

RECEIPT FOR AMENDED FINAL PROSPECTUS

The Financial Services Commission hereby issues this receipt pursuant to section 58 of the Securities Industry Act 2021, Act No. 46 of 2021 for the prospectus filed by:

THE GOVERNMENT OF BELIZE

Of Sir Edney Cain Building, Belmopan, Cayo District, Belize

On

6th January 2026

The name of this offering is:

HYDRO BELIZE LIMITED

4,000,000 Ordinary Shares

TAKE NOTICE this receipt serves to acknowledge the issuance of an amended final prospectus. The Financial Services Commission does not express any opinion about the merits of these securities or determined that the prospectus is accurate or complete.

For the avoidance of doubt, the Financial Services Commission reserves all rights to take supervisory action under the Financial Services Commission Act, Act No. 8 of 2023, the Securities Industry Act, Act No. 46 of 2021, and any other applicable legislation under the Laws of Belize. Enclosed to this receipt you will find the filed prospectus.

CLAUDE B. F. HAYLOCK (MR.)
DIRECTOR GENERAL
Financial Services Commission



The Financial Services Commission has not expressed any opinion about the merits of these securities or determined that this Prospectus is accurate or complete. It is illegal for anyone to tell you otherwise.

AMENDED AND RESTATED PROSPECTUS

(Amending and Restating the Prospectus dated December 18th, 2025)

INITIAL PUBLIC OFFERING BY THE GOVERNMENT OF BELIZE

January 5th, 2026

Hydro Belize Limited

4,000,000 Ordinary Shares

\$29.00 per share

This is a public offering (the “**Offering**”) by the Government of Belize (“**GOB**” or “**Offeror**”) of up to 4,000,000 ordinary shares (the “**Shares**”) equivalent to fifty percent (50%) of the issued outstanding paid up share capital of Hydro Belize Limited (“**HBL**”, the “**Company**” or the “**Issuer**”).

Minimum Share Purchase – 1 Ordinary Share

This offer remains open until January 20th, 2026

Government of Belize

Address:

c/o Ministry of Finance
Sir Edney Cain Building
Belmopan, Cayo District

Tel: 501-8222362

Email: joseph.waight@mof.gov.bz

Website: www.mof.gov.bz

Hydro Belize Limited

(incorporated in Belize and existing under the Belize Companies Act)

Head Office:

Mile 71.5 George Price Highway,
Cayo District

Registered

Address:
15 'A' Street
Belize City

Tel: 501-824-3016/ 824-2085

Email: invest@hydrobelize.com

Website: www.hydrobelize.com

There is no market through which these securities may be sold, and purchasers may not be able to resell securities purchased under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See Risk Factors.

No underwriter has been involved in the preparation of this Prospectus or performed any review of the contents of the Prospectus.

There are certain risks associated with an investment in these shares. See “Risk Factors” herein for further information on the same. This Prospectus does not constitute investment advice. Neither GOB, HBL, nor any of its respective representatives are making any representation to any recipient or eligible investor regarding legal, tax, business, financial or related considerations concerning any purchase of shares of HBL, the subject of this Prospectus. Recipients should not consider this Prospectus as a recommendation by GOB or HBL that any recipient should subscribe for or purchase any shares. Each recipient should consult with their own professional advisors as to the legal, tax, business, financial and other considerations relating to the purchase of shares of HBL, the subject of this Offering.

Disclaimer

This Prospectus has been prepared solely in respect of HBL’s Ordinary Shares. No securities other than the shares of HBL are being offered for subscription or sale during the offering period in any jurisdiction pursuant to the Prospectus. The Prospectus is being made available for information purposes only and does not require any action to be taken by shareholders of HBL. Neither GOB nor HBL has authorized anyone to provide you with information that is different. If anyone provides you with different or inconsistent information, you should not rely on it. GOB is not making an offer to sell these shares in any jurisdiction where the offer is not permitted. You should not assume that the information contained in or incorporated by reference in this Prospectus is accurate as of any date other than the date of the document containing the information or such other date as may be specified therein. HBL’s business, financial condition, results of operations and prospects may have changed since those respective dates.



EXPLANATORY NOTE REGARDING AMENDMENT AND RESTATEMENT

This Amended and Restated Prospectus amends and restates in its entirety the Prospectus dated December 18, 2025. The primary amendments reflected in this document are as follows:

- **Dividends and Distributions Policy** – at Section 7.3, the Dividends & Distributions Policy is updated to ensure consistency with the Amended and Restated Articles of Incorporation of HBL which require the Directors to, in each financial year, authorize a distribution by way of dividend of not less than eighty per cent (80%) of the Company's distributable profits, subject only to the applicable solvency requirements.
- **Directors & Senior Officers** – at Section 12.1, the professional background for Director Joseph Waight is updated to include his role with the Financial Services Commission.
- **General** - Correcting certain typographical and formatting errors.



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Important Notes



This Prospectus (“Prospectus”) is being made available by the Government of Belize (“GOB”), for the purpose of evaluating a potential investment in the Shares.

GOB and HBL have approved the terms of the Offering as described in this Prospectus and accept full responsibility for the accuracy of the information given herein and confirm, having made all reasonable inquiries that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement in this Prospectus misleading. The information contained herein is to the best of GOB’s and HBL’s knowledge reliable, but GOB and HBL do not warrant its accuracy or completeness.

The information and statements herein are presented as at the date of this Prospectus and are subject to change without notice. Neither the delivery of this Prospectus nor the sale of the Shares, under any circumstances, is intended to create any implication that there has been no change in the matters discussed herein. This Prospectus is not intended as a comprehensive description of HBL or the Shares. In making an investment decision, investors must rely on their own examinations of HBL and the terms of the Offering, including the merits and risks involved.

If you have any questions about any information contained in this document, you should consult your investment adviser, lawyer, accountant or other professional advisors.

This Prospectus is intended for use only in Belize and is not to be construed as an offer of any of the Shares outside of Belize. This document shall be exclusively governed by and construed in accordance with the laws of Belize.

Save for the historical information contained in this Prospectus, certain matters discussed in this Prospectus contain forward-looking statements including but not limited to statements of expectations, future plans or future prospects, and pro-forma financial information and/or financial projections. Forward-looking statements are statements that are not about historical facts and speak only as at the date they are made, considering any assumptions set out in this Prospectus for that purpose. Although the Directors believe that in making any such statements their expectations are based on reasonable assumptions, such statements may be influenced by factors that could cause actual outcomes and results to be materially different from those projected. Applicants are cautioned not to place undue reliance on these forward-looking statements, which speak only as at the dates on which they have been made. Future events or circumstances could cause actual results to differ materially from historical or anticipated results.

When used in this Prospectus, the words “anticipates”, “believes”, “expects”, “intends”, “considers”, “proforma”, “forecast”, “projection” and similar expressions, as they relate to the Issuer, are intended to identify those forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties. Once this Prospectus has been signed by or on behalf of the Issuer and the Offeror, neither the Issuer nor the Offeror undertakes any obligation to update publicly or revise any of the forward-looking statements in light of new information or future events, including changes in the Issuer's financial or regulatory position, or to reflect the occurrence of unanticipated events (subject to any legal or regulatory requirements for such disclosure to be made). There are important factors that could cause actual results to differ materially from those in forward-looking statements, certain of which are beyond the Issuer's or the Offeror's control.

These factors include, without limitation, the following:

- economic, social and other conditions prevailing both within and outside of Belize, including actual rates of growth of the Belizean and other regional economies, instability and volatility in domestic interest rates and regional and international exchange rates;
- adverse climatic events and natural disasters;
- unfavourable market receptiveness to renewals of current products, or any new products;
- changes in any legislation or policy adversely affecting the recognition of revenues or expenses or profit available for distribution by the Issuer;
- any other factor negatively impacting on the realisation of the assumptions on which the Issuer's pro-forma financial statements or management financial projections are based;
- other factors identified in this Prospectus; and
- factors as yet unknown to the Issuer or the Offeror.

You should not rely upon forward-looking statements as predictions of future events. The events and circumstances reflected in the forward-looking statements may not occur or be achieved. Although the Issuer believes that the expectations reflected in the forward-looking statements are reasonable, the Issuer cannot guarantee future results, levels of activity, performance, or achievements. Each of the Issuer and the Offeror is under no duty to update any of these forward-looking statements after the date of this Prospectus or to conform these statements to actual results or revised expectations.

1.2

DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning ascribed to such definitions and abbreviations set forth in the Glossary. References to any legislation, act, regulation, rules, guidelines, clarifications or policies shall be to such legislation, act, regulation, rules, guidelines, clarifications or policies as amended or revised from time to time until the date of this Prospectus, and any reference to a statutory provision shall include any subordinate legislation enacted from time to time pursuant to such provision. The words and expressions used in this Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such words and expressions under the Securities Industry Act 2021, Belize Companies Act, 2022, and accompanying regulations.

1.3

CERTAIN CONVENTIONS

- All references to the “Government” or the “GOB” are to the Government of Belize.
- Reference to dollar, \$ and BZ\$ indicate Belize dollars, unless otherwise stated.
- Use of a dash (-) between dates representing years (e.g. 2015-2018) signifies the full period involved, including the initial and final years.
- To reflect the closest estimate for data, decimals and percentages are rounded off. Numbers in money are rounded to the nearest cent, unless otherwise stated.
- Decimals and percentages in this document may not necessarily add to totals because of rounding.

1.4

LIST OF ABBREVIATIONS

Abbreviation	Full Name
Act	Belize Companies Act
Articles	Memorandum and Articles of Association of HBL
BEL	Belize Electricity Limited
BECOL	Belize Electric Company Ltd.
COP	Cost of Power
FBL	Fortis Belize Limited
FECI	Fortis Energy Cayman Inc.
GOB / Offeror	Government of Belize
HBL / Issuer / Company	Hydro Belize Limited
IPP	Independent Power Producer
KW	Kilowatt
MW	Megawatt
Paying Agent	Atlantic Bank Limited
PPA	Power Purchase Agreement
PUC	Public Utilities Commission
Shares	4,000,000 ordinary shares of the issued and outstanding paid up share capital of HBL
Transfer Agent	Prudential Trust Corporation Limited
US\$	United States Dollars

This summary provides key information contained in the Prospectus and may not contain all the information that may be important to prospective investors. Prospective purchasers are advised to read the entire Prospectus prior to deciding whether to invest in the Shares offered.

2.1

HISTORY OF THE ISSUER

Hydro Belize Limited (“HBL”) (also referred to as “the Issuer” or “the Company”) was initially incorporated under the laws of Belize in 1991 as a private company named Belize Electric Company Limited (“BECOL”) and in 1996, it commissioned Mollejon, Belize’s first hydroelectric facility. Since then, the mainstay of BECOL’s operations has always been the generation of hydroelectricity.

In 2001, 95% of BECOL was acquired by Fortis Energy Cayman Inc. (“FECI”) from Duke Energy Group Inc., bringing BECOL under the Canadian-owned Fortis Inc. group of electric and gas utilities companies. The remaining 5% interest was purchased from the Belize Social Security Board in 2004.

The acquisition by FECI was followed by the commissioning of two additional world-class hydro facilities, Chalillo in 2005 and Vaca in 2010. All three plants are built and operated within the Vaca, Chiquibul and Mountain Pine Ridge forest reserves and are located on the Macal River. HBL operates pursuant to 50-year Franchise Agreements and has entered into commensurate 50-year Power Purchase Agreements (“PPA”) with Belize Electricity Limited (“BEL”), a regulated utility. In 2022, BECOL officially changed its name to Fortis Belize Limited (“FBL”).

On October 31st, 2025, the Government of Belize (“GOB”) acquired all the issued share capital in FBL becoming its sole owner and shareholder. In furtherance of this change in ownership, the Company’s name was changed to Hydro Belize Limited. Although existing as part of a corporate group for over 24 years, HBL, under its previous ownership, followed a standalone business model and was led by a local management team which provided focused risk management, oversight and governance with overall responsibility for operational decisions regarding the hydroelectric facilities. With the same executive management team and staff still in place, this standalone structure has accommodated a seamless governance transition for the new Board of Directors. Forty-eight full-time employees across all key functions have also remained as a part of GOB’s acquisition.

2.2

PRINCIPAL ACTIVITIES AND BUSINESS OF THE ISSUER

HBL generates 100% renewable energy as the sole owner and operator of the 25.2-megawatt (“MW”) Mollejon hydroelectric facility, the 7.0-MW Chalillo hydroelectric facility, and the 19-MW Vaca hydroelectric facility, each located on the Macal River in Belize. The Company generates hydroelectric power produced at such facilities and sold to BEL. With a combined installed generation capacity of 51.2-MW, HBL is currently the largest in-country independent power producer (“IPP”).

2.3

AFFILIATES

HBL was previously wholly owned by FECI, which sold all the issued and outstanding shares in HBL (then FBL) to the GOB. The GOB is currently the sole shareholder in HBL.

BEL is an affiliate of HBL. While HBL was owned by FECI, an affiliated company of the previous owner, namely, Fortis Cayman Inc.¹, owned 22,984,662 ordinary shares or 33.3% (the “BEL shares”) in the ordinary share capital of BEL; however, simultaneous to its acquisition of HBL, the GOB also acquired all of the BEL Shares. The GOB is now the owner of 48,473,737 ordinary shares or 70.2% in the issued and outstanding ordinary share capital of BEL, inclusive of the BEL Shares. Accordingly, both BEL and HBL are now currently subsidiaries of the GOB.

Currently, HBL does not have any wholly owned subsidiaries or directly affiliated entities, other than BEL. HBL does not have any agreements of any nature to acquire, directly or indirectly, any shares in the capital of, or other equity or proprietary interests in, any person.

2.4

GOB AS SELLING SECURITY HOLDER

By virtue of a share purchase agreement entered into between FECI and the GOB dated the 14th of October, 2025, the GOB, as of October 31st, 2025, became the sole owner of the entirety of or 100% of the issued and outstanding paid up share capital of HBL comprising 8,000,000 ordinary shares for the total purchase price of One Hundred Twelve Million Dollars in the currency of the United States of America (US\$112,000,000.00). This purchase was financed by the GOB through the issuance of Two Hundred Twenty-Four Million Dollars (BZ\$224,000,000) worth of Treasury Notes, the proceeds of which in turn were utilized to purchase the US currency to pay FECI.

¹ Fortis Energy Cayman Inc. (former shareholder of FBL) and Fortis Cayman Inc. (former shareholder of the BEL Shares) are two separate entities, both of whom are owned by Fortis Energy Caribbean Inc. Fortis Energy Caribbean Inc is owned by Fortis Inc.

The GOB, as Offeror, by virtue of this Offering, is offering to sell to the general public up to 4,000,000 ordinary shares of the issued and outstanding paid-up share capital of HBL that it owns at a unit sale/purchase price of \$29.00 per share. The proceeds of the sale of the Shares will be applied toward repayment of the debt incurred in financing the acquisition of the Shares from FECI.

2.5

DIRECTORS AND SENIOR OFFICERS

HBL is a non-promoted company governed solely by its Board of Directors, which is headed by Chairperson, Lynn Young. The Board is responsible for guiding the strategic and operational objectives of the company, ensuring that it remains financially sound and profitable.

HBL's Board has a total of four (4) Directors as follows:

Lynn Young

Chairperson

Joseph Waight

Director

(Financial Secretary, Ministry of Finance)

Narda Garcia

Director

(Chief Executive Officer in the Office of the Prime Minister, Ministry of Investment and Civil Aviation)

Kay Menzies

Director, President & Chief Executive Officer

Management of HBL's activities is carried out by a team of three (3) executive managers. The executive leadership team ensures that HBL's policies and procedures are carried out and that approved plans and other board directives are implemented.

The executive management team of HBL comprises the following officers:

Kay Menzies

President & Chief Executive Officer

Yaksim Betty Tam-Moreno

Vice President of Finance, Corporate Secretary & Chief Financial Officer

Jose Riveroll

Vice President of Operations

Other officers who exercise key management positions and support executive management are as follows:

Albert Roches

Environment, Health & Safety Manager

Tedford Pate

Project & Risk Manager

Aaron Noh

Superintendent of Operations

Nicole Salazar

Innovation & Technology Manager

Isaac Rhys

Finance Manager

2.6

SECURITY HOLDINGS OF DIRECTORS AND SENIOR OFFICERS

Since January 1, 2015 and prior to the acquisition of HBL by the GOB, the Company adopted a Performance Share Unit (“PSU”) Plan based on plans that were in place at Fortis Inc². The benefit was afforded to Executive Management and the measurement criteria for payouts under the plan were determined from time to time by Fortis Inc. with the Board of Directors of HBL having the authority to recommend an award of units it feels is appropriate. Normally, units awarded are based on a percentage of salary and were at 40% for the CEO and 15% for the Vice President, Finance and Vice President, Operations.

The previous Board of Directors of HBL approved the accelerated redemption of all performance share units granted to Kay Menzies, Yaksim Betty Tam-Moreno and Jose Riveroll on October 28th, 2025. The PSU Plan was also terminated on October 28th, 2025 in advance of the closing of the sale of HBL to the GOB.

Currently, none of the directors or senior officers of the Company hold any shares, interest or securities in HBL.

03

Terms of the Offering

The GOB, as the sole owner of the entirety of 100% of the issued and outstanding paid up share capital of HBL comprising 8,000,000 ordinary shares and as Offeror, by virtue of this Offering, is offering to sell to the general public up to 4,000,000 ordinary shares of the issued and outstanding paid up share capital of HBL that it owns at a unit sale/purchase price of \$29.00 per share. The net proceeds of the sale of the Shares, after deducting all legal and other professional and advisory fees and expenses incurred by the Offeror and associated with this Offering, will be applied toward repayment of the debt incurred in financing the acquisition of the Shares from FECI.



² Fortis Inc. is the parent company of Fortis Energy Cayman Inc., the former shareholder of HBL.

Term Sheet

The following items describe the terms and conditions of the Offering and should be read in conjunction with the full text of this Prospectus. You are advised to read the entire Prospectus carefully before making an investment decision to participate in the Offering. Below are the key terms and details of the Offering.

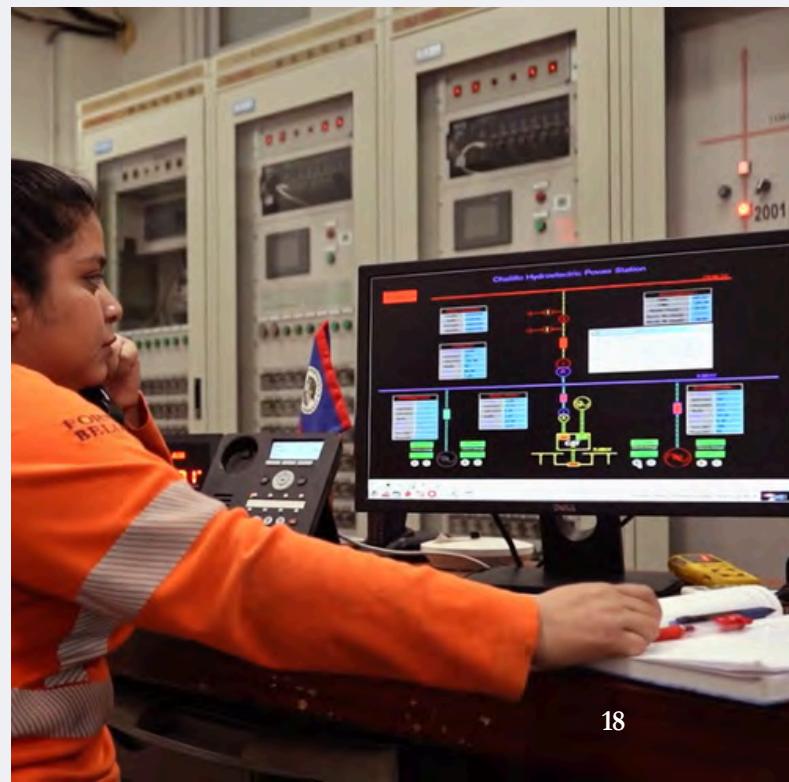
Table 1: Overview of the Key Terms of the Offering

Term	Description
Offeror	Government of Belize
Paying Agent	Atlantic Bank Ltd.
Issuer	Hydro Belize Limited (“HBL”, the “Company” or the “Issuer”)
Use of Proceeds	The net proceeds of the Shares (net of legal costs, other professional fees and any other costs and expenses incurred by the Offeror) shall be applied by the Offeror toward the repayment of debt incurred directly by the Government for the acquisition of the Shares.
	Professional fees and expenses equivalent to approximately 4% of the proceeds of successful public offering
Type of Shares	Ordinary Shares
Quantum	4,000,000
Currency	Belize Dollars
Price	\$29.00
Opening Date	December 18 th , 2025 @ 9am
Closing Date	January 20 th , 2026 @ 5pm

Term	Description
Administrative Period	<ul style="list-style-type: none"> • January 20th, 2025 – February 4th, 2026
Documentation	<ul style="list-style-type: none"> • Share Purchase Application Form • Share Transfer Instrument • Share Certificate • Any other document necessary to finalize the transaction
Legal Fees	For the account of the Offeror
Expenses	For the account of the Offeror
Reporting Requirements	<ul style="list-style-type: none"> • Annual audited financial statements, due within 120 days after the end of the fiscal year. • Annual projections and budget. • Annual company filings. • Quarterly reports comparing the Company's actual performance with projections/budgets.
Listing	The Shares are not listed on any exchange.
Tax Status	All transfer of share instruments in respect of the purchase of any of the Shares in the Issuer from the Offeror shall be exempt from stamp duty. All dividends declared and paid by the Issuer to shareholders will be paid free and clear of any income, business or withholding taxes.
Restrictions on Transfers	Shareholders are entitled to sell or transfer any of the Shares at any time subject to the terms of the Articles of the Issuer and applicable securities laws and regulations.
Governing Law	The Offering will be exclusively governed by and construed in accordance with the Laws of Belize.
Expiry Date	This offer expires on January 20 th , 2026



Headquarters



Business of The Issuer

Company Overview

4.1

OVERVIEW OF THE COMPANY

HBL is the largest IPP with an installed generation capacity of 51.2 MW. HBL generates 100% renewable energy as the sole owner and operator of the Mollejon, Chalillo and Vaca hydroelectric facilities located on the Macal River. The Company generates hydroelectric power delivered to BEL, adding an average of 30-35% renewable energy to the national electric grid.



