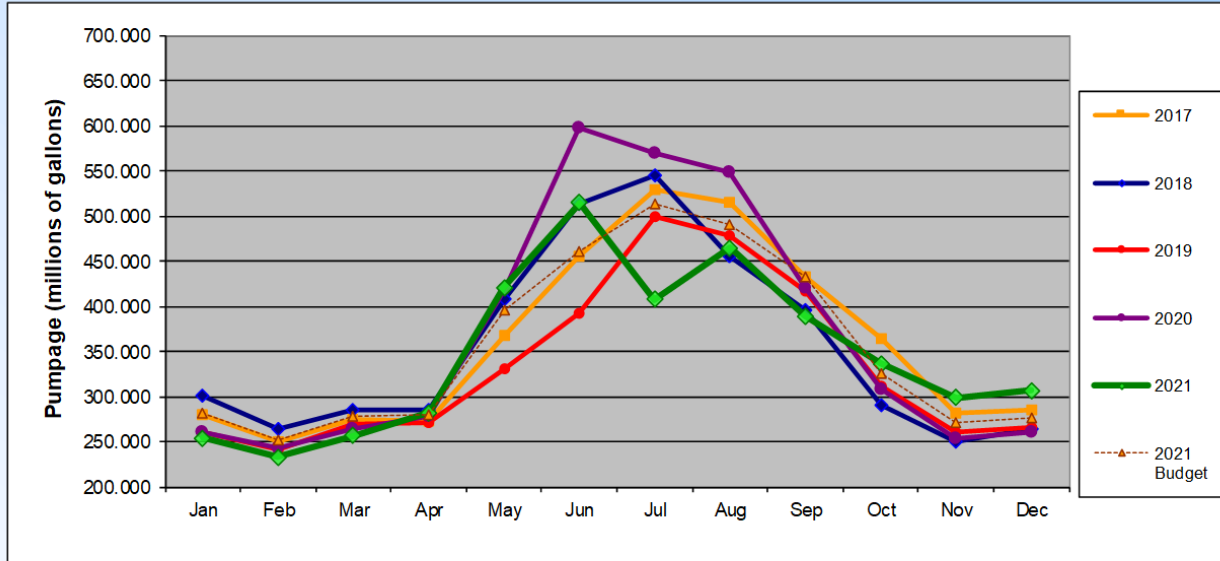


**Financial Review
Of
The Unaudited Results and Usage
through December 31, 2021**

As of February 19, 2022

Pennichuck Corporation
PWW Pumpage

12/31/2021
 (\$000'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	464.110	389.090	336.650	298.980	306.730	4,163.840

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

12/31/2021
(\$000's)

	YTD						
	Actual vs. Prior and Budget						
	<u>Prior</u>	<u>Change</u>		<u>Actual</u>	<u>Change</u>		<u>Budget</u>
Revenues:							
Water Utility Operations	\$ 47,301	\$ 1,351	2.9%	\$ 48,652	\$ 254	0.5%	\$ 48,398
Water Management Services	2,778	561	20.2%	3,339	516	18.3%	2,823
Real Estate Operations	-	-	0.0%	-	-	0.0%	-
Other	12	1	8.3%	13	1	8.3%	12
Total Revenues	50,091	1,913	3.8%	52,004	771	1.5%	51,233
Operating Expenses:							
Water Utility Operations	37,111	(2,135)	-5.8%	39,246	94	0.2%	39,340
Water Management Services	2,659	(430)	-16.2%	3,089	(414)	-15.5%	2,675
Real Estate Operations	3	3	100.0%	-	-	0.0%	-
Other	(47)	6	-12.8%	(53)	3	6.0%	(50)
Total Operating Expenses	39,726	(2,556)	-6.4%	42,282	(317)	-0.8%	41,965
PWW Management Fee Allocation	-	-	0.0%	-	-	0.0%	-
Holding Co. Mgmt. Fee Allocation	-	-	0.0%	-	-	0.0%	-
Net Operating Expenses	39,726	(2,556)	-6.4%	42,282	(317)	-0.8%	41,965
Operating Income (Loss)	10,365	(643)	-6.2%	9,722	454	4.9%	9,268
% of Revenue	20.7%			18.7%			18.1%
Eminent Domain & Merger (Costs)	-	-	0.0%	-	-	0.0%	-
Equity Method Net Earnings (Loss)	-	-	0.0%	-	-	0.0%	-
Other Income (Expense)	52	239	-459.6%	291	291	0.0%	-
AFUDC Income (Expense)	-	-	0.0%	-	-	0.0%	-
Interest Income	-	-	0.0%	-	-	0.0%	-
Interest (Expense)	(11,895)	(2,006)	-16.9%	(13,901)	588	4.1%	(14,489)
Pre-tax Income (Loss)	(1,478)	(2,410)	-163.1%	(3,888)	1,333	25.5%	(5,221)
% of Revenue	-3.0%			-7.5%			-10.2%
Provision for Income Taxes	505	694	-137.4%	(189)	(627)	-76.8%	(816)
Effective Tax Rate %	-34.2%			4.9%			15.6%
Net Income (Loss)	(1,983)	(1,716)	-86.5%	(3,699)	706	16.0%	(4,405)
EBITDA	19,052	(197)	-1.0%	18,855	872	4.8%	17,983
Add Back: Extraordinary Items	-	-	0.0%	-	-	0.0%	-
Normalized EBITDA	19,052	(197)	-1.0%	18,855	872	4.8%	17,983
Less: Principal and Interest on External Debt	(10,453)	(1,010)	-9.7%	(11,463)	616	5.1%	(12,079)
Less: Principal and Interest on Note Payments to City	(8,484)	-	0.0%	(8,484)	-	0.0%	(8,484)
Net Remainder	115	(1,207)	1049.6%	(1,092)	1,488	57.7%	(2,580)

