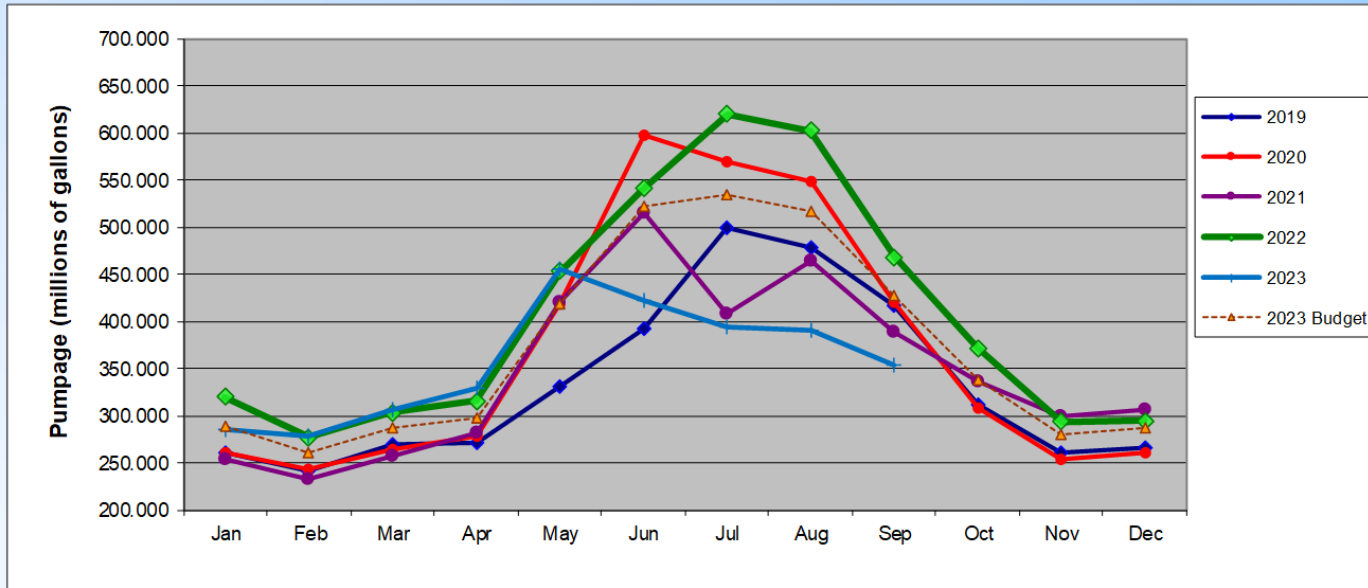


**Financial Review
Of
The Unaudited Results and Usage
through September 30, 2023**

As of October 27, 2023

Pennichuck Corporation PWW Pumpage

9/30/2023
(S000's)



Pumpage Data (millions of gallons)													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
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
2022	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
2023	285.700	278.040	306.790	329.600	455.700	421.060	393.030	390.200	353.220				3,213.340

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

Pennichuck Corporation
YTD Income Statement

Business: Consolidated

9/30/2023
(\$000's)