HBL was first incorporated on April 24, 1991, as BECOL. On January 26, 2001, Fortis Energy Cayman Inc. acquired 95% interest in BECOL from Duke Energy Group Inc. and subsequently purchased the remaining 5% interest held by the Social Security Board of Belize (SSB) in May 2004. BECOL formally rebranded and became FBL in September 2022. On October 14, 2025, the GOB entered into a share purchase agreement with Fortis Energy Cayman Inc. for the acquisition of a total 8,000,000 ordinary shares, representing all of the issued and outstanding shares in HBL, thereby becoming the sole owner as of October 31, 2025.

HBL operates pursuant to several agreements established with the GOB and BEL. A Franchise Agreement, a revised Power Purchase Agreement, and the Third Master Agreement dated November 21, 2001, state that all electricity generated by BECOL (now HBL) will be sold to BEL for 50 years commencing on the first Commercial Operation Date (April 1, 1996). In September 2005, construction of the second hydroelectric facility, Chalillo, was completed, extending the terms of the revised PPA to the fiftieth anniversary of the Chalillo project commencement date. On March 15, 2007, a new 50-year PPA with terms commencing on January 22, 2010, was signed with BEL related to electricity generation by the Vaca, the third hydroelectric facility.

While the Electricity Act established the Public Utilities Commission (“PUC”) as the regulator of eligible electricity entities in Belize, HBL is a non-regulated entity pursuant to the terms of its franchise agreement with the GOB. HBL is not subject to income tax, business tax, general sales tax or any withholding tax as it was granted tax-exempt status by the GOB for the terms of its PPAs.

HBL’s purpose is to build Belize’s future with 100% renewable energy. The Company’s values include paramount commitment to health & safety, the belief that employees are central to the Company’s success, strong belief in integrity and innovation and commitment to protecting and preserving the natural environment.

4.2 INDUSTRY OVERVIEW

The electrical utility industry in Belize has seen tremendous growth over the past decade. In fact, the country’s demand has grown by 43% from 566 GWh in 2014 to 809 GWh in 2024. During that time, power supplied from in-country sources went from approximately 60% and more in some years to less than 50% now. Over the same period, HBL accounted for approximately 59% of all in-country generated power supply but having maintained the same generating capacity since 2010, the Company’s percentage of contribution to the grid continues to decrease year over year. The deficit of country demand to in-country capacity continues to be filled with power supplied by Mexican state-owned utility Comisión Federal de Electricidad (“CFE”).

In 2024, 50.4% of the electricity supplied in Belize was imported from CFE. Locally, hydroelectricity from HBL contributed 26.6%, followed by fossil fuel generation (including BEL) contributing 11.4%, biomass from local cogeneration facilities account for 10%, 1.4% from another hydroelectric facility in the South and 0.09% from solar. There are currently 8 domestic generators of electricity (including BEL) that contribute to the supply mix, with HBL accounting for 54% of local produced generation capacity.

The 2024 Annual Report from BEL cites reduced imports from Mexico as a major challenge beyond 2025. Other future challenges listed by the country’s sole transmission and distribution company include further increase in demand, climate volatility and how energy is produced, delivered and managed. All these factors are creating significant investment opportunities in the electrical utility industry.

As the only additions to generating capacity since 2020 have been the San Pedro gas turbine and a newly approved combined 15 MW of solar with 1.5 MW battery storage now being constructed in northern Belize, the country has to move quickly to meet its Nationally Determined Contribution, as stated within the National Energy Policy, of 75% renewable energy supply by 2030. To that end, the PUC is the regulatory entity which would issue requests for proposals for additional generation, both in terms of type and capacity. This is guided by BEL’s Least Cost Expansion Plan, and it is expected that PPAs for subsequent qualified proposals received would be negotiated with BEL for final approval by the PUC. It is understood that several solar projects are contemplated, as well as a potential thermal investment, though no RFP has yet been issued.

The Company has a strong and credible presence in the renewable energy sector in Belize and is committed to providing safe, reliable, cost-effective energy to the people of Belize. The Company sees the benefit of expanding its renewable energy footprint and deploying its expertise, resources and experience in developing and operating solar energy solutions that contribute to Belize's sustainability and carbon footprint reduction. As such HBL is fully prepared to submit a proposal for a utility-scale solar project of at least 20 MW capacity and has in fact submitted an expression of interest for same in response to a call from the Ministry of Finance in combination with the World Bank's IFC. The Company's local team has the necessary technical and project management expertise to develop, execute and operate this project. The Company also has access to highly skilled local and foreign solar energy engineers, electrical & civil engineers, environmental & regulatory specialists, financial and capital market professionals and project management professionals.

4.3

DESCRIPTION OF THE HYDRO ASSETS

The hydroelectric facilities were designed and constructed in a cascading configuration. The Chalillo Facility is the furthest upstream and was designed as a storage reservoir to feed the Mollejon and Vaca Facilities which have up to three times the generating capacity of Chalillo.

Mollejon and Vaca are operated as “run of river” meaning that as water is available, it is run through the hydro generators with limited storage capacity held upstream of the generating facilities for head water management and emergency storage.



Overview

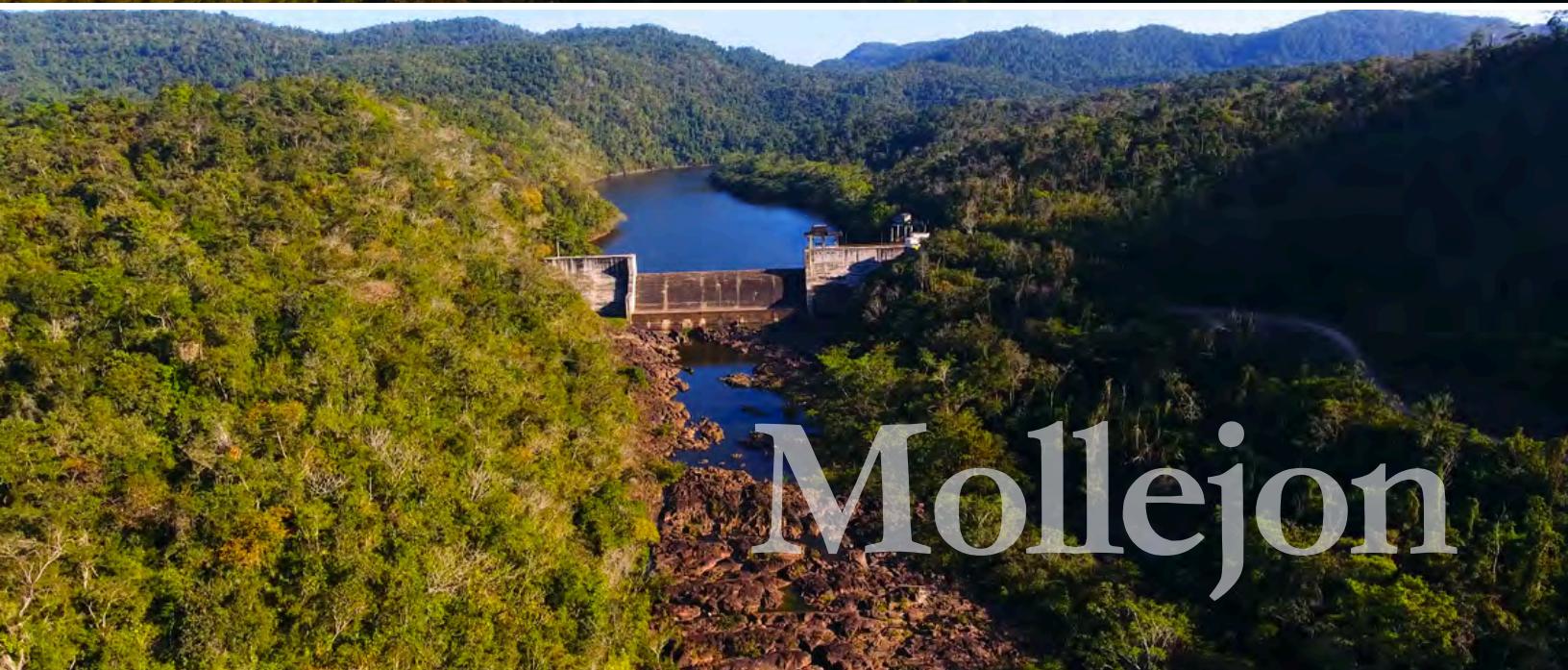
Table 2: Overview of HBL's Hydro Power Plants³

	Chalillo	Mollejon	Vaca
Capacity (MW)	7.0	25.2	19.0
Plant Type	Reservoir	Run of River	Run of River
Live storage capacity	120 million m ³	1.06 million m ³	1.25 million m ³
Initial power purchase price under PPA (USD/kWh)	Base energy: 0.0875 (first 100, 000 kWh combined with Mollejon) Excess energy: 0.05	Base energy: 0.0875 (first 100,000 kWh combined with Chalillo) Excess energy: 0.05	All energy: 0.0755 Plus capacity payments: USD 200,000/ month
Price indexation mechanism	1.5% p.a.	1.5% p.a.	50% of annual change in US Producers Price Index
Year current PPA commenced	2005	2001	2010
Year PPA ends	2055	2055	2060

³ "NERA (November 2025), *Valuation of Fortis Belize Limited*", prepared for the purpose of the Government of Belize's acquisition of Fortis Belize Limited, Table 2.1, p. 4.



Chalillo



Mollejon



Vaca

Chalillo

4.3.1

CHALILLO HYDROELECTRIC FACILITY

The Chalillo Hydroelectric Facility is located on the Macal River in the Cayo District, in Western Belize. The site is 12 miles (19.3 km) upstream from the Mollejon Hydroelectric Facility, 30 miles (48.3 km) from Cristo Rey Village, and 32 miles (51.5 km) from the twin towns of San Ignacio and Santa Elena.

The Chalillo Hydroelectric Facility is designed to generate up to 7.0 MW of power and to provide seasonal storage for Mollejon and Vaca Hydroelectric Facilities, effectively tripling the energy output of the combined development from 80 gigawatt hours (“GWh”) annually to 230 GWh annually, depending on available water and dispatch from Belize Electricity Limited. The Chalillo facility, on its own, can produce some 35 GWh of power annually.



THE MAIN COMPONENTS OF THE CHALILLO HYDROELECTRIC FACILITY ARE:

161 feet (49 m) high and 1,378 feet (420 m) wide dam on the Macal River, 7.5 miles (12 km) downstream of its confluence with the Raspaculo River.

A reservoir with a total capacity of 32,757,334,492 gallons (124,000,000 m³); including 31,700,646,283 gallons (120,000,000 m³) of live storage

7-MW powerhouse just downstream of the Chalillo dam

An 11.2-mile (18 km) transmission line from the Chalillo Powerhouse to the Mollejon Hydroelectric Facility

Mollejon

4.3.2

MOLLEJON HYDROELECTRIC FACILITY

The Mollejon Hydroelectric Facility is located on the Macal River in the Cayo District, in Western Belize. The site is 12 miles (19.3 km) downstream of the Chalillo Hydroelectric Facility, 18 miles (30 km) from Cristo Rey Village, and 20 miles (32.2 km) from the twin towns of San Ignacio and Santa Elena. Cristo Rey is the nearest community along the river to the project site.

The Mollejon Hydroelectric Facility is designed to generate up to 25.2 MW of power, and its seasonal storage is provided for by the Chalillo Upstream Storage Hydroelectric Facility. The Mollejon Power Plant supplies about 123 GWh of power to the national grid yearly depending on available water and dispatch from BEL.



THE MAIN COMPONENTS OF THE MOLLEJON HYDROELECTRIC FACILITY ARE:

An 87-foot (26.5 m) high and 820 feet (250 m) wide dam on the Macal River, 7.5 miles (12 km) from the Guatemalan border, 12.4 miles (20 km) from Benque Viejo Del Carmen Town and 19.9 miles (32 km) from San Ignacio/Santa Elena Towns

A reservoir with a total volume of 451,734,210 gallons (1,710,000 m³); of which 280,022,376 gallons (1,060,000 m³) is live storage

25.2-MW powerhouse connected to the dam and diversion structure by a 4.44 km long tunnel whose internal diameter is 4.5 m high and across

Vaca

4.3.3

VACA HYDROELECTRIC FACILITY

The Vaca Hydroelectric Facility is located on the Macal River in the Cayo District, in Western Belize. The project site is 3 miles downstream from the Mollejon Hydroelectric Facility, 15 miles from Cristo Rey Village, and 17 miles from the twin towns of San Ignacio and Santa Elena. Cristo Rey is the nearest community along the river to the project site.

The Vaca Hydroelectric Facility is designed to generate up to 19 MW of power using the water exhausted by the Mollejon Hydro Plant. Around 75 GWh of power is produced at the Vaca powerhouse on a yearly basis depending on available water and dispatch from BEL.



THE MAIN COMPONENTS OF THE VACA HYDROELECTRIC FACILITY ARE:

230 feet (70 m) high and 935 feet (285 m) wide dam on the Macal River

A reservoir with a gross storage capacity of 3,104,021,615 gallons (11,750,000 m³) and live storage volume of 330,215,066 gallons (1,250,000 m³)

19-MW powerhouse just downstream of the Vaca dam

4.3.4

EXISTING ASSET CONDITION

The hydro facilities were inspected in 2025 which found that “with ongoing routine maintenance, planned overhauls, and effective environmental management, civil components (e.g., dams, tunnels) are expected to have 40–60 years of remaining life, mechanical systems (e.g., turbines, penstocks) 20–40 years, and electrical systems 15–20 years. However, environmental risks (e.g., sedimentation) and climate factors may accelerate wear and reduce lifespan if not adequately addressed.

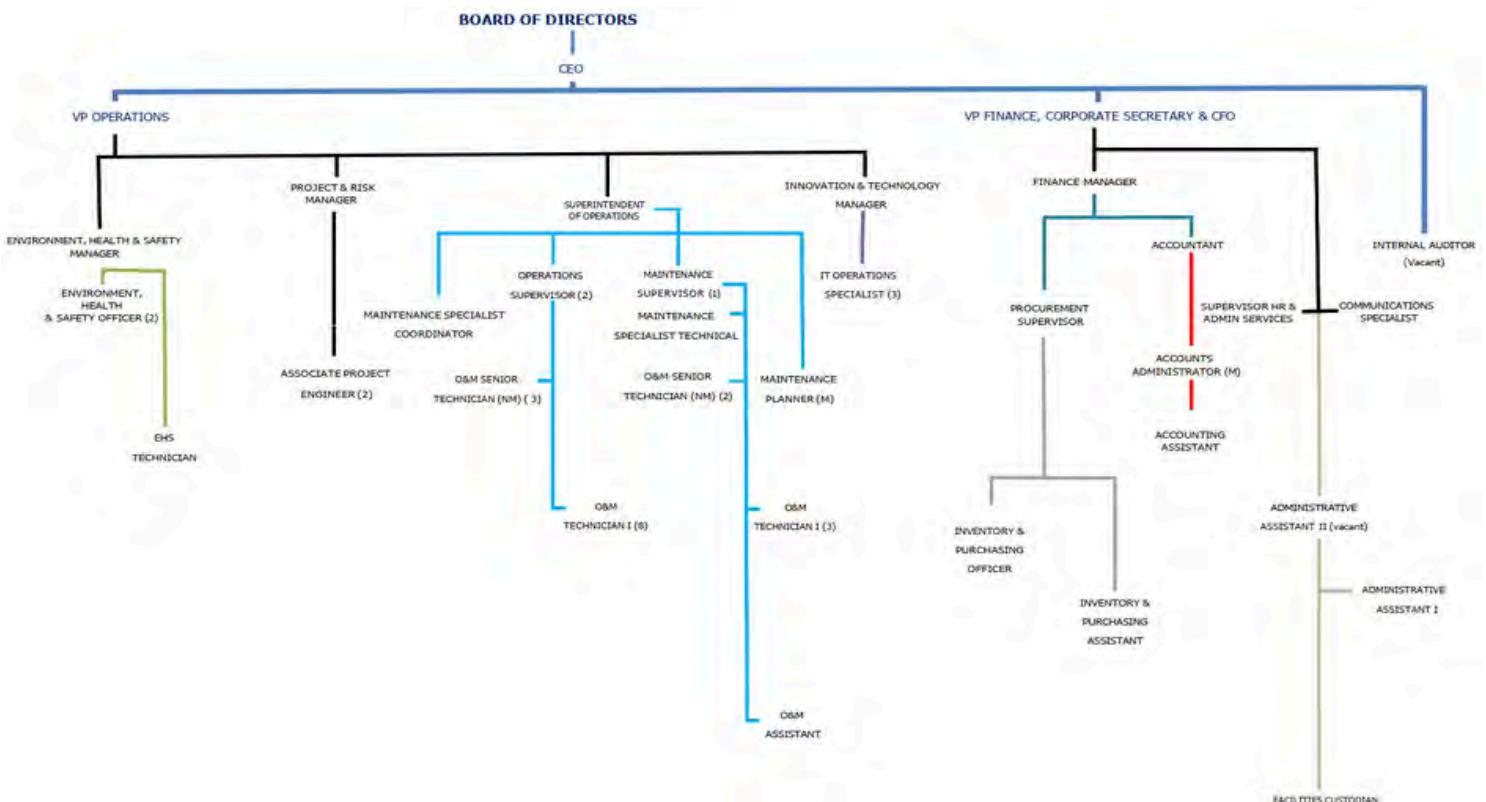
The Mollejon, Chalillo, and Vaca dams are well-maintained and compliant with dam safety standards. There are no major issues with the mechanical or electrical systems and maintenance is up to date. Addressing identified issues through proactive maintenance and monitoring will ensure their reliability and safety. (*Source: Sukhnandan, J., Technical Inspection of Hydroelectric Facilities, pg. 2, 1.4 & 1.5*)

4.4

MANAGEMENT AND ORGANIZATION

HBL is led by an experienced executive management team and senior management team. The Company employs 48 full-time employees across the core functional areas, comprised of technicians and specialists in Operations & Maintenance; Health, Safety & Environment; Innovation & Technology; Planning & Risk; Finance & Administration.

Figure 1: Organizational Chart - HBL



4.5

FUTURE PLANS, STRATEGIES AND PROSPECTS

HBL continues to explore opportunities to increase electricity production utilizing hydroelectric or other renewable energy technology. Projects now under evaluation include installation of a rubber dam for the Mollejon Dam, upgrade of Mollejon's three 8.4 MW generators, and options for utility-scale solar installation.

The Mollejon rubber dam would increase reservoir capacity, enabling increased production at higher loads by that facility, as well as providing more inflow to Vaca Dam, enabling increased production at that facility as well, and adding to HBL's overall water storage capability. In 2026 the Company will commission a feasibility study to examine the engineering options for the Mollejon rubber dam, after which the most feasible design will be chosen for installation. This project, if approved, can be executed in 10 to 12 months and would allow for increased revenue by providing additional generation to the grid at a relatively low cost.

Mollejon's 8.4 MW turbines were upgraded in recent years and are now capable of delivering 9 MW for short periods of time at high efficiency. HBL is now reviewing the generators and examining the feasibility of replacing them (since they are now 30 years old) with generators capable of loads up to 11.9 MW each. This project, if approved, would take three years and in combination with the rubber dam, would allow for expanded production with increased efficiency, helping to increase the Company's climate resilience.

