

RGC Resources, Inc. and Subsidiaries
Condensed Consolidated Statements of Income
(Unaudited)

	Three Months Ended		Twelve Months Ended	
	June 30,		June 30,	
	2022	2021	2022	2021
Operating revenues	\$ 17,259,899	\$ 14,048,846	\$ 83,407,916	\$ 71,599,814
Operating expenses	<u>15,619,727</u>	<u>12,506,513</u>	<u>68,390,770</u>	<u>58,275,744</u>
Operating income	1,640,172	1,542,333	15,017,146	13,324,070
Equity in earnings of unconsolidated affiliate	235	133,864	252,721	2,813,371
Impairment of unconsolidated affiliates	-	-	(39,822,213)	-
Other income, net	221,141	130,186	1,052,476	855,965
Interest expense	<u>1,102,214</u>	<u>1,000,238</u>	<u>4,334,968</u>	<u>4,017,308</u>
Income (loss) before income taxes	759,334	806,145	(27,834,838)	12,976,098
Income tax expense (benefit)	<u>166,807</u>	<u>195,305</u>	<u>(7,517,946)</u>	<u>3,203,813</u>
Net income (loss)	<u>\$ 592,527</u>	<u>\$ 610,840</u>	<u>\$ (20,316,892)</u>	<u>\$ 9,772,285</u>
Net earnings (loss) per share of common stock:				
Basic	<u>\$ 0.06</u>	<u>\$ 0.07</u>	<u>\$ (2.32)</u>	<u>\$ 1.19</u>
Diluted	<u>\$ 0.06</u>	<u>\$ 0.07</u>	<u>\$ (2.32)</u>	<u>\$ 1.19</u>
Cash dividends per common share	<u>\$ 0.195</u>	<u>\$ 0.185</u>	<u>\$ 0.770</u>	<u>\$ 0.730</u>
Reconciliation of GAAP net income to underlying net income:				
Net income (loss) as reported	\$ 592,527	\$ 610,840	\$ (20,316,892)	\$ 9,772,285
Impairment - net of income tax	-	-	29,571,975	-
Underlying net income	<u>\$ 592,527</u>	<u>\$ 610,840</u>	<u>\$ 9,255,083</u>	<u>\$ 9,772,285</u>
Underlying earnings per share: basic and diluted	<u>\$ 0.06</u>	<u>\$ 0.07</u>	<u>\$ 1.06</u>	<u>\$ 1.19</u>
Weighted average number of common shares outstanding:				
Basic	9,798,700	8,260,579	8,756,025	8,200,295
Diluted	9,804,289	8,273,203	8,756,025	8,213,716

Condensed Consolidated Balance Sheets
(Unaudited)

	June 30,	
	2022	2021
Assets		
Current assets	\$ 35,589,886	\$ 14,862,881
Utility plant, net	224,145,150	207,993,519
Other assets	<u>39,008,457</u>	<u>74,005,332</u>
Total Assets	<u>\$ 298,743,493</u>	<u>\$ 296,861,732</u>
Liabilities and Stockholders' Equity		
Current liabilities	\$ 21,063,473	\$ 21,605,817
Long-term debt, net	130,265,070	123,151,387
Deferred credits and other liabilities	<u>41,832,326</u>	<u>53,265,790</u>
Total Liabilities	193,160,869	198,022,994
Stockholders' Equity	<u>105,582,624</u>	<u>98,838,738</u>
Total Liabilities and Stockholders' Equity	<u>\$ 298,743,493</u>	<u>\$ 296,861,732</u>