



Financial and Strategic Update

May 2, 2023



Forward-Looking Statements and Use of Non-GAAP Measures

This presentation contains “forward-looking statements” within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included in this presentation are forward-looking statements. These forward-looking statements include statements regarding Unital Corporation’s (“Unital”) financial condition, results of operations, capital expenditures, business strategy, regulatory strategy, market opportunities, and other plans and objectives. In some cases, forward-looking statements can be identified by words such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential” or “continue”, the negative of such terms, or other comparable terminology.

These forward-looking statements are neither promises nor guarantees, but involve risks and uncertainties that could cause the actual results to differ materially from those set forth in the forward-looking statements. Those risks and uncertainties include: Unital’s regulatory and legislative environment (including laws and regulations relating to climate change, greenhouse gas emissions and other environmental matters); fluctuations in the supply of, demand for, and the prices of energy commodities and transmission capacity and Unital’s ability to recover energy commodity costs in its rates; customers’ preferred energy sources; severe storms and Unital’s ability to recover storm costs in its rates; declines in the valuation of capital markets, which could require Unital to make substantial cash contributions to cover its pension obligations, and Unital’s ability to recover pension obligation costs in its rates; general economic conditions, which could adversely affect (i) Unital’s customers and, consequently, the demand for Unital’s distribution services, (ii) the availability of credit and liquidity resources and (iii) certain of Unital’s counterparty’s obligations (including those of its insurers and lenders); Unital’s ability to obtain debt or equity financing on acceptable terms; increases in interest rates, which could increase Unital’s interest expense; restrictive covenants contained in the terms of Unital’s and its subsidiaries’ indebtedness, which restrict certain aspects of Unital’s business operations; variations in weather, which could cause unanticipated changes in demand for Unital’s distribution services; long-term global climate change, which could cause unanticipated changes in customer demand or cause extreme weather events that could disrupt Unital’s electric and natural gas distribution services; cyber-attacks, acts of terrorism, acts of war, severe weather, a solar event, an electromagnetic event, a natural disaster, the age and condition of information technology assets, human error, or other factors could disrupt Unital’s operations and cause Unital to incur unanticipated losses and expense; outsourcing of services to third parties, which could expose Unital to substandard quality of service delivery or substandard deliverables, which may result in missed deadlines or other timeliness issues, non-compliance (including with applicable legal requirements and industry standards) or reputational harm, which could negatively impact our results of operations; catastrophic events; numerous hazards and operating risks relating to Unital’s electric and natural gas distribution activities; Unital’s ability to retain its existing customers and attract new customers; increased competition; unforeseen or changing circumstances, which could adversely impact the reduction of company-wide greenhouse gas emissions; other presently known or unforeseen factors; and other risks detailed in Unital’s filings with the Securities and Exchange Commission, including those appearing under the caption “Risk Factors” in Unital’s most recently filed Annual Report on Form 10-K.

Readers should not place undue reliance on any forward looking statements, which speak only as of the date they are made. Except as may be required by law, Unital undertakes no obligation to update any forward-looking statements to reflect any change in Unital’s expectations or in events, conditions, or circumstances on which any such statements may be based, or that may affect the likelihood that actual results will differ from those set forth in the forward-looking statements.

This presentation contains Non-GAAP measures. The Company’s management believes these measures are useful in evaluating its performance. Reconciliations of Non-GAAP financial measures to the most directly comparable GAAP financial measures can be found herein.

About Unitil

Pure play New England utility creating long-term sustainable value

Local distributor of electricity and natural gas in attractive service areas along the New Hampshire and Maine Seacoast

- Growing customer base supported by strong regional economic growth
- Continuing price advantage over competing fuels

Fundamentally strong investor value proposition

- Fully regulated, low risk profile
- Sustainable long-term growth opportunities
- Proven track record of financial, operating, and strategic performance

