

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

	Three Months Ended		Twelve Months Ended	
	June 30,		June 30,	
	2023	2022	2023	2022
Operating revenues	\$ 13,660,245	\$ 17,259,899	\$ 99,084,797	\$ 83,407,916
Operating expenses	<u>11,861,780</u>	<u>15,619,727</u>	<u>81,695,733</u>	<u>68,390,770</u>
Operating income	1,798,465	1,640,172	17,389,064	15,017,146
Equity in earnings of unconsolidated affiliate	519,482	235	524,991	252,721
Impairment of unconsolidated affiliates	-	-	(15,270,090)	(39,822,213)
Other income, net	6,725	221,141	772,048	1,052,476
Interest expense	<u>1,423,566</u>	<u>1,102,214</u>	<u>5,375,607</u>	<u>4,334,968</u>
Income (loss) before income taxes	901,106	759,334	(1,959,594)	(27,834,838)
Income tax expense (benefit)	<u>214,290</u>	<u>166,807</u>	<u>(829,472)</u>	<u>(7,517,946)</u>
Net income (loss)	<u>\$ 686,816</u>	<u>\$ 592,527</u>	<u>\$ (1,130,122)</u>	<u>\$ (20,316,892)</u>
Net earnings (loss) per share of common stock:				
Basic	<u>\$ 0.07</u>	<u>\$ 0.06</u>	<u>\$ (0.11)</u>	<u>\$ (2.32)</u>
Diluted	<u>\$ 0.07</u>	<u>\$ 0.06</u>	<u>\$ (0.11)</u>	<u>\$ (2.32)</u>
Cash dividends per common share	<u>\$ 0.1975</u>	<u>\$ 0.1950</u>	<u>\$ 0.7875</u>	<u>\$ 0.7700</u>
Reconciliation of GAAP net income to underlying net income:				
Net income (loss) as reported	\$ 686,816	\$ 592,527	\$ (1,130,122)	\$ (20,316,892)
Impairment - net of income tax	-	-	11,339,569	29,571,975
Underlying net income	<u>\$ 686,816</u>	<u>\$ 592,527</u>	<u>\$ 10,209,447</u>	<u>\$ 9,255,083</u>
Underlying earnings per share: basic and diluted	<u>\$ 0.07</u>	<u>\$ 0.06</u>	<u>\$ 1.03</u>	<u>\$ 1.06</u>
Weighted average number of common shares outstanding:				
Basic	9,939,843	9,798,700	9,873,686	8,756,025
Diluted	9,942,871	9,804,289	9,873,686	8,756,025

Condensed Consolidated Balance Sheets
(Unaudited)

	June 30,	
	2023	2022
Assets		
Current assets	\$ 25,754,930	\$ 35,589,886
Utility property, net	243,087,547	224,145,150
Other non-current assets	<u>25,923,607</u>	<u>39,008,457</u>
Total Assets	<u>\$ 294,766,084</u>	<u>\$ 298,743,493</u>
Liabilities and Stockholders' Equity		
Current liabilities	\$ 27,252,815	\$ 21,063,473
Long-term debt, net	126,252,586	130,265,070
Deferred credits and other non-current liabilities	<u>40,312,870</u>	<u>41,832,326</u>
Total Liabilities	193,818,271	193,160,869
Stockholders' Equity	<u>100,947,813</u>	<u>105,582,624</u>
Total Liabilities and Stockholders' Equity	<u>\$ 294,766,084</u>	<u>\$ 298,743,493</u>