

HI-CRUSH INC.

(Subject to the finalization of claims settlements and fresh start accounting and valuation)

Consolidated Financial Statements and Operations Report
As of and For the Period Ended January 31, 2021
(Unaudited)

HI-CRUSH INC.
(Subject to the finalization of claims settlements and fresh start accounting and valuation)
Consolidated Balance Sheet
(In thousands)
(Unaudited)

January 31, 2021

Assets	
Current assets:	
Cash	\$ 29,271
Restricted cash	13,807
Accounts receivable, net	25,279
Inventories	16,036
Prepaid expenses and other current assets	16,751
Total current assets	101,144
Property, plant and equipment, net	141,001
Operating lease right-of-use assets	4,950
Intangible assets, net	11,584
Equity method investment	15,888
Other assets	735
Total assets	<u>\$ 275,302</u>
Liabilities and Stockholders' Equity	
Current liabilities:	
Accounts payable	\$ 15,333
Accrued and other current liabilities	18,957
Current portion of deferred revenues	3,304
Current portion of long-term debt	729
Current portion of operating lease liabilities	1,822
Total current liabilities	40,145
Deferred revenues	3,255
Long-term debt, net of debt discounts	2,720
Operating lease liabilities	3,127
Asset retirement obligations	19,545
Other liabilities	813
Total liabilities	69,605
Commitments and contingencies	
Stockholders' equity:	
Common stock, \$0.001 par value	9
Additional paid-in capital	225,108
Retained deficit	(19,412)
Accumulated other comprehensive loss	(8)
Total stockholders' equity	<u>205,697</u>
Total liabilities and stockholders' equity	<u>\$ 275,302</u>

HI-CRUSH INC.
Consolidated Statement of Operations
(In thousands)
(Unaudited)

	January 31, 2021
	Year To Date
Revenues	\$ 19,030
Cost of goods sold (excluding depreciation, depletion and amortization)	16,724
Depreciation, depletion and amortization	1,946
Gross profit	360
Operating costs and expenses:	
General and administrative	2,151
Depreciation and amortization	342
Accretion	242
Restructuring	309
Other operating expenses, net	66
Loss from operations	(2,750)
Other income (expense):	
Earnings from equity method investment	265
Interest expense	(1,243)
Loss before income tax	(3,728)
Income tax expense (benefit)	—
Net loss	\$ (3,728)
Foreign currency translation adjustment	2
Comprehensive loss	\$ (3,726)

HI-CRUSH INC.
Consolidated Statement of Cash Flows
(In thousands)
(Unaudited)

January 31, 2021
Year To Date

Operating activities:	
Net loss	\$ (3,728)
Adjustments to reconcile net loss to net cash provided by operating activities:	
Depreciation, depletion and amortization	2,288
Amortization of loan origination costs and debt discount	742
Accretion expense	242
Non-cash lease expense	147
Earnings from equity method investment	(265)
Changes in operating assets and liabilities:	
Accounts receivable	(472)
Inventories	2,110
Prepaid expenses and other current assets	1,402
Accounts payable and accrued liabilities	346
Other non-current assets and liabilities	(298)
Net cash provided by operating activities	2,514
Investing activities:	
Capital expenditures for property, plant and equipment	(583)
Net cash used in investing activities	(583)
Financing activities:	
Repayment of premium financing notes	(234)
Net cash used in financing activities	(234)
Effects of exchange rate on cash	—
Net increase (decrease) in cash and restricted cash	1,697
Cash and restricted cash at beginning of period	41,381
Cash and restricted cash at end of period	\$ 43,078

HI-CRUSH INC.
Consolidated Statement of Changes in Equity
(In thousands, except share amounts)
(Unaudited)

	Year To Date January 31, 2021					
	Common Stock		Additional Paid-In Capital	Retained Deficit	Accumulated Other Comprehensive Income (Loss)	Total Equity
	Shares	Par Value				
Balance at December 31, 2020	—	\$ —	\$ 225,117	\$ (15,684)	\$ (10)	\$ 209,423
Issuance of common stock	9,321,724	9	(9)	—	—	—
Other comprehensive income	—	—	—	—	2	2
Net loss	—	—	—	(3,728)	—	(3,728)
Balance at January 31, 2021	9,321,724	\$ 9	\$ 225,108	\$ (19,412)	\$ (8)	\$ 205,697

HI-CRUSH INC.
Operations Report
(Unaudited)

Revenues disaggregated by contractual relationships *(in thousands)*:

	January 31, 2021
	Year To Date
Sales to contract customers	\$ 5,959
Spot sales	6,896
Frac sand sales	12,855
Other revenues	6,175
Total revenues	<u>\$ 19,030</u>

Sand volumes sold by contractual relationships *(in tons)*:

	January 31, 2021
	Year To Date
Sales to contract customers	248,562
Spot sales	188,146
Total sand sold	<u>436,708</u>
Total sand produced and delivered	414,875

Sand volumes sold by point of sale *(in percentages)*:

	January 31, 2021
	Year To Date
Volumes sold FOB Mine	57 %
Volumes sold in-basin	25 %
Volumes sold at the wellsite	18 %
Volumes sold directly to E&Ps	57 %