

HI-CRUSH INC.

Consolidated Financial Statements
As of and for the period ended April 30, 2022
(Unaudited)

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

	<u>April 30, 2022</u>	<u>December 31, 2021</u>
Assets		
Current assets:		
Cash	\$ 47,805	\$ 25,810
Restricted cash	10,558	21,820
Accounts receivable, net	70,022	50,167
Inventories	12,658	15,886
Prepaid expenses and other current assets	7,220	18,645
Total current assets	<u>148,263</u>	<u>132,328</u>
Property, plant and equipment, net	122,108	118,897
Operating lease right-of-use assets	9,518	9,825
Intangible assets, net	7,041	8,252
Other assets	392	386
Total assets	<u>\$ 287,322</u>	<u>\$ 269,688</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 30,024	\$ 26,069
Accrued and other current liabilities	16,533	18,442
Current portion of deferred revenues	2,561	5,591
Current portion of long-term debt	617	1,520
Current portion of operating lease liabilities	4,230	4,109
Total current liabilities	<u>53,965</u>	<u>55,731</u>
Long-term debt	1,542	1,147
Operating lease liabilities	5,209	5,733
Asset retirement obligations	15,011	21,381
Deferred tax liabilities	301	301
Total liabilities	<u>76,028</u>	<u>84,293</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.001 par value	357	357
Additional paid-in-capital	283,362	283,272
Retained earnings (deficit)	(72,425)	(98,227)
Accumulated other comprehensive loss	-	(7)
Total stockholders' equity	<u>211,294</u>	<u>185,395</u>
Total liabilities and stockholders' equity	<u>\$ 287,322</u>	<u>\$ 269,688</u>

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

	Month Ended	Year to Date
	April 30, 2022	April 30, 2022
Revenues	\$ 44,255	\$ 163,845
Cost of goods sold	32,517	130,785
Gross Profit	11,738	33,060
Operating costs and expenses:		
General and administrative	2,291	9,527
Depreciation, depletion and amortization	2,034	7,997
Accretion	548	1,205
Restructuring	11	95
Gain from sale of business	-	(11,399)
Other operating (income) expenses, net	(78)	(177)
Income (loss) from operations	6,932	25,812
Other income (expense):		
Interest expense	(20)	(83)
Income (loss) before income tax	6,912	25,729
Income tax expense (benefit)	-	-
Net Income (loss)	\$ 6,912	\$ 25,729

Reconciliation of Net Income (Loss) to Adjusted EBITDA

Net Income (loss)	\$ 6,912	\$ 25,729
Interest expense	20	83
Income tax expense (benefit)	-	-
Depreciation, depletion and amortization	2,034	7,997
Accretion	548	1,205
Restructuring	11	95
(Gain) loss on sale of assets	(76)	(147)
Gain from sale of business	-	(11,399)
Stock-based compensation expense	26	103
One-time legal costs	84	357
Adjusted EBITDA	\$ 9,559	\$ 24,023

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

	April 30, 2022	
	Month Ended	Year to Date
Operating activities:		
Net income (loss)	\$ 6,912	\$ 25,729
Adjustments to reconcile net income (loss) to net cash provided by operating		
Depreciation, depletion and amortization	2,034	7,997
Stock-based compensation to directors and employees	26	103
Accretion expense	548	1,205
Gain on disposal of property, plant and equipment	(76)	(147)
Gain on sale of business	-	(11,399)
Non-cash lease expense	374	1,371
Changes in operating assets and liabilities:		
Accounts receivable	5,073	(21,320)
Inventories	(1,265)	2,140
Prepaid expenses and other current assets	2,020	11,035
Accounts payable, accrued liabilities and deferred revenue	164	(5,795)
Net cash provided by operating activities	<u>15,810</u>	<u>10,919</u>
Investing activities:		
Capital expenditures for property, plant and equipment	(2,505)	(6,660)
Proceeds from sale of property, plant and equipment	775	1,814
Proceeds from sale of business	-	6,478
Net cash used in investing activities	<u>(1,730)</u>	<u>1,632</u>
Financing activities:		
Repayment of notes payable	(612)	(1,818)
Net cash used in financing activities	<u>(612)</u>	<u>(1,818)</u>
Effects of exchange rate on cash	-	-
Net increase (decrease) in cash and restricted cash	<u>13,468</u>	<u>10,733</u>
Cash and restricted cash at beginning of period	44,895	47,630
Cash and restricted cash at end of period	<u>\$ 58,363</u>	<u>\$ 58,363</u>

HI-CRUSH INC.

Consolidated Statement of Changes in Equity

(In thousands, except share amounts)

(Unaudited)

	<u>Common Stock</u>		<u>Additional Paid-In- Capital</u>	<u>Retained Earnings (Deficit)</u>	<u>Accumulated Other Comprehensive</u>	<u>Total Equity</u>
	<u>Shares</u>	<u>Par Value</u>				
Balance at December 31, 2021	356,827,157	\$ 357	\$ 283,272	\$ (98,227)	\$ (7)	\$ 185,395
Stock-based compensation expense	-	-	103	-	-	103
Other	-	-	(13)	73	-	60
Accrued distribution equivalent rights	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	7	7
Net income (loss)	-	-	-	25,729	-	25,729
Balance at April 30, 2022	<u>356,827,157</u>	<u>\$ 357</u>	<u>\$ 283,362</u>	<u>\$ (72,425)</u>	<u>\$ -</u>	<u>\$ 211,294</u>