HBL also views utility-scale solar as the perfect strategic complement to hydroelectric production from the perspectives of climate resilience, affordability and reliability. Development of utility-scale solar would allow the Company to utilize both technologies to ensure year-round production for the grid, regardless of climatic challenges. It would also allow the Company to utilize the hydro facilities to manage the inherent intermittency of solar, while allowing the lower cost of delivery for solar to offset the more labour- and capital-intensive cost of operations for hydro.

To this end, HBL has developed several iterations of utility-scale solar projects, the most recent of which is the Company's submission of an expression of interest to build and operate at least 20 MW of utility-scale solar under the IFC project, which proposes to supply a total of 80 MW of solar throughout the country of Belize. This project is pending a request for prequalification ("RFQ") followed by a request for proposals ("RFP"), and as such, the Company has not included capital cost projections in its ten-year capital plan.

Beyond the above projects, the Company continues to invest in automation, efficiency and innovation research, the latter to review cutting-edge renewable technologies while ensuring maximum output under current conditions.

Operational excellence initiatives embed upgraded maintenance strategies, reliability-centred planning, and digital enhancements such as predictive maintenance, advanced inflow forecasting, and data analytics, supporting higher availability and reduced downtime with a view to improving generation by 2-4% annually.

A strong culture of developing people and technology, along with a data-centric focus, underpins continuous improvement and innovation across the Company. Together, these actions position HBL for resilient, future-ready generation growth while sustaining high performance at its existing plants.

With regard to the environment, and as mentioned on page 46 of the Report on the *Technical Inspection of Hydroelectric Facilities*⁴, watershed, sediment, and reservoir optimisation are key to the Company's ongoing performance. To that end, the Company safeguards reservoir performance by carrying out annual sedimentation testing (which indicates when and where targeted dredging may be required) to ensure maintenance of live storage, yielding 2–5% long-term generation preservation. Watershed restoration, including annual reforestation of degraded slopes and post-wildfire erosion-control works each dry season, reduces turbidity and sediment inflow.

These initiatives strengthen catchment resilience amid increasing regional wildfire impacts. Together, these actions protect natural capital, reduce O&M risk, and support stable, climate-resilient renewable generation for the long term.

05 Risk Factors

Prior to any decision to invest in the HBL's Shares, potential investors should carefully read and assess the following specific risks and the other information contained in this Prospectus. If these risks materialise, individually or together with other circumstances, they may substantially impair the business of the Issuer and have material adverse effects on the Issuer's business prospects, financial condition or results of operations and the value of HBL's Shares may decline, causing investors to lose all or part of their invested capital. The order in which the individual risks are presented below is not intended to provide an indication of the likelihood of their occurrence nor of the severity or significance of individual risks. An investment in HBL is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of their investment.



⁴ Sukhnandan Consulting LLC (2025), Technical Inspection of Hydroelectric Facilities.

5.1

REGULATORY & POLITICAL RISKS

The electricity generation industry in Belize is highly controlled and regulated. The main regulator is the PUC, which holds broad administrative power over all aspects of the electricity industry. This power includes jurisdiction over tariff rates and the approval of PPAs. The primary purpose of these regulations is to protect consumers. However, HBL operates pursuant to certain Franchise and Guaranty Agreements with the GOB and long-term PPAs with BEL with terms extending until 2055 (Mollejon & Chalillo) and 2060 (Vaca). By virtue of its Franchise Agreement, HBL can currently operate its electricity generation facilities without a license from the PUC, thereby making it a non-regulated entity and minimising the regulatory risk in the medium term. This arrangement notwithstanding there is a continual risk that the Company could, through political influence, be placed under the regulatory supervision of the PUC. Potential impacts include reduced energy rates and implementation of licenses and other fees that would impact profitability.

The business is further exposed to risks associated with international relations and geopolitical events. Political, economic or social instability or events, trade disputes, new or revised tariffs, changes in laws or the imposition of onerous regulations applicable to existing operations, currency restrictions, and the impacts of changes in political leadership could lead to an increase in commodity prices, impact the availability and cost of energy or generally affect global economic conditions, any of which could have a Material Adverse Effect.

5.2

PRICE RISKS

The PUC regulates and approves the rates at which electricity can be bought and sold by BEL. However, the electricity rates paid to HBL by BEL are prescribed in the PPAs between HBL and BEL and are not regulated by the PUC. As such, a general rate design model does not apply to HBL. In the long term, and upon the expiration of its power purchase and franchise agreements, changes in the regulation of tariff structure, therefore, could have a significant impact on the Company's profitability. Given electricity's status as a utility with high social impact, there is an inherent risk that public debate and pressure could lead to unfavourable modifications of the existing regulatory framework.

HBL's current pricing structure is dependent on specific governmental actions related to the enforcement of the PPAs' annual escalation clauses. The GOB, as HBL's sole shareholder, has publicly committed to waiving enforcement of "escalation provisions" in the PPAs between HBL and BEL. These provisions provide for a guaranteed rate of increase in the cost for which electricity can be sold to BEL. This decision by GOB will have an impact on HBL's ability to maximise its prices under the PPAs and could have some effect on its revenue streams and profitability.

5.3 EXCHANGE RATE RISK

HBL's financial stability is reliant on the continued maintenance of the fixed exchange rate regime in Belize. While some of HBL's operational expenses, such as employees' salaries and remuneration, and local contractors, are paid in BZD, a large proportion of the procurement of certain components and services is transacted in and requires payment in US currency. HBL's PPAs, however, require payments from BEL in United States Dollars. Any accommodation of a change to the transaction currency would require an amendment to the PPAs. The official rate of exchange for the US Dollar is fixed at BZ\$2 = US\$1; therefore, HBL does not face significant foreign currency volatility risk in relation to its Belizean dollar obligations.

While the fixed exchange rate provides significant protection against currency risk, the Company's financial condition is substantially dependent on the economic and political conditions of Belize. Any adverse change in governmental policy or external economic pressure that results in the modification or elimination of the fixed exchange rate policy could introduce significant currency volatility, which would negatively impact HBL's financial results.

5.4 RISK OF LOSS OF CONCESSION

HBL's operations rely on maintaining compliance with the terms of the franchise agreements and concessions granted. Failure to comply with these terms could subject the Company to termination of the concessions.

5.5 PPA TERMINATION RISK

The PPAs can be terminated upon the occurrence of an Event of Default. Events of Default for HBL include failing to comply with any material provision of the PPAs or, in the case of the VACA PPA, failing to achieve a true availability factor of at least 0.9 in any contract year (not cured within 12 months). Any successful termination by the Buyer (BEL) could result in HBL being required to pay a termination payment based on direct damages and termination costs, which may result in a material adverse effect on HBL's financial position.

5.6 CLIMATE RISKS

HBL's ability to generate electricity, and thus its profitability, is inherently dependent on sufficient water resources and the prevailing hydrological conditions in the geographic regions where its facilities are located. All three hydroelectric facilities are located on the Macal River and rely heavily on river flows. Hydrological conditions are subject to unpredictable and non-cyclical deviations in the availability of water from rainfall.

Numerous third-party studies predict that climatic conditions in Belize will become drier and more unpredictable, characterized by prolonged dry seasons, risk of severe drought conditions and shorter rainy seasons. GOB forecasts a 50% decline in mean annual rainfall for Belize over the next century and expects a 7% to 8% decrease in the length of the rainy season by 2100⁵. The Inter-American Development Bank (“IDB”) previously predicted that climate change would lead to a 35.2% decline in water flows by 2090, resulting in a 43% reduction in energy output by 2090⁶. Any such decline in precipitation or water flow is likely to negatively impact production by reducing reservoir water levels, thereby reducing the generation of electricity and resulting in lower revenue.

If below-average inflows result in lower generation, HBL may be unable to meet its contractual commitments under its PPAs which could lead to financial penalties and adversely affect HBL's financial condition and operations.

5.7

EXPOSURE TO NATURAL DISASTERS

Belize's geographical location exposes HBL's physical assets to significant risks from natural disasters. Belize is situated in a hurricane belt, making it particularly susceptible to climate change-related disasters. Natural disasters and severe weather events could adversely impact HBL's facilities or equipment.

HBL is exposed to risks associated with flooding events. While the dams were constructed to be able to withstand probable maximum flood events, such events could cause damage to equipment and reduce the ability to generate electricity. In addition to flood risk, HBL is exposed to wildfire risk, as demonstrated by the May 2024 wildfire that destroyed approximately 34,000 acres of forest near the Chalillo facility and associated transmission lines. Damage caused by such events could have a material adverse effect on HBL's financial condition and results of operations.

5.8

ENVIRONMENTAL AND DAM SAFETY RISKS

HBL's hydroelectric facilities are exposed to environmental challenges that threaten their efficiency and long-term sustainability, primarily from sedimentation. This risk is compounded as all three plants are built and operated within the Vaca, Chiquibul, and Mountain Pine Ridge forest reserves. Sedimentation is driven by external factors such as poor road construction practices, logging, deforestation, and wildfires. The overall effect of sedimentation is the reduction of reservoir live storage capacity, which limits the water available for power generation.

⁵ Government of Belize (August 2021), Updated Nationally Determined Contribution, p.6.

⁶ Inter-American Development Bank (November 2016), Vulnerability to Climate Change of Hydroelectric Production Systems in Central America and their Adaptation Options, p.9.

The hydroelectric facilities operated by HBL present an inherent operational risk due to the potential for catastrophic failure. Drawing on Canadian Dam Association guidelines, the Chalillo Dam and Vaca Dam are both classified as High Hazard structures, a classification determined by the severe potential downstream consequences following a failure, given their relatively large storage volumes. In contrast, the Mollejon Dam is designated as a Low Hazard facility, reflective of its comparatively smaller reservoir size.

HBL maintains a robust dam safety program, with comprehensive dam safety reviews conducted in 2017 and updated in 2022 with a new review being conducted in 2025. The most recent review determined that “none of the dams are under duress or at risk of imminent failure”. The facilities, including Chalillo and Vaca, are engineered to withstand severe flooding characterized as the Probable Maximum Flood flow. While inspections generally confirm that the dams are in good operational condition with no immediate structural concerns, certain localized structural issues require monitoring and corrective action. A more detailed review of the condition of the dams can be found in the Report on the *Technical Inspection of Hydroelectric Facilities*⁷ as well as the *Dam Safety Review Report 2025*⁸.

5.9 COUNTERPARTY CREDIT RISKS

Substantially all of HBL's revenues comprise payments received from a single major counterparty, BEL. HBL is an IPP that sells 100% of its production to the sole electricity distributor in Belize. While this framework ensures a stable market for HBL's output, it concentrates all credit risk associated with the sale of energy into BEL.

HBL has an established history of outstanding amounts due from BEL, accumulating due to late payment. The irregularity of payment patterns from BEL causes significant volatility in HBL's cash flows. Accounts receivable represents mainly the balance due from BEL for energy sold pursuant to the PPAs. The severity of this risk is evidenced by the accounts receivable history. While the PPAs provide for interest penalties on balances due, failure of BEL to make timely payments for power purchased could adversely impact cash flows and, by extension, operations.

In accordance with the Guaranty Agreement, the Government of Belize guarantees the payment of BEL's obligations to HBL. While this guarantee suggests that a non-payment event is ultimately unlikely, this assurance does not prevent significant delays in payments. There is a material risk that high levels of receivables may remain outstanding for longer than anticipated, thereby straining HBL's cash flows and potentially adversely affecting operations.

⁷ Sukhnandan Consulting LLC (2025), Technical Inspection of Hydroelectric Facilities.

⁸ Dam Safety Review Report (2025).

5.10

OPERATIONAL AND MAINTENANCE RISKS

HBL operates ageing infrastructure, which subjects the Company to increasing maintenance expenses and the risk of component failure leading to forced outages. While the civil components of the facilities, such as the dams, spillways, tunnels, and galleries, are expected to have a remaining life of 40 to 60 years, the operational equipment has shorter lifespans. Failure of or damage to operational equipment could impact HBL's ability to generate electricity and earn revenue. For a more detailed review, see Report on the *Technical Inspection of Hydroelectric Facilities*⁹.

HBL's future profitability relies on managing operating costs ("opex") relative to price adjustments under its PPAs. Historically, total opex growth averaged 7.8% per year over the period 2022-2025. As operating costs continue to rise while the inflation offsetting "escalation clause" is likely to be removed, HBL's free cash flow and profitability will be adversely impacted if HBL is unable, in the future, to adjust its rates on the sale of electricity.

5.11

TALENT MANAGEMENT & DEPENDENCE ON KEY PERSONNEL

The delivery of safe, reliable and cost-effective energy generation service depends on the attraction, development and retention of a skilled workforce as well as filling strategic positions. The Company, like many others in highly technical fields, faces demographic challenges and competitive markets relating to trades, technical and professional staff. Significant failures in attracting or retaining a skilled workforce or filling strategic positions within the Company could have a Material Adverse Effect.

HBL's continued success depends heavily on its ability to attract and retain qualified management and personnel. HBL relies on the ability, expertise, judgment, and integrity of its senior management team. The loss of services of any key management personnel could have an adverse effect on its business.

5.12

LITIGATION AND DISPUTE RISKS

The Company may be exposed to various legal proceedings and claims associated with ordinary course business operations that could result in significant liabilities or operational disruption. While management generally believes that the liability from these actions would not have a material effect on the Company's financial position or results of operations, there is no assurance that the Company would prevail in such proceedings or that significant amounts, including penalties and interest, would not be required to be paid.

⁹ Ibid.

5.13

WAR, TERRORISM AND EPIDEMICS

HBL is subject to risks of loss or damage from wars, and terrorist attacks. Extraordinary events affecting the Company's operations, including military, terrorist attacks, can cause unexpected system failures. Damage or destruction of facilities due to sabotage or terrorist attacks could have a material adverse effect on HBL's financial condition and ability to make payments.

HBL's operations and financial condition may be materially adversely impacted by the outbreak of certain public health issues, including epidemics, pandemics, and other contagious diseases. Such events could cause a downturn in consumer demand, adversely affecting the financial condition of large customers, or disrupt operations.

5.14

MARKET AND LIQUIDITY RISKS

HBL is subject to market risk, which is the risk that changes in market prices (including interest rates or energy sales prices) will adversely affect HBL's income or the value of its Shares. The Shares are being offered through a public offering. Consequently, HBL is required to disclose that no market exists through which these securities may be sold, creating risks concerning liquidity and resale.

5.15

TAX RISKS

HBL benefits from certain statutory tax exemptions. Furthermore, the Belize Electricity Investments Act, 2025 provides that any transfer of the Shares by the GOB to any member of the general public shall be exempt from stamp duty, and any dividends declared and/or distributed by or any interest paid on any securities issued by HBL shall be exempt from any income, business or withholding taxes. An adverse change in this legislative exemption could negatively impact the tax status of the Shares. There can be no assurance that these tax benefits will not be changed or revoked by the GOB in the future.

5.16

CYBERSECURITY AND INFORMATION AND OPERATIONS TECHNOLOGY RISKS

As operators of critical energy infrastructure, the Company is at risk of cybercrime, including cyberattacks, data breaches, cyber extortion, and similar compromises. As with other businesses, HBL's information systems and the information systems of its third-party vendors may be targeted by malware, phishing efforts, and other cyberattacks. The Company's ability to operate effectively is dependent upon using and maintaining complex information systems and infrastructure that: (i) support the operation of generation; (ii) provide information relating to consumption and load settlement information for billing; and (iii) support financial and general operations.

Information and operations technology systems, including those of the Company's third-party service providers, may be vulnerable to unauthorized access or disruption due to cyber and other attacks, including hacking, malware, acts of war or terrorism, and acts of vandalism, among others. Further, geopolitical conflicts and the advancement of AI and generative AI may further increase the scale, sophistication or frequency of cyberattacks from malicious actors, some of which actions may even be initiated by or connected with nation-state actors.

Any such event could result in the disruption of energy service and other business operations, including safety disruptions, disruption of internal control processes, property damage, reputational damage, corruption or unavailability of critical data, loss of assets, and the theft, loss, misappropriation and/or disclosure of sensitive, confidential and proprietary business information, intellectual property, or personal information of customers and/or employees.

A material cybersecurity breach of the Company's information security systems or those of a third-party service provider, or any delay or failure in assessing the materiality of such breach and related reporting/disclosure, could expose the Company to significant remediation costs and/or adversely affect the operations and financial performance of the Company, its reputation and standing with stakeholders, and expose it to claims for third-party damages or regulatory penalties. The resultant financial impacts may not be fully covered by insurance policies and could have a Material Adverse Effect on profitability and financial position.

5.17 PHYSICAL RISKS

Physical damage to assets can impact both the Company as well as BEL's assets. Should damage be caused to substations, the Company would be unable to provide electricity to BEL for an indeterminate period of time, which would impact operations and profitability. Damage can be caused by direct or indirect activities - with intent or by accident or resulting from lack of timely maintenance. Intent would be necessary for hydro-electric facilities in that these assets are remote. Transmission and distribution assets could be exposed to both direct and indirect activities. Root causes of physical damage to asset infrastructure can result from (i) sabotage by environmental activists, (ii) the general public, (iii) retaliatory action arising from dispute between Guatemala and Belize, (iv) insufficient physical security to cover expansive operating territories and (v) insufficient security personnel monitoring individuals onsite at hydro-electric facilities. Potential impacts include cessation of operations, loss of profitability from being unable to provide and/or sell electricity to BEL, significant damage could cause unexpected release of water from hydro-electric facilities to downstream communities and repair costs not covered by insurance. Mitigating factors employed currently include physical security for access and patrol, on-site operators, closed-circuit television cameras, and insurance for asset damage.

5.18

GROWTH CONSTRAINTS

Projects, particularly Major Capital Projects, are subject to risks of delay and cost overruns during construction caused by commodity price fluctuations, supply and labour costs, potential new or revised tariffs, supply chain constraints, supplier non-performance, weather, geologic conditions or other factors beyond the Company's control, which may have a Material Adverse Effect. Furthermore, competition for alternative energy generation assets and contracts, including contemplated new IPPs, materially reduces the Company's opportunities. Focus on renewable energy within Belize is reflected in the commitment of 95% energy renewably generated by 2033 as set out in the National Energy Policy.

5.19

HEALTH AND SAFETY

The operations of the Company's utilities inherently involve risk to the health and safety of both employees and the public. Personal injury or loss of life could result from failure to implement or observe appropriate health and safety procedures and gives rise to operational, reputational or financial impacts, any of which could have a Material Adverse Effect. In addition, failure to comply with health and safety regulations could result in fines, penalties, reputational damage, litigation, increased capital and operating costs or adverse outcomes.

5.20

ENVIRONMENTAL REGULATIONS

The Company's businesses are subject to environmental laws and regulations, including those which concern emissions into the air, discharges into water or soil, use of water, hazardous waste disposal and containment, and the investigation and remediation of contamination, among others. The key environmental risks for hydroelectric generation operations include dam failures and the creation of artificial water flows that may disrupt natural habitats. The Company has specific obligations pursuant to an Environmental Compliance Plan to address these risks and report to the regulatory agencies responsible.

Failure to comply with environmental laws and regulations, or to obtain or comply with any necessary environmental permits pursuant to such laws and regulations, could result in injunctions, fines or other penalties. Further, liabilities relating to contamination investigation and remediation, and related claims for personal injury or property damage, may arise at many locations, including currently owned/operated properties and waste treatment or disposal sites, whether it resulted from non-compliance with applicable environmental laws and regulations, or whether it resulted from any act or omission of the business. These liabilities could result in substantial monetary judgments for clean-up costs, damages, fines and/or penalties. To the extent not fully covered by insurance or through regulatory mechanisms, these foregoing costs could have a Material Adverse Effect.

5.21

GENERAL ECONOMIC CONDITIONS

Fluctuations in general economic conditions, inflation, energy prices, employment levels, personal disposable incomes, industrial activity and other factors, including potential new or revised tariffs, may lower energy demand and sales and reduce capital spending. A severe and prolonged economic downturn, or other business complications, could also impair BEL's ability to pay its bills in a timely manner. Further, the impact of macroeconomic factors, including but not limited to, international relations and geopolitical events, could cause weaker economic conditions which could impact the business and financial condition of the Company.

5.22

INTEREST RATE RISKS

As a non-regulated entity, interest costs are not recovered through customer rates or other regulatory mechanisms. The Company bears the impact of any market changes to interest rates thus posing a Material Adverse Effect on potential sources of capital for projects and returns on such projects.