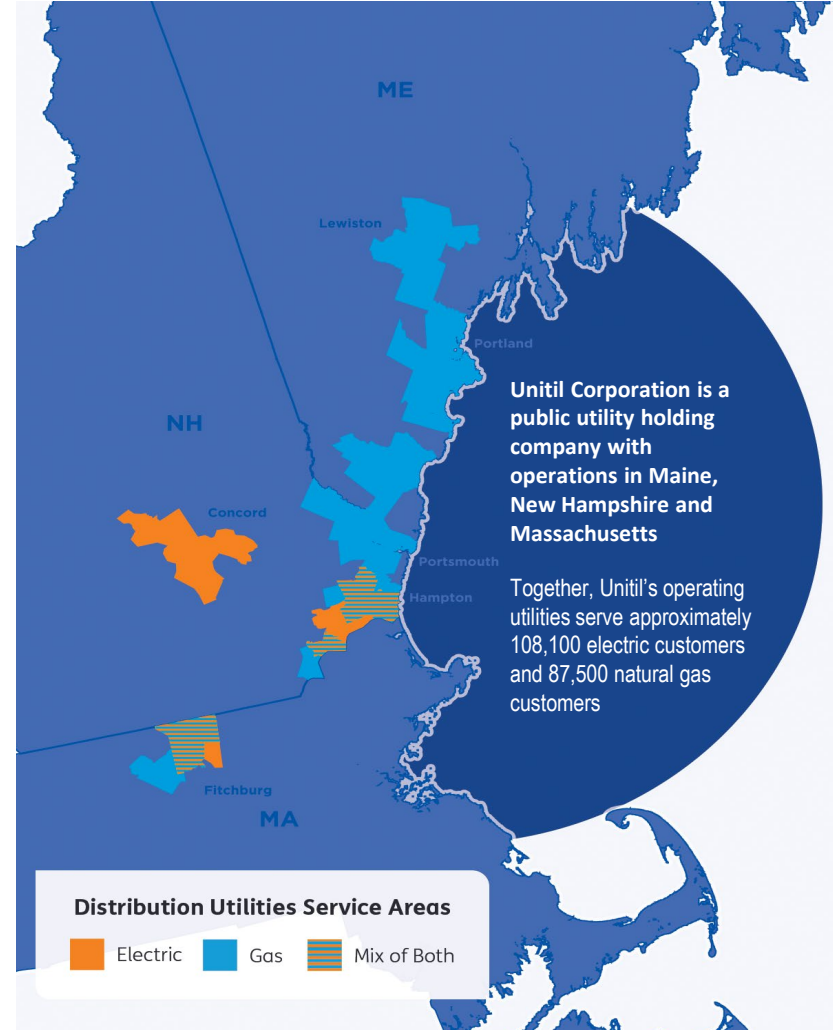
Robust investment opportunities in electric and natural gas infrastructure

- Grid modernization, resiliency, and renewable resources are well aligned with sustainability strategies

Industry-leading operational and customer service excellence

Stable long-term expected earnings growth

- Strong regulatory and legislative support
- Distribution revenues largely decoupled from changing sales volumes due to weather or economic conditions
- Earnings unaffected by commodity cost fluctuations



Financial Results and Strategic Update

Strong financial results and continued execution of strategic plan

Delivering Strong Financial Results

- 2023 Net Income of \$24.1 million, or \$1.51 per share, through the first quarter
 - \$0.16 per share increase compared to 2022 supported by successful rate case outcomes in New Hampshire
 - Achieved 11.9% year-over-year EPS growth
 - O&M expense decrease year-over-year

Reaffirming Long-Term EPS Growth Rate of 5% - 7%

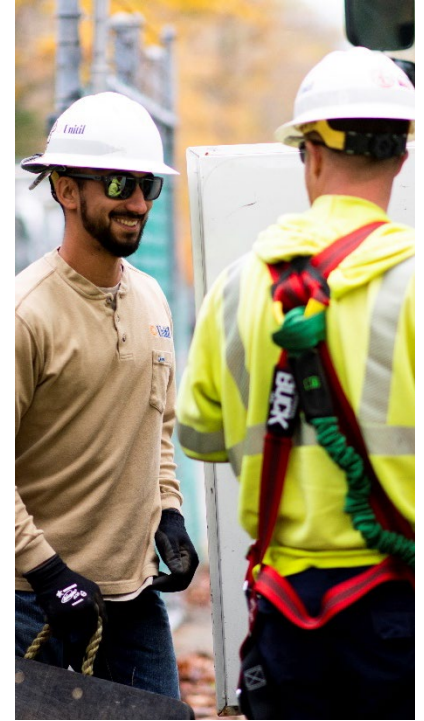
- Driven by strategic investments, timely capital recovery, and cost management
- Executing on long-term capital investment plan; expected long-term Rate Base growth of 6.5% - 8.5%

Managing Business and Financial Risk

- Majority of customers under decoupled rates, stabilizing margin
- Ample liquidity with Credit Facility limit increased 67% to \$200 million

Maintaining Active Regulatory Agenda

- Utility-Scale Solar project in New Hampshire first stage approval
- Recently filed base rate case for Northern Utilities Maine
- Preparing rate cases at Fitchburg gas and electric divisions