**Pennichuck Corporation
Capital Expenditures - Summary**

**12/31/2021
(\$000's)**

<u>QTD</u>				<u>YTD</u>		
<u>Prior</u>	<u>Actual</u>	<u>Budget</u>		<u>Prior</u>	<u>Actual</u>	<u>Budget</u>
\$ 3,229	\$ 2,176	\$ 1,448	PWW	\$ 6,790	\$ 7,778	\$ 12,019
1,614	60	345	PEU	3,872	943	2,749
18	-	10	PAC	29	9	143
-	-	-	PWSC	-	-	-
-	-	-	Southwood Corp.	-	-	-
-	-	-	Holding Company	-	-	-
<u>\$ 4,861</u>	<u>\$ 2,236</u>	<u>\$ 1,803</u>	Subtotal	<u>\$ 10,691</u>	<u>\$ 8,730</u>	<u>\$ 14,911</u>
-	-	-	AFUDC	-	-	-
1,580	754		CIAC	2,525	2,132	-
<u>\$ 6,441</u>	<u>\$ 2,990</u>	<u>\$ 1,803</u>	Total	<u>\$ 13,216</u>	<u>\$ 10,862</u>	<u>\$ 14,911</u>

Pennichuck Corporation
Consolidated Balance Sheets

12/31/2021
(\$000's)

<u>ASSETS</u>	<u>Dec-21</u>		
	<u>Dec-20</u>	<u>Actual</u>	<u>Budget</u>
Land	\$ 5,972	\$ 5,955	\$ 5,964
Buildings	73,721	74,318	74,223
Equipment & software	243,907	252,326	254,541
	<u>323,600</u>	<u>332,599</u>	<u>334,728</u>
Accumulated depreciation	(81,923)	(87,778)	(92,929)
	<u>241,677</u>	<u>244,821</u>	<u>241,799</u>
Work in process	792	376	7,467
Net Plant and Equipment	<u>242,469</u>	<u>245,197</u>	<u>249,266</u>
Current Assets:			
Cash	310	1,493	108
Restricted cash - 2014 Bond Project Fund	214	216	-
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	1,037	-
Restricted cash -CBFRR RSF	978	964	11,221
Restricted cash -DSRR 1.0 RSF	421	1,158	-
Restricted cash - MOERR RSF	2,415	1,935	-
Restricted cash - MOERR	2,040	3,833	-
Restricted cash -DSRR 1.0	1,991	2,422	-
Restricted cash -DSRR .1	766	1,306	-
Accounts receivable-billed, net	4,297	3,577	4,091
Accounts receivable-unbilled, net	4,473	6,277	4,951
Accounts receivable-other	16	16	43
Inventory	598	762	493
Prepaid expenses	507	506	(70)
Prepaid property taxes	1,290	926	2,084
Prepaid income taxes	-	-	119
Intercompany receivable	-	-	-
Total Current Assets	<u>20,613</u>	<u>26,466</u>	<u>23,040</u>
Other Assets:			
Acquisition Premium and other	84,215	77,599	78,326
Total Other Assets	<u>84,215</u>	<u>77,599</u>	<u>78,332</u>
Total Intercompany Accounts	-	-	-
TOTAL ASSETS	<u>\$ 347,297</u>	<u>\$ 349,262</u>	<u>\$ 350,638</u>

Pennichuck Corporation
Consolidated Balance Sheets

12/31/2021
(\$000's)