5.23

ACCESS TO CAPITAL

Access to cost-effective capital is required to fund, among other things, capital expenditure for growth. Operating Cash Flow may not be sufficient to fund the repayment of all outstanding liabilities when due or fund anticipated capital expenditure. The ability to arrange financing is subject to numerous factors, including the results of operations and financial condition of the Company, the regulatory environment, general economic conditions, credit ratings, and the environmental, social and governance profile of the Company.

5.24

INSURANCE RISKS

Insurance is maintained with reputable industry insurers for property damage, potential liabilities and business interruption for coverage considered appropriate and in accordance with industry practice. Insurance is subject to coverage limits and deductibles, as well as time-sensitive claims discovery and reporting provisions. There is no assurance that: (i) the amounts and types of losses from actual damage, liabilities or business interruption will be fully covered by insurance; (ii) adequate insurance at reasonable rates will continue to be available; or (iii) insurers will fulfill their obligations. Significant actual shortfalls in insurance coverage or claims payment could have a Material Adverse Effect. The availability and cost of certain types of insurance may be adversely impacted by the risks described under "Climate Change".

Financial Information

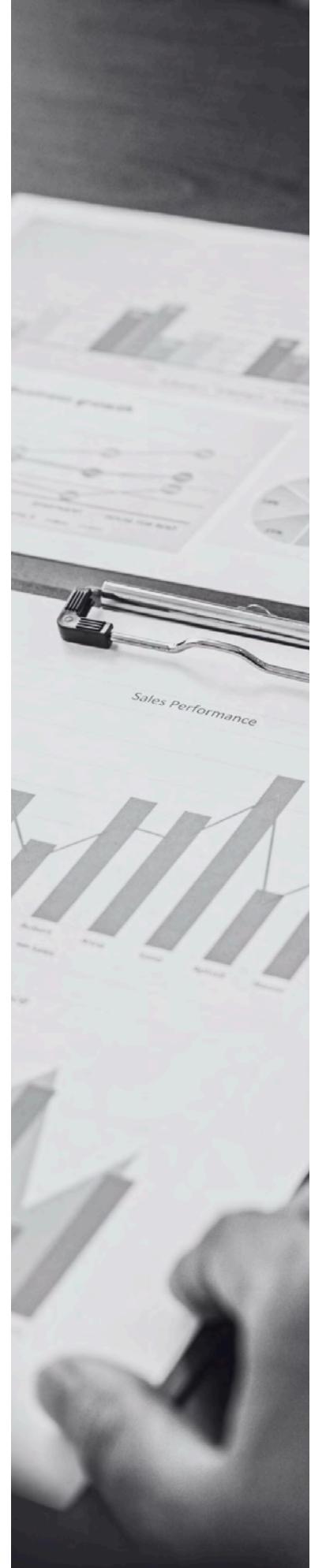
6.1 ANNUAL FINANCIAL STATEMENTS

The Financial Statements have been prepared in accordance with U.S. GAAP, applied on a basis consistent with prior periods, are complete and accurate in all material respects and present fairly, in all material respects, the financial position of HBL as at their respective dates and the cash flows and results of operations of HBL for the respective periods covered by them. The following financial statements provide a detailed look at the operational efficiency and fiscal performance of HBL and value inventories and receivables consistent with past practices.

HBL does not have any liabilities, liquidated or contingent, that are not reflected on the Financial Statements, other than liabilities incurred after the date of the Financial Statements in the ordinary course of business consistent with past practice of the same type as liabilities reflected in the Financial Statements. Such liabilities incurred after the date of the Financial Statements are reflected in the interim financial statements prepared by management as at October 31st, 2025.

The statements reflect HBL's commitment to sound financial stewardship and an operation that has consistently generated positive income by ensuring its hydro assets continue to operate profitably. At the close of the 2024 financial year, HBL's total assets were BZ\$222.358 million and its total equity was BZ\$219.664 million. With no existing form of indebtedness, HBL has enjoyed an average profit margin of over BZ\$31 million over the two-year period leading up to December 2024.

As the more recent management financial statements reflect, this position continued into 2025. For the ten months ended October 31st, 2025, HBL has generated net income of almost BZ\$30 million.



Income Statement

Table 3: 2022-2024 (\$US '000s)

Revenue	2022	2023	2024
Sale of electricity	23,987	20,831	24,411
Maintenance fee	1,472	930	1,195
Other (loss)/income	433	39	312
Total Revenues	25,892	21,800	25,918
<hr/>			
Expenses			
Operations	3,318	3,242	3,541
Depreciation and amortization	3,156	3,204	3,369
Administrative and general	1,550	1,707	1,841
Total Expenses	8,024	8,153	8,751
Profit for the year from continuing operations	17,868	13,647	17,167

The Company's Statement of Changes in Equity 2023-2024, Statement of Financial Position 2023-2024, Statement of Cash Flows 2023-2024, and consolidated capitalization can be seen at **Section 6.2** in the Management Discussion & Analysis ("MD&A").

The MD&A was prepared with available information as at November 28, 2025, and has been prepared in accordance with Securities Industry Act, 2021 and Securities Industry Regulations, 2023, Part IX, Continuing Disclosure Obligations of Public Issuers, Subpart 1 – Reporting. It should be read in conjunction with the 2024 Annual Financial Statements appended hereto.

Financial information has been prepared in accordance with U.S. GAAP and, unless otherwise specified, is presented in United States Dollars.

Performance at a Glance

FINANCIAL HIGHLIGHTS

USD	Y2024	Y2023	Variance	
			Value	Percent
Energy Sales (GWh)	215	164	51	31.1%
Revenues (\$millions)	25.9	21.8	4.1	18.9%
Earnings applicable to common shares				
\$ Millions	17.2	13.6	3.5	25.8%
\$ Per share	2.15	1.71	0.44	25.8%
Operating cash flow (\$millions)	13.5	14.8	(1.3)	(8.6%)
Capital Expenditure (\$millions)	3.7	3.8	(0.1)	(1.5%)
Dividends (\$ millions)	9.0	16.0	(7.0)	(43.8%)

REVENUE

In 2024 revenues were USD\$4.1m more than in 2023, which represents an 18.9% increase. The increase in revenue was due to increased net energy sales of 51 GWh or 31.1% year over year. While water levels were only marginally higher in 2024 over 2023, dispatch request from BEL was considerably higher as energy supply from Mexico was curtailed causing pressure on in-country supply to meet grid demands. As an IPP, the Company's primary source of revenue is energy sales to BEL as the sole electricity transmission and distribution company in Belize via two PPAs. The first agreement covers sale parameters for energy from the Mollejon and Chalillo dams combined while the second agreement covers the Vaca dam. The secondary source of revenue is from finance charges on overdue receivables as defined within the PPAs. Energy sales represented 98.8% of total revenues in 2024, while interest on receivables relating to energy sales represented 1.16%.

EARNINGS AND EPS

Earnings increased by 25.8% or US\$3.5 million in comparison to 2023. The increase in earnings was primarily due to the growth in revenues outlined above. The increase in revenue was partially offset by 8.7% increase in operating expenses excluding depreciation. Main drivers for the increased expenses include costs related to wildfire emergency response and associated compound and vegetation management, Fortis Inc. costs, and employee compensation and training.

At the end of 2024, the Company remained a wholly owned subsidiary of Fortis Inc, and shares issued remained at 8 million. Consequently, the increase in earnings per share was commensurate with increase in earnings attributable to common shares.

OPERATING CASH FLOW

The US\$1.3 million decrease in Operating Cash Flow was due to an increase in receivables from energy sales as BEL fell behind on payments during the second half of 2024, citing cash flow difficulties of their own. This represented a US\$4.9 million change compared to 2023. The increase in receivables was partially offset by higher earnings, driven mainly by increased energy sales. This was the primary factor in pre-working capital cash flow, which was US\$3.7 million higher than 2023, thus minimizing the effect of lower collections in 2024.

DIVIDENDS

The Company paid US\$7.0 million less in dividends in 2024 in comparison to 2023. This decrease was due to the decrease in cash from operations resulting from delayed collections. Dividends are usually paid from excess cash from operations after funding maintenance-based capital expenditure.

CAPITAL EXPENDITURE

Capital Expenditure in 2024 totaled US\$3.7 million, which was 75% of expectations and similar to 2023. In 2024, as in 2023, capital expenditures focused on systematic improvements of the core operations. Capital spend often features core-adjacent projects and in 2024, such expenditure was related to the upgrade of the Company's Early Warning System, while in 2023 the Company installed a Solar carport at the Headquarters in San Ignacio.

Operating Results

(US\$ thousands)	Y2024	Y2023	Variance	
			Value	Percent
REVENUE				
Sale of electricity	24,411	20,831	3,580	17.2%
Maintenance fee	1,195	930	265	28.5%
Other (loss)/income	312	39	273	704.7%
Total revenues	25,918	21,800	4,118	18.9%
EXPENSES				
Operating expenses	3,541	3,242	299	9.2%
Depreciation and amortization	3,369	3,204	165	5.2%
Administrative and general	1,841	1,707	134	7.8%
Total expenses	8,751	8,153	598	7.3%
Net earnings	17,167	13,647	3,520	25.8%

REVENUE

See "Performance at a Glance - Revenue" on page 41 above.

OTHER INCOME (NET)

The increase in other income is primarily due to finance charges on growing outstanding receivables from BEL.

OPERATING EXPENSES

Operating expenses consist of labor, materials and supplies and contracts. The increase in operating expenses was primarily due to general inflationary and employee-related costs and wildfire emergency response costs.

DEPRECIATION AND AMORTIZATION

The increase in depreciation and amortization represent the continued investment in the Company's generating facilities and operating capacities.

ADMINISTRATION AND GENERAL EXPENSES

The increase in administrative and general expenses is primarily due to increase in Fortis Inc.'s overhead allocations and insurance premiums.

FINANCE CHARGES

Presently, the Company does not have any long-term debt, lease obligations or overdraft facilities. As such, there are no interest expenses, and the only finance related costs are nominal bank fees incurred relative to maintenance of operating bank accounts.

INCOME TAXES

The Company's Franchise Agreement with the Government of Belize exempts the Company from all tax obligations pursuant to the Mollejon Hydroelectric Project (Exemptions from Taxes and Duties) Act and amendments thereto.

NET EARNINGS

See "Performance at a Glance - Earnings and EPS" on page 42 above.

Financial Position

Significant Changes between December 31, 2024, and December 31, 2023

(US\$ thousands)	Y24 v Y23	
Balance Sheet Account (US\$ thousands)	Increase / (Decrease)	Explanation
Cash and cash equivalents	1,278	Reflects a decrease in dividend payments as operating and capital costs were prioritized considering collection delays.
Accounts receivable and prepayments	6,683	Increase in accounts receivables from energy sales as BEL fell behind on payments citing cash flow challenges
Inventory	55	marginal change
Property, plant and equipment - net	(99)	Due to capital expenditure which was slightly less than annual depreciation
Accounts payable and accruals	(370)	Due to decrease in trade payables related to the company's capital program.
Long term payables	130	Increase in severance payable and increase in accrued PSU obligations
Share capital	0	no change
Capital in excess of par	0	no change
Contributed capital	(10)	Amortization of road contribution
Retained earnings	8,167	Net earnings for the year less dividends declared and paid (\$9m)

Cash Flow Summary

Summary of cash flows.

Years ended December 31 US\$ thousands	Y2024	Y2023	Variance	
			Value	Percent
Cash and Cash Equivalents at Beginning of Year	1,712	6,676	(4,965)	(74.4%)
Cash from (used in):				
Operating activities	13,548	14,816	(1,267)	(8.6%)
Investing activities	(3,270)	(3,780)	510	(13.5%)
Financing activities	(9,000)	(16,000)	7,000	(43.8%)
Cash and Cash Equivalents at End of Year	2,990	1,712	1,278	74.6%

CASH FLOW REQUIREMENTS

The expectation remains that operating expenses and working capital requirements will be paid from Operating Cash Flow, with varying levels of excess cash flow available for capital expenditures and/or dividend payments. Such capital expenditures are currently geared towards maintenance and improvement to existing generating capacity. Future growth projects will be expected to be financed with a combination of cash from operations and issuance of long-term debt. Consequently, the Company does not employ any revolving credit facilities.

OPERATING ACTIVITIES

See “Performance at a Glance – Operating Cash Flow” on page 42 above.

INVESTING ACTIVITIES

The Company’s investing activities consist primarily of purchase of long-term assets in the form of property, plant and equipment and to a lesser degree proceeds from disposals of assets that may be declining or obsolete. The increase in cash used in investing activities reflects lower capital expenditures in 2024. There were no material asset disposals and no proceeds in 2024.

FINANCING ACTIVITIES

The Company’s financing activities consist primarily of dividend payments. With a single shareholder, there have been no recent changes in Company stock. Furthermore, the Company does not have any current long-term debt. Therefore, cash flows related to financing activities will fluctuate largely because of capital expenditure which is currently funded internally by cash generated from operating activities. In 2024 the increase in cash from financing activities reflects lower dividend payments over last year.

CONTRACTUAL OBLIGATIONS

The Company does not carry any long-term debt, finance or operating leases, or other contractual obligations, save and except for commitments for the purchase of goods and services outstanding at the end of the year. The latter amounted to US\$604k at the end of 2024 schedule as US\$505k and US\$99k for 2025 and 2026, respectively.

CAPITAL PLAN

Capital expenditure remains geared towards maintaining reliability and resilience and enhancing efficiency and safety of HBL's current generation assets. The vision is to maintain existing assets at peak operating performance and look toward any available growth opportunity in the medium to long term.

Capital expenditure in 2024 was US\$3.7 million, which was 75% of anticipated expenditure for the year and 3% more than in 2023. The major items for prior year included upgrades to the SCADA and PLC for Chalillo and Vaca facilities, the completion of the HQ Solar Carport Project and upgrade of excitation systems at Mollejon and Vaca. In 2024 we continued with the upgrade of excitation systems at Mollejon and Vaca and stator & rotor upgrades for generating units at Mollejon. Another major item in 2024 was the procurement of the first set of modern equipment for the Company's Early Warning System. Other components and installations were scheduled for 2025 and 2026, respectively. The final noteworthy expenditure was for the upgrade of the Company's network servers to replace hardware and software which were several years beyond end of life.

Forecasted expenditure for 2025 was US\$4.2 million. However, expenditure to the end of October 2025 was only US\$2.2 million. While the initial intentions were to focus on upgrades to other generating and auxiliary components of the plants, routine inspections identified apparent wear on generator stators and rotors at Chalillo and Mollejon which required immediate attention to avoid extended impact to availability. In addition, and in anticipation of another capacity crisis, BEL requested that the Company curtail its maintenance period from the usual six months down to three months in order to have all units fully available by April. Other areas, including continued excitation upgrades at Mollejon and Vaca, and dam resiliency electrical upgrades, were able to continue as planned.

CAPITAL EXPENDITURES

US\$ millions	Act	Act	Fore	Act	2026 - 2030 Capital Plan					
	Y2023	Y2024	Y2025	Y2025*	Y2026	Y2027	Y2028	Y2029	Y2030	Total
Annual Total	3.8	3.7	2.7	2.2	4.9	4.2	4.0	3.6	4.0	20.7

*Y2025 Actual = 10 Months

NEW FIVE-YEAR CAPITAL PLAN

The Company's capital plan 2026-2030 continues to strengthen existing capacity by ensuring generating assets remain reliable, efficient, safe, and resilient. Building on the upgrades to generators and excitation systems, this plan intends to upgrade other core areas including Turbine Runners, Hydraulic Power Control Units, Draft Tubes, a Penstock Valve, Wicket Gates, as well as auxiliary equipment, electrical protections, and vibration monitoring. The current plan also addresses certain risks which have been more pronounced recently including sustainability and compliance requirements – with upgrades to the Early Warning Systems, physical safety infrastructure, cyber security & IT Infrastructure, and wildfire prevention and response.

In this plan, until and unless growth opportunities are imminent, current capital requirements are expected to be financed by cash generated from operations. The five-year capital plan consists of projects with relatively low to medium risk and is highly executable. Notwithstanding the manageable operational aspects of the projects in the capital plan, effective execution still relies on the alignment of several factors including: availability of cash and foreign exchange, consistent weather, energy demand and strict dispatch and downtime coordination. Planned capital expenditure has carefully considered and incorporated the latter as well as other factors including labor and material costs and supply chain availability. However, potential supply chain disruptions and costs as a consequence of new or revised tariffs or other economic measures enacted by the United States of America could change and cause actual expenditure to differ from forecast.



6.3

FINANCIAL FORECASTS / PROJECTIONS

The projections that make up this five-year forecast are based on information currently available to HBL's management. The information in these forecasts includes, but is not limited to, expectations that the Company will generate sufficient cash to fund proposed capital expenditures, operating costs and dividends. The information in these forecasts is also based on assumptions, which include, but are not limited to:

- 1 Continued electricity demand;
- 2 No significant operational disruptions or liability due to adverse environmental or safety events;
- 3 Sufficient liquidity and capital resources;
- 4 The continuation of the Company's current tax status, franchise and power purchase agreement guarantees;
- 5 No significant changes in regulatory requirements for BEL or in environmental laws;
- 6 The ability to obtain and maintain insurance coverage, licenses and permits, and
- 7 Sufficient human resources to ensure continued service and execute capital programs.

This forecast is subject to risks, uncertainties and other factors that could cause actual results to differ materially from historical results or results anticipated by the forecast information. The factors which could cause results or events to differ from current expectations include, but are not limited to:

1 Regulation;	8 Labor relations;
2 Electricity demand;	9 Human resources;
3 Health, safety, and environmental requirements;	10 Operating and maintenance investment requirements;
4 Capital resources and liquidity;	11 Adverse weather events;
5 Economic conditions;	12 Insurance, and
6 Interest rates;	13 Information technology infrastructure
7 Cyber security;	

Business Plan Overview

OPERATING PERFORMANCE

This plan assumes the Company continues to generate based on existing capacities, even though growth opportunities in more renewables, particularly core operations and solar, is still the goal. The recent energy demand woes in Belize have kept this in the forefront of the nation's consciousness.

Expectation for 2025 is 195 GWh or 89% of capacity. The first part of the year saw similar generation to last year. As of September 2025, the discount rate in excess of the consumption of 100 GWh energy from Chalillo and Mollejon became effective, which should incentivize BEL to dispatch more energy from those two facilities.

FINANCIAL PERFORMANCE

The focus for HBL continues to be resiliency and efficiency. The Company remains profitable and keeping costs consistent plays a huge role in that regard. However, concerns in the areas of wildfire mitigation, cybersecurity and outsourced maintenance have adversely nudged the margins. Nonetheless, while consistency in bottom line performance continues to be challenged, the Company has been able to maintain reasonable margins and is expected to do so going forward.

FINANCIAL POSITION

Again, until greater traction is achieved on the growth opportunities, capital expenditure remains geared to efficiency, resilience and modernization. The current plan also addresses certain risks outlined earlier including; Sustainability requirements, Compliance requirements – with upgrades to the Early Warning Systems, Cyber security & IT Infrastructure, and most importantly, various plant upgrade requirements as outlined in the New Five-Year Capital Plan at section 6.2 of this prospectus. In this plan, until and unless growth opportunities are imminent, financing for current capital requirements can be done with in-house funds.

CASH ACTIVITIES

Again, continued consistency in performance remains the goal. Cash from operations of -1.3% over the period 2025F to 2030P, is high due to lump sum payment on receivable balance in Q4 of 2025. Adjusting for normal receivables and payment flows, it would be approximately 0.6%. BEL's pace of recovery to reduce receivables can impact projected dividends in 2026, in the first instance. Of course, decisions on how to finance changes in capital requirements also impact dividend projections. BEL receivables were last current in the first half of 2024.

Business Plan Financial Forecast 2026-2030

The following outlines the major financial statements with actual results ending 2024, 2025 planned values from the 2025-2029 business plan, 2025 forecast updated as at the end of October and 2026-2030 plan as part of the 2026-2030 business plan. The forecast reflect the removal of the escalation provisions in the PPAs.

