%. The elections and interest rates were determined on a monthly basis. Mandatory amortization of the Term Loan ranged from 0.50% to 3.50% of the original outstanding principal amount, payable quarterly.

On April 14, 2022, the Company executed an amendment to the existing Credit Agreement (“Amended Credit Agreement”) whereby maturity has been extended until December 31, 2026, and an additional \$180,000 thousand of commitment under the Revolver is made available for issuance of letters of credit to provide credit support to contractual counterparties or other similar payment or performance assurance. Debt issuance costs totaled \$4,458 thousand.

The interest rates on outstanding loans under the Amended Credit Agreement are adjusted for each interest period based on an election made by the company, which historically has been on a monthly basis, between (a) ABR Borrowing defined as Base Rate plus 2.25% and (b) SOFR Borrowing defined as Adjusted Term SOFR plus 3.25%. ABR is defined as the greatest (a) the rate that the Administrative Agent announces from time to time as its prime or base commercial lending rate, as in effect from time to time or (b) the sum of (i) the Federal Funds Effective Rate in effect on such day plus (ii) 0.50% and (c) the sum of (i) the Adjusted Term SOFR for a one-month tenor in effect on such day plus (ii) 1.00%. Adjusted Term SOFR is defined as SOFR reference rate for a tenor comparable to the applicable interest period plus 0.07% for a one month election. The interest rate in effect at September 30, 2025 and December 31, 2024 for the Term Loan and Revolver is 7.64% and 7.89% respectively. Interest is payable on the Term Loan and Revolver on a monthly basis.

As of September 30, 2025 and December 31, 2024, there were \$89,181 thousand and \$94,131 thousand outstanding under the Term Loan, respectively, and \$20,000 thousand and \$10,000 thousand outstanding under the Revolver. As of September 30, 2025 and December 31, 2024, \$64,600 thousand and \$48,975 thousand, respectively, of the Revolver have been used to issue standby letters of credit to collateralize performance of the Company’s positions with ISOs, RTOs, and utilities in which it operates. As such, the amount available under the Revolver is \$115,400 and \$141,025 as of September 30, 2025 and December 31, 2024. See Note 9 – Commitments and Contingencies. The Credit Agreement contains certain financial, affirmative and negative covenants, the Company was in compliance with all covenants throughout 2025 and 2024. On May 7, 2025, the Company obtained a waiver from its lenders related to a financial covenant under the Amended Credit Agreement for the quarter ending on June 30, 2025.

CCS POWER FINANCE CO, LLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2025 AND DECEMBER 31, 2024

Note 8—Borrowings and credit agreements (continued)

Pursuant to the Amended Credit Agreement and driven by PJM base residual capacity prices for the 2023/2024 delivery year, the Company's parent CCS Intermediate Holdco, LLC, which is indirectly majority owned by CCS Class A Member, LLC a wholly owned subsidiary of LS Power Equity Partners IV, LP, is required to make an equity contribution totaling \$16,500 thousand, in equal installments over a 12 month period commencing in June 2023. To fulfill this equity contribution obligation, CCS Intermediate Holdco, LLC entered into a related party subordinated loan with the Company. See Note 10 – Related Party Transactions. As of September 30, 2025 and December 31, 2024, CCS Intermediate Holdco, LLC, has made \$0 thousand and \$5,940 thousand, respectively, in total contributions to the Company.

Note 9—Commitments and contingencies

Guarantees – The Company has guaranteed the electrical capacity it has committed to deliver pursuant to certain long-term contracts or open market biddings with ISOs, RTOs and utilities. Such guarantees may be secured by cash, letters of credit, performance bonds, or third-party guarantees.

Off-balance sheet arrangements - Standby letters of credit

In the ordinary course of business, the Company has entered into collateral arrangements in the form of standby letters of credit issued under its Revolver, in favor of the ISOs, RTOs and utilities with which it operates. At September 30, 2025 and December 31, 2024, these collateral arrangements totaled \$64,600 thousand and \$48,975 thousand, respectively.

Note 10—Related party transactions

The Company is indirectly majority owned by CCS Class A Member, LLC, which is a wholly owned subsidiary of LS Power Equity Partners IV, LP (“LS Power”). LS Power is a related party to an agreement with provisions for repayment of travel and certain administrative and legal expenses. Expenses related to these provisions for the three months and nine month ended September 30, 2025 both totaled \$0 thousand, recorded in Related party advisory fees on the Condensed Consolidated Statement of Operations.

On June 30, 2023, the Company entered into a subordinated loan agreement with the Company's parent CCS Intermediate Holdco, LLC, which is indirectly majority owned by CCS Class A Member, LLC to receive equity contributions pursuant to the Amended Credit Agreement. See Note 8 – Borrowings and credit agreements. The principal amount of the subordinated loan totals \$16,500 thousand. The note bears interest of 9.25% per annum and matures on March 31, 2027. As of September 30, 2025, the subordinated loan payable balance consisted of \$16,500 thousand principal outstanding plus \$3,095 thousand in accrued interest. As of December 31, 2024, the subordinated loan payable balance consisted of \$16,500 thousand principal outstanding plus \$1,773 thousand in accrued interest.

Certain members of management have loans with an affiliate of the Company for the purchase of stock in that affiliate. The loans are full recourse loans and are not recorded in the Company's financial statements as the Company is not a party to those loans.

CCS POWER FINANCE CO, LLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2025 AND DECEMBER 31, 2024

Note 10—Related party transactions (continued)

Members of management of Enerwise have been awarded incentive units in CCS Power Holdings, LLC. Such units vest upon change of control as defined by the incentive agreement, which as of September 30, 2025 is deemed remote, accordingly no fair value has been assigned to such units and thus no expense has been recorded for these units.

Note 11 - Equity

In accordance with the Power Finance LLC agreement, the Company is permitted to make distributions to its parent at the parent's discretion, while maintaining compliance with the Amended Credit Agreement. Distributions for the years ended September 30, 2025 and December 31, 2024 totaled \$0 thousand and \$5,847 thousand, respectively.

On August 13, 2025, LS Power contributed \$40,000 thousand as a cash contribution to CCS Finance Co., LLC. The contribution was recorded as an increase to members' equity and is reflected in these condensed consolidated financial statements.

Note 12—Subsequent events

In preparing these condensed consolidated financial statements, the Company has evaluated events and transactions for potential recognition or disclosure through November 14, 2025, the date these condensed consolidated financial statements were available to be issued. The Company has concluded that no subsequent events have occurred that would require recognition or disclosure in the condensed consolidated financial statements.

UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION

The following unaudited pro forma combined financial information is presented by NRG Energy, Inc. (“NRG” or the “Company”) to illustrate the estimated effects of the previously completed acquisition of six power generation facilities from Texas-based Rockland Capital, LLC (the “Texas Generation Portfolio”) and the acquisition of a portfolio of natural gas generation facilities and a commercial and industrial virtual power plant (“C&I” VPP) from LS Power (the “LS Power Portfolio”), together (“the Acquisitions”), and certain other related transactions and adjustments described below (collectively, the “Transactions Accounting Adjustments”).

Previously Completed Acquisition of Texas Generation Portfolio

On April 10, 2025, NRG acquired all of the ownership interests of six power generation facilities from Rockland Capital, LLC, adding 738 MW of natural gas-fired assets in Texas to its portfolio, for \$560 million in cash, less \$2 million in working capital adjustments. The acquisition enhances NRG’s integrated supply strategy with critical peaking and baseload capacity in key load zones across Texas.