Customer and Employee Focus

Industry-leading customer service and commitment to our employees

Continued Excellence



Customer satisfaction remains among industry leaders

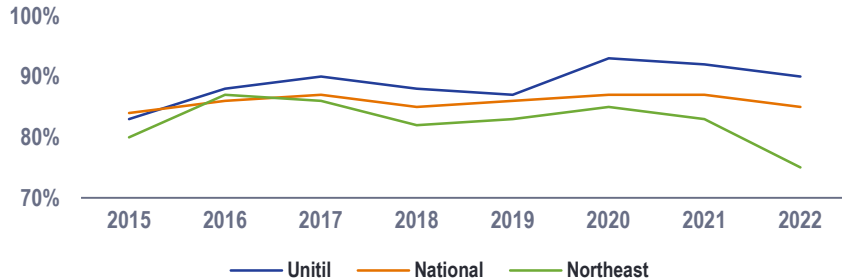


One of Business NH Magazine's 2022 'Best Companies to Work For'

Redesigned Energy Bill

- ✓ Guided by customer feedback
- ✓ Concise and intuitive summary information
- ✓ Highlights utility programs and services

Customer Satisfaction Continues to Exceed Peers⁽¹⁾



Record Best Reliability and Response Metrics

Continued excellence for electric reliability and emergency gas response time

*Restored power to 99% of approx.
36,000 affected customers within 48
hours following March 2023 Nor'easter*

Record Best Electric Service Reliability

Roughly 50% lower service interruption time compared to prior 5 year average and in the top quartile of industry historical results

Record Best Gas Emergency Response

Responded to 91.4% emergency calls in 30 minutes or less

Ranked in top 10 for American Gas Association's Best Practices Program

Approximately 90 participating companies



Corporate Sustainability and Responsibility

Advancing the clean energy transition and ensuring the long-term sustainability of our company

Our Net-Zero Commitment



Transforming the way people meet their evolving energy needs to create a clean and sustainable future



Energy and the Environment

We are committed to environmental stewardship and minimizing our impact on the environment while supporting the transition to a clean energy future



People

We are committed to creating a workplace that embraces differences and attracts talented people from a broad spectrum of backgrounds and experiences



Customer and Communities

We are committed to affordable energy, superior service, and partnerships supporting the economic growth and prosperity of the communities we serve



Safety and Reliability

We are committed to the delivery of dependable, resilient energy services, and to the health and safety of our customers, employees, and the general public

Approval of Kingston Solar Filing

New Hampshire Public Utilities Commission determines project to be in public interest

NH Statute RSA 374-G

- Enables utility ownership of DER, limited to 6% of utility's total distribution peak load (approximately 18MW for Unitil)
- Individual generation projects limited to 5MW

Summary of Proposal

- Public interest determination granted by NHPUC allows 5 MW solar facility to begin construction
 - Capital cost estimates of approximately \$14 million
 - 96 acres in Kingston, NH with close proximity to substation
- Project is expected to reduce customer's energy bills, reduce emissions, and stimulate economic growth in the area

Additional Opportunities

- Lot size provides opportunity for additional solar facility
- Energy Storage Systems



Timeline

Site Selection ✓ August 25, 2022	Initial Filing ✓ October 31, 2022	Intervenor Testimony ✓ March 9, 2023	Joint Letter of Support ✓ March 23, 2023	NHPUC Hearing ✓ April 11, 2023	Order Received ✓ May 1, 2023	Expected In Service Q4 2024	Seek Recovery in Rate Case Shortly After Completion
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First Quarter 2023 Financial Results

Net Income and Earnings Per Share

Net Income of \$24.1 million in the first quarter 2023, or \$1.51 per share

- Net Income increase of \$2.6 million, or \$0.16 per share, relative to the first quarter of 2022
- Earnings growth reflects higher Electric and Gas Adjusted Gross Margins, partially offset by higher operating expenses

	Three Months Ended March 31	
	2023	2022
Net Income (\$ millions)	\$24.1	\$21.5
Earnings Per Share	\$1.51	\$1.35



Volume and Adjusted Gross Margin Variances

Year-over-Year variances in units, customers, and adjusted gross margin

Electric		
Unit Sales	Customers	Adjusted Gross Margin ⁽¹⁾
4.7% Decrease	0.2% Increase	8.5% Increase

Gas		
Unit Sales	Customers	Adjusted Gross Margin ⁽¹⁾
7.6% Decrease	0.9% Increase	5.6% Increase

Unit Sales & Customers

- Electric distribution revenue substantially decoupled⁽²⁾
- C&I sales down (3.7%), Residential sales down (6.0%)
- Residential mass meter conversion contributing to slightly lower customer growth; no distribution revenue impact

