

Management is reporting on unaudited financial matters relating to the first six months of Ascendant Group Limited's ["Ascendant" or the "Company"] financial year ending 31 December 2020 in accordance with the Bermuda Stock Exchange ["BSX"] Listing Regulations [Section IIA, Regulation 6.9 (2)].

\$000's	SIX MONTHS ENDED 30 JUNE, 2020	SIX MONTHS ENDED 30 JUNE, 2019	VARIANCE
Operating revenues and other income	\$91,280	\$107,180	\$(15,900)
Core earnings from operations	8,731	7,535	1,196
Income attributed to shareholders from core earnings	4,898	2,674	2,224
Restructuring charges	-	[4,620]	4,620
Net earnings attributed to shareholders	\$4,898	\$(1,946)	\$6,844

Per share amounts:	SIX MONTHS ENDED 30 JUNE, 2020	SIX MONTHS ENDED 30 JUNE, 2019	VARIANCE
Dividends per share	\$0.22	\$0.22	\$-
Core earnings per share:			
Basic	\$0.50	\$0.28	\$0.22
Fully diluted	\$0.49	\$0.27	\$0.22
Net earnings per share:			
Basic	\$0.50	\$(0.20)	\$0.70
Fully diluted	\$0.49	\$(0.20)	\$0.69

Ascendant's year-to-date core earnings from operations, before corporate expenses were \$8.7 million compared to \$7.5 million for the same period in 2019. The year over year changes for the first six months of 2020 include:



Bermuda Electric Light Company Limited's ("BELCO") core earnings for the six months ended 30 June 2020 were \$2.8 million higher than the same period in 2019, despite a decrease of \$9.6 million in net electric sales revenues, due largely to the impact of the COVID-19 pandemic and lower fuel tariffs. The lower sales were more than offset by savings in fuel and salary expenses.



Ascendant's non-utility businesses were negatively impacted by the COVID-19 pandemic, with earnings decreasing by \$1.4 million as compared to the first six months of 2019.



Corporate expenses decreased by \$1.0 million from the comparable period in 2019 due to decreased salary, consulting and legal expenses.

Core earnings year-to date in 2020 were \$4.9 million, or \$0.50 per share compared to \$2.7 million, or \$0.28 per share for the same period in 2019. In addition to the changes in core earnings from operations described above, corporate expenses decreased \$1.0 million in the first six months of 2020 as cost saving measures led to reduced personnel costs, consultants' and legal fees. In addition, charge-outs to affiliates decreased by \$1.2 million in this period.

Reported earnings year-to-date in 2020 were \$4.9 million, or \$0.50 per share compared to \$(1.9) million, or \$(0.20) per share, for the same period in 2019. Reported earnings were impacted by the same changes to core earnings described above and the 2019 results include \$4.6 million in costs associated with the restructuring of the Company, primarily financial advisory and legal fees.

Cash flow from operations (excluding the effect of working capital changes) totaled \$16.0 million for the first half of 2020 compared to \$9.8 million in the same period of 2019. This change in cash flow from operations reflects the changes to core earnings from operations described above. Capital expenditures for the first half of 2020 were \$26.0 million compared to \$73.1 million for the same period of 2019, reflecting the successful commissioning of the North Power Station on 31 March 2020.

The Company continued to make progress on its strategic plan during the first half of 2020. Construction of 56 megawatts (MW) of replacement generation was completed. The rate case that was submitted in April 2019 to the Regulatory Authority (the "Authority") in respect of the retail tariff methodology released by the Authority in October 2018 which provided clarity on future rate setting methods and timing was approved and the new rate structure became effective 1 January 2020. Work continues on BELCO's \$50+ million capital investment programme for our three-year grid enhancement project that will see a much more robust transmission and distribution grid as well as the ability to safely bring more renewables onto the system. With these accomplishments, the Company has laid the groundwork for Bermuda's energy future.

The Company continued to provide information as requested to support the review by the Authority of the subsequent change of control of BELCO resulting from the Company's

agreement with Algonquin Power & Utilities Corp ("APUC") to sell the Company for \$36 per share that was announced on 3 June 2019.

APUC is an established renewable energy and utility group with North American assets in excess of \$11 billion. They currently own and operate 54 energy facilities, of which 90% are renewable. As part of their proposal APUC has committed to continue to run all Ascendant companies locally with current Bermudian management, to support BELCO in its collaboration with the Authority in implementing the Integrated Resource Plan for Bermuda and introducing modern energy technologies to accelerate the introduction of renewables, conservation and battery storage for the island.

The Board of Directors takes the view that APUC can provide the resources and experience required to build on the foundation it has established and for Ascendant to realise its strategy of providing a strong future for its staff and customers.

The total interests of all directors and executive officers of the Company totals 527,804 shares. In addition, under the Company's long-term incentive and retention share programmes, which are designed to attract, retain and motivate senior management to achieve strategic objectives, executive officers have been granted awards that may be paid in cash or shares. The total share awards outstanding are 340,582 shares.

The Company's Board of Directors declared dividends totaling 22.50 cents per common share in the first half of 2020.

Further Financial Information: Ascendant's financial results are stated in accordance with International Financial Reporting Standards (IFRS). Further financial information may be found on our web site at www.ascendant.bm.

