

# **Connecticut Natural Gas Corporation**

**Financial Statements (Unaudited)**

**For the Three Months Ended March 31, 2026 and 2025**

# Connecticut Natural Gas Corporation

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### Financial Statements (Unaudited)

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**Connecticut Natural Gas Corporation**  
**Statements of Income (Unaudited)**

Periods Ended March 31,	2026	2025
(Thousands)		
<b>Operating Revenues</b>	<b>\$ 193,169</b>	<b>\$ 194,159</b>
<b>Operating Expenses</b>		
Natural gas purchased	116,924	120,526
Operations and maintenance	27,108	26,799
Depreciation and amortization	10,153	10,907
Taxes other than income taxes, net	10,583	11,864
<b>Total Operating Expenses</b>	<b>164,768</b>	<b>170,096</b>
<b>Operating Income</b>	<b>28,401</b>	<b>24,063</b>
Other income	872	812
Other deductions, net	(350)	(169)
Interest expense, net of capitalization	(3,513)	(3,758)
<b>Income Before Income Tax</b>	<b>25,410</b>	<b>20,948</b>
Income tax expense	6,792	2,549
<b>Net Income</b>	<b>\$ 18,618</b>	<b>\$ 18,399</b>

**Connecticut Natural Gas Corporation**  
**Statements of Comprehensive Income (Unaudited)**

Periods Ended March 31,	2026	2025
(Thousands)		
<b>Net Income</b>	<b>\$ 18,618</b>	<b>\$ 18,399</b>
<b>Other Comprehensive Loss, Net of Tax</b>		
Amortization of pension cost for non-qualified plans, net of income tax	(1)	(2)
<b>Other Comprehensive Loss, Net of Tax</b>	<b>(1)</b>	<b>(2)</b>
<b>Comprehensive Income</b>	<b>\$ 18,617</b>	<b>\$ 18,397</b>

**Connecticut Natural Gas Corporation**  
**Balance Sheets (Unaudited)**

As of	March 31,	December 31,
(Thousands)	2026	2025
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 5,851	\$ 2,045
Accounts receivable and unbilled revenues, net	124,895	125,867
Accounts receivable from affiliates	360	294
Notes receivable from affiliates	8,755	—
Gas in storage	20,733	31,992
Materials and supplies	6,477	6,116
Other current assets	5,891	3,740
Regulatory assets	10,597	33,851
<b>Total Current Assets</b>	<b>183,559</b>	<b>203,905</b>
Utility plant, at original cost	1,398,567	1,394,574
Less accumulated depreciation	(480,432)	(472,429)
<b>Net Utility Plant in Service</b>	<b>918,135</b>	<b>922,145</b>
Construction work in progress	27,736	23,533
<b>Total Utility Plant</b>	<b>945,871</b>	<b>945,678</b>
Operating lease right-of-use assets	2,746	2,866
Other property and investments	631	636
<b>Regulatory and Other Assets</b>		
Regulatory assets	94,130	92,992
Goodwill	79,341	79,341
Other	627	636
<b>Total Regulatory and Other Assets</b>	<b>174,098</b>	<b>172,969</b>
<b>Total Assets</b>	<b>\$ 1,306,905</b>	<b>\$ 1,326,054</b>

**Connecticut Natural Gas Corporation**  
**Balance Sheets (Unaudited)**

As of	March 31, 2026	December 31, 2025
<b>(Thousands, except share information)</b>		
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Notes payable to affiliates	\$ —	\$ 3,700
Accounts payable and accrued liabilities	47,103	80,232
Accounts payable to affiliates	5,972	21,861
Interest accrued	3,672	2,770
Taxes accrued	9,859	10,156
Operating lease liabilities	555	550
Regulatory liabilities	26,398	13,732
Other	14,848	17,926
<b>Total Current Liabilities</b>	<b>108,407</b>	<b>150,927</b>
<b>Regulatory and Other Liabilities</b>		
Regulatory liabilities	317,107	317,214
<b>Other Non-current Liabilities</b>		
Deferred income taxes	72,152	65,256
Pension and other postretirement	39,165	41,898
Operating lease liabilities	2,512	2,632
Asset retirement obligation	5,799	5,981
Other	2,857	1,736
<b>Total Regulatory and Other Liabilities</b>	<b>439,592</b>	<b>434,717</b>
Non-current debt	264,041	264,134
<b>Total Liabilities</b>	<b>812,040</b>	<b>849,778</b>
<b>Commitments and Contingencies</b>		
<b>Preferred Stock</b>	<b>339</b>	<b>340</b>
<b>Common Stock Equity</b>		
Common stock (\$3.125 par value, 20,000,000 shares authorized and 10,634,496 shares outstanding at March 31, 2026 and December 31, 2025)	33,233	33,233
Additional paid-in capital	396,675	396,675
Retained earnings	64,920	46,329
Accumulated other comprehensive loss	(302)	(301)
<b>Total Common Stock Equity</b>	<b>494,526</b>	<b>475,936</b>
<b>Total Liabilities and Equity</b>	<b>\$ 1,306,905</b>	<b>\$ 1,326,054</b>