	YTD						
	<u>Actual vs. Prior and Budget</u>						
	<u>Prior</u>	<u>Change</u>		<u>Actual</u>	<u>Change</u>		<u>Budget</u>
Revenues:							
Water Utility Operations	\$ 42,041	\$ (3,728)	-8.9%	\$ 38,313	\$ (2,713)	-6.6%	\$ 41,026
Water Management Services	2,318	(691)	-29.8%	1,627	11	0.7%	1,616
Real Estate Operations	-	-	0.0%	-	-	0.0%	-
Other	10	-	0.0%	10	-	0.0%	10
Total Revenues	44,369	(4,419)	-10.0%	39,950	(2,702)	-6.3%	42,652
Operating Expenses:							
Water Utility Operations	31,261	(563)	-1.8%	31,824	1,351	4.1%	33,175
Water Management Services	2,159	797	36.9%	1,362	245	15.2%	1,607
Real Estate Operations	-	-	0.0%	-	-	0.0%	-
Other	(54)	3	-5.6%	(57)	3	5.6%	(54)
Total Operating Expenses	33,366	237	0.7%	33,129	1,599	4.6%	34,728
PWW Management Fee Allocation	-	-	0.0%	-	-	0.0%	-
Holding Co. Mgmt. Fee Allocation	-	-	0.0%	-	-	0.0%	-
Net Operating Expenses	33,366	237	0.7%	33,129	1,599	4.6%	34,728
Operating Income (Loss)	11,003	(4,182)	-38.0%	6,821	(1,103)	-13.9%	7,924
% of Revenue	24.8%			17.1%			18.6%
Other Income (Expense)	-	568	0.0%	568	568	0.0%	-
Interest Income	-	-	0.0%	-	-	0.0%	-
Interest (Expense)	(10,588)	(266)	-2.5%	(10,854)	241	2.2%	(11,095)
Pre-tax Income (Loss)	415	(3,880)	-934.9%	(3,465)	(294)	-9.3%	(3,171)
% of Revenue	0.9%			-8.7%			-7.4%
Provision for Income Taxes	(202)	434	214.9%	(636)	128	25.2%	(508)
Effective Tax Rate %	-48.7%			18.4%			16.0%
Net Income (Loss)	617	(3,446)	-558.5%	(2,829)	(166)	-6.2%	(2,663)
EBITDA	17,680	(3,495)	-19.8%	14,185	(489)	-3.3%	14,674
Add Back: Extraordinary Items	-	-	0.0%	-	-	0.0%	-
Normalized EBITDA	17,680	(3,495)	-19.8%	14,185	(489)	-3.3%	14,674
Less: Principal and Interest on External Debt	(12,161)	915	7.5%	(11,246)	(988)	-9.6%	(10,258)
Less: Principal and Interest on Note Payments to City	(6,363)	-	0.0%	(6,363)	-	0.0%	(6,363)
Net Remainder	(844)	(2,580)	-305.7%	(3,424)	(1,477)	-75.9%	(1,947)

<u>ASSETS</u>	<u>Sep-23</u>		
	<u>Dec-22</u>	<u>Actual</u>	<u>Budget</u>
Land	\$ 5,962	\$ 5,763	\$ 5,963
Buildings	73,535	73,583	74,332
Equipment & software	257,697	261,728	265,049
	<u>337,194</u>	<u>341,074</u>	<u>345,344</u>
Accumulated depreciation	(91,367)	(96,840)	(98,154)
	<u>245,827</u>	<u>244,234</u>	<u>247,190</u>
Work in process	1,234	4,500	5,579
Net Plant and Equipment	<u>247,061</u>	<u>248,734</u>	<u>252,769</u>
Current Assets:			
Cash	3,138	1,780	5,053
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	831	12,212
Restricted cash -DSRR 1.0 RSF	2,877	2,654	-
Restricted cash - MOERR RSF	(371)	601	-
Restricted cash - MOERR	2,616	3,250	-
Restricted cash -DSRR 1.0	2,755	1,135	-
Restricted cash -DSRR .1	1,474	1,917	-
Accounts receivable-billed, net	5,048	5,102	5,569
Accounts receivable-unbilled, net	3,277	3,339	5,266
Accounts receivable-other	16	25	(274)
Inventory	991	1,080	890
Prepaid expenses	907	1,253	556
Prepaid property taxes	1,065	-	737
Prepaid income taxes	11	100	263
Total Current Assets	<u>25,642</u>	<u>23,205</u>	<u>30,272</u>
Other Assets:			
Acquisition Premium and other	72,184	70,354	78,161
Total Other Assets	<u>72,184</u>	<u>70,354</u>	<u>78,169</u>
Total Intercompany Accounts	-	-	-
TOTAL ASSETS	<u>\$ 344,887</u>	<u>\$ 342,293</u>	<u>\$ 361,210</u>

<u>EQUITY AND LIABILITIES</u>	Dec-22	Sep-23	
		Actual	Budget
Stockholders' Equity:			
Common stock		\$ -	\$ -
Paid in capital	30,561	30,561	30,356
Accumulated other comprehensive income	524	541	524
Retained earnings	(36,363)	(39,401)	(39,950)
Treasury stock and other	-	-	-
Total Stockholders' Equity	(5,278)	(8,299)	(9,070)
Long Term Debt:			
Bonds, notes and mortgages	232,859	237,329	237,788
Total Long Term Debt	232,859	237,329	237,788
Current Liabilities:			
Line of credit	785	880	-
Fixed Asset Lines of Credit	5,461	4,781	10,718
Current portion of long term debt	7,998	7,319	6,236
Accounts payable	3,314	2,118	2,787
Deferred revenue watertight	69	94	-
Accrued interest payable	1,388	447	5,108
Other accrued expenses	686	964	812
Income taxes payable	(25)	(23)	(25)
Customer deposits & other	653	769	736
Total Current Liabilities	20,329	17,349	26,372
Other Liabilities and Deferred Credits:			
Deferred income taxes	14,418	13,823	16,871
Accrued liability pension	6,177	6,116	12,417
Unamortized ITC	338	314	314
Regulatory Liability	9,894	9,884	9,247
Accrued Post Retirement Benefits	3,401	3,540	4,995
Customer Advances	84	84	84
CIAC, net	57,306	56,849	57,041
Other liability: derivative instrument	10	(18)	10
Other long-term liabilities	5,349	5,322	5,141
Total Other Liabilities and Deferred Credits	96,977	95,914	106,120
TOTAL LIABILITIES AND EQUITY	\$ 344,887	\$ 342,293	\$ 361,210

