

**HI-CRUSH INC.**

Consolidated Financial Statements  
As of and for the period ended May 31, 2021  
(Unaudited)

**HI-CRUSH INC.**  
Consolidated Balance Sheets  
(In thousands)  
(Unaudited)

	<b>May 31, 2021</b>	<b>December 31, 2020</b>
<b>Assets</b>		
Current assets:		
Cash	\$ 33,585	\$ 27,575
Restricted cash	21,815	13,806
Accounts receivable, net	41,871	24,807
Inventories	16,396	18,596
Prepaid expenses and other current assets	4,078	18,702
Total current assets	117,745	103,486
Property, plant and equipment, net	138,113	142,484
Operating lease right-of-use assets	4,767	5,097
Intangible assets, net	10,373	11,887
Equity method investment	16,072	15,648
Other assets	450	451
Total assets	<u>\$ 287,520</u>	<u>\$ 279,053</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 21,228	\$ 13,040
Accrued and other current liabilities	18,762	22,030
Current portion of deferred revenues	3,884	3,255
Current portion of long-term debt	—	719
Current portion of operating lease liabilities	1,944	1,810
Total current liabilities	45,818	40,854
Deferred revenues	2,844	3,255
Long-term debt, net debt discounts	5,669	1,992
Operating lease liabilities	2,733	3,273
Asset retirement obligations	20,134	19,418
Deferred tax liabilities	77	77
Other liabilities	813	813
Total liabilities	78,088	69,682
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.001 par value	49	—
Additional paid-in capital	228,553	225,117
Retained deficit	(19,163)	(15,736)
Accumulated other comprehensive loss	(7)	(10)
Total stockholders' equity	209,432	209,371
Total liabilities and stockholders' equity	<u>\$ 287,520</u>	<u>\$ 279,053</u>

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

	<b>Month Ended</b>	<b>Quarter to Date</b>	<b>Year-to-Date</b>
	<b>May 31, 2021</b>	<b>May 31, 2021</b>	<b>May 31, 2021</b>
Revenues	\$ 24,179	\$ 51,779	\$ 111,645
Cost of goods sold (excluding DD&A)	19,444	42,169	97,737
Gross profit	4,735	9,610	13,908
Operating costs and expenses:			
General and administrative	2,558	4,978	11,743
Depreciation, depletion and amortization	2,423	5,025	10,988
Accretion	239	477	1,182
Restructuring	28	117	806
Other operating (income) expense, net	445	473	(12,408)
Income (loss) from operations	(958)	(1,460)	1,597
Other income (expense):			
Earnings from equity method investment	364	574	1,463
Loss on extinguishment of debt	—	(383)	(383)
Interest expense	(1,259)	(2,510)	(6,122)
Income (loss) before income tax	(1,853)	(3,779)	(3,445)
Income tax expense (benefit)	—	(18)	(18)
Net income (loss)	<u>\$ (1,853)</u>	<u>\$ (3,761)</u>	<u>\$ (3,427)</u>

**Reconciliation of Net Income (Loss) to Adjusted EBITDA**

Net income (loss)	\$ (1,853)	\$ (3,761)	\$ (3,427)
Interest expense	1,259	2,510	6,122
Income tax expense (benefit)	—	(18)	(18)
Depreciation, depletion and amortization	2,423	5,025	10,988
Accretion	239	477	1,182
Restructuring	28	117	806
(Gain)/loss on sale of assets	(685)	(681)	(797)
Severance costs	134	154	245
Contract terminations/modifications and other	1,001	1,004	(11,901)
Earnings from equity method investments	(364)	(574)	(1,463)
Loss on extinguishment of debt	—	383	383
Fresh start step-up in working capital balances	—	—	2,728
One-time legal costs	—	(8)	91
<b>Adjusted EBITDA</b>	<u>\$ 2,182</u>	<u>\$ 4,628</u>	<u>\$ 4,939</u>

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

	<b>May 31, 2021</b>	
	<b>Month Ended</b>	<b>Year To Date</b>
<b>Operating activities:</b>		
Net income (loss)	\$ (1,853)	\$ (3,427)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation, depletion and amortization	2,423	10,988
Provision for credit losses	—	(75)
Amortization of debt issuance costs and discount	770	3,735
Accretion expense	239	1,182
Gain on disposal of property, plant and equipment	(685)	(797)
Non-cash lease expense	153	754
Earnings from equity method investment	(364)	(1,463)
Loss on extinguishment of debt	—	383
Inventory step-up amortization	—	776
Changes in operating assets and liabilities:		
Accounts receivable	(3,287)	(16,239)
Inventories	(4,144)	1,652
Prepaid expenses and other current assets	(650)	14,624
Accounts payable and accrued liabilities	6,852	7,199
Other non-current assets and liabilities	(223)	(439)
Net cash provided by operating activities	<u>(769)</u>	<u>18,853</u>
<b>Investing activities:</b>		
Capital expenditures for property, plant and equipment	(25)	(6,493)
Proceeds from sale of property, plant and equipment	156	338
Equity method (investments) distributions	—	1,039
Net cash used in investing activities	<u>131</u>	<u>(5,116)</u>
<b>Financing activities:</b>		
Repayment of premium financing notes	—	(719)
Proceeds from options exercised	1,001	1,001
Net cash used in financing activities	<u>1,001</u>	<u>282</u>
Effects of exchange rate on cash	<u>(1)</u>	<u>—</u>
Net increase (decrease) in cash and restricted cash	362	14,019
Cash and restricted cash at beginning of period	55,038	41,381
Cash and restricted cash at end of period	<u>\$ 55,400</u>	<u>\$ 55,400</u>

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

	<b>Year To Date May 31, 2021</b>					
	<b>Common Stock</b>		<b>Additional Paid-In Capital</b>	<b>Retained Deficit</b>	<b>Accumulated Other Comprehensive Income (Loss)</b>	<b>Total Equity</b>
	<b>Shares</b>	<b>Par Value</b>				
Balance at December 31, 2020	—	\$ —	\$ 225,117	\$ (15,736)	\$ (10)	\$ 209,371
Issuance of common stock	11,873,853	12	(12)	—	—	—
Conversion of paid-in-kind interest to note balance	—	—	2,484	—	—	2,484
Options exercised	37,073,147	37	964	—	—	1,001
Other comprehensive income	—	—	—	—	3	3
Net income (loss)	—	—	—	(3,427)	—	(3,427)
Balance at May 31, 2021	48,947,000	\$ 49	\$ 228,553	\$ (19,163)	\$ (7)	\$ 209,432