The acquisition of the Texas Generation Portfolio has been recorded as a business combination under Accounting Standards Codifications 805, “Business Combination” (“ASC 805”) with identifiable assets acquired and liabilities assumed recorded at their estimated fair values on the acquisition date.

Acquisition of LS Power Portfolio

On January 30, 2026, NRG completed the acquisition of the LS Power Portfolio, pursuant to the Purchase and Sale Agreement (the “Purchase Agreement”) dated as of May 12, 2025 by and among the Company, NRG East Generation Holdings LLC, NRG Texas LLC, NRG Demand Response Holdings LLC, NRG Gas Development Company, LLC (all of which are subsidiaries of the Company) and Lightning Power Holdings, LLC, Thunder Generation, LLC, CCS Power Holdings, LLC and Linebacker Power Development Funding, LLC (all of which were affiliates of LS Power Equity Advisors, LLC). Pursuant to the Purchase Agreement, NRG acquired all of the issued and outstanding equity interests of Lightning Power, LLC (“Lightning”)¹, Linebacker Power Holdings, LLC (“Linebacker”)², CCS Intermediate HoldCo, LLC (“CCS”)³ and Jack County Power Development, LLC (“JCPD”)⁴. The LS Power Portfolio includes 18 natural gas-fired facilities totaling approximately 13 GW of capacity, located across nine states, as well as CPower, a leading C&I VPP with approximately 6 GW of capacity with more than 2,000 commercial and industrial customers.

¹ The pro forma financial information for Lightning was prepared using the financial statements of Lightning Power, LLC beginning August 9, 2024 and the financial statements of Fund III Projects (as defined below) and Gridiron Intermediate Holdings, LLC (“Gridiron”) from January 1, 2024 to August 8, 2024. The “Fund III Projects” are comprised of the operations and assets held by Granite Generation, LLC, Helix Gen Funding, LLC, Ocean State Power LLC, and Rise Light & Power, LLC.

² Linebacker Power Holdings, LLC (one of the acquired entities) owns Linebacker Power Funding, LLC. The pro forma financial information was prepared using the available audited and unaudited financial statements of Linebacker Power Funding, LLC. Differences between the two entities include affiliate billings and certain incremental general and administrative costs and are immaterial to the pro forma information.

³ CCS Intermediate Holdco, LLC (one of the acquired entities) owns CCS Power Finance Co, LLC (“CPower”). The pro forma financial information was prepared using the available audited and unaudited financial statements of CPower. Differences between the two entities include immaterial affiliate billings and certain immaterial incremental general and administrative costs. Removal of intercompany note of \$16.5 million between the two entities and its related impact on the pro forma information is included in the pro forma Transactions Accounting Adjustments.

⁴ The pro forma financial information does not include the estimated effects from the acquisition of Jack County Power Development, LLC, as audited and unaudited financial statements for that entity are not available and the effects of that entity are immaterial to the pro forma information.

Subject to the terms and conditions of the Purchase Agreement, the purchase price for the transaction consists of 24,250,000 shares of common stock of the Company, par value of \$0.01 per share (the “Stock Consideration”), and \$6.4 billion plus preliminary working capital and certain other adjustments of \$0.5 billion in cash (the “Cash Consideration”). As part of the transaction, NRG also assumed approximately \$3.2 billion of debt.

In connection with the Purchase Agreement, NRG entered into a commitment letter for a 364-day Senior Secured Bridge Facility (the “Bridge Facility”) in a principal amount not to exceed \$4.4 billion for the purposes of paying a portion of the Cash Consideration for the acquisition and paying fees and expenses in connection with the acquisition. The Bridge Facility was terminated on October 8, 2025, subsequent to obtaining permanent financing.

Pro Forma Financial Information

The unaudited pro forma combined balance sheet as of September 30, 2025 combines the historical consolidated balance sheet of NRG and the historical balance sheets of the LS Power acquired entities (as listed below) after giving effect to the acquisition of the LS Power Portfolio and the related transactions, as if they had occurred on September 30, 2025. The unaudited pro forma combined balance sheet does not include the Acquisition Accounting Adjustments for the acquisition of the Texas Generation Portfolio as they are already reflected in the historical balance sheet of NRG. The unaudited pro forma combined statements of operations for the year ended December 31, 2024, and the nine months ended September 30, 2025, combine the historical consolidated statements of operations of NRG, the historical results of Texas Generation Portfolio and the historical statements of operations of the LS Power acquired entities (as listed below), after giving effect to the Transactions Accounting Adjustments, as if they had occurred on January 1, 2024. For the period ended September 30, 2025, the historical results of the Texas Generation Portfolio include the period prior to NRG’s acquisition of the Texas Generation Portfolio on April 10, 2025. We refer to these unaudited pro forma combined balance sheet and unaudited pro forma combined statements of operations as the “pro forma financial information”.

The pro forma financial information has been prepared by NRG for illustrative and informational purposes only, in accordance with Regulation S-X Article 11, *Pro Forma Financial Information*. The pro forma financial information is based on the Transactions Accounting Adjustments and assumptions and is not necessarily indicative of what NRG’s consolidated statements of operations or consolidated balance sheet actually would have been had the Transactions Accounting Adjustments been completed as of the dates indicated, or what they will be for any future periods. The pro forma financial information does not purport to project the future financial position or operating results of NRG following the completion of the Acquisitions and the related transactions. The pro forma financial information does not reflect any revenue enhancements, cost savings, operating synergies or restructuring costs that may be achievable or incurred prospectively in connection with the Acquisitions and the related transactions.

The pro forma financial information for the acquisition of the LS Power Portfolio has been prepared using the acquisition method of accounting under U.S. Generally Accepted Accounting Principles (“U.S. GAAP”) with NRG being the accounting acquirer in the acquisition. The purchase price will be allocated to the assets acquired and liabilities assumed based upon their estimated fair values as of the acquisition date, and any excess value of the consideration transferred over the net assets will be recognized as goodwill. The Company has made a preliminary allocation of the purchase price to the assets acquired and liabilities assumed as of the assumed acquisition date based on NRG’s preliminary valuation of the tangible and intangible assets acquired and liabilities assumed using information currently available. Differences between these preliminary estimates, which were made solely for the purpose of this pro forma financial information, and the final acquisition accounting will occur and these differences could have a material impact on the accompanying pro forma financial information.

The purchase price for the acquisition of the LS Power Portfolio consists of Cash Consideration of \$6.4 billion plus preliminary working capital and certain other adjustments of \$0.5 billion, and Stock Consideration of 24,250,000 shares of common stock of the Company, par value of \$0.01 per share.

The pro forma financial information gives effect to the following sources of funds to satisfy the Cash Consideration:

- proceeds of \$3.6 billion from newly-issued unsecured corporate debt, net of issuance costs;
- proceeds of \$743 million from newly-issued secured corporate debt, net of issuance costs; and
- proceeds of \$2.5 billion from the Company’s Revolving Credit Facility.

