

29th July 2020

One Communications Ltd.
(“One”, “One Communications”, or the “Company”)

Financial results for the six month period ended June 30, 2020

For immediate release - (Hamilton, Bermuda) One Communications Ltd., a diversified telecommunications holding company, is pleased to announce its results for the six month period ended June 30, 2020.

Overview of the six month period ended June 30, 2020:

- Net income for the period of \$8.9 million, or \$0.22 per diluted share (June 2019: \$7.7 million, or \$0.19 per diluted share);
- Shareholders' equity of \$158.7 million as at June 30, 2020 (June 2019: \$156.3 million);
- Cash flow generated from operating activities of \$17.4 million (June 2019: \$15.6 million);
- Capital expenditures of \$7.0 million during the period (June 2019: \$8.1 million);

Commenting on the financial results, Frank Amaral, CEO of One said:

As with many businesses around the globe the emergence of Covid-19 meant that much of this first six months was spent adapting our day-to-day operating model to maintain the high-performance levels of our networks and customer service. The wellbeing and safety of our team and our customers was paramount as we looked to serve and be of support as we transitioned through the pandemic response. This highly unusual situation tested our capabilities to pivot quickly and drive value added changes that will benefit us for the long term and ensure we continue to meet our strategic and financial goals.

In Bermuda, we were delighted to provide many of our FibreWire internet customers with a temporary speed boost to help them adapt to the new “work and learn from home” model during the peak of Covid-19, at no additional charge. On July 1, 2020, this was replaced with a free permanent speed boost of at least 50% for the vast majority of residential customers. As a result, we were the first provider in Bermuda to provide 500 Mbps service to the home.

In the Business Solutions area, we have worked hard to remain flexible with our existing corporate customers in the face of the pandemic. We continue to fine tune our processes and organizational structure in relation to delivering the full range of cloud, managed services, and IT products to complement our existing connectivity services.

With respect to the Company's operations in the Cayman Islands, we continue to focus on expanding our fibre footprint albeit at a slower pace given the pandemic and dependencies on third parties. Our products and brand continue to be successful, with market leading customer satisfaction scores, and we continue to see subscriber count growth, despite the current economic crisis.

In both Bermuda and Cayman the Company made substantial community contributions during the pandemic totaling \$100,000. Several not-for-profit sectors received cash donations to fund

programs targeted at those families most impacted. In addition, various groups in the educational and medical fields received free or upgraded connectivity services to ensure that they could better meet the challenges presented.

Summary of One's results for the six month period ended June 30, 2020:

The unaudited consolidated financial statements enclosed within this Report present the financial results for the six month period ended June 30, 2020. Consolidated revenue for the period was \$63.7 million consisting of \$50.3 million in Bermuda and \$15.9 million in Cayman. Total operating expenses were \$54.2 million and operating income for the period was \$10.2 million. Net income and comprehensive income attributable to equity holders of the Company for the period was \$8.9 million and \$8.7 million, respectively. Earnings before interest, depreciation, amortization and one-time charges for the period were \$20.9 million.

Earnings per share for continuing operations for the six month period June 30, 2020 and 2019, were \$0.22 and \$0.19 per share, respectively. Our financial statements continue to reflect the positive impact of our improved infrastructure, better customer experience, and increased operating efficiency. As a result, the Company declared a dividend of \$0.08 per share for shareholders of record on April 30, 2020. There were \$3.2 million and \$3.3 million dividends declared and paid in the six-month periods ended June 30, 2020 and 2019.

In 2017, the Company amended and restated its Long-Term Debt agreement to provide a maximum facility of \$37.5 million with an available \$10 million overdraft facility. This Long-Term Debt agreement will mature on May 22, 2022. The Company made \$1.9 million in principal repayments in the current financial six month period leaving a balance of \$25.2 million in debt outstanding. The Company did not use the overdraft facility in the six months ended June 30, 2020.

The Management and Board of Directors thank all of the Company's employees for their focus and hard work as we continue to improve our processes and products to the benefit of our customers, and in turn increase long-term value for our shareholders. This has been a particularly challenging period both personally and professionally for our teams, and we continue to be impressed by the commitment, adaptability and drive our employees have shown during these uncertain times.

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