

**Financial Review  
Of  
The Unaudited Results and Usage  
through May 31, 2023**

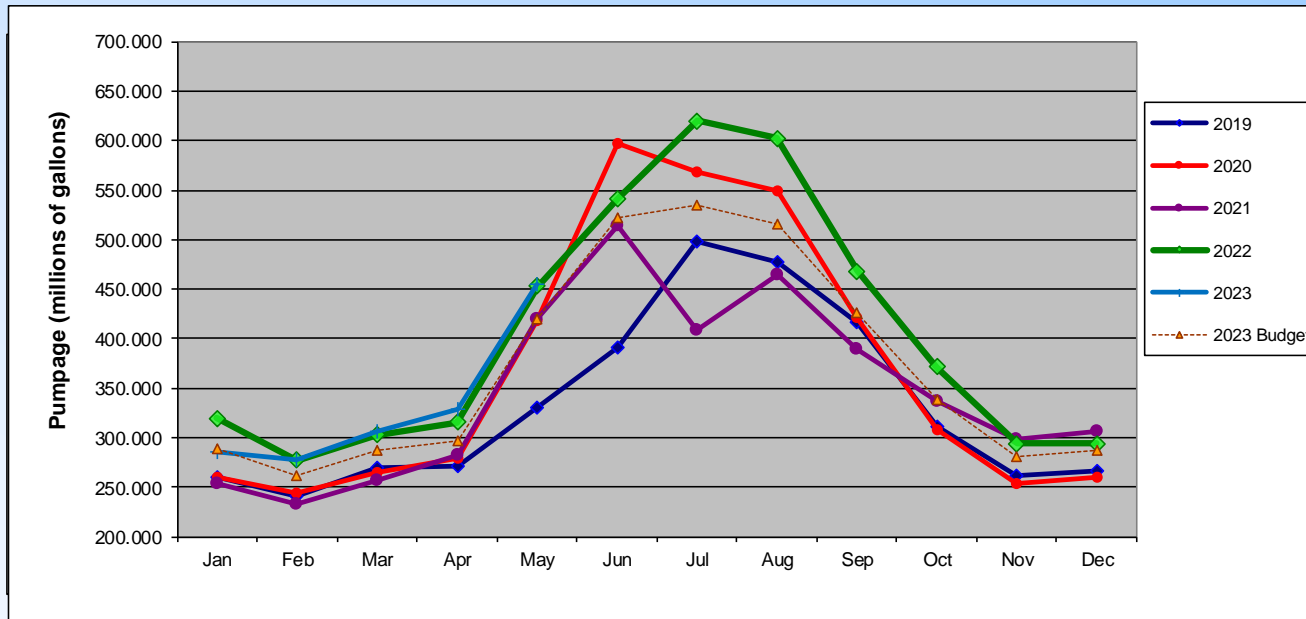
**As of June 23, 2023**

# Pennichuck Corporation

## PWW Pumpage

5/31/2023

(\$'000's)



Pumpage Data (millions of gallons)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
<b>2019</b>	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
<b>2020</b>	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
<b>2021</b>	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
<b>2022</b>	319.760	277.040	303.130	315.450	453.040	540.960	619.770	602.570	468.420	371.560	293.720	294.170	4,859.590
<b>2023</b>	<b>285.700</b>	<b>278.040</b>	<b>306.790</b>	<b>329.600</b>	<b>455.700</b>								<b>1655.830</b>

Pumpage Data - Budget (millions of gallons)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
<b>2023 Budget</b>	<b>289.234</b>	<b>261.055</b>	<b>286.641</b>	<b>297.225</b>	<b>419.107</b>	<b>522.039</b>	<b>534.665</b>	<b>516.258</b>	<b>426.554</b>	<b>338.107</b>	<b>280.245</b>	<b>287.393</b>	<b>4,458.523</b>

Pennichuck Corporation  
YTD Income Statement

Business: Consolidated

5/31/2023  
(\$000's)