Adjusted Gross Margin⁽¹⁾ Increase \$2.1 Million

- Increase reflects higher distribution rates
- Decoupling supported margin \$1.3 million or \$0.06 EPS

Unit Sales & Customers

- 60% of gas customers decoupled⁽²⁾
- Weather normalized sales in Maine, our only non-decoupled service area, were essentially unchanged compared to 2022
- ~800 additional customers

Adjusted Gross Margin⁽¹⁾ Increase \$2.9 Million

- Higher rates and customer growth, partially offset by weather
- Decoupling supported margin \$2.7 million or \$0.12 EPS

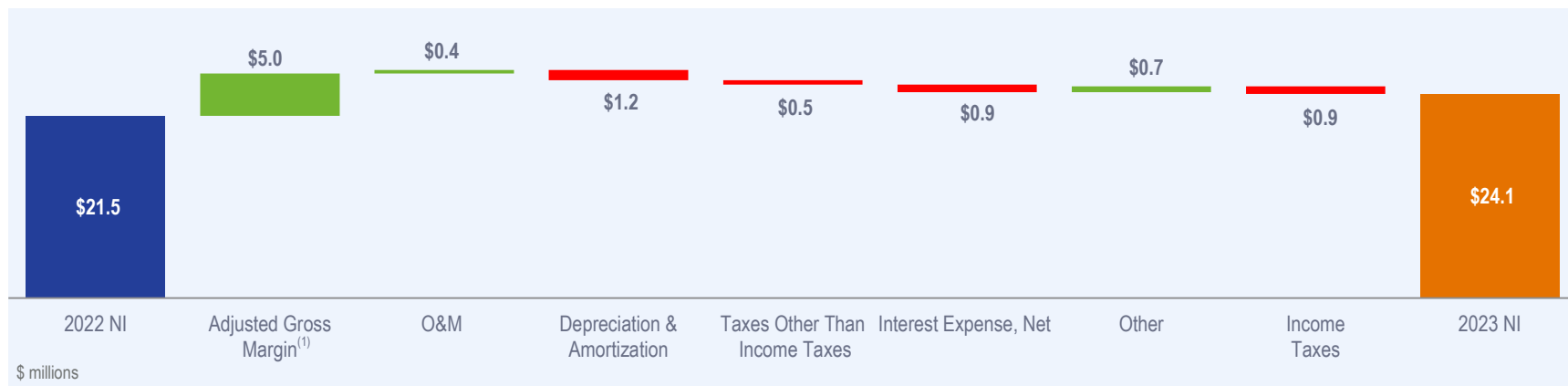
(1) Adjusted gross margin is a non-GAAP financial measure, reconciliations from non-GAAP financial measures to GAAP financial measures are provided at the end of the presentation

(2) Calculation based on customer counts as of March 31, 2023

First Quarter Earnings Reconciliation

Variances to prior period earnings

- **Adjusted Gross Margin⁽¹⁾** increased \$5.0 million as a result of higher rates and customer growth
- **Operation and Maintenance Expenses** decreased \$0.4 million largely due to lower labor costs and professional fees, partially offset by higher utility operating costs
- **Depreciation and Amortization** increased \$1.2 million reflecting higher levels of utility plant in service and higher amortization of rate case costs
- **Taxes Other Than Income Taxes** increased \$0.5 million due to higher payroll taxes and property taxes on higher utility plant in service
- **Net Interest Expense** increased \$0.9 million reflecting higher interest expense on short-term borrowings, partially offset by lower interest expense on long-term debt and higher interest income on regulatory assets
- **Other Expenses** decreased \$0.7 million reflecting lower retirement benefit costs
- **Income Taxes** increased \$0.9 million reflecting higher pre-tax earnings



Upcoming Regulatory Agenda

Anticipated rate case activity in Maine and Massachusetts

Northern Utilities (Maine)

- Request filed on May 1, 2023; Docket No. 2023-00051
 - Base rate increase of \$11.8 million requested
 - Filed Rate Base of \$320.5 million
 - Capital structure of 52.01% equity
 - Return on Equity of 10.35%
- Includes an attrition analysis to calculate the revenue deficiency through the rate year ended January 2025
- Filing balances the needs of both customers and investors

Fitchburg Gas and Electric Light

- Preparing rate cases for both the gas and electric divisions to be filed in 2023
- Current authorized Equity Ratio of 52.5%
- Current authorized Return on Equity of 9.7%
- Electric Rate Base ~\$90 million
- Gas Rate Base ~\$115 million