The pro forma financial information should be read in conjunction with the accompanying explanatory notes. In addition, the pro forma financial information is derived from and should be read in conjunction with the following historical financial statements and the related notes of NRG and the LS Power acquired entities as listed below:

NRG Financial Statements:

- audited consolidated financial statements of NRG as of and for the fiscal year ended December 31, 2024 and the related notes included in NRG’s Annual Report on Form 10-K for the year ended December 31, 2024 filed on February 26, 2025;
- unaudited condensed financial statements of NRG as of and for the nine months ended September 30, 2025 and 2024 and the related notes included in NRG’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2025 filed on November 6, 2025;

LS Power Acquired Entities’ Financial Statements:

Lightning

- audited consolidated financial statements of Lightning Power, LLC and its subsidiaries as of December 31, 2024 and for the period August 9, 2024 to December 31, 2024 and the related notes, which are included as Exhibit 99.2 to NRG’s current Report on Form 8-K filed on September 24, 2025;
- unaudited condensed consolidated financial statements of Lightning Power, LLC and its subsidiaries as of September 30, 2025 and December 31, 2024 and for the three and nine months ended September 30, 2025 and the related notes, which are included as Exhibit 99.2 to this current Report on Form 8-K/A;

Fund III Projects and Gridiron:

- audited combined financial statements of Fund III Projects for the period January 1, 2024 to August 8, 2024, and the year ended December 31, 2023 and the related notes, which are included as Exhibit 99.4 to NRG's current Report on Form 8-K filed on September 24, 2025;
- audited consolidated financial statements of Gridiron Intermediate Holdings, LLC and subsidiaries for the period January 1, 2024 to August 8, 2024, and the year ended December 31, 2023 and the related notes, which are included as Exhibit 99.6 to NRG's current Report on Form 8-K filed on September 24, 2025;

Linebacker

- audited consolidated financial statements of Linebacker Power Funding, LLC and subsidiaries as of December 31, 2024 and 2023, the year ended December 31, 2024, the period of June 12, 2023 to December 31, 2023, and the related notes, which are included as Exhibit 99.8 to NRG's current Report on Form 8-K filed on September 24, 2025;
- unaudited condensed consolidated financial statements of Linebacker Power Funding, LLC and subsidiaries as of September 30, 2025 and for the three and nine months ended September 30, 2025 and 2024 and the related notes, which are included as Exhibit 99.6 to this current Report on Form 8-K/A;

CPower

- audited consolidated financial statements of CCS Power Finance Co, LLC as of and for the fiscal year ended December 31, 2024 and 2023 and the related notes, which are included as Exhibit 99.10 to NRG's current Report on Form 8-K filed on September 24, 2025;
- unaudited condensed consolidated financial statements of CCS Power Finance Co, LLC as of September 30, 2025 and December 31, 2024 and for the three and nine months ended September 30, 2025 and 2024 and the related notes, which are included as Exhibit 99.8 to this current Report on Form 8-K/A;

NRG ENERGY, INC. AND SUBSIDIARIES
UNAUDITED PRO FORMA COMBINED BALANCE SHEET
AS OF SEPTEMBER 30, 2025

(In millions)	Historical				Transaction Accounting		Notes	Pro Forma Combined
	NRG	LS Power Portfolio			Acquisition Accounting Adjustments	Financing Transactions Adjustments		
		Lightning as Reclassified (Note 3)	Linebacker as Reclassified (Note 4)	CPower as Reclassified (Note 5)				
ASSETS								
Current Assets								
Cash and cash equivalents	\$ 732	\$ —	\$ —	\$ 83	\$ (6,851)	\$ 6,851	7(a)	\$ 815
Funds deposited by counterparties	323	—	—	—	—	—		323
Restricted cash	30	70	117	—	—	—		217
Accounts receivable, net	3,332	132	27	54	(76)	—	7(b)(f)	3,469
Inventory	452	127	38	—	—	—		617
Derivative instruments	1,928	452	22	—	—	—		2,402
Cash collateral paid in support of energy risk management activities	358	—	—	—	—	—		358
Prepayments and other current assets	969	79	20	2	—	(21)	7(c)	1,049
Total current assets	8,124	860	224	139	(6,927)	6,830		9,250
Property, plant and equipment, net	3,396	6,489	675	11	4,436	—		15,007
Other Assets								
Equity investments in affiliates	48	—	—	—	—	—		48
Operating lease right-of-use assets, net	139	27	—	2	—	—		168
Goodwill	5,015	128	—	127	1,442	—	7(d)	6,712
Customer relationships, net	1,294	—	—	—	250	—	7(e)	1,544
Other intangible assets, net	1,137	31	—	106	(47)	—	7(e)	1,227
Derivative instruments	1,486	417	11	—	—	—		1,914
Deferred income taxes	1,855	—	—	—	—	—		1,855
Other non-current assets	1,477	136	—	1	(136)	—	7(f)	1,478
Total other assets	12,451	739	11	236	1,509	—		14,946
Total Assets	\$ 23,971	\$ 8,088	\$ 910	\$ 386	\$ (982)	\$ 6,830		\$ 39,203
LIABILITIES AND STOCKHOLDERS' EQUITY/MEMBER'S EQUITY								
Current Liabilities								
Current portion of long-term debt and finance leases	\$ 777	\$ 8	\$ 9	\$ 26	\$ 4	\$ 2,494	7(g)	\$ 3,318
Current portion of operating lease liabilities	36	1	—	1	—	—		38
Accounts payable	2,319	30	14	2	(59)	—	7(b)	2,306
Derivative instruments	1,880	452	22	—	—	—		2,354
Cash collateral received in support of energy risk management activities	323	—	—	—	—	—		323
Deferred revenue current	710	3	—	—	—	—		713
Accrued expenses and other current liabilities	1,668	142	30	107	56	—	7(h)	2,003
Total current liabilities	\$ 7,713	\$ 636	\$ 75	\$ 136	\$ 1	\$ 2,494		\$ 11,055

NRG ENERGY, INC. AND SUBSIDIARIES
UNAUDITED PRO FORMA COMBINED BALANCE SHEET
AS OF SEPTEMBER 30, 2025 (Continued)

(In millions)	Historical				Transaction Accounting		Notes	Pro Forma Combined
	NRG	LS Power Portfolio			Acquisition Accounting Adjustments	Financing Transactions Adjustments		
		Lightning as Reclassified (Note 3)	Linebacker as Reclassified (Note 4)	CPower as Reclassified (Note 5)				
Other Liabilities								
Long-term debt and finance leases	\$ 11,155	\$ 3,197	\$ 633	\$ 81	\$ (602)	\$ 4,357	7(g)	\$ 18,821
Non-current operating lease liabilities	143	26	—	1	—	—		170
Derivative instruments	1,125	422	23	—	—	—		1,570
Deferred income taxes	12	—	—	18	2	—	7(i)	32
Deferred revenue non-current	942	—	—	—	—	—		942
Other non-current liabilities	911	79	2	—	—	—		992
Debt due to related parties	—	—	—	17	(17)	—	7(j)	—
Accrued liabilities due to related parties	—	—	—	3	(3)	—	7(j)	—
Total other liabilities	14,288	3,724	658	120	(620)	4,357		22,527
Total Liabilities	22,001	4,360	733	256	(619)	6,851		33,582
Stockholders' Equity/ Member's Equity								
Preferred stock	650	—	—	—	—	—		650
Common stock	2	—	—	—	—	—		2
Additional paid-in-capital	166	—	—	—	3,728	—	7(k)	3,894
Retained earnings	2,002	—	—	—	(56)	(21)	7(l)	1,925
Treasury stock, at cost	(745)	—	—	—	—	—		(745)
Accumulated other comprehensive loss	(105)	—	—	—	—	—		(105)
Member's equity	—	3,728	177	130	(4,035)	—	7(m)	—
Total Stockholders' Equity/ Member's Equity	1,970	3,728	177	130	(363)	(21)		5,621
Total Liabilities and Stockholders' Equity/Member's Equity	\$ 23,971	\$ 8,088	\$ 910	\$ 386	\$ (982)	\$ 6,830		\$ 39,203

NRG ENERGY, INC. AND SUBSIDIARIES
UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2025