	YTD						
	Actual vs. Prior and Budget						
	Prior	Change		Actual	Change		Budget
<b>Revenues:</b>							
Water Utility Operations	\$ 19,800	\$ (571)	-2.9%	\$ 19,229	\$ 589	3.2%	\$ 18,640
Water Management Services	1,374	(517)	-37.6%	857	(32)	-3.6%	889
Real Estate Operations	-	-	0.0%	-	-	0.0%	-
Other	5	-	0.0%	5	-	0.0%	5
<b>Total Revenues</b>	<b>21,179</b>	<b>(1,088)</b>	<b>-5.1%</b>	<b>20,091</b>	<b>557</b>	<b>2.9%</b>	<b>19,534</b>
<b>Operating Expenses:</b>							
Water Utility Operations	16,383	(909)	-5.5%	17,292	405	2.3%	17,697
Water Management Services	1,286	584	45.4%	702	191	21.4%	893
Real Estate Operations	-	-	0.0%	-	-	0.0%	-
Other	(32)	(2)	6.3%	(30)	-	0.0%	(30)
<b>Total Operating Expenses</b>	<b>17,637</b>	<b>(327)</b>	<b>-1.9%</b>	<b>17,964</b>	<b>596</b>	<b>3.2%</b>	<b>18,560</b>
PWW Management Fee Allocation	-	-	0.0%	-	-	0.0%	-
Holding Co. Mgmt. Fee Allocation	-	-	0.0%	-	-	0.0%	-
<b>Net Operating Expenses</b>	<b>17,637</b>	<b>(327)</b>	<b>-1.9%</b>	<b>17,964</b>	<b>596</b>	<b>3.2%</b>	<b>18,560</b>
<b>Operating Income (Loss)</b>	<b>3,542</b>	<b>(1,415)</b>	<b>-39.9%</b>	<b>2,127</b>	<b>1,153</b>	<b>118.4%</b>	<b>974</b>
<b>% of Revenue</b>	<b>16.7%</b>			<b>10.6%</b>			<b>5.0%</b>
Other Income (Expense)	-	-	0.0%	-	-	0.0%	-
Interest Income	-	-	0.0%	-	-	0.0%	-
Interest (Expense)	(5,813)	(183)	-3.1%	(5,996)	124	2.0%	(6,120)
<b>Pre-tax Income (Loss)</b>	<b>(2,271)</b>	<b>(1,598)</b>	<b>-70.4%</b>	<b>(3,869)</b>	<b>1,277</b>	<b>24.8%</b>	<b>(5,146)</b>
<b>% of Revenue</b>	<b>-10.7%</b>			<b>-19.3%</b>			<b>-26.3%</b>
Provision for Income Taxes	(316)	286	90.5%	(602)	(220)	-26.8%	(822)
Effective Tax Rate %	13.9%			15.6%			16.0%
<b>Net Income (Loss)</b>	<b>(1,955)</b>	<b>(1,312)</b>	<b>-67.1%</b>	<b>(3,267)</b>	<b>1,057</b>	<b>24.4%</b>	<b>(4,324)</b>
<b>EBITDA</b>	<b>7,284</b>	<b>(1,378)</b>	<b>-18.9%</b>	<b>5,906</b>	<b>1,171</b>	<b>24.7%</b>	<b>4,735</b>
Add Back: Extraordinary Items	-	-	0.0%	-	-	0.0%	-
<b>Normalized EBITDA</b>	<b>7,284</b>	<b>(1,378)</b>	<b>-18.9%</b>	<b>5,906</b>	<b>1,171</b>	<b>24.7%</b>	<b>4,735</b>
Less: Principal and Interest on External Debt	(7,353)	2,101	28.6%	(5,252)	1,306	19.9%	(6,558)
Less: Principal and Interest on Note Payments to City	(3,535)	-	0.0%	(3,535)	-	0.0%	(3,535)
<b>Net Remainder</b>	<b>(3,604)</b>	<b>723</b>	<b>20.1%</b>	<b>(2,881)</b>	<b>2,477</b>	<b>46.2%</b>	<b>(5,358)</b>