Hydro Belize Ltd

<i>All figures in BZD'000</i>		FY24	FY25	FY25	FY26	FY27	FY28	FY29	FY30
Business Plan 2026-2030		ACTUAL	PLAN	FORECAST	PLAN	PLAN	PLAN	PLAN	PLAN
Gross Energy Sales (MWh)		215,470	246,000	195,000	200,000	200,000	200,000	200,000	200,000
INCOME STATEMENT									
Revenues:									
Energy Revenue		48,822	52,250	46,575	47,224	47,083	47,083	47,083	47,083
O. & M. Revenue		2,390	2,869	2,359	2,343	2,343	2,343	2,343	2,343
Interest Income		-	-	-	-	-	-	-	-
Other Income		625	80	2,694	686	126	126	126	126
Total Revenue		51,837	55,199	51,628	50,253	49,552	49,552	49,552	49,552
Expenses:									
Operating		7,083	7,203	8,257	9,239	7,973	7,939	8,041	8,100
Administrative & General		3,682	3,622	3,681	3,533	3,598	3,640	3,684	3,730
Depreciation & Amortization		6,738	6,820	7,035	7,327	7,683	8,038	8,344	8,735
Interest on LT-Debt		-	-	-	-	-	-	-	-
Total Expenses		17,503	17,644	18,973	20,098	19,254	19,617	20,069	20,565
Net Income (Loss)		34,334	37,554	32,654	30,155	30,298	29,935	29,483	28,987
Dividends*		(18,000)	(34,000)	(42,486)	(28,250)	(28,500)	(28,500)	(28,250)	(28,250)
Retained Earnings		16,334	3,554	(9,832)	1,905	1,798	1,435	1,233	737

* The proposed dividend payout is based on the maturity of the Company in its current form and operating capacities. However, as the Company looks to grow and opportunities become available, the proposed dividends may be adjusted depending on the requirements to fund such growth. The ability to generate this cash for dividends and/or growth funding is contingent on the Company's sole customer remaining current with their payments on account.

Balance Sheet

Hydro Belize Ltd

All figures in BZD'000

Business Plan 2026-2030

	FY24 ACTUAL	FY25 PLAN	FY25 FORECAST	FY26 PLAN	FY27 PLAN	FY28 PLAN	FY29 PLAN	FY30 PLAN
ASSETS								
Current Assets								
Cash	5,979	13,623	2,836	18,411	15,572	16,936	18,824	19,730
Accounts Receivable	25,591	3,869	20,471	4,724	8,012	8,012	8,012	8,012
Inventory	2,996	3,615	3,206	3,222	3,222	3,222	3,544	3,899
Other Assets	1,797	597	1,167	1,833	1,939	2,044	2,150	2,255
Total Current Assets	36,364	21,704	27,681	28,190	28,744	30,214	32,529	33,896
Other Assets								
Property, Plant & Equipment	181,096	189,748	174,709	178,999	176,580	177,551	176,291	174,345
Work In progress	4,899	3,823	9,561	7,780	10,831	9,806	9,976	11,281
Total Fixed Assets	185,995	193,571	184,271	186,779	187,411	187,357	186,266	185,626
Total Assets	222,358	215,274	211,951	214,969	216,155	217,571	218,796	219,522
LIABILITIES								
Long Term Debt	-	-	-	-	-	-	-	-
Accounts Payable	2,694	3,005	2,139	3,272	2,679	2,680	2,692	2,701
Total Liabilities	2,694	3,005	2,139	3,272	2,679	2,680	2,692	2,701
SHAREHOLDERS' EQUITY								
Common Stock	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Paid-up Capital	18,800	18,800	18,800	18,800	18,800	18,800	18,800	18,800
Contributed Capital	620	620	600	580	560	540	520	500
Retained Earnings	192,244	184,849	182,413	184,318	186,116	187,551	188,784	189,521
Total Capital	219,664	212,269	209,813	211,698	213,476	214,891	216,104	216,821
Total Liabilities plus Equity	222,358	215,274	211,951	214,969	216,155	217,571	218,796	219,522

Cash Flow

Hydro Belize Ltd

All figures in BZD'000

Business Plan 2026-2030

	FY24	FY25	FY25	FY26	FY27	FY28	FY29	FY30
	ACTUAL	PLAN	FORECAST	PLAN	PLAN	PLAN	PLAN	PLAN
Earnings	34,334	37,554	32,654	30,155	30,298	29,935	29,483	28,987
ITEMS NOT AFFECTING CASH:								
Depreciation and amortization	6,738	6,820	7,035	7,327	7,683	8,038	8,344	8,735
Change in current assets & liabilities	(13,955)	(123)	4,985	16,198	(3,986)	(105)	(416)	(451)
(Gain)Loss on asset disposal	-	(30)	(31)	-	-	-	-	-
Amortization of contribution to road	(20)	(20)	(20)	(20)	(20)	(20)	(20)	(20)
	27,097	44,201	44,622	53,660	33,975	37,848	37,391	37,251
Cash Flows from Investing Activities								
Acquisition of capital assets	(6,541)	(9,944)	(5,279)	(9,835)	(8,314)	(7,984)	(7,254)	(8,094)
	(6,541)	(9,944)	(5,279)	(9,835)	(8,314)	(7,984)	(7,254)	(8,094)
Cash Flows from Financing Activities								
Long term debt	-	-	-	-	-	-	-	-
Dividends Paid*	(18,000)	(34,000)	(42,486)	(28,250)	(28,500)	(28,500)	(28,250)	(28,250)
	(18,000)	(34,000)	(42,486)	(28,250)	(28,500)	(28,500)	(28,250)	(28,250)
Net Change in Cash & Cash Equivalents	2,556	257	(3,143)	15,574	(2,839)	1,364	1,887	907
Cash, Beginning of Period	3,423	13,366	5,979	2,836	18,411	15,572	16,936	18,824
Cash, End of Period	5,979	13,623	2,836	18,411	15,572	16,936	18,824	19,730

* The proposed dividend payout is based on the maturity of the Company in its current form and operating capacities. However, as the Company looks to grow and opportunities become available, the proposed dividends may be adjusted depending on the requirements to fund such growth. The ability to generate this cash for dividends and/or growth funding is contingent on the Company's sole customer remaining current with their payments on account.

Retained Earnings

Hydro Belize Ltd

All figures in BZD'000

Business Plan 2026-2030

	FY24	FY25	FY25	FY26	FY27	FY28	FY29	FY30
	ACTUAL	PLAN	FORECAST	PLAN	PLAN	PLAN	PLAN	PLAN
Retained Earnings, beginning of period	175,910	181,295	192,244	182,413	184,318	186,116	187,551	188,784
Add:								
Net Income	34,334	37,554	32,654	30,155	30,298	29,935	29,483	28,987
Less:								
Dividends Paid	(18,000)	(34,000)	(42,486)	(26,250)	(28,500)	(28,500)	(28,250)	(28,250)
Retained Earnings, end of period	192,244	184,849	182,413	184,318	186,116	187,551	188,784	189,521
CAPITAL EXPENDITURE								
Buildings & Facilities	1,734	3,326	696	3,220	2,274	2,724	1,704	2,894
Machinery & Equipment	1,936	4,144	3,313	3,119	2,810	2,880	3,550	3,730
Control Systems	57	456	-	250	80	-	-	80
Other Plant Upgrades	-	-	67	680	880	640	680	500
Safety Infrastructure	1,318	768	391	860	770	240	290	180
Solar Projects	29	-	-	-	-	-	-	-
Motor Vehicles	1,069	440	263	870	520	620	340	220
IT/Network Systems	1,348	814	638	836	980	880	690	490
TOTAL	7,491	9,947	5,368	9,835	8,314	7,984	7,254	8,094
Earnings per share	4.29	4.69	4.08	3.77	3.79	3.74	3.69	3.62
Weighted Avg. Shares Outstanding	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
SHARES								
Share Value based on total equity	27.46	26.53	26.23	26.46	26.68	26.86	27.01	27.10
Paid up Equity \$	26,800	26,800	26,800	26,800	26,800	26,800	26,800	26,800
No. of Shares Outstanding	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Key Financial Ratios:								
Current Ratio	13.50	7.22	12.94	8.62	10.73	11.28	12.08	12.55
Debt to Equity Ratio	0.01	0.01	0.01	0.02	0.01	0.01	0.01	0.01
Return on Equity	16%	18%	16%	14%	14%	14%	14%	13%
Return on Total Assets	15%	17%	15%	14%	14%	14%	13%	13%
Equity Ratio	0.99	0.99	0.99	0.98	0.99	0.99	0.99	0.99
OTHER:								
Composite Depreciation Rate:	2.29%	4.66%	2.39%	2.39%	2.46%	2.51%	2.55%	2.61%

6.4

ACCOUNTING MATTERS

There are no changes in or disagreements with accountants or auditors on accounting and financial disclosure. No independent auditor has resigned or was dismissed over accounting or financial policies, or had offered an adverse, disclaimed, modified or qualified opinion.



07

Dividends & Distributions

7.1

AMOUNT

In the three preceding financial years and in the current year prior to the acquisition of HBL by GOB, the Company paid cumulative cash dividends on its ordinary shares of US\$9 million in 2024, US\$16 million in 2023 and US\$33.5 million in 2022. For 2025, the Company paid cumulative cash dividends on its ordinary shares of US\$21.243 million.

7.2

RESTRICTIONS

HBL's ability to declare and pay dividends is subject to the Act, HBL's Articles and to due payment of invoices issued by HBL to BEL, its sole customer.

7.3

DIVIDENDS AND DISTRIBUTIONS POLICY

HBL's Amended and Restated Articles of Incorporation require that the Directors of the Company shall, in each financial year, authorize a distribution by way of dividend of not less than eighty per cent (80%) of the Company's distributable profits, subject only to the applicable solvency requirements.

8.1

DISCLOSURE OF MARKET FOR FIRM UNDERWRITING

The Shares will not be offered by an underwriter.

8.2

BEST EFFORTS OFFERING

The Shares are offered on a best-efforts basis. GOB commits to using its best efforts to sell the Shares but does not guarantee the sale of any specific amount.

8.3

OVER-ALLOTMENTS

In the event of oversubscription to the initial offer, the Board of Directors must approve the additional offering via resolution.

8.4

MINIMUM OFFERING

The minimum amount of funds required for the Offering shall be BZ\$60,000,000, and the maximum amount that could be raised is BZ\$116,000,000. Notwithstanding the foregoing, GOB reserves the right to cancel the offering in its entirety in its sole and absolute discretion. It is intended that in order to enable and accommodate a broad shareholding by the public, applications for less than 15% of total issued shares in the Company shall be given priority in this offering.

The share purchase application period for the Shares shall be opened from December 18th, 2025 and will remain open until January 20th, 2026. Until the closing of the Offering, funds received from applications will be held by the Paying Agent, and if the minimum amount of funds is not raised, the funds will be returned to the applicants.

8.5

LISTING APPLICATION AND APPROVAL

The Shares are not being offered on a stock exchange or listing Application by GOB or HBL and no exchange or market has conditionally approved the listing of this security.

8.6

PROCEDURE FOR APPLICATION

The shares are offered pursuant to the terms and conditions set out in this Prospectus. The offer period will commence on December 18th, 2025, and will close on January 20th, 2026. Applications for the purchase of shares must be submitted within the offer period. Prospective investors may submit completed applications online at www.hydrobelize.com, or via email to invest@hydrobelize.com. Any inquiries in connection with the offering shall be made to the Company. All applications received within the prescribed timeframe will be reviewed for completeness, compliance with the terms of the Offer, and verification of applicant information as required under applicable regulations.

Upon the close of the offer on January 20th, 2026, the successful applicants will be notified forthwith whereupon payment shall be due in full by no later than February 4th, 2026. All purchase proceeds shall be deposited into a designated account for the Government of Belize held with the Paying Agent. Upon payment in full, and due execution and delivery to the Company via the Transfer Agent by successful applicants of relevant instrument of share transfer, the Company shall register the new member onto the Company's register of members and issue share certificates accordingly.

The Paying Agent will transfer the net proceeds of the Offering at the Government's direction to be used as specified in the terms of the Offering.

09

Description of Securities Being Offered

9.1

GENERAL

Pursuant to the Articles, HBL is a company limited by shares with an authorized share capital of BZ\$10,000,000 divided into 10,000,000 ordinary shares with a par value of BZ\$1.00 each. 8,000,000 ordinary shares have been issued and are outstanding and fully paid up. The GOB is the sole legal and beneficial owner of the said 8,000,000 ordinary shares comprising the entirety of the issued and outstanding paid-up share capital of HBL.

Of the 8,000,000 ordinary shares held by the GOB, pursuant to the terms of the Offering set forth in this Prospectus, the GOB will offer to the general public up to 4,000,000 ordinary shares (the "Shares").

The Shares carry and are subject to the rights, privileges, restrictions and conditions described below.

9.2 THE SHARES

9.2.1 ORDINARY VOTING SHARES

Subject to the Articles and the Act, each ordinary share entitles its holder to receive notice of and to attend all general and special meetings of shareholders of the Company, and each such share entitles its holder to one vote either in person or by proxy on any resolution of the shareholders of the Company.

9.2.2 DIVIDENDS

Subject to the Articles and the Act, the holder of each ordinary share is entitled to receive an equal share in any dividends declared and payable by the Company on the ordinary shares out of any or all profits or surplus of the Company properly applicable to the payment of dividends.

9.2.3 DISSOLUTION

Subject to the Articles and the Act, the holders of ordinary shares shall be entitled to share equally in any distribution of the surplus assets of the Company upon the liquidation, dissolution or winding up of or other distribution of its surplus assets amongst its shareholders.

9.2.4 PRE-EMPTIVE RIGHTS

Save as otherwise explained in clause 9.2.8 below in connection with unissued shares out of the authorized share capital of the Company, there exist no pre-emptive rights in connection with the Shares.

9.2.5 CONVERSION OR EXCHANGE RIGHTS

The Shares may not be converted or exchanged for any other security of the Company.

9.2.6 SINKING OR PURCHASE FUND PROVISIONS

There are no sinking or purchase fund provisions in connection with the Shares.

9.2.7 ADDITIONAL CAPITAL CONTRIBUTIONS

There are no provisions requiring a holder of ordinary shares that are fully paid up, including the Shares or any portion of them, to contribute additional capital to the Company.

9.2.8 OTHER PROVISIONS

Subject to its Articles and the Act, the Company may, by the sanction of special resolution, increase the share capital by such sum which shall be divided into shares of such amount and carrying such preferred, deferred or other special rights (if any) as the resolution shall prescribe. Such increased share capital and those 2,000,000 shares that remain unissued out of the authorized share capital of the Company shall be under the control of the directors of the Company and shall be offered, allotted and issued on the basis of a pre-emptive right to existing shareholders. The Company may also divide its shares, including issued shares, into a larger number of shares or combine its shares into a smaller number of shares. Shares not fully paid up may be subject to forfeiture by the Company. The Company may purchase, redeem or otherwise acquire its own shares and cancel the same or hold as treasury shares.

Significant provisions in the Articles and the Act also provide, *inter alia*:

- i. that shares may be transferable, subject to certain procedures and restrictions;
- ii. the Company shall hold in each calendar year annual general meetings, all with proper notice and procedure;
- iii. for the holding of extraordinary general meetings;
- iv. for a Board of Directors of not less than two persons and not more than seven to be appointed at the annual general meeting or by the Board of Directors to fill a casual vacancy or as an addition to the existing directors, but so that the total number of directors shall not exceed seven;
- v. for the business of the Company to be managed by the Board of Directors; and
- vi. for the declaration of dividends by the Company on an ordinary resolution and for the payment of interim dividends upon resolution of the Board of Directors.

9.3 BORROWING & OTHER SECURITIES

The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

By virtue of a share purchase agreement dated the 14th of October, 2025 and entered into between FECI and the Government of Belize (“GOB”), with address at the Ministry of Finance, Sir Edney Cain Building, Belmopan, Cayo District, the GOB, as of October 31st, 2025, became the sole legal and beneficial owner of record of the entirety of or 100% of the issued and outstanding paid-up share capital of HBL comprising 8,000,000 ordinary shares. *See Detailed Extract of HBL appended hereto.*

The GOB, as Offeror, by virtue of this Offering, is offering to sell to the general public up to 4,000,000 ordinary shares of the issued and outstanding paid-up share capital of HBL that it owns at a unit sale/purchase price of BZ\$29.00 per share. The proceeds of the sale of the Shares will be applied toward repayment of the debt incurred in financing the acquisition of the Shares from FECI.

Upon closing of this Offering, the GOB as security holder will remain the sole legal and beneficial owner of record of no less than 50% of the issued and outstanding paid-up share capital of HBL comprising 4,000,000 ordinary shares.



The GOB and HBL utilised the services of certain experts in the preparation of reports required for the conduct of due diligence regarding HBL or in the course of the ordinary operations of the Company. None of the experts or designated professionals of the experts listed in this section hold, received or are expected to hold or receive any registered or beneficial interest, direct or indirect, in any securities or other property of HBL or any of its affiliates. Further, none of the experts referred to is expected to be elected, appointed, or employed as a director, officer or employee of HBL or of any associate or affiliate.

Expert	Use
NERA The St Botolph Building 138 Houndsditch London EC3A 7DH, United Kingdom www.nera.com	The GOB commissioned NERA to assess the Fair Market Value of then FBL as a part of its due diligence before the acquisition of HBL. The finalized report, dated November 12 th , 2025 (amended December 16 th , 2025), was referred to in this Prospectus and is available for inspection from the Corporate Secretary of HBL.
Sukhnandan Consulting LLC 2935 Hudson Blvd, #115 The Colony Texas, 75056 United States of America josephrs1@gmail.com	The GOB commissioned Sukhnandan Consulting LLC to conduct a technical inspection of the hydroelectric facilities as a part of its due diligence before the acquisition of HBL. The report dated September 5 th , 2025 was referred to in this Prospectus and is available for inspection from the Corporate Secretary of HBL.
PKF Regent House 35 Regent Street Belize City PO Box 280 (501) 227-7428 info@pkfbelize.com www.pkfcaribbean.com/belize	The financial statements of HBL for the financial years 2022 to 2024 have been audited by PKF. The 2024 audited financial report is annexed to this Prospectus, and the 2023 and 2022 audited financial reports are available for inspection from the Corporate Secretary of HBL.

12.1 DIRECTORS AND OFFICERS

HBL is governed by an experienced Board of Directors chaired by Lynn Young who joined the Board in November of 2025 since the acquisition by GOB. Lynn Young has a wealth of experience in providing strategic leadership in the energy sector.

Lynn Young

Chairperson,
Board of Directors

- Operations Manager at Shell Belize Limited from 1984 – 1987
- Production Manager, BEL from 1987 – 1989
- General Manager – Engineering, BEL from 1991 – 1993
- General Manager – Finance and Administration, BEL from 1993 - 1999
- President and Chief Executive Officer of BEL from 1999 – 2011
- President and CEO, BECOL (now HBL) from 2011 - 2021
- Ambassador of Belize to the United States of America & Permanent Representative to the Organization of American States from 2021 - 2025

Other members of the board are as follows:

Joseph Waight

Financial Secretary,
Ministry of Finance

- Joined the Board of HBL in November 2025
- Career senior public officer with over 40 years of experience
- Financial Secretary since 2007
- Member and Chair of the Financial Services Commission since 2016
- Ex-officio Director on the Board of Directors of the Central Bank of Belize
- Member of the National Anti-Money Laundering Committee

Narda Garcia

Chief Executive
Officer, Office of the
Prime Minister,
Investment and Civil
Aviation

- Joined the Board of HBL in November 2025
- Chief Executive Officer at the Office of the Prime Minister, Investment and Civil Aviation
- Chair of the Board of Directors of BELTRAIDE, the Social Investment Fund and other relevant Boards in her capacity as a CEO
- Market Information Specialist at the Belize Chamber of Commerce and Industry from 1997 - 1999
- Chief Executive Officer at the Belize Social Security Board from 1999 – 2006
- Chief Operations Officer at Speednet Communications Limited from 2007 - 2020
- Background in economic strategy and public administration

Kay Menzies

President and Chief Executive Officer

- Joined HBL in 2021 as President and Chief Executive Officer
- Previously served as Managing Director at Karl H. Menzies Co. Ltd
- Board member (Deputy Chairperson) of BEL since 2015
- Director for Caribbean Utilities Company Ltd. (CUP/U:TSX) and Grace Kennedy Belize Ltd.