Notice of Intent



NUME ✓
Q1 2023

FGE
Q2 2023

Filing



NUME ✓
Q2 2023

FGE
Q3 2023

Rate Effective



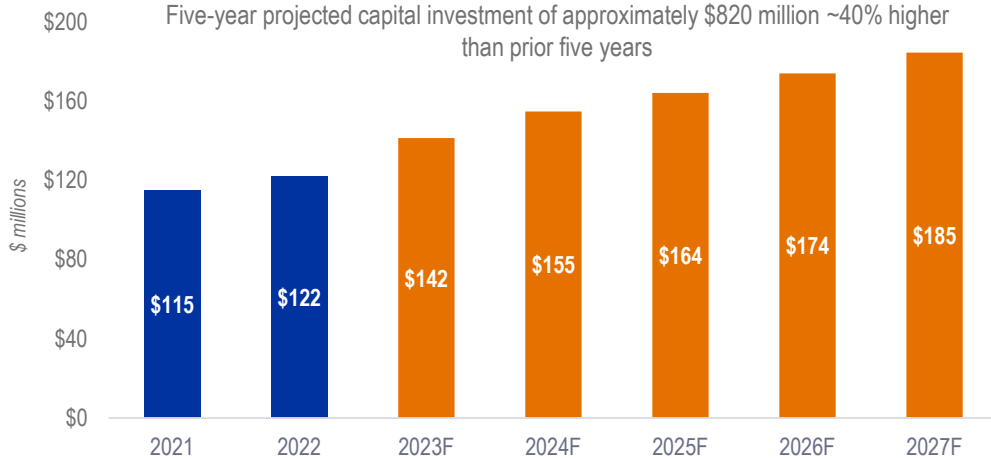
NUME
Q1 2024

FGE
Q2 2024

Disciplined Investment Plan

Anticipate Long-Term Rate Base growth of 6.5% to 8.5%

Actual and Forecast Capital Investment⁽¹⁾

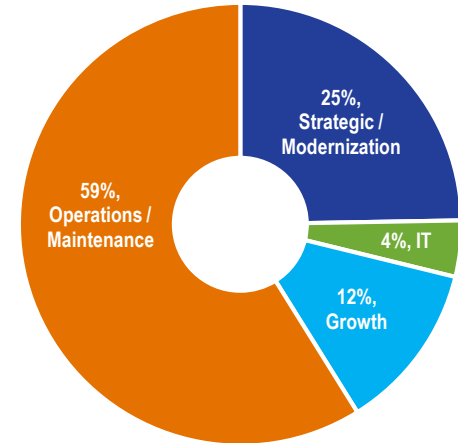


Timely Capital Recovery - Significant investment covered by trackers

System Modernization - \$24M pre-authorized Grid-Mod spend in MA

Maine Pipeline Modernization - Expected to be completed in 2024

Capital Expenditure Breakdown



Investments include grid modernization, customer additions, pipe replacement and other system upgrades

Capital spending tracking well in 2023

\$6.8M

Capital Investment increase compared to Q1 2022

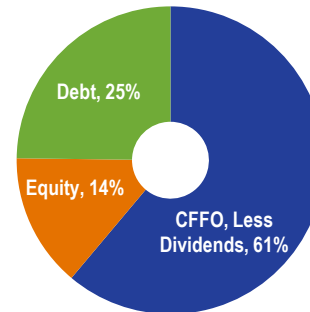
Balance Sheet Strength and Capitalization

Relatively limited interest rate exposure with rising rates

Responsible Financing Plan

- Balanced capital structure of approximately 50% debt and 50% equity
- Limited refinance risk and no variable rate long-term debt
- Credit facility limit of \$200 million provides ample liquidity
- Stable, strong investment-grade credit ratings; S&P business risk upgraded to “excellent”
- Construction Work in Progress, Regulatory Assets, and other deferrals with carrying charges offset nearly 90% of short-term debt balances

Long-Term Financing Sources



Assumes all maturing debt is refinanced with new debt

Interest Expense Offsets (March 31, 2023) \$ Millions

Short-Term Debt	\$140.2
Balances Generating P&L Offsets	
Construction Work in Progress	\$53.8
Energy Supply and Other Regulatory Tracker Mechanisms ⁽¹⁾	\$50.3
Deferred Storm Charges	\$7.7
Other Deferred Charges	\$17.4
Regulatory Assets Without Associated Return ⁽²⁾	(\$6.1)
Total	\$123.1

