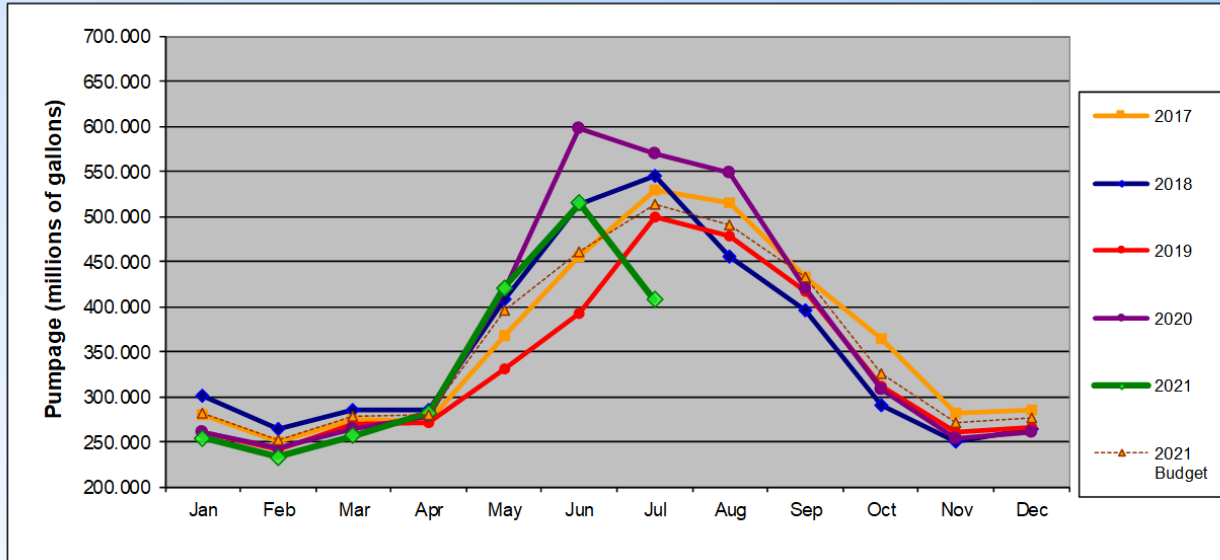


**Financial Review
Of
The Unaudited Results and Usage
through July 31, 2021**

As of August 20, 2021

**Pennichuck Corporation
PWW Pumpage**

7/31/2021
(S000's)



Pumpage Data (millions of gallons)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
2017	279.330	249.500	274.680	273.160	366.790	455.660	529.650	514.210	432.840	364.900	281.650	285.860	4,308.230
2018	300.940	263.970	284.930	285.380	407.240	512.830	544.480	455.820	395.690	289.960	250.230	264.060	4,255.530
2019	260.370	240.390	269.960	271.300	330.760	391.640	498.650	477.710	417.220	310.770	261.280	266.650	3,996.700
2020	259.710	243.430	264.260	278.920	417.600	597.850	569.160	548.440	420.920	308.680	254.120	260.320	4,423.410
2021	253.700	232.920	256.480	282.210	420.230	514.850	407.890						2,368.280

Pumpage Data - Budget (millions of gallons)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
2021 Budget	281.052	252.302	278.188	280.532	395.390	460.976	513.430	491.168	432.690	326.058	271.144	277.104	4,260.034

Pennichuck Corporation
YTD Income Statement

Business: Consolidated

7/31/2021
(\$000's)

	YTD						
	Actual vs. Prior and Budget						
	Prior	Change		Actual	Change		Budget
Revenues:							
Water Utility Operations	\$ 26,570	\$ 213	0.8%	\$ 26,783	\$ (418)	-1.5%	\$ 27,201
Water Management Services	1,590	264	16.6%	1,854	243	15.1%	1,611
Real Estate Operations	-	-	0.0%	-	-	0.0%	-
Other	7	-	0.0%	7	-	0.0%	7
Total Revenues	28,167	477	1.7%	28,644	(175)	-0.6%	28,819
Operating Expenses:							
Water Utility Operations	20,956	(1,644)	-7.8%	22,600	399	1.7%	22,999
Water Management Services	1,501	(267)	-17.8%	1,768	(206)	-13.2%	1,562
Real Estate Operations	2	2	100.0%	-	-	0.0%	-
Other	(26)	7	-26.9%	(33)	4	13.8%	(29)
Total Operating Expenses	22,433	(1,902)	-8.5%	24,335	197	0.8%	24,532
PWW Management Fee Allocation	-	-	0.0%	-	-	0.0%	-
Holding Co. Mgmt. Fee Allocation	-	-	0.0%	-	-	0.0%	-
Net Operating Expenses	22,433	(1,902)	-8.5%	24,335	197	0.8%	24,532
Operating Income (Loss)	5,734	(1,425)	-24.9%	4,309	22	0.5%	4,287
% of Revenue	20.4%			15.0%			14.9%
Eminent Domain & Merger (Costs)	-	-	0.0%	-	-	0.0%	-
Equity Method Net Earnings (Loss)	-	-	0.0%	-	-	0.0%	-
Other Income (Expense)	89	153	-171.9%	242	242	0.0%	-
AFUDC Income (Expense)	-	-	0.0%	-	-	0.0%	-
Interest Income	-	-	0.0%	-	-	0.0%	-
Interest (Expense)	(6,558)	(1,634)	-24.9%	(8,192)	185	2.2%	(8,377)
Pre-tax Income (Loss)	(735)	(2,906)	-395.4%	(3,641)	449	11.0%	(4,090)
% of Revenue	-2.6%			-12.7%			-14.2%
Provision for Income Taxes	1,432	1,774	-123.9%	(342)	(297)	-46.5%	(639)
Effective Tax Rate %	-194.8%			9.4%			15.6%
Net Income (Loss)	(2,167)	(1,132)	-52.2%	(3,299)	152	4.4%	(3,451)
EBITDA	10,813	(1,140)	-10.5%	9,673	304	3.2%	9,369
Add Back: Extraordinary Items	-	-	0.0%	-	-	0.0%	-
Normalized EBITDA	10,813	(1,140)	-10.5%	9,673	304	3.2%	9,369
Less: Principal and Interest on External Debt	(6,814)	(92)	-1.4%	(6,906)	1,571	18.5%	(8,477)
Less: Principal and Interest on Note Payments to City	(4,949)	-	0.0%	(4,949)	-	0.0%	(4,949)
Net Remainder	(950)	(1,232)	-129.7%	(2,182)	1,875	46.2%	(4,057)

