

HI-CRUSH INC.

Consolidated Financial Statements
As of and for the period ended January 31, 2024
(Unaudited)

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

	January 31, 2024	December 31, 2023
Assets		
Current assets:		
Cash	\$ 49,384	\$ 44,929
Restricted cash	8,137	8,102
Accounts receivable, net	99,939	94,341
Inventories	19,500	22,362
Prepaid expenses and other current assets	7,930	7,904
Total current assets	<u>184,890</u>	<u>177,638</u>
Property, plant and equipment, net	162,292	161,938
Operating lease right-of-use assets	28,756	30,222
Intangible assets, net	2,126	2,242
Other assets	129	152
Total assets	<u>\$ 378,193</u>	<u>\$ 372,192</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 39,303	\$ 43,097
Accrued and other current liabilities	34,302	33,608
Current portion of deferred revenues	3,225	3,439
Current portion of long-term debt	2,931	3,121
Current portion of operating lease liabilities	15,473	15,975
Total current liabilities	<u>95,234</u>	<u>99,240</u>
Deferred revenues	10,513	10,513
Long-term debt	222	454
Operating lease liabilities	13,130	14,267
Asset retirement obligations	16,897	16,858
Deferred tax liabilities	245	245
Total liabilities	<u>136,241</u>	<u>141,577</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.001 par value	-	-
Additional paid-in-capital	283,176	283,176
Retained earnings (deficit)	(41,224)	(52,561)
Total stockholders' equity	<u>241,952</u>	<u>230,615</u>
Total liabilities and stockholders' equity	<u>\$ 378,193</u>	<u>\$ 372,192</u>

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

	Month Ended
	January 31, 2024
Revenues	\$ 64,543
Cost of goods sold	48,114
Gross Profit	16,429
Operating costs and expenses:	
General and administrative	2,544
Depreciation, depletion and amortization	3,045
Accretion	44
Other operating (income) expenses, net	(349)
Income (loss) from operations	11,145
Other income (expense):	
Interest income (expense)	192
Income (loss) before income tax	11,337
Income tax expense (benefit)	-
Net Income (loss)	\$ 11,337
Reconciliation of Net Income (Loss) to Adjusted EBITDA	
Net Income (loss)	\$ 11,337
Interest (income) expense	(192)
Depreciation, depletion and amortization	3,045
Accretion	44
(Gain) loss on sale of assets	(273)
One-time legal professional fees	16
Adjusted EBITDA	\$ 13,977

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

	Year to Date
	January 31, 2024
Operating activities:	
Net income (loss)	\$ 11,337
Adjustments to reconcile net income (loss) to net cash provided by operating activities:	
Depreciation, depletion and amortization	3,045
Accretion expense	44
Gain (loss) on disposal of property, plant and equipment	(273)
Non-cash lease expense	1,531
Changes in operating assets and liabilities:	
Accounts receivable	(5,598)
Inventories	2,453
Prepaid expenses and other current assets	(3)
Accounts payable and other liabilities	(3,517)
Net cash provided by operating activities	9,019
Investing activities:	
Capital expenditures for property, plant and equipment	(3,046)
Proceeds from sale of property, plant and equipment	314
Net cash used in investing activities	(2,732)
Financing activities:	
Repayment of notes payable	(1,797)
Net cash used in financing activities	(1,797)
Net change in cash and restricted cash	4,490
Cash and restricted cash at beginning of period	53,031
Cash and restricted cash at end of period	\$ 57,521

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

	Common Stock		Additional Paid-In- Capital	Retained Earnings (Deficit)	Total Equity
	Shares	Par Value			
Balance at December 31, 2023	7,175	\$ -	\$ 283,176	\$ (52,561)	\$ 230,615
Net income (loss)	-	-	-	11,337	11,337
Balance at January 31, 2024	7,175	\$ -	\$ 283,176	\$ (41,224)	\$ 241,952