

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

	December 31, 2022	December 31, 2021
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 3,544	\$ 21,339
Restricted cash	34	395
Revenue receivable	2,573	2,921
Joint interest billing receivable	11,475	7,702
Hedge asset	1,131	-
Other current assets	208	337
Total current assets	\$ 18,965	\$ 32,694
Property and equipment:		
Oil and gas properties:		
Oil and gas properties, full cost method	167,404	110,628
Unevaluated oil and gas properties	131,875	146,237
Accumulated depreciation, depletion and amortization	(93,823)	(84,179)
Oil and gas properties, net	205,457	172,687
Other property and equipment	387	387
Accumulated depreciation of other property and equipment	(354)	(308)
Total property and equipment	205,490	172,766
Other assets	88	80
Total assets	\$ 224,543	\$ 205,539
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable to vendors	\$ 3,227	\$ 9,561
Oil and gas revenue payable	4,312	4,018
Asset retirement obligation	2,293	424
Hedge liability	-	1,528
Other accrued liabilities	74	3,707
Right of use liability-short-term	-	51
Total current liabilities	9,906	19,290
Multi-draw Term Loan	78,102	62,578
Asset retirement obligation	1,952	1,755
Deferred income taxes	815	816
Other liabilities	12	12
Hedge liability-long-term	-	-
Total liabilities	90,788	84,451
Stockholders' equity :		
Common stock, \$.01 par value; authorized 1,300 and 175,000 shares, respectively; issued and outstanding 1,091 and 109,477 shares, respectively	11	1,095
Paid-in capital	162,202	161,086
Retained deficit	(28,457)	(41,091)
Total stockholders' equity	133,755	121,090
Total liabilities and stockholders' equity	\$ 224,543	\$ 205,539

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

	Twelve Months ended December 31, 2022	Twelve Months ended December 31, 2021
Revenues:		
Oil and gas sales	\$ 40,192	\$ 41,181
Expenses:		
Lease operating expenses	13,130	10,567
Production taxes	2,241	2,111
Depreciation, depletion and amortization	9,539	7,801
Ceiling test write-down	-	146
General and administrative	4,347	3,272
Restructuring expense	487	1,652
Accretion of asset retirement obligation	119	202
Derrivative expense	(2,659)	1,528
Interest expense	-	0
Lease costs	239	365
	<u>27,441</u>	<u>27,643</u>
Other income:		
Other income (expense)	(118)	1,137
Income/(Loss) from operations	12,633	14,674
Reorganization items, net	-	-
Income tax (expense)/benefit	-	(92)
Income (loss) available to common stockholders	<u>\$ 12,633</u>	<u>\$ 14,582</u>
Net income (loss) per common share:		
Basic	\$ 11.58	\$ 0.13
Diluted	<u>\$ 11.58</u>	<u>\$ 0.13</u>
Weighted average number of common shares:		
Basic	1,091	109,477
Diluted	<u>1,091</u>	<u>109,740</u>

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

	Three Months Ended December 31, 2022	Three Months Ended December 31, 2021	Twelve Months Ended December 31, 2022	Twelve Months Ended December 31, 2021
Revenues:				
Oil and gas sales	\$ 12,812	\$ 8,414	\$ 40,192	\$ 41,181
Expenses:				
Lease operating expenses	2,861	2,548	13,130	10,567
Production taxes	913	514	2,241	2,111
Depreciation, depletion and amortization	2,599	1,166	9,539	7,801
Ceiling test write-down	-	-	-	146
General and administrative	501	472	4,347	3,272
Restructuring expense	209	356	487	1,652
Accretion of asset retirement obligation	25	33	119	202
Derivative expense	(3,510)	(7,696)	(2,659)	1,528
Interest expense	-	-	-	-
Lease costs	63	88	239	365
	<u>3,661</u>	<u>(2,519)</u>	<u>27,441</u>	<u>27,643</u>
Other income:				
Other income	(68)	592	(118)	1,137
Income(loss) from operations	9,083	11,525	12,633	14,674
Income tax benefit	-	(92)	-	(92)
Income(loss) available to common stockholders	<u>\$ 9,083</u>	<u>\$ 11,433</u>	<u>\$ 12,633</u>	<u>\$ 14,582</u>
Net Income(loss) per common share:				
Basic	\$ 6.56	\$ 0.10	\$ 11.58	\$ 0.13
Diluted	<u>\$ 6.56</u>	<u>\$ 0.10</u>	<u>\$ 11.58</u>	<u>\$ 0.13</u>
Weighted average number of common shares:				
Basic	1,091	109,477	1,091	109,477
Diluted	<u>1,091</u>	<u>109,740</u>	<u>1,091</u>	<u>109,740</u>

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

	Twelve Months Ended December 31, 2022	Twelve Months Ended December 31, 2021
Cash flows from operating activities:		
Net income (loss)	\$ 12,633	\$ 14,582
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Deferred tax expense	-	93
Depreciation, depletion and amortization	9,690	7,801
Ceiling test write-down	-	146
Accretion of asset retirement obligation	119	202
Share-based compensation expense	32	(232)
Non-cash derivative income/expense	(2,659)	1,528
Amortization costs and other	881	87
Non-cash interest expense on PIK Notes	-	-
Payments to settle asset retirement obligations	646	(967)
SBA loan forgiven	-	(531)
Changes in working capital accounts:		
Revenue receivable	489	(36)
Joint interest billing receivable	(3,773)	(5,520)
Accounts payable and accrued liabilities	(4,728)	3,451
Other	204	(63)
Net cash provided by operating activities	13,534	20,541
Cash flows used in investing activities:		
Investment in oil and gas properties	(46,199)	(24,681)
Non-cash PIK interest-capitalized	7,009	5,450
Non-cash debt amortization	-	1,020
Sale of oil and gas properties	-	7,509
Net cash used in investing activities	(39,190)	(10,702)
Cash flows (used in) provided by financing activities:		
Draw on Term Loan	7,500	-
Deferred financing costs	-	-
Net cash (used in) provided by financing activities	7,500	-
Net increase (decrease) in cash and cash equivalents	(18,156)	9,839
Cash, restricted cash and cash equivalents, beginning of period	21,734	11,895
Cash, restricted cash and cash equivalents, end of period	\$ 3,578	\$ 21,734
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest, net of capitalized interest	\$ -	\$ -
Reorganization items, net	\$ 487	\$ 1,652