(In millions, except per share amounts)	Historical					Transactions Accounting Adjustments		Notes	Pro Forma Combined
	NRG	Texas Generation Portfolio	LS Power Portfolio			Acquisition Accounting Adjustments	Financing Transactions Adjustments		
			Lightning as Reclassified (Note 3)	Linebacker as Reclassified (Note 4)	CPower as Reclassified (Note 5)				
Revenue	\$ 22,960	\$ 14	\$ 1,600	\$ 422	\$ 171	\$ (81)	\$ —	8(a)	\$ 25,086
Operating Costs and Expenses									
Cost of operations (excluding depreciation and amortization shown below)	18,431	25	925	286	117	(179)	—	8(a)	19,605
Depreciation and amortization	1,030	3	251	19	17	60	—	8(b)	1,380
Selling, general and administrative costs	1,885	1	39	4	39	(1)	—	8(a)	1,967
Acquisition-related transaction and integration costs	59	—	—	—	1	—	—		60
Total operating costs and expenses	21,405	29	1,215	309	174	(120)	—		23,012
Loss on sale of assets	(7)	—	—	—	—	—	—		(7)
Operating Income/(Loss)	1,548	(15)	385	113	(3)	39	—		2,067
Other Income/(Expense)									
Equity in earnings of unconsolidated affiliates	4	—	—	—	—	—	—		4
Other income, net	26	3	1	—	—	—	—		30
Loss on debt extinguishment	(10)	—	—	—	—	—	—		(10)
Interest expense	(498)	(11)	(181)	(17)	(10)	40	(233)	8(e)	(910)
Total other expense, net	(478)	(8)	(180)	(17)	(10)	40	(233)		(886)
Income/(Loss) Before Income Taxes	1,070	(23)	205	96	(13)	79	(233)		1,181
Income tax expense/(benefit)	272	—	—	1	(1)	19	(57)	8(f)	234
Net Income/(Loss)	798	(23)	205	95	(12)	60	(176)		947
Less: Cumulative dividends attributable to Series A Preferred Stock	51	—	—	—	—	—	—		51
Net Income/(Loss) Available for Common Shareholders	\$ 747	\$ (23)	\$ 205	\$ 95	\$ (12)	\$ 60	\$ (176)		\$ 896
Income per Share									
Weighted average number of common shares outstanding — basic	196					24		8(g)	220
Income per weighted average common share — basic	\$ 3.81								\$ 4.07
Weighted average number of common shares outstanding — diluted	201					24		8(g)	225
Income per weighted average common share — diluted	\$ 3.72								\$ 3.98

NRG ENERGY, INC. AND SUBSIDIARIES
UNAUDITED PRO FORMA COMBINED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2024

(In millions, except per share amounts)	Historical					Transactions Accounting Adjustments		Notes	Pro Forma Combined
	NRG	Texas Generation Portfolio	LS Power Portfolio			Acquisition Accounting Adjustments	Financing Transactions Adjustments		
			Lightning as Reclassified (Note 3)	Linebacker as Reclassified (Note 4)	CPower as Reclassified (Note 5)				
Revenue	\$ 28,130	\$ 137	\$ 1,615	\$ 523	\$ 133	\$ (54)	—	8(a)	\$ 30,484
Operating Costs and Expenses									
Cost of operations (excluding depreciation and amortization shown below)	22,100	85	794	258	87	(158)	—	8(a)	23,166
Depreciation and amortization	1,403	11	246	25	22	176	—	8(b)	1,883
Impairment losses	36	—	—	—	—	—	—	—	36
Selling, general and administrative costs	2,031	3	51	6	48	(1)	—	8(a)	2,138
Provision for credit losses	314	—	—	—	—	—	—	—	314
Acquisition-related transaction and integration costs	30	—	9	—	3	56	—	8(c)	98
Total operating costs and expenses	25,914	99	1,100	289	160	73	—	—	27,635
Gain/(Loss) on sale of assets	208	—	(3)	—	—	—	—	—	205
Operating Income/(Loss)	<u>2,424</u>	<u>38</u>	<u>512</u>	<u>234</u>	<u>(27)</u>	<u>(127)</u>	<u>—</u>	<u>—</u>	<u>3,054</u>
Other Income/(Expense)									
Equity in earnings of unconsolidated affiliates	20	—	—	—	—	—	—	—	20
Impairment losses on investments	(7)	—	(31)	—	—	31	—	8(d)	(7)
Other income, net	44	1	6	1	—	—	—	—	52
Loss on debt extinguishment	(382)	—	(16)	—	—	—	—	—	(398)
Interest expense	(651)	(10)	(270)	(41)	(12)	65	(396)	8(e)	(1,315)
Total other expense, net	(976)	(9)	(311)	(40)	(12)	96	(396)	—	(1,648)
Income/(Loss) Before Income Taxes	<u>1,448</u>	<u>29</u>	<u>201</u>	<u>194</u>	<u>(39)</u>	<u>(31)</u>	<u>(396)</u>	<u>—</u>	<u>1,406</u>
Income tax expense/(benefit)	323	—	—	2	(1)	(8)	(97)	8(f)	219
Net Income/(Loss)	<u>1,125</u>	<u>29</u>	<u>201</u>	<u>192</u>	<u>(38)</u>	<u>(23)</u>	<u>(299)</u>	<u>—</u>	<u>1,187</u>
Less: Cumulative dividends attributable to Series A Preferred Stock	67	—	—	—	—	—	—	—	67
Net Income/(Loss) Available for Common Shareholders	<u>\$ 1,058</u>	<u>\$ 29</u>	<u>\$ 201</u>	<u>\$ 192</u>	<u>\$ (38)</u>	<u>\$ (23)</u>	<u>\$ (299)</u>	<u>—</u>	<u>\$ 1,120</u>
Income per Share									
Weighted average number of common shares outstanding — basic	206	—	—	—	—	24	—	8(g)	230
Income per weighted average common share — basic	\$ 5.14	—	—	—	—	—	—	—	\$ 4.87
Weighted average number of common shares outstanding — diluted	212	—	—	—	—	24	—	8(g)	236
Income per weighted average common share — diluted	\$ 4.99	—	—	—	—	—	—	—	\$ 4.75

NOTES TO UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION

Note 1. Basis of Pro Forma Presentation

The pro forma financial information for the Acquisitions has been prepared using the acquisition method of accounting under U.S. GAAP, in accordance with ASC 805, and is derived from the audited and unaudited historical financial statements of NRG and the acquired entities.

The unaudited pro forma combined balance sheet as of September 30, 2025 combines the historical consolidated balance sheet of NRG and the historical balance sheets of the LS Power entities (as listed above) after giving effect to the acquisition of the LS Power Portfolio and the related transactions, as if they had occurred on September 30, 2025. The unaudited pro forma combined balance sheet does not include the Acquisition Accounting Adjustments for the acquisition of the Texas Generation Portfolio as they are already reflected in the historical balance sheet of NRG. The unaudited pro forma combined statements of operations for the year ended December 31, 2024, and the nine months ended September 30, 2025, combine the historical consolidated statements of operations of NRG, the historical results of Texas Generation Portfolio and the historical statements of operations of the LS Power acquired entities (as listed above), after giving effect to the Transactions Accounting Adjustments, as if they had occurred on January 1, 2024. For the period ended September 30, 2025, the historical results of the Texas Generation Portfolio include the period prior to NRG's acquisition of the Texas Generation Portfolio on April 10, 2025.