**Pennichuck Corporation
Consolidated Balance Sheets**

7/31/2021
(S000's)

<u>ASSETS</u>	<u>Jul-21</u>		
	<u>Dec-20</u>	<u>Actual</u>	<u>Budget</u>
Land	\$ 5,972	\$ 5,972	\$ 5,964
Buildings	73,721	73,956	74,214
Equipment & software	243,907	245,465	248,100
	<u>323,600</u>	<u>325,393</u>	<u>328,278</u>
Accumulated depreciation	(81,923)	(85,247)	(89,708)
	<u>241,677</u>	<u>240,146</u>	<u>238,570</u>
Work in process	792	4,091	7,467
Net Plant and Equipment	<u>242,469</u>	<u>244,237</u>	<u>246,037</u>
Current Assets:			
Cash	310	1,042	107
Restricted cash - 2014 Bond Project Fund	214	-	-
Restricted cash - 2015 Bond Project Fund	-	-	-
Restricted cash - 2019 Bond Project Fund	-	-	-
Restricted cash - 2020 Bond Project Fund	5	5	-
Restricted cash - 2020 C Bond Project Fund	18	18	-
Restricted cash - 2021 Bond Project Fund	-	15	-
Restricted cash - CIAC	274	944	-
Restricted cash -CBFRR RSF	978	1,313	11,860
Restricted cash -DSRR 1.0 RSF	421	1,165	-
Restricted cash - MOERR RSF	2,415	1,358	-
Restricted cash - MOERR	2,040	1,993	-
Restricted cash -DSRR 1.0	1,991	3,116	-
Restricted cash -DSRR .1	766	1,008	-
Accounts receivable-billed, net	4,297	4,766	4,525
Accounts receivable-unbilled, net	4,473	4,714	5,148
Accounts receivable-other	16	16	43
Inventory	598	722	529
Prepaid expenses	507	1,000	177
Prepaid property taxes	1,290	795	1,615
Prepaid income taxes	-	78	119
Intercompany receivable	-	-	-
Total Current Assets	<u>20,613</u>	<u>24,068</u>	<u>24,123</u>
Other Assets:			
Deferred land costs	-	-	-
Acquisition Premium and other	84,215	82,427	79,250
Total Other Assets	<u>84,215</u>	<u>82,427</u>	<u>79,256</u>
Total Intercompany Accounts	-	-	-
TOTAL ASSETS	<u>\$ 347,297</u>	<u>\$ 350,732</u>	<u>\$ 349,416</u>

Pennichuck Corporation
Consolidated Balance Sheets

7/31/2021
(\$000's)

<u>EQUITY AND LIABILITIES</u>	<u>Jul-21</u>		
	<u>Dec-20</u>	<u>Actual</u>	<u>Budget</u>
Stockholders' Equity:			
Common stock		\$ -	\$ -
Paid in capital	30,561	30,561	30,424
Accumulated other comprehensive income	254	300	254
Retained earnings	(30,403)	(33,841)	(32,484)
Treasury stock and other	-	-	-
Total Stockholders' Equity	412	(2,980)	(1,806)
Long Term Debt:			
Bonds, notes and mortgages	226,912	231,686	230,695
Total Long Term Debt	226,912	231,686	230,695
Current Liabilities:			
Line of credit	624	1,896	3,636
Fixed Asset Lines of Credit	4,856	4,610	7,188
Current portion of long term debt	6,020	6,394	6,314
Accounts payable	2,973	2,167	2,386
Deferred revenue watertight	66	86	-
Accrued interest payable	1,304	1,560	1,592
Other accrued expenses	721	1,022	1,386
Income taxes payable	(25)	(23)	(31)
Customer deposits & other	435	1,239	519
Total Current Liabilities	16,974	18,951	22,990
Other Liabilities and Deferred Credits:			
Deferred income taxes	14,931	14,644	15,290
Accrued liability pension	15,423	15,448	12,779
Unamortized ITC	405	385	385
Regulatory Liability	9,918	9,911	9,251
Accrued Post Retirement Benefits	4,910	5,072	4,176
Customer Advances	84	84	84
CIAC, net	56,536	56,848	54,933
Other liability: derivative instrument	460	382	460
Other long-term liabilities	332	301	179
Total Other Liabilities and Deferred Credits	102,999	103,075	97,537
TOTAL LIABILITIES AND EQUITY	\$ 347,297	\$ 350,732	\$ 349,416

