The Southern Connecticut Gas Company

Consolidated Financial Statements (Unaudited)
For the Six Months Ended June 30, 2026 and 2025

The Southern Connecticut Gas Company

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Consolidated Financial Statements (Unaudited)
For the Six Months Ended June 30, 2026 and 2025

The Southern Connecticut Gas Company
Consolidated Statements of Income (Unaudited)

Periods Ended June 30,	Three Months 2026	Three Months 2025	Six Months 2026	Six Months 2025
(Thousands)				
Operating Revenues	**$ 91,975**	**$ 78,082**	**$ 292,579**	**$ 280,659**
Operating Expenses				
Natural gas purchased	28,248	26,711	142,167	136,005
Operations and maintenance	28,012	22,892	57,058	50,238
Depreciation and amortization	11,599	11,883	22,872	22,534
Taxes other than income taxes, net	9,060	8,514	20,792	21,967
Total Operating Expenses	**76,919**	**70,000**	**242,889**	**230,744**
Operating Income	**15,056**	**8,082**	**49,690**	**49,915**
Other income	2,517	557	2,875	1,369
Other deductions	(544)	(610)	(1,232)	(1,017)
Interest expense, net of capitalization	(6,244)	(5,829)	(11,651)	(12,016)
Income Before Income Tax	**10,785**	**2,200**	**39,682**	**38,251**
Income tax expense	2,977	702	10,522	7,078
Net Income	**7,808**	**1,498**	**29,160**	**31,173**
Less: net loss attributable to noncontrolling interest	—	(261)	—	(788)
Net Income Attributable to SCG	**$ 7,808**	**$ 1,759**	**$ 29,160**	**$ 31,961**

The Southern Connecticut Gas Company
Consolidated Statements of Comprehensive Income (Unaudited)

Periods Ended June 30,	Three Months 2026	Three Months 2025	Six Months 2026	Six Months 2025
(Thousands)				
Net Income	**$ 7,808**	**$ 1,498**	**$ 29,160**	**$ 31,173**
Other Comprehensive Income, Net of Tax				
Amortization of pension cost for non-qualified plans, net of income tax	35	6	55	13
Other Comprehensive Income, Net of Tax	**35**	**6**	**55**	**13**
Comprehensive Income	**7,843**	**1,504**	**29,215**	**31,186**
Less: comprehensive loss attributable to noncontrolling interest	—	(261)	—	(788)
Comprehensive Income Attributable to SCG	**$ 7,843**	**$ 1,765**	**$ 29,215**	**$ 31,974**

The Southern Connecticut Gas Company
Consolidated Balance Sheets (Unaudited)

As of		June 30, 2026		December 31, 2025
(Thousands)				
Assets				
Current Assets				
Cash and cash equivalents	$	3,954	$	16,361
Accounts receivable and unbilled revenues, net		86,774		121,372
Accounts receivable from affiliates		813		1,536
Notes receivable from affiliates		35,920		—
Gas in storage		27,127		34,779
Materials and supplies		4,762		4,925
Other current assets		3,483		4,521
Regulatory assets		27,139		45,080
Total Current Assets		**189,972**		**228,574**
Utility plant, at original cost		1,655,595		1,616,431
Less accumulated depreciation		(465,588)		(450,187)
Net Utility Plant in Service		**1,190,007**		**1,166,244**
Construction work in progress		27,694		25,930
Total Utility Plant		**1,217,701**		**1,192,174**
Operating lease right-of-use assets		8,882		9,435
Other property and investments		13,402		12,364
Regulatory and Other Assets				
Regulatory assets		159,182		160,754
Goodwill		134,931		134,931
Other		661		639
Total Regulatory and Other Assets		**294,774**		**296,324**
Total Assets	**$**	**1,724,731**	**$**	**1,738,871**

The Southern Connecticut Gas Company
Consolidated Balance Sheets (Unaudited)

