

**HI-CRUSH INC.**

Consolidated Financial Statements

As of and for the period ended February 28, 2023

(Unaudited)

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

	<u>February 28, 2023</u>	<u>December 31, 2022</u>
<b>Assets</b>		
Current assets:		
Cash	\$ 39,122	\$ 26,855
Restricted cash	10,563	10,559
Accounts receivable, net	105,000	92,209
Inventories	16,838	17,628
Prepaid expenses and other current assets	8,157	8,570
Total current assets	<u>179,680</u>	<u>155,821</u>
Property, plant and equipment, net	146,856	142,803
Operating lease right-of-use assets	16,070	17,251
Intangible assets, net	4,223	4,619
Other assets	152	146
Total assets	<u>\$ 346,981</u>	<u>\$ 320,640</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 47,503	\$ 44,465
Accrued and other current liabilities	20,422	20,779
Current portion of deferred revenues	4,544	666
Current portion of long-term debt	2,586	2,943
Current portion of operating lease liabilities	7,978	8,018
Total current liabilities	<u>83,033</u>	<u>76,871</u>
Long-term debt	356	849
Operating lease liabilities	8,123	9,257
Asset retirement obligations	15,964	15,759
Deferred tax liabilities	301	301
Total liabilities	<u>107,777</u>	<u>103,037</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.001 par value	-	-
Additional paid-in-capital	282,717	282,668
Retained earnings (deficit)	(43,513)	(65,065)
Total stockholders' equity	<u>239,204</u>	<u>217,603</u>
Total liabilities and stockholders' equity	<u>\$ 346,981</u>	<u>\$ 320,640</u>

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

	<b>Month Ended</b>	<b>Year to Date</b>
	<b>February 28, 2023</b>	<b>February 28, 2023</b>
Revenues	\$ 62,104	\$ 119,367
Cost of goods sold	46,533	87,012
Gross Profit	15,571	32,355
Operating costs and expenses:		
General and administrative	2,483	4,827
Depreciation, depletion and amortization	2,812	5,785
Accretion	134	268
Other operating (income) expenses, net	104	(37)
Income (loss) from operations	10,038	21,512
Other income (expense):		
Interest income (expense)	(10)	40
Income (loss) before income tax	10,028	21,552
Income tax expense (benefit)	-	-
Net Income (loss)	\$ 10,028	\$ 21,552

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

Net Income (loss)	\$ 10,028	\$ 21,552
Interest (income) expense	10	(40)
Depreciation, depletion and amortization	2,812	5,785
Accretion	134	268
Restructuring	(2)	7
(Gain) loss on sale of assets	11	11
Stock-based compensation expense	49	49
One-time legal professional fees	107	104
Adjusted EBITDA	\$ 13,149	\$ 27,736

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

	<b>February 28, 2023</b>	
	<b>Month Ended</b>	<b>Year to Date</b>
<b>Operating activities:</b>		
Net income (loss)	\$ 10,028	\$ 21,552
Adjustments to reconcile net income (loss) to net cash provided by		
Depreciation, depletion and amortization	2,812	5,785
Stock-based compensation	49	49
Accretion expense	134	268
Gain on disposal of property, plant and equipment	11	11
Non-cash lease expense	675	1,347
Changes in operating assets and liabilities:		
Accounts receivable	(12,216)	(12,791)
Inventories	1,459	(37)
Prepaid expenses and other current assets	340	407
Accounts payable, accrued liabilities and deferred revenue	407	5,172
Net cash provided by operating activities	3,699	21,763
<b>Investing activities:</b>		
Capital expenditures for property, plant and equipment	(2,619)	(8,482)
Proceeds from sale of property, plant and equipment	210	210
Net cash used in investing activities	(2,409)	(8,272)
<b>Financing activities:</b>		
Repayment of notes payable	(499)	(1,220)
Net cash used in financing activities	(499)	(1,220)
Net increase (decrease) in cash and restricted cash	791	12,271
Cash and restricted cash at beginning of period	48,894	37,414
Cash and restricted cash at end of period	\$ 49,685	\$ 49,685

**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>Total Equity</b>
	<b>Shares</b>	<b>Par Value</b>			
Balance at December 31, 2022	7,185	\$ -	\$ 282,668	\$ (65,065)	\$ 217,603
Stock-based compensation expense	-	-	49	-	49
Net income (loss)	-	-	-	21,552	21,552
Balance at February 28, 2023	7,185	\$ -	\$ 282,717	\$ (43,513)	\$ 239,204