

Connecticut Natural Gas Corporation

Financial Statements (Unaudited)

For the Six Months Ended June 30, 2025 and 2024

Connecticut Natural Gas Corporation

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Connecticut Natural Gas Corporation
Statements of Income (Unaudited)

Periods Ended June 30,	Three Months		Six Months	
	2025	2024	2025	2024
(Thousands)				
Operating Revenues	\$ 73,477	\$ 80,892	\$ 267,636	\$ 248,641
Operating Expenses				
Natural gas purchased	18,256	24,495	138,782	109,260
Operations and maintenance	22,415	25,568	49,214	51,797
Depreciation and amortization	9,877	13,034	20,784	25,887
Taxes other than income taxes, net	6,482	6,658	18,346	17,880
Total Operating Expenses	57,030	69,755	227,126	204,824
Operating Income	16,447	11,137	40,510	43,817
Other income	836	1,273	1,648	2,264
Other (deductions) income, net	(112)	402	(281)	757
Interest expense, net of capitalization	(4,091)	(3,479)	(7,849)	(6,793)
Income Before Income Tax	13,080	9,333	34,028	40,045
Income tax expense	2,494	1,973	5,043	8,573
Net Income	\$ 10,586	\$ 7,360	\$ 28,985	\$ 31,472

Connecticut Natural Gas Corporation
Statements of Comprehensive Income (Unaudited)

Periods Ended June 30,	Three Months		Six Months	
	2025	2024	2025	2024
(Thousands)				
Net Income	\$ 10,586	\$ 7,360	\$ 28,985	\$ 31,472
Other Comprehensive Loss, Net of Tax				
Amortization of pension cost for non-qualified plans, net of income tax	(1)	(1)	(3)	(2)
Other Comprehensive Loss, Net of Tax	(1)	(1)	(3)	(2)
Comprehensive Income	\$ 10,585	\$ 7,359	\$ 28,982	\$ 31,470

Connecticut Natural Gas Corporation
Balance Sheets (Unaudited)

As of	June 30,	December 31,
(Thousands)	2025	2024
Assets		
Current Assets		
Cash and cash equivalents	\$ 309	\$ 220
Accounts receivable and unbilled revenues, net	79,232	114,156
Accounts receivable from affiliates	1,509	482
Notes receivable from affiliates	22,810	21,400
Gas in storage	27,137	33,463
Materials and supplies	5,427	6,027
Other current assets	2,952	4,911
Regulatory assets	46,198	60,170
Total Current Assets	185,574	240,829
Utility plant, at original cost	1,359,842	1,339,327
Less accumulated depreciation	(458,676)	(448,552)
Net Utility Plant in Service	901,166	890,775
Construction work in progress	25,584	25,424
Total Utility Plant	926,750	916,199
Operating lease right-of-use assets	2,747	2,882
Other property and investments	670	683
Regulatory and Other Assets		
Regulatory assets	83,105	79,741
Goodwill	79,341	79,341
Other	348	348
Total Regulatory and Other Assets	162,794	159,430
Total Assets	\$ 1,278,535	\$ 1,320,023

Connecticut Natural Gas Corporation
Balance Sheets (Unaudited)

As of	June 30, 2025	December 31, 2024
(Thousands, except share information)		
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 35,371	\$ 71,537
Accounts payable to affiliates	8,863	20,717
Interest accrued	2,674	2,674
Taxes accrued	5,197	15,228
Operating lease liabilities	445	508
Regulatory liabilities	37,916	9,528
Other	14,608	18,838
Total Current Liabilities	105,074	139,030
Regulatory and Other Liabilities		
Regulatory liabilities	319,439	318,984
Other Non-current Liabilities		
Deferred income taxes	65,170	60,544
Pension and other postretirement	49,296	50,691
Operating lease liabilities	2,594	2,653
Asset retirement obligation	5,981	5,981
Other	1,396	1,591
Total Regulatory and Other Liabilities	443,876	440,444
Non-current debt	244,166	244,085
Total Liabilities	793,116	823,559
Commitments and Contingencies		
Preferred Stock	340	340
Common Stock Equity		
Common stock (\$3.125 par value, 20,000,000 shares authorized and 10,634,496 shares outstanding at June 30, 2025 and December 31, 2024)	33,233	33,233
Additional paid-in capital	396,675	396,675
Retained earnings	55,435	66,477
Accumulated other comprehensive loss	(264)	(261)
Total Common Stock Equity	485,079	496,124
Total Liabilities and Equity	\$ 1,278,535	\$ 1,320,023

Connecticut Natural Gas Corporation
Statements of Cash Flows (Unaudited)

Periods Ended June 30,	2025	2024
(Thousands)		
Cash Flow from Operating Activities:		
Net income	\$ 28,985	\$ 31,472
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	20,784	25,887
Regulatory assets/liabilities amortization	13,627	11,334
Regulatory assets/liabilities carrying cost	1,429	368
Amortization of debt issuance costs	81	80
Deferred taxes	4,323	(356)
Pension cost	486	(97)
Stock-based compensation	—	6
Gain on disposal of assets	(26)	—
Other non-cash items	308	658
Changes in operating assets and liabilities:		
Accounts receivable, from affiliates, and unbilled revenues	33,897	25,782
Inventories	6,926	8,081
Accounts payable, to affiliates, and accrued liabilities	(45,814)	(31,558)
Taxes accrued	(10,031)	(6,866)
Other assets/liabilities	(4,172)	(4,014)
Regulatory assets/liabilities	19,715	(1,309)
Net Cash Provided by Operating Activities	70,518	59,468
Cash Flow from Investing Activities:		
Capital expenditures	(30,116)	(35,784)
Contributions in aid of construction	1,111	1,502
Notes receivable from affiliates	(1,410)	(25,400)
Net Cash Used in Investing Activities	(30,415)	(59,682)
Cash Flow from Financing Activities:		
Dividends paid	(40,014)	(14)
Net Cash Used in Financing Activities	(40,014)	(14)
Net Increase (Decrease) in Cash and Cash Equivalents	89	(228)
Cash and Cash Equivalents, Beginning of Period	220	421
Cash and Cash Equivalents, End of Period	\$ 309	\$ 193

Connecticut Natural Gas Corporation
Statements of Changes in Common Stock Equity (Unaudited)

(Thousands, except per share amounts)	Number of shares (*)	Common stock	Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Loss	Total Common Stock Equity
As of December 31, 2023	10,634,496	\$ 33,233	\$ 396,758	\$ 33,172	\$ (307)	\$ 462,856
Net income	—	—	—	31,472	—	31,472
Other comprehensive loss, net of tax	—	—	—	—	(2)	(2)
Comprehensive income						31,470
Stock-based compensation	—	—	(38)	—	—	(38)
Preferred stock dividends	—	—	—	(27)	—	(27)
As of June 30, 2024	10,634,496	\$ 33,233	\$ 396,720	\$ 64,617	\$ (309)	\$ 494,261
As of December 31, 2024	10,634,496	\$ 33,233	\$ 396,675	\$ 66,477	\$ (261)	\$ 496,124
Net income	—	—	—	28,985	—	28,985
Other comprehensive loss, net of tax	—	—	—	—	(3)	(3)
Comprehensive income						28,982
Common stock dividends	—	—	—	(40,000)	—	(40,000)
Preferred stock dividends	—	—	—	(27)	—	(27)
As of June 30, 2025	10,634,496	\$ 33,233	\$ 396,675	\$ 55,435	\$ (264)	\$ 485,079

(*) Par value of share amounts is \$3.125