As of		June 30, 2026		December 31, 2025
(Thousands, except share information)				
Liabilities				
Current Liabilities				
Current portion of long-term debt	$	14,914	$	15,046
Notes payable to affiliates		3		—
Accounts payable and accrued liabilities		56,950		86,413
Accounts payable to affiliates		11,324		23,820
Interest accrued		4,390		4,631
Taxes accrued		5,598		6,741
Operating lease liabilities		1,095		1,055
Regulatory liabilities		47,285		38,524
Other		22,043		21,610
Total Current Liabilities		**163,602**		**197,840**
Regulatory and Other Liabilities				
Regulatory liabilities		162,985		176,882
Other Non-current Liabilities				
Deferred income taxes		144,095		134,426
Pension and other postretirement		26,807		30,437
Operating lease liabilities		9,247		9,778
Asset retirement obligation		13,121		13,020
Environmental remediation costs		55,674		57,207
Other		5,349		4,290
Total Regulatory and Other Liabilities		**417,278**		**426,040**
Non-current debt		443,707		444,062
Total Liabilities		**1,024,587**		**1,067,942**
Commitments and Contingencies				
Common Stock Equity				
Common stock ($13.33 par value, 2,650,000 shares authorized and 1,407,072 shares outstanding at June 30, 2026 and December 31, 2025)		18,761		18,761
Additional paid-in capital		522,737		522,737
Retained earnings		163,853		134,693
Accumulated other comprehensive loss		(5,207)		(5,262)
Total Equity		**700,144**		**670,929**
Total Liabilities and Equity	**$**	**1,724,731**	**$**	**1,738,871**

The Southern Connecticut Gas Company
Consolidated Statements of Cash Flows (Unaudited)

Periods Ended June 30,		**2026**		**2025**
(Thousands)				
Cash Flow from Operating Activities:				
Net income	**$**	**29,160**	**$**	**31,173**
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization		22,872		22,534
Regulatory assets/liabilities amortization		3,169		1,344
Regulatory assets/liabilities carrying cost		655		1,090
Amortization of debt issuance costs		(487)		(73)
Deferred taxes		9,334		7,078
Pension cost		575		745
Accretion expenses		668		—
Other non-cash items		(433)		554
Changes in operating assets and liabilities:				
Accounts receivable, from affiliates, and unbilled revenues		35,321		16,699
Inventories		7,815		7,224
Accounts payable, to affiliates, and accrued liabilities		(39,704)		(37,081)
Taxes accrued		(1,143)		(3,666)
Other assets/liabilities		(4,751)		(4,361)
Regulatory assets/liabilities		6,480		21,456
Net Cash Provided by Operating Activities		**69,531**		**64,716**
Cash Flow from Investing Activities:				
Capital expenditures		(50,884)		(45,142)
Contributions in aid of construction		4,723		1,284
Proceeds from sale of utility plant		20		—
Notes receivable from affiliates		(35,800)		(1,641)
Net Cash Used in Investing Activities		**(81,941)**		**(45,499)**
Cash Flow from Financing Activities:				
Notes payable to affiliates		3		(21,490)
Net Cash Provided by (Used in) Financing Activities		**3**		**(21,490)**
Net Decrease in Cash and Cash Equivalents		**(12,407)**		**(2,273)**
Cash and Cash Equivalents, Beginning of Period		**16,361**		**2,684**
Cash and Cash Equivalents, End of Period	**$**	**3,954**	**$**	**411**

The Southern Connecticut Gas Company
Consolidated Statements of Changes in Common Stock Equity (Unaudited)

(Thousands, except per share amounts)	Number of Shares (*)	Common Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interest	Total Common Stock Equity
As of December 31, 2024	**1,407,072**	**$ 18,761**	**$ 472,737**	**$ 97,033**	**$ (5,349)**	**$ 42,995**	**$ 626,177**
Net income	—	—	—	31,961	—	—	31,961
Other comprehensive income, net of tax	—	—	—	—	13	—	13
Comprehensive income							31,974
Net loss attributable to noncontrolling interest	—	—	—	—	—	(788)	(788)
Distributions from noncontrolling interest	—	—	—	—	—	(43,061)	(43,061)
Contributions from noncontrolling interest	—	—	—	—	—	854	854
As of June 30, 2025	**1,407,072**	**$ 18,761**	**$ 472,737**	**$ 128,994**	**$ (5,336)**	**$ —**	**$ 615,156**
As of December 31, 2025	**1,407,072**	**$ 18,761**	**$ 522,737**	**$ 134,693**	**$ (5,262)**	**$ —**	**$ 670,929**
Net income	—	—	—	29,160	—	—	29,160
Other comprehensive income, net of tax	—	—	—	—	55	—	55
Comprehensive income							29,215
As of June 30, 2026	**1,407,072**	**$ 18,761**	**$ 522,737**	**$ 163,853**	**$ (5,207)**	**$ —**	**$ 700,144**

(*) Par value of share amounts is $13.33