

PETROQUEST ENERGY INC.
Consolidated Balance Sheet
(unaudited)
(Amounts in thousands, except per share data)

	September 30, 2021	December 31, 2020
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 19,488	\$ 11,500
Restricted cash	395	395
Revenue receivable	4,826	3,026
Joint interest billing receivable	5,706	2,182
Other current assets	377	275
Total current assets	\$ 30,792	\$ 17,378
Property and equipment:		
Oil and gas properties:		
Oil and gas properties, full cost method	108,030	98,629
Unevaluated oil and gas properties	134,940	128,578
Accumulated depreciation, depletion and amortization	(75,525)	(68,807)
Oil and gas properties, net	167,445	158,401
Other property and equipment	387	387
Accumulated depreciation of other property and equipment	(287)	(224)
Total property and equipment	167,545	158,564
Other assets	198	196
Right of use asset	159	377
Total assets	\$ 198,694	\$ 176,515
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable to vendors	\$ 6,401	\$ 3,046
Oil and gas revenue payable	5,606	5,024
Asset retirement obligation	449	449
Hedge liability	8,836	-
Other accrued liabilities	1,962	81
Right of use liability-short-term	120	246
Total current liabilities	23,374	8,847
Multi-draw Term Loan	61,078	56,418
10% Senior Secured PIK Notes due 2024	-	84,877
SBA Loan	-	531
Asset retirement obligation	2,947	2,777
Deferred income taxes	694	694
Other liabilities	603	603
Hedge liability-long-term	389	-
Right of use liability-long-term	-	70
Total liabilities	89,085	154,817
Stockholders' equity :		
Common stock, \$.01 par value; authorized 175,000 shares, issued and outstanding 109,477 and 9,477 shares, respectively	1,095	95
Paid-in capital	161,010	77,247
Retained deficit	(52,495)	(55,644)
Total stockholders' equity	109,609	21,698
Total liabilities and stockholders' equity	\$ 198,694	\$ 176,515

PETROQUEST ENERGY INC.
Consolidated Statements of Operations
(unaudited)
(Amounts in thousands, except per share data)

	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Revenues:				
Oil and gas sales	\$ 10,736	\$ 6,884	\$ 32,766	\$ 21,023
Expenses:				
Lease operating expenses	2,579	3,081	8,019	11,263
Production taxes	543	352	1,597	1,075
Depreciation, depletion and amortization	2,073	2,460	6,635	9,664
Ceiling test write-down	-	4,895	146	34,524
General and administrative	327	1,481	2,800	6,943
Restructuring expense	548	400	1,296	1,681
Accretion of asset retirement obligation	57	(2)	169	67
Derivative expense	6,013	-	9,224	-
Interest expense	-	1,150	-	3,165
Lease costs	94	157	277	565
	<u>12,234</u>	<u>13,974</u>	<u>30,163</u>	<u>68,947</u>
Other income:				
Other income	<u>535</u>	<u>54</u>	<u>545</u>	<u>305</u>
Income(loss) from operations	(963)	(7,036)	3,149	(47,619)
Income tax benefit	-	-	-	31
Income(loss) available to common stockholders	<u>\$ (963)</u>	<u>\$ (7,036)</u>	<u>\$ 3,149</u>	<u>\$ (47,588)</u>
Net Income(loss) per common share:				
Basic	<u>\$ (0.01)</u>	<u>\$ (0.74)</u>	<u>\$ 0.03</u>	<u>\$ (5.08)</u>
Diluted	<u>\$ (0.01)</u>	<u>\$ (0.74)</u>	<u>\$ 0.03</u>	<u>\$ (5.08)</u>
Weighted average number of common shares:				
Basic	<u>109,740</u>	<u>9,477</u>	<u>109,477</u>	<u>9,476</u>
Diluted	<u>109,740</u>	<u>9,477</u>	<u>109,740</u>	<u>9,476</u>

PETROQUEST ENERGY INC.
Consolidated Statements of Cash Flows
(unaudited)
(Amounts in thousands)

	Nine Months Ended September 30, 2021	Nine Months Ended September 30, 2020
Cash flows from operating activities:		
Net income (loss)	\$ 3,149	\$ (40,551)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation, depletion and amortization	6,636	7,205
Ceiling test write-down	146	29,629
Accretion of asset retirement obligation	169	69
Share-based compensation expense	(308)	668
Non-cash derivative expense	9,225	-
Amortization costs and other	22	1,378
Changes in working capital accounts:		
Revenue receivable	(1,800)	2,746
Joint interest billing receivable	(3,523)	2,002
Accounts payable and accrued liabilities	3,153	(2,996)
Advances from co-owners	1,828	8
Refund of surety bonds	-	262
Other	(103)	751
Net cash provided by operating activities	18,594	1,171
Cash flows used in investing activities:		
Investment in oil and gas properties	(10,072)	(1,233)
Net cash used in investing activities	(10,072)	(1,233)
Cash flows (used in) provided by financing activities:		
Deferred financing costs	(3)	-
Proceeds from SBA loan	(531)	530
Net cash (used in) provided by financing activities	(534)	530
Net increase (decrease) in cash and cash equivalents	7,988	468
Cash, restricted cash and cash equivalents, beginning of period	11,895	3,298
Cash, restricted cash and cash equivalents, end of period	\$ 19,883	\$ 3,766
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest, net of capitalized interest	\$ -	\$ 818
Reorganization items, net	\$ 1,296	\$ 1,281