HBL has an experienced and local management team. The Executive Management team is led by President and CEO, Kay Menzies. Other Executive Managers include the following persons:

Yaksim Betty Tam-Moreno

Vice President of Finance, Corporate Secretary and CFO

- Joined HBL in August 2017 as VP Finance & CFO
- Previously worked at Belize Electricity as Senior Manager of Finance and Human Resources
- Certified Public Accountant (CPA)
- Member of Fortis Inc.'s diversity, equity and inclusion Advisory Council
- Board member of the Board of Governance at St. Catherine Academy and the Board of Directors Financial Committee at the University of Belize

Jose Riveroll

Vice President of Operations

- Joined HBL in December 2021 as VP Operations
- Previously worked at Belize Telecommunications as Chief Operations Officer and Chief Technology Officer; also led the Technology Development and Research, Service Delivery Division

Other persons who exercise key management positions and support executive management are as follows:

Albert Roches

Environment, Health and Safety Manager

- Joined HBL in 2022 as Environmental, Health & Safety Manager
- Previously served as EHS Supervisor & Manager and Environmental/HS Officer at Belize Natural Energy Limited
- Experience in environmental audits, emergency response planning, and regulatory compliance
- Certified in environmental management and safety standards

Tedford Pate
Project and Risk
Manager

- Joined HBL in 2015 as Maintenance Supervisor; now Planning & Risk Manager
- Previously worked at Belize Electricity Limited as the Maintenance Analyst
- Held the position of Instruments & Controls Technician / EMR for the then Belize Electric Company Ltd.
- Experience in risk mitigation strategies, technical knowledge, and operational efficiency

Aaron Noh
Superintendent of
Operations

- Joined HBL in 2016 as a Trainee Engineer; currently Superintendent of Operations
- Previously served as Operations & Maintenance Engineer and Power Plant Engineer
- Holds a Master's Degree in Energy Management and Renewable Sources and a Bachelor's Degree in Energy Systems Engineering
- Member of the Association of Professional Engineers of Belize (APEB)

Nicole Salazar
Innovation &
Technology Manager

- Joined Hydro Belize Limited in 2022 as Project Manager; now Innovation and Technology Manager
- Previously worked at Belize Telemedia Limited in roles including Project Manager, Product Owner (Agile Scrum), Programmer Analyst, and Computer Programmer
- Certified Project Management Professional (PMP)
- Certification in Software Testing

Isaac Rhys
Finance Manager

- Joined Hydro Belize Limited in 2018; currently Finance Manager
- Oversees financial operations and strategic planning
- Previously worked at Citrus Products of Belize as the Management Accountant.
- Holds a Master of Business Administration (MBA) from Galen University
- Certified Accounting Technician (CAT)

12.2 COMPENSATION

For Directors and Senior Officers, aggregate remuneration, cash and non-cash, were as follows:

2023 - BZ\$986 thousand

2024 - BZ\$1.1 million

2025 - BZ\$2.6 million

Non-cash benefits include home internet, mobile charges and Company vehicle. Total remuneration for 2025 includes long-term incentive payouts of approximately US\$850 thousand from FECI prior to acquisition by GOB.

12.3 AUDIT COMMITTEE

At this time, the full Board of Directors comprises the Audit Committee.



Except as set forth below, no affiliate or former affiliate of HBL owns any asset, properties or rights, tangible or intangible property, used in the business of HBL, provides any goods or services to, or receives goods or services from, HBL, owes any indebtedness to, or is owed any indebtedness by, HBL; has engaged in any non-ordinary course transaction with HBL; has benefitted by any contract under which HBL has granted any of its properties or assets to secure indebtedness of such affiliate; has granted any guarantees in respect of HBL, or otherwise is a party to any contract or transaction with HBL.

Prior to the acquisition by GOB, Fortis Inc. received an annual management fee of US\$250,000 from HBL and also recovered certain costs from HBL on a quarterly basis, largely related to public company costs. HBL was also enrolled as an affiliate under Fortis Inc.'s agreements for software enterprise licenses, cloud subscriptions and premiere level support services with Microsoft Canada Inc. and other providers for which Fortis Inc. would charge HBL for amounts proportionate to HBL's usage.

Upon closing of the acquisition of HBL by GOB, all such arrangements terminated and any and all amounts owing to Fortis Inc. were fully paid in accordance with the ordinary course of the business consistent with past practice.

Further, as indicated above, HBL is both a wholly owned subsidiary of GOB and an affiliate of BEL by virtue of BEL also being a subsidiary of GOB.

HBL operates pursuant to several agreements established with the GOB and BEL. A Franchise Agreement, a revised Power Purchase Agreement, and the Third Master Agreement dated November 21, 2001, state that all electricity generated by BECOL (now HBL) will be sold to BEL for 50 years commencing on the first Commercial Operation Date (April 1, 1996). In September 2005, construction of the second hydroelectric facility, Chalillo, was completed, extending the terms of the revised PPA to the fiftieth anniversary of the Chalillo project commencement date. On March 15, 2007, a new 50-year PPA with terms commencing on January 22, 2010, was signed with BEL related to electricity generation by the Vaca, the third hydroelectric facility.

Under the PPAs with BEL in respect of which HBL has provided electricity services to BEL, BEL currently owes HBL BZ\$16.079 million as of October 31, 2025.

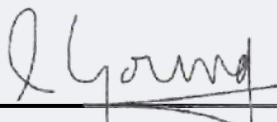
There are no loans to any senior officer, director, security holder or person directly or indirectly controlling or controlled by HBL other than accounts receivable owing by BEL to HBL as indicated above.

The Directors of Hydro Belize Limited (“HBL”) after due inquiry, hereby make the following statements and provide the following report, confirming the state of HBL’s business and assets for the interval between December 31st, 2024 and December 15th, 2025:

- In the opinion of the Directors, the business of HBL has been satisfactorily maintained during the interval from December 31st, 2024 to October 31st, 2025.
- In the opinion of the Directors, no circumstances have arisen which have adversely affected the trading or the value of the assets of HBL.
- The current assets of HBL appear in the books at values which are believed to be realizable in the ordinary course of business.
- There are no contingent liabilities by reason of any guarantees or indemnities given by HBL.
- There have been no changes in the published reserves or any unusual factors affecting the financial position of HBL.

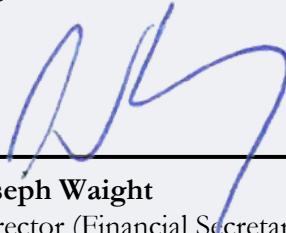
This report is hereby certified and signed by the Directors of HBL on December 10th, 2025.

Signed:



Lynn Young
Chairman, Board of Directors
Hydro Belize Limited

Signed:



Joseph Waight
Director (Financial Secretary, Ministry of
Finance)
Hydro Belize Limited

Signed:



Narda Garcia
Director (CEO Office of the Prime Minister,
Investment and Civil Aviation)
Hydro Belize Limited

Signed:



Kay Menzies
President and Chief Executive Officer
Hydro Belize Limited

15

Other Required Disclosure

15.1

LEGAL PROCEEDINGS

There are no existing, pending or threatened claims by or against the Company.

15.2

TRANSFER AGENT

Prudential Trust Corporation Limited shall be the Transfer Agent for the Shares. The Issuer may from time to time appoint such other institution as Transfer Agent. The Transfer Agent's responsibilities include establishing satisfactory procedures to process share purchase applications, share transfer instruments and distribution of share certificates. The shareholder register of the Company, listing all current shareholders, will be maintained by the Transfer Agent and kept at the Company.

15.3

PAYING AGENT

Atlantic Bank Limited shall be the Paying Agent for the Shares. The Paying Agent will keep a detailed record of all Share sale proceeds received and render to GOB and the Company a full report of all sale transactions relating to the Offering.

15.4

CONSTATING DOCUMENTS – THE ARTICLES

15.4.1

REMUNERATION OF DIRECTORS

The Articles of HBL provide that the remuneration of the directors shall from time to time be determined by the Company in general meeting. The directors shall also be entitled, in their absolute discretion and without the sanction of a general meeting, to repay to any director any travelling, hotel and other expenses properly incurred by him in attending and returning from meetings of the directors or any committee of the directors or general meetings of the Company or in connection with the business of the Company. Any director who, being so requested by the directors, performs special or extraordinary services on behalf of the Company, or who travels or resides outside Belize for the purpose of discharging his duties may be paid such extra remuneration (whether by way of lump sum, salary, commission or participation in profits or otherwise) as the directors determine.

The directors may from time to time appoint one or more of their number to any executive office including but not limited to that of Managing Director for such period, on such terms and at such remuneration (whether by way of salary, commission, participation in profits or otherwise) as they think fit.

The directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any other salaried office or place of profit with the Company or to his widow or dependents and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

15.4.2 POWERS OF DIRECTORS

15.4.2.1 MANAGEMENT

The business of the Company shall be managed by the directors and may exercise all such powers of the Company as are not by the Act or by the Articles required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Articles and the Act, and the exercise of such powers shall be subject also to the control of any general meeting of the Company, but not resolution of the Company in general meeting shall invalidate any prior act of the directors which would have been valid if that resolution had not been passed.

15.4.2.2 BORROWING

The Directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

15.4.2.3 INTERESTED CONTRACTS

A director may contract with and be interested in any way, whether directly or indirectly, in any actual or proposed contract or arrangement with the Company either as vendor, purchaser or otherwise, and shall not be liable to account for any profit made by him by reason of any such contract or arrangement, provided that the nature of the interest of the director in such contract or arrangement be declared at the meeting of directors at which the question is first taken into consideration, if his interest then exists, or in any other case at the next meeting of the directors held after he became interested, and it shall be the duty of the director so to declare his interest. No director shall vote as a director in respect of any contract or arrangement in which he shall be interested, and if he does so his vote shall not be counted: he may be required by the majority of the other Directors to withdraw during the discussion of such contracts or arrangements, but for this purpose he shall be counted in the quorum present at the meeting, and these prohibitions shall not apply to –

- (a) any arrangement for giving a Director any security for advances or by way of indemnity or to any allotment to or any contract or arrangement for the underwriting or subscription by a Director of shares or debentures of the Company: or
- (b) any contract or dealing in which the Director is interested by reason only of his being a director or other officer, employee or nominee of any corporation which, being a member of the Company or holding shares in a corporation which is a member of the Company, is interested in such contract or dealing, whether directly or indirectly, and this exception shall not cease to have effect merely by reason of the fact that the Director is also a shareholder or creditor of any such corporation or any corporation in which it is interested.

Provided that these provisions may at any time be suspended or relaxed to any extent by the Company in General Meeting.

A Director may hold office as a Director or manager of or be otherwise interested in any other corporation in which the Company is in any way interested and shall not (unless it is otherwise agreed) be liable to account to this Company for any remuneration or other benefits receivable by him from such other corporation. A Director may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with his office of Director, and on such terms as to remuneration and otherwise as the Directors shall arrange. A Director may act by himself or his firm in a professional capacity for the Company (except as Auditor to the Company) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

15.4.2.4 VARIATION OF CLASS RIGHTS

Any share in the Company may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital or otherwise as the Company may from time to time by special resolution determine. If at any time the share capital of the Company is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of an extraordinary resolution of the Company.

15.5 SHARE OWNERSHIP SCHEMES

The Company currently has no share ownership schemes in place.

Currently, none of the directors, senior officers or employees of the Company hold any shares, interests or securities in HBL.

16.1 STATEMENT OF RIGHTS

The Belize Securities Industry Act 2021, and the Regulations made under the Act, provide a purchaser with remedies for rescission and repayment of the purchase price or for damages if the Prospectus or any amendment contains a misrepresentation. The purchaser should refer to the Securities Industry Act, 2021 and the regulations made under that Act, for the particulars of these rights or consult with a legal adviser.

16.2 OTHER MEMBERS' REMEDIES

The Act expressly provides for certain remedies of shareholders (including ordinary shareholders) through the court, including but not limited to the following:

- i. securing an order directing the Company or director to comply with, or restraining the Company or director from engaging in conduct that contravenes the Act or the Articles;
- ii. instituting derivative actions, at the cost of the Company, in the name and on behalf of the Company or intervene in proceedings to which the Company is a party for the purpose of continuing, defending or discontinuing the proceedings on behalf of the Company;
- iii. bringing an action including a representative action against the Company for breach of a duty owed by the Company to him as a member; and
- iv. where the affairs of the Company are being or are likely to be conducted in a manner that is likely to be oppressive, unfairly discriminatory or unfairly prejudicial, applying to the court as a prejudiced member for certain orders including requiring the Company to acquire the shareholder's shares, pay compensation, regulating the future conduct of the Company, amending the Articles of the Company, appointing a receiver or liquidator of the Company, rectifying the records of the Company, or setting aside any decision made or action taken by the Company or its directors in breach of the Act or the Articles.

Material Contracts and Documents Available for Inspection

The following are the material contracts and documents available to prospective investors for inspection subject to the Financial Services Commission's determination and applicable acknowledgements or agreements as the case may be:

- i. Resolution Approving Prospectus;
- ii. Share Purchase Application Form;
- iii. Share Transfer Instrument;
- iv. Amended and Restated Articles of Incorporation of the Company;
- v. Share Purchase Agreement for Fortis Belize Limited Shares;
- vi. NERA Valuation Report;
- vii. Dam Safety Review Report 2017 and 2022 Update;
- viii. Dam Safety Review Report 2025;
- ix. Power Purchase Agreements for the Mollejon, Chalillo and Vaca Dams;
- x. Amended and Restated Franchise Agreement;
- xi. Guaranty Agreement with GOB;
- xii. Thermal and Additional Hydro Guaranty Agreement;
- xiii. Belize Telemedia Limited – Fortis Belize Redundant Wireless Link (Local Contractor) Agreement (Contract No. CON-2023-018 (CON-2024-002)) made as of February 20, 2024 between FBL and Belize Telemedia Limited;
- xiv. American Signal Corporation – Early Warning System Upgrades (International Contractor) Agreement (Contract No. CON-2024-003) made as of February 23, 2024 between FBL and American Signal Corporation;
- xvi. NJ Electrical Services Co. Ltd. – Fortis Belize– Chalillo Dam Emergency Power Supply & Headwater Cable New Routing Project Agreement (Contract No. CON-2025-005) made as of April 25, 2025 between FBL and NJ Electrical Services Co. Ltd.

Other Material Facts

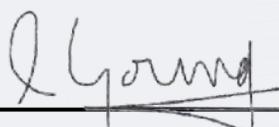
The franchise agreement provides for a lease term dating from 1st April, 2036 and ending to 2055 on the 50th anniversary of the Mollejon/Chalillo PPA 2055. Payment to GOB for the lease is on an annual basis, with US\$500,000 for the first year and US\$100,000 added onto the previous year's payment amount for each subsequent year.

Dated: January 5th, 2026

The foregoing constitutes full, true and plain disclosure of all material information relating to the issuer and the securities distributed by this Amended and Restated Prospectus and contains no misrepresentation that is likely to affect the value, or the market price of the securities being offered.

On behalf of the Board of Directors of Hydro Belize Limited

Signed:



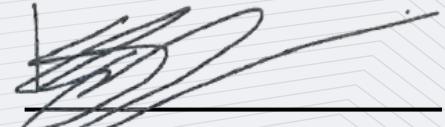
Lynn Young
Chairman, Board of Directors
Hydro Belize Limited

Signed:



Narda Garcia
Director, (CEO Office of the Prime
Minister, Hydro Belize Limited
Investment and Civil Aviation)
Hydro Belize Limited

Signed:



Kay Menzies
President & Chief Executive Officer
Hydro Belize Limited

On behalf of the Management of Hydro Belize Limited

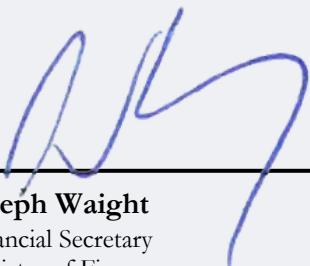
Signed:



Yaksim Betty Tam-Moreno
Vice President of Finance, Corporate Secretary and Chief Financial Officer
Hydro Belize Limited

On behalf of the Offeror, the Government of Belize

Signed:



Joseph Waight
Financial Secretary
Ministry of Finance

ANNEX 1

AUDITED FINANCIAL STATEMENTS 2024 AND INDEPENDENT AUDITOR'S REPORT

FORTIS BELIZE LIMITED

A Wholly Owned Subsidiary of Fortis Energy Cayman Inc.

Financial Statements for the Years Ended December 31, 2024 and 2023 and Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS AND SHAREHOLDERS OF FORTIS BELIZE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Fortis Belize Limited, which comprise the statements of financial position as of December 31, 2024 and 2023, and the statements of income and other comprehensive income, statements of changes in equity and statements of cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Fortis Belize Limited as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Fortis Belize Limited and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Partners: J.A. Baotiba • J. Orme

PKF Belize is a member of PKF Global, the auditor's network. PKF Global, its member firms and associated entities are not responsible for each other's acts or omissions and do not accept liability for the actions or inactions of any individual member or our non-member firms.

INDEPENDENT AUDITOR'S REPORT (continued)***Responsibilities of Management for the Financial Statements (continued)***

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Fortis Belize Limited's ability to continue as a going concern.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Fortis Belize Limited's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Fortis Belize Limited's ability to continue as a going concern for a reasonable period of time.



INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

PKF Belize

PKF Belize
Chartered Accountants
Belize City
March 6, 2025

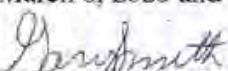
FORTIS BELIZE LIMITED

A Wholly Owned Subsidiary of Fortis Energy Cayman Inc.

STATEMENTS OF FINANCIAL POSITION**DECEMBER 31, 2024 AND 2023 (IN THOUSANDS OF US DOLLARS)**

	<u>Notes</u>	<u>2024</u>	<u>2023</u>
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	2c	<u>2,990</u>	1,712
Accounts receivable and prepayments	2d,3	<u>13,694</u>	7,011
Inventory	2e	<u>1,498</u>	<u>1,443</u>
Total current assets		<u><u>18,182</u></u>	<u>10,166</u>
NON-CURRENT ASSETS:			
Property, plant and equipment - net	2f,4	<u>92,997</u>	93,096
Total non-current assets		<u><u>92,997</u></u>	<u>93,096</u>
TOTAL ASSETS		<u>\$111,179</u>	<u>\$103,262</u>
LIABILITIES AND EQUITY			
CURRENT LIABILITIES:			
Accounts payable and accruals	2g,5	<u>843</u>	<u>1,213</u>
Total current liabilities		<u><u>843</u></u>	<u>1,213</u>
NON-CURRENT LIABILITIES:			
Long Term Payables	6	<u>504</u>	<u>374</u>
Total non-current liabilities		<u><u>504</u></u>	<u>374</u>
EQUITY:			
Share capital	7	<u>4,000</u>	4,000
Capital in excess of par		<u>9,400</u>	9,400
Contributed capital	2h	<u>310</u>	320
Retained earnings		<u>96,122</u>	87,955
Total equity		<u><u>109,832</u></u>	<u>101,675</u>
TOTAL LIABILITIES AND EQUITY		<u>\$111,179</u>	<u>\$103,262</u>

The financial statements on pages 4 to 7 were approved and authorized for issue by the Board of Directors on March 6, 2025 and are signed on its behalf by:



Director



Director

The notes on pages 8 to 17 are an integral part of these financial statements.

FORTIS BELIZE LIMITED

A Wholly Owned Subsidiary of Fortis Energy Cayman Inc.

**STATEMENTS OF INCOME AND OTHER COMPREHENSIVE INCOME
YEARS ENDED DECEMBER 31, 2024 AND 2023 (IN THOUSANDS OF US DOLLARS)**

	<u>Notes</u>	<u>2024</u>	<u>2023</u>
Revenues:			
Sale of electricity	2m	24,411	20,831
Maintenance fee	2m	1,195	930
Other (loss)/income	2m	312	<u>39</u>
Total revenues		<u>25,918</u>	<u>21,800</u>
Expenses:			
Operations	2n,8	3,541	3,242
Depreciation and amortization	2f,4	3,369	3,204
Administrative and general	2n,9	1,841	<u>1,707</u>
Total expenses		<u>8,751</u>	<u>8,153</u>
Profit for the year from continuing operations		<u>\$17,167</u>	<u>\$13,647</u>

The notes on pages 8 to 17 are an integral part of these financial statements.

FORTIS BELIZE LIMITED

A Wholly Owned Subsidiary of Fortis Energy Cayman Inc.

STATEMENTS OF CHANGES IN EQUITY**YEARS ENDED DECEMBER 31, 2024 AND 2023 (IN THOUSANDS OF US DOLLARS)**

	Share Capital	Capital in excess of par	Contributed Capital	Retained Earnings	Total
January 1, 2023	4,000	9,400	330	90,308	104,308
Comprehensive income:					
Profit from continuing operations	-	-	-	13,647	13,647
Transactions with owners of the Company recognized directly in equity:					
Amortization	-	-	(10)	-	(10)
Dividends (2o)	-	-	-	(16,000)	(16,000)
Total transactions with owners of the Company					
	-	-	(10)	(16,000)	(16,010)
December 31, 2023	\$4,000	\$9,400	\$320	\$87,955	\$101,675
January 1, 2024					
Comprehensive income:					
Profit from continuing operations	-	-	-	17,167	17,167
Transactions with owners of the Company recognized directly in equity:					
Amortization	-	-	(10)	-	(10)
Dividends (2o)	-	-	-	(9,000)	(9,000)
Total transactions with owners of the Company					
	-	-	(10)	(9,000)	(9,010)
December 31, 2024	\$4,000	\$9,400	\$310	\$96,122	\$109,832

The notes on pages 8 to 17 are an integral part of these financial statements.

FORTIS BELIZE LIMITED

A Wholly Owned Subsidiary of Fortis Energy Cayman Inc.

