

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

	Three Months Ended		Twelve Months Ended	
	March 31,		March 31,	
	2023	2022	2023	2022
Operating revenues	\$ 38,029,657	\$ 29,529,683	\$ 102,684,451	\$ 80,196,863
Operating expenses	<u>28,438,235</u>	<u>22,086,295</u>	<u>85,453,680</u>	<u>65,277,556</u>
Operating income	9,591,422	7,443,388	17,230,771	14,919,307
Equity in earnings (loss) of unconsolidated affiliate	2,867	(445)	5,744	386,350
Impairment of unconsolidated affiliates	-	(39,822,213)	(15,270,090)	(39,822,213)
Other income, net	121,824	344,510	986,464	961,521
Interest expense	<u>1,395,862</u>	<u>1,103,844</u>	<u>5,054,255</u>	<u>4,232,992</u>
Income (loss) before income taxes	8,320,251	(33,138,604)	(2,101,366)	(27,788,027)
Income tax expense (benefit)	<u>1,978,365</u>	<u>(8,644,175)</u>	<u>(876,955)</u>	<u>(7,489,448)</u>
Net income (loss)	<u>\$ 6,341,886</u>	<u>\$ (24,494,429)</u>	<u>\$ (1,224,411)</u>	<u>\$ (20,298,579)</u>
Net earnings (loss) per share of common stock:				
Basic	<u>\$ 0.64</u>	<u>\$ (2.89)</u>	<u>\$ (0.12)</u>	<u>\$ (2.42)</u>
Diluted	<u>\$ 0.64</u>	<u>\$ (2.89)</u>	<u>\$ (0.12)</u>	<u>\$ (2.42)</u>
Cash dividends per common share	<u>\$ 0.1975</u>	<u>\$ 0.1950</u>	<u>\$ 0.7850</u>	<u>\$ 0.7600</u>
Reconciliation of GAAP net income to underlying net income:				
Net income (loss) as reported	\$ 6,341,886	\$ (24,494,429)	\$ (1,224,411)	\$ (20,298,579)
Impairment - net of income tax	-	29,571,975	11,339,569	29,571,975
Underlying net income	<u>\$ 6,341,886</u>	<u>\$ 5,077,546</u>	<u>\$ 10,115,158</u>	<u>\$ 9,273,396</u>
Underlying earnings per share: basic and diluted	<u>\$ 0.64</u>	<u>\$ 0.60</u>	<u>\$ 1.03</u>	<u>\$ 1.11</u>
Weighted average number of common shares outstanding:				
Basic	9,911,202	8,486,518	9,838,497	8,372,548
Diluted	9,918,708	8,486,518	9,838,497	8,372,548

Condensed Consolidated Balance Sheets
(Unaudited)

	March 31,	
	2023	2022
Assets		
Current assets	\$ 32,360,035	\$ 32,520,634
Utility property, net	239,285,862	218,709,630
Other non-current assets	<u>24,806,325</u>	<u>37,128,221</u>
Total Assets	<u>\$ 296,452,222</u>	<u>\$ 288,358,485</u>
Liabilities and Stockholders' Equity		
Current liabilities	\$ 43,632,463	\$ 36,576,652
Long-term debt, net	112,762,045	104,841,078
Deferred credits and other non-current liabilities	<u>39,779,306</u>	<u>41,478,026</u>
Total Liabilities	196,173,814	182,895,756
Stockholders' Equity	<u>100,278,408</u>	<u>105,462,729</u>
Total Liabilities and Stockholders' Equity	<u>\$ 296,452,222</u>	<u>\$ 288,358,485</u>