Pennichuck Corporation
Consolidated Cash Flow Statements

	Prior Yr.	<u>Change</u>		9/30/23 (S000's) YTD	<u>Change</u>		<u>Budget</u>
Operating Activities:							
Net Income (Loss)	\$ 617	\$ (3,446)	558.5%	\$ (2,829)	\$ (167)	-6.3%	\$ (2,662)
<u>Adjustments to reconcile net income to net cash provided by operating activities:</u>							-
Depreciation and amortization	6,677	119	1.8%	6,796	(147)	-2.1%	6,943
Amortization of original issue discount	-	-	0.0%	-	-	0.0%	-
Gain on sale of property, plant and equipment	-	(575)	0.0%	(575)	(575)	0.0%	-
Gain on forgiveness of long term debt	-	-	0.0%	-	-	0.0%	-
Amortization of deferred investment tax credits	(25)	-	0.0%	(25)	(0)	-0.9%	(25)
Provision for deferred income taxes	(179)	(436)	-243.6%	(615)	(1,559)	-165.1%	944
Special shareholder distribution	-	-	0.0%	-	-	0.0%	-
<u>Changes in assets and liabilities:</u>							-
(Increase) decrease in accounts receivable and unbilled revenue	(1,936)	1,811	-93.5%	(125)	2,095	94.4%	(2,220)
(Increase) decrease in income taxes payable	(112)	22	-19.6%	(90)	23	20.0%	(113)
(Increase) decrease in materials and supplies	(117)	28	23.9%	(89)	(190)	-187.8%	101
(Increase) decrease in prepaid expenses	311	408	131.2%	719	79	12.4%	640
(Increase) decrease in deferred charges and other assets	2,832	(388)	-13.7%	2,444	2,968	566.4%	(524)
Increase (decrease) in accounts payable and accrued expenses	13	(1,183)	9100.0%	(1,170)	(884)	-309.1%	(286)
Increase (decrease) in accrued interest payable	(1,028)	87	8.5%	(941)	(4,661)	-125.3%	3,720
Increase (decrease) in accrued property taxes	-	-	0.0%	-	(91)	-100.0%	91
Increase (decrease) in other	(39)	486	-1246.2%	447	2,057	127.8%	(1,610)
Net cash provided by (used in) operating activities	6,869	(3,067)	44.6%	3,947	(1,053)	-21.1%	5,000
Investing activities:							
Purchases of property, plant and equipment, including debt component of AFUDC	(4,857)	(2,820)	-58.1%	(7,677)	3,984	34.2%	(11,661)
Proceeds from sales of property, plant and equipment	-	791	0.0%	791	791	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	(4,857)	(2,029)	-41.8%	(6,886)	4,775	41.0%	(11,661)
Financing activities:							
Advances (repayments) on line of credit	(1,514)	929	-61.4%	(585)	(5,057)	-113.1%	4,472
Payments on long term debt	(7,935)	1,180	14.9%	(6,755)	(1,229)	-22.2%	(5,526)
Contributions in aid of construction	10	212	2120.0%	222	222	0.0%	-
Proceeds from long-term borrowings	6,785	1,792	26.4%	8,577	22	0.3%	8,555
Debt issuance costs	(279)	(53)	19.0%	(332)	(2,635)	-114.4%	2,303
Dividends paid	(209)	-	0.0%	(209)	(4)	-1.9%	(205)
Net cash provided by (used in) financing activities	(3,142)	4,060	129.2%	918	(8,681)	-90.4%	9,599
Increase (decrease) in cash	(1,130)	(891)	-78.8%	(2,021)	(4,958)	-168.8%	2,937
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	\$ 13,273	(967)	-7.3%	\$ 12,306	(4,959)	-28.7%	\$ 17,265