The pro forma financial information has been prepared by NRG for illustrative and informational purposes only in accordance of Article 11. The pro forma financial information is based on the Transactions Accounting Adjustments and assumptions and is not necessarily indicative of what NRG's consolidated statements of operations or consolidated balance sheet actually would have been had the Transactions Accounting Adjustments been completed as of the dates indicated, or what they will be for any future periods. The pro forma financial information does not purport to project the future financial position or operating results of NRG following the completion of the Acquisitions. The pro forma financial information does not reflect any revenue enhancements, cost savings, operating synergies or restructuring costs that may be achievable or incurred prospectively in connection with the Acquisitions and related transactions.

The acquisition method of accounting requires an acquirer to recognize and measure in its financial statements the identifiable assets acquired and the liabilities assumed at fair value at the acquisition date. The determination of fair value used in the Transactions Accounting Adjustments is preliminary and based on management's best estimates considering currently available information and certain assumptions that management believes are reasonable under the circumstances. The purchase price allocation presented is dependent upon certain valuations and other analyses that have not yet been finalized. The actual amounts eventually recorded for purchase accounting, including the identifiable intangibles and goodwill may differ materially from the information presented and could be materially impacted by changing fair value measurements caused by the volatility in the current market environment.

Under ASC 805, acquisition-related transactions costs are not included as a component of the consideration transferred and are expensed in the period in which the costs are incurred. Total costs related to the Acquisitions were approximately \$5 million for the acquisition of the Texas Generation Portfolio, all of which were recorded in the historical Consolidated Statement of Operations of NRG for the nine months ended September 30, 2025, and \$81 million for the acquisition of the LS Power Portfolio, of which \$25 million were recorded in the historical Consolidated Statement of Operations of NRG for the nine months ended September 30, 2025 and estimated costs of \$56 million were accrued in the pro forma Combined Balance Sheet. Acquisition costs include primarily due diligence, valuation, legal and filing fees, professional and other consulting fees.

During the preparation of the unaudited pro forma combined financial information, management performed a preliminary analysis of the acquired entities financial information to identify differences in accounting policies as compared to those of NRG. Except as noted below, at this time NRG is not aware of any material differences in the accounting policies followed by NRG and those used by the acquired entities in preparing its consolidated financial statements that would have a material impact on the pro forma financial information.

During the preparation of the unaudited pro forma combined financial information, management identified that LS Power acquired entities elected to expense all maintenance costs to costs of operations in the period incurred, which is different than NRG's policy to capitalize a portion of maintenance costs that extend the life of an asset and depreciate over the expected period of benefit. The Company recorded pro forma adjustments aiming to align the recognition of the major maintenance costs of the LS Power entities based on information currently available (see Note 8(a,b)). When additional information is available and additional analysis is performed, the Company may adjust such amounts and may identify other policy differences.

Note 2. Preliminary Purchase Price and Related Financing

The purchase price for the acquisition of the LS Power Portfolio consists of Stock Consideration of 24,250,000 shares of common stock of the Company, par value of \$0.01 per share, and Cash Consideration of \$6.4 billion plus preliminary working capital and certain other adjustments of \$0.5 billion.

The pro forma financial information gives effect to the following sources of funds to satisfy the Cash Consideration:

- proceeds of \$2.376 billion from issuance of \$2.4 billion Senior Unsecured Notes due 2036 at 6.000% interest rate, net of issuance costs;
- proceeds of \$1.238 billion from issuance of \$1.250 billion Senior Unsecured Notes due 2034 at 5.750% interest rate, net of issuance costs;
- proceeds of \$619 million from issuance of \$625 million Senior Secured First Lien Notes due 2030 at 4.734% interest rate, net of issuance costs;
- partial proceeds of \$124 million from issuance of \$625 million Senior Secured First Lien Notes due 2035 at interest rate of 5.407%, net of issuance costs; and
- proceeds of approximately \$2.5 billion from the Company's Revolving Credit Facility.

Note 3. Reclassification Adjustments — Lightning

During the preparation of the unaudited pro forma combined financial statements, management performed a preliminary analysis of the Lightning financial information to identify differences in Lightning financial statement presentation as compared to the presentation of NRG. The below reclassification adjustments represent NRG's best estimates based upon the information currently available to NRG. The reclassification adjustments are subject to change once more detailed information is available and additional analysis is performed.

Balance Sheet Reclassifications

Lightning
Unaudited Condensed Consolidated Balance Sheet
As of September 30, 2025

(In millions)

Presentation in Historical Financial Statements	Presentation in Unaudited Pro Forma Combined Financial Statements	Lightning Before Reclassification	Reclassification	Lightning as Reclassified
Assets				
Restricted cash	Restricted cash	\$ 70	\$ —	\$ 70
Accounts receivable	Accounts receivable, net	131	1 (a)	132
Accounts receivable - affiliates		1	(1) (a)	—
Inventory	Inventory	127	—	127
Prepaid expenses	Prepayments and other current assets	25	54 (b)	79
Assets from risk management activities	Derivative instruments	452	—	452
Deposits		30	(30) (b)	—
Other current assets		24	(24) (b)	—
Property, plant, and equipment, net	Property, plant and equipment, net	6,489	—	6,489
Intangible assets, net	Other intangible assets, net	31	—	31
Assets from risk management activities, long term	Derivative instruments	417	—	417
Operating lease right-of-use assets, net	Operating lease right-of-use assets, net	27	—	27
Goodwill	Goodwill	128	—	128
Other noncurrent assets	Other non-current assets	136	—	136
Total Assets		\$ 8,088	—	\$ 8,088
Liabilities				
Current portion of long-term debt	Current portion of long-term debt and finance leases	\$ 8	\$ —	\$ 8
Operating lease liabilities (short-term)	Current portion of operating lease liabilities	1	—	1
Accounts payable and accrued expenses	Accounts payable	109	(79) (c)	30
Liabilities from risk management activities	Derivative instruments	452	—	452
Deferred revenue	Deferred revenue current	3	—	3
Other current liabilities	Accrued expenses and other current liabilities	63	79 (c)	142
Long term debt	Long-term debt and finance leases	3,197	—	3,197
Liabilities from risk management activities, long term	Derivative instruments	422	—	422
Asset retirement obligations		72	(72) (d)	—
Operating lease liabilities (long-term)	Non-current operating lease liabilities	26	—	26
Other long term liabilities	Other non-current liabilities	7	72 (d)	79
Stockholders' Equity/Member's Equity				
Member's equity	Member's equity	3,728	—	3,728
Total Liabilities and Stockholders' Equity/Member's Equity		\$ 8,088	\$ —	\$ 8,088

(a) Reclassification from Accounts receivable - affiliates to Accounts receivable, net

(b) Reclassification from Deposits and Other current assets to Prepayments and other current assets

(c) Reclassification from Accounts payable and accrued expenses to Accrued expenses and other current liabilities

(d) Reclassification from Asset retirement obligations to Other non-current liabilities

Statement of Operations Reclassifications

Lightning
Unaudited Condensed Consolidated Statement of Operations
For the Nine Months Ended September 30, 2025

(In millions)

Presentation in Historical Financial Statements	Presentation in Unaudited Pro Forma Combined Financial Statements	Lightning Before Reclassification	Reclassification	Lightning as Reclassified
Total revenues	Revenue	\$ 1,600	\$ —	\$ 1,600
Fuel and transportation	Cost of operations (excluding depreciation and amortization shown below)	649	276 (a)	925
Loss on risk management activities		38	(38) (a)	—
Operating and maintenance		234	(234) (a)	—
Depreciation	Depreciation and amortization	251	—	251
General and administrative	Selling, general and administrative costs	39	—	39
Accretion		4	(4) (a)	—
Other loss, net	Other income/(expense), net	(2)	3 (b)	1
Interest expense, net	Interest expense	(178)	(3) (b)	(181)
Net Loss		\$ 205	\$ —	\$ 205