Capitalized to Net Plant through AFUDC, often at short-term borrowing rate

Largest regulatory asset balances generate interest income at Prime Rate

(1) Represents the net Regulatory Liabilities and Regulatory Assets of Energy Supply and Other Rate Adjustment Mechanism

(2) Balance includes certain environmental costs, rate case costs and other expenditures

Delivering on Financial and Strategic Goals

The energy transition offers robust long-term investment opportunities



Transforming Customer Services and Energy Offerings

- Connecting customers with value adding products and services
- Accelerating customer adoption of clean energy technologies
- Promoting adoption of electric vehicles through infrastructure investment and electric vehicle time-of-use rates



Modernizing Electric and Natural Gas Infrastructure

- Investing in technologies that optimize system performance and offer savings for customers
- Reducing the frequency and duration of power outages while mitigating storm impacts
- Expanding and optimizing the connection of customer-owned clean energy resources



Accelerating the Clean Energy Transition

- Reducing direct company greenhouse gas emissions
- Investing in renewable energy projects through regulated investments
- Pursuing renewable natural gas supply alternatives



Fundamental Principles and Beliefs Underlying our Long-Term Strategy

- As a combination electric and gas distribution company operating in northern New England, Unitil is uniquely positioned to contribute to, and benefit from, evolving climate policies
- Net-Zero emissions commitment by 2050 reflects our goal to become a leader in environmental stewardship
- Advancing the electric grid will provide robust capital investment opportunities
- Natural gas, renewable natural gas, and gas distribution assets will play a vital role in ensuring clean, secure, low-cost energy

Appendix

Slide

- 17 GAAP ROE
- 18 Rate Relief Summary
- 19 Long-Term Earnings Growth
- 20 Dividend Increase and Expected Payout
- 21 Strong Financial Position
- 22 Key Regulatory Recovery Mechanisms
- 23 GAAP Reconciliation of Adjusted Margin



GAAP Return on Average Common Equity

GAAP Return on Equity over the last twelve months

Company	Average Common Equity	LTM ROACE ⁽¹⁾
Northern Utilities	\$257	7.7%
Unitil Energy Systems	\$119	11.0%
Fitchburg Gas and Electric	\$115	8.9%
Granite State Gas	\$21	8.9%
Unitil Corporation	\$476	9.3%

Rate Relief Summary

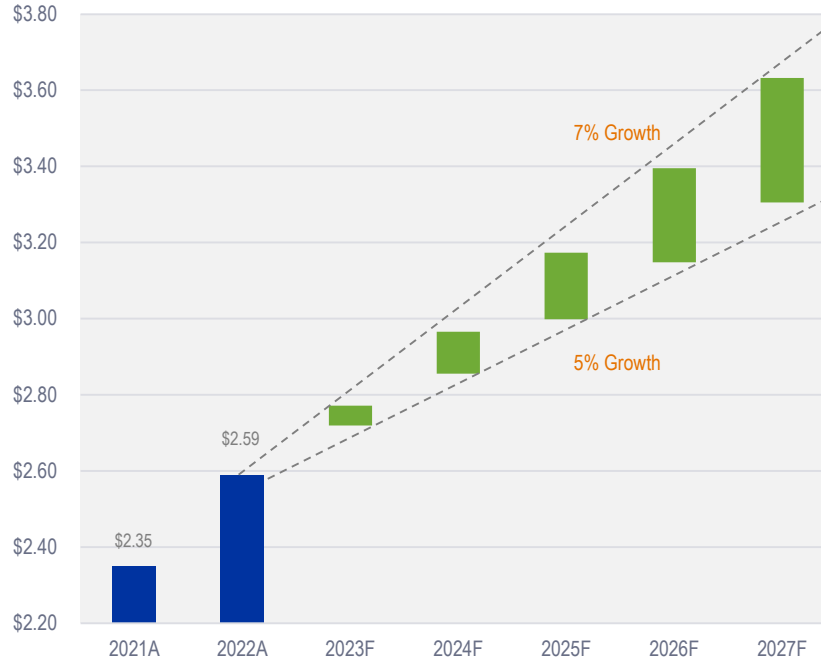
Successful regulatory strategy resulting in awards from both capital trackers and rate cases

