CANADIAN UTILITIES LIMITED
An ATCO Company

News Release

November 6, 2026

CANADIAN UTILITIES REPORTS THIRD QUARTER 2026 EARNINGS

CALGARY, Alberta - Canadian Utilities Limited (TSX: CU)

Canadian Utilities Limited (Canadian Utilities or the Company) today announced third quarter 2026 adjusted earnings [(1)] of $117 million ($0.43 per share), which were $9 million ($0.03 per share) higher compared to $108 million ($0.40 per share) in the third quarter of 2025.

Third quarter 2026 earnings attributable to equity owners of the Company reported in accordance with International Financial Reporting Standards (IFRS earnings) were $94 million ($0.28 per Class A and Class B share), which were $6 million ($0.01 per Class A and Class B share) lower compared to $100 million ($0.29 per Class A and Class B share) in the third quarter of 2025.

RECENT DEVELOPMENTS

On October 6, 2026, ATCO Ltd. (ATCO), Canadian Utilities, and Emera Incorporated (Emera) announced a transformational agreement to create a Canadian utility and energy infrastructure powerhouse. Emera and Canadian Utilities will combine in a merger of equals to form one of the 20 largest utilities in North America.

In connection with the transaction, ATCO will spin-out its industrial services businesses, into "New ATCO", focused on housing, defence, and other investments, including ports and retail energy. New ATCO will emerge as a new publicly-traded company with a clear growth agenda and distinct investor proposition.

The transaction was approved following a process and comprehensive reviews by all three Boards, including independent Special Committees for ATCO and Canadian Utilities, supported by independent financial and legal advice. Completion of the transaction is subject to the satisfaction of customary conditions, including applicable securityholder, court, stock exchange and regulatory approvals. The transaction is expected to close in the third or fourth quarter of 2027. While the transaction progresses, it remains business as usual for Emera, ATCO and Canadian Utilities and their employees. The companies remain focused on customers, employees, safety, reliability and operations.

Canadian Utilities

- Canadian Utilities invested $653 million of capital expenditures in the third quarter of 2026, of which 95 per cent was invested in our regulated utilities in ATCO Energy Systems and ATCO Australia.
- ATCO Energy Systems' Yellowhead Pipeline Project (Yellowhead Pipeline) continues to progress, consisting of approximately 235 kilometres of high-pressure natural gas pipeline with the projected spend estimated at $2.9 billion. In the third quarter of 2025, the Alberta Utilities Commission (AUC) approved the Need Assessment Application for the project, and on July 17, 2026, the AUC approved the facility application. With these two key regulatory filings approved,

[(1)] Adjusted earnings is a total of segments measure (as defined in National Instrument 52-112 - *Non-GAAP and Other Financial Measures Disclosure* (NI 52-112)). See Other Financial and Non-GAAP Measures Advisory included in this news release.

construction has commenced. All major pipeline and compressor contracts, including supply and materials, have been awarded and the pipeline is 100 per cent contracted with customers. The Yellowhead Pipeline is expected to support Alberta's continued economic growth, industrial expansion and rising energy demand.

- ATCO Australia had a strong third quarter in 2026. The $29 million of adjusted earnings in the third quarter of 2026, an increase of $2 million compared to the same period in 2025, is driven by the impact of inflation indexing on rate base.

Corporate

- On October 8, 2026, Canadian Utilities declared a fourth quarter dividend of 46.23 cents per share or $1.85 per Class A and Class B share on an annualized basis.

This news release should be read in concert with the full disclosure documents. Canadian Utilities' unaudited interim consolidated financial statements and management's discussion and analysis for the quarter ended September 30, 2026 will be available on the Canadian Utilities website (www.canadianutilities.com), via SEDAR+ (www.sedarplus.ca) or can be requested from the Company.

TELECONFERENCE AND WEBCAST

Canadian Utilities will hold a live teleconference and webcast with Bob Myles, Chief Executive Officer, and Katie Patrick, Chief Financial & Investment Officer, at 9:00 am Alberta Time (10:00 am Eastern Standard Time) [(2)] on Friday, November 6, 2026 at 1-833-821-3314. No pass code is required.

Opening remarks will be followed by a question and answer period with investment analysts. Participants are asked to please dial-in 10 minutes prior to the start and request to join the Canadian Utilities teleconference.

Management invites interested parties to listen via live webcast at: https://www.canadianutilities.com/en-ca/investors/events-presentations.html.

A replay of the teleconference will be available approximately two hours after the conclusion of the call until December 6, 2026. Please call 1-855-669-9658 and enter pass code 5130801.