(a) Reclassification from Loss of risk management activities, Operating and maintenance, and Accretion to Cost of operations

(b) Reclassification of interest income from Interest expense, net to Other income, net

Lightning
Combined Statements of Operations
For the Year Ended December 31, 2024

(In millions)

Presentation in Historical Financial Statements	Presentation in Unaudited Pro Forma Combined Financial Statements	Lightning Power, LLC Before Reclassification	Fund III Project Before Reclassification	Gridiron Before Reclassification	Reclassification	Lightning et al. as Reclassified
Total revenues	Revenue	\$ 522	\$ 800	\$ 293	\$ —	\$ 1,615
Fuel and transportation	Cost of operations (excluding depreciation and amortization shown below)	190	\$ 248	\$ 86	\$ 270 (a)	794
(Gain)/Loss on risk management activities		(104)	42	19	43 (a)	—
Operating and maintenance		140	134	34	(308) (a)	—
Depreciation	Depreciation and amortization	132	72	42	—	246
General and administrative	Selling, general and administrative costs	39	18	3	(9) (b)	51
Accretion		2	3	—	(5) (a)	—
	Acquisition-related transaction and integration costs	—	—	—	9 (b)	9
	Gain/(Loss) on sale of assets	—	—	—	(3) (c)	(3)
	Impairment losses on investments	—	—	—	(31) (c)	(31)
Other (loss) income, net	Other income, net	(9)	(31)	(3)	49 (c)(e)	6
	(Loss)/Gain on debt extinguishment	—	—	—	(16) (d)	(16)
Interest expense, net	Interest expense	(131)	(116)	(24)	1 (d)(e)	(270)
Net (Loss)/Income		\$ (17)	\$ 136	\$ 82	\$ —	\$ 201

(a) Reclassification from (Gain)/Loss of risk management activities, Operating and maintenance, and Accretion to Cost of operations

(b) Reclassification from General and administrative to Acquisition-related transaction and integration costs

(c) Reclassification from Other income (loss), net to Gain/(Loss) on sale of assets and Impairment losses on investments

(d) Reclassification from Interest expense, net to (Loss)/Gain on debt extinguishment

(e) Reclassification of interest income from Interest expense, net to Other income, net

Note 4. Reclassification Adjustments — Linebacker

During the preparation of the unaudited pro forma combined financial statements, management performed a preliminary analysis of the Linebacker financial information to identify differences in Linebacker's financial statement presentation as compared to the presentation of NRG. The below reclassification adjustments represent NRG's best estimates based upon the information currently available to NRG. The reclassification adjustments are subject to change once more detailed information is available and additional analysis is performed.

Balance Sheet Reclassifications

Linebacker Unaudited Condensed Consolidated Balance Sheet As of September 30, 2025

(In millions)

Presentation in Historical Financial Statements	Presentation in Unaudited Pro Forma Combined Financial Statements	Linebacker Before Reclassification	Reclassification	Linebacker as Reclassified
Assets				
Restricted cash	Restricted cash	\$ 117	\$ —	\$ 117
Accounts receivable and affiliates	Accounts receivable, net	27	—	27
Inventory	Inventory	38	—	38
Prepaid expenses	Prepayments and other current assets	16	4 (a)	20
Assets from risk management activities	Derivative instruments	22	—	22
Other current assets		4	(4) (a)	—
Property, plant, and equipment, net	Property, plant and equipment, net	675	—	675
Assets from risk management activities, long term	Derivative instruments	11	—	11
Total Assets		\$ 910	—	\$ 910
Liabilities				
Current portion of long-term debt	Current portion of long-term debt and finance leases	\$ 9	\$ —	\$ 9
Accounts payable and accrued expenses	Accounts payable	43	(29) (b)(c)	14
Accounts payable - affiliate		1	(1) (b)	—
	Accrued expenses and other current liabilities	—	30 (c)	30
Liabilities from risk management activities	Derivative instruments	22	—	22
Long term debt	Long-term debt and finance leases	633	—	633
Liabilities from risk management activities, long term	Derivative instruments	23	—	23
Asset retirement obligations	Other non-current liabilities	2	—	2
Stockholders' Equity/ Members Equity				
Member's equity	Member's equity	177	—	177
Total Liabilities and Stockholders' Equity/Member's Equity		\$ 910	\$ —	\$ 910

(a) Reclassification from Other current assets to Prepayments and other current assets

(b) Reclassification from Accounts payable - affiliate to Accounts payable

(c) Reclassification from Accounts payable and accrued expenses to Accrued expenses and other current liabilities

Statement of Operations Reclassifications

Linebacker
Unaudited Condensed Consolidated Statement of Operations
For the Nine Months Ended September 30, 2025

(In millions)

Presentation in Historical Financial Statements	Presentation in Unaudited Pro Forma Combined Financial Statements	Linebacker Before Reclassification	Reclassification	Linebacker as Reclassified
Total revenues	Revenue	\$ 422	\$ —	\$ 422
Fuel and transportation	Cost of operations (excluding depreciation and amortization shown below)	195	91 (a)	286
Loss on risk management activities		16	(16) (a)	—
Operating and maintenance		75	(75) (a)	—
Depreciation	Depreciation and amortization	19	—	19
General and administrative	Selling, general and administrative costs	4	—	4
Interest expense, net	Interest expense	(17)	—	(17)
Income tax expense	Income tax expense/(benefit)	1	—	1
Net Income		\$ 95	\$ —	\$ 95

(a) Reclassification from Loss on risk management activities and Operating and maintenance to Cost of operations

Linebacker
Consolidated Statement of Operations
For the Year Ended December 31, 2024

(In millions)

Presentation in Historical Financial Statements	Presentation in Unaudited Pro Forma Combined Financial Statements	Linebacker Before Reclassification	Reclassification	Linebacker as Reclassified
Total revenues	Revenue	\$ 523	\$ —	\$ 523
Fuel and transportation	Cost of operations (excluding depreciation and amortization shown below)	162	96 (a)	258
Loss on risk management activities		11	(11) (a)	—
Operating and maintenance		85	(85) (a)	—
Depreciation	Depreciation and amortization	25	—	25
General and administrative	Selling, general and administrative costs	6	—	6
Interest expense, net	Interest expense	(40)	(1) (b)	(41)
Income tax expense	Income tax expense/(benefit)	2	—	2
	Other income, net		1 (b)	1
Net Income		\$ 192	\$ —	\$ 192

(a) Reclassification from Loss on risk management activities and Operating and maintenance to Cost of operations

(b) Reclassification of interest income from Interest expense, net to Other income, net

Note 5. Reclassification Adjustments — CPower

During the preparation of the unaudited pro forma combined financial statements, management performed a preliminary analysis of the CPower financial information to identify differences in CPower's financial statement presentation as compared to the presentation of NRG. The below reclassification adjustments represent NRG's best estimates based upon the information currently available to NRG. The reclassification adjustments are subject to change once more detailed information is available and additional analysis is performed.