Company	Activity	Millions	Date Effective
Northern Utilities (New Hampshire)	Base Rate Case Increase	\$6.1	Q3 2022
	Capital Tracker (Step Adjustment)	\$1.6	Q3 2022
Northern Utilities (Maine)	Base Rate Case Increase	\$11.8 (requested)	Q1 2024 (expected)
	Capital Tracker	\$2.1	Q2 2023
Unitil Energy Systems	Base Rate Case Increase	\$5.9	Q2 2022
	Capital Tracker (First Step)	\$1.3	Q3 2022
	Capital Tracker (Second Step)	\$1.2 (requested)	Q2 2023 (expected)
Fitchburg (Electric)	Capital Tracker	\$1.5	Q1 2023
	Grid Modernization	\$1.0 (requested)	Q2 2023 (expected)
	Exogenous Cost Recovery	\$0.7	Q1 2023
Fitchburg (Gas)	Capital Tracker	\$1.2	Q2 2023
	Exogenous Cost Recovery	\$0.7	Q1 2023
Granite State Gas	Capital Tracker	\$0.3	Q3 2022

Maintaining Long-Term Earnings Growth

Long-term growth expectation remaining in the range of 5% to 7%

Expected Long-Term EPS Growth Rate of 5% to 7%

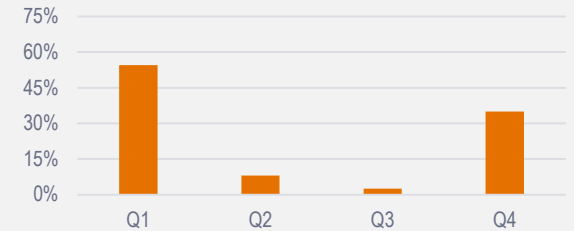


2023 Guidance Aligned With Long-Term Target

Managing earnings variability

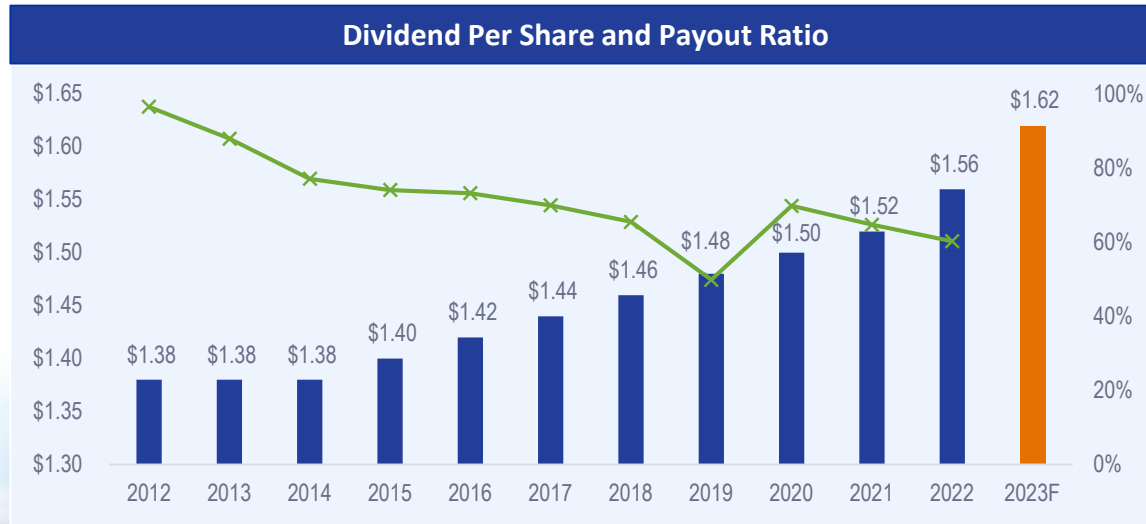
- Decoupled margin provides stability and visibility
 - Over 80% of customers under decoupled rates
- Cost control – minimal year-over-year O&M increase in 2023
- Mitigated interest rate risk; no significant maturities or variable rate long-term debt

Approximate EPS Distribution ⁽¹⁾



Dividend Increase and Expected Payout

Consecutive years of accelerated dividend rate increases



Balancing dividend sustainability with capital investment opportunities

Long-term dividend growth should approximate long-term earnings growth as mid-point of payout ratio has been achieved

