

HI-CRUSH INC.

Consolidated Financial Statements
As of and for the period ended January 31, 2023
(Unaudited)

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

	<u>January 31, 2023</u>	<u>December 31, 2022</u>
Assets		
Current assets:		
Cash	\$ 38,333	\$ 26,855
Restricted cash	10,561	10,559
Accounts receivable, net	92,784	92,209
Inventories	18,641	17,628
Prepaid expenses and other current assets	8,503	8,570
Total current assets	<u>168,822</u>	<u>155,821</u>
Property, plant and equipment, net	146,456	142,803
Operating lease right-of-use assets	16,745	17,251
Intangible assets, net	4,421	4,619
Other assets	146	146
Total assets	<u>\$ 336,590</u>	<u>\$ 320,640</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 41,613	\$ 44,465
Accrued and other current liabilities	24,851	20,779
Current portion of deferred revenues	4,655	666
Current portion of long-term debt	2,765	2,943
Current portion of operating lease liabilities	8,038	8,018
Total current liabilities	<u>81,922</u>	<u>76,871</u>
Long-term debt	676	849
Operating lease liabilities	8,734	9,257
Asset retirement obligations	15,830	15,759
Deferred tax liabilities	301	301
Total liabilities	<u>107,463</u>	<u>103,037</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.001 par value	-	-
Additional paid-in-capital	282,668	282,668
Retained earnings (deficit)	(53,541)	(65,065)
Total stockholders' equity	<u>229,127</u>	<u>217,603</u>
Total liabilities and stockholders' equity	<u>\$ 336,590</u>	<u>\$ 320,640</u>

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

	Month Ended
	January 31, 2023
Revenues	\$ 57,263
Cost of goods sold	40,479
Gross Profit	16,784
Operating costs and expenses:	
General and administrative	2,344
Depreciation, depletion and amortization	2,973
Accretion	134
Restructuring	9
Other operating (income) expenses, net	(150)
Income (loss) from operations	11,474
Other income (expense):	
Interest income (expense)	50
Income (loss) before income tax	11,524
Income tax expense (benefit)	-
Net Income (loss)	\$ 11,524

Reconciliation of Net Income (Loss) to Adjusted EBITDA

Net Income (loss)	\$ 11,524
Interest (income) expense	(50)
Depreciation, depletion and amortization	2,973
Accretion	134
Restructuring	9
One-time legal professional fees	(3)
Adjusted EBITDA	\$ 14,587

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

	January 31, 2023
	Month Ended
Operating activities:	
Net income (loss)	\$ 11,524
Adjustments to reconcile net income (loss) to net cash provided by operating	
Depreciation, depletion and amortization	2,973
Accretion expense	134
Non-cash lease expense	672
Changes in operating assets and liabilities:	
Accounts receivable	(575)
Inventories	(1,496)
Prepaid expenses and other current assets	67
Accounts payable, accrued liabilities and deferred revenue	4,765
Net cash provided by operating activities	18,064
Investing activities:	
Capital expenditures for property, plant and equipment	(5,863)
Net cash used in investing activities	(5,863)
Financing activities:	
Repayment of notes payable	(721)
Net cash used in financing activities	(721)
Net increase (decrease) in cash and restricted cash	11,480
Cash and restricted cash at beginning of period	37,414
Cash and restricted cash at end of period	\$ 48,894

HI-CRUSH INC.

Consolidated Statement of Changes in Equity

(In thousands, except share amounts)

(Unaudited)

	Common Stock		Additional	Retained	
	Shares	Par Value	Paid-In-Capital	Earnings (Deficit)	Total Equity
Balance at December 31, 2022	7,185	\$ -	\$ 282,668	\$ (65,065)	\$ 217,603
Net income (loss)	-	-	-	11,524	11,524
Balance at January 31, 2023	7,185	\$ -	\$ 282,668	\$ (53,541)	\$ 229,127