ACQUISITION OF BERMUDA’S FULLY INTEGRATED ELECTRIC UTILITY

Overview
• Acquisition of 100% of the issued and outstanding shares of Ascendant Group Limited; Bermuda-based, publicly-traded company provides electric utility service to Bermuda’s 63,000 residents and businesses through Bermuda Electric Light Company (BELCO)
• Represents continued expansion of Algonquin’s regulated utility footprint into a new, high quality, investment grade region
• Equity purchase price to be paid by Algonquin’s international power and utilities development platform of approximately U.S. $365 million

Constructive to Regulated Utility Growth Program
• Acquisition is expected to be accretive to Algonquin’s 2020 earnings and cash flow
• Strong alignment with Algonquin’s disciplined growth criteria: creditworthy jurisdiction with an established legal and financial framework, strong growth trajectory and limited currency exposure
• Increased regulated earnings are accretive to Algonquin’s business risk profile, strengthens credit metrics and improves financial flexibility
• Consistent with Algonquin’s strategic business mix of regulated utilities and non-regulated power generation; provides Algonquin with significant growth potential and sustainability alignment

Key Considerations

<table>
<thead>
<tr>
<th>Segment</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Generation, Transmission and Distribution</td>
<td>165MW installed capacity</td>
</tr>
<tr>
<td></td>
<td>135 miles underground transmission lines</td>
</tr>
<tr>
<td></td>
<td>665 miles high voltage distribution lines</td>
</tr>
<tr>
<td>Employees</td>
<td>~ 370</td>
</tr>
<tr>
<td>Residential and commercial customers</td>
<td>~ 35,000</td>
</tr>
<tr>
<td>Rate Base</td>
<td>2018: U.S. $290 million</td>
</tr>
<tr>
<td>Net Enterprise Value / EBITDA</td>
<td>2018¹: 9.3x</td>
</tr>
</tbody>
</table>

¹2018 EBITDA adjusted to normalize one-time restructuring charges.
²In Q1 2019, AAGES secured a concession agreement for a high voltage transmission line project located in Uruguay.
³Algonquin interest represented by proportional interest in Atlantica Yield.

“THE INVESTMENT IN BERMUDA’S ELECTRIC UTILITY DEMONSTRATES OUR COMMITMENT TO GROWING OUR REGULATED BUSINESS, CAPITALIZES ON OUR STRONG NORTH AMERICAN UTILITY EXPERTISE, AND BRINGS THE BENEFITS OF OUR RENEWABLE ENERGY EXPERIENCE TO BERMUDA.”

Ian Robertson, Chief Executive Officer
Algonquin’s Commitment to Customers and Communities
• Utility operations will continue under the respected BELCO brand and the company will continue to be regulated by the Regulatory Authority of Bermuda (“the Authority” or “RA”)
• Algonquin is committed to a successful and seamless transition, under which customers will continue to receive safe, reliable and cost-effective service; Algonquin supports BELCO’s commitment to community involvement and charitable contributions

Algonquin’s Commitment to Employees
• Algonquin has strong, demonstrated alignment with Ascendant’s philosophies of safety, reliability and customer care
• No changes to management or operations staffing are expected as a result of the transaction
• Consistent with Algonquin’s operating structure, Ascendant headquarters and decision making will remain in Bermuda

Algonquin’s Commitment to the Regulator
• Algonquin is committed to supporting BELCO in maintaining its constructive regulatory relationship with the RA
• BELCO’s recently renewed license establishes BELCO as the only company licensed to transmit, distribute and bulk sell electricity in Bermuda
• The recently modernized regulatory framework employed in Bermuda establishes utility service tariffs based on regulated asset base and a weighted average cost of capital methodology – a methodology similar to that used in the U.S. and other jurisdictions familiar to Algonquin

Algonquin’s Commitment to Sustainability and Future Growth Opportunities
• Algonquin’s commitment to sustainability and leadership in renewable energy and storage development can be leveraged to help Bermuda achieve a greener and less carbon-intensive future
• Ascendant operations include a profitable unregulated energy services business that will be focused on growing the presence of renewable energy in Bermuda
• Opportunity to combine Algonquin’s core competencies of responsible utility ownership and renewable energy development for economic and environmental benefit of Bermuda
• Integration of additional low-cost renewable energy into BELCO’s supply mix is expected to contribute to lower energy costs

Algonquin’s Conservative Financing Plan
• Algonquin’s investment grade credit metrics allow for approximately U.S.$150 million leverage in the purchase of the Ascendant shares
• Algonquin’s equity investment for the transaction of U.S. $215 million expected to be accommodated within Algonquin’s current 2019 capital plan
• Currency exchange risk for Algonquin and AAGES (Algonquin’s international power and utilities development platform and ownership affiliate) mitigated through one-to-one pegging between the Bermudian and U.S. dollar
• Closing is anticipated to occur in late 2019, subject to government, regulatory and shareholder approvals
CAUTION REGARDING FORWARD-LOOKING INFORMATION

Certain statements included in this fact sheet constitute “forward-looking information” within the meaning of applicable securities laws in each of the provinces of Canada and the respective policies, regulations and rules under such laws and “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (collectively, “forward-looking statements”). The words “will”, “expects”, “intends” and similar expressions are often intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Specific forward-looking statements contained in this fact sheet include, but are not limited to: statements regarding expected earnings and cash flow accretion, expected impact on credit metrics and financial flexibility, expectations regarding the transition of ownership, expectations regarding Ascendant Group Limited’s continuing operations and anticipated financing plan. These statements are based on factors or assumptions that were applied in drawing a conclusion or making a forecast or projection, including assumptions based on historical trends, current conditions and expected future developments. Since forward-looking statements relate to future events and conditions, by their very nature they require making assumptions and involve inherent risks and uncertainties. Algonquin cautions that although it is believed that the assumptions are reasonable in the circumstances, these risks and uncertainties give rise to the possibility that actual results may differ materially from the expectations set out in the forward-looking statements. Material risk factors include those set out in Algonquin’s most recent annual and interim management’s discussion and analysis, most recent annual information form and prospectus and prospectus supplement relating to the offering. Given these risks, undue reliance should not be placed on these forward-looking statements, which apply only as of their dates. Other than as specifically required by law, APUC undertakes no obligation to update any forward-looking statements to reflect new information, subsequent or otherwise.

NON-GAAP FINANCIAL MEASURES

The term “earnings before interest, taxes, depreciation and amortization” (“EBITDA”) may be used in this document. EBITDA is not a recognized measure under GAAP. There is no standardized measure of EBITDA, consequently Algonquin’s method of calculating this measure may differ from methods used by other companies and therefore may not be comparable to similar measures presented by other companies. A calculation and analysis of EBITDA can be found in Algonquin’s most recent Management Discussion & Analysis.