NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION

(A direct, wholly-owned subsidiary of NorthWestern Energy Group, Inc.)

Financial Statements

For the Period Ending June 30, 2026

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NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION

CONDENSED STATEMENTS OF INCOME

(in thousands)

	Six Months Ended June 30,	
	2026	**2025**
Revenues		
Electric	$ 104,104	$ 96,300
Gas	64,792	61,378
Total Revenues	168,896	157,678
Operating Expenses		
Fuel, purchased supply and direct transmission expense (exclusive of depreciation shown separately below)	71,494	66,130
Operating, administrative and general	36,970	34,154
Property and other taxes	3,671	3,898
Depreciation	26,355	25,435
Total Operating Expenses	138,490	129,617
Operating income	30,406	28,061
Interest expense, net	(13,994)	(12,641)
Other income, net	1,277	959
Income before income taxes	17,689	16,379
Income tax (expense) benefit	(4,040)	(2,212)
Net Income	$ 13,649	$ 14,167

See Notes to Condensed Financial Statements

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

(in thousands)

	Six Months Ended June 30,	
	2026	**2025**
Net Income	$ 13,649	$ 14,167
Other comprehensive income, net of tax:	—	—
Comprehensive Income	$ 13,649	$ 14,167

See Notes to Condensed Financial Statements

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION

CONDENSED BALANCE SHEETS

(in thousands)

	As of June 30, 2026	As of December 31, 2025
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 1,138	$ 2,521
Restricted cash	9,780	9,570
Accounts receivable, net	29,025	41,834
Accounts receivable from related parties	1,579	699
Inventories	37,343	33,931
Regulatory assets	7,824	9,165
Prepaid expenses and other	15,524	10,577
Total current assets	**102,213**	**108,297**
Property, plant, and equipment, net	1,168,561	1,147,596
Goodwill	93,779	93,779
Regulatory assets	95,994	97,475
Other noncurrent assets	56,585	11,378
Total Assets	**$ 1,517,132**	**$ 1,458,525**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Current portion of long-term debt	$ 44,996	$ 104,967
Accounts payable	20,429	33,300
Accounts payable to related parties	155	—
Accrued expenses	33,324	33,829
Regulatory liabilities	11,514	17,464
Total current liabilities	**110,418**	**189,560**
Long-term debt	626,607	490,031
Deferred income taxes	47,842	44,781
Noncurrent regulatory liabilities	117,888	115,900
Other noncurrent liabilities	32,261	33,433
Total Liabilities	**935,016**	**873,705**
Commitments and Contingencies (Note 4)		
Shareholders' Equity:		
Common stock, par value $0.01	0	0
Paid-in capital	582,751	582,104
Retained earnings	(1,637)	1,714
Accumulated other comprehensive income	1,002	1,002
Total Shareholders' Equity	**582,116**	**584,820**
Total Liabilities and Shareholders' Equity	**$ 1,517,132**	**$ 1,458,525**

See Notes to Condensed Financial Statements

NORTHWESTERN ENERGY PUBLIC SERVICE CORPORATION

CONDENSED STATEMENTS OF CASH FLOWS

(in thousands)

	Six Months Ended June 30,	
	2026	**2025**
OPERATING ACTIVITIES:		
Net Income	$ 13,649	$ 14,167
Adjustments to reconcile net income to cash provided by operations:		
Depreciation	26,355	25,435
Amortization of debt issuance costs	395	486
Stock-based compensation costs	647	667
Equity portion of allowance for funds used during construction	(639)	(468)
Deferred income taxes	3,428	714
Changes in current assets and liabilities:		
Accounts receivable	12,085	6,371
Inventories	(3,412)	(800)
Other current assets	(4,947)	(712)
Accounts payable	(7,089)	(12,645)
Accrued expenses	(489)	(8,994)
Regulatory assets	1,341	8,453
Regulatory liabilities	(5,950)	(3,781)
Other noncurrent assets and liabilities	(3,661)	7,972
Cash Provided by Operating Activities	31,713	36,865
INVESTING ACTIVITIES:		
Property, plant, and equipment additions	(92,312)	(35,291)
Cash Used in Investing Activities	(92,312)	(35,291)
FINANCING ACTIVITIES:		
Cash dividends to parent	(17,000)	(22,000)
Issuance of long-term debt	150,000	100,000
Repayments on long-term debt	(60,000)	(64,000)
Line of credit repayments, net	(13,000)	(16,000)
Financing costs	(574)	(528)
Cash Provided by (Used in) Financing Activities	59,426	(2,528)
Net Decrease in Cash, Cash Equivalents, and Restricted Cash	(1,173)	(954)
Cash, Cash Equivalents, and Restricted Cash, beginning of period	12,091	11,256
Cash, Cash Equivalents, and Restricted Cash, end of period	**$ 10,918**	**$ 10,302**
Supplemental Cash Flow Information:		
Cash (received) paid during the period for:		
Production tax credits[1]	—	(8,255)
Interest	13,201	11,842
Significant non-cash transactions:		
Capital expenditures included in accounts payable	5,841	3,996

(1) Proceeds from production tax credits transferred are included in cash provided by operating activities within the Condensed Statement of Cash Flows.