Canadian Utilities Limited and its subsidiary and affiliate companies have approximately 8,600 employees and assets of $25 billion. Canadian Utilities, an ATCO company, delivers safe and reliable energy services through its utilities, midstream and generation businesses to customers in Canada, Mexico, Australia and Puerto Rico. Together, these operations provide essential electricity and natural gas infrastructure, generation and storage solutions that support customers, communities and industry. More information can be found at www.canadianutilities.com.

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To receive Canadian Utilities Limited news releases, please click here.

[(2)] Beginning November 1, 2026, Alberta Time (ABT) is the year-round time observed in Alberta (UTC−6:00). Alberta Time is one hour behind Eastern Standard Time (UTC-5:00).

Other Financial and Non-GAAP Measures Advisory

Adjusted Earnings

Consolidated adjusted earnings is a "total of segments measure", as defined in NI 52-112. The most directly comparable measure to adjusted earnings reported in accordance with IFRS is "earnings attributable to equity owners of the Company". IFRS earnings include timing adjustments related to rate-regulated activities, dividends on equity preferred shares, unrealized gains or losses on mark-to-market forward and swap commodity contracts, one-time gains and losses, impairments, and items that are not in the normal course of business or a result of day-to-day operations. These items are not included in adjusted earnings. A reconciliation of adjusted earnings to earnings attributable to equity owners of the Company is provided below.

	Three Months Ended September 30		Nine Months Ended September 30	
($ millions except share data)	**2026**	**2025**	**2026**	**2025**
Adjusted earnings	**117**	108	**499**	461
PBR2 re-opener appeal decision [(1)]	**(56)**	—	**(56)**	—
Other post-employment benefits [(2)]	**(31)**	—	**(31)**	—
Rate-regulated activities [(3)]	**47**	(25)	**(19)**	(40)
IT Common Matters decision [(4)]	**(1)**	(1)	**(3)**	(2)
Transition of managed IT services [(5)]	**—**	(2)	**—**	(14)
Restructuring [(6)]	**—**	—	**—**	(14)
Dividends on equity preferred shares of Canadian Utilities Limited	**20**	20	**58**	58
Other	**(2)**	—	**(2)**	(2)
Earnings attributable to equity owners of the Company	**94**	100	**446**	447
Weighted average shares outstanding (millions of shares)	**272.3**	271.8	**272.3**	271.7

(1) In the third quarter of 2026, following an Alberta Court of Appeal decision upholding the AUC's PBR2 re-opener and PBR2 remedy decisions, $56 million (after-tax) *of directed refunds to Electricity Distribution and Natural Gas Distribution customers over the period September 1, 2025 to February 28, 2026 were determined to be non-recoverable, with the related financial impact reflected in rate-regulated activities. As the financial impact is not indicative of day-to-day operations, it has been excluded from adjusted earnings.*

(2) In the third quarter of 2026, the Company recognized an $31 million (after-tax) *past service cost adjustment related to its other post-employment benefit obligation resulting from the Government of Alberta's Health Statutes Amendment Act, 2025 (No. 2) (Bill 11), which changes the coordination of benefits between employer-sponsored health plans and certain provincial health programs. As the financial impact arises from a one-time legislative change, it has been excluded from adjusted earnings.*

(3) The Company records significant timing adjustments as a result of the differences between rate-regulated accounting and IFRS with respect to additional revenues billed in the current year, revenues to be billed in future years, regulatory decisions received, and settlement of regulatory decisions and other items.

(4) Consistent with the treatment of the gain on sale in 2014 from the IT services business by the Company, financial impacts associated with the IT Common Matters decision are excluded from adjusted earnings.

(5) In the third quarter and first nine months of 2025, the Company recognized IT transition costs of $2 million (after-tax) and $14 million (after-tax). The transition costs were primarily related to activities to shift the managed IT services from a single-vendor service provider to a hybrid model of multiple new vendors and internal teams. As these costs were not in the normal course of business, they were excluded from adjusted earnings.

(6) In the first nine months of 2025, the Company recorded restructuring costs of $14 million (after-tax) mainly related to staff reductions and associated severance costs. As these costs were not in the normal course of business, they were excluded from adjusted earnings.

Forward-Looking Information Advisory

Certain statements contained in this news release constitute forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "will", "intend", "should", "goals", "targets", "strategy", "future", and similar expressions. In particular, forward-looking information in this news release includes, but is not limited to, references to: the agreement entered into between ATCO, Canadian Utilities and Emera to combine in a merger of equals and spin-off ATCO's industrial services businesses into a new public company (collectively, the Transaction), including the expected timing of closing of the Transaction, the receipt of required approvals and the anticipated benefits of the Transaction; expectations regarding the Yellowhead Pipeline, including the anticipated size and specifications of the Yellowhead Pipeline, the anticipated capital spend on the project and the anticipated benefits of the project; regulatory proceedings within ATCO Energy Systems supporting the continued delivery of safe and reliable utility services; and the payment of dividends.