STATEMENTS OF CASH FLOWS**YEARS ENDED DECEMBER 31, 2024 AND 2023 (IN THOUSANDS OF US DOLLARS)**

	<u>2024</u>	<u>2023</u>
Operating activities:		
Net Earnings	<u>17,167</u>	13,647
Adjustments to reconcile profit to cash:		
Depreciation	3,369	3,204
Net (gain)/loss on disposal of assets	-	(21)
Amortization of capital contribution	<u>(10)</u>	<u>(10)</u>
Operating profit before working capital changes	<u>20,526</u>	16,820
Accounts receivable and prepayments	<u>(6,683)</u>	(1,788)
Inventory	<u>(55)</u>	(210)
Accounts payable and accruals	<u>(370)</u>	(39)
Long term payables	<u>130</u>	<u>33</u>
Cash from operating activities	<u><u>13,548</u></u>	<u>14,816</u>
Investing activities:		
Proceeds from disposal of asset	-	21
Additions to property, plant and equipment, net of reclassifications	<u>(3,270)</u>	<u>(3,801)</u>
Cash used in investing activities	<u><u>(3,270)</u></u>	<u>(3,780)</u>
Financing activities:		
Dividends paid	<u>(9,000)</u>	<u>(16,000)</u>
Cash used in financing activities	<u><u>(9,000)</u></u>	<u><u>(16,000)</u></u>
Changes in Cash and Cash Equivalents	1,278	(4,964)
Cash and Cash Equivalents at Beginning of Year	<u>1,712</u>	<u>6,676</u>
Cash and Cash Equivalents at End of Year	<u>\$2,990</u>	<u>\$1,712</u>

The notes on pages 8 to 17 are an integral part of these financial statements.

FORTIS BELIZE LIMITED

A Wholly Owned Subsidiary of Fortis Energy Cayman Inc.

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2024 AND 2023 (IN THOUSANDS OF US DOLLARS)

1. BUSINESS OF FORTIS BELIZE LIMITED

Fortis Belize Limited (“FBL”), formerly Belize Electric Company Limited (“BECOL”), is a private company incorporated in Belize on April 24, 1991 and duly registered under the Belize Companies Act, 2022 of the Laws of Belize. On June 3, 2022, the name of the Company was officially changed from Belize Electric Company Limited to Fortis Belize Limited. FBL owns and operates the 25 megawatt Mollejon hydroelectric facility, the 7.3 megawatt Chalillo hydroelectric facility and the 19 megawatt Vaca hydroelectric facility. The hydroelectric facilities are located on the Macal River. FBL’s principal activity is the generation of hydroelectric power.

FBL’s registered office is 15 A Street, Belize City, Belize.

On January 26, 2001, Fortis Energy Cayman Inc. (“FECI”) acquired 95% interest in FBL from Duke Energy Group Inc. Subsequently, in May 2004, FECI purchased the remaining 5% interest held in FBL by the Social Security Board of Belize (SSB). FECI is ultimately owned by Fortis Inc. of Newfoundland, Canada.

Pursuant to FBL’s Franchise Agreement and the revised Power Purchase Agreement, Third Master Agreement, dated November 21, 2001 (the “revised PPA”), all of the electricity generated by FBL is sold to Belize Electricity Limited (“BEL”) for a period of 50 years commencing on the first Commercial Operation Date (April 1, 1996). In September 2005, construction of the Chalillo hydroelectric facility was completed extending the terms of the revised PPA to the fiftieth anniversary of the New Project commencement date. On March 15, 2007, a new 50 year power purchase agreement (term commencing January 22, 2010) was signed with BEL related to power from the Vaca hydroelectric facility.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- a. Accounting Standards and Interpretation** – The Company utilizes accounting principles generally accepted in the United States (USGAAP) in preparing its financial statements.
- b. Changes in Accounting Policies** – FBL considers the applicability and impact of all Accounting Standards Updates (ASU) issued by the Financial Accounting Standards Board (FASB). The following updates have been issued by FASB. Any ASUs not included below were assessed and determined to be either not applicable to the FBL or are not expected to have a material impact on its financial statements.

The accounting policies applied herein are consistent with those outlined in the Company’s 2024 Annual Financial Statements, except as described below.

FORTIS BELIZE LIMITED

A Wholly Owned Subsidiary of Fortis Energy Cayman Inc.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)**YEARS ENDED DECEMBER 31, 2024 AND 2023 (IN THOUSANDS OF US DOLLARS)****2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****b. Changes in Accounting Policies (Continued)****i. New accounting policies adopted in 2024**

Accounting Standards Update 2023-01—Leases (Topic 842): Common Control Arrangements, effective for fiscal years beginning after December 15, 2023

The amendments in this Update provide a practical expedient for private entities to use the written terms and conditions of a common control arrangement to determine whether a lease exists and, if so, the classification of and accounting for that lease. The amendment in this Update also requires that leasehold improvements associated with common control leases, be amortized over the useful life of the leasehold improvements as long as the lessee controls the use of the leased asset and be accounted for as a transfer between entities through an adjustment to equity if and when the lessee no longer controls the use of the underlying asset.

Adoption did not have a material impact on the financial statements and related disclosures.

Accounting Standards Update 2020-06—Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity’s Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity’s Own Equity, effective for fiscal years beginning after December 15, 2023

The amendments in this Update reduce the complexity and improve comparability of financial reporting associated with accounting for convertible instruments and contracts in an entity’s own equity.

Adoption did not have a material impact on the financial statements and related disclosures.

There were no other accounting standards and amendments to accounting standards which became effective during fiscal year 2024 under US GAAP which were applicable to the Company. There were no changes to internal accounting policies or adaption of new accounting policies during 2024.

FORTIS BELIZE LIMITED

A Wholly Owned Subsidiary of Fortis Energy Cayman Inc.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2024 AND 2023 (IN THOUSANDS OF US DOLLARS)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**b. Changes in Accounting Policies (Continued)****ii. Future accounting pronouncements**

Accounting Standards Update 2022-03—Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions, effective for fiscal years beginning after December 15, 2024

The amendments in this Update clarify that a contractual restriction on the sale of an equity security is not considered part of the unit of account of the equity security and, therefore, is not considered in measuring fair value. The amendments also clarify that an entity cannot, as a separate unit of account, recognize and measure a contractual sale restriction.

Adoption is not expected to have a material impact on the financial statements and related disclosures.

c. Cash and Cash Equivalents – Cash and cash equivalents include cash on hand, deposit held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

d. Accounts Receivable and prepayments – Accounts receivable represents mainly the balance due from BEL for energy sold pursuant to the terms and conditions of the PPAs plus other miscellaneous receivables and an immaterial related party balance. Accounts receivable are initially recorded at fair value and subsequently measured at amortized cost, net of current expected credit losses (CECL).

Prepayments represent insurance, license, and other costs paid in advance of their intended use or coverage. Prepayments are expensed in the period the service is received.

e. Inventory – Spare parts inventory is valued at cost using the specific identification method or at market value, if lower.

FORTIS BELIZE LIMITED

A Wholly Owned Subsidiary of Fortis Energy Cayman Inc.

NOTES TO FINANCIAL STATEMENTS (CONTINUED) **YEARS ENDED DECEMBER 31, 2024 AND 2023 (IN THOUSANDS OF US DOLLARS)**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Property, Plant and Equipment - Property, plant and equipment are recorded at cost less accumulated depreciation. Maintenance and repairs are charged against earnings, while renewals and betterments are capitalized.

FBL's 1,200-acre grant land on which the Mollejon facility is located will revert to the Government of Belize upon the expiration of the revised PPA. The terms in relation to the land on which the Chalillo and Vaca facilities are located are provided for within the franchise agreements. FBL is seeking to formalize these terms by way of a formal legal document.

Depreciation - Depreciation on the facilities is computed using the straight-line method over a 50-year estimated useful life in accordance with the PPAs. Depreciation on equipment and betterments is computed using the straight-line method over the estimated useful lives of such items being 2-50 years.

g. Accounts Payable and accruals – Trade and other payables are stated at their nominal value.

h. Contributed Capital – Contributions from external parties towards assets are recorded as contributed capital and amortized to income over the useful life of the related asset.

i. Impairment – FBL recognizes current expected credit losses (CECL) to reduce accounts receivable for amounts estimated to be uncollectible. The value of the CECL is made based on experience of historical loss data as well as current conditions and forward-looking considerations that incorporate lifetime expected credit losses. Accounts receivable are written off in the period in which they are deemed uncollectible.

The Company also reviews the valuation of property plant and equipment, intangible assets with finite lives, and other long-term assets when events or changes in circumstances indicate that the total undiscounted cash flows expected to be generated by the asset may be below carrying value. If that is determined to be the case, the asset is written down to estimated fair value and an impairment loss is recognized.

j. Taxation – FBL's Franchise Agreement between the Government of Belize and the original project developers exempts FBL from all tax obligations pursuant to the Mollejon Hydroelectric Project (Exemptions from Taxes and Duties) Act, Chapter 59 of the Laws of Belize, Revised Edition 2000 - 2003 and amendments thereto.

FORTIS BELIZE LIMITED

A Wholly Owned Subsidiary of Fortis Energy Cayman Inc.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2024 AND 2023 (IN THOUSANDS OF US DOLLARS)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- k. Functional and Presentation Currency** – The financial statements are prepared in United States dollars. The Company's functional currency is the Belize dollar. That is the currency of the primary economic environment in which the Company operates.
- l. Translation of Foreign Currencies** – Transactions in foreign currencies during the period are translated into Belize dollars at the rates ruling on the dates of the transactions. Foreign currency balances outstanding at the Balance Sheet date are translated at the rates ruling on that date. Gains or losses on ordinary foreign exchange transactions are included in results of operations. The official rate of exchange for the US Dollar is fixed at BZ\$2 = US\$1.
- m. Revenue Recognition** – FBL recognizes revenues based on the net kilowatt-hours sold to BEL within a specific month as calculated based on the PPAs. Revenue from the sale of electricity and other income are recognized in the accounting period earned.

In accordance with the Power Purchase Agreement, interest is charged on overdue receivables on overdue balances. Interest income is recognized in the period earned and is included under Other Income in the statement of comprehensive income.

- n. Expense Recognition** – Expenses are recognized in the period in which they are incurred.
- o. Dividends on ordinary shares** – Dividends are paid after approval by the Company's Board of Directors.
- p. Estimates** - The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

Actual results could differ from the current estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known. The estimates that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year would be the estimated useful lives of property and equipment.

FORTIS BELIZE LIMITED

A Wholly Owned Subsidiary of Fortis Energy Cayman Inc.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)**YEARS ENDED DECEMBER 31, 2024 AND 2023 (IN THOUSANDS OF US DOLLARS)****2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- q. Financial Instruments** – The financial instruments of the Company consist primarily of accounts receivable, accounts payable and accrued charges. Unless otherwise disclosed, the fair value of these financial instruments approximates carrying value because of the short-term nature of these instruments.
- r. Changes in accounting policies** - No changes to the accounting policies were identified and the comparative information has accordingly remained unchanged since the prior reporting period.

3. ACCOUNTS RECEIVABLE AND PREPAYMENTS

	<u>2024</u>	<u>2023</u>
Trade receivables	12,329	6,134
Receivable from staff	5	4
Prepayments	334	625
Interest receivable	413	112
Other receivables	595	120
Receivable from related parties	18	16
	<u>\$13,694</u>	<u>\$7,011</u>

4. PROPERTY, PLANT AND EQUIPMENT

	Buildings and facilities	Plant, machinery and equipment	Work in progress	Total
Cost				
Brought forward, January 1, 2024	135,088	6,070	5,230	146,388
Additions	-	-	3,728	3,728
Transfers	1,612	4,440	(6,052)	-
Reclassification	-	-	(458)	(458)
Disposals	-	(1)	-	(1)
Carried forward, December 31, 2024	136,700	10,509	2,448	149,657

FORTIS BELIZE LIMITED

A Wholly Owned Subsidiary of Fortis Energy Cayman Inc.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)**YEARS ENDED DECEMBER 31, 2024 AND 2023 (IN THOUSANDS OF US DOLLARS)****4. PROPERTY, PLANT AND EQUIPMENT (Continued)****Accumulated Depreciation**

Brought forward, January 1, 2024	50,119	3,173	-	53,292
Additions	2,916	453	-	3,369
Disposals	-	(1)	-	(1)
Carried forward, December 31, 2024	53,035	3,625	-	56,660
Net Book Value				
December 31, 2024	\$83,665	\$6,884	\$2,448	\$92,997

Cost

Brought forward, January 1, 2023	135,088	5,860	1,704	142,652
Additions	-	-	3,800	3,800
Transfers	-	274	(274)	-
Disposals	-	(64)	-	(64)
Carried forward, December 31, 2023	135,088	6,070	5,230	146,388

Accumulated Depreciation

Brought forward, January 1, 2023	47,263	2,889	-	50,152
Additions	2,856	348	-	3,204
Disposals	-	(64)	-	(64)
Carried forward, December 31, 2023	50,119	3,173	-	53,292
Net Book Value				
December 31, 2023	\$84,969	\$2,897	\$5,230	\$93,096

5. ACCOUNTS PAYABLE AND ACCRUALS

	<u>2024</u>	<u>2023</u>
Trade payables	172	384
General sales tax payable	269	359
Other payables and accruals	398	383
Payable to related parties (see note 11)		
Fortis Inc	<u>4</u>	<u>8</u>
	<u>\$843</u>	<u>\$1,213</u>

FORTIS BELIZE LIMITED

A Wholly Owned Subsidiary of Fortis Energy Cayman Inc.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)**YEARS ENDED DECEMBER 31, 2024 AND 2023 (IN THOUSANDS OF US DOLLARS)****6. LONG TERM PAYABLES**

	<u>2024</u>	<u>2023</u>
Severance payable	303	265
Payable to related parties:		
* Performance Share Units (see below)	<u>201</u>	<u>109</u>
	<u>\$504</u>	<u>\$374</u>

*The Performance Share Units (PSU) Plan is a medium-term incentive scheme which gives executive management the opportunity to earn “units” based on the performance of the Company. Each unit is granted to a participant as a bonus in respect of services rendered by such participant. Cash payouts are awarded at the third anniversary of the granting of the units.

7. SHARE CAPITAL

	<u>2024</u>	<u>2023</u>
Authorized:		
10,000,000 ordinary shares at \$0.50 par value	<u>\$5,000</u>	<u>\$5,000</u>
Issued and fully paid:		
8,000,000 ordinary shares at \$0.50 par value	<u>\$4,000</u>	<u>\$4,000</u>

8. OPERATING EXPENSES

	<u>2024</u>	<u>2023</u>
Defined contribution pension plan	56	57
Materials and supplies	143	107
Repairs and maintenance	973	898
Salaries and employee benefits	<u>2,369</u>	<u>2,180</u>
	<u>\$3,541</u>	<u>\$3,242</u>

9. GENERAL AND ADMINISTRATIVE EXPENSES

	<u>2024</u>	<u>2023</u>
Insurance	562	524
Management fees	381	351
Professional fees	130	199
Public relations	136	176

FORTIS BELIZE LIMITED

A Wholly Owned Subsidiary of Fortis Energy Cayman Inc.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2024 AND 2023 (IN THOUSANDS OF US DOLLARS)

9. GENERAL AND ADMINISTRATIVE EXPENSES (Continued)

	<u>2024</u>	<u>2023</u>
Other G&A	487	299
Utilities	145	158
	<u>\$1,841</u>	<u>\$1,707</u>

10. OTHER MATTERS

In accordance with the PPA for Mollejon & Chalillo, FBL is entitled to receive an operation and maintenance fee (O&M) from BEL equal to 5% of BEL's revenues from the resale of energy delivered by FBL from the Mollejon and Chalillo facilities. The formula requires both losses and the resale rate information from the customer. In accordance with the PPA, Vaca tariffs are subject to an annual escalation adjustment commencing in the year 2010 to calculate both its energy and capacity charges. Spilled energy may also be charged depending on the circumstances.

11. RELATED PARTY TRANSACTIONS

During the year, FBL entered into transactions with related parties summarized as follows:

	Fortis Inc.	
Expenses	2024	2023
Administration and operating expense	\$ 214	\$ 195
Management fees	\$ 250	\$ 250

The amounts owing to and from related parties at December 31 are summarized as follows:

	2024	2023
*Fortis Inc.	\$4	\$ 87

*See note 5.

12. COMMITMENTS AND CONTINGENCIES

Commitments for the purchase of goods and services as of December 31, 2024 were as follows:

Payments due in 2025	505
Payments due in 2026	99
Payments due in 2027	-
Total	<u>\$604</u>

FORTIS BELIZE LIMITED

A Wholly Owned Subsidiary of Fortis Energy Cayman Inc.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)**YEARS ENDED DECEMBER 31, 2024 AND 2023 (IN THOUSANDS OF US DOLLARS)**

The Company is subject to various legal proceedings and claims associated with ordinary course business operations. Management believes that the amount of liability, if any, from these actions would not have a material effect on the Company's financial position or results of operations.

13. FINANCIAL RISK MANAGEMENT

The Company has exposure to credit risk and liquidity risk as a result of holding financial instruments in the normal course of business.

Credit Risk: The Company has one customer which concentrates this risk. Service provided to this customer is governed by contract which includes the levy of interest charges for late payment.

As at December 31, 2024, BEL owed FBL approximately US\$12.3 million (2023 – US\$6.1 million) for energy purchases of which \$7.5 million was overdue (none overdue in 2023). In accordance with long-standing agreements, the Government of Belize guarantees the payment of BEL's obligations to FBL.

Liquidity Risk: The Company is exposed to this risk in meeting its operational obligations. The Company closely monitors and manages funds available for operations.

14. POST – REPORTING DATE EVENTS

No adjusting or significant non-adjusting events have occurred between the December 31 reporting date and the date of authorization for issuance of the financial statements.