Pennichuck Corporation
Consolidated Cash Flow Statements

	Prior Yr.	<u>Change</u>		7/31/21 (\$000's) <u>YTD</u>	<u>Change</u>		<u>Budget</u>
Operating Activities:							
Net Income (Loss)	\$ (2,167)	\$ (1,132)	-52.2%	\$ (3,299)	\$ 152	4.4%	\$ (3,451)
<u>Adjustments to reconcile net income to net cash provided by operating activities:</u>							
Depreciation and amortization	4,988	133	2.7%	5,121	(105)	-2.0%	5,226
Amortization of original issue discount	-	-	0.0%	-	-	0.0%	-
Gain on sale of property, plant and equipment	-	-	0.0%	-	-	0.0%	-
Gain on forgiveness of long term debt	-	-	0.0%	-	-	0.0%	-
Amortization of deferred investment tax credits	(19)	-	0.0%	(19)	0	1.4%	(19)
Provision for deferred income taxes	1,450	(1,775)	122.4%	(325)	(306)	-1607.8%	(19)
Equity component of AFUDC	-	-	0.0%	-	-	0.0%	-
Undistributed loss (earnings) in real estate partnerships	-	-	0.0%	-	-	0.0%	-
Special shareholder distribution	-	-	0.0%	-	-	0.0%	-
<u>Changes in assets and liabilities:</u>							
(Increase) decrease in accounts receivable and unbilled revenue	(3,058)	2,348	-76.8%	(710)	179	20.1%	(889)
(Increase) decrease in income taxes payable	(49)	(29)	59.2%	(78)	(78)	0.0%	-
(Increase) decrease in materials and supplies	14	(138)	985.7%	(124)	(198)	-267.0%	74
(Increase) decrease in prepaid expenses	(285)	286	-100.4%	1	38	102.7%	(37)
(Increase) decrease in deferred charges and other assets	447	2,553	571.1%	3,000	3,489	713.3%	(489)
Increase (decrease) in accounts payable and accrued expenses	(2,783)	2,336	83.9%	(447)	(1,028)	-176.9%	581
Increase (decrease) in other	(277)	1,457	-526.0%	1,180	2,143	222.5%	(963)
Net cash provided by (used in) operating activities	(1,739)	6,039	347.3%	4,300	4,285	29341.5%	15
<u>Investing activities:</u>							
Purchases of property, plant and equipment, including debt component of AFUDC	(3,250)	(2,113)	-65.0%	(5,363)	3,094	36.6%	(8,457)
Proceeds from sales of property, plant and equipment	-	-	0.0%	-	-	0.0%	-
(Increase) decrease in restricted cash	-	-	0.0%	-	-	0.0%	-
Sales of investment securities	-	-	0.0%	-	-	0.0%	-
Purchase of investment securities	-	-	0.0%	-	-	0.0%	-
Proceeds from sales of land	-	-	0.0%	-	-	0.0%	-
Net change in deferred land costs	-	-	0.0%	-	-	0.0%	-
Net cash provided by (used in) investing activities	(3,250)	(2,113)	-65.0%	(5,363)	3,094	36.6%	(8,457)
<u>Financing activities:</u>							
Advances (repayments) on line of credit	(4,560)	5,586	-122.5%	1,026	(4,318)	-80.8%	5,344
Payments on long term debt	(5,205)	1,542	29.6%	(3,663)	(708)	-24.0%	(2,955)
Contributions in aid of construction	20	(5)	-25.0%	15	15	0.0%	-
Proceeds from long-term borrowings	11,152	(4,782)	-42.9%	6,370	(573)	-8.2%	6,943
Debt issuance costs	-	-	0.0%	-	(1,783)	-100.0%	1,783
Dividends paid	(140)	-	0.0%	(140)	(3)	-2.4%	(137)
Net cash provided by (used in) financing activities	1,267	2,341	-184.8%	3,608	(7,370)	-67.1%	10,978
Increase (decrease) in cash	(3,719)	6,264	168.4%	2,545	9	0.4%	2,536
Cash and cash equivalents at beginning of period	10,274	(842)	-8.2%	9,432	(1)	0.0%	9,433
Cash and cash equivalents at end of period	\$ 6,555	5,422	82.7%	\$ 11,977	8	0.1%	\$ 11,969



Questions?