**Connecticut Natural Gas Corporation**  
**Statements of Cash Flows (Unaudited)**

Periods Ended March 31,	2026	2025
(Thousands)		
<b>Cash Flow from Operating Activities:</b>		
<b>Net income</b>	<b>\$ 18,618</b>	<b>\$ 18,399</b>
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	10,153	10,907
Regulatory assets/liabilities amortization	13,927	12,235
Regulatory assets/liabilities carrying cost	283	503
Amortization of debt issuance costs	(106)	40
Deferred taxes	6,792	2,351
Pension cost	(41)	243
Accretion expenses	307	—
Other non-cash items	373	103
<b>Changes in operating assets and liabilities:</b>		
Accounts receivable, from affiliates, and unbilled revenues	906	(16,840)
Inventories	10,898	11,782
Accounts payable, to affiliates, and accrued liabilities	(42,868)	(25,514)
Taxes accrued	(296)	(5,230)
Other assets/liabilities	(5,985)	(7,230)
Regulatory assets/liabilities	17,223	41,965
<b>Net Cash Provided by Operating Activities</b>	<b>30,184</b>	<b>43,714</b>
<b>Cash Flow from Investing Activities:</b>		
Capital expenditures	(14,270)	(12,963)
Contributions in aid of construction	283	565
Proceeds from sale of utility plant	16	—
Notes receivable from affiliates	(8,700)	9,600
<b>Net Cash Used in Investing Activities</b>	<b>(22,671)</b>	<b>(2,798)</b>
<b>Cash Flow from Financing Activities:</b>		
Notes payable to affiliates	(3,700)	—
Dividends paid	(7)	(40,007)
<b>Net Cash Used in Financing Activities</b>	<b>(3,707)</b>	<b>(40,007)</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>3,806</b>	<b>909</b>
<b>Cash and Cash Equivalents, Beginning of Period</b>	<b>2,045</b>	<b>220</b>
<b>Cash and Cash Equivalents, End of Period</b>	<b>\$ 5,851</b>	<b>\$ 1,129</b>

**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
<b>As of December 31, 2024</b>	<b>10,634,496</b>	<b>\$ 33,233</b>	<b>\$ 396,675</b>	<b>\$ 66,477</b>	<b>\$ (261)</b>	<b>\$ 496,124</b>
Net income	—	—	—	18,399	—	18,399
Other comprehensive loss, net of tax	—	—	—	—	(2)	(2)
Comprehensive income						18,397
Common stock dividends	—	—	—	(40,000)	—	(40,000)
Preferred stock dividends	—	—	—	(27)	—	(27)
<b>As of March 31, 2025</b>	<b>10,634,496</b>	<b>\$ 33,233</b>	<b>\$ 396,675</b>	<b>\$ 44,849</b>	<b>\$ (263)</b>	<b>\$ 474,494</b>
<b>As of December 31, 2025</b>	<b>10,634,496</b>	<b>\$ 33,233</b>	<b>\$ 396,675</b>	<b>\$ 46,329</b>	<b>\$ (301)</b>	<b>\$ 475,936</b>
Net income	—	—	—	18,618	—	18,618
Other comprehensive loss, net of tax	—	—	—	—	(1)	(1)
Comprehensive income						18,617
Preferred stock dividends	—	—	—	(27)	—	(27)
<b>As of March 31, 2026</b>	<b>10,634,496</b>	<b>\$ 33,233</b>	<b>\$ 396,675</b>	<b>\$ 64,920</b>	<b>\$ (302)</b>	<b>\$ 494,526</b>

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