Annualized Dividend \$1.62 Per Share ⁽¹⁾

Steady, Predictable Shareholder Return

2022 Payout Ratio 60%⁽²⁾

Dividend Sustainability & Capital Investment

Payout Ratio Target 55% - 65%

Long-Term Outlook

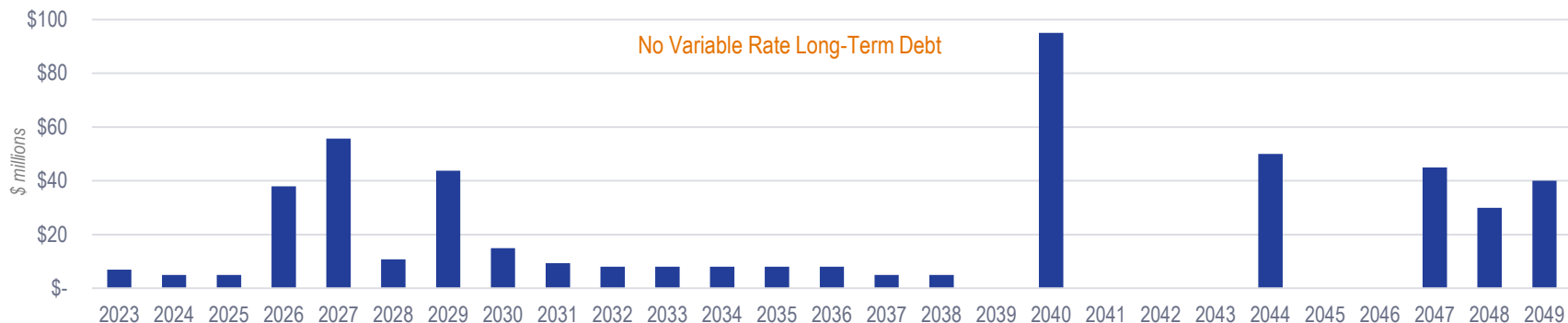
(1) Quarterly dividends are subject to approval by Unital's Board of Directors
(2) Reflects 2022 annualized dividend of \$1.56 divided by 2022 EPS of \$2.59

Strong Financial Position

Maintaining investment-grade credit ratings

Credit Ratings – Moody's (Mar. 31, 2023)		S&P (Mar. 31, 2023)	Strong Credit Metrics CFO-WC/Total Debt ⁽¹⁾				S&P Update		
Northern Utilities	Baa1	BBB+ Stable outlook from both Moody's and S&P		Unitil	Peer Group Avg.	Peer Group Median		11/20/21	08/05/22
Unitil Energy Systems			FY2022	16.4%	12.8%	11.0%	Outlook	Negative	Stable
Fitchburg Gas and Electric			FY2021	18.7%	8.9%	10.4%	Downgrade Threshold	16%	13%
Granite State Gas	FY2020		12.8%	14.4%	14.0%				
Unitil Corp.	Baa2								

Schedule of Debt Maturities



Key Regulatory Recovery Mechanisms

Timely Rate Recovery

	Unitil Energy	Fitchburg - Electric	Fitchburg - Gas	Northern - ME	Northern - NH
Revenue Decoupling	✓	✓	✓		✓
Power/Gas Supply	✓	✓	✓	✓	✓
Supply Related Bad Debt	✓	✓	✓	✓	✓
Energy Efficiency	✓	✓	✓		✓
Transmission	✓	✓			
Net Metering Credits	✓	✓			
Specific Capital Investment ⁽¹⁾	✓	✓	✓	✓	✓
Solar Incentives		✓			
Long-Term Renewable Contracts		✓			
Environmental Remediation			✓	✓	✓
Vegetation Management	✓				
Storm Recovery	✓	✓			
Pension / PBOP		✓	✓		
Exogenous Costs		✓	✓		✓
Local Property Taxes	✓				✓

GAAP Reconciliation of Adjusted Gross Margin

Three Months Ended March 31, 2023

Three Months Ended March 31, 2023 (\$ millions)

	Electric	Gas	Non-Regulated and Other	Total
Total Operating Revenue	\$ 108.2	\$ 112.0	\$ ---	\$ 220.2
Less: Cost of Sales	(81.5)	(57.1)	---	(138.6)
Less: Depreciation and Amortization	(6.4)	(10.1)	(0.2)	(16.7)
GAAP Gross Margin	20.3	44.8	(0.2)	64.9
Depreciation and Amortization	6.4	10.1	0.2	16.7
Adjusted Gross Margin	\$ 26.7	\$ 54.9	\$ ---	\$ 81.6

Three Months Ended March 31, 2022 (\$ millions)

	Electric	Gas	Non-Regulated and Other	Total
Total Operating Revenue	\$ 89.2	\$ 103.4	\$ ---	\$ 192.6
Less: Cost of Sales	(64.6)	(51.4)	---	(116.0)
Less: Depreciation and Amortization	(6.7)	(8.5)	(0.3)	(15.5)
GAAP Gross Margin	17.9	43.5	(0.3)	61.1
Depreciation and Amortization	6.7	8.5	0.3	15.5
Adjusted Gross Margin	\$ 24.6	\$ 52.0	\$ ---	\$ 76.6