Balance Sheet Reclassifications

CPower Unaudited Condensed Consolidated Balance Sheet As of September 30, 2025

(In millions)

Presentation in Historical Financial Statements	Presentation in Unaudited Pro Forma Combined Financial Statements	CPower Before Reclassification	Reclassification	CPower as Reclassified
Assets				
Cash and cash equivalents	Cash and cash equivalents	\$ 83	\$ —	\$ 83
Trade accounts receivable, net	Accounts receivable, net	26	28 (a)	54
Unbilled accounts receivable		28	(28) (a)	—
Other current assets	Prepayments and other current assets	2	—	2
Property and equipment, net	Property, plant and equipment, net	11	—	11
Intangible assets, net	Other intangible assets, net	106	—	106
Goodwill	Goodwill	127	—	127
Lease Right of Use Asset	Operating lease right-of-use assets, net	2	—	2
Other assets	Other non-current assets	1	—	1
Total Assets		\$ 386	\$ —	\$ 386
Liabilities				
Trade accounts payable	Accounts payable	\$ 2	\$ —	\$ 2
Accrued customer payments	Accrued expenses and other current liabilities	97	10 (b)	107
Accrued payroll, benefits, and other		3	(3) (b)	—
	Current portion of long-term debt and finance leases	26	—	26
Debt - short term		1	—	1
Lease liability - short term	Current portion of operating lease liabilities	7	(7) (b)	—
Other current liabilities		81	—	81
Debt - long term	Long-term debt and finance leases	17	—	17
Debt due to related parties	Debt due to related parties	3	—	3
Accrued liabilities due to related parties	Accrued liabilities due to related parties	18	—	18
Deferred tax liabilities	Deferred income taxes	1	—	1
Lease Liability - long term	Non-current operating lease liabilities	1	—	1
Stockholders' Equity/Members' Equity				
Members' equity	Member's equity	130	—	130
Total Liabilities and Stockholders' Equity/Members' Equity		\$ 386	\$ —	\$ 386

(a) Reclassification from Unbilled accounts receivable to Accounts receivable, net

(b) Reclassification from Accrued payroll, benefits, and other and Other current liabilities to Accrued expenses and other current liabilities

Statement of Operations Reclassifications

CPower
Unaudited Condensed Consolidated Statement of Operations
For the Nine Months Ended September 30, 2025

(In millions)

Presentation in Historical Financial Statements	Presentation in Unaudited Pro Forma Combined Financial Statements	CPower Before Reclassification	Reclassification	CPower as Reclassified
Revenue	Revenue	\$ 171	\$ —	\$ 171
Cost of revenue	Cost of operations (excluding depreciation and amortization shown below)	117	—	117
Amortization & depreciation	Depreciation and amortization	17	—	17
General & administrative	Selling, general and administrative costs	10	29 (a)	39
Compensation		29	(29) (a)	—
Transaction & other expenses	Acquisition-related transaction and integration costs	1	—	1
Interest expense	Interest expense	(10)	—	(10)
Provision for income tax expense (benefit)	Income tax expense/(benefit)	(1)	—	(1)
Net Loss		\$ (12)	\$ —	\$ (12)

(a) Reclassification from Compensation to Selling, general and administrative costs

CPower
Consolidated Statement of Operations
For the Year Ended December 31, 2024

(In millions)

Presentation in Historical Financial Statements	Presentation in Unaudited Pro Forma Combined Financial Statements	CPower Before Reclassification	Reclassification	CPower as Reclassified
Revenue	Revenue	\$ 133	\$ —	\$ 133
Cost of revenue	Cost of operations (excluding depreciation and amortization shown below)	87	—	87
Amortization & depreciation	Depreciation and amortization	22	—	22
General & administrative	Selling, general and administrative costs	13	35 (a)	48
Compensation		35	(35) (a)	—
Transaction & other expenses	Acquisition-related transaction and integration costs	3	—	3
Interest expense	Interest expense	(12)	—	(12)
Provision for income tax expense (benefit)	Income tax expense/(benefit)	(1)	—	(1)
Net Loss		\$ (38)	\$ —	\$ (38)

(a) Reclassification from Compensation to Selling, general and administrative costs

Note 6. Purchase Price and Purchase Price allocations

Texas Generation Portfolio Acquisition

The Company completed the acquisition of Texas Generation Portfolio on April 10, 2025 and recorded the acquisition as a business combination under ASC 805 with identifiable assets acquired and liabilities assumed recorded at their estimated fair values on the acquisition date. The below purchase price allocation is reflected in the historical balance sheet of NRG as of September 30, 2025, and is therefore not included in the Acquisition Accounting Adjustments.

The Company paid \$560 million in cash, less \$2 million in working capital adjustments.

The purchase price was allocated as follows:

	(In millions)
Property, plant and equipment	\$ 644
Derivative instruments - Current assets	6
Derivative instruments - Other assets	2
Derivative instruments - Current liabilities	(34)
Derivative instruments - Other liabilities	(57)
Other, including current and non-current working capital	(3)
Texas Generation Portfolio Purchase Price	\$ 558

LS Power Portfolio Acquisition

The Company completed the acquisition of the LS Power Portfolio on January 30, 2026. The below is reflected in the Acquisition Accounting Adjustments in the unaudited pro forma combined balance sheet as of September 30, 2025.

The total consideration was calculated as follows:

	(In millions)
Cash Consideration (inclusive of preliminary working capital and certain other adjustments of \$479 million)	\$ 6,851
Stock Consideration: 24,250,000 common shares of NRG, par value \$0.01 per share, based on NRG share price of \$153.72 on January 29, 2026	3,728
Total Preliminary Consideration	\$ 10,579

Under the acquisition method of accounting, the identifiable assets acquired and liabilities assumed are recorded at fair value on the acquisition date. The Acquisition Accounting Adjustments included herein are preliminary and based on estimates of the fair value and useful lives of the assets acquired and liabilities assumed and have been prepared to illustrate the estimated effect of the acquisition.

The table below represents an initial allocation of the consideration to tangible and intangible assets to be acquired and liabilities to be assumed based on preliminary estimated fair values as of September 30, 2025:

	(In millions)
Current assets	\$ 1,206
Property, plant and equipment	11,611
Other non-current assets	458
Current liabilities (including \$47 million Current portion of long-term debt and finance leases)	(851)
Long-term debt and finance leases	(3,309)
Non-current liabilities	(573)
Identifiable intangible assets attributable to LS Power Portfolio	340
Goodwill	1,697
Total Preliminary Consideration	\$ 10,579

The preliminary fair value of the identifiable intangible assets of \$340 million, which includes customer relationships, technology related assets, trade names and contracts, will be amortized over the estimated useful life. The estimated weighted average useful life is approximately 12 years. The preliminary useful lives of the intangible assets were determined based on the expected pattern of the economic benefit. The expected amortization for the three months ended December 31, 2025 is currently expected to be \$9 million. The expected amortization for the five years following the Acquisition is currently estimated to be \$37 million per year. Goodwill represents the excess of the preliminary consideration over the estimated fair value of the underlying net assets acquired. Goodwill will not be amortized but instead will be reviewed for impairments at least annually, absent any indicators for impairment. Goodwill is attributable to the planned growth and synergies expected to be achieved from combining the operation of LS Power acquired entities with NRG's existing business. The goodwill recorded is expected to be deductible for tax purposes.

The final purchase price allocation depends on certain valuations and other studies that have not yet been completed. The final determination of the purchase price allocation will be based on the net assets acquired as of the acquisition date and will depend on a number of factors, which cannot be predicted with any certainty at this time. The purchase price allocation may change materially based on receipt of more detailed information. Accordingly, the pro forma purchase price allocation is preliminary and is subject to further adjustments as additional information becomes available and as additional analyses and final valuations are completed. There can be no assurance that these additional analyses and final valuations will not result in significant changes to the estimates of fair value set forth above.

