

**HI-CRUSH INC.**

Consolidated Financial Statements  
As of and for the period ended August 31, 2022  
(Unaudited)

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

	<u>August 31, 2022</u>	<u>December 31, 2021</u>
<b>Assets</b>		
Current assets:		
Cash	\$ 68,362	\$ 25,810
Restricted cash	10,550	21,820
Accounts receivable, net	79,247	50,167
Inventories	15,740	15,886
Prepaid expenses and other current assets	9,355	18,645
Total current assets	<u>183,254</u>	<u>132,328</u>
Property, plant and equipment, net	135,931	118,897
Operating lease right-of-use assets	12,328	9,825
Intangible assets, net	5,830	8,252
Other assets	415	386
Total assets	<u>\$ 337,758</u>	<u>\$ 269,688</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 34,776	\$ 26,069
Accrued and other current liabilities	20,567	18,442
Current portion of deferred revenues	1,426	5,591
Current portion of long-term debt	2,998	1,520
Current portion of operating lease liabilities	5,721	4,109
Total current liabilities	<u>65,488</u>	<u>55,731</u>
Long-term debt	859	1,147
Operating lease liabilities	6,578	5,733
Asset retirement obligations	15,428	21,381
Deferred tax liabilities	301	301
Total liabilities	<u>88,654</u>	<u>84,293</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.001 par value	359	357
Additional paid-in-capital	283,571	283,272
Retained earnings (deficit)	(34,826)	(98,227)
Accumulated other comprehensive loss	-	(7)
Total stockholders' equity	<u>249,104</u>	<u>185,395</u>
Total liabilities and stockholders' equity	<u>\$ 337,758</u>	<u>\$ 269,688</u>

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

	<b>Month Ended</b>	<b>Year to Date</b>
	<b>August 31, 2022</b>	<b>August 31, 2022</b>
Revenues	\$ 52,559	\$ 366,120
Cost of goods sold	37,671	275,875
Gross Profit	14,888	90,245
Operating costs and expenses:		
General and administrative	2,017	19,261
Depreciation, depletion and amortization	2,434	17,882
Accretion	134	1,742
Restructuring	9	122
Gain from sale of business	-	(11,399)
Other operating (income) expenses, net	(336)	(805)
Income (loss) from operations	10,630	63,442
Other income (expense):		
Interest expense	6	(114)
Income (loss) before income tax	10,636	63,328
Income tax expense (benefit)	-	-
Net Income (loss)	\$ 10,636	\$ 63,328

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

Net Income (loss)	\$ 10,636	\$ 63,328
Interest expense	(6)	114
Depreciation, depletion and amortization	2,434	17,882
Accretion	134	1,742
Restructuring	9	122
(Gain) loss on sale of assets	(452)	(848)
Gain from sale of business	-	(11,399)
Contract terminations/modifications and other	-	(128)
Stock-based compensation expense	25	206
One-time legal professional fees	54	1,689
Adjusted EBITDA	\$ 12,834	\$ 72,708

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

	<b>August 31, 2022</b>	
	<b>Month Ended</b>	<b>Year to Date</b>
<b>Operating activities:</b>		
Net income (loss)	\$ 10,636	\$ 63,328
Adjustments to reconcile net income (loss) to net cash provided by operating		
Depreciation, depletion and amortization	2,434	17,882
Stock-based compensation	25	206
Accretion expense	134	1,742
Gain on disposal of property, plant and equipment	(452)	(848)
Gain on sale of business	-	(11,399)
Non-cash lease expense	470	2,961
Changes in operating assets and liabilities:		
Accounts receivable	3,015	(30,510)
Inventories	(769)	(258)
Prepaid expenses and other current assets	(460)	8,884
Accounts payable, accrued liabilities and deferred revenue	(1,072)	(2,944)
Net cash provided by operating activities	<u>13,961</u>	<u>49,044</u>
<b>Investing activities:</b>		
Capital expenditures for property, plant and equipment	(5,662)	(26,927)
Proceeds from sale of property, plant and equipment	570	3,212
Proceeds from sale of business	-	6,478
Net cash used in investing activities	<u>(5,092)</u>	<u>(17,237)</u>
<b>Financing activities:</b>		
Proceeds from notes payable	-	2,142
Repayment of notes payable	(291)	(2,775)
Proceeds from options exercised	45	108
Net cash used in financing activities	<u>(246)</u>	<u>(525)</u>
Effects of exchange rate on cash	-	-
Net increase (decrease) in cash and restricted cash	<u>8,623</u>	<u>31,282</u>
Cash and restricted cash at beginning of period	70,289	47,630
Cash and restricted cash at end of period	<u>\$ 78,912</u>	<u>\$ 78,912</u>

**HI-CRUSH INC.**

## Consolidated Statement of Changes in Equity

(In thousands, except share amounts)

(Unaudited)

	<b>Common Stock</b>		<b>Additional Paid-In- Capital</b>	<b>Retained Earnings (Deficit)</b>	<b>Accumulated Other Comprehensive</b>	<b>Total Equity</b>
	<b>Shares</b>	<b>Par Value</b>				
Balance at December 31, 2021	356,827,157	\$ 357	\$ 283,272	\$ (98,227)	\$ (7)	\$ 185,395
Options exercised	4,011,107	2	106	-	-	108
Stock-based compensation expense	-	-	206	-	-	206
Other	-	-	(13)	73	-	60
Other comprehensive income	-	-	-	-	7	7
Net income (loss)	-	-	-	63,328	-	63,328
Balance at August 31, 2022	360,838,264	\$ 359	\$ 283,571	\$ (34,826)	\$ -	\$ 249,104