Pennichuck Corporation  
Consolidated Balance Sheets

5/31/2023  
(\$000's)

<u>ASSETS</u>	<u>May-23</u>		
	<u>Dec-22</u>	<u>Actual</u>	<u>Budget</u>
Land	\$ 5,962	\$ 5,963	\$ 5,963
Buildings	73,535	73,535	74,282
Equipment & software	257,697	259,218	259,093
	<u>337,194</u>	<u>338,716</u>	<u>339,338</u>
Accumulated depreciation	(91,367)	(94,789)	(95,523)
	<u>245,827</u>	<u>243,927</u>	<u>243,815</u>
Work in process	1,234	2,601	2,519
Net Plant and Equipment	<u>247,061</u>	<u>246,528</u>	<u>246,334</u>
Current Assets:			
Cash	3,138	1,600	4,709
Restricted cash - 2014 Bond Project Fund	218	-	-
Restricted cash - 2023 Bond Project Fund	-	4	-
Restricted cash - CIAC	134	134	-
Restricted cash -CBFRR RSF	1,486	535	10,700
Restricted cash -DSRR 1.0 RSF	2,877	2,413	-
Restricted cash - MOERR RSF	(371)	940	-
Restricted cash - MOERR	2,616	3,994	-
Restricted cash -DSRR 1.0	2,755	2,481	-
Restricted cash -DSRR .1	1,474	1,538	-
Accounts receivable-billed, net	5,048	3,301	3,827
Accounts receivable-unbilled, net	3,277	3,237	4,203
Accounts receivable-other	16	21	(363)
Inventory	991	1,088	930
Prepaid expenses	907	898	1,156
Prepaid property taxes	1,065	-	214
Prepaid income taxes	11	49	188
Total Current Assets	<u>25,642</u>	<u>22,233</u>	<u>25,564</u>
Other Assets:			
Acquisition Premium and other	72,184	71,163	78,962
Total Other Assets	<u>72,184</u>	<u>71,163</u>	<u>78,974</u>
Total Intercompany Accounts	-	-	-
TOTAL ASSETS	<u>\$ 344,887</u>	<u>\$ 339,924</u>	<u>\$ 350,872</u>

Pennichuck Corporation  
Consolidated Balance Sheets

5/31/2023  
(S000's)

<u>EQUITY AND LIABILITIES</u>	<u>Dec-22</u>	<u>May-23</u>	
		<u>Actual</u>	<u>Budget</u>
<b>Stockholders' Equity:</b>			
Common stock		\$ -	\$ -
Paid in capital	30,561	30,561	30,493
Accumulated other comprehensive income	524	512	524
Retained earnings	(36,363)	(39,769)	(41,612)
Treasury stock and other	-	-	-
<b>Total Stockholders' Equity</b>	<b>(5,278)</b>	<b>(8,696)</b>	<b>(10,595)</b>
<b>Long Term Debt:</b>			
Bonds, notes and mortgages	232,859	237,662	238,086
<b>Total Long Term Debt</b>	<b>232,859</b>	<b>237,662</b>	<b>238,086</b>
<b>Current Liabilities:</b>			
Line of credit	785	-	-
Fixed Asset Lines of Credit	5,461	1,103	3,310
Current portion of long term debt	7,998	8,224	6,167
Accounts payable	3,314	2,100	2,643
Deferred revenue watertight	69	99	-
Accrued interest payable	1,388	1,074	3,398
Other accrued expenses	686	1,732	1,718
Income taxes payable	(25)	(24)	(25)
Customer deposits & other	653	638	737
<b>Total Current Liabilities</b>	<b>20,329</b>	<b>14,946</b>	<b>17,948</b>
<b>Other Liabilities and Deferred Credits:</b>			
Deferred income taxes	14,418	13,826	15,826
Accrued liability pension	6,177	6,254	12,555
Unamortize ITC	338	325	324
Regulatory Liability	9,894	9,890	9,254
Accrued Post Retirement Benefits	3,401	3,479	4,995
Customer Advances	84	84	84
CIAC, net	57,306	56,885	57,159
Other liability: derivative instrument	10	29	10
Other long-term liabilities	5,349	5,240	5,226
<b>Total Other Liabilities and Deferred Credits</b>	<b>96,977</b>	<b>96,012</b>	<b>105,433</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 344,887</b>	<b>\$ 339,924</b>	<b>\$ 350,872</b>