Although the Company believes that the expectations reflected in the forward-looking information are reasonable based on the information available on the date such statements are made and processes used to prepare the information, such statements are not guarantees of future performance and no assurance can be given that these expectations will prove to be correct. Forward-looking information should not be unduly relied upon. By their nature, these statements involve a variety of assumptions, known and unknown risks and uncertainties, and other factors, which may cause actual results, levels of activity, and achievements to differ materially from those anticipated in such forward-looking information. The forward-looking information reflects the Company's beliefs and assumptions with respect to, among other things: the ability of the parties to receive all necessary securityholder, court, regulatory and stock exchange approvals, and to satisfy the other conditions to closing of the Transaction, in a timely manner and on satisfactory terms; the ability of the parties to complete the Transaction substantially on the terms currently contemplated; that the combined company's future results of operations will be consistent with past performance and management's expectations; the parties ability to realize the anticipated benefits of the Transaction; the applicability and stability of legal and regulatory requirements in the jurisdictions in which we invest and/or operate; the payment of fees owing pursuant to applicable contracts; certain regulatory applications being made and approved; the development and performance of technology and technological innovations; continuing collaboration with certain business partners, and regulatory and environmental groups; the performance of assets and equipment; the ability to meet current project schedules, and other assumptions inherent in management's expectations in respect of the forward-looking information identified herein.

The Company's actual results could differ materially from those anticipated in this forward-looking information as a result of, among other things: the parties ability to receive all necessary regulatory, court, securityholder and third-party approvals, and to satisfy the other conditions to closing of the Transaction, in a timely manner and on satisfactory terms; the failure to realize the anticipated benefits of the Transaction, including as a result of integration, separation or other issues; disruption from the Transaction making it more difficult to maintain relationships with customers, employees, regulators or suppliers; the diversion of management time and attention on the Transaction; risks inherent in the performance of assets; capital efficiencies and cost savings; applicable laws and regulations and the interpretation and manner of enforcement of such laws and regulations; changes to government policies; regulatory decisions; competitive factors in the industries in which the Company operates; evolving market or economic conditions; credit risk; interest rate fluctuations; the availability and cost of labour, materials, services, and infrastructure; future demand for resources; the development and execution of projects; prices of electricity, natural gas, natural gas liquids, and renewable energy; the development and performance of technology and new energy efficient products, services, and programs including but not limited to the use of zero-emission and renewable fuels, carbon capture, and storage, electrification of equipment powered by zero-emission energy sources and utilization and availability of carbon offsets; potential cancellation, termination, default, non-compliance, or breach of contract by contract counterparties; the risk that payments owed may not be collected or received in a timely manner, or at all; risks associated with potential litigation proceedings; potential damage to our brand and/or reputation that may result from a failure to perform, or from factors outside of our control, or negative publicity related to significant projects, investments, operations or activities; the risk of operational disruptions, outages, or force majeure events; the occurrence of unexpected events such as fires, extreme weather conditions, explosions, blow-outs, equipment failures, transportation incidents, and other accidents or similar events; global pandemics; potential risks and disruptions associated with the adoption, development and integration of artificial intelligence; risk of failure of information technology infrastructure and cybersecurity risks and incidents; the imposition of or changes to customs duties, tariffs or other trade restrictions; geopolitical tensions and wars; risks associated with operating in international jurisdictions; and other risk factors, many of which are beyond the control of the Company. Due to the interdependencies and correlation of these factors, the impact of any one material assumption or risk on a forward-looking statement cannot be determined with certainty. Readers are cautioned that the foregoing lists are not exhaustive. For additional information about the principal risks that the Company faces, see "Business Risks and Risk Management" in the Company's Management's Discussion and Analysis for the year ended December 31, 2025.

This news release may contain information that constitutes future-oriented financial information or financial outlook information, all of which are subject to the same assumptions, risk factors, limitations and qualifications set forth above. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise or inaccurate and, as such, undue reliance should not be placed on such future-oriented financial information or financial outlook information. The Company's actual results, performance and achievements could differ materially from those expressed in, or implied by, such future-oriented financial information or financial outlook information. The Company has included such information in order to provide readers with a more complete perspective on its future operations and its current expectations relating to its future performance. Such information may not be appropriate for other purposes and readers are cautioned that such information should not be used for purposes other than those for which it has been disclosed herein. Future-oriented financial information or financial outlook information contained herein was made as of the date of this news release.

Any forward-looking information contained in this news release represents the Company's expectations as of the date hereof, and is subject to change after such date. The Company disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable securities legislation.