

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

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
Operating revenues	\$ 33,282,335	\$ 23,263,080	\$ 94,184,477	\$ 78,920,842
Operating expenses	<u>27,737,850</u>	<u>17,884,657</u>	<u>79,101,740</u>	<u>64,345,497</u>
Operating income	5,544,485	5,378,423	15,082,737	14,575,345
Equity in earnings of unconsolidated affiliate	1,232	72,127	2,432	382,998
Impairment of unconsolidated affiliates	-	-	(55,092,303)	-
Other income, net	74,606	322,439	1,209,150	904,559
Interest expense	<u>1,369,164</u>	<u>1,104,856</u>	<u>4,762,237</u>	<u>4,136,912</u>
Income (loss) before income taxes	4,251,159	4,668,133	(43,560,221)	11,725,990
Income tax expense (benefit)	<u>994,754</u>	<u>1,083,604</u>	<u>(11,499,495)</u>	<u>2,762,662</u>
Net income (loss)	<u>\$ 3,256,405</u>	<u>\$ 3,584,529</u>	<u>\$ (32,060,726)</u>	<u>\$ 8,963,328</u>
Net earnings (loss) per share of common stock:				
Basic	<u>\$ 0.33</u>	<u>\$ 0.43</u>	<u>\$ (3.38)</u>	<u>\$ 1.08</u>
Diluted	<u>\$ 0.33</u>	<u>\$ 0.43</u>	<u>\$ (3.38)</u>	<u>\$ 1.08</u>
Cash dividends per common share	<u>\$ 0.1975</u>	<u>\$ 0.1950</u>	<u>\$ 0.7825</u>	<u>\$ 0.7500</u>
Reconciliation of GAAP net income to underlying net income:				
Net income (loss) as reported	\$ 3,256,405	\$ 3,584,529	\$ (32,060,726)	\$ 8,963,328
Impairment - net of income tax	-	-	40,911,544	-
Underlying net income	<u>\$ 3,256,405</u>	<u>\$ 3,584,529</u>	<u>\$ 8,850,818</u>	<u>\$ 8,963,328</u>
Underlying earnings per share: basic and diluted	<u>\$ 0.33</u>	<u>\$ 0.43</u>	<u>\$ 0.93</u>	<u>\$ 1.08</u>
Weighted average number of common shares outstanding:				
Basic	9,830,206	8,383,986	9,487,205	8,306,294
Diluted	9,837,188	8,393,032	9,487,205	8,318,014

Condensed Consolidated Balance Sheets
(Unaudited)

	December 31,	
	2022	2021
Assets		
Current assets	\$ 47,845,073	\$ 32,449,177
Utility property, net	234,849,715	215,350,467
Other non-current assets	<u>25,257,374</u>	<u>75,431,248</u>
Total Assets	<u>\$ 307,952,162</u>	<u>\$ 323,230,892</u>
Liabilities and Stockholders' Equity		
Current liabilities	\$ 60,164,437	\$ 44,758,986
Long-term debt, net	113,288,995	124,809,694
Deferred credits and other non-current liabilities	<u>39,608,723</u>	<u>51,367,367</u>
Total Liabilities	213,062,155	220,936,047
Stockholders' Equity	<u>94,890,007</u>	<u>102,294,845</u>
Total Liabilities and Stockholders' Equity	<u>\$ 307,952,162</u>	<u>\$ 323,230,892</u>