* * * * *

ANNEX 2

INTERIM FINANCIAL STATEMENTS 2025

HYDRO BELIZE LIMITED (FORMERLY FORTIS BELIZE LIMITED)
A Wholly Owned Entity of The Government of Belize

Financial Statements for the 10 months ended October 31, 2025 (unaudited) and 12 months ended 2024 (audited)

Financial Position

(\$ thousands)	Y2025*	Y2024	Variance			
			Value	Percent		
ASSETS						
CURRENT ASSETS:						
Cash and cash equivalents	2,237	2,990	(752)	(25.2%)		
Accounts receivable and prepayments	8,654	13,694	(5,041)	(36.8%)		
Inventory	1,536	1,498	38	2.5%		
Total current assets	12,427	18,182	(5,755)	(31.7%)		
NON-CURRENT ASSETS:						
Property, plant and equipment - net	92,260	92,997	(738)	(0.8%)		
Total non-current assets	92,260	92,997	(738)	(0.8%)		
TOTAL ASSETS	104,687	111,179	(6,492)	(5.8%)		
LIABILITIES AND EQUITY						
CURRENT LIABILITIES:						
Accounts payable and accruals	876	842	34	4.0%		
Total current liabilities	876	842	34	4.0%		
NON-CURRENT LIABILITIES:						
Long term payables	286	505	(219)	(43.4%)		
Total non-current liabilities	286	505	(219)	(43.4%)		
EQUITY:						
Share capital	4,000	4,000	0	0.0%		
Capital in excess of par	9,400	9,400	0	0.0%		
Contributed capital	302	310	(8)	(2.7%)		
Retained earnings	89,824	96,122	(6,299)	(6.6%)		
Total equity	103,525	109,832	(6,307)	(5.7%)		
TOTAL LIABILITIES AND EQUITY	104,687	111,179	(6,492)	(5.8%)		

* Y2025 = 10 months

Results of Operations

(\$ thousands)	Y2025*	Y2024	Variance	
			Value	Percent
REVENUE				
Sale of electricity	20,794	24,411	(3,616)	(14.8%)
Maintenance fee	1,006	1,195	(189)	(15.8%)
Other (loss)/income	1,168	313	856	273.6%
Total revenues	22,969	25,919	(2,949)	(11.4%)
EXPENSES				
Operating costs	3,410	3,542	(131)	(3.7%)
Depreciation and amortization	2,937	3,369	(432)	(12.8%)
Administrative and general	1,678	1,841	(163)	(8.9%)
Total expenses	8,025	8,752	(727)	(8.3%)
Net earnings	14,944	17,167	(2,223)	(12.9%)

* Y2025 = 10 months

Statement of Cash Flows

(\$ thousands)	Y2025*	Y2024	Variance	
			Value	Percent
Operating activities:				
Net Earnings	14,944	17,167	(2,223)	(12.9%)
Adjustments to reconcile profit to cash:				
Depreciation	2,937	3,369	(432)	(12.8%)
Net (gain)/loss on disposal of assets	(16)	0	(16)	0.0%
Amortization of capital contribution	(8)	(10)	2	(16.7%)
Operating profit before working capital changes	17,857	20,526	(2,669)	(13.0%)
Accounts receivable and other assets	5,041	(6,683)	11,723	(175.4%)
Inventory	(38)	(55)	17	(30.3%)
Accounts payable	34	(370)	404	(109.1%)
Long term payable	(219)	130	(350)	(268.2%)
Cash from operating activities	22,674	13,549	9,126	67.4%
Investing activities:				
Proceeds from disposal of asset	30	0	30	0.0%
Additions to property, plant and equipment	(2,214)	(3,270)	1,057	(32.3%)
Cash used in investing activities	(2,184)	(3,270)	1,087	(33.2%)
Financing activities:				
Dividends paid	(21,243)	(9,000)	(12,243)	136.0%
Cash used in financing activities	(21,243)	(9,000)	(12,243)	136.0%
Changes in Cash and Cash Equivalents	(752)	1,278	(2,031)	(158.9%)
Cash and Cash Equivalents at Beginning of Year	2,990	1,712	1,278	74.7%
Cash and Cash Equivalents at End of Year	2,237	2,990	(752)	(25.2%)

* Y2025 = 10 months

Statement of Changes in Equity

(\$ thousands)	Share Capital	Capital in excess of par	Contributed Capital	Retained Earnings	Total
December 31, 2023	4,000	9,400	320	87,955	101,675
Comprehensive income:					
Profit from continuing operations	-	-	-	17,167	17,167
Transactions with owners of the Company recognized directly in equity:					
Amortization	-	-	(10)	-	(10)
Dividends	-	-	-	(9,000)	(9,000)
Total transactions with owners of the Company	-	-	(10)	(9,000)	(9,010)
December 31, 2024	4,000	9,400	310	96,122	109,832
December 31, 2024	4,000	9,400	310	96,122	109,832
Comprehensive income:					
Profit from continuing operations	-	-	-	14,944	14,944
Transactions with owners of the Company recognized directly in equity:					
Amortization	-	-	(8)	-	(8)
Dividends	-	-	-	(21,243)	(21,243)
Total transactions with owners of the Company	-	-	(8)	(21,243)	(21,251)
October 31, 2025	4,000	9,400	302	89,824	103,525

ANNEX 3

LEGAL OPINION

December 10, 2025

Government of Belize
Sir Edney Cain Building
Belmopan, Cayo District
Belize

Dear Sirs,

Re: Legal Opinion on the Proposed Initial Public Offering of Shares in Hydro Belize Limited

A. Introduction

1. We act as legal counsel to the Government of Belize (“**GOB**”), the sole shareholder of Hydro Belize Limited (“the **Company**”). We have been asked to provide a legal opinion in respect of the legality of the proposed initial public offering of 4,000,000 shares in the Company (“the **Shares**”) by GOB (“the **Transaction**”).
2. This opinion is being delivered in connection with a prospectus (“the **Prospectus**”) to be issued by GOB in respect of the Transaction. For the purposes of this opinion, we have examined the Prospectus and the following documents relating to, and to be entered into as part of the Transaction:
 - i. A draft of the form of Share Transfer Instrument for the transfer of the Shares;
 - ii. A draft of the form of Share Purchase Application Form; and
 - iii. A draft of the form of Share Certificate to be issued by the Company to successful applicants.(together with the Prospectus, “the **Transaction Documents**”)
3. We have further examined the following documents and records:
 - i. The Belize Electricity Investments Act, 2025, Act No. 20 of 2025 (the “**Act**”);
 - ii. The Amended and Restated Articles of Incorporation of the Company (the “**Articles**”);
 - iii. The Detailed Extract of the Company dated the 10th day of December, 2025;
 - iv. The Certificate of Good Standing of the Company issued by the Belize Companies and Corporate Affairs Registry dated the 3rd day of December, 2025;
 - v. Copies of directors’ and shareholder resolutions of HBL approving the Transaction, the Transaction Documents, and authorising the execution and delivery of the same (the “**Resolutions**”); and

EAMON H. COURtenay SC
CHRISTOPHER COYE
DENISE A.T. COURtenay SC
PRICILLA J. BANNER SC
ILIANA N. SWIFT

STACEY N. YSAGUIRRE
SOL ESPEJO-MOLINA
LENI YSAGUIRRE MCGANN
ALYSON G. COURtenay BHOJWANI
AMERIE A. CASTILLO
JORGE M. MATUS

15 A STREET, P.O. BOX 234
BELIZE CITY, BELIZE

TEL: +(501) 223-1476 | 1478
E: ADVICE@COURTENAYCOYE.COM
WWW.COURTENAYCOYE.COM



vi. Information revealed by the search of the records of proceedings on file with, and available for inspection on the 10th day of December, 2025 at the Registry of the High Court of Belize ("the **Search**").

(collectively, "the **Reviewed Documents**")

B. Assumptions

4. In giving this opinion, we have assumed the following:

- (a) the authenticity of all documents submitted to us as originals, the conformity with the originals of all documents submitted to us as copies, and the genuineness of all signatures and seals;
- (b) the accuracy and completeness of all corporate resolutions, certificates, documents and records which we have seen, and the accuracy of any and all representations of fact expressed in or implied thereby and otherwise as set forth in the Transaction Documents;
- (c) that the Act is now in full force and effect;
- (d) that the constitutional documents of the Company including but not limited to the Articles and the corporate resolutions, certificates and records which have been provided to us are now in full force and effect and will not be modified, amended or revoked in any respect from the respective date of issuance or adoption through, up to and on the date of execution of the Transaction Documents;
- (e) that all Transaction Documents will be duly authorised, executed and delivered by all parties thereto and will constitute legal, valid and binding obligations of such parties under their governing laws;
- (f) that the Prospectus has been, or will be, duly approved by the Financial Services Commission of Belize prior to its publication and use in connection with the Transaction;
- (g) that there are no other resolutions, agreements, documents or arrangements which affect the Transaction Documents and the transactions contemplated thereby;
- (h) that the information indicated by the Search is complete and remains true and correct;
- (i) that the Company's directors are properly exercising their powers in good faith, and that they have properly disclosed any conflicts of interest required by law to be disclosed; and
- (j) that GOB has entered into the Transaction Documents for its own account and not as agent, manager, broker of any person or entity.



C. Opinion

5. On the basis of such examination, our reliance upon the assumptions contained herein and our consideration of those questions of law we considered relevant, and subject to the limitations and qualifications expressed herein, we are of the opinion that:
 - i. **Existence and Good Standing.** The Company is a Belize company duly incorporated under the Belize Companies Act, Act No. 11 of 2022, is validly existing and is in good standing under the laws of Belize. It is a separate legal entity and is subject to suit in its own name.
 - ii. **Share capital.** The authorised share capital of the Company is BZ\$10,000,000 divided into 10,000,000 ordinary shares of BZ\$1.00 par value each. Based on the Reviewed Documents, the issued and outstanding share capital of the Company is 8,000,000 ordinary shares, all of which are registered in the name of GOB. Based on the Reviewed Documents, the Shares have been validly issued in accordance with the Belize Companies Act and the Articles and are fully paid.
 - iii. **Capacity.** Pursuant to Article 7 of the Articles, the Company has full corporate capacity and power to carry on its business as described in the Prospectus.
 - iv. **Capacity of GOB as Selling Shareholder.** Under the laws of Belize, GOB has the legal capacity to hold, own and dispose of shares. GOB is entitled under the Act and the laws of Belize to (i) divest its shares in the Company, (ii) enter into, execute, deliver and perform its obligations under the Transaction Documents as applicable and (iii) to effect the transfer of legal title to the Shares in the Company pursuant to the Transaction.
 - v. **Due Execution.** The Transaction Documents will be duly executed for and on behalf of GOB and the Company as the case may be once duly executed in accordance with the Resolutions.
 - vi. **Valid and Binding.** The Transaction Documents once duly executed as aforesaid will be treated by the courts of Belize as the legally binding, valid and enforceable obligations of GOB and the Company as the case may be.
 - vii. **No conflict.** The execution, delivery and performance by GOB and the Company of the Transaction Documents and its participation in the Transaction as contemplated by the Prospectus, will not:
 - a. conflict with or result in a breach of any provision of the Articles; or
 - b. constitute a breach of any existing provision of the laws of Belize.
 - viii. **Consents.** No consents, licences, approvals, authorisations or reporting to any governmental, regulatory or official authorities or agencies of or in Belize are necessary or required by law for the entry into and performance by the Company of its obligations and



the exercise of its rights pursuant to the Transaction Documents SAVE AND EXCEPT the approval of the Prospectus by the Financial Services Commission of Belize.

- ix. **Stamp Duty and Exchange Control.** No stamp duty, exchange control approval, or similar taxes, duties, fees, or charges are payable or required in Belize in connection with the Transaction.
- x. **High Court Search.** No court proceedings pending against the Company are indicated by our search of Belize High Court Registry referred to at paragraph 3(vi).

D. Qualifications

- 6. This opinion is subject to the following qualifications:
 - (a) We express no opinion on the laws of any jurisdiction other than Belize. In particular, we express no opinion on the enforceability of the Transaction Documents in any foreign court or the recognition by such courts of any judgment of a Belize court.
 - (b) We have made no independent investigation of the facts stated in the Reviewed Documents or otherwise furnished to us, and we express no opinion as to any factual or accounting matters. We express no opinion with respect to the commercial terms of the Transaction the subject of this opinion.
 - (c) We have relied without verification upon certificates and corporate records of the Company and of relevant governmental registries.
 - (d) We express no opinion on the tax consequences of the Transaction to any party, or on anti-money laundering, sanctions or similar regulations, except to the extent, if any, expressly stated in this opinion.
 - (e) The Search is not conclusive, and the records of the courts may not be complete or up to date. It is possible that matters may exist or have been commenced which have not been disclosed by the Search or which have been commenced after the date of the Search.
 - (f) We express no opinion on the extent to which GOB may be entitled, under the laws of Belize or principles of public international law, to claim sovereign immunity from suit, execution, attachment or other legal process.
- 7. This opinion is given solely for the benefit of GOB in connection with the Transaction and may not be used or relied upon for any other purpose. Save for GOB, no person shall be entitled to assert any rights or liabilities arising out of or in connection with this opinion, and no responsibility is accepted for any reliance placed thereon by persons other than as expressly permitted herein.



8. This opinion is given as at the date hereof. The laws of Belize may change, whether by legislative action, judicial decision or administrative interpretation, and such changes could have retroactive effect. We assume no responsibility to notify any person of any such changes occurring after the date of this opinion.

Yours truly,

COURTENAY COYE LLP
Per: Christopher Coye
Attorney-at-Law

EAMON H. COURTENAY SC
CHRISTOPHER COYE
DENISE A.T. COURTENAY SC
PRICILLA J. BANNER SC
ILIANA N. SWIFT

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ANNEX 4

RESOLUTION APPROVING PROSPECTUS

HYDRO BELIZE LIMITED
Belize Companies Act, No. 11 of 2022

Written Resolution of the Sole Shareholder

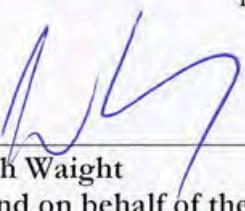
WHEREAS:

- i. The Government of Belize (“**GOB**”), being the sole shareholder of the Company and as duly authorized under the Belize Electricity Investments Act, intends to divest a portion of its shareholding in Hydro Belize Limited (“the **Company**”) by way of a public offering of up to 4,000,000 of its shares (“the **Public Offering**”).
- ii. In connection with the Public Offering, a Prospectus has been prepared in accordance with Part VI of the Securities Industry Act, setting out the terms of the Public Offering.
- iii. GOB considers it necessary and in the best interests of the Company that the Public Offering shall also be approved by the Company in general meeting.

NOW THEREFORE IT IS HEREBY RESOLVED THAT:

1. The divestment by GOB of up to 4,000,000 of its issued shares in the Company by way of the Public Offering is hereby approved and authorized as contemplated by the Prospectus.
2. The Prospectus is hereby approved for filing and public distribution, subject to any authorizations necessary.
3. The Board of Directors of the Company is hereby authorized and directed to take all steps as may be required to give effect to the Public Offering and the sale and transfer of GOB’s shares as contemplated by the Prospectus including entry into ancillary agreements as referenced therein.

DATED this 10th day of December 2025



Joseph Waight
For and on behalf of the Government of Belize

ANNEX 5

FORM OF SHARE PURCHASE APPLICATION FORM

Share Purchase Application Form

This form is for the exclusive use of applicants applying to purchase shares in

HYDRO BELIZE LIMITED

pursuant to a public offering of 4,000,000 Ordinary Shares held by the Government of Belize

**Minimum Share Purchase – 1 Ordinary Share
Share Price – BZ\$29.00 per share**

SECTION A – APPLICANT DETAILS

IF AN INDIVIDUAL

Full Name(s): _____

Address: _____

ID Number (SSN or Passport No.): _____

Contact Number: _____

Email: _____

IF A COMPANY OR INSTITUTION

Name of Company/Institution: _____

Name of Authorized: _____

Position/Title: _____

ID Number of Authorized (SSN or Passport No.): _____

Contact Number: _____

Email: _____

SECTION B – SHARE APPLICATION

Number of Shares Applied For: _____

Total Purchase Price (BZ\$): _____

Method of Payment:

Bank Draft Wire Transfer Other (specify): _____

(Please submit proof of payment or transfer confirmation where applicable.)

SECTION C – DECLARATION AND UNDERTAKING

I/We hereby declare and agree that:

1. I/We have read and understood the contents of the Prospectus and the terms and conditions governing this Public Offering.
2. I/We understand that this is an irrevocable offer to purchase the number of shares stated above and I/we agree to accept any lesser number of shares that may be allocated to me/us at the discretion of GOB.
3. I/We confirm that the remittance submitted in respect of this Application will be honored on first presentation.
4. I/We understand and accept that this Public Offering is being made in Belize only, and is being conducted in compliance with the applicable laws of Belize.
5. I/We warrant and represent that all information provided in this Application is true, complete and accurate in all material respects.
6. I/We declare that the monies representing the purchase price for the shares are not derived from the proceeds of crime. I/We further acknowledge and agree to provide any Paying Agent and/or Transfer Agent appointed for this Public Offering any additional information, documentation, declarations and verification for the purposes of identity verification, source of funds confirmation and regulatory compliance.
7. I/We have attained the age of majority and have the capacity to contract, or if a corporate applicant, the officer herein named has full corporate authority to contract and bind the company.
8. I/We consent to the use of my/our personal information for purposes of processing this application and registering the shares in my/our name(s) in the Register of Members of the Company.
9. I/We undertake to provide and complete any additional forms, documentation, information, or verification reasonably required under any applicable laws and regulations.

Signature of Applicant / Authorized Signatory: _____

Date: _____

SECTION D – FOR OFFICIAL USE ONLY

Date Received: _____

Application No.: _____

Payment Received: Yes No **Amount:** _____

Documents Verified: Yes No

Remarks: _____

ANNEX 6

FORM OF SHARE TRANSFER INSTRUMENT

HYDRO BELIZE LIMITED
(INCORPORATED UNDER THE BELIZE COMPANIES ACT, 2022)

TRANSFER OF SHARES

WE, **THE GOVERNMENT OF BELIZE**, (hereinafter called the "**Transferor**"), in consideration of the sum of [] (BZ\$ []) (the receipt whereof is hereby acknowledged) paid to us by [] (hereinafter called the "**Transferee**") HEREBY TRANSFER [] shares, each of par value BZ\$1.00, numbered [], in the capital of the Company known as **HYDRO BELIZE LIMITED**, unto the Transferee subject to the several conditions on which the Transferor held the same immediately before the transfer on the date hereof, and the Transferee HEREBY AGREES to accept and take the said shares subject to the conditions aforesaid.

IN WITNESS WHEREOF the parties hereto have set their hands and seals hereunto effective as of the date first written above.

SIGNED for and on behalf of)
THE GOVERNMENT OF BELIZE) _____
By) []
On the day of 2026)
in the presence of:-)

Witness

SIGNED for and on behalf of)
[]) _____
By)
On the day of 2026)
in the presence of:-)

Witness



ANNEX 7

FORM OF SHARE CERTIFICATE

Certificate Number

Share(s)



Belize Companies Act, 2022

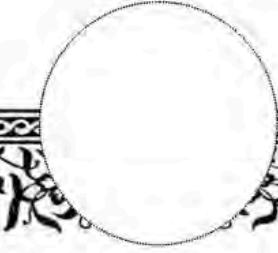
HYDRO BELIZE LIMITED

THIS IS TO CERTIFY that [] of [] is the registered proprietor of [] shares of \$1.00 each numbered [] inclusive in the capital of the Company subject to the memorandum and articles of association of the Company and transferable only upon the production of this certificate properly endorsed, and that the sum of [] has been paid up in respect of each of such shares.

GIVEN under the Common Seal of the Company.

this day of []

Director



ANNEX 8

DETAILED EXTRACT OF HBL



BELIZE COMPANIES & CORPORATE AFFAIRS REGISTRY

DETAILED EXTRACT ABOUT COMPANY

REQUEST INFORMATION

Business Entity Registration No.	000034487
Extract Date and Time	31/12/2025 12:03:53 (time zone GMT-6)
Extract Ordered by	PRUDENTIAL TRUST CORPORATION LIMITED

BUSINESS ENTITY PARTICULARS

Name	Hydro Belize Limited
Business Entity Category	Public Company
Former Registration No.	3124
Representative	PRUDENTIAL TRUST CORPORATION LIMITED
Status	Active
Registration Date	24/04/1991
Last Change Date	22/12/2025
Accounting Date	30/06
Business Operates Solely in Belize	YES

REGISTERED OFFICE ADDRESS

Address	Belize, Belize, Belize City, 15 A Street, King's Park
Contacts	E-mail: apextrust@btl.com Phone Number: 2231476

GENERAL NATURE OF THE BUSINESS

Business Activity Class	3510 - Electric Power Generation, Transmission and Distribution
Description of Activity	To carry on business as generators and suppliers of electricity.
Main Activity	YES

DIRECTORS

1	Full Name	Kay Laura Menzies
	Nationality	Belizean
	Relation	From 01/06/2021



Deputy Registrar, Belize Companies & Corporate Affairs

1 of 3

2	Full Name	Joseph Dismas Waight
	Nationality	Belizean
	Relation	From 31/10/2025
3	Full Name	Lynn Raymond Young
	Nationality	Belizean
	Relation	From 31/10/2025
4	Full Name	Narda Elizabeth Garcia
	Nationality	Belizean
	Relation	From 31/10/2025

SHAREHOLDERS

Department	Finance Department
Description	
Contacts	E-mail: joseph.waight@mof.gov.bz Phone Number: 5018222362
Address	Belize, Cayo, Belmopan City, Sir Edney Cain Bldg.
Relation	From 31/10/2025

SHAREHOLDING PERCENTAGE

Shareholders	Finance Department
Shareholding Percentage	80%

SHARE CAPITAL

Authorized Shares Unlimited	NO
Authorized Shares (Max)	10000000
Share Capital Type	Par Value
Share Capital	10,000,000.00 BZD

SHARE DETAILS

Class of Shares	Ordinary (Common) Shares
Series of Shares	0000001-8,000,000
Number of Shares	8000000
Value per Share in Share Capital	1
Currency	
Shareholder	Finance Department
Allotment Date	31/10/2025

ULTIMATE BENEFICIAL OWNERS

Full Name	Joseph Dismas Waight
Nationality	Belizean



Deputy Registrar, Belize Companies & Corporate Affairs

2 of 3

Relation

From 31/10/2025

NOTE. Information printed from the Register is true and complete as per extract generation date and time.
Please be advised to refer to Online Business Registry System for an up-to-date information regarding
given business entity.



Deputy Registrar, Belize Companies & Corporate Affairs

3 of 3



OFFERER

Government of Belize

Address:

c/o Ministry of Finance
3rd Floor, Sir Edney Cain Building
Belmopan, Cayo District

Tel: 501- 822-2362

Email: joseph.waight@mof.gov.bz

Website: www.mof.gov.bz

ISSUER

Hydro Belize Limited

Head Office:

Mile 71.5 George Price Highway,
Cayo District

Registered Address:

15 'A' Street
Belize City

Tel: 501-824-3016/ 824-2085

Email: invest@hydrobelize.com

Website: www.hydrobelize.com

FINANCIAL ADVISOR TO THE OFFEROR

Hallmark Advisory Limited

14.5 Miles Western Highway
Belize District

LEGAL ADVISOR TO THE OFFEROR

Courtenay Coye LLP

15 'A' Street
Belize City

PAYING AGENT

Atlantic Bank Ltd.

Corner Freetown Road & Cleghorn Street
Belize City

TRANSFER AGENT

Prudential Trust Corporation Limited

15 'A' Street
Belize City