Note 7. Adjustments to Unaudited Pro Forma Combined Balance Sheet

The Transactions Accounting Adjustments reflected in the unaudited pro forma combined balance sheet are detailed below:

(a) Reflects the proceeds from the financing transactions and cash outflow to complete the acquisition of the LS Power Portfolio as detailed below:

	(In millions)
Net cash received from financing transactions	
Proceeds from issuance of unsecured and secured corporate debt, net of issuance costs	\$ 4,357
Proceeds from Revolving Credit Facility	2,494
Total Financing Transactions Adjustments	<u>\$ 6,851</u>
Preliminary Cash Consideration	
Use of proceeds from financing transactions, net of issuance costs	\$ (6,851)
Acquisition Accounting Adjustments	<u>\$ (6,851)</u>

(b) Reflects the elimination of \$59 million of accounts receivable and \$59 million of accounts payable, representing receivables and payables between NRG and LS Power acquired entities.

(c) Reflects the write off of \$21 million of unamortized short-term deferred financing costs related to the Bridge Facility (included in NRG historical balance sheet as of September 30, 2025) as the Company obtained permanent financing and did not use the Bridge Facility to complete the acquisition of LS Power Portfolio.

(d) Reflects the removal of historical goodwill of LS Power acquired entities of \$255 million and recognition of preliminary goodwill of \$1,697 million representing the excess of preliminary purchase price over the estimated fair value of the acquired assets and liabilities, identifiable intangible assets and related deferred income taxes.

(e) Reflects the removal of historical intangible assets of LS Power acquired entities of \$137 million and recognition of preliminary estimated identifiable intangible assets of \$340 million.

(f) Reflects the removal of Other non-current assets and Account receivable, net historical balances that are excluded from the scope of the LS Power Portfolio acquisition.

(g) The table below reflects the Transactions Accounting Adjustments to Current portion of long-term debt and finance leases and Long-term debt and finance leases:

(In millions)	Acquisition Accounting Adjustments	Financing Transactions Adjustments
Borrowing under the Company's Revolving Credit Facility (to fund the acquisition of the LS Power Portfolio)	\$ —	\$ 2,494
Reclassification of assumed debt from long-term debt to short-term debt	30	—
Removal of Linebacker's and CPower's debt as NRG is not assuming that debt	(35)	—
Removal of Lightning's unamortized deferred financing costs as a result of purchase accounting	9	—
Total adjustments to Current portion of long-term debt and finance leases	\$ 4	\$ 2,494
Issuance of unsecured and secured debt, net of deferred financing costs (to fund the acquisition of the LS Power Portfolio)	\$ —	\$ 4,357
Removal of Linebacker's and CPower's debt as NRG is not assuming that debt	(714)	—
Removal of Lightning's unamortized deferred financing costs as a result of purchase accounting	48	—
Reclassification of assumed debt from long-term debt to short-term debt	(30)	—
Adjustment to record assumed outstanding debt at fair value as a result of purchase accounting	94	—
Total adjustments to Long-term debt and finance leases	\$ (602)	\$ 4,357

(h) Reflects the accrual of \$56 million of acquisition costs for the acquisition of the LS Power Portfolio that are not yet recorded in NRG balance sheet as of September 30, 2025.

(i) Reflects \$2 million of long-term deferred tax liabilities recorded as a result of the acquisition of the LS Power Portfolio.

(j) Reflects elimination of the intercompany note payable and related accrued interest included in the CCS Power Finance Co, LLC historical balances payable to CCS Intermediate Holdco, LLC.

(k) Adjustment to reflect the issuance of 24,250,000 common shares of NRG, par value of \$0.01 per share, based on NRG share price of \$153.72 on January 29, 2026 as part of the Stock Consideration.

(l) Adjustments to Retained earnings include:

	(In millions)
Acquisition Accounting Adjustments:	
Accrual of acquisition costs	\$ (56)
Financing Transactions Adjustments:	
Write-off of short-term deferred financing costs related to the Bridge Facility	\$ (21)

(m) Reflects the removal of LS Power acquired entities historical Member's equity.

Note 8. Adjustments to Unaudited Pro Forma Statements of Operations

The Transactions Accounting Adjustments reflected in the unaudited pro forma combined statements of operations are detailed below:

(a) Adjustments to Revenue, Cost of Operations and Selling, general and administrative costs include:

(In millions)	For the nine months ended September 30, 2025	For the year ended December 31, 2024
Acquisition Accounting Adjustments:		
Adjustments to Revenue		
Eliminate transactions between NRG and LS Power acquired entities	\$ (81)	\$ (54)
Adjustments to Costs of operations		
Eliminate transactions between NRG and LS Power acquired entities	\$ (80)	\$ (53)
Adjustments to align the capitalization of certain maintenance costs	(99)	(105)
Total adjustments to Costs of operations	\$ (179)	\$ (158)
Adjustments to Selling, general and administrative costs		
Eliminate transactions between NRG and LS Power acquired entities	\$ (1)	\$ (1)

(b) Adjustments to Depreciation and amortization expense include:

(In millions)	For the nine months ended September 30, 2025	For the year ended December 31, 2024
Texas Generation Portfolio:		
Reversal of depreciation expense recorded	\$ (14)	\$ (11)
Recognition of depreciation expense based on the estimated fair value and estimated useful life of property, plant and equipment	17	22
LS Power Portfolio:		
Reversal of historical depreciation expense	(274)	(275)
Reversal of historical amortization of intangible assets	(13)	(18)
Recognition of depreciation expense based on the estimated fair value and estimated useful life of property, plant and equipment	309	410
Recognition of amortization expense based on the estimated fair value and estimated useful life of intangible assets	28	37
Adjustments to align the capitalization of certain maintenance costs	7	11
Acquisition Accounting Adjustments	\$ 60	\$ 176

(c) Reflects \$56 million of expected acquisition costs recorded in the unaudited pro forma combined statement of operations for the year ended December 31, 2024, in addition to the \$25 million that are already included in NRG's historical consolidated statement of operations for the nine months ended September 30, 2025.

(d) Adjustment to remove impairment charge of \$31 million for the year ending December 31, 2024, related to an equity method investment that is excluded from the scope of the LS Power Portfolio acquisition.

(e) Adjustments to Interest expense include:

(In millions)	For the nine months ended September 30, 2025	For the year ended December 31, 2024
Texas Generation Portfolio:		
Reversal of interest expense on interest rate swaps contracts that the Company did not acquire	\$ 4	\$ 1
LS Power Portfolio:		
Reversal of historical Linebacker and CPower interest expense (unassumed debt)	\$ 27	\$ 53
Amortization of the difference between the fair value and the carrying value of LS Power assumed debt	9	11
Total Acquisition Accounting Adjustments	\$ 40	\$ 65
Interest expense on newly issued corporate debt and incremental interest expense on Revolving Credit Facility	(240)	(368)
Adjustment to remove the impact of deferred financing costs related to the Bridge Facility	7	(28)
Financing Transactions Adjustments	\$ (233)	\$ (396)

(f) Reflects income tax effect of the Transactions Accounting Adjustments based on a combined estimated tax rate of 24.59% for all periods presented.

(g) Reflects the impact of the issuance of 24,250,000 Common Stock of NRG for the stock consideration portion of the LS Power Portfolio acquisition, on the calculation of the pro forma combined basic and diluted income per share. As the acquisition is being reflected as if it had occurred on January 1, 2024, the calculation of weighted average shares outstanding for basic and diluted pro forma combined income per share assumes the shares issued in connection with the acquisition have been outstanding for the entire periods presented.