<u>EQUITY AND LIABILITIES</u>	Dec-20	Dec-21	
		Actual	Budget
Stockholders' Equity:			
Common stock		\$ -	\$ -
Paid in capital	30,561	30,561	30,288
Accumulated other comprehensive income	254	356	254
Retained earnings	(30,403)	(34,381)	(33,439)
Treasury stock and other	-	-	-
Total Stockholders' Equity	412	(3,464)	(2,897)
Long Term Debt:			
Bonds, notes and mortgages	226,912	233,265	227,345
Total Long Term Debt	226,912	233,265	227,345
Current Liabilities:			
Line of credit	624	-	2,852
Fixed Asset Lines of Credit	4,856	6,608	13,577
Current portion of long term debt	6,020	6,607	6,540
Accounts payable	2,973	2,481	2,087
Deferred revenue watertight	66	67	-
Accrued interest payable	1,304	1,341	1,370
Other accrued expenses	721	1,085	1,329
Income taxes payable	(25)	(21)	(31)
Customer deposits & other	435	1,321	519
Total Current Liabilities	16,974	19,489	28,243
Other Liabilities and Deferred Credits:			
Deferred income taxes	14,931	14,851	15,488
Accrued liability pension	15,423	12,159	13,254
Unamortized ITC	405	371	371
Regulatory Liability	9,918	9,906	9,242
Accrued Post Retirement Benefits	4,910	4,748	4,177
Customer Advances	84	84	84
CIAC, net	56,536	57,303	54,785
Other liability: derivative instrument	460	290	460
Other long-term liabilities	332	260	86
Total Other Liabilities and Deferred Credits	102,999	99,972	97,947
TOTAL LIABILITIES AND EQUITY	\$ 347,297	\$ 349,262	\$ 350,638

Pennichuck Corporation
Consolidated Cash Flow Statements

	Prior Yr.	Change		12/31/21 (\$000's) YTD	Change		Budget
Operating Activities:							
Net Income (Loss)	\$ (1,983)	\$ (1,716)	-86.5%	\$ (3,699)	\$ 706	16.0%	\$ (4,405)
Adjustments to reconcile net income to net cash provided by operating activities:							
Depreciation and amortization	8,637	206	2.4%	8,843	(116)	-1.3%	8,959
Amortization of original issue discount	-	-	0.0%	-	-	0.0%	-
Gain on sale of property, plant and equipment	-	(345)	0.0%	(345)	(345)	0.0%	-
Gain on forgiveness of long term debt	-	-	0.0%	-	-	0.0%	-
Amortization of deferred investment tax credits	(33)	-	0.0%	(33)	0	0.1%	(33)
Provision for deferred income taxes	534	(695)	130.1%	(161)	(341)	-189.6%	180
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%	-
Changes in assets and liabilities:							
(Increase) decrease in accounts receivable and unbilled revenue	(3,154)	2,070	-65.6%	(1,084)	(827)	-321.0%	(257)
(Increase) decrease in income taxes payable	-	-	0.0%	-	-	0.0%	-
(Increase) decrease in materials and supplies	50	(214)	428.0%	(164)	(274)	-248.8%	110
(Increase) decrease in prepaid expenses	(386)	751	-194.6%	365	625	240.4%	(260)
(Increase) decrease in deferred charges and other assets	(13,994)	21,871	-156.3%	7,877	8,716	1039.1%	(839)
Increase (decrease) in accounts payable and accrued expenses	(969)	659	68.0%	(310)	(449)	-322.6%	139
Increase (decrease) in other	3,029	(5,417)	-178.8%	(2,388)	(1,059)	-79.7%	(1,329)
Net cash provided by (used in) operating activities	(8,269)	17,170	207.6%	8,901	6,636	293.0%	2,265
Investing activities:							
Purchases of property, plant and equipment, including debt component of AFUDC	(10,165)	1,349	13.3%	(8,816)	6,092	40.9%	(14,908)
Proceeds from sales of property, plant and equipment	-	429	0.0%	429	429	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	(10,165)	1,778	17.5%	(8,387)	6,521	43.7%	(14,908)
Financing activities:							
Advances (repayments) on line of credit	(3,803)	4,931	-129.7%	1,128	(9,821)	-89.7%	10,949
Payments on long term debt	(65,649)	59,603	90.8%	(6,046)	29	0.5%	(6,075)
Contributions in aid of construction	35	5	14.3%	40	40	0.0%	-
Proceeds from long-term borrowings	87,289	(77,675)	-89.0%	9,614	2,733	39.7%	6,881
Debt issuance costs	-	-	0.0%	-	(3,057)	-100.0%	3,057
Dividends paid	(280)	-	0.0%	(280)	(7)	-2.4%	(273)
Net cash provided by (used in) financing activities	17,592	(13,136)	74.7%	4,456	(10,083)	-69.4%	14,539
Increase (decrease) in cash	(842)	5,812	690.3%	4,970	3,074	162.1%	1,896
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	\$ 9,432	4,970	52.7%	\$ 14,402	3,073	27.1%	\$ 11,329