**Pennichuck Corporation**  
**Consolidated Cash Flow Statements**

	Prior Yr.	Change		5/31/23 (\$000's) YTD	Change		Budget
<b>Operating Activities:</b>							
Net Income (Loss)	\$ (1,955)	\$ (1,312)	-67.1%	\$ (3,267)	\$ 1,057	24.4%	\$ (4,324)
<u>Adjustments to reconcile net income to net cash provided by operating activities:</u>							
Depreciation and amortization	3,743	36	1.0%	3,779	(89)	-2.3%	3,868
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	(14)	-	0.0%	(14)	(0)	-1.7%	(14)
Provision for deferred income taxes	(303)	(286)	-94.4%	(589)	(488)	-482.2%	(101)
Special shareholder distribution	-	-	0.0%	-	-	0.0%	-
<u>Changes in assets and liabilities:</u>							
(Increase) decrease in accounts receivable and unbilled revenue	(575)	2,358	-410.1%	1,783	1,109	164.4%	674
(Increase) decrease in income taxes payable	-	(38)	0.0%	(38)	(1)	-1.3%	(38)
(Increase) decrease in materials and supplies	(212)	113	53.3%	(99)	(160)	-262.4%	61
(Increase) decrease in prepaid expenses	377	697	184.9%	1,074	512	91.0%	562
(Increase) decrease in deferred charges and other assets	1,580	(198)	-12.5%	1,382	1,687	552.6%	(305)
Increase (decrease) in accounts payable and accrued expenses	(956)	(227)	-23.7%	(1,183)	(826)	-231.0%	(357)
Increase (decrease) in accrued interest payable	(289)	(25)	-8.7%	(314)	(2,323)	-115.6%	2,009
Increase (decrease) in accrued property taxes	-	947	0.0%	947	160	20.4%	787
Increase (decrease) in other	529	(398)	-75.2%	131	867	117.8%	(736)
Net cash provided by (used in) operating activities	2,616	1,667	-63.7%	3,592	1,506	72.2%	2,086
<u>Investing activities:</u>							
Purchases of property, plant and equipment, including debt component of AFUDC	(1,452)	(1,279)	-88.1%	(2,731)	(138)	-5.3%	(2,593)
Proceeds from sales of property, plant and equipment	-	-	0.0%	-	0	100.0%	(0)
(Increase) decrease in restricted cash	-	-	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	(1,452)	(1,279)	-88.1%	(2,731)	(138)	-5.3%	(2,593)
<u>Financing activities:</u>							
Advances (repayments) on line of credit	(4,146)	(996)	24.0%	(5,142)	(2,207)	-75.2%	(2,935)
Payments on long term debt	(5,075)	2,283	45.0%	(2,792)	1,181	29.7%	(3,973)
Contributions in aid of construction	4	(4)	-100.0%	-	-	0.0%	-
Proceeds from long-term borrowings	6,785	22	0.3%	6,807	(478)	-6.6%	7,285
Debt issuance costs	(274)	(9)	3.3%	(283)	(1,562)	-122.1%	1,279
Dividends paid	(139)	-	0.0%	(139)	(71)	-103.3%	(68)
Net cash provided by (used in) financing activities	(2,845)	1,296	45.6%	(1,549)	(3,137)	-197.5%	1,588
Increase (decrease) in cash	(1,681)	993	59.1%	(688)	(1,770)	-163.6%	1,082
Cash and cash equivalents at beginning of period	14,403	(76)	-0.5%	14,327	(0)	0.0%	14,327
Cash and cash equivalents at end of period	\$ 12,722	917	7.2%	\$ 13,639	(1,770)	-11.5%	\$ 15,409