See Notes to Condensed Financial Statements

NORTHWESTERN PUBLIC SERVICE CORPORATION

CONDENSED STATEMENTS OF COMMON SHAREHOLDERS' EQUITY

(in thousands)

	Number of Common Shares	Number of Treasury Shares	Common Stock	Paid in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholders' Equity
Balance at December 31, 2024	**0**	**—**	**$ 0**	**$ 580,992**	**$ 10,187**	**$ 829**	**$ 592,008**
Net income	—	—	—	—	14,167	—	14,167
Stock based compensation	—	—	—	667	—	—	667
Cash dividend to parent	—	—	—	—	(22,000)	—	(22,000)
Balance at June 30, 2025	**0**	**—**	**$ 0**	**$ 581,659**	**$ 2,354**	**$ 829**	**$ 584,842**
Balance at December 31, 2025	**0**	**—**	**$ 0**	**$ 582,104**	**$ 1,714**	**$ 1,002**	**$ 584,820**
Net income	—	—	—	—	13,649	—	13,649
Stock based compensation	—	—	—	647	—	—	647
Cash dividend to parent	—	—	—	—	(17,000)	—	(17,000)
Balance at June 30, 2026	**0**	**—**	**$ 0**	**$ 582,751**	**$ (1,637)**	**$ 1,002**	**$ 582,116**

See Notes to Condensed Financial Statements

NOTES TO CONDENSED FINANCIAL STATEMENTS

(1) Nature of Operations and Basis of Consolidation

NorthWestern Energy Public Service Corporation (NWE Public Service), a direct wholly-owned subsidiary of NorthWestern Energy Group, Inc., doing business as NorthWestern Energy, provides electricity and / or natural gas to approximately 160,200 customers in South Dakota and Nebraska. We have generated and distributed electricity in South Dakota and distributed natural gas in South Dakota and Nebraska since 1923.

The Condensed Financial Statements (Financial Statements) for the periods included herein have been prepared by NWE Public Service (NorthWestern, we, or us) in accordance with accounting principles generally accepted in the United States of America (GAAP) for interim financial information. Accordingly, the interim Financial Statements do not include all of the information and note disclosures required by GAAP for complete financial statements. The preparation of financial statements in conformity with the interim reporting guidance under GAAP requires management to make estimates and assumptions that may affect the reported amounts of assets, liabilities, revenues and expenses during the reporting period. Actual results could differ from those estimates. Events occurring subsequent to June 30, 2026, have been evaluated as to their potential impact to the Financial Statements through the date of issuance.

NorthWestern Energy Group, Inc. Pending Merger with Black Hills Corporation

On August 18, 2025, NorthWestern Energy Group, Inc. entered into a Merger Agreement with Black Hills and River Merger Sub Inc., a direct wholly owned subsidiary of Black Hills (Merger Sub). The Merger Agreement provides for an all-stock merger of equals between NorthWestern Energy Group, Inc. and Black Hills upon the terms and subject to the conditions set forth therein. The Merger Agreement provides for Merger Sub to merge with and into NorthWestern Energy Group, Inc. (Merger), with NorthWestern Energy Group, Inc. continuing as the surviving entity and a direct wholly owned subsidiary of Black Hills, which would assume a new corporate name as the resulting parent company of the combined corporate group. The completion of the Merger is subject to the satisfaction or waiver of certain conditions to closing. We anticipate the transaction closing by year-end 2026, subject to the satisfaction or waiver of certain closing conditions.

Goodwill

We completed our annual goodwill impairment test as of April 1, 2026, and no impairment was identified. We evaluated qualitative factors (including macroeconomic conditions, industry and market considerations, cost factors, and overall financial performance) to determine whether it was more likely than not that the fair value of our reporting units was less than its carrying amount. Our evaluation of these factors concluded that it was not more likely than not that the fair value of our reporting units was less than its carrying amount and therefore no further testing was necessary.

(2) Employee Benefit Plans

Pension and Other Postretirement Benefit Plans

We sponsor and/or contribute to pension and postretirement health care and life insurance benefit plans for eligible employees. We did not contribute to our pension plans during the six months ended June 30, 2026. We do not expect to contribute additional amounts to our pension plans during the remainder of 2026.

(3) Financing Activities

On April 28, 2026, we priced \$150.0 million aggregate principal amount of South Dakota First Mortgage Bonds at a fixed interest rate of 5.51 percent maturing on June 15, 2036. We completed the issuance and sale of these bonds on June 15, 2026. Proceeds were utilized to redeem our \$60.0 million of 2.80 percent South Dakota First Mortgage Bonds due on June 15, 2026, to repay outstanding borrowings under our credit facility, and for general utility purposes.

(4) Commitments and Contingencies

LEGAL PROCEEDINGS

We are subject to various legal proceedings, governmental audits and claims that arise in the ordinary course of business. In our opinion, the amount of ultimate liability with respect to these actions will not materially affect our financial position, results of operations, or cash flows.