

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

	Three Months Ended September 30,		Twelve Months Ended September 30,	
	2022	2021	2022	2021
Operating revenues	\$ 14,112,560	\$ 13,355,254	\$ 84,165,222	\$ 75,174,779
Operating expenses	<u>13,657,868</u>	<u>12,800,091</u>	<u>69,248,547</u>	<u>60,396,470</u>
Operating income	454,692	555,163	14,916,675	14,778,309
Equity in earnings of unconsolidated affiliate	1,410	180,804	73,327	1,667,554
Impairment of unconsolidated affiliates	(15,270,090)	-	(55,092,303)	-
Other income, net	568,893	164,386	1,456,983	912,146
Interest expense	<u>1,187,015</u>	<u>1,024,054</u>	<u>4,497,929</u>	<u>4,051,885</u>
Income (loss) before income taxes	(15,432,110)	(123,701)	(43,143,247)	13,306,124
Income tax expense (benefit)	<u>(4,016,881)</u>	<u>(124,182)</u>	<u>(11,410,645)</u>	<u>3,204,062</u>
Net income (loss)	<u>\$ (11,415,229)</u>	<u>\$ 481</u>	<u>\$ (31,732,602)</u>	<u>\$ 10,102,062</u>
Net earnings (loss) per share of common stock:				
Basic	<u>\$ (1.16)</u>	<u>\$ -</u>	<u>\$ (3.48)</u>	<u>\$ 1.22</u>
Diluted	<u>\$ (1.16)</u>	<u>\$ -</u>	<u>\$ (3.48)</u>	<u>\$ 1.22</u>
Cash dividends per common share	<u>\$ 0.195</u>	<u>\$ 0.185</u>	<u>\$ 0.780</u>	<u>\$ 0.740</u>
<b>Reconciliation of GAAP net income to underlying net income:</b>				
Net income (loss) as reported	\$ (11,415,229)	\$ 481	\$ (31,732,602)	\$ 10,102,062
Impairment - net of income tax	<u>11,339,569</u>	<u>-</u>	<u>40,911,544</u>	<u>-</u>
Underlying net income (loss)	<u>\$ (75,660)</u>	<u>\$ 481</u>	<u>\$ 9,178,942</u>	<u>\$ 10,102,062</u>
Underlying earnings (loss) per share: basic and diluted	<u>\$ (0.01)</u>	<u>\$ -</u>	<u>\$ 1.01</u>	<u>\$ 1.22</u>
Weighted average number of common shares outstanding:				
Basic	9,815,028	8,360,369	9,122,678	8,251,802
Diluted	9,815,028	8,372,920	9,122,678	8,264,904

**Condensed Consolidated Balance Sheets**  
(Unaudited)

	September 30,	
	2022	2021
<b>Assets</b>		
Current assets	\$ 35,548,319	\$ 25,143,855
Utility property, net	229,861,074	211,649,684
Other non-current assets	<u>24,899,850</u>	<u>73,315,654</u>
Total Assets	<u>\$ 290,309,243</u>	<u>\$ 310,109,193</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities	\$ 22,315,310	\$ 26,013,532
Long-term debt, net	135,695,289	133,471,427
Deferred credits and other non-current liabilities	<u>39,207,988</u>	<u>50,922,525</u>
Total Liabilities	<u>197,218,587</u>	<u>210,407,484</u>
Stockholders' Equity	<u>93,090,656</u>	<u>99,701,709</u>
Total Liabilities and Stockholders' Equity	<u>\$ 290,309,243</u>